

George Cross News Letter

NO.64(1987)
APRIL 1, 1987

MASCOT GOLD MINES LIMITED(MSG-V,T)

SIGNIFICANT EXTENSIONS TO ORE RESERVES - Exploration and INDICATED BY NEW DRILL HOLES and development diamond drilling

has recently extended gold reserve zones in four areas of the Nickel Plate mine of Mascot Gold Mines Limited. The mine is located at Hedley, 150 miles east of Vancouver, B.C.

Construction of the 2,700 ton per day gold recovery plant is nearing completion. The plant construction and mine preparation program continued to be ahead of schedule and under budget. The crushing plant has completed tune-up and is now producing road gravel from waste rock during the present development of the South and Central pits. To date 2,100,000 tons of ore and waste have been mined from the pit areas. About 110,000 tons of ore have been stockpiled from this mining. Other components of the plant are being commissioned as completed. Full plant operation is expected in the next few weeks. The

HORSEFLY CLAIM SIGNIFICANT CORE ASSAYS - IN ADDITION THERE ARE MANY LONG SECTIONS OF LOWER GRADE (SEE PIT OUTLINE SKETCH OVERLEAF)

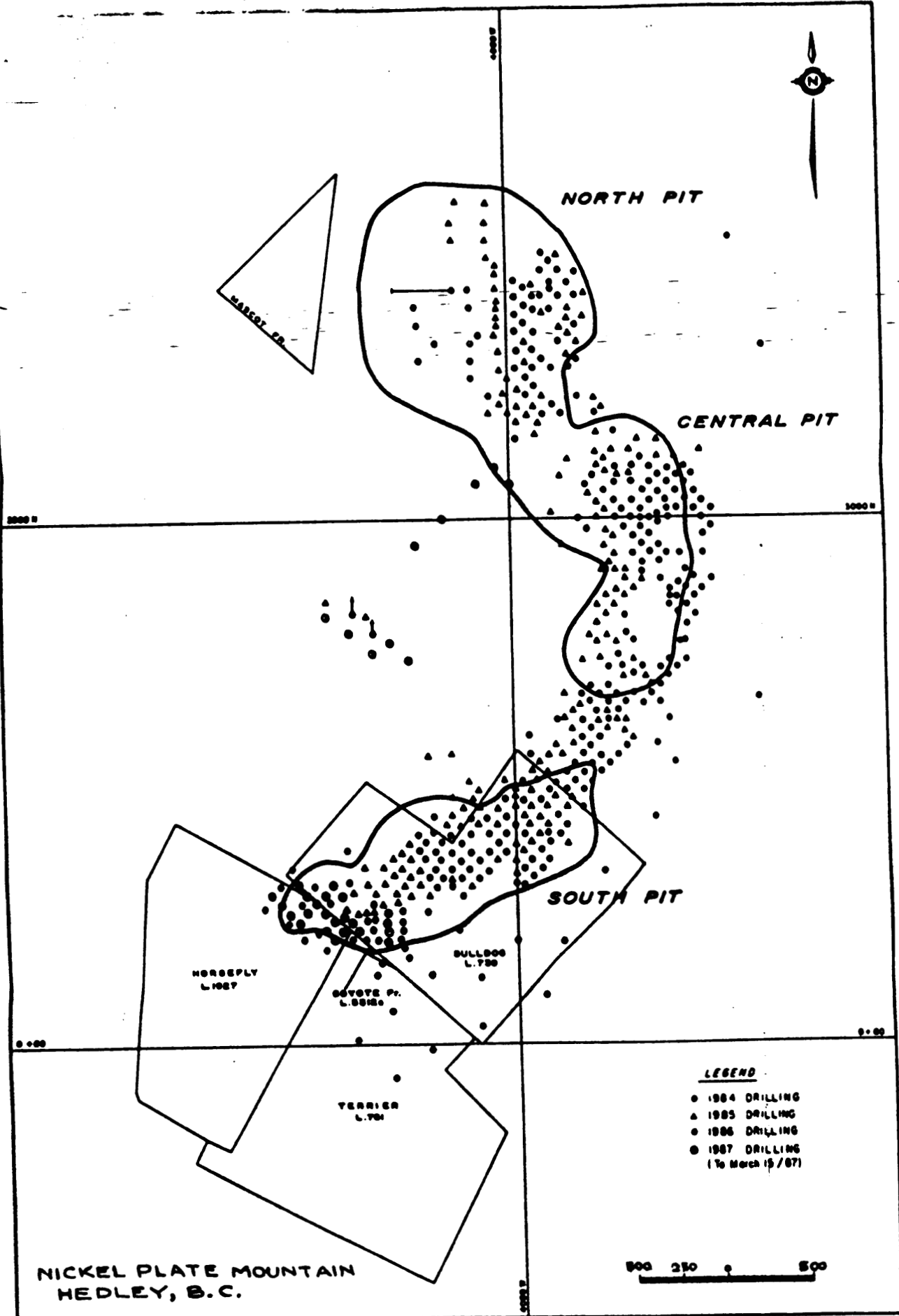
HOLE NO.	INTERVAL	WIDTH	OZ.GOLD/T
MG 86-446	74.6- 78.4	3.8 ft.	0.204
	310. -320.	10.	.090
	470. -471.9	1.2	.166
MG 86-448	277. -279.	2.	.094
	497. -500.	3.	.079
	506. -512.	6.	.075
MG 86-452	13. - 20.	7.	.121
	46. - 76.4	30.4	.084
	317 -323	6.	1.590
	470. -473.	3.	.113
	478. -491	13.	.116
MG 86-454	463. -469.	6.	.306
MG 86-455	55. - 58.	3.	.635
	529. -532.	3.	.232
MG 86-456	26.2- 28.	1.8	.152
	172.4-174.3	1.9	.141
MG 86-477	43.5- 53.8	10.3	.239
MG 86-482	38. - 43.	5.	.552
	295.5-306.	10.5	.470
	326. -356.5	30.5	.122
	581. -598.5	17.5	.312
MG 87-485	145. -150.	5.	.176
	554.5-566.	11.5	.118
MG 87-486	19. - 25.7	6.7	.132

mine operating crew has been increased to 140 persons. Construction crew employed at the peak of activity was approximately 300 persons, and has now been reduced to approximately 40.

As part of the mine planning program, Mascot Gold Mines, in 1986, bought 13 adjoining claims from Golden North Resources for cash with Golden North retaining a 20% net profits interest in any ore produced from the claims. Two of these claims are the Horsefly and Terrier which are located along the southeastern side of the South Pit area. Eighteen holes were recently diamond drilled in this area. Assay results from these holes are summarized in the table below. The results indicate a significant and as yet uncalculated additional tonnage to reserves. Further drilling in this area will continue as part of the mine development.

While this development drilling and plant construction have been underway, exploratory drilling has been carried out in other areas of the property.

	51.5- 60.5	9.	.366
	332.5-335.	2.5	.194
	354. -357.	3.	4.670
	437. -439.	2.	.118
	554. -580.5	26.5	.081
	584.5-588.5	4.	.737
	592.5-599.	6.5	.350
MG 87-488	42. 44.	2.	.202
	126. -129.	3.	.10
	356. -361.	5.	.234
	27.5- 31	3.5	.60
	235. -239.	4.	.22
	292.5-308.5	16.	.141
	312. -315.	3.	.131
	320. -325.	5.	.119
	327. -330.	3.	.128
	345. -353.	8.	.105
	439. -442.	3.	.100
MG 87-495	61.5- 64.5	3.	.192
	75. - 77.	0.2	.105
	251.5-258.	6.5	.143
	433. -448.5	5.5	.21
MG 87-502	114. -117.	3.	.118
	267. -269.	2.	.18
	319. -322.	3.	.132
	468. -471.	3.	.102
	587. -592.	5.	.14
	656. -669.5	13.5	.125




NICKEL PLATE MOUNTAIN
HEDLEY, B.C.

LEGEND

- 1984 DRILLING
- ▲ 1985 DRILLING
- 1986 DRILLING
- ⊙ 1987 DRILLING
(To March 15 / 87)



 Mascot Gold Mines Limited	NICKEL PLATE PROJECT SURFACE DRILLING	
	DATE March, 1987	SCALE 1" = 500'

BYG NATURAL RESOURCES INC. (BYG-T)

**NEWLY OPTIONED GOLD CLAIMS - T.J. Donaldson, P. Eng.,
AT ATLIN WILL BE EXPLORED** president of, B.Y.G.
Natural Resources Inc.
reports that their wholly owned Nansen Mining Corporation has obtained an option to buy 53 claims, known as the Beavis/Bayview group, at Atlin in NW B.C. The property lies 4 miles west and on strike with the Yellow-jacket property currently being explored by Homestake Mining. Diamond drilling by Homestake last season gave very encouraging gold values over significant vein widths.

Gold bearing veins on the Beavis/Bayview group were discovered in the early 1900's and explored by a 170-foot shaft and two levels totalling 300 feet at the 65-foot and 120-foot depths. Samples from the old ore dump suggest values in the 1.0 ounce per ton range.

It is planned to de-water the underground workings in order to map and sample the veins. Also planned is a geochemical survey over the property.

MENIKA MINING LTD. (MML-V)

DRILLING RESUMED IN - Menika Mining Ltd. has resumed BRALORNE GOLD CAMP diamond drilling on its recent gold discovery on its Reliance property 5 miles east of Goldbridge, 103 miles north of Vancouver. President Charles Boitard reports that Hole 87-1 intersected 2 sulphide bearing zones separated by a zone of altered volcanics. The core is being logged and split for assay.

Diamond drill hole 86-1, drilled last December on the western structure of the Reliance property at minus 60 degrees, returned 111.5 feet grading 0.126 oz. gold/t.

Mr. Boitard says the gold mineralized hydrothermal vent breccias consist of moderate to heavy degrees of ankerite and dolomite with lesser sericite and kaolinite. Silicification is variable with lenses, veinlets and pods of quartz.

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APRIL 2, 1987

RHYOLITE RESOURCES INC. (RHY-V)

ORE CRUSHING STARTS - John Bissett, president, announces ON TEXADA ISLAND Rhyolite Resources Inc.'s withdrawal from an a 11Feb87 agreement wherein First Exploration Fund 1987 and Company committed \$350,000 to subscribe for flow-through common shares of Rhyolite at an issue price of 60¢ each.

Rhyolite management expect that exploration funding for 1987 will be met from internally generated funds arising from the onset of production at its property on Texada Island, B.C. At Texada, crushing operations have started and the flotation system is expected to be operational within a few days. Initial mill feed is coming from stockpiled ore, however, mining operations at the Bolivar pit are scheduled to start momentarily.

NO.66(1987)
APRIL 3, 1987

CORRECTION: Some corrections in the table of assays in the story on MASCOT GOLD MINES LIMITED (MSG-V,T) carried in GCNL 64(87)p.1 have been received and a revised table with the corrections underlined is printed overleaf.