

George Cross News Letter

"Reliable Reporting"

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REG RESOURCES CORP. (RRE-V)

TERYL RESOURCES CORP. (TRC-V)

DRILL INDICATED & INFERRED - John G. Robertson, PRESERVES ARE ESTIMATED president of Reg Resources Corp. and Teryl Resources Corp., reports that, based on results of this year's and previous drilling of a total of 13,700 feet in 49 holes), the drill indicated and inferred reserves total 400,000 tons having silver, lead, zinc and gold values on the Silverknife claims in Liard mining division in north central B.C. These figures are based on an approximate strike length of 800 feet, an average thickness of 10 feet and a down dip extension to 500 feet. The value of the reserves, based on \$100 per ton value, is \$40,000,000. Values up to \$400 per ton have been found based on 29 oz. silver/t and 17% lead/zinc combined over a 14-foot section.

Mr. Robertson says that, according to Dr. Gary Medford, consulting geologist for this project, the reserves could increase substantially by additional drilling because the mineralization is open to the north and west on these claims. A further \$600,000 is to be spent on the Silverknife claims under the current option agreement with Chevron and Teryl Resources.

Reg Res. has a 40% carried interest until \$900,000 has been spent by Teryl Res. and Chevron Minerals as to \$450,000 each. Teryl and Chevron will each earn 30% working interest in the Silverknife claims. Chevron Minerals has an option to acquire an additional 21% interest by paying \$2,000,000 to Reg and \$650,000 to Teryl. Reg and Teryl would then each retain a 24.5% interest.

INEL RESOURCES LTD. (ILE-V)

ISKUT PROGRAM PROGRESSING - Inel Resources Ltd. has reported work on the Inel claim in the Iskut River area of northwestern B.C. is proceeding. The main cross cut is to a depth of 300 feet and is expected to intersect the first ore zone at the 400-foot depth.

A fully winterized camp has been constructed and work will continue until the planned program has been completed.

SKYLINE EXPLORATIONS LTD. (SKX-V)

LINE PREPARATION PROGRESS - Skyline Explorations Ltd. has reported all construc-

proceeding on schedule at the 100% owned Johnny Mountain gold mine site 60 miles north of Stewart B.C. The recreation hall/cook house building is now completed and 50% of the bunk house trailers are in place.

A large exploration program has been carried out and surface drilling is still in progress. Geochemical sampling on the lower claims returned excellent results. Surface drilling this season has been concentrated on the high grade 16-Zone extensions and the Gold Rush zone. Assays from the surface and underground drilling are being compiled and will be released later with increased tonnage figures.

Underground drilling is in progress and will continue throughout the winter to outline and upgrade ore reserves.

The 16 drift stope is returning grades of 1.2 oz. gold/t (fully diluted) to date. This vein has recently expanded from a width of 5 to 6 feet to 15 feet. This ore is being stockpiled underground until the mill is in operation in January-February 1988. The company is fully financed through the recent \$15,600,000 financing.

MUSPAR RESOURCES LTD. (MUR-V)

GOLD ASSAYS FROM COWICHAN - L.E.Sawyer, president of DISTRICT SAMPLING REPORTED Nuspar Resources Ltd.,

reports the first gold assays from current trenching on their 12,000-acre Cowichan mineral property on Vancouver Island. Both of the first two 300-pound samples taken 700 meters apart graded 0.039 oz. gold/t. These bulk samples were run on a shaking table which easily concentrated and separated the gold by gravity.

Nuspar has now drilled and blasted 240 more 30-pound bulk samples at intervals of 5 meters. The first 10 of these samples assayed 0.014 to 0.061 oz. gold/t, averaging more than 0.034 oz. gold/t. These assays are confirming those of the first 5 diamond drill holes on the property which graded up to 0.09 oz. gold/t. Hole number 7 is now being drilled.