

George Cross News Letter

"Reliable Reporting"

NO.177(1987)

SEPTEMBER 15, 1987

TEUTON RESOURCES CORP. (TUO-V)

SAMPLE	WIDTH	OZ. GOLD/T'	DISCOVERY CHIP SAMPLE RUNS
KK-206	2.5 ft.	0.656	28 OZ.GOLD/TOM OVER 4 FEET
KK-207	7.5	0.195	Teuton Resources Corp. has
KK-208	4.0	0.105	discovered gold bearing,
KK-209	2.0	0.105	skarn-type mineralization on
KK-210	4.0	28.0**	their wholly owned claims in
KK-211	6.5	0.601	the Treaty Creek area, about
KK-212	6.5	0.102	60 miles north of Stewart,

** average of original and-check assay

 B.C. President D. Cremonese, P.Eng., reports that, from a surface exposure roughly 50 feet wide and 300 feet long (further lateral continuity is obscured by overburden), geologist Kenny Konkin took chip samples KK 206 through 210 as shown in the table.

The skarn assemblage consists of limestone, calcite, magnetite, chlorite, diopside, chalcopyrite, pyrite, malachite, azurite, specular hematite, garnet, limonite and minor hematite. A K-feldspar altered intrusive has been observed cutting the skarn in several places.

Sample site KK-210 was hand trenched after initial assays reported an unusually high gold content. Fresher samples obtained at depth showed quartz-calcite veinlets in a ground mass of pyrite-chalcopyrite. Diamond sawing of specimen samples revealed bands of coarse, arborescent native gold.

Trenching and geological mapping are underway, and more sample results are expected shortly. It is expected that drilling will start on the new showing within 2 weeks. This work is to be funded by a flow-through share private placement.

Approximately 1,000 feet from the skarn discovery, gold values were also obtained in the north-south trending zone of sericite schists. (See samples KK 211 and 212 in the table). This zone is part of a large area of alteration extending for over 3,000 feet with a minimum width of 500 feet.

Teuton's large claim block covers about 36 square miles. The Newhawk-Granduc Sulphurets property adjoins directly to the southwest and the Bighorn-Catear Treaty Creek ground to the northeast. Seven more gold anomalous areas were defined on Teuton's Treaty claims by the recent prospecting program. Follow-up work is planned.

TRADER RESOURCE CORP. (TRR-V)

HOLE	LOCATION	DIP	DEPTH	WIDTH	OZ. GOLD/T
36	101+40E, 00+ 50s	-63d	285 Ft.	3.6 Ft.	0.33
58	101+25E, 00+ 90s	-55	440	3.3	0.33
39	101+00E, 00+ 60s	-62	354	8.5	0.79
68	100+00E, 00+137s	-48	492	3.0	3.45
64	99+50E, 00+ 75s	-45	278	3.3	0.88
67	99+25E, 00+135s	-48	459	1.6	1.06
60	99+00E, 00+ 77s	-51	312	3.3	0.34
49	97+50E, 00+ 90s	-58	195	7.6	0.21

 PROPERTIES WITH DRILL - Trader Resources Corp. has now
 PROVEN TONNAGE SOUGHT completed its 1987 diamond
 drill program at the Tel deposit
 on Banks Island, some 70 miles south of Prince Rupert,
 B.C. A total of 71 diamond drill holes were completed
 in the program finishing near the end of August. The
 final assays have been received and the remaining signif-
 icant intersections are listed in the table. Based on
 the results to date, the proven ore reserves at a mining
 width of 5 feet are approximately 100,000 tons of 0.5
 oz.gold/t.

Elsewhere, Trader is actively seeking properties with drill proven tonnage.

As a result of a private placement completed with Elders Resources Limited of Melbourne, Australia, Trader has about Cdn. \$4,000,000 of unallocated working capital in its treasury. Elders owns 51% interest in Trader.

WESTERN CANADIAN MINING CORPORATION (WCD-V)
SULPHURETS GOLD CORPORATION (SLE-V)

TRENCH	ZONE	INTERVAL FT.	OZ. GOLD/T
C-1	C	39.4	0.076
	including	13.1	.125
C-2	C	59.0	.093
	including	13.0	.126
C-3	C	6.6	.080
	including	19.7	.087
T-5	C-L 1st zone	9.8	.100
	2nd zone	19.7	.232
	including	9.8	.350
T-6	C-L	10.5	.120
T-8	E	8.2	.580
-	A	3.3	.244

KERR GROUP - Western Canadian Mining Corporation 70% and Sulphurets Gold Corporation 30% have started drilling on the Kerr gold property in the Sulphurets Creek area of northwestern B.C. (See location map GCNL No.173 overleaf P.3) in July, 1987 and 10 drill holes have been completed. Assays will be announced by 18Sep87.

Assay results from, surface rock chip channel sampling and backhoe trenches completed in 1987 are shown in the table.

Zone C-L is located 500 feet south of Zone C; Zone A is located 3000 feet southwest of Zone C; and Zone E is located 1000 feet northwest of Zone C.

WESTERN CANADIAN MINING CORPORATION (WCD-V)

GOSSAN PROJECT - Western Canadian Mining Corporation has reported drill hole assays from the Gossan gold project (See map as above) in the Iskut River area of northwestern B.C.

Holes 87-1 to 87-4 were all drilled in the same section. Holes 87-5 through 87-8 were drilled in four sections, each 50 meters apart parallel and surrounding the section of holes 87-1 to 87-4. Interpretation of the results is not possible until the drilling program is completed.

Western Canadian Mining holds options to earn a 60% interest in the Gossan and will have acquired a 52% interest by the end of the 1987 season. (See table of drill hole assays overleaf page one.)

EUREKA RESOURCES, INC. (EUK-V)

DRILLING QUADRUPLLED STRIKE - Eureka Resources president JACK O'NEILL reports that their 1987, 20-hole reverse circulation drill program on the Frasergold project 100 km east of Williams Lake, B.C.: extended the strike length of the Jay Zone from 200 meters to 800 meters; indicated an average grade of 0.067 oz.gold/t over a width of 20 meters (slightly higher than the 1986 program's 0.060 oz.gold/t), including a 300-meter strike length containing 0.102 oz.gold/t over a width of 18 meters. Also, says Mr.O'Neill, an enriched area in the SE extension of the Jay Zone yielded 0.382 oz.gold/t over an average width of 1.7 meters. He comments that, although high grade mineralization was encountered in most holes in 1987, the 50-meter spacing prevents definite interpretation yet as to the continuity of these zones. (See significant results TABLED OVERLEAF.) Mr.O'Neill adds, "We can now clearly identify the projected reserve target of 20,000,000 tons within the previously drill-tested 1.5 km strike length, which will probably grade higher than the earlier predicted 0.06 oz.gold/t. An additional 8 km long geochemical target remains virtually unexplored."

All data from the 1987 program is being reviewed by Eureka's consultants who are expected to complete a detailed report within 2 months.

Mr.O'Neill reports that some of the planned 1987 program, including underground testing, bulk sampling and test milling on site, was not completed, mainly because of the inability of a partner to provide necessary financing under an agreement negotiated early in 1987. Alternative funding programs for the 1988 season are being reviewed.

Elsewhere, Eureka is continuing development of a sample milling program to ascertain rates of recovery of gold and silver at the Mindora gold-silver joint venture in Nevada.

Western Canadian

MINING CORPORATION

Hole 87-1

From (m)	To (m)	Interval (m)	Interval (ft)	Gold oz/ton	Silver oz/ton	Copper %	Zinc %
9.30	18.60	9.30	30.5	0.057	1.60	0.45	0.78
18.60	20.42	1.82	6.0	0.119	2.66	1.61	1.04
27.60	32.31	4.71	15.5	0.139	1.08	0.54	-
including							
31.00	32.31	1.31	4.3	0.337	2.58	1.31	-
73.46	76.48	3.02	9.8	0.121	0.12	-	-

Hole 87-2

3.05	67.82	64.77	221.5	0.025	0.18	-	-
67.82	71.02	3.20	10.5	0.202	1.20	-	-
including							
69.80	71.02	1.22	4.0	0.318	0.39	-	-
71.02	72.09	1.07	3.5	0.094	0.27	-	-

Hole 87-3

58.30	53.34	3.00	9.8	0.040	0.21	-	-
84.80	85.80	1.00	3.3	0.062	2.46	0.85	0.17
98.80	99.80	1.00	3.3	0.049	0.64	0.24	0.78
106.00	107.00	1.00	3.3	0.065	0.04	-	-

Hole 87-4

9.00	14.00	5.00	16.4	0.058	0.61	0.18	0.41
including							
13.00	14.00	1.00	3.3	0.200	2.50	0.71	1.42
17.00	24.50	7.50	24.6	0.061	0.18	-	0.20
including							
18.00	19.00	1.00	3.3	0.179	0.44	0.18	-
39.00	41.00	2.00	6.6	0.142	0.27	-	-
including							
40.00	41.00	1.00	3.3	0.232	0.19	-	-

Hole 87-5

From (m)	To (m)	Interval (m)	Interval (ft)	Gold oz/ton	Silver oz/ton	Copper %	Zinc %
22.5	25.5	3.00	9.8	0.054	0.22	-	-
36.9	40.0	3.10	10.2	0.059	0.39	-	0.55
61.0	65.0	4.00	13.1	0.080	0.15	-	-
59.5	65.0	5.50	18.0	0.066	0.29	-	-

Hole 87-8

33.5	36.5	3.00	9.8	0.083	0.33	0.22	-
including							
34.5	35.2	0.70	2.3	0.330	0.98	0.77	-

EUREKA RESOURCES, INC.

FRASERCOOLD PROJECT
SUMMARY - DRILL HOLE DATA
(Holes R87-45 to R87-51 - 1987 PROGRAMME)

DRILL HOLE	INTERVAL (metres)	WIDTH	AU.OZ/T
R87-45	12.0-21.0m	9.0m (29.5 ft.)	.063
	and 46.5-64.5m	18.0m (59.0 ft.)	.021
	and 76.5-81.0m	4.5m (14.8 ft.)	.027
R87-46	46.5-69.0m	22.5m (73.8 ft.)	.029
	incl. 46.5-54.0m	7.5m (24.6 ft.)	.056
R87-47	Abandoned at 15 metres		
R87-47A	Abandoned at 27 metres		
R87-48	48.0-51.0m	3.0m (9.9 ft.)	.041
	and 64.5-78.0m	13.5m (44.3 ft.)	.048
	and 97.5-103.5m	6.0m (19.7 ft.)	.056
R87-49	22.5-46.5m	24.0m (78.7 ft.)	.063
	incl. 34.5-40.5m	6.0m (19.7 ft.)	.157
	and 72.0-76.5m	4.5m (14.8 ft.)	.027
R87-50	33.0-55.5m	22.5m (73.8 ft.)	.165
	incl. 33.0-36.0m	3.0m (9.9 ft.)	.253
	and incl. 43.5-48.0m	4.5m (14.8 ft.)	.559
	(incl. 46.5-48.0m	1.5m (5.0 ft.)	1.085)
	and 67.5-103.5m	36.0m (118.1 ft.)	.044
incl. 67.5-76.5m	9.0m (29.5 ft.)	.120	
R87-51	75.0-90.0m	15.0m (49.2 ft.)	.053
	incl. 81.0-82.5m	1.5m (5.0 ft.)	.638