

# George Cross News Letter

*"Reliable Reporting"*

NO.168(1987)  
SEPTEMBER 1, 1987

## NEW PRIVATEER MINE LIMITED(NPM-V)

PILOT GOLD PLANT SCHEDULED - New Privateer Mine Limited TO START IN SEPTEMBER has reported the development at Zeballos, Vancouver Island, B.C., gold mine project is proceeding well and that the pilot mill is now 90% completed with major components installed and conveyor systems fabrication in progress. Operations should start in September. The system was initially planned to operate at a 50 ton/day capacity to 100 ton/day. Initially the company will process ore from the 1100 foot level supplemented by high grade ore from the stockpile of approximately 150 tons. On previous tests this high grade ore has been assayed at 16 ozs. of gold per ton.

In addition the development heading on 1100 level has succeeded in intersecting the No.4 vein and is continuing northerly to the No.5 vein intersection. These veins were located by drilling, however, neither system has ever been mined on any of the levels. The No.4 vein intersection on 1100 level measured 18 inches. Samples have been submitted for assay.

Plans are being studied for the new lower adit entry to provide access to the vein system at 200 feet below the 1300 level.

Proven reserves for the Privateer and Prident orebodies are 135,000 tons averaging 0.27 ounce of gold per ton. A 1980 engineering report lists probable reserves at 358,000 tons averaging 0.44 oz.gold/t.

The Privateer Mine was the largest and most prolific gold producer in the Zeballos Gold Camp on Vancouver Island, closing in 1948 due to a shortage of manpower and a gold price of \$35 per ounce. By 1948 the Privateer and Prident Mine produced over 168,000 ounces of gold from 166,000 tons of ore.

At 30Jun87, New Privateer had working capital of \$188,000 and 6,370,402 shares issued. In the 12 months ended 30Jun87, the company spent \$404,000 on exploration and fixed assets.

## BIGHORN DEVELOPMENT CORPORATION(BHD-V)

REFRAME CHIP SAMPLES:

| Net | Oz.Gold/T | Silver/T | Oz.Copper/T | Oz.Lead/T | Oz.Zinc/T |
|-----|-----------|----------|-------------|-----------|-----------|
| 1.0 | 0.18      | 5.23     | 0.29        | 2.69      | 5.10      |

including a 1.8 foot zone which ran

|     |       |      |      |       |       |
|-----|-------|------|------|-------|-------|
| 1.3 | 0.204 | 5.70 | 0.32 | 11.40 | 12.22 |
|-----|-------|------|------|-------|-------|

Further trenching has now exposed the mineralized zone for a minimum of 16 feet.

## LD IN BOULDERS LOCATED -Bighorn Development Corporation

has reported discovery of a boulder containing native gold and sulphide mineralizations on one of the Mount Madge property Sulphurets Mt. 40 miles northwest of Stewart, B.C. The boulder is found in a scarpine area common to two glaciers.

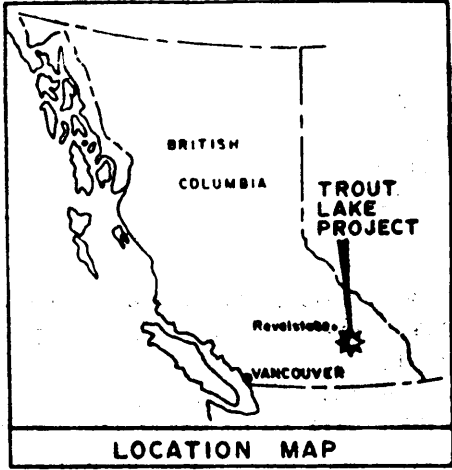
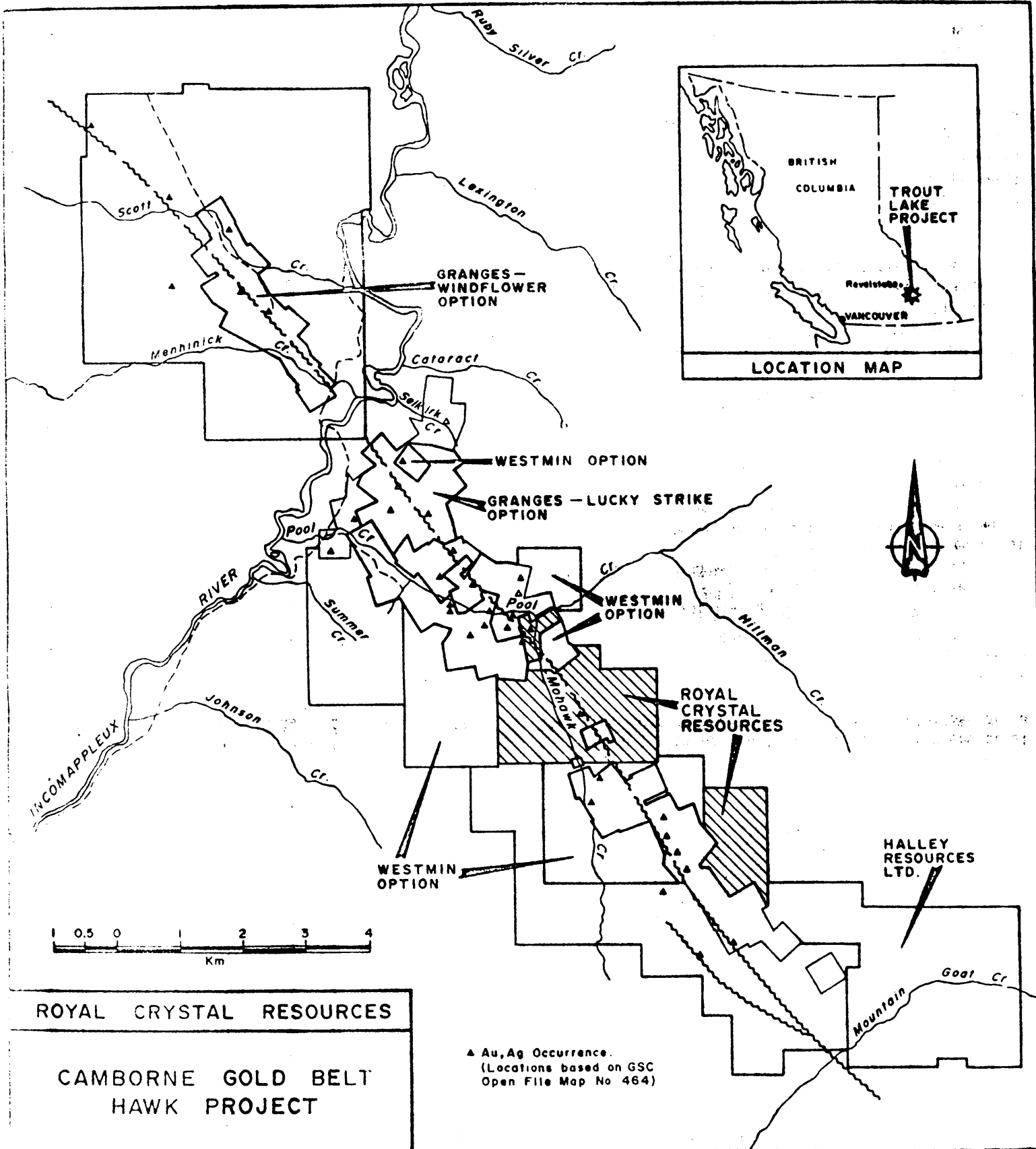
The location of the discovery boulder has been identified as one of several mineralized zones located along a 400 metre strike length across and as yet to be determined strike length.

The discovery area numerous sulfide rich boulders (up to 700 sulphides and up to 5 feet x 3 feet x 2 feet) have been discovered and traced back to source. The area formation has a strike length of approximately 1 mile.

The boulders appear to be weathered from a zone several meters wide. Assays are expected by the end of August, 1987.

The copper rich area appears to include a quartz schist with a sericite schist similar to material and ore body of CATEAR RESOURCES LTD.(CAA.A-V), a boulder property located about 7 miles east of the Bighorn project.

Prospecting, silt sampling and soil and rock geochemistry have been underway on the Crown Grants located near the confluence of Sulphurets Creek and the Bulk River. In particular, chip samples across an eight foot width near an old adit has yielded the results in the above table.



ROYAL CRYSTAL RESOURCES

CAMBORNE GOLD BELT  
HAWK PROJECT

▲ Au, Ag Occurrence.  
(Locations based on GSC  
Open File Map No 464)