

# George Cross News Letter

NO.78(1988)  
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## LARAMIDE RESOURCES LTD. (LAM-V)

**DECLINE RAMP STARTING** - At their annual meeting on ON THE LARA PROJECT 21Apr88, Albert F. Reeve, president, told shareholders of Laramide Resources Ltd. that a contractor's crew of about a dozen men were now on the Lara property near Chemainus on Vancouver Island, B.C., to start some 2,700 feet of underground ramping and drifting. A 14 by 10-foot decline ramp is being started just west of Solly Creek and, in a westerly direction, will be advanced 1,000 feet to intercept the Coronation zone, probably in late May or in June. There, some 10,000 tons of ore grade material will be mined by drifting, raising and cross-cutting. This material will be submitted for metallurgical testing. Bench tests have shown the material to be the same as in a deposit mined by Westmin Resources near Buttle Lake to the north.

Laramide's share of this \$2,300,000 program will be about \$800,000. At 31Dec87, Laramide had \$1,104,000 in cash and term deposits.

Exploratory drilling will probably start in the summer. By year end, the project should be close to a production decision. Ore reserves indicated and inferred from drilling to 31Dec87 (See GCNL 27(88) p.2 would support a 500-ton per day mill, but, the geological potential is there to find more ore that would support a greater rate of production. Costs per ton are expected to be low for various reasons including low transport costs and that no camp is needed. Mr. Reeve expects pay-back within 2 years of the start of production.

Project interests are ABERMIN CORPORATION (ABM-V) 65% and Laramide 35%.

## REA GOLD CORPORATION (REO-V,T,REOGF-Nasdaq)

**KILBORN AWARDED ENGINEERING FEASIBILITY** - Minnova Inc. has awarded

Kilborn Engineering (B.C.) Ltd. a contract for the feasibility study on the Samatosum property at Adams Lake, B.C., joint ventured with Rea Gold Corporation. Kilborn will develop a 500-ton per day mill flowsheet, including mill tailings disposal, tailings dam, service buildings and services for the project. The open pit and underground mine plans are being designed in-house by Minnova.

The Sam high grade silver deposit has reserves of 661,000 tons at 32.08 oz. silver/t, 0.052 oz. gold/t, 3.5% zinc, 1.7% lead and 1.2% copper. It is scheduled to be in production by mid-1989. Rea Gold has 30% working interest and retains a 5% net smelter return royalty on the entire property.

## MONDAVI RESOURCES LTD. (MVD-V)

HOLE	INTERVAL, FT	FOOTAGE	OZ. GOLD/T'	ASSAYS OF
DDH-11	142.5 - 155.0	12.5	0.047	GOLD ON QUEEN
	186.5 - 193.5	7.0	0.043	CHARLOTTE
	257.0 - 263.5	6.5	0.039	ISLANDS GIVEN
DDH-12	77.0 - 79.3	2.3	0.039	Mondavi Res-
	253.0 - 272.6	19.6	0.031	ources Ltd.
includes	266.0 - 272.6	6.6	0.058	president
	341.0 - 346.0	5.0	0.045	Robert B.

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Pincombe reports encouraging gold assay results from two of the three core holes completed to date on the Snow property, Queen Charlotte Islands, B.C. These 2 holes were designed to test for southern extensions of the Baxter Creek mineralized zone encountered in 1985 drilling (30.5 feet of 0.096 oz. gold/t). DDH-12 has extended the known mineralized zone 400 feet farther south.

Three more holes are now being completed in a further test of the Baxter Creek Zone and a nearby parallel IP-resistivity anomaly; results are expected in 4 weeks.

## GEDDES RESOURCES LTD. (GDD-T,V)

NO.	INTERVAL LENGTH		GOLD		SILVER		COPPER %
	METERS	METERS	G/T	OZ/T	G/T	OZ./T	
83-14	-	60 m.	9.9g	0.29 oz	--	--	1.7%
88-24	240-242	2 m.	1.84g	.05	34.0g	.99 oz.	1.05
	250-252	2 m.	1.39g	.04	11.0g	.32	0.84%
	286-314	28 m.	anomalous gold/silver				1.0%
88-25	306-308	2 m.	5.95	.17	31.5	.91	1.3%
88-26	220 m.		massive sulphides				+ 3.0%

## FIRST UNDERGROUND HOLES CONFIRM IMPORTANT GOLD VALUES

J. Douglas Little, president of Geddes Resources Ltd. has reported that in the first full year of underground exploration at the Windy Craggy gold, copper, cobalt property near Haines Junction, NW B.C., 2,200 meters of adit and drifting are now in progress with the objective of delineating the economic potential of the deposit.

The first drill hole section, consisting of three upwardly fanned holes, has now been completed. The assay results are shown in the table above. Hole 88-2 is interpreted to be located at the edge of the gold zone identified in Hole 83-14. No. 88-25 is interpreted as having neared the main gold zone. Hole 88-26 intersected 220 meters of massive sulphides not expected on the basis of earlier surface drilling and has important implications for the occurrence of both copper and gold in the heart of the large deposit. Drilling of the next section of holes is now underway 30 meters north of the first section. Results are expected shortly.