

George Cross News Letter

NO.161(1988)
AUGUST 22, 1988

LORD RIVER GOLD MINES LIMITED (LRD-V)

EXTENSION LOCATED BY PROSPECTING - Lord River Gold Mines Limited reports that prospecting on the Trout Creek property, located at the southern end of Carlin trend, Nevada, has located the up-dip extension of the Central Fault zone where drill hole TCL-8 intersected 0.07 oz.gold/t between 180 and 235 feet. Continuous chip samples of the jasperoid outcrop returned 0.04 oz.gold/t over 40 feet, 0.044 oz. gold/t over 50 feet and 0.045 oz.gold/t over 70 feet. The next phase of drilling, set to start in mid-September, will delineate ore reserves in the Southern Jasperoid zone and further test the Central Fault zone. Lord River acquired an option to earn a 55% interest in the property from Teck Corporation, the operator, by providing a feasibility report. (See also GCNL No.134, p.1, 13July88)

On the Pellaire joint venture 120 miles north of Vancouver, B.C., the company has begun an underground exploration program on the 731 level on the No.4 vein. The work is intended to add to probable reserves of 34,000 tons grading 0.67 oz.gold/t.

LUCKY 7 EXPLORATION LTD. (LKS-V)

FIRST HOLE COMPLETED- Lucky 7 Exploration Ltd. reports the first diamond drill hole on the White Elephant property located about 5 miles southeast of the Huntington Resources discovery, 25 miles west of Vernon, B.C., has been completed at a depth of 400 feet. It encountered a quartz zone with approximately 12 feet of massive sulfide mineralization. Assays will be available in about 4 weeks. The drill has now been moved to a second drill site nearby. The exploration program calls for 3,000 feet of drilling. The White Elephant has not been previously drilled from surface, however about 2,000 oz. gold and 300 oz. silver were mined in the 1930's from 5,300 tons. (SEE ALSO GCNL NO.154, P.2, 11AUG88 FOR MORE DETAIL).

AGIO RESOURCES CORPORATION (AGI-V)

EXPLORATION AT- A \$300,000 exploration program on the HEDLEY STARTED company's Eagle's Nest property, located near Hedley, B.C., started 18Jul88 with Corona Corporation as operator. The first phase of the program involves pushing a road to the 3700 portal, which will provide access to the underground workings on the property. An anticipated program involving 5000 feet of underground diamond drilling will start in mid-September to test the sulphite bearing skarns encountered in earlier drill programs.

The Eagle's Nest property is located one mile northwest of the producing Nickel Plate gold mine and is underlain by the down-dip extension of the mineralized beds hosting the Nickel Plate orebodies. Numerous mineralized intervals returning values ranging from 0.11 to 0.6 oz.gold/ton were cut in earlier drill programs. The most impressive intersection was 0.128 oz.gold/t over 17.2 feet. Most of the property remains unexplored. The planned drill program will be carried out from the drill stations in the 3700 level drift.

FOOTWALL EXPLORATIONS LTD. (FTW-V)

ZEBALLOS DRIFTING OPENED MINERALIZATION - A program of crosscutting and drifting on the Hiller-Churchill property has been advanced 243 feet and has intersected 6 feet of mineralized structure. The drift is still in mineralization. John Carson, president of Footwall Explorations, stated that this structure is believed to be the same as the one encountered in the DDH24-85 which cut 9.03 oz.gold/t across 2 meters. Assays area awaited.

Footwall Explorations holds an option to earn a 51% interest in the 136 unit Hiller-Churchill claims, near Zeballos, Vancouver Island, B.C. from Falconbridge Limited by spending \$1,000,000 on exploration over 5 years. (SEE GCNL NO.133, P.3, for much detail.) The company has negotiated the sale of 216,000 shares at 81¢ each for proceeds of \$175,000 from NIM Resources 1988.

BRICAN RESOURCES LIMITED (BRI-V; BRIIF-Nasdaq)

THREE PROJECTS REVIEWED- The Nevada joint venture, Bow Valley Mining Ltd 60% and

Brican Resources Ltd. 40%, has discovered a large gold mineralized zone on the 8,000 acre North Peak property, called the Lucky 13 prospect, in the Battle Mountain area, northern Nevada. Ore grade gold has been found in outcrop over a strike length of 4,000 feet along a zone of altered and faulted sedimentary rocks. Rock chip samples assayed 0.01 to 0.20 oz.gold/t. Drill pads for 23 holes have been constructed with new mineralization found during construction. Reverse circulation drilling is expected to start in September.

Exploration is following up on anomalous gold values discovered on both the Trout Creek and Cottonwood Creek prospects in the North Peak property.

Brican recently completed an induced polarization survey on the 100% owned Gold Star property located to the west of the Huntington/Corona joint venture on the Brett claims, 30 miles west of Vernon, B.C. The gold mineralized fault continues from the Huntington property onto the Brican claims. Drilling of the induced polarization anomaly that correlates with the extension of the Huntington fault zone is planned to start on the Brican property in August.

In July Brican completed an induced polarization survey on the 100% owned Man property, 30 claims, near Princeton, B.C. The survey located several copper drill targets. Further work is planned. Some of the higher grade gold intersections in previous drilling programs were: 10 ft. of 0.20 oz.gold/t; 20 ft. of 0.093 oz. gold/t, including 10 feet of 0.15 oz.gold/t; 46 ft. of 0.02 oz.gold/t; 49 feet of 0.02 oz.gold/t; 100 ft. of 0.03 oz.gold/t; and a surface trench of 46 ft. of 0.1 oz.gold/t. The best copper intersection is 210 feet of 0.45% copper.

HOUSTON METALS CORPORATION (HML-V)

<u>LOCATION</u>	<u>WIDTH</u>	<u>OZ. GOLD/T</u>	<u>OZ. SILVER/T</u>	<u>ZINC %</u>
South Face	7 ft.	0.302	19.22	12.63
North Face	7	.279	8.40	10.43

2590 DECLINE COMPLETED- Houston Metals Corporation

reports that the 2590 decline at the Silver Queen mine, near the town of Houston in north-Central B.C., has been completed for a total length of 2,500 feet and driven 150 feet beyond the No.3 vein. Assays of two channel samples from where the decline intersected the No. 3 vein above. A drill station has been cut for underground diamond drilling below the 2,400 foot level. Underground and surface diamond drilling is continuing. (SEE GCNL No. 117, p.1, 17Jun88 for previous drill results and map overleaf).

VENTUREX RESOURCES INC. (VXX-V) holds an option to

earn a 50% interest in the Top claims of El Paraiso Resources located in the Whiteman Creek, Huntington/Corona area 30 miles west of Vernon, B.C. Assays are awaited from recent drilling on this property.

UNIVERSAL TRIDENT INDUSTRIES LTD. (UTI-V)

HARRISON LAKE DRILLING PLANNED - Universal Trident has negotiated the sale of 218,570 flow through shares at \$1.40 each for proceeds of \$306,000 from NIM and Company. On Aug.15, the company reported a separate flow-through share sale for \$200,000 proceeds. The funds will be used to explore the recently acquired Harrison Lake property of 8,600 acres, located 145 km east of Vancouver, B.C., where the main feature is a 2 km long zone containing numerous high grade gold occurrences. Crews are on the property with drilling expected to resume in late September. Universal Industries can earn a 51% interest in the property by spending \$2,500,000 over four years.

GOLDEN NEVADA RESOURCES INC. (GVA-V)

TODD CREEK ASSAY- Murray Pezim, chairman of Golden RESULTS REPORTED Nevada Resources Inc. reports assay results from the Todd Creek project

28 miles north of Stewart, B.C. Golden Nevada has an option to earn a 50% interest in the property from Noranda Exploration Company, Ltd., the operator. ASSAY RESULTS PRINTED OVERLEAF PAGE 2.

A total of 7,294 feet in 21 holes have been drilled thus far in 1988. Fifteen holes were directed at the South zone and six at the North zone. The South zone had been drilled in 1987, returning intercepts of 0.348 oz.gold/ton over 5.7 feet, 0.20 oz.gold/t over 20.2 feet and 0.238 oz.gold/t over 5.3 feet. Mapping, prospecting, soil sampling and geophysics were carried out on other targets on the property.

Noranda will mobilize a drill on August 25, 1988 for a further 5,000 feet of drilling on the North zone, South zone and other targets on the property.

GOLDEN NEVADA RESOURCES INC.

HOLE	INTERVAL (metres)	INTERVAL (feet)	WIDTH (feet)	GOLD (oz/t)	COPPER (%)
<u>SOUTH ZONE</u>					
NTC88-10A	35.76- 41.4	117.3-132.9	18.5	0.124	0.38
NTC88-11	46.5 - 49.5	152.6-162.4	9.8	0.095	0.32
	55.2 - 55.6	181.1-182.4	1.3	0.127	0.56
NTC88-12	27.15- 27.6	89.1- 90.6	1.5	0.130	<0.01
	75.85- 79.0	248.9-259.2	10.3	0.102	0.59
	97.35-101.3	319.4-332.4	13.0	0.076	0.46
NTC88-13	134.65-136.7	441.8-448.5	6.7	0.191	0.91
	157.4 -161.65	516.4-530.4	14.0	0.122	0.58
NTC88-14	95.4 - 96.35	313.0-316.1	3.1	0.088	0.61
	111.1 -111.25	364.5-365.0	0.5	0.223	0.97*
NTC88-15	80.7 - 81.5	264.8-267.4	2.6	0.122	1.84
	101.0 -103.6	331.4-339.9	8.5	0.045	0.11
NTC88-16	43.55- 45.85	142.9-150.4	7.5	0.120	0.33
	60.15- 62.2	197.4-204.1	6.7	0.056	-
NTC88-17	25.3 - 31.5	83.0-103.3	20.3	0.057	
NTC88-18	40.4 - 44.65	132.6-146.5	13.9	0.066	
NTC88-19	59.5 - 89.25	195.2-292.8	97.6	0.105	
		including 253.0-279.7	26.7	0.202	
NTC88-26	50.3 - 56.45	165.0-185.2	20.2	0.136	0.75
		including 165.0-172.9	7.9	0.235	1.03
NTC88-27	63.4 - 67.85	208.0-222.6	14.6	0.155	0.88
	71.1 - 71.65	233.3-235.1	1.8	0.162	1.01
NTC88-28	114.95-115.2	377.2-378.0	0.8	0.174	1.30
NTC88-29	90.6 - 93.6	297.3-307.1	9.8	0.058	0.16
NTC88-30	Assays pending.				

*NTC88-14 was abandoned in mineralization at 365.0 feet.

NORTH ZONE

NTC88-20 No significant results

NTC88-21 No significant results