

George Cross News Letter

#0.151(1988)
AUGUST 8, 1988

SUNTAC MINERALS CORPORATION (SUJ-V) has signed a letter of intent with **REMBRANDT GOLD MINES LTD. (RTG-Alberta)** that gives Suntac an option to earn a 60% interest in the Polaris-Taku mine project, which is located on the Tulsequah River in northwestern B.C., about 30 miles east of Juneau, Alaska. Suntac will make an initial payment of \$25,000 and can earn its 60% interest by spending \$3,000,000 on the property over 5 years. Expenditures in the first year will be a minimum of \$300,000. A finders fee of 15,000 shares is payable. The agreement is subject to regulatory approval.

GULF INTERNATIONAL MINERALS LTD. (GIM-V)

HOLE INTERVAL WIDTH OZ. GOLD/T PROGRESS REPORTED
88-1 48-55 ft. 7 feet 0.749 ' Gulf International Miner-
-----' als Ltd. reports that 5
holes of a 10,000 foot drilling program have been completed on the 100% owned McLymont property, Iskut River area, 100 km north of Stewart, B.C. Assays have been returned for the first hole and assays are pending for the other four. The drill has been moved the Northwest zone where high grade results were returned last year. (See GCNL No.45, p.3, 4Mar88 for a review of 1987 exploration).

The private placement with the Banque Hunziker SA has been approved by the Vancouver Stock Exchange. This will net the company \$1,100,000 for the treasury.

CONTINENTAL GOLD CORP. (CUG-V)

DRILLING STARTED ON - Robert A. Dickinson, director of **TROPHY GOLD PROJECT** Continental Gold Corp., reports that diamond drilling started on July 21, 1988 on its 100% owned Trophy Gold project, which consists of 71 square miles located 70 miles south-west of Dease Lake in northwestern B.C. Trenching and sampling programs are in progress on other gold zones elsewhere on the property. (SEE GCNL No.66, p.1, 6Apr88 and map overleaf p.1 for more details).

The Trophy project work program is being funded by a \$1,300,000 private placement at \$5 per share to NIM. The company has also received regulatory approval and has finalized a \$2,250,000 private placement with

European banks and investment firms as well as a \$1,500,000 private placement with Homestake Mining Company. The Homestake placement carries a warrant to purchase an additional 500,000 shares at \$4.50 per share until Sept. 30, 1988. Continental Gold has over \$5,000,000 in working capital on hand.

LEVON RESOURCES LTD. (LVN-V,T)

VERONEX RESOURCES LTD. (VEO-V; VEOXF-Nasdaq)

GIANT BAY RESOURCES LTD. (GBY-T; GBYLF-Nasdaq)

BIOLEACH TEST - The joint venture between Levon Resources **PLANT PLANNED** Ltd. and Veronex Resources Ltd. have agreed with Giant Bay Resources Ltd. to build a 60,000 gallon biological leach test facility for treatment of refractory gold concentrate from the Congress property about 100 miles north of Vancouver, near Gold Bridge, B.C. The plant is expected to be in production this fall. An initial test will leach some 600 tons of concentrate to determine if the biological leaching is the optimum oxidation choice for the refractory Congress ores. Bioleach lab tests on Congress ores have achieved recoveries of 90% to 94%.

SKYLINE EXPLORATIONS LTD. (SKX-T,V)

HOLE	INTERVAL FEET	WIDTH	OZ. GOLD/T	PROGRESS
RB 7	39.2- 41.9	2.7	.452	REPORTED
	93.2- 95.2	2	.152	R.E. Davis,
	173.3-178.3	5	1.868	president has
RB 8	59.0- 62.0	3	.120	reported the
	133.3-136.3	3	.241	gold recovery

----- plant at the Skyline mine, 100 km north of Stewart, B.C., has operated at a full 200 ton per day rate for the 10 days preceding Aug.4, 1988. The exploration program on the Red Bird crown granted claim is continuing with five holes drilled on the northern corner. Assays from two of the holes are shown in the table above. Drilling is continuing with additional assays expected shortly.

Work on the Sky Creek zone, adjacent to the Cominco/Delaware Twin zone is in progress. Prospecting and a VLF electromagnetic survey has been completed. Surface sampling has returned assays of 0.454 to 1.668 oz. gold/t. Trenching and geochem surveys are in progress. Surface work will be followed by diamond drilling.

TUETON RESOURCES CORP. (TUO-V)

TRENCHING RETURNS GOLD - D. Cremonese, president of **VALUES AT TREATY CREEK** Tueton Resources Corp. reports that initial trenching results have been received from the Treaty Creek property located 100 km north of Stewart, B.C. and adjoining to the north-east the Sulphurets property of Newhawk/Granduc. (SEE Magna Ventures area map in GCNL No.134, overleaf p.1, 13Jul88). Trench #1 graded 0.221 oz.gold/ton over 15 meters and was put in roughly south-north across what is believed to be an east-west trending zone of highly altered andesitic rocks adjacent to a diorite intrusive. Trench #4 graded 0.377 oz.gold/t over 6 meters and was put in perpendicular to the northern end of Trench #1. The best sub-interval was 0.975 oz.gold/t over 2 meters. Further work is in progress to determine the true width and strike of the zone.

Two large gossaneous areas outcropping 300 to 500 meters north have also been investigated by trenching. Visible gold was observed in one trench, which explores a limonitic structure similar to the Konkin gold zone discovered last year. Assays are awaited.

A magnetometer survey and a rock geochemical survey to cover an area of favourable geology about 400 by 1200 meters will begin immediately. Construction of drill pads is underway.

TENAJON SILVER CORP. (TJS-V)

MAJOR EXPLORATION BUDGET APPROVED- A \$1,800,000 exploration program funded 50% Tenajon, 50% Esso Minerals is underway on the SB property located 19 miles north of Stewart, B.C. Following the success of surface diamond drilling programs conducted by Tenajon in 1986 and 1987, underground development was initiated in December 1987. In late June 1988, the adit crosscut the northern end of a massive sulphide structure 1,981 feet from the portal. Channel samples from both faces of the sulphide zone averaged 0.26 oz.gold/t, 14.2 oz.silver/t, 2.7% copper and 7.1% zinc. The combined average of both faces is 8.87 feet. A short ventilation drift to surface has now been completed and underground exploration is continuing.

The \$1,800,000 program includes 150 feet of drifting on ore, 650 feet of drifting parallel to the zone including seven drill stations in the hangingwall of the zone. A total of 7,000 feet of underground diamond drilling will follow from the drill stations.

MIKADO RESOURCES LTD. (MKO-V)

<u>HOLE NO</u>	<u>INTERVAL</u>	<u>WIDTH</u>	<u>OZ. SILVER/T</u>	<u>LEAD</u>	<u>ZINC</u>
AB 88-73	81 - 92	11.0	3.24	5.76%	2.02%
	74 122.5-129	6.5	2.95	4.20	16.45
	78 127.0-132	5.	4.44	1.51	18.90
	79 155.5-185.5	30.	3.59	6.22	13.20
	82 255 -268	13.	11.20	11.43	17.13

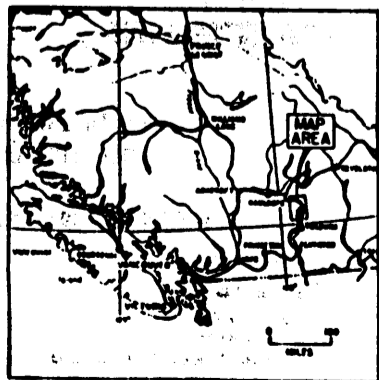
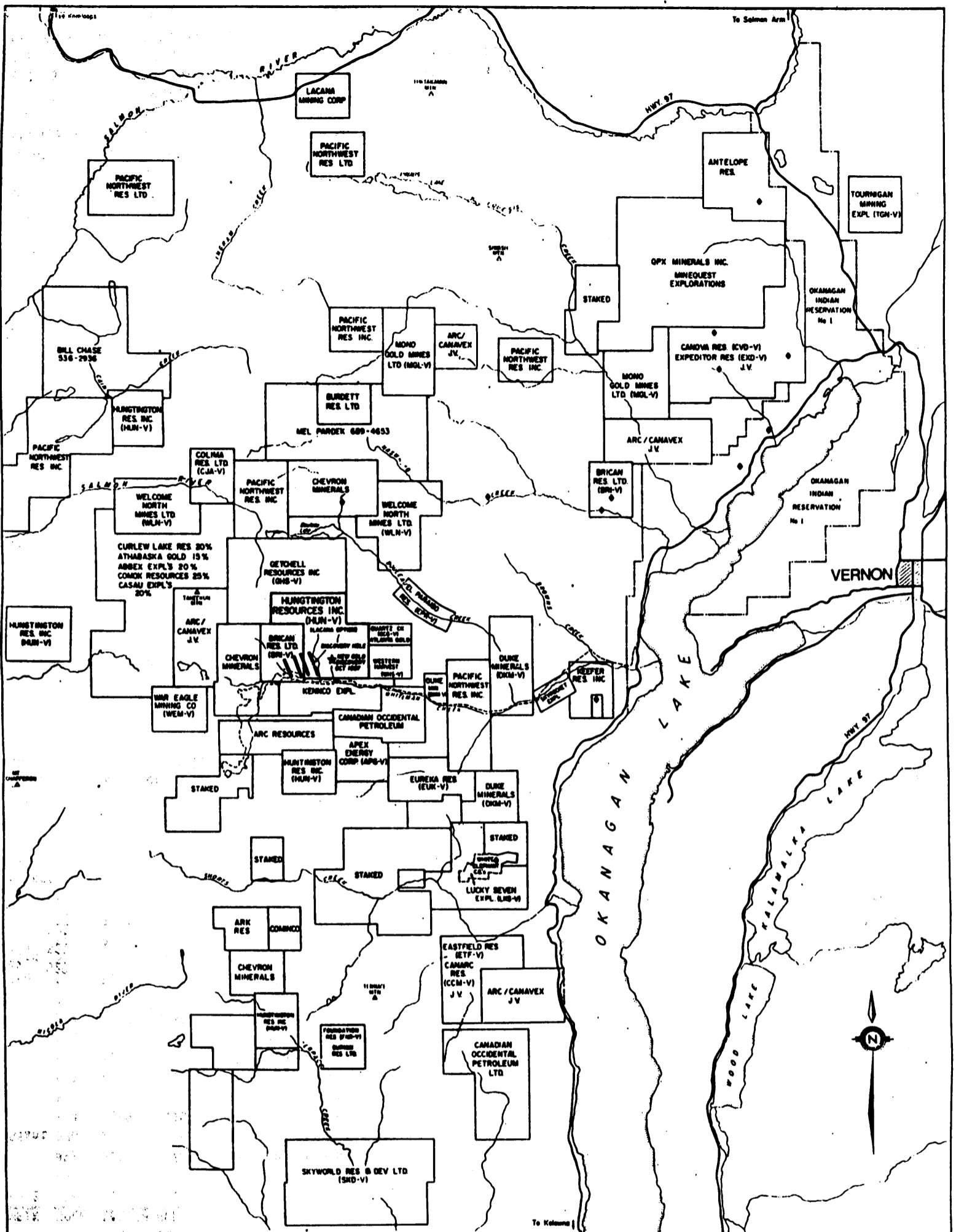
NEW DRILL HOLES HAVE EXTENDED ABBOTT ZONE - J.H.Simpson, president of

Mikado Resources has reported assay results from five holes recently drilled into the Wagner-Abbott zone. These holes have tested from the surface showing to 480 feet south of the showing. The property is located at 6,500 feet elevation on the slope of Mt. Templeman, 60 miles southeast of Revelstoke, B.C. Diamond drilling is continuing and will test the Silver King replacement showing as well as the Wagner-Abbott Sheep Creek vein system. Underground exploration activity at the Abbott is expected to start in the second week of August.

Milling activity at the Slocan mill has produced approximately 100 tons of concentrate. The concentrate has been trucked to Trail for processing.

WHITEMAN CREEK GOLD BELT

MAP PRINTED OVERLEAF - Printed overleaf page 1 is an area map of the Whiteman Creek gold belt, about 25 miles west of Vernon, B.C. Following the Huntington/Lacanna discovery there has been considerable staking and overstaking in the area. Our best efforts have been made to draw the map as carefully as possible but accuracy cannot be guaranteed.



● MINERAL SHOWING

PRINTING DATE AUGUST 4, 1988

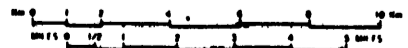
PROPERTY LOCATIONS ARE BELIEVED TO BE ACCURATE,
BUT ARE STILL SUBJECT TO NEGOTIATIONS.
REPRODUCTION OF THIS MAP, COMPLETE OR PART OF IS
FORBIDDEN WITHOUT WRITTEN CONSENT FROM
GEORGE CROSS NEWSLETTER LTD. (604) 683-7265

HUNTINGTON RESOURCES / LACANA MINING GOLD DISCOVERY

WHITEMAN CREEK GOLD BELT

VERNON MINING DIVISION

BRITISH COLUMBIA



AUGUST 4, 1988

BLACKDOME MINING CORPORATION (BDM-V,T)

VEIN	HOLE	FEET	OZ/T	OZ/TON	BLACKDOME REPORTS
		LENGTH	GOLD	SILVER	EXPLORATION RESULTS
No.2	486	3.28	0.25	0.37	J. Scott Drever, presid-
	490	4.10	.37	2.80	ent, reports that Black-
	491	3.12	.78	2.25	dome Mining Corporation
Giant	336	2.95	.78	4.19	has completed nearly
	504	4.69	.19	2.0	40,000 feet of surface
	507	4.0	.24	.14	diamond drilling and
	508	4.91	.11	.58	7,500 feet of under-
	511	4.99	.12	.35	ground development as
	515	7.32	.21	.37	part of an accelerated
	537	10.37	3.66	5.1	exploration and develop-
	538	9.88	.14	.20	ment program on the
Red	520	5.5	1.25	1.59	Blackdome property, 140
Bird	521	3.48	.38	.43	miles north of Vancouver
	522	4.53	.75	.85	B.C.. The program is
	527	7.94	.26	.57	designed to explore

----- certain sections and extensions of the Number 1 and 2 veins in the immediate mine area and to test other known gold bearing vein structures. Significant intersections above.

The Giant and Red Bird veins are northwest of and parallel to the Number 1 and Number 2 vein mine area. Further surface work and diamond drilling on the Giant and Red Bird veins will be carried out in preparation for an underground exploration program.

The crosscut to the Watson vein was completed and drifting was begun to the north and south along the vein. Significant gold values have not been intersected in the areas examined to date. Drifting and raising towards drill holes with higher values is continuing.

Underground development work on the Number 2 vein to the south of the drill holes above, encountered a high grade ore shoot with values in excess of 10.0 oz.gold/ton and 60 oz.silver/t over the width of the vein. A raise between the 1920 and 1960 levels averaged 1.79 oz.gold/t and 9.89 oz.silver/t on a cut basis, and 10.44 oz.gold/t and 57.98 oz.silver/t on an uncut basis. A high grade stope has been developed and underground work continues to define the extent and overall grade of the ore shoot.

Blackdome has executed two separate option agreements on some 17,000 acres adjoining its 9,200 acre land holding. Blackdome can earn a 100% working interest subject to net smelter royalties by making cash payments totalling \$325,000 and spending \$1,100,000 on exploration over four years. Preliminary exploration on these lands will start later this year.

CANOVA RESOURCES LTD. (CVD-V)

EXPEDITOR RESOURCE GROUP LTD. (EXD-V)

JOINT VENTURE REPORTS - Expeditor Resource Group Ltd. HIGH GRADE SILVER ASSAYS and Canova Resources Ltd.

reported that the 50-50 joint venture has obtained preliminary sampling results from the Vera and Skookum claims located 10 km northeast of Vernon, B.C. (See map overleaf p.1). Recent blasting on the Vera claim has shown that precious metal mineralization occurs in a quartz vein that is up to two meters wide hosted in an intrusive porphyry with abundant stringers in the footwall. Samples from the showing run as high as 17.06 oz.silver/ton.

On the adjacent Skookum claim, a very sugary quartz vein up to four meters wide is hosted in graphitic schist containing disseminated and stringer sulfide mineralization. Grab and channel samples taken from the vein and adjacent wallrock run as high as 65.92 oz.silver/t and 0.024 oz.gold/t. A grab sample from the vein ran 320.83 oz.silver/t. A major exploration program is being planned.

Expeditor has arranged a flow-through private placement of \$235,000 with NIM, subject to regulatory approval. The funds are being used for a \$500,000 exploration program on 10 of 17 properties in the Slave province, N.W.T. A total of 220,000 acres were acquired covering iron formation Lupin style occurrences east and northeast of Contwoyto Lake. Preliminary results on the Casey Lake property assayed as high as 0.70 oz.gold/t and 32.2, 50.5 and 67.2 grams per ton silver.

NEWHAWK GOLD MINES LTD. (NWG-V,T)

HOLE	COORDINATES	DIP	INTERVAL FT.	WIDTH	GOLD/T	SILVER/T
277	51+20S	-58	1921.9- 1941.3	19.4	0.207 oz.	0.33
	including			3.1	.490	.21
279	50+70S	-64	989.1- 995.7	6.6	.184	4.45
			1004.5- 1018.3	13.8	.168	1.66
			1046.9- 1060.7	13.8	.535	2.10
			1109.6- 1116.2	6.6	1.193	.80
			1278.5- 1288.3	9.8	.117	2.58
			1427.8- 1437.3	9.5	.100	1.46
			1802.0- 1805.3	3.3	1.725	.94

HIGH GOLD ASSAYS CUT AT 1,650 FEET BELOW SURFACE

D.A.McLeod, president of Newhawk Gold Mines Ltd. has reported good grade gold assays from two holes at 1650 feet below surface on the West zone of the Sulphurets property, owned 60% Newhawk and 40% Granduc, and located 40 km north of Stewart, B.C. (SEE PROPERTY LOCATION MAP IN GCNL NO.134) Hole S-88-277 deviated 300 feet to the south and did not fully test the structure in the target area. A third hole, S-88-278 was abandoned before reaching target depth due to deviation similar to that of Hole S-88-277. The two holes have verified that the structure contains gold mineralization at significantly greater depth than previous drilling.