

# George Cross News Letter

NO.153(1988)  
AUGUST 10, 1988

## NORTHAIR MINES LTD. (NRM-V)

**WILLA PRODUCTION-** Northair Mines Ltd. president D.A. **DECISION EXPECTED** McLeod has reported an underground diamond drilling and development program continues at the 75% owned Willa property located at New Denver, B.C. to test other areas for additional ore reserves. In one area, the southern extension of the West zone, excellent intersections over widths from 13 to 92 feet with gold and copper values from 0.15 oz.gold/ton and 0.72% copper to 0.441 oz.gold/t and 3.81% copper have been encountered in the program.

Drilling is continuing on this southern extension, the East zone and the Main zone.

Drill indicated geological reserves in the West zone currently stand at 606,000 tons grading 0.22 oz.gold/t, 0.27 oz.silver/t and 1.04% copper/t.

The 350 ton per day inactive Brandywine mill has been dismantled and relocated at Willa. It is planned that the mill will be re-erected at Willa and that its capacity will be upgraded at a cost of \$1,800,000. At 500 tons per day, estimated annual production for the project is approximately 30,000 oz.gold, 30,000 oz.silver and 3,000,000 pounds of copper. All data from the current program will be included in the mining ore reserve calculations now underway. Upon completion of those calculations, we are confident that a production decision will be forthcoming, the president said.

A bulk sample of 400 tons of ore from Willa has now been tested through the facilities of a nearby small mill. Thirty tons of concentrate were produced and the parameters established by earlier metallurgical testing were met or exceeded. Indeed, initial indications are that the head grades were higher than those grades assigned to the ore reserve blocks that were used for the test milling. The thirty tons of concentrate are available to provide sample product to various smelters in establishing contract terms.

A private placement was recently completed with Corona Corp. for 990,000 units, one share and one share purchase warrant, to provide Northair with an additional \$1,100,000. At 31May88, Northair had \$999,000 working capital when there were 11,237,546 shares issued.

## CANADIAN-UNITED MINERALS, INC. (CUN-V)

<u>MOLE</u>	<u>INTERVAL FT.</u>	<u>WIDTH</u>	<u>OZ.SILVER/T</u>	<u>ZINC %</u>	<u>LEAD %</u>
FW88-24	218.8-257.2	38.4 ft.	12.95	1.93	0.97
includes	232.0-251.6	19.6	18.81	1.85	.89

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INITIAL ASSAY REPORTED- Canadian-United Minerals, Inc. reports that the initial assay results have been received from the current diamond drilling program on the 100% owned Fireweed project near Smithers, B.C. Drilling is continuing to trace the mineralization encountered to date. Assays are expected shortly from holes FW88-25 to 28.

**MULTINATIONAL RESOURCES INC. (MUT-V)**

TOODOGGONE PROJECT REVIEWED- Multinational Mining 80% and Nisshoiwai 20% are continuing exploration on the Chappelle project in the Toodoggone area of B.C.

Phase one diamond drilling consisted of seven inclined holes totalling 1,941, ft. to further test B zone where previous drilling has indicated 50,000 tons grading 0.587 oz.gold/ton and 5.16 oz.silver/t.

Five of the recent drill holes were designed to test for a northeast extension of B zone at shallow depths. Little quartz vein material was intersected and only low gold and silver grades were obtained from these holes. Results suggest that economic grades are restricted to below the 5,750 ft. level.

Two short holes were drilled to evaluate the upper part of the main B zone mineralized shoot. One of these shallow holes encountered poor core recovery and gold-silver values were low. Results of the other hole are:

	<u>INTERVAL, FT.</u>	<u>LENGTH, FT.</u>	<u>OZ. GOLD/T</u>	<u>OZ. SILVER/T</u>
M88-06	62.0-73.0	11.0	0.111	0.76
including	62.0-69.0	7.0	.162	1.08
and	65.0-66.8	1.8	.519	3.44

Extensions to be B zone shoot are being evaluated by geophysical (Induced Polarization) and geochemical surveys prior to additional drilling.

The North Quartz and New zones, on trend with B zone and 1,300 and 2,500 ft. northeast respectively, represent targets for similar gold-silver shoots.

One of the new targets, the C vein, was partially exposed over a strike length of 300 ft. by hand trenching in the early 1970's. Detailed surface sampling yielded gold and silver values over sample lengths of more than 5 ft. of quartz with anomalous gold values and silver grades of up to 3.55 oz./ton. Recent geochemical and geophysical surveys indicated that this structure may be more extensive than previously recognized and drilling is planned to further test the C Vein.

**CATHEDRAL GOLD CORPORATION (CAT-T)**

**PROCHER ISLAND- Cathedral Gold Corporation chairman**  
**DRILL HOLE ASSAYS** Hugh C. Morris has reported assay results from 21 in-fill diamond drill holes designed to test the AT zone on the Porcher Island property, 35 miles southwest of Prince Rupert, B.C.

Drilling in 1987 and 1988 on the AT zone, which hosts the former Surf Point Gold Mine where shallow gold was produced in 1935-1937, has demonstrated the presence of up to 5 parallel vein structures. Individual veins range up to 40 feet in true thickness with grades from 0.09 oz.gold/ton to 1.62 oz./t across full vein width.

The AT zone and its contained vein structures have been explored over a strike of 1,000 feet. It is open to depth and along strike and the north and south extension of both the zone and veins remain to be tested. The deepest present intersection in hole 16 occurs 700 feet below surface (0.15 oz.gold/t across 25 feet). (SEE TABLE OF ASSAYS OVERLEAF).

An estimate of ore reserves will be prepared after all data has been received.

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## GOLD CORPORATION

HOLE	EAST M.	NORTH M.	INCL.	FROM M.	TO M.	M.	FI	OZ/T
28	455.1	189.19	45	NO SIGNIFICANT INTERSECTION				
29	461.1	189.19	45	23.20	27.00	3.80	12.5	0.114
				50.00	56.00	6.00	19.7	0.258
				66.00	67.70	1.70	5.6	0.561
				91.40	93.00	1.60	5.2	0.473
30	461.1	189.19	70	39.00	43.10	4.10	13.4	0.437
				68.00	71.50	3.50	11.5	0.094
				167.70	168.10	0.40	1.3	0.646
				176.90	177.40	0.50	1.6	0.520
31	461.1	189.19	45	9.90	13.70	3.80	12.5	0.169
32	467.1	190.2	45	ABANDONED				
33	467.1	190.2	50	32.00	42.00	10.00	32.8	0.101
				46.50	57.00	10.50	34.4	0.139
34	467.1	190.2	65	17.00	17.60	0.60	2.0	0.480
				66.10	72.50	6.40	21.0	0.702
35	467.1	190.2	55	ABANDONED				
36	467.1	190.2	65	25.95	30.00	4.05	13.3	0.196
				46.40	69.40	23.00	75.4	0.159
				102.00	104.30	2.30	7.5	0.439
37	4700	19069	45	35.66	40.76	5.10	16.7	0.530
				97.90	102.50	4.60	15.1	0.193
38	4700	19069	60	49.00	52.75	3.75	12.3	0.234
				66.60	68.30	1.70	5.6	0.232
				112.00	112.50	0.50	1.6	0.470
				131.00	136.25	5.25	17.2	0.909
39	4725	19079	45	25.30	28.40	3.10	10.2	0.153
				38.00	45.25	7.25	23.8	0.126
40	4725	19079	62	5.00	6.00	1.00	3.3	0.580
				61.50	64.75	3.25	10.7	0.164
41	4725	19135	45	14.80	23.50	8.70	28.5	0.195
				32.61	33.00	0.39	1.3	1.392
				36.20	39.10	2.90	9.5	0.220
				59.77	60.00	0.23	0.8	1.362
				76.30	76.50	0.20	0.7	1.406
42	4725	19135	60	23.47	30.70	7.23	23.7	0.406
				38.70	41.90	3.20	10.5	0.140
				91.60	93.30	1.70	5.6	0.344
				157.70	158.90	1.20	3.9	1.122
43	4727	19135	45	NO SIGNIFICANT INTERSECTION				
44	4774	19140	45	9.90	12.40	2.50	8.2	0.147
				55.10	55.40	0.30	1.0	1.626
				138.60	140.80	2.20	7.2	0.602
45	4774	19140	60	9.60	15.15	5.55	18.2	0.147
				17.00	20.00	3.00	9.8	0.102
				23.00	23.70	0.70	2.3	0.576
46	4833	19128	45	6.70	8.10	1.40	4.6	0.497
				10.50	12.00	1.50	4.9	0.348
				43.70	45.50	1.80	5.9	0.121
47	4833	19128	65	30.40	60.70	0.30	1.0	1.524
48	4833	19130	55	28.60	29.20	0.60	2.0	0.407