

George Cross News Letter

NO.248(1988)
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CALPINE RESOURCES INCORPORATED (CLP-V,T) CONSOLIDATED STIKINE SILVER LTD. (CKI-V)

<u>SAMPLE</u>	<u>INTERVAL, FT</u>	<u>LENGTH</u>	<u>OZ. GOLD/T</u>	<u>OZ. SILVER/T</u>
38508	201.39-206.31	4.92 ft	0.158	0.08
38509	206.31-211.23	4.92	.492	.58
38510	211.23-216.15	4.92	.547	1.26
38511	216.15-221.07	4.92	.690	.46
38512	221.07-225.99	4.92	.184	.06
38513	225.99-230.91	4.92	.112	.04
38514	230.91-235.83	4.92	.255	.06
38515	235.83-240.75	4.92	.321	.07
38516	240.75-245.67	4.92	1.388	.85
38517	245.67-250.59	4.92	.558	21.65
38518	250.59-255.51	4.92	1.985	7.90
38519	<u>255.51-260.43</u>	<u>4.92</u>	<u>.223</u>	<u>.22</u>
	201.39-260.43	59.04	.601	2.77

SECOND PHASE DRILLING COMPLETED - Murray Pezim, chairman of Calpine Resources Incorporated reports that the second phase drilling program completed 6,887 feet of diamond drilling in 10 holes on the Eskay Creek project 60 miles NW of Stewart, B.C. Calpine has spent over \$900,000 in 1988, allowing the company to earn a 50% interest from Consolidated Stikine Silver Ltd. All diamond drill core has been sent for assay. The only fire assay received is from a 88.6 foot interval from drill hole CA88-9, including the 59 ft. section above, which is located some 60 feet above and 50 feet east of CA88-6. (SEE GCNL No.214, p.2, 4Nov88 for previous drilling results).

H.Q. MINERALS LTD. (HQ-V) has acquired a 100% interest in a placer lease located in the Omineca mining division of B.C. for the issuance of 100,000 shares, subject to a 10% net smelter return.

CANALASKA RESOURCES LTD. (CKE-V)

REPLACEMENT FUNDING EXPECTED - Canalaska Resources Ltd. has reported the funding of \$300,000 through MVP management (Master Gold Fund) has been withdrawn. Management is confident of closing an alternate minimum financing of \$150,000 with another interest party before the end of 1988, to carry the drilling program through to 28Feb89. MVP has confirmed participation in CanAlaskas' funding needs for 1989. Drilling at Central Zeballos mine 5 km north of Zeballos, Vancouver Island, B.C. has completed 620 feet up from the No. 9 level, to intercept ore zones in the main vein that lies between the No.9 and No.5 level. Core samples have been submitted for assay, and drilling will continue in early January.

Margaret Saunders has been appointed a director and granted an option on 63,513 shares, other options have been granted to David Elrix (employee) 53,512 shares and Chuck Gowan (employee) 10,000 all at 60¢ each.

Canalaska holds an option to earn a 50% interest in the property by spending \$500,000 on exploration over two years. Ore reserves estimates show No.5 level, probable reserves of 9,000 tons grading 0.35 oz.gold/ton. Possible reserves are also indicates on the No.'s 1,2 and 3 levels.

On 6Dec88 Canalaska received regulatory approval to sale of 214,285 flow-through shares at 70¢ per share. Placee is CMP 1988 II Resources Partnership.

CONTROL ENERGY CORP. (CTY-V)

Control Energy holds properties at Wenatchee, Washington where reserves of 270,000 tons grading 0.764 oz.gold per ton have been indicated, a property at Princeton, B.C. and a claim group near Rock Creek, B.C. New projects are also under investigation.

HOUSTON METALS CORPORATION (HML-V)

HOLE	LOCATION	INTERVAL FEET	WIDTH FEET	GOLD OZ/T	SILVER OZ/TON	ZINC %
S88-57	28600E	641.8-650.0	8.2	0.27	11.84	10.89
S88-58	28900E	604.0-616.5	12.5	.37	17.14	13.02

SURFACE STEP OUT HOLES CONFIRM HIGH GRADE ORE SHOOT

Adolf A. Petancic, president reported the assay results above from the last two surface holes completed before the Christmas break at the Silver Queen mine, near Houston, B.C. These holes are located about 400 and 600 feet respectively south east of the 2590 decline and intersected the No.3 vein at the 2400 elevation. The two step out holes together with a series of underground holes drilled from the 2590 decline confirm a high grade ore shoot adjacent to the 2590 decline with a strike length of some 1100 ft. and a vertical extent of at least 500 feet between the 2600 and 2100 elevation.

1988 TAP IV Limited Partnership has agreed to subscribe for 2,500,000 flow through shares at 20¢ each for proceeds of \$500,000 for continued exploration of the Silver Queen mine, subject to regulatory approval.

SYMES RESOURCES LTD. (SYI-V)

SAMPLE RE-ASSAY TO FOLLOW - Symes Resources and Corona UP ON GOOD GOLD RESULTS Corp. conducted sampling programs in August 1988 on the newly discovered gold anomaly located on claims, 70 km SE of Pemberton, B.C. Soil samples assayed as high as 0.3 oz. gold/t, but the rock samples assayed poorly.

Recent soil samples were panned by Tim Sadlier-Brown, consulting geologist and found to contain abundant fine grained particle of gold. Following discovery of these gold values it was decided to change the sample preparation method used prior to the assay of fresh rock sample. This different method resulted in an assay of 0.346 oz. gold/t, as reported by Chemex Labs of North Vancouver.

Based on this information, Corona Corp. has agreed to pay the cost of a complete re-assay of all rock samples. These results should be available by Dec.31.

LECTUS DEVELOPMENTS LTD.(LDV-V) rec'd.VSE approval for issue of 50,000 shs. to Richard Palmer, Lloyd Addie & Gordon Addie pursuant to an option agreement pertaining to the Tough Nut property near Nelson, B.C., a phase I work program having been completed.

GEORGE RESOURCE COMPANY LTD.(GGP-V) has granted INTER-CANADIAN DEVELOPMENT CORP.(ICD-V) options to earn a 30% interest on the Owl claims, Lillooet mining division, B.C. by spending \$120,000 on exploration by Dec.31, 1989.