

George Cross News Letter

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PACIFIC MINESEARCH LIMITED (PFM-V)

ADAMS LAKE CLAIMS OPTIONED TO MINNOVA - President Victor F. Erickson

reported Minnova has been granted an option to earn a 70% interest in the 51 claim Victory project at Adams Lake, located 70 miles northeast of Kamloops, adjoining the Minnova-Rea silver discovery. Minnova can earn the interest by spending \$525,000 on exploration and paying \$50,000 over 5 years to Pacific MineSearch. Minnova will receive Pacific MineSearch shares for all payments but the first.

Pacific MineSearch holds an option to acquire the Victory claims from Amex Exploration Services Ltd. of Kamloops, B.C. for \$25,000 and 50,000 treasury shares payable over 5 years, of which \$25,000 and 50,000 shares have been paid to date.

The Victory property lies directly north of the high-grade Samotsum and Discovery zones on the Rea Gold property. The host lithology of these deposits trends on to the Victory where the current work is geological mapping, soil sampling, and geophysical surveys. Drilling is expected later in 1988.

LUCERO RESOURCE CORP. (LCR-V)

DRILL PROGRAM PLANNED - A soil sample survey has been completed on the MC property near Clearwater, B.C., which expanded an anomalous area located by Craigmont Mines Ltd. in 1980. Lucero holds options to earn a 60% interest in the property by spending \$300,000 by the end of 1990. The lead, zinc, silver anomaly is 1,300 meters long, open along strike and coincident with airborne and ground VLF electromagnetic surveys. Access was improved in 1987 when a new logging road cut through the south portion of the anomaly. Limited outcrop exposed in this area consists of altered rhyolite and rhyolite breccia carrying up to 15% pyrite and minor galena sphalerite. A grab sample of this material returned anomalous lead and zinc values and an assay of 3.09 oz silver/t. Three other anomalous areas have been located on the property. Diamond drilling is planned during this season.

ARMADA GOLD AND MINERALS LTD. (ARM-V) has agreed to purchase a 100% interest in the Zummer #5 mineral claim in the Vernon Mining Division, B.C., for \$5,000 and 50,000 shares. Nim Resource - 1988 and Company, Limited Partnership has agreed to buy 42,308 shares at \$2.60 each for proceeds of \$110,000, subject to regulatory approval.

MERIDOR RESOURCES LTD. (MRO-V)

PROGRESS REPORTED- Meridor Resources Ltd. has completed 5,500 feet of drilling in 13 holes on its Iskut River property, 100 miles north of Stewart, B.C., and has extended the program to 8,000 feet of drilling. Drilling is designed to test coincident geochemical and geophysical anomalies. Drill core indicates that the rock type and alteration is similar to the geologic environment present on the surrounding Cominco/Delaware, Snip property. All of the drill holes intersected abundant disseminated pyrite (up to 10%) and disseminated and stringer veins of chalcopryite (up to 0.5%); also present are trace amounts of pyrrhotite, sphalerite, molybdenite, galena and bornite. Four of the holes intersected massive pyrite and chalcopryite.

Most of the drilling has concentrated in a geochemically anomalous area 1300 ft. by 650 ft.. Holes have partially tested this large zone to a depth of 585 ft.. Best results were hole MRO 88-5 with 4.3 feet of 0.103 oz.gold/ton, 0.19% copper and 0.27 oz.silver/t and hole MRO 88-6 with 4.9 feet of 0.113 oz.gold/t and 0.09% copper. This anomalous area is believed to represent a mineralized hanging wall bounded on the south by a high grade mineralized shear zone.

Only a small number of the available targets will have been tested at the end of the present program. A second phase of drilling designed for more detailed testing of the known anomalies, which will include deeper drilling and to explore other untested targets.

HUNTINGTON RESOURCES INC. (HUN-V)

LACANA CONFIRMS INTENTION- Huntington Resources Inc. TO FORM BRETT JOINT VENTURE reports that Lacana Mining Corporation has confirmed its intention to enter into a joint venture with Huntington to further develop the Brett claims, 30 km west of Vernon, B.C.. Phase II of the work program is scheduled to begin early this week. The program will include diamond drilling along the New Discovery zone and fill-in drilling along the Main Shear zone. In addition, a reverse circulation rig will be employed to drill along the Main Shear zone.

On July 20, 1988 Huntington negotiated \$200,000 in flow-through financing from Nim Resources-1988 Company, Limited Partnership. These funds, together with the \$160,000 to be paid to Huntington as a result of the joint venture with Lacana, will provide sufficient capital to complete this year's work program on the Brett claims. Huntington will also conduct work programs on four other properties it owns in the area.