

George Cross News Letter

"Reliable Reporting"

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CATHEDRAL GOLD CORPORATION (CAT-T)

HOLE	INTERVAL FEET	GOLD FEET OZ/T	HOLE	INTERVAL FEET	GOLD FEET OZ/T
11	168.7- 169.5	0.8 1.300'	1042.0-1054.0	12.0	0.043
12	168.0- 170.0	2.0 0.034'	16	321.0- 327.0	6.0 0.304
13	199.0- 207.0	8.0 0.068'	462.0- 474.0	12.0	0.063
	294.0- 308.0	14.0 0.268'	582.0- 587.0	5.0	0.217
	363.0- 367.0	4.0 0.100'	623.0- 628.0	5.0	0.323
	398.5- 417.0	18.5 0.067'	692.0- 705.0	13.0	0.053
14	249.0- 252.0	3.0 0.140'	795.0- 799.0	4.0	0.152
	643.0- 644.0	1.0 0.069'	905.0- 930.0	25.0	0.165
15	287.0- 302.0	15.0 0.033'	17	14.0- 15.0	1.0 0.104
	367.0- 375.0	8.0 0.047'	138.0- 140.7	2.7	0.068
	738.0- 748.5	10.5 0.073'	224.0- 225.0	1.0	0.414
	841.0- 842.0	1.0 0.339'	289.0- 291.0	2.0	0.124
	870.0- 871.0	1.0 0.226'	380.0- 391.0	11.0	0.027
	900.0- 914.5	14.5 0.065'	557.0- 565.0	8.0	0.267
	977.0- 978.0	1.0 0.374'	736.0- 738.0	2.0	0.081
	997.0-1002.0	5.0 0.089'			

Cathedral Gold Corporation completed 27 holes totaling 18,041 feet in their exploration program that started last November on their wholly owned Porcher Island gold property 35 miles SW of Prince Rupert, B.C. Zarko Nikic, vice president of exploration, says assay results from the first 10 holes (GCNL 5(88)p.1 refers) extended the known quartz vein system within the AT zone which encompasses the old mine workings. Equally significant, wide intersections in 4 of these holes supported a larger scale bulk tonnage concept for this property which had previously been thought of as a medium to high grade quartz vein environment. Mr. Nikic presents assays now received for 7 of the 17 holes completed in January and February. Assays for the remaining holes are awaited.

Holes 15 and 16 extended the quartz vein system in the AT zone which remains open at depth below 500 feet and on strike. The widths of some mineralized intersections there support a bulk tonnage concept. Geophysical and geochemical surveys discovered 2 new zones near the AT zone. Holes 11, 12, 13 and 14 cut significant gold mineralization in the previously untested Edge zone. Hole 17 drilled the previously untested Alder zone. The mineralization is similar in all 3 zones which are roughly parallel and are 800-1,000 feet apart. Indications of further mineralization have been found in other areas of this 1900-acre tidewater property where coastal weather conditions permit year round exploration.

Before this drilling program, reserves within the AT zone stood at 250,000 tons grading 0.26 oz/t gold. Prior to 1937, 73,000 tons of ore were mined from the AT zone. Mill recoveries were 95% and the recovered ore grade averaged 0.29 oz/t gold.

PAN AMERICAN MINERALS CORP. (PAA-V)

HOLE	MINING WIDTH	OZ. GOLD/TON	OZ. SILVER/TON	LEAD %	ZINC %
87-01	5.2 ft.	0.232	7.17	8.57	9.06
87-02	9.6	.143	4.86	3.88	8.88
87-03	6.8	.147	3.34	4.80	9.54
87-04	4.8	.259	4.08	4.11	6.75
87-09	5.4	.106	1.30	2.00	4.07
87-10	4.0	.340	2.15	1.97	4.34
87-11	2.4	.301	5.83	6.29	8.65
87-12	4.8	.233	1.44	2.71	5.10
87-17	5.8	.306	1.25	1.25	2.02
87-18	7.6	.266	1.99	1.99	3.00
87-19	5.1	.400	2.97	2.53	7.84
87-20	7.0	.214	2.84	2.39	7.43
87-21*	4.1	.119	2.84	2.04	7.21
87-22*	2.0	.253	5.25	10.60	17.70
87-25	5.4	.198	5.42	2.54	3.57
87-26	4.8	.098	3.43	5.33	5.40
87-27	10.4	.426	3.16	2.99	5.78
87-28	8.4	.144	0.93	0.72	1.50
87-29*	13.6	.178	1.55	0.94	1.30
87-30*	3.6	.277	1.09	0.80	3.06

* Above the lowest level.

1987-88 UNDERGROUND DRILLING RESULTS - Pan American

Minerals president

Kenneth Sanders reports the results of the 1987-1988 underground drilling program on the J & L property near Revelstoke, B.C. The holes cover an area 1,300 feet along strike to a depth of 250 feet. These results are currently being included in an assessment of mineral reserves below the existing workings to 250 feet.

Reserves figures published by B.P.-Selco, who can back into 25% interest, are 3,710,000 tons grading 0.17 oz. gold/t, 1.72 oz. silver/t, 2.15% lead and 4.04% zinc.

FARGO RESOURCES LIMITED (FR-V)

DRILL PROGRAM COMPLETED - Lauch F. Harris, president, reports that 2,000 meters of drilling in 9 holes has been completed and was successful in adding reserves to Fargo's kaolin prospect near Lang Bay, B.C.. Consulting geologist, Dr. Colin Harvey of New Zealand, estimates the primary white kaolin reserve to extend over a strike length of 2.5 km, with an inferred geological reserve of 11,000,000 tonnes. The Brown Bed material has been estimated at several tens of millions of tonnes (See GCNL 33 p.3 17Feb88).

Tests by Indiana University using wet magnetic separation showed it was possible to upgrade the brightness of the white kaolin from 65% to 79%, which is very close to the brightness of commercial filler-grade kaolins produced elsewhere. Mr. Farris says "It should be noted that while work to date is encouraging, considerable test work remains to be performed in this area".

In the immediate future, work will concentrate in the beneficiation and marketing areas in order to assign a value to the product(s) that might be produced at Lang Bay. With the positive results generated thus far and the continuation of reserve delineation through the proven category, a feasibility study on the project could be initiated late this year with a production decision by mid-1989.

CANOVA RESOURCES LTD. (CVD-V)

HOMESTAKE WILL FUND TO PRODUCTION IF FEASIBILITY STUDY IS POSITIVE - Canova Resources Ltd. has granted Homestake Mining Company's Canadian subsidiary, Homestake Mineral Development Company, an option to back in for a 50% interest in Canova's Heart of Gold property near Atlin, B.C., by paying all costs incurred after completion of a feasibility study until the start of production. Canova has been financing the property's exploration and development. Homestake has agreed that, in the event Canova spends a total \$3,000,000 before a feasibility report is completed, Homestake will provide half the additional funds needed to complete the report.

Canova has completed 2 diamond drill holes on the Heart of Gold property. President James H. Hirst reports that Hole No.1 was drilled to a depth of 242 feet and encountered unaltered volcanic rock. Hole No.2 was drilled to 503 feet and intersected an alteration zone from 223 feet to 340 feet containing carbonate, quartz and sulphides. Assay results from this section are expected within a few days. Hole 3 has been collared 100 meters east of Hole 2 and is expected to intersect the same alteration zone.

KILLICK GOLD COMPANY LTD. (KLK-V)

RIGHTS OFFERING PROPOSED - C.C. Kane, president, reports that Killick Gold intends to raise \$118,000 through a rights offering. Shareholders can buy 1 share at 15¢ for every 5 shares now held. Proceeds will fund a 2,250-foot diamond drilling program on the Adams Plateau claims near Kamloops, B.C. Discussions are being held to option the claims. The pilot concentrator will process stockpiled ore for study of the sulphide zone's metallurgy and may generate a modest cash flow.