

George Cross News Letter

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CREW NATURAL RESOURCES LTD. (CWT-V) AISA PACIFIC RESOURCES LTD. (APQ-V)

HOLE	INTERVAL FEET	LENGTH FEET	COPPER RANGE %	GOLD RANGE OZ/TON	COPPER EQUIVALENT %
88-1A	11-490	479	0.20 - 0.81	0.006 - 0.029	0.866 %
88-2	15-350	335	.03 - 1.06	.002 - .039	.827
88-3	15-160	145	.11 - .30	.004 - .010	.40
88-4	120-430	310	.08 - .81	.003 - .021	.47

1988 DRILL PROGRAM COMPLETED - Dr. Gerald D. Wright, president of Crew Natural Resources Ltd., reports the completion of the 1988 four hole drill program on the Red Dog copper-gold porphyry deposit, 8 km NE of Holberg, northern Vancouver Island, B.C. (See GCNL No. 191 & 183 under T.P. Resources for assay sections of the first two holes).

An engineering report by J.B. Engineering concludes, "there is a reasonable expectation of an open pit mineable reserve in excess of 50,000,000 tons at a grade of the order 0.32% copper and 0.012 oz.gold/ton, for a of 0.70% copper equivalent, molybdenum and silver values enhance the value of the deposit". The report also notes that there are prospective areas on the property that remain to be tested.

The engineering report includes preliminary economic analyses that indicate the ore body identified to date could be economically mined at a copper price of US \$1 per lb. and US \$425 oz.gold, yielding a minimum return on investment of 15%.

Since discovery in 1966, there have been 53 holes totalling 23,992 feet drilled by four previous operators and Crew Natural Resources.

A \$3,200,000 budget has been approved for a staged program in 1989 planned to enable a full feasibility study to be prepared in 15 months.

Dr. G. Dorman has resigned as a director. B.G. Johnson and B. Howie, executive chairman and director international project, respectively of the Pennant group of companies, Australia, and directors of Asia Pacific Resources and Canadian Crew Energy have been appointed directors of Crew Natural Resources. AISA PACIFIC RESOURCES LTD. (APQ-V) recently signed an agreement to earn a 50% interest in the project by spending \$4,000,000 over 2 years. (SEE GCNL No.225, p.3, 23Nov88 for more detail). Crew Natural Resources now holds a 100% interest, subject to a 3% net smelter royalty.

CATEAR RESOURCES LTD. (CAA.A-V) FUNDING AND EXPLORATION REVIEWED - Catear Resources has completed a private

placement of flow-through shares for a total of \$609,750, being 641,842 shares at 95¢ each. Euro-Credit & Commerce Inc. is to receive a finder fee of \$30,000. The funds are to be spent on the further development of the Goldwedge property 30 km north of Stewart, B.C.

The proposed private placements announced Dec.7, and Dec.19 of \$1,500,000 from P & M (1988) Petroleum - Mining and Company, Limited Partnership and \$500,000 from Tap VI Resource Ltd. Partnership will not proceed since neither were able to raise their minimum offering.

E.R. Kruchkowski, president of Catear Resources reported additional funds are being sought through a debenture convertible to bullion or shares or a gold loan and that additional bulk sampling is to be undertaken to support such a financing. At the Goldwedge a crew of 4 men have returned to the property following the holiday break with the balance of the crew, to a total of 20, scheduled to be at the mine in the next few days. A 3 foot Symmons cone crusher, with a capacity of 40 tons an hour, has been installed and tested. The crusher is in closed circuit with a 1/4 inch screen to provide a smaller feed to the two ball mills. The third ball mill is being used as a regrind and is expected to provide a 120 tons of ore per day capacity. At present the jig and gravity table is estimated to be recovering approximately 60% of the gold. When the regrind circuit is in operation, scheduled for February, recoveries are expected to increase to between 80% and 90% of the contained gold. The flotation equipment is at the mine and, subject to additional testing, could be in operation in February. A substantial quantity of exploration data from last fall is now being evaluated with results to be reported as analysis is completed.

Catear has a number of other exploration projects where additional work is planned, with the programs to be reported in the next few weeks.

SCHELLEX GOLD CORP. (SCE-V) 23,000 units at \$1.80 per unit. Each unit comprises 3 flow-thru shs., 1 non flow-thru sh. & 4 non-transferable warrants. Each warrant is exercisable for 1 year to buy 1 sh. for 75¢. \$31,050 will be spent on a UTEM geophysical survey on the 50-50 joint venture Summit Camp property, 30 kilometers northeast of Hope, B.C. No finder's fee will be paid. (See GCNL No.200, p.3, Oct.18/88 for recent property results).

BLACKDOME MINING CORPORATION (BDM-V,T)

VEIN	HOLE	LENGTH	OZ.GOLD/T	OZ.SILVER/T	EXPLORATION
Giant	551+	1.8 ft	0.75	0.74	DRILLING
	553+	3.4	.16	.28	RESULTS REPORTED
		4.9	.35	3.00	J.Scott Drever,
	557+	12.6	.27	.85	president of
	590	8.0	.37	.69	Blackdome Mining
	598	9.9	.19	.39	Corporation
	599	14.9	.18	.35	reports that
	601	9.5	.80	1.04	encouraging drill-
		3.7	.56	.71	ing results have
	602	2.9	1.05	1.36	been returned from
Red	605	5.6	.61	.36	four separate vein
Bird	606	3.3	.25	.21	systems on the
	622	4.3	.70	2.55	Blackdome mine
No.17	616	3.4	.17	.31	60 km. west of
	617	12.4	.46	.99	Clinton, B.C.
No.2	UG20	4.3	.14	8.43	Several intercepts
	UG24	3.3	.48	.34	of ore grade
	UG25	6.9	.33	6.26	quartz veining and
	UG26	2.6	.21	.68	stockworks have
	+ previously reported				been obtained from

the Giant, Red Bird, No.17 and No.2 veins. With the exception of the No.2 vein intersections, these results have identified mineralized zones along previously unexplored portions of the respective vein systems. Situated north of the producing area of the property, the vein systems are within 3 km of the mill. The widths and grades are similar to exploration drilling results encountered in the mine area prior to development.

The Giant vein mineralization represents extensions of ore zones encountered in trenches and diamond drill holes completed earlier this year. Several separate ore shoots have now been encountered over a strike length of 1600 feet and to a vertical depth of 500 feet. This structure is presently open-ended at depth and along strike to both the north and south. Fifty-three holes have been drilled on the Giant vein in 1988.

Recent drilling on the Red Bird vein has encountered gold and silver mineralization below and to the north along strike from the ore-grade intercepts obtained in drilling earlier this year. The Red Bird vein displays mineralogy and distribution of values similar to the Giant vein, but has not been explored over as great an area. Thirty-two holes were drilled in 1988.

The No.17 vein is a new system discovered during trenching operations this fall. It is characterized by strong quartz veining consistent with other veins on the property, and appears to be the northward extension of the No.1 vein. The No.1 vein has provided most of the mine production to date and is obscured at the north end by a post-ore basalt flow. The No.17 vein outcrops where the No.1 vein is projected to emerge from beneath this flow. To date, six holes have been drilled and the zone remains open to depth and along strike.

Underground drill holes beneath current mine workings in the No.2 vein intercepted the values in the table above.

Drilling is continuing on all vein systems to further delineate these zones and to identify additional ore shoots. (SEE GCNL No.245, p.2, 21Dec88 and No.151, p.1, 8Aug88 for previous exploration reports).

HARRISBURG-DAYTON RESOURCE CORP. (HRU-V) 23,000 units at \$1.80 per unit. Each unit comprises 3 flow-thru shs. 1 non flow-thru sh. & 4 non-transferable warrants. Each warrant is exercisable for 1 year to buy 1 sh. for 75¢ \$31,050 will be spent on a UTEM geophysical survey on the 50-50 joint venture Summit Camp property, 30 kilometers northeast of Hope, B.C. No finder's fee will be payable.

BEMA GOLD CORP. (BGO-V) 78,950 flow-thru shs. at \$1.90 per sh. Placee is 1988 (No.3) Mintax Minerals Ltd. Partnership & 1988 (No.3) Mintax Mineral Ltd. Placement proceeds will be used to complete current exploration program on Harrison Lake property, B.C., by 28Feb89.