

George Cross News Letter

NO.45(1989)
MARCH 6, 1989

YANANDA GOLD LTD. (YAG-V)

NEW ASSAYS REPORTED - Stanley L. Beale, president of

Vananda Gold has reported a further 3.3 foot section of core from drill hole T88-3 has been assayed extending the massive sulphide intersection in this hole to 16.7 feet grading 0.82 oz.gold/t, 2.16 oz.silver/t, 2.91% copper. Vananda Gold owns 123 claims, covering almost all of the Vananda gold camp, Texada Island, B.C. This intersection in No.T88-3, is from 889.4 to 906.2 ft. in the hole and is about 80 feet along the massive sulphide mineralized deep limestone replacement structure from the intersection in T88-4 drill hole, which cut from 915.0 to 930.1 a 15.1 foot section assaying 0.508 oz.gold/t, 1.57 oz. silver/t, 2.6% copper. These two intersections in No.T883 and T88-4 are about 100 feet along strike to the south of the No.T88-1 drill hole intersections of 791.3 to 799.5 ft., an 8.2 foot section assaying 0.416 oz.gold/t, 2.65 oz.silver/t, 5.92% copper. The T-88-1 drill hole intersections is about 100 feet south along strike from a 1951 drill hole which cut 76 feet assaying 0.23 oz.gold/t, 2.0% copper. The 1951 drill hole intersection was below the No.6 production level of the Little Billie mine which produced some 80,000 tons grading 0.25 oz.gold/t, 2% copper.

About 1 km southeast of the No.T88-1,3,4 holes the No.T88-6 and 7 holes cut massive sulphides. No.T88-7 hole assayed 5.74% zinc, 2.03% lead, 0.20 oz.silver/t, 0.004 oz.gold/t over a core length of 4.3 feet.

Freeport McMoran, operator, can earn a 51% interest by paying \$250,000 to Vananda over 4 years and spending \$1,300,000 on exploration over 4 years, and may acquire another 19% by paying a further \$250,000 and spending an \$1,300,000 more over two more years. In 1988, Freeport spent \$600,000 on exploration and has approved a budget of \$700,000 for the first half of 1989. These funds will be spent in follow-up drilling around the Little Billie, Copper Queen and Cornell areas. Ground geophysical work has started and drilling is scheduled to resume in March. The next cash payment to Vananda is \$50,000 due June 1, 1989.

Additional work is also planned for the area of the Ideal Cement quarry where a 17.4 foot section assayed 0.233 oz.gold/t, 5.81% zinc and 0.52% copper. The Ideal Cement quarry is about 4 km southeast of the Little Billie mine. (SEE GCNL NO.217, P.3, Nov.10,1988)

CONSOLIDATED SEA GOLD CORP. (CDE-V)

JOINT VENTURE AGREEMENT SIGNED - Charles S. Underhill,

president reports Consolidated Sea Gold Corp. has signed a joint venture agreement granting ALTAR RESOURCES LIMITED the right to earn a 50% interest in Cahill claims, near Hedley, Osoyoos mining division, B.C. by making a cash payment of \$10,000 and spending \$350,000 on exploration by March 1, 1993. Sea Gold has spent \$300,000 on exploration of the property with diamond drilling results ranging from 0.10 to 0.248 oz.gold/ton. Altar Resources shares are suspended from trading on the V.S.E. and this agreement is part of the reorganization to resume trading.

Further exploration will also be conducted on Sea Gold's two other Hedley gold camp properties, the Yak 2 and Xavier 2 claims, and the Yeti and Zandu claims.

Sea Gold expects that a substantial exploration program will be recommended on its 100% owned 127 mineral claims, 100 miles north of Stewart, B.C. when consultants Pamicon Developments Ltd. have compiled the data on last years program, which included diamond drilling.

RHINO RESOURCES INC. (RNO-V)

PROPERTY PURCHASED - Rhino Resources Inc. has agreed to purchase 3 mineral claims located on Whiteman Creek, Vernon mining division, B.C. for \$500 cash down, 50,000 free trading shares and another 50,000 shares by 18Aug89 based on receipt of an engineering report recommending further work. These claims are in proximity to claims of Huntington Resources.

CANALASKA RESOURCES LTD. (CKE-V)

CENTRAL ZEBALLOS UPDATE - Results to date from diamond drilling at the Central

Zeballos mine, 5 km north of Zeballos, northwestern Vancouver Island, B.C., has identified gold mineralization in the main vein structure ranging from 0.014 to 1.14 oz.gold/ton above the No.9 main crosscut level, and from 0.013 to 2.07 oz.gold/t below the No.9 level, reported Canalaska Resources president Harry Barr.

Drilling intersected the vein west of the No.4 and No.5 level drifts and on the No.6 and No.7 levels below the known western ore shoots on the No.5 level.

Drilling below the No.9 level intersected the vein to a depth of 120 feet below the main crosscut and below the raise. The intersection carrying 2.878 oz.gold/t is 120 feet below a zone near the raise rated as commercial grade in old mine records. Together this evidence indicates the existence of a new ore shoot, he said.

The geological examination and sampling of drill core is still in progress. Additional analytical results are expected to be received over the next six weeks.

Management is finalizing a \$300,000 private placement for exploration of the Central Zeballos mine; and is negotiating a possible joint venture agreement on Canalaska's Rainbow Hill lode gold prospect in Alaska.

MANHATTAN MINERAL CORP. (MHN-V)

SHAREHOLDERS APPROVE - Dennis L. Higgs, president of CHANGE OF DIRECTION Manhattan Mineral Corp. reported that shareholders have approved the acquisition of 100% of the issued shares of and name change to Safety-Ject Medical Products Ltd. The company will take immediate steps to effect these changes. (SEE GCNL NO.24, P.2, 3FEB89 FOR DETAILS).

The company's interest in the Border Mine property, Arizona has been dropped due to marginal exploration results. An interest has been earned in the Golden Sidewalk property, Bralorne area B.C. and Manhattan is evaluating its future plans for this property.