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George Cross

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WESTERN CANADIA

INEL RESOURCES LTD. (ILE-V)

1989 FIELD PROGRAM COMPLETED - Gerald G. Carlson, Ph.D.,
P.Eng., President,
reports Inel Resources Ltd. has completed the 1989 field
season on its 50%-owned Inel property in the Iskut gold
camp, 100 km north of Stewart, B.C. This year's work
comprised 390 feet of underground drifting, 14 under-
ground and 63 surface diamond drill holes for a total of
27,934 feet, geological mapping, ground geophysical
surveys, surface trenching and aerial photography. (SEE
DRILLING HIGHLIGHTS & CLAIM MAP OVERLEAF PAGE 1)

Dr. Carlson considers the program an outstanding
success with several new mineralized zones being
tested. The AK zone, first discovered in 1988, yielded
high grade assays over significant widths in surface
trenching including 1.29 oz.gold/ton over 9.8 feet, 0.41
oz.gold/t over 22.9 feet and 0.638 oz.gold/t over 13.1
feet. Subsequent drilling of the zone shows it to be a
mineralized breccia on the footwall of a porphyry dike
with a strike length of over 250 feet and a down-dip
extent of over 280 feet open in all directions. True
widths are up to 20 feet in the central part of the zone.

A second similar zone, the Ninety-Eight, was
discovered 600 feet SW of the AK zone. This zone, also
along a porphyry dike contact, contains extensive zinc
mineralization with the gold values. Drill hole S-130
contained the only visible gold discovered to date in an
intersection that returned 91.999 oz.gold/t over 1.5 ft.

Inel's consultant, Dr. Edward W. Grove, P.Eng.,
recommends a \$2,500,000 program for next year that would
focus on an underground examination of both the AK and
Ninety-Eight zones. The company is considering either
extending the existing underground workings to the
target or starting a new adit at a higher level.

Other targets examined this year require follow-up
including the Zinc Knob where drilling encountered a
highly altered stockwork zone with extensive pyrite
mineralization and variable values in zinc, gold and
copper. On the Inel Flats, massive pyrite with low gold
values were found in two holes indicating the presence
of a large, new mineral zone. Both structurally
controlled and porphyry style gold/copper mineralization
were encountered at Big Bowl, while strong gold
geochemical anomalies were identified at Super Bowl
Creek, the Ridge zone and the Moonlight zone. With the
completion of the proposed 1990 exploration program,
Inel's interest in the property would rise to 100%.
(SEE GCNL Nos. 199, 179, 176, 171, 157 & 129 FOR
COMPLETE DRILL RESULTS)

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