

George Cross

Reliable A

NO.97(1990)
MAY 18, 1990

MORAGA RESOURCES LTD. (MGR-V)

HOLE NO.	INTERVAL	LENGTH		COPPER	GOLD	MOLYB
	METERS	METERS	FEET	%	OZ/T	%
EC 171	6.71 - 254.02	247.31	811	0.36	0.015	0.008
Incl.	6.71 - 242.02	235.31	772	.37	.016	.008
EC 154	164.90 - 259.0	94.1	309	.26	.008	.015

DRILL RESULTS - Maurice J. Young, president, reports

Moraga Resources Ltd. has received assay results for the first two drill holes in a 6,000-foot drilling program begun in April on the Expo property located on northern Vancouver Island, B.C., west of the producing BHP Utah Island Copper mine. Moraga can earn a 45% interest by spending \$2,700,000 on exploration over seven years followed by a US\$260,000 payment to BHP Utah. Since 1967, BHP Utah has spent about \$5,000,000 exploring the 42 square mile, 526-claim Expo property. SEE MAP OVERLEAF PAGE 1. Diamond drill hole EC 171 was drilled to a depth of 290 meters (952 feet) on the southern edge of the known Hushamu deposit as an infill hole midway between holes EC 69 and EC 75 which are 400 feet apart. This hole is the most northern hole of a planned fence of holes which will be spaced over a 2,900-foot interval between EC 171 and previously drilled EC 154.

EC 172, located about 350 feet north of EC 154 on the fence of holes previously described, has been completed to a depth of 1,507 feet to test the intensely altered and mineralized zone. Assays will be available within a week. Drilling is progressing on EC 173 and should be completed to a planned depth of about 1,000 feet within a few days. An additional hole on this fence of holes is planned and will be located about 400 feet south of EC 154. This hole is being collared near surface samples that returned 0.06 oz.gold/ton. More drilling is planned on the western extension of the Hushamu zone which currently has geologic reserves in excess of 100,000,000 tons grading 0.32% copper, 0.012 oz.gold/ton and 0.008% molybdenum. Drilling will also take place in the vicinity of the Red Dog deposit which

has reported geologic reserves of 70,000,000 tons grading 0.32% copper, 0.01 oz.gold/t, and is 100% owned by CREW NATURAL RESOURCES LTD. (CWT-V) and is under option where by Moraga can earn a 50% interest.

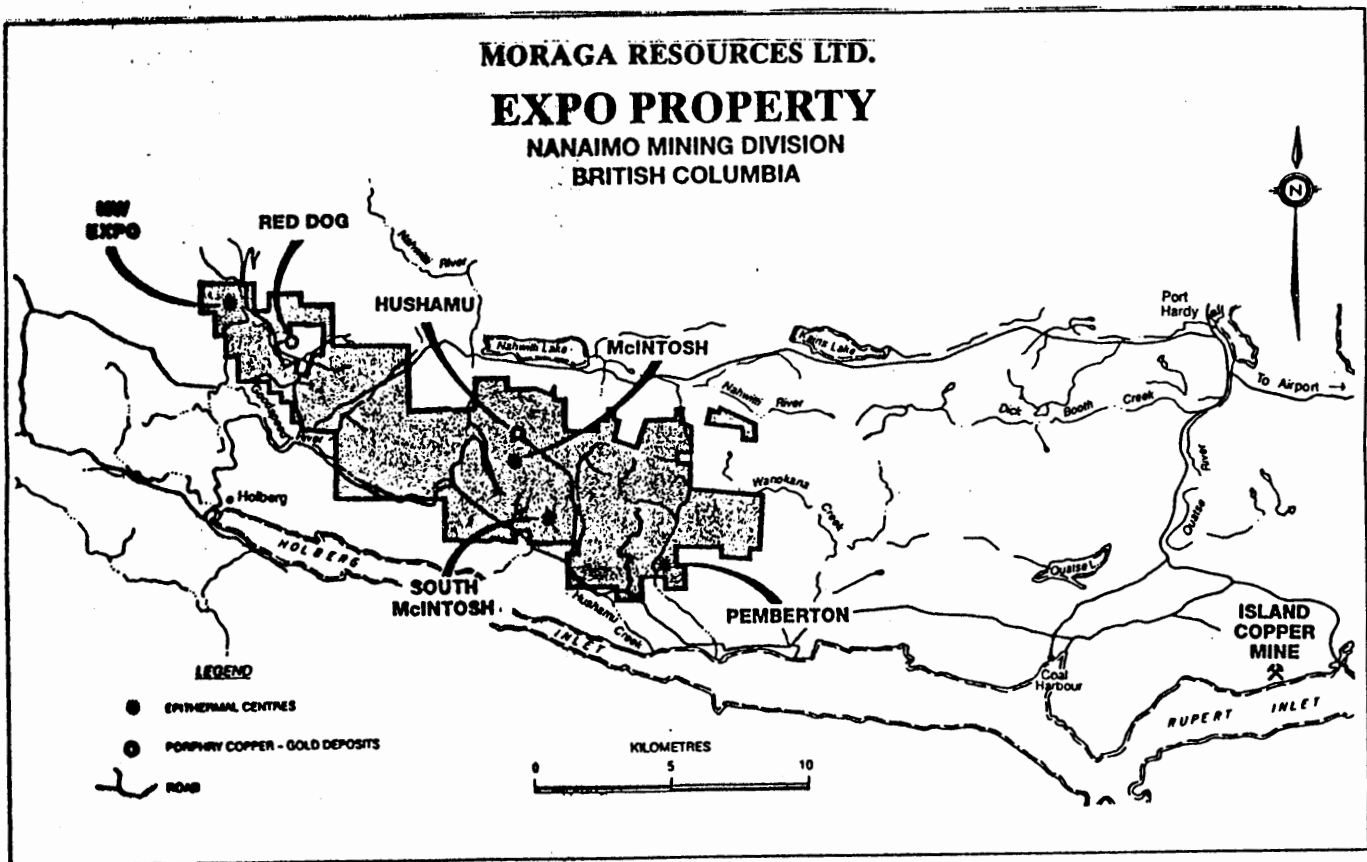
Moraga recently acquired an option from ACHERON RESOURCES LTD. (ACZ-V) to earn a 55% interest in the Wanda and Stat claims totalling 78 units to the north of the BHP-Utah Island Copper mine. (SEE GCNL No.75, April 18,1990, and No.94, 15May90, P.3 FOR MORE DETAILS)

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