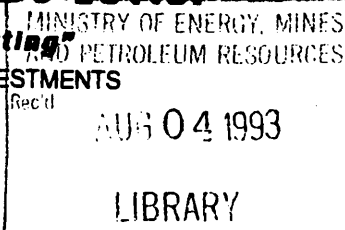


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## George Cross News Letter

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### PRIME EQUITIES INTERNATIONAL CORP. [PQE-V]

#### GOLDNEV RESOURCES INC. [GNZ-V]

#### BETHLEHEM RESOURCES CORP. [BTH-V, T]

GOLDNEV TO JOIN TILLICUM PROJECT - Murray Pezim, chairman.

Prime Equities International Corp.'s 85%-owned subsidiary, Goldnev Resources Inc., will participate with Bethlehem Resources Corp. in a joint venture to develop the Tillicum gold property near Nakusp, B.C. Permitting approvals have been received to extract a 10,000-tonne bulk sample from the Heino-Money zone. Bethlehem is operator. Mr. Pezim said Goldnev's participation in the joint venture is part of a broad corporate strategy of developing gold production through subsidiaries at no direct cost to Prime Equities.

The ore will be hauled by truck to Bethlehem's Goldstream mill 80 km north of Revelstoke, B.C. for processing. The Goldstream mine is a significant producer of copper and zinc concentrates which are sold to Nippon Mining & Metals Co., Ltd. of Japan. The mine's copper concentrate contains some gold (less than 1 gram/tonne) but at present no credit is realized from the smelter for the gold content. Virtually all of the gold blended into the Goldstream concentrate from the Tillicum property will constitute a credit which will accrue to the joint venture.

The Heino-Money zone contains a mineable reserve of 15,000 tons grading about 1.0 oz. gold/ton, one of the highest grade undeveloped gold resources in Western Canada. This high grade gold

reserve is not sufficiently large to justify an onsite milling operation. The Heino-Money zone has extensive underground workings which will simplify implementation of the proposed bulk sampling program. Preliminary work required to obtain approval to mine additional ore is under way and it appears feasible to mine the entire 15,000-ton deposit this year.

The joint venture agreement with COLUMBIA GOLD MINES LTD. [COB-V] includes a 50% interest in the remainder of the Tillicum property which has established reserves and considerable exploration potential. The agreement requires the joint venture to complete \$1,500,000 in exploration over some five years. A successful conclusion to this exploration program might justify the construction of a mill on the property.

Over 100 holes have been drilled in the East Ridge zone of the property which also has extensive underground workings. This zone has 1,300,000 tons of reserves, most of which are classified as drill indicated. Within this reserve base are a number of high grade zones which could prove economic to mine independently at a later date.

The joint venture agreement for the Heino-Money zone involves staged cash payments of \$200,000 and staged production royalty payments of \$1,050,000 from gold sales. Columbia will receive royalty payments of US \$60 for each ounce of gold to a maximum of 14,000 ounces. The agreement will also enable Columbia to participate in higher gold prices through the receipt of US 40¢ for each US \$1.00 the joint venture receives in excess of US \$350 per ounce of gold and a net smelter royalty of 2% of any revenues from gold production in excess of the first 14,000 ounces. Subject to regulatory approval, Columbia has the option to convert portions of the cash and production payments to shares of Bethlehem and Goldnev. (SEE GCNL NO.144, 28Jul93, P.1 FOR PREVIOUS PROJECT INFORMATION)

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