

1710 - 609 GRANVILLE ST
PO BOX 10363
VANCOUVER BC
CANADA V7Y 1G5
(604) 683-7265 FAX 683-5306

George Cross News Letter

"Reliable Reporting"

WESTERN CANADIAN INVESTMENTS

COPYRIGHT
ALL REPRODUCTION
RIGHT RESERVED
PUBLISHED DAILY
SUBSCRIPTION RATE
\$315.00 PER YEAR

NO. 80 (1994)
APRIL 27, 1994

NO. 80 (1994)
APRIL 27, 1994

LAC MINERALS LTD. (LAC-T,M)

APRIL 1995 "POSSIBLE" START OF RED - The Lac annual report, MOUNTAIN GOLD MINE AT STEWART, B.C. states the most advanced exploration project in Lac North America is in the western Canadian region at Red Mountain. The Red Mountain project is located 11 miles east of Stewart, B.C. During 1993, a \$10,000,000 exploration program of 2,600 feet of underground development and 30,000 feet of underground diamond drilling were carried out to test the previously outlined geologic resource contained in the Marc Zone. A total of 121,000 feet of surface diamond drilling was also carried out to confirm the presence of the A.V. Zone extension and to search for additional parallel zones. The underground program proved the size and continuity of the Marc Zone, and led to a much improved geological understanding of the area. The surface drill program intersected some interesting new targets both on strike and parallel to the known zones which indicate opportunities to continue to expand the resource. The geological resource potential at Red Mountain is currently 2,000,000 ounces and prospects indicate the resource could be even greater.

Prefeasibility evaluations of several development alternatives were carried out in 1993. These studies indicate the minimum resource target is 2,000,000 ounces with an annual production of 200,000 ounces. Detailed environmental background studies were done in 1993 as an important element of the mine development permit application. Regular meetings with regulatory agencies and First Nations have developed favourable relationships.

A \$14,500,000 exploration program is planned for 1994 including additional underground exploration and surface diamond drilling. Feasibility level engineering and detailed environmental planning will be completed in the first half of 1994 in order to submit the application for Mine Development Certificate in October. The final feasibility should be completed in November 1994. Mine development activities can only start after receipt of the Mine Development Certificate expected in April 1995.

103P 86