

1710 - 609 GRANVILLE ST
PO BOX 10363
VANCOUVER BC
CANADA V7Y 1G5
(604) 683-7265 FAX 683-5306
BBS 683-7206

George Cross News Letter

"Reliable Reporting"

WESTERN CANADIAN INVESTMENTS

SEP 6 1994

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

NO. 169 (1994)
SEPTEMBER 2, 1994

E. M. P. R.

NO. 169 (1994)
SEPTEMBER 2, 1994

FAIRFIELD MINERALS LTD.

[FFD-V] 7,063,181 SHS.

GOLD PRODUCTION OF 28,800 - In the quarter ending 31Jul94
OUNCES FORECAST FOR 1994 activity at the Siwash North Gold Mine, 30 miles northeast of Meritt, B.C., focused on waste removal from the open pit, in preparation for gold ore extraction which is now underway. The company expects that the pit will produce 25,000 ounces of gold from 10,000 tons of ore in 1994.

Other activities included the sale and shipping of 3200 tons of underground and previously stockpiled open pit ore, containing an estimated 8,450 ounces of gold at US\$385 per ounce, to the Asarco Inc. smelter at Helena, Montana. Final settlement is due in September.

Underground exploration has been placed on a care and maintenance basis until the open pit has been completed in late October. The underground test mining program this spring was successful resulting in the extraction of 1,700 tons of ore grading 2.25 ounces gold per ton, yielding 3,800 ounces gold. Underground diamond drilling identified several sections of high grade ore below the test stope. One of the best intersections averaged 3.42 ounces gold per ton over a true thickness of 8.1 feet.

A further program of underground exploration is being planned for mid October 1994.

Net income for the six months ended 31Jul94 was \$756,778 (11¢ per share) compared to \$714,781 (11¢ per share) in 1993. These results reflect estimated proceeds from the sale of 8,450 ounces gold of which 5,200 ounces was from stockpiled open pit ore at 31Jan94 and is included in revenue. Net proceeds of \$1,529,024 from the remaining 3,250 ounces, produced from underground test mining, were credited to accumulated deferred exploration expenditures. At 31Jul94 open pit waste rock stripping costs of \$1,441,438 have been capitalized as inventory, as will the cost of extracting the estimated 25,000 ounces of gold during the second half of this year. As at 31Jul94 the company had \$5,500,000 working capital, including \$2,700,000 cash and term deposits.

92H NE 96