

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

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BETHLEHEM RESOURCES CORPORATION

[BTH-V,T] 20,409,894 SHS.

IMPERIAL METALS CORPORATION

[IPM-T] 51,965,609 SHS.

SHAREHOLDERS APPROVE MERGER - Bethlehem Resources Corp. shareholders have approved

by 99% the proposed merger with Imperial Metals Corp.

Bethlehem shareholders receive either one share of Imperial for every three Bethlehem shares held or \$0.50 cash for each Bethlehem share, to a maximum cash expenditure by Imperial of \$2,000,000. The cash will be allocated on a pro rata basis. Final court approval is expected Feb. 20, 1995 with the formal closing Feb. 28, 1995. (SEE GCNL NO.13, P1,FOLLOWING JAN.19/95 FOR MUCH DETAILS).

The objective of the merger is to bring Imperial Metals' Mt. Polley mine into production. Mt. Polley is a 100%-owned copper/gold property 65 km east of Williams Lake, B.C. which is forecast to produce 32,000,000 pounds of copper a year together with 71,000 ounces of gold annually during the first 10 years. The reserve used in the Mt. Polley feasibility study is 50,000,000 tons of ore grading 0.65% copper equivalent. Brian Kynoch, president of Bethlehem, told the meeting a recent reserve estimate using a copper price US \$1.20/lb increased the potential mineable reserve to 149,000,000 tons grading 0.467% copper equivalent. There are also several excellent exploration targets on the property which warrant drilling.

Pierre Lebel, president of Imperial Metals, told the meeting expenditures on a revised ore reserve estimate and capital cost to production has been about \$60,000 per week for the last two months. The revised estimates are expected to be completed in three weeks when discussions with financing sources will increase and intensify. Imperial/Bethlehem have had a number of parties express interest in participating in the funding of the mine to production related to concentrate sales. With the new numbers in hand, these approaches will be followed up. Mr. Lebel is optimistic construction will start in the fall of 1995. (SEE GCNL NO.13, 19Jan95, P.1 FOR PREVIOUS RELATED INFORMATION)

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