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# George Cross News Letter

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## KENRICH MINING CORP.

[KRC-V] 23,939,323 SHS.

## PRIME RESOURCES GROUP INC.

[PRU-T, V] 76,073,913 SHS.

**NEW MINERAL ZONE DISCOVERED** - Kenneth Trociuk, president,

reports Kenrich Mining Corp. has received results from Prime Resources Group Inc. from the exploration conducted on behalf of Prime by Homestake Canada Inc. on the PRU Block north of Stewart, northwest BC. The PRU Block of Kenrich's 100% owned Corey property occupies the northwest 6,000 hectares of the 18,700 hectare total property. Prime can earn a 51% interest in the PRU Block by spending \$10,530,000 on exploration over the next seven years. Homestake geologists selected the PRU Block for its 12 km of prospective Eskay Creek type stratigraphy which is favourable to host a massive sulphide/precious metal deposit similar to the Eskay Creek Mine located 15 km to the north.

A program of linecutting and detailed mapping was conducted over the southwestern area of the PRU Block. A previously unmapped zone of rhyolitic volcanics and felsic epiclastics with associated mudstones was discovered. These volcanics are present in two distinct packages separated by a northerly striking thrust fault.

The eastern package of rocks in this new zone consists predominately of rhyolite flow breccias and felsic epiclastics intercalated with mudstones units. The package has been mapped indicating a known (minimum) strike length of 1,500 metres and a thickness of up to 100 metres.

A grab sample taken from mudstones stratigraphically overlying the rhyolite and underlying pillow basalts returned 4486 ppb (4.5 grams/tonne) gold with anomalous silver, arsenic, antimony and barite. Another grab sample taken from a 10 metre

thick mudstone unit below the rhyolites assayed 6.8 ppm (6.8 grams/tonne) silver with anomalous arsenic, antimony and barite.

This mineralization and host stratigraphy can be considered analogous to the 21B zone at Eskay Creek. The 21B orebody is hosted entirely in the Contact Mudstones stratigraphically overlying an 80 metre thick, weakly mineralized rhyolite unit and underlying a thick sequence of pillowed basalts and flow breccias. Mudstones are the predominant rock type both up-section and laterally from the deposit area. The 21B orebody is 600 metres long, 60 to 120 metres wide, and 2 to 12 metres thick. Stated reserves at Eskay Creek are 1,397,000 tons grading 1.73 oz. gold/ton and 79.3 oz. silver/ton with significant zinc, lead and copper.

Prime and Homestake will continue the exploration program in early spring 1998. (SEE GCNL NO.204, Oct.23/97, P.5 FOR PREVIOUS PROJECT INFORMATION)

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