

# Gerle Gold Ltd.

904 - 675 W. Hastings Street  
Vancouver, B.C. Canada  
V6B 1N2

Tel. (604) 688-0546

FAX #: (604) 688-0378

*Doug Irving*

TO: Chapman, Wood, Griswold Inc

DATE: April 27/92

FROM: Ray Hekac

FAX #: 505-881-8749

SUBJECT: Vera Cruz News Release

PAGE 1 OF 2

INCLUDING THIS PAGE



1710-609 GRANVILLE ST.  
P.O. BOX 10363 STOCK EXCHANGE TOWER  
VANCOUVER, B.C.  
V7Y 1G5  
(604) 683-7285  
FAX (604) 683-5306

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NO.79(1992)  
APRIL 23, 1992

# George Cross News Letter

## Reliable Reporting

NO.79(1992)  
APRIL 23, 1992

### WESTERN CANADIAN INVESTMENTS

#### VERA CRUZ MINERALS CORP. (VCM-V)

##### HOLE VCD 92-3:

INTERVAL	WIDTH	GOLD	COPPER	LEAD	ZINC	Vera Cruz Miner-
FEET	FEET	OZ/T	%	%	%	als Corp has
15-20	5	0.025	0.002	0.022	0.011	encountered exte-
405-410	5	.025	.061	.022	.013	nsive mineralized
465-485	20	.030	.649	.056	.014	breccia in two
497-530	33	.036	.271	.060	.041	holes in the 1st
540-561	21	.101	.065	.094	.043	phase of the 1992
570-595	25	.046	.102	.100	.075	exploration pro-
605-610	5	.162	.007	.074	.145	gram on the Vera
640-660	20	.050	.011	.059	.300	Cruz project in
830-844	14	.053	.043	.074	.456	Lincoln County,
875-895	20	.018	.153	.070	.059	New Mexico, with

Note: End Of Hole At 900 Ft.

##### HOLE VCD 92-4:

240-245	5	.160	.008	.043	.006	Gold Company.
315-325	10	.904	1.89	.510	.012	Diamond Drill
390-420	30	.077	.570	.033	.064	Holes VCD 92-3
435-470	35	.027	.251	.112	.158	and VCD 92-4, the
485-495	10	.105	.398	.084	.348	first two holes
540-550	10	.023	.002	.022	.163	drilled this year
530-635	5	.028	.270	.185	.595	were drilled to
660-665	5	.049	.006	.062	.097	test the signifi-
875-896	21	.066	.049	.111	.107	cant sulfide zone
915-925	10	.028	.002	.052	.040	and confirm the
943-950	7	.131	.427	.071	.141	results in pre-

Note: End Of Hole At 963 Ft.

circulation holes had numerous significant gold bearing intervals that also contained copper, lead, and zinc values.

The tabulated assays for the two holes are the result of an extensive and rigorous sample preparation procedure. It was developed by FMC Gold Company to overcome sample discrepancy due to the perceived "nugget effect." The entire core was crushed to -20 mesh and then blended. A 500 gram sample split was taken and pulverized to -200 mesh then a full one assay ton fire assay was completed. All significant gold bearing intervals were then further analyzed utilizing a gravity concentration method.

The intervals released to date are only the gold bearing intervals that assayed greater than 0.02 oz. gold/t across 10 feet or greater than 0.05 oz. gold/t across 5 feet. VCD 92-3 was drilled at -47 degrees to a depth of 900 feet. VCD 92-4 was a vertical hole drilled to 963 feet.

The present geological interpretation, which includes relogging of 1990 and 1991 drill holes, indicates the breccia body is a single pipe which has been complexly faulted. The most significant gold values occur within a sulfide-bearing zone that is southeasterly down faulted from the "Glory Hole" breccia.

Ernest S. Peters, president of Vera Cruz Minerals Corp., state that "We are encouraged by the results of the project to date. This year's program confirms the work completed last year and enhances the project. The values in holes VCD 92-3 and VCD 92-4 ranged up to 0.101 oz. gold/t across 21 feet and 0.904 oz. gold/t across 10

feet. This was after utilizing a conservative assay process. In addition all notable gold assays carried copper, lead, and zinc values. The Vera Cruz project is hosting a significant mineralized structure.

"These significant findings have resulted in FMC Gold Company continuing with the exploration program and focusing its efforts on the bulk-tonnage target. An induced polarization survey is underway to define were of the sulfide zone and assist in locating targets for a reverse circulation drill program. (SEE SCNL NO. 46, P.1, March 5, 1992, for much background data.)

#### CONSOLIDATED EWING INDUSTRIES INC. (CWG-V)

IMPORTANT ACQUISITION PROPOSED - Stephen K. Fane, chief executive officer, of Consolidated Ewing Industries Inc. has reported a letter of intent to buy a 14 acre hydroponic greenhouse facility in Langley, B.C. for some \$6,000,000 in debt and equity. These greenhouses are engaged primarily in the production of sweet bell peppers. To fund the purchase the company plans a public share offering in early summer 1992.

This acquisition, when combined with the previously announces acquisition of a five acre facility in Matsqui, B.C. will make Consolidated Ewing Inc. one of the largest hydroponic greenhouse facilities in Canada. The Matsqui, B.C. five acres of greenhouse was acquired in early 1992, for 900,000 shares valued at 25¢ each. The company intends to use the facility for a combination of sweet bell pepper production and the growing of its Enviroturf grass product.

The company, operating as International Enviroturf Inc. is in the business of growing, marketing and distributing specialty hydroponic greenhouse grown grass products primarily for golf course greens, tee boxes and landing areas, as well as bowling greens, playing fields and other uses. The company also markets a number of soil and lawn care products in California.

Mr. Fane stated there is a strong market for greenhouse grown golf course greens. He said with 19 acres of pepper crops annual sales should be in the \$4,500,000 to \$5,000,000 range. With 19 acres of greenhouse golf course gross sales could reach \$10,000,000 to \$15,000,000 per year (40,000 sq.ft. per acres times 19 acres = 760,000 sq. ft. times 10 crops per year, each crop takes 5 to 7 weeks, = 7,630,000 sq. ft. per year times \$1.50 to \$3.00 per sq. ft. = \$11,400,000 to \$22,900,000 possible annual sales).

Such a green is playable in 25 to 35 day compared with 90 to 180 day for other products.

Since Jan. 1/92 when there were 1,872,741 shares issued the company has: issued 287,060 shares at 15¢ to settle debts of \$43,060; completed a private placement for 2,000,000 units at 15¢; plus a second private placement for 1,250,000 units at 20¢ each; issued 900,000 shares at 25¢ in an acquisition. If all the warrants are exercised there will be 8,659,801 shares issued and new capital of \$1,100,000 added to the treasury.



## Vancouver Stockwatch

April 21 1992

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## VERA CRUZ

The company has encountered extensive mineralized breccia in two holes in the first phase of the 1992 exploration program on the Vera Cruz project in Lincoln County, New Mexico, with senior joint venture partner FMC Gold.

Diamond drill holes VCD 92-3 and VCD 92-4, the first two holes drilled this year, were drilled to test the significant sulphide zone and confirm the results in previous reverse circulation holes. The holes encountered up to 500 ft and up to 700 ft, respectively, of mineralized breccia and both holes had numerous significant gold bearing intervals that also contained copper, lead and zinc values.

The tabulated assays for the two holes are the result of an extensive and rigorous sample preparation procedure. Developed by FMC to overcome sample discrepancy due to the perceived nugget effect.

FROM TO (FEET)	WIDTH (FEET)	AU OZ/T	COP %	PBS %	ZNC %
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## Hole VCD 92-3

15-20	5	.025	.002	.022	.011
405-410	5	.035	.025	.022	.013
455-465	20	.030	.649	.056	.014
497-530	33	.056	.271	.060	.041
540-561	21	.101	.065	.094	.043
570-595	25	.046	.102	.100	.073
605-610	5	.182	.007	.074	.145
640-660	20	.050	.011	.059	.300

End of hole at 900 ft

## Hole VCD 92-4

240-245	5	.160	.008	.043	.006
315-325	10	.904	1.89	.510	.012
390-420	30	.077	.570	.033	.064
435-470	35	.027	.251	.112	.158
485-495	10	.105	.398	.084	.348
540-550	10	.023	.002	.022	.163
630-635	5	.028	.270	.185	.595
660-665	5	.049	.006	.052	.097
675-696	21	.066	.049	.111	.107
915-925	10	.028	.002	.052	.040
943-950	7	.121	.427	.072	.242

End of hole at 963 ft

The intervals released to date are only the gold bearing intervals that assayed greater than 0.02 oz/ton Au across 10 ft or greater than 0.05 oz/ton Au across 5 ft. VCD 92-3 was drilled at -47 degrees to a depth of 900 ft. VCD 92-4 was a vertical hole drilled to a 963 ft.

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This year's program confirms the work completed last year and enhances the project. The values in holes 92-3 and 92-4 ranged up to 0.101 oz/ton Au across 21 ft and 0.904 oz/ton Au across 10 ft. This was after utilizing a very conservative assay process. In addition all notable gold assays carried copper, lead and zinc values. Obviously, the Vera Cruz project is hosting a significant mineralized structure.

FMC is continuing with the exploration program and is focusing on the bulk tonnage target. An IP survey is under way to define more of the sulphide zone and assist in locating targets for a reverse circulation drill program.

## X-Cal Resources Ltd

XCL

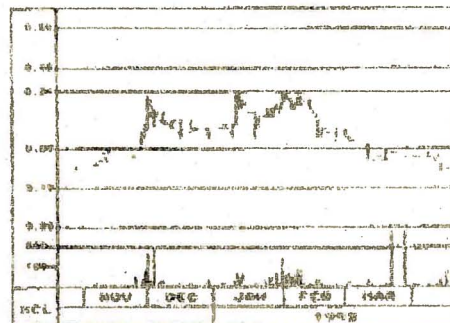
Shares issued 6,127,829

16 Apr 92 close \$ 0.15

## Directors

Arnold John M  
Gardiner W Douglas H  
Kennedy-Burton Betty

Bateman William E  
Kennedy Shawn M



## News Release... Option to acquire Stitzel property

Mr Shawn Kennedy reports

X-Cal has acquired an option to earn 100% interest in the 3,000 acre Stitzel property in the Pipeline/Gold acres area of Crescent Valley, Nevada (see accompanying map).

The property is in the Cortez/Battle Mountain gold trend along north-west strike approximately five miles from Placer Dome's Gold Acres mine.

Adjoining Gold Acres, Placer Dome is continuing to drill the Pipeline gold discovery with approximately 12 drills working at this time.

The company is taking up a landholding in this area because it believes that Pipeline is a very important new gold orebody and that this will result in a series of additional new discoveries along the Cortez/Battle Mountain gold trend similar to the continuing discoveries along the Carlin bend.

The vendors of the property to X-Cal are Cameron and Dean Stitzel of Carlin, Nevada. The Stitzels are self-financed Nevada prospectors who first located gold on the property in 1986 within the northern portion of the claim block and drilled 150 ft of .019 oz/ton Au and 55 ft of .023 oz/ton Au with the gold mineralization occurring at surface in upper plate rocks. Since that time, claims have been added and a new discovery is reported at this time by the Stitzels, located in the southern portion of the claim block. The Stitzels have also reported favourable lower plate rocks and accompanying thrust faulting in the area of their new discovery.

X-Cal has acquired the option to earn 100% of the property, subject to a 5% NSR by making advanced royalty payments of US\$135,000 and issuing 200,000 shares of X-Cal during the first four years of the agreement. Thereafter, the advance royalty will remain at US\$50,000 per year. The advance royalties will be deducted from future royalties at the time of production. X-Cal will carry out an annual minimum of US\$20,000 of exploration on the property.

The first phase of work will be the compilation and documentation of work done by the Stitzels to date. This will be carried out under the direction of Dr Barry Smees, V.P. X-Cal. In addition to the compilation, per-

mits to carry out excavator trenching on the new discovery are being applied for.

## Yellowjack Resources Ltd

YJK

Shares issued 9,724,756

20 Apr 92 close \$ 1.08

## Directors

Belle Bradley  
Murray Kenneth  
Sandnes Ron

Kilpatrick Gary  
Ohsaki Ted M

Private Placement... 346,638 shares at \$0.896

The VSE has accepted for filing, subject to the transaction closing no later than 45 days from March 16 1992, documentation with respect to a private placement of:

No. of shares:	346,638
Price:	\$0.896 per share
Warrants:	For 346,638 shares
Wt exercise price:	\$0.896 for one year
Placers:	Steve Bussan, G. 804; Rose Bussan, 804 and 16 others

*Handwritten notes:*  
Doug  
HARD ABOUT  
ASKED ABOUT  
VERA CRUZ  
RESULTS