

881935 *Cone Hill*

The companies plan a \$150,000 program to include 5,000 feet of drilling, to commence early in 1997.

The drilling and trenching were wide spaced over an area measuring 3500 feet X 3500 feet. The new program will entail an untested area measuring 1600 feet X 3200 feet. The target is outlined by a magnetic high feature which is partially enveloped by the high chargeability anomaly which reflects the pyrite halo. A minimum of 5,000 feet of drilling is planned in 1997.

NEWTON HILL

GOLD/COPPER PROPERTY
20 MILES NORTH OF FISH LAKE, BRITISH COLUMBIA
[VERDSTONE 100%]

69

The Newton Hill property is located approximately 20 miles due north of Taseko Mine Ltd.'s Fish Lake Deposit with reserves of 675 million tons grading .246% Cu. and .014 oz/ton Gold for a Copper Equivalent of .479%.

Verdstone has negotiated a joint-venture with Ventex Technologies Corporation ("Ventex") whereby Ventex can earn a 49% interest over three (3) years by expending \$500,000.00 on exploration and making a cash payment of \$23,000.00.

A.W. Jackson, B.Sc., P.Geo. has recommended a trenching and diamond drill program. Trenching is partially completed with the diamond drilling program to commence early 1997. Prior work by Rea Gold and Verdstone has returned significant values as follows:

VICTORINE GOLD MINE

GOLD PROPERTY
LANDER, NEVADA
[VERDSTONE 50%/STIRRUP 50%]

The Victorine Mine is located 150 miles east of Reno and 25 miles by road south of Austin in Lander County, Nevada.

Verdstone Gold Corporation along with Stirrup Creek Gold Ltd. have a 50/50 interest on this property. The property potential is from 300,000-600,000 ounces with an existing reserve of 123,000 ounces at a cut off grade of .146 opt. Drilling during 1996 extended the zone 450 feet beyond the existing mine workings and will be followed up in 1997 with additional drilling aimed at increasing reserves. 10,000 feet of drilling is planned for 1997.

DRILL HOLES	INTERVAL FEET	GOLD	COPPER	COPPER EQUIV- ALENT
DDH 92-4	236'	.019	0.065	.39%
DDH 92-1	594'	.005	0.110	.21%
DDH 92-3	164'	.013	0.080	.34%

GOLDEN ZONE, B.C. CLAIMS & SILVER BELL

GOLD PROPERTY
7 MILES NORTH EAST OF HEDLEY, BRITISH COLUMBIA
[VERDSTONE 100%]

Verdstone Gold Corporation owns a 100 % right, title and interest in three Crown Grants, located in the Osoyoos Mining Division located 7 miles north east of Hedley, British Columbia.

TRENCH NO.	INTERVAL FEET	GOLD
91-14	26'	0.031
91-15	46'	0.016
91-19	118'	0.016
91-20	158'	0.025