



VBS → MAC

## Spokane Resources Ltd.

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480-650 West Georgia Street, Vancouver, British Columbia, V6B 4N9, Tel: (604) 683-5411, Fax: (604) 662-3231

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Trading Symbol: SKN.V  
12(G) exemption: 82-4391

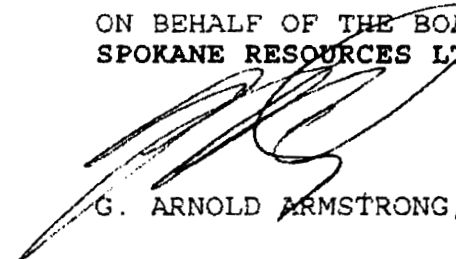
February 25, 1997

NEWS RELEASE

A Geostatistical Resource Estimate for the Mac Property has been completed by G.H. Giroux, P. Eng. MaSc. of Giroux Consultants Ltd. The report confirms that at a cut off grade of 0.06 MoS<sub>2</sub>, the Indicated Resource in the volcanics is 52,420,000 tonnes at an MoS<sub>2</sub> equivalent of 0.14 MoS<sub>2</sub> and the Inferred Resource is 47,520,000 tonnes at an MoS<sub>2</sub> equivalent of 0.12 MoS<sub>2</sub> for a total of approximately 100 million tonnes Indicated and Inferred. Gross value of the resource at current market prices exceeds **one billion dollars** Canadian.

On February 19, 1997, the Company commenced a new phase of diamond drilling of the Mac Molybdenum/Copper deposit near Granisle, B.C. The planned 2,500 metre drill program will focus on extending the higher grade intercepts of Molybdenum and Copper in the South East volcanics of the Camp Zone.

The private placement announced December 23, 1996, has now been completed. A total of 365,000 Flow-Through Units were sold to six places at a price of \$0.75 per Unit, for total proceeds of \$273,750. The proceeds of the private placement are being utilized in the Drilling project currently underway.

ON BEHALF OF THE BOARD  
SPOKANE RESOURCES LTD.  
G. ARNOLD ARMSTRONG, CHAIRMAN

The Vancouver Stock Exchange has not reviewed and does not accept responsibility for the adequacy and accuracy of the contents of this press release.



Spokane Resources Ltd.  
480 - 650 West Georgia Street  
Vancouver, BC V6B 4N9  
Canada

**SYMBOL  
EXCHANGE**

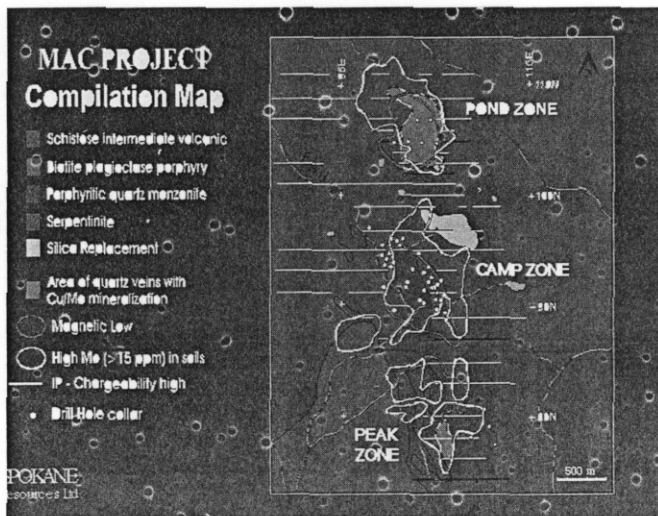
**SKN  
VSE**

Issued as at 20 Feb. 1997  
Fully diluted

18,482,720 shares  
20,420,220 shares

### MAC PORPHYRY PROJECT (100% Spokane Resources Ltd.)

One of the most prospective undeveloped porphyry systems known in British Columbia, the Mac Property contains potentially economic values of both copper and molybdenum within the same deposit. The overall porphyry system is larger than 3.5 km long and up to 2 km wide.



- Fast approaching feasibility stage on the Mac property
- Focused on putting this unique property into production
- Current resource valuation: \$1 Billion
- Mac contains high-grade molybdenum/copper in a porphyry system
- Current drill inferred resource estimate: approx. 105 million tonnes in camp zone alone
- Further drilling could substantially increase the indicated reserve
- World-class management team

The company recently retained Fluor Daniel Wright to provide a critical path and cost estimate for an engineering scoping study as a preliminary step to commencing feasibility studies on the property. The feasibility studies are expected to commence in early 1998 with production slated for the year 2000. Assuming a price of US\$5.00/lb for molybdenum, US\$1.10/lb for copper, a currency conversion of \$1.35, and the current 100 million tonne resource, the Mac deposit is valued at over Cdn\$1.0 billion on an undiscounted cash flow basis.

## SPOKANE:

**SUBSTANTIAL** upside potential  
**SOLID** base metal play  
**SEASONED** management team

Please contact: Lucy Godwin, Corporate Relations  
TEL. 604-683-5411  
FAX 604-683-5346