

May 16/96

GOLD CITY MINING CORPORATION

OLD NICK

Ni, Co

SUMMARY The Old Nick Nickel Deposit is located in South-Central British Columbia, just north of the U.S. border, and south-west of the village of Rock Creek. This unique surface-minable sulphide deposit has been estimated to contain in excess of 100 million tonnes grading 0.22% nickel and 0.015% cobalt.

PROPERTY The Old Nick deposit is located at 49° 04'N and 119° 06'W, 36 kilometres east of Osoyoos, B.C. and just south of the main Trans-Provincial Highway #3. Services and accommodation are available at the Town of Rock Creek, 10 kilometres east of the Property. Topography is characteristic of a glaciated, maturely-eroded highland, with stands of fir, pine and scrub grasslands. Access to the property is from highway #3 at Rock Creek, onto the abandoned Great Northern Railway right-of-way which passes through the heart of the deposit. Within the deposit, there are numerous logging, mining and drill roads which allow for vehicle access. This property is controlled by the Rock Creek Gold Trend Joint Venture.

GEOLOGY Generally, the property is underlain by rocks of the Permian (and/or) Triassic Anarchist Group (greenstone, quartzite greywacke), which have been intruded by Cretaceous Nelson plutonic rocks (granodiorite, quartz diorites, and monzonites) and by ultra-basic magnetic dykes, also of the Nelson series. The structure of the area has been described as being complex with the bedding tightly folded and cut by several fault trends, the dominant being north-westerly.

MINERALIZATION Nickel sulphide mineralization occurs in two rock types: (a) in peridotitic dunite rocks as pentlandite ocluded in pyrrhotite; pentlandite and pyrrhotite occurring in amphiboles, serpentine and talc in the altered dunite, and (b) in pyrometasmatic quartzite of the Anarchist Group; pentlandite in minute intergrowths with pyrrhotite and pyrite in fine sericitic-chloritic veinlets.

The pentlandite mineralization occurs in pyrometasmatic quartzite, as a band, "2,600 feet long and approximately 400 feet wide, and in adjacent peridotitic-dunite dykes. Petrological work on the mineralized quartzite has revealed the presence of minute injections of basic rock into the sediments. The pentlandite is closely associated with these injections"¹ - "Nickeliferous zones, grading 0.15 to 0.25% nickel, were found to be remarkably uniform and continuous within the quartzite horizon."¹

EXPLORATION HISTORY Since discovery by prospecting in 1955, considerable exploration

¹

Coope, J.A.; Dolan, W.M.; Costin, C.P. Geological, Geochemical, and Geophysical Exploration of the Nickel Ridge Property (Old Nick Option), Bridesville, B.C. Newmont Mining Corp. of Canada Ltd., May 7, 1968.

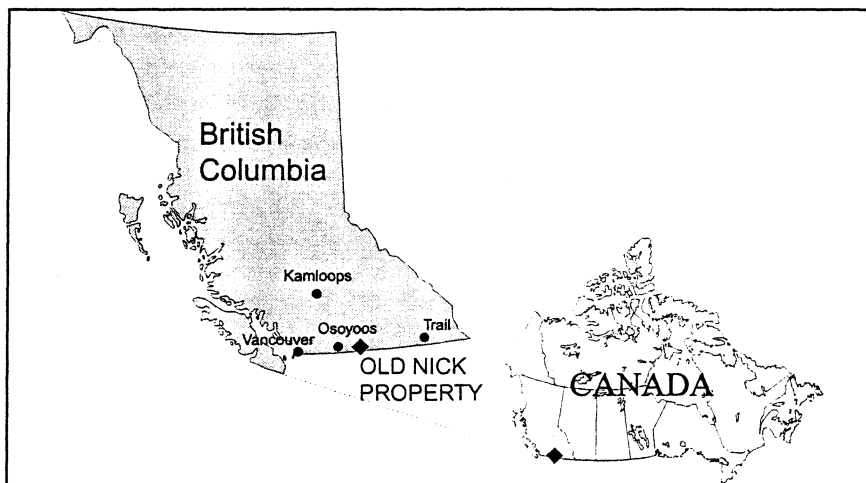
and development work has been completed, including geological mapping, stream sediment geochemistry, soil geochemistry, ground magnetics and EM, airborne magnetics, trenching, percussion drilling, diamond drilling and metallurgical testing. The property has had the benefit of investigation by major mining companies including Newmont in the 1960's.

MINERAL RESERVES Detailed information in support of the quoted mineral inventory at the Old Nick is being obtained by the Company. Mr. E. Livgard, B.Sc., P.Eng., in a report dated May, 1982 states that nickel mineralization is "about 120m thick and extends for about 1,500m in an overturned anticline". "The values are in Nickel (0.25%), Cobalt (0.03%) and minor Copper, Silver and Gold." Crown Resources Corp. in an Assessment Report dated June, 1991 states "... Newmont Mining Corp., Nickel Ridge Mines Ltd., and Utica Mines Ltd. have carried out extensive exploration programs, including drilling, that has outlined a minimum of 100,000,000 tons of 0.22% nickel..." Newmont reports that by using a flotation process, nickel recoveries of 75% would be anticipated.

PROPERTY POTENTIAL The Property has excellent potential for development as a large-scale +20,000 tonnes of ore per day open-pit operation with either:

- an agitated leach, solvent-extraction and electrowinning plant, or
- a heap leach, solvent-extraction and electrowinning plant.

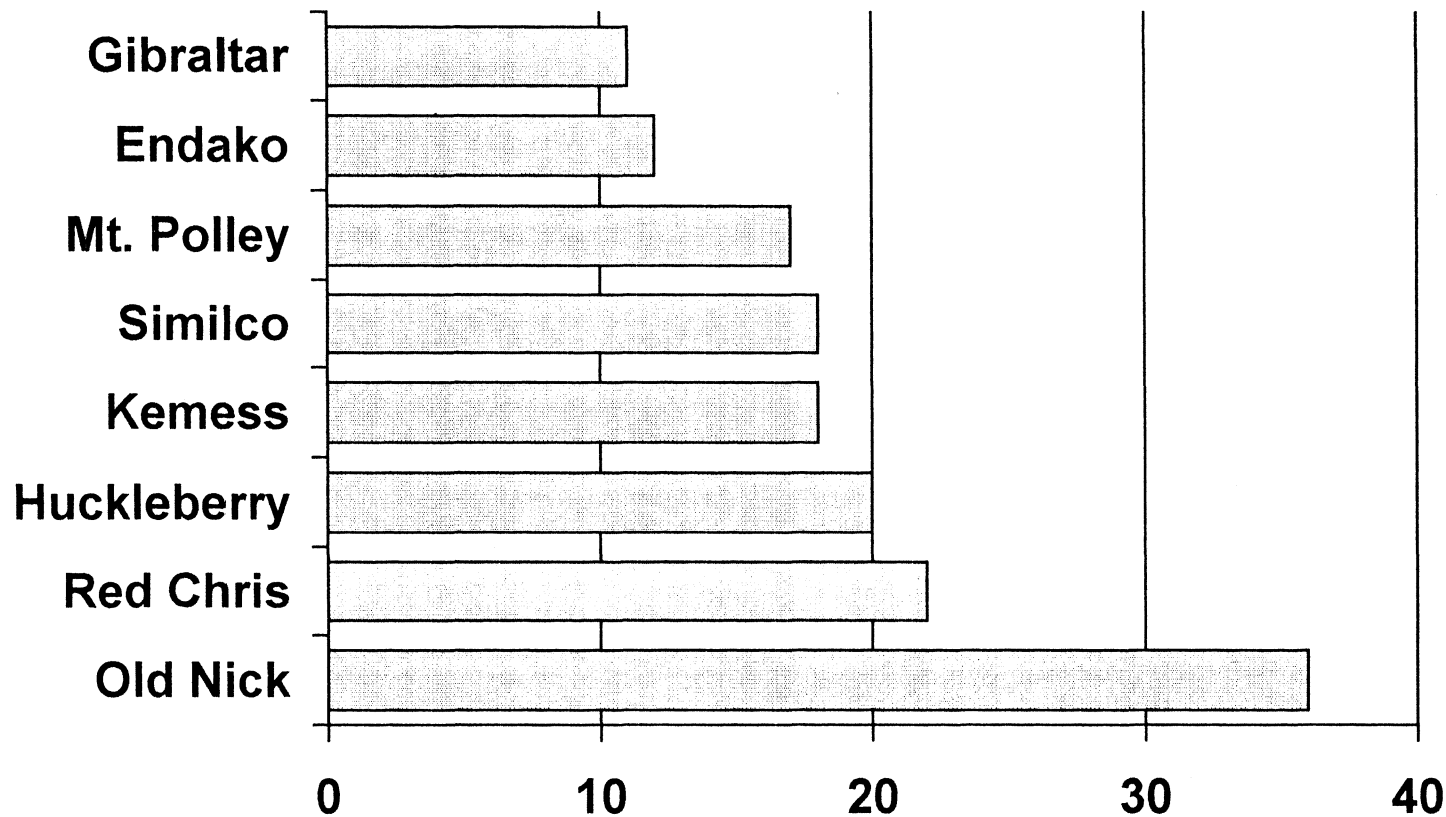
Recent advances in bio-leaching and ferric chloride leach applications have demonstrable applications at Old Nick. The property location, in British Columbia's driest and warmest region (semi-desert), is a positive attribute for whole-rock leach operations. Soil and silt geochemical surveys and geological mapping indicate there is good potential to expand the known nickel cobalt mineral reserves.



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British Columbia Mineral Deposits

Ranked by Deposit Gross Unit Metal Value



Metal Prices

(US\$/pound)

cobalt 25.00

copper 1.10

moly 4.25

nickel 3.75

(US\$/ounce)

gold 390.00

silver 5.50

Gross Value (C\$ per Tonne)

British Columbia Mineral Deposits
Deposit Gross Unit Metal Value (C\$/Tonne)

By: J.A. Chapman							5/12/96 14:28
Contained Metal	Copper (%)	Cobalt (%)	Gold (gpt)	Moly (%Mo)	Nickel (%)	Silver (gpt)	
Old Nick		0.015			0.220		
Similco	0.456		0.127			1.724	
Huckleberry	0.513		0.062	0.014		2.812	
Mount Polley	0.300		0.417				
Gibraltar	0.300			0.009			
Kemess	0.220		0.630				
Red Chris	0.480		0.370				
Endako				0.090			
Metal Price (US\$)	1.10	25.00	12.54	4.25	3.75	0.18	
Metal Price (C\$)	1.51	34.25	17.18	5.82	5.14	0.25	
							Gross Value
							C\$/Tonne
Old Nick	0.00	11.30	0.00	0.00	24.86	0.00	36.16
Similco	15.12	0.00	2.18	0.00	0.00	0.43	17.72
Huckleberry	17.01	0.00	1.07	1.79	0.00	0.69	20.56
Mount Polley	9.95	0.00	7.16	0.00	0.00	0.00	17.11
Gibraltar	9.95	0.00	0.00	1.15	0.00	0.00	11.10
Kemess	7.29	0.00	10.82	0.00	0.00	0.00	18.12
Red Chris	15.91	0.00	6.36	0.00	0.00	0.00	22.27
Endako	0.00	0.00	0.00	11.53	0.00	0.00	11.53

Gold City Mining Corporation

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VSE:GCP
SEPTEMBER 21, 1995

NEWS RELEASE

#95-13
FOR IMMEDIATE RELEASE

OLD NICK DEPOSIT, METALLURGICAL TEST RESULTS

Vancouver, B.C., John Chapman, President reports positive results from agitated leach tests on Old Nick deposit samples containing nickel and cobalt. Results indicate that there may be potential to leach this very large surface exposed sulfide deposit, located adjacent to Highway 3 at Bridesville in Southern British Columbia.

The bench scale agitated leach tests were run under weak acidic conditions at atmospheric pressure on a 10 kilogram sample ground to 65 % minus 45 microns (325 mesh). At 25 hours, 81 % of the nickel and 80 % of the cobalt were released to solution. Two similar tests have just been completed on samples from different parts of the Old Nick deposit and leach solution assays are pending. Also, column leach tests will commence next week on a sample crushed to minus one centimetre diameter. Leaching tests are being conducted in Burnaby, B.C. by International Water Solutions Corporation. The leach solutions will be further tested, in other laboratories, using SX (solvent extraction), precipitation and EW (electrowinning) methods to determine the viability of these modern methods to produce marketable nickel and cobalt from Old Nick.

The Old Nick is a unique sulfide deposit that has been estimated by previous operators to contain in excess of 100 million tons grading 0.22 % nickel and 0.015 % cobalt. At present metal prices the contained gross metal value is \$3,000,000,000 (\$30 per ton). Gold City management estimates that there is a mineral inventory of 30,000,000 tonnes based upon drilling and trenching done by: Utica Mines Ltd. (1966), Copper Ridge Mines Ltd. (1966), and Newmont Mining Corporation of Canada Limited (1967 & 1968). There is excellent potential to expand the mineral inventory down dip and along strike. In a May 1968 report by Newmont, the authors describe the deposit as follows: "Pentlandite mineralization was found in a pyrometasomatic quartzite band, 2,600 feet long and approximately 400 feet wide, and in adjacent peridotite-dunite dykes...nickeliferous zones grading 0.15 % to 0.25 % nickel, were found to be remarkably uniform and continuous within the quartzite horizon". In report IR71-34 (1971) prepared by the Department of Energy Mines and Resources, Ottawa, Canada, the authors determined that the nickel occurs as pentlandite in very small grains (average 35 microns).

A mid October meeting has been scheduled between Gold City and a major company, to discuss an arrangement whereby the major could become involved in the further exploration and development of the Old Nick property.

The Old Nick deposit is controlled by the Rock Creek Gold Trend Joint Venture. The Joint Venture consists of Gold City Mining Corporation (49%), Phoenix Gold Resources Ltd. (25.5%) and Sway Resources Inc. (25.5%).

Gold City Mining Corporation shares are traded under the ticker symbol GCP on the Vancouver Stock Exchange.

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For further information contact John Chapman, President, 604.682.7677

Gold City Mining Corporation

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NEWS RELEASE

VSE:GCP
NOVEMBER 1, 1995

#95-15
FOR IMMEDIATE RELEASE

OLD NICK DEPOSIT METALLURGICAL TEST RESULTS

Vancouver, B.C., John Chapman, President, reports additional positive results from agitated leach tests on Old Nick deposit samples containing nickel and cobalt (refer to News Release #95-13 of September 21, 1995 for prior results).

Sample Number	Rock Type	Grade Ni% / Co%	Particle (% -75 μ)	Retention (hours)	Nickel (% extracted)	Cobalt (% extracted)
ON-1	Quartzite	0.15 / 0.02	75	25	81	80
ON-2	Quartzite	0.16 / 0.01	91	48	92	60
ON-3	Dunite	0.22 / 0.01	81	48	87	76

Results indicate that there may be potential to leach this very large surface-exposed sulfide nickel/cobalt deposit (may be the largest in British Columbia). The Deposit is located within three kilometres of mainline power and natural gas, and immediately adjacent to Highway #3 at the Town of Bridesville in Southern British Columbia. The Deposit may be large enough to support an open-pit operation and an adjacent 20,000 tonne per day whole rock leaching plant.

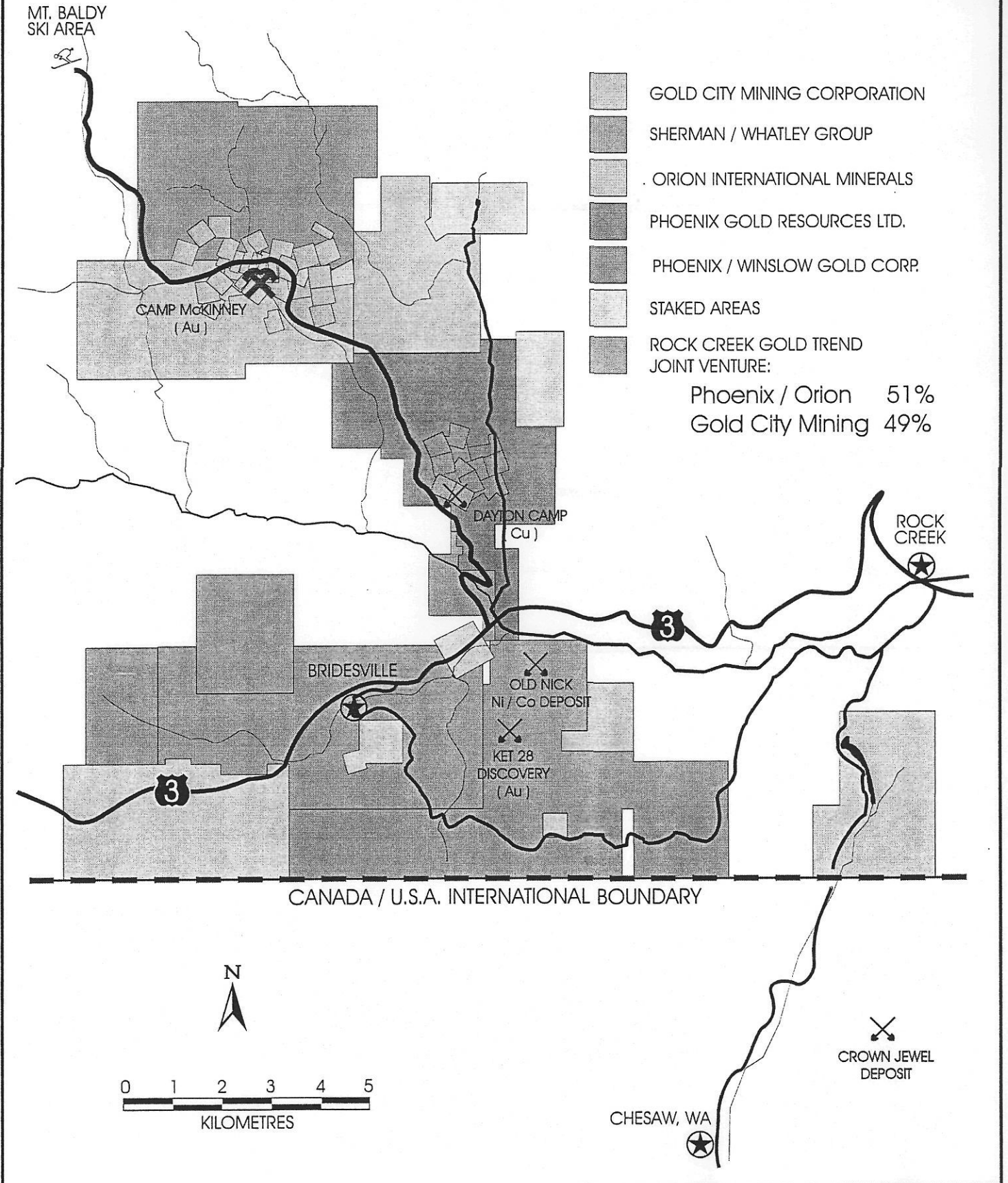
The bench scale agitated leach tests were run under weak acidic conditions at atmospheric pressure. Leaching tests are being conducted in Burnaby, B.C. by International Water Solutions Corporation. The leach solutions will be further tested, by other laboratories, using SX (solvent extraction), precipitation and EW (electro-winning) methods to determine the viability of these modern methods to produce marketable nickel and cobalt from Old Nick.

Negotiations are being conducted between Gold City and a major company, toward an arrangement whereby the major could become involved in further exploration and development of the Old Nick property.

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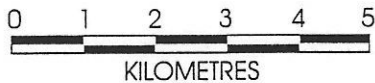
Gold City Mining Corporation shares are traded under the ticker symbol GCP on the Vancouver Stock Exchange.

THE ROCK CREEK GOLD TREND



- GOLD CITY MINING CORPORATION
- SHERMAN / WHATLEY GROUP
- ORION INTERNATIONAL MINERALS
- PHOENIX GOLD RESOURCES LTD.
- PHOENIX / WINSLOW GOLD CORP.
- STAKED AREAS
- ROCK CREEK GOLD TREND JOINT VENTURE:

Phoenix / Orion 51%
 Gold City Mining 49%



CHESAW, WA



CROWN JEWEL DEPOSIT

Gold City Mining Corporation

May 10, 1996

Symbol:	GCP	Address:	750 Cambie Street, Suite 600 Vancouver, British Columbia Canada, V6B 5E5
Exchange:	Vancouver Stock Exchange	Telephone:	604.682.7677
President:	John A. Chapman, B.Sc., PEng., FCIM	Facsimile:	604.682.0089
Secretary:	Alan D. Campbell, B.Comm.	U.S. SEC. 12g3-2(b):	82-2753
Treasurer:	Stephen A. Nicholas, B.Sc., M.B.A., PEng.	Standard & Poors:	Listed
Directors:	John A. Chapman, B.Sc., PEng., FCIM William B. Kure Robert E. Miller, B.Sc., PEng. Sandra I. Sveinson, B.A. Paul S. White, B.A.Sc., PEng., ALS, CLS	Shares Issued 96/04:	28,482,551

The Company

Gold City Mining Corporation is a resource company engaged in the exploration and development of gold and silver properties in British Columbia, Canada.

Under the guidance of experienced, capable and aggressive management, Gold City has, since 1993, acquired an impressive portfolio of gold and silver properties in Central and Southern British Columbia, in and near historic mining camps. These extraordinary acquisition opportunities have occurred at a time when most mining companies have been concentrating their exploration efforts in Central and South America.

Gold City is a British Columbia corporation, and is registered with the United States SEC as well as Standard and Poors. The Company's shares are listed for trading on the Vancouver Stock Exchange.

Business Strategy

Gold City is aggressive in its application of contrarian timing to mineral land acquisitions and in its application of modern exploration concepts to these lands. The Company's focus on gold and silver is due to management's fundamental belief that these metals currently priced at US\$390 and US\$5.50 per ounce respectively, are significantly undervalued and therefore represent excellent long-term value.

Management is focusing its attention toward feasibility studies, development and operation of its most advanced stage projects, and is always watching for the opportunity to acquire, by way of purchase or merger, other precious metals properties that have the potential to be near-term producers.

Management believes that this strategy, implemented by its professional management and director team, will result in early cash flow and a significant increase in value to Gold City shareholders.

The Properties

The WelBar Gold Project: Gold City has seized the opportunity to assemble the largest mineral land position ever held by a single owner in the famous Cariboo gold fields of Central British Columbia. This significant 12,000 hectare land position, in a location with basic infrastructure already in place, has enhanced the Company's ability to cost-effectively target large tonnage, lower grade lode gold deposits using wide ranging, modern geophysical and geochemical exploration methods. Historical placer and lode gold production from the area has been 3.24 million ounces, which at today's gold price of Can\$550 per ounce, is a 1.8 billion dollar value.

Gold City has entered into agreements with the owners of six significant mineral properties, totaling 7,000 hectares along a 35 kilometre strike length within the gold fields. In addition, the Company has also acquired by way of staking, 5,000 hectares of mineral lands related to positive results from the 1995 airborne and ground exploration program.

The Rock Creek Gold Trend Joint Venture: Gold City holds a 49% interest in the Joint Venture, with Phoenix Gold Resources Ltd. (Operator) and Orion International Minerals Corporation holding a 51% interest. The 5,600 hectare Joint Venture lands are located Centrally within the Boundary gold fields lying between Republic, Washington and Hedley, British Columbia. Historic lode gold production from this area has totaled more than 10 million ounces. The Joint Venture has discovered several significant mineral occurrences in the Project area, including: gold, silver and copper on the Dayton property, nickel and cobalt on the Old Nick property and gold on the Ket 28 property. Significant drill intercepts have been reported from each of these properties, which all lie within 15 kilometres of Battle Mountain Gold Company's Crown Jewel deposit containing 1.6 million ounces of gold.

The Caramelia Project: Gold City holds a 100% interest in most of the 1,150 hectares making up this Project, located at the famous Camp McKinney which is adjacent to the North Boundary of the Rock Creek Gold Trend Joint Venture mineral lands. The Company owns the Cariboo Amelia mine, British Columbia's first dividend paying lode gold mine, that operated from 1894 to 1902. The gold bearing fissure veins at Camp McKinney bear a striking resemblance to the fissure veins at the periphery of the Crown Jewel skarn gold deposit.

The Dell Project: Gold City has a 100% interest in 2,000 hectares of mineral lands adjoining Teck Corporation's famous Beaverdell mine. When Beaverdell closed in 1991, the mine was the oldest continuously operating mine in British Columbia, with historical production of 39 million ounces of silver, 12,400 tonnes of lead and 14,600 tonnes of zinc. Gold City's lands contain several important mineral occurrences that include silver, lead, zinc as well as copper, gold.

British Columbia Government In Support of Mining

"Our government is continuing its support to replenish our mineral reserves and sustain the mining industry in British Columbia. We are committed to bringing new jobs and investment to B.C.'s mining sector and to the regions and communities that depend on it." The Honourable Anne Edwards, Minister of Energy and Mines of British Columbia, March 31, 1995.

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Geological Survey Branch
MEMPR