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George Cross News Letter

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FIRST CHOICE INDUSTRIES LTD.

[FSD-V] 7,123,281 SHS.

Knob Hill Gold Target Outlined - Peter Dasler, president, First Choice Industries Ltd., reports a large gold zone has been outlined on its Knob Hill property located 40 km west of the Island Copper Mine on northern Vancouver Island, B.C. following extensive soil sampling in November-December 1995. Mr. Dasler, who has worked extensively on north Vancouver Island porphyry targets considers this to be the "largest gold target identified to date".

The strong gold and arsenic soil anomalies are within, and adjacent to, the previous large copper soil anomaly. A magnetic survey over the anomalous areas indicates an elongate magnetic high approaching 1 km wide and 1.5 km. long extending off the current grid within the claim group. These results reinforce earlier explorations that the project has significant potential for large tonnage high sulphidation gold and copper mineralization.

The Knob Hill property is located within a belt of porphyry copper projects. Exploration in the early 1970's by Chevron Standard Ltd. determined a large copper anomaly trending across the property with the potential for porphyry copper mineralization. In 1988, regional exploration work by Placer Dome Ltd., defined highly anomalous gold in drainages surrounding Knob Hill. Consequent reconnaissance soil sampling showed gold anomalies with associated arsenic anomalies and veining on the property. Drill core from a 3,000-foot drill program conducted in 1975 by Chevron shows disseminated chalcopyrite associated with extensive pyrite and pyrrhotite mineralization with arsenopyrite veining. Locally, tourmaline veining, high temperature andalusite and extensive sulphide replacement in lapilli ash tuff indicates the main alteration centres. This mineralization is typical of high sulphidation gold deposits associated with the upper levels of porphyry copper systems.

The company has extended its landholding in the Knob Hill area to encompass the newly defined anomalies. Project reports are currently being prepared and recommendations for local detail surveys and drilling are being considered. Current work has been assisted by mild winter conditions and the natural lack of tree cover on the property. (SEE GCNL NO.221, 17Nov95, P.4 FOR SCHEFFERVILLE PROJECT INFORMATION)

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