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George Cross News Letter

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SPOKANE RESOURCES LTD.

[SKN-V] 13,747,720 SHS.

MAC PROJECT READY TO DRILL - G. Arnold Armstrong, chairman,
Spokane Resources Ltd.,
reports surface exploration, preparatory to development drilling on
the Mac copper/molybdenum project has been completed. The Mac
property is located in the Babine Lake region about 100 km east of
Smithers, BC, 42 km east of the Bell and Granisle porphyry copper
deposits and 100 km north of the Endako molybdenum deposit.

Spokane is in the process of acquiring a 100% interest in the project
by issuing 1,500,000 shares to RIO ALGOM LTD. [ROM-T, M].
The transaction will result in Rio Algom owning, on a fully diluted
basis, 8.66% of Spokane.

Over 35 km of induced polarization and magnetic geophysical
surveys, detailed geological mapping and prospecting have now
been completed. The induced polarization survey has provided much
greater detail of the chargeability anomalies known to be associated
with copper and molybdenum mineralization in the Camp Zone.
This, combined with further geological information, will be a
valuable aid in determining development drilling locations
necessary to establish a resource tonnage estimate within the Camp
Zone. Previous drilling in this zone has outlined an area sufficient to
contain a deposit in excess of 100,000,000 tonnes.

This program also expanded and defined in greater detail the
Peak Zone. This target is larger than the Camp Zone, and geological
and geophysical results indicate the overall grade should be higher.
Results of the current program have provided the controls to develop
a comprehensive drilling program to establish the grade and extent
of the copper and molybdenum mineralization in the Peak Zone.

The company is pleased with results of the surface exploration
program, which increased the potential of the Mac porphyry system,
and further defined the known mineralization within both the Camp
and Peak Zone. (SEE GCNL NO.118, 18Jun96, P.5 FOR PREVIOUS
MAC PROJECT INFORMATION)

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