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# George Cross News Letter

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## SPOKANE RESOURCES LTD.

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

MAC PROJECT WORK TO BEGIN - G. Arnold Armstrong, chairman, Spokane Resources Ltd., reports exploration will start on its Mac prospect before the end of May. The Mac prospect is located about 40 km east of the past producing Bell and Granisle porphyry copper deposits in the Babine Lake area about 100 km east of Smithers, BC.

Previous exploration on the Mac property has defined a porphyry system over 3.5 km long and up to two km wide. Significant grades of both molybdenum and copper have been discovered in several zones within the system. The majority of the 32 drill holes completed within the property are located within the Camp Zone. This drilling has tested an area of about 350 by 750 metres to a depth of about 150 metres. Within the Camp Zone, two zones of higher grade mineralization have been defined, each of which could potentially contain up to 20,000,000 tons of reserves as the zones are open. There is also potential to define a larger tonnage, lower grade mineralization between the higher grade zones. The zone has the potential to contain some 100,000,000 tons.

Drill intersections within the higher grade zones include 90 metres (290 ft) of 0.308% MoS<sub>2</sub> and 0.256% copper in hole No.96-27, and 78 metres (25 ft) of 0.226% MoS<sub>2</sub> and 0.278% copper in hole No.96-24. A grade of 0.25% MoS<sub>2</sub> and 0.25% copper has a gross value per ton of about \$25 using current metal prices. Using acceptable recovery and overall cost factors, this will result in a net smelter return value of about \$17.27 per ton. Assuming an operating cost of about \$6 per ton results in a net value per ton of approximately \$11.17.

Spokane has prepared an exploration plan for 1996 that includes about 40 km of induced polarization surveys, additional detailed geological and geochemical surveys. Diamond drilling will define the Camp Zone to allow for a reserve calculation and test numerous other targets within the porphyry system. Exploration is expected to continue throughout the summer and fall of 1996. Spokane can earn a 60% working interest in the Mac property from RIO ALGOM LTD. [ROM-T, M] by spending \$2,000,000 on exploration. (SEE GCNL NO.80, 24Apr96, P.1 FOR PREVIOUS MAC PROJECT INFORMATION)

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