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George Cross News Letter

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MISTY MOUNTAIN GOLD LTD.

[MGL-T, V] 8,132,439 SHS.

PROSPECTUS APPROVED/ - Robert A. Dickinson, president, Misty DRILLING CONTINUES reports Mountain Gold Ltd. has received final receipts for its prospectus filing in the Provinces of BC, Alberta and Ontario regarding a \$4,180,000 financing announced earlier. The company issued 1,045,825 shares without statutory hold periods and 983,325 transferable warrants exercisable at \$4.00 to 27May97.

Misty is now set to continue its major drilling program at the Specogna Deposit. Permits for 58 new drill sites have been received and permits for a further 125 new drill sites are expected shortly. The Specogna deposit is included within the 100%-owned Harmony gold property, a 172 square mile claim holding covering an epithermal-bonanza gold system on Graham Island, Queen Charlotte Islands, About 50 miles off the northwest B.C. coast.

Misty is systematically drilling off the Specogna deposit on grid pattern. A significant portion of the gold in the deposit occurs within vein zones and high grade bonanza gold zones. Misty's initial 49-hole drill program (holes 95-001 to 96-049) was planned to test 15% of the Specogna deposit by drilling perpendicular to the strike of the vein zones. Results from the initial program were successful and demonstrated a 24% increase in gold assays for that portion of the deposit tested and also that high grade bonanza gold zones occur throughout the deposit. Misty is set to drill-off the Specogna deposit to enable mineable gold reserves to be calculated. (SEE GCNL NO.69, 9Apr96, P.1 FOR PREVIOUS HARMONY GOLD PROJECT DATA)

103F 34