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George Cross News Letter

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WESTERN CANADIAN INVESTMENTS

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NO. 201 (1996)
OCTOBER 17, 1996

OCT 22 1996

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OCTOBER 17, 1996

SPOKANE RESOURCES LTD.

[SKN-V] 16,127,720 SHS.

COPPER/MOLY VALUES CUT - G. Arnold Armstrong, chairman,
Spokane Resources Ltd., reports

diamond drill hole 96-39, the first hole in the Peak Zone at the Mac project has discovered an intensely altered porphyry intrusive mineralized with both chalcopyrite (copper) and molybdenite (molybdenum). The 100% owned property is located in the Babine Lake region about 100 km east of Smithers, BC. SEE MAP OVERLEAF P.4. The discovery confirms the Peak Zone, the southern of three distinct zones identified within the Mac porphyry system, is a second porphyry hosted copper/molybdenum deposit.

The distribution of mineralization within the Peak Zone appears to be similar to that encountered within the defined Camp Zone. Widespread alteration and mineralization was encountered within the volcanics in contact with the Peak Zone porphyry intrusive, and the mineralization continues into the heart of the intrusive. The Peak Zone, as defined by geophysics and geology, has a north/south length of greater than one km and an east/west width of greater than

500 metres. The tonnage potential of the Peak Zone is greater than the Camp Zone where diamond drilling to date has indicated a geological resource of greater than 100,000,000 tonnes.

The Mac porphyry system is greater than 3.5 km long, and up to two km wide. The discovery of a second porphyry hosted zone of mineralization is also significant as it confirms the potential within this large porphyry system to discover additional porphyry deposits. Several additional targets have been defined within the system and these will be tested by drilling in due course.

Three additional holes are now planned within the Peak Zone. Following this, the drill will be moved to start a comprehensive program within the east contact mineralization of the Camp Zone, where the highest grades of both copper and molybdenum mineralization have been defined by previous diamond drilling.

Spokane will release assay results from ongoing diamond drilling when received. (SEE GCNL NO.194, Oct.7/96, P.5 FOR PREVIOUS MAC PROJECT INFORMATION)

93K 97


p. 1 of 2

MAC PROJECT Compilation Detail

- 5 Schistose intermediate volcanic
- 4 Biotite plagioclase porphyry
- 3 Porphyritic quartz monzonite
- 2 Serpentinite
- 1 Silica Replacement

 Area of quartz veins with Cu/Mo mineralization

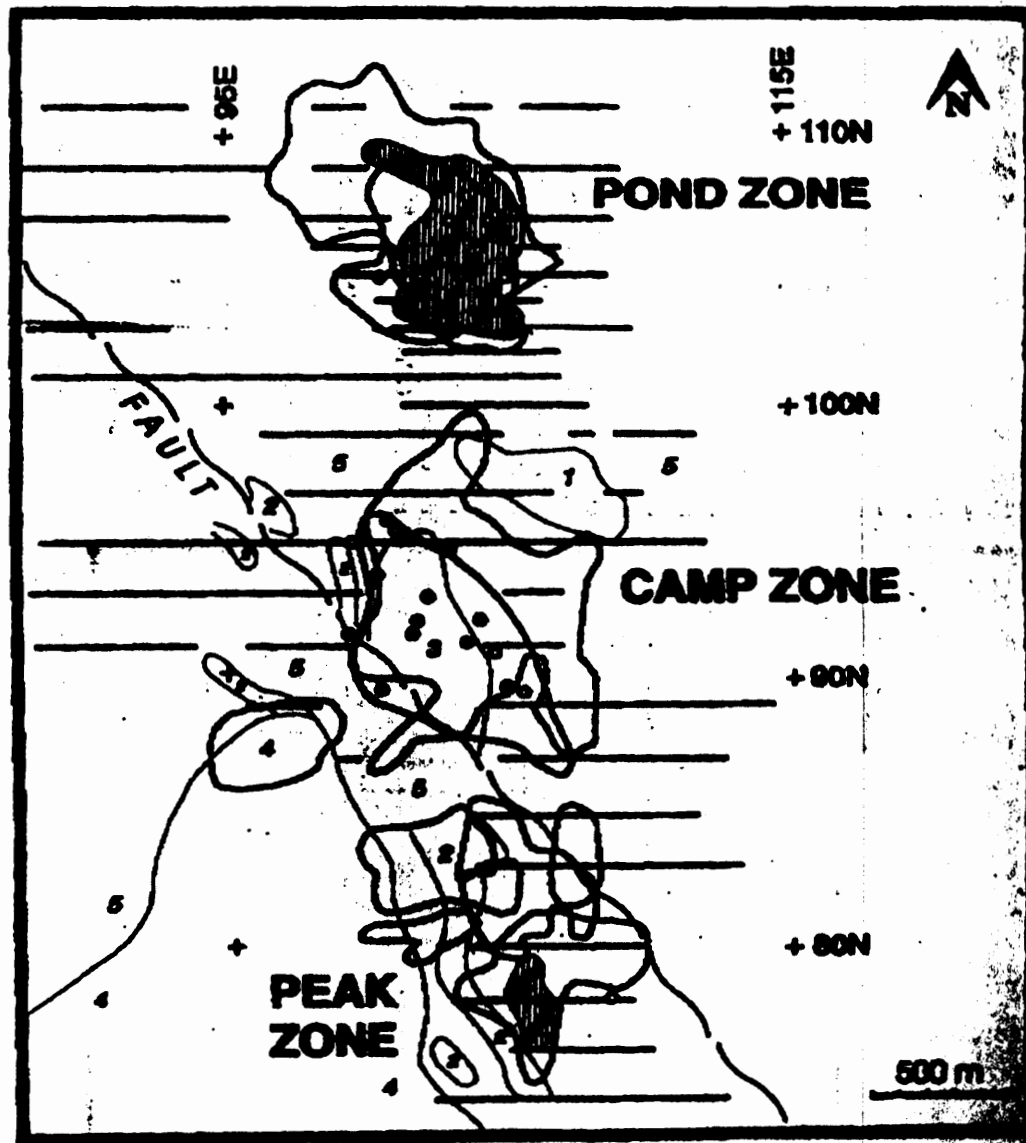
 Magnetic Low

 High Mo (>15 ppm) in soils

 IP - Chargeability high

 1989 Drill Hole collar

 1995 Phase 1 - Drill Hole collar



93K 97
P-26f2

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