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George Cross News Letter

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NO. 155 (1996)
 AUGUST 12, 1996

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VERDSTONE GOLD CORP.

[VGC-V] 13,487,873 SHS.

MOLYCOR GOLD CORP.

[MOR-V] 6,430,827 SHS.

SALAL CREEK & CROW-REA UPDATES - Larry Reaugh, president, reports Verdstone Gold Corp. and Molycor Gold Corp. have received the results from surface soil and channel sampling at the Float Creek location of the 100%-owned Salal Creek molybdenum property 70 km northwest of Pemberton, BC. Anomalous to high MoS₂, in soil samples over a horizontal distance of 1,100 metres (3,608 ft) ranged from 0.003% to 0.262% (averaging 0.045% MoS₂). Soil samples in Float Creek (where diamond drilling is proposed) ranged from 0.070 to 0.643% MoS₂ (averaging 0.203% MoS₂) over an area 50 by 200 metres (164 by 656 ft). Within that area channel samples totalling 63 five-metre channels (315 metres or 1,033 ft) averaged 0.062% MoS₂ with grades ranging from 0.001% to 0.387% MoS₂. Channel samples over a an area located 700 metres (2,300 ft) south and east of the Float Creek centre averaged up to 1.164% MoS₂, with a 50-metre width averaging 0.615% MoS₂. The total of 93 samples is summarized in the following table:

SOIL GEOCHEM/SURFACE ROCK SAMPLES FROM FLOAT CREEK

TYPE OF SAMPLE	TOTAL SAMPLES	RANGE OF MoS ₂ , IN SAMPLES			
		LESS THAN 0.01%	0.01% TO 0.05%	0.05% TO 0.10%	MORE THAN 0.10%
SOIL	30	3	12	7	8
ROCK	63	16	23	19	5

Work is almost completed in the preparations being made to establish a drill site and helipad at Float Creek. A contract to drill a minimum 5,000 feet has been signed and drilling is scheduled to start in the latter part of August. Float Creek is the major target on the property and is located on the southeast end of a large molybdenum anomaly measuring 7,000 feet wide and 17,000 feet long. Access to the area is difficult and is probably the reason why this target has not been drilled in the past.

At the 50/50-owned Crow-Rea molybdenum property near Summerland, BC, the companies moved the drill back to the Webbsite Zone to define and extend the high grade upper zone of mineralization. The deeper exploration holes await assay results and interpretation before exploring for the deeper seated orebody. Other targets to the west and northwest of the Webbsite have been identified and surface sampling has started. The priority is to complete the interpretation of results and for this purpose the companies have hired Dr. Peter Peto as manager of exploration. Dr. Peto has more than 20 years experience including detailed knowledge of copper-molybdenum porphyries in Southern BC. (SEE GCNL NO.144, 25Jul96, P1 FOR PREVIOUS CROW-REA PROJECT DATA)

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 General