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George Cross News Letter

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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 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 GROCHEM/SURFACE ROCK SAMPLES FROM FLOAT CREEK

TYPE OF SAMPLE	TOTAL SAMPLES	LESS THAN 0.01%	RANGE OF %MoS ₂ , IN SAMPLES		
			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
 Website 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 Website 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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