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George Cross News Letter

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NO. 154 (1996)
AUGUST 9, 1996

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KENRICH MINING CORPORATION

[KRC-V] 20,538,323 SHS.

COREY PROJECT DRILLING TO START - Ken Trociuk, president,
Kenrich Mining Corp.,

reports Phase II diamond drilling will resume shortly on its 100%-owned Corey property, 10 km south of Eskay Creek and 19 miles north of Stewart, northwest BC. A 10 to 15-hole campaign is planned, following up on favourable results. Recent work discovered a new zone of high grade silver on the Cumberland prospect and new mineralization at the T.V. Zone. The work included preliminary drill test of the Bench Zone and several prospecting discoveries of high grade gold mineralization in the southern portion of the property.

The original Cumberland prospect is a known zone of massive sulphide mineralization with high grade zinc and gold values. Recent geological mapping and sampling has discovered a much larger, parallel zone of high grade silver mineralization which has been traced over a length of 250 metres, with probable extensions to 650 metres. The width of the zone is not known. Assays are available from three exposures of the discovery:

SAMPLE NO.	SAMPLE TYPE	SILVER OZ./TON
37999	95 cm channel	118.46
38314	grab	101.63
38317	grab	129.63

Both the new discovery and the original Cumberland Prospect are associated with massive pyrite, barite and sphalerite mineralization in highly altered volcanic rock. The zone will be tested by diamond drilling in August.

The T.V. Zone has been re-mapped following the 1995 drilling which outlined a zone of low grade gold and silver. A number of new targets have been found, and the geological potential of the mineralization appears to be good. A distinct mudstone unit has been found to be particularly well mineralized, with grab samples returning assays to 0.327 oz. gold/ton and 6.16 oz. silver/ton, and a separate channel sample returned 0.039 oz. gold/ton and 34.76 oz. silver/ton over two metres.

Along with geological mapping, three short holes were drilled on the Bench Zone to confirm stratigraphic features. The holes determined the structure and confirming the Eskay style stratigraphy.

Regional exploration have located several showings in the unexplored southern half of the property. One showing is on Sheellagh Creek where a quartz vein assays 0.577 oz. gold/ton and 1.79 oz. silver/ton. Another is the CB showing on Lee Brant Creek. This showing is a quartz vein, two to four metres across which has been traced for more than 100 metres along strike and more than 50 metres down dip. A grab sample from this vein assays 0.092 oz. gold/ton and 3.49 oz. silver/ton.

The results of an 1,100 km airborne magnetic and radiometric survey are due shortly. Kenrich has received VSE approval and the funds to close its private placement of 748,500 shares at \$1.40 each for proceeds of \$1,047,900. (SEE GCNL NO.69, 9Apr96, P.5 FOR PREVIOUS COREY PROJECT INFORMATION)

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General