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George Cross News Letter

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GEORGE RESOURCE COMPANY LTD.

[GGP-V] 8,830,050 SHS.

MERRITT ASSAYS RECEIVED - Terry McCrory, director, George Resource Company Ltd., reports the 1,637-metre (5,370 ft) drilling program consisting of 16 diamond drill holes has been completed at the 100%-optioned, subject to 2% NSR, Au property 40 km southeast of Merritt, BC. Ten of the 16 diamond drill holes hit anomalous gold over a strike length of 300 metres (984.25 ft) on the Wen zone. The holes were fire assayed at Rossbacher Labs, Burnaby, BC. The best intersections are listed overleaf P.1.

Hole Sixteen intercepted the gold-bearing quartz vein down dip from the hole One intercept which assayed 0.484 oz.gold/ton over 21.5 feet. The best results from hole Sixteen, were 0.185 oz.gold/ton over 3.48 feet and 2.1% copper over 4 feet. This extends the known gold bearing quartz vein down dip 73 feet. Hole Ten, which assayed 0.18 oz.gold/ton over 2.98 feet, is believed to extend the strike length of the gold-bearing quartz vein in holes One and Sixteen about 295 feet to the southeast of hole One.

A detailed IP and magnetometer survey has been completed on

the Wen zone. The IP survey has identified five chargeability anomalies. The magnetometer survey appears to define an andesite and andesite breccia terrain spatially associated with both the quartz vein and quartz-carbonate-specularite mineralization. Interpretation of the combined IP and magnetic data outlines two elongate anomalous areas that appear to be related to the mineralization encountered in the trenches and drilling.

Trench "G" on the Wen zone returned anomalous 0.87 oz. gold/ton, 0.20 oz.silver/ton and 0.84% copper over a horizontal channel sample of 2.5 feet and 0.226 oz.gold/ton, 0.10 oz.silver/ton and 0.32% copper over a vertical channel sample length of 3.6 feet.

Exploration on the Au property continues. Currently the company's geological team is analyzing drill results in conjunction with the new geophysical data to plan the continuation of the drill program on the Wen zone. The company is waiting for permits to start work on other zones of significant mineralization on the Au property. (SEE GCNL NO.124, 26Jun96, P.1 FOR PREVIOUS AU PROJECT INFORMATION)

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GEORGE RESOURCE COMPANY LTD.
 AU PROPERTY
 MERRITT AREA, BC

HOLE #	FROM Metres	TO Meters	INTERVAL		Au		Ag		Cu %
			Meters	Feet	gm/ton	oz/ton	gm/ton	oz/ton	
One	62.18	68.73	6.55	21.49	16.578	0.484	12.901	0.376	0.75
Three	16.92	20.27	3.35	10.99	2.643	0.077	20.120	0.587	2.11
Ten	69.19	70.10	0.91	2.98	6.343	0.180	2.057	0.060	0.16
	70.10	71.02	0.92	3.01	2.571	0.075	3.429	0.100	0.40
Thirteen	26.75	28.04	1.29	4.23	2.263	0.066	0.343	0.010	0.01
Fifteen	18.82	19.43	0.61	2.00	27.771	0.810	13.714	0.400	0.01
Sixteen	16.15	17.68	1.53	5.02	1.714	0.050	3.429	0.100	0.03
	87.94	89.00	1.06	3.48	6.343	0.185	2.057	0.060	0.08
	89.00	90.22	1.22	4.00	1.714	0.050	1.714	0.050	2.1

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