

# **GOLD SUMMIT CORPORATION**

## **PRESS RELEASE**

FOR IMMEDIATE RELEASE  
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Reno, Nevada

**TSX-V Symbol "GSM"**  
Shares Outstanding 34,773,086

### **GOLD SUMMIT TO EXPLORE CAROLINA GOLD BELT**

Gold Summit (GSM TSX-V) has signed umbrella agreements allowing access to two gold districts in the Carolina Slate Belt which saw the first gold rush in the USA, from 1799 to 1849. There are over 400 recorded gold occurrences and mines in the greenstone belt that extends over 600 miles from Alabama to Virginia. The belt has seen limited modern exploration and mining notable after 1980 when Amselco Minerals discovered the Ridgeway Mine, a 1.4 million ounces gold producer.

The umbrella agreements permit the use of mineral location, soil and rock chip data, and geological information collected or compiled by two exploration syndicates that have considerable expertise and a discovery track record in exploring in the Carolinas. Managers of the syndicates include key ex-Amselco geological staff responsible for the Ridgeway discovery in 1980, part of a team then managed by Dr A.P.Taylor, Gold Summit's President and CEO.

In North Carolina, the Bear Creek Area covering approximately 300 sq km, contains numerous gold occurrences over a 6.5 km NE trend of volcanic and sedimentary rocks. Individual occurrences are characterised by linear zones of quartz pyrite alteration. Soil sampling by the syndicate in 1997 produced anomalies in five separate areas with values ranging between 30 and 8500 ppb gold. One anomaly has soil samples averaging 1000 ppb over a surface width of 25m, approximately perpendicular to strike. For comparison, the soil anomaly at Ridgeway averaged 230 ppb Au.

Another location is a vein, mined by open cut and shafts, described by qualified mining engineers and assayers in 1903 archives, with assays "running from \$12 to \$354 per ton" having "an average width of 15 feet for 1200 feet in length, at \$20 per ton", this at a time of \$20 per ounce gold prices. Insufficient work has yet been done to verify this information, except for a tailings sample that assayed 29 g/t Au.

In South Carolina, similar quartz sericite pyrite alteration occurs along three NE trending zones over a 15 sq km area. On the Rinehart tract, a soil anomaly approximately 250 by 200 m in size, averaging over 20 ppb, with a core averaging 100 ppb Au was established by syndicate work in 1997. At the heart of this anomaly, a trench contained gold averaging 0.5 g/t over a 44m continuous length that is not necessarily across strike. Adjacent to the trench a small pit of mid 1800 vintage exposes vein quartz from which a grab sample assayed 12.5 g/t gold.

Business terms of the agreements provide that GSM may acquire a 100% interest in the technical and managerial assets of each syndicate after making cash payments and issuing GSM shares over a five year period, subject to TSX-V approval. The consideration for the Bear Creek Syndicate in North Carolina totals \$240,000 in cash and 120,000 GSM shares and payment is

triggered only after signature of the first lease on any tract of land within the syndicate area. Similarly, for the Eastern Minerals Syndicate, the consideration totals \$250,000 in cash and 120,000 GSM shares. Both agreements carry ongoing gross returns royalties of 2% and 1.5% that can be purchased at GSM's option for \$4 million and \$3 million, respectively. Within this syndicate area GSM has leased its first parcel of land. Covering 203 acres, the Rinehart Lease, grants GSM the right to explore and operate a mine on the property after making annual lease payments of \$3,000 for five years and \$4,000 thereafter. A gross return royalty of 5% applies with a purchase option of \$3 million. The lease agreement contains provisions to purchase surface rights and buildings for up to twice fair market values.

In other news, GSM plans to raise a minimum of \$350,000 in a non-brokered private placement by issuing 2,000,000 units at a price of \$0.175 per unit. Each unit will consist of one common share and one common share purchase warrant exercisable for 18 months at \$0.30. Finders' fees may be paid in connection with this financing.

The funds are intended to continue for general corporate purposes, land acquisition in the Carolinas and field work and compilation on the expanded Monte Cristo prospect in the Walker Lane. There, at the Maclean Pit, a 43-101 compliant Inferred Resource of 365,000 tons at 0.19 opt Au was announced in February 2006. The field work will include extensions of soil grids and mapping of the South Gilbert area that was acquired in April 2006. That, together with completion of the compilation currently underway is aimed at refining targets for drilling later this year or early in 2007. Geochemical results from the recent soil survey have already produced some new targets not located by previous explorers.

Three core holes were completed on the National property and logging and assaying of intersected vein material is underway. Drilling is now halted awaiting assay results. Initial indications are that the veins intersections, although as much as 20m in true width, are clay and pyrite dominant with zones of very fine grained quartz and possibly adularia. Some thin quartz veining is present.

Elsewhere on GSM's portfolio of bonanza vein properties, mapping and sampling of the expanded Gold Springs property is complete. Some assay results of this work were previously reported on June 13, 2006. In addition to other bonanza vein prospects in Nevada, namely Blue Sphinx and Gold Basin, GSM recently acquired a sediment-hosted gold target in central Nevada, (news release June 26, 2006). This prospect and the Carolina initiative are part of an effort to use GSM's technical knowledge, experience and industry contacts to broaden its geological target base.

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