



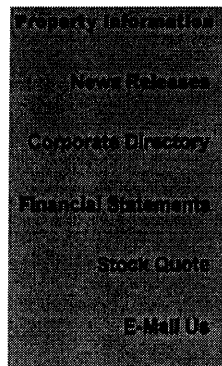
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Ascot Resources Ltd.

SMOKER & DA VENT PROPERTIES, *British Columbia*

Project Summary



Summary

Ascot Resources has signed two Letters of Understanding with SuperGroup Holdings Ltd. (SGH) to acquire a 100% interest in the Smoker and DA Vent properties. The properties are located approximately 15 km southwest of Cranbrook, B.C. in the Moyie Lake area. Large mineralized vent complexes hosted in lower Proterozoic Aldridge Formation sediments have been discovered on both properties. These vent complexes represent high priority targets for sediment hosted massive sulphide deposits analogous to the Sullivan Mine.

Geology

The Moyie Lake area is underlain mainly by sedimentary rocks of the Middle Proterozoic Purcell Supergroup. The units are deformed into a broad, northeasterly plunging anticline that has been dissected by reverse and high-angle normal faults. In the area of the Smoker and DA Vent claims, Moyie mafic sills intrude Middle Aldridge Formation siliceous sediments. The mafic sills are interpreted to be related to Sullivan-type mineralization in the region. A thick package of fine siliceous and carbonaceous sediments including the Creston, Kitchener, and Van Creek Formations overlie the Aldridge Formation.

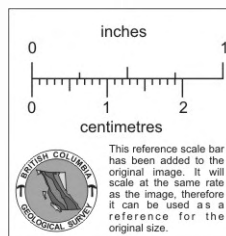
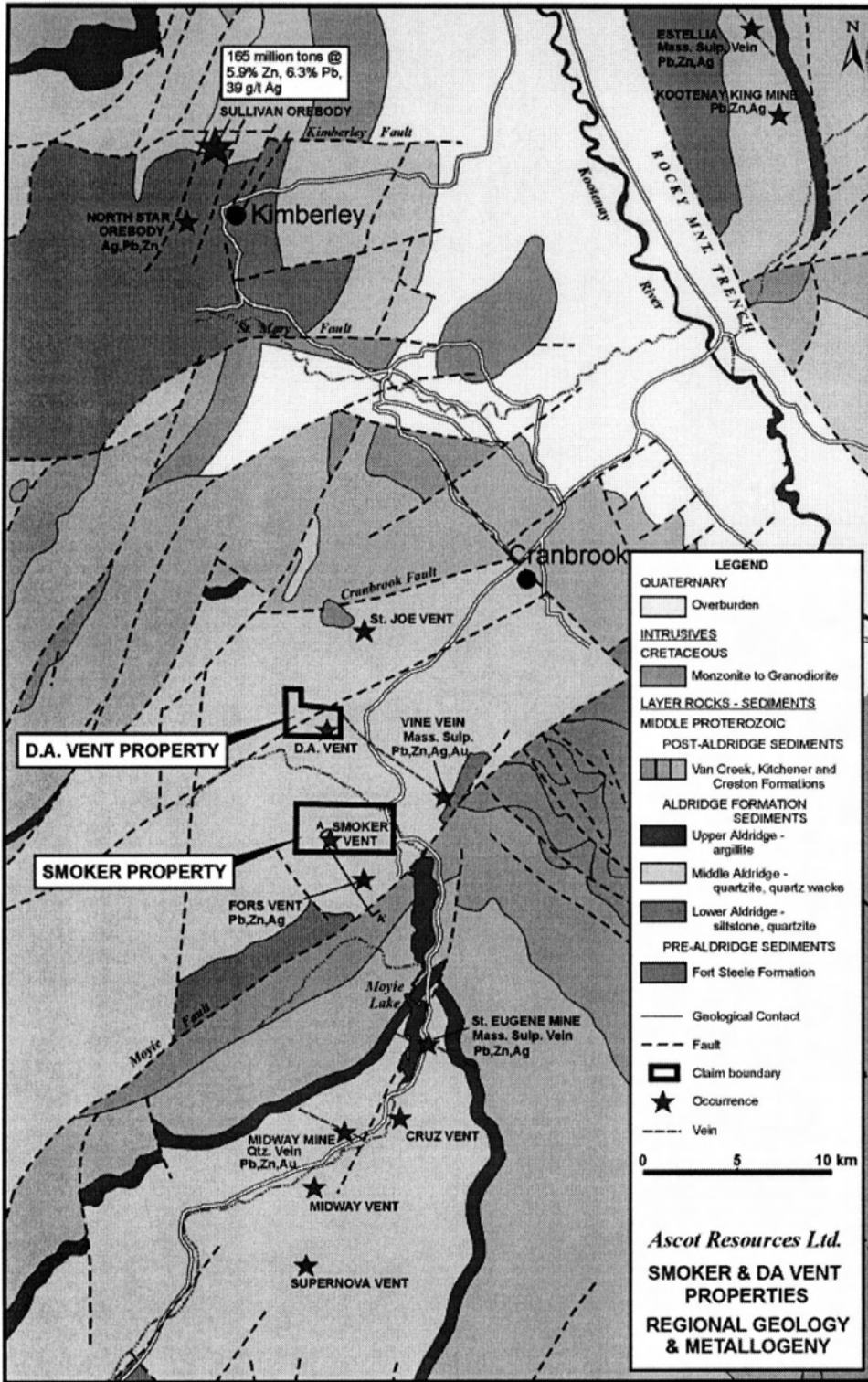
The Aldridge Formation stratigraphy underlying the Smoker and DA Vent properties is host to the Sullivan sedimentary exhalative (sedex) zinc, lead, silver deposit, located 30 kilometres to the northeast. Total production plus reserves at the Sullivan Mine is 165 million tons of ore averaging 5.9% zinc, 6.3% lead and 39 g/t silver. Sedex type deposits like the Sullivan are interpreted to have formed at the ocean floor within relatively shallow depressions adjacent to a source of rising metal-rich hydrothermal fluids. These fluids discharge onto the sea floor and their interaction with seawater creates the vent complexes, associated alteration, and bedded zinc-lead sulphide ores. Massive sulphide and mineralized quartz veins also form proximal to the vent as the hydrothermal fluids pass along structural breaks. The hydrothermal vent complexes are recognizable in the sediments well above and below the ore deposits and thus are key to locating areas of high exploration interest for this deposit type.



Smoker & DA Vent Properties - Regional Geology and Metallogeny

Mineralization

Previous drilling in the Moyie Lake area has focused on exploration of Sullivan-aged stratigraphy and vent features. Drilling on the Fors vent, located 2.5 km southeast of the Smoker property, encountered an intersection of



stratiform mineralization grading 9.8% lead, 1.3% zinc and 100.09 g/t silver over one metre. In addition to Sullivan-time mineralization, drilling consistently identified other mineralized intervals within the upper Middle Aldridge stratigraphy such as the Hiawatha disseminated sulphide horizon which has the potential to be a productive unit.

Property Descriptions

Smoker

The large 400 by 100 metre vent on the Smoker Property is composed of a breccia of Aldridge sedimentary rock fragments in a matrix of siltstone. The breccia contains zones of weak to abundant disseminated galena, sphalerite and pyrrhotite associated with intense albite and sericite alteration.

DA Vent

On the DA Vent Property the vent complex outcrops over 450 by 100 metres. Aldridge fragmental rocks similar to those at the Smoker Vent display variable albite, sericite and tourmaline alteration. Sulphide mineralization including pyrrhotite, sphalerite and galena occurs locally as disseminations.

Sulphide mineralogy and alteration assemblages observed at the Smoker and DA Vent Properties are consistent with Sullivan-type lead-zinc-silver mineralization.

Agreements

The terms of the signed Letters of Understanding grant Ascot, subject to regulatory approval, the option to earn a 100% interest in both properties by making total cash payments of \$7,000, committing to first year expenditures of \$85,000, and distributing 100,000 shares of the Company to SGH. After year one, Ascot may vest its 100% interest in the two properties by completing staged exploration expenditures over the following four years totaling \$1.7 million, and distributing an additional 300,000 shares of the Company to SGH. The properties are each subject to a 2.5% NSR which may be reduced at any time to a 1% NSR by making a one time cash payment to SGH of \$500,000 for each property

Proposed Work

The first stage of exploration including detailed geological mapping and sampling of the vent complexes on both properties was completed by mid-October 1998. Two short preparatory drillholes of 250 metres each were completed on the Smoker property and provided crucial information on vent geometry, alteration and mineralization. The information will be invaluable in planning a 1,000 metre deep hole targeting the deeper sedex target which will be completed in spring, 1999.

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NEWS RELEASE

August 16, 1999

Trading Symbol: VSE.AOT

Deep Hole Terminated

The Company has terminated the deep hole on its Smoker property near Cranbrook, B.C., prior to reaching the designed depth of 1,100 metres. Drilling encountered a thick intersection of the Moyie sill at a depth of 916 metres which precluded the continuation of the hole. No further work is planned on the Smoker property this year.

Also in the Cranbrook area, the Company and Chapleau Resources Ltd. have mutually agreed to terminate their joint venture on Chapleau's Cruz property.

For additional information please contact Ken Carter or Lisa Tulk at (604) 684-8950 or by fax (604) 684-9877.

ON BEHALF OF THE BOARD OF DIRECTORS OF
ASCOT RESOURCES LTD.

"Ken M. Carter" (signed)

Ken M. Carter, Director

The Vancouver Stock Exchange has neither approved nor disapproved the information contained herein.

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NEWS RELEASE

July 7, 1999

Trading Symbol: VSE.AOT

Deep Hole Begins on Smoker Property

The Company is pleased to announce the start of drilling on the Smoker vent complex located near Cranbrook, B.C. The hole is planned to a total depth of 1,100 metres and is designed to test for indications of sedimentary exhalative style lead-zinc mineralization similar to that hosted at the nearby Sullivan Mine. It is anticipated the hole will take approximately three weeks to complete.

For additional information please contact Ken Carter or Lisa Tulk at (604) 684-8950 or by fax (604) 684-9877.

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NEWS RELEASE**November 12, 1998****Trading Symbol: VSE.AOT****Shallow Drilling Completed on Smoker Vent
Complex**

Ascot Resources Ltd. and Super Group Holdings Ltd. recently completed two shallow drill holes on the Smoker Property, located 30 kilometres southwest of Kimberly, B.C. The two holes, totaling 490 metres, were designed to provide critical information on vent geometry, alteration and mineralization prior to collaring a 1,000 metre deep hole in the spring of 1999. The deep hole will test the Smoker vent complex at depth and represents a high priority target for a sedimentary exhalative massive sulphide deposit analogous to the nearby Sullivan Mine.

The two holes were drilled from the same set-up and directed to intersect the east and west flanks of the vent. The results determined that the vent is large, measuring approximately 220 metres in width, and is steeply inclined at 75 degrees toward the east. The vent complex consists of numerous crosscutting fragmental units that are sericite altered and contain blocks of disrupted sediments. On the east side of the vent, mineralization includes minor veined and disseminated sphalerite and galena with local tourmaline alteration. This mineralization occurs within a sericite altered quartzite interpreted to represent the main vent conduit. The presence of mineralization at this shallow depth within the vent complex is an encouraging indicator of the potential for larger accumulations of lead and zinc sulphides at prospective horizons deeper in the stratigraphy.

Ascot can complete the earn in to 100% interest in the Smoker property by making payments of 150,000 shares and completing \$1,150,000 in exploration over the next 5 years. The property is subject to a 2.5% NSR which may be reduced any time to 1% by making a cash payment of \$500,000.

For further information please contact Ken Carter or Ron Nichols at (604) 684-8950.

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NEWS RELEASE**September 8, 1998****Trading Symbol: VSE.AOT****Zinc - Lead Targets Acquired Near Cranbrook,
B.C. - Drilling Planned**

The Company is pleased to announce signing of two Letters of Understanding with Super Group Holdings Ltd. (SGH) to acquire a 100% interest in the Smoker and DA Vent properties southwest of Cranbrook, BC. Large mineralized vent complexes hosted in lower Proterozoic Aldridge Formation sediments have been discovered on both properties. These vent complexes represent high priority targets for sediment hosted massive sulphide deposits analogous to the Sullivan Mine located 30 kilometres to the northeast.

The Sullivan Mine is classified as a sedex (sedimentary exhalative) zinc, lead, silver deposit and to date has produced 180 million tons of ore averaging 6.5% zinc, 6.4% lead, and 1.9 opt silver. Sedex type deposits like the Sullivan are interpreted to have formed at the ocean floor within relatively shallow depressions adjacent to a source of rising metal rich hydrothermal fluids. These fluids discharge on to the sea floor and their interaction with seawater creates the vent complexes, associated alteration, and bedded zinc-lead sulphide ores. The vent complexes are recognizable in the sediments well above and below the ore deposits and thus are key to locating areas of high exploration interest for this deposit type.

The vent complex on the Smoker property is large, measuring 400 by 100 metres, and consists of an assortment of Aldridge fragmental rocks. The fragmentals are in part intensely albitized and sericitized, and contain zones of weak to abundant disseminated galena, sphalerite and pyrrhotite, all of which are elements of the Sullivan alteration assemblage. Detailed mapping of the vent complex will precede 2,000 metres of diamond drilling to test both the vent and the deeper sedex targets. Drilling of the Smoker target is anticipated to commence within one month. On the DA Vent Property the vent complex is also large, measuring 450 by 100 metres. Fragmental facies are albitized, sericitized and contain scattered tourmaline alteration. Pyrrhotite, sphalerite and galena also occur locally as disseminations. Initial work on the DA will include detailed mapping and sampling prior to drilling.

The terms of the Letters of Understanding, subject to regulatory approval, grant Ascot the option to earn a 100% interest in both properties by making total cash payments of \$7,000, committing to first year expenditures of \$85,000, and distributing 100,000 shares of the Company to SGH. After year one, Ascot may vest its 100% interest in the two properties by completing, over the following four years, staged exploration expenditures totalling \$1.7 million, and distributing an additional 300,000 shares of the Company to SGH. The properties are each subject to a 2.5% NSR to SGH which may be reduced at any time to a 1% NSR by making a one time cash payment to SGH of \$500,000 for each property.

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