Blackdome 0920053

Claimstaker Resources Ltd.

Claimstaker Resources Ltd. (listed on the Vancouver Stock Exchange under the symbol CLN) has concentrated on the acquisition of a portfolio of superior gold and base metal prospects. The emphasis has been to acquire prospects with immediate high-grade production capability and low potential for adverse environmental impact. To finance exploration and development, the Company uses a combination of equity financing and cash flow from its properties.

We believe that our technical expertise and prudent financial management make **Claimstaker Resources Ltd.** a leader among junior mine development companies.

Claimstaker Resources Year 2001

Annual General Meeting Presentation

Presented by:
Nick Ferris
President and CEO
Claimstaker Resources Ltd.

June 15, 2001

Claimstaker Resources Ltd.

- Gold is our focus
- We are bullish on gold and on the prospects for the gold mining industry

June 15, 2001 Claimstaker Resources Ltd.

Claimstaker Resources Ltd. Why Bullish On Gold?

- Venoroso study at www.gata.org
- 20 year bear market - Industry depression
- Falling production/Rising Demand
- Substantial supply deficit
- Reduction/Elimination of exploration activities
- Mineral assets greatly undervalued
- Reduction of central bank sales and leasing
- Arrival of the EURO
- Details at www.lemetropolecafe.com

June 15, 2001 Claimstaker Resources Ltd

Claimstaker Resources Ltd.

- Claimstaker's projects are North American based.
- Our production properties are largely permitted and can be readied for operation in short order.
- Our exploration properties are drill ready.

June 15, 2001 Claimstaker Resources Ltd.

Claimstaker Resources Ltd. Year in Review

- Extremely difficult year due to low gold prices
- Average price of US$268/oz in 2000
- Most gold mines break even at US$280/oz
- Little investment funds available

June 15, 2001 Claimstaker Resources Ltd.

Claimstaker Resources Ltd. Year in Review

- Reduction in expenses at Head Office and Blackdome
- Consolidation of mineral assets
- Ensure regulatory compliance
- Established important relationships with technical consultants

June 15, 2001 Claimstaker Resources Ltd.

Claimstaker Resources Ltd.
The Road Ahead

- Working closely with Jipangu Inc. to fully prepare for coming gold bull market
- Name change to J-Pacific Gold Inc.
- New operational framework for exploration
- Looking to acquire additional projects
- Improve marketing efforts
- Additional marketing activities to target the Asian investor

June 15, 2001 Claimstaker Resources Ltd.

Claimstaker Resources Ltd.

PROJECTS

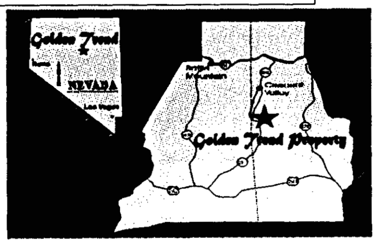
June 15, 2001 Claimstaker Resources Ltd.

Claimstaker Properties
Current Portfolio

- Golden Trend, Battle Mountain, Nevada, USA
- Zenda Gold Mine, Bakersfield, California, USA
- Alwin Mine, Highland Valley, BC, Canada
- Blackdome Mine, Clinton, BC, Canada

June 15, 2001 Claimstaker Resources Ltd.

Golden Trend Property
Battle Mountain, Nevada, USA



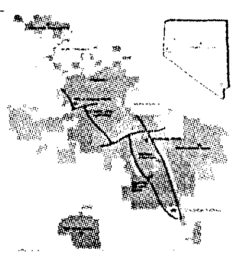
June 15, 2001 — Claimstaker Resources Ltd.

Golden Trend Property Overview

- Attractive and valuable mid-staged exploration property
- 100% interest of 111 claim block on the Battle Mountain-Eureka gold trend
- Directly south of PDG's Pipeline, Horse Canyon and Buckhorn. Three miles south of PDG's recent 1.2mm oz discovery at Pediment gold project
- Surface exploration and small scale drilling completed in 1998-1999
- High anomalous gold and high arsenic assays

June 15, 2001 — Claimstaker Resources Ltd.

Golden Trend Property Battle Mountain Trend Map



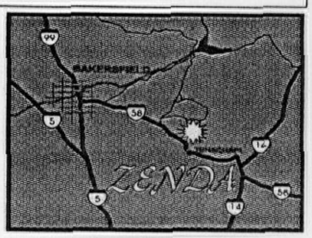
June 15, 2001 — Claimstaker Resources Ltd.

Golden Trend Property Options

- Past interest from major gold producers
- Advance the project with a limited drill program to identify favourable lower plate rocks
- Attract a joint venture partner for large scale deep drilling program (1500 ft. depth)

June 15, 2001 Claimstaker Resources Ltd.

Zenda Gold Mine
Bakersfield, California, USA



June 15, 2001 Claimstaker Resources Ltd.

Zenda Gold Mine Overview

- Gold-silver open pit, heap leach property consisting of 8 patented mining claims and 44 unpatented claims
- Located at the southern end of the Sierra Nevada Mountains in Kern County, California, 30 air miles east of Bakersfield
- Identified orebody of 1.6 million tons of ore at a recovered grade of 0.042 ounces of gold and 0.60 ounces of silver per ton. Anticipated recoveries are 79% for gold and 36% for silver
- $4 million in exploration and development has been spent on Zenda

June 15, 2001 Claimstaker Resources Ltd.

Zenda Gold Mine
Overview con't.

- Fully engineered, substantially permitted
- Cash cost of $195/oz., production cost of $220
- Production financing available when gold price exceeds US$350/oz.
- Project is currently idle due to low gold prices
- Annual maintenance costs of US$36,000
- Small scale, short-life operation - 3 to 5yr. life if no additional reserves found
- Great cash-flow generator at higher gold prices

June 15, 2001 Claimstaker Resources Ltd.

Zenda Gold Mine
Future Plans

- Obtain production financing once gold firmly establishes a bull trend
- Small drill program to determine possible extension of ore body

June 15, 2001 Claimstaker Resources Ltd.

Alwin Mine
Highland Valley, BC

- Idle copper mining property
- Resource of 500,000 tons of 2.5% copper
- Metallurgy for simple recovery of calcopyrite and bornite - desirable high-grade copper concentrate
- No mining facilities
- Attractive property to a variety of BC based copper producers or potential producers

June 15, 2001 Claimstaker Resources Ltd.

Blackdome Mine
Clinton, BC

June 15, 2001 Claimstaker Resources Ltd.

Blackdome Mine Overview

- One of Canada's highest grade gold mine operations - historical average grade of 0.6 oz/ton
- 50-50 partnership with Jipangu Inc.
- Fully equipped mine facility, largely permitted
- Capable of producing 30,000 oz. gold/yr.
- 65 Square kilometer property, 27 identified gold bearing veins - only 5 veins developed
- Largely unexplored (15-20%)
- Potential for a decade of high grade gold production
- Valuable asset in rising gold market

June 15, 2001 Claimstaker Resources Ltd.

Blackdome Mine Exploration Goals

- Maximize utility of each exploration dollar
- Identify larger potential
- Add substantial value to project
- Move towards new feasibility study

June 15, 2001 Claimstaker Resources Ltd.

Blackdome Mine
SRK Program

- Geological mapping and modeling
- Develop "big picture" exploration program
- Goal of realizing Blackdome's full potential

June 15, 2001 Claimstaker Resources Ltd.

Claimstaker Resources
Risk Management

- Acquisition and exploration framework
- Cash management discipline
- Eliminate emotion from decision process
- Goal - cut losses, let profits run

"Its turn-over, not left-over"

June 15, 2001 Claimstaker Resources Ltd

6/13 Jim Hawe (DJ) - Gold Ready For A Boom Led By Japan - Jipangu

DJ INTERVIEW:

Gold Ready For A Boom Led By Japan - Jipangu

By Jim Hawe
Of DOW JONES NEWSWIRES TOKYO (Dow Jones)-

-Tamisuke Matsufuji has developed a knack for making outlandish predictions that have a way of coming true.

The president of the gold mining and investment firm, Jipangu Incorporated, and author of numerous bestsellers on contrarian investing, has forecast everything from the collapse of Japanese real estate and stock prices to the failure of Yamaichi Securities.

But recently his crystal ball has taken on a decidedly golden hue. According to Matsufuji, 46, gold prices are now sitting on a powder keg - and he is expecting Japan to light the fuse.

"The price of gold is ready to take off. It could go up to Y3,000 or even Y4,000 (per gram) easy...and Japan could lead the way," Matsufuji recently said in a recent interview with Dow Jones Newswires.

Matsufuji said the rally "could happen soon."

Gold at Y3,000/gram is roughly equivalent to $764 per troy ounce. Gold, which hit a high of $875 an ounce in 1980, has long been languishing in the doldrums.

April 2002 gold futures on the Tokyo Commodity Exchange was trading Wednesday at Y1,054/gram at 0615 GMT. Spot gold at 0615 GMT was at $272.10/oz.

The man the Economist magazine once described as "rich and rude" admits that he is in the minority, as gold's 21-year bear run has scared away most backers.

"But I see the Dow falling sharply, the dollar plummeting to Y80 and bond prices crashing. Eventually, the only safe alternatives will be gold and shares in gold mining companies," said Matsufuji.

"That is why I founded Jipangu. It's a kind of 'insurance' company." Jipangu was set up in 1995.

Preparing for the Coming Golden Age

Matsufuji was evasive when pressed for specifics to back up his predictions, and prefers to fall back on historical models.

"When U.S. stocks crashed in 1929, prices of gold and shares in gold mining companies soared, and the same thing is about to happen again," he said.

Matsufuji is so convinced of the coming gold boom that he has been putting his money where his prognostication is - and in a very big way.

Through Jipangu, he has been snapping up major stakes in mining companies around the globe. He already has a 24% stake in High River Gold Mines Ltd., a 22% stake in Cambior Inc. and a 24% stake in Claimstaker Resources Ltd., all three based in Canada, and he also has the option to buy a significant stake in South African mining giant Harmony Gold Co. Ltd.

Altogether Matsufuji has his hand in some 40 projects around the world. Based on his own estimates, some 20 million ounces of gold, or 622 tons, are now under his control. That is more than twice of Australia's 2000 output of 295.7 tons of gold. Australia is the world's third biggest gold producer.

Japanese Investors Seen As Key

"I want to give Japanese investors the opportunity to invest in gold and gold mining companies around the world without exposure to currency risks," said Matsufuji, who sees Japanese investors as a key element in the new golden age.

Japanese investors will use yen to invest in yen-denominated shares of Jipangu, which would then give them an indirect stake in the various mining companies affiliated with Jipangu, he said.

If they were to buy stocks in these mining companies directly, they would have to buy the shares on, for example, Canadian equity markets using Canadian dollars exposing them to currency risk, he added. Through Jipangu their investment is kept in yen.

"Japan is the world's largest creditor nation. Individual assets total more than 1,300 trillion yen. If just 1% of this money could be moved into gold, that would instantly account for five years worth of global production, and gold prices would skyrocket," Matsufuji said.

"Japan has the potential to really move the market," said Matsufuji, who hopes Jipangu will serve as the vehicle for pumping more Japanese money into the gold market.

Matsufuji explained that the word 'Jipangu' was first bought to the West by Marco Polo as a term describing Japan as an "island of gold".

"That is why I named my company Jipangu. I want Japan to again be full of gold."

Measuring Exploration Success: An alternate to the discovery-cost-per-ounce method of quantifying exploration effectiveness

Deborah Lord[1], Mike Etheridge[2], Marcus Willson[3], Greg Hall[4], Phillip Uttley[5]

1 SRK Consulting Australasia PO Box 943, West Perth, WA 6872 AUSTRALIA dlord@srk.com.au

2 SRK Consulting Australasia PO Box 422, Milsons Point, Sydney NSW 2061 AUSTRALIA.

3 Placer (Granny Smith) Pty Limited PO Box 33, Laverton, WA 6440 AUSTRALIA

4 Placer Dome Asia Pacific PO Box 764, Cloverdale, WA 6985 AUSTRALIA

5 SRK Consulting Australasia PO Box 250, Deakin West, ACT 2600 AUSTRALIA

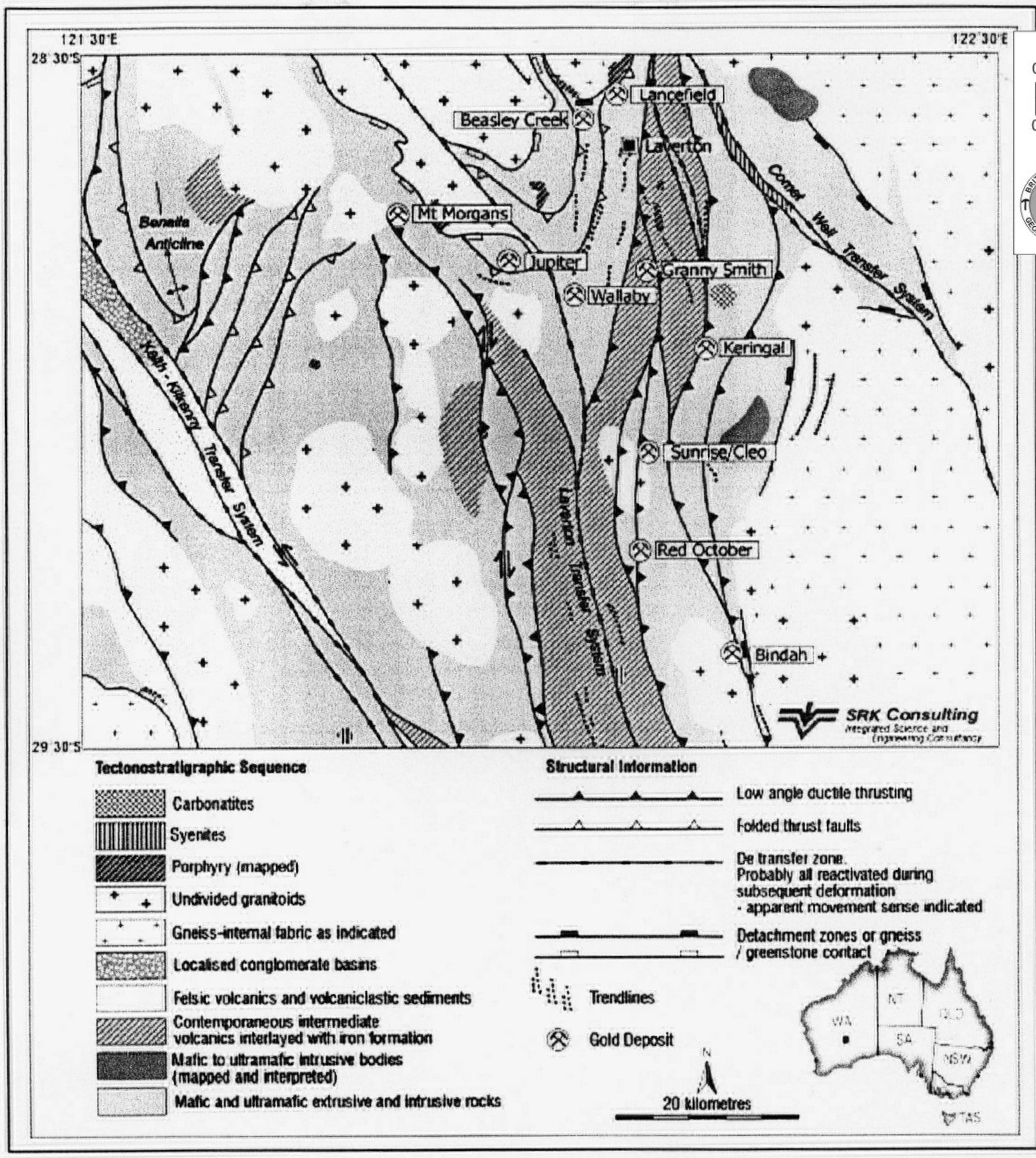
Abstract

SRK Consulting is researching and developing a range of methods for **assessing and managing exploration risk, progress and value.** As part of the research, a collaborative project was undertaken with Placer Granny Smith (the operating company of the Granny Smith Joint Venture owned by Placer Dome Asia Pacific 60% and Delta Gold 40%) and Placer Dome Asia Pacific, to review and quantify exploration success in a mature program that has delivered several mines. In particular, an objective was to develop a measurement technique that is more commercially robust and informative than the traditional 'cost per resource ounce discovered' method.

The project reviewed gold exploration over the past 13 years in the Laverton District of Western Australia (Figure 1). Placer Granny Smith has spent AUD$52 million (around US$30 million at recent exchange rates) defining 12 deposits with combined resources of more than 10 million ounces (310 tonnes) of gold. Exploration centered on the Archean Granny Smith Gold Deposit, and was primarily targeted at outlining additional resources to feed through the Granny Smith Mill. At an overall cost per resource ounce of less than US$3, this has clearly been a successful program. However, our analysis demonstrates that this figure fails to provide a complete value picture, and that the program could have delivered even greater value to the participating companies.

While the quantitative results of the review are specific to the Laverton District, the methodology can be applied to near-mine, advanced and grassroots exploration programs for any deposit style in any geological environment. Key outcomes of the review are as follows:

- Measuring exploration success in terms of the NPV of the deposit outlined produces a markedly different and arguably more commercially realistic outcome to measuring it in relation to the average cost of resources defined.
- Early recognition and prompt drill testing of key targets is critical in optimizing opportunities and realizing exploration value. Indeed, the principal destroyer of value in exploration is spending too much time and money prior to drill testing the best targets in any area.
- Continual and robust ranking of exploration targets should be undertaken. Exploration should aim to rapidly identify and systematically test the best exploration targets, rather than systematically exploring the project areas.



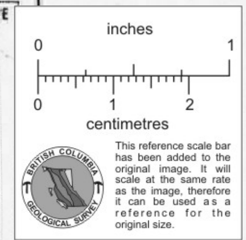


Figure 1. Regional geology of the Laverton District of Western Australia showing principal gold deposits, owned by various companies. Solid geological interpretation is modified from SRK Consulting multi-client product (1999).

Especially in the current climate of a depressed resources sector, the exploration industry needs to compete aggressively for the investor's dollar. The industry needs more robust and quantitative methodologies for measuring exploration effectiveness, and for informing management, investors and shareholders of exploration risk, reward, value and progress to discovery. SRK's probabilistic methods provide such a framework.

Introduction to the methodology

A method to measure exploration risk, progress and value

Mineral exploration is essentially an economic activity (Etheridge and Henley, 1997; Dummett, 2000; Singer and Kouda, 1999; Mackenzie, 1998), and as such it must deliver tangible value to its investors. However, because of the long lead times for discovery, it is difficult to measure that value and report on progress at the more conventional business reporting time scales. This difference in value generation and reporting time scales is one of the fundamental barriers to effective strategic planning, management and communication between the practitioners of exploration and their corporate managers and investors.

SRK Consulting has been developing a range of probabilistic risk assessment and management tools for mineral exploration, and these methods are being extended to the measurement and communication of exploration progress and value in language that is much more commercial than technical. The underlying methodology is very similar to that which is commonplace in the petroleum exploration industry and a number of other high-risk business endeavors.

The particular objectives of the study described here and undertaken with Placer Granny Smith were as follows:

1. To use the extensive records of exploration programs, methods, models and expenditure in the Placer Granny Smith files to build a comprehensive case study of the relations between exploration risk, progress, decision points and value creation over a large, long term and successful program.

2. To compare the more and less successful projects within the overall exploration program, particularly to identify where alternative decision strategies and risk management practices may have influenced the value delivered to the stakeholders.

3. To analyze the relationships between expenditure, resource ounces discovered and real commercial value delivered by the different projects and the program overall.

Estimating value at any stage of exploration

One aspect of our risk assessment methodology **involves relating the probability of exploration success to the value of the target sought** to estimate the technical value of an exploration project at any stage in its progress. The measure most commonly used to provide the target value is the Net Present Value (NPV) of the threshold resource that has to be delivered for a particular deposit style, region, etc. If exploration fails to deliver a deposit exceeding the company's threshold NPV, then shareholder value will be destroyed and the business of exploration becomes uneconomic.

There are many factors that contribute to the economic feasibility of a mine (e.g. metal prices, mining costs, methods, metallurgical factors, permitting issues, proximity to existing infrastructure or mill, etc.). These are all embedded into the target NPV. Linking NPV's with typical deposit sizes in terms of tonnes, grade and mining costs these represent is useful for the explorationist. This will differ considerably depending upon the deposit style being sought and the exploration environment (near mine versus grass-roots programs). However, in an attempt to relate profitability to exploration effectiveness, the SRK preferred method **links the deposit target value to exploration very simply**, based on examination of the following criteria:

- **Exploration stage** or position of the Prospect on the pathway to discovery and possible exploitation.

- **Probability of Success** or the likelihood that the Prospect will advance to the next stage of exploration (P_s).

- **Cost** of advancing the prospect to the next exploration stage (C).

- **Target Value,** being the company's corporate target range or threshold NPV's (TV).

In our approach, the **Expected Value** of an exploration prospect (at any particular exploration stage) is defined as the probability of the exploration project advancing to the next exploration stage times the Target Value, less the cost of advancing to the next stage. This is shown in the following formula (e.g. Mackenzie, 1998):

$$\mathbf{EV = P_s . TV - C}$$

(Where EV = Expected Value; TV = Target Value; P_s = Probability of advancing exploration project; and C = Cost of advancing exploration project)

This simple formula generates an **Expected Value** for each prospect at each of the main exploration stages, or decision points, by working back from the company's target value.

Definition of exploration stages

The principal exploration stages are shown in Table 1.

Measuring exploration value for early stage exploration prospects

By incorporating the target value rather than the resource ounces, and knowing average exploration costs to advance exploration it is possible to estimate an Expected Value at each exploration stage. The difficulty then becomes estimating the probability of success or likelihood that a prospect will advance to the next exploration stage.

The probability of success for very early phase exploration prospects is based on the elements of the geological mineralization model present at the individual prospect area. SRK uses a simple approach **firmly based on the geological process model, its critical success factors and the application of Bayesian probabilistic analysis.** This method requires:

- Building the underlying geological process model.

- Identifying the critical success factors, and

- Assigning probabilities to each factor.

Stage A. Ground Acquisition (Project Generation)	Goals:	♦ *To build an expert team for the belt/region* ♦ *To have knowledge, knowledge management and data / information availability for the belt* ♦ *To select and acquire ground in well endowed belts, considering availability, political/environmental risks*
Probabilities/risks associated with progressing from Stage A to Stage B, i.e. $P_{(A-B)}$ *Probability that the process of Ground Acquisition (A) will result in the acquisition of high quality, well endowed and available ground that is worthy of further work*		
Stage B. Prospect Definition (Reconnaissance Exploration)	Goals:	♦ *To define drillable targets (often via geochemical, geophysical surveying)* ♦ *To build area knowledge, quality data management systems, suitable geological models* ♦ *To use efficient exploration methods, geologic skills of exploration team* ♦ *To define prospect risks and target ranking tools, exploration audit process* ♦ *To test presence of mineralizing system*
Probabilities/risks associated with progressing from Stage B to Stage C, i.e. $P_{(B-C)}$ *Probability that this process will define drillable targets (features that meet criteria of the geological model and knowledge of the area)*		
Stage C. Drill Testing (Systematic RC, DD)	Goals:	♦ *To test geological and mineralization models, interpreted from mapping and geochemical sampling* ♦ *To test geological information gathered during prospect definition* ♦ *To test presence of mineralizing system to the stage of indication of sufficient continuity and grade as to indicate potential for an economic resource.*
Probabilities/risks associated with progressing from Stage C to Stage D, i.e. $P_{(C-D)}$ *Probability that the drill testing phase will result in one or more "economic drill intersections" that would be further drill tested* *The decision to continue would be supported by other geological information that would give some initial confidence in the continuity of mineralization*		
Stage D. Resource Delineation	Goals:	♦ *To have confidence in size and grade potential, continuity of grade and geological setting* ♦ *To understand controls on grade distribution (low cost curve position)*
Probabilities/risks associated with progressing from Stage D to Stage E, i.e. $P_{(D-E)}$ *Probability that a "drill-out" will result in the definition of a preliminary resource that is sufficiently robust at present prices to warrant proceeding to feasibility*		
Stage E. Feasibility	Goals:	♦ *To determine metallurgy, metal prices, mineability, cost, prices, mineral balance sheet* ♦ *To result in decision to mine, asset with defined NPV*
Probabilities/risks associated with progressing from Stage E to target NPV *Probability that the feasibility study will deliver an ore reserve*		

Table 1. Definition of exploration stages.

The probability of the occurrence of a mineral deposit can be derived from the product of the relative probabilities of each of the critical success factors, assuming that probabilities of occurrence of each of the critical factors are independent:

$$\mathbf{P = P_1 \times P_2 \times P_3 \times P_4 ... P_n}$$

(Where P = probability of advancing exploration project and $P_{1-4..n}$ = probability of occurrence of each of the critical success factors of the geological process model).

Placer Granny Smith is currently evaluating this method to rank their early phase exploration prospects. Application of the Bayesian methodology to the project area is generically demonstrated below:

- **The geological process model for mineralization is established**. This involves identification of the critical processes without which a deposit would not have formed. In general terms the following apply; P_1 represents the probability of occurrence of a source of mineralizing fluid, P_2 relates to the presence of structure of right age to provide fluid conduit to the site of deposition. P_3 refers to the structural or physical components of the site of mineralization – structural trap site or area of dilation and finally, P_4 corresponds to the chemical processes that ensured efficient metal precipitation or deposition at the trap site.

- **For each of these features of the geological process model, a value between 1.0 and 0.0 is assigned**. A value of 1.0 indicates that the process component definitely operated at the required level, and 0.0 indicates that it definitely did not operate. A value of 0.5 is assigned where information about the factor is not known or data are not available. Therefore a relative probability > 0.5 indicates that there is a degree of evidence that the factor is present, whereas a relative probability < 0.5 indicates that there is a degree of evidence that the process component did not operate.

- **Each exploration project is carefully reviewed in relation to the geological process model for the target or region.** Relative probabilities are assigned to each factor for each project. For example for P_3 a favorable trap site might be that the prospect is located in an area with rock types of high rheology contrast (given say 0.7) or in an area where aeromagnetic interpretation indicates abundant thrust faulting (say 0.8). While an area of one monotonous rock sequence and no evidence of faulting is considered to be less favorable (say 0.3). Any feature allocated 0.5 (unknown) highlights the need for this information to be gathered at this prospect to advance exploration. **A worked example is shown in Table 2.**

- **These four factors are then multiplied together to form an overall probability, P_S,** that all of the essential components of the ore system are present in the target or region. This is assumed to be the same as the probability that there is mineralization at the target region, and therefore that the prospect could advance to the next stage of exploration.

Prospect Name	P1	P2	P3	P4	P_S - Product of Probabilities assigned
Prospect X	1.0	0.8	0.7	0.9	0.50
Prospect Y	0.5	0.8	0.9	0.9	0.32
Prospect Z	0.3	0.8	0.9	0.9	0.19

Table 2. Examples of prospect ranking using Bayesian methodology.

The benefits of the Bayesian probabilistic approach include:

- Semi quantitative, geologically based, simple to apply and mathematically sound.

- Consistent disciplined approach to evaluating targets within and between regions, and encourages detailed evaluation of each prospect.

- Facilitates communication of exploration risk with management and professional staff from other disciplines.

- Assesses exploration risk profile and cost in a consistent and quantitative method.

- Highlights where more information is required (e.g. when P = 0.5) and how the exploration programs may be designed accordingly.

Measuring exploration value for later stage exploration prospects

To estimate the probability of success or likelihood that an advanced stage exploration prospect will proceed to the next exploration stage requires estimation of regional or belt-wide probabilities for the style of target sought by the company. A range of probabilities can be estimated at each exploration stage based on the high knowledge and experience in each belt, e.g. number of prospects generated, the number that advanced to drilling and to resource definition and finally to feasibility studies. Accumulation of knowledge in the early exploration stages and strong focus in 'well-endowed' belts or in belts with a high level of geological knowledge is a major value-creating step in the exploration business.

Higher belt-wide probabilities can be achieved by the company being focussed in a 'well-endowed' belt and / or by building up high knowledge of the belt. Note that a high level knowledge of the belt could comprise either 'intellectual' knowledge about the geology of the belt or 'historic' knowledge based on previous productivity of the region. The former becomes critically important in the valuation of new 'grassroots' exploration plays where the mineralization potential has not been realized as the deposits have yet to be found. Even where historic production has not occurred, a belt could still be considered highly prospective and correspondingly highly-valued if there is high 'intellectual' knowledge of the belt and the company is exploring using a well constrained, explicit model for mineralization.

It is worth stressing that continued accumulation of increasingly detailed knowledge of a belt will not continue to increase the value of an exploration property. At some point the cost of data gathering will start to destroy the value of the project. It is recognized that **the crucial step** in adding value to an exploration property is obtaining an 'economic' drill intercept and drilling should proceed at a relatively early stage.

In general, projects with very high value (NPV) will be harder to find and therefore have lower probabilities of success (especially low if the company is exploring in a less endowed belt). The converse will apply when projects will have much lower target NPV's than the corporate targets, such as near-mine small resources sought for existing mills, etc, but much higher probabilities of success. In near mine environments, deposits with modest contained gold may have relatively large NPV's because of their low capital cost. These are of great value to existing mining operations.

One of the main aims of the Laverton District review is to study in detail a mature exploration belt in order to generate a robust set of probabilities and costs for later stage exploration properties. While the set of numbers generated will be most appropriate for the Laverton greenstone belt and the deposit model(s) being sought by Placer Granny Smith, these probabilities and costs will also be applicable in similar Archaean greenstone terranes. The method behind the evaluation is also relevant to a wide range of commodities and exploration environments.

Measuring Laverton Exploration Success

The data reviewed

Exploration in the Laverton District was prompted by the discovery of the Granny Smith Deposit in 1987 (Hall and Holyland, 1990). Initially, exploration was funded independently by Placer Dome Asia Pacific. In 1993, the Granny Smith Extended Joint Venture was established, with exploration funding contributed by the Placer Granny Smith partners – Placer Dome Asia Pacific 60% and Delta Gold 40%.

In the Laverton District, data from statutory government Annual Technical and Expenditure Reports were compiled for 21 exploration project areas between 1987 and 1999. Exploration was divided into the series of exploration stages (defined in Table 1) and the number of prospects generated was compared to the associated expenditure per exploration stage. This allowed individual prospects and budgets to be tracked through the exploration process.

During the 13-year period AUD$52 million was spent on exploration and 12 economic deposits were defined, with combined resources of more than 10 million ounces (310 tonnes) of gold. The actual Net Present Value and the profit returned from these resources is confidential, but relative values will clearly demonstrate that there is not always a relationship between the resource size and profitability.

The 21 exploration projects reviewed are listed below, in order of decreasing expenditure (Table 3). Projects were classified in terms of favorable geological domains and less favorable domains, based on confidential company criteria. Costs are in actual dollars, and were not inflated into current dollar values. Placer consider that exploration technology changes over time, and that their increase in exploration effectiveness over the period studied is likely to offset inflation. Furthermore drilling rates for example (which contribute a large proportion to the total exploration expenditure), are cheaper in 2000 current dollars than they were in 1988 in unescalated dollars for similar ground conditions. Simply escalating the exploration expenditure per year according to annual inflation was not considered to adequately account for these factors and so actual dollars were used for this analysis. Similarly the NPV values used were dollar values at decision to mine and do not take into account inflation, changes in the gold price, etc.

Exploration activity for each year was summarized for individual exploration projects including; lease numbers, how many exploration prospects were at each exploration stage (taking into account projects at the same stage that have been on-going over multiple years or reporting periods), plus associated exploration costs per exploration stage. Where reported costs were attributable to more than one exploration stage, these costs were apportioned to the relevant exploration stage accordingly (taking into account typical cost of meters drilled and samples collected). Note that, due to inconsistent recording of legal, lease rental and tenement acquisition and option payments, these were not included.

Project	Project Duration	Geological Domain	Total Expenditure (AUD$)
Project 1	6 years	Favorable Domain	$14.0 M
Project 2	13 years	Favorable Domain	$12.5 M
Project 3	7 years	Favorable Domain	$11.4 M
Project 4	9 years	Favorable Domain	$9.1 M
Project 5	7 years	Less Favorable Domain	$2.0 M
Project 6	3 years	Favorable Domain	$1.1 M
Project 7	7 years	Favorable Domain	$0.7 M
Project 8	6 years	Favorable Domain	$0.3 M
Project 9	4 years	Favorable Domain	$0.2 M
Project 10	2 years	Less Favorable Domain	$0.2 M
Project 11	4 years	Favorable Domain	$0.2 M
Project 12	2 years	Favorable Domain	$0.1 M
Project 13	2 years	Favorable Domain	$0.1 M
Project 14	1 year	Less Favorable Domain	$0.1 M
Project 15	2 years	Less Favorable Domain	$0.1 M
Project 16	2 years	Less Favorable Domain	$0.1 M
Project 17	3 years	Favorable Domain	$0.04M
Project 18	2 years	Favorable Domain	$0.04M
Project 19	1 year	Favorable Domain	$0.02M
Project 20	1 year	Less Favorable Domain	$0.02M
Project 21	1 year	Less Favorable Domain	$0.01M
Generative Exploration	13 years	Throughout the district	Additional $2.2M

Table 3. Summary of exploration projects reviewed at Laverton.

Laverton exploration probabilities of success and costs

Information was extracted on the number of prospects at each exploration stage versus associated exploration costs. For brevity, the 7 major projects are detailed and others summarized, as compiled in Table 4.

This table shows average exploration expenditures to advance exploration prospects through the five exploration stages based on Placer Granny Smith's 13 years exploration history in the Laverton District. It also provides a summary of the number of prospects that advanced from one stage to the next allowing an average probability of success to be calculated.

Project Name	Project Generation Stage (A)	Reconnaissance Stage (B)	Drill Testing Stage (C)	Resource Delineation Stage (D)	Feasibility Stage (E)	Total Project Exploration Expenditure
Project 1						
Number of Prospects	0	5	8	3	2	
Combined Cost	$0	$0.27M	$2.81M	$0.28M	$10.68M	$14.04M
Project 2						
Number of Prospects	5	18	7	6	5	
Combined Cost	$0.19M	$1.81M	$1.50M	$2.22M	$6.73M	$12.45M
Project 3						
Number of Prospects	3	18	1	1	1	
Combined Cost	$0.18M	$3.86M	$0.35M	$2.53M	$4.43M	$11.34M
Project 4						
Number of Prospects	2	26	5	3	2	
Combined Cost	$0.01M	$1.79M	$0.74M	$1.54M	$4.98M	$9.05M
Project 5						
Number of Prospects	7	30	1	0	0	
Combined Cost	$0.01M	$1.70M	$0.34M	$0	$0	$2.04M
Project 6						
Number of Prospects	0	2	3	1	1	
Combined Cost	$0	$0.25M	$0.26M	$0.16M	$0.46M	$1.13M
Project 7						
Number of Prospects	0	3	1	1	2	
Combined Cost	$0	$0.20M	$0.06M	$0.15M	$0.34M	$0.74M
Other Projects combined						
Number of Prospects	10	54	0	0	0	
Combined Cost	$0.08M	$1.49M	$0	$0	$0	$1.57M
Generative Exploration						
Number of Prospects	263	0	0	0	0	0
Combined Cost	$2.20M	$0	$0	$0	$0	$0
Total number of Prospects	290	156	26	15	13	
Total cost for all Prospects at each exploration stage	$2.7M	$11.4M	$6.0M	$6.9M	$27.6M	$52.4M

Table 4. Summary table of Laverton projects showing number of exploration prospects, cost of exploration (AUD$), and average cost per prospect for each of the exploration stages (AUD$).

Synthesizing the above data, a summary table (Table 5), was generated (note all are AUD$, and unadjusted to current dollars).

Exploration stage	Number of prospects	Expenditure (AUD$ 1987-99)	Ave. Cost / Prospect (AUD$)	Probability of advancing from previous stage
Generative	290	$2.7M	$10K	
Reconnaissance	156	$11.4M	$70K	0.54: 1 in 2
Systematic Drill Testing	26	$6.0M	$230K	0.17: 1 in 6
Resource Delineation	15	$6.9M	$460K	0.58: 1 in 2
Feasibility	13	$27.6M	$2.1M	0.87: 5 of 6
Mine	12			0.90: 9 of 10

Table 5. Synthesis of historical exploration activity by exploration stage.

Findings of the analysis for the Laverton District can be summarized as follows;

- The average probability for exploration projects advancing **from generative to reconnaissance exploration stage is 0.54** (or almost 1 in 2), with an associated average exploration expenditure of AUD$70 000. This reflects the maturity of exploration where many targets identified have now been tested.

- The probability that the project **proceeded to systematic drill testing stage is 0.17** (or 1 in 6), requiring on average AUD$230 000 of expenditure. These early stage probabilities are similar to the range SRK have identified in other project reviews.

- However, later stage exploration probabilities at Laverton are considered quite high. The probability of **transition to resource delineation stage is 0.58** (or 1 in 2 projects), and **subsequently 87% (or 5 out of 6) of these projects advanced to feasibility**. The success rate reflects the gold endowment of the district and the mature near-mine exploration environment.

- Average expenditure to advance through resource delineation stage is AUD$460 000 and through feasibility stage is AUD$2 100 000.

Resources defined and exploration effectiveness

A summary of resources defined, discovery cost per ounce and relative NPV values for individual exploration projects between 1987 and 1999 is shown in Table 6 and graphically in Figure 2.

Project	Total expenditure to 1999 (AUD$)	Resources defined or gold produced	Discovery cost per ounce per project (AUD$)	Relative NPV
Project 1	$14.0M	2.83 Moz (86t)	$4.9	Highest
Project 2	$12.5M	2.29 Moz (70t)	$5.5	Medium
Project 3	$11.4M	4.47 Moz (136t)	$2.6	Medium
Project 4	$9.1M	0.55 Moz (17t)	$16.5	Medium
Project 5	$2.0M	None	Not applicable	0
Project 6	$1.1M	0.05 Moz (1.5t)	$22.0	Lower
Project 7	$0.7M	0.05 Moz (1.6t)	$14.0	Lower

Table 6. Various measures of exploration success. Summary of exploration expenditure per project versus resources defined (either current resource / production / resource at decision to mine).

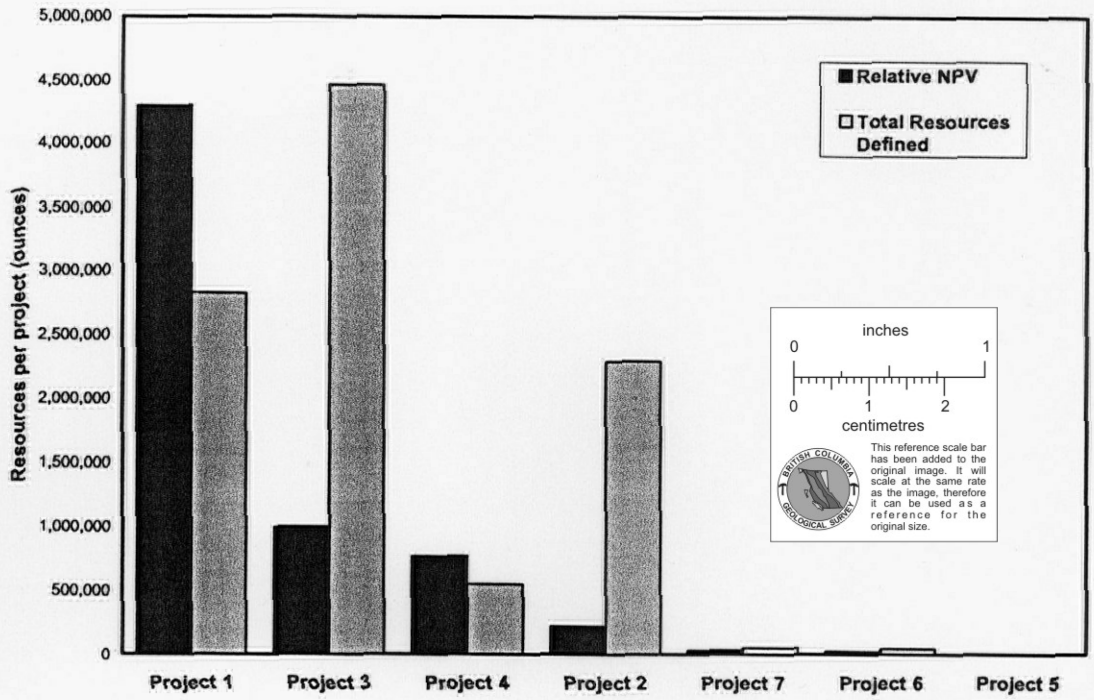


Figure 2. Graph of relative NPV (axis not labeled as data confidential) and resources defined per project at Laverton.

The first 4 projects have delivered the bulk of the resources defined by Placer Granny Smith and confirm a very successful exploration campaign and the gold endowment of this belt. The principal findings include;

- **Project 1 is the most successful project** in the Laverton District. It is the most economically attractive (in NPV terms), contains one of the largest resources and also has a low discovery cost per ounce. These combine to deliver excellent use of exploration expenditure.

Project 4 also has a relatively high NPV **despite containing only modest resources.** It has a quite high discovery cost per ounce (and required a proportionally higher drill budget) than the larger resources such as Projects 1 and 2.

- Projects 2 and 3 have **moderate relative NPV's**. However in terms of resources delivered and discovery cost per ounce, the more traditional measure of exploration success, they could be considered the best exploration successes.

- **It is important not to measure exploration success only by resource ounces defined.** The economics of larger resources versus smaller deposits (which have disproportional NPV's compared to sizes of resources defined) should be factored into where exploration dollars are spent.

- Obviously there will be more smaller resources than larger deposits. **Linking the resource and NPV of the exploration target to where exploration dollars are expended is critical to optimizing exploration value.**

Project 5 stands out as having high exploration expenditure with no resources defined. The location of Project 5 in the less geologically favorable geological domain raises the question as to why exploration continued. In this Project, the ratio of reconnaissance stage prospects to drill testing stage is 30 to 1 and is the highest for any Project. In this case reconnaissance stage exploration continued too long and project value was destroyed in the process.

A large part of the total exploration expenditure was spent on reconnaissance stage exploration (AUD$11M). This phase is a crucial value-adding phase of exploration. A review of **when** key exploration stages were reached for each exploration project highlights a couple of significant lost opportunities;

- Project 3 was acquired and the exploration target that yielded the resource was immediately recognized as the best exploration target. However that target was not effectively drilled for 5 years.

- Within Project 4 potentially significant mineralization was discovered in the mid-1990's, but substantial drilling of the prospect was not carried out until two years later.

Conclusions

A methodology is presented to measure exploration success and value which challenges the traditional discovery cost per ounce of gold. SRK's preferred methodology links profitability of the target deposit to the exploration prospect. Critical factors to estimate for individual prospects include:

- Project exploration stage (i.e. generative, reconnaissance, systematic drill testing, resource delineation, feasibility).
- The probability the prospect will advance to the next exploration stage.
- The associated cost of advancing the prospect.
- Target value, being the threshold or range of NPV's that provides a minimum return to the company, as based on geological parameters of target tonnages and grades.

An 'Expected Value' can then be determined using the simple formula (e.g. Mackenzie, 1998):

$$\mathbf{EV = P_s . TV - C}$$

(Where EV = Expected Value; TV = Target Value; P_s = Probability of advancing exploration project; and C = Cost of advancing exploration project).

A review of historic exploration was undertaken in the Laverton District, Western Australia to examine the probability of success and associated costs, to gain an understanding of typical exploration profiles over time. Placer Granny Smith's exploration expenditure amounted to around AUD$52 million over 13 years for 21 exploration projects. Data compilation of exploration activity and associated expenditure concentrated on defining key exploration stages and decision points. Six exploration projects contained a combined total of twelve gold resources.

Comparing the resources defined at each project to the actual NPV / Profit estimated at decision to mine demonstrates that some of the smaller resources have disproportionately high NPVs. There are obviously also more smaller-resources than larger deposits. It is clearly important not to measure exploration success only as discovery cost per ounce of resource defined. The relationship between resource size and characteristics like 'mineability', should be factored into where exploration dollars are spent, particularly in near-mine exploration environments.

It is also useful to examine exploration expenditure over time, in particular where exploration dollars were focussed. The time review of exploration yielded two obvious lost opportunities at Laverton, where exploration targets were recognized but not immediately followed up. These targets ultimately yielded significant resources, but the decline in the gold price in the interim, combined with decreased operating efficiency, resulted in a significant opportunity cost.

The prompt recognition and early drill testing of the best exploration targets is critical in optimizing and realizing value of exploration properties. The transitions from reconnaissance stage to drill testing stage, and through to resource delineation stage should be minimized. Exploration should aim to test **the best** exploration targets systematically, rather than 'blanket' exploration of project areas. **The geological ability within a company to put the first 'economic drill intersection' into its proper geological setting and recognize its true importance is a critical factor in exploration success.**

Constant appraisal of exploration targets is required. SRK's method of measuring exploration value can also be integrated into an effective prospect-ranking scheme. This ranking methodology will assist with recognition, documentation and direction of exploration funds to effectively test the best exploration targets.

REFERENCES

Dummett, H.T., 2000. Minerals resource development - our new challenges. Mining Engineering, July 2000, p. 37-41.

Etheridge, M.A. and Henley, R.W., 1997. Managing risk in gold exploration - effective use of modern geoscience technology. The Australian Gold Conference, Kalgoorlie, 4-6 March, 1997. Proceedings. Perth: Chamber of Mines and Energy of Western Australia, p 197 - 209.

Hall, G.C. and Holyland, P.W., 1990. Granny Smith gold deposit. *In*, Hughes, F.E., ed., Geology of the Mineral Deposits of Australia and Papua New Guinea. Parkville, Victoria: The Australasian Institute of Mining and Metallurgy. AusIMM Monograph Series No 14, Volume 1., p. 519-524.

Mackenzie, B.W., 1998, Economic evaluation for mineral investment decisions: Glenside, South Australia, Australian Mineral Foundation, Short Course Notes, Two Volumes, Various Pages.

Singer, D.A. and Kouda, R., 1999. Examining Risk in Mineral Exploration, Natural Resources Research, Volume 8, p. 111-122.

ACKNOWLEDGEMENTS

Placer (Granny Smith) Pty Limited, Placer Dome Asia Pacific and Delta Gold are kindly thanked for permission to publish this article. Tony Rudd of Placer Granny Smith assisted with compilation of historic exploration data. The methodology discussed in this paper is being developed by SRK Consulting and in addition to the SRK authors listed, Peter Williams and Stuart Munroe are acknowledged for their involvement.

GEOLOGICAL SUMMARY REPORT

BLACKDOME GOLD-SILVER PROPERTY

Clinton Mining Division, B.C.,

51 19 Long/122 30 Lat, Mapsheet 92 O 7, 92 O 8

prepared for:

CLAIMSTAKER RESOURCES LTD.

Ste 1440 - 1166 Alberni Street
Vancouver B.C., Canada
Tel (604) 684-6677 Fax: (604) 684-6678

by:

B.J.PRICE GEOLOGICAL CONSULTANTS INC.
Ste 1028 - 470 Granville Street, Vancouver, B.C., V6C 1V5
Tel: 604-682-1501 Fax: 604-684-4297
email: bpricegeol@msn.com
and

ROSS GLANVILLE AND ASSOCIATES LTD.
Ste 304 - 700 West Pender St., Vancouver B.C., V6C 1G8
Tel/Fax: (604) 681-5721

April 25, 2001

75 pages

CLAIMSTAKER RESOURCES LTD.

ANNUAL REPORT

DECEMBER 31, 2000

REPORT TO SHAREHOLDERS

Claimstaker Resources Ltd. is a junior resource company focused on the exploration and development of gold properties in North America. Since the Company's inception in 1990, it has evaluated a number of precious metals prospects and has engaged in geological, geochemical and geophysical exploration and diamond drilling programs.

In 1994, *Claimstaker* acquired a former high-grade gold producer, the Blackdome Gold Mine located near Clinton, British Columbia. The mine was placed in production for the first months of 1999, but was subsequently closed due to the low price of gold.

In 1997, the Company acquired its second major project, the Zenda Gold Mine, located in Kern County, southern California. Zenda is a planned open pit gold-silver heap leach project from which 0.041 oz. gold per ton recovery is expected, and which has an identified resource of approximately 1.6 million tons of ore.

Claimstaker also acquired in 1997 the Golden Trend property, an early-stage gold exploration project along Nevada's prolific Battle Mountain trend. This project is well located on the trend, approximately five kilometres to the south of Placer Dome's Pediment project.

The Company also holds other mineral exploration projects including the Alwin copper property in the Highland Valley, British Columbia and the Bru-Lovie gold property located in the Crescent Valley, Lander County, Nevada. In September 1999, Claimstaker acquired the marketing rights for the EnEco Systems waste to energy technology for Japan, British Columbia, Alberta and the Yukon Territories.

Claimstaker maintains its head office in Vancouver, Canada. Its directors and officers have extensive experience in exploration, development, marketing and finance. *Claimstaker Resources Ltd.* is a Tier 1 Company listed on the Canadian Venture Exchange.

Cautionary Statement

This 2000 Annual Report contains certain statements related to ore reserves, production, revenue, expenses, plans, development schedules and similar items that represent forward-looking statements. Such statements are based on assumptions and estimates related to future economic and market conditions. While management reviews the assumptions regularly, they involve risks and uncertainties that could cause actual results to differ materially from those contemplated in the forward-looking statements.

株主の皆様への報告

クレイムステーカー リソース 株式会社は北アメリカに於いて貴金属鉱区の探鉱・開発を専門とするジュニア リソース カンパニーです。 １９９０年の創業以来、幾つかの貴金属有望鉱区の地質調査・地化学探鉱・物理探鉱・ボーリング探鉱を実施・評価してきました。

１９９４年に、当社はブリティッシュ・コロンビア州、クリントン近傍に位置して、嘗て、高品位金鉱石を採掘したブラックドーム金鉱山を買収し、１９９９年度初期に採掘に移行しましたが、金価格の低迷によって数ヶ月後に閉山しました。

１９９７年には、カリフォルニア州南部のケルン郡に位置する、当社にとっては第二の主要鉱区であるゼンダ金鉱区を買収しました。 当鉱床は、嘗て、オープンピット・ヒープリーチで採掘及び選鉱が計画されたプロジェクトであり、これまでのヒープリーチ試験の結果、金の回収量はトンあたり0.041oz(1.28g/t)であり、約 1,600,000 トンの資源量が確認されています。

また同年、当社はゴールデントレンド鉱区を取得しました。 これはネバダ州の金鉱床帯で有名なバトルマウンテン鉱化帯 (trend) に沿って位置する初期段階の探鉱鉱区です。 この鉱区はバトルマウンテン鉱化帯中、プラサードームが所有しているペディメント (Pediment) 鉱区の南、約 5km という探鉱ポテンシャルの高い部分に位置しています。

この他に当社はカナダ、ブリティッシュ・コロンビア州のハイランド バーレイにアルウィン銅鉱区及び米国ネバダ州、ランダー郡、クレッセントバーレイのブルーロビー金鉱区等を含む探鉱鉱区を保持しています。 また、１９９９年９月には廃砕からエネルギーへの転換技術であるエンエコ (EnEco) システムを日本、ブリティッシュ・コロンビア州、アルバータ州及びユーコン準州でマーケッティングする権利（販売権）を取得しました。

クレームステーカーの本社はカナダ、バンクーバーにあります。 当社の取締役及び幹部は探鉱、開発、販売、そして財務と幅広い経験を有しています。
クレイムステーカー リソース社はカナディアン ベンチャー証券取引場第一部に上場しています。

注意書き

今回の２０００年度年次決算報告には、資源量、採掘、収益、経費、計画、開発計画などの諸表とそれに関連した進歩的な視野をもって作成した文書が掲載されております。 これらの諸表はあくまでも未来経済及び市場の状況を仮定・推算して作成されたものでありますので、経営陣による定期的な見直しが行われたとしても、実際の結果がこれらの企図と異なる可能性がありますことご了承ください。

President's Message To Shareholders

Dear Shareholder,

Claimstaker is bullish on gold.

Indeed, we believe that the current depression in the gold mining industry will likely prove to be a unique opportunity for the patient, contrarian investor seeking undervaluation opportunities in an out-of-favour industry.

Rarely has the marketplace set such strikingly low values for gold companies and their underlying mineral assets. Similar to the recent experiences in the natural gas and platinum group metals sectors, the record sustained supply deficit imbalance in the gold sector is likely pointing to a powerful multiyear bull market for the yellow metal. Accordingly, we at *Claimstaker* are preparing our projects to maximize shareholder value in anticipation of the commencement of a new gold bull market. However, it is important to step back and survey the current landscape of the gold mining industry.

Remarkably, in each of the years from 1997 to 1999, the gold price averaged approximately US$289/oz. This price level rendered the average gold mining operation marginally profitable at best. It also set the stage for reduced exploration activities, falling production and the high-grading of existing deposits to ensure immediate cash flow. The low gold price also helped trigger the mass abandonment of gold mining investments.

The year 2000 marked the 20th anniversary of the current bear market for gold. This year 2000 has been the most trying period for the industry as the price of gold averaged a paltry US$269/oz, the lowest average price level of the two decade-long bear market.

At current prices it is nearly impossible for gold producers to function in a normal fashion. Many active gold mines' revenues are less than the cost of production and will likely be forced to close should prices not improve in the near-term. Standard Equities of South Africa recently predicted that without a meaningful improvement in the gold price, world gold production is conservatively estimated to fall 35% by the year 2008 *(Bloomberg, April 11, 2001).*

Rather than expanding reserves by new exploration, major gold producers are now focused on corporate growth through takeovers and asset acquisition. Indeed, the gold mining industry has experienced extreme reductions or even the outright elimination of exploration budgets. This industry-wide depression has caused many of its most talented experts to seek employment in other fields. No doubt, it will take many years for the industry to recover. It will be difficult for gold production to increase, even if the gold price should dramatically improve in the near future. A substantial and permanently higher price of gold is required to forestall the expected decline in gold production.

This longstanding depression in the gold mining industry has been especially trying for the junior mining sector. Funding for exploration and development activities has virtually dried up. The investing public continues to shun junior gold mining and exploration companies. Presently, most listed junior gold companies have remarkably low share prices, which generally understate the value of the company's mineral assets.

Despite this gloomy picture, we at *Claimstaker* remain bullish on gold and see great opportunities ahead for our industry sector. The recent under-investment in the resource sector and the resultant imbalances will take years to correct. The universe of available investment opportunities in gold and resource companies has been dramatically reduced during this period. The general malaise in the resource sector has contrasted with the great burst of investment activity in the high tech sector. The public is over-invested in high tech and almost completely absent from the resource sector. *Claimstaker* remains strictly focused on gold and is one of the few junior mining companies with near-term gold production capability.

Furthermore, it has been estimated that gold demand is growing rapidly and currently greatly exceeds existing mine supply. At the same time, overwhelming bearish market sentiment has resulted in a massive build-up of speculative short positions through what is known as the "gold carry trade". To add fuel to the fire, institutional derivatives traders have made massive "paper" bets on a continued low and falling price of gold. These factors raise the prospects for a powerful and sustained short-covering rally.

For the past several years, Central Bank gold lending and sales have met the ongoing supply deficit. In effect, the liquidation of official sector gold reserves caused a substantial mispricing of the metal. The investment market continues to perceive the existence of an ongoing "glut" of gold that will be available to supply the marketplace indefinitely. However, Central Banks continue to maintain gold inventories as a strategic and valuable monetary reserve. It is unlikely that the liquidation of Central Bank gold holdings will continue indefinitely. Indeed, the Washington Accord of September 1999 reaffirmed the Euro zone's commitment to maintaining gold as a key monetary reserve and to severely limiting the sales and leasing of its gold reserves.

Rising from this gloomy landscape are some very bullish factors. Typically, the lack of investment in new capacity combined with rising demand for a deeply undervalued commodity will result in substantially higher prices. Similar to the recent experiences with natural gas and the platinum group metals, we believe that the over-consumption of gold at these artificially depressed prices combined with the large short position and excessive derivatives exposure will ultimately result in a powerful, long-term gold bull market.

In these difficult times, *Claimstaker* has been most fortunate to have a strong affiliation with our major shareholder, *Jipangu* Inc. of Tokyo, Japan. Indeed, we share *Jipangu's* vision of the future and believe we are nearing the dawn of a new "Golden Age".

Nicholas T. Ferris
President and CEO
Claimstaker Resources Ltd.
May 4, 2001

会社社長から株主の皆様へのメッセージ

株主の皆様へ、

*クレイムステーカー*は金に関して強気です。

それどころか、当社では現状の金産業界不振こそが、注目される産業以外の分野で過少評価されている株式への投資を求む、気長でかつ反対思考をゆく投資家達にとって、例外無比の好機になると考えております。

今日の市場では、金山会社やその会社が所有する鉱物資産が見事なまでに低く評価されていますが、最近の天然ガスやプラチナ金属業界と同様に、金の部門において見られる供給不足による不均衡は、今後数年間かに亘り金が力強い上げ相場に向かうことを示唆しているようにも見られます。 故に、クレイムステーカー社は、新しい金の上げ相場を見越して、株主の価値を最大限に引き上げるためのプロジェクトの準備に取り組んでおります。 しかしながら、客観的な立場から金産業の現況を見究めることも重要な課題として捉えております。

１９９７年から１９９９年までの各年における注目すべき事実として、概算で金ー１オンスあたり約 US$289 ㌦の平均価格が付けられていました。 この価格水準では、平均的な産金事業において殆ど採算性が見込まれず、探鉱活動の縮小や生産量の低減、ならびに即時でのキャッシュフローを確保するために既存の鉱床の中でも高品位の部分だけを採掘するなどの悪循環に見舞われ、その上、低迷する金の価格が金鉱株への投資を大幅に減らす引き金となりました。

西暦２０００年は、現状の金の下げ相場が２０年に到達した節目となりました。 また、この年は、下げ相場にあった２０ヶ年の間でも記録的な最安値ー１オンスあたり US$269 ㌦を平均とする金の価格を背景に、同産業にとってはこの上ない試練の年となりました。

現状の金価格では、金山会社が通常の事業推進を図る事は、実質的に不可能と見られます。 現在稼動する多数の金鉱山においては、総収入が生産コストを下回り、早期の金価格好転でも生じない限り、それらの鉱山は閉鎖を強いられることになるでしょう。南アフリカ・スタンダード・エクイティーズ（Standard Equities of South Africa）は最近、金価格の実質的な好転が見られない限り、世界の金生産量は２００８年までに少なく見積もっても 35%低下するであろうとの予測を出しました。
（2001 年 4 月 11 日ブルームバーグ通信）

大手の金山会社は、新規探鉱による埋蔵鉱量の増大を図るよりも事業接収や資産買収を通じた企業の成長に焦点を置いています。事実、金産業部門では、探鉱予算の大幅な削減や完全な削除までもが余儀なくされました。この産業規模の不況により、優れた専門家の多くが他分野への転業を強いられました。 この産業の復興には疑いなく長い年月を要するでしょう。 近い将来に金の価格に劇的な好転が生じたとしても、金の生産量の増加は困難と予測されます。 金の生産における減量を未然に防ぐためには、実質的でかつ永続的な金の高値が必須条件となります。

この長期に渡る金産業の不況は、鉱業部門の中でも特に中･小の鉱山会社に対して影響を及ぼしました。 探鉱や開発活動への資金は、実質的に枯渇した状態に陥っており、投資家達の間では、中小規模の金鉱山会社や探鉱会社への投資が回避されています。今日、中･小金鉱山会社の中で上場銘柄にある株価は著しく低迷しており、それらの会

社が保有する鉱物資産の価値は過少評価を下されています。

このような陰惨たる状況にもかかわらず、クレイムステーカー社は、依然とてして強気な金の相場観を掲げており、我々の関わる金の部門についても好機的な予測の見解を維持しております。 最近の資源株への投資離れやこの結果として生じた不均衡の改善には長い時間を要するでしょう。 金鉱株ならびに資源株において効果的とされる投資の領域は、この期間中に劇的に縮小しました。 資源部門への全般的な不安感は、ハイテク部門における投資活動の多大な盛況とは対照を成しています。 ハイテク株への投資は余剰的である反面、資源株への投資は皆無に近い現状にあります。 それでも、クレイムステーカー社は、断固として金に焦点を向け続けます。 当社は、短期的な金の生産を可能とする数少ない中・小鉱山会社の一つであります。

更に、金に対する需要が著しく増加すれば、既存の鉱山から供給される量をはるかに凌ぐ程の需要量が見込まれます。 同時に、「金の繰延取引」として知られる大規模な投機的空売りの積重ねの結果、圧倒的な下げ相場を示す気配が生じます。 機関的に構成されるデリバティブ・トレーダー達は、灯に油を注ぐが如く、継続的に低迷・下落する金に対して大量の“紙幣”による賭けをしました。 これらの要素から、強力で継続的な空売り買戻しの反発が見込まれます。

過去数年間に実施された中央銀行による金の貸出しならびに売却は、現在も進行する金の供給不足に対応してきました。 つまり、公的機関の保有する金の流出により、実質的には間違った形で金属の価格付けが行われたのです。 投資の市場では、金の供給が常に余剰するものとして認識されています。しかしながら、中央銀行は金の在庫を戦略的かつ価値ある通貨の準備金として保有し続けています。 つまり、中央銀行による金の流出が永続的なものとは考えられません。１９９９年９月のワシントン協定により、実質的には、ユーロ通貨圏が全面的に金を主要通貨の準備金として扱い、それらの保有する金の売却ならびに貸出し等が厳しく制限されている実態が改めて浮き彫りにされました。

金相場のこの陰惨たる状況からの復活は、なかなかの強気材料となります。 典型的な例として、新たな投資が不足することで、その商品に過少評価が下されます。 その過少評価された商品の需要が増加することにより、商品価格は実質的に高値へと推移することになります。 最近の天然ガスやプラチナ金属業界と同様、多量の空売りや余剰するデリバティブの未決済等と結びついて生じた人為的な価格の下落による過剰消費の結果、金の価格は長期的な上げ相場に発展すると我々は考えております。

このような状況下、クレイムステーカー社は幸いにして当会社の大株主である東京のジパング社との力強い関係に支えられております。 当社はジパング社が掲げる未来像と信念に共感すると同時に、新たな「黄金時代」の幕開けが近付いていることを強く信じております。

平成１３年５月４日
クレイムステーカー リソース社
代表取締役社長
ニコラス・T・フェラス

Mineral Projects

CANADA

Blackdome Gold Mine

Clinton, British Columbia

LOCATION

The Blackdome property is located approximately 250 kilometres north of Vancouver BC, 70 kilometres west northwest of the small town of Clinton B.C. The mine is at an elevation of about 2000 meters, near the summit of Blackdome Mountain. Vehicle access from Clinton or Williams Lake B.C. includes crossing the Fraser River near Churn Creek, and travelling an additional 30 kilometres of gravel road, which provides access to all parts of the property.

OVERVIEW

The Blackdome property is held 100% by No 75 Corporate Ventures Ltd., owned equally by *Claimstaker Resources Ltd.* (50%) and *Jipangu Inc.* (50%). *Claimstaker's* joint venture partner in the project, *Jipangu Inc.* of Tokyo, Japan, is a private Japanese resource company. The property consists of 21 mineral claims totalling 214 units, 10 crown granted mineral claims totalling 169 hectares, and two mining leases totalling 988.33 hectares.

The Blackdome property has a "drill inferred resource" of 124,120 tonnes averaging 12.8 grams of gold per tonne (0.37 oz Au/ton) and 33.7 grams of silver per tonne (0.98 oz Ag/ton) for an in situ total of 50,834 ounces of gold and 134,386 ounces of silver.

Blackdome has several exploration targets that have been well documented within the areas of underground development, as well as farther from the present development. Thus, the property is considered to have reasonable potential for hosting additional high-grade gold ore shoots.

Claimstaker views the property as a long-term asset. However, additional gold resources are required before the Company would proceed to an independent feasibility study, as a precursor to any future production.

HISTORY

Placer mining on the Fraser River at locations such as Big Bar, French Bar, Crows Bar and High Bar led to a placer gold discovery on Poison Mountain in the early 1930's. The resulting staking rush saw a large area claimed, including most of the creeks in the Blackdome Mountain area. The source of the placer gold was a large, low-grade copper-gold porphyry system. Considerable sluicing was done on Fairless Creek, which drains the west slope of Black Dome Mountain.

After an extended period of exploration, Blackdome Mining Ltd. brought the outlined gold deposit into production in 1986. The proven and probable reserves totalled 119,557 tonnes grading 20.9 grams gold per tonne (0.61 oz Au/ton) and 124.6 grams silver per tonne (3.63 oz Ag/ton). The initial 140 tonnes per day rate of production increased to 200 tonnes per day. The mine was shut down in January 1991. During its five year life, a total of 7,000,000 grams of gold (225,000 ounces) and 17,000,000 grams of silver (547,000 ounces) were recovered from 338,000 tonnes (373,000 tons) of ore.

After *Claimstaker* purchased the asset in 1995, a small amount of exploration drilling was completed adjacent to the existing workings and a decision was made to bring the mine back into production. Between November 1998 and May 1999, the mine produced 203,631 grams of gold (6,547 ounces) and 538,090 grams of silver (17,300 ounces) from 21,286 tonnes of ore. Ninety percent of Blackdome's total historical gold and silver production came from the No. 1 and 2 Veins of the mineralized system, between the 1870 and 1990-meter elevations, and from one kilometre of the 3.75 kilometre long vein system. The mine was closed in May 1999 due to the prevailing low price of gold.

Alwin Copper Project
Highland Valley, British Columbia

LOCATION

The Alwin mine property is located nine kilometres from Highway 97C on the western slopes of the Highland Valley, southwest of Kamloops, British Columbia. Alwin is immediately west of the major porphyry copper open pit currently operated by Highland Valley Copper Corp., which is owned by Billiton, Cominco and Teck. The claims immediately adjoin the Highland Valley Copper holdings and are located within two kilometres of their recent surface development.

The property is readily accessible by highway from Merritt, Ashcroft and Logan Lake, with a nine km gravel road from Highway 97C providing immediate access to the main mine development area.

OVERVIEW

The Alwin property is 100% owned by *Claimstaker* Resources Ltd., subject to a 2.5% net smelter royalty. Using a 25% dilution factor the Alwin property has an inferred resource of 430,000 tons of ore grading 2.50% copper, 0.34 ounces silver per ton and 0.02 ounces gold per ton. However, this resource requires additional confirmation. The area in the immediate vicinity of the mine has received intensive exploration, but large sections of the property located along strike show good geologic potential and have received very little exploration using modern methods.

HISTORY

The presence of high grade copper mineralization was first noted on the Alwin property in the late 1800s. In 1980 and 1981, DeKalb Mining Corp. placed the property in production at a rate of 700 to 800 tons per day; however, the mine was shut down in 1981 because of a declining copper price. The property was subsequently purchased by F.D. Miller and stripped of buildings and machinery. The land was reclaimed and the mine openings sealed.

In 1993, *Claimstaker* Resources Ltd. optioned the Alwin property and subsequently earned a 100% interest, subject to a 2.5% net smelter return royalty payable to F.D. Miller. In March 2000, the property was transferred to Claimstaker.

In 1993, soon after signing the agreement with Miller, *Claimstaker* trenched the projected surface exposure of the No. 4 North Zone. In January 1995 when the price of copper reached nearly Can$2.00/pound, *Claimstaker* undertook an underground development program on the No. 4 North Zone to test the ground conditions and recover a bulk sample for metallurgical testing. The composite test samples, each weighing 110 kg (240 lbs), were collected in each of two new raises. The workings were surveyed, mapped and sampled.

During the spring and summer of 1995 plans were made to bring the property back into production using the existing workings. Initially, it was planned to mine the No. 4 North Zone and truck the ore to the Afton Mine in Kamloops. However the shipments were of broken stockpiled ore totalling about 2000 tonnes grading close to 2% copper, which were purchased by Afton.

In late 1995 operations on the property ceased when the price of copper decreased and Afton Mining Company decided to terminate operations. In recent years the mine openings have been resealed and some reclamation work completed.

U.S.A.

Zenda Gold Mine

Kern County, California

LOCATION

The Zenda Project is located in Kern County, southern California, approximately 30 miles southeast of the city of Bakersfield and 10 miles due north of the town of Tehachapi.

OVERVIEW

The Zenda project is a small tonnage, largely permitted, (1,403,000 ton) potential heap leach operation with a grade of 0.042 oz gold per ton and 0.575 oz silver per ton. With a higher gold price, *Claimstaker* would propose to mine the ore body at rate of 2,400 tons per day, 5 days per week. Without additional reserves, the mining would be completed in less than two years, but it may also be possible to add to the deposit with exploration drilling along strike and down dip, as the resource is open in all directions.

The orebody is located on the top of a mountain and has a low stripping ratio (0.36:1). A significant portion of the waste would be used in the construction of an embankment dam, which is to contain the valley fill heap leach pad. Gold recovery would be in a conventional carbon stripping circuit.

Overburden at the deposit provides potential upside for the project as sampling by *Claimstaker* has confirmed that it contains indicated gold grades ranging between 0.01 and 0.03 oz/ton. These grades are not economic on their own; however, recovery of this gold could improve the return on capital should gold prices rise substantially (Potential revenues from this overburden are not contained in the feasibility study).

HISTORY

The Zenda project was originally conceived and explored by Shell Mining Co. Ownership in the project was transferred to Equinox Resources Ltd. of Vancouver, British Columbia in the mid 1980's. In 1989, Equinox commissioned a full engineering plan from Vector Engineering of Grass Valley, California for the construction of a valley fill leach pad, an appropriately sized embankment dam for containment, a gold recovery plant and ancillary facilities. Concurrently, a mine plan was commissioned from Pincock Allen & Holt of Lakewood, Colorado.

With these reports and the metallurgical studies of McClelland Laboratories of Reno, Nevada, Equinox prepared a feasibility study and commissioned Pincock Allen & Holt to perform an audit on its study. Based on these studies the property was permitted and readied for production. However, Equinox made a decision not to commence production because of the prevailing low gold price.

Hecla Mining Co. acquired the property as part of its 1994 takeover of Equinox Resources Ltd. Subsequently, Hecla decided to sell the property, as its relatively small resource (1.4 million tons at 0.042 oz Au/ton) did not meet Hecla's production criteria.

Saga Exploration Co., a private Nevada corporation, gained control of the project in late 1995. Saga undertook a detailed review of the property work and completed an updated economic study in 1996. Early in 1997, Saga entered into a purchase agreement with *Claimstaker* whereby ownership of Equinox was transferred to *Claimstaker*, but it is intended that Saga will be the project developer and operator of the mine.

Golden Trend Project
Lander County, Nevada

LOCATION

Golden Trend is a promising early-stage exploration property located in the heart of the third largest gold producing region in the world. It lies within the highly prolific Battle Mountain-Eureka Trend in Eureka County, Nevada, approximately 300 miles northeast of Reno.

The Pipeline, Cortez, Horse Canyon and Buckhorn gold mines are all within a few miles of the Golden Trend property, and Placer Dome's newest discovery, the plus one million ounce Pediment deposit, is only five kilometres to the north.

OVERVIEW

In August 1996, an initial group of 80 claims was optioned from Rubicon Resources of Sparks, Nevada. An additional 10 claims were staked by Rubicon in 1998 and added to the option agreement. These 90 claims are subject to a 3% net smelter royalty, of which 2% is purchasable. Under the option agreement, Claimstaker pays the annual Bureau of Land Management and county fees, and makes annual advanced royalty payments to Rubicon.

Claimstaker recently staked an additional 21 claims, enlarging the property to 111 lode mining claims. The option agreement and all the claims are in good standing.

HISTORY

The Battle Mountain-Eureka Trend is defined by a northwest-southeast alignment of operating mines and undeveloped gold deposits. Several are world class, multimillion ounce deposits with Newmont Mining Corporation, Placer Dome Mines Inc. and Homestake Mining Company as operators.

The deposits of the Trend are generally sediment hosted, and are referred to as "Carlin" type. The host Paleozoic carbonate rocks are mineralized where they have been cut by high angle faults which acted as conduits for the gold-bearing hydrothermal fluids. Recent dramatic discoveries of high grade gold deposits in these "feeders" and associated structures have significantly expanded the potential of these environments.

The Battle Mountain-Eureka Trend appears to be controlled by early, deep-seated structures such as the Cortez Fault, which have been reactivated and offset by basin and range tectonism. The host carbonate rock sequence has been locally uplifted by these structures and exposed in windows through the plane of the regionally extensive Roberts Mountains Thrust Fault. These "lower plate" rocks, which are the primary gold bearing units, are overlain by a mainly clastic sequence referred to as "upper plate" rocks.

Alteration associated with these sediment hosted deposits is subtle but definitive. The rocks are variously silicified, decarbonatized, bleached and commonly argillized. Gold, arsenic, and, to a lesser extent, antimony and mercury are excellent geochemical indicators.

The property is cut along its entire western side by the Cortez Fault and associated structures, and is interpreted to be bounded on the east by the northern Nevada rift zone, creating an uplifted block of stratigraphy which brings the lower plate rocks closer to the surface. Roberts Mountain Trust lower plate rocks are exposed within a mile of the north side of the claim group, and are projected under shallow cover under much of the property. Exploration by *Claimstaker* in 1998 and 1999 identified significant coincident gold and arsenic soil geochemical values correlated with high angle structures. Geochemically anomalous gold and arsenic in rock, and occasionally anomalous copper values, have been identified in various geologic settings. To follow-up on this preliminary geologic, geochemical, and geophysical work, a small program of nine shallow reverse circulation holes was undertaken on this sizable 111 claim property. Analyses from the drilling produced values in excess of 3,000 ppm arsenic and 100 ppb gold. An area of silicification was identified, which may be associated with a mineralized porphyritic intrusive system. The strongly altered intrusive, and the gold-arsenic mineralization appears to be spatially related to a splay off the Cortez Fault, itself a prominent structural feature in major gold deposits nearby.

CLAIMSTAKER RESOURCES LTD.
Suite 1440 - 1166 Alberni Street
Vancouver, British Columbia, V6E 3Z3

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the annual general meeting of the members of Claimstaker Resources Ltd. (the "Company") will be held in the Tweedsmuir Room at the Hotel Vancouver at 900 West Georgia Street, Vancouver, British Columbia, V6C 2W6, on June 15, 2001, at the hour of 2:00 P.M., Vancouver time, for the following purposes:

1. To receive and consider the report of the directors and the consolidated financial statements of the Company together with the auditor's report thereon for the financial year ended December 31, 2000.

2. To fix the number of directors at five (5).

3. To elect directors for the ensuing year.

4. To appoint the auditor for the ensuing year.

5. To authorize the directors to fix the remuneration to be paid to the auditor.

6. To authorize the directors in their discretion to amend stock options granted to insiders, subject to regulatory approvals, as more fully set forth in the information circular accompanying this notice.

7. To consider and, if thought fit, to pass a special resolution changing the name of the Company from Claimstaker Resources Ltd. to J-Pacific Gold Inc. or such other name decided upon by the directors and acceptable to the Registrar of Companies and the Canadian Venture Exchange and altering the Company's Memorandum accordingly.

8. To consider and, if thought fit, to pass a special resolution altering the Company's Memorandum to the form attached to the information circular and marked Schedule "A" thereto so that the Memorandum, as altered, shall at the time of filing comply with the Company Act.

9. To transact such further or other business as may properly come before the meeting and any adjournments thereof.

The accompanying information circular provides additional information relating to the matters to be dealt with at the meeting and is deemed to form part of this notice.

If you are unable to attend the meeting in person, please complete, sign and date the enclosed form of proxy and return the same in the enclosed return envelope provided for that purpose within the time and to the location set out in the form of proxy accompanying this notice.

DATED this 26th day of April, 2001.

BY ORDER OF THE BOARD

"Nicholas T. Ferris"
NICHOLAS T. FERRIS
President/Director

A:\2527 Notice of AGM.doc

CLAIMSTAKER RESOURCES LTD.
Suite 1440 - 1166 Alberni Street
Vancouver, British Columbia, V6E 3Z3

INFORMATION CIRCULAR

(As at April 26, 2001, except as indicated)

This information circular is furnished in connection with the solicitation of proxies by the management of Claimstaker Resources Ltd. (the "Company") for use at the annual general meeting of the Company to be held on June 15, 2001 and at any adjournments thereof. Unless the context otherwise requires, references to the Company include the Company and its subsidiaries. The solicitation will be conducted by mail and may be supplemented by telephone or other personal contact to be made without special compensation by officers and employees of the Company. The cost of solicitation will be borne by the Company.

APPOINTMENT OF PROXYHOLDER

A duly completed form of proxy will constitute the person(s) named in the enclosed form of proxy as the shareholder's proxyholder. The persons whose names are printed in the enclosed form of proxy for the Meeting are officers or Directors of the Company (the "Management Proxyholders").

A shareholder has the right to appoint a person other than a Management Proxyholder, to represent the shareholder at the Meeting by striking out the names of the Management Proxyholders and by inserting the desired person's name in the blank space provided or by executing a proxy in a form similar to the enclosed form. A proxyholder need not be a shareholder.

VOTING BY PROXY

Common shares of the Company (the "Shares") represented by properly executed proxies in the accompanying form will be voted or withheld from voting on each respective matter in accordance with the instructions of the member (the "shareholder") on any ballot that may be called for.

If no choice is specified and one of the Management Proxyholders is appointed by a shareholder as proxyholder, such person will vote in favour of the matters proposed at the Meeting and for all other matters proposed by management at the Meeting.

The enclosed form of proxy also confers discretionary authority upon the person named therein as proxyholder with respect to amendments or variations to matters identified in the Notice of the Meeting and with respect to other matters which may properly come before the Meeting. At the date of this Information Circular, management of the Company knows of no such amendments, variations or other matters to come before the Meeting.

COMPLETION AND RETURN OF PROXY

Completed forms of proxy must be deposited at the office of the Company's registrar and transfer agent, Pacific Corporate Trust Company, 10th Floor, 625 Howe Street, Vancouver, British Columbia V6C 3B8, not later than forty-eight (48) hours, excluding Saturdays, Sundays and holidays, prior to the time of the

Meeting, unless the chairman of the Meeting elects to exercise his discretion to accept proxies received subsequently.

NON-REGISTERED HOLDERS

Only registered shareholders or duly appointed proxyholders are permitted to vote at the Meeting. Most shareholders of the Company are "non-registered" shareholders because the Shares they own are not registered in their names but are instead registered in the name of the brokerage firm, bank or trust company through which they purchased the Shares. More particularly, a person is not a registered shareholder in respect of Shares which are held on behalf of that person (the "Non-Registered Holder") but which are registered either: (a) in the name of an intermediary (an "Intermediary") that the Non-Registered Holder deals with in respect of the Shares (Intermediaries include, among others, banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered RRSP's, RRIFs, RESPs and similar plans); or (b) in the name of a clearing agency (such as The Canadian Depository for Securities Limited ("CDS")) of which the Intermediary is a participant. In accordance with the requirements of National Policy Statement No. 41 of the Canadian Securities Administrators, the Company has distributed copies of the Notice of Meeting, this Information Circular and the Proxy (collectively, the "Meeting Materials") to the clearing agencies and Intermediaries for onward distribution to Non-Registered Holders.

Intermediaries are required to forward the Meeting Materials to Non-Registered Holders unless a Non-Registered Holder has waived the right to receive them. Very often, Intermediaries will use service companies to forward the Meeting Materials to Non-Registered Holders. Generally, Non-Registered Holders who have not waived the right to receive Meeting Materials will either:

(a) be given a form of proxy **which has already been signed by the Intermediary** (typically by a facsimile, stamped signature), which is restricted as to the number of shares beneficially owned by the Non-Registered Holder but which is otherwise not completed. Because the Intermediary has already signed the form of proxy, this form of proxy is not required to be signed by the Non-Registered Holder when submitting the proxy. In this case, the Non-Registered Holder who wishes to submit a proxy should otherwise properly complete the form of proxy and **deliver it to Pacific Corporate Trust Company** as provided above; or

(b) more typically, be given a voting instruction form **which is not signed by the Intermediary**, and which, when properly completed and signed by the Non-Registered Holder and **returned to the Intermediary or its service company**, will constitute voting instructions (often called a "proxy authorization form") which the Intermediary must follow. Typically, the proxy authorization form will consist of a one page pre-printed form. Sometimes, instead of the one page pre-printed form, the proxy authorization form will consist of a regular printed proxy form accompanied by a page of instructions which contains a removable label containing a bar-code and other information. In order for the form of proxy to validly constitute a proxy authorization form, the Non-Registered Holder must remove the label from the instructions and affix it to the form of proxy, properly complete and sign the form of proxy and return it to the Intermediary or its service company in accordance with the instructions of the Intermediary or its service company.

In either case, the purpose of this procedure is to permit Non-Registered Holders to direct the voting of the Shares which they beneficially own. Should a Non-Registered Holder who receives one of the above forms wish to vote at the Meeting in person, the Non-Registered Holder should strike out the names of the Management Proxyholders and insert the Non-Registered Holder's name in the blank space provided.

In either case, Non-Registered Holders should carefully follow the instructions of their Intermediary, including those regarding when and where the proxy or proxy authorization form is to be delivered.

REVOCABILITY OF PROXY

Any registered shareholder who has returned a proxy may revoke it at any time before it has been exercised. In addition to revocation in any other manner permitted by law, a proxy may be revoked by instrument in writing, including a proxy bearing a later date, executed by the registered shareholder or by his attorney authorized in writing or, if the registered shareholder is a corporation, under its corporate seal or by an officer or attorney thereof duly authorized. The instrument revoking the proxy must be deposited at the registered office of the Company, at any time up to and including the last business day preceding the date of the Meeting, or any adjournment thereof, or with the chairman of the Meeting on the day of the Meeting. **Only registered shareholders have the right to revoke a proxy. Non-Registered Holders who wish to change their vote must, at least 7 days before the Meeting, arrange for their respective Intermediaries to revoke the proxy on their behalf.**

VOTING SHARES AND PRINCIPAL HOLDERS THEREOF

The Company is authorized to issue 100,000,000 common shares without par value (the "common shares"), of which 23,354,326 common shares are issued and outstanding. The holders of common shares are entitled to one vote for each common share held. Holders of common shares of record at the close of business on May 11, 2001 will be entitled to receive notice of and vote at the meeting. The Company has only one class of shares.

To the knowledge of the Directors and senior officers of the Company, no person beneficially owns, directly or indirectly, or exercises control or direction over shares carrying more than 10% of the voting rights attached to all shares of the Company, except the following:

Name	No. of Common Shares Owned or Controlled	Percentage of Outstanding Common Shares
Tamisuke Matsufuji	6,014,055(1)	25.75%

(1) Of these shares, 5,505,555 are held indirectly in the name of Jipangu Inc., 400,000 are held in the name of Amrash Investments Inc. and 108,500 are held in the name of Ushinomiya Inc., all of which are private companies controlled by Mr. Matsufuji.

ELECTION OF DIRECTORS

The Directors of the Company are elected at each Annual General Meeting and hold office until the next Annual General Meeting or until their successors are appointed. In the absence of instructions to the contrary, the enclosed proxy will be voted for the nominees herein listed.

Member approval will be sought to fix the number of directors of the Company at five.

The Company is required to have an audit committee. Members of this committee are as set out below.

Management of the Company proposes to nominate each of the following persons for election as a Director. Information concerning such persons, as furnished by the individual nominees, is as follows:

Name, Municipality of Residence and Position	Principal Occupation or employment and, if not a previously elected Director, occupation during the past 5 years	Previous Service as a Director	Number of Common Shares beneficially owned or, directly or indirectly, Controlled [(2)]
Nicholas T. Ferris[(1)] Vancouver, B.C. President/ Director/ Chief Executive Officer	President and Chief Executive Officer, Claimstaker Resources Ltd; Mortgage Broker, Canadian Home Income Plan Corp.	Since January 31, 1999	52,500
Gregory Austin[(1)] Reno, Nevada Director	President, Saga Exploration Co.	Since January 29, 1997	956,000(3)
D'arcy G. Adam[(1)] Langley, B.C. Director	General Sales Manager, Key West Ford	Since April 18, 2000	50,000
Driffield Cameron Burlington, Ontario Director	Geologist; Vice President, Exploration, High River Gold Mines Ltd.	Since April 6, 2001	Nil
Kazuo Shuto Tochigi ken, Japan Director Nominee	Managing Director, Jipangu Inc.	First Time Nominated	Nil

(1) Member of the audit committee.

(2) Shares beneficially owned, directly or indirectly, or over which control or direction is exercised, as at April 26, 2001, based upon information furnished to the Company by individual Directors. Unless otherwise indicated, such shares are held directly.

(3) Of these shares, 663,000 are held indirectly in the name of Saga Exploration, a private company controlled by Mr. Austin.

EXECUTIVE COMPENSATION

The following table (presented in accordance with the rules ("the Rules") made under the Securities Act (British Columbia)) sets forth all annual and long term compensation for services in all capacities to the Company and its subsidiaries for the three most recently completed financial years (to the extent required by the Rules) in respect of each of the individuals comprised of the Chief Executive Officer as at December 31, 2000 and the other four most highly compensated executive officers of the Company as at December 31, 2000, whose individual total compensation for the most recently completed financial year exceeded $100,000 and any individual who would have satisfied these criteria but for the fact that individual was not serving as such an officer at the end of the most recently completed financial year (collectively "the Named Executive Officers").

.Summary Compensation Table

Name and Principal Position	Year Ended	Annual Compensation			Long Term Compensation			All other Compensa-tion ($)
					Awards		Payouts	
		Salary - ($) Compensation	Bonus - ($)	Other Annual ($)	Securities Under Option/ SAR's granted (#)	Restricted Shares or Restricted Share Units ($)	LTIP Payouts ($)	
Nicholas T. Ferris President/Directo	Dec. 31, 2000	$42,000	Nil	Nil	250,000	Nil	Nil	Nil
Richard D. Somerville President/Director		$3,250	Nil	Nil	Nil	Nil	Nil	Nil
Richard D. Somerville President/Director	Dec. 31 1999	$100,000	Nil	$24,268(2)	250,000 shares	Nil	Nil	Nil
Richard D. Somerville President/Director	Dec. 31, 1998(1)	$58,666	Nil	$512 (2)	350,000 shares	Nil	Nil	Nil
Richard D. Somerville President/Director	Apr. 30 1998	$84,000	Nil	$768 (2)	350,000 shares	Nil	Nil	Nil

(1) Given the change in year-end of the Company from April 30 to December 31, this is the eight month period ended December 31, 1998.

(2) This amount represents additional payments made by the Company for Mr. Somerville's benefit.

Long Term Incentive Plan (LTIP) Awards

The Company does not have a LTIP, pursuant to which cash or non-cash compensation intended to serve as an incentive for performance (whereby performance is measured by reference to financial performance or the price of the Company's securities), was paid or distributed to the Named Executive Officer during the most recently completed financial year.

Option/Stock Appreciation Rights ("SAR") Grants During the Most Recently Completed Financial Year

The following table (presented in accordance with the Rules) sets forth stock options granted during the most recently completed financial year to the Named Executive Officer.

Name	Securities Under Options/SAR's Granted(1) (#)	% of Total Options/SAR's Granted to Employees in Fiscal Year	Exercise or Base Price(2) ($/Security)	Market Value of Securities Underlying Options/SAR's on Date of Grant ($/Security)	Expiration Date
Nicholas T. Ferris President/Director	250,000 shares	19.92%	$0.15(3)	$0.15/share	February 1, 2002

(1) The options generally become exercisable on the date of grant, subject to regulatory approval.

(2) The exercise price of stock options is determined by the Board of Directors but shall in no event be less than the discounted market price of the common shares of the Company on each stock exchange on which the shares of the Company are listed at the time of the grant of the option, or such other price as may be agreed to by the Company and approved by such stock exchange.

(3) Subject to regulatory approval, the price of outstanding options, including Mr. Ferris' option, has been amended to $0.15

Aggregated Options/SAR Exercises in Last Financial Year and Financial Year-End Option/SAR Values

The following table (presented in accordance with the Rules) sets forth details of all exercises of stock options during the most recently completed financial year by the Named Executive Officer, the number of unexercised options held by the Named Executive Officer and the financial year-end value of unexercised in-the-money options on an aggregated basis.

Name	Securities Acquired on Exercise (#)	Aggregate Value Realized ($)	Unexercised Options/SAR's At Fiscal Year-End (#) Exercisable/ Unexercisable	Value of Unexercised In-the-Money Options/SAR's at Fiscal Year-End ($) Exercisable/ Unexercisable
Nicholas T. Ferris President/Director	Nil	Nil	250,000 shares	N/A/N/A

Termination of Employment, Changes in Responsibility and Employment Contracts:

The Company entered into a management agreement, effective April 1, 2000, with Nicholas T. Ferris pursuant to which Nicholas T. Ferris was paid $4,000 per month for his services in his capacity as President of the Company. On November 1, 2000, the Company entered into an amended and restated management agreement with Nicholas T. Ferris to amend the compensation payable to him to $7,000 per month.

The Company and its subsidiaries have no compensatory plan or arrangement in respect of compensation received or that may be received by the Named Executive Officer in the Company's most recently completed or current financial year to compensate such executive officer in the event of the termination of employment (resignation, retirement, change of control) or in the event of a change in responsibilities following a change in control, where in respect of the Named Executive Officer the value of such compensation exceeds $100,000.

Compensation of Directors

The Company has no arrangements, standard or otherwise, pursuant to which Directors are compensated by the Company or its subsidiaries for their services in their capacity as Directors, or for committee participation, involvement in special assignments or for services as consultant or expert during the most recently completed financial year or subsequently, up to and including the date of this information circular.

The Company does not have a formalized stock option plan for the granting of incentive stock options to the officers, employees and Directors. However, the Company did grant stock options to the Directors during the most recently completed financial year. The purpose of granting such options is to assist the Company in compensating, attracting, retaining and motivating the Directors of the Company and to closely align the personal interests of such persons to that of the shareholders.

The following table sets forth information concerning individual grants of options to purchase securities of the Company made during the most recently completed financial year to the Directors of the company (excluding the Named Executive Officer):

Name of Director and Position as at Financial Year-End	Securities Under Options Granted (#)[1]	% of Total Options Granted to All Directors/Officers/ Employees in the Financial Year	Exercise or Base Price ($/Securities) (2)	Market Value of Securities Underlying Options on the Date of Grant ($/Security)	Date of Grant	Expiration Date
J. Paul Sorbara Director	125,000 shares	10.64%	$0.22	$0.11	June 8, 2000	June 8, 2002
Gregory Austin Director	25,000(3) shares	2.13%	$0.15	$0.11	June 8, 2000	June 8, 2002
D'arcy G. Adam Director	125,000(3) shares	10.64%	$0.15	$0.11	June 8, 2000	June 8, 2002
Driff Cameron Director	125,000(4) shares	10.64%	$0.15	$0.5	April 26, 2001	April 26, 2003
Gregory Austin Director	100,000(4) shares	8.51%	$0.15	$0.5	April 26, 2001	April 26, 2003

(1) The options generally become exercisable on the date of grant, subject to regulatory approval.

(2) The exercise price of stock options is determined by the Board of Directors but shall in no event be less than the market price of the common shares of the Company on each stock exchange on which the shares of the Company are listed at the time of the grant of the option, less the maximum discount permitted under the regulations of such stock exchange or such other price as may be agreed to by the Company and approved by such stock exchange.

(3) Subject to regulatory approvals, these stock options have been repriced from $0.22 per share to $0.15 per share subsequent to the most recently completed financial year.

(4) These options are subject to regulatory approval.

INDEBTEDNESS TO COMPANY OF DIRECTORS, EXECUTIVE OFFICER AND SENIOR OFFICERS

There is no indebtedness of any Director, executive officer, senior officer, proposed nominee for election as a Director or associate of them, to or guaranteed or supported by the Company or any of its subsidiaries either pursuant to an employee stock purchase program of the Company or otherwise, during the most recently completed financial year.

INTEREST OF INSIDERS IN MATERIAL TRANSACTIONS

No insider or proposed nominee for election as a Director of the Company and no associate or affiliate of the foregoing persons has or has had any material interest, direct or indirect, in any transaction since the commencement of the Company's last completed financial year or in any proposed transaction which in either such case has materially affected or will materially affect the Company.

APPOINTMENT OF AUDITOR

The Company and PricewaterhouseCoopers LLP, Chartered Accountants, have mutually agreed that PricewaterhouseCoopers LLP will not stand for re-appointment as the auditor of the Company at the upcoming Annual General Meeting. Management proposes to change the auditor of the Company from PricewaterhouseCoopers LLP, Chartered Accountants, who were first appointed as auditors on March 11, 1999, to Morgan & Company, Chartered Accountants, of Vancouver, British Columbia. A copy of the Reporting Package, including the Notice of Change of Auditor and letters from PricewaterhouseCoopers and Morgan & Company, is annexed hereto.

The proxies given pursuant to this solicitation will be voted for the appointment of Morgan & Company, Chartered Accountants, of Vancouver, British Columbia, as the auditor of the Company to hold office for the ensuing year at a remuneration to be fixed by the Directors.

MANAGEMENT CONTRACTS

No management functions of the Company are performed to any substantial degree by a person other than the Directors or senior officers of the Company.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

Except as set out herein, no Director or senior officer of the Company or any proposed nominee of management of the Company for election as a Director of the Company, nor any associate or affiliate of the foregoing persons, has any substantial interest, direct or indirect, by way of beneficial ownership or otherwise, in matters to be acted upon at the Meeting.

PARTICULARS OF OTHER MATTERS TO BE ACTED UPON

(a) Stock Options

During the next year, the Company may grant additional stock options, subject to all necessary regulatory approvals. Under the current policy of the Canadian Venture Exchange (the "Exchange"), member approval is not required for the grant of stock options if granted in accordance with the policy. However, such policy requires that any decrease in the exercise price of stock options held by insiders be approved by a majority of the members at the Meeting, excluding insiders and their associates (the "disinterested members"). Therefore, the disinterested members at the Meeting will be asked to authorize the directors in their discretion to amend stock options granted to insiders, subject to all necessary regulatory approvals.

For the purposes hereof, an "insider" is a director or senior officer of the Company, a director or senior officer of a company that is itself an insider or subsidiary of the Company, or a person whose control, or direct or indirect beneficial ownership, or a combination thereof, over securities of the Company extends to securities carrying more than 10% of the voting rights attached to all the Company's outstanding voting securities.

(b) Change of Name

The Company proposes to change its name to J-Pacific Gold Inc. There is no proposed consolidation of its shares.

Therefore, members will be asked to approve a special resolution changing the name of the Company as follows:

"Resolved as a special resolution that the name of the Company be changed from Claimstaker Resources Ltd. to J-Pacific Gold Inc. or such other name as decided upon by the directors and acceptable to the Registrar of Companies for British Columbia and the Canadian Venture Exchange and altering the Company's Memorandum accordingly."

(c) Alteration of Memorandum

In order to reflect the above-noted proposed changes to the Company's name, members will be asked to approve a special resolution altering the Company's Memorandum to the form attached hereto and marked Schedule "A" so that the Memorandum, as altered, shall at the time of filing comply with the Company Act.

(d) Other Matters

Management of the Company is not aware of any other matter to come before the Meeting other than as set forth in the notice of Meeting. If any other matter properly comes before the Meeting, it is the intention of the persons named in the enclosed form of proxy to vote the shares represented thereby in accordance with their best judgment on such matter.

DATED this 26th day of April, 2001

BY ORDER OF THE BOARD

"Nicholas T. Ferris"
NICHOLAS T. FERRIS
President/Director

SCHEDULE A

Attached to the Resolutions of Claimstaker Resources Ltd.
passed by the Members on June 15, 2001

MEMORANDUM

(ALTERED)

of

J-PACIFIC GOLD INC.

1. The name of the Company is "J-Pacific Gold Inc.".

2. The authorized capital of the Company consists of ONE HUNDRED MILLION (100,000,000) Common Shares without par value.

CLAIMSTAKER RESOURCES LTD.

1440 – 1166 Alberni Street
Vancouver, British Columbia, V6E 3Z3
(604) 684-6677

TO THE SHAREHOLDERS:

NOTICE OF CHANGE OF AUDITOR

It is proposed that Claimstaker Resources Ltd. (the "Company") will change its auditor from PricewaterhouseCoopers LLP, Chartered Accountants, of 1111 West Hastings Street, Vancouver, British Columbia, V6E 3R2, to Morgan & Company, Chartered Accountants of 1488 – 700 West Georgia Street, Vancouver, British Columbia, V7Y 1A1. The Company and PricewaterhouseCoopers LLP have mutually agreed that PricewaterhouseCoopers LLP will not stand for re-appointment as the auditor of the Company at the upcoming Annual General Meeting.

There are no reservations in any auditor's reports, no reportable disagreements between the Company and PricewaterhouseCoopers LLP and there have been no qualified opinions or denials of opinions by PricewaterhouseCoopers LLP in connection with the audits of the Company's two most recently completed fiscal years or any subsequent period.

This Notice, together with the required response letters from each of PricewaterhouseCoopers LLP and Morgan & Company have been reviewed by the Company's Audit Committee.

The mutual agreement between the Company and PricewaterhouseCoopers LLP that PricewaterhouseCoopers LLP not stand for re-appointment as the auditor of the Company at the upcoming Annual General Meeting has been approved by the Company's Audit Committee.

DATED this 7th day of May, 2001.

CLAIMSTAKER RESOURCES LTD.

Per: "Nicholas T. Ferris"
NICHOLAS T. FERRIS

PRICEWATERHOUSECOOPERS

PricewaterhouseCoopers LLP
Chartered Accountants
1111 West Hastings Street
Vancouver British Columbia
Canada V6E 3R2
Telephone +1 (604) 806 7000
Facsimile +1 (604) 806 7806

BRITISH COLUMBIA SECURITIES COMMISSION
9th Floor, Pacific Centre
701 West Georgia Street
Vancouver, British Columbia V7Y 1L2

and

ALBERTA SECURITIES COMMISSION
21st Floor - 10025 Jasper Avenue
Edmonton, Alberta T5J 3Z5

and

MORGAN & COMPANY
1488 – 700 West Georgia Street
Vancouver, British Columbia V7Y 1A1

and

CLAIMSTAKER RESOURCES LTD.
1440 – 1166 Alberni Street
Vancouver, British Columbia V6E 3Z3

May 7, 2001

Subject: Claimstaker Resources Ltd.

Dear Sirs

Pursuant to Paragraph 4.7 of National Policy No. 31, we hereby confirm our agreement with the information contained in the Notice sent to us by the above-noted company dated May 7, 2001. This confirmation is based on our knowledge of the information at this date.

Yours very truly

Signed "PricewaterhouseCoopers LLP"

Chartered Accountants

MORGAN & COMPANY
CHARTERED ACCOUNTANTS

May 7, 2001

British Columbia Securities Commission
9th Floor, 701 West Georgia Street
P.O. Box 10142, Pacific Centre
Vancouver, BC V7Y 1L2

and

Alberta Securities Commission
21st Floor, 10025 Jasper Avenue
Edmonton, AB T5J 3Z5

and

PriceWaterhouseCoopers LLP
1111 West Hastings Street
Vancouver, BC V6E 3R2

and

Claimstaker Resources Ltd.
#1440 – 1166 Alberni Street
Vancouver, BC V6E 3Z3

Dear Sirs:

RE: CLAIMSTAKER RESOURCES LTD. (the "Company")

As required by National Policy No. 31, we have reviewed the information contained in the Company's Notice of Change of Auditor, dated May 7, 2001, and we do not disagree with the information contained in such notice.

Our understanding is that the notice will read as follows:

> "It is proposed that Claimstaker Resources Ltd. (the "Company") will change its auditor from PricewaterhouseCoopers LLP, Chartered Accountants, of 1111 West Hastings Street, Vancouver, BC, V6E 3R2, to Morgan & Company, Chartered Accountants, of #1488 – 700 West Georgia Street, Vancouver, BC, V7Y 1A1. The Company and PricewaterhouseCoopers LLP have mutually agreed that PricewaterhouseCoopers LLP will not stand for re-appointment as the auditor of the Company at the upcoming Annual General Meeting.

.../2

MORGAN & COMPANY
CHARTERED ACCOUNTANTS

> There are no reservations in any auditor's report, no reportable disagreements between the Company and PricewaterhouseCoopers LLP, and there have been no qualified opinions or denials of opinions by PricewaterhouseCoopers LLP in connection with the audits of the Company's two most recently completed fiscal years or any subsequent period.
>
> This Notice, together with the required response letters from each of PricewaterhouseCoopers LLP and Morgan & Company have been reviewed by the Company's Audit Committee."

We understand that the Notice of Change of Auditor, along with this letter and a similar letter from PricewaterhouseCoopers LLP, will be provided to the Company's registered shareholders with the meeting materials relating to the Company's next general meeting of shareholders.

Yours truly,

Jim Philip, C.A.
for MORGAN & COMPANY

JLP/nm

British Columbia Securities Commission

BCSC

QUARTERLY AND YEAR END REPORT

BC FORM 51-901F
(previously Form 61)

Freedom of Information and Protection of Privacy Act: The personal information requested on this form is collected under the authority of and used for the purpose of administering the *Securities Act*. Questions about the collection or use of this information can be directed to the Supervisor, Financial Reporting (604-899-6729), PO Box 10142, Pacific Centre, 701 West Georgia Street, Vancouver BC V7Y 1L2. Toll Free in British Columbia 1-800-373-6393

INSTRUCTIONS

This report must be filed by Exchange Issuers within 60 days of the end of their first, second and third fiscal quarters and within 140 days of their year end. *"Exchange issuer"* means an issuer whose securities are listed and posted for trading on the Canadian Venture Exchange and are not listed and posted on any other exchange or quoted on a trading or quotation system in Canada. Three schedules must be attached to this report as follows:

SCHEDULE A: FINANCIAL STATEMENTS

Financial statements prepared in accordance with generally accepted accounting principles are required as follows:

For the first, second and third financial quarters:

Interim financial statements prepared in accordance with section 1751 of the CICA Handbook, including the following: balance sheet, income statement, statement of retained earnings, cash flow statement, and notes to the financial statements.

The periods required to be presented, consistent with CICA Handbook section 1751, are as follows:

- a balance sheet as of the end of the current interim period and a comparative balance sheet as of the end of the immediately preceding fiscal year;
- a statement of retained earnings cumulatively for the current fiscal year-to-date, with a comparative statement for the comparable year-to-date period of the immediately preceding fiscal year; and
- income statements and cash flow statements for the current interim period and cumulatively for the current fiscal year-to-date, with comparative statements for the comparable interim periods (current and year-to-date) of the immediately preceding fiscal year

For the financial year end:

Annual audited financial statements prepared on a comparative basis.

Exchange Issuers with a fiscal year of less than or greater than 12 months should refer to National Policy No. 51 *Changes in the Ending Date of a Financial Year and in Reporting Status* for guidance.

Issuers in the development stage are directed to the guidance provided in CICA Accounting Guideline AcG-11 *Enterprises in the Development Stage* that states "enterprises in the development stage are encouraged to disclose in the income statement and in the cash flow statement cumulative balances from the inception of the development stage."

Issuers that have been involved in a reverse take-over should refer to the guidance found in BCIN #52-701 (previously NIN #91/21) with respect to such transactions including the requirement for disclosure of supplementary information regarding the legal parent's prior financial operations.

SCHEDULE B: SUPPLEMENTARY INFORMATION

The supplementary information set out below must be provided when not included in Schedule A.

1. *Analysis of expenses and deferred costs*
   Provide a breakdown of amounts presented in the financial statements for the following: deferred or expensed exploration, expensed research, deferred or expensed development, cost of sales, marketing expenses, general and administrative expenses, and any other material expenses reported in the income statement and any other material deferred costs presented in the balance sheet.

   The breakdown should separately present, at a minimum, each component that comprises 20% or more of the total amount for a material classification presented on the face of the financial statements. All other components of a material classification may be grouped together under the heading "miscellaneous" or "other" in the cost breakdown; the total for "miscellaneous" should not exceed 30% of the total for a material classification.

   Breakdowns are required for the year-to-date period only. Breakdowns are not required for comparative periods.

   Issuers in the development stage are reminded that Section 3(9)(b) of the BC Securities Commission's Rules requires a schedule or note to the financial statements containing an analysis of each of exploration, research, development and administration costs, whether expensed or deferred and if the issuer is a natural resource issuer, that analysis for each material property. Because the analysis required by Rule 3(9)(b) must be included in the financial statements, the information does not have to be repeated in Schedule B. Consistent with CICA Accounting Guidelines AcG-11, staff considers an issuer to be in the development stage when it is devoting substantially all of its efforts to establishing a new business and planned principal operations have not commenced. Further, in staff's view, the lack of significant revenues for the past two years normally indicates that an issuer is in the development stage.

2. *Related party transactions*
   Provide disclosure of all related party transactions as specified in Section 3840 of the CICA Handbook.

3. *Summary of securities issued and options granted during the period*
   Provide the following information for the year-to-date period:
   (a) summary of securities issued during the period, including date of issue, type of security (common shares, convertible debentures, etc.), type of issue (private placement, public offering, exercise of warrants, etc.) number, price, total proceeds, type of consideration (cash, property, etc.) and commission paid, and
   (b) summary of options granted during the period, including date, number, name of optionee for those options granted to insiders, generic description of other optionees (e.g. "employees",) exercise price and expiry date.

4. *Summary of securities as at the end of the reporting period*
   Provide the following information as at the end of the reporting period:
   (a) description of authorized share capital including number of shares for each class, dividend rates on preferred shares and whether or not cumulative, redemption and conversion provisions,
   (b) number and recorded value for shares issued and outstanding,
   (c) description of options, warrants and convertible securities outstanding, including number or amount, exercise or conversion price and expiry date, and any recorded value, and
   (d) number of shares in each class of shares subject to escrow or pooling agreements.

5. *List the names of the directors and officers as at the date this report is signed and filed.*

SCHEDULE C: MANAGEMENT DISCUSSION AND ANALYSIS

1. *General Instructions*
   (a) Management discussion and analysis provides management with the opportunity to discuss an issuer's business, current financial results, position and future prospects.
   (b) Focus the discussion on material information, including liquidity, capital resources, known trends, commitments, events, risks or uncertainties, that is reasonably expected to have a material effect on the issuer.
   (c) For an issuer with active ongoing operations the discussion should be substantive (e.g. generally two to four pages in length); for an issuer with limited operations the discussion may not be as extensive (e.g. one page).
   (d) The discussion must be factual, balanced and non-promotional.
   (e) Where the discussion relates to a mineral project, as defined in National Instrument 43-101 "Standards of Disclosure for Mineral Projects," the disclosure must comply with NI 43-101.

2. *Description of Business*
   Provide a brief description of the issuer's business. Where an issuer is inactive and has no business, disclose these facts together with a description of any plans to reactivate and the business the issuer intends to pursue.

3. *Discussion of Operations and Financial Condition*
   Provide a meaningful discussion and analysis of the issuer's operations for the current year-to-date period presented in the financial statements. Discuss the issuer's financial condition as at the date of the most recent balance sheet presented in the financial statements.

   The following is a list of items that should be addressed in management's discussion and analysis of the issuer's operations and financial condition. This is not intended to be an exhaustive list of the relevant items.
   (a) expenditures included in the analysis of expenses and deferred costs required under Securities Rule 3(9)(b) and Schedule B;
   (b) acquisition or abandonment of resource properties material to the issuer including material terms of any acquisition or disposition;
   (c) acquisition or disposition of other material capital assets including material terms of the acquisition, or disposition,
   (d) material write-off or write-down of assets,
   (e) transactions with related parties, disclosed in Schedule B or the notes to the financial statements;
   (f) material contracts or commitments,
   (g) material variances between the issuer's financial results and information previously disclosed by the issuer, (for example if the issuer does not achieve revenue and profit estimates previously released, discuss this fact and the reasons for the variance);
   (h) material terms of any existing third party investor relations arrangements or contracts including:
      i. the name of the person;
      ii. the amount paid during the reporting period; and
      iii. the services provided during the reporting period;
   (i) legal proceedings;
   (j) contingent liabilities;
   (k) default under debt or other contractual obligations;
   (l) a breach of corporate, securities or other laws, or of an issuer's listing agreement with the Canadian Venture Exchange including the nature of the breach, potential ramifications and what is being done to remedy it;
   (m) regulatory approval requirements for a significant transaction including whether the issuer has obtained the required approval or has applied for the approval;
   (n) management changes; or
   (o) special resolutions passed by shareholders.

4. *Subsequent Events*
   Discuss any significant events and transactions that occurred during the time from the date of the financial statements up to the date that this report is certified by the issuer.

5. *Financings, Principal Purposes and Milestones*
   (a) In a tabular format, compare any previously disclosed principal purposes from a financing to actual expenditures made during the reporting period.
   (b) Explain any material variances and the impact, if any, on the issuer's ability to achieve previously disclosed objectives and milestones.

6. *Liquidity and Solvency*
   Discuss the issuer's working capital position and its ability to meet its ongoing obligations as they become due.

How to File Under National Instrument 13-101 – System for Electronic Document Analysis and Retrieval (SEDAR)
BC Form 51-901F Quarterly and Year End Reports are filed under Category of Filing: Continuous Disclosure and Filing Type: Interim Financial Statements or Annual Financial Statements. Schedule A (Financial Statements) is filed under Document Type: Interim Financial Statements or Annual Financial Statements. Schedule B (Supplementary Information) and Schedule C (Management Discussion) are filed under Document Type: BC Form 51-901F (previously Document Type Form 61(BC)).

Meeting the Form Requirements
BC Form 51-901F consists of three parts: Instructions to schedules A, B and C, issuer details and a certificate. To comply with National Instrument 13-101 it is not necessary to reproduce the instructions that are set out in BC Form 51-901F. A cover page to the schedules titled BC Form 51-901F that includes the issuer details and certificate is all that is required to meet the BC Form 51-901F requirements. The form of certificate should be amended so as to refer to one or two of the three schedules required to complete the report.

ISSUER DETAILS

NAME OF ISSUER	FOR QUARTER ENDED	DATE OF REPORT YY / MM / DD
Claimstaker Resources Ltd.	00/12/31	01/05/04

ISSUER ADDRESS
Suite 1440 – 1166 Alberni Street

CITY	PROVINCE	POSTAL CODE	ISSUER FAX NO	ISSUER TELEPHONE NO
Vancouver	BC	V6E 3Z3	(604 684-6678	(604)684-6677

CONTACT NAME	CONTACT POSITION	CONTACT TELEPHONE NO
Ralph Braun	Chief Financial Officer	(604)809-0618

CONTACT EMAIL ADDRESS	WEB SITE ADDRESS
braunralph@netscape.net	www.claimstakerresources.com

CERTIFICATE
The three schedules required to complete this Report are attached and the disclosure contained therein has been approved by the Board of Directors. A copy of this Report will be provided to any shareholder who requests it.

DIRECTOR'S SIGNATURE	PRINT FULL NAME	DATE SIGNED YY / MM / DD
	Nicholas T. Ferris	01/05/04
DIRECTOR'S SIGNATURE	PRINT FULL NAME	DATE SIGNED YY / MM / DD
	D'Arcy G. Adam	01/05/04

Claimstaker Resources Ltd.

Consolidated Financial Statements
December 31, 2000 and 1999
(expressed in Canadian dollars)

April 9, 2001

Management's Responsibility for Financial Reporting

The accompanying consolidated financial statements of the company have been prepared by management in accordance with Canadian generally accepted accounting principles, and contain estimates based on management's judgement. Management maintains an appropriate system of internal controls to provide reasonable assurance that transactions are authorized, assets safeguarded, and proper records maintained.

The Audit Committee of the Board of Directors has met with the company's independent auditors to review the scope and results of the annual audit and to review the consolidated financial statements and related financial reporting matters prior to submitting the consolidated financial statements to the Board for approval.

The company's independent auditors, PricewaterhouseCoopers LLP, are appointed by the shareholders to conduct an audit in accordance with Canadian generally accepted auditing standards, and their report follows.

Nicholas T. Ferris
President

PRICEWATERHOUSECOOPERS

PricewaterhouseCoopers LLP
Chartered Accountants
1111 West Hastings Street
Vancouver British Columbia
Canada V6E 3R2
Telephone +1 (604) 806 7000
Facsimile +1 (604) 806 7806

Auditors' Report

To the Shareholders of
Claimstaker Resources Ltd.

We have audited the consolidated balance sheets of **Claimstaker Resources Ltd.** as at December 31, 2000 and 1999 and the consolidated statements of loss and deficit and cash flows for the years then ended. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the company as at December 31, 2000 and 1999 and the results of its operations and its cash flows for the years then ended in accordance with Canadian generally accepted accounting principles. As required by the British Columbia Company Act, we report that, in our opinion, these principles have been applied have been applied, after giving retroactive effect to the change in the method of accounting for income taxes as explained in note 13 to the financial statements, on a basis consistent with that of the preceding year.

PricewaterhouseCoopers LLP

Chartered Accountants

Vancouver, B.C.
April 9, 2001

Claimstaker Resources Ltd.

Consolidated Balance Sheets

As at December 31, 2000 and 1999

(expressed in Canadian dollars)

	2000 $	1999 $
Assets		
Current assets		
Cash and cash equivalents	8,004	143,031
Accounts receivable	3,415	62,484
Prepaid expenses	26,729	47,206
Due from Jipangu Inc. (note 4(b))	-	56,595
	38,148	309,316
Deposits (note 3)	118,501	113,260
Mine property, plant and equipment (note 4)	733,900	937,911
Exploration and development properties (note 5)	1,581,642	1,856,889
Other capital assets (note 6)	19,725	55,399
Other deferred costs	35,079	-
	2,526,995	3,272,775
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities	67,146	181,879
Current portion of capital lease obligations (note 7)	-	116,776
	67,146	298,655
Capital lease obligations (note 7)	-	191,033
Provision for reclamation costs (note 3)	100,000	100,000
Shareholder loan (note 8)	622,625	-
	789,771	589,688
Shareholders' Equity		
Capital stock (note 11)	9,589,270	9,308,270
Shares allotted but not issued (note 11)	-	250,000
Deficit	(7,852,046)	(6,875,183)
	1,737,224	2,683,087
	2,526,995	3,272,775

Going concern and nature of operations (note 1)

Approved by the Board of Directors

____________________ Director ____________________ Director

Claimstaker Resources Ltd.

Consolidated Statements of Loss and Deficit

For the years ended December 31, 2000 and 1999

(expressed in Canadian dollars unless otherwise stated)

	2000 $	1999 $
Gold revenue	-	1,252,093
Expense (income)		
Production and operating costs	-	2,232,797
Depreciation and depletion	9,157	583,039
Management fees	-	122,438
Government, transfer agent and stock exchange fees	16,649	12,560
General and administrative	369,785	605,865
Write-down of mine property, plant and equipment (note 4(c))	-	2,480,538
Write-off of exploration and development properties (note 5)	186,115	63,227
Loss on disposal of assets included in exploration and development properties	205,169	-
Write-off of accounts receivable	49,643	-
Care and maintenance	97,555	-
	934,073	6,100,464
Loss from operations	(934,073)	(4,848,371)
Other income (expenses)		
Foreign exchange gain (loss)	3,350	(20,049)
Loss on disposal of capital assets	(27,737)	-
Interest (expense) income	(18,403)	3,884
Loss for the year	(976,863)	(4,864,536)
Deficit - Beginning of year	(6,875,183)	(1,995,482)
Interest on convertible debenture	-	(15,165)
Deficit - End of year	(7,852,046)	(6,875,183)
Loss per common share	(0.04)	(0.23)
Weighted average number of common shares outstanding	23,099,712	21,616,187

Claimstaker Resources Ltd.

Consolidated Statements of Cash Flows

For the years ended December 31, 2000 and 1999

(expressed in Canadian dollars)

	2000 $	1999 $
Cash flows from (used in) operating activities		
Loss for the year	(976,863)	(4,864,536)
Items not affecting cash		
Depreciation and depletion	9,157	583,039
Write-down of mine property, plant and equipment	-	2,480,538
Write-off of exploration and development properties	186,115	63,227
Write-off of accounts receivable	49,643	-
Loss on disposal of assets included in exploration and development properties	205,169	-
Loss on disposal of capital assets	27,737	-
Provision for reclamation	-	100,000
Forgiveness of management fee	-	122,438
Write-off of inventories	-	18,346
	(499,042)	(1,496,948)
Change in non-cash working capital items	(43,314)	772,494
	(542,356)	(724,454)
Cash flows from financing activities		
Shares issued for cash	-	660,810
Shares allotted but not issued	-	250,000
Proceeds of shareholder loan (note 8)	622,625	-
Repayment of capital lease obligations - net of interest	(93,269)	(84,854)
	529,356	825,956
Cash flows from (used in) investing activities		
Mine property, plant and equipment	(10,529)	(171,029)
Exploration and development properties - net	(183,753)	(123,158)
(Payment) refund of deposits	(5,241)	35,419
Purchase of other capital assets	(1,220)	(2,670)
Proceeds from sale of assets included in exploration and development properties	78,716	-
	(122,027)	(261,438)
Decrease in cash and cash equivalents	(135,027)	(159,936)
Cash and cash equivalents - Beginning of year	143,031	302,967
Cash and cash equivalents - End of year	8,004	143,031

Supplementary cash flow information (note 15)

(expressed in Canadian dollars unless otherwise stated)

1 Going concern and nature of operations

The company has a working capital deficiency of $28,998 at year end. Additional financing or continued financial support from Jipangu Inc. (Jipangu), a major shareholder, is required to sustain the company at the current rate of expenditure and to meet its spending commitments to keep the Blackdome Mine and its exploration and development properties in good standing. Subsequent to the year end, the company received $85,767 from Jipangu as additional funding in the form of a shareholder loan (note 8) to discharge its current liabilities and meet additional spending commitments.

In the event that continued financial support or additional financing is not available, there would be doubt about the company's ability to continue as a going concern.

These consolidated financial statements are prepared on a going concern basis, which implies that the company will continue realizing its assets and discharging its liabilities in the normal course of business. Accordingly, they do not give effect to any of the adjustments that would be necessary should the company be unable to continue as a going concern and therefore be required to realize its assets and liquidate its liabilities, contingent obligations and commitments in other than the normal course of business and at amounts different from those in these consolidated financial statements.

The company owns the Blackdome Mine in British Columbia (note 4). Commercial production commenced on January 1, 1999. On May 13, 1999, the company suspended its operations as a result of the prevailing low gold price, poor recoveries and a revision of the estimated proven and probable reserves, and placed the mine on a care and maintenance basis. The recoverability of the amount shown for mine property, plant and equipment is dependent on the company re-establishing sufficiently profitable operations.

The company is in the process of exploring its other mineral properties and investigating other possible property acquisitions and is considered to be an exploration stage company. The recoverability of the amounts shown for exploration and development properties is dependent on the existence of economically recoverable reserves, the ability of the company to obtain necessary financing to complete this development, and future profitable production. The amounts shown as exploration and development properties represent net costs to date, less amounts written off, and do not necessarily represent present or future values.

Although the company has taken steps to verify title to mineral properties in which it has an interest, according to the usual industry standards for the current stage of exploration of such properties, these procedures do not guarantee the company's title. Such properties may be subject to prior agreements or transfers and title may be affected by undetected defects.

2 Significant accounting policies

Basis of consolidation

The consolidated financial statements include the accounts of Claimstaker Resources Ltd. and its subsidiaries, Equinox Resources (Calif.) Inc. (Equinox) and Auric Resources Inc., and its proportionate share of the assets, liabilities, revenues and expenses of No. 75 Corporate Ventures (No. 75), an incorporated entity accounted for as a corporate joint venture in which the company has a 50% interest.

(expressed in Canadian dollars unless otherwise stated)

Use of estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the period. Actual results may differ from these estimates.

Cash and cash equivalents

Cash and cash equivalents comprise cash and term deposits maturing within 90 days from the original date of acquisition.

Mine property, plant and equipment

Mine property, plant and equipment are recorded at cost. The cost of the mine property includes acquisition, exploration and development costs, and the results of operations and attributed general and administrative support costs incurred prior to the commencement of commercial production. When carrying values exceed the estimated net recoverable amount, the carrying values are written down to the estimated net recoverable amount.

Depletion of mine property, plant and equipment costs is provided using the unit-of-production method, based on estimated proven and probable ore reserves.

Depreciation of the tailings pond, computer equipment and vehicles included in the mine property, plant and equipment balance is provided using the declining-balance method.

Exploration and development properties

The company defers exploration expenditures directly related to specific mineral properties until such time as the extent of mineralization has been determined and the mineral properties are either developed or the company's mineral rights are allowed to lapse. Deferred costs are amortized over the useful life of the ore body following commencement of commercial production or written off if the property is sold or abandoned.

Management's estimate of recoverable proven and probable reserves is subject to risks and uncertainties of change affecting the recoverability of the company's investment in mineral properties. Although management has made its best estimate of these factors based on current conditions, it is possible that changes could occur in the near term that could adversely affect management's estimate of the recoverability of mineral properties and deferred costs and the need for asset impairment write-downs.

Other capital assets

Other capital assets comprise computer equipment, office equipment and leasehold improvements. Depreciation is provided from the date of acquisition on the declining-balance basis at the per annum rates stated in note 6 over the estimated useful lives of the assets.

(expressed in Canadian dollars unless otherwise stated)

Stock option plan

The company has no formal stock-based compensation plan. Options are granted periodically by the directors and no compensation expense is recognized when stock or stock options are issued. Any consideration paid by directors, employees or consultants on exercise of stock options or purchase of stock is credited to capital stock.

Reclamation costs

A provision for estimated future decommissioning and reclamation costs is accrued on a units-of-production basis. Costs incurred during production are charged to operations in the period incurred.

Revenue recognition

Gold and silver revenues are recognized upon the delivery of gold and silver concentrates at estimated realizable value.

Loss per common share

Loss per common share is calculated using the weighted average number of shares issued and outstanding during the year. Fully diluted earnings (loss) per common share is not presented as the exercise of stock options, share purchase warrants, and shares issuable for convertible debentures would be anti-dilutive.

Foreign currency translation

The operations of the company's foreign subsidiaries are translated into Canadian dollars using the temporal method as follows: monetary assets and liabilities at the rates of exchange prevailing at the balance sheet date; other assets and liabilities at the applicable historical exchange rates; and revenues and expenses at the average rate of exchange for the year, except for non-monetary expenses which are at the rates used for the translation of the related assets. Gains and losses on translation are included in the consolidated statement of loss and deficit.

Income taxes

Effective January 1, 2000, the company adopted the new recommendations of the Canadian Institute of Chartered Accountants with respect to accounting for income taxes. Income taxes are calculated using the liability method of accounting. Temporary differences arising from the difference between the tax basis of an asset or liability and its carrying amount on the balance sheet are used to calculate future income tax liabilities or assets. These new standards also require that the future income tax liabilities or assets are measured using tax rates and laws expected to apply in the periods that the temporary differences are expected to reverse.

Implementation of the new recommendation, which was applied retroactively, had no effect on these consolidated financial statements.

(expressed in Canadian dollars unless otherwise stated)

Fair value of financial instruments

The carrying amount of cash and cash equivalents, restricted cash, accounts receivable, amounts due from Jipangu, and accounts payable and accrued liabilities approximate fair value due to their short-term nature. The carrying value of capital leases is not materially different from their fair value.

3 Deposits

Deposits represent an amount receivable of $100,000 (1999 - $100,000) and bonds of $18,501 (1999 - $13,260) relating to reclamation permits issued on various mineral properties held by the company. An irrevocable letter of credit issued by a Canadian chartered bank has been issued as collateral for the amount receivable.

4 Mine property, plant and equipment

	2000 $	1999 $
Blackdome Mine		
Property costs	-	160,855
Land	-	35,450
Mill	639,812	1,045,821
Tailings pond	-	190,327
Plant and mining equipment	94,088	777,637
Development costs	-	1,992,662
	733,900	4,202,752
Less: Accumulated depletion, depreciation and write-downs	-	3,264,841
	733,900	937,911

Included in plant and mining equipment at December 31, 1999, are assets held under capital leases with a net book value of $319,172.

a) Blackdome gold and silver property

Effective February 2, 1995, the company acquired 100% of the shares of No. 75, which in turn owns a 100% interest in the Blackdome Mine operations near Clinton, B.C.

Consideration totalling $1,975,000 was given for the Blackdome Mine operations comprising cash, a debenture (note 9), and common shares.

b) Agreement with Jipangu

On April 27, 1998, the company entered into an option agreement with Jipangu whereby Jipangu could participate in up to a 50% corporate joint venture at the Blackdome Mine.

(expressed in Canadian dollars unless otherwise stated)

The option agreement envisages that the venturers contribute cash to meet capital and operating costs in proportion to their interest in the joint venture. The company has been appointed operator of the joint venture and, in that capacity, is entitled to management fees equal to 7% of the operating costs.

At December 31, 1999, $56,595 represented the company's share of capital and operating costs recoverable from Jipangu. During the year ended December 31, 2000, Jipangu advanced funds to the company to allow for continued care and maintenance of the mine. The company's share of these ongoing costs, paid by Jipangu, are treated as part of the shareholder loan (note 8).

The consolidated financial statements include the company's 50% interest in the corporate joint venture as follows:

	2000 **$**	**1999** **$**
Current assets	9,539	21,365
Long-term assets	743,899	942,901
Current liabilities	6,040	181,077
Long-term liabilities	100,000	291,033
Revenues	-	1,252,093
Expenses (excluding write-downs)	-	2,683,292
Write-down of Blackdome Mine and related inventories	-	1,631,108
Cash flows from operating activities	(205,995)	(1,185,228)
Cash flows from financing activities	216,920	(84,854)
Cash flows for investing activities	(10,538)	(20,501)
Non-cash investing activities	-	(13,282)
Non-cash financing activities	-	13,282

c) **Mine write-down**

At December 31, 1999, the company reviewed the carrying value of the Blackdome Mine. It concluded that the carrying value of the Blackdome Mine may exceed the amount recoverable from the mine over its useful life. Accordingly, a write-down of $2,480,538 was made to reduce the carrying value of the mine to its estimated net recoverable amount.

(expressed in Canadian dollars unless otherwise stated)

5 Exploration and development properties

Costs incurred by the company for acquisition and exploration of mineral properties are shown below:

					2000
	Acquisition $	Deferred exploration $	Costs written off during the year $	Assets sold $	Total $
Zenda (a)	422,999	1,019,268	-	(283,885)	1,158,382
Alwin (b)	75,000	186,456	-	-	261,456
Golden Trend (c)	66,039	95,765	-	-	161,804
Los Hilos (d)	70,135	72,758	(142,893)	-	-
Bru-Lovie (e)	-	23,590	(23,590)	-	-
Warrior (f)	5,000	14,632	(19,632)	-	-
	639,173	1,412,469	(186,115)	(283,885)	1,581,642

			1999
	Acquisition $	Deferred exploration $	Total $
Zenda (a)	422,999	970,486	1,393,485
Alwin (b)	75,000	167,999	242,999
Golden Trend (c)	66,039	62,153	128,192
Los Hilos (d)	70,135	6,283	76,418
Bru-Lovie (e)	-	10,440	10,440
Warrior (f)	5,000	355	5,355
	639,173	1,217,716	1,856,889

a) Zenda

The company has a 100% interest in the Zenda Gold Mine located near Bakersfield, California. The agreement requires the company to issue to the vendors, one of whom is related by virtue of being a common director, a maximum of 2,050,000 common shares, of which 1,000,000 common shares have been issued. Under the terms of the agreement, the vendors are the operator and, upon raising of financing by the company, is required to construct the facility. The vendors can earn up to an additional 550,000 shares dependant upon completing the facility at various cost levels compared to the approved capital cost budget. The final 500,000 shares will be issued when the company recovers its pre-production expenses.

(expressed in Canadian dollars unless otherwise stated)

The vendors retain a 25% net profits interest after capital payback to the company and a 5% net smelter royalty (NSR) is payable to underlying interests. To date, $435,773 (1999 - $435,773) of royalties have been prepaid against this obligation, and are included in deferred exploration costs.

b) Alwin Copper Property

The company holds 21 mineral claims in the Highland Valley in the province of British Columbia. The claims are subject to a 2-1/2% NSR.

c) Golden Trend Property

In August 1996, the company acquired an option to purchase a 100% interest in the Golden Trend property, a block of 80 claims in central Nevada. The interest is subject to a 3% NSR, of which 2% may be purchased. The company has, to date, issued 100,000 common shares as required under the agreement to complete its purchase option. The company has agreed to pay U.S. $10,000 each year as an advance royalty on the NSR. To date, $72,151 (1999 - $58,533) of royalties have been prepaid against this obligation, and are included in deferred exploration costs.

In addition to the 80 claims purchased, the company staked an additional 10 claims adjacent to the property.

On July 27, 1998, the company entered into a letter of agreement with Jipangu whereby Jipangu may acquire a 50% interest in the Golden Trend property in return for payments of U.S. $500,000. During the year ended December 31, 1999, Jipangu terminated the agreement after expending U.S. $130,036 (Cdn. $199,710) on the property.

d) Los Hilos Property

On April 6, 1999, as amended on December 8, 1999, the company entered into a letter of agreement with Golden Goliath Resources Ltd., a company which had a common director with Claimstaker Resources Ltd., and its wholly owned subsidiary, Hinea Delta S.A. de CV, to earn up to a 60% interest in the Los Hilos property located south west of Uruachic in the Chihuahua State of Mexico.

In connection with the option agreement, the company paid a finder's fee of $15,000, satisfied by the issue of 25,000 common shares at a deemed price of $0.60.

In the year ended December 31, 2000, the company terminated its option agreement and wrote-off all expenditures deferred to date, totalling $142,893.

e) Bru-Lovie Property

On August 31, 1999, the company entered into an agreement with the Bru-Lovie Partnership for the option to purchase a 100% interest in a property, consisting of 31 mining claims, located in Lander County, Nevada.

To earn a 100% interest in the property, the company was required to make advance royalty payments and other cash payments, complete a program of expenditures, and pay a NSR. At the year ended

(expressed in Canadian dollars unless otherwise stated)

December 31, 2000, the company determined that it would not renew the option agreement in 2001 and wrote-off all expenditures deferred to date, totalling $23,590.

f) **Warrior**

On November 29, 1999, the company entered into an option agreement to acquire a 100% interest in 20 mining claims in Nye County, Nevada.

During the year ended December 31, 2000, the company terminated its option agreement, and accordingly wrote-off all expenditures deferred to date, totalling $13,235.

6 Other capital assets

				2000
	Rate %	**Cost** $	**Accumulated depreciation** $	**Net** $
Office equipment	20	25,361	17,535	7,826
Computer hardware	30	29,087	21,549	7,538
Computer software	100	29,523	29,523	-
Leasehold improvements	20	16,350	11,989	4,361
		100,321	80,596	19,725

				1999
	Rate %	**Cost** $	**Accumulated depreciation** $	**Net** $
Office equipment	20	35,499	19,897	15,602
Computer hardware	30	63,242	31,776	31,466
Computer software	100	29,523	28,824	699
Leasehold improvements	20	16,350	8,718	7,632
		144,614	89,215	55,399

(expressed in Canadian dollars unless otherwise stated)

7 Capital lease obligations

During the year ended December 31, 2000, the company negotiated the cancellation of all capital lease obligations for camp, plant and equipment at the Blackdome Mine, at a cost of $93,269, resulting in a gain of $214,540, which was applied against mine property, plant and equipment costs.

During the year ended December 31, 1999, interest expenses of $38,769 related to capital leases were charged to production and operating costs.

8 Shareholder loan

During the year ended December 31, 2000, a shareholder's loan in the amount $622,625 was made to the company from Jipangu. The loan is non-interest bearing, unsecured and has no fixed repayment terms. Jipangu has agreed to convert this loan to common shares of the company upon terms to be negotiated by Jipangu and the company.

9 Convertible debenture and interest payable

As partial consideration for the acquisition of the Blackdome Mine operations, the company issued a $900,000 convertible debenture maturing June 9, 1999 and bearing interest at 6% per annum. Specific equipment associated with the mine was pledged as security. The debenture and any outstanding interest were repayable at the option of the company by issuing common shares at a deemed price of $1.06 per share. At the option of the holder, the debenture was convertible to common shares at a deemed price of $1.06 per share.

On June 9, 1999, the company exercised its option to convert the outstanding principal and accrued interest to common shares. A total of 574,350 common shares were issued at a deemed price of $1.06 and the face value of the debenture was reclassified to capital stock (note 11).

10 Commitments

Effective May 1, 1997, the company entered into a lease agreement for office space for a five-year period expiring April 30, 2002. The company has also committed to certain operating leases for the rental of vehicles. The future minimum lease payments required under these lease agreements are:

	Office rental $	Vehicles $
Year ending December 31,		
2001	17,887	9,659
2002	11,925	1,733

In addition, the company has agreed to pay a proportionate share of the building's operating costs, including property taxes, which are currently estimated at approximately $15,000 per year.

(expressed in Canadian dollars unless otherwise stated)

11 Capital stock

Authorized
100,000,000 common shares without par value

Issued and outstanding

	Number of shares	Amount $
Balance - December 31, 1998	20,065,421	7,983,460
For cash	1,909,000	660,810
In exchange for exploration and development properties	50,000	30,000
Conversion of debenture	574,350	609,000
In exchange for licensing agreement	25,000	10,000
For finder's fee	25,000	15,000
Balance - December 31, 1999	22,648,771	9,308,270
For cash		
Conversion of warrants	555,555	250,000
In exchange for exploration and development properties	100,000	11,000
In exchange for licensing agreement	50,000	20,000
Balance - December 31, 2000	23,354,326	9,589,270

a) During the year ended December 31, 2000:

i) On April 27, 2000, the company issued 100,000 common shares at a price of $0.11 per common share as payment for the prepaid royalty on the Warrior property.

ii) On May 3, 2000, 555,555 warrants were exercised for an equal number of common shares for proceeds of $250,000. This amount was included in shares allotted but not issued at December 31, 1999.

iii) On September 6, 2000, the company issued 50,000 common shares at a price of $0.40 per common share as payment for a license agreement classified as other deferred assets.

b) During the year ended December 31, 1999:

i) On June 10, 1999, the company closed a private placement and issued a total of 1,125,000 units at a price of $0.40 per unit. Each unit consists of one common share and one non-transferable warrant exercisable at a price of $0.50 per common share for a one-year period.

ii) The company issued a total of 764,000 common shares for the exercise of stock options for total consideration of $204,810.

(expressed in Canadian dollars unless otherwise stated)

iii) The company issued 20,000 common shares on exercise of 20,000 warrants for total consideration of $6,000.

iv) The company issued 75,000 common shares at a deemed price of $0.60 per common share for mineral property option payments and finder's fees (note 5(d)).

v) The company issued 25,000 common shares at a deemed price of $0.40 per common share in satisfaction of a licensing agreement originally classified as prepaids.

vi) The company issued 574,350 common shares at a deemed price of $1.06 per common share on conversion of the convertible debenture (note 9).

vii) As at December 31, 1999, the company had received proceeds of $250,000 for the exercise of 555,555 warrants for shares not issued. This amount has been categorized as a separate component of shareholders' equity.

Stock options outstanding

The company has no formalized stock option plan. The following table summarizes information about the options at December 31, 2000 and 1999 and the changes for the years then ended:

	2000		1999	
	Number of shares	Weighted average exercise price $	Number of shares	Weighted average exercise price $
Options outstanding -				
Beginning of year	1,400,000	0.39	1,775,000	0.31
Granted	450,000	0.22	710,000	0.54
Exercised	-	-	(764,000)	0.27
Forfeited	(350,000)	0.34	(321,000)	0.56
Expired	(805,000)	0.33	-	-
Options outstanding and exercisable - End of year	695,000	0.25	1,400,000	0.39

(expressed in Canadian dollars unless otherwise stated)

The following table summarizes information about stock options outstanding and exercisable at December 31, 2000:

Range of exercise prices $	Options outstanding	Weighted average remaining contracted life (years)	Weighted average exercise price $
0.22	650,000	1.77	0.22
0.62	45,000	0.18	0.62
0.22 - 0.62	695,000	1.67	0.25

Share purchase warrants

	2000		1999	
	Number of warrants	Weighted average exercise price $	Number of warrants	Weighted average exercise price $
Warrants outstanding - Beginning of year	4,940,445	0.42	5,391,000	0.42
Granted	-	-	1,125,000	0.50
Exercised	-	-	(575,555)	0.44
Expired	(2,496,000)	0.40	(1,000,000)	0.50
Warrants outstanding - End of year	2,444,445	0.45	4,940,445	0.42

Option agreements

a) Zenda operations - up to 1,050,000 additional shares (note 5(a))

b) In addition, the company has entered into an option agreement that would require the issue of a further 175,000 common shares in return for a licensing agreement.

Escrow shares

The number of shares held in escrow at December 31, 2000 and 1999 was 393,750. Release of these shares is subject to the approval of the Canadian Venture Exchange.

(expressed in Canadian dollars unless otherwise stated)

12 Related party transactions

During the year ended December 31, 1999, a management fee of $100,000 was paid to a director, of which $30,500 was included in accounts payable and accrued liabilities. In addition, a former officer of the company was indebted to the company in the amount of $6,700. During the year ended December 31, 2000, there were no such related party transactions, except as disclosed elsewhere in these consolidated financial statements.

13 Income taxes

Effective January 1, 2000, the company adopted CICA 3465, "Accounting for Income Taxes". This new accounting standard, which required adoption on a retroactive basis, had no impact on these consolidated financial statements.

The reconciliation of income tax attributable to continuing operations computed at statutory rates to the income tax expense (recovery) is as follows:

	2000 $	1999 $
Statutory tax rate	45.62%	45.62%
Provision for income taxes based on statutory rates	(386,086)	(1,012,399)
Difference in foreign tax rates	26,637	-
Other non-deductible items	1,193	-
Losses for which an income tax benefit has not been recognized	358,256	1,012,399
	-	-

The company has non-capital loss carryforwards of approximately $3,973,006 that may be available for tax purposes. The losses expire as follows:

	$
2001	647,529
2002	222,524
2003	330,236
2004	710,241
2005	770,862
2006	919,947
2007	371,667
	3,973,006

The company also has certain tax pools that may be available for tax purposes. The company has chosen not to recognize a future tax asset in relation to these amounts.

(expressed in Canadian dollars unless otherwise stated)

14 Segmented financial information

The company operates in two segments: the care and maintenance (previously operation) of the Blackdome Mine in Canada and the exploration and development of gold properties in Canada, Mexico and the USA. All revenues in the year ended December 31, 1999 were derived from one bullion dealer, on which the company was not economically dependent, as alternative markets for the sale of gold are readily available. Reconciling adjustments comprise general and administrative costs, financing expenses, foreign exchange, interest income, assets, capital expenditures and depreciation reported by the Canadian Head Office.

	Blackdome Mine $	Exploration in Canada $	Exploration in USA $	Exploration in Mexico $	Corporate office $	Total $
December 31, 2000						
Write-down of exploration and development property	-	-	43,222	142,893	-	186,115
Loss for the year	116,030	-	518,812	142,893	199,128	976,863
Total assets	852,794	262,456	1,335,001	-	76,744	2,526,995
Capital assets	733,900	261,456	1,320,186	-	54,804	2,370,346
Capital expenditures	10,529	18,457	98,821	66,475	1,220	195,502
Depreciation and depletion	-	-	-	-	9,157	9,157
December 31, 1999						
Gold revenue	1,252,093	-	-	-	-	1,252,093
Write-down of mine property, plant and equipment and inventories	2,498,884	-	-	-	-	2,498,884
Write-down of exploration and development property	-	63,227	-	-	-	63,227
Loss for the year	4,018,111	63,227	-	-	783,198	4,864,536
Total assets	964,277	242,999	1,589,020	76,418	400,061	3,272,775
Capital assets	937,911	242,999	1,537,472	76,418	55,399	2,850,199
Capital expenditures	171,029	1,448	90,292	31,418	2,670	296,857
Depreciation and depletion	560,823	-	-	-	22,216	583,039

(expressed in Canadian dollars unless otherwise stated)

15 Supplementary cash flow information

During the years ended December 31, 2000 and 1999, the company conducted non-cash operating, investing and financing activities as follows:

	2000 $	1999 $
Non-cash operating activities		
Prepaid expenses	-	(10,000)
Non-cash investing activities		
Other deferred costs	(11,000)	-
Mine property, plant and equipment acquired under capital leases	-	(13,282)
Exploration and development properties	(11,000)	(45,000)
Reduction of mine property, plant and equipment on forgiveness of capital lease obligations	214,540	-
	192,540	(58,282)
Non-cash financing activities		
Shares issued on conversion of debenture	-	609,000
Repayment of convertible debenture and accrued interest - satisfied by issue of shares	-	(609,000)
Shares issued for other deferred costs	11,000	-
Shares issued for exploration and development properties	11,000	30,000
Shares issued for prepaid expenses	-	10,000
Capital leases	-	13,282
Shares issued for finder's fee	-	15,000
Forgiveness of capital lease obligations	(214,540)	-
	(192,540)	68,282

Interest paid during the years ended December 31, 2000 and 1999 was as follows:

	2000 $	1999 $
Interest paid	35,299	35,746

Schedule C: Management Discussion & President's Report

Claimstaker's Activities

During this extended industry depression *Claimstaker* has taken the opportunity to better prepare and organize our projects for the coming gold bull market. The permitting and claims have been kept current at all of our projects. This will allow for us to make quick decisions to commence exploration, development and production activities.

As well, we have aggressively pursued cost-cutting measures to lower our corporate overheads. Major cost reductions have been achieved at our head office and we dramatically reduced the maintenance costs of the Blackdome Gold Mine by eliminating the capital leases.

Our property portfolio changed with the elimination of the Los Hilos (Mexico) and Warrior Extension (USA) projects (see Note 5, *Claimstaker Resources Ltd.* Consolidated Financial Statements, December 31, 2000 and 1999).

Claimstaker's consolidated minimum operating requirements are budgeted at approximately $500,000 and are currently provided for by *Jipangu Inc.* No new material contracts or commitments were entered into during 2000.

Financial Support Provided by Jipangu Inc.

Claimstaker benefits from the support of a strong financial partner, *Jipangu Inc.* of Tokyo, Japan. Recently, *Jipangu* has made significant progress in its goal of becoming a major international gold company by establishing affiliations with well-managed, junior and intermediate gold mining and exploration companies. *Jipangu* intends to utilize its financial expertise and access to low-cost capital to enhance the asset base of these affiliates.

In addition to being *Claimstaker*'s largest shareholder, *Jipangu* has acquired a 23% interest in *High River Gold Mines Ltd.*, a 22% interest in *Cambior Inc.*, as well as an option to purchase 21% of *Harmony Gold Mining Co.* of South Africa. Having *Jipangu* as a major shareholder offers opportunities of synergy among the affiliates.

As our Blackdome Gold Mine joint venture partner, *Jipangu* has continued to provide critical financial support to *Claimstaker* for the ongoing maintenance of Blackdome and for the Company's general corporate expenses.

To align the Company closer with the activities of *Jipangu* and to improve our ability to market the Company to the Asian investor, we are proposing a corporate name change for shareholder approval at the upcoming Annual General Meeting.

Corporate Philosophy

Our corporate philosophy is to employ our talent at its "highest and best" use to maximize operating efficiency. Our corporate team includes a Board of Directors and Officers who provide the Company with valuable technical expertise and guidance through a wide spectrum of operating issues.

Claimstaker has developed a series of strong relationships with independent technical consultants who provide valuable assistance in the completion of many of the Company's critical tasks.

Claimstaker continues to keep a strong focus on its bottom-line by keeping corporate overheads to a minimum.

Management Changes

In November 2000, Mr. Kristian Ross resigned as a Director of the Company. In April 2001, the Board appointed Mr. Driffield Cameron as a Director and Mr. Ralph Braun as the Chief Financial Officer of the Company. Also in April 2001, Mr. Paul Sorbara resigned as a Director of the Company.

Investor Relations

During the year, Investor Relations activities were limited to responding to inquiries from investors and shareholders. *Claimstaker* also completed a major restructuring of its Internet web site to improve its ability to disseminate information to the investing public.

Future Plans

Property Acquisition

In the year 2001, *Claimstaker* intends to add to its portfolio of projects through the acquisition of new properties with the potential for near-term production. The current depression in the gold mining industry offers us many interesting acquisition opportunities.

Blackdome Gold Mine, British Columbia

The Blackdome Gold Mine was idled in May 1999 due to the low price of gold. In 2000, *Claimstaker* focused on reducing Blackdome's carrying costs by liquidating all the remaining capital operating leases. We also completed a series of tasks to ensure compliance with government regulations.

We are currently preparing the Blackdome project for a resumption of exploration activities. Future exploration and development activities will be designed to improve upon the current "drill-inferred" resource with an ultimate goal of defining a long-term, economic gold deposit. If successful, we intend to commission an independent feasibility study in preparation for the resumption of mining activities.

As a first step, SRK Consulting has been contracted to complete a geological model, resources estimate and preliminary exploration-risk assessment of the Blackdome project.

Blackdome is a very large (65 square kilometres), mostly unexplored property. Given its past history of high-grade gold production (approximately 0.6 oz Au/ton), its current permits and the fully equipped 200 ton/day mill on site, we believe that Blackdome remains a highly attractive exploration opportunity with a good probability for long-term success.

Zenda Gold Mine, California

The Zenda Gold Mine remains idle and awaits a higher gold price before commencing operation. Once in full production, Zenda is expected to produce approximately 24,000 oz. of gold per year. In the past year, *Claimstaker* has maintained the necessary permitting for Zenda to allow for the expedient commencement of production when the price of gold warrants.

Golden Trend Project, Nevada

A reverse circulation drilling program commenced in April 1999. Analysis of the drill chips produced high arsenic and anomalous gold values. The Golden Trend is a classic deep drill target exploration project well situated on the prolific Battle Mountain gold trend.

Currently, *Claimstaker* is making plans for a limited reconnaissance exploration drilling program at Golden Trend to test the presence of the Roberts' Mountain Thrust and associated alteration and mineralization. The December 1999 news of the 1.2 million ounce gold discovery at Placer Dome's Pediment project has greatly increased the attractiveness of Golden Trend. The main zone of Pediment's mineralization is located approximately five kilometres north of the Golden Trend property. Golden Trend has a similar geologic and structural setting to Pediment and a promising location on the Battle Mountain gold trend.

Alwin Copper Project, British Columbia

In the coming months, *Claimstaker* plans to complete an evaluation of the exploration opportunities on the Alwin Copper project, focusing on higher level targets designed to extend or compliment the currently outlined mineralised zone. From this review, it is anticipated that an exploration program will be recommended.

EnEco - Waste to Energy Marketing Rights

Further to our acquisition of the rights for the EnEco Systems waste to energy system for Japan, BC, Yukon and Alberta, the Company is currently working to develop a sustainable economic model for the introduction of this technology to the British Columbia marketplace. Furthermore, *Claimstaker* is in discussion with parties in north central British Columbia for the establishment of the first EnEco technology plant in the province.

Conclusion

Despite all the negative sentiment towards the gold mining sector, we at *Claimstaker* remain firmly committed to gold and are bullish on its future. We have taken steps to ensure the readiness of our projects, and we continue to look for new opportunities.

Corporate Data

CLAIMSTAKER RESOURCES LTD. is a public company trading on the Canadian Venture Exchange. The company is involved in mineral exploration and mine development in North America.

HEAD OFFICE
Suite 1440 – 1166 Alberni Street
Vancouver, BC V6E 3Z3
Telephone: (604) 684-6677
Toll-free for Investor Relations: 1-888-236-5200
Fax (604) 684-6678
E-Mail: ir@claimstakerresources.com
Website: http://www.claimstakerresources.com

DIRECTORS
D'Arcy Adam, Langley, British Columbia
Gregory G. Austin, Reno, Nevada
Driffield Cameron, Burlington, Ontario
Nicholas T. Ferris, Vancouver, British Columbia

OFFICERS
Nicholas T. Ferris
President and Chief Executive Officer

Ralph Braun
Chief Financial Officer

Cheri Pedersen, DuMoulin Black
Secretary

REGISTRAR AND TRANSFER AGENT
Pacific Corporate Trust Company

BANKER
Canadian Western Bank

LEGAL COUNSEL
DuMoulin Black
Vancouver, British Columbia

STOCK EXCHANGE
Canadian Venture Exchange (CDNX)
Symbol: CLN

ANNUAL MEETING DATE

The annual general meeting will be held at 2:00 p.m., June 15, 2001,
in the Tweedsmuir Room of the Hotel Vancouver,
900 West Georgia Street, Vancouver, British Columbia, Canada

Claimstaker Resources Ltd.

Nick Ferris
President and CEO

Suite 1440 - 1166 Alberni St.
Vancouver, B.C.
Canada V6E 3Z3

Tel: (604) 684-6677
Fax: (604) 684-6678
Cell: (604) 351-8316

n.ferris@claimstakerresources.com