

676131
93H/4**ISLAND MOUNTAIN GOLD MINES LTD.**

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"IGM"

News Release 01-10

**IP crew mobilized to survey similar stratigraphic horizon to Bonanza Ledge
on Paystreak claims**October 2nd, 2001

Godfrey Walton P. Geo. has reported to the Board of Directors of Island Mountain Gold Mines Ltd (the Company) that an exploration program to evaluate the potential for Bonanza Ledge style of mineralization on the Paystreak claims on Island Mountain has been started. The attached map outlines the old mine trend where all previous work has focused, the location of the stratigraphy that hosts the mineralization at Bonanza Ledge on Barkerville Mountain 17,000 feet to the southeast, the area where line cutting has recently been completed and some results from recent rock and soil samples.

The current work is focusing on the area outlined in the box on the attached plan map, which is underlain by the same geology as seen at Bonanza Ledge. 24,000 line feet have been cut along lines in preparation for the IP crew from SJ Geophysics who have been mobilized to the property. The Bonanza Ledge zone responds very well to IP and SP ground geophysics. Some initial sampling in selected areas has been completed with all of the results obtained to date outlined on the attached plan map. Company geologists are encouraged by the occurrence of quartz veining, the bleached and altered muscovite phyllites that are seen in the vicinity of the Bonanza Ledge stratigraphic horizon. The assay results of 0.146 oz/ton Au over 3.2 feet in a quartz vein, combined with other grab samples and 7 soil samples, which had results varying from 77 to 8,475 ppb (see attached plan map) are all encouraging. The alteration and the mineralized quartz veins are seen around the Bonanza Ledge mineralized bodies.

The Company is currently earning a 50% interest in the project from International Wayside Gold Mines Ltd. (IWA-CDNX) by spending \$4 million on exploration work, paying \$400,000 cash and issuing 500,000 shares over 5 years. The Company is in the second year of their earn-in. Previous work has all focused on the mine trend where approximately 603,800 ounces have been recovered from historic lode mining. Sampling along the trend has outlined several areas that have replacement mineralization in the Kutney Zone of 0.461 oz/ton Au over 9.8 feet and a grab sample above 2.9 oz/ton Au (its was above the detection limit)

The proposed program would envisage soil sampling along the grid lines and follow-up diamond drilling on selected targets along the proposed extension of the Bonanza Ledge stratigraphy.

On behalf of the Board of Directors



J. Frank Callaghan, President

The Canadian Venture Exchange (CDNX) has neither approved nor disapproved of the information contained herein

NR 01-10
Oct 2, 2001



ACCESS ROAD
FROM WELLS

MILL / TAILINGS AREA

TOWN OF
WELLS

KUTNEY ZONE
AND ADJACENT NEW SHOWINGS
0.461 oz/st / 9.8 ft Replacement
0.049 oz/st / 9.8 ft Quartz

Replacement Grab Sample
> 2.916 oz/st Au
(above detection limit)

7 SOIL SAMPLES
In Rusty Soil
Near a Black Limestone
Unit
77, 219, 3588, 7249,
8475, 342, 2186 ppb

Quartz Grab Sample
1.388 oz/st Au

AREA OF LINE CUTTING
AND IP GEOPHYSICS

DRILL ROADS

MOSQUITO CREEK / ISLAND MOUNTAIN
MINE TREND

Small Quartz Veins

MINE ROADS

MOSQUITO CREEK HEADFRAME

Bleached, Muscovite
Altered Phyllite

0.146 oz/st / 3.2 ft Quartz Vein
- Strike Vein, Bleached
Muscovite Alteration

0.061oz/st Quartz Grab Sample

JACK
OF
CLUBS
LAKE

ISLAND MOUNTAIN GOLD MINES LTD

PAYSTREAK ZONE

Date: 28/09/2001

2001

By: Ron Lord

Unsup: Wade EC

PROSPECTING SAMPLE MAP

Drawing:

Projection: Non-Earth (feet)

1000 FEET

ISLAND MOUNTAIN

TREND OF THE
STRATIGRAPHIC LEVEL OF THE BONANZA LEDGE ZONE
AND BLEACHED / MUSCOVITE ALTERATION