

676151  
93H/4**International Wayside Gold Mines Ltd.**15<sup>th</sup> Floor-675 West Hastings Street, Vancouver, British Columbia V6B 1N2

Tel: 604 669-6463

Fax: 604 660-3041

Toll Free: 800 663-9688

Web: [www.wayside-gold.com](http://www.wayside-gold.com)

TSX Venture Exchange

Trading Symbol "IWA"

**News Release 04-05****\$8.5 million Convertible Debenture Arranged  
\$2 million Debenture Repaid  
Cariboo Gold Project Update**

March 31, 2004

The Board of Directors of International Wayside Gold Mines Ltd. (the Company) is pleased to report that an Offering (the Offering) up to 8,500 Convertible Debentures at \$1,000.00 per Debenture (the New Debentures) to raise up to \$8,500,000.00 (the Principal Amount) has been arranged on a best efforts basis with First Associates Investments Inc. (the Agent).

The New Debentures will yield 12% per annum payable quarterly over an eighteen-month term (Maturity). The New Debentures will be offered to accredited investors in British Columbia, Alberta, Ontario and such other jurisdictions as the Company and the Agent may agree. The Company may repay the Principal Amount, in whole or in part, together with accrued interest thereon at any time after the first six months without penalty, by providing a 30 day notice period to allow holders of the New Debentures to convert all or a portion of the Principal Amount to shares of the Company should they wish.

The New Debentures will not be convertible for the first six months. The Principal Amount will be convertible in whole or in part into common shares at a price of \$0.50 per common share for a six-month period beginning in the 7th month and at \$0.75 per share for the following six-month period until Maturity. Accrued Interest on the amount of principal converted will be paid in cash and due at the end of the quarter in which such amount was converted.

Subscribers of the New Debentures will also receive share purchase warrants (the "Warrants") on a basis of 1,000 warrants for each New Debenture purchased. Each Warrant will entitle the holder to purchase a common share of the Company at a price of \$0.35 per share for the period of 12 months from closing of the Offering.

For acting as agent in connection with the Offering, the Agent will be entitled to receive a commission of 7.5% of the gross proceeds raised in the Offering. The commission will be payable from the proceeds of the Offering. As additional consideration, the Agent will be granted non-transferable options (the "Agent's Compensation Options") entitling the Agent to purchase 2,400,000 common shares at a price of \$0.35 per common share for a period of 18 months from closing of the Offering.

\$5,000,000 of the net proceeds raised from the New Debentures will be used to purchase a 100% interest in the Mosquito Consolidated Gold Mines properties, and 100 % interest in the mill and hoist located on the properties (see *News Release 03-10*). The balance of the net proceeds will be used to make certain other property payments and for working capital to mine and mill 70,000 tonnes of the Company's mineral resource known as the "Bonanza Ledge" on western flank of Barkerville Mountain.

**REPAYMENT OF OUTSTANDING DEBENTURE**

The Company is pleased to report that they have repaid the \$2,000,000.00 Debenture (the "Debenture") together with a 20% bonus due thereon at its maturity date on March 15, 2004 (see *News Releases 03-10 & 03-15*, August 25 & September 24, 2003). The proceeds of this Debenture enabled the Company to conduct a 10,000 tonne bulk sample at Bonanza Ledge, which is nearing completion under the direction of Glen O'Gorman P.Eng. and Golder Associates Ltd.

**EXPLORATION UPDATE**

Phase 2 of the Myrtle diamond drilling consisting of 9 holes from five setups for a total of 1,653m (5,422 feet) on the summit and eastern flank of Barkerville Mountain is now complete and results are pending. A Phase 3 drilling program is currently being planned.

Underground diamond drilling on Bonanza Ledge continues with 22-diamond drill holes completed from 11 setups for a total of 1,326m (4,351 feet) of drilling, and drill hole UGB 04-23 now in progress. 11 drill holes having been reported (see *News Release 04-02*). Drill holes UGB 04-12,13,14 were definition drilling to define the area of the 10,000 tonne bulk sample extraction and drill holes UGB 04-15 to 23 are exploration holes in preparation for the 70,000 tonne mine permit, results also pending. A total of 3,073m (9,965 feet) of diamond drilling in 26 diamond holes (BC 03-01 to 26) was completed on the Bonanza Ledge Zone during the 2003 exploration program. The Bonanza Ledge is open in all directions.

BC Vein diamond drilling is also planned in an effort to increase the strike length of 3,800 feet (see *News Release 03-01*). To date 117 drill holes have been completed. The BC Vein is open in all directions and lies on the hanging wall of the Bonanza Ledge Zone.

Underground rehabilitation by Roktek Services Inc. has started at Cow Mountain on the 1200 Level (estimated one week) prior to commencing a ventilation plan, to be followed by an underground drilling program of both up holes to surface and down holes to below 1500 Level (see map enclosure). The objective of this drilling program is to increase the resource calculation (see *News Release 02-26*) reported by Giroux Consultants Ltd. in December 2002.

The Qualified Persons as required under National Instrument 43-101 for work completed to date are Godfery Walton P.Geo., Michael Hibbitts P.Geo., Jean Pautler P.Geo..

The Cariboo Gold Project located near the Historic town of Barkerville, the terminus of the Cariboo Gold Rush of the 1860's. The Cariboo Gold Project encompasses the former producing Cariboo Gold Quartz mine, and the Hardscrabble Tungsten Mine on the property of International Wayside Gold Mines Ltd.; the Aurum, Island Mountain, and the Mosquito Creek Gold Mine on property which is jointly held between International Wayside Gold Mines Ltd. and Island Mountain Gold Mines Ltd.; and the Cariboo Hudson and Cariboo Thompson Gold & Silver mines on the property of Golden Cariboo Resources Ltd.

The Cariboo Gold Project's land holdings now cover 456 square kilometers (170 square miles) covering 57 kilometers (34 miles) in length and over 8 kilometers (5 miles) in width. In the Barkerville Camp, 79 creeks have reported placer gold production. Recorded production from the area was 3.8 million ounces of gold (2.6 million ounces from placer and 1.2 million ounces from lode mining).

On Behalf of the Board of Directors



J. Frank Callaghan, President and Chief Executive Officer

This *News Release* contains forward-looking statements regarding the timing and content of upcoming programs. Actual results may differ materially from those currently anticipated in such statements. The TSX Venture Exchange has neither approved nor disapproved of the information contained herein.

News Release 04-05  
March 31, 2004

# Cariboo Gold Mine - Longitudinal Section

