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EXECUTIVE SUMMARY

F E B R U A R Y 2 0 0 3

STEALTH MINERALS LTD.

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TOODOGGONE PROJECT - OPTION AGREEMENT

The Company can earn a 100% interest, subject to a 3% NSR, in a 288 square kilometre contiguous land package in north central British Columbia. To earn a 60% interest, the Company has to spend \$5.0 million on exploration and make cash payments of \$715,000 to its partner, Electrum Resource Corp before November 30th, 2004. All required cash payments have been made and, as of December 2002, \$2.3 million of property expenditures are required to fulfill the option agreement. Once the Company is vested with a 60% interest it has two options. First, the Company can issue 15% of its then issued shares to acquire the remaining 40% property interest, or second, the Company can require its partner, Electrum Resource Corp, to enter into a 60/40 joint venture to fund exploration going forward. The Company can purchase one point of the NSR for \$2.0 million.

FIRST PASS PROSPECTING

The Toodoggone volcanic belt is a relatively small area measuring about 30 kilometres east west by 70 kilometres north south. It is located in north central British Columbia (BC), about 430 kilometres northwest of Prince George and 400 kilometres east of the port of Stewart. Due primarily to its location, poor access and lack of infrastructure it is one of the least explored geologically attractive areas in BC. Coincidentally, due to its remoteness, it is one of the few areas in BC that does not have an infrastructure of logging roads.

The major mining companies, such as Kennecott, Amax, Cominco, Newmont, Kidd Creek and SEREM among others, first carried out grassroots exploration in the late 1960s and 1970s. Exploration was expensive as the region had no infrastructure and access was primarily helicopter supported. The infrastructure and access problems are further exacerbated by a relatively short field season of six to eight months. Despite all the difficulties, several epithermal style gold-silver mineralized outcrops, skarn mineralization and porphyry style showings were discovered.

The areas physical constraints had a major impact on the style of the exploration programs, which tended to be short-lived and focused on outcrops rather than large-scale programs designed to explain the geological setting of a showing. If first pass assays from outcrop or soil samples were below the threshold grade required it was likely that the company did not return. The early style of exploration tended to be both erratic and sporadic and was confined primarily to areas above the tree-line as helicopter access below 1,400 metres was restricted by dense vegetation. The lack of roads, large areas of swampy conditions and significant overburden further restricted ground prospecting.

Location and lack of infrastructure necessitated a fairly high threshold grade (+10 g/t gold equivalent) and potentially large deposit size, which became critical factors for continued exploration, development and mining. Due to the areas rich mineral endowment, however, the first pass produced three epithermal style gold-silver deposits all of which were developed and mined. Production commenced at the Baker in 1981 and Shasta and Lawyers in 1989.

The first pass also produced evidence of skarn minerals such as the Riga showing (1969), zinc enriched skarns such as the Firesteel deposit (1973) and the VIP copper-gold-silver skarn showings (1973). Copper-gold porphyries such as Kemess North (1968) and the Pine deposit (1969) were also discovered.

The exploration successes of the high-grade epithermal prospects in the early 1980s attracted a host of junior companies and the pace of exploration intensified. By 1986, a large area was staked and many mineral showings were identified and sampled. Most of these prospects received some work, such as geochemical sampling,

geophysical surveys and/or diamond drilling. Between 1980 and 1986 a further eight showings became developed prospects each with a resource inventory. These included a porphyry deposit (Kemess North), one skarn and six epithermal gold-silver deposits. Ground prospecting in the 1980s discovered over 200 mineral occurrences in a very small area. In addition, several large alteration zones were also identified and to this day very little systematic work has been performed on many of them, especially with modern techniques such as PIMA, which can identify clay alteration mineralogy.

In 1983, Pacific Ridge Resources discovered the Kemess South deposit, which was further developed in the early 1990s by junior companies controlled by the Hunter-Dickenson group. This discovery led to the development of the first large open pit mine, which was built and operated by Royal Oak Mines. It is now controlled by Northgate Exploration, which is currently the only producing mine in the Toodoggone area.

In 1989, exploration activity began a gradual decline, which lasted until 1998.

INFRASTRUCTURE and ACCESS

The Kemess mine was commissioned in 1998. This was mainly due to Royal Oak's effort during 1995 to 1997, in conjunction with the BC provincial government, to build and operate the mine. This resulted in a significant improvement in regional infrastructure as it created an access road to the southern part of the Toodoggone. And importantly, a 360 km power line was constructed, which potentially lowers the capital required to build another green-field mine. It should be recognized that 1998 was a pivotal point for renewed exploration interest in the Toodoggone area.

The Kemess South Mine currently operates at 48,000 tonnes per day. Total 2001 production was 277,000 ounces of gold and 66.3 million pounds of copper from processing 17.5 million tonnes of ore. Kemess South reserves, as of December 2001, were 146 million tonnes grading 0.653 g/t gold and 0.235% copper, which is about 1-gram per tonne gold equivalent. At the current mill rate the mine has an eight-year life. The mine produces 140,000 tonnes of concentrate per year that are partially trucked to a BC railhead for shipment and treatment at a Noranda smelter in Quebec and to a seaport for ocean shipment to a smelter in Japan.

In 2002, Northgate spent over US\$5 million drilling the Kemess North prospect with a view to further defining the size and grade of the deposit, with particular emphasis on delineating the high-grade core of the deposit.

REGIONAL GEOLOGICAL and STRUCTURAL SETTING

The area is underlain by Permian Asitka Group volcanic, siliclastic and carbonate rocks, Triassic to Jurassic Stuhini/Takla Group basalts and andesite and Jurassic Hazelton Group -Toodoggone Formation dacite-andesite volcanoclastic rocks. Granodiorite, monzonite to quartz monzonite and locally pyroxene gabbroic intrusive rocks of the Omineca Black Lake plutonic suite, which are lower to middle Jurassic in age, cut previous lithologies. Regionally, sub-parallel intrusive and volcanic arcs trend northwest and are associated with major deep-seated faults. Conjugate dilation faults crosscut and in part offset these structures and may impart a secondary control on the intrusive, volcanic and hydrothermal activity. The regional-scale, northwest trending Saunders-Wrich fault cuts through the Toodoggone area and occurs in part over a distance of 30 kilometres, with up to 4 kilometres of right-lateral displacement indicated. Parallel faults also display dip-slip movement, locally placing Stuhini Group in contact with Toodoggone Formation as at Kemess North. Similarly, a north-

west trending thrust fault contact between these units occurs at the Goat-Wrich prospect. The presence of high-level epithermal mineralization in proximity to the Saunders-Wrich fault at Wrich Hill, and at the Electrum zone at lower elevations may suggest a post-mineral, north side down displacement along a north-east trending fault in the Finlay River valley. North trending, right-lateral strike slip faults are prominent along the eastern margin of the Geigerich Pluton, and are Cretaceous and Early Tertiary in age.

The Toodoggone Formation is comprised of subaerial, calc-alkaline quartz hornblende feldspar crystal dacite-andesite pyroclastic rocks deposited within an island arc environment and appear in part coeval with the Black Lake quartz monzonite intrusive rocks. These Omineca intrusions host many porphyry and epithermal deposits, such as Mt. Milligan, Kemess South, Pine, Baker, Lawyers and Shasta. The Omineca intrusions are generally believed to be an important source for most of the regions gold mineralization in porphyry, skarn and epithermal deposit models. The Toodoggone volcanic island arc environment is a relatively small area but it is exceedingly rich in mineral showings accompanied by large areas of alteration.

PROPERTY POSITION

Stealth Minerals is focused on the southeast to northeast sectors of the Toodoggone volcanic belt and is exploring a contiguous land package about 10 kilometres east west by 30 kilometres north south. The relevant NTS map sheets are 94E02 and 094E07. A map illustrating the Company's property position is included in this report.

MINERALIZATION and DEPOSIT TYPES

The Toodoggone Project is a contiguous 288 square kilometre land package that has geological evidence of three deposit types. To date 30 separate mineral showings have been identified with the following mineralization and deposit types: gold-copper porphyries (11); gold-silver in volcanic hosted structurally controlled epithermal prospects (16); and, copper-gold-silver skarns (3). The area is under-explored and the Company believes that disciplined, systematic prospecting will yield further important mineral discoveries, particularly of the volcanic hosted gold-silver epithermal-style.

BUSINESS PLAN

After a thorough review and consideration of all the past work programs in the area, the highly favourable geology and the improved infrastructure, management decided to focus on prospects with deposit-scale potential and evidence of mineralization and grade that could be economic given today's metal prices. Property location with respect to the Company's base camp was also a consideration.

The Company also decided to focus exploration programs to enable the identification of the large-scale control of mineralization in order to explain the setting of a mineral occurrence. Management decided on four properties to explore during the 2002 field season. First, Wrich Hill, which is a structurally controlled volcanic hosted gold-silver epithermal prospect; second, the VIP copper-gold-silver skarn prospect; third, the Mex which is a large gold-copper porphyry prospect; and, fourth, Goat Mountain, which hosts several high-grade gold-silver polymetallic veins in a 200-metre wide zone of Takla Group andesite, which is intensely altered to quartz, K-feldspar-epidote +/- chlorite and sericite.

The Company also decided to conduct regional reconnaissance to identify and acquire by staking, several significant alteration zones, some of which were known to occur to the north and west of the present claim group. The Company was successful in acquiring an additional 70 square kilometres of favourable geology, which now gives Stealth Minerals the dominant land position in the Toodoggone volcanic belt.

The other important issue was to recognize and nurture our strategic position to Northgate Exploration. The two companies share a common boundary that is about eight km long. It is management's belief that Northgate is interested in upgrading the value of its concentrate, particularly its gold content. The Company also believes that Northgate is a logical partner for properties of merit in the general area.

ACCOMPLISHMENTS in 2002

The decision to conduct large-scale systematic exploration focused on four properties proved to be correct as exploration results from all properties are beyond initial expectations. The Company raised \$1.4 million in 2002 and spent approximately \$700,000 on the four prospects.

PROPERTIES AND EXPLORATION PLANS

PINE DEPOSIT (Minfile 094E 016)

Of all the Company prospects, the Pine gold-copper porphyry deposit has received the most systematic large-scale exploration. Following its discovery, Rio Tinto drilled twelve holes (1,366 metres of BQ) between 1979-1980. Romulus Resources, a Hunter-Dickenson company, optioned the property and drilled a further thirteen holes (2,540 metres of HQ) between 1992-1993. At that point, Romulus geologists estimated a resource of 40 million tonnes with an average grade of 0.57 g/t gold and 0.15% copper (0.80-gram per tonne gold equivalent). Stealth Minerals optioned the property in 1997 and drilled a further 22 holes (3,983 metres of NQ) between 1997-1999.

To date the deposit has been subject to 7,889 metres of diamond drilling in 47 holes. The Company estimates the Pine deposit contains an inferred resource of 160 million tonnes grading 0.50 g/t gold and 0.20% copper (0.79-gram per tonne gold equivalent). This indicated resource contains 2,570,000 ounces of gold and 640 million pounds of copper. It should be noted that the resource calculation was made by Company geologists prior to the introduction of Form 43-101 and may not conform to it.

Favorable alteration and anomalous gold values occur on surface well beyond the area drilled and suggests potential to increase the size of the deposit considerably. In addition, a higher-grade core at the Kemess North deposit, where material grading over 1.0-gram per tonne gold equivalent occurs between 150 to 200 metres below surface, may also occur in the Pine deposit. Based on drill results to date and a recent geophysical Induced Polarization inversion study over the Pine deposit, Company geologists suggest a similar higher-grade core exists close to surface in an area east of previous drilling. The Company plans to drill six 300-metre holes (HQ) in this area in 2003. An exploration budget of \$200,000 is recommended.

The Pine is the closest advanced stage porphyry gold-copper deposit outside of Northgate's operations and is an important Company asset. Its value will be enhanced and well recognized in a period of higher gold and copper prices.

THE MEX PROSPECT (Minfile 094E 057)

The first recorded work on the Mex was in 1977 by Cominco. In 1981, Cominco conducted a program of soil and rock sampling. Significant gold anomalies coincident with copper anomalies occur on the Mex claim. Rocks and soils returned up to 3.6 g/t gold and 0.60% copper from a large hydrothermally altered zone. Between 1990 and 1992 exploration work on the Mex property by Cominco confirmed the existence of copper-gold porphyry mineralization over a large area. Regional work and silt geochemistry strongly suggests that copper-gold mineralization exists below the leached outcrops of alteration and mineralization. An Induced Polarization geophysical survey was recommended to map the limits of sulphide mineralization under the talus and overburden covered area, followed by diamond drilling. Cominco did not follow up these recommendations.

In 1997, Stealth acquired the rights to this prospect as part of the Toodoggone Project. No major work was carried out until 2002 when the Company conducted the recommended geophysical programs in conjunction with more geological mapping and sampling. The results of this work moved the property to the drill stage as both chargeability and magnetic anomalies are present over a large area where rock samples have produced highly anomalous values of gold and copper.

The Mex prospect is an ideal drill target for a junior company, as it provides exceptional leverage because it requires a limited amount of drilling to provide initial evidence of the existence of a large copper-gold deposit. The Company believes that an initial \$400,000 diamond drill program consisting of eight 400-metre drill holes (HQ) would provide such evidence. The area of favourable geology, alteration and mineralization suggests the prospect could host in excess of 300 million tonnes. The Mex prospect is 22 km northeast of the Kemess South mine.

THE VIP SKARN PROSPECT (Minfile 094E 047, 048, 049)

The VIP skarn showings are located about 10 kilometres west southwest of the Pine deposit on the north-west side of Finlay River. Two known skarn Cu-Au-Ag showings, the West Skarn and the East Skarn, occur within marble and metasiltstone of the Asitka Group that form pendants in and near the southern contact of the Black Lake granitoid pluton.

Amax Potash Ltd originally staked the claims in 1973. Over the next ten years a series of limited programs consisting of prospecting, hand trenching, mapping, sampling, IP and ground magnetics discovered several small skarn zones, which were rich in pyrite, magnetite and chalcopyrite, adjacent to and within the marble units. Two anomalous outcropping zones, the West and East skarn zones, which are about 1,500 metres apart, were identified and selected for a helicopter supported drill program.

In 1983, 291 metres of NQ diamond drilling in seven holes were completed. Five holes were drilled in the West Skarn and two in the East Skarn. Five of the seven holes intersected skarn mineralization and each of these holes encountered variable gold, silver, copper and zinc values. The best interval was in DD83-03 that assayed 3.43 g/t gold, 5.77 g/t silver and 1.36% copper over 3.05 metres.

In 1986, approximately 149 kilometres of low-level airborne magnetometer and VLF-EM surveys were completed. Four pendants of Takla/Asitka outcrops were geologically mapped on the claims, two of which directly correlate to magnetic lows. The geophysical data suggest these sulphide-bearing outcrops were more extensive than geological mapping indicated. Two southeasterly trending faults were clearly delineated by magnetic low lineation. Also, on the Grace claim, northwest of the VIP East Skarn, geochemical work

outlined a strong multi-element soil geochemical anomaly over an area of 200 metres by 800 metres. This anomaly occurs along a strong linear feature in an area where quartz cemented breccia contained anomalous gold values. Neither the extent of the sulphide zones suggested by the magnetic data, nor the cause of the soil anomaly was investigated.

No work occurred from 1987 to 2000 when Stealth Minerals re-established portions of the 1983 grid. Hand clearing and chip sampling of the West Skarn zone were performed. Assays from the chip samples confirmed or exceeded previously reported grades. In 2002, a new hand trench about 60 metres northwest of the collar of the 1983 drill holes 3, 4 and 5 exposed a garnet-diopside-magnetite skarn cut by veins of quartz-K-feldspar-epidote with varying amounts of pyrite, chalcopyrite and bornite. Assays from this trench include 1.8 metres of 0.46% copper and 2.2 g/t gold, and 2.4 metres of 0.48% copper and 2.6 g/t gold. This confirmed that copper, silver and gold minerals were more widespread than believed.

The Company decided to establish a new grid that would tie the entire known mineral showings together and to conduct Induced Polarization and magnetic surveys over a 5 square kilometre area. The baseline is 3,100-metres long and has 1,600-metre grid lines at 100-metre spacing across the known area of the mineralized outcrops. At the same time, the Company decided on a large-scale excavator-trenching program that was designed to expose bedrock in the two areas of known mineralization and in other areas where soil samples suggested mineralization might exist in underlying bedrock.

The trenching was performed before the geophysical data were available but recent compilation of geophysical data and trenching results suggest that there are large areas of favourable geophysical targets that correlate to areas of mineralization in trenches.

In the West Skarn area, Trench #1 on Line 32+10W, which is near the hand trench mentioned above, has two zones the first assayed 0.10% copper, 2.6 g/t silver and 0.83 g/t gold over 6.0 metres and a second zone assayed 0.33% copper, 13.4 g/t silver and 3.2 g/t gold over 18.0 metres. Also in the West Skarn area, Trench #2 on Line 32+50W revealed two zones the first assayed 0.24% copper, 10.9 g/t silver and 1.53 g/t gold over 15 metres and the second, assayed 0.22% copper, 6.6 g/t silver and 2.8 g/t gold over 24.0 metres. There is a large magnetic anomaly to the north of Trench #1 and #2 and both trenches have to be extended to the north.

In the East Skarn area, Trench #15 on Line 19+75W, which is over 1,200 metres east of Trench #1 assayed 1.41% copper, 32.6 g/t silver and 5.8 g/t gold over 6.0 metres. There is a large IP anomaly north of Trench #15, which is in a recessive area covered by swamp. The North Skarn area, which is a new discovery, is about 700 metres northwest of the East Skarn. Trench #6 on Line 24W assayed 1.16% copper, 52.0 g/t silver and 3.6 g/t gold over 6.0 metres.

Additionally, an outcrop in another new discovery called the Northeast zone produced a chip sample that assayed 5.3 g/t silver and 1.2 g/t gold in a pyritic silicified metasilstone unit. This represents a new style of mineralization and importantly, the metasilstone unit is the most common surface rock unit on the property. No trenching was done in this area.

The geophysical data are particularly instructive as they suggest that a continuous anomaly may exist between Line 15W, the East Skarn area and Line 34W, the West Skarn area, which is a distance of 1,900 metres and is open. In the newly discovered North Skarn area another geophysical anomaly exists between Line 21W and Line 29W a distance of 800 metres. The three trenches in this area have discovered mineralization in bedrock over 400 metres.

Skarns deposits are noted for being erratic and highly variable in geometry and mineralization. Company geologists are very encouraged by the apparent continuity that the VIP skarns demonstrate evidenced by mineralization in trenching and by resistivity anomalies revealed in geophysical surveys. The North, West and East skarn zones are each large areas of favourable geology and represent excellent drill targets. There is the additional possibility that the zones may be continuous and part of a much larger underlying mineralizing intrusive system, which may exist in an area over 2,000 metres long and 700 metres wide of favourable geology and open in all directions.

In early September 2002, ground prospecting discovered a new showing about 2½ kilometres west of the West Skarn showing. The original rock grab sample from this area assayed 2.3% copper, 94.4 g/t silver, 2.7 g/t gold. This area was on open ground and the Company staked 10 square kilometres required to adequately cover this showing to the west adjoining the present claim group. The rocks and the alteration (K-feldspar) in this area appear more porphyritic than the mineralized intrusive rocks in the West Skarn area. Additionally, the chargeability anomaly is getting stronger to the west in the direction of the new discovery. The area of favourable geology is now over five kilometres in strike length and open. The Company intends to extend the baseline 3,000 metres to the west and cut a grid to perform geophysics and mapping in this highly prospective new area.

The VIP prospect is approximately 20 km northwest of the Kemess South mill with existing road access to within one kilometre of the known skarn zones.

WRICH HILL EPITHERMAL PROSPECT (Minfile 094E 082)

The first recorded work was done by SEREM in 1980, which consisted of reconnaissance soil and wide-spaced rock geochemistry. In 1982, SEREM conducted more detailed soil, rock geochemistry and geological mapping. In 1985, SEREM conducted a program consisting of geophysics (VLF-EM-R), limited rock sampling dominantly to the southeast of Wrich Hill, and geological mapping. The geophysical program delineated four conductors on Wrich Hill interpreted to be hydrothermally altered zones associated with faults. Two distinct zones of high resistivity were also returned. All of the results were encouraging as chalcedony-quartz breccia zones and clay alteration were found in nearby float and outcrop. The soil geochemistry and geophysical anomalies were coincident. Importantly, the anomalies all conformed to the known northwest to southeast structural trend.

In August of 1987, SEREM/Cheni Mines completed five drill holes (883.4 metres of BQ) on the prospect. Drilling confirmed the presence of intense faulting represented by thick clay seams. An assessment report filed on this drilling indicated results were generally poor. Drill logs indicate that only a small portion of the available drill core was selected for assay. Based on the geological evidence, Company geologists suggest that the Wrich Hill gold-silver mineralization may be both lithologically and structurally controlled as the host crystal dacite-andesite pyroclastic rocks revealed in the trenches are highly altered and very porous.

In 2000, Stealth Minerals reviewed the Wrich Hill setting, located and GPS surveyed the five Cheni drill holes, and performed rock and deep soil sampling, returning values up to 46 g/t gold and 72 g/t silver in rock from a float sample to the west of Wrich Hill.

In July 2002, Stealth Minerals initially conducted intensive rock float and outcrop sampling following up on the high-grade sample returned in 2000. The program traced the source of the gold bearing float to the northwest side of Wrich Hill. Many float samples yielded high values of gold and silver with the highest returning 81.1 g/t gold (2.6 oz/t) and 109.8 g/t silver in an altered quartz-chalcedony brecciated Toodogone volcanic rock.

In August 2002, the Company completed four excavator trenches in the area where the most encouraging geology, alteration and rock sample results occurred. The trenches exposed a 150-metre wide zone of clay alteration that includes two zones of intense silicification and quartz-chalcedony brecciation in proximity to the regional Wrich fault. The zones strike approximately 140° and dip steeply. The combined grade from all four trenches in the West Zone averages 1.36 g/t gold and 9.87 g/t silver over an average true thickness of 28.5 metres. The East Zone, sub-parallel to the West Zone, has combined averages from all four trenches of 0.70 g/t gold and 14.1 g/t silver over an average true thickness of 18 metres. Both zones appear continuous in all four trenches. Favorable geology, alteration and mineralization are mapped and sampled on surface for a strike length of 850 metres and remains open to the northwest and southeast.

A small bulk sample was taken from the trenches and the initial petrographic interpretation of the alteration minerals suggests that they constitute the top portion of a high-sulphidation epithermal system.

A program of geological mapping and trenching should address the extension of the silicified zone to the southeast and northwest, the possibility of parallel or conjugate zones to the west, and the relationship between the mineralized zone, the Wrich fault and Takla Group-Toodoggone contact. Additional prospecting of the entire area is needed.

Management believes that Wrich Hill is an outstanding large-scale bulk tonnage epithermal gold-silver target and drilling is recommended. The Company believes that an initial \$800,000 program consisting of twenty 200-metre drill holes (HQ) would provide initial evidence of a potential epithermal deposit, and possibly identify bonanza grade ore at depth. The Wrich Hill prospect is five kilometres north of the Kemess North deposit.

GOAT MOUNTAIN POLYMETALLIC VEIN PROSPECT (Minfile 094E 105)

During the 2002 field season the Company performed reconnaissance prospecting on the Goat prospect, which is located about one kilometre west of the Company's Wrich Hill gold-silver epithermal prospect. Both prospects are located in the Norod Creek area, which is in the southern portion of Stealth's Toodoggone Project claim group in north-central BC and adjoins Northgate's Kemess Mine property.

The Goat prospect is comprised of several outcropping sub-parallel epithermal-style quartz-carbonate polymetallic veins and breccias within a 200 metre-wide zone that contain significant quantities of pyrite-chalcopyrite-galena-sphalerite mineralization and associated copper, lead, zinc, silver and gold values.

Interbedded dark green andesitic tuffs and siliclastic rocks of probable Takla Group host the veins and breccias. The southernmost Black vein, which has been traced on surface for 300 metres, produced the highest assays to date, such as sample, G00-DB-5, which returned 272.4 g/t silver (8.6 oz/t) and 297.9 g/t gold (9.6 oz/t). The veins are between 5 and 40 cm in width on surface. Veins with similar mineralogy, host rocks and orientation occurs up to three metres in width and 700 metres in length approximately 500 metres south on Northgate's property (Minfile 094E 122).

The Goat Mountain zone, which is 200 metres wide, should be mapped and prospected in detail, and the veins traced and sampled along strike and particularly down slope towards MacAburn Creek. There are several known veins that have not been adequately prospected or sampled. Additionally, the garnet-diopside-epidote alteration at the north end of Goat Lake should be prospected for potential polymetallic skarn mineralization. The underground high-grade mine potential of the Goat vein zone should be tested by drilling four 200 metre (HQ) holes. An initial exploration budget of \$100,000 is recommended.

NOROD CREEK AREA EXPLORATION

The geological data generated by this year's fieldwork in the Norod Creek Area includes the following: trenching discovered two thick sub parallel gold-bearing silicified zones on Wrich Hill; ground prospecting revealed gold-bearing silicified bedrock on strike to the silicified zones on Wrich Hill over 850 metres to the northwest and open; confirmation of high-grade gold in the Goat veins; an altered and mineralized hypabyssal porphyry was identified in MacAburn creek coincident with a gold-in-soil anomaly; k-feldspar alteration was identified and numerous dikes of intermediate composition that occur near the contact between the Takla Group and Toodoggone Formation in an area between the Goat veins and Wrich Hill.

In 1988, a previous company carried out a widespread soil-sampling program over approximately 12 square kilometres. This confirmed the gold-in-soil anomaly discovered by Serem in 1982 that identified the Wrich Hill silicified zone. In addition, 10 other gold-in-soil anomalies were identified none of which was followed up with ground prospecting. During the 1988 geochemical program a pan concentrate from silt assayed 2.36 g/t gold in a discreet drainage two kilometres east of Wrich Hill. This area was not included in the 1988 soil grid and the assay was never followed up with ground prospecting.

Given the current data and a compilation of historical work, Company geologists have postulated that the Goat vein mineralization and the Wrich Hill epithermal gold-silver prospects are spatially associated to a common, centrally-located mineralized porphyry near the Takla-Toodoggone contact, and the major regional Wrich fault.

The Wrich fault is regionally mapped as continuing at least seven kilometres northwest to the Company's Electrum epithermal gold-silver prospect, where diamond drill results include 4.70 metres of 2.95 g/t gold, 263.42 g/t silver and 2.40 metres of 4.90 g/t gold, 459.62 g/t silver.

As previously noted, the Wrich fault zone is under explored and has several unexplained gold-in-soil and silt anomalies over a large area. This area, which is approximately six kilometres east west by five kilometres north south, is largely overburden covered with sparse outcrop. The Company now believes that the seven-kilometre fault zone between Wrich Hill and the Electrum Zone not only has outstanding exploration potential for large-scale epithermal gold-silver occurrences but also excellent potential for mineralized porphyry targets, particularly in the MacAburn Creek and the Pine Southwest areas. The Company is proposing a \$300,000 program consisting of prospecting, mapping, trenching and geophysics for the Norod Creek area.

PROPERTY VISITS

In September 2002, Mike Hibbitts and Carl Edmunds of Northgate Exploration and Bob Lane of the BC Ministry of Mines visited the VIP and Wrich Hill prospects.

BUSINESS OBJECTIVES 2003

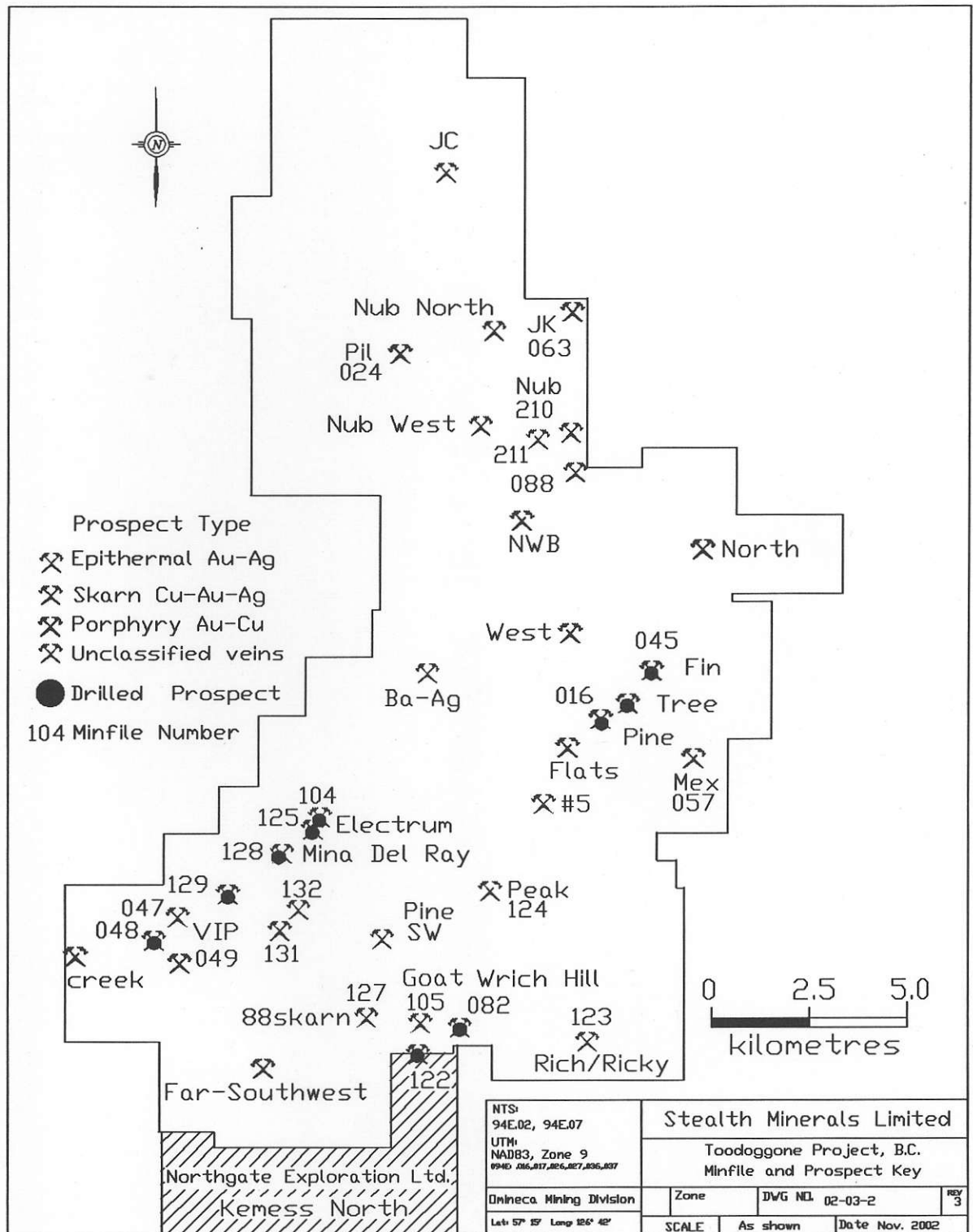
Subject to funding, the Company intends to spend over \$3,200,000 on the Toodoggone Project in 2003.

- The Company intends to drill deep holes on the Pine deposit in an area that is favourable to discover the expected higher-grade core of the system.

- From an exploration point of view there is little that can be done on the Mex prospect, as it is ready to drill. The Company intends to drill the prospect either for its own account or with a joint venture partner.
- The Company intends to do more trenching and mapping on the Wrich Hill prospect and then proceed with a drill program.
- The Company intends to expand the program on the VIP prospect by extending the grid 3,000 metres, complete more geophysical surveys, more trenching, mapping and sampling. Then, proceed to an initial drill program.
- The Company intends to do area wide prospecting in the Norod Creek area.
- The Company controls several large hydrothermal alteration systems in the Nub Mountain and JC areas, which have returned encouraging results from previous prospecting by Stealth Minerals and other operators. The JC area has no recorded work other than by Stealth in 1999. All of these areas require detailed alteration studies, mapping and sampling. The Company intends to develop and significantly improve the database on four of these highly prospective properties in the 2003 field season.
- The Company staked an additional 60 square kilometres to the north and west of Nub Mountain and the JC claims. Several gossans are known to exist in the area and grassroots prospecting is proposed for this entire area in 2003.

FUNDING REQUIREMENTS 2003

● Pine Drill Program	\$200,000
● Mex Drill Program	\$400,000
● Wrich Hill Drill Program	\$600,000
● Wrich Hill IP, Prospecting, Trenching	\$300,000
● Goat Mountain	\$100,000
● VIP Drill Program	\$800,000
● VIP Geophysics, Prospecting	\$100,000
● Norod Creek Prospecting	\$300,000
● Nub Mountain Prospecting (three properties)	\$200,000
● JC Property	\$100,000
● New Area Prospecting	\$100,000
	Total \$3,200,000



TOODOGGONE PROJECT
CLAIM MAP and MINERAL SHOWINGS
December 2002