

Aug. 7, 2000

Jasi Nikharj

676916



Leader Mining International Inc.

Executive Summary

- Leader is focusing on two copper opportunities in Canada.
- Knife Lake Project exploration in Saskatchewan continues; funded by KORES of South Korea. - \$5.2m
- Similco Project B.C.; exploration/re-engineering underway.
- Bankable feasibility study completion by third quarter 2001, and copper production by fourth quarter 2002.

- compiling
- retained
Kilbourne for
Business plan

Leader Mining International Inc.

Corporate Summary

- Established in 1987; traded on CDNX and NASDAQ. *pending on*
- Key Personnel:
 - ❖ Jasi Nikhanj M.S.C. (Geol.) -President and CEO-30 years experience.
 - ❖ Raymond Lai C.P.A.-Vice President Finance-15 years experience.
 - ❖ *Mike* Michael MacLeod B.E & M.B.A.-Vice President Mining-15 years experience. *involved with Princeton Mining - his idea*
 - ❖ Christian Abaco M.S.C. (Geol.)-Chief Geologist-12 years experience. *-adding staff + consultants*
- Focus on identifying and exploring undervalued mineral deposits within politically stable, mining friendly jurisdictions.

Leader Mining International Inc.

Knife Lake Project

- Since 1996, \$7.3 M invested in exploring 86,000sq.km land position.
- Knife Lake Copper Deposit contains 20 Mt of resource grading 0.74%
e Cu. *equivalent - open pit need 25Mt*
- 19-Un-explored VMS (Flin Flon) Type Targets.
- KORES Joint Venture providing exploration funding.

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Similco Project

- Acquired Similco Mines Ltd. and Invermay Property for \$1 M.
- Since 1926 Similco has produced over 1.74 billion lbs Cu, 9.1 million oz. Ag, and 0.73 million oz. Au, from underground and open pit sources (over US \$2 billion in value).
- Known open pit mineable resources:
 - ❖ Similco: 129.2 Mt @ 0.397% Cu. (1 billion lbs Cu)
 - ❖ Invermay: 41.2 Mt @ 0.47% Cu. (390 m lbs Cu)
- Fully permitted 25,000 TPD concentrator and production infrastructure.

in place

*1m. billion \$
3% NSR
(can buy back
2% NSR)
stock options*

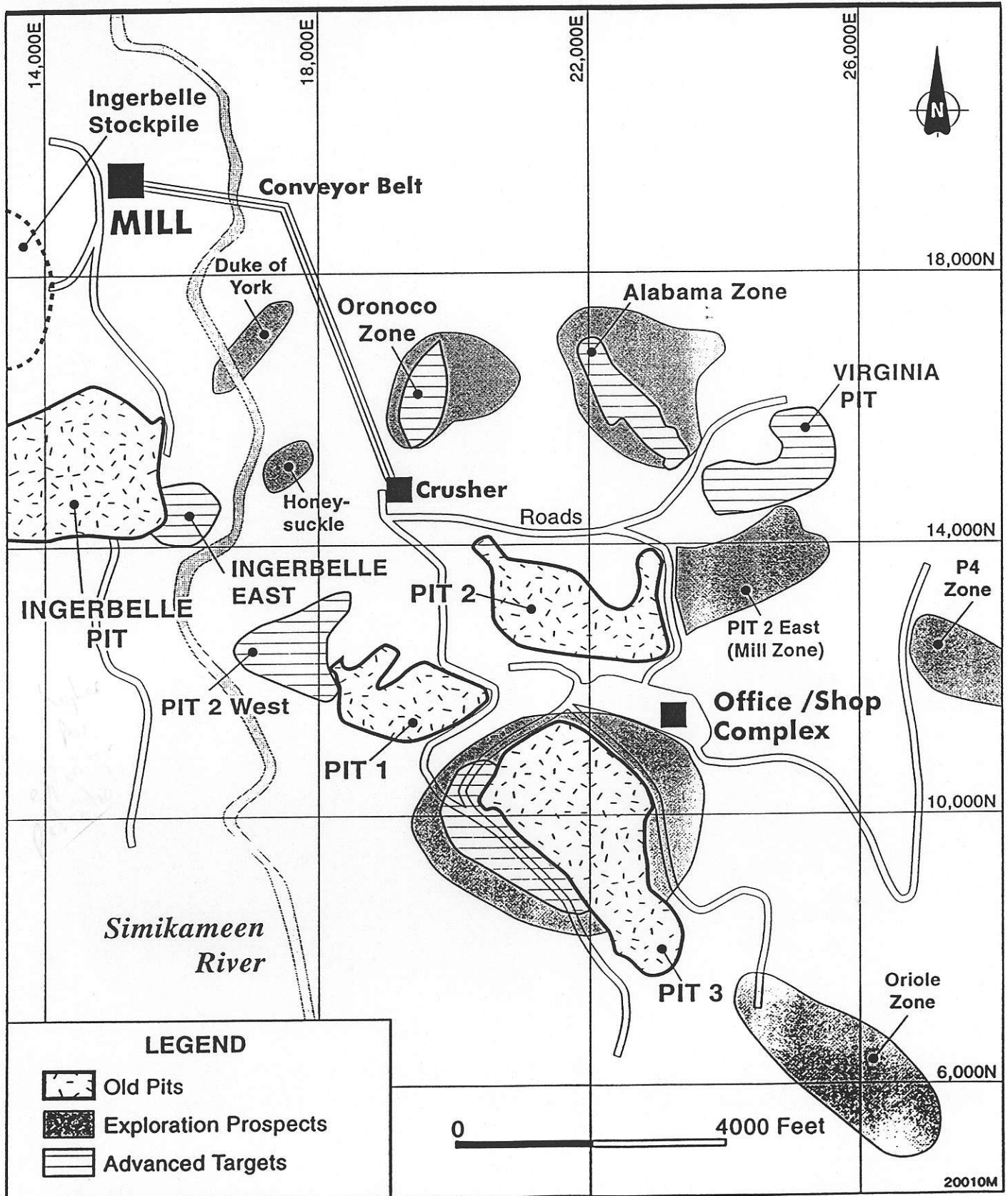
*? stripping ratios
? location ore zones
? Cu equivalency*



LEADER MINING INTERNATIONAL INC.

Similco Copper Mine, Site Plan

Princeton, British Columbia, Canada



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Similco Project Redevelopment Plan

- Delineate 100 Mt grading + 0.48% Cu open pit mineable resource.
- Exploration
 - ❖ Confirm potential for underground mineable resource. Follow up 30 m grading 3.38% Cu intersected 600 m below bottom of Pit 3.
 - ❖ Examine other near surface resources such as Ingerbelle East, Oriole, Mill Zone.
- Re-Engineer Production System
 - ❖ Lower unit cost by employing larger mining fleet
 - ❖ Improve mill reliability and throughput
 - ❖ Improve recovery by improving grinding circuit and floatation cells
- Produce favourable production feasibility study by 3rd quarter 2001; Cu production in 4th quarter 2002.

- 10 year mine life
want annually

- was carried out in 1930s to 1950s

- been a high cost produce 95¢ to \$1.05
- Princeton drew out \$50m from project for Cassiar - limited exploration

produce copper at 62 to 65¢

- leader chased Similco

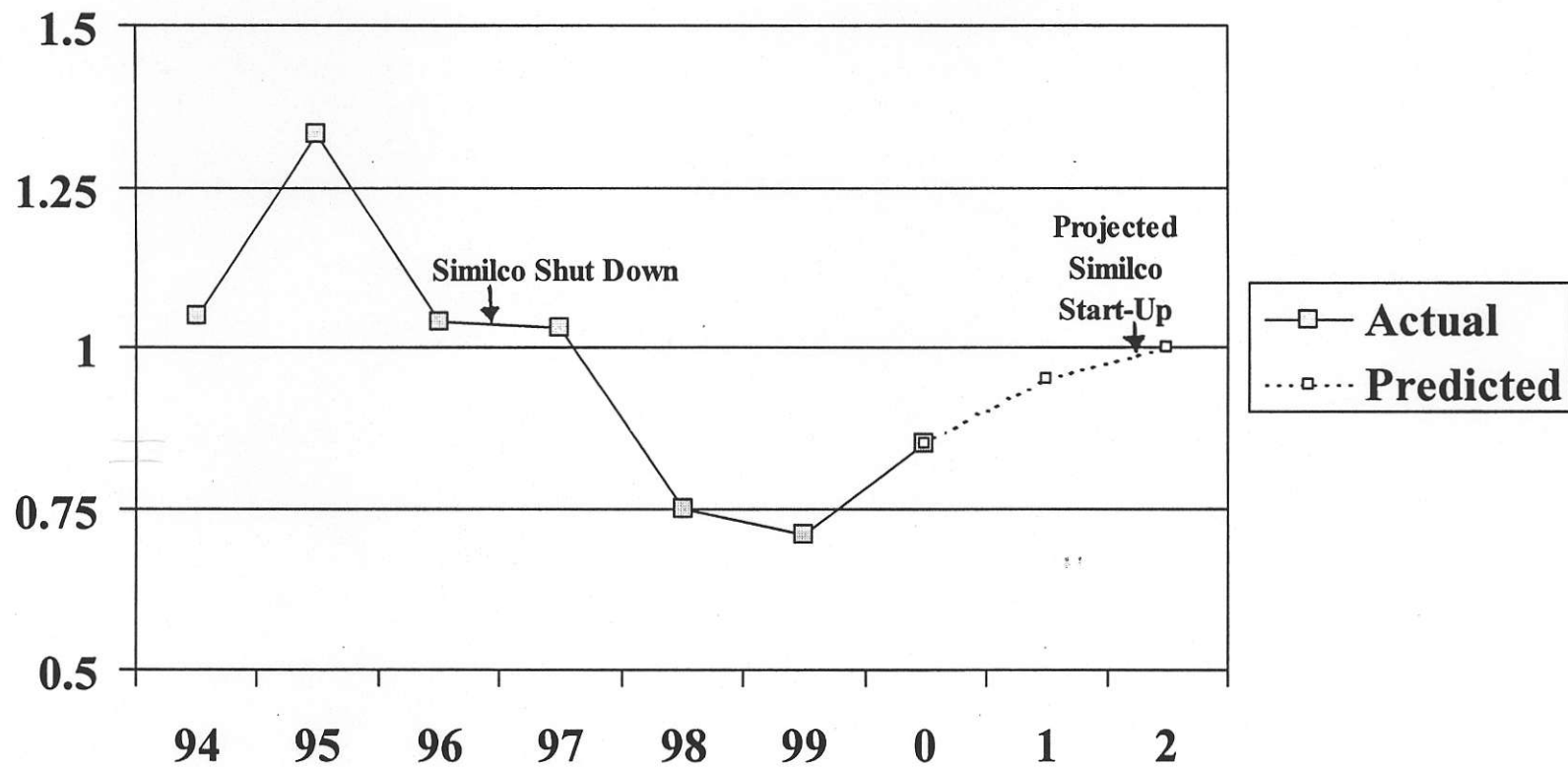
- Imperial wanted Huckleberry and picked up Similco

- Princeton drew out \$50m from project for Cassiar - limited exploration

Leader Mining International Inc. Similco Project – Copper Market

- Copper Price bottomed out in 1999 to US \$0.62/lb.
- Consumption > Supply in 2000, 2001, 2002 and beyond.
 - ❖ Strong US economy.
 - ❖ Asian rebound.
- Prices expected to rise toward \$1.00 US/lb by 2002.

Leader Mining International Inc. Copper Price



HG1 **86.85** as of close 7/27
 Bid 86.00 Ask 88.00 Vol 1,217y OpInt 4,903y

Comdty (iP

Line Chart HG1 Comdty Seite 1/5

Zeitr. 12/31/88 - 6/30/00

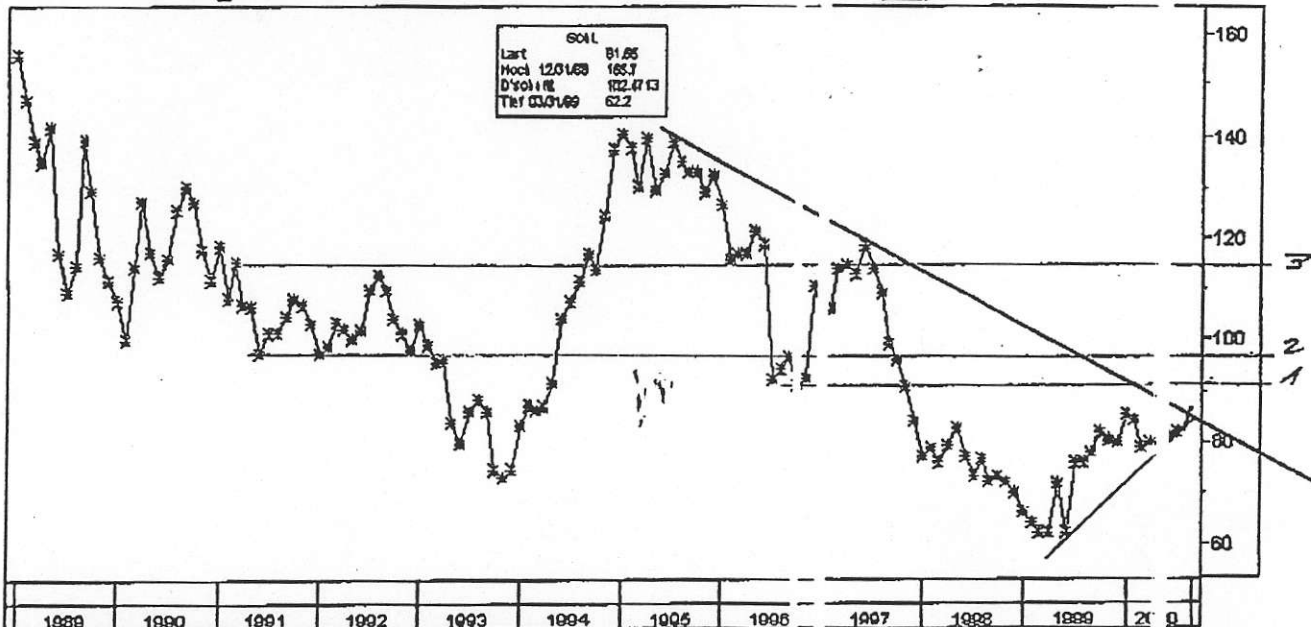
Periode 12 Monatl.

Ober. Chart: 3 Line Chart

Moving Averages

Unter. Chart: 1 kein(e)zusätzl. Chart(s) Gleit.D'schn

1) News



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LSCA 500300Y as of close 7/27

Index 3P

Line Chart LSCA Ind

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Periode 1 Monatl.

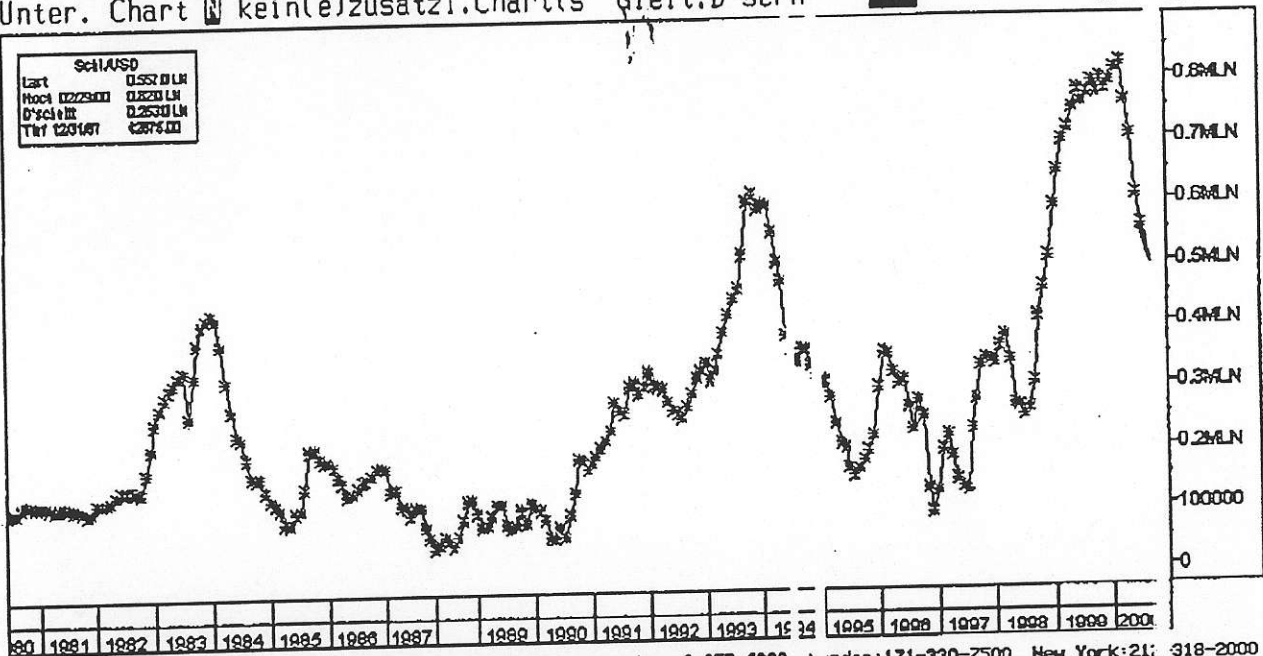
Basiswährun: USD

Ober. Chart: Line Chart

Moving Averages

Unter. Chart: kein(e) zusätzl. Chart(s) Gleit.D'sch

1) eus



Inventory dropping

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Similco Project-Opportunity

Description

- Planned Annual Production
 - ❖ 10 MTPY mill throughput and 88% Cu recovery
 - ❖ 100 M lbs Cu, 30 K oz. Au, 775 K oz. Ag.
 - ❖ Cash cost between \$0.62 and \$0.68US/lb
- Metal Prices
 - ❖ Cu=\$0.90 US/lb, Ag=\$5.00 US/oz, Au=\$280 US/oz
- Capital Requirements
 - ❖ Acquisition \$1 M
 - ❖ Exploration and Engineering \$4 M
 - ❖ Project Development \$50-60 M
 - \$65 M

Mining
"Brown Site"
- permits in place
- turn key
Reclamation
- in good shape
- no?
- look at equipment for regulations
- not required to go to EAA process
- underground require more work
] includes request for funds from govt

- trigger on 35% increase in production

- bring in a seasoned operator

- other metals to recover PGEs, Mo

- all rolling stock gone

- conveyor - bottle neck at bend in winter

- old fired mill

- get to 30,000 tpd

Financial Assistance to Improve

- Economic Viability of Similco Copper

- talking to Korean govt

Mining Project

- Korean geologists on site

full recovery, security for money, interest on money

- majors have all locked at B.C.

• Access Road Upgrades:
 Transportation Financing Authority

~ \$1.5-2 million

- bridge across river

• Pre-strip Mine Waste:

~ \$18-25 million

Pits 1, 2, 3 - key area for "super pit"

• Infrastructure Upgrades:

~ \$5-6 million

moving powerlines, buildings

\$24.5-35 million

rebate neutral premium

- requires application govt agreements - 5 to 10 years - share risk - tie it to price of copper

Power Rate Reduction:

~50% rate reduction

- lacks of content to be first in! - govt ~ 6 months 3 to 9 months

Create 200 to 250 jobs

- wants B.C. govt endorsement to

- will go chasing funds in mid-Sept

- concern about Mo update

\$3.8 m bond with govt reclaiming site would cost \$2.5 m 1998 study

Leader Mining International Inc.

Conclusion

- Similco Project is well positioned to capitalize on the forecast up-turn in Cu-price.
- Improved resource base will justify capital investment for site development and state of the art technology.
- Sustained low cost production provides metal cycle survivability.
- High potential for extending life to over 20 years.



? mill location? $\frac{1}{10}$ - 160m for new mill
? - ~~for~~ commit before see key element
- resources

