

Wemmerus Mining Letter

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INTERNATIONAL TAURUS

Vancouver Stock Exchange: ITU

Shares Outstanding: 39,000,000

Recent Share Price: C\$1.35 / US\$1.00

International Taurus Resources, Inc. (VSE:ITU) is one of those stocks that astounds me. It is so undervalued that one would think something must be wrong. How could the brokers and mining analysts overlook such a gem?

However, that is the attraction of the mining-markets. Anomalies exist, and if we identify them we can dig out low-risk/high-potential mining stocks that make a lot of sense.

There are many different reasons a stock can be undervalued. In the case of Int'l Taurus, the reason is related to the departure of the company's joint-venture partner, during the summer, and the subsequent irrational assumptions of shareholders who then commenced to liquidate their holdings. As those investors departed, the supply of Taurus stock to hit the market seemed never ending. Finally, trading was halted; and when trading reopened, the stock was down over \$1.00 per share. A writer, describing the debacle later, wrote "the stock price fell down one of the mine shafts".

Well, that group of investors is basically gone now, and "it's an ill-wind that blows no one good".

I say this because their exit has created an opportunity, consequently, for an astute mining investor to acquire an interest, via the value-based shares of Int'l Taurus, in an extensive, 3,000,000 ounce "in-situ" gold deposit resource at only US\$8.17 per ounce!



How much value is this? Well, I'll let you figure it out. Depending on how ample the infrastructure (access to labor, power, roads, etc.) is, and how

close to production the property is, you could anticipate that the major mining companies would pay between US\$20.00 and US\$100.00 per ounce for each proven/probable ounce contained "in-situ" by the property.

Int'l Taurus (VSE:ITU) and the Taurus Property in Cassiar, B.C.

Int'l Taurus Resources (VSE:ITU), is a 25 year old company that has been engaged in the exploration, development, and production of gold from its Taurus Gold Mine Property, near the old mining town of Cassiar, in north-central British Columbia. Taurus holds a 100% controlling interest in this 93 claim-unit property, which covers 5,300 acres.

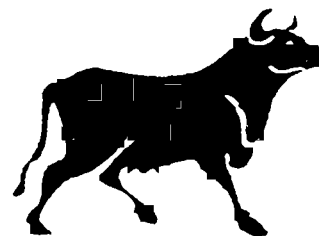
It's a beautiful property; well wooded, crossed by only two creeks and the old, now paved, Cassiar Road. Here and there you'll find it speckled with old placer and hardrock mine workings; a testament to the mining activity conducted in the Cassiar mining camp since the early 1870's. This region is rich in mining history. In fact, it was here that in 1877 a 72 ounce solid gold nugget was found; still one of the largest nuggets ever recorded in the mining history of British Columbia!

However, for today's mining investor in the Cassiar region, the most important gold discovery was made one day in October of 1994, near the old Cassiar Road, on International Taurus' property.

The old Taurus Mine an underground mine and its 300-ton per day mill were shut-down in 1989 after producing 249,000 tons of ore.

In 1993 Hera Resources, Inc. (VSE:HRR)

took over the management of Int'l Taurus; and is currently the largest major stockholder with a 21.6% stake in Int'l Taurus.



The new management was lean, capable, and action-oriented. Let the reader be the judge; here's the line-up:

David W. Hjerpe / President, CEO & Director: 30 years of business management and sales experience & Hera CEO.

William A. Howell / Director & Chief Geologist: Self-employed consulting & contract geologist. 25 years mining & exploration experience with Falconbridge, Noranda, and other companies. Hera Director.

William Petrie / Director: Independent mining prospector. Contracted out to mining companies. Successful mine operator. 30 years exploration skill.

Bruce E. Spencer / Director: Self-employed geologist & professional engineer. 36 years experience in geology. Stints with Cominco & Westmin Res.

Albert K.F. Wu / Chief Financial Officer: Experienced financial business manager. Served stint with Pegasus Gold, Inc. Hera Resources, Inc. CFO.

Janet Horbulyk / Corporate Secretary: 15 years of securities related experience. Stint at Vancouver Stock Exchange. Hera Corporate Secretary.

Again, International Taurus' new management in 1993 was an action oriented team who directed that an aggressive drilling program be initiated to find the rich veins that had been mined on the property before.

Then it happened. They hadn't fully understood the geology of the property. They didn't find the rich veins ample for underground mining. What they did find, as exploration proceeded into October of 1994, was a big tonnage, low grade gold deposit that would be amenable to low-cost open-pit mining! 15 million tons averaging 0.035 ounces of gold per ton!

Well, Int'l Taurus knew it would need a lot of money to "drill-prove" a deposit this big; and the major mining companies are always looking for a property with the potential to host a major mine. Therefore, towards those ends, on January 18, 1995, Int'l Taurus signed a Letter of Agreement with Cyprus Amax (NYSE:CYM) whereby Cyprus Amax could earn a 50% interest in the Taurus property by paying Int'l Taurus \$350,000 and spending the sum of \$4,000,000 on exploring the Taurus property. On May 2nd, 1995 the joint-venture agreement was signed and the exploration accelerated; and so did the good news about how rich the Taurus property really was! By early June, 1996, Cyprus Amax drillers had expanded the estimate of the gold resource tonnage on the property to 145 million tons @ 0.028 OPT!

Then the impossible happened. Cyprus Amax announced they were pulling out of the joint-venture deal! The announcement initiated the selling of Int'l Taurus shares by the uninformed shareholders; and as usually happens in these instances, the selling fed upon itself until the Taurus shares finally stabilized and settled at a price level over \$1.00 lower.

I'm going to tell you why I feel these sellers were uninformed, and consequently, why in my opinion investors should take advantage of any short-term weakness in the share-price by adding to or acquiring a position in International Taurus Resources, Inc. First of all, the sellers mistake was assuming the Cyprus Amax withdrawal indicated the Taurus property lacked development potential. Cyprus Amax has three mega-mines, which she has literally invested hundreds upon hundreds of millions of dollars - in Alaska, Chile, and Russia; which the company is striving to bring to the production stage. Add in the fact that it's producing mine in Nevada has shut down and rumor has it that her Denver bankers were asking for loan guarantees on almost \$200 million in loans, and you'll understand why she had to cut back on her exploration expenditures. So she backed-out of the Taurus joint-venture, after spending

\$3,000,000 "proving-up" and expanding the reserves on the Taurus property. Second of all, Cyprus Amax left Int'l Taurus, again, the 100% owner of a now 3-million ounce gold deposit!

Another reason, is that when I see a company, like Int'l Taurus, on it's own now, developing a property with layers of economic mineralization like this one, I'm interested. Remember, the primary goal of an exploration company, like Int'l Taurus, is asset growth in the ground - the real shareholder value! It has very little to do with balance sheets, actual mining, cash-flow, and rising or falling mineral prices. It has everything to do with assets in the ground! Assets in the ground will drive stock prices in the end; - and that is why investors will be interested in solid exploration plays like International Taurus Resources (VSE:ITU).

The Bottom-Line on International Taurus Resources:

The, now, value-based share-price of this asset-rich company provides today's investor with a very appealing lower-risk entry point; which also indicates a lucrative profit potential. However, I wouldn't stand on the sidelines too long.

Stay informed on International Taurus Resources, Inc. For further information, contact the company by calling Mr. Teurino M. Barbaro, Investor Relations, at 1-800-277-9559 from either Canada or the U.S.

Editor's Note: As a courtesy to shareholders of International Taurus Resources, the Wemmerus Mining Letter is offering the opportunity to join the growing number of subscribers to this informative publication.

Special Introductory 3-Issue Offer: US\$15.00

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