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WINGDAM
GOLD MINE

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THE WINGDAM GOLD MINE

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1. Location

The Wingdam Gold Mine is located next to a paved highway approximately 35 miles east of Quesnel in north central British Columbia in the Cariboo Mining Division. The property ranges from 3,000 to 3,400 ft. in elevation and the surrounding rolling hills are covered with spruce and pine. The average daily temperature ranges from 55°F in July to 14°F in January. Precipitation averages just below 30 inches/year, of which 50% falls as snow, mainly between October and April.

2. Surface and Bedrock Geology

The Cariboo area is covered with a mantle of glacial material from a few feet to several hundred feet thick. Gold occurs at several locations in glacial and inter-glacial gravels but the higher values are in river deposits associated with tertiary river systems. The best values tend to be in the deposits just above bedrock in the old river systems. The valley at Wingdam is underlain by a series of northeasterly dipping sedimentary rocks which acted as excellent riffles for entrapment of the gold carried by the ancient tertiary river. In the immediate area of Wingdam, Lightning Creek crosses and recrosses a buried pre-glacial channel within bedrock 165 ft. below the surface.

The Wingdam Mine is located on Lightning Creek, one of the most famous gold bearing streams in the Cariboo. It is often referred to as the second richest creek in the world, the first being Williams Creek nearby.

The Lightning Creek gold deposits are of two types:

(1) a buried tertiary channel (paleo channel) lying on bedrock, 165 ft. below the surface, was laid down as river gravels by the ancient river. The richest deposit is the main channel gutter, which is typically 60 to 120 feet wide. The gold is relatively coarse nuggets lying on bedrock and is reported from old workings to be extremely high grade at several ounces per cubic yard. Another gold bearing horizon lies 60 ft. above the bedrock deposit.

(2) younger glacial gravels overlying the tertiary channel. These are unconsolidated gravels with lower gold content and are suitable for high volume surface mining, possibly by dredging.

3. History

The Cariboo is one of the world's most famous gold fields and was discovered shortly after the California gold rush of the 1850's. Gold was first discovered in the gravels at the headwaters of Lightning Creek in July, 1861. It is reported that in the three days following this discovery, Ned Campbell and associates took out 1,700 ounces by hand work! The shallow surface areas were easy to work and were mined out by the beginning of the century. The deeper gravels in the upper part of the valley were difficult to mine due to problems created by the overlying water-saturated mud and silt. Nevertheless, sizeable mines successfully operated there and these deposits were mined out in the early part of the century.

The lower part of the valley was controlled for the early decades of this century by one company which explored it by drilling and shaft sinking. They considered the better ground to be the narrow section of the valley close to Wingdam.

Following extensive dewatering at the Wingdam property the Consolidated Gold Alluvials of British Columbia company demonstrated that the gravels could be mined underground. Between 1934 and 1939 the company took out more than 26,000 ounces of gold. This came from a section just above a false bedrock at a depth of 120 feet. The company did not work the richer gravels that were just above bedrock at a depth of 165 feet.

In the 1960's a company reopened the mine and deepened it with the intention to mine the bedrock section at a depth of 165 ft. Their approach was to dewater the bedrock section from underneath through workings in bedrock (the old Australian method). This method was unsuccessful due to the perched water table above the false bedrock at the 120 ft. level.

Gold Ridge Resources Inc., leased the property in 1986, with the intention of using modern engineering to develop the mine. They ultimately selected and implimented a method of dewatering using drilled wells. Based on drill results and a review of available historic information, consulting engineers, Wright Engineers Limited (a unit of FluerDaniels Inc.), concluded that two adjacent claims contained 80,000 cu.yds of paydirt with a grade of 0.83 oz Au/cu yd. Early in the 1990's Gold Ridge Resources dewatered the mine and tested ways to extract the gold from the section just above bedrock. They completed a 2,200 ft decline with a 17% grade to reach the ore deposit 165 feet below the surface. After completing the decline, a 42 inch diameter steel pipe was driven 70 ft across the deposit above bedrock. This verified the effectiveness of the dewatering and provided a sample of the deposit at bedrock. This work demonstrates that the gold resources at Wingdam are considerably higher grade than estimates based on drilling. Gold Ridge considers that the gold resources on the four claims at Wingdam exceed 200,000 ounces and could be mined at a profit of more than $40 million.

4. The Property

The Property covers the old Wingdam underground mine. It consists of a lease on 2 claims (PML 742 & PML 743) and an option to lease two additional contiguous claims. Gold Ridge expects to option one additional contiguous claim from the Lessor of the Property, which claim will be included in the Property.

The Property is crossed by a paved provincial highway and already has a 20 man camp and a 6,000 sq. ft. steel building with shop facilities. The mine workings include 2 vertical shafts, a ventilation shaft, 1,100 ft of haulage way connecting the shafts and a 2,200 ft decline to the ore body.

5. Mining Lease

Rembrandt Gold Mines Ltd., leases the Wingdam Mine from Gold Ridge Resources Inc. During the payback period of Rembrandt's investment in the project, Rembrandt will receive 90% of the net profits and Gold Ridge will receive 10% of the net profits. After payback, Rembrandt will receive 60% and Gold Ridge will receive 40%.

ORE RESERVES

The Property's gold resource as estimated by Wright Engineers Limited is 80,000 cu. yd at a grade of 0.83 oz/cu.yd on the two leased claims. Gold Ridge estimates from subsequent exploration that the gold resource on all four claims exceeds 200,000 ounces.

Numerous engineers have reported on the Property and have estimated ore grades as high as 2 ounces per cu. yd of mined material. Wright Engineers Limited's estimate at 0.83 ounces per cu. yd is very conservative as they arbitrarily cut off high sample values. Subsequent sampling by Gold Ridge at bedrock confirmed that the gold grade where sampled, was much higher than the Wright Engineers Limited's calculations.

At the projected rate of mining, the mine life is 4 years. There is a high probability of the mine life being extended with the acquisition of one adjacent claim and the possibility of mining lower grade ore parallel to the main channel. It is probable that the rate of production can be substantially increased through mechanical mining instead of drilling and blasting. This would shorten the mine life and accelerate the payout.

Phase 1

1. The existing portal and decline will be rehabilitated.

2. A crosscut will be driven across the ore deposit at the bottom of the decline. It will be enlarged to form a permanent gallery from which will be driven main haulageways upstream and downstream.

3. The main haulage way to be driven in ore toward the downstream end of the property and similarly upstream from the gallery. The latter will connect with the underground workings and the shaft of the old Wingdam Mine. This will provide the required second access to the underground workings for ventilation and safety.

4. Cross cuts to be driven off the main haulage way at intervals of 100 feet.

5. Additional mining faces to be opened up as required.

6. The initial mining method will be air drills, blasting, scoop tram mucking, and steel arch support with timber lagging. Different methods of roof support will be tried to find the optimum.

Phase 2

1. A prototype of the Terradyne Continuous Miner to be tested on the property to:
   (a) mine the gravel and the bedrock;
   (b) place supports.

2. If this test is successful, the continuous miner will replace drilling and blasting with an expected significant increase in production and a decrease in unit costs.

Phase 3

1. A Mandrell Continuous Miner will be tested for mining the property.

2. If the method proves successful and the reserves warrant, it will be applied with multiplied mine production and lower unit costs.

INFRASTRUCTURE

1. Transportation

The Property is 35 miles by paved highway from the town of Quesnel (population 10,000). Quesnel is approximately 400 road miles northeast of Vancouver. It is accessible by a scheduled Canadian Airlines service using Boeing 737 aircraft, but has no dedicated air cargo apart from that carried on passenger aircraft. Quesnel is serviced by B.C. Rail from Vancouver.

Quesnel acts as the transportation service centre for central British Columbia, and as such acts as a collection centre for supplies originating from Vancouver. These have to be road-hauled by public or private carriers, with the alternative of rail haulage to Quesnel on the British Columbia Railway and then by truck to the Property.

2. Power

The site is supplied by single phase power by B.C.Hydro which is adequate for the camp needs. This supply could be upgraded to 3 phase power which is required for the Mine. Initially 3 phase power will be supplied by diesel generators on site.

RISKS

1. **Economic Risk** - low:

Gold is now trading in a stable narrow range of U.S. $380-$390 at what is widely believed to be the base plateau for a major price rise in the near future. The chance of a substantial price drop appears to be minimal, (see Appendix A). There do not appear to be any factors in the general economy such as inflation or labor shortages that would have an significant adverse impact on the project. It is widely predicated that the Canadian dollar will continue to weaken which will tend to reduce production costs in US dollar terms.

2. **Geological Risk** - low:

Due to historic mining on the property and drilling of the deposit, the geology is well documented and the mineral resource has been identified. Although a very high grade deposit, the exact ore grade is difficult to predict precisely due to the high nugget content.

3. **Environmental Risk** - moderate:

The Project is already permitted for both environment and mining, however, additional mining permits will be required from time to time as mining plan and methods change. The Project does not use chemicals or cause significant surface disturbance and water discharged from the Mine meets water quality specifications. Typical mining issues such as subsidence, surface water contamination, etc. require good mining practice.

4. **Mining Risk** - medium:

Stabilizing the ground with dewatering of the deposit is essential without which the mining risk is high. Dewatering wells have already been drilled and tested in the area of initial production. Currently available technology and mining methods are expected to adequately deal with the roof support requirements of the dewatered deposit.

5. **Commercial Risk** - medium:

The cost most subject to variation is the cost of roof support and will vary with ground conditions over the deposit. Adjusting methods to ground conditions could affect the project timing and operating costs. Once production is commenced, cash flow is immediate with payday every day. Because of the free gold nugget nature of the ore, security precautions are of utmost importance.

6. **Investment Risk** - medium:

The ore deposit is exceptional high grade. The Project start up time frame is short for the mining industry. The new investor is first to be paid out of mine proceeds. The capital investment is low compared to the cash flow potential of the project. Furthermore, the approximately $10 million already expended on the project significantly leverages the new investment both in dollars and in lead time. As a result the reward/risk ratio is particularly attractive.

PERSONNEL

1. General

All senior and skilled staff would have to be recruited in Vancouver as point-of-hire, and work a rotation schedule.

Of the hourly paid personnel, it would be expected that the machine operator, mechanic, electrician and skilled miner would be hired in Vancouver or possibly in Quesnel.

The Mine Manager will act as work supervisor.

A 20 man camp is located on site and is suitable for the project. However, it is intended to house personnel in Quesnel and not operate a camp.

2. Hours of Work - Work Schedule

All work is governed by the B.C. ***Labour Standards Act*** and the ***Mines Act*** and Regulations, in that the scheduled work shift for a person employed underground is limited to 8 hours. Overtime rates of time and a half apply for hours worked in excess of a 40 hour week, or an 8 hour day.

The best philosophy is often to maximize the work time in any period, that is to work a 7-day week for a definite period, then take an equivalent time off for weekends worked, returned to the point of hire. This work rhythm is also to the company's advantage with respect to transportation and accommodation costs, which continue to accrue even on days not worked while on site.

Therefore, during the development stages of the Mine, a 7 day work schedule and turn around schedule, such as to work for 30 days followed by 10 days off, any be established.

Wage costs increase due to the overtime premium that must be paid, but it is more than compensated for by the continuity of production, reduced absenteeism, better morale and increased overall job efficiency.

The initial personnel compliment will be as follows. Additional personnel will be added as more working faces are opened up.

Project Manager

Days	Nights
1 Engineer/Surveyor*	1 Working Shift Boss*
1 Working Shift Boss*	1 Miner
1 Miner	1 Truck Driver**
1 Truck Driver**	
1 Concentrating Plant Operator	
1 Mechanical/Electrical.	

* First Aid Ticket
** Add On After 1000 Ft. of Drift Completed

3. Fringe Benefits

In addition to the base rate, various paid government assessments such as Unemployment Insurance, Workers' Compensation, and Canada Pension add approximately 17 1/2% to the payroll burden. Other fringes that are added at the discretion of the company usually bring the fringe benefits mark up to 25% of the payroll.

4. Labour Organization

It would not be the intent to invite labour unions to organize the work force but, depending on the unions' perception of our profile, we would be vulnerable for unionizing.

There are four unions for mining in B.C.: United Steelworkers of America, Construction Labourers Union (Local 168), Auto Workers Union, and CLAC, (a company favoring union).

Careful screening of employees prior to hiring plus fair labour practices and benefits of employment should reduce our exposure. The use of an incentive payment based on productivity or company profitability would also be beneficial.

5. Projected Wage Rates

	Canadian $
Mine Manager	$6,000/mth
Mining Engineer	$250/day
Clerk	$2,500/mth
Foreman	$200/d
Shift Boss	$25 + bonus
Mining Machine Operator	$28.00/hr
Miner	$20 + bonus
Truck Driver	$17 + bonus
Underground Labourer	$15 + bonus
Mechanic	$28.00/hr.
Electrician	$30.00/hr.
Helper - Shop	$20.00/hr.
Concentrator Operator	$25.00/hr.
Surface Heavy Duty Equipment Operator	$25.00/hr.
Surface Labourer	$18.00/hr.

TAXATION

1. Corporate and Mining Tax

Canadian mining corporations operating in British Columbia are subject to a total combined tax of up to 56%. This encompasses federal and provincial income tax and the British Columbia mineral resource tax.

Deductions applicable are:

(a) all direct and indirect costs;
(b) exploration and development expenses;
(c) capital plant depreciation; and
(d) resource depletion allowance.

2. Tax on Non-Canadian Investors

Dividends and interest are generally subject to a withholding tax of 25%.

Profits on the sale of an investment in shares of a Canadian company of 25% or more of the outstanding shares of that company attracts a capital gains tax of 25%.

3. Regulations Affecting Investments by Non-Canadians

Investment Canada, a department of the Canadian Government, reviews foreign investments over a certain size and, in certain cases, its approval must be obtained. This project will not be affected by these requirements.

No restrictions exist as to the repatriation of investments and profits, and there are no restrictions on the availability of foreign exchange.

MANAGEMENT

***President*: Bradley A. Quam, Engineer**

* Chairman of the Board of Intercontinental Precious Metals, Inc., a mining finance company and parent of Terradyne Limited and Rembrandt Gold Mines Ltd.
* President of Terradyne Limited, developer of the Mandrell Continuous Miner and the Terradyne Continuous Miner
* President of Rembrandt Gold Mines Ltd., a public company trading on the Alberta Stock Exchange
* Over 25 years experience in engineering, project management, corporate management and mining finance

***Project Manager*: Michael Stoner, P.Eng.**

* over thirty years experience in engineering and mining and construction management
* experience in open pit, underground and placer mining in precious and base metals.
* currently manager on a gold mining project in northern British Columbia on a buried tertiary channel deposit

***Director*: Dennis Thomas, Mining Engineer**

* over 20 years experience in engineering, mine management, mining consulting and personnel placement

***Director*: Alan Stanley, PhD Geology**

* over 30 years experience in exploration and mining geology, environmental matters, with senior positions in government and the Industry

FINANCIAL PROJECTIONS

1. Revenue

OPERATING PARAMETERS			
(a) Drilling and Blasting			
Production	**Value**	**Daily Revenues[a]**	**Monthly Revenues[b]**
120 yd^3/day[c]	0.83 oz. Au/yd^3	$48,000	$1,476,000
(b) Terradyne Continuous Miner			
Production	**Value**	**Daily Revenues[a]**	**Monthly Revenues[b]**
420 yd^3/day[d]	0.83 oz. Au/yd^3	$183,000	$5,490,000
(c) Mandrell Continuous Miner			
Production	**Value**	**Daily Revenues[a]**	**Monthly Revenues[b]**
7O0 yd^3/day[e]	0.83 oz. Au/yd^3	$305,000	$9,150,000

[a] Troy gold at Can. $525.00

[b] 30.0 days/mo.

[c] Each face: 6'advance/round, 1.5 rounds per shift, 2 shifts per day = 18 ft. of advance/day
Cross-section of drift: 10 ft. high x 14 ft. wide = 140 yd^2

[d] Based on operating one Terradyne Continuous Miner, rate of production 20 tons/hour for 7 productive hours per shift, 2 shifts per day, 300 days per year, one ton equivalent to 0.74 yd^3.

[e] Based on operating one Mandrell Continuous Miner, rate of production 70 tons/hour for 7 productive hours per shift, 2 shifts per day and 300 days per year. 1 ton equivalent to 0.74 yd^3.

2. Cash Flow Projections (Canadian Dollars)

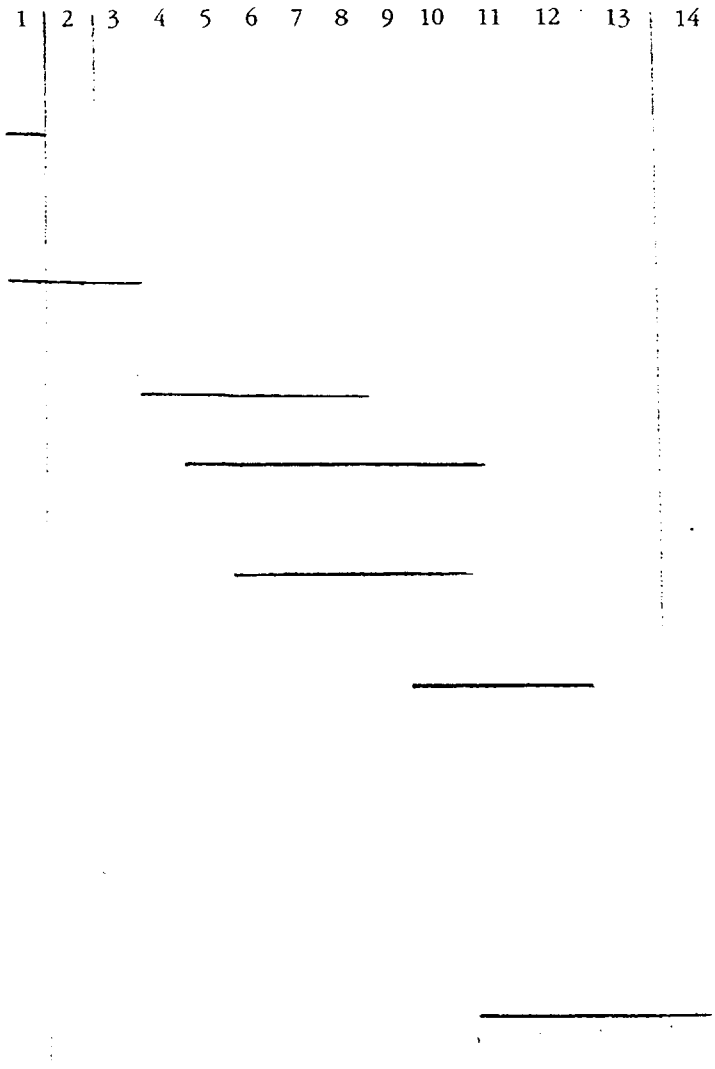
	1	2	3	4
PRODUCTION (cubic yards)				
Daily	50	120	120	150
Monthly	1000	3600	3600	4500
Cumulative (monthly)	1000	4600	8200	12700
GROSS REVENUE	435000	1476000	1476000	19610000
Royalty 10%	43500	147600	147600	196000
NET REVENUE	381500	1328400	1328400	1765000
EXPENSES				
Site Insurance	500	500	500	500
Air Compressor Rental	3000	3000	3000	3000
Surveying Equip. Rental	500	500	500	500
Loader Rental	3000	3000	3000	3000
Gen. Set - Rental	3000	3000	3000	3000
Welder Rental	500	500	500	500
Shop/Van Rental	1000	1000	1000	1000
Gold Room Rental	2000	2000	2000	2000
Vehicle - Rental	6000	6000	6000	6000
Vehicle Insurance	1000	1000	1000	1000
Vehicle Expense	3000	3000	3000	3000
Fuel	10000	15000	15000	25000
Equipment Maintenance	5000	5000	5000	15000
Drill & Blast Supplies	10000	25000	45000	50000
Timber & Steel Sets	15000	35000	60000	90000
Room & Board/Labour.	25000	120000	120000	120000
Travel	6000	6000	7000	7000
Telephone	2000	2000	2000	2000
Legal & Accounting		2000	2000	2000
Safety Equipment	15000			
Additional Equipment				
Pump & Gen Set	7000	7000	7000	7000
Drill Jumbo	15000			15000
Scoop Tram	55000		55000	
Underground Truck				55000
Miscellaneous	5000	5000	5000	15000
Ventilation Equipment		10000		
Roof Support Equipment		25000		
Tools	5000			
Jack Leg, Stoper	4000			
Miners Lamps	1000		1000	
Fan	2000			2000
Heaters		5000		
Pipe	1000	1000	1000	1000
Vent Bag	500	500	500	500
Wash Plant Rental	15000	15000	15000	15000
Gold Room Equipment			15000	
Freight	8000	8000	4000	4000
Bonds & Permits	20000			
Supervision	10000	10000	10000	10000
Extra Roof Support	50000	300000	300000	300000
Engineering	20000	20000	20000	20000
Management	20000	20000	20000	20000
TOTAL EXPENSES	352000	660000	718000	797000
NET INCOME	29500	668400	610400	968000
CUMULATIVE NET INCOME	29500	697900	1383000	2276300
TOTAL WORKING CAPITAL	300000			

MONTH						
5	6	7	8	9	10	11
150	150	150	150	150	150	150
4500	4500	4500	4500	4500	4500	4500
17200	21700	26200	30700	35200	39700	44200
1961000	1961000	1961000	1961000	1961000	1961000	1961000
191000	191000	191000	191000	191000	191000	191000
1765000	1765000	1765000	1765000	1765000	1765000	1765000
500	500	500	500	500	500	500
3000	3000	3000	3000	3000	3000	3000
500	500	500	500	500	500	500
3000	3000	3000	3000	3000	3000	3000
3000	3000	3000	3000	3000	3000	3000
500	500	500	500	500	500	500
1000	1000	1000	1000	1000	1000	1000
2000	2000	2000	2000	2000	2000	2000
6000	6000	6000	6000	6000	6000	6000
1000	1000	1000	1000	1000	1000	1000
3000	3000	3000	3000	3000	3000	3000
25000	25000	25000	25000	25000	25000	25000
15000	15000	15000	15000	15000	15000	15000
50000	50000	50000	50000	50000	50000	50000
90000	90000	90000	90000	90000	90000	90000
150000	150000	150000	150000	150000	150000	150000
7000	7000	7000	7000	7000	7000	7000
2000	2000	2000	2000	2000	2000	2000
2000	2000	2000	2000	2000	2000	2000
7000	7000	7000	7000	7000	7000	7000
15000	15000	55000 15000	15000	15000	15000	15000
1000	1000	1000	1000	1000	1000	1000
500	500	500	500	500	500	500
15000	15000	15000	15000	15000	15000	15000
4000		4000				
10000	10000	10000	10000	10000	10000	10000
300000	300000	300000	300000	300000	300000	300000
20000	20000	20000	20000	20000	20000	20000
20000	20000	20000	20000	20000	20000	20000
757000	757000	812000	757000	757000	757000	757000
1008000	1008000	953000	1008000	1008000	1008000	1008000
3284300	4292300	5245300	6253300	7261300	8269300	9277300

BUDGET

Work Classification		Budget - US$
a.	Loan to Gold Ridge	$ 300,000
b.	Mine Dewatering & Facility Rehabilitation	$ 200,000
c.	Underground Development	$ 200,000
d.	Equipment	$ 300,000
e.	Mining Method Optimization	$ 300,000
f.	Production Working Capital	$ 300,000
g.	Contingency	$ 200,000
h.	Commission	$ 200,000
		$2,000,000

Schedule (Months)



Recovery of $2,000,000

SUMMARY OF PROJECTS

Annual Production	40,000 ounces of gold
Mine Life	5 years
Production Cash Cost	US $150/ounce
Profit after Royalties (not including amortization)	US $200/ounce
Return of US $2,000,000 Project Capital	By month 14
Ongoing Return on $2,000,000 Project Capital	US $1,400,000 per year for 4 to 5 years

FUNDING PLAN

A joint venture called the "Lightning Creek Joint Venture" will be created to explore, develop and operate the Wingdam Gold Mine. Rembrandt will assign to the Joint Venture its rights to the lease on the Wingdam Gold Mine from Gold Ridge.

The Funder will advance US $2,000,000 in trust, or a letter of credit, to be drawn down as required by the Project.

Expenses of the Joint Venture will be assigned to the Funder up to the amount of his investment which will be deductible by him in 1995 and 1996. Recovery of investment and commencement of profits is projected to occur early in the 1997 tax year.

Repatriation of advances by the Funder will be without tax.

The Funder will received 80% of the net profits from the Mine until it recovers it's investment. Thereafter for the life of the Mine, the Funder shall receive 15% of the net profits

The Funder can take capital repatriation and profits in gold or money.

APPENDIX A


LONDON GOLD PRICE
in US$/oz (PM Fix, Daily)
Prepared for
IAN McAVITY CMT by
Topline Investment Graphics
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(303) 440-0157
Gold heralds the next 12 years!
"The last 12 years"
Chart 1
The 12 before...
700
500
300
200
150
100
70
50
1/2
1/3
70
75
80
85
90
95

APPENDIX

B Mandrell Continuous Miner (MCM)

The MCM was conceived, designed and manufactured as an answer to the question, "How can the approximately 5000 miles of buried placer gold channels in the world be extracted profitably?"

Underground mining in cemented placer channels has traditionally called for drilling, blasting and loading out at the cost of over $30.00/ton.

The design of the MCM eliminates drilling and blasting. Massive power is created through a 400 horsepower electro-hydraulic system delivered to the face through the bucket teeth. Stability is gained through counterbalancing with the machine's 50 tons of weight, and reliability is built in through the use of industry-proven components. The connected bucket line breaks out and loads the material away from the face on to the Miner's conveyor to load onto the mine haulage system.

Underground placer mining activity that traditionally costs over $30/ton now costs $10/ton using the MCM.

The significance of this technological innovation is more clearly seen in an historical perspective. Given an operation underground and not requiring major ground support:

* old timers worked these deposits at a rate of one ton per man per ten hour shift, requiring grades in excess of 0.50 oz./ton to be profitable;

* current underground trackless mining operations have a productivity of fourteen to twenty tons per man shift and would require grades of 0.20 oz./ton for profit;

* the MCM produces at a rate in excess of 200 tons per man shift and should mine profitably in grades of 0.07 oz./ton in cemented conglomerates.

C Terradyne Continuous Miner (TCM)

The TCM is designed to replace drilling and blasting in certain low strength rocks where roof support is required. It has the advantage to break out and excavate with one machine as well eliminating fracturing of the backs by explosives.