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Sep. 25/98

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**Activity Update
September 15, 1998**

Dear Shareholder,

Over the past year, Barker Minerals has taken many large steps forward toward developing into a successful mineral exploration company. Substantial progress has been made on the Company's large property (notably on the Ace project), the Company's goal of obtaining a public listing, and the development of a strong marketing program in preparation for this listing.

It is the consensus of Barker Minerals' directors that the Company should be positioned to take maximum advantage of a market up-swing. The bad news is that the current metals market is at a 20 year low, the good news, however, is the same. Metal prices have been cyclic for many years and the best time to invest in almost anything is at the low end of the market. With even a rumor of a potential economic recovery in SE Asia or slight reduction of gold selling pressure in Europe, metal prices may again move higher and the junior mining market may sling-shot upwards. For the benefit of Barker's loyal shareholders, management believes it is important to be ready for this change in market direction as soon as possible as no one can predict when the metal prices will start to recover.

Property

The geological mapping and geochemical sampling completed on the Ace project this year, has provided further support that significant potential exists for a gold-bearing, volcanogenic massive (VMS) sulphide system to exist directly below the highest concentrations of mineralized boulders, soil anomalies and the strongest IP (Induced Polarization) geophysical anomalies. The detail provided by the geophysics when combined with the mineralized bedrock exposed in the trenches has provided several exceptional target areas that are now ready to be drilled. Outside of the immediate Ace project area, exploration has also continued on many of the company's six prospects. Encouraging results continue to be received from the Cariboo, Frank Creek and most recently the Black Bear prospects.

Earlier this year, the Company was very pleased to receive a report from Stathcona Mineral Services Limited confirming the quality of Barker's previous exploration work, as well as their assessment that the Ace property contained significant mineral potential. Stathcona provided these comments after completing a preliminary review of Barker's reported work on the property through 1997.

A senior geologist from Stathcona recently spent several days at the Ace project and in the Langley office and in a report dated August 25, 1998, stated that "the central portion of the Ace project represents a volcanogenic massive sulphide (VMS) target which requires drilling". He further suggested that the area of sphalerite-rich (zinc-sulphide) boulders that occur in the eastern portion of the project area and may be an area for follow-up geophysical surveys, trenching, and future drilling.

Stathcona is one of Canada's most respected geological consulting companies and with their continued enthusiasm for the project, we are considering having them manage our exploration activities. We believe their experience in working with many VMS deposits worldwide may enhance our chances for an early discovery. Dr. John Payne would continue to be the Company's principal consultant and would oversee Stathcona's work.

— Hoy, Prof, Lane

Geologists from the B.C. Geological Survey visited the property last fall and noted in an official government report that the mineralization on the Ace project was similar to other massive sulfide deposits in British Columbia, including the high-grade Goldstream deposit and Windy Craggy, one of the largest massive sulfide deposits in the world.

Marketing Program In-place

With the assistance of our new director, Jim Kasten, who has experience as an exploration geologist, investor relations and the legal requirements for maintaining a publicly-traded company, Barker Minerals has created an impressive computer-generated power point presentation which will be used for broker and analyst meetings, investment conferences and annual general meetings. Initial contact has already been made with many influential brokers, analysts and influential newsletter writers.

With much of today's marketing efforts being directed toward the Internet, the Company also created their own internet web site. The address for the site is [www.barkerminerals.com]. In addition to a wealth of information concerning Barker Minerals, the site also contains links to information on British Columbia and its mining activity, a glossary of geological terms, the Company's complete power point presentation, a public forum for expressing thoughts on the Company, and direct links to the Company for any specific questions you might have. Please take the time to visit this site and let us know how we might make improvements. This is not only a marketing tool for Barker, but will serve as an easy method for everyone to follow the Company's activities, including yourself. It is, however, not meant to replace your ability to call the Company whenever you wish. This is your company and we're always pleased to hear from you.

Corporate


Earlier this year, Pacific International Securities Inc. agreed to assist the Company with obtaining a public listing. With the help of the Company's solicitors (Koffman Kalef), auditors (Deloitte & Touche), and the Company's principal geological consultant (Dr. John Payne), all documentation was completed to proceed forward with the listing. Upon further review of the continued depressed market conditions, Pacific International has now suggested that the listing be delayed until the market improves. With substantial monies already invested toward the listing and the Company's mandate to be positioned for a potential market up-swing as soon as possible, we have selected an alternate broker. Details of this new selection should be available soon. In addition, we are pleased to announce an immediate opportunity to invest in Barker Minerals through, what we believe, is a very attractive private Offering. Details are in the Offer to Allot, which is enclosed..

BC Government Starting to Help the Mining Industry

In a Province with a reputation for offering little support toward the mining industry, the Government of British Columbia is starting to show encouraging signs of changing policies. Corporate tax incentives are being offered for exploration activity, drilling included. (ie: 20% cash rebate on any money spent on exploration) Concessions are being made on taxes and utility costs to help keep marginally profitable mines operating, and potential landmark legislation (NISGA) has been proposed which would insure fair and just due process for placing a new discovery into production.

Barker Minerals has sincerely appreciated the support that each and every one of its shareholders has provided over the years and believes that 1999 will begin to show some of the deserving rewards.

Sincerely,



Louis Doyle
President and CEO

These securities are being issued to holders of common shares of Barker Minerals Ltd. No securities commission or similar authority in Canada has in any way passed upon the merit of the securities offered hereby and any representation to the contrary is an offence.

BARKER MINERALS LTD.
(the "Company")

NOTICE OF OFFER TO ALLOT

The Offer

Please be advised that pursuant to section 41 of the *Company Act* (British Columbia) the board of directors of the Company (the "Board") hereby offers to allot up to 666,666 Units comprised of one Common Share and two Flow-Through Common Shares and up to 2,500,000 Common Shares of the Company *pro rata* to the holders of Common Shares of record as of the close of business on September 4, 1998, to the nearest number of Common Shares excluding fractions, for the price of \$1.50 per Unit and \$0.40 per Common Share, payable by cheque or bank draft drawn upon a Canadian bank received by September 24, 1998.

The total number of Units the directors propose to offer and allot is 666,666 and the total number of Common Shares the directors propose to offer and allot is 2,500,000. Accordingly, the total number of Common Shares being offered and allotted is 4,499,998. The amount payable by you in respect of the purchase of your *pro rata* portion of the total number of Common Shares (the "Allotment Price") on acceptance of the offer contained herein and before allotment of the Units and Common Shares is set forth in Schedule A attached hereto.

You may choose to subscribe for Units or Common Shares or both. You may accept a number of Units or Common Shares or any combination less than your *pro rata* portion of the total offering, with a corresponding decrease in the Allotment Price.

Acceptance

This offer may be accepted by completing and personally delivering or couriering by prepaid courier a subscription form (which form, along with a copy of an offering memorandum, will be delivered by the Company upon your request) and payment of the Allotment Price by way of cheque or bank draft to the Company at its head office at 22117 - 37A Avenue, Langley, British Columbia V2Z 1N9, Telephone: (604) 530-8752;

Acceptance of this offer must be received on or before September 24, 1998, after which date this offer expires.

Non-Acceptance

The offer contained herein will expire on September 24, 1998. Following expiration of the offer, the Board may offer the Units and Common Shares to persons and in the manner they think most beneficial to the Company but not at a price less than the offer contained herein.


Notice of allotment and the time when share certificates will be ready will be sent to allottees after expiry of the offer contained herein.

Additional information may be obtained from the Company at 22117 - 37A Avenue, Langley, British Columbia V2Z 1N9, Telephone: (604) 530-8752.

Dated at Langley, British Columbia, this 16 day of September, 1998.

BARKER MINERALS LTD.

Per:



Louis Doyle
President