

881550

Historically, the Granduc Mine produced copper, silver and gold between 1969 and 1983 and the project is a copper-rich magmatic volcanogenic massive sulphide (VMS-Besshi) deposit of which the most notable examples in BC are the world class copper-silver-gold-cobalt deposits at Windy Craggy.

CLONE GOLD - Gold

Clone Target to Be Drilled in August

Recently completed Aeroquest EM and Magnetometer survey has identified several promising geophysical targets.

Four new magnetic lows were identified with one of these, the "Derby zone", lying 800 metres northeast of the main zone being interpreted as particularly prospective.

Approximately \$3 million was spent on the property from 1995-98, mostly on drilling of five sub-parallel shears on the main zone carrying gold and cobalt mineralization. Drilling in 2003 returned a drill intercept of 27.8 feet grading 2.357 oz/ton gold.

TONGA – Silver & Molybdenum

Large Silver Anomaly to be Drill Tested in Mid to Late August

An 800 by 1,800 metre area marked by anomalous EM responses within a magnetic low, coincident with a zone of silver-molybdenum geochemical anomalies discovered by Teuton geologists and confirmed by an Aeroquest survey will be drill tested in mid to late August. Overlapping a previously identified target marked by soil, stream and talus fine geochemical samples (many of which were highly anomalous in silver) the target area is a primary candidate for a major silver and molybdenum discovery.

KONKIN SILVER – Silver

Early September Drill Program

On the Konkin Silver property a 2005 airborne survey identified a large unexplained EM anomaly in sediments east of a volcanic-hosted silver-bearing structure. Owned jointly with our sister company, Silver Grail Resources, the property is scheduled to be drilled in September of 2006 with the anomaly as a primary target. The geology of Konkin Silver bears very strong similarities with the Torbrit Silver Mine south of the property.

CAMPBELL RIDGE

To be drilled in late September

The target is a 2.5 km long trend marked by pervasive molybdenum geochemical soil anomalies. Rock samples within the area returned values from 0.10% to 2.4% Mo. The property is very favorably situated on tide water enhancing its development potential upon a successful discovery.

A BOOM IN BC EXPLORATION

\$300 Million in Exploration

The most recent statistics anticipate that approximately \$300 million will be expended in British Columbia this year on mineral exploration. We expect that the exploration boom in our sector of NW BC will result in one or more major "elephant type" new discoveries and we regard all of our projects as serious candidates for such a discovery.

NOTE: Please see attached news release for additional details and visit our web site at www.teuton.com for a complete summary presentation of all our projects. If you are not receiving news releases from us by e-mail please call me so that I can place you on our e-mail list for immediate news updates and please feel free to call me with any comments or questions.

If you require additional maps or other information on our projects please let me know and I will ensure they are sent out to you.

Best regards,

Stan Szary
Teuton Resources Corp

Tel (604) 682-3680
Fax (604) 682-3992

www.teuton.com
stan.teuton@shawlink.ca

✓
Jul 13/06

adh