

VCS → DOBBIN

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FACSIMILE TRANSMITTAL COVER LETTER

NAME OF SENDER: John Chapman

DATE: 2000/04/25

Please deliver these 6 page(s), including this cover letter, to:

NAME: Tou Schroedel

FIRM: Asb.

TELECOPIER: _____

COMMENTS: RE: TREPANIER Park Proposal

For your information I am attaching
some correspondence re the park
in relation to Dobbin/Tadpole/Flap.
Great timing on the part of WRUP
just as we get strong interest in P4E'S!
Regards
John



MOLYCOR
GOLD CORPORATION

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April 17, 2000

Mr. David Whiting
Intergovernmental Coordinator
Ministry of Environment, Lands & Parks,
Kamloops, BC

Dear Mr. Whiting:

Re: Recommended protected Areas and Mineral
Tenures in the Okanagan-Shuswap LRMP Area

Mr. Jim Britton, P. Geo, has sent us information concerning the proposals for what may become protected areas of land within Okanagan-Shuswap Resource Management area. We received the information April 11, 2000.

This is the second communication we received within the past four weeks: the first dealt with proposals for Brent/Isintok. Now we have the proposal for Trepanier.

Verdstone Gold Corporation and Molycor Gold Corporation are two public companies within the Verdstone Group of Companies. Both are "junior" mineral exploration(ists) groups with shared interests in mining claims most of which are situated in the Okanagan-Shuswap L.R.M.P. More precisely, the mineral claims held by Verdstone and Molycor are in the immediate vicinities of Brent/Isintok and Trepanier. In the event these areas do become protected parks or restricted recreational amenities almost the entire inventory of mineral claims will be affected. The seriousness of this cannot be overstated. In a nutshell, the establishment of Brent/Isintok and Trepanier, as currently proposed, will deprive Verdstone and Molycor of their respective core assets and render these companies worthless.

The Trepanier candidate is in close proximity to three core assets of the Verdstone/Molycor joint ventures. These are the Dobbin, the Tadpole and the Flap.

The Dobbin is within 4-5 kms north of Trepanier candidate. It has Platinum-Palladium-Copper mineralization found in extensive deposits of pyroxenite. At this time it has the biggest intersection of Platinum-Palladium known to exist in British Columbia. The property is almost totally untested beyond the initial work done three years ago. Its geological settings almost identical to that found at Lac De Isles, (Ontario) which is Canada's largest producer of Palladium.

- 2 -

The Tadpole, molybdenum occurrence is adjacent and to the north of Dobbin. This was held by Cominco for many years: They established a significant resource of some 160 million tons with an estimated analysis showing 0.048% MO. Note that this is comparable to the former molybdenum producer, Brenda Mines.

The Flap immediately northwest of Tadpole is a gold occurrence within a large area much of which remains to be tested. Surface samples are few but with some high grades (0.77 oz/ton and 2.25 oz/ton).

The potential is for a much larger low grade (0.05-0.08 oz/ton) bulk tonnage of 25-30 million tons open pittable mineralization in an area 300m x 300m, which remains open in both directions.

For more than two and a half years (1997-2000) mining and mineral exploration activities have been in the doldrums. For smaller companies such as Verdstone and Molycor, the prevailing conditions have tested us to the limit and it has been extremely difficult to maintain presence as public companies. To a large extent this situation continues: there is, however, some opportunity to attract participation in the Dobbin platinum/palladium project as the search for viable deposits containing Palladium gathers momentum and the larger companies get involved with exploration. Now we are faced with possible decisions – the recommendations for establishing new protected areas – which, if implemented, will profoundly affect and, in likelihood, destroy the core assets of Verdstone and Molycor. In essence these companies will be destroyed.

The proposed designated protected areas are widespread. They will require means of access and such roads/pathways as will be necessary are likely to compromise access to existing minerals claims. We anticipate the serious constraints, which will affect our business, will be as follows:

- Potential value of mineral claims will be destroyed thru not being able to attract investors
- Increased likelihood of not being able to negotiate permits for development in proximity to protected area
- Lack of investor interest and curtailment of progress on core assets will bring about decline in capitalization, which may result in wipeout of the Companies.

These are realistic concerns. As I stated in my previous letter to Mr. Carr (March 31, 2000) we are aware of the recent legislation re the Mining Rights Amendment Act and the Expropriation Act, which might afford some means of resolution and for compensation for expropriated property. This is indeed, cold comfort knowing the rate at which problems are likely to be resolved for. in the meantime, the stigma of litigation is sufficient to wipe out any remaining possible interest the shareholders/investors may still have. We do not want to see this situation arise. The province and its resources are for all to share. Surely there can protected areas set aside which provide facilities for those needing them and which do not impinge on existing mineral claims. In that way it should be possible to accommodate all parties with the possible exception of those who may have agendas to eliminate mining/mineral exploration in the province.

- 3 -

Is it at all possible to be assured that the establishment of protected areas is not the beginning of a "commencement"? I asked this question in my previous letter (Brent/Isintok) and, for the record, would like to have an opinion on this.

We appreciate your work on this project and are grateful to be kept informed of what happens. Is there anything further we can do at this time?

Sincerely

VERDSTONE GOLD CORPORATION and
MOLYCOR GOLD CORPORATION



Larry W. Reaugh
President and Chief Executive Officer

cc: Mr. Steve Carr
Mr. John A. Chapman, P.Eng.
Mr. Dan Miller, Minister of Mines
Mr. Jack Ebbles
Mr. Dave Tudhope
Mr. Mike Cathro
Mr. Bruce McKnight
Mr. Ken Sumanik

Verdstone Gold Corporation

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COPY

April 24, 2000

Via Fax: 604.263.6564
Original Via Courier

Peter Christopher Ph.D., P.Eng.
Peter Christopher & Associates Inc.
3707 W34th Avenue
Vancouver, B.C. V6N 2K9

Dear Peter,

Re: Support Letter, Dobbin Property Report of April 17, 2000

Enclosed is the final Report prepared by David Makepeace, P.Eng., on the Dobbin property. I very much appreciate your assistance in reviewing the drafts of the report and providing guidance.

At this time I would appreciate if you could prepare a support letter of one or two pages stating your agreement with the area's mineral potential and with the exploration recommendations as outlined in the Report. Your letter will be used along with the Report to: (1) seek project financing, (2) attract a mineral exploration partner, and (3) establish a resource stance with the Okanagan Shuswap LRMP.

I plan to attend the LRMP meeting in Kelowna on May 4th to present the above information, as their proposed Trepanier park is to be located within five kilometres of the Dobbin/Tadpole/Flap.

Yours truly,

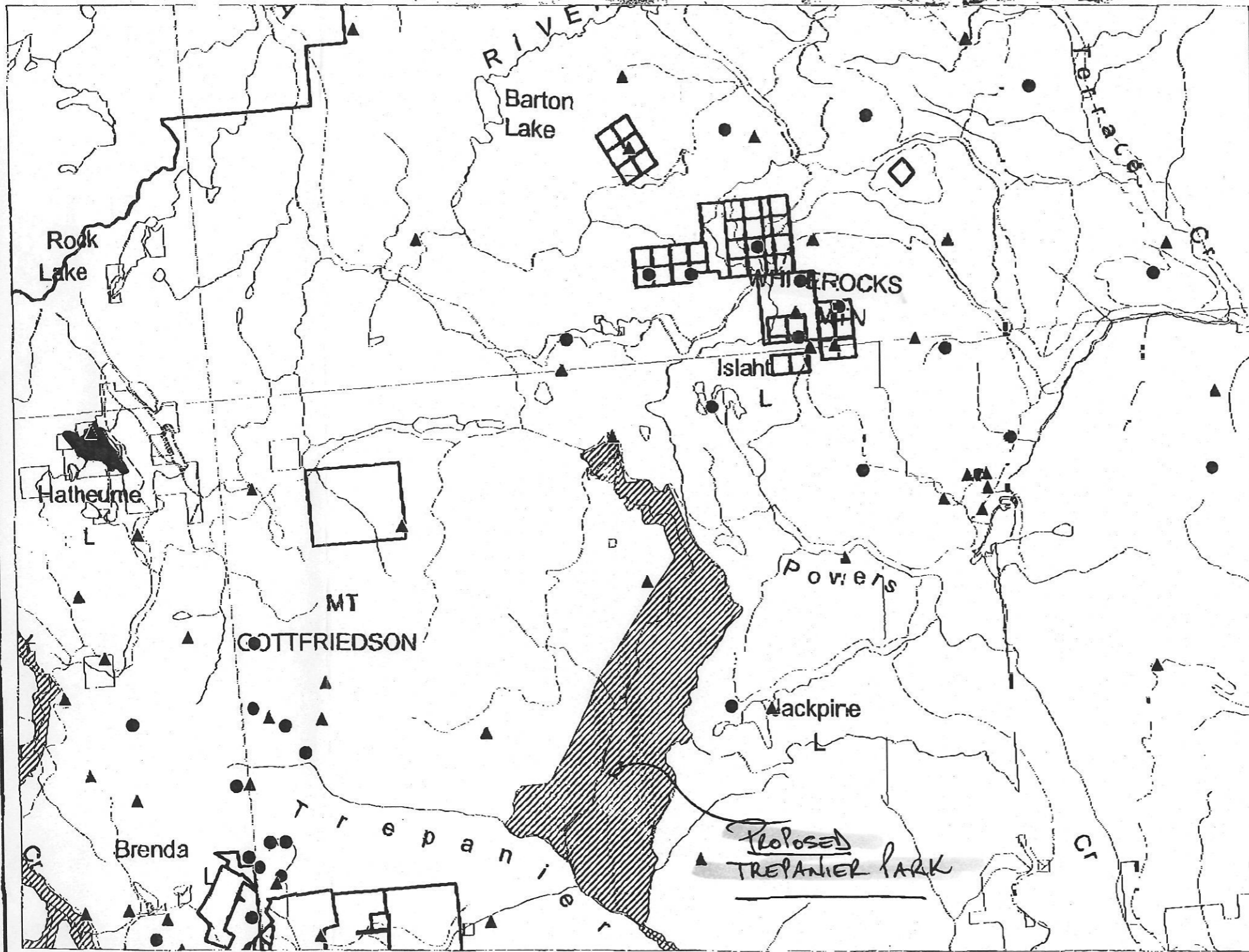
Verdstone Gold Corporation



John A. Chapman
Director

Encl.

cc. Larry Reaugh
David Makepeace











OKANAGAN SHUSWAP L.R.M.P.

Protected Area Candidates Update Map

Trepanier Candidate

Map of Protected Area Candidates, Mineral Tenure, MINFILE Occurrences, Gravel Pits and ARIS

-  Protected area candidate
-  Existing park, ecol res. or rec. area
-  Private land or Indian reserve
-  Mineral or placer tenure (Except Crown Grants)
-  Mineral Occurrence (MINFILE)
-  Assessment report (ARIS)
-  Private gravel pit
-  M.O.T.H gravel pit



1:125,000

Map produced by the Ministry of Energy and Mines, Kamloops, March 2002

Tenure current to March 2000 and subject to change without notice.