

TREND

logged and washery foundations poured and much site prep (incl. rail loop and loadout site) moving along rapidly; laying of 16 km of rail line (that was removed by BC Rail after Quintette mine closed in 2001) is well underway (at a cost of ~\$8M to NEMI); production expected by November/05

Roman Mountain Exploration (NEMI): re-established access to attractive coal prospect with multiple seams of Gates Fm metallurgical coal; part of same "Trend" as above; trenching completed and 25 air rotary hole program underway

Goodrich Central South (First Coal): new private company exploring yet another part of the former Gulf Canada ground; Gething Fm coal measures, but little past exploration on this particular tenure-effectively a "greenfields" project; major access development, trenching and core drilling program ongoing

Metals Exploration

Cariboo (Bob Lane and Tom Schroeter)

QR (Cross Lake Minerals): closed gold mine operated by Kinross (1995-1998) being re-evaluated by junior Cross Lake; feasibility studies well along; Midwest u/g zone (now completely dewatered) and Northwest (pittable) zone would be initial targets for mining; would be a low grade (4-5 gpt Au average), bulk operation running at 800-1000 tpd with est 2-3 years of existing reserves; tonnage project start-up will require stringing of 30 km of 3-phase powerline from Gavin Lake substation (visited Aug 18/05).

Other Property visits planned:

Fran (Yankee Hat), Lorraine (Eastfield Res), Osilinka/Cat Mtn (Lysander), Spanish Mtn (Skygold Ventures)

PERMITTING

Applications	New Number	In Process Number	Approved Number
Type			
Coal Exploration	1	1	2
Coal Mines			
Mineral Exploration	2	10	3
Mineral Mines			
Sand and Gravel/Quarry	3	6	1
Placer	3	15	3

INSPECTIONS

Exploration Description

GW - Aug. 19/05 R/V.