

VBS → J+L

**J&L PROJECT, REVELSTOKE, B.C.**

Cheni Gold Mines Inc., Equinox Resources AND Pan American Minerals Corp. report that underground work at the J&L property is continuing as planned following the Christmas shut-down. Two drills are presently active. To date, four surface and four underground diamond drill holes have been completed to test the newly discovered Yellowjacket Zinc Zone which occurs in the hangingwall above the J&L Main Zone. Assays have been received for the first five holes which all show significant intersections of clean zinc, lead and silver mineralization, as outlined below.

Hole	Interval m	Width		Silver g/t	Lead %	Zinc %
		m	ft			
S90-1	26.0-65.8	39.8	131	22.3	0.93	3.45
	49.9-65.8	15.9	52	31.8	1.29	6.04
	60.6-65.8	5.2	17	38.8	1.45	8.39
S90-2	32.9-52.0	19.1	63	32.6	1.33	4.16
	43.3-52.0	8.7	29	45.3	1.55	5.25
	44.5-49.7	5.2	17	65.5	2.18	7.03
	32.9-36.3	3.4	11	34.3	1.73	6.98
S90-3	27.6-46.4	18.8	62	21.2	0.88	4.36
	27.6-40.1	12.5	41	34.3	1.36	6.04
	35.7-40.1	4.4	14	77.8	2.64	14.43
S90-4	40.4-80.2	39.8	131	19.4	0.80	3.18
	40.4-49.0	8.6	28	27.1	0.98	5.06
	40.4-44.0	3.6	12	38.7	1.32	8.09
	75.7-80.2	4.5	15	29.4	1.70	10.75
U90-5	52.6-71.9	19.3	63	76.0	3.06	8.11
	63.6-71.9	8.3	27	119.1	4.55	14.60
	87.2-90.5	3.3	10	167.1	6.99	15.22


The Yellowjacket Zone has now been traced along a strike length of 150 metres and dip length of 50 metres and is open along strike and down dip. Hole 6 drilled at +5° near surface did not intersect significant zinc mineralization. Hole 7 intersected the zinc zone from 47.5-61.0 metres of which 47.5-51.6 metres was very well mineralized. Hole 8 intersected the zinc zone from 79.4-105.3 metres of which 79.4-83.3 metres was very well mineralized. Holes 9 and 10 are presently being drilled.

The Yellowjacket Zone represents a significant enhancement to the J&L Project. It occurs in an area not previously explored. It

shows strong similarities to the Kootenay Arc style of base metal mineralization mined profitably at several regional mines in the past. The large area covered by the J&L property allows considerable potential for further exploration of this zone.

Drilling has now commenced on the J&L arsenical gold-zinc Main Zone in order to expand the proven-probable reserve of 808,000 tonnes grading 7.2 g/t Au, 66 g/t Ag, 5.2% Zn and 2.5% Pb. Metallurgical test work is also in progress at Lakefield Research and Bacon & Donaldson. Initial results indicate that the gold is primarily associated with arsenopyrite and that a higher grade arsenopyrite concentrate may be produced than previously accomplished, which would significantly reduce capital costs. Alternatives to pressure leaching are also being evaluated and preliminary results from Redox Process testwork are promising, which may also lower capital and operating costs.

Further results from drilling on both the Yellowjacket and Main Zones will be released on a timely basis.

  
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The Toronto, Montreal and Vancouver Stock Exchanges have neither approved, nor disapproved, the information contained in this press release.