

Western Keltic

Mines Inc.

Kutcho Cr.
884681

WKM - TSXV

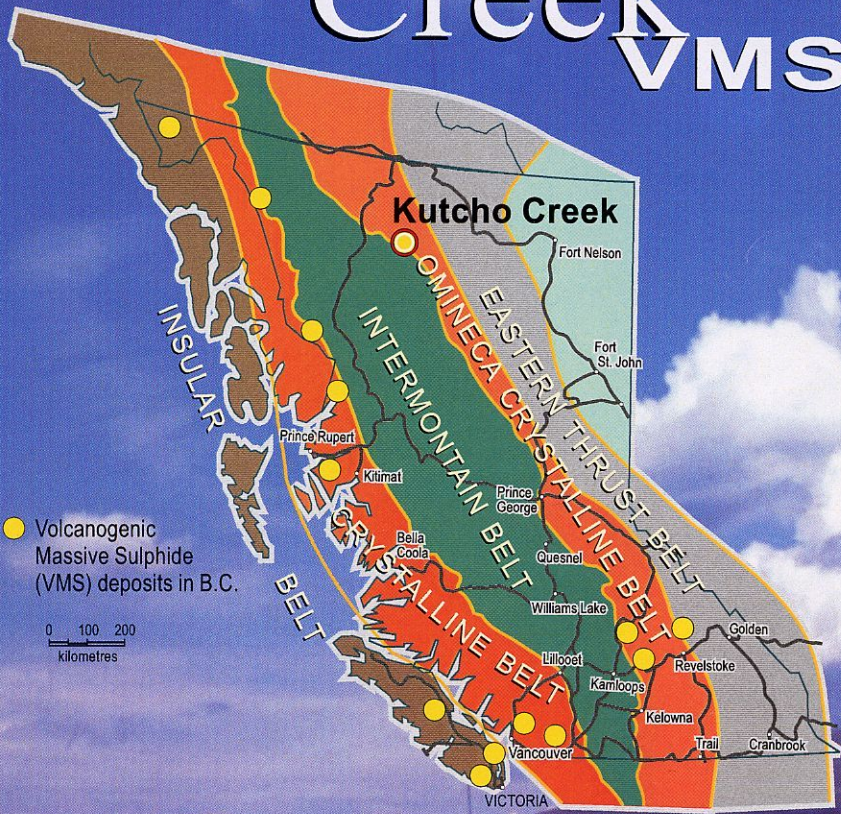
'x'
London, UK
Sept. 23/02

*US \$1.6B 'contained' (PH)
Cap. Cost ~ \$150M
O.P. ~ 5 MT
4/G ~ 7 MT
12-yr mine life; Ann. Prod. =*

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*55-60M lbs Cu
70-75M lbs Zn
1.2 Moz Ag
11,000 oz Au*

Kutcho Creek VMS



The acquisition of the Kutcho Creek deposits fits Western Keltics corporate strategy of obtaining low-risk, high potential exploration and development projects at low cost.

Management believes that the Kutcho deposits give the Western Keltic shareholders a significant resources that has a reasonable probability of economic viability in the near term. The company will compile data and prepare a scoping study in order to determine a plan for moving the project forward to production.

THE

Agreement

Under the terms of the purchase agreements Western Keltic Mines will purchase a 100% interest, subject to royalties, for payments of \$60,000 cash and 500,000 share warrants with an exercise price of \$0.25 for one year from closing and \$0.50 for a second year and the issuance of 285,000 units consisting of a common share and an eighteen month \$0.20 common share purchase warrant. A further 300,000 units shall be issued over the next two years consisting a common share and an eighteen month warrant

- The agreements are subject to completion of a Stage 2 environmental assessment and indemnification of any and all existing and future environmental liabilities arising from the property.

THE

Project

The Kutcho Creek deposits were discovered by Sumac Mines Ltd., and Esso Minerals Canada Ltd., in the late 1970's. Exploration through the 1980's defined three sulphide deposits. The largest, the Kutcho deposit, contains

an open-pit-mineable reserve of
14.2 million tonnes grading
1.76% Copper, 3.47% Zinc,
34.2 g/t Silver and 0.34 g/t Gold.

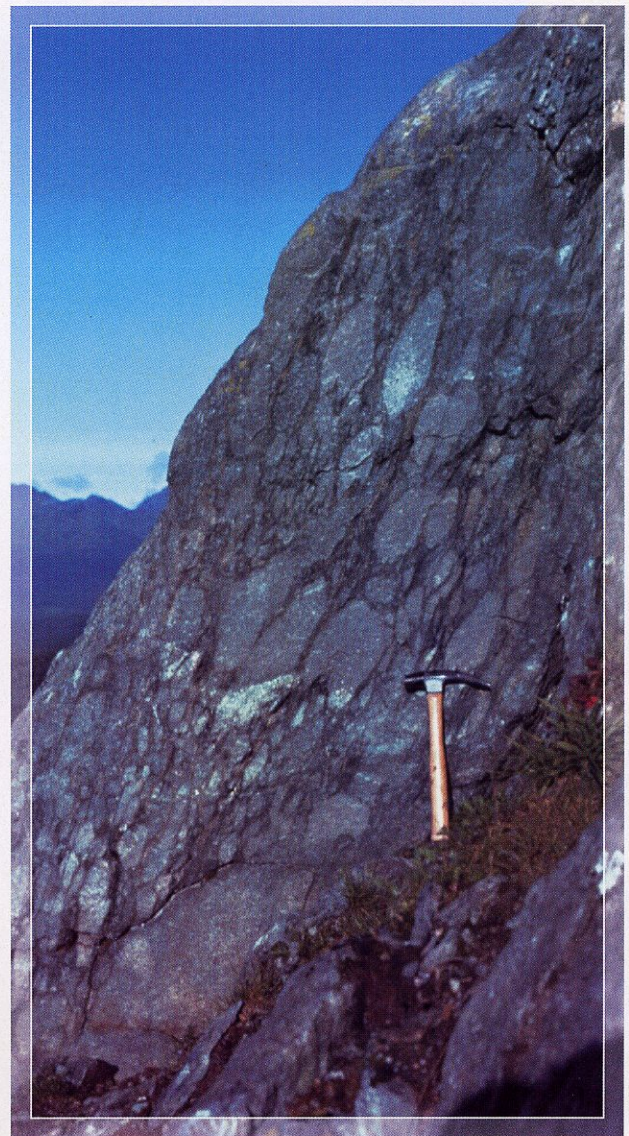
(from Wright Engineers pre-feasibility study, 1981)

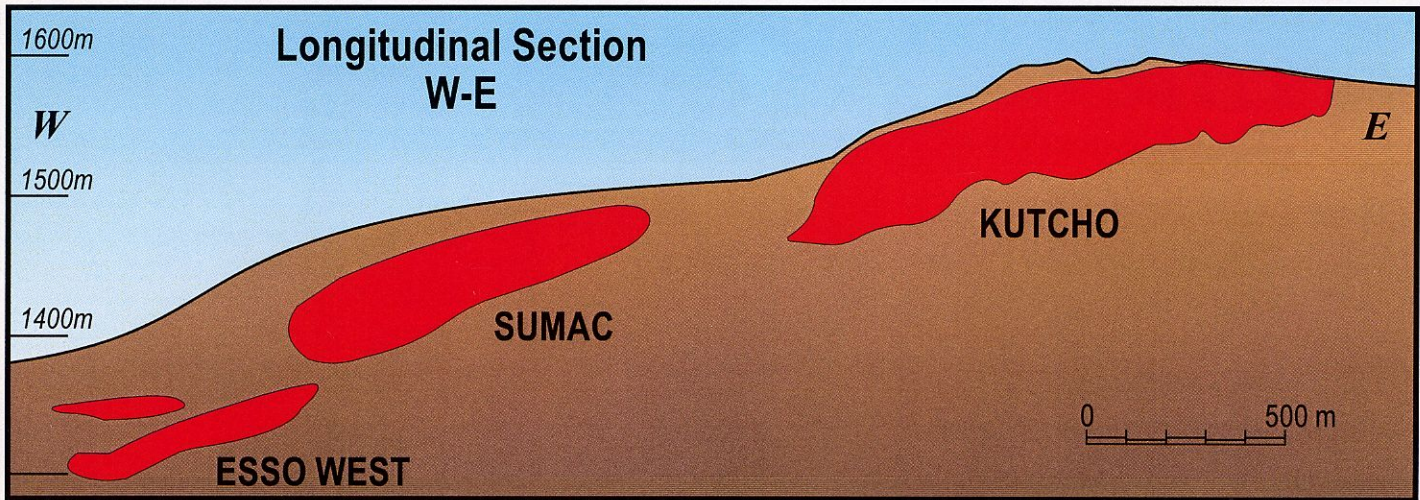
The smallest deposit, the Esso West deposit, is open to expansion and contains an inferred resource of

1.5 million tonnes grading
3.37% Copper, 5.71% Zinc,
63.4 g/t Silver and 0.54 g/t Gold.



exercisable at the 20 day moving average price of the common shares of Western Keltic plus 50%. Barrick shall retain a one time back-in right on the portion of the Kutcho Property that it is selling to Western Keltic. Following notice by Western Keltic that it has completed a Feasibility study on the combined project, Barrick shall have a 120 day period to elect to back-in for a 50% interest by spending, within two years, three times Western Keltic's expenditures.





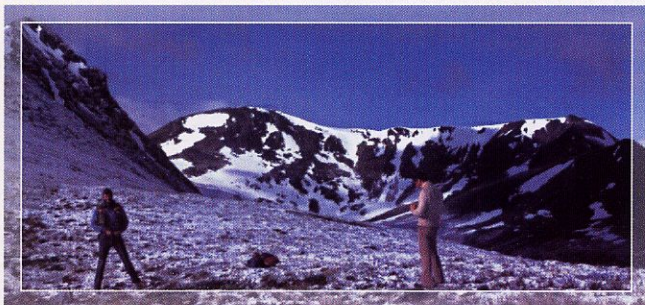
This is the first time that all the claims covering the known sulphide deposits will be united under a single owner.

The **Kutcho lens** has a strike length of 1700 metres, a maximum thickness of 40 metres and extends down-dip for approximately 200m.

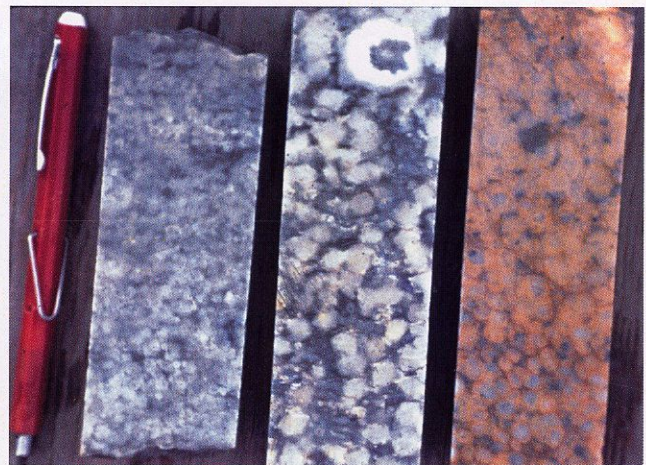
The deposit has been defined by **135 drill holes**.

Past expenditures total more than **\$20 million** in current dollar value.

It should be noted that the reserve and resource categories quoted do not comply with current 43-101 standards. The results as reported by Esso Minerals and Wright Engineers should be considered as historical, but are believed to be reliable and they reflect the standards of reporting at the time.



A significant proportion of the early drill holes did not have gold analyses done and there is potential for locally improving precious metal grades. Some exploration targets were never drill-tested as they were located on prior property boundaries.



Analysis of the historical data suggests that significantly higher metal prices would be required to generate an acceptable return using the mine plan as laid out in the historical and now out of date pre-feasibility study. Western Keltic has estimated an indicated resource for the higher grade core zone of the Kutcho deposit, using the sectional method of estimation, of

**6.3 million tonnes grading
2.71% Copper, 4.01% Zinc,
46.5 g/t Silver and 0.52 g/t Gold,**

and plans to evaluate the potential for underground mining of this material together with that of the Esso West deposit.

President & Director

Donald A. McInnes B.A.

Directors

D. Stewart McInnes P.C., Q.C., LL.B.

Brian Butterworth B.Sc., B.Ed., P.Geo.

V.P. Business Development

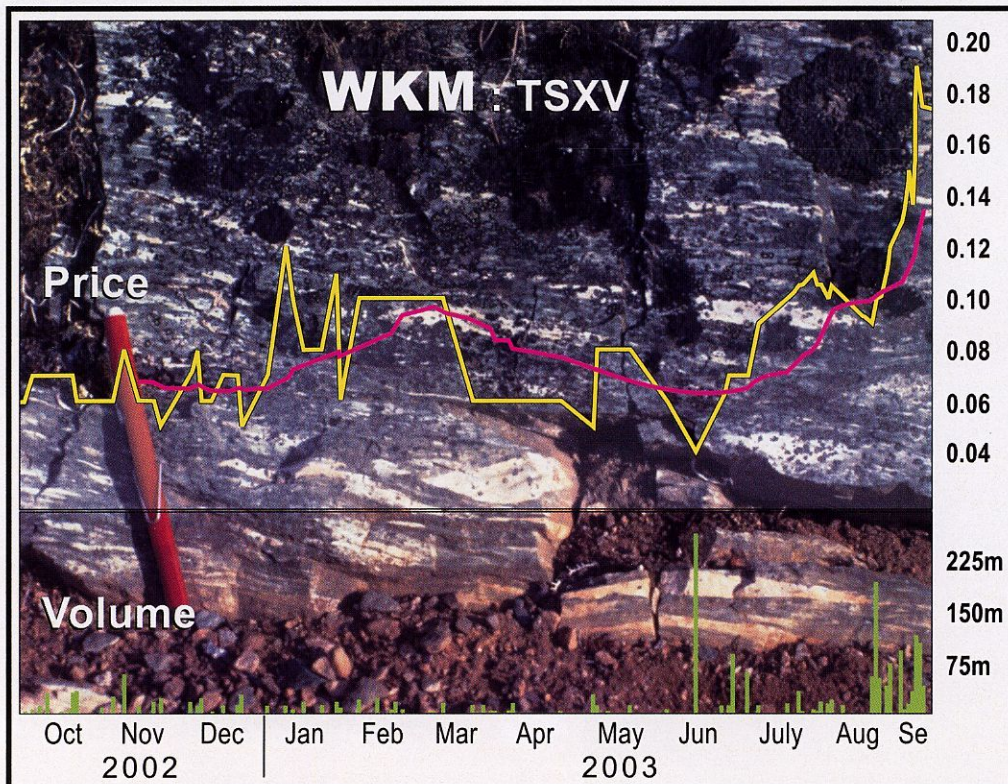
Peter Holbek M.Sc., P.Geo.

Investor Relations

Robert Carriere

Shares Outstanding -
14,744,858

Fully Diluted -
18,726,358



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