884853

Schroeter, Tom EM:EX

From:

Schroeter, Tom EM:EX

Sent:

Friday, July 14, 2000 1:58 PM

To:

Adams, Rick EM:EX

Subject:

RE: Lillooet Mine Inspectors Reports

Thanks, Rick. I'm vaguely familair with this 'scam'. Rick Conte may also know something about it. Tom.

From:

Adams, Rick EM:EX

Sent:

Wednesday, July 12, 2000 5:11 PM

To:

Cathro, Mike EM:EX

Cc:

Schroeter, Tom EM:EX

Subject:

FW: Lillooet Mine Inspectors Reports

fyi

From:

William Cate[SMTP:money@southcoast.net]

Sent:

Wednesday, July 12, 2000 5:15 PM

To:

Adams, Rick EM:EX

Subject:

RE: Lillooet Mine Inspectors Reports

>Bill, it is my understanding that Douglas, BC, is near Little Harrison Lake >and Lillooet River (not the town of Lillooet). This area is within the

>South West Region where Ted Hall is the Regional Manager. Ted may require >more descriptive information in order to assist you.

>

>South Central Region has no information on any property by this name.

Thank you for your prompt reply!

Two Vancouver stock promoters (Anthony & Robert Papalia) have been running a "forward sale of gold" scam. It's based upon their assertion that 120 claims near Little Harrison Lake and along the Lillooet River contain "150 million T of ore to 23 feet with 3g/T Au.

They've been running this scam for nearly 25 years. They were charged in Britian with fraud in 1977, but win the case. It's rumored they have sold at least \$500 million in phony "Gold Delivery Certificates." The mining? company is called Metals Research Group (MLRA is the trading symbol in the States). MLRA traded on the VSE. Until recently, it traded on the OTCBB. It currently trades on the American "Pink Sheets."

Among the claims made in a stock offering circular is that they have spent US\$40 million developing the property. If this is true, someone from your Ministry should be aware of the property. Their mining camp, for the Lillooet project is an old logging camp at Port Douglas. I understand that it is a very well equipped resort. I just doubt there will ever be any serious mining.

I think the property is Mineralized Moose Pasture at best. However, they have studies that support their thesis that they have a mine. I'm trying to determine the merit of their claims. When looking at a property 25 years ago, in Arizona, the mine owner told me. "The mine is over there. The pay steak is back East." I think the Papalias have capitalized on this advice. Bill

William Cate Beowulf Investments US Office 752 North St. POB 276 Pescadero, Ca (USA) 94060 Tel: (650) 879-0654

65 Front St. Punto Gordo, Belize

Tel: (501) 7 22342