

Tom Schuett
PDA 2000



→ OK

886231

INSIDE

HIGHLIGHTS

THE PROPERTIES

OK PROPERTY
COTTONBELT PROPERTY
MICROGOLD PROPERTY
MAGNOLIA PROPERTY

MICROGOLD UPDATE

COTTONBELT UPDATE

PERSPECTIVE on COTTONBELT

MANAGEMENT

The Company

CanQuest Resource
Corporation
803-470 Granville Street
Vancouver BC
Canada V6C 1V5

tel. (604) 687-8768
fax (604) 687-2733

canquest@canquest.bc.ca
www.canquest.bc.ca

Listed: CDNX
Ticker: CQ(V)

Ian de Wolfe Semple
President, CEO & Director

M. Norman Anderson
Director

Robin J.V. Fielding
Director

CANQUEST RESOURCE CORPORATION

Corporate Profile

HIGHLIGHTS

- CanQuest has a 100% interest in **three large**, advanced precious metals and poly-metallic base metal properties, plus an option to purchase a 100% interest in a fourth such property. One or more of these projects could be at a **pre-feasibility stage within 2 years**.
- All the properties are located in southern British Columbia and are accessible by road (no high cost logistics). With one partial exception, the properties are non-seasonal.
- Three of the properties have **major tonnage potential**: two have existing reserves.
- Excepting one prospect where trenching is planned, all the projects are at the drilling stage.
- All the properties are in areas with existing commercial activity; **none** are in provincial parks, aboriginal reserves or designated areas of land use study.
- The Company has experienced, competent **management** and a **sound** shareholder base that includes a number of Canadian and international investment institutions.
- The majority of foreseeable exploration funding will be used to advance the status of the **OK Project**.

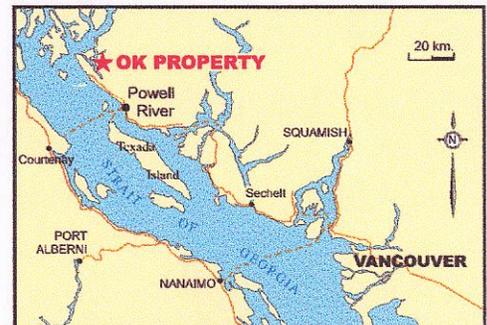
THE PROPERTIES



OK PROPERTY

The Company's flagship OK Property is a large, porphyry-type copper-molybdenum-silver-(gold) open-pit prospect in an intermediate stage of exploration. A production pre-feasibility stage of development could be reached within eighteen months.

Located on a rolling plateau overlooking the Strait of Georgia, this 10 x 4 km property is situated on tidewater 25 km northwest of, and connected by road to, the town of Powell River, B.C., which in turn is located 120 km north of Vancouver. As a consequence of over 20 years of logging activities on the property, road development on the claims themselves is considerable, although in many cases requiring varying degrees of rehabilitation.



At an annual cost of \$20,000, CanQuest has an option to purchase the OK claims for \$2,000,000 using funds from production revenue at the rate of \$0.10 per ton of ore delivered to the treatment plant.

Prior drilling over portions of the property between 1966 and 1982 has partially outlined a number of loosely identified zones of mineralization in altered granodiorite at the periphery of a central quartz feldspar porphyry intrusion ('QFP') which is approximately 500m wide and 5 km long.

Most of these drilled zones contain large tonnages of low-grade "porphyry-type" copper-molybdenum-silver mineralization with the exception of the South Breccia Zone where demonstrably elevated grades of these minerals occur in highly altered and brecciated rock. None of these zones was delimited and drilling has only superficially tested them.

A geostatistical study in 1982 of all drill hole data that included seven mineralized zones for which sufficient data were available, estimated that drill indicated and geological potential resources combined were 450,000,000 tons of greater than 0.24% copper and 0.015% molybdenite. The study also indicated a remarkable uniformity of copper grades, while molybdenum appeared to have a less understood distribution. It was suggested that selective mining could possibly upgrade millheads to the 0.50% copper range, although it is readily apparent that much more work is necessary to establish such potential. Other contemporary studies suggested that tonnages of similar low grades may be in the order of 1,000,000,000 tons, and that the possibility of developing mineable reserves of 0.4 % to 0.5% copper within that mass was considered to be high. The foregoing tonnages are contained in discrete areas over a distance of 5 km and the estimates did not take into account any mining parameters.

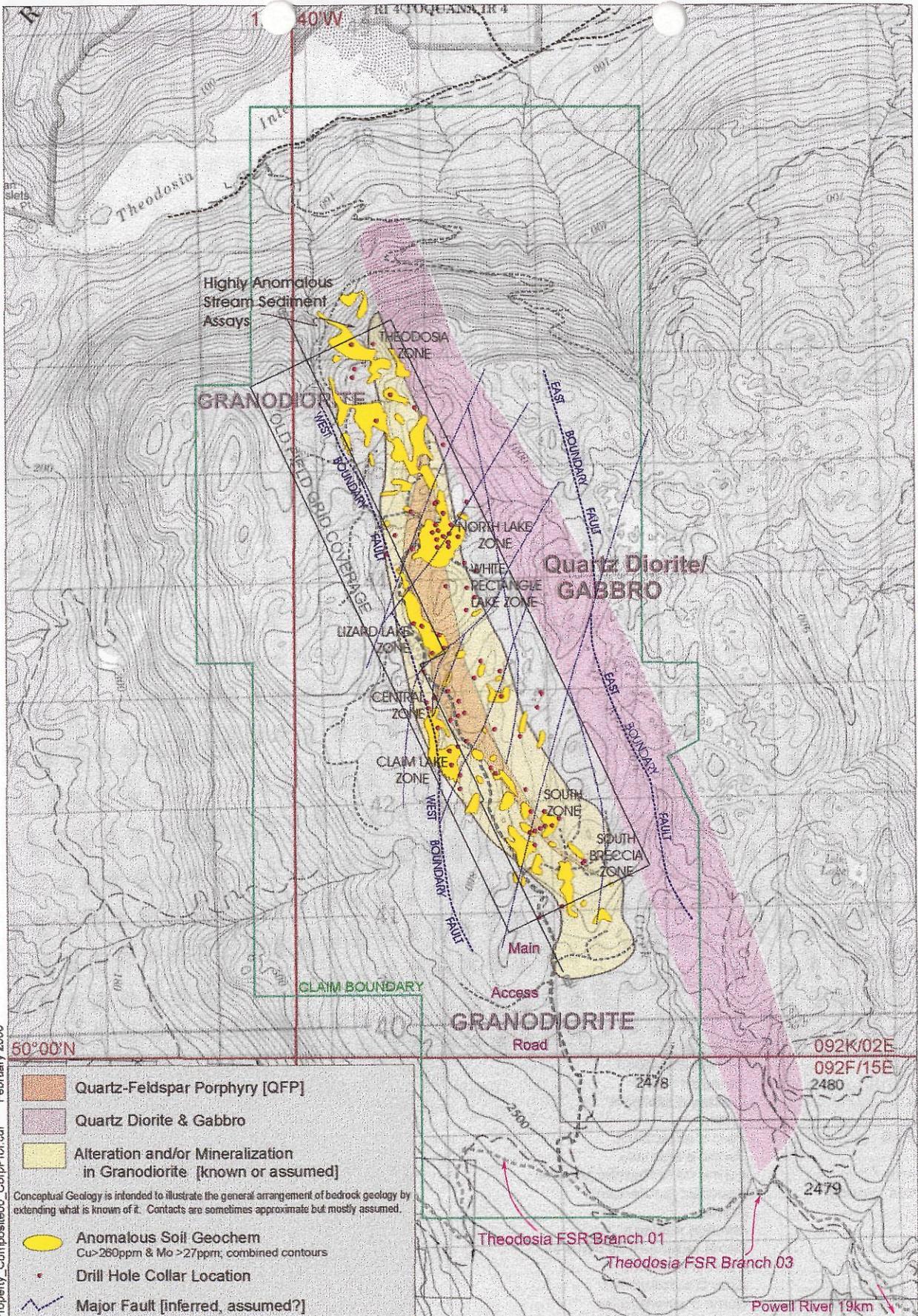
A report prepared in 1989 for CanQuest further refined the 1982 geostatistical analysis to provide what is considered to be an "inferred resource", as follows:

Cut-off Grade (%Cu Equiv)	Tonnage Resource (tonnes)	Copper (%)	Molybdenum (%)
0.2	228,400,000	0.32	0.020
0.3	155,000,000	0.39	0.024
0.4	104,900,000	0.46	0.028
0.5	72,000,000	0.54	0.033
0.6	50,000,000	0.61	0.037

The results of recent geological mapping by CanQuest suggest that the notion of a series of discrete mineralized zones is probably obsolete, and that the entire 500m by 5km contact zone of the QFP is potentially mineralized, and should be considered as a single target for exploration. CanQuest's consulting mining engineer is of the opinion that if the brecciation and alteration occupies a continuous zone concentric to the QFP then the potential for economic tonnage is huge.

Most deposits of this type require a higher-grade zone for a "starter pit" to render the overall project economic. The South Breccia Zone is a still incompletely defined example of such a higher grade zone. A chip sample collected from a trench across a 12 m width within this zone yielded values of 2.4% copper and 0.52% molybdenite with byproduct silver values. Other grab samples in the South Breccia Zone have yielded assays up to 3.2% copper, 0.1% molybdenum, and 18 grams silver per tonne.

Recent work has revealed other areas of brecciation and intense alteration on the property with observed but as yet undefined mineral potential. In fact, this same work has lead to the hypothesis, yet to be verified from detailed mapping, that brecciation and alteration may be more or less continuous along the immediate contact area of the 5 km long QFP intrusion into the mineralized granodiorite.



Property_Composite00_CorProf.cdr February 2000



OK PROJECT
PROPERTY COMPOSITE

0 500 1000 1500 2000 2500 Meters
Scale 1:50,000

Little is known regarding precious metal values over the property as a whole. It is probable that no analyses for gold or silver were carried out during earlier drilling of the property and, unfortunately, no core remains for re-sampling. The South Breccia Zone contains silver, and previous soil sampling indicates that higher silver values are coincident with areas of anomalous copper over much of the area sampled. Results from sampling representative rock outcrops during 1997 and 1998 suggest that copper and silver have a strong spatial relationship and that they occur principally in strongly altered zones closest to the QFP. While molybdenum also occurs with copper and silver, the more elevated molybdenum values appear to occur primarily in less altered rocks peripheral to the copper-silver zones.

Research has also shown that BHP's former Island Copper copper-molybdenum-silver-gold open-pit operation, located on Vancouver Island and some 200 km from the OK Property, has a geological setting for its mined-out deposit that shows striking similarities to the OK deposit. Particularly arresting is the similarity in the geometry and description of the porphyry intrusion. Furthermore, the arrangement of what at Island Copper was called 'marginal hydrothermal breccias', appears to have a nearly exact analogue at the OK. While detailed data that can only come from years (1971 - 1995) of mining the Island Copper deposit is obviously lacking at the OK deposit, it can be shown, importantly, that the mode of occurrence for both chalcopyrite (copper) and molybdenite (molybdenum) observed at the OK Property matches that at Island Copper.

A major program of exploration, including diamond drilling, has been devised to take place over a continuous twelve to eighteen month period. The program will focus on delineating the extent of mineralization amenable to open-pit operations, as well as identifying zones of higher grade mineralization suitable for a "starter" open-pit. At a cost of approximately one million dollars, the program has been designed to take the project to the stage where detailed grid drilling to define mineable reserves to engineering standards would take place, and pre-feasibility production studies would be initiated.

COTTONBELT PROPERTY

100 % owned by CanQuest, this large (104 sq. km) property is located 60 km northwest of Revelstoke and is accessible by road from the Trans-Canada Highway. The property encompasses the Mt. Grace Syncline, a regional northwest trending, tightly folded, overturned U-shaped structure wherein are located stratiform horizons containing significant mineralization of copper, lead, zinc, silver and accessory gold. The surface extent of mineralization as presently known on the property has a strike length of over 10 km, and is contained in several separate horizons over a surface elevation difference on strike of nearly 900 meters. Evidence exists that these mineralized layers may extend for another cumulative distance of 6.5 km. The longest exposure of mineralization is the 4.8 km long Cottonbelt-Bass lead-zinc-silver layer, which occurs, in the southwest limb of the fold. Surface widths range up to 4 meters and average about 2 meters. These widths do not however represent the much greater thickness of mineralization that might be expected to occur in sub-surface areas of dilation in the crest and trough areas of the folded structures on the property.

An extensive low-level aerial geographical survey over the property has revealed evidence of possible new mineralized horizons in both the northern and southern parts of the property, in areas where overburden and tree cover may be masking outcrop. These new anomalies are stronger and more extensive than those over the known mineralized horizons.

PDAC 2000