

OXIDE-  
886233

Schroeter, Tom EMPR:EX

From: Schroeter, Tom EMPR:EX  
Sent: Fri, May 19, 2006 6:35 PM  
To: Grieve, Dave A EMPR:EX  
Subject: Re: The Oxide

→ Oxide  
Sackpot  
Lost Chanc-

→ Hunter ✓

Thanks.

-----Original Message-----

From: Grieve, Dave A EMPR:EX  
To: Schroeter, Tom EMPR:EX  
Sent: Fri May 19 08:17:43 2006  
Subject: FW: The Oxide

I'm sure you are aware of the option on the Oxide, but just in case...

From: Grieve, Dave A EMPR:EX  
Sent: May 19, 2006 9:16 AM  
To: XT:EM Addie, Lloyd J EM:IN  
Subject: RE: The Oxide

Right on, Lloyd. Good news and good work.

Thanks for forwarding the news release - I will monitor Dajin's releases over the next months. Please keep in touch with respect to any interesting initiatives or results. Thanks again.

I know it will be gratifying for you and Bob to have follow-up work done on the soil anomalies and occurrences of oxide float. Here's hoping for interesting results!  
Dave

From: lloyd [mailto:laddie@telus.net]  
Sent: May 18, 2006 11:22 PM  
To: Grieve, Dave A EMPR:EX  
Subject: The Oxide

Dajin options, stakes zinc claims in Ymir

2006-05-11 14:25 ET - News Release

Mr. Brian Findlay reports

DAJIN ACQUIRES ZINC PROSPECTS

Dajin Resources Corp. has entered into an option agreement to purchase a 100-per-cent interest in 15 contiguous mineral claims, which cover 1,770 hectares of geological terrains that are prospective for zinc/lead deposits in the Ymir region in the Nelson mining district of southeastern British Columbia. The property is located approximately 50 kilometres by highway from the zinc smelter at Trail, B.C. In addition, Dajin has staked six claims and purchased one Crown grant totalling 1,754 hectares contiguous to the prospect. The aforementioned claims are on strike of the Badshot-Reeves limestone, which to the south hosts several important zinc-lead mines including the Reeves MacDonald, Jersey and HB.

Dajin has not completed any exploration work on the property and the mineralization, which is reported to occur thereon is known only from the abundant underground and surface work completed largely between the 1940s and 2000 and from reports by third parties.

Zinc mineralization is observed intermittently for more than 2.7 kilometres on Dajin's claims ranging from the zinc/lead deposits at the Jackpot prospects in the south to the Oxide and Last Chance prospects in the north. Zinc lead deposits occur as strataform disseminations of zinc, lead and iron sulphides in limestone, vein-hosted deposits of the same minerals and the oxidized alterations of the sulphide mineral deposits. Reportedly the Hunter V gold/silver mine produced more than 1000 ounces of gold and 270,000 ounces of silver from silicified limestone ore grading 0.016 ounce per ton gold and 4.35 ounce per ton silver. The Hunter V mine is located on a foreign claim enclosed by Dajin's claims and adjacent to the Jackpot prospects.

The government of British Columbia's Minfile website summary with Jackpot prospects reports reserves "at about three million tonnes of 5 per cent combined zinc-lead mineralization" (non-National Instrument 43-101 compliant and therefore of historical interest only and may not be depended on). The New Jersey Zinc Exploration Co. (Canada) Ltd., a major company that was a previous operator at the Jackpot, reported potential for an additional 10 million tons of mineralization at an unspecified grade.

A section through the Jackpot prospect published by the previous owner, Mena Resources, illustrated several layers of mineralization as follows:

- \* layer 1 average 10 feet at 9.5 per cent zinc;
- \* layer 2 average 5.4 feet at 4.8 per cent zinc;
- \* layer 3 average 8.6 feet at 4.5 per cent zinc; and
- \* layer 4 average 5.4 feet at 4.2 per cent zinc.

At the Oxide prospect, zinc oxide mineralization occurring in a steeply dipping fault has been the target of exploration by adits, drill holes and trenches by several operators since the late 1940s. All mineralization to date is oxide in character, but can locally contain zinc grades in excess of 16 per cent over widths in excess of five metres. Zinc grades up to 23 per cent have been reported for narrower intersections. Sample widths and zinc grades appear to be extremely variable along the strike of the fault.

The focus of Dajin's initial work will be a series of zinc/lead soil geochemical anomalies that are interpreted to be in total as much as 2,000 metres long and as much as 500 metres wide. Numerous zinc values greater than 900 parts per million comprise the core of the anomaly. Mineralized float recently found along an access road crossing the main anomaly have ranged up to 44 per cent zinc. To the best of Dajin's knowledge, little or no surface exploration has been completed on these anomalies.

Under the terms of the agreement, Dajin has agreed to make payments to the vendors totalling \$240,000 and issue a total of 500,000 Dajin shares over a five-year period. In the first year, Dajin has agreed to pay a total of \$20,000 and issue 100,000 Dajin shares. The vendor has retained a net smelter return royalty (NSR) of 2 per cent, of which Dajin has the right to purchase 1-per-cent NSR for \$1-million. While the agreement is in effect a payment of \$50,000 per year will be paid on each anniversary following the fourth anniversary. These payments shall be considered an advance payment on the NSR and will form part of the final payout of NSR.

The Crown grant was purchased for \$5,000 and 100,000 Dajin common shares. The vendor has retained a NSR of 2 per cent, of which Dajin has the right to purchase 1-per-cent NSR for \$500,000.

David Jenkins, PGeo, is the qualified person (as defined by National Instrument 43-101) who has reviewed this press release.

Dajin currently holds a 100-per-cent interest in 24 mineral claims in the Spanish

Mountain region covering 8,650 hectares (21,350 acres), a 100-per-cent interest in 38 mineral claims in the Eureka Peak region covering 26,200 hectares (64,700 acres) and holds a joint venture agreement with Wildrose Resources Ltd. whereby Dajin has the right to earn a 65-per-cent interest in 32 mineral claims in the Horsefly region covering 4,600 hectares (11,362 acres) in the Cariboo mining district in south-central British Columbia.

Dajin will be actively exploring all of these claim groups in 2006.

The agreements are subject to final acceptance by the TSX Venture Exchange.

Note: June 11/99 discussion with Bill Wolfe (Cominco)  
- "skeptical" about this 'oxide' suggestion/proposal  
→ feels the only, real target is 'sulphide'.

Nov. 5/99 Peter Pelly (Billiton) - looking at possible option  
- feels min. (target) is structurally controlled  
(fault) — Bull. 41 (Salmo) map.

Dec. 16/99 — Billiton 'relinquished' deal!