



889858

TOM
FOR-FOUR
INFO PR
John

TALKER (draft 99/07/06)
B.G.M. Diversified Energy Inc.

The Company holds a 100% interest in two past producing mines and has options to purchase two significant mineral properties all located in British Columbia, Canada.

Management has taken an aggressive stance in enhancing the Company's mineral holdings in anticipation of improved base and precious metal prices and a change in investor attitude toward undervalued yet mineral rich British Columbia. Metal prices in recent weeks have begun to rebound with renewed economic expansion in Asia. Also, we are beginning to see a major positive change of attitude by the investment community toward the forest industry in British Columbia, and we expect this to soon spill over into the province's mineral resource sector.

The Company's past producers include the Yankee-Dundee mine located at Ymir and the Magnum mine (Churchill Copper) located west of Fort Nelson. Both mines were underground operations. The Yankee-Dundee operated intermittently from 1899 to 1951, including eleven continuous years from 1932 to 1942. The mine produced 14.1 million pounds of lead, 14.7 million pounds of zinc, 125,000 ounces of gold and 724,000 ounces of silver from 412,000 tons. The Magnum operated from 1970 to 1974 producing 32.3 million pounds of copper from 554,000 tons. The Yankee-Dundee and Magnum were worked via adit entry, and both mines closed without conducting any significant mineral exploration below entry level. Also both mines are situated within geological terrane ranked as very high by the British Columbia Survey Branch for mineral discovery potential.

In June of 1999 Management concluded option agreements on the Greenhorn and Stewart mineral properties located near Nakusp and Ymir respectively. Both properties have attracted major mining companies in the past because of strong mineral showings, favourable geology and favourable locations. It is not uncommon for properties of this nature to receive a lot of attention by several majors prior to successful development – examples in British Columbia are Endako, Gibraltar and Lornex (Highland Valley Copper). The Greenhorn is a polymetallic prospect (possible VMS) that has drill ready targets developed by a 1997 Phelps Dodge Corporation soil geochemical and IP survey. Assays from outcrops and soils have yielded significant values in copper, silver, and cobalt. The Stewart is also a polymetallic prospect with drill ready targets including showings, drill core and soils yielding good values in molybdenum, tungsten, copper and gold. Management has retained professionals to prepare a composite computer database for both properties. The next action will be to field verify drill targets prior to planning and executing drilling programs.

1999 is shaping up as a year of revival for the British Columbia exploration and mining industries. Amalgamation of Canada's venture capital markets, assembly of new powerful resource finance houses (Haywood, Goepel) and renewed interest of major mining companies (Billiton, Teck, Kennecott) to finance juniors, are all exciting recent developments. Also, in a recent announcement Dan Miller, Minister of Energy and Mines, Deputy Premier, stated, "It is government's goal to work with industry to foster a positive investment climate and ensure the status of mining as a cornerstone of British Columbia's economy". The BGM team intends to capitalize on these opportunities immediately and aggressively to build shareholder value.