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George Cross News Letter

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DOUBLESTAR RESOURCES LTD.

[DSR-CDNX] 4,321,841 SHS.

MINERAL INVENTORIES CLARIFIED - Alan Savage, president, Doublestar Resources Ltd., reports further to its news release published in GCNL NO.7, 12Jan2000, P.8, the CDNX has requested clarification of the sources of the quoted mineral inventories relating to the Sustut, Catface and Ruddock Creek mineral deposits. The Sustut property is near the Kemess Mine in north-central BC, the Catface property is 13 km northwest of Totino on the west coast of Vancouver Island, BC and the Ruddock Creek project (Doublestar 58.91%/COMINCO LTD. [CLT-L, M] 41.09%) is 96 km north of Revelstoke, eastern BC. The properties are part of a large package being acquired from FALCONBRIDGE LTD. [FL-T].

The earlier news release referenced an estimate of contained copper for the Sustut deposit. The CDNX does not accept contained metal estimates and the company should not have used them. This figure was, however, based on a series of reports by Falconbridge geologists based on 17,196 metres of diamond drilling. In the result, Falconbridge staff geologists generated two mineral inventory estimates as listed in the top table OVERLEAF P.3.

In addition, G. H. Cluff, generated mineral inventory estimates for three conceptual open pits totalling 26,520,000 tonnes at 1.11% copper while P.L. Munro arrived at 20,143,000 tonnes in a similar design grading 1.17% copper. Doublestar intends to conduct a diamond drilling program during 2000 aimed at increasing the tonnage of higher grade mineralization.

The company's earlier news release also quoted contained metal estimates for the Catface copper deposit. The company wishes to replace the contained metal estimates with mineral inventory estimates calculated for Falconbridge by E.J. Wade in a 1972 report entitled "Ore reserve Calculations and Pit Design." SEE MIDDLE TABLE OVERLEAF P.3.

In 1990, Steffan Robertson and Kirsten Inc. (SRK) calculated a summary of geological resources for Catface at various cut-off grades as listed in the bottom table OVERLEAF P.3. The company plans to enlarge the geophysical coverage of the Catface property this spring and to permit a diamond drilling program in fall of 2000.

The references to mineral inventory tonnages of lead, zinc mineralization at Ruddock Creek comply with CDNX standards. These were derived from work by Falconbridge and Cominco who calculated a mineral resource of 1,500,000 tonnes of 8.4% zinc and 1.6% lead in 1976. Provincial government geologists have estimated a drill indicated resource of 5,000,000 tonnes grading 2.5 % lead and 7.5% zinc (T.Hoy, CIMM Bulletin Article, 1982). The company intends to conduct drilling during 2000 in order to upgrade its confidence in the resource and to increase its overall size.

The mineral inventories quoted above have not been classified in accordance with CIM mineral resource/reserve classification and further work is required to reclassify the these numbers. (SEE GCNL NO.189, 10Oct99, P.4 FOR DETAILS OF OPTION TERMS WITH FALCONBRIDGE)

82M84
P. 10F2

DOUBLESTAR RESOURCES LTD.
PROJECT MINERAL INVENTORIES

Mineral Inventory Estimates for the Sustut Deposit

Zone	Cluff (1973) (0.40 % Cu cutoff)		Wrigglesworth (1974) (0.40 % Cu cutoff)	
	Tonnes	% Cu	Tonnes	% Cu
South Zone	27,645,004	0.94	27,260,181	0.94
North Zone	17,077,662	0.56	16,285,011	0.59
Total	44,722,666	0.80	43,545,192	0.81

NO. 9 (2000)
JANUARY 14, 2000

Mineral Inventory Estimates for the Catface Deposit

Cutoff Grade	Wade (1972) (0.30 % Cu cutoff)		
	Million Tonnes	% Cu	% MoS ₂
0.30 % Cu	138.342	0.46	0.014
0.20 % Cu	206.783	0.39	0.013

82M 84
P. 2 of 2

Catface Geological Resources

Cutoff grade % Cu	SRK August 1990 estimate with no adit samples included		SRK August 1990 estimate with adit samples included	
	Tonnage Million Tonnes	Grade % Cu	Tonnage Million Tonnes	Grade % Cu
0.40	76.101	0.52	78.282	0.53
0.31	156.926	0.43	158.442	0.44
0.30	167.658	0.42	169.168	0.43
0.15	388.437	0.31	389.686	0.31
0	607.510	0.21	607.510	0.21

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