STRATEGIC ACQUISITION OF HIGH GRADE ELIZABETH PROJECT

The Board of Directors of J-Pacific Gold Inc. (the "Company") is pleased to announce that, subject to regulatory approval, the Company has entered into option to purchase agreements for the four crown granted mineral claims known as the "Elizabeth Property" and for surrounding mineral claims known as the "Blue Claims" in the Lillooet Mining District, British Columbia, Canada. Collectively, the claims (approximately 1,600 hectares) will be referred to as the "Elizabeth Project." The property is located roughly 35 kilometres northeast of the former gold mining town of Bralorne and 30 kilometres south of the Company's Blackdome Gold Mine and has good road access. This region of British Columbia has seen mining activity since the late 1800s with the discovery of numerous gold deposits, including the Bralorne and Pioneer gold mines that alone produced 4.1 million ounces, making this the largest gold producing area in the Province.

Given its proximity and easily upgradeable access to our permitted milling facility at the Blackdome Gold Mine, the Elizabeth Project is a strategic acquisition that highly complements our existing land position. The Company believes that the Elizabeth Project has the potential for early production following successful exploration. The high grades identified in several veins, combined with the existing infrastructure on the property, make the Elizabeth Project an attractive exploration target that can be rapidly advanced. The Elizabeth Project has not been drilled since 1949. Mr. Warner Gruenwald, P.Geo has been retained by the Company to plan and manage a preliminary drill program designed to gain a better understanding of the controls, length and depth of the veins and their potential for hosting economic gold mineralization.

In 1939, gold was discovered in quartz veins on what is now the Elizabeth No.1 claim. During 1940-1949, Bralorne Mines Ltd. explored the Elizabeth and surrounding areas by surface trenching and underground development. Several quartz veins were explored with two returning significant gold values. In 1958-59, Bethlehem Copper Mines Ltd. explored the West (No.1) Vein with a tunnel, approximately 180 metres vertically above the underground workings previously explored by Bralorne. High-grade gold zones were identified and a small bulk sample was shipped. In 1990, Blackdome Mining Corp. conducted trenching, portal rehabilitation and surveying along with detailed surface and underground sampling programs. Surface sampling identified two distinct high-grade zones in the West Vein (10.0 metre length averaging 4.15 oz. Au/ton across 0.50 metre and 5.0 metre length averaging 3.8 oz. Au/ton across 0.35 metre). Blackdome reported that the first zone was open to the southwest and exposed a quartz vein that contained areas of visible gold. Approximately 65 metres below this trench in the upper adit drift (Bethlehem) sampling of this vein returned a 20.0 metre length averaging 1.8 oz. Au/ton across 0.6 metre and a 7.5 metre length averaging 3.7 oz. Au/ton across 1.0 metre.

The option to purchase agreement for the Elizabeth Property crown grants was completed with Mr. David Davis White of Vancouver, British Columbia and Mr. Thomas Illidge of Goldbridge, British Columbia. The Company made a payment of $10,000 upon signing the agreement. To maintain the option, the Company is to
make an additional cash payment of $5,000 at the first anniversary of the agreement, issue 50,000 common shares upon regulatory approval, 50,000 common shares at the first anniversary of the agreement, 50,000 shares upon the exercise of the option and 50,000 common shares upon the commencement of production. As well, beginning at the second anniversary of the agreement, the Company is to make advanced minimum royalty (AMR) payments of $10,000 per year, which are deductible from any production royalties. The agreement includes a $500,000 exploration work commitment wherein $200,000 is to be completed by December 31, 2003, $150,000 by December 31, 2004, and $150,000 by December 31, 2005. Mr. White and Mr. Illidge retain a four percent Net Smelter Royalty (NSR) interest, of which two percentage points are purchasable by the Company for $1,000,000 per percentage point.

The option to purchase agreement for the Blue Claims was completed with Mr. Thomas Illidge. The Company made a payment of $2,000 upon signing the agreement. To maintain the option, the Company is to issue 20,000 common shares upon regulatory approval, 30,000 common shares at the first anniversary of the agreement and 50,000 shares upon the exercise of the option. As well, beginning at the first anniversary of the agreement, the Company is to make AMR payments of $5,000 per year, which are deductible from any production royalties. The agreement includes a $500,000 exploration work commitment wherein $50,000 is to be completed by December 31, 2003, $150,000 by December 31, 2004, $150,000 by December 31, 2005 and $150,000 by December 31, 2006. Mr. Illidge retains a three percent NSR, of which two percentage points are purchasable by the Company for $1,000,000 per percentage point.

In addition to the above terms, to complete the exercise of both option agreements, the Company must complete a feasibility study prepared by an independent mining engineer.

The Elizabeth project is another property acquired by the Company in its program to assemble and explore superior opportunities. The Company's approach is to acquire high potential, drill-ready exploration projects in mining friendly jurisdictions, to perform a focused evaluation to identify the prime targets, to quickly drill-test these targets, and retain the property only if the initial drill results are favourable.

On behalf of the Board of Directors,

"N. Ferris"
President and CEO

The TSX Exchange has neither approved nor disapproved the information contained herein.