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Vancouver, B.C.  
 February 13, 1988  
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Symbol - INK - Vancouver Stock Exchange  
 INTERNATIONAL COAST MINERALS CORPORATION

NEWS RELEASE

International Coast Minerals Corporation wishes to announce that it has acquired an option to purchase a 60% interest in the Titanic and Captain Hook mineral claims. The Company also has an option agreement (subject to the acceptance of the V.S.E.) to earn a 51% interest in the Giant Bear Mineral Claim;


The Shack II Vein on the Giant Bear property is a continuation of the Shack Vein on the adjacent Captain Hook property. The Shack and Shack II Veins were both tested by diamond saw channel sampling and by diamond and rotary hammer drilling during 1988. The two veins contain an estimated 42,000 metric tonnes of probable and possible ore grading approximately 0.701 ounces gold per metric tonne. The Shack and Shack II Veins remain open along strike and depth.

International Coast Minerals Corporation also has an agreement; (subject to the acceptance of the V.S.E.) to purchase 50% of the Blaster mineral claim. An exposed section of the Elite Vein on the Blaster property contains an average of 1.28 oz/ton gold across 54 cm. for a strike length of 27 meters. Diamond drilling shows that the Elite Vein extends to a depth of 52 meters and is open to depth and along strike.

The above mineral properties which are adjacent to the company's holdings in the Kennedy River Gold Camp on Vancouver Island, British Columbia were optioned from Nationwide Gold Mines Corporation and Golden Spinnaker Minerals Corporation of which Waldo Ejtel, President of International Coast Minerals Corporation, is also President and Director.

Diamond drilling on the Company's properties which include the Bear and Black Veins along with the Shack, Shack II and Elite veins contain an estimated 160,000 metric tonnes of probable and possible ore grading approximately 0.5 ounces per metric ton which indicates 80,000 ounces of fine gold. Pilot Mill testing of Bulk Sampling will test metalurgical characteristics of the ore, gold recovery and grade.

**INTERNATIONAL COAST MINERALS CORPORATION**

per/   
 Waldo W. Ejtel  
 President

The Vancouver Stock Exchange neither approves nor disapproves of the contents thereof.

**KENNEDY RIVER GOLD CAMP  
INTERNATIONAL COAST MINERALS CORPORATION  
AND ASSOCIATE COMPANIES**

**EXECUTIVE SUMMARY**

By: Jerzy Palka M.Sc  
Vice-President Exploration & Development  
International Coast Minerals Corporation

The Kennedy River Gold Camp property holdings total roughly 120 square kilometers. The property is situated on the southwestern part of Vancouver Island, B.C. with the Pacific Rim Highway No. 4 between Port Alberni and Ucluelet running through parts of the property. Further access is by logging roads to the central parts of the property where most of the exploration is taking place. A hydro-electric power line parallels the highway which will give easy access to all electricity required. Local topography is moderate, ranging from 20 to 600 meters above sea level which makes a fairly mild climate for the area with almost no snow at lower elevations, permitting year-round exploration work.

The property is within the tectonically active part of Vancouver Island. Triassic Karmutsen Formation volcanic rocks of the Vancouver Group and Jurassic Bonanza Group volcanic rocks have been intruded by Granitic rock. Known gold mineralization is predominantly associated with west-northwesterly trending splay faults or shear zones, active during Tertiary time.

Although gold occurrences were discovered at the turn of the century, systematic exploration work and development of gold reserves at Kennedy River started in early 1980's after acquisition of the property by Mr. Waldo Ejtel, founder and President of International Coast Minerals Corporation. Since that time, over one million dollars has been spent funding exploration work which consisted of geological mapping, air photo interpretation, soil geochemistry, ground geophysical surveys, trenching, sampling and diamond drilling.

The exploration work so far has been limited to the central part of the property over about two square kilometers. The target was to develop shallow gold/silver reserves in narrow, high grade gold bearing sulphide quartz veins which could be mined from the surface and underground, employing the Cookie Jar mining method developed by James Wade Engineering of Willowdale, Ontario.

A total of seventy-five drill holes have been drilled in the central part of the Project to an average depth of about 35 meters, with the deepest hole being 153.9 meters. The above work led to a discovery of five gold bearing sulphide quartz veins (Shack, Elite, TB, Bear and Black Veins) which form splays off the NE trending Mine Creek Fault.

N.W

Total estimated tonnage amounts to approximately 160,000 tons of ore, the highest gold value reported is 8.18 oz/ton metric over 0.5 meters.

Ore reserve estimates of the Shack Vein based on diamond saw channel sampling of the veins along outcrops supported by diamond and rotary hammer drilling and bulk sampling outlined potential reserves (probable/possible) of 42,000 tons with an approximate grade of 0.701 ounces/ton (metric) which may contain some 30,000 ounces of fine gold. Gold to silver ratio is roughly 1:3.

The reserves in the probable category have been estimated to the depth of 54.9 meters down dip and those in the possible category to the depth of 184 meters down dip.

The Shack Vein remains open along strike to both the northeast and southwest and should continue at depth. Similar results have been obtained on the four veins.

So far, no work has been done on a skarn magnetite diopside zone with gold-silver-copper mineralization. Several grab samples assayed 0.068 oz/ton gold, 0.28 oz/ton silver and 2.78% copper.

The British Columbia Mineral Exploration Review 1988 by the B.C. Ministry of Energy, Mines and Petroleum points out significant results obtained by International Coast Minerals Corporation from its ongoing drill program and discovery of a broad area of gold-silver-copper bearing skarn, a type of mineralization not previously considered to be important in the Kennedy River Gold Camp.

Presently International Coast Minerals Corporation is in the process of purchasing and installing a 30 ton/day pilot plant which will test up to 10,000 tons of vein ore taken from the surface and from underground. Underground bulk sampling will also test the Cookie Jar mining method. Norecol Environmental Consultants Ltd. has been appointed to handle environmental and mine-related permits for operation of the pilot plant.

Part of the property, only some 8.25 square kilometers of the area known as United Tommy Claim Group, had been examined by Kerr Addison Mines Limited in 1987. Geological mapping, surface sampling and eight diamond drill holes tested a zone of sheeted gold bearing quartz veinlets which, in the central part of the property, have dimensions of 1400 x 400 metres. The area is underlined by upper Triassic chloritized marine andesites intruded by a Jurassic granodioritic intrusion and by Tertiary dacitic dikes. Locally the granodiorite is in contact with coarsely recrystallized limestone. Fault zone exposures typically show intense shearing with local sericitization, silicification and pyritization over widths of 1/2 to 2 metres. To the south, exposures of dacitic lapilli tuff have been recognized. Results obtained by Kerr Addison Mines Ltd. were disappointing with most samples returning gold values of less than 0.07 g/ton.

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The above work was performed during the spring and summer of 1987 and a total of \$197,000 was spent funding it. However, earlier surface sampling of the sheared zone done in 1980 indicates gold in all ten samples, five of which assayed in excess of 1.1 oz./ton gold. In 1984 three wider sample intervals from the same area all returned gold values with the highest grading 0.22 oz./ton.

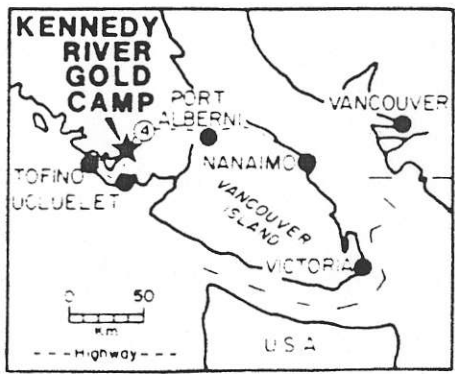
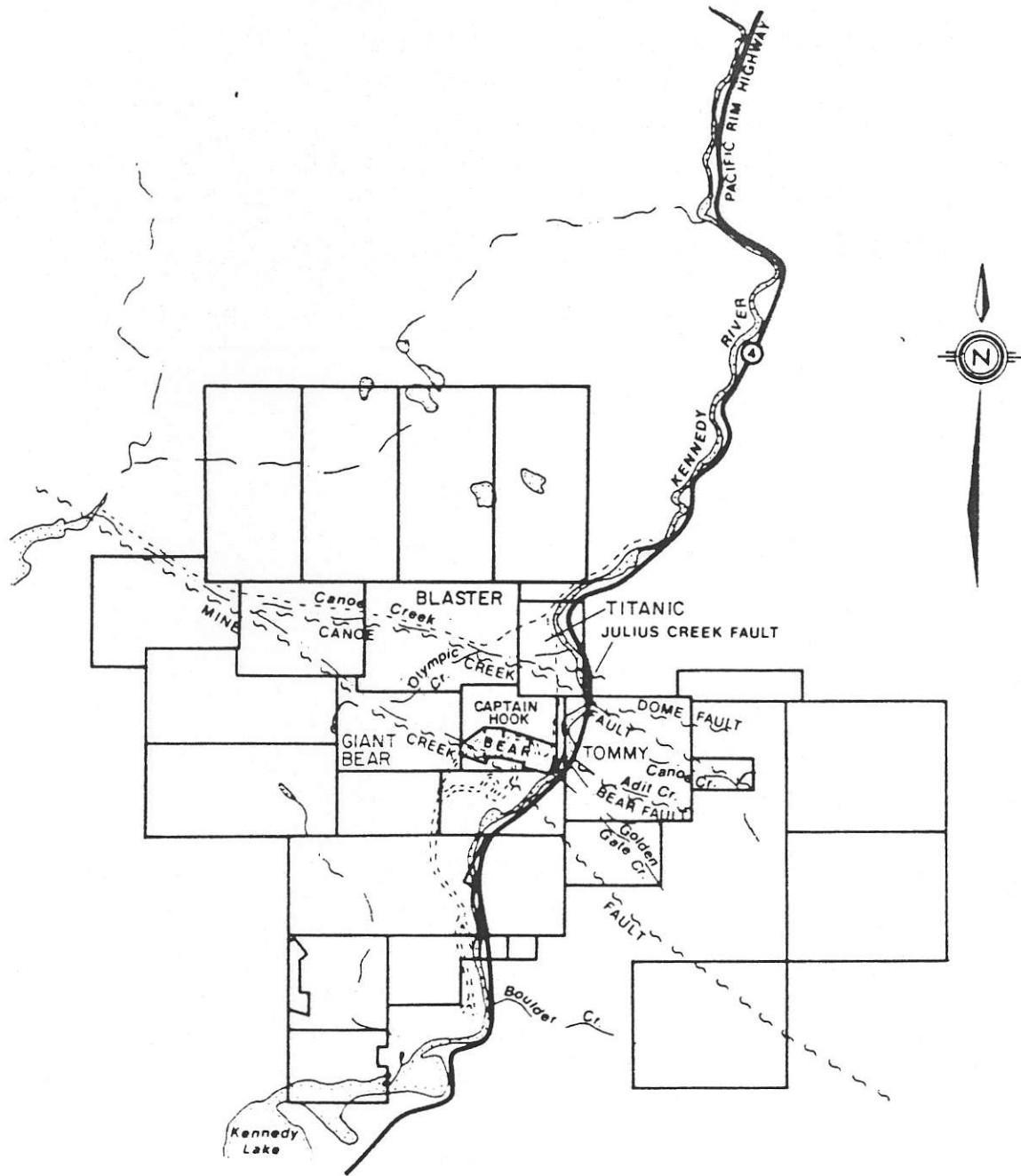
The gold distribution is erratic and the limited drilling program not necessarily reflects the true gold content. Bulk sampling seems to be the most efficient method of testing this type of mineralization at this stage of exploration.

The remaining 110 square kilometers of the Company's land holdings remain unexplored.

International Coast Minerals Corporation understands that the area has an excellent potential for a large tonnage gold deposit and warrants systematic exploration along the regional <sup>NE</sup><sub>K/W</sub> fault structures (Mine Creek and Canoe Creek Faults) and in zones of their convergence as well as in the sheared zone where gold bearing sulphide quartz veinlets exist.

Presently International Coast Minerals Corporation is considering business associations with a financial group to provide financial support for a systematic exploration program on the remaining parts of the Kennedy River Gold Camp property in search for a major gold- and silver-bearing ore deposit.

# KENNEDY RIVER GOLD CAMP VANCOUVER ISLAND BRITISH COLUMBIA , CANADA



LEGEND

- ~~~~~ FAULTS
  - ==== LOGGING ROADS
  - LOGGING ROADS UNDER CONSTRUCTION
- Km 0 5 1 Km  
Miles 0 2 Miles

INTERNATIONAL COAST MINERALS CORP.  
AND ASSOCIATE COMPANIES

## CLAIM MAP (Part of M92F/3W)

Date : January 1989

To accompany Executive Report