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→ Blackdom

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|----------------|-----------|----------------------------------|-------------------|-------------|
| BC Columbia | Blackdome | MMI soil geochemical survey | N/A | \$8,000 |
| Nevada | RC | Rock and soil geochemical survey | N/A | \$4,000 |
| | | Totals | 5,390 / 17,650 | \$1,630,000 |

During 2005, J-Pacific continued to advance its projects cost-effectively, remaining focused on the "point of discovery," where it is expected that shareholders will receive the greatest return on investment. J-Pacific believes that we are in the early stages of a major multi-year bull market in gold. The backdrop for the industry remains remarkably bullish, as rising demand for gold is occurring while the industry is experiencing a decline in production and reserves. With the knowledge that gold producers will require new, productive ore bodies, J-Pacific has assembled a large, diversified portfolio of prospective exploration projects, with a First World focus in mining-friendly jurisdictions in Nevada, Quebec and British Columbia. Recognizing the poor performance of the junior sector in 2005 as gold prices reached 25-year highs, J-Pacific avoided excessive shareholder dilution during this period of depressed share ! prices, and continued with significant exploration programs.

NEVADA

J-Pacific has acquired four prospective gold properties in the heart of Nevada's Cortez District, along the Battle Mountain-Eureka gold trend. J-Pacific's HC and Golden Trend Properties in Eureka County are contiguous with the large Cortez Joint Venture (Placer Dome-Kennecott) area, which contains the Cortez Hills, Pediment and ET Blue discoveries, and the Pipeline, South Pipeline, Gold Acres and Cortez mines.

During 2005, J-Pacific drilled 1,980 metres (6,500 feet) in four holes on its HC Property, and an additional 610 metres (2,000 feet) in a single drill hole on the Golden Trend Property. Both programs returned strong gold geochemical signatures that indicate the presence of hydrothermal gold systems at both properties. Drilling at the HC Property returned anomalous gold values up to 664 ppb Au from drill hole HC05-01, and anomalous gold values in all holes. The single hole drilled at Golden Trend returned anomalous gold values up to 1.3 g/t Au. J-Pacific is awaiting the final results from the 2005 programs, which it will review to help determine the targets for a 2006 drilling campaign.

Exploration in Nevada can be expensive, time consuming and challenging, given a local geological environment that sometimes presents a high degree of structural complexity. Nevertheless, it is one of the major gold mining areas of the world, and contains large ore deposits. Jipangu Inc. of Tokyo, Japan, is funding exploration at the Golden Trend and HC Properties; in partial fulfillment of an option to a joint venture agreement dated April 1, 2004. Jipangu Inc. is the controlling shareholder of J-Pacific, and the companies have two directors in common. J-Pacific is very fortunate to have the financial backing of Jipangu and appreciates the support of Mr. Tamisuke Matsufuji and the professionals at Jipangu.

The Blackdome Gold Mine is located approximately 250 kilometres north of Vancouver and was a highly profitable operation, with 233,253 ounces of gold production between 1985 and 1991. Since 2001, J-Pacific has compiled the past work at Blackdome and commissioned studies by SRK Consulting (2001) and Roscoe Postle and Associates Inc. (2004). Both studies demonstrated that Blackdome has significant potential to host entirely new ore bodies. Three high-priority targets have been defined, and the success of a modest-scale exploration program would allow Blackdome to be rapidly advanced to development and a resumption of production.

In 2002, J-Pacific acquired the Elizabeth Gold Property and has completed 7,135 metres (23,410 feet) of drilling in four programs. The property, consisting of 8,625 hectares, is a district-scale project located in prospective terrain 30 kilometres south-southwest of the permitted mill at the J-Pacific-owned Blackdome Gold Mine, and 30 kilometres north-northeast of the historic gold mining town of Bralorne, where over four million ounces of gold were produced. Given the proximity to the permitted gold mill at Blackdome, production from the Elizabeth Property could be accommodated at the Blackdome facility.

A 2003 surface rock and soil geochemical program led to the discovery of the Southwest Zone and a series of high-grade gold showings at Elizabeth. During 2004 and 2005, J-Pacific drilled 37 holes in three phases, totalling 5,484 metres (17,990 feet). Encouraging results from the drilling of the Southwest Zone outlined a continuous and well-mineralized gold-bearing structure, which was traced over a length of 620 metres (2,045 feet), and over 286 metres (943 feet) vertically within the mountain, with an average width of approximately 4.5 metres (15.0 feet). The 2004 and 2005 drill programs returned several highly mineralized intersections in the Southwest Zone drill program, including 88.47 g Au/t over 2.0 metres (3.3 feet); 5.33 g Au/t over 7.9 metres (25.9 feet); 2.60 g Au/t over 4.9 metres (16.2 feet); 4.53 g Au/t over 4.5 metres (14.8 feet); 5.44 g Au/t over 1.5 metres (5.0 feet); 4.92 g Au/t over 3.0 metres (9.9 feet); and 20.0 g Au/t over 1.0 metres (3.3 feet). Some copper mineralization was anticipated, and the programs produced interesting high-grade copper and molybdenum values in excess of 0.5%, indicating the potential for porphyry copper-molybdenum targets.

J-Pacific is readying the Blackdome and Elizabeth projects for advanced exploration and potential development activities. As well, J-Pacific intends to maintain the flexibility to pursue the opportunities at Blackdome-Elizabeth directly or through new partnerships.

OUTLOOK FOR 2006

Looking forward to 2006, J-Pacific remains bullish on gold and the prospects for the gold mining industry. It is anticipated that the junior gold mining and exploration sector will begin to benefit from the increasing strength of the gold price. J-Pacific is committed to aggressively advancing its portfolio of projects, while financing exploration activities to minimize shareholder dilution. J-Pacific is also making plans to increase the marketing of its corporate profile and achievements with investors on a much larger scale.