

Afton Mine Project

1. DRC Resources Corporation is focused on the exploration and development of the Afton Mine Property, located **6 miles (10 km) west of Kamloops, B.C.** With **C\$5 million in working capital** the Company is well financed to carry out the next phase of exploration.

2 Afton Mine Property

In year 2000, 21 NQ Diamond Drill Holes (30,575 feet) outlined a wide “feeder zone” below the Afton open-pit. The mineral zone is a steeply dipping tabular **body 1200 ft (365 m) in length, averaging 250 ft (76 m) in width** and extending to at least **1000 ft (303 m) below pit bottom**. The zone is open in all directions with no indication of narrowing except towards surface. All studies completed are positive.

3. Geological Engineering study

J.J. McDougall & Associates Ltd.

January, 2001

-25 million Ton Indicated Mineral Resource

-2% Copper

-0.045 oz/t Gold

-0.004 oz/t Palladium

-0.20 oz/t Silver

-3.00% Copper Equivalent

(60 pounds copper/ton)

(Metal Prices Can. \$: Cu \$1.20/lb, Au 420/oz, Pd \$900/oz, Ag \$7.50/oz)

Petrographic Study

J.F. Harris, Ph.D., Petrographic study

December, 2000

- disseminated copper sulphides appear to be of "magmatic" origin.
- Copper sulphides resemble certain types of **gabbroic/anorthositic** rocks associated with **nickel and platinum-group** deposits.

Scoping Study

Behre Dolbear & Company Ltd.

February, 2001

- Block caving: 4500 tons/day
- Net Smelter Return: C\$51.57/ton
- Total operating costs: C\$22.19/ton
- Net Income before tax: C\$29.38/ton
- Life of mine net income (undiscounted):
 - before tax C\$734,685,000
 - after tax C\$376,417,000
- Internal rate of return (10% Disc. Rate) 32.3%

Metallurgical Study

Process Research Associates Ltd.

February, 2001

Metal Recovery	Locked Cycle Concentrate
-Copper 89%	-41% Copper
-Gold 90%	-0.83 oz/t gold
-Palladium 76%	-0.05 oz/t Palladium
-platinum 99%	-0.006 oz/t Platinum
-Silver 90%	-3.73 oz/t silver

5. Other very important features of the Afton Property are:

- Excellent location along the Trans Canada Highway, 10 Kms West of the City of Kamloops.
- Well serviced with **good road access, water, power, infrastructure, mine-site** and a **local experienced mine labor force** which gives this area one of the lowest, if not the lowest mining costs in North America.
- Located in an **existing mining district** where all levels of government are very supportive of mining.
- **No outstanding Aboriginal Land Claim** issues to address.
- **Government Mining Permits, Incentive Grants and Mine-Site facility are available** which further reduces capital cost and lead time to have the mine back in production.

DRC Resources has an experienced management team with many years of experience in the mining industry and has assembled a team of top-level Geological and Mining Engineers to advise the company on the exploration and development of the Afton Mine Project. The Company has retained independent consultants **James J. McDougall & Associates, P.Eng., James Douglas Little, P.Eng, Douglas A. Knight, BAsC. and A.D. McCutcheon, P.Eng.**

Professional Engineer James (Jim) McDougall, with over 50 years mineral exploration experience - 30 years as Exploration Manager with Falconbridge Ltd., will be overseeing the Geological Fieldwork and Diamond Drilling.

Doug Little's distinguished career includes positions as Executive Vice-President and Director of Placer Dome, Craigmont Mines and Gibraltar Mines. He has also been President & CEO of Cassiar Asbestos and Director of Afton Mines. He has over 40 years experience in mining - 30 years with Placer Dome.

Douglas A. Knight is a senior mineral processing engineer with over 40 years of international experience, including 30 years involved with the development of a number of mines with Placer Dome. He supervised test work, design, equipment purchase and start-up of 5 major mines in the 1990's with an aggregate value of \$1.8 Billion (Porgera, New Guinea; Zaldivar, Mexico; Pipeline, Nevada; Musselwhite, Ontario and Dome Expansion, Ontario).

A.D. McCutcheon was President/General Manager of Canadian Mine Services Ltd. and American Mine Services Inc. He brings to the Company over 40 years of hands-on international operating experience in mining and engineering.

6. In summary, DRC Resources has completed 21 diamond drill holes (30,500 ft) to date. Most drill holes intersected long intervals of sulphide mineralization indicating a large tabular zone with a higher grade section (4-5% Copper Equivalent) within the main zone. The company has completed a Mineral Resource Study, Metallurgical Study, Petrographic Study and Scoping Study which are positive for the potential development of an underground bulk tonnage operation at Afton. The 2001 Diamond Drill Program is scheduled to commence in March.

The continuing diamond drill program has the potential to substantially increase the size of the mineral zone, which could be reflected in the share price. The junior resource sector appears to have turned the corner and most analysts believe investors will now focus on the depressed resources stocks.