

The first meeting with the Committee and Int'l Wayside officials was held in Sept/96, at which time the preliminary plans for an open pit mine were outlined. The Committee met again last spring and a third meeting was held 21Sept97. At the last meeting, the company informed the Committee of its intention to purchase the remaining 50% of the Cariboo Gold Quartz Mine, the Island Mountain Mine, and the permitted Mosquito Creek Gold Mine, thus forming the Cariboo Gold Project. In addition, dialogue with First Nations was initiated, ground water and environmental impact studies are underway, and talks with B.C. Hydro, for the installation of three-phase power supply to Wells, were initiated (the latter will significantly reduce processing costs). Int'l Wayside was informed that with the information presented, and now controlling a permitted mine, formal application under the Environmental Assessment Act could proceed. The permit application will encompass all three former producing gold mines, expand the existing permit to increase daily tonnage milled and include relocating the mill to a more advantageous site.

Geologic Systems Ltd. of Vancouver, completed a geological mineral inventory calculation, on ground above the 1200 level of the Cariboo Gold Quartz Mine. Based on drill hole assays to 31Jul97 a resource was calculated of about 3,400,000 short tons grading 0.102 oz.gold/ton uncut and 0.096 oz.gold/ton with a cut off grade of 0.03 oz/ton. Assays received since July will increase the mineral inventory. An updated mineral resources calculation in the new year will enable the company to start a pre-feasibility study. Geologic Systems is also building a three dimensional model of the underground workings and stopes within the Cariboo Gold Quartz, Island Mountain and Mosquito Mines. Once finished, the model will be used to examine mineralization trends and outline exploration targets for expanding the existing mineral inventory.

Dr. Richard D. Hall, P.Eng., stated in a report to the Mosquito Creek Gold Mining Company, on Cariboo Gold Quartz, the Island Mountain and Mosquito Creek Gold Mines, entitled "Report on Past Operations and Exploration Proposal", dated Sept/91, that about 500,000 tons pyrite-type mineralization grading 0.5 oz.gold/ton are reasonably thought to remain within the Aurum Limestone Unit. An exploration program, including drilling, will be undertaken from surface and underground workings in 1998 for which an Exchange Offering Prospectus is before the Vancouver Stock Exchange.

As part of the 1997 exploration, the company has explored by trenching and sampling, a new 1.4 km long anomalous trend, which is subparallel and southwest of the main mine trend. SEE MAP OVERLEAF P.4. Assay results from previous and current programs have returned 6.97 grams gold/tonne across 15 metres and 3.91 grams/tonne across 15 metres from outcrop sampling adjacent to Lowhee Creek, 0.61 grams/tonne across 17.7 metres and 1.89 grams/tonne across 15 metres in trenches within 500 feet of Lowhee. Results from additional trenching in 1997 further northwest along the trend are pending.

Recorded production from the Cariboo Gold Project and surrounding property owned by Int'l Wayside is 3,800,000 ounces of gold, including 2,600,000 ounces of placer and 1,200,000 ounces of lode averaging 0.406 oz.gold/ton. Both quartz-type ore, with an average grade of 0.38 oz. gold/ton, and pyrite-type ore, with an average grade of 0.66 oz/ton, were mined. The property is about 17.5 square miles in area. Surface and underground drilling will continue all winter on mineral inventory from the 1200 Level then to the 1500 Level as underground drill stations are being planned. Surface drilling will start in the new year on the new zone. (SEE GCNL NO.198, Oct.15/97, P.4 FOR PREVIOUS CARIBOO GOLD PROJECT INFORMATION)

INTERNATIONAL WAYSIDE GOLD MINES LTD.

[IWA-V] 11,607,976 SHS.

CARIBOO GOLD QUARTZ PROJECT REVIEW - J. Frank Callaghan, president, International Wayside Gold Mines Ltd. reports on progress for the pre-application process with the Cariboo Mine Development Review Committee and its representatives from the Federal and Provincial Governments. Under an agreement for sale, Int'l Wayside is purchasing 100% interests in the Cariboo Gold Quartz Mine property, the Island Mountain Gold Mine property and the Mosquito Creek Gold Mine property, located near Wells, about 65 miles east of Quesnel, BC. In addition, Int'l Wayside has staked 6,036 claims in the vicinity of the project site.

This review provides a summary of the exploration program including surface and underground drilling results on Cow Mountain in the Rainbow, Sanders and Pinkerton Zones. To date 193 drill holes have been completed by Int'l Wayside, including a combination of 78 surface and underground holes drilled thus far during 1997. Results of eight drill holes are printed overleaf P.3. with two pending and 15 drill holes with 1,000 samples in for assay from prospecting, geochem, and trenching.

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INTERNATIONAL WAYSIDE GOLD MINES LTD. CARIBOO GOLD PROJECT WELLS, BC

Underground Percussion (UP) and Surface Diamond (SD) Drill Hole Results

Hole #	Length Feet	Azimuth Degrees	Inclination Degrees	Collar Elevation	Co-Ordinates		Sample Length Intersection	Total Feet	Gold Assay	
					Northing	Easting			g/t	oz/t
UP97-32	224	23	43	4335	5277	12168	0-4	4.0	3.60	0.105
SD97-23	355	358	-55	4724	4489	11721	78.5-82.5 187.4-188.4 289.1-290.8	4.0 1.0 1.7	31.51 6.06 6.10	0.92 0.18 0.18
SD97-24	260	168	-45	4614	4325	11350	NO SIGNIFICANT ASSAYS			
SD97-25	205	161	-45	4559	4402	11186	54.4-57.0 78.0-80.3 91.5-95.0	2.8 2.3 3.5	1.89 1.17 3.38	0.055 0.034 0.099
SD97-26	195	165	-45	4552	4528	11222	RESULTS PENDING			
SD97-27	305	165	-45	4588	4442	11292	34.0-35.0 49.2-50.0 64.0-72.5 73.3-73.7 93.0-95.4	1.0 0.8 8.5 0.4 2.4	16.77 2.50 1.09 28.73 102.80	0.489 0.073 0.032 0.838 2.993
SD97-28	305	165	-45	4558	4481	11197	91.8-95.0 97.6-99.3 146.5-147.3	3.2 1.7 0.8	1.24 21.70 1.41	0.036 0.633 0.041
SD97-29	245	165	-45	4554	4588	11241	RESULTS PENDING			
SD97-30	75	165	-45	4498	4517	11017	83.0-85.0	2.0	1.36	0.040
SD97-31	305	165	-45	~4667	~4428	~11500	66.1-70.0	3.9	1.23	0.036

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