

SUMMARY GEOLOGICAL REPORT ON THE

TAY - LP PROPERTY

Seagull Creek Area,
Watson Lake Mining District,
Yukon Territory, Canada.

NTS 105F-10, 105F-7
61°33' N Latitude
132°40' W Longitude

Prepared for:

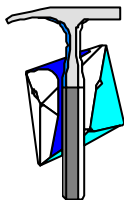
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September 11, 2001
Amended November 21, 2001
Amended January 14, 2002

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January 14, 2002

The Directors:

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Gentlemen:

Amended Report dated November 21, 2001

This letter is to provide a description of amendments to my Geological Summary Report, titled "**Summary Geological Report on the Tay-LP Property**" dated November 21, 2001. This Letter of Amendment should be attached to the front of the above-noted report forming an integral part of that report.

Background:

1. The necessity for the amendment of this report is occasioned by the exercise by Newmont Mining ("Newmont"), on December 19, 2001, of its right under an option agreement with Ross River Gold Ltd. ("Ross River") to terminate the Tay-LP option in the Yukon Territory (Newmont's Notice Termination, Dated December 19, 2001 - attached APPENDIX B). Newmont delivered it's "2001 Summary Report on the Tay-LP Project" on January 3, 2002. The direct effect of the return of the Tay-LP property to Ross River is that Ross River will be required to expend approximately \$200,000 of the funds to be raised by Initial Public Offering on the Tay-LP property. Consequently this amount must be budgeted and presented in the above report.
2. In addition I have reviewed Newmont's work program described in it's "2001 Summary Report on the Tay-LP Project, dated December 2001" and have summarised and included this in the this Letter of Amendment.
3. Further to item 2 above, I have recommended an exploration program for the Tay-LP Property for 2002, within the above budget of approximately Cdn\$200,000, described and included it in this amended report.
4. Figure 5 has been modified to show the drill holes completed by Newmont in 2001. Table 1 has been changed to reflect the new expiry dates of the claims, pending approval of Newmont's assessment reports by the Watson lake Mining Recorder. Tables 3 and 4 were added to describe drilling in 2001. Appendix B is now Newmont's Notice of Termination. No other figures or tables have been changed or modified.

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Qualifying Statements

The reader should understand that these budgeted amounts are suggestions only; actual expenditures may vary, contingent on results obtained, the presence or absence of optionors or joint venture partners, on the discretion of the supervising field geologist and company management, and on a number of factors such as weather, financial markets, political or legal or other factors which cannot be determined at present. Further, although the writer has created this budget based on consultation with the company and a review of past expenditures and unit costs, he cannot guarantee that the suggested exploration programme can be completed for the amounts stated.

The writer is not aware of any factors or information absent from Newmont's 2001 report which would lead him to change his opinion on the conclusion that the TAY – LP property is a "property of merit". There are no further or different issues that need be covered in my certificate attached to the original report and the amended report.

January 14, 2002

Respectfully submitted,

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TABLE OF CONTENTS

1.0 SUMMARY.....	P1
2. 0 INTRODUCTION AND TERMS OF REFERENCE.....	P2
3.0 DISCLAIMER.....	P3
4.0 PROPERTY DESCRIPTION AND LOCATION.....	P3
5.0 ACCESSIBILITY, CLIMATE, LOCAL RESOURCES, INFRASTRUCTURE AND PHYSIOGRAPHY.....	P6
6.0 EXPLORATION HISTORY.....	P7
7.0 GEOLOGY.....	P10
7.1 REGIONAL GEOLOGY AND MINERAL OCCURRENCES.....	P10
7.2 PROPERTY GEOLOGY.....	P11
8.0 DEPOSIT TYPES.....	P14
9.0 MINERALIZATION.....	P14
10.0 2000 AND 2001 EXPLORATION PROGRAMME.....	P16
10.1 2000 ROCK CHIP SAMPLING.....	P16
10.2 2000 SOIL GEOCHEMICAL SURVEY.....	P16
10.3 2000 AUGER GEOCHEMICAL SURVEY.....	P18
10.4 2000 AIRBORNE GEOPHYSICAL SURVEY.....	P19
10.5 2001 GEOLOGICAL MAPPING AND ROCK CHIP SAMPLING.....	P19
10.6 2001 MAX-MIN GROUND GEOPHYSICAL SURVEY.....	P20
10.7 2001 DIAMOND DRILLING PROGRAM.....	P21
11.0 DATA VERIFICATION	P23
12.0 INTERPRETATION AND CONCLUSIONS.....	P23
13.0 RECOMMENDATIONS.....	P24
14.0 BUDGET.....	P26
15.0 REFERENCES.....	P27
16.0 CERTIFICATE OF QUALIFICATIONS AND CONSENT.....	P28

FIGURES

Fig. 1 LOCATION MAP OF THE YUKON

Fig. 2 CLAIM MAP

Fig. 3 REGIONAL GEOLOGY

Fig. 4 PROPERTY GEOLOGY AND DRILL HOLE PLAN

FIG. 4A SCHEMATIC X-SECTION FOR THE TINTINA GOLD BELT

Fig. 5 PLAN OF SHOWINGS, GEOCHEM. ANOMALIES AND DRILLHOLES

Fig. 6 TINTINA GOLD BELT

TABLES

TABLE 1 Claim Numbers	P3
TABLE 2 Preliminary Stratigraphic Column	P12
TABLE 3 2001 Tay – LP Property Diamond Drill Hole Summary	P21
TABLE 4 Summary of Significant Gold Intercepts.....	P22

APPENDICES

APPENDIX A. CLAIM STATUS REPORTS

APPENDIX B. NEWMONT NOTICE OF TERMINATION

1.0 SUMMARY

The 377 claim, 9425 hectare TAY – LP property, consisting of the TAY, LP, JEF, CAM, GAI, TRY and Ram claims is located in the south central Yukon Territory at approximately 61° 33' north latitude and 132° 40' west longitude, 50 kilometres to the south of the town of Ross River which is on the Robert Campbell highway, and 160 kilometres to the northeast of Whitehorse.

The original TAY claims were staked in 1984 when rusty float boulders containing appreciable gold values were found in the Seagull Creek valley. The claims were held by various exploration companies including Cominco but since 1989 have been held by ROSS RIVER GOLD LIMITED, a private BC. Company. The property was optioned to NEWMONT EXPLORATION of CANADA on June 1, 2000 and exploration was conducted by NEWMONT in the years 2000 and 2001. On December 19, 2001 NEWMONT served notice to ROSS RIVER GOLD LTD., that it was terminating its option on the TAY-LP property (APPENDIX B).

On July 26, 2001 PANAMEX RESOURCES INC. announced that it had entered into an agreement to acquire the shares of ROSS RIVER GOLD LTD., by share exchange, which would result in a reverse takeover of PANAMEX. With the completion of the transaction, ROSS RIVER will be a wholly owned subsidiary of PANAMEX.

Work to date on the TAY - LP property has outlined significant intrusive related gold mineralization in quartz veining, quartz stockwork zones and zones of replacement mineralization in Paleozoic age carbonate bearing sequence of meta-sedimentary rocks. The occurrence of gold mineralization along the Seagull Creek corridor appears to be related to a structural zone running roughly parallel to the Seagull Creek valley.

Some of the significant gold bearing zones include mineral showings such as the **Mouse, Vole, Wolf** and **Gossan showings** along a nine kilometre length of the valley. Other work has outlined soil geochemical anomalies within the claim area.

The **Tolbert Creek Soil Anomaly** which is located near to possibly mineralizing intrusives which appear to cut favourable Lower Cambrian age stratigraphy. Anomalous gold and associated elements from stream sediment samples, soil samples and float samples make this area a favourable target for additional exploration. Mineralization identified along Seagull Creek and at the **Camp Soil Anomaly** has been the focus of significant drilling and past exploration. Drill intersections such as hole 91-24 with 24.4 metres averaging 3.59 g/t gold make the Seagull Creek target a priority for further drilling. In addition, extensive strike lengths along this trend have not been thoroughly drill tested.

NEWMONT has not yet provided a report of expenditures for 2001, but these are expected to exceed CAN \$450,000. NEWMONT's diamond drill testing, in 2001, of highly anomalous and very widespread coincident magnetic and electromagnetic anomalies failed to intersect widespread, significant gold mineralization. The assumption that magnetic high anomalies are associated with auriferous pyrrhotite bodies was determined to be invalid. Where present, gold is associated with bismuthinite and a high temperature, non-magnetic form of pyrrhotite, as in the one drill hole completed on an EM anomaly with no coincident magnetic anomaly - 2001 drill hole TLP01-10 (11.47 metres of 2.94 g/t Au). Where present, gold is associated with bismuthinite and a high temperature, non-magnetic form of pyrrhotite.

Based on the above observations the writer recommends that future work should not solely rely on geophysics, but also take into account known geochemistry, geology, previous drill information

and mineralogy. The writer further recommends an exploration program in 2002, with a budget of at least CDN \$200,219, to re-evaluate the airborne geophysical data, and to complete geological mapping, prospecting and soil sampling on the TAY-LP property.

The writer has reviewed the data made available by ROSS RIVER on the TAY – LP property, including all of the reports cited in the Montgomery and Stammers 2000 report, and the Stammers 2001 report and concludes that the TAY – LP property is a “property of merit”.

2.0 INTRODUCTION AND TERMS OF REFERENCE

On July 26, 2001 PANAMEX RESOURCES INC. (PANAMEX) announced that it had entered into an agreement to acquire the shares of ROSS RIVER GOLD LTD., (ROSS RIVER) a private BC. Company, by share exchange, which would result in a reverse takeover of PANAMEX. With the completion of the transaction, ROSS RIVER will be a wholly owned subsidiary of PANAMEX.

Mr. Marcus N. Foster, President and CEO of PANAMEX RESOURCES INC., Suite 1004 - 750 West Pender Street, Vancouver, British Columbia, V6C 2T7, has requested the writer Marvin A. Mitchell P. Eng., of MITCHELL GEOLOGICAL SERVICES INC. Suite 1028 – 470 Granville St., Vancouver, BC., CANADA V6C 1V5 to prepare summary a report on the TAY - LP property, located in the Watson Lake Mining District, Yukon Territory, Canada. The 377 claim, 9425 hectare TAY – LP property, consists of the TAY, LP, JEF, CAM, GAI, TRY and Ram claims as detailed in Table 1 of this report.

This report was prepared to assist PANAMEX and ROSS RIVER to complete their agreement and to satisfy the requirements of the Canadian Venture Exchange.

The writer had worked on the TAY – LP property in July and August of 1994 for Pacific Comox Ltd.

ROSS RIVER GOLD LTD., is a junior natural resource company that currently holds options on 377 mineral claims in the Ross River area of the Yukon Territory, the TAY – LP property. All of these claims were optioned to NEWMONT EXPLORATION of CANADA LTD., (NEWMONT) on June 1, 2000. On December 19, 2001 NEWMONT served notice to ROSS RIVER GOLD LTD., that it was terminating its option on the TAY-LP property.

Mr. Robin S. Tolbert, a partner of and agent for Long & Associates, the original stakers of the TAY claims, and also a Vice President, the Secretary, and a Director of ROSS RIVER, has aided in the preparation of this report. Newmont had previously advised ROSS RIVER that they consider that much of the data that they had collected from the Tay – LP property to be proprietary in nature and that they did not wish all of the data to be included in this report. Subsequent to NEWMONT terminating the TAY-LP option the writer has reviewed all of the data that is available on the property.

This report draws heavily on previously written reports by J.C. Stephen, A. T. Montgomery, P. Geo. and M.A. Stammers, P. Geo. Mr. Montgomery and Mr. Stammers are contractors employed by NEWMONT. Mr. Stephen was a Director of Pacific Comox Resources Ltd., and in later years wrote reports on the TAY – LP property. Also used in the preparation of this report is a report entitled A REGIONAL EXPLORATION PROGRAM FOR GOLD by B.J Price, P. Geol of B.J. Price Geological Consultants Inc. Other sources of data are included in the Reference section.

The writer has now reviewed all of the data made available by ROSS RIVER on the TAY – LP property including the data that NEWMONT previously did not want published which is contained in the Stammers/Montgomery report of 2000. This review of this data does not materially affect the writer's interpretation, conclusions and recommendations. The author concludes that the TAY –LP property is a property of merit.

3.0 DISCLAIMER

The sources of all information not based on personal examination are quoted in the report. The information provided by the various parties is to the best of my knowledge and experience correct. The author has relied heavily in the preparation of this report on a report by Mr. A.T. Montgomery, P. Geo., and Mr. M.A. Stammers P. Geo., entitled, 2000 SUMMARY REPORT ON THE TAY - LP PROJECT, prepared for NEWMONT EXPLORATION OF CANADA LIMITED, as well as a report by Mr. M.A. Stammers P. Geo., entitled, 2001 SUMMARY REPORT ON THE TAY - LP PROJECT, prepared for NEWMONT EXPLORATION OF CANADA LIMITED. Also used in the preparation of this report is a report entitled A REGIONAL EXPLORATION PROGRAM FOR GOLD by B.J Price, P. Geo., of B.J. Price Geological Consultants Inc. Other sources of data are included in the Reference section.

Claim data was solicited from the Mining Recorder in Watson Lake, YT.

4.0 PROPERTY DESCRIPTION AND LOCATION

The property comprises 377 Quartz mineral claims totalling approximately 9425 hectares in area. The TAY- LP property is located in the south central Yukon Territory at approximately 61° 33' north latitude and 132° 40' west longitude, 50 kilometres to the south of the town of Ross River which is on the Robert Campbell highway, and 160 kilometres to the northeast of Whitehorse (Figure 1). The claims cover a contiguous block in the Seagull Creek valet approximately 20 kilometres long by 4 kilometres wide. The claims may be found on map sheets NTS 105F-10 and 105F-7

Table 1: Claim Numbers

<u>CLAIM NAME</u>	<u>RECORD NUMBER</u>	<u>DATE RECORDED</u>	<u>EXPIRY DATE *</u>
TAY 1 – 3	YA71482 - 484	01/08/84	07/12/08
TAY 4	YA71485	01/08/84	07/12/09
TAY 5	YA71486	01/08/84	07/12/08
TAY 6	YA71487	01/08/84	07/12/09
TAY 7	YA71488	01/08/84	07/12/08
TAY 8	YA71489	01/08/84	07/12/09
TAY 9	YA71490	01/08/84	07/12/08
TAY 10	YA71491	01/08/84	07/12/09
TAY 11 - 15	YA71492 - 496	01/08/84	07/12/08
TAY 16 - 17	YA71497 - 498	01/08/84	07/12/09
TAY 18	YA71499	01/08/84	07/12/10
TAY 19	YA71500	01/08/84	07/12/09
TAY 20	YA71501	01/08/84	07/12/10
TAY 21	YA71502	01/08/84	07/12/09
LP 1 – 4	YA90299 - 302	27/09/85	07/12/08

CLAIM NAME	RECORD NUMBER	DATE RECORDED	EXPIRY DATE*
LP 7 - 1	YA72530 - 533	07/12/84	07/12/09
LP 11	YA72534	07/12/84	07/12/10
LP 12	YA72535	07/12/84	07/12/09
LP 13	YA72536	07/12/84	07/12/10
LP 14	YA72537	07/12/84	07/12/09
LP 15 - 20	YA72538 – 543	07/12/84	07/12/10
LP 21 - 23	YA72544 - 546	07/12/84	07/12/09
LP 24	YA72547	07/12/84	07/12/08
LP 25	YA72548	07/12/84	07/12/09
LP 33	YA72556	07/12/84	07/12/08
LP 35 - 38	YA72558 – 561	07/12/84	07/12/08
LP 39	YA72562	07/12/84	07/12/10
LP 40	YA72563	07/12/84	07/12/08
LP 41 - 44	YA72564 - 567	07/12/84	07/12/10
LP 45	YA72568	07/12/84	07/12/10
LP 46 - 47	YA72569 – 570	07/12/84	07/12/10
LP 48 - 52	YA72571 - 575	07/12/84	07/12/09
LP 53	YA72576	07/12/84	07/12/09
LP 54 - 63	YA72577 - 586	07/12/84	07/12/09
LP 64 - 66	YA73595 - 597	02/08/85	07/12/09
LP 67	YA73598	02/08/85	07/12/08
LP 68	YA73599	02/08/85	07/12/09
LP 69 - 70	YA73600 - 601	02/08/85	07/12/08
LP 71 - 78	YA73602 - 609	02/08/85	07/12/08
LP 79	YA73610	02/08/85	07/12/09
LP 80	YA73611	02/08/85	07/12/08
LP 81	YA73612	02/08/85	07/12/09
LP 82	YA73613	02/08/85	07/12/08
LP 83	YA73614	02/08/85	07/12/09
LP 84	YA73615	02/08/85	07/12/08
LP 85	YA73616	02/08/85	07/12/09
LP 86	YA73617	02/08/85	07/12/08
LP 87	YA73618	02/08/85	07/12/09
LP 88	YA73619	02/08/85	07/12/08
LP 89	YA73620	02/08/85	07/12/09
LP 90 - 93	YA73621 - 624	02/08/85	07/12/08
LP 109 - 115	YA73775 - 781	12/09/85	07/12/08
LP 130 - 134	YA73796 - 800	12/09/85	07/12/08
LP 135 – 139	YA90201 – 205	12/09/85	07/12/08
LP 153	YA90219	12/09/85	07/12/08
LP 155	YA90221	12/09/85	07/12/08
LP 157	YA90223	12/09/85	07/12/08
LP 159	YA90225	12/09/85	07/12/08
LP 165 - 167	YA90231 – 233	12/09/85	07/12/08
LP 168 – 169	YA90234 – 235	12/09/85	07/12/09
LP 170 - 172	YA90236 – 238	12/09/85	07/12/10
LP 173 – 175	YA90239 – 24	12/09/85	07/12/09
JEF 9	YA99792	19/02/87	07/12/08
JEF 11 - 14	YA99794 – 797	07/12/00	07/12/08
JEF 27	YA99810	07/12/00	07/12/08
JEF 51	YA99834	07/12/00	07/12/08
CAM 1 – 40	YB92579 – 618	28/03/00	12/28/04+

CLAIM NAME	RECORD NUMBER	DATE RECORDED	EXPIRY DATE *
GAI 1 – 65	YB92619 – 683	28/03/00	28/12/09
TRY 1 – 60	YB92756 – 815	23/08/00	31/12/05
RAM 485 – 492	YA72060 – 067	28/09/84	31/12/08
RAM 497 – 504	YA72072 – 079	28/09/84	31/12/08
RAM 509 - 516	YA72084 - 091	28/09/84	31/12/08
RAM 521 – 528	YA72096 – 103	28/09/84	31/12/08
RAM 543 – 552	YA72194 –203	23/10/84	31/12/08
RAM 554	YA72205	23/10/84	31/12/08
RAM 615 – 622	YA72266 – 273	23/10/84	31/12/08
RAM 692	YA72343	23/10/84	31/12/08
RAM 694	YA72345	23/10/84	31/12/08
RAM 696	YA72347	23/10/84	31/12/08
RAM 698	YA72349	23/10/84	31/12/08
RAM 700	YA72351	23/10/84	31/12/08
RAM 702 – 714	YA72353 – 365	23/10/84	31/12/08

* Pending acceptance of assessment work filed.

+ No work pending on Cam 1 – 40 claims

The writer has confirmed mineral titles with the Mining Recorder for Watson Lake Mining Division, YT. The claims are registered in the names of NEWMONT Exploration of Canada Ltd. (The TAY, JEF, GAI, CAM, TRY and LP claims - 308 titles) and Fairfield Minerals Ltd. (Ram claims - 69 titles). As of the date of this report, NEWMONT has not re-transferred the claims back to ROSS RIVER as stipulated in the agreement between NEWMONT and ROSS RIVER. NEWMONT will have no interest in any of the afore mentioned claims.

A copy of the Claim Status Reports for the TAY – LP claim group which was obtained from the Watson Lake Mining Recorder's Office is included in Appendix A. The claims are shown on Figure 2.

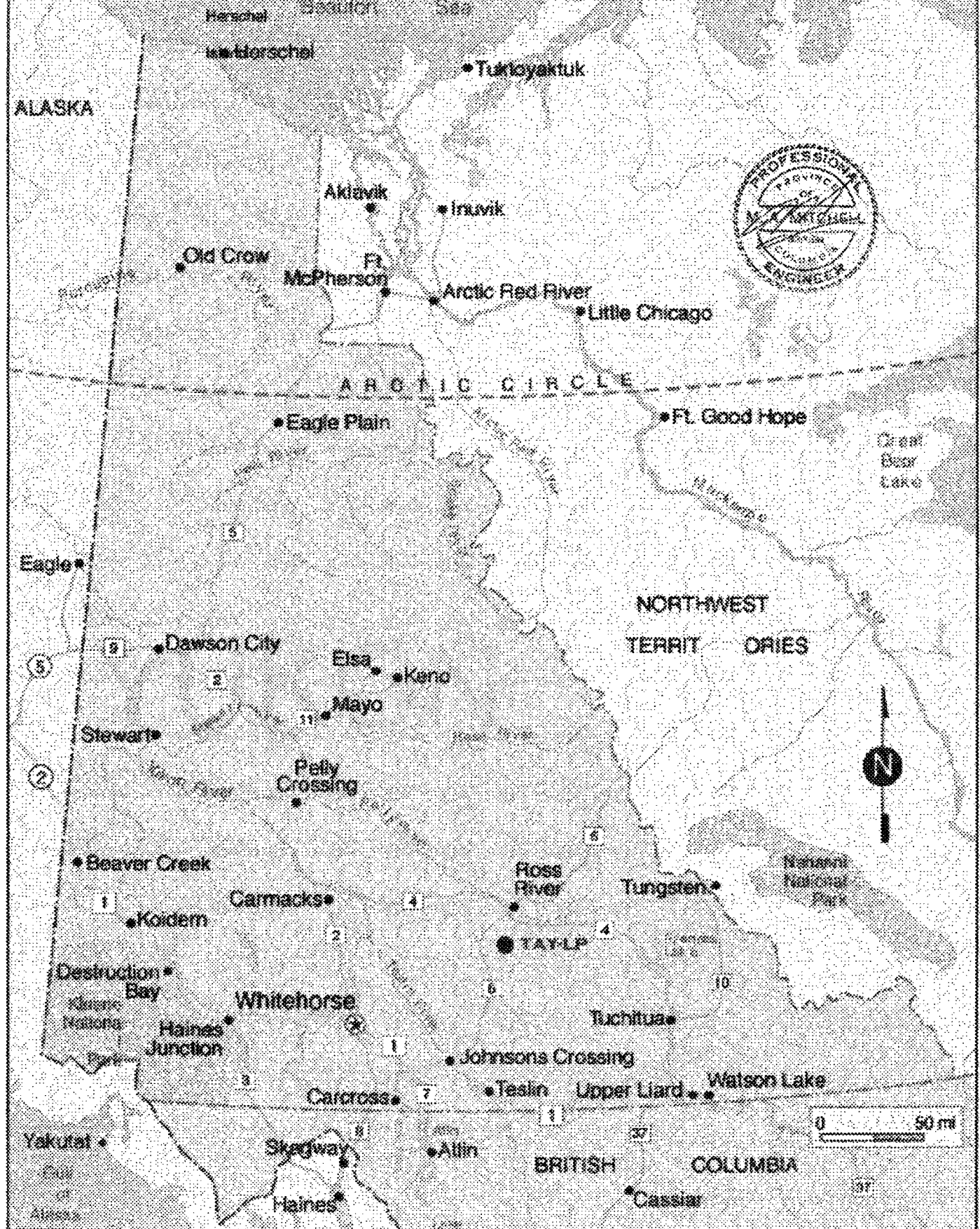
To the writer's knowledge there are no liens or encumbrances filed against the claims and there are no known conflicts with other claim owners.

To the author's knowledge, none of the above listed claims have been legally surveyed.

To the writer's knowledge there are no environmental liabilities on the Tay-LP property, and that Newmont had acquired all necessary permits to carry out exploration work on the property.

The locations of known zones of mineralization and geochemical anomalies within the claim block are shown on Figure 5.

LOCATION MAP OF THE YUKON



©1994 MINGHILLAN Geographics, Santa Barbara, CA (805) 225-0515

After Price, 2001

FIGURE 1

Figure 2

Figure 5

5.0 ACCESSIBILITY, CLIMATE, LOCAL RESOURCES, INFRASTRUCTURE and PHYSIOGRAPHY

No Changes From Previous Report

The following is excerpted from Montgomery and Stammers, 2000.

"The TAY- LP property is located in the south central Yukon Territory at approximately 61° 33' north latitude and 132° 40' west longitude, 50 kilometres to the south of the town of Ross River which is on the Robert Campbell highway, and 160 kilometres to the northeast of Whitehorse (Figure 1).

The property is situated within the St. Cyr Range of the Pelly Mountains, and mostly covers the lower elevations of the gently sloping Seagull Creek valley, where elevations range from between approximately 1000 metres to just under 2000 metres above mean sea level. Most of the property lies below tree line, with the claims centered along Seagull Creek, which locally forms oxbows and typically meanders through this broad sediment filled valley. Local swampy areas exist along the creek.

Weather patterns during summer months at the property include typically moderate to cool temperatures in the 10°C - 20°C range, with frequent rainy and drizzly conditions and afternoon wind and thundershowers."

The following is drawn from Stephen, 2000.

"Mobilization of camps and heavy equipment to the TAY - LP claim group (sic) has, in the past, been from Whitehorse. Travel by way of the Alaska-Yukon Highway from Whitehorse to Johnson's Crossing on the Teslin River is on a paved highway, a distance of approximately 135 kilometres. From Johnson's Crossing the route follows the gravelled South Canol Road to the Nisutlin River valley and north beyond Quiet Lake to Groundhog Creek in the Lapie Lakes area, a total distance of approximately 160 kilometres.

At Groundhog Creek a narrow, four wheel drive road follows up Groundhog Creek to the height of land at an elevation of 1660 metres. The road from the height of land down to Seagull Creek at elevation 1220 metres is quite narrow and, in places, steep. After crossing Seagull Creek the road follows the east side of the valley, parallel to Seagull Creek, to the campsite and beyond the south end of the property. The distance from the Canol Road to the camp is about 30 kilometres. The distance from Groundhog Creek, along the South Canol Road to Ross River village, is about 60 kilometres. A nursing station, an airstrip and some other facilities are available at Ross River.

If necessary, chartered fixed wing aircraft could be used from centres such as Whitehorse, Watson Lake or Ross River to fly into Seagull Lake. Communication by ordinary VHF radio from the TAY- LP property has, however, been quite unreliable. Tractor roads have been developed to reach drill sites. East of Seagull Creek several of these tractor roads have been used with 4-wheel drive trucks. In places, care must be taken crossing creeks as the water may be deeper than it first appears. Tractor, or track mounted reverse circulation drills, have made trails up and along the slopes west of Seagull Creek but the majority of these are impassable with 4-wheel drive trucks. All terrain vehicles may be useful for future access to the various exploration sites. No significant gravel deposits have been encountered within the property although some of the glacial till may be useful for road repair and maintenance. Several low, wet, areas along the

access road should have culverts installed and suitable till material might be used to build up the road approaches.

The climate of the Yukon, in general, is typical of the northerly location. With regard to the TAY - LP property in particular the greatest climatic effect is felt with regard to road access. The Groundhog Creek four wheel drive road is adversely affected by spring break up and run off conditions into June each year. Washouts may be expected. Summers are relatively short and new snow may be expected anytime after the first of September. That first snow may not stay on the ground but, by the first of October, snow adversely affects access over the 1660 metre high pass at the height of land above Groundhog Creek. By November that pass is normally closed by deep drifted snow.

Winter operation may be considered in order to explore some of the oxbow lake and swamp areas by drilling. If equipment is mobilized prior to freeze up, tracked vehicles, such as bombardiers, may be able to operate through the winter. Fixed wing aircraft could supply the camp by landing on Seagull Lake. It may be possible to develop a winter landing strip in the Seagull Creek valley closer to the scene of operations.”

The date of the first frost in this area is highly variable but in general, the snow and frost free period is approximately 75 days or about 2 ½ months.

6.0 EXPLORATION HISTORY

The following is excerpted from Montgomery and Stammers, 2000.

“Most of the exploration activity carried out to date on the combined TAY - LP property has focused on a three kilometre long mineralized trend located along Seagull Creek, extending to the north and south from the Seagull Creek – Tolbert Creek junction. Geophysical anomalies associated with this these trends have been investigated.

The original Tay 1 – 21 claims were staked in 1984 by a group of prospectors, Peter Long, Jim Schnare and Ted Bartsch, after discovering rusty float boulders with appreciable gold values located along the Seagull Creek valley. The claims were optioned to **Cominco Limited** in 1985. The LP and Jef claims were added to the claim group during 1985 to 1987. In 1985 Cominco carried out an airborne electromagnetic and magnetometer geophysical survey over 197 line kilometres. This survey was followed by HLEM and magnetic ground geophysical surveys along 30 line kilometres, completed in conjunction with soil geochemistry over a 4.0 kilometre by 1.0 kilometre grid

Five diamond drill holes were completed in 1985, totalling 533 metres. Drilling targeted coincident EM and magnetic anomalies, and mineralization discovered at the Gossan Showing along Tolbert Creek. In addition, one Cat trench was completed and over 200 rock samples were collected, mostly from mineralized float boulders along the Seagull road and from Tolbert Creek.

In 1987 Cominco optioned the property to junior **Cinnabar Resources Limited**. Under the management of Cominco, 11 diamond drill holes were completed totalling 961 metres. These holes tested EM and magnetic high anomalies, areas of abundant mineralized float boulders in till, and areas where limestone formed part of the stratigraphic package.

In 1988 junior explorer **Pacific Comox Resources Limited** took on management and exploration of the property. Pacific Comox completed six diamond drill holes totalling 947 metres, as well as excavation of two Cat trenches and completion of 9.5 line kilometres of IP and 19 line kilometres of magnetometer and VLF. Petrographic analysis was preformed on 15 samples.

In 1991 Pacific Comox contracted a Dighem airborne magnetic and VLF-EM survey over an area much larger than the Cominco surveys. This survey was followed by additional ground magnetometer, VLF and GENIE SE-88 EM surveys to define targets. This was followed by 12 RC drill holes totalling 941.7 metres.

In 1994 a second RC drill program was conducted by Pacific Comox consisting of 30 holes totalling approximately 412 metres. Most of these drill holes were drilled only to the depth of overburden, averaging a depth of less than 15 metres. Limited Cat trenching was also conducted during this program. The writer conducted this exploration program on the property.

In 1997 Pacific Comox relinquished management and interest in the TAY - LP property and control reverted back to Cominco. Cominco relinquished their interest in the property in April 1998 to Mr. Robin Tolbert. Mr. Tolbert is a member of the partnership of Long and Associates which is held equally amongst the original three prospectors and himself. Mr Tolbert also acts as an agent for the group. The partnership entered into an agreement on June 14, 1999 with **Ross River Gold Limited**, a privately held Vancouver company, in which Mr. Tolbert is a principle. In 1999 Ross River Gold completed a selective leach soil sampling survey over parts of the original Cominco grid. In early 2000 the Gai 1 – 65 and Cam 1 – 40 mineral claims were staked at the western and southern property boundaries.

In 1999 **NEWMONT EXPLORATION OF CANADA LIMITED** entered into an agreement with Ross River Gold to option the TAY, JEF and LP claims. During the 2000 field season Ross River Gold gained management and control of the RAM claims, which lie contiguously north of the TAY - LP property. NEWMONT entered into an agreement with Ross River to have these claims included in the NEWMONT option.

The 69 RAM claims, which now make up part of the TAY - LP property, formed part of a much larger block of 758 claims staked in 1984 and 1985. Work completed in 1985 on the Ram property, by **Regional Resources Limited**, included line cutting, grid geochemical surveys, geological mapping, prospecting and minor hand trenching. In 1987, additional soil sampling and ground geophysical surveys, as well as rock sampling was carried out by **Fairfield Minerals Limited**.

During 1988 Fairfield Minerals and **Equity Silver Mines Limited** carried out diamond drilling and additional soil sampling. Thirty-one BQ drill holes were completed on the Ram property, totalling 3723 metres. Fifteen of these holes tested the claims, included in the NEWMONT land package.

Elsewhere in the area, during 1987 **Canamax Resources Inc.** was working on its Pass Peak property, located immediately to the west of the Ram and TAY - LP properties. This claim block area encompassed the Tolbert Creek soil anomaly, which was outlined during the 2000 NEWMONT program. Work on the Pass Peak property by Canamax included an airborne VLF-EM and magnetometer survey over an approximate 6 x 5 kilometre area, covering from Tolbert Creek in the south and from Seagull Creek in the east."

Exploration activity on the TAY - LP property during the year 2000 was completed by **NEWMONT** between May 19th and August 15th, '2000. This work included, snow clearing along the Seagull

access road, airborne electromagnetic and magnetic geophysical surveys, geological mapping, soil geochemical sampling, rock sampling and prospecting, and Bombardier mounted auger overburden drill sampling. In addition to this work, tags were re-affixed to claim posts and additional claims were staked. The airborne EM and magnetometer geophysical survey was carried out by Fugro Airborne Surveys over a 23 x 10 kilometre area. The survey was flown at 200 metres line spacing for a total of 1133 line-kilometres

Geological mapping coverage, plotted in the field at 1:5000 scale, was completed over the northern three quarters of the property area, including the Ram claims, a total area of some 13 kilometres in length by 2 to 4 kilometres wide. The 2000 mapping was intended to expand on and add detail to the very limited amount of geological data already available on the property. Geological data was plotted at a scale of 1:10000. This data was plotted on a three- layer folio, with separate map layers showing Factual Geology, Alteration & Mineralization and an Interpretation layer. The geology of the properties is also presented at a scale of 1:25000 as a compilation map. A total of 63 grab rock samples were collected during the program and analysed. A total of 729 soil samples was collected over a 13 x 2 to 4 kilometre area covering much of the Ram claims and the northern two thirds of the TAY - LP claim block. Grid lines were located to cover known mineral occurrences and geophysical anomalies, and to extend coverage laterally and along strike of these areas. A total 31 auger samples were collected for analysis using a Bombardier track mounted power screw auger drill in areas of thick overburden cover. The Try 1 – 60 claims were staked, located contiguously along the western property boundary.

Exploration in 2001 carried out by NEWMONT, including project mobilization and demobilization, linecutting, geological mapping, rock sampling, claim post tagging (Try 1-60), ground magnetic and electromagnetic surveys and diamond drilling was completed between July 29th and August 28th, 2001. A core handling facility, including temporary logging tent, diamond saw lean-to and permanent core storage racks was built at the Mouse showing area, located about 3.0 kilometres south of Seagull Lake. Personnel were quartered at YGC's Ketzia Mine camp, some 23 kilometres to the east and core was logged and sampled in its entirety on site and sturdy 4"x4" post racks were built to store core.

Five man-days of 1:10,000 scale geological mapping and prospecting (35 rock samples) were undertaken in the Zone C area. This work is presented on Plate 1. Seven, 600-metre long lines were cut to provide access for geophysical crews in Zones A and B in the brush filled Seagull Creek valley. Contract linecutting was carried out by Courier des Bois Ltd. of Whitehorse.

A one-week, ground geophysical survey was by a geophysicist of Newmont Mining Company. Approximately 6.0 kilometres of magnetometer and Max Min II electromagnetic surveys were completed across 11 lines.

The Major Drilling Group of Smithers, BC. completed 1213.41 metres of diamond drilling in 13 days utilizing a JT2000 portable fly rig. Eleven NQII holes ranging in length from 90 to 150 metres were cored in three widely spaced anomalous magnetic and electromagnetic target areas. Whitehorse-based Capital Helicopter's provided a Bell 206 Jet Ranger to transport personnel, supplies and drill rig. Drill pads were constructed with lumber and disassembled upon the completion of each hole, effecting on-going environmental mitigation.

Each hole was logged for lithology, alteration, mineralization, structure, core recovery, rock quality density (RQD) and magnetic susceptibility. All core was cut using a diamond saw and sampled in its entirety. Rock and core samples were shipped to ALS Chemex Labs in North Vancouver, BC for gold and 41-element ICP analysis.

There are no reserve or resource estimates and there has been no production from the TAY – LP property.

7.0 GEOLOGY

7.1 REGIONAL GEOLOGY AND MINERAL OCCURRENCES

No Changes From Previous Report.

The regional geological setting is presented at 1:250,000 scale on Geological Survey of Canada map Open File report 486. A description of the mineral occurrences and mineral potential of the area is best given in Abbott, 1986. A summary regional geological map taken from this report is shown in Figure 3.

From Stammers and Montgomery, 2000:

“The region is underlain by a sequence of moderately folded and faulted Paleozoic miogeosynclinal strata of the Pelly-Cassiar platform, considered to be autochthonous to the North American craton. The units which make up this stratigraphic sequence range in age from Lower Cambrian to Mississippian, and include the rock types siltstone, quartzite, limestone, argillite, phyllitic mudstone, calcareous phyllite, schist, shale, dolostone, silty dolostone and late felsic and mafic volcanic flows, tuff and agglomerate. Structurally, the region is dominated by four significant thrust faults; namely, the McConnell, Porcupine-Seagull-Pass Peak, Cloutier and St. Cyr, and by the Ketza-Seagull Arch. Thrusts generally dip to the southwest and trend to the northwest, parallel to the Tintina fault. Thrusting is believed to have occurred during the Late Jurassic and Early Cretaceous. The Tintina fault, located approximately 30 kilometres to the northeast of the TAY - LP property, has undergone at least 450 kilometres of dextral movement since the middle Cretaceous.

The Ketza-Seagull Arch is described as a domal uplift forming a broad area in which the strata in the lower Cloutier thrust sheet are exposed beneath the Porcupine-Seagull thrust. The Ketza-Seagull Arch is divided into the Ketza and Seagull uplifts, believed caused by uplift about one or more buried Cretaceous intrusions. Abbott notes that most gold and silver mineralization located in the Pelly Mountains of Central Yukon forms two adjacent clusters at the Ketza and Seagull uplifts, and he infers that this mineralization is related to the buried intrusions, which are believed to have caused this uplift.

The mineral occurrences about the Ketza and Seagull uplifts show evidence of concentric metal zoning around an auriferous core. At Ketza, this is described as a zonation from gold rich pyrrhotite-arsenopyrite mantos and veins and quartz-arsenopyrite veins to barren pyrrhotite-pyrite-siderite mantos and veins through silver and galena rich siderite veins. This zonation is postulated to be a function of a large hydrothermal system related to a buried Cretaceous intrusion; alternatively, the zonation may be a function of the stratigraphic position of the mineralization, the auriferous veins and mantos hosted within the Lower Cambrian strata while the silver-galena rich mineralization is hosted within Upper Cambrian and younger strata. The Ketza deposit in 1986 had delineated reserves of 1.0 million tonnes averaging 13.7 g/t Au.

Mineralization at Ram and TAY - LP claims is described mainly as quartz veins, stockwork zones and replacement zones, although skarn mineralization is also present. Mineral occurrences are hosted primarily within meta-sedimentary rocks. On the TAY – LP claims, a quartz monzonite

Figure 3

intrusive, which outcrops at the west side of the property, is variably sericite altered and has been noted to host arsenopyrite bearing quartz veins.”

7.2 PROPERTY GEOLOGY

No Changes From Previous Report.

The following is drawn from Montgomery and Stammers, 2000.

The project (sic) area is underlain by a sequence of north-westerly striking, shallowly to moderately westerly and easterly dipping Lower Cambrian to Mississippian age meta-sedimentary and overlying meta-volcanic rocks, intruded by Cretaceous age quartz monzonite and Mississippian age syenite. Lower Cambrian to Ordovician age phyllite and quartz- muscovite-chlorite-biotite schist underlies the largest areas of the project (sic). These rock types along with marble, host most of the gold mineralization identified on the property. Other lithologies comprising the stratigraphic sequence include dolostone, quartzite, slate and meta-tuff. Magnetite and chlorite calc-silicate skarn occurs in association with Cretaceous age intrusives. A preliminary stratigraphic column is given below in Table 2 and a geology and drill hole plan is shown on Figure 4.

Figure 4

Table 2: Preliminary Stratigraphic Column

Cretaceous

- **(Kqm) Biotite Quartz Monzonite – Granite:** medium grained, equigranular, light orange to light greenish grey colour; fresh to moderately sericite, +/- chlorite +/- quartz (veins) +/- iron oxide altered; quartz veins locally common with strong sericite – silica envelopes +/- pyrite + arsenopyrite.
- **(skn) Skarn:** age unknown; dark to light green and black, massive magnetite, pyrite, chlorite, amphibole, silica, calcite, wollastonite (?), pyroxene.

Upper Devonian – Mississippian

- **(Mt) Meta-volcanic tuff:** rusty weathering, light green to grey colour, fine grained, siliceous, pyritic; 1 - 5% fine grained disseminated pyrite, locally quartz crystals, “sericite schist”.
- **(My) Syenite:** medium to fine grained, dark orange brown colour, moderately to strongly magnetic, blocky weathering.
- **(uDMs) Slate:** black to dark grey colour, weakly phyllitic, weakly iron oxide stained, minor interbedded light grey to greenish metasiltstone or ash tuff (?).

Silurian – Devonian

- **(SDd) Dolostone:** tan to grey weathering, medium to light grey colour, weak fizz with HCL on scratched surface.
- **(SDq) Quartzite:** rusty and grey weathering, medium grey colour, faintly banded, with local bluish “quartz eyes”.

Upper Cambrian – Ordovician

- **(u€Op) Phyllite:** dark to medium grey to black or greenish grey colour, non-graphitic or graphitic, non-calcareous or calcareous, quartz lenses, some shale, metasiltstone (?), marble.

Lower Cambrian

- **(l€m) Marble:** light grey to black and tan weathering, medium to light grey colour, weakly banded, typically <10 metres to 50 metres thick beds, interbedded with phyllite
- **(l€s) phyllite and quartz – muscovite - chlorite – biotite schist:** greenish grey, grey-brown and grey colour, calcareous or non-calcareous, predominantly phyllitic texture grades to schist.

Intrusive rocks, which outcrop on the property, include a Cretaceous age quartz monzonite stock located to the north of Tolbert Creek, Upper Devonian to Mississippian age syenite located to the

east of Seagull Creek, and probable Cretaceous age altered granitic intrusive at the Vole Showing and elsewhere on the Ram claims

A spatial relationship can be inferred between the Cretaceous age quartz monzonite stock at Tolbert Creek and gold mineralization, which occurs along Seagull Creek to the east. This intrusive is reported to contain areas of tourmaline alteration, (Paterson, 1985) linking this unit with the tourmaline bearing mineralization located along Seagull Creek. In addition, a quartz monzonite sill outcrops at a skarn or hornfels showing along Seagull Creek. Previous sampling at this showing returned 5.0 g/t gold over 2.0 metres. Mapping during 2000 identified probable tourmaline at this location. Quartz veins sampled within the Tolbert Creek quartz monzonite contained anomalous arsenic and bismuth.

Structural features identified on the property include northwest and west-northwest faulting, and a penetrative metamorphic fabric imparting phyllitic to schistose textures on the meta-sedimentary rocks. This moderately well developed metamorphic texture is best developed in Lower Cambrian to probable Upper Devonian age rocks, occurring typically sub-parallel to the predominantly northwest trend of sedimentary bedding. Minor folding was noted in outcrop as small-scale isoclinal folds, typically having shallow to moderate plunges in variable directions.

The northwest trending Seagull Fault, which is located east of and parallel to Seagull Creek, is well documented in previous work and is mapped as a thrust fault on GSC Open File 486. This fault is not seen in outcrop, however, it is readily apparent in the topographical expression of the terrain. This fault marks a break between phyllite dominant stratigraphy of probable Upper Cambrian to Ordovician age to the west with Mississippian age slate and meta-volcanic rocks to the east.

West-northwest cross faulting at TAY - LP property is very clearly evident from the EM geophysical data. Geological mapping agrees with the location of these faults, which appear to truncate lithological units. These cross faults trend approximately 290° to 310°. The timing of this movement relative to the introduction of mineralization, however, is unclear. There appears to be an alignment of mineral occurrences along or near to west-northwest faults. This may suggest that movement along these faults, at least in part, was contemporaneous with the introduction of mineralization. Quartz vein stockwork mineralization occurs along or near to west-northwest faulting at the **Vole Showing**.

Alteration at the property area is defined by a low grade regional metamorphic alteration of the meta-sedimentary rocks including very weak chlorite, and in the schistose rocks, muscovite, quartz and biotite. As well, graphitic alteration is related to movement along foliation planes and faulting and quartz and quartz-iron carbonate tension gash veins crosscut and parallel foliation.

Hornfelsic alteration occurs in association with pyrrhotite and pyrite +/- chalcopyrite, tellurbismuth, bismuthinite, galena and gold as zones of silicification and tourmaline (+/- biotite?). Within these altered or hornfels zones strong quartz veining is often present. Minor amounts of disseminated pyrite and pyrrhotite along with quartz-tourmaline veinlets may form broader envelopes to areas of stronger alteration.

Alteration of intrusive rocks is variably weak to strong, including sericite, silicification, clay, tourmaline and quartz sulphide veins. The Tolbert Creek quartz monzonite is cut by flat lying quartz sulphide veins, which contain minor amounts of arsenopyrite and pyrite. These veins and related fractures are often enveloped by strong sericite alteration. This intrusive can also be weakly to moderately sericite altered away from veining. Tourmaline is reported at this intrusive.

Strongly to moderately altered granite (?) outcrops on the Ram claims at the Mouse Showing. This intrusive is locally very strongly silica-clay altered, and is cut by arsenopyrite-pyrite-pyrrhotite veinlets. Magnetite-chlorite-calc-silicate skarn outcrops and has been intersected in drilling adjacent to this intrusive. Skarn alteration also occurs elsewhere on the property.

8.0 DEPOSIT TYPES

No Changes From Previous Report.

The following is drawn from Price, 2001.

"These gold deposits in the Tintina Gold Belt (Figure 4A) related to granitic intrusions have been classified (Thompson and Newberry, 2000), by distance from host intrusion into intrusive-hosted, proximal and distal, and as emplaced at shallow, intermediate or deep depths in the crust. Added complications not yet added to classification are host rocks intruded or structural settings amongst others. Tolbert (2001) and others, have classified the various gold deposits in the Tintina Gold Belt as to:

- Intrusive or other host rock (proximal or distal to the intrusive)
- shallow, intermediate or deep deposition"

Figure 4B, A Schematic X- Section for the Tintina Gold Belt, taken from the Price report, indicates that The TAY – LP property is a property that has gold, silver, copper lead and zinc bearing veins and skarn zones in limey phyllites emplaced at a depth of approximately 5 kilometres. This mineralization is now exposed in fault up-lifted blocks "unroofed" by erosion.

9.0 MINERALIZATION

From Montgomery and Stammers, 2000

"Past work at the project (sic) has identified gold mineralization associated with quartz veins, quartz stockwork zones and replacement zones, hosted within calcareous schist, phyllite and marble. The most important area discovered to date occurs over a three-kilometre long northwest trend along Seagull Creek, at the junction with Tolbert Creek. This mineralized zone is evident as a coincident EM and magnetic geophysical anomaly. Mineralization here occurs in drill hole intersections, in outcrop and in trenches. Mineralized float boulders occur in the glacial and fluvial sediments, which cover the area.

Quartz veining and stockwork zones account for most of the mineralization intersected in drilling at this area. Veins consist of quartz and variable amounts of tourmaline, up to >20% of vein material. Vein mineralogy includes pyrrhotite, ranging up to >40 %, +/- chalcopyrite, pyrite, arsenopyrite, bismuthinite, native bismuth, tellurbismuth, galena, marcasite and native gold. Tourmaline and silica form alteration or replacement zones with pyrrhotite and pyrite along vein margins. Individual veins are one centimetre to greater than 10 metres wide, and reportedly grade into stockwork zones. Some of the veining has undergone brecciation, likely during the mineralizing event. Veining is believed to be steeply dipping and northwest trending.

Quartz-pyrrhotite-tourmaline veining intersected in diamond drill hole 88-19 returned 7.0 metres with an average grade of 3.54 g/t gold. RC hole 91-24 returned 3.59 g/t gold over 24.4 metres

Figure 4A

Figure 4B

from samples consisting of abundant quartz and pyrrhotite chips. Samples from this interval assayed up to 11.4 g/t gold.

Float boulders sampled from this area reported as quartz-pyrrhotite-chalcopyrite-tourmaline returned the highest average gold values of all types of boulders sampled, with 35% of these boulders assaying >3 g/t gold.

Replacement mineralization along this trend is closely associated with veining. This mineralization typically is hosted within schist, variably described as quartz-biotite-muscovite +/- chlorite +/- calcite +/- pyrrhotite schist, quartz-sericite schist and chlorite schist. Marble also is host to replacement or manto style mineralization, the best example of this occurring at the **Gossan Showing** trench, located along Tolbert Creek. Here, massive and semi-massive sulphides replace marble and occur along foliation planes in altered calcareous schist. Sulphides include pyrrhotite, arsenopyrite +/- pyrite +/- chalcopyrite. Quartz veins also occur at this location. Surface sampling at this showing has returned up to 5.0 g/t gold across 9.25 metres. Select samples have returned 28.4 g/t.

Gold bearing replacement mineralization encountered in drilling along this trend occurs as disseminations and possibly strata bound bands of pyrrhotite +/- minor chalcopyrite +/- pyrite parallel to foliation, associated with tourmaline and silica alteration. Diamond drill hole 85-1 is the best example of this style of mineralization. Here a 30 metre interval of schist averaged close to 1 g/t gold. Within this interval individual samples returned assays of up to 3.22 g/t gold. Bismuth and copper were geochemically anomalous over this interval.

Forty-three mineralized schist boulders collected along the Seagull Creek road in this area averaged 1.09 g/t gold, while a boulder of "tourmalinized schist" from Seagull Creek assayed 27.0 g/t gold.

Immediately to the east, and parallel to the mineralization described above, a second coincident EM and magnetic geophysical anomaly has been drill tested in the past. This anomaly is the eastern anomaly in this area, and is coincident with the Camp Soil Anomaly. Diamond drilling here has returned up to 4.0 g/t gold over 2.0 metres (hole 87-9). Most holes drilled in this area intersected weakly anomalous gold values with shorter intervals of >1g/t. The anomalous gold results as reported in drill logs are related to quartz-pyrrhotite-tourmaline +/- chalcopyrite stockwork zones and veining.

Montgomery and Stammers, 2000 state that "Drill core and RC chips from previous programs on the TAY - LP property are presently stored at the camp location in the central TAY claim area. Some of the core remains intact although some core and RC samples have been disrupted. It was noted that not all mineralized core from TAY - LP was originally split for sampling. Core from drilling on the Ram property is stored at the Seagull Lake camp site, although most of this core has been dumped on the ground."

Elsewhere on the property, gold mineralization is associated with quartz vein stockwork zones hosted along or adjacent to west-northwest faulting at the **Vole Showing** on the Ram claims. Drilling at Vole Showing has returned up to 5.35 metres grading 2.2 g/t gold.

In addition, previously collected samples of quartz vein and sulphide float material from north of Tolbert Creek and southwest of Seagull Creek and hole 91-24, returned anomalous gold values of up to >25g/t. The sources of this sample material have not been located.

In NEWMONT's petrographic report dated November 12, 2001, covering twelve core samples from the TAY – LP property, J. Odekirk, the author, states "The most important difference is in Hole 10 in area A, where sample TLP-01-10; 41.6m exhibits **non-magnetic pyrrhotite** and assays 8.67 g/t Au (the adjacent sample has 11 g/t Au and also contains non-magnetic Po.). In all other drill holes where pyrrhotite was targeted and sampled the gold content is lower. An exception to this is Hole #4 where TLP-01-04; 96.1m has 1.26 g/t Au in association with magnetic pyrrhotite....." This report is included in Stammers 2001 report on the TAY – LP property.

The above observations by NEWMONT's petrologist confirms previous workers conclusions as summarized by Stevens as follows: "Pacific Comox's research indicated that 'shearing and milling' of the vein material resulted in a substantial decrease in the magnetic properties of the pyrrhotite. The Cominco programs targeted coincident 'high' magnetic and 'high' EM anomalies. **Later work has suggested that 'high' EM and 'weak' magnetic zones may be more productive.**"

10.0 2000 AND 2001 EXPLORATION PROGRAMMES

10.1 2000 ROCK CHIP SAMPLING

A total of 63 rock samples were collected from the property during the course of the 2000 exploration program. Sample descriptions, sample preparation and analytical procedures are appended to this report.

The most significant results have been returned from samples collected at the **Tolbert Creek soil anomaly** area. Here, samples returned from background up to 4.1 g/t gold from quartz-sulphide float material, and up to 1.1 g/t gold from highly oxidized talus material. These samples also returned anomalous bismuth, arsenic, antimony, silver, copper and lead.

To the south of this area at the **Tolbert Creek quartz monzonite**, samples returned anomalous bismuth and arsenic values from narrow, flat lying quartz veins containing minor arsenopyrite and pyrite. Quartz vein float previously collected in the area has been reported to have high gold assays. One sample assayed 25.4 g/t gold.

Elsewhere, a sample was collected from float material located down slope of the **Vole Showing** drilling on the Ram claims. The float material probably originated from this showing. Immediately to the north of the **Vole Showing** some of the samples returned anomalous gold, bismuth, arsenic, antimony, copper, lead and silver. These samples were collected from highly altered intrusive at the **Mouse Showing**, hosting arsenopyrite, pyrite and pyrrhotite veinlets and disseminations.

Limited rock samples collected at the **Wolf soil anomaly** returned weakly anomalous gold up to 290 ppb, along with anomalous bismuth, antimony, arsenic, copper, lead and silver. Samples were collected from sub cropping quartz-sulphide vein and quartz veining in altered dolostone.

10.2 2000 SOIL GEOCHEMICAL SURVEY

Montgomery and Stammers, 2000 state that soil sampling was completed along 400 metre and 200 metre spaced east – west oriented grid lines over approximately 13 kilometres of Seagull Creek valley. Samples were collected at 100 metres intervals. Grid lines were established by compass and hip chain, and the end points along lines were surveyed in using hand held GPS. Lines were marked with pink flagging tape, while sample stations were marked with pink and blue

flagging and metal tags embossed with sample numbers. Samples were not collected along the valley floor of Seagull Creek, nor where the presence of thick glacial deposits was indicated. A total of 729 soil samples was collected.

Samples were collected using a mattock at depths of between 15 to 40 centimetres and placed in paper kraft type soil bags for shipment to the lab. Attempts were made to sample the B-horizon soil profile, however, it was noted that the soil development was quite variable and it was often difficult to identify a clear B-horizon development. A white ash layer exists in the area, typically only a few to tens of centimetres in thickness and typically near the present soil surface. Samples were collected below this layer where identified.

Soil samples were shipped to ALS Chemex Labs in North Vancouver where they were analyzed for gold by FA-AAS and for a 32 - element ultra trace package by ICP. Sample preparation and analytical procedures are appended to this report along with analytical certificates.

NEWMONT sample standards were sent to the lab with soil samples.

Soil sample results for the elements gold, bismuth, arsenic, antimony and were plotted on histograms. Plots are based on the evaluation of histograms and mean and standard deviations. Comparison of standard deviations with the histogram curves was used to determine meaningful values for plotting of anomalous data. All of the data sets examined tended to have a strong positive skewness with a number of high outlying data points. Therefore, log transformation of the data was used to determine mean and standard deviation values.

The results show four main areas of anomalous gold values, the **Vole, Wolf, Tolbert Creek** and **Camp**. The most significant of these is the **Tolbert Creek Anomaly**. This multi-element anomaly is centered approximately 4.5 kilometres west northwest of the junction between Tolbert Creek and Seagull Creek, or about one kilometre to the north of Tolbert Creek, situated above tree line on the upper rounded slopes to Seagull valley. Overburden cover here is estimated to be thin. This anomaly consists of an approximately 1200 x 1200 metre area, defined by >10 ppb gold values. Within this area is an irregular shaped central >20 ppb gold anomaly measuring approximately 600 x 800 metres. Highly anomalous arsenic, as well as anomalous antimony, bismuth, silver and lead were also returned from this area. Values range up to 220 ppb gold, >10,000 ppm arsenic, 54 ppm antimony, 28 ppm bismuth, 2990 ppm lead and 11.2 ppm silver. Please see figure 5.

The underlying geology at this area is relatively unknown as the anomaly was identified late in the field program and the area was not mapped. This soil anomaly overlies a coincident magnetic and EM anomaly, which is one of a group of geophysical anomalies here and to the north.

Stream sediment samples from creeks in this area have returned anomalous results from background up to 85 ppb gold, 5500 ppm arsenic, 11.0 ppm bismuth and 3.0 ppm antimony.

Southeast of the **Tolbert Creek** geochemical anomaly, spotty elevated gold, silver, arsenic and bismuth values occur around the Tolbert Creek quartz monzonite stock. This area is only partly covered by the soil grid, however spot high values range up to 105 ppm gold, 4.7 ppm silver, 714 ppm arsenic and 21.1 ppm bismuth.

The **Wolf Anomaly**, which is located east of Seagull Creek on the Ram claims, was first outlined by soil sampling in the 1980s by Fairfield Minerals. This anomaly is situated on a gently sloping forested side hill. Samples collected along 200 metre spaced soil lines during 2000 confirmed the

presence of a gold-bismuth anomaly. Spotty anomalous gold values between 10 ppb and 250 ppb occur along a 1600 x 700 metre wide north-northwest trend. Highly anomalous bismuth is also present, ranging from a few parts per million to 53.9 ppm. Soil results also included values from background up to 1930 ppm arsenic, 6.4 ppm antimony, 4.5 ppm silver, 358 ppm copper and 152 ppm lead.

The area between the Camp Anomaly and the Wolf Anomaly was not soil sampled (Figure 5). The majority of the centre of the Seagull Creek valley from the Camp Anomaly south extending over a width of approximately 600 metres has not received soil sampling by NEWMONT, since the overburden was considered to be too deep. The southern most NEWMONT soil survey line on the property is 400 metres north of overburden drill hole 94-37 (Figure 4)

The **Camp Anomaly** is located along the lower slopes of Seagull Valley east of Seagull Creek, directly east of and southward from camp. Somewhat patchy anomalous gold values, ranging between 10 ppb and 105 ppb, occur along an approximate 3.0 kilometre north – northwest trend. Unlike the previous areas, this anomaly lacks a strong multi-element signature, although spotty anomalous bismuth and arsenic are present.

This area parallels the known gold mineralization along Seagull Creek to the west, and is located approximately 200 to 500 metres east of this zone. Schist and phyllite of probable Lower Cambrian age underlie this area, located adjacent to the projected Seagull fault.

The **Vole Anomaly** is located on the Ram claims, immediately west of Seagull Creek. This anomaly occurs as an approximate 800 x 100 to 200 metre wide north-northwest trending area defined by frequent >10 ppb gold results, situated within a larger area defined by >250 ppm arsenic results. Bismuth, silver, lead and antimony are also anomalous here, with values ranging up to 18.8 ppm bismuth, 3.9 ppm silver, 310 ppm lead and 4.5 ppm antimony. This anomaly was also identified by Fairfield Minerals in the 1980s, who tested the area with diamond drilling. The **Vole anomaly** is underlain by phyllite, schist, quartzite and dolostone of probable Upper Cambrian to Devonian age, intruded by an altered granitic stock with associated magnetite and chlorite calc-silicate skarn of probable Cretaceous age. This area is located along the projection of a west-northwest cross fault, which also intersects the Wolf Anomaly.

10.3 2000 AUGER GEOCHEMICAL SURVEY

In their 2000 report of the exploration on the TAY – LP property, Montgomery and Stammers state:

“As part of the evaluation of the project area, 31 samples were collected using a Bombardier mounted power screw auger drill.

The procedure used with this equipment was to drill to the point of suspected bedrock, often not easily determined, collecting whatever muck and rock chips are clinging to the final five foot long rod, after scrapping off the obvious transported outer material. A six-inch diameter rod was used, which typically extracted abundant sample material for a standard sample size. One exception to this was during wet drilling conditions, which often resulted in most of the sample material washing off of the rod during extraction of the rod string.

The most significant results were returned from two auger holes drilled at the **Wolf Anomaly**. Two samples returned anomalous results to 435 ppb gold, as well as anomalous bismuth, antimony, arsenic and copper. These holes were drilled where existing roads permitted access,

testing the general area of the Wolf soil anomaly. Samples are described as of fair to poor quality of probable near bedrock or bedrock. Rock types encountered in both samples were phyllite with some quartz material. Examination of one of the samples (435 ppb gold) under a microscope revealed small amounts of a magnetic sulphide mineral and a light grey colour metallic mineral, possibly pyrrhotite and arsenopyrite, respectively.

Nine other auger samples returned gold results above background, between 5 ppb and 30 ppb. These samples are described in the following table, along with samples from the Wolf Anomaly. Note that in some cases, as reported below, the auger did not reach bedrock.”

10.4 2000 AIRBORNE GEOPHYSICAL SURVEY

Fugro Airborne Surveys flew a helicopter-borne magnetic – electromagnetic survey for NEWMONT Mining Corporation over the Tay -LP property. A total of 1133 line-kilometres was completed during the period of May 19-28, 2000.

The airborne magnetometer was a Picodas 3340 processor with geometrics G822, with a GEM Systems GSM-19T ground base station. The EM system used was Dighem’s model DIGHEM-V recording coaxia and quadrature profiles at 1000Hz, 5500Hz, 7200Hz and 56000Hz. The towed bird was flown at 30 metres above ground surface. Navigation was completed using an in-flight Global Positioning System and ground base station correction.

NEWMONT’s 2000 report provided, at 1:10,000 scale, a flight line plot, preliminary in-phase component 1000Hz EM maps, total field (nT) magnetic survey maps, and geophysical interpretation maps for the entire TAY-LP property.

Twelve mag/EM targets were shown in the northern half of the property as well as numerous EM zones considered of lesser importance. These include SE-NW trending EM anomalies within the Tolbert Creek Soil Anomaly, through and between the Camp and Wolf soil anomalies, and extending at least 7 kilometres south-south-east of 34S on the soil grid (Figure 4) coincident with the thrust fault depicted on that figure.

10.5 2001 GEOLOGICAL MAPPING AND ROCK CHIP SAMPLING

Five man-days of 1:10,000 scale geological mapping and prospecting (35 rock samples) were undertaken on the Tolbert Creek Soil Anomaly (Figure 5). The area is mapped as being underlain by Lower Cambrian marble, dolomitized limestone and grey to greenish-grey calcareous phyllites. This is consistent with Figure 4 (this report), where the underlying rocks are noted as Lower Cambrian carbonates. Three small outcrops of Cretaceous quartz-maonzonite were located in the area as well as a 100 metre zone described as biotite-microgranodiorite dyke.

Thirty-five rock samples were collected in the area for analyses, and ranged from <5 ppb Au to 5.57 g/t Au. Sixteen of the 35 samples had analysis values of >50 ppb Au. Bismuth analyses ranged from 0.69 ppm Bi to 782 ppm Bi. Of the 16 samples that contained >50 ppb Au seven analysed >50 ppm Bi. Arsenic values ranged from 9 to >10,000 ppm As. Of the sixteen samples that contained >50 ppb Au seven analyzed >8,000 ppm As.

In neither Newmont’s report nor accompanying maps are there any indication of the widths of these 35 rock samples, nor whether they are float, grab or channel samples.

10.6 2001 GROUND MAX-MIN GEOPHYSICAL SURVEY

Ground geophysical surveys were carried out during August of 2001. The ground program was used to follow up a Dighem helicopter electromagnetic and magnetic survey flown by Fugro in May of 2000. Ground data were collected for the specific purpose of locating the airborne EM and magnetic anomalies on the ground. The locations were used to select drill hole collar locations and determine the direction of drilling. Approximately 6,000 metres of line were surveyed with ground EM and magnetics along 10 lines.

The target of the geophysical surveys is gold rich massive pyrrhotite replacement bodies located along N40°W striking trends within carbonate rich sediments. The strike of the pyrrhotite replacement bodies appears to be controlled by stratigraphy. Massive pyrrhotite is an extremely good conductor and is magnetic. The majority of the survey lines were oriented at N55°E perpendicular to the strike of the geophysical targets.

Graphite rich shear zones also occur in the area and have similar strikes. These zones are conductive and are the main electromagnetic noise sources in the project area. The graphite zones are non-magnetic which in theory allows them to be distinguished from the massive pyrrhotite zones. One complexity is that drilling may have detected non-magnetic pyrrhotite.

Numerous conductive zones were identified by the Dighem airborne EM survey and eleven of these zones were identified as being of possible interest. They are short strike length conductive zones with a corresponding magnetic anomaly. Of these eleven zones six were selected for ground follow up and drill testing. A total of eleven drill holes were drilled on these six target zones.

The three areas selected for ground follow-up and ultimately drilled were:

A) two airborne mag-EM anomalies between drill holes 87-15 and 85-1, and between drill holes 88-20 and 91-31 respectively (Figures 4 and 5).

B) two short mag-EM anomalies 700 metres west of the Wolf Au-Bi soil anomaly near drill hole 94-84 (Figures 4 and 5).

C) two 1200 metre long mag-EM anomalies 1500 metres north of the Tolbert Creek Au-Bi soil anomaly drilled in 2001 by TLP01-1 and 2 and TLP01-3 and 11 respectively (Figure 5).

The location of the target airborne EM anomalies were identified using hand held GPS units using UTM coordinate system, NAD27 ellipse, Zone 8. The ground traverses were then laid out at N55°E due to the strike of stratigraphy. The station locations were slope corrected to account for topography.

Frequency domain electromagnetic profiling using an Apex Parametrics Max-Min II+ system was carried out on each line. Coil separation was determined by the use of an inclinometer and topography corrections were checked to see if they were required for interpretation of the resulting data. Station spacing along the lines is 25 metres. Three different coil separations, 50, 100 and 150 metres were collected where required. Data was recorded at three frequencies, 444, 888 and 1777 Hz. Ground magnetic data was collected along the profiles. The station spacing along lines is 12.5 metres. Interpretation of the ground geophysics was carried out by NEWMONT and targets were selected for drilling.

10.7 2001 DIAMOND DRILLING PROGRAMME

The Major Drilling Group of Smithers, BC completed 1213.41 metres of diamond drilling in 13 days utilizing a JT2000 portable fly rig. Eleven NQII holes ranging in length from 90 to 150 metres were cored in three widely spaced anomalous magnetic and electromagnetic target areas. Whitehorse-based Capital Helicopter's provided a Bell 206 Jet Ranger to transport personnel, supplies and drill rig. Drill pads were constructed with lumber and disassembled upon the completion of each hole, effecting on-going environmental mitigation.

Each hole was logged for lithology, alteration, mineralization, structure, core recovery, rock quality density (RQD) and magnetic susceptibility. All core was cut using a diamond saw and sampled in its entirety. Rock and core samples were shipped to ALS Chemex Labs in North Vancouver, BC., for gold and 41-element ICP analysis. The locations of the 2001 drill holes are shown in Table 3 .

Table 3
2001 TAY- LP Project
Diamond Drill Hole Summary

HOLE NUMBER	AREA	CLAIM NO.	ELEVATION	UTM NORTH	UTM EAST	AZ.	DIP	LENGTH (M)
TLP01-1	C	Try 48	1555m	6,828,719	620,319	050°	-50°	106.68
TLP01-2	C	Try 48	1520m	6,828,649	620,243	050°	-50°	100.58
TLP01-3	C	Try 20	1410m	6,829,707	620,678	090°	-50°	94.49
TLP01-4	A	Tay 19	1122m	6,827,552	624,645	245°	-65°	115.82
TLP01-5	A	LP 10	1111m	6,825,294	625,594	245°	-50°	109.73
TLP01-6	A	LP 12	1107m	6,825,687	625,444	235°	-50°	91.44
TLP01-7	B	LP 54	1162m	6,829,671	622,369	060°	-50°	122.22
TLP01-8	B	LP 58	1162m	6,830,295	622,193	050°	-50°	121.92
TLP01-9	A	LP 13	1143m	6,825,945	625,120	055°	-50°	109.73
TLP01-10	A	LP 10	1111m	6,825,230	625,494	065°	-50°	91.44
TLP01-11	C	Gai 47	1327m	6,830,242	620,451	055°	-45°	149.35

During the 2001 exploration program, these eleven diamond drill holes (1213 metres) tested a broad succession of coincident airborne magnetic and electromagnetic anomalies derived from the 2000 Newmont-Fugro airborne geophysical survey. The aerial extent of the A, B and C areas anomalies exceed some 36.0 square kilometres. These areas of strong anomalism were expected to be a reflection of pyrrhotite, +/- gold replacement style mineralization or graphitic pelitic strata.

Drilling in Area A returned a significant gold intercept with associated bismuthinite and non-magnetic, hexagonal pyrrhotite from hole TLP01-10 (11.47 metres of 2.94 g/t Au); short, sporadic intervals of gold in holes TLP01-4 (2.00 metres of 1.05 g/t Au) and TLP01-9 (2.00 metres of 0.92 g/t Au) and no significant values from holes TLP01-5 or TLP01-6. These two holes were interpreted to be drilled in the wrong direction based on an incorrect interpretation of a complex series of conductor axes. To the north, six holes testing the Areas B and C cut impressive sections of pyrrhotite replacement-style mineralization. However, results were disappointing with

most values reporting below the detection limit for gold. The more significant gold intercepts are summarized in Table 4.

The 11.47 metre intercept in hole TLP01-10 grading 2.94 g/t Au is 10 metres north-east from an intercept of 24.4 metres in drill hole 91-24 averaging 3.59 g/t gold. TLP01-01 is the only hole to be drilled, in 2001, on an EM anomaly with no coincident magnetic anomaly.

Table 4 Summary of Significant Gold Intercepts

SIGNIFICANT GOLD INTERCEPTS			
	TLP01-4		
From	To	Length (m)	Gold (ppb)
	7.00	1.80	640
60.75	61.60	0.85	470
67.95	69.25	1.30	415
81.70	82.20	0.50	1815
85.15	87.10	1.95	531
94.30	96.30	2.00	1051
	TLP01-10		
From	To	Length (m)	Gold (ppb)
37.40	42.85	5.45	4924
33.53	42.85	9.32	3565
33.53	45.00	11.47	2943
52.30	53.30	1.00	865
56.00	56.60	0.60	375

Stammers in his 2001 report states, "Testing of highly anomalous and very widespread coincident magnetic and electromagnetic anomalies failed to intersect widespread, significant gold mineralization. **The assumption that magnetic high anomalies are associated with auriferous pyrrhotite bodies was determined to be invalid.....**" and ... **"Where present, gold is associated with bismuthinite and a high temperature, non-magnetic form of pyrrhotite."**

This coincides with Steven's (2000) observation that, "Pacific Comox research indicated that 'shearing and milling' of the vein material resulted in a substantial decrease in the magnetic properties of the pyrrhotite. The Cominco programs targeted coincident 'high' magnetic and 'high' EM anomalies. Later work has suggested that 'high' EM and 'weak' magnetic zones may be more productive."

Newmont has not yet provided a report of expenditures for 2001, but these are expected to exceed CAN \$450,000.

11.0 DATA VERIFICATION

No Change From Previous Report

Per Section 6.0 EXPLORATION HISTORY, exploration and related data collection has been carried out by COMINCO, PACIFIC COMOX, ROSS RIVER GOLD and NEWMONT. NEWMONT has carried out its own data verification prior to optioning the TAY – LP property. The author has not further verified the data.

12.0 INTERPRETATION AND CONCLUSIONS

In their interpretations and conclusions, Montgomery and Stammers in their 2000 report state that:

“Work to date has outlined significant intrusive related gold mineralization in quartz veining, quartz stockwork zones and zones of replacement mineralization. Mineralization appears to be related to one or more buried intrusives, which have provided mineralizing fluids into and may have helped structurally prepared a Paleozoic age carbonate bearing stratigraphic sequence of meta-sedimentary rocks. Evidence supporting this inferred intrusive relationship with the gold mineralization includes the occurrence of altered and mineralized intrusive stocks and sills in close spatial proximity to gold occurrences on the property. The property is located within an area of domal uplift, which has been inferred to reflect uplift about one or more buried intrusives responsible for mineralization. In addition, intrusive related gold is consistent with the model of gold mineralization along the Tintina Gold Belt, within which the TAY - LP property can be said to occur.

The occurrence of gold mineralization along the Seagull Creek corridor appears to be related to a structural zone running roughly parallel to the Seagull Creek valley. This underlying structural control may explain the apparent preference of gold mineralization along and adjacent to the Seagull Creek valley.

The intrusive activity and related uplift in the property area may have produced steeply dipping faulting, which may have provided focused channel ways for mineralizing hydrothermal fluids to travel along. Northwest and west-northwest faulting on the TAY - LP claims appears to be related to mineralization. The majority of veins and related stockwork zones identified on the TAY – LP claims appears to trend northwest, indicating a strong structural control. This trend is consistent with that of the arcuate structural corridor described above. The abundance of stockwork veining appears to support the idea of strong structural controls on the emplacement of mineralization.

Past work on the at TAY - LP and Ram claims has shown that gold grades can average in the plus one gram to multi grams range, demonstrating the ability to reach economic levels for a large deposit. The continuity of economic grade mineralization has yet to be proven on the property, however, the properties warrant further exploration. Extensive areas of cover have hindered past exploration efforts, however, as additional data is gathered a better understanding of the character and setting of mineralization may benefit the exploration process. Several kilometres of untested or under tested geophysical anomalies are located on the properties and the 2000 soil sampling has shown that new target areas can be developed.

Stammers in his 2001 report states, in his interpretations and conclusions, “Diamond drilling on the Tay-LP project returned a significant gold intercept from TLP01-10 (11.47 metres of 2.94 g/t

Au) in Zone A. Drill testing of this encouraging intercept remains open in all directions. Two drill holes located 2,500 and 800 metres to the north (TLP01-4 and TLP01-9) intersected only sporadic sub 1.0 g/t gold over intervals of 2.0 metres or less. Two other holes in Zone A (TLP01-5 and TLP01-6) were drilled in the wrong direction based on an incorrect interpretation of a complex series of conductor axis. The six drill holes in Zones B and C yielded very low gold values and these target areas do not warrant further drilling.

Testing of highly anomalous and very widespread coincident magnetic and electromagnetic anomalies failed to intersect widespread, significant gold mineralization. The assumption that magnetic high anomalies are associated with auriferous pyrrhotite bodies was determined to be invalid." He further states, "Where present, gold is associated with bismuthinite and a high temperature, non-magnetic form of pyrrhotite."

This coincides with Steven's (2000) observation that, "Pacific Comox research indicated that 'shearing and milling' of the vein material resulted in a substantial decrease in the magnetic properties of the pyrrhotite. The Cominco programs targeted coincident 'high' magnetic and 'high' EM anomalies. Later work has suggested that 'high' EM and 'weak' magnetic zones may be more productive."

Based on the above observations the writer concludes that **future work should not solely rely on geophysics, but also take into account known geochemistry, geology, previous drill information and mineralogy.**

13.0 RECOMMENDATIONS

Based on the results from the 2000 exploration on the TAY – LP property, Montgomery and Stammers, recommended further work on the following targets, including the **Tolbert Creek Soil Anomaly** and various geophysical anomalies and mineralization located along Seagull Creek at the Wolf Soil Anomaly and the postulated buried intrusive at Tolbert Creek.

"The **Tolbert Creek Soil Anomaly** which is located near to possibly mineralizing intrusives which appear to cut favourable Lower Cambrian age stratigraphy. Anomalous gold and associated elements from stream sediment samples, soil samples and float samples make this area a favourable target for additional exploration. Similar geochemical signatures and similarly northwest trending coincident geophysical anomalies suggest that the cause of the Tolbert Creek anomaly is likely analogous to the mineralization located along Seagull Creek. The **Tolbert Creek Soil Anomaly** and the surrounding area warrant further exploration consisting of expanded soil coverage, geological mapping and prospecting, followed by diamond drilling.

Mineralization identified along Seagull Creek and at the **Camp Soil Anomaly** has been the focus of significant drilling and past exploration. Although this area has seen considerable work, the mineralization here has not been well understood, suggesting that further testing of the area is warranted. Drill intersections such as hole 91-24 with 24.4 metres averaging 3.59 g/t gold make the Seagull Creek target a priority for further drilling. In addition, extensive strike lengths along this trend have not been thoroughly drill tested, including to the south and north along trend of hole 91-24 and between the **Gossan Showing** and hole 85-1

The **Wolf Soil Anomaly** on the Ram property is located adjacent to the Seagull Fault projection, at the projected intersection with a west-northwest cross fault. The proximity to this faulting and the highly anomalous bismuth values here, make this area a priority for further exploration. The

area is relatively accessible and may be amenable to excavator or Cat trenching. Alternatively, or in conjunction with this work, a program of auger drilling may be effective to better delineate this anomalous area. Follow-up diamond drilling should be contingent on the results of this further work.

A postulated intrusive link to the gold mineralization on the TAY – LP property suggests that a source intrusive may be a valid exploration target. The Tolbert Creek stock..... is anomalous in arsenic and bismuth within quartz veins. Future work at this target would rely on exploratory diamond or reverse circulation drilling of this geophysical anomaly.

In addition to the above recommended work, it is recommended that expansion of the geological mapping, prospecting and soil sample coverage be continued elsewhere on the property.”

Except for geological mapping and prospecting on the Tolbert Creek Soil Anomaly the remainder of the above recommendations await completion. Since the assumption that magnetic high anomalies are associated with auriferous pyrrhotite bodies was determined to be invalid, this writer further recommends that the airborne geophysics be re-interpreted, integrating this information with other geophysics, soil geochemistry and drill hole information, in areas of known mineralization, in order to extend those areas along strike, and provide additional, untested targets.

The writer has reviewed the data on TAY – LP property made available by NEWMONT and ROSS RIVER, including the reports cited in the Montgomery and Stammers 2000 report and, the Stammers 2001 report and concludes that the TAY – LP property is a “property of merit”.

14.0 BUDGET

The 2002 work programme on the TAY – LP property is estimated to last one and one half months or approximately 50 or 51 days.

This budget assumes that two men (junior geologists) will be stationed on the TAY – LP property for approximately one and one half months (101man days). The Project Geologist will supervise the on-going work.

In Canadian dollars

TAY-LP 2002 Property Exploration Budget

ITEM	Total CDN Dollars
SALARIES:	
Project Geologist (\$350/day for approx. . 80 days)	28,000
Two Geologist (\$300/manday for approx.. 101 man days)	30,300
EXPENSES	
Overhead	2,800
Geophysical Re-interpretation	15,000
airfares/hotel/travel	5,000
Meals (Approx.\$30/person per day)	5,600
Camp, genset, wire, pipe etc	6,000
Helicopter \$950/hr approx 20hrs	19,000
2 trucks @\$3,000/mo for 1.5 mo's	5,000
gasoline/oil/repairs	2,700
Propane \$99/100lb bottle	200
Field Equipment	2,900
ASSAYS: Soils/silts/HM 1,000 samples @ \$30.66/sample	30,660
Rocks (approx. 400 rocks @ \$24.37/sample)	10,000
Reassay (250 reassays @ \$13.40/sample)	3,350
Radio Communication	800
Telephone,fax,modem Communication	500
Report Autocad Drafting	10,400
Sub-total	178,210
Contingency 5%	8,911
GST 7%	13,098
TOTAL	200,219

SAY \$CDN 200,000

Respectfully Submitted,

January 14, 2002

Marvin A. Mitchell, P. Eng.

15.0 REFERENCES

Abbott, J.G., 1986, Epigenetic Mineral Deposits of the Ketza-Seagull district, Yukon; in Yukon Geology, Vol. 1, Exploration and Geological Services Division, Yukon Indian and Northern Affairs Canada, p. 56 – 66.

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Stammers, M.A., 2001 2001SUMMARY REPORT ON THE TAY – LP PROJECT, VOLUME I.

Stephen, J.C., 2000, Report on the TAY - LP and Jef Quartz Claims; Ross River Gold Ltd.

Tolbert, R.S., 2000, Assessment Report on Selective Leach Soil Geochemistry and Prospecting; report on behalf of Ross River Gold Ltd.

16.0 CERTIFICATE OF QUALIFICATIONS AND CONSENT

I, Marvin Alford Mitchell, of Suite 203-2825 Spruce Street in the city of Vancouver, in the province of British Columbia, V6H 2R4:

DO HEREBY CERTIFY:

- **THAT:** I am a Consulting Geologist with offices at Suite 1028-470 Granville Street, Vancouver BC, Canada V6C 1V5. (Tel. (604) 684-4297, Fax. (604) 684-4297, E-mail. marvingeol@hotmail.com. I have been a consulting geologist since 1985.
- **THAT:** I have been a member of the Association of Professional Engineers and Geoscientists of the province of British Columbia since 1972 (reg. no. 8322) and that I am a member in good standing of that organization.
- **THAT:** I graduated from the Montana College of Mineral Science and Technology in 1968 with a Bachelor of Science in Geological Engineering (mining option), and that I have been practiced my profession continuously since that year.
- **THAT:** I have been involved in mineral exploration for gold, silver and base metals in Canada, the U.S., particularly in the state of Nevada, Mexico, South America, Australia and Africa. I was employed by the Corona Corp., on their Bralorne, BC. project. From 1995 through 1997 I directed a part of an exploration program for copper-cobalt at Kilembe, Uganda and was involved in gold exploration in Guyana, South America. In 1977 I was employed as an exploration geologist on the San Jose de Gracia gold property in Sinaloa State in Mexico. I also have written many property examination reports on gold properties in Nevada.
- **THAT:** As an exploration geologist I worked on the TAY – LP property from July 5 to August 11, 1994.
- **THAT:** as a result of my experience and qualifications I am a Qualified Person as defined in N.I. 43 – 101.
- **THAT:** This report was prepared by myself. The sources of all information not based on personal examination are quoted in the report. The information provided by the various parties is to the best of my knowledge and experience correct. I have relied heavily in the preparation of this report on a report by Mr. A.T. Montgomery, P.Geo., and Mr. M.A. Stammers P. Geo., entitled 2000 SUMMARY REPORT ON THE TAY - LP PROJECT, prepared for Newmont Exploration of Canada Limited.
- **THAT:** In the disclosure of information relating to legal, title and related issues I have relied on a copy of the Claim Status Report supplied to me by Ms. Patti L. McLeod, Mining Recorder, Watson Lake Mining District, PO. Box 269, Watson Lake, Yukon Territory, Y0A 1C0.
- **THAT:** I am not aware of any material fact or material change with respect to the subject matter of this technical report which is not reflected in this report, the omission to disclose which would make this report misleading.

- **THAT:** I have no interest, directly or indirectly, in the property examined or in the securities of **PANAMEX RESOURCES INC., ROSS RIVER GOLD LTD.,** or the parent company of **NEWMONT EXPLORATION of CANADA LTD.,** nor do I expect to receive any such interest in the properties or securities. I am independent of these companies in accordance with the application of Section 1.5 of National Instrument 43-101.
- **THAT:** I have no interest, direct or indirect, in any mining property within twenty kilometres of the TAY – LP property which is the subject of this report.
- **THAT:** I hereby consent to the use of this report, in whole or in part, in a prospectus or a statement of material facts provided that quotations are not taken out of context.
- **THAT :** I have read National Instrument 43-101, Form 43-101FI and this report has been prepared in compliance with NI 43-101 and Form 43-101FI.

Dated at Vancouver, British Columbia, this fourteenth day of January, 2002.

Marvin A. Mitchell, P. Eng.

APPENDIX A

CLAIM STATUS REPORTS.

Indian and Northern
Affairs CanadaAffaires indiennes
et du Nord CanadaROSS RIVER GOLD LTD.
1004 - 750 West Pender Street
Vancouver BC
V6C 2T7

14 January 2002

Dear Sir/Madam:

We are able to confirm the status of the following claim(s):

Claim Name and Nbr.	Grant No.	Expiry Date	Registered Owner	% Owned	NIS #s
CAM 1 - 40	YB92579 - YB92618	2004/12/28	NEWMONT EXPLORATION OF CANADA LIMITED	100.00	105-F-07
GAI 1 - 65	YB92619 - YB92683	2009/12/28	NEWMONT EXPLORATION OF CANADA LIMITED	100.00	105-F-10
JEF 9	YA99792	2008/12/07	NEWMONT EXPLORATION OF CANADA LIMITED	100.00	105-F-10
JEF 11 - 14	YA99794 - YA99797	2008/12/07	NEWMONT EXPLORATION OF CANADA LIMITED	100.00	105-F-10
JEF 27	YA99810	2008/12/07	NEWMONT EXPLORATION OF CANADA LIMITED	100.00	105-F-10
JEF 51	YA99834	2008/12/07	NEWMONT EXPLORATION OF CANADA LIMITED	100.00	105-F-10
LP 1 - 4	YA90299 - YA90302	2008/12/07	NEWMONT EXPLORATION OF CANADA LIMITED	100.00	105-F-10
LP 7 - 10	YA72530 - YA72533	2009/12/07	NEWMONT EXPLORATION OF CANADA LIMITED	100.00	105-F-10
LP 11	YA72534	2010/12/07	NEWMONT EXPLORATION OF CANADA LIMITED	100.00	105-F-10
LP 12	YA72535	2009/12/07	NEWMONT EXPLORATION OF CANADA LIMITED	100.00	105-F-10
LP 13	YA72536	2010/12/07	NEWMONT EXPLORATION OF CANADA LIMITED	100.00	105-F-10
LP 14	YA72537	2009/12/07	NEWMONT EXPLORATION OF CANADA LIMITED	100.00	105-F-10
LP 15 - 20	YA72538 - YA72543	2010/12/07	NEWMONT EXPLORATION OF CANADA LIMITED	100.00	105-F-10
LP 21 - 23	YA72544 - YA72546	2009/12/07	NEWMONT EXPLORATION OF CANADA LIMITED	100.00	105-F-10
LP 24	YA72547	2008/12/07	NEWMONT EXPLORATION OF CANADA LIMITED	100.00	105-F-10
LP 25	YA72548	2009/12/07	NEWMONT EXPLORATION OF CANADA LIMITED	100.00	105-F-10
LP 33	YA72556	2008/12/07	NEWMONT EXPLORATION OF CANADA LIMITED	100.00	105-F-10
LP 35 - 38	YA72558 - YA72561	2008/12/07	NEWMONT EXPLORATION OF CANADA LIMITED	100.00	105-F-10

Left column indicator legend:

R - Indicates the claim is on one or more pending renewal(s).

P - Indicates the claim is pending.

Right column indicator legend:

L - Indicates the Quartz Lease.

Total claims selected : 308

Indian and Northern
Affairs CanadaAffaires indiennes
et du Nord CanadaROSS RIVER GOLD LTD.
1004 - 750 West Pender Street
Vancouver BC
V6C-2T7

14 January 2002

Claim Name and Nbr	Grant No.	Expiry Date	Registered Owner	% Owned	NIS #s
LP 39	YA72562	2010/12/07	NEWMONT EXPLORATION OF CANADA LIMITED	100.00	105-F-10
LP 40	YA72563	2008/12/07	NEWMONT EXPLORATION OF CANADA LIMITED	100.00	105-F-10
LP 41 - 44	YA72564 - YA72567	2010/12/07	NEWMONT EXPLORATION OF CANADA LIMITED	100.00	105-F-10
LP 45	YA72568	2009/12/07	NEWMONT EXPLORATION OF CANADA LIMITED	100.00	105-F-10
LP 46 - 47	YA72569 - YA72570	2010/12/07	NEWMONT EXPLORATION OF CANADA LIMITED	100.00	105-F-10
LP 48 - 52	YA72571 - YA72575	2009/12/07	NEWMONT EXPLORATION OF CANADA LIMITED	100.00	105-F-10
LP 53	YA72576	2010/12/07	NEWMONT EXPLORATION OF CANADA LIMITED	100.00	105-F-10
LP 54 - 63	YA72577 - YA72586	2009/12/07	NEWMONT EXPLORATION OF CANADA LIMITED	100.00	105-F-10
LP 64 - 66	YA73595 - YA73597	2009/12/07	NEWMONT EXPLORATION OF CANADA LIMITED	100.00	105-F-10
LP 67	YA73598	2008/12/07	NEWMONT EXPLORATION OF CANADA LIMITED	100.00	105-F-10
LP 68	YA73599	2009/12/07	NEWMONT EXPLORATION OF CANADA LIMITED	100.00	105-F-10
LP 69 - 78	YA73600 - YA73609	2008/12/07	NEWMONT EXPLORATION OF CANADA LIMITED	100.00	105-F-10
LP 79	YA73610	2009/12/07	NEWMONT EXPLORATION OF CANADA LIMITED	100.00	105-F-10
LP 80	YA73611	2008/12/07	NEWMONT EXPLORATION OF CANADA LIMITED	100.00	105-F-10
LP 81	YA73612	2009/12/07	NEWMONT EXPLORATION OF CANADA LIMITED	100.00	105-F-10
LP 82	YA73613	2008/12/07	NEWMONT EXPLORATION OF CANADA LIMITED	100.00	105-F-10
LP 83	YA73614	2009/12/07	NEWMONT EXPLORATION OF CANADA LIMITED	100.00	105-F-10
LP 84	YA73615	2008/12/07	NEWMONT EXPLORATION OF CANADA LIMITED	100.00	105-F-10

Left column indicator legend:

R - Indicates the claim is on one or more pending renewal(s).

P - Indicates the claim is pending.

Right column indicator legend:

L - Indicates the Quartz Lease.

Total claims selected : 308

Indian and Northern
Affairs CanadaAffaires indiennes
et du Nord CanadaROSS RIVER GOLD LTD.
1004 - 750 West Pender Street
Vancouver BC
V6C-2T7

14 January 2002

Claim Name and Nbr	Grant No.	Expiry Date	Registered Owner	% Owned	NTS #s
LP 85	YA73616	2009/12/07	NEWMONT EXPLORATION OF CANADA LIMITED	100.00	105-F-10
LP 86	YA73617	2008/12/07	NEWMONT EXPLORATION OF CANADA LIMITED	100.00	105-F-10
LP 87	YA73618	2009/12/07	NEWMONT EXPLORATION OF CANADA LIMITED	100.00	105-F-10
LP 88	YA73619	2008/12/07	NEWMONT EXPLORATION OF CANADA LIMITED	100.00	105-F-10
LP 89	YA73620	2009/12/07	NEWMONT EXPLORATION OF CANADA LIMITED	100.00	105-F-10
LP 90 - 93	YA73621 - YA73624	2008/12/07	NEWMONT EXPLORATION OF CANADA LIMITED	100.00	105-F-10
LP 109 - 115	YA73775 - YA73781	2008/12/07	NEWMONT EXPLORATION OF CANADA LIMITED	100.00	105-F-10
LP 130 - 134	YA73796 - YA73800	2008/12/07	NEWMONT EXPLORATION OF CANADA LIMITED	100.00	105-F-07 105-F-10
LP 135 - 139	YA90201 - YA90205	2008/12/07	NEWMONT EXPLORATION OF CANADA LIMITED	100.00	105-F-10
LP 153	YA90219	2008/12/07	NEWMONT EXPLORATION OF CANADA LIMITED	100.00	105-F-07
LP 155	YA90221	2008/12/07	NEWMONT EXPLORATION OF CANADA LIMITED	100.00	105-F-07
LP 157	YA90223	2008/12/07	NEWMONT EXPLORATION OF CANADA LIMITED	100.00	105-F-07
LP 159	YA90225	2008/12/07	NEWMONT EXPLORATION OF CANADA LIMITED	100.00	105-F-10
LP 165 - 167	YA90231 - YA90233	2008/12/07	NEWMONT EXPLORATION OF CANADA LIMITED	100.00	105-F-10
LP 168 - 169	YA90234 - YA90235	2009/12/07	NEWMONT EXPLORATION OF CANADA LIMITED	100.00	105-F-10
LP 170 - 172	YA90236 - YA90238	2010/12/07	NEWMONT EXPLORATION OF CANADA LIMITED	100.00	105-F-10
LP 173 - 175	YA90239 - YA90241	2009/12/07	NEWMONT EXPLORATION OF CANADA LIMITED	100.00	105-F-10
TAY 1 - 3	YA71482 - YA71484	2008/12/07	NEWMONT EXPLORATION OF CANADA LIMITED	100.00	105-F-10

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V6C-2T7

14 January 2002

Claim Name and Nbr	Grant No.	Expiry Date	Registered Owner	% Owned	NIS #s
TAY 4	YA71485	2009/12/07	NEWMONT EXPLORATION OF CANADA LIMITED	100.00	105-F-10
TAY 5	YA71486	2008/12/07	NEWMONT EXPLORATION OF CANADA LIMITED	100.00	105-F-10
TAY 6	YA71487	2009/12/07	NEWMONT EXPLORATION OF CANADA LIMITED	100.00	105-F-10
TAY 7	YA71488	2008/12/07	NEWMONT EXPLORATION OF CANADA LIMITED	100.00	105-F-10
TAY 8	YA71489	2009/12/07	NEWMONT EXPLORATION OF CANADA LIMITED	100.00	105-F-10
TAY 9	YA71490	2008/12/07	NEWMONT EXPLORATION OF CANADA LIMITED	100.00	105-F-10
TAY 10	YA71491	2009/12/07	NEWMONT EXPLORATION OF CANADA LIMITED	100.00	105-F-10
TAY 11 - 15	YA71492 - YA71496	2008/12/07	NEWMONT EXPLORATION OF CANADA LIMITED	100.00	105-F-10
TAY 16 - 17	YA71497 - YA71498	2009/12/07	NEWMONT EXPLORATION OF CANADA LIMITED	100.00	105-F-10
TAY 18	YA71499	2010/12/07	NEWMONT EXPLORATION OF CANADA LIMITED	100.00	105-F-10
TAY 19	YA71500	2009/12/07	NEWMONT EXPLORATION OF CANADA LIMITED	100.00	105-F-10
TAY 20	YA71501	2010/12/07	NEWMONT EXPLORATION OF CANADA LIMITED	100.00	105-F-10
TAY 21	YA71502	2009/12/07	NEWMONT EXPLORATION OF CANADA LIMITED	100.00	105-F-10

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Indian and Northern
Affairs CanadaAffaires indiennes
et du Nord CanadaROSS RIVER GOLD LTD.
1004 - 750 West Pender Street
Vancouver BC
V6C-2T7

14 January 2002

Claim Name and Nbr.	Grant No.	Expiry Date	Registered Owner	% Owned	NTS #s
TRY 1 - 60	YB92756 - YB92815	2005/12/31	NEWMONT EXPLORATION OF CANADA LIMITED	100.00	105-F-10

There is no provision in either the Yukon Quartz Mining Act or the Yukon Placer Mining Act for a Mining Recorder to interpret his/her records to the public. Where information regarding the status of a mineral claim is to be used for title opinions or quasi-legal purposes, we recommend that certified true copies of documents be obtained. All books of record and documents filed are open for public inspection, free of charge, during office hours. An enquirer may employ someone to search the records, or obtain abstracts of record at a cost of \$1.00 for the first entry and \$.10 for each additional entry.

If you have any questions, please do not hesitate to contact this office.

Yours truly,

Patti McLeod
Mining Recorder
Watson Lake Mining District
P.O. Box 269
Watson Lake YT Canada
Y0A-1C0

Ph:(867) 536-7366
fax: (867) 536-7842

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Total claims selected : 308

Indian and Northern
Affairs CanadaAffaires indiennes
et du Nord Canada

Robin S. Tolbert
S - 233 East 6th St.
North Vancouver, BC
V7L 1P4

14 January 2002

Dear Sir/Madam:

We are able to confirm the status of the following claim(s):

Claim Name and Nbr	Grant No.	Expiry Date	Registered Owner	% Owned	NTS #s
RAM 485 - 492	YA72060 - YA72067	2008/12/31	FAIRFIELD MINERALS LTD.	100.00	105-F-10
RAM 497 - 504	YA72072 - YA72079	2008/12/31	FAIRFIELD MINERALS LTD.	100.00	105-F-10
RAM 509 - 516	YA72084 - YA72091	2008/12/31	FAIRFIELD MINERALS LTD.	100.00	105-F-10
RAM 521 - 528	YA72096 - YA72103	2008/12/31	FAIRFIELD MINERALS LTD.	100.00	105-F-10
RAM 543 - 552	YA72194 - YA72203	2008/12/31	FAIRFIELD MINERALS LTD.	100.00	105-F-10
RAM 554	YA72205	2008/12/31	FAIRFIELD MINERALS LTD.	100.00	105-F-10
RAM 615 - 622	YA72266 - YA72273	2008/12/31	FAIRFIELD MINERALS LTD.	100.00	105-F-10
RAM 692	YA72343	2008/12/31	FAIRFIELD MINERALS LTD.	100.00	105-F-10
RAM 694	YA72345	2008/12/31	FAIRFIELD MINERALS LTD.	100.00	105-F-10
RAM 696	YA72347	2008/12/31	FAIRFIELD MINERALS LTD.	100.00	105-F-10
RAM 698	YA72349	2008/12/31	FAIRFIELD MINERALS LTD.	100.00	105-F-10
RAM 700	YA72351	2008/12/31	FAIRFIELD MINERALS LTD.	100.00	105-F-10

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Total claims selected : 69

Indian and Northern
Affairs CanadaAffaires indiennes
et du Nord Canada

Robin S. Tolbert
8 - 233 East 6th St.
North Vancouver BC
V7L-1P4

14 January 2002

Claim Name and Nbr.	Grant No.	Expiry Date	Registered Owner	% Owned	NTS #/s
RAM 702 - 714	YA72353 - YA72365	2008/12/31	FAIRFIELD MINERALS LTD.	100.00	105-F-10

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If you have any questions, please do not hesitate to contact this office.

Yours truly,

Patti McLeod
Mining Recorder
Watson Lake Mining District
P.O. Box 269
Watson Lake YT Canada
Y0A-1C0

Ph:(867) 536-7366
fax: (867) 536-7842

Left column indicator legend:

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Total claims selected : 69

APPENDIX B

NEWMONT NOTICE OF TERMINATION

NEWMONT MINING CORPORATION

1700 Lincoln Street
Denver, Colorado 80203

David Dehlin
Manager of Land, Canada

Direct Phone: 303.837.5820
Fax: 303.837.5851
Email: ddehlin@corp.newmont.com

December 19, 2001

VIA FAX 604-682-2331 AND COURIER

Ross River Gold Ltd.
Suite 1004, 750 West Pender Street
Vancouver, British Columbia V6C 2T7
Canada
Attn: President

RE: **Notice of Termination**

TAY-LP Property Option Agreement between Ross River Gold Ltd. ("Ross River") and Newmont Exploration of Canada Limited ("Newmont"), effective June 1, 2000, TAY-LP Project, Yukon Territory, Canada (the "Ross River Option")

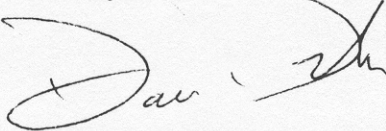
Gentlemen:

Pursuant to your conversation with Richard Gorton and in accordance with Section 9.1 of the Ross River Option, please be advised that Newmont has made the decision to terminate the Ross River Option, **effective December 19, 2001.**

In accordance with Section 9.3.1 of the Ross River Option, Newmont shall prepare and deliver to Ross River executed transfers of the Property and reassignments of the Underlying Agreements in favor of Ross River.

It has been our pleasure working with you on this project. We wish you future success with the TAY-LP property and we hope to have the opportunity to work with you again in the future.

Sincerely,



Copy:

M. Coroneos
D. Faley
R. Gorton
D. Groves