EX-IN

EXPLORATEURS - INNOVATEURS
DE QUÉBEC INC.

3700, boul. de la Chaudière
Sainte-Foy (Québec)
Canada G1X 4B7
Téléphone : (418) 877-4249
Télécopieur : (418) 877-4054

WHY PROSPECT WITH THE BEEP MAT?

Before investing in a Beep Mat project, many people may wonder why the Beep Mat is still not used on a large scale by the mining industry even though it is extraordinary successful. At the end of one of our projects, I experienced something that should help you understand why professional explorers are still reluctant to use the Beep Mat.

While we had received the assay results of the first 58 out of the 60 samples of our project, the engineer in charge of the project wrote the first version of the report of works in which he concluded that there was no hope of discovering a mine in the area of the project and that we should continue to prospect elsewhere. When the last two samples assayed zinc values, that was enough to have him change his mind. Even if this engineer is an experienced Beep Mat user, it was obvious to him, from his professional point of view, that if the 58 samples all turned out to be negative, it was because the region was not good for that kind of prospecting, and not because he had not yet prospected and sampled at the right place.

And yet, while I was working at the Société québécoise d'exploration minière (SOQUEM), after the discovery of Louvem in 1968, I contributed to the decision to drill some 400 to 500 barren holes on various targets. To do so, I "wasted" 10 million dollars throughout Abitibi before the last "lucky" drill hole hit, in 1973, a rich mineralized ore shoot that became the Doyon Mine, one of the big and rich gold mines in Canada. And despite the 500 barren drill holes, nobody had condemned Abitibi as being a sterile region. It is true that from 1968 to 1973, my colleagues at SOQUEM often teased me by saying I was trying to ruin SOQUEM by drilling so many barren graphites. However, these same colleagues were spending important sums of money in surveys of all kinds, but without "wasting" money to check by drilling if among the thousand good anomalies they mapped, one would not turn out to be a mine. Maybe the fear of being disappointed by another barren drill hole is similar to the fear of using Beep Mats. By using Beep Mats on a large scale, one rapidly downgrades and eliminates so many expensive and promising anomalies!

Imagine a civil engineer who would build bridges and 99 % of them would crumble. Even if many explorers know that one must pick up over 100 samples and dig over 100 trenches before finding a showing, few are ready to deal with the stress caused by hundreds of failures. However, that is the essence of exploration.

Furthermore, since Beep Mat prospecting is a new approach to exploration and might be threatening to some people, I would like to suggest a few other reasons for which the Beep Mat still does not find favour with the mining industry, although this might soon change :

1) geologists, prospectors and exploration managers who really succeeded with the Beep Mat remain silent and do not brag about using it in order to take avantage of the good opportunities;

2) with the Beep Mat, a single person can thoroughly prospect a claim for $ 100 to $ 500 in less than a day. Thus, the Beep Mat requires large areas in order to be fully effective, areas that are many times larger than the size of the mining properties that geologists are used to explore;

3) the last time that an instrument as similar and efficient as the Beep Mat was used on a large scale (we are talking of the scintillometer), all uranium geologists became unemployed because after five years of prospecting, world uranium reserves were tripled, the new deposits were so rich that the existing mines closed, and the geologists lost their jobs as the price of uranium tumbled. Even if the true reason of their unemployment was rather due to the fact that uranium earned a bad reputation because of nuclear accidents, it is possible that geologists are still impressed by that experience. I am very hopeful that the Beep Mat will find its way to a large acceptance, and needless to say that there certainly is no danger of finding too much gold, copper, zinc or nickel in Canada;

4) one of the greatest pride of a geologist is perhaps to select a property on which he will work and in which his company will invest a substantial sum. To let a Beep Mat operator do that selection might seem unsatisfactory to the eyes of the professionals. And yet, those geologists and engineers who evaluate the Beep Mat showings are quite proud to justify their selection of areas to stake and direct all the subsequent exploration endeavours.

To sum up, I am convinced that the high performance of the latest version of the Beep Mat and the fact that it is not much used yet will result, for a limited period of time, in a window of opportunity for investors aware of their potential and yet conscious of the inherent risks of any exploration venture. The very generous investment credits for surface mining exploration in Quebec increase the return/investment in a Beep Mat prospecting venture for any high-bracket taxpayer residing in the province of Quebec .

All the Beep Mat syndicates managed by EX-IN succeeded in sampling conductors for less than $ 1,000 per site. In my opinion, that makes Beep Mat prospecting 10 to 100 times more efficient than any other exploration investment. Today, we can also take advantage of the millions of targets (conductors, etc.) that others have discovered in Quebec, but that were never sampled due to high drilling costs. Most of those claims have been dropped and are now available. The recent and spectacular nickel discovery by Diamond Fields, the high-grade nickel showings discovered at the surface by the Quebec Ministry of Natural Resources in Sept-Iles, and the older gold discovery of Sillidor (only 3,000 feet from the streets of Rouyn-Noranda) prove that there are still many rich near-surface mines left to be discovered by the Beep Mat. Just a walk and a blast at the right place could result in a major discovery.

Last but not least, Quebec is the only province where the government has invested large budgets and covered most of the promising geological environments by airborne EM surveys. It is also the only province that has published high-quality maps showing the thickness of glacial cover above the bedrock in over all forested areas. These areas are often accessible by forest roads. This, combined with excellent government compilation maps of past exploration ventures, creates an ideal situation for a most effective Beep Mat exploration project.

Edwin Gaucher, Ph.D., Eng.
President
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