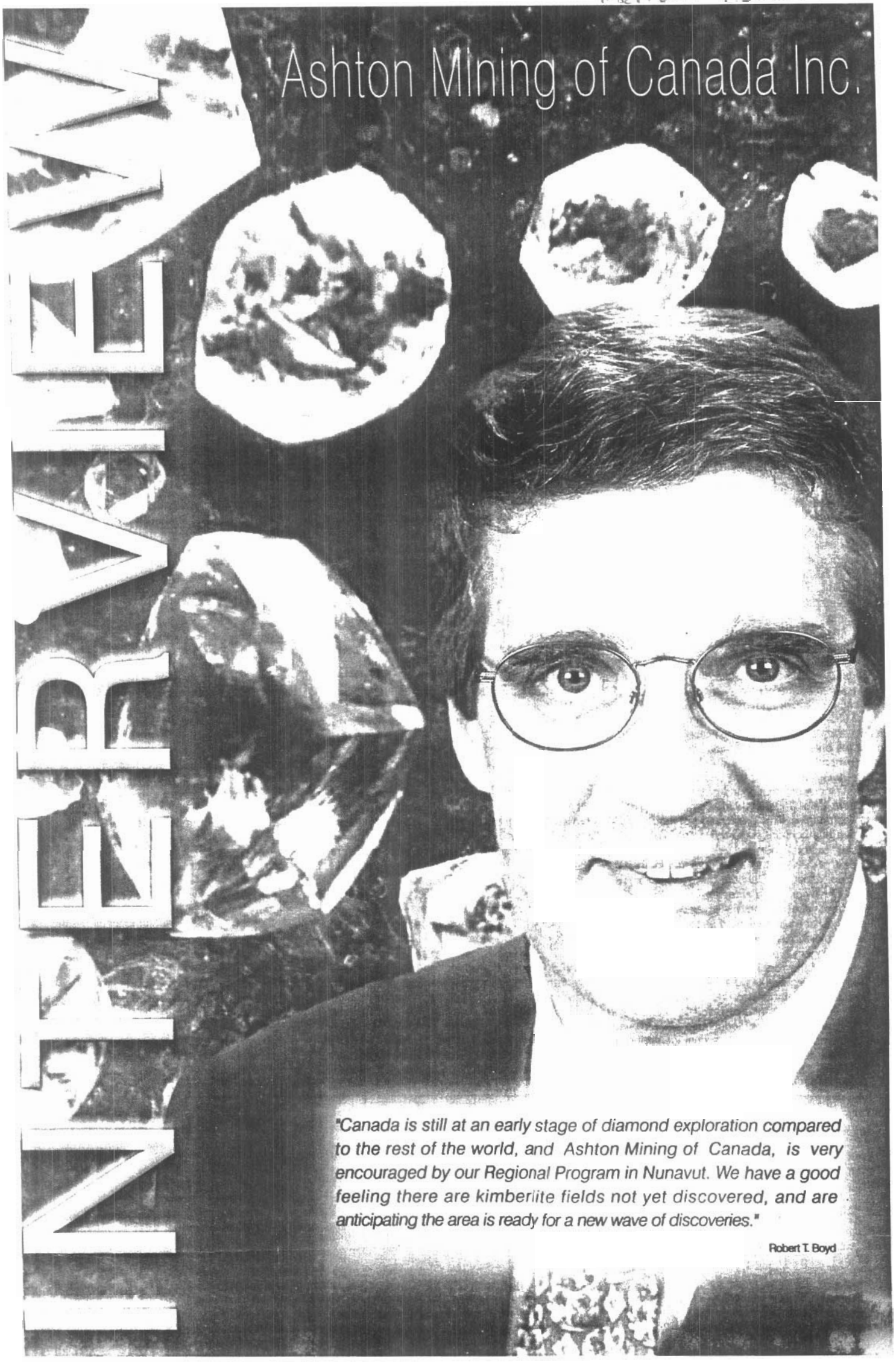


Ashton Mining of Canada Inc.



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Robert T. Boyd

THE NEXT DISCOVERY WAVE

ASHTON MINING, READY, WILLING, AND ABLE

Interview by Lawrence Stephenson

Diamond Exploration in Canada is entering the third, or more mature stage of its life cycle. In the early 1980's, the first stage, only a few stalwarts were loading up their burros and heading out to the vast unexplored Canadian Hinterland for summertime's frantic search for Diamonds. The only serious company effort was by DeBeer's exploration arm, Monopros, while dabbling by Falconbridge, Selection Trust, Selco, and Esso belied the scepticism that greeted any explorationists' assertion that diamonds were to be found in Canada. Funding was piecemeal and un-enthusiastic.

In the early 1990's, the second stage, saw an explosion of participants in Diamond Exploration Canada Inc. with every junior listed company getting, wanting or wishing for a Canadian diamond property! Unclaimed Mineral rights in Nunavut and the Northwest Territories were in short supply. Serious efforts by major companies included Monopros, BHP, RioTinto and Ashton with minor dalliances by others. Scepticism was replaced with "I knew it all along!" Funding was major and enthusiastic!

Now in the early 2000's, the intensity of participants has subsided as the thrill of Victory, Diamet, Aber, Winspear, has been tempered by agony of defeat. Serious company efforts remain as mines are developed but large Mineral claim positions are being substantially reduced and a more thorough technical evaluation of the region is being conducted.

For Ashton Mining of Canada Inc. President Robert Boyd the situation couldn't be better.

"Ashton has been active in the Slave Craton area of Nunavut and the Northwest Territories, host of most of the kimberlite discoveries to date, since but our Nunavut activity only started in 1997 due to the area being extensively staked resulting in difficult access to regional prospecting and good properties," said Mr. Boyd, "we hope to rectify our lack of kimberlite discoveries in the new Nunavut Territory with continued exploration and reconnaissance work."

This discovery rate of Kimberlites is second only to Monopros. Of the over 300 kimberlites discovered to date in Canada, Ashton has recorded 48 of them, Monopros reports over 200, which fits with Ashton's claim as one of the best diamond exploration companies in Canada.

Contributing to this success is their depth in management and technical abilities, their own quality laboratory in North Vancouver, their extensive database on North American diamonds, their portfolio of exploration targets and focus on becoming another Canadian Diamond producer.

With only one of its 48 kimberlite discoveries in Nunavut to date, Mr. Boyd said, "We are extremely encouraged by the indicator mineral trains in our active Nunavut areas which we believe will result in numerous more kimberlite discoveries. Strong activity by our competitors in the region attest to that with new discoveries being recently announced."

With a Corporate Counsel, Michael Hardin, who provided the Canadian Institute of Resource Law with its working manual on the Nunavut mineral exploration and mine development regime, Ashton is confident that their good experience with permitting to date, will continue to be a lot easier than in the Northwest Territories.

original land claims have been settled and in a well structured and forward looking government, explorationists like to be active in Nunavut.

Although parent company, Ashton Mining Limited of Australia AML, holding 68.2% has been engaged in exploration world wide, the last two years have seen their primary focus shifted to Canada and Australia. Through mainly joint venture projects, Ashton Mining of Canada is able to maximize its exposure to projects in advanced stages and grass roots stages, making appropriate use of its financial resources. Thus this year's budget of Cdn \$4 million for exploration has about half allocated to the Slave Craton of Nunavut and the Northwest Territories.

"The Buffalo Hills Joint Venture in Alberta, Ashton, Alberta Energy Company Ltd and Pure



Photo courtesy of Ashton Mining

Gold," stated Mr. Boyd, "represents Ashton's most advanced project but a significant proportion, of the Cdn \$ 2 million allocated to Slave Craton, is dedicated to our regional and property programs in Nunavut. Most of our activities there will be in the North Slave where we have our main properties."

With Canada's diamond production predicted to be 10% of the worlds market by 2005, barely 15 years after the first diamondiferous kimberlite was discovered, "the potential for discovery of additional world class deposits remains high."

Mr Boyd continued, "The extent of prospective ground, stable Pre-Cambrian Cratons, in Canada exceeds Southern Africa, host of the number 1 - Botswana and 3 - South Africa diamond producers with 35.5% of the worlds diamond production value, with exploration requiring a more focused multidisciplinary approach due to the impact of past periods of continental glaciation."

The company is committed to exploration in Canada not only because of the stable political climate and prospective ground, but also with a reflection of the discovery statistics for Ashton and for Canada. For the former, with over \$840 million spent on diamond exploration in Canada in the last few years the financial statistics of discovery of a kimberlite are about \$2.6 million per intrusive. Ashton's cost of discovery for its 48 kimberlites is approximately \$0.6 million. For the latter, the world rate of developing kimberlites into mines, only 30% of these kimberlites are diamondiferous, is less than 1 in 200, while in Canada currently 15 of the 300 plus discovered kimberlites are/maybe economic. **This 1 in 20 ratio with the majority located in the Slave Craton is among the highest in the world.**

"These statistics alone are strong justification for

the Slave Craton of Nunavut being a high priority for Ashton," said Mr. Boyd who became President and CEO of Ashton Canada in June of this year with extensive exploration experience in Nunavut.

His previous Nunavut experience as Homestake's Canadian Exploration Manager, saw the discovery and delineation of the George Lake Deposit, Wheaton River Minerals Inc. currently being evaluated by Kinross Gold Corporation.

Ashton has also explored for kimberlites in Ontario and Quebec, but with these favourable statistics for Nunavut Northwest Territories and their success on the Buffalo Hills Alberta project these will remain their prime funding priorities.

"With several million acres in Northern Alberta to explore and the best drill results from that program, Kimberlite K252 with 101 microdiamonds and five macrodiamonds from 65.6kilograms of core and 34 microdiamonds and three macrodiamonds from 41.6 kilograms of core, this project needs a 3-4 tonne bulk sample as the next stage of focus," said Mr. Boyd.

With Debeer's offer to takeover its parent, Ashton Mining of Canada will continue with business as usual. The company's board of directors consists of independent directors representing the publicly traded part of the company.

"Canada is still at an early stage of diamond exploration compared to the rest of the world," said Mr. Boyd, "and Ashton Mining of Canada is very encouraged by our Regional Program in Nunavut. We have a good feeling where there are kimberlite fields not yet discovered here and are anticipating the area is ready for a new wave of kimberlite discoveries."

Based on Ashton's past performance if Mr. Boyd is correct, the company will be riding the crest of that wave.

