

KENNECOTT CANADA EXPLORATION INC.
YEAR 2003-5 EXPLORATION PROGRAM

Non-Technical Project Summary

Brodeur Peninsula, Baffin Island

Kennecott Canada Exploration Inc. (Kennecott) is continuing surface mineral exploration for diamonds on the Brodeur Peninsula, Baffin Island, Nunavut in 2004-5 from approximately May 15th to September 30th each year. The program is regional in scope, and will cover an area contained by Latitude 72° and 74°, and Longitude 85° and 90° (NTS map sheets 048, 57 and 58). Kennecott has 16 Prospecting Permits and 156 crown mineral claims (some under application) upon which most of the work will be done.

During 2003, Kennecott conducted surface exploration consisting of geochemical sampling of tills and limited stream sediment samples in order to locate anomalies related to diamond exploration. There was also a core-drilling program on Kennecott held crown land (10 shallow holes) based on results from 2002. In the 2004 season it envisaged that a similar program to that conducted during 2003 will be carried out and will include further till sample collection and geophysical surveying, followed by subsequent drilling of anomalies when discovered. The company may also plan further activities on IOL's where surface exploration indicates the potential for diamond mineralisation. This may include core drilling. Given positive results it may become important to conduct the collection of larger samples from certain areas. Though this is not current anticipated at this stage.

Planned surface exploration will include work on and around the following concession areas:

AB-18, 19, 23, 26, 60, 61, 62, 63, 64, 65, 66, 67, 68

The field survey crews will consist of a Kennecott Canada Exploration project geologist with seasonal field assistants. It is our hope to employ residents of Nunavut on these field crews, as we have on other exploration programs within Nunavut.

Kennecott Canada Exploration is committed to developing and maintaining excellent relationships with the communities affected by our exploration activities. Our company also has strict environmental policies for our own employees as well as for contractors who report to us. Protection of the land is an essential part of our exploration programs.