



## **CONTACT INFORMATION**

Mining Records Curator  
Arizona Geological Survey  
1520 West Adams St.  
Phoenix, AZ 85007  
602-771-1601  
<http://www.azgs.az.gov>  
[inquiries@azgs.az.gov](mailto:inquiries@azgs.az.gov)

The following file is part of the

Arizona Department of Mines and Mineral Resources Mining Collection

## **ACCESS STATEMENT**

These digitized collections are accessible for purposes of education and research. We have indicated what we know about copyright and rights of privacy, publicity, or trademark. Due to the nature of archival collections, we are not always able to identify this information. We are eager to hear from any rights owners, so that we may obtain accurate information. Upon request, we will remove material from public view while we address a rights issue.

## **CONSTRAINTS STATEMENT**

The Arizona Geological Survey does not claim to control all rights for all materials in its collection. These rights include, but are not limited to: copyright, privacy rights, and cultural protection rights. The User hereby assumes all responsibility for obtaining any rights to use the material in excess of "fair use."

The Survey makes no intellectual property claims to the products created by individual authors in the manuscript collections, except when the author deeded those rights to the Survey or when those authors were employed by the State of Arizona and created intellectual products as a function of their official duties. The Survey does maintain property rights to the physical and digital representations of the works.

## **QUALITY STATEMENT**

The Arizona Geological Survey is not responsible for the accuracy of the records, information, or opinions that may be contained in the files. The Survey collects, catalogs, and archives data on mineral properties regardless of its views of the veracity or accuracy of those data.

Dec. 5, 2002: B R X (file # 5), This file contains Data/ Releases/ 3<sup>RD</sup> Party Reports,  
on BRX / IPM from January 1996 thou. April 1997.  
mils # 838 < La Paz County file # 5 of 11. tmm,

Daniel P. Laux  
580 S. Prospectors Rd.  
Apache Junction, AZ 85219

602-671-9356

April 29, 1997

Governor Fife Symington  
State Capital  
Phoenix, AZ

Dear Governor Symington,

I am deeply disturbed about the impending lawsuit (Business Wire, 4-28-97) filed against the AZDMMR, Mason Coggins, and Nyal Niemuth by the International Precious Metals Corporation (IPM). IPM claims that the AZDMMR has gone beyond their statutory authority. I have not read any statues concerning the AZDMMR, but always thought that its main function is the promotion of mining in Arizona.

Having supported you twice in the past (and having no aversions to supporting you again), I agree with many of your ideas pertaining to the function of government. I'm sure you will agree, that the protection of individual rights is the NUMBER ONE responsibility of government; this should and does include protection from fraud. Fraud in the mining industry certainly does not aid in its promotion.

I think that the IPM operation is a scam that is defrauding hundreds (if not thousands) of individual investors who have little knowledge of the gold mining industry. Articles have been published in the Northern Miner which state that IPM can not repeat their claims of high gold and platinum values with conventional, industry-accepted assay techniques. If mineralization at the BRX is real, why haven't the major gold mining companies become involved? IPM has been promoting this property for several years; if it is truly real, why hasn't more substantial development occurred?

Several frauds have given the international mining industry a black eye over the last year. I think that the AZDMMR, Mason Coggins, and Nyal Niemuth should be commended and supported for their work on exposing and preventing mining fraud in Arizona.

Sincerely,

Daniel P. Laux

CC: Joe Lane, Advisor - Agriculture and Rural Development

Subject: International Precious Metals (IPMCF)

To: charles h marsh (7031 )  
From: Ron Starr

Apr 28 1997 9:50AM EST  
Reply #7032 of 7146

## IPM COMMENCES LEGAL PROCEEDINGS AGAINST ARIZONA DEPARTMENT OF MINES

Toronto, Ontario April 28, 1997 -- International Precious Metals Corporation (IPM) announced today that it has filed a Notice of Claim for damages against the Arizona Department of Mines and Mineral Resources, its Director Mason Coggin, and employee Nyal Niemuth. Under Arizona law, Notice is required to be given 60 days before a lawsuit for damages can be brought against a department of the State of Arizona or its employees.

IPM has retained one of Arizona's largest and most well respected law firms to represent the company in this matter. The Notice filed on the company's behalf alleges damages in excess of \$25 million from untrue and misleading statements and information provided by Messrs. Coggin and Niemuth in response to inquiries from existing IPM shareholders, potential investors and members of the media in connection with IPM's development of its Black Rock Property. These disparaging statements were widely disseminated and republished resulting in IPM's damage claim.

IPM also has a claim for special action because Messrs. Coggin and Niemuth acted beyond their statutory authority. Under the cloak of being official representatives and regulators of the mining industry in the State of Arizona, Messrs. Coggin and Niemuth have made statements which clearly disparaged and maligned IPM, its directors, officers and shareholders. It is IPM's understanding that the mandate of the Department of Mines is to run the Arizona Mineral Museum and to maintain archives about mining. Additionally, IPM understands that neither the Department nor any of its employees have any legal authority to regulate, review and/or comment on companies mining in the State.

IPM looks forward to the opportunity to have this matter presented before a court of law in the State of Arizona. IPM fully expects to obtain a judicial determination that the Department of Mines was without any authority over the mining industry and that the statements made by Messrs. Coggin and Niemuth about IPM's Black Rock property were untrue and misleading.

On Behalf of the Board of Directors  
Le Furlong, President and CEO

# Desert Pacific Exploration

12475 Overbrook Drive, Reno, Nevada, 89511, FAX(702)853-7014, Phone(702)853-7015

To: Nyal Niemuth

Fax: 602-255-3777

From: Herb Duerr

Fax: 702-853-7014

Date: April 30, 1997

Subject: IPMC

Number of Pages: 3

Nyal,

Here is the information on IPMC consultants in Australia. I hope it is useful to you. I also heard that the assayer for IPMC has quit. He might be worth talking to. I will send the number for Vearmcombe when I receive it. Let me know what you hear on the assayer.

Good Luck with this thing!

Herb

**NORTH LIMITED**

478 St. Kilda Road, Melbourne, Victoria 3004  
GPO Box 1903R, Melbourne, Victoria 3001

A.C.N. 005 233 689  
Ph: (03) 9207 5244 Fax: (03) 9207 5039



**TECHNICAL SERVICES**

**FACSIMILE TRANSMISSION**

TO : ~~Herb O'Neil~~ *Nyal Nizemuth*

FAX NO : (0011-1) 702 826 3433

FROM : Dave Hodson

DATE : 2 May 1997

COPY TO :

REF/FILE : PAGES (incl this page) : 1

SUBJECT : Julian R Vearncombe

I have not attempted to contact Prof. Vearncombe but the most recent contact address we can find is:

Julian R Vearncombe  
 Key Centre for Strategic Mineral Deposits  
 Dept of Geology & Geophysics  
 University of Western Australia  
 Nedlands  
 West Australia 6009  
 Tel : (61) 9380 2666  
 Fax : (61) 9380 1037

I hope this is of some use.

Best regards

Dave Hodson

All pages of this document are intended for the named addressee, are confidential and may contain legally privileged information. The copying or distribution of these pages or any information they contain, by anyone other than the addressee, is prohibited. If you receive this document in error, please advise us by telephone, fax or e-mail on the document.

# NORTH LIMITED

476 St. Kilda Road, Melbourne, Victoria 3004  
GPO Box 1903R, Melbourne, Victoria 3001

A.C.N. 005 233 600  
Ph: (03) 9207 5244 Fax: (03) 9207 5039



## TECHNICAL SERVICES

### FACSIMILE TRANSMISSION

TO : Herb Duerr  
FAX NO : (0011-1) 702 826 3433  
FROM : Dave Hodson  
DATE : 21 April 1997  
COPY TO :  
REF/FILE : PAGES (incl this page) : 2  
SUBJECT : Reference checks

---

We have had very little success in tracing the companies as per your request.

Results so far.

**Hawkeye Resources Pty.** Incorporated in W.Australia 1983. Seems to be a family company owned by Bernard, Frances and Reuben Mountford. Principal business is recorded as geologists. The annual reports appear to have been filed correctly since inception but we have no record of the business transacted. There is some type of charge registered in March 1996 by the National Australia Bank. You would need to apply for a "charges extract" to find out what this refers to.

**Creelmin & Associates** - No record found but we did discover that R.A.Creelman is a director of Gateway Mining NL. This company has traded under various names since 1957 and has changed hands often with shares being suspended on several occasions. Since November 1993 the company has carried out exploration on some small gold properties in Queensland but has a consistent record of operating losses.

**Vearncombe&Associates** - No record found but a Julian R Vearncombe is a well known academic currently with the Key Centre for Strategic Mineral Deposits, dept of geology,

---

All pages of this document are intended for the named addressee, are confidential and may contain legally privileged information. The copying or distribution of these pages or any information they contain, by anyone other than the addressee, is prohibited. If you receive this document in error, please advise us by telephone, then destroy the document.

University of W Australia. He has published a broad range of papers concerning many types of mineralisation in Australia.

I don't think we can easily discover more without more detailed information on what to look for but please let me know if you have any specific requests to follow up.

Mesaba: The project review group determined that the Mesaba project is not of interest to North. The grade of the orebody is not outstanding and given the complex metallurgy of which we have little in-house knowledge it was felt that we have many more attractive projects to pursue. Our view is that the pgm's and gold are unlikely to be recovered in payable quantities and that the unit cost of production of copper and nickel would not be in the lower half of the cost curve. Hence the project does not meet our investment criteria despite its size.

Sorry this fax isn't more positive but please don't hold it against me!

Best regards



Dave Hodson

April 2, 1997

INTERNATIONAL PRECIOUS METALS CORPORATION

LATEST PRESS RELEASE

NASDAQ: IPMCF  
CDN: IPMC

**Recovery Demonstration Plant Acquired**

Toronto, Ontario April 2, 1997 International Precious Metals Corporation ("IPM") announced today that it had purchased a mobile version of the processing plant used during the development of its leach recovery process. IPM completed the plant acquisition from Friendship Metals, owner and operator of the research and development facility where precious metals recovery testing had been conducted. The plant will be placed into operation at the company's Goodyear, Arizona facility this week in order to accelerate and further optimize the recovery breakthrough for its Black Rock mineralization.

The plant has a capacity of 20,000 kg/hour and can process up to 300,000 kg of ore per day in continuous mode. IPM's operation of the plant will allow the company to optimize the recovery process and produce concentrate samples for product testing by domestic and offshore refiners. Additionally, the recovery of precious metals from larger sample sizes inherently produces more reliable results than assays of standard 30 gram (0.03 kg) samples.

Lastly, IPM announced that Behre Dolbear & Company Inc. has commenced the next phase of analysis of Black Rock mineralization. This analysis will include the utilization of independent samples and ultimately the application of the precious metals recovery process to these independent samples. This phase is part of the ongoing development of the Black Rock property.

On Behalf of the Board of Directors

*Le Furlong, President and CEO* (signature not available on Internet)

ISSUED AND OUTSTANDING CAPITAL 16,759,407

# INTERNATIONAL PRECIOUS METALS CORPORATION

---

## INTERNET PRESIDENT'S MESSAGE

Spring 1997

[www.ipmcf.com](http://www.ipmcf.com)

A very happy Spring Season to All. Let me give you a SNAPSHOT of where IPM is right now!

### PROCESSING TESTS FOR PRECIOUS METALS:

Independent mineral processing consultants that were engaged by IPM on 18 December to test the proposed leach recovery procedures across bench scale, mini-plant scale and pilot scale have completed their work. Some delays were experienced resulting from the need for the R&D lab to install a vibratory mill before the final large tests could be run; they have proved beneficial. I can report that concentrates have been dispatched to precious metal refiners for their assessment, assay and comment regarding the appropriateness of the concentrate for their refining schematics. Friendship Metals, owners and operators of the mineral processing facility, will present their summary of all the testing parameters to IPM by mid April. The refiners often take more than four weeks to report their preliminary findings, a communication we eagerly await.

### NEW MEMBERS OF THE TECHNICAL TEAM:

Dr. Samuel Shaw III joined IPM's Technical Team as Vice President Engineering Services on 1 April 1997, he will be located at Corporate Headquarters in Phoenix. Dr. Shaw brings 44 years of mining, engineering and mineral recovery experience to IPM's professional base. Dr. Shaw was formerly a Senior Consultant to Behre Dolbear and was BD's Project Leader to IPM for a 16-month period in 1994/95. As you will recall from the press releases of June 1995, Dr. Shaw himself performed leach extraction tests upon BRX material utilizing a chloride method developed by Paul Mentzer, VP Technical Services.

Eric Phillips, B.Sc. M.Sc. Mechanical Engineering graduate 1996 Purdue University joined IPM's Technical Team on 1 March 1997, and also works from the Phoenix Office. IPM will utilize Eric's technical background in process design engineering.

### CORPORATE COMMENTS

#### ROLLER COASTER:

While the leach recovery program on BRX ore continues to return gold grades at the 250 kg size with no diminution of the previously reported recovery grades (being 0.25+ oz/ton gold), the marketplace has treated IPM's share price with absurd movements. This market activity bears no relationship to the fundamental economic viability of the BRX Project and IPM. It is frustrating to Directors and Management alike that the Company is subjected to such share price volatility when we couldn't be happier with our logical and methodical progression to bring BRX into production.

much press space seems to be filled with different players applying entirely different methods of assay determinations from that of the original discoverer, a comparison of likening apples to oranges. Let's be fair. Unless there is a deliberate hatchet job being applied for other reasons to these industry colleagues, valid comparisons will require following similar mineral recoverability protocols, not some other measuring stick.

Consultants to the mining industry take on a great variety of professional forms. The most common usage of a consultant is to supplement existing expertise in order to perform specific programs beyond the capabilities of the existing professional staff. Another role of mining industry consultants is that of technical auditing. Technical auditing by an independent recognized mining industry consultant is not much different than employing one of the 'Big 6 (or 8)' financial auditing companies to report the financial health of a company. Technical auditing is an absolute necessity when a mining company wishes to raise funds from banks, lending institutions or shareholders. The most common auditing jobs are ore reserve confirmations, independent feasibility studies and mining /recovery related verifications. It is in this technical auditing role that IPM has routinely sought the services of Behre Dolbear & Company Inc., founded over 80 years ago. Positive findings by Behre Dolbear for their clients routinely have enabled such clients to raise debt and equity loans that furnish the capital for development and ultimately production to take place. Other consulting firms may specialize in mining engineering, process/extractive metallurgy, plant estimation and construction, and environmental engineering to a project, just to name a few technical fields.

IPM welcomes the respected industry-wide practice of appointing and utilizing independent technical consultants. Through this process, forward progress is achieved, ultimately to production. In IPM's case we chose to appoint the very best mining consultants in the USA the prominent, Behre Dolbear & Co., Inc. Sure, they are tough and rigorous, but IPM has every faith in its own technical abilities, abilities that will stand up to such examination. And to ensure that our shareholders receive the most accurate information possible, IPM will continue to utilize the services of the finest independent laboratories and mining professionals.

## CLOSING REMARKS

IPM has also outgrown its original Tempe office and will move into new Corporate Headquarters on 1 May. The new address will be in Phoenix, located about 2 miles from the Phoenix Sky Harbor Airport.

I expect the weeks of April/early May to be a watershed for the Company. All of the 'chickens' (so to speak) should come home to roost. We anticipate refiners will report on the initial pilot plant concentrate shipments, remarks from Behre Dolbear's consultant metallurgist who is presently evaluating our recovery processes, and completion of the initial 28 drill hole program surrounding BRX.

My team and I have every confidence in the recovery process. As an outgrowth of the scientific advancements from the recovery process, we also gained a viable assay procedure. We are poised and on track to complete all those program outline items I have set out in my expectations for 1997.

Best regards,

Lee Furlong

## WHERE THE NEGATIVES COME FROM:

Four negative forces are easily identified:

- Professional short traders/brokers  
They profit by utilizing misinformation, rumors and innuendoes often through the media
- Uninformed and malicious remarks  
Attributed to Arizona State employees and unknowledgeable industry sources
- The shattering of confidence for emerging gold companies  
Particularly in view of the supposed circumstances of BRE-X, Delgratia, etc...
- Attacks upon the veracity of independent third party consultants

Before I share with you my views concerning the negative items identified above, let me clearly state that it's "business and progress as normal" at IPM. We have a goal to place into production one or more precious metal mines at the BRX site as soon as possible. We are accelerating our programs to accomplish this goal. Sure, outside events not of our choosing are uncomfortable, but do not divert us a single microsecond from our tasks.

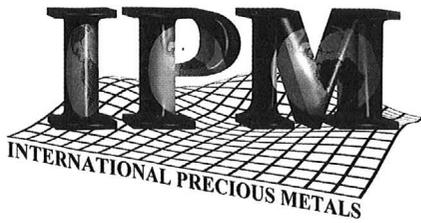
## MY PERSONAL VIEWS:

By all means, we need a free and open market place for share trading. It is a shame, however, that a few unsavory manipulators can affect a company's share price. Shareholders are the persons who suffer adversely from such activity, taking it to mean that there is something fundamentally amiss — in IPM's case that simply is not true.

Certain State employees in Arizona appear to be continuing their stock market advisory activities. It is inconceivable that the State employees who pass such judgment on IPM and other companies are so ignorant and uninformed concerning modern exploration methodologies and new advancements in recovery. Despite the fact that Arizona is such a great mining state, the bureaucrats concerned reveal a 'stone age' and backward mentality which serves to actively discourage any new explorer from venturing into Arizona, lest they be subjected to ridicule. IPM and its management have suffered assaults upon their credibility from them for 3 years now and are heartily sick of it. IPM will continue its precious metal mines development, however, we have no choice at this time but to explore all legal and political avenues to remedy the dissemination of misinformation from certain State employees who are simply wrong, scientifically and ethically.

## CURRENT MINING INDUSTRY ENVIRONMENT

Oranges, apples and hatchet jobs related to other mining companies. Undeniably, the ultimate test of viability of an orebody is how much is realized from product sales from such ores. Following along from that basic concept, then, should be the most important fundamental of all, the recovery methodology applied to the ore from which the sales product is produced, the measure of recoverability. Okay, then, if common recovery/extraction methodologies were routinely applied to drill intersections comprising an orebody as a way of placing 'values or numbers' for the drill intersection volumes, the explorer has already usable assay numbers which measure the RECOVERABLE metal from that intersection volume. Application of any other assay method then, which is NOT A MEASURE OF RECOVERABILITY, is a bit redundant. Aside from any potential sampling error,



---

---

*THANK YOU FOR YOUR INQUIRY*

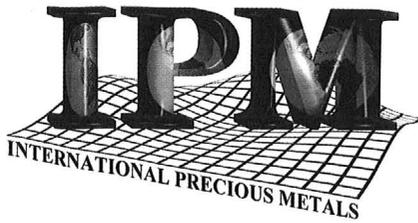
*WE ARE PLEASED TO ENCLOSE  
THE INFORMATION YOU REQUESTED CONCERNING*

**INTERNATIONAL PRECIOUS METALS CORPORATION**

---

---

*The information provided within has been prepared by International Precious Metals Corporation. The company believes it to be reliable, however, it does not guarantee its accuracy or completeness. Delivery of this information shall not be deemed to be or constitute an offer to sell nor a solicitation to buy any securities of International Precious Metals Corporation and is for informational purposes only.*



## CORPORATE INFORMATION

USA	TRADED:	NASDAQ	MANUALS:	STANDARD & POOR'S & CA
	SYMBOL:	IPMCF	SHARES ISSUED:	16,759,407
CANADA	TRADED:	CDN	SHARES IN FLOAT:	8,000,000
	SYMBOL:	IPMC	RECENT PRICE:	\$4.00 to \$5.00

## OVERVIEW

International Precious Metals (IPM) is an Ontario, Canada registered international Exploration Company with operational headquarters in Phoenix, Arizona.

The company currently has five properties in various stages of mining progress. Four of the properties are in Canada and one in the U.S. Although each property is appealing on its own economic merits, the company has deferred any decisions regarding advancement of its Canadian holdings. This is due to the commitment IPM has made to its U.S. project known as BRX.

Over the last three years IPM has focused its resources on its prospect located ninety miles west of Phoenix. Based on the convincing technical evidence amassed during two years of exploration, and results indicating a large precious metals geochemical anomaly, the company was convinced of the potential value of the BRX asset. It has assigned the highest priority to moving the project forward to production.

## CURRENT DEVELOPMENTS

Consistent with mining parameters IPM set out six grids

## MANAGEMENT

VLR (LEE) FURLONG, PRESIDENT & CEO  
GEOPHYSICIST

ALAN DOYLE, CHAIRMAN OF THE BOARD  
GEOLOGIST/MERCHANT BANKER

DAVID KORNHAUSER, SECRETARY  
ATTORNEY

BILL ALLRED, TREASURER & CFO  
CPA

PAUL MENTZER, VP OPERATIONS  
EARTH SCIENTIST

in the basin area of BRX, each grid 1-sq/km. The company completed a resource-drilling program on the first grid in December 1995. The program was targeted to test the heart of the anomaly and covered the square kilometer to a depth of 30 meters or about 100 feet. The objective of the drill program was to measure the BRX mineralization and to define a precious metals resource. By April of 1996 IPM had announced the results from over 6,000 gold and platinum assays. Moreover, early in February 1996 the company discovered the primary source rocks for the precious metals on BRX. Subsequent structural geology investigations identified and confirmed primary gold and platinum in a host-rock environment. IPM plans to expand its drill program over the total six square kilometer area of the original grids and perform deeper exploration on them and the source rock.

Metallurgical evaluation to identify methods of improving and ultimately optimizing metal recovery has received the highest technical priority. In December of 1996 IPM announced that a private research facility, that had been commissioned by the company, had made a breakthrough in recovery technology. Tests from bench up to bulk scale began on December 16, 1996 to confirm the recovery results.

## FOR FURTHER INFORMATION:

INTERNATIONAL PRECIOUS METALS CORPORATION  
4625 S. ASH AVE., SUITE J-1  
TEMPE, AZ 85282

INFORMATION LINE: 800 482 6429  
FAX: 602 413 9716

WORLD WIDE WEB:  
<http://www.ipmcf.com>  
email: [mag@ipmcf.com](mailto:mag@ipmcf.com)

# INTERNATIONAL PRECIOUS METALS CORPORATION

---

## PRESS RELEASE

NASDAQ: IPMCF

CDN: IPMC

### Precious Metals Recovery Program Nears Completion

#### Drill Programs to Begin This Month

Toronto, Ontario March 11, 1997 -- International Precious Metals Corporation (IPM) announced today that the independent research facility conducting its precious metals recovery program has reported that assays from bulk sample sizes of 250 kilograms show no degradation of gold recovery. The program was initiated on December 19, 1996 to test BRX (Black Rock Extended) samples from 150 grams to bulk samples of 500 kilograms utilizing leach processes. The research facility expects to complete its pilot plant testing of the 500 kilogram samples by March 14, 1997. To date, all of IPM's research work and laboratory analysis has been conducted independently.

Based on the data generated from the pilot plant program, on March 17, 1997, IPM will turn over to Behre Dolbear & Co., Inc. the recovery process procedures for their independent review/evaluation that IPM's leaching procedures are an effective recovery process.

IPM also announced that on March 17, 1997 it will commence a 28-hole drill program comprised of 2,600 meters of reverse circulation drilling to bedrock. Spacing will be at 1,000-meter centers surrounding the original 1-sq/km drill grid. The objective of this drill program is to test mineralization in the 8-sq/kms surrounding the grid in order to help further define the extent of the precious metals anomaly.

\* \* \*

FOR MORE INFORMATION CONTACT:

ISSUED AND OUTSTANDING CAPITAL 16,759,407

---

Operations Office:  
4625 S. Ash Ave., Suite J-1  
Tempe, AZ 85282  
Phone: 1 800 482 6429 Fax: 602 413 9716

Registered Office:  
390 Bay Street, Suite 502  
Toronto, ON M5H 2Y2  
Phone: 416 368 1489 Fax: 416 368 5454

Internet Site: [www.ipmcf.com](http://www.ipmcf.com)  
e-mail: [mag@ipmcf.com](mailto:mag@ipmcf.com)

# INTERNATIONAL PRECIOUS METALS CORPORATION

---

## PRESS RELEASE

NASDAQ: IPMCF

CDN: IPMC

### **IPM Acquires 100% Ownership of BRX Property Receives US \$4.79 Million from Warrants**

Toronto, March 6, 1997 -- International Precious Metals Corporation (IPM) announced today that it had signed a letter of intent to acquire the balance of ownership of its Arizona BRX (Black Rock Extended) property from Phoenix International Mining Inc. (Phoenix). The letter of intent provides that IPM will pay an aggregate of US \$27,000,000 to Phoenix on or before July 15, 1997, consisting of 1 million common shares and \$17,000,000 in cash. The 1 million common shares will be subject to an escrow agreement to be executed by IPM and Phoenix. The completion of the transaction is conditional upon approval of same by the boards of directors of both companies as well as the execution of a more formal acquisition agreement.

Additionally, the company reported that 1.7 million warrants at US \$2.82 expiring February 23, 1997 were fully exercised. Proceeds from the warrants amounting to US \$4.79 million leaves the company well financed to complete all scheduled drilling and mining development of BRX for 1997, including the pre-feasibility study.

The company is also delighted to announce that Dr. Samuel Shaw III, Mining Engineer, is joining the IPM management team. Dr. Shaw has over 40 years experience in the mining industry and was a senior consultant with Behre Dolbear & Co., Inc. prior to his retirement in 1996. During his tenure he served as Behre Dolbear's Project Leader to IPM for 15 months. Dr. Shaw personally replicated the first successful leaching research undertaken by IPM — that work has now progressed to successful recovery.

Dr. Shaw brings to IPM his expertise in project economics, capital and operating costing, open pit and underground mining, engineering and reserve calculation. He is a notable addition to the company's senior technical staff.

\* \* \*

FOR MORE INFORMATION CONTACT:

ISSUED AND OUTSTANDING CAPITAL 16,759,407

---

Operations Office:  
4625 S. Ash Ave., Suite J-1  
Tempe, AZ 85282  
Phone: 1 800 482 6429 Fax: 602 413 9716

Registered Office:  
390 Bay Street, Suite 502  
Toronto, ON M5H 2Y2  
Phone: 416 368 1489 Fax: 416 368 5454

Internet Site: [www.ipmcf.com](http://www.ipmcf.com)  
e-mail: [mag@ipmcf.com](mailto:mag@ipmcf.com)

# INTERNATIONAL PRECIOUS METALS CORPORATION

---

## PRESS RELEASE

NASDAQ: IPMCF

CDN: IPMC

### Recovery Test Program – Progress Report

Toronto, February 13, 1997 -- International Precious Metals Corporation (IPM) announced today that the bulk sample recovery program, currently underway at an independent research facility, revealed that additional precious metals liberation is likely to be achieved by the application of a finer particle grind. It was at the scale-up stage to the 250-kilogram tests, that the research lab recognized possible increases in recovery (beneficiation) after performing confirmation tests. Consistent with their program, the research lab recommended and requested a program extension of three weeks to provide adequate time for the delivery and installation of the high efficiency pulverization equipment required to accomplish the additional economic benefit. In response the company requested the speediest delivery of the equipment necessary to implement the process modifications.

In its weekly summary to IPM the lab also reported a very favorable outcome on the final mid-sized samples of 30 kilograms, achieving 0.25+ oz/ton gold recovery, the same as the 150 gram bench scale tests. This completes the first phase test reports.

In order to include the additional precious metals recovery into the defined resource calculations, IPM has approved the lab's request for the extension. Accordingly, the company has instructed its mining engineering consultants, Behre Dolbear & Co., Inc., to plan for their bulk sample tests during the week of March 11<sup>th</sup>. Additionally, IPM has asked Behre Dolbear to begin a two-phase program to determine the mining costs for its BRX (Black Rock Exploration) project. The basis for the studies is the first 1-sq/km grid that was drilled to a depth of 30 meters. The studies include an 'Order of Cost Estimate' and a more detailed, 'Preliminary Engineering Report for Mining BRX'.

\* \* \*

FOR MORE INFORMATION CONTACT:

---

Operations Office:  
4625 S. Ash Ave., Suite J-1  
Tempe, AZ 85282

Phone: 1 800 482 6429 Fax: 602 413 9716

Registered Office:  
390 Bay Street, Suite 502  
Toronto, ON M5H 2Y2

Phone: 416 368 1489 Fax: 416 368 5454

Internet Site: <http://www.ipmcf.com>

e-mail: [mag@ipmcf.com](mailto:mag@ipmcf.com)

# INTERNATIONAL PRECIOUS METALS CORPORATION

---

## PRESS RELEASE

NASDAQ: IPMCF

CDN: IPMC

### Recovery Test Program Advances to Pilot Plant Scale

Toronto, February 4, 1997 -- International Precious Metals Corporation (IPM) announced today that the research facility contracted to perform all precious metals recovery test work has completed their bench and mid-volume batch phases. The test program reported on December 19, 1996 has successfully progressed from the 150 gram bench phase through the 10 and 22 kilogram batch phase, and now moves to the bulk test pilot plant. The assay returns from these phases indicate no degradation of recovery from previously announced results of 0.25+ oz/ton gold. As a result of the consistency of gold recoveries, IPM has moved the test program forward on schedule to bulk samples of approximately 250 to 500 kilograms. The tests will be performed independently utilizing a \$3 million bulk test pilot plant. The facility was specifically designed for the processing of ores under highly controlled conditions, providing for the fine-tuning and optimization of the recovery process.

IPM and the research facility expect the current round of pilot scale testing to be completed around mid-February. Behre Dolbear & Co., Inc., IPM's mining engineering consultants, in the normal course of their responsibilities, has been instructed to secure a suite of new BRX bulk samples for delivery to the pilot plant facility during the week of February 17<sup>th</sup>. Bulk sample process procedures for precious metals recovery will then recommence with Behre Dolbear monitoring.

\* \* \*

FOR MORE INFORMATION CONTACT:

---

Operations Office:  
4625 S. Ash Ave., Suite J-1  
Tempe, AZ 85282  
Phone: 1 800 482 6429 Fax: 602 413 9716

Registered Office:  
390 Bay Street, Suite 502  
Toronto, ON M5H 2Y2  
Phone: 416 368 1489 Fax: 416 368 5454

Internet Site: <http://www.ipmcf.com>  
e-mail: [mag@ipmcf.com](mailto:mag@ipmcf.com)

# INTERNATIONAL PRECIOUS METALS CORPORATION

## INTERNET PRESIDENT'S MESSAGE

December 1996

www.ipmcf.com

I am proud to say that today, IPM issued the most important press release of its corporate life.

In this edition of the President's Message I want to elaborate upon the press release and its impact on IPM as an emerging mining house and the company's shareholders.

### **Sustained Technical Efforts**

The sustained technical efforts of the last 18 months have paid off (and paid off big-time). Along this 18 month path we encountered many roadblocks, unjust criticisms and wonderment as to 'why' I and my technical colleague, Paul Mentzer, persisted with recovery and assay research for the BRX Property. I'll tell you why we persisted.....from the very beginning of our exploration efforts at BRX (November 1993), we believed that the scientific 'evidence' for the viable presence of gold and the Platinum Group Elements was overwhelming. What is more vindicating is that the assay numbers reported at that time are surprisingly similar to those we are now achieving from recovery.

### **Breakthrough!**

Our breakthrough is the result of our persistence with leaching BRX material as a road to confirming and evidencing that the economic recovery of precious metals is possible. The chloride leach process IPM developed 14 months ago (verified by an independent party) was a necessary first step in understanding what type of leach is most effective on BRX material. From looking at the new recovery numbers, which average more than 0.25 oz/ton gold valued at \$92 per ton, you can understand why IPM had elected NOT to proceed with exploitation of BRX based upon the then average demonstrable gold recovery of 0.04 oz/ton valued at \$15 per ton -- when compared the announced results are 6X greater. We have not even begun to discuss the platinum group of metals that are also present in the BRX material because we haven't finished our exhaustive cross laboratory assay verification tests for platinum. IPM holds itself as its best critic and we only state and release when we have substantiated proof and evidence.

### **Profound Effect**

The effects upon IPM are going to be profound. I have a small amount of precious metal product (a concentrate) on my desk in front of me from the most recent recovery work performed on BRX material. This small amount of product from the bench scale work will grow IPM into a mighty mining house -- a mining house not heavily involved in some foreign land with questionable local ethics or instability, but in a State well-noted for its mining activities. Probably a better word than profound is 'enable'. The recovery breakthrough is the step that will enable the company to bring the BRX property to production - the exploitation of this resource may permanently change the face of mining. Please refer to my November message.....although we only have five additional one square kilometer grids surveyed, the total geochemical anomalous area of gold and platinum is about 23 sq./km. Maybe the most profound aspect is the potential size of BRX.

### **IPM Commences Pilot Scale Test Program as a Prelude to Full Development and Production**

It sure has. A private research lab was commissioned to begin recovery scale-up on December 16, 1996. This activity should take about 8 weeks to complete. At the completion of this phase it is probable that IPM will engage the pilot facility for further bulk studies with the objective of fine tuning all the physical and chemical aspects of the recovery systems. I anticipate establishing design parameters for full scale production size plants. A wonderful side benefit will be the gold + platinum concentrate we'll have to sell to refiners soon.

My management team and I fully realize the tasks ahead, both technical and corporate, to move BRX into full development and production. We will be strengthening our technical abilities still further and building a base of hands-on mining professionals while at the same time creating a formidable corporation appropriate to the mining industry.

The 'fun' has only just begun.

Lee Furlong

# INTERNATIONAL PRECIOUS METALS CORPORATION

## PRESS RELEASE

NASDAQ: IPMCF

CDN: IPMC

### IPM Commences Pilot Scale Test Program

Toronto, December 19, 1996 -- International Precious Metals Corporation (IPM) announced today that, based on successful bench scale tests for gold and platinum, it has begun a scaled up pilot plant test program. Samples recovered from its leach process were assayed by two independent laboratories, one Canadian based and the other U.S. based. The gold assay results were reported as follows:

Sample No.	November 1996 Leach Results			
	Lab A		Lab B	
	oz./ton	grams/tonne	oz./ton	grams/tonne
111	0.312	10.69	0.266	9.13
118	0.312	10.69	0.272	9.33
147	0.228	7.82	0.189	6.48
158	0.363	12.43	0.309	10.59
201	0.270	9.26	0.237	8.11
207	0.298	10.20	0.266	9.13

The samples selected are representative samples from six of the 121 holes drilled by IPM earlier this year on the first of six 1 square kilometer BRX grids. The original grid of 121 drill holes to 30 meters depth (100 feet) tested 50 million tons of BRX (Black Rock Extended) material. The above samples are representative of the entire hole from the locations detailed in the accompanying diagram on page 2. These results contrast with the results obtained by IPM earlier in 1996 largely due to a breakthrough in assaying of the material. The previous results were obtained via a leaching process that by its very nature failed to produce total material values but rather a minimal recoverable number. These new results are both higher and reproducible, with a very high degree of correlation.

Sample No.	March 1996 Leach Results	
	Averages on Holes	
	oz./ton	grams/tonne
111	0.068	2.33
118	0.057	1.95
147	0.068	2.33
158	0.042	1.44
201	0.037	1.27
207	0.046	1.58

The significance of these greatly improved recovery values is profound for IPM — it breaks an eighteen month technical log-jam and enables the company to carry out assaying with a high degree of confidence, thus

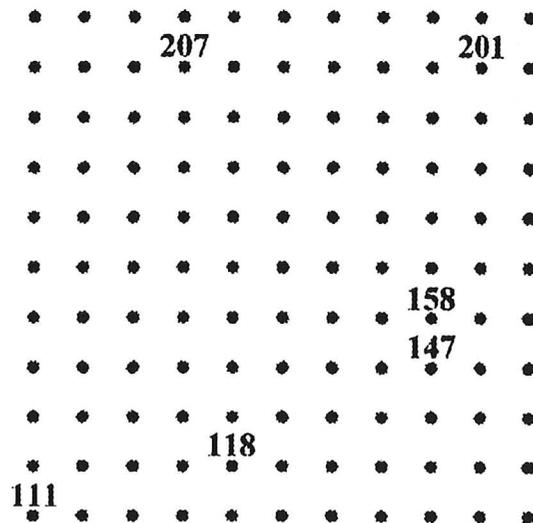
*continued*

allowing for the work on recovery techniques to be advanced at a greater rate. The company's sustained technical effort produced the breakthrough, substantiating the recovery of significant amounts of physical gold as demonstrated by the comparison of results. Platinum results from these same bench scale tests are awaiting returns of verification assays.

IPM will be able to apply the bench scale of this leach process as a routine assay procedure for most future BRX work, as well as specific check assaying on the original grid samples. This should enable IPM to bring the 1 square kilometer grid to resource status in the first half of 1997. Drilling will also commence on the five additional grids as previously outlined in the company's regional exploration program in 1995. Results from the five grids will then be incorporated with the existing results from the original grid in order to determine the overall scale of the BRX project during 1997. Additionally, exploration drill holes from the primary source material (hard rock) of up to 150 meters in depth and hard-rock core samples previously obtained during the 1996 diamond drilling program will also be tested for recovery.

On December 16<sup>th</sup>, IPM instructed an independent laboratory to initiate a scaled-up recovery test program. First stage testing will start with 50 pound samples and in the second stage will move up to 1,000 pound samples in a pilot scale facility. This round of pilot scale testing should take approximately eight weeks to complete. During the normal course of the small scale and pilot scale tests, IPM's mining consultants Behre Dolbear & Co., Inc. will continue their participation as an integral part of the program. The precious metal products from the pilot scale tests will be evaluated by refiners who have already tested samples from the bench scale program and have expressed interest in purchasing the precious metal concentrates.

The company believes it is now in a very good position to advance the BRX project to a resource status during the first half of 1997 utilizing the existing BRX grid and the additional five that IPM plans to drill in order to augment the overall resource status. Proceeds from warrants that have been exercised and those that the company expects to be exercised will provide the funding for this work.



*BRX Drill Grid (1 sq/km) and relative locations of bulk samples used in recovery testing*

FOR MORE INFORMATION CONTACT:

Operations Office:  
4625 S. Ash Ave., Suite J-1  
Tempe, AZ 85282  
Phone: 1 800 482 6429 Fax: 602 413 9716

Registered Office:  
390 Bay Street, Suite 502  
Toronto, ON M5H 2Y2  
Phone: 416 368 1489 Fax: 416 368 5454

Internet Site: <http://www.ipmcf.com>  
e-mail: [mag@ipmcf.com](mailto:mag@ipmcf.com)

# INTERNATIONAL PRECIOUS METALS CORPORATION

---

## TO IPM SHAREHOLDERS: MY VIEW FOR 1997

FROM: LEE FURLONG

It is heartening to see the market's reaction to IPM's 19 December Press Release; a firming of the share price, no hysterics, and lots of investors correctly doing their 'due diligence'. The last thing I wanted to see was some wild market ride.

The 19 December release was designed to inform shareholders, in a timely fashion, that IPM had made and is continuing to make, significant metallurgical advancements on BRX ore. Gold recovery with this advancement has increased by a factor of six times, as compared with analysis we reported in March of 1996. Besides metal in hand, confirmation from U.S. and Canadian laboratories convinced us that a metallurgical breakthrough had been achieved.

So far, IPM has only reported gold values from the recovery work, but followers of IPM will recall that platinum and other precious metal assays have been reported by the Company during the past 3 years. The Company is in receipt of preliminary platinum group metal (PGM) assays, however, we will not report them publicly until IPM is convinced by the weight of the evidence (we being our toughest critics).

It is probably true that the metallurgical advances now being realized at the BRX Property may engender an entirely new precious metal development and mining segment—changing the mining landscape (and mind-sets) forever. There is no more compelling argument to make this statement than being able to hold the recovered precious metals from BRX in your hand.

Recovery work to date has concentrated upon 87.5 gram samples (3 assay tons) and 145.8 gram (5 assay tons) samples for a total in excess of 300 individual tests. As announced in the press release of 19 December up-scaling has begun with sample sizes beginning with 500 grams (1/2 kg) to 20 kg in the first 4 weeks, thence increasing to the pilot plant facility at 500 kg per test. Early assay returns from the initial scale-up tests show results comparable with those we have reported. The eight week recovery program should set the metallurgical recovery parameters required for full scale production. The 500 kg size pilot tests will likely continue for a few additional weeks to assure that the final metal product fits the purchasing refiners requirements.

As I advised, an assay procedure is also the welcome outgrowth of the recovery advancement. This simple and quick assay procedure will enable the assay of more than the 3,000 sample backlog. From the completed resultant assays the final calculation of the value of the 1 sq/km grid (the measured resource) can be determined. Then progress with the drilling and assay of the other 5 grids, which have already been surveyed, will begin.

This drill program will take most of 1997 to complete. At the same time, the design of the recovery plant will be firmed up, thence construction of the plant can be initiated and on site erection begun. Simultaneously, water permits and operating permits will be obtained and operating infrastructure installed. 1997 will be a year of mine development.

**HERE'S WHERE I SEE IPM BY THE END OF 1997:**

- ◆ assays of platinum will be substantiated by independent labs. (reported early in the year)
- ◆ bulk samples up to 500 kg will be processed under the pilot recovery program
- ◆ preliminary sales of pilot plant product to refiners
- ◆ recovery plant designs firmed up
- ◆ initial 1 sq/km grid defined as a measured resource
- ◆ pre-feasibility work-up completed
- ◆ drilling, assay and resource definition programs continued
- ◆ final feasibility study confirming mining and recovery processes
- ◆ BRX site infrastructure established (connection of power, water, phone to site office and camp)
- ◆ Operating permit application
- ◆ plant construction commenced
- ◆ necessary corporate infrastructure installed to manage the demands of development activity
- ◆ installation of initial plant and mining plan commenced at the BRX site

As I spend my Christmas Holiday with my family and friends, I extend my good wishes for a Joyous and Prosperous 1997 to you and yours.

Lee Furlong



**ASX**  
**AUSTRALIAN STOCK EXCHANGE**

**Facsimile**

To  
Company  
Fax No  
From Investor Centre  
Business Unit  
Date 13 March, 1997  
Subject  
No of pages

*Here is all the information on Mr Doyle  
that I have available.*

*Justin Lewis*

Australian Stock Exchange Limited ACN 008 624 691  
Exchange Centre, 20 Bond Street, Sydney NSW 2000  
PO Box H224 Australia Square NSW 2000 DX 10234 Stock Exchange Sydney  
Telephone 61 2 1 300 300 279  
Facsimile 61 2 9223 3415  
Internet <http://www.asx.com.au>

Note: The information in this facsimile is confidential and may be privileged or subject to copyright. It is intended for the addressee only. If you have received this facsimile in error please call the sender immediately and return it by mail or OX to the above address. The unauthorised use of the information may result in liability for breach of confidentiality, privilege or copyright.

**FAX**

**MICHELLE SARIAN**

**Fahnestock & Co. Inc.**  
110 Wall Street  
New York, NY 10005  
(212) 668-5050  
(800) 444-5237  
FAX (212) 742-9036  
Members of All  
Principal Exchanges

**DATE:** March 13

**TO:** Nyles Niemuth

**FAX #:** 602 255-3777

**RE:**

**# OF PAGES (Including Cover)** 7

**MEMO:**

In July 1996, Doyle Capital Partners has indicated that that they will consider taking up any shortfall to the current renounceable rights and options issue. This is subject to the company entering into an agreement to acquire an option to earn a 75% interest in properties located in the "Carrizal Alto" area which is located in Chile.

04/12/96: DIRECTORATE: Effective 28/11/1996, A. Doyle resigned as a director of the company.

20/11/96: DIRECTORATE: Effective 15/11/1996, A. Doyle was appointed a director of the company. J.D. Hopkins resigned as a director of the company.

31/10/96: QUARTERLY REPORT: ACTIVITIES AND CASHFLOW FOR SEPTEMBER QUARTER 1996: Exploration & Evaluation Expenditure: \$263,000; Cash at End of Qtr: \$638,000. Corporate: Rights issue was finalised during the qtr with the shortfall being placed to clients of Doyle Capital Partners Pty Ltd. Chile: Concluded an agreement for the acquisition of 75% in Carrizal Alto. Philippines: Continued effort to resolve its orderly withdrawal from activities in the Philippines.

16/10/96: PLACEMENT & OPTIONS OVER MINING LEASES: The company wishes to advise that 8M shares with attached 30/06/2000 options at 5 cents have been placed with clients of Doyle Capital Partners to raise \$400,000. The purpose of the placement is to provide funds for working capital.

03/07/96: CURRENT RENOUNCEABLE ISSUE & PROPOSED ACQUISITION IN CHILE: Doyle Capital Partners has indicated that that they will consider taking up any shortfall to the current renounceable rights and options issue. This is subject to the company entering into an agreement to acquire an option to earn a 75% interest in properties located in the "Carrizal Alto" area which is located in Chile.

In July 1996, Doyle Capital Partners has indicated that that they will consider taking up any shortfall to the current renounceable rights and options issue. This is subject to the company entering into an agreement to acquire an option to earn a 75% interest in properties located in the "Carrizal Alto" area which is located in Chile.

04/12/96: DIRECTORATE: Effective 28/11/1996, A. Doyle resigned as a director of the company.

20/11/96: DIRECTORATE: Effective 15/11/1996, A. Doyle was appointed a director of the company. J.D. Hopkins resigned as a director of the company.

31/10/96: QUARTERLY REPORT: ACTIVITIES AND CASHFLOW FOR SEPTEMBER QUARTER 1996: Exploration & Evaluation Expenditure: \$263,000; Cash at End of Qtr: \$638,000. Corporate: Rights issue was finalised during the qtr with the shortfall being placed to clients of Doyle Capital Partners Pty Ltd. Chile: Concluded an agreement for the acquisition of 75% in Carrizal Alto. Philippines: Continued effort to resolve its orderly withdrawal from activities in the Philippines.

16/10/96: PLACEMENT & OPTIONS OVER MINING LEASES: The company wishes to advise that 8M shares with attached 30/06/2000 options at 5 cents have been placed with clients of Doyle Capital Partners to raise \$400,000. The purpose of the placement is to provide funds for working capital.

03/07/96: CURRENT RENOUNCEABLE ISSUE & PROPOSED ACQUISITION IN CHILE: Doyle Capital Partners has indicated that that they will consider taking up any shortfall to the current renounceable rights and options issue. This is subject to the company entering into an agreement to acquire an option to earn a 75% interest in properties located in the "Carrizal Alto" area which is located in Chile.

06/10/95: SUBSTANTIAL SHAREHOLDER: Doyle Financial Consulting Group Pty Ltd became a substantial shareholder in the company on 05/09/95 with a relevant interest in the issued ord share capital of 3,800,000 ord shares (8.94%).

25/08/95: SHARE AND OPTION PLACEMENT: The Company announced the placement of 3.8M shares and 3.8M attaching options at 12c each. The securities are to be placed with Doyle Financial Consulting Group P/L and the funds used to make a loan to Metalscarch NL.



# FERRIER HODGSON

CHARTERED ACCOUNTANTS

21 February 1997

Mr D Cullen  
Australian Stock Exchange  
Stock Exchange Plaza  
2 The Esplanade  
PERTH WA 6000



Dear Sir

**CHILE MINERA NL ACN 009 121 644 (Administrators Appointed)**

I write to advise that on 19 February 1997:

- i) Christopher Barry Murphy resigned as the Company Secretary.
- ii) The Board of Directors appointed Luigi Evangelista as the Company Secretary.

If you have any queries please contact Cliff Rocke at this office.

Yours faithfully

**ALDEN J HALSE**  
Administrator of  
Chile Minera NL



**FERRIER HODGSON**

CHARTERED ACCOUNTANTS



26 February 1997

The Listing Manager  
Australian Stock Exchange Limited  
2 The Esplanade  
PERTH WA 6000

Dear Sir

**CHILE MINERA NL ACN 009 121 644 (Administrators Appointed)  
Announcement**

This is a joint announcement made by the duly appointed Administrators of the Company, Messrs Alden Halse and Garry Trevor of Ferrier Hodgson and Mr Derek Clauson the duly appointed Chairman of the new Board of Directors of Chile Minera NL. This announcement is made to inform the market of the current state of corporate affairs of Chile Minera NL.

1. On 16 January 1997 the then Board of Directors of the Company resolved to appoint Messrs Alden Halse and Garry Trevor of Ferrier Hodgson as Administrators to the Company.
2. The listing of the Company's securities was suspended from the Exchange prior to the appointment of the administrators.
3. On 7 February 1997 at a duly convened extraordinary general meeting of shareholders of the Company it was resolved to remove the existing Directors as Directors of the Company and to appoint the following persons to the Board:

Mr Derek G Clauson  
Mr Edwin W Clarke  
Mr Adrian J Kapel  
Mr James R Rainey  
Mr Ross F Reiser

## FERRIER HODGSON

4. The new Board is actively cooperating with the administrators with a view to securing the Company's assets, clearing the existing creditors of the Company and promoting the Company's future interests. To this end, representatives of the Company and the Administrators are visiting Santiago to progress the Company's Chilean interests. The Administrators have commenced negotiations with respect to a Deed of Company Arrangement designed such that all proven admitted creditors in the Administration will be repaid in full.
5. The new Board of the Company has also resolved that upon and subject to the termination of the Administration, and confirmation of the securement of the Company's rights to certain tenements in Chile which the Company has been pursuing in the past, a capital raising by way of an underwritten pro rata rights issue will be sought to be implemented to co-incide with an application to the exchange for the lifting of the suspension of the listing of the Company's securities.

Further announcements will be made as matters progress.

Yours faithfully

  
ALDEN HALSE  
Administrator of  
Chile Minera NL

  
DEREK CLAUSON  
Chairman of Directors of  
Chile Minera NL  
(Administrators Appointed)

C. Richard Childress  
7119 E. Shea Blvd. Suite 109  
Scottsdale, Arizona 85254  
(602) 991 3806  
FAX (602) 948 9619

### TELEFAX COVER SHEET

PAGE 1 OF 6

TO: Ken Bennett

DATE: 3/13/97

RE: ARIZONA Department of Mines

Comments: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**C. Richard Childress**  
7119 E. Shea Blvd. Suite 109  
Scottsdale, Arizona 85254  
(602) 991 3806  
FAX (602) 948 9619

11/18/97  
Joe 1)  
DECEMBER  
WHAT TO DO  
WHAT DOES  
LEARN

As reported by Bloomberg, a national news wire service on March 11, 1998

Quotes from Mr. Nyal Nlemuth, a mining engineer with the Arizona Department of Mines and Mineral Resources regarding International Precious Metals Corporation and its Arizona BRX property:

**"The BRX transaction is the company's latest attempt to generate interest in a hopeless endeavor."**

**"There's no likelihood of them coming up with a mine out there."**

**"The company has cycled with this story repeatedly."**

**"I don't think there's been any significant change in the company or the property."**

**"We haven't been able to corroborate any economic value."**

Mr. J. Fife Symington  
Governor  
State of Arizona  
1700 West Washington  
Phoenix, Arizona 85007

**SUBJECT: Arizona Department of Mines and Mineral Resources**

Dear Governor Symington:

The above statements made to the press are typical of statements made by what appears to me the entire staff of the Arizona Department of Mines on a regular basis to all people calling the department. They make similar statements concerning other mining companies that are operating in the State of Arizona. I have heard them directly from one individual and friends have heard them from the Director of the department. Is it possible that the charter that the Department operates under would ever allow such statements? Is this how the State promotes mining? This is appalling. IPM has spent \$ 12 million on their Arizona BRX property.

I have been a resident of Arizona for thirty-five years. When I started doing my due diligence on IPM over a year ago I said to my wife that one of the things that excited me the most was the enormous benefits (employment, capital, etc.) to the State of Arizona if what IPM was working on became a reality. I am a CPA by background and have been a professional investor for most of my life. I was also a public company officer (President, CFO, etc.) for over eleven years so I understand well the fiduciary responsibilities of being a public company officer. I can say for a fact that the IPM management has carried out their fiduciary responsibilities to the utmost degree. As a shareholder there have been numerous press releases and letters from the IPM president detailing the Company's progress.

I have done more due diligence on IPM than on anything in my life. The IPM management are solid citizens totally dedicated to their work. I have attached their backgrounds so you can understand that they have had very successful mining careers. Their persistence over the years at working at their BRX property is commendable. I have toured their offices, their property and their lab and have spent a great deal of time getting to know them personally. These are fine people that the State of Arizona should be proud to have among their citizens.

The events of the last few days has shaken my faith in the true purposes of the Arizona Department of Mines. The comments that Mr. Niemuth made to the Bloomberg are typical of what he is saying to all who call. The same comments could be heard also from the Director of the department Mr. Coggins per friends of mine. Mr. Niemuth has told people repeatedly that his position is the official position of the State of Arizona. Mr. Niemuth comments have made local, national and world news. This has been extremely negative publicity for the State of Arizona. I have talked with Mr. Niemuth recently and was just appalled at his attitude and his lack of understanding of the scientific endeavor that IPM has been doing over the last couple of years. I am very concerned that if this continues the Great State of Arizona and its citizens will be the real losers.

A one paragraph summary of IPM and its efforts is as follows:

For the last three years IPM has intensely applied scientific and technological methodologies to ascertain the qualitative and quantitative parameters of a complex ore body on its BRX property. In fact, the Company has been accurately described by many as a scientific research development company. These efforts have been to prove that the precious metals contained on BRX can be economically recovered. The Company has employed the most advanced scientific instruments and methods available to substantiate the presence of the precious metals, and to aid in their recovery from the BRX material. Scientific tests, numbering in the thousands, have proven to them conclusively that economically significant amounts of gold and platinum are deposited on the property. Furthermore, after many months of intense applied science, IPM believes that it has the processing methods in hand to recover economically attractive amounts of the metals. The

evolution of the science and technological methodologies over the last several months have been well documented by the Company in its press releases and communications to its shareholders.

It should be noted that IPM has employed worldclass outside expertise in the mining world including Behre Dolbear & Co. When asked about the involvement of Behre Dolbear with IPM Mr. Niemuth admits their stature in the mining community but wonders why they would be involved with a company like IPM.

IPM has met with the Arizona Department of Mines on numerous occasions over the years. IPM has been more than willing to share their work and findings with the department if the material could be kept on a confidential basis with the department. IPM has gone as far as pleading to the department. The department's response has been that all such material and information would become part of the public domain.

In summary, we have a very sad situation where a company is attempting to carry out it's corporate vision and unable to share its work and findings with the Department of Mines because of public disclosure. The Department of Mines obviously has no basis for the comments continually made with regards to IPM. They are not knowledgeable. The real loser is the State of Arizona.

On a personal matter I truly appreciate the phone call you made to me some months ago regarding my support for you.

Sincerely yours,



Rick Childress

Attachment International Precious Metals Press Release dated March 12, 1997

CC: Board of Governors  
Arizona Department of Mines and Mineral Resources

## Statement To Shareholders

Toronto, Ontario March 12, 1997 - On March 11th an article concerning International Precious Metals (IPM) was disseminated by the Bloomberg Business Wire. The article, written by Loren Staffy, featured interviews with IPM's Corporate Secretary, David Kornhauser, and Nyal Nicunuth of the Arizona Department of Mines and Mineral Resources. IPM takes the strongest exception to the statements attributed to Mr. Nicunuth, as well as Mr. Staffy's completely inaccurate portrayal of the Company and its BRX (Black Rock Extended) property. IPM has consulted with its legal counsel in Toronto, New York and Phoenix regarding the actions the company may be able to take.

In response to the misinformation contained in the article, and to provide absolute clarity to its shareholders regarding the BRX project, the Board of Directors of IPM has issued the following Statement to Shareholders:

As most of you know, for over three years, IPM has been engaged in an effort to prove that the precious metals contained on BRX can be economically recovered. The company has employed the most advanced scientific instruments and methods to substantiate the presence of the precious metals, and to aid in their recovery from BRX material. Thousands of scientific tests have proven to us conclusively that economically significant amounts of precious metals are deposited on the property. Furthermore, after many months of intense applied science, IPM believes that it has the processing methods in hand to recover economically attractive amounts of the metals.

The achievements we have made did not come easily. While we hit a roadblock or two along the way — they did not lessen our commitment. In addition to the three years work devoted to BRX, the company has invested over \$12 million in its development. Our understanding of the geology, mineralization and complexities inherent to BRX has increased daily. This has served to further strengthen our conviction as to the importance of the project to IPM shareholders.

*Continued*

IPM has been extremely careful and conservative in releasing information to the market in order not to be promotional. Additionally, we have always recognized the importance of third party verification of the mineralization and have consistently worked towards that goal. To assure shareholders that the company is pursuing a project of significant merit - IPM has utilized, and will continue to do so, the services of many of the premier geological, geophysical, mining and engineering consultants from around the world. Their independent confirmations of the economic potential of BRX are reinforcing, particularly due to the high standards they implement. Likewise, IPM believes that it has adhered to the highest standards of the mining industry and the market.

In the aforementioned article, incorrect information and misleading conclusions on the company and the property were made by Mr. Niemanth and Mr. Staffy. Although IPM is nearing completion of its precious metals recovery program, the data is incomplete. IPM intends to provide the data necessary for a full and fair analysis of the BRX project when that information is conclusive - a time fast approaching. Certainly, full and fair discussions of the project's merits and IPM's corporate record are a legitimate part of a public discourse, but these should be based upon facts and scientific findings rather than on supposition or speculation. We believe that statements having impact on a public company and its shareholders should not be based on misinformation, or the lack of accurate information.

The Board believes that within a short period of time IPM will reach an important milestone in the development of BRX, and that the achievements the Company has struggled to realize will finally gain recognition. It is our hope that the purveyors of misinformation and misrepresentations will then cease and scientific fact will prevail. The Board would like to express its gratitude to IPM's loyal and patient shareholders. Moreover, the Board reconfirms its total commitment to bringing the BRX property to production.

The Board of Directors  
International Precious Metals Corporation

FOR MORE INFORMATION CONTACT:

ISSUED AND OUTSTANDING CAPITAL 16,759,407

**Operations Office:**

4625 S. Ash Ave., Suite J-1

Tempe, AZ 85282

Phone: 1 800 482 6429 Fax: 602 413 9716

**Registered Office:**

390 Bay Street, Suite 302

Toronto, ON M5H 2Y2

Phone: 416 368 1489 Fax: 416 368 5454

Internet Site: [www.ipmcf.com](http://www.ipmcf.com)

e-mail: [mag@ipmcf.com](mailto:mag@ipmcf.com)

Dear Mr. Bennett,

I understand that you are a member of the Arizona Department of Mines. As such, I would like to register my concern over the misstatements of fact your department recently went on record with in relation to International Precious Metal Corp. These misrepresentations were furnished by your Nyal Niemuth in contributing to Wednesday's Bloomberg report on the company:

- The report suggested that IPM relied on a hack independent consultant who's word went for nothing in your state of Arizona -- it did NOT mention Behre Dolbear ( the company's consultant) by name since that company's world wide reputation for excellence would easily have proven this assertion by your mining department as untrue.

- Your department also said that IPM's previous Chloride leach yields were insufficient to justify commercial production -- but the current technology of large scale leaching is such that most ores yielding greater than .02oz/ton au. can be economically processed. IPM's ore graded .046 by their Behre Dolbear audited leach. However, your department didn't offer this number for reprint since it would--again--have exposed an untruth.

- Lastly, your department said that IPM lacked geologic information about the deposit -- totally ignoring the geologic report commissioned by IPM of Vearncombe & Associates and the company's own continuing work to understand the geology underlying their BRX property. Your department was again misleading in this.

Together, these form a pattern of misrepresentation that is not only extremely irresponsible, but constitute enormous risk for the Arizona Dept. of Mining. All of the above can easily be refuted by reports and proofs which are a matter of public record. As a shareholder of IPM, I look forward to the probable legal ramifications of your department's misstatements.

Respectfully yours,

Michael Veit,  
Niagara Falls, NY

**FAX**

**MICHELLE SARIAN**

**Fahnestock & Co. Inc.**  
110 Wall Street  
New York, NY 10005  
(212) 668-5050  
(800) 444-5237  
FAX (212) 742-9036  
Members of All  
Principal Exchanges

SENT AS EXAMPLE FOR OUR AMUSEMENT  
3/12/97 MSN

**DATE:** March 12

**TO:** Nyles Niemuth

**FAX #:** 602 255-3777

**RE:**

**# OF PAGES (Including Cover)** 8.

**MEMO:**

# INTERNATIONAL PRECIOUS METALS CORPORATION

---

## TO IPM SHAREHOLDERS: MY VIEW FOR 1997

FROM: LEE FURLONG

It is heartening to see the market's reaction to IPM's 19 December Press Release; a firming of the share price, no hysterics, and lots of investors correctly doing their 'due diligence'. The last thing I wanted to see was some wild market ride.

The 19 December release was designed to inform shareholders, in a timely fashion, that IPM had made and is continuing to make, significant metallurgical advancements on BRX ore. Gold recovery with this advancement has increased by a factor of six times, as compared with analysis we reported in March of 1996. Besides metal in hand, confirmation from U.S. and Canadian laboratories convinced us that a metallurgical breakthrough had been achieved.

So far, IPM has only reported gold values from the recovery work, but followers of IPM will recall that platinum and other precious metal assays have been reported by the Company during the past 3 years. The Company is in receipt of preliminary platinum group metal (PGM) assays, however, we will not report them publicly until IPM is convinced by the weight of the evidence (we being our toughest critics).

It is probably true that the metallurgical advances now being realized at the BRX Property may engender an entirely new precious metal development and mining segment—changing the mining landscape (and mind-sets) forever. There is no more compelling argument to make this statement than being able to hold the recovered precious metals from BRX in your hand.

Recovery work to date has concentrated upon 87.5 gram samples (3 assay tons) and 145.8 gram (5 assay tons) samples for a total in excess of 300 individual tests. As announced in the press release of 19 December up-scaling has begun with sample sizes beginning with 500 grams (1/2 kg) to 20 kg in the first 4 weeks, thence increasing to the pilot plant facility at 500 kg per test. Early assay returns from the initial scale-up tests show results comparable with those we have reported. The eight week recovery program should set the metallurgical recovery parameters required for full scale production. The 500 kg size pilot tests will likely continue for a few additional weeks to assure that the final metal product fits the purchasing refiners requirements.

As I advised, an assay procedure is also the welcome outgrowth of the recovery advancement. This simple and quick assay procedure will enable the assay of more than the 3,000 sample backlog. From the completed resultant assays the final calculation of the value of the 1 sq/km grid (the measured resource) can be determined. Then progress with the drilling and assay of the other 5 grids, which have already been surveyed, will begin.

This drill program will take most of 1997 to complete. At the same time, the design of the recovery plant will be firmed up, thence construction of the plant can be initiated and on site erection begun. Simultaneously, water permits and operating permits will be obtained and operating infrastructure installed. 1997 will be a year of mine development.

#### **HERE'S WHERE I SEE IPM BY THE END OF 1997:**

- ◆ assays of platinum will be substantiated by independent labs. (reported early in the year)
- ◆ bulk samples up to 500 kg will be processed under the pilot recovery program
- ◆ preliminary sales of pilot plant product to refiners
- ◆ recovery plant designs firmed up
- ◆ initial 1 sq/km grid defined as a measured resource
- ◆ pre-feasibility work-up completed
- ◆ drilling, assay and resource definition programs continued
- ◆ final feasibility study confirming mining and recovery processes
- ◆ BRX site infrastructure established (connection of power, water, phone to site office and camp)
- ◆ Operating permit application
- ◆ plant construction commenced
- ◆ necessary corporate infrastructure installed to manage the demands of development activity
- ◆ installation of initial plant and mining plan commenced at the BRX site

As I spend my Christmas Holiday with my family and friends, I extend my good wishes for a Joyous and Prosperous 1997 to you and yours.

**Lee Furlong**

# INTERNATIONAL PRECIOUS METALS CORPORATION

## PRESS RELEASE

NASDAQ: IPMCF

CDN: IPMC

### IPM Commences Pilot Scale Test Program

Toronto, December 19, 1996 -- International Precious Metals Corporation (IPM) announced today that, based on successful bench scale tests for gold and platinum, it has begun a scaled up pilot plant test program. Samples recovered from its leach process were assayed by two independent laboratories, one Canadian based and the other U.S. based. The gold assay results were reported as follows:

Sample No.	November 1996 Leach Results			
	Lab A		Lab B	
	oz./ton	grams/tonne	oz./ton	grams/tonne
111	0.312	10.69	0.266	9.13
118	0.312	10.69	0.272	9.33
147	0.228	7.82	0.189	6.48
158	0.363	12.43	0.309	10.59
201	0.270	9.26	0.237	8.11
207	0.298	10.20	0.266	9.13

The samples selected are representative samples from six of the 121 holes drilled by IPM earlier this year on the first of six 1 square kilometer BRX grids. The original grid of 121 drill holes to 30 meters depth (100 feet) tested 50 million tons of BRX (Black Rock Extended) material. The above samples are representative of the entire hole from the locations detailed in the accompanying diagram on page 2. These results contrast with the results obtained by IPM earlier in 1996 largely due to a breakthrough in assaying of the material. The previous results were obtained via a leaching process that by its very nature failed to produce total material values but rather a minimal recoverable number. These new results are both higher and reproducible, with a very high degree of correlation.

Sample No.	March 1996 Leach Results	
	Averages on Holes	
	oz./ton	grams/tonne
111	0.068	2.33
118	0.057	1.95
147	0.068	2.33
158	0.042	1.44
201	0.037	1.27
207	0.046	1.58

The significance of these greatly improved recovery values is profound for IPM -- it breaks an eighteen month technical log-jam and enables the company to carry out assaying with a high degree of confidence, thus

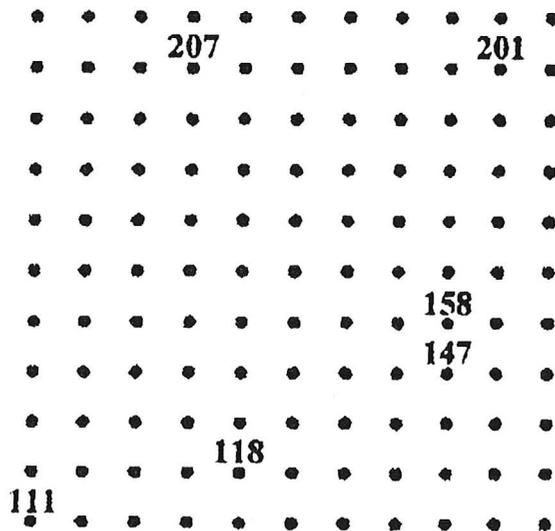
*continued*

allowing for the work on recovery techniques to be advanced at a greater rate. The company's sustained technical effort produced the breakthrough, substantiating the recovery of significant amounts of physical gold as demonstrated by the comparison of results. Platinum results from these same bench scale tests are awaiting returns of verification assays.

IPM will be able to apply the bench scale of this leach process as a routine assay procedure for most future BRX work, as well as specific check assaying on the original grid samples. This should enable IPM to bring the 1 square kilometer grid to resource status in the first half of 1997. Drilling will also commence on the five additional grids as previously outlined in the company's regional exploration program in 1995. Results from the five grids will then be incorporated with the existing results from the original grid in order to determine the overall scale of the BRX project during 1997. Additionally, exploration drill holes from the primary source material (hard rock) of up to 150 meters in depth and hard-rock core samples previously obtained during the 1996 diamond drilling program will also be tested for recovery.

On December 16<sup>th</sup> IPM instructed an independent laboratory to initiate a scaled-up recovery test program. First stage testing will start with 50 pound samples and in the second stage will move up to 1,000 pound samples in a pilot scale facility. This round of pilot scale testing should take approximately eight weeks to complete. During the normal course of the small scale and pilot scale tests, IPM's mining consultants Behre Dolbear & Co., Inc. will continue their participation as an integral part of the program. The precious metal products from the pilot scale tests will be evaluated by refiners who have already tested samples from the bench scale program and have expressed interest in purchasing the precious metal concentrates.

The company believes it is now in a very good position to advance the BRX project to a resource status during the first half of 1997 utilizing the existing BRX grid and the additional five that IPM plans to drill in order to augment the overall resource status. Proceeds from warrants that have been exercised and those that the company expects to be exercised will provide the funding for this work.



*BRX Drill Grid (1 sq/km) and relative locations of bulk samples used in recovery testing*

**FOR MORE INFORMATION CONTACT:**

**Operations Office:**  
4625 S. Ash Ave., Suite J-1  
Tempe, AZ 85282  
Phone: 1 800 482 6429 Fax: 602 413 9716

**Registered Office:**  
390 Bay Street, Suite 502  
Toronto, ON M5H 2Y2  
Phone: 416 368 1489 Fax: 416 368 5454

**Internet Site: <http://www.ipmcf.com>  
e-mail: [mag@ipmcf.com](mailto:mag@ipmcf.com)**