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ARIZONA DEPARTMENT OF MINES AND MINERAL RESOURCES AZMILS DATA

PRIMARY NAME: I-10

ALTERNATE NAMES:

SEAZ PROJECT
JABA PROJECT
SULLIVAN NORTH

COCHISE COUNTY MILS NUMBER: 784

LOCATION: TOWNSHIP 15 S RANGE 23 E SECTION 31 QUARTER SW
LATITUDE: N 32DEG 05MIN 00SEC LONGITUDE: W 110DEG 02MIN 30SEC
TOPO MAP NAME: DRAGOON - 7.5 MIN

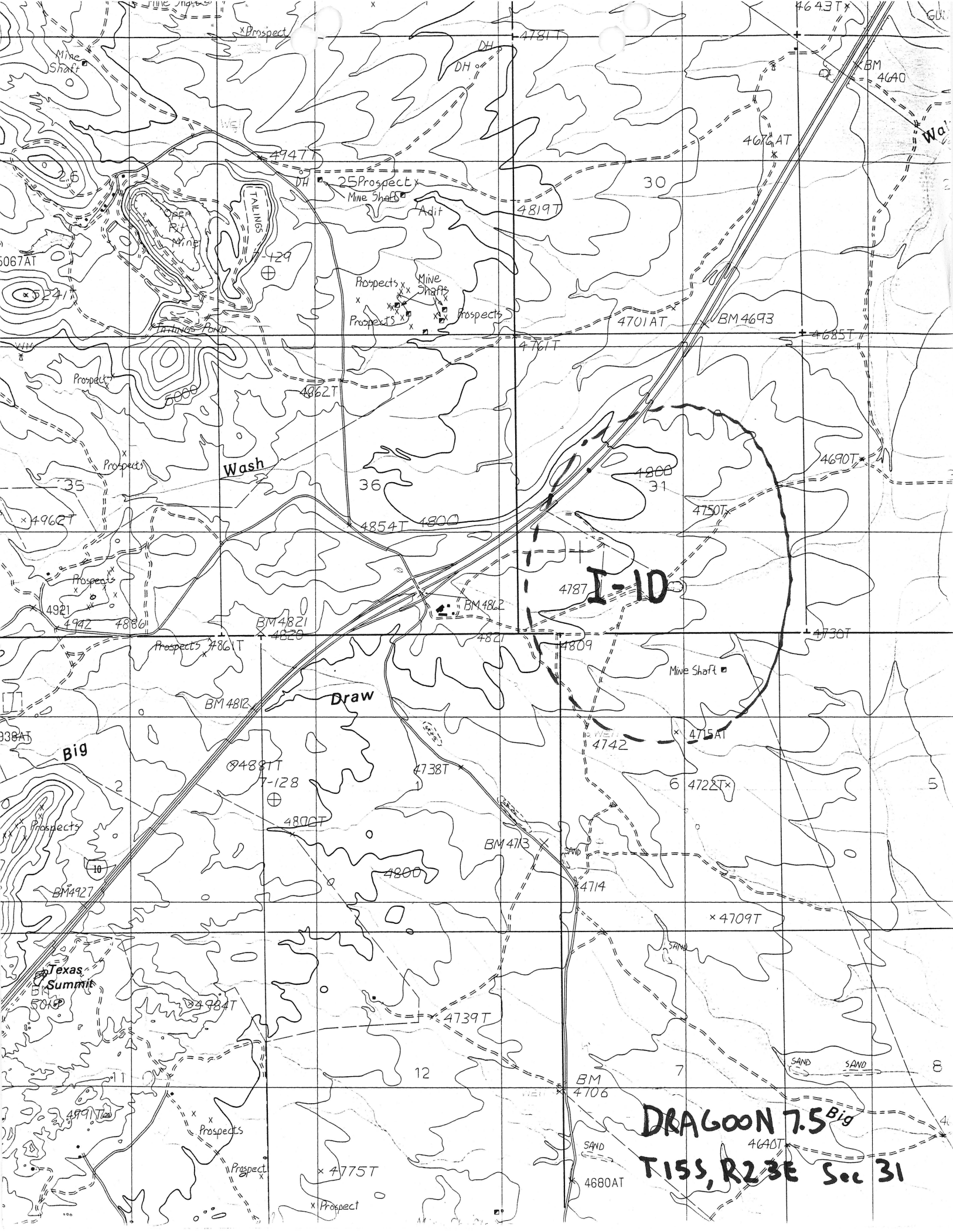
CURRENT STATUS: EXP PROSPECT

COMMODITY:

COPPER OXIDE
COPPER SULFIDE

BIBLIOGRAPHY:

ADMMR I-10 FILE



I-10

COCHISE

MG WR 6/26/81: Discussed the underdeveloped copper deposit known as the I-10 Deposit in Cochise County with Don Williamson of Cyprus Pima Mining Company. Williamson informed me that although Cyprus Mines Corp does own part of the deposit, there are other owners involved.

NJN WR 7/22/88: The location of the Cyprus controlled copper deposit, I-10 is T15S R23E Sec 31 SW, Cochise County. Estimated reserves for this property are 100 million tons of 0.52% copper mixed oxides and sulfide plus 0.02% molybdenum. Forms and maps are attached to add this occurrence to MILS and start a file.

*James Sullivan
3 Claims
P.O. Box 3030
Scottsdale AZ 85257
9 claims surround my*

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NEWS RELEASE (98-25)

November 4, 1998

**THE WINTERS COMPANY REPORT COMMENTS POSITIVELY
ON THE SULLIVAN COPPER PROJECT**

JABA Inc. is pleased to announce that The Winters Company independent engineering report on the Sullivan in situ copper project is now completed and has been filed with the Alberta Stock Exchange.

The extensive scope of The Winters Company (TWC) report (84 pages, more than 16,000 words, 16 colored maps and diagrams, and 7 tables) precludes its description in detail here. However, there are five key items that are worthy of comment.

The report states "...our review of existing environmental conditions and the requirements for obtaining the necessary environmental permits for both the Sullivan North and the Sullivan South projects indicate that there are no known barriers to successful permitting of either project. In situ mining at these locations presents a set of permitting and compliance issues that are similar to those which have been successfully dealt with at other Arizona in situ mining projects."

TWC has reviewed the geologic block resource models of tonnage, grade, and pounds of contained acid soluble copper submitted to them by JABA and found them to be reasonable order of magnitude estimates for the Sullivan project and "...found a high degree of geological accuracy in this model" (Sullivan North).

TWC states that drilling to date has not closed off mineralization on the Sullivan north ...which "...is approximately 7,000 feet long by 1,500 feet wide and is open to the north and south".

TWC continues "...underground mining may well be feasible locally in the... Sullivan North and Sullivan South deposits".

Finally, the report also states that in the opinion of The Winters Company, both the Sullivan North and the Sullivan South zones are candidates for a feasibility study for in situ leaching, although further leach testing will be necessary to determine acid consumption and recovery efficiencies.

In the meantime, the Company is in discussion with several interested parties with a view to securing a joint venture agreement on this project in the near future.

On behalf of the Board of Directors,

"James A. Briscoe"

James A. Briscoe
Chief Executive Officer

The Alberta Stock Exchange has neither approved nor disapproved the information contained herein.

JABA, Inc. is a public company, Alberta Stock Exchange, Canada, Stock symbol JBA
John M. Guilbert, Ph.D., Chairman of the Board, Professor Emeritus University of Arizona
James A. Briscoe, Chief Executive Officer, Registered Professional Geologist, Arizona #9424 California #518

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Clarification Announcement on the value of JABA's ISL--SX-EW Project, southeastern Arizona, J. M. Guilbert, October 2, 1998

JABA Inc. management has been advancing the due diligence evaluation of its *in-situ*-leach—solvent extraction-electrowinning copper projects in the Cochise Mining District in Arizona, for which it has recently (July 24, 1998) signed a Letter of Agreement with Delta Exploration, LLC, of Scottsdale, Arizona. The drilled-off resource includes four billion pounds of 'oxide copper' (chrysocolla) in two near-by areas previously known as the I-10 and Dragoon bodies, now to be called Sullivan North and Sullivan South. Both consist of porphyry-copper-related skarn zones between a shallow quartz monzonite porphyry intrusion and a thick section of Paleozoic limestones. Early due diligence study has focused on land titles, and has shown that all titles are in order. Due diligence on the 140 existing drill holes, their assays, environmental permitting, and technological-engineering reports in hand is proceeding rapidly and favorably by JABA and by The Winters Company consultants of Tucson. Development of the Sullivan property as a fast-track, early copper producer has become practical both through recent consolidation of the land position and by developments in *in situ* leaching technology. Further details are given in JABA News Releases of July 24, August 17, and September 28 and Clarifications of July 30 and August 19, all available on their web site at www.JABA.com.

In an effort to inform JABA shareholders of the economic significance of this acquisition and as points of information for potential joint venture partners, some interesting projections and facts can be pointed out.

The 'four billion pounds of copper' represents a major asset. The news releases assert that this resource has already been drill-defined, and that the only foreseeable adjustment of reserves upon further drilling will be *upward*. Four billion pounds of copper assumes real value 'in the ground' as well as upon extraction. Even at copper prices as low as the present approximately US 80 cents a pound, the raw value is \$ 3.2 billion dollars. JABA has about 22 million shares outstanding, so the copper-value-in-the-ground is (at 80 cents per pound) US\$143 per share of JABA stock (C\$219). After extraction, even if one pessimistically assumes only 50% recovery and an 'all-in' production cost of 50 cents a pound (leaving a profit of 30 cents a pound), the profit value generated is \$600 million, or \$26.86 (C\$41.09) per JABA share. A copper price increase over US 80 cents yields a 'bonus' per penny up-tick of \$20 million further profit (89 cents per share). Each percentage point of improved recovery over 50% generates another \$12 million profit, or \$0.53 per share. And each cent of reduced all-in production cost below 50 cents per pound adds yet another \$0.89 per JABA share. There are some 'downside risks' such as low transmissivities or reagent costs. But a reasonable scenario of 70% recovery and 40-cents-per-pound cost at 80-cent copper generates a return of \$1.12 billion, or US\$50.13 (C\$76.70) per share, and an optimistic but plausible scenario of 80% recovery and 30-cents-per-pound cost at 80-cent copper values creates a profit of US 1.6 billion dollars, each current JABA share being worth US \$71.62. Most forecasters recognize the cyclical price of copper — at 90 cents and \$1 per pound copper, the last *profit* numbers become \$1.92 and \$2.24 billion and \$85.94 and \$100.27 (C\$131.49 and C\$153.41) per present JABA share respectively. JABA shares have traded as high as C\$0.50 this year, and presently trade at around C\$0.11.

These figures are forward-looking and clearly involve assumptions, but the basic arithmetic is solidly positive. JABA's business plan is to seek a joint venture partner to assist with both capital investment and technology, so the foregoing 'per share' figures will be reduced somewhat according to and depending upon the specifics of the joint venture agreement. But note that capital costs to be provided by the JV partner are included in the production cost and profit figures given above — returns to JABA shareholders should remain robust.

These figures are presented as realistic and rational projections — details of the calculations can be provided. They are given to indicate to present and future JABA shareholders, and to potential joint venture partners, that there is great real value at Sullivan North and South and that the cash flow-through and indicated profits from the property are attractive.

* Except for historical information contained herein, the statements on this clarification are forward-looking statements which involve unknown risks and uncertainties which may cause a company's actual results in the future periods to differ materially from forecasted results. These risks and uncertainties include, among other things, product price volatility, product demand, market competition and risk inherent in the companies operations.

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IN SITU LEACH — SOLVENT EXTRACTION-ELECTROWINNING -- (ISL--SX-EW)
- CLARIFIED -
 August 18, 1998

So many JABA shareholders have expressed pleasure at our last explanatory statement, but still queried some aspects of the significance of what we have termed "ISL-SX-EW", that we here provide another clarification. The implications of this recently-developed technology are so phenomenal for JABA shareholders that we want all of you to understand our optimism. Please hang in there and read this whole page!

First off, the huge copper deposits of western North and South America called 'porphyry coppers' - like those at Bingham Canyon Utah, Butte Montana, San Manuel, and Morenci Arizona - contain their copper in a family of minerals called 'sulfides', in which copper and sulfur were combined deep in the earth when the ore deposits formed millions of years ago. These sulfides (which do not dissolve in leach solutions), mostly the mineral chalcopyrite (pronounced 'kalko-pie-rite'), are spread evenly or shot through (disseminated in) the ore rock, requiring that the rock from most 'porphyry copper' mines be excavated, taken to a mill site, crushed to powder consistency, and run through a plant that separates the copper-bearing sulfides from the waste minerals. The copper sulfides are then taken to a smelter where they are roasted to drive off the sulfur, leaving copper metal behind. The sulfur is collected and mixed with water to form sulfuric acid which is used for various industrial purposes including leaching oxide copper. This 'conventional mining and extraction' process leaves an open pit and piles of waste material and smelter slag like the ones at Butte, Montana or Bisbee, Arizona. Costs are normally considered high - up to 75 to 90 cents per

pound of copper produced.

Many of the 'porphyry copper deposits' were geologically thrust upwards long ago, became exposed to ancient weathering at and beneath the earth's surface, and had their original chalcopyrite sulfides changed to other sulfide minerals that are soluble in weak sulfuric acid - the same acid that results from natural oxidation of sulfides. These ores have generally been mined from open pits, hauled, placed in dumps (large piles with impermeable "plastic lined" bottoms known as pads), and then sprinkled with a weak acid solution in water that dissolves the contained copper. The solvent solution trickles down through the dumps to an impermeable pad, dissolving copper as it goes, and then the copper-laced fluid travels along the pad to collection ponds from which it is piped to a plant for chemical removal of the dissolved copper. This method is called 'heap leaching' and solvent extraction. After the leaching is finished, the piles of copper-stripped rock are left in place near the original mine site. Although the leaching process is relatively inexpensive, overall costs are moderate to high because the ore rock has to be stripped of un-mineralized cover soil and rock, blasted, mined, and transported to the dumps. Costs are generally from 20 to 70 cents per pound of recovered copper.

Now - for geologic reasons too complicated to consider here - a few 'porphyry copper deposits', when they were exposed to weathering and erosion, were oxidized to a different type of mineral, the hydrous copper-silica mineral called 'chrysocolla' (pronounced 'kriss-ah-cola') and other green and black copper oxides. This green mineral forms below

the ground surface, typically along a web of veinlets and fractures, but also as spots and masses. In oxide form copper can be dissolved in either a weak acid or alkaline solution. If a solvent could be pumped down one set of drill holes (or 'wells'), it would dissolve the copper out of the chrysocolla. The copper-bearing solution could then be directed through cracks in the brittle rock to another set of wells for out-pumping and removal. This is another style of leaching called in situ leaching (ISL), the chemical leaching of copper from rock that remains in place. The copper is then chemically stripped from the pumped recovery solution (solvent extraction or SX) and electrically 'plated out' to form pure copper cathodes - electro winning or EW (generally 99.999% copper called electrolytic or wire grade copper), thus the 'solvent extraction-electro-winning (SX-EW)' part of the process name. The cost-saving (and profit!) implications of ISL--SX-EW are huge, because:

- (a) up front capital costs are minimal,
- (b) the ground surface over the ore remains virtually undisturbed,
- (c) the costs of actual mining, removal, and processing of the ore are completely avoided,
- (d) there is no mineral separation or smelting process involved,
- (e) there remain no unsightly piles of waste rock or slag, and
- (f) there will be no post mine clean up and remediation with attendant costs required.

The costs of in situ leaching are on the order of 30 to 50 cents per pound of recovered copper.

JABA's new S.E. Arizona (SEAZ) Project deposit is just such a chrysocolla-oxide copper enriched system, and extraction costs are estimated to be in the 35 to 50-cent range with virtually no disruption of the existing surface. The solvent can be any of several basic types, all of which can be handled in environmental safety. 'Cyanide' is not a candidate solvent - it is used only for recovery of gold or silver, not copper. The most-used solvents are weak

sulfuric acid (a very common, safe, and inexpensive industrial chemical and the same naturally occurring acid that created the oxide copper deposit in the first place) and ammoniated water (a safe agricultural fertilizer fluid). The weak sulfuric acid choice is favored by JABA at SEAZ because the ore zones are surrounded by a jacket of limestone, a natural rock of calcium carbonate that reacts instantly with weak sulfuric acid to form calcium sulfate, also known as the mineral gypsum- the material used for the wall board in your homes and offices. The process is 'self-sealing', preventing both copper and fluid loss and protecting the environment. Test work already performed supports JABA's confidence that SEAZ is an ideal candidate for the in situ leach - solvent extraction-electrowinning process.

Attached are some schematic illustrations and photographs showing ISL - SX - EW on the following two pages (Figures 1-4) and the more costly and complex standard open pit mining on the last page (Figures 5-10). For those of you getting this by email, please view these on the web site. For those getting this by fax, please fax us a special request for the illustrations if you would like to see them.

By: Dr. John Guilbert, Chairman of the Board

I-10
File
Cochise Co.**JABA Inc.**
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1 (800) 863-1551 www.JABA.com**JABA Inc. PLEASED TO ADVANCE 4 BILLION POUND COPPER PROJECT**

JABA's July 24 announcement of completion of a letter of intent that finally places its Southeastern Arizona (SEAZ) project in position for production of copper continues to excite the company and its shareholders. The Property area has long been coveted and advanced by several large would-be developers, so many that no consolidation or agreement has heretofore been possible. Through the 1980s and 1990s, however, personnel of Delta Exploration LLC persevered, acquiring a parcel here and a tract there toward ultimate assembly of a workable land position.

Further and CRUCIALLY, the property had been thought of and advanced as a conventional open pit sulfide copper mine, against which low sulfide-copper grade, scenic, and logistic-cost concerns mitigated. Scores of drill holes through the oxide- chrysocolla zone to reach the sulfides reported then sub-economic sulfide copper grades --- but little heed was paid to the oxide copper, for which no economic extractive methodology had been perfected. Now only in the late 1990s, following research at Santa Cruz, Copper Creek, and San Manuel, in situ leaching — SX-EW as a process has been accredited just as the property position was secured. JABA is full well aware that the SEAZ Project might not be 'permissible' as a conventional open pit mine, either environmentally or economically — but it is a prime, reasonable, certifiable candidate for ISL--SX-EW, and we have excellent reason to assure our investors that it can and will be appropriately permitted.

The property has known no prior production simply because the land consolidation had not been assembled and because the technology of ISL--SX-EW had not been established. Both have now been achieved. Several investors have been concerned with potential permitting problems, rightly so in the present US climate of anti-mining conservation and environmentalism. JABA's stand here we think is realistic. JABA separates possible objections to the SEAZ Project into the two areas of (1) Surface Impact (objections to visibility of roads, well heads, pipelines, the SX-EW plant site, and general scenic impairment), and (2) Leachant Loss (the hypothetical possibility that loss of down-hole leaching agents by leakage from the oxide ore areas will be expensive and potentially damaging to aquifers).

Surface impact can and is to be kept to absolute minimums. All roads and structures, including the plant site, will be placed in low areas out of view. Many drill roads that are already there will be landscaped away. With the exception of the plant building, virtually all surface disturbance can be landscaped away once the well-field and distribution piping is installed and buried. JABA's installations will be unnoticeable among the high tension lines, and roads already on and near the property. In short, JABA is confident that the visual and environmental impact on the surface can be kept inoffensively minimal, and will work with environmental planners to assure that the impact is insignificant.

Hypothetical leachant loss will be self-sealing and thus self correcting. As in most skarn systems, the general geology is one of an igneous rock core, a band of contact with limestones that became the skarn zones (a combination of silica (quartz) combined with limestone to form hard, brittle, non-reactive calcium silicate minerals mineralized with copper, zinc, silver, etc.), and then a regional lateral continuation of unaffected limestone strata. The igneous rocks are impermeable, and no leach solution loss can take place. The skarn zones are brittle, and natural geologic processes have cracked and broken them -- they are therefore naturally permeable to the leach solutions. The laterally-encasing limestones are more plastic and self-sealing, and they also will naturally react with the sulfate ions in the leach solution to form gypsum (calcium sulfate also known as plaster of paris) sealants wherever fractures might occur. No fluid

loss via natural permeabilities is thus possible. Also, the science and hydraulic engineering of injection and recovery well-fields has been developed to astoundingly successful degrees in hot-water petroleum, salt, and sulfur extraction technologies elsewhere in the US and abroad. JABA's injection and extraction wells would be laid out to conform rigorously to such engineering practice to ensure no loss of fluids for purely economic reasons in addition to the environmental considerations. Finally, geohydrologic evaluation indicates that natural surface runoff and groundwater drainage and flow is in the direction of a series of massive buried limestone ridges and hills and a saline dry lake, not toward any riparian or faunal-floral preserve. Even in the geologically and technologically highly unlikely event that some leakage might occur, distances measured in miles and neutralizing limestone rock would snuff any hypothetically harmful aquifer effects. JABA is thus totally confident that the technology is permissible at SEAZ, as past permitting success (at our Southern Zone) before the technology had even been perfected attests.

Another common shareholder query has focused upon economics and profit to JABA and its investors. Elsewhere, we have described the parameters of conventional open pit mining and standard extractive processing, of heap leaching, and of in situ leaching procedures. Standard mining generates per-pound-copper costs of from 75 to 90 US cents, depending on haul distances, grade, power and labor costs, etc. Heap leaching, where the material to be leached is mined, hauled, and arrayed on leach pads, is cheaper but still fairly costly at 30 to 70 cents, again largely dependent on mining and hauling costs. Collahuasi, El Abra, and Radomiro Tomic in Chile and North Silver Bell, Arizona, are four of many new mining projects using this technology. 'All-in' costs at Radomiro Tomic are projected at less than 40 cents a pound, (March 1998 Engineering and Mining Journal, page 31) and comparative costs suggest that JABA's SEAZ Project SX-EW plant might be capitalized at only \$13 to \$20 million. As noted in our original news release (July 24, 1998), several projects have used and demonstrated the feasibility of ISL-SX-EW, and several others such as BHP's Florence Project have approved it. JABA predicts 40-cent all-in costs at SEAZ, although we will carry our projections at a conservative 50 cents. The economics are excellent because:

- No mining of rock, and thus no rock-hauling expenses or capital equipment are involved.
- No waste heaps or holes-in-the-ground will be left.
- No significant surface effects need be mitigated.
- There are no milling or smelting costs — EW product is wire-grade 99.999% copper.
- Drilling technology has been perfected, and injection-recovery procedures are established.
- Reagents - be they dilute sulfuric acid- or ammonia water-based - are cheap and locally available.
- Electric power, railroad and highway transport, and water are already on the property.
- Skilled labor, drill contractors, etc., are in the immediate area, which has a mining history and no camp site or - town site is required.

Although our news release of July 24, 1998 referenced 450 million tons grading 0.39% oxide copper, the SEAZ project has a core of high grade material currently estimated to contain about 2 billion pounds copper averaging about 1% or more. It is JABA's intention to selectively leach this core for the first 20 years of production.

By James A. Briscoe, C.E.O.

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JABA'S JULY 24 ANNOUNCEMENT PHENOMENAL

July 30, 1998. JABA Inc.'s July 24, 1998 news release that it has acquired a huge copper deposit in southern Arizona is of vital and dramatic importance to JABA. A few comments on the significance of JABA's announcement follow.

The 'four billion pounds of copper' secured represents a stunning asset. The news release asserts that this reserve has already been drill-defined, and that the only foreseeable adjustment will be *upward*. Four billion pounds of copper assumes huge value in the ground as well as upon extraction. Even at a copper price of say US 75 cents a pound, the raw value is \$3 billion dollars. After extraction, even if one pessimistically assumes only 50% recovery and a production cost of US 50 cents a pound (leaving a profit of US 25 cents a pound), the profit value generated is still US\$750 million! A copper price increase over US 75 cents yields a US\$20 million per penny further profit.

Favorable location with regard to railroad access (2 miles), highways (adjacent), water supply (0-5 miles), electricity (12 miles from a generating plant with transmission lines across the property), and a trained labor supply, coupled with the mild year-round southern Arizona climate, are all extremely salutary. One of the reasons that the deposit has not been exploited until now is that in situ leaching coupled with SX-EW (solvent extraction-electro winning) has only recently been perfected. In situ leaching has been developed at other porphyry settings at Copper Creek, Santa Cruz, Lake Shore, and San Manuel, all in Arizona, and the method has been approved for use at Poston Butte - Florence by BHP Copper. 'On site' evaluation and testing of the technique has already led to successful permitting of the methodology in our Southern Zone previously.

No concern need be felt about the proposed 'due diligence' period of 90 days. JABA was careful to insist on that interval much more to be consistent with prudent business practices than out of any thought that the reserves are not there. We have assays and geologic logs of 150 drill holes engineered, completed, and compiled by totally reputable major companies, individuals, and interests. The project area is beside a previously-productive heap-leach SX-EW mine. The data have been consolidated by Delta Exploration Group LLC (whose rewards are incorporated in the 50-cent production cost above) in a thoroughly businesslike way. JABA will be exceedingly careful to verify the indicated resource, but we feel absolutely no concern. The due diligence and pre-production trains can proceed on parallel tracks. Both Briscoe and Guilbert have been involved in this area and deposit type for years; it was an unpredictable and fortunate series of events that brought the project to JABA's attention, and JABA acted quickly and decisively to secure the opportunity.

One of the extremely favorable aspects of the Project is contained in implications of the term "in situ leaching (solvent extraction - electro winning) ISL SX-EW". For those unaware of the technology, picture a pleasant Arizona terrain with no evidence of a conventional open pit mine. The ground surface in the deposit area is one of white oak trees, grass, and rolling ridge-and-canyon topography. The 'in situ leaching' will proceed from a grid of totally inconspicuous stainless-steel-cased underground drill holes, with buried collection piping

leading to the SX-EW recovery facility, which itself can be placed in an out-of-sight canyon. There will be no noise, no dust, no explosives, no excavation, practically no visual impact, and absolutely minimal threat to the environment. It is difficult to explain here, but the 'container rocks' (wall rocks) that surround the mineralized volume of the deposit are themselves a perfect physical and chemical self-sealing barrier to the leach solutions, so that it can be assured that none will escape. There is thus zero threat to water supplies even a few scores of feet from the producing well field. Once the wells and piping are installed and concealed by landscaping, only a modest light truck road access from a nearby Interstate Highway will be required.

Virtually all of the geologic, geochemical, and geophysical aspects of this project are favorable, and have been actually and implicitly endorsed by experts, including JABA's John Guilbert, an international authority on such porphyry copper deposits, and Jim Briscoe, a globally respected explorationist and developer of copper and gold projects. The deposit (the name and location of which will be revealed soon), is in the prodigiously copper-productive porphyry copper belt of southern Arizona, and is thus in a politically and economically rock-solid, stable location.

Should JABA involve a partner to assist in the production aspects of the mine, JABA's position will of course be proportionally reduced, and with even less risk. Four production firms with sufficient capital on hand to effect early production have already approached JABA. Yet another favorable component of the production cost profile is that initial capital costs are a small fraction of those for a conventional open pit mine. No rolling stock, excavators, bulk-rock-moving equipment, or flotation plants are needed, only a grid of drill holes, pumps, and a fluid-handling recovery plant are required. Production and income are thus targeted for the year 2000.

JABA management is clearly extremely pleased with this major successful development in its portfolio, one that should benefit both the Company and its shareholders.

The above remarks are intended to supplement and clarify JABA's July 24, 1998 news release (see our website at www.jaba.com). If you have **any** questions of a general nature, please call Jim Alexander toll free at 1(800)863-1551, and for discussion of technical aspects of the project please call Jim Briscoe toll free at 1(800)220-8143 or e-mail to jbriscoe@jaba.com. John Guilbert can be contacted at his e-mail address of jguilbert@jaba.com, and will answer technical questions by return e-mail or by telephone. JABA trades on the Alberta Stock Exchange under the symbol JBA.

John M. Guilbert

John M. Guilbert
Chairman of the Board

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Mining Exploration



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NEWS RELEASE

July 24, 1998

JABA acquires 4 billion pound copper resource and plans southwestern United States in situ copper leach mine.

JABA is pleased to announce that it has executed a binding letter agreement for a lease with option to purchase a skarn-hosted porphyry copper project in southeastern Arizona from Delta Exploration Group LLC of Scottsdale, Arizona. The acquisition price consists of one million shares of JABA Inc., US\$7.5 million in cash paid substantially out of operating profits of the planned mine, a royalty of 5% of profits in perpetuity commencing after payment of the US\$7.5 million and other non-material considerations. The agreement is subject to Alberta Stock Exchange approval.

James Briscoe, Chief Executive Officer of JABA and a Registered Geologist in the states of Arizona and California, has reviewed the data and provides the following description of the project.

The project consists of two drill indicated zones in which 4 billion pounds of oxide copper have been delimited. JABA proposes to install an in situ leach mine with solvent extraction - electro winning (SXEW) to produce electrolytic (wire grade) copper. Favorable geology, geophysics and geochemistry reveals potential for substantial expansion of the oxide copper resource in all directions from the drilled areas. New geochemical exploration technology can pinpoint additional high grade zones for leaching. Computer models completed in December 1996 show a high grade oxide copper core.

More than 150 holes have been drilled in the area over the past 30 years, primarily by the minerals division of a large oil company. In the northern zone, 64 holes have recently been computer modeled, with a resulting resource estimate of 440 million tons grading 0.39% oxide copper at a 0.1% cut off, or approximately 3.4 billion pounds of copper. In the southern zone, cross sectional calculations show 105 million tons grading 0.26% oxide copper at a 0.1% cut off or 546 million pounds of copper. High-grade core zones exceeding 1% copper exist within surrounding lower average grades so that perhaps 2 billion pounds of copper may be available in these higher grade areas. Both deposits contain significant potential for discovery of additional adjacent oxide resources. The copper oxide is contained in a garnet-pyroxene skarn surrounded by marble and limestone. At depth, the oxide, which has a thickness of 600 to 850 feet, merges into primary chalcopyrite mineralization. Alluvial cover above mineralization ranges from 250 feet to 600 feet. The water table is essentially static at a 400 foot depth. Infrastructure is ideal with power, water, transportation including major highways and local roads, lodging and a nearby skilled labor force as well as mild year around weather.

The southern zone has already undergone permitting followed by a successful in situ leach test conducted approximately 15 years ago. The test was terminated and the property relinquished for reasons unrelated to economics. Recent property consolidation and technological advances have now made implementation of the project practical. Geological conditions make the properties particularly suited to in situ leaching with no possibility of escape of leach solutions. Carbonate rocks surrounding the oxide copper will react with any potentially escaping leach solution to immediately form an impermeable gypsum barrier, encapsulating the leachant and preventing any pollution or loss of copper. Shallow depth and static water table will combine to keep costs low. Within the same mining district and same mineral type, some 106 million pounds of electrolytic grade copper has been produced from a now exhausted open pit heap leach with solvent extraction electro-winning (OPHL SXEW) proving the leachability of the contained oxide copper.

JABA has commenced a 90 day due diligence period for confirmation of data and further testing. JABA expects the due diligence to be rapid as Delta Exploration has done a superlative job of retaining intact core and other primary data from previous exploration, spanning a period of 30 years, which was done in a professional and detailed manner. Guilbert and Briscoe are already quite familiar with the project and one of Dr. Guilbert's students did a master's thesis on the northern resource zone under his direction at the University of Arizona. Many of the consultants who have previously worked on the project are available to form the core of the development team.

As the project advances, JABA, in line with previous joint ventures, may seek a partner with the financial resources to ensure its development to its full potential.

Potential JV partners continue to examine and consider several of JABA's other exploration projects.

On behalf of the Board,
James A. Briscoe
CEO

The Alberta Stock Exchange has neither approved nor disapproved the contents of this News Release

JABA Inc. is a public company, Alberta Stock Exchange, Canada, Stock symbol JBA
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