## SECURITIES AND EXCHANGE COMMISSION

## FORM 6-K

Current report of foreign issuer pursuant to Rules 13a-16 and 15d-16 Amendments

Filing Date: **2007-08-03** | Period of Report: **2003-05-31** SEC Accession No. 0001062993-07-002976

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## **FILER**

## TERYL RESOURCES CORP

CIK:1109313| IRS No.: 000000000 | State of Incorp.:A1 | Fiscal Year End: 0531

Type: 6-K | Act: 34 | File No.: 000-31076 | Film No.: 071024144

SIC: 1382 Oil & gas field exploration services

Mailing Address 240 - 11780 HAMMERSMITH WAY RICHMOND A1 V7A 5E9 Business Address 240 - 11780 HAMMERSMITH WAY RICHMOND A1 V7A 5E9 604-278-5996

# UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

## FORM 6-K

## REPORT OF FOREIGN PRIVATE ISSUER PURSUANT TO RULE 13a-16 OR 15d-16 UNDER THE SECURITIES EXCHANGE ACT OF 1934

For the Fiscal Year Ended May 31, 2004

Commission File Number: 000-31076

## TERYL RESOURCES CORP.

(Translation of registrant's name into English)

## 240-11780 Hammersmith Way, Richmond, BC Canada V7A 5E9

(Address of principal executive offices)

Indi	cate t	y che	ck mar	k wh	ether	the	registran	: fi	les	or w	/ill	file	annual	reports	und	er cove	r F	orm	20-F	or.	Form	40-	F.
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[x] Form 20-F [] Form 40-F

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1): []

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7): [ ]

Indicate by check mark whether by furnishing the information contained in this Form, the registrant is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes [] No [x]

If "Yes" is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b): 82-



## **SUBMITTED HEREWITH**

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99.1 News Release dated June 17, 2003	
99.2 News Release dated July 8, 2003	
99.3 News Release dated July 22, 2003	
99.4 News Release dated August 5, 2003	
99.5 News Release dated August 14, 2003	
99.6 News Release dated August 18, 2003	
99.7 News Release dated August 27, 2003	
99.8 News Release dated September 2, 2003	
99.9 News Release dated September 18, 2003	
99.10 News Release dated September 29, 2003	
99.11 Directors' Report dated October 16, 2003	
99.12 Notice for the 2003 AGM	
99.13 Information Circular for the 2003 AGM	
99.14 Form of Proxy for the 2003 AGM	
99.15 Audited Financial Statements for the Fiscal Year Ended May 31, 2003	
99.16 Interim MD&A for the Period Ended May 31, 2003	
99.17 News Release dated October 20, 2003	
99.18 News Release dated October 21, 2003	
99.19 News Release dated October 31, 2003	
99.20 Interim Financial Statements for the Period Ended August 31, 2003	
99.21 Interim MD&A for the Period Ended August 31, 2003	
99.22 News Release dated November 3, 2003	
99.23 News Release dated November 12, 2003	
99.24 News Release dated November 17, 2003	
99.25 News Release dated November 25, 2003	
99.26 News Release dated December 2, 2003	

99.27	News Release dated December 8, 2003
99.28	News Release dated January 8, 2004
99.29	News Release dated January 20, 2004
99.30	Interim Financial Statements for the Period Ended November 30, 2003
99.31	Interim MD&A for the Period Ended November 30, 2003
99.32	News Release dated February 9, 2004
	News Release dated February 23, 2004
	Annual Information Form for the Fiscal Year Ended May 31, 2003
99.35	News Release dated March 5, 2004
<u>99.36</u>	News Release dated March 12, 2004
99.37	Technical Report on the West Ridge Gold Property dated March 25, 2004
99.38	Consent of Author for the Technical Report on the West Ridge Gold Property dated March 25, 2004
99.39	News Release dated April 8, 2004
99.40	Interim Financial Statements and MD&A for the Period Ended February 28, 2004
99.41	News Release dated April 21, 2004
	News Release dated April 27, 2004
	News Release dated April 28, 2004
99.44	News Release dated May 18, 2004
99.45	News Release dated May 19, 2004
99.46	News Release dated May 27, 2004

## **SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Teryl Resources Corp.

(Registrant)

Date: August 3, 2007 By: /s/John Robertson

John Robertson

Title: President

## NEWS RELEASE

TSX Venture Exchange: TRC Pink Sheet Symbol: TRYLF 12g3-2(b) # 82-2026

## TERYL RESOURCES TO COMMENCE DRILL PROGRAM ON THE WEST RIDGE GOLD PROPERTY, FAIRBANKS, ALASKA

For Immediate Release: June 17, 2003 - Fairbanks, Alaska - Teryl Resources Corp. (TSX Venture Exchange: TRC) wishes to announce that a drill program on the Company's 100% owned West Ridge Property has been approved. The program will commence initially with auger drilling to define reverse circulation drill targets on the Western gold anomaly. This target is approximately 4000 feet by 3000 feet with gold-in-soil values up to 4.42 ppm and best gold values of 16.45 ppm from float in hand-dug holes. Gold on the Western anomaly is closely associated with high levels of arsenic and antimony, similar to mineralization found on Kinross Gold's adjoining True North gold deposit located approximately 2 miles north.

In 1999, Kinross acquired the True North property from Newmont Mining Corporation (NYSE & ASX: NEM; TSE: NMC) and La Teko Resources for US\$94,000,000 in shares and cash.

#### ABOUT TERYL RESOURCES CORP.

With interests in four gold properties, Teryl Resources Corp. is one of the main landowners in the Fairbanks Mining District, Alaska. The Gil project is a joint venture (80% Kinross/20% Teryl) with Kinross Gold Corporation (TSX: K; NYSE: KGC). The Company's holdings also include the West Ridge Claims (100% owned), the Fish Creek Claims, 50% optioned from Linux Gold Corp. (LNXGF), and the Stepovich Claims, which Teryl has a 10% net profit interest from Kinross. Teryl Resources Corp. also has one joint venture silver prospect located in Northern BC, Canada. For further information visit the Company's website at <a href="http://www.terylresources.com">http://www.terylresources.com</a>

## ON BEHALF OF THE BOARD OF DIRECTORS

"John Robertson"

John Robertson President

Contact: John Robertson

800-665-4616

The TSX Venture Exchange has neither approved nor disapproved of the information contained herein.

Statements in this press release regarding Teryl's business which are not historical facts are "forward-looking statements" that involve risks and uncertainties, such as estimates and statements that describe the Company's future plans, objectives or goals, including words to the effect that the Company or management expects a stated condition or result to occur. Since forward-looking statements address future events and conditions, by their very nature, they involve inherent risks and uncertainties. Actual results in each case could differ materially from those currently anticipated in such statements.

1103 - 11871 Horseshoe Way, Richmond, BC V7A 5H5

Phone: 604-278-5996 Fax: 604-278-3409 Toll Free: 800-665-4616 <u>www.terylresources.com</u>

## NEWS RELEASE

Teryl Resources Corp. (the "Company")

TSX Venture Exchange: TRC Pink Sheet Symbol: TRYLF 12g3-2(b) # 82-2026

# TERYL RESOURCES ANNOUNCES \$500,000 PRIVATE PLACEMENT

**For Immediate Release: July 8, 2003, Vancouver, BC** - **Teryl Resources Corp.** (TSX Venture Exchange: TRC) announces that a private placement for 2,000,000 units at \$0.25 per unit, to raise \$500,000, has been approved by the board of directors. Each unit will consist of one common share of Teryl Resources Corp. and a ½ warrant enabling the investor to purchase an additional share at an exercise price of \$0.30 per share in the first year or \$0.40 per share in the second year.

The funds raised are to be used for general corporate purposes and accounts payable.

The \$500,000 private placement amends the private placement for \$1.5 million for 4,300,000 units at \$0.35 per unit announced March 28, 2003.

The financing is subject to the necessary regulatory approval.

With interests in four gold properties, Teryl Resources Corp. is one of the main landowners in the Fairbanks Mining District, Alaska. The Gil project is a joint venture (80% Kinross/20% Teryl) with Kinross Gold Corporation (TSX: K; NYSE: KGC). The Company's holdings also include the West Ridge Property (100% owned), the Fish Creek Claims, 50% optioned from Linux Gold Corp. (LNXGF), and the Stepovich Claims, which Teryl has a 10% net profit interest from Kinross. Teryl Resources Corp. also has one joint venture silver prospect located in Northern BC, Canada and an interest in diamond prospects in the Northwest Territories, Canada. For further information visit the Company's website at <a href="http://www.terylresources.com">http://www.terylresources.com</a>.

ON BEHALF OF THE BOARD OF DIRECTORS

"John Robertson"

John Robertson President

Contact: John Robertson

800-665-4616

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## NEWS RELEASE

Teryl Resources Corp. (the "Company")

TSX Venture Exchange: TRC Pink Sheet Symbol: TRYLF 12g3-2(b) # 82-2026

# TERYL ACQUIRES STRATEGIC STATELAND LEASES LOCATED ADJACENT AND IN WEST RIDGE CLAIMS, FAIRBANKS, ALASKA

For Immediate Release: July 22, 2003, Fairbanks, Alaska - Teryl Resources Corp. (TSX Venture Exchange: TRC) announces that it has successfully negotiated a lease of 440 acres in the Fairbanks Mining District, Alaska from the State of Alaska, Mental Health Trust Land Office (TLO). The trust land is adjacent to the western portion of the Company's 100% owned West Ridge claims and 40 acres is strategically located within the West Ridge claims, which is on the edge of a geochemical gold anomaly. The gold anomaly may possibly be on trend with the 4000-foot western gold anomaly, which is geochemically similar to the gold mineralization at the True North deposit, according to AMAX Gold's report completed in 1999. The True North gold deposit was purchased by Kinross Gold for CAD\$94 million in shares and cash from La Teko Resources and Newmont Mining Corporation. An exploration work program will be submitted for approval immediately to the Trust Land Office to locate drill targets on the newly acquired lease.

In consideration for the State of Alaska lease, a production royalty on the lease land is granted to the State of Alaska, Trust Land Office (TLO) as follows:

<u>Price of Gold (per ounce)</u>	<u>Production Royalty</u>
Below \$300.00	2.5%
\$300.01 - \$350.00	3.0%
\$350.01 - \$400.00	3.5%
\$400.01 - \$450.00	4.0%
\$450.01 - \$500.00	4.5%
Above \$500.00	5.0%

Additionally, Teryl will grant a 1% Net Smelter Return (NSR) on its 100% owned West Ridge property with first refusal to purchase the 1% NSR in the event that TLO decides to sell.

#### ABOUT TERYL RESOURCES CORP.

With interests in four gold properties, Teryl Resources Corp. is one of the main landowners in the Fairbanks Mining District, Alaska. The Gil project is a joint venture (80% Kinross/20% Teryl) with Kinross Gold Corporation (TSX: K; NYSE: KGC). The Company's holdings also include the West Ridge Property (100% owned), the Fish Creek Claims, 50% optioned from Linux Gold Corp. (LNXGF), and the Stepovich Claims, which Teryl has a 10% net profit interest from Kinross. Teryl Resources Corp. also has one joint venture silver prospect located in Northern BC, Canada. For further information visit the Company's website at <a href="http://www.terylresources.com">http://www.terylresources.com</a>.

## ON BEHALF OF THE BOARD OF DIRECTORS

"John Robertson"

John Robertson Contact: John Robertson
President 800-665-4616

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## NEWS RELEASE

TSX Venture Exchange: TRC Pink Sheet Symbol: TRYLF 12g3-2(b) # 82-2026

## TERYL RESOURCES' FIELD EXPLORATION DISCOVERS NEW GOLD ZONE MINERALIZATION, FAIRBANKS MINING DISTRICT, ALASKA

For Immediate Release: August 5, 2003, Fairbanks, Alaska - Teryl Resources Corp. (TSX Venture Exchange: TRC) announces that field exploration on the Company's 100%-owned West Ridge property has discovered a new gold zone with the same mineralization that hosts the gold deposits in the Fairbanks Mining District, Alaska, including the Fort Knox gold mine, eight miles southeast. Exploration activity has identified several highly prospective areas where work will continue to define reverse circulation drill targets.

Following are the highlights of work reported by the Company's geological consultants, Avalon Development Corporation.

## **Old Glory Prospect**

Rock and soil sampling has been completed at the Old Glory prospect. In addition, a small close-spaced soil auger grid was placed over a trench area to try to determine the extent and trend of the mineralization. Rock samples consisted of quartz mica schist and medium grained diorite intrusive containing abundant sericite alteration associated with brown iron oxide after carbonate and reddish brown hematite after pyrite. Quartz veining ranged from fine chalcedonic veinlets to +2 cm milky white mesothermal veins with pitted pyrite and minor scorodite after arsenopyrite. Soil sampling results suggest a false bedrock layer of shingled barren quartz mica schist exists about 3 to 4 feet below surface. Once through this false bedrock, soil samples were taken as deep as 6 feet below surface and often contained abundant ocherous red-orange soil at the bedrock interface. Soil such as this is often associated with gold-bearing shear zones in the district. All rock and soil samples have been sent to ALS Chemex for gold and multi-element analyses. Results are expected in 10 days.

## ABOUT TERYL RESOURCES CORP.

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John Robertson President

Contact: John Robertson

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## NEWS RELEASE

# TERYL RESOURCES COMMENCES EXPLORATION ON NEWLY ACQUIRED TRUST LAND, ALASKA, IN SEARCH OF TRUE NORTH-TYPE GOLD DISCOVERY

For Immediate Release: August 14, 2003, Fairbanks, Alaska - Teryl Resources Corp. (TSX Venture Exchange: TRC) announces that an exploration program has started on its newly acquired trust land, located adjacent to its West Ridge property, Fairbanks Mining District, Alaska, having recently received work approval from the Alaska Trust Land Office.

Exploration is being conducted by the Company's geological consultants, Avalon Development Corp., who are focused on finding another True North-type gold discovery on the Black Dome area of Teryl's recently acquired trust land (see news release July 22, 2003). The Eldorado Fault cuts through the Black Dome, the same fault that bounds Kinross Gold's True North gold deposit, approximately three miles northeast. The True North deposit was purchased by Kinross for CAD\$94 million in shares and cash from La Teko Resources and Newmont Mining Corporation.

Avalon field crews will sample a newly discovered old trench at Black Dome, which contains rubble composed of black carbonaceous schist cut by numerous quartz-carbonate veinlets. Most of the carbonate has been altered to a soft brown-red oxide, similar to oxide ore at the True North. The trench will be cleared of debris to sample bedrock and determine gold values to locate drill targets.

#### ABOUT TERYL RESOURCES CORP.

With interests in four gold properties, Teryl Resources Corp. is one of the main landowners in the Fairbanks Mining District, Alaska. The Gil project is a joint venture (80% Kinross/20% Teryl) with Kinross Gold Corporation (TSX: K; NYSE: KGC). The Company's holdings also include the West Ridge Property (100% owned), the Fish Creek Claims, 50% optioned from Linux Gold Corp. (LNXGF), and the Stepovich Claims, which Teryl has a 10% net profit interest from Kinross. Teryl Resources Corp. also has one joint venture silver prospect located in Northern BC, Canada. For further information visit the Company's website at <a href="http://www.terylresources.com">http://www.terylresources.com</a>.

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John Robertson President

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## NEWS RELEASE

Teryl Resources Corp. (the "Company")

TSX Venture Exchange: TRC Pink Sheet Symbol: TRYLF 12g3-2(b) # 82-2026

## COMPLETION OF PRIVATE PLACEMENT OF 2,000,000 UNITS

For Immediate Release: August 18, 2003, Vancouver, B.C. - Teryl Resources Corp. (TSX Venture Exchange: TRC) announces pursuant to its News Releases dated July 8, 2003, whereby the Company disclosed that it had arranged a private placement of an aggregate of 2,000,000 units in the capital stock of the Company to various investors at a price of \$0.25 per unit, the Company is pleased to announce that it has now received regulatory acceptance of the private placement. Each unit consists of one common share and a ½ warrant (the "Warrant") enabling the investor to purchase an additional share at an exercise price of \$0.30 per share in the first year with expiry dates ranging from July 8 to August 15, 2004 or \$0.40 per share in the second year with expiry dates ranging from July 8 to August 15, 2005. The common shares forming part of the units are subject to a hold period expiring 4 months from the date of issuance for the units, which hold period expires December 18, 2003.

## ABOUT TERYL RESOURCES CORP.

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John Robertson President

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## NEWS RELEASE

## EXPLORATION ON TERYL RESOURCES' WEST RIDGE PROPERTY, ALASKA YIELDS UP TO 0.29 OZ PER TON GOLD

**For Immediate Release: August 27, 2003, Fairbanks, Alaska** - **Teryl Resources Corp.** (TSX Venture Exchange: TRC) is pleased to announce assays have been received from the Phase I auger drilling and rock sampling program on the Old Glory gold zone of the Company's 100% owned West Ridge Property.

The highest rock sample assayed 0.29 ounces of gold per ton and the best results from the auger drilling samples assayed 1,155 ppb gold. Ten samples have values of 250 to 1,000 ppb and 43 samples have values of 100 to 250 ppb values in gold in the soil (see chart below). Gold values in excess of 100 ppb outline several significant gold deposits in the district, including Fort Knox, True North and Dolphin, suggesting the soil anomalies at the Old Glory zone may represent a significant new intrusive-related gold discovery. All rock and soil samples were analyzed at ALS Chemex.

Gold (ppb) in Rocks	Gold (ppb) in Soils
1,000 to 10,000 (2)	1,000 to 1,155 (1)
500 to 1,000 (1)	250 to 1,000 (10)
100 to 500 (5)	100 to 250 (43)
5 to 50 (27)	50 to 100 (35)
Below detection (10)	25 to 50 (25)
	5 to 25 (25)
	Below detection (1)

Soil sampling results suggest a false bedrock layer of shingled barren quartz mica schist exists about 3 to 4 feet below surface. Once through this false bedrock, soil samples were taken as deep as 6 feet below surface and often contained abundant ocherous red-orange soil at the bedrock interface. Soil such as this is often associated with gold-bearing shear zones in the Fairbanks Mining District.

According to Avalon Development Corporation, our mining consultants, these anomalous values warrant additional exploration to define drill targets in search of an intrusive-related gold discovery. The West Ridge property adjoins Kinross Gold Corp.'s True North gold deposit and lies approximately eight miles northwest of the producing Fort Knox gold mine, reported to have contained reserves of 4,000,000 ounces of gold. Fort Knox currently produces over 400,000 ounces of gold annually.

## ABOUT TERYL RESOURCES CORP.

With interests in four gold properties, Teryl Resources Corp. is one of the main landowners in the Fairbanks Mining District, Alaska. The Gil project is a joint venture (80% Kinross/20% Teryl) with Kinross Gold Corporation (TSX: K; NYSE: KGC). The Company's holdings also include the West Ridge Property (100% owned), the Fish Creek Claims, 50% optioned from Linux Gold Corp. (OTCBB: LNXGF), and the Stepovich Claims, which Teryl has a 10% net profit interest from Kinross. Teryl Resources Corp. also has one joint venture silver prospect located in Northern BC, Canada. For further information visit the Company's website at <a href="http://www.terylresources.com">http://www.terylresources.com</a>.

## ON BEHALF OF THE BOARD OF DIRECTORS

"John Robertson"

John Robertson
President

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## NEWS RELEASE

## KINROSS GOLD/TERYL RESOURCES: PHASE I DRILL RESULTS - FORT KNOX GIL PROJECT, ALASKA

## **Drilling Intersects 0.116 opt Gold Over Sixty Feet**

**For Immediate Release: September 2, 2003, Fairbanks, Alaska** - **Teryl Resources Corp.** (TSX Venture Exchange: TRC) announces drill results from the 2003 exploration program at the Gil Gold Project, Alaska, a joint venture with Kinross Gold Corporation. Drilling on Gil continues to produce excellent results including an intercept of 0.116 ounces of gold per ton over an interval of 60 feet from the Main zone, one of four gold targets on the property.

The goal of the 2003 exploration program is to define the limits of gold mineralization at the North Gil and the Main Gil Zones. The first phase US\$830,000 exploration program consists of drilling approximately 60 holes for a total of 17,000 feet. Continued success in the first phase would initiate follow-up in-fill drilling at the Main Gil zone to upgrade the resource to reserve status.

The Gil Gold Project is located in the Fairbanks Mining District, Alaska, approximately five miles east of Kinross' Fort Knox deposit, Alaska's largest producing open-pit gold mine with an average gold grade of just under 0.03 ounces of gold per ton. Kinross' intentions for Gil are to advance the project to a production decision.

Following are assays of results received to date. Further results from the first phase program will be published when available.

Hole	From (feet)	To (feet)	Interval (feet)	Gold (OPT)	Target
GVR03-287	105	130	25	0.033	North Gil
GVR03-288	190	200	10	0.035	North Gil
GVR03-289	165 335	225 350	60 15	0.026 0.043	North Gil
GVR03-290	120	155	35	0.028	North Gil
GVR03-291	90 275 280	100 325 285	10 50 5	0.036 0.042 0.242	Main/North Gi Intersection
GVR03-292	105 190	155 200	50 10	0.050 0.054	North Gil
GVR03-293	80 110 140 190 225	160 115 145 235 230	80 5 5 45 5	0.065 0.404 0.259 0.026 0.109	Main Gil
GVR03-294	180 225	190 230	10 5	0.038 0.146	North Gil
GVR03-295	85 250	110 260	25 10	0.100 0.053	Main Gil
GVR03-296	105	110	5	0.073	Main Gil

GVR03-299	35	65	30	0.038	M/NG Intersection
GVR03-300	25 25	60 35	35 10	0.364 1.207	North Gil
GVR03-301	155	170	15	0.032	North Gil
GVR03-302	45 340 375	50 345 410	5 5 35	0.094 0.520 0.033	North Gil
GVR03-303	50	95	45	0.042	Main Gil
GVR03-305	115	125	10	0.05	Main Gil
GVR03-306	15 110 115	50 130 120	35 20 5	0.028 0.081 0.252	
GVR03-307	40	75	35	0.05	Main Gil
GVR03-308	60 100	120 110	60 10	0.045 0.109	Main Gil
GVR03-321	25 155 240 290	95 160 260 335	70 5 20 45	0.062 0.122 0.082 0.041	Main Gil
GVR03-322	110	125	15	0.088	Main Gil
GVR03-323	130 245	145 300	15 55	0.059 0.026	M/NG Intersection
GVR03-324	165 220	185 235	20 15	0.023 0.040	Main Gil
GVR03-325	25 195	35 215	10 20	0.042 0.041	North Gil
GVR03-326	25	40	15	0.020	Main Gil
GVR03-327	0	50	50	0.014	Main Gil
GVR03-328	0 20	40 40	40 20	0.024 0.037	Main Gil
GVR03-329	0	25	25	0.019	Main Gil
GVR03-330	25	40	15	0.025	Main Gil
GVR03-331	25 30	65 35	40 5	0.073 0.249	Main Gil
GVR03-333	85 145	95 185	10 40	0.045 0.039	Main Gil
GVR03-335					Main Gil
GVR03-349	50 135 195	75 210 205	25 75 10	0.046 0.030 0.101	Sourdough Ri
GVR03-350	155	185	30	0.018	Sourdough Ri
GVR03-353	5 10	65 40	60 30	0.116 0.202	Main Gil

## ABOUT TERYL RESOURCES CORP.

With interests in four gold properties, Teryl Resources Corp. is one of the main landowners in the Fairbanks Mining District, Alaska. The Gil project is a joint venture (80% Kinross/20% Teryl) with Kinross Gold Corporation (TSX: K; NYSE: KGC). The Company's holdings also include the West Ridge Property (100% owned), the Fish Creek Claims, 50% optioned from Linux Gold Corp. (LNXGF), and the Stepovich Claims, which Teryl has a 10% net profit interest from Kinross. Teryl Resources Corp. also has one joint venture silver prospect located in Northern BC, Canada. For further information visit the Company's website at <a href="http://www.terylresources.com">http://www.terylresources.com</a>.

#### ON BEHALF OF THE BOARD OF DIRECTORS

"John Robertson"

John Robertson President

Contact: John Robertson

Tel. 800-665-4616

The TSX Venture Exchange has neither approved nor disapproved of the information contained herein.

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## NEWS RELEASE

## TERYL RESOURCES EXPANDS NEW GOLD DISCOVERY ON WEST RIDGE PROPERTY, FAIRBANKS MINING DISTRICT, ALASKA

**For Immediate Release: September 18, 2003, Fairbanks, Alaska** – **Teryl Resources Corp.** (TSX Venture Exchange: TRC) announces that phase 2 field exploration on the Company's 100%-owned West Ridge property has expanded the size of the gold discovery at the Old Glory prospect. In addition, field work has confirmed the presence of eclogite-grade metamorphic rocks similar to those which host Kinross Gold's 660,000 ounce True North gold deposit located two miles north of the West Ridge project. The True North gold deposit was purchased by Kinross Gold in 1999 for \$94,000,000 in cash and shares.

Following are the highlights of work reported by the Company's geological consultants, Avalon Development Corporation, under the supervision of principal Curt Freeman.

## **Old Glory Prospect**

Phase 2 rock and soil auger sampling has been completed at the Old Glory prospect and has expanded the extent of anomalous gold in rocks and soil to an area measuring 400 meters northeast-southwest by 200 meters northwest-southeast. Soil values in this grid range up to 1,155 parts per billion (1.16 grams per tonne) gold with 2,850 parts per million (ppm) arsenic and 200 ppm tungsten. Rock samples collected from old prospect pits and trenches within the soil grid returned values up to 10.0 grams (1/3 of an ounce) per tonne gold, 5,900 ppm arsenic and 144 ppm bismuth. Substantial mineralization is found where the northeast trending structure intersects the northwest-trending structure. Arsenic mimics gold to a large degree while tungsten and bismuth mineralization are less definitive.

Gold mineralization at Old Glory is associated with sericite alteration in a strong sodium depletion zone. Of significance is that mineralization appears to be controlled by the Eldorado fault, a major northeast-trending district-scale structure which bounds the 2.4 million ounce Ryan Lode gold deposit located 16 miles southwest and the 660,000 ounce True North gold mine, just 2 miles northeast. Along this same fault lies Teryl's Black Dome prospect, State of Alaska lease recently acquired, another gold anomalous area discovered by summer field exploration. Rocks of similar character to True North are present at both the Old Glory and the Black Dome areas, which suggests a genetic link between both mineralized prospects.

The Company is planning to continue expansion of the soil auger grid at Old Glory followed by backhoe trenching of the main Old Glory anomaly in preparation for drilling in 2003. Also, ground-based geophysical surveys are being planned to help better define drill targets.

Geochemical analyses for the West Ridge project were completed by ALS Chemex in Fairbanks, Alaska and Vancouver, British Columbia. Curt Freeman, M.S., P.Geo, is the qualified person for this news release.

## ABOUT TERYL RESOURCES CORP.

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Kinross Gold Corporation (TSX: K; NYSE: KGC). The Company's holdings also include the West Ridge Property (100% owned), the Fish Creek Claims, 50% optioned from Linux Gold Corp. (OTC BB: LNXGF), and the Stepovich Claims, which Teryl has a 10% net profit interest from Kinross. Teryl Resources Corp. also has one joint venture silver prospect located in Northern BC, Canada. For further information visit the Company's website at <a href="http://www.terylresources.com">http://www.terylresources.com</a>.

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www.terylresources.com

## NEWS RELEASE

## KINROSS GOLD/TERYL RESOURCES: ADDITIONAL PHASE I DRILL RESULTS - FORT KNOX GIL PROJECT, ALASKA

## **Drilling Extends Strike Length at Main Gold Deposit**

**For Immediate Release: September 29, 2003, Fairbanks, Alaska** - **Teryl Resources Corp.** (TSX Venture Exchange: TRC) announces further drill results from the 2003 first phase exploration program at the Gil Gold Project, Alaska, a joint venture with Kinross Gold Corporation.

The first phase drill program has served two purposes: firstly it has increased the geologic understanding of the Main Gil gold deposit to provide a more accurate gold distribution deposit model, and secondly, it has extended the strike length of the Main Gil zone to almost 3,000 feet.

A phase 2 budget that includes US\$750,000 for definition and infill drilling at the Main Gil will be submitted to the Gil Venture partners for approval. Drill data continues to be compiled for inclusion in the model database.

The Gil Gold Project is located in the Fairbanks Mining District, Alaska, approximately five miles east of Kinross' Fort Knox deposit, Alaska's largest producing open-pit gold mine with an average gold grade of just under 0.03 ounces of gold per ton. Kinross' intentions for Gil are to advance the project to a production decision with ore to be processed at the Fort Knox mill.

Following are new assays from the first phase program. Additional results will be published when available.

The Company is also pleased to announce that we are featuring a banner on www.gold-eagle.com.

Hole	From (feet)	To (feet)	Interval (feet)	Gold (OPT)	Target
GVC03-304	0 135 180	10 145 190	10 10 10	0.071 0.065 0.034	Main Gil
GVC03-309	225	230	5	0.035	North Gil
GVC03-310	20 40 95 205	25 65 115 215	5 25 20 10	0.068 0.111 0.038 0.092	North Gil
GVC03-311	25 45 85 105 205	30 50 90 110 215	5 5 5 5 10	0.060 0.129 0.067 0.048 0.064	North Gil
GVC03-312	130	135	5	0.038	North Gil
GVC03-313	15	20	5	0.052	North Gil
GVC03-314	10	20	10	0.026	

	50 95	55 110	5 15	0.139 0.069	Main Gil
GVC03-315	30 80	70 85	40 5	0.050 0.056	Main Gil
GVC03-316	0 40 105	20 60 125	20 20 20	0.187 0.027 0.326	Main Gil
GVC03-317	120 155 180 220 250 285	135 170 195 235 265 290	15 15 15 15 15 15 5	0.129 0.026 0.029 0.082 0.060 0.062	Main Gil
GVC03-318	55 115	70 130	15 15	0.042 0.030	Main Gil
GVC03-320	5	50	45	0.077	Main Gil
GVR03-334	5	10	5	0.044	Main Gil
GVC03-335	0 5	30 10	30 5	0.280 1.040	Main Gil
GVR03-351	40	55	15	0.063	Main Gil
GVR03-356	45 75 190 260	50 80 210 270	5 5 20 10	0.120 0.056 0.035 0.064	Main Gil
GVR03-357	275	295	20	0.068	750 feet south of Main Gil
GVR03-360	50	85	35	0.145	Main/North Gi Intersection
GVR03-361	50 130	55 135	5 5	0.033 0.035	Main/North Gi Intersection
GVR03-362	80	90	10	0.038	Main/North Gi Intersection
GVR03-363	50	55	5	0.032	Main/North Gi Intersection
GVR03-373	5 65 115	45 85 120	40 20 5	0.051 0.058 0.031	Main Gil

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www.terylresources.com

October 16, 2003

#### DIRECTORS' REPORT

#### Dear Shareholders:

The Company's 2003 annual general meeting has been scheduled for Tuesday, November 4, 2003 at 10:00 a.m. at The River Club, 11111 Horseshoe Way, Richmond, BC. Accompanying this letter is the Company's Information Circular, Notice of Meeting and audited financial statements which are being furnished to you for the shareholders meeting.

The following is a Progress Report on the Company from the date of its last annual meeting, held on January 22, 2003:

By way of news release dated March 6, 2003 we announced the proposed exploration budget for the Gil joint venture in 2003 was received from Fairbanks Gold Mining Inc., a subsidiary of Kinross Gold Corporation (TSX- K; NYSE-KGC). The program will focus on fully defining the limits of the gold deposits at the Main and North Gil and conducting in-fill drilling of previously tested areas to increase confidence in the resource.

The first phase budget of US\$830,000 is planned for 2003. This program would allow for the drilling of approximately 60 holes (25 core and 35 RC) for a total of 17,000 feet as a first phase of exploration, primarily in the North Gil and Main Gil zones.

Success with the first phase of the 2003 exploration program would require follow-up drilling to advance resources towards reserve status. A second phase of exploration drilling in 2003 would include drilling an additional 74 holes totaling approximately 22,000 feet. The second stage of work is estimated to cost US\$590,000.

According to the Fairbanks Gold Mining, Inc. (100% owned by Kinross Gold Corporation), preliminary metallurgical testing of mineralization from the Main Gil deposit returned recoveries similar in many respects to the Fort Knox ore. Test results from the North Gil show recoveries decreasing with depth, but an average recovery on the order of 85 to 86 percent. The project location near the Fort Knox Mine and the favorable metallurgical results suggest the resources have the potential to be economic.

On March 19, 2003 we announced Teryl had been notified by geologist consultant, Avalon Development Corp., that the Fish Creek reverse circulation drilling program is completed. A total of five holes were drilled to test several magnetic anomalies for potential placer and lode gold mineralization.

Hard rock samples have been submitted to Chemex Labs, in Fairbanks, Alaska, for assays and the placer samples have been bagged and stored in our warehouse awaiting warmer weather to process them.

Additional core drilling will be recommended on the Phase II exploration program based on favorable results from the current drilling program. The Fish Creek Claims are located in the Fairbanks, Alaska mining district near the Kinross Gold Corp.'s Fort Knox Mine and adjacent to our joint venture Gil prospect which is reported to contain 10.7 million tons of gold at a grade of 0.04 opt Au (1.24 gpt) of drill indicated/inferred reserves.

On April 24, 2003 we announced that the first phase exploration program, budgeted at US\$ 830,000, commenced on the joint venture Gil project. A second phase of exploration drilling in 2003 is planned at an estimated cost US\$ 590,000, for a total of US\$ 1,420,000. Approximately 60 holes will be drilled in the first phase for 17,000 feet of core and R/C drilling, and 74 holes will be drilled for a total of 22,000 feet in the second phase.

The 2002 drill program on the Gil joint venture tested portions of the North Gil and Main Gil deposits and the Sourdough Ridge anomaly on Teryl's joint venture land. Several notable drill holes came from this 2002 drill program:

- North Gil encountered 15 feet of 0.095 ounces per ton at a depth of 65 feet from the surface.
- At Sourdough Ridge a hole intersected 15 feet of 0.49 ounces of gold per ton at a depth of 95 feet.
- An isolated drill hole on All Gold Creek located on the western end of the new scarn zone encountered a 15 foot interval of 0.228 ounces of gold per ton at a depth of 265 feet.

The 2003 drill program is designed to upgrade the currently defined resources and expand the mineralization at the Main Gil and the North Gil zones, as well as extend those mineralized zones to the east and the northeast. In addition, the program seeks to establish the presence of substantial mineralization at the Sourdough Ridge and scarn grid targets.

On May 6, 2003 we announced that assays on the first phase of drilling on the Fish Creek claims, Alaska, have not revealed economic values on four out of the five hole reverse drilling program. Hole number five, however, intercepted 5 feet of 2.33 PPM gold between 45 - 50 feet from surface. The five-hole reverse circulation drill program was completed to test several magnetic anomalies for placer and lode gold values.

The next phase of drilling recommended is to locate the extension of the gold discovery on the adjoining Gil project, which may extend onto the Fish Creek property. The Gil project is a joint venture with Kinross Gold Corporation and is currently being drilled in a first phase US\$ 830,000 exploration program to upgrade defined resources and expand known mineralization zones. Also recommended on Fish Creek is seismic exploration on the western portion of the property to locate economic placer channels.

Teryl will continue to evaluate the potential to establish hard rock and placer gold mineralization on the Fish Creek claims prior to the possibility of mining operations commencing on the adjacent Gil project.

On May 28, 2003 we announced drill results from the first six holes of a 60-hole first phase exploration program from joint venture partner Kinross Gold Corporation (TSX: K; NYSE: KGC) on the Gil Gold Project. Drilling of the initial holes was directed primarily at the North Gil Gold Zone where a 35-foot section of over 1/3 ounce of gold per ton was intersected. In terms of grade and length, this is one of the best intersections drilled to date on the Gil Project. Three core holes totaling 1,150 feet and six RC holes were drilled totaling 2,260 feet. Also a 375-foot trench was excavated using a D-8 dozer.

The first phase US\$ 830,000 exploration program consists of approximately 17,000 feet of drilling from 60 holes. An additional 22,000 feet of drilling from 74 holes will be drilled in the second phase for a total of 134 holes and 39,000 feet of drilling.

## Drill results on the North Gil Zone (first six holes):

Hole	From (ft)	To (ft)	Thick (ft)	Gold (Au) opt
CVC02 200	25	60	35	0.360
GVC03-300		Including a 10 foot secti	on of 1.2 oz gold per ton	
CVD02 202	105	145	40	0.058
GVR03-292	190	210	20	0.035
CVID 02 200	190	200	10	0.035
GVR03-288	165	180	15	0.044
CVD02 200	200	225	25	0.033
GVR03-289	335	350	15	0.043
CVD02 200	120	130	10	0.045
GVR03-290	140	155	15	0.033
CVD02 201	90	100	10	0.035
GVR03-291	275	295	20	0.085

Additional drilling this summer will include continued drilling at the North and Main Gil Zones as well as step out drilling on the Sourdough Ridge Zone where Kinross also reported the following results:

Hole	From (ft)	To (ft)	Thick (ft)	Gold (Au) opt
GVC02-267	95	110	15	0.490
GVC01-250	0	105	105	0.033

## **Events Subsequent to the Year ended May 31, 2003**

On August 18, 2003 the Company announced it had arranged a Private Placement of 2,000,000 units of Capital Stock at a price of \$ 0.25 per unit. Each unit will consist of one common share and one-half share purchase warrant exercisable in the first year for \$ 0.30 per common share and in the second year for \$ 0.40 per common share.

On June 17, 2003 we announced that a drill program on the Company's 100% owned West Ridge Property has been approved. The program will commence initially with auger drilling to define reverse circulation drill targets on the Western gold anomaly. This target is approximately 4000 feet by 3000 feet with gold-in-soil values up to 4.42 ppm and best gold values of 16.45 ppm from float in hand-dug holes. Gold on the Western anomaly is closely associated with high levels of arsenic and antimony, similar to mineralization found on Kinross Gold's adjoining True North gold deposit located approximately 2 miles north.

On July 22, 2003 Teryl announced it had successfully negotiated a lease of 440 acres in the Fairbanks Mining District, Alaska from the State of Alaska, Mental Health Trust Land Office (TLO). The trust land is adjacent to the western portion of the Company's 100% owned West Ridge claims and 40 acres is strategically located within the West Ridge claims, which is on the edge of a geochemical gold anomaly. The gold anomaly may possibly be on trend with the 4000-foot western gold anomaly, which is geochemically similar to the gold mineralization at the True North deposit, according to AMAX Gold's report completed in 1999. The True North gold deposit was purchased by Kinross Gold for CAD\$94 million in shares and cash from La Teko Resources and Newmont Mining Corporation. An exploration work program will be submitted for approval immediately to the Trust Land Office to locate drill targets on the newly acquired lease.

In consideration for the State of Alaska lease, a production royalty on the lease land is granted to the State of Alaska, Trust Land Office (TLO) as follows:

Price of Gold (per ounce)	<u>Production Royalty</u>
Below \$300.00	2.5%
\$300.01 - \$350.00	3.0%
\$350.01 - \$400.00	3.5%
\$400.01 - \$450.00	4.0%
\$450.01 - \$500.00	4.5%
Above \$500.00	5.0%

Additionally, Teryl will grant a 1% Net Smelter Return (NSR) on its 100% owned West Ridge property with first refusal to purchase the 1% NSR in the event that TLO decides to sell.

On August 5, 2003 we announced that field exploration on the Company's 100%-owned West Ridge property has discovered a new gold zone with the same mineralization that hosts the gold deposits in the Fairbanks Mining District, Alaska, including the Fort Knox gold mine, eight miles southeast. Exploration activity has identified several highly prospective areas where work will continue to define reverse circulation drill targets.

Following are the highlights of work reported by the Company's geological consultants, Avalon Development Corporation.

## **Old Glory Prospect**

Rock and soil sampling has been completed at the Old Glory prospect. In addition, a small close-spaced soil auger grid was placed over a trench area to try to determine the extent and trend of the mineralization. Rock samples consisted of quartz mica schist and medium grained diorite intrusive containing abundant sericite alteration associated with brown iron oxide after carbonate and reddish brown hematite after pyrite. Quartz veining ranged from fine chalcedonic veinlets to +2 cm milky white mesothermal veins with pitted pyrite and minor scorodite after arsenopyrite. Soil sampling results suggest a false bedrock layer of shingled barren quartz mica schist exists about 3 to 4 feet below surface. Once through this false bedrock, soil samples were taken as deep as 6 feet below surface and often contained abundant ocherous red-orange soil at the bedrock interface. Soil such as this is often associated with gold-bearing shear zones in the district

On August 14, 2003 we announced that an exploration program started on our newly acquired trust land, located adjacent to its West Ridge property, Fairbanks Mining District, Alaska, having recently received work approval from the Alaska Trust Land Office.

Exploration is being conducted by the Company's geological consultants, Avalon Development Corp., who are focused on finding another True North-type gold discovery on the Black Dome area of Teryl's recently acquired trust land (see news release July 22, 2003). The Eldorado Fault cuts through the Black Dome, the same fault that bounds Kinross Gold's True North gold deposit, approximately three miles northeast. The True North deposit was purchased by Kinross for CAD\$94 million in shares and cash from La Teko Resources and Newmont Mining Corporation.

Avalon field crews will sample a newly discovered old trench at Black Dome, which contains rubble composed of black carbonaceous schist cut by numerous quartz-carbonate veinlets. Most of the carbonate has been altered to a soft brown-red oxide, similar to oxide ore at the True North. The trench will be cleared of debris to sample bedrock and determine gold values to locate drill targets.

On August 26, 2003 we announced drill results from the 2003 exploration program at the Gil Gold Project, Alaska, a joint venture with Kinross Gold Corporation. Drilling on Gil continues to produce excellent results including an intercept of 0.116 ounces of gold per ton over an interval of 60 feet from the Main zone, one of four gold targets on the property.

The goal of the 2003 exploration program is to define the limits of gold mineralization at the North Gil and the Main Gil Zones. The first phase US\$830,000 exploration program consists of drilling approximately 60 holes for a total of 17,000 feet. Continued success in the first phase would initiate follow-up in-fill drilling at the Main Gil zone to upgrade the resource to reserve status.

The Gil Gold Project is located in the Fairbanks Mining District, Alaska, approximately five miles east of Kinross' Fort Knox deposit, Alaska's largest producing open-pit gold mine with an average gold grade of just under 0.03 ounces of gold per ton. Kinross' intentions for Gil are to advance the project to a production decision.

Following are assays of results received to date. Further results from the first phase program will be published when available.

Hole	From (feet)	To (feet)	Interval (feet)	Gold (OPT)	Target
GVR03-287	105	130	25	0.033	North Gil
GVR03-288	190	200	10	0.035	North Gil
GVR03-289	165 335	225 350	60 15	0.026 0.043	North Gil
GVR03-290	120	155	35	0.028	North Gil
GVR03-292	105 190	155 200	50 10	0.050 0.054	North Gil
GVR03-294	180 225	190 230	10 5	0.038 0.146	North Gil
GVR03-300 *Including	25 *25	60 35	35 10	0.364 1.207	North Gil
GVR03-301	155	170	15	0.032	North Gil
GVR03-302	45 340 375	50 345 410	5 5 35	0.094 0.520 0.033	North Gil
GVR03-325	25 195	35 215	10 20	0.042 0.041	North Gil
GVR03-291 *Including	90 275 *280	100 325 285	10 50 5	0.036 0.042 0.242	Main/North Gi Intersection
GVR03-299	35	65	30	0.038	Main/North Gi Intersection
GVR03-323	130 245	145 300	15 55	0.059 0.026	Main/North Gi Intersection
GVR03-293 *Including	80 *110 *140 190 *225	160 115 145 235 230	80 5 5 45 5	0.065 0.404 0.259 0.026 0.109	Main Gil
GVR03-295	85 250	110 260	25 10	0.100 0.053	Main Gil
GVR03-296	105	110	5	0.073	Main Gil
GVR03-303	50	95	45	0.042	Main Gil
GVR03-305	115	125	10	0.05	Main Gil

GVR03-306	15 110	50 130	35 20	0.028 0.081	Main Gil
*Including	*115	120	5	0.252	
GVR03-307	40	75	35	0.05	Main Gil
GVR03-308	60	120	60	0.045	Main Gil
*Including	*100	110	10	0.109	
GVR03-321	25	95	70	0.062	Main Gil
	155	160	5	0.122	
	240 290	260 335	20 45	0.082 0.041	
	290	333	45	0.041	
GVR03-322	110	125	15	0.088	Main Gil
CVD02 224	165	185	20	0.023	Main Cil
GVR03-324	220	235	15	0.040	Main Gil
GVR03-326	25	40	15	0.020	Main Gil
GVR03-327	0	50	50	0.014	Main Gil
CVIDO2 220	0	40	40	0.024	M : 0.1
GVR03-328	20	40	20	0.037	Main Gil
GVR03-329	0	25	25	0.019	Main Gil
GVR03-330	25	40	15	0.025	Main Gil
GVR03-331	25	65	40	0.073	
*Including	*30	35	5	0.249	Main Gil
CY ID 02 222	85	95	10	0.045	M : 0.1
GVR03-333	145	185	40	0.039	Main Gil
GVR03-335					Main Gil
GVR03-353	5	65	60	0.116	Main Cil
*Including	*10	40	30	0.202	Main Gil
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	135	210	75	0.030	Sourdough Kidge
*Including	*195	205	10	0.101	
GVR03-350	155	185	30	0.018	Sourdough Ridge

On August 27, 2003 we announced assays were received from the Phase I auger drilling and rock sampling program on the Old Glory gold zone of the Company's 100% owned West Ridge Property.

The highest rock sample assayed 0.29 ounces of gold per ton and the best results from the auger drilling samples assayed 1,155 ppb gold. Ten samples have values of 250 to 1,000 ppb and 43 samples have values of 100 to 250 ppb values in gold in the soil (see chart below). Gold values in excess of 100 ppb outline several significant gold deposits in the district, including Fort Knox, True North and Dolphin, suggesting the soil anomalies at the Old Glory zone may represent a significant new intrusive-related gold discovery. All rock and soil samples were analyzed at ALS Chemex.

Gold (ppb) in Rocks	Gold (ppb) in Soils
1,000 to 10,000 (2)	1,000 to 1,155 (1)
500 to 1,000 (1)	250 to 1,000 (10)
100 to 500 (5)	100 to 250 (43)
5 to 50 (27)	50 to 100 (35)
Below detection (10)	25 to 50 (25)
	5 to 25 (25)
	Below detection (1)

Soil sampling results suggest a false bedrock layer of shingled barren quartz mica schist exists about 3 to 4 feet below surface. Once through this false bedrock, soil samples were taken as deep as 6 feet below surface and often contained abundant ocherous red-orange soil at the bedrock interface. Soil such as this is often associated with gold-bearing shear zones in the Fairbanks Mining District.

According to Avalon Development Corporation, our mining consultants, these anomalous values warrant additional exploration to define drill targets in search of an intrusive-related gold discovery. The West Ridge property adjoins Kinross Gold Corp.'s True North gold deposit and lies approximately eight miles northwest of the producing Fort Knox

gold mine, reported to have contained reserves of 4,000,000 ounces of gold. Fort Knox currently produces over 400,000 ounces of gold annually.

On September 2, 2003 we announced drill results from the 2003 exploration program at the Gil Gold Project, Alaska, a joint venture with Kinross Gold Corporation. Drilling on Gil continues to produce excellent results including an intercept of 0.116 ounces of gold per ton over an interval of 60 feet from the Main zone, one of four gold targets on the property.

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GVR03-289	165 335	225 350	60 15	0.026 0.043	North Gil
GVR03-290	120	155	35	0.028	North Gil
GVR03-291	90 275 280	100 325 285	10 50 5	0.036 0.042 0.242	Main/North Gil Intersection
GVR03-292	105 190	155 200	50 10	0.050 0.054	North Gil
GVR03-293	80 110 140 190 225	160 115 145 235 230	80 5 5 45 5	0.065 0.404 0.259 0.026 0.109	Main Gil
GVR03-294	180 225	190 230	10 5	0.038 0.146	North Gil
GVR03-295	85 250	110 260	25 10	0.100 0.053	Main Gil
GVR03-296	105	110	5	0.073	Main Gil
GVR03-299	35	65	30	0.038	M/NG Intersection
GVR03-300	25 25	60 35	35 10	0.364 1.207	North Gil
GVR03-301	155	170	15	0.032	North Gil
GVR03-302	45 340 375	50 345 410	5 5 35	0.094 0.520 0.033	North Gil
GVR03-303	50	95	45	0.042	Main Gil
GVR03-305	115	125	10	0.05	Main Gil
GVR03-306	15 110 115	50 130 120	35 20 5	0.028 0.081 0.252	
GVR03-307	40	75	35	0.05	Main Gil
GVR03-308	60 100	120 110	60 10	0.045 0.109	Main Gil
GVR03-321	25 155 240	95 160 260	70 5 20	0.062 0.122 0.082	Main Gil

	290	335	45	0.041	
GVR03-322	110	125	15	0.088	Main Gil
GVR03-323	130 245	145 300	15 55	0.059 0.026	M/NG Intersection
GVR03-324	165 220	185 235	20 15	0.023 0.040	Main Gil
GVR03-325	25 195	35 215	10 20	0.042 0.041	North Gil
GVR03-326	25	40	15	0.020	Main Gil
GVR03-327	0	50	50	0.014	Main Gil
GVR03-328	0 20	40 40	40 20	0.024 0.037	Main Gil
GVR03-329	0	25	25	0.019	Main Gil
GVR03-330	25	40	15	0.025	Main Gil
GVR03-331	25 30	65 35	40 5	0.073 0.249	Main Gil
GVR03-333	85 145	95 185	10 40	0.045 0.039	Main Gil
GVR03-335					Main Gil
GVR03-349	50 135 195	75 210 205	25 75 10	0.046 0.030 0.101	Sourdough Ridge
GVR03-350	155	185	30	0.018	Sourdough Ridge
GVR03-353	5 10	65 40	60 30	0.116 0.202	Main Gil

On September 18, 2003 the Company announced that phase 2 field exploration on the Company's 100%-owned West Ridge property has expanded the size of the gold discovery at the Old Glory prospect. In addition, field work has confirmed the presence of eclogite-grade metamorphic rocks similar to those which host Kinross Gold's 660,000 ounce True North gold deposit located two miles north of the West Ridge project. The True North gold deposit was purchased by Kinross Gold in 1999 for \$94,000,000 in cash and shares.

Following are the highlights of work reported by the Company's geological consultants, Avalon Development Corporation, under the supervision of principal Curt Freeman.

## **Old Glory Prospect**

Phase 2 rock and soil auger sampling has been completed at the Old Glory prospect and has expanded the extent of anomalous gold in rocks and soil to an area measuring 400 meters northeast-southwest by 200 meters northwest-southeast. Soil values in this grid range up to 1,155 parts per billion (1.16 grams per tonne) gold with 2,850 parts per million (ppm) arsenic and 200 ppm tungsten. Rock samples collected from old prospect pits and trenches within the soil grid returned values up to 10.0 grams (1/3 of an ounce) per tonne gold, 5,900 ppm arsenic and 144 ppm bismuth. Substantial mineralization is found where the northeast trending structure intersects the northwest-trending structure. Arsenic mimics gold to a large degree while tungsten and bismuth mineralization are less definitive.

Gold mineralization at Old Glory is associated with sericite alteration in a strong sodium depletion zone. Of significance is that mineralization appears to be controlled by the Eldorado fault, a major northeast-trending district-scale structure which bounds the 2.4 million ounce Ryan Lode gold deposit located 16 miles southwest and the 660,000 ounce True North gold mine, just 2 miles northeast. Along this same fault lies Teryl's Black Dome prospect, State of Alaska lease recently acquired, another gold anomalous area discovered by summer field exploration. Rocks of similar character to True North are present at both the Old Glory and the Black Dome areas, which suggests a genetic link between both mineralized prospects.

The Company is planning to continue expansion of the soil auger grid at Old Glory followed by backhoe trenching of the main Old Glory anomaly in preparation for drilling in 2003. Also, ground-based geophysical surveys are being planned to help better define drill targets.

Geochemical analyses for the West Ridge project were completed by ALS Chemex in Fairbanks, Alaska and Vancouver,

British Columbia. Curt Freeman, M.S., P.Geo, is the qualified person for this news release.

On September 29, 2003 we announced further drill results from the 2003 first phase exploration program at the Gil Gold Project, Alaska, a joint venture with Kinross Gold Corporation.

The first phase drill program has served two purposes: firstly it has increased the geologic understanding of the Main Gil gold deposit to provide a more accurate gold distribution deposit model, and secondly, it has extended the strike length of the Main Gil zone to almost 3,000 feet.

A phase 2 budget that includes US\$750,000 for definition and infill drilling at the Main Gil will be submitted to the Gil Venture partners for approval. Drill data continues to be compiled for inclusion in the model database.

The Gil Gold Project is located in the Fairbanks Mining District, Alaska, approximately five miles east of Kinross' Fort Knox deposit, Alaska's largest producing open-pit gold mine with an average gold grade of just under 0.03 ounces of gold per ton. Kinross' intentions for Gil are to advance the project to a production decision with ore to be processed at the Fort Knox mill.

Following are new assays from the first phase program. Additional results will be published when available.

The Company is also pleased to announce that we are featuring a banner on www.gold-eagle.com.

Hole	From (feet)	To (feet)	Interval (feet)	Gold (OPT)	Target
GVC03-304	0 135 180	10 145 190	10 10 10	0.071 0.065 0.034	Main Gil
GVC03-309	225	230	5	0.035	North Gil
GVC03-310	20 40 95 205	25 65 115 215	5 25 20 10	0.068 0.111 0.038 0.092	North Gil
GVC03-311	25 45 85 105 205	30 50 90 110 215	5 5 5 5 10	0.060 0.129 0.067 0.048 0.064	North Gil
GVC03-312	130	135	5	0.038	North Gil
GVC03-313	15	20	5	0.052	North Gil
GVC03-314	10 50 95	20 55 110	10 5 15	0.026 0.139 0.069	Main Gil
GVC03-315	30 80	70 85	40 5	0.050 0.056	Main Gil
GVC03-316	0 40 105	20 60 125	20 20 20 20	0.187 0.027 0.326	Main Gil
GVC03-317	120 155 180 220 250 285	135 170 195 235 265 290	15 15 15 15 15 5	0.129 0.026 0.029 0.082 0.060 0.062	Main Gil
GVC03-318	55 115	70 130	15 15	0.042 0.030	Main Gil
GVC03-320	5	50	45	0.077	Main Gil
GVR03-334	5	10	5	0.044	Main Gil
GVC03-335	0 5	30 10	30 5	0.280 1.040	Main Gil
GVR03-351	40	55	15	0.063	Main Gil

GVR03-356	45 75 190 260	50 80 210 270	5 5 20 10	0.120 0.056 0.035 0.064	Main Gil
GVR03-357	275	295	20	0.068	750 feet south of Main Gil
GVR03-360	50	85	35	0.145	Main/North Gil Intersection
GVR03-361	50 130	55 135	5 5	0.033 0.035	Main/North Gil Intersection
GVR03-362	80	90	10	0.038	Main/North Gil Intersection
GVR03-363	50	55	5	0.032	Main/North Gil Intersection
GVR03-373	5 65 115	45 85 120	40 20 5	0.051 0.058 0.031	Main Gil

Holders of common shares of record at the close of business on September 30, 2003 are eligible to vote at the November 4, 2003 annual general meeting. Please mark, sign, date and mail the accompanying proxy, whether or not you expect to attend the meeting in person. If you are a registered shareholder (ie: your shares are registered in your name, not held in broker's name) you may revoke your proxy at the meeting should you be present and desire to vote your shares in person, and you may revoke your proxy for any reason at any time prior to the voting thereof, either by written revocation prior to the meeting or by appearing at the meeting and voting in person. Your co-operation is respectfully solicited and your continued support appreciated.

On Behalf of the Board of Directors of

## TERYL RESOURCES CORP.

"John G. Robertson"

John G. Robertson, President

#1103, 11871 Horseshoe Way Richmond, BC V7A 5H5

#### NOTICE OF ANNUAL GENERAL MEETING

#### TO THE MEMBERS:

1.

NOTICE IS HEREBY GIVEN that the annual general meeting of **TERYL RESOURCES CORP.** (the "Company") will be held at The River Club, 11111 Horseshoe Way, Richmond, B.C., V7A 4Y1, on Tuesday, November 4, 2003 at the hour of 10:00 o'clock in the forenoon (Vancouver time) to transact the usual business of an annual general meeting and for the following purposes:

- To receive and consider the Report of the Directors to the Members.
- To receive and consider the audited financial statements of the Company, together with the auditor's report thereon, for the fiscal year ended May 31, 2003.
- 3. To elect directors to hold office until the next annual general meeting of the Company.
- 4. To appoint an auditor for the Company to hold office until the next annual general meeting of the Company and to authorize the directors to fix the remuneration to be paid to the auditor.
- To ratify, approve and adopt the Company's Stock Option Plan (the "Plan") authorizing the issuance of up to 10% of the Company's common shares issued and outstanding from time to time, to directors, officers, employees, consultants and other insiders of the Company, in accordance with the policies of the TSX Venture Exchange and upon terms and conditions subject to the approval of the TSX Venture Exchange and to approve the exercise or downward repricing of any options granted to insiders with the pertinent terms and conditions set forth in the accompanying Information Circular;
- 6. To transact such further or other business as may properly come before the meeting and any adjournment or adjournments thereof.

Accompanying this Notice of Meeting is an Information Circular, Instrument of Proxy, Report of the Directors, audited Financials Statements for the year ended May 31, 2003, and an Annual Return Card. The Information Circular provides additional information relating to the matters to be dealt with at the Meeting and is deemed to form part of this Notice. Shareholders of the Company who are unable to attend the meeting in person are entitled to and are requested to complete, sign and date the enclosed Instrument of Proxy and to mail it or deposit it with Computershare Trust Company of Canada, Proxy Dept., 100 University Avenue, 9th Floor, Toronto, Ontario M6J 2Y1, Fax: Within North American: 1-866-249-7775 Outside North America: (416) 263-9524. In order to be valid and acted upon at the meeting, Instruments of Proxy must be signed by the registered shareholder or by his or her attorney authorized in writing, or, if the registered shareholder is a corporation, by an officer or director thereof as an authorized signatory. The completed instrument of proxy must be received at the aforesaid address not less than 48 hours before the time set for the holding of the meeting or any adjournment thereof.

The Company has fixed the close of business on the 30th day of September, 2003 as the record date for the determination of shareholders who are entitled to receive notice of the annual general meeting of shareholders. The transfer books of the Company will not be closed. Only shareholders of the Company of record as at that date are entitled to receive notice of and to vote at the meeting.

Please advise the Company of any change in your address.

DATED at Vancouver, British Columbia, this 30<sup>th</sup> day of September, 2003.

By Order of the Board of

## TERYL RESOURCES CORP.

"John G. Robertson"

JOHN G. ROBERTSON,

President

#1103, 11871 Horseshoe Way Richmond, BC V7A 5H5

#### INFORMATION CIRCULAR

(As at September 30, 2003 except as indicated)

#### MANAGEMENT SOLICITATION

This information circular is furnished in connection with the solicitation of proxies by the management of TERYL RESOURCES CORP. (the "Company") for use at the annual general meeting (the "Meeting") of the Company to be held at The River Club, 11111 Horseshoe Way, Richmond, B.C., V7A 4Y1, on Tuesday, November 4, 2003 at 10:00 a.m. (Vancouver time). The solicitation will be by mail and possibly supplemented by telephone or other personal contact to be made without special compensation by regular officers and employees of the Company. The Company does not reimburse shareholders, nominees or agents for the cost incurred in obtaining from their principals authorization to execute forms of proxy. No solicitation will be made by specifically engaged employees or soliciting agents. The cost of solicitation will be borne by the Company.

#### APPOINTMENT OF PROXIES

The persons named in the enclosed Instrument of Proxy are directors and officers of the Company. A shareholder wishing to appoint some other person (who need not be a shareholder) to attend and act for him and on his behalf at the Meeting other than the persons designated in the accompanying Instrument of Proxy has the right to do so, either by inserting such person's name in the blank space provided in the Instrument of Proxy and striking out the two printed names, or by completing another Instrument of Proxy. A proxy will not be valid unless the completed Instrument of Proxy is deposited with Computershare Trust Company of Canada, Proxy Dept., 100 University Avenue, 9th Floor, Toronto, Ontario M6J 2Y1, Fax: Within North American: 1-866-249-7775 Outside North America: (416) 263-9524, not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time fixed for the Meeting, in default of which the Instrument of Proxy shall not be treated as valid.

## NON-REGISTERED HOLDERS

Only registered shareholders or duly appointed proxyholders are permitted to vote at the Meeting. Most shareholders of the Company are "non-registered" shareholders because the shares they own are not registered in their names, but are instead registered in the name of the brokerage firm, bank or trust company through which they purchased the shares. More particularly, a person is not a registered shareholder in respect of shares which are held on behalf of the person (the "Non-Registered Holder") but which are registered either: (a) in the name of an intermediary (an "Intermediary") that the Non-Registered Holder deals with in respect of the shares (Intermediaries include, among others, banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered RRSP's, RRIF's, RESP's and similar plans); or (b) in the name of a clearing agency (such as The Canadian Depository for Securities Limited ("CDS")) of which the Intermediary is a participant. In accordance with the requirements of National Instrument 54-101 of the Canadian Securities Administrators, the Company has distributed copies of the Notice of Meeting, this Information Circular and the Proxy (collectively the "Meeting Materials") to the clearing agencies and Intermediaries for onward distribution to Non-Registered Holders.

Intermediaries are required to forward the Meeting Materials to Non-Registered Holders unless a Non-Registered Holder has waived the right to receive them. Very often, Intermediaries will use service companies to forward the Meeting Materials to Non-Registered Holders. Generally, Non-Registered Holders who have not waived the right to receive Meeting Materials will either:

- be given a form of proxy which has already been signed by the Intermediary (typically by a facsimile, stamped signature), which is restricted as to the number of shares beneficially owned by the Non-Registered but which is otherwise not completed. Because the Intermediary has already signed the form of proxy, this form of proxy is note required to be signed by the Non-Registered Holder when submitting the proxy. In this case, the Non-Registered Holder who wishes to submit a proxy should otherwise properly complete the form of proxy and deliver it to Computershare Trust Company of Canada as provided above; or
- (b) more typically, by given a voting instruction form **which is not signed by the Intermediary,** and which, when properly completed and signed by the Non-Registered Holder and **returned to the Intermediary or its service company**, will constitute voting instructions (often called a "proxy authorization form") which the Intermediary must follow. Typically, the proxy authorization form will consist of a regular printed proxy form accompanied by a page of instructions, which contains a removable label containing a bar code and other information. In order for the proxy to validly constitute a proxy authorization form, the Non-Registered Holder must remove the label from the instructions and affix it to the form of proxy, properly complete and sign the form of proxy and return it to the Intermediary or its service company in accordance with the instructions of the Intermediary or its service company.

In either case, the purpose of this procedure is to permit Non-Registered Holders to direct the voting of the shares, which they beneficially own. Should a Non-Registered Holder who receives one of the above forms wish to vote at the Meeting in person, the Non-Registered Holder should strike out the names of the Management Proxyholders and insert the Non-Registered Holder's name in the blank space provided. In either case, Non-Registered Holders should carefully follow the instructions of their Intermediary, including those regarding when and where the proxy or proxy authorization form is to be delivered.

#### REVOCATION OF PROXIES

A shareholder who has given a proxy may revoke it by an instrument in writing executed by the shareholder or by the shareholder's attorney authorized in writing, or if the Company is a corporation, by a duly authorized officer of attorney of the corporation, and deposited at the Company, at any time up to and including the last business day preceding the day of the Meeting or, if adjourned, any reconvening thereof, or with the Chairman of the Meeting at the scheduled commencement of the Meeting or, if adjourned, any reconvening thereof, or in any other manner provided by law. Where a proxy has been revoked, the shareholder may personally attend at the Meeting and vote his shares as if no proxy had been given. Only registered shareholders have the right to revoke a proxy. Non-registered Holders who wish to change their vote must, at least seven days before the Meeting, arrange for their respective Intermediaries to revoke the proxy on their behalf.

## **VOTING OF PROXIES**

All shares represented at the Meeting by properly executed proxies will be voted on any poll that may be called for and, where a choice with respect to any matter to be acted upon has been specified in the Instrument of Proxy, the shares represented by the proxy will be voted in accordance with such specification.

Where no choice has been specified by the shareholder, such shares will, on a poll, be voted in accordance with the notes to the form of Proxy.

The enclosed Instrument of Proxy confers discretionary authority upon the management designees or other persons named as proxy with respect to amendments to or variations of matters identified in the Notice of Annual General Meeting and any other matters which may properly come before the Meeting. At the time of printing of this Information Circular, the management of the Company knows of no such amendment, variation or the matter.

#### RECORD DATE

The Board of Directors of the Company have fixed the close of business on September 30, 2003 as the record date (the "Record Date") for the determination of shareholders entitled to notice of the annual general meeting of shareholders. Only shareholders of the Company of record as at the Record Date are entitled to receive notice of and to vote at the Meeting unless after that date a shareholder of record transfers his shares and the transferee, upon producing properly endorsed certificates evidencing such shares or otherwise establishing that he owns such shares, requests at least 10 days prior to the Meeting that the transferee's name be included in the list of shareholders entitled to vote, in which case such transferee is entitled to vote such shares at the Meeting.

#### VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF

The Company is authorized to issue 105,000,000 shares, divided into 100,000,000 common shares without par value and 5,000,000 preferred shares with a par value of \$1.00 each. 27,248,088 common shares are currently issued and outstanding.

Only the holders of common shares are entitled to vote at the Meeting and the holders of common shares are entitled to one vote for each common share held. Holders of common shares of record on September 30, 2003 will be entitled to vote at the Meeting.

To the knowledge of the directors and senior officers of the Company, the following persons beneficially own shares carrying more than 10% of the voting rights attached to all shares of the Company:

Name of Shareholder	No. of Common Shares Owned	Percentage of Outstanding Common Shares
Susanne M. Robertson	5,411,883 <sup>(1)</sup>	19.86%

(1) Of the 5,411,883 common shares owned by Susanne Robertson, 691,600 common shares are held directly and the balance of 4,720,283 common shares are held by SMR Investments Ltd., a private company wholly-owned by Susanne M. Robertson.

As of September 30, 2003, the directors and senior officers as a group owned beneficially directly and indirectly, 7,561,947 common shares of the Company, representing 27.75% of the presently issued and outstanding common shares of the Company.

#### ADVANCE NOTICE OF MEETING

The Advance Notice of the Meeting inviting nominations for directors of the Company as required by Section 111 of the *Company Act* (British Columbia) and was published in The Province newspaper, Vancouver, British Columbia on September 9, 2003.

#### STATEMENT OF EXECUTIVE COMPENSATION

#### Compensation of Executive Officers and Directors

The Company has two executive officers and four directors. (In this Information Circular, "Executive Officer" means an individual who at any time during the year was the Chairman of the Board, the Vice Chairman of the Board, the President of the Company, a Vice-President of the Company or an officer of the Company or any person who performed a policy making function in respect of the Company). The aggregate cash compensation (including salaries, fees, directors' fees, commissions, bonuses paid/accrued for services rendered during the fiscal year ended May 31, 2003, and any compensation other than bonuses earned during

the fiscal year ended May 31, 2002 the payment of which was deferred) paid to such Executive Officers by the Company and its subsidiaries for services rendered during the fiscal year ended May 31, 2003 was \$30,000 (\$30,000 in 2002). This was accrued as a management fee to SMR Investments Ltd., a company controlled by Susanne Robertson, a director of the Company. Other than as herein set forth, the Company did not pay any additional compensation to its Executive Officers (including personal benefits and securities or properties paid or distributed which compensation was not offered on the same terms to all full time employees).

## Incentive Share Option Plan

In accordance with Policy 4.4 of the TSX Venture Exchange Inc. (the "TSX" or "Exchange"), the directors of the Company adopted the Teryl Resources Corp. 2002 Stock Option Plan (the "Plan" or the "2002 Plan"), and received shareholder approval of same on January 22, 2003. The Company has adopted a type of plan under which options may be granted for a number of shares up to 10% of the issued and outstanding shares of the Company from time to time. As the number of shares reserved for issuance under the Plan increases with the issue of additional shares by the Company, the Plan is considered to be a "rolling" stock option plan. This "rolling" plan requires Shareholder approval annually, and a resolution for this annual approval is set out herein.

The purpose of the Plan is to attract, retain and motivate "eligible persons" to the Company and to advance the interests of the Company by providing such persons with the opportunity to acquire an increased proprietary interest in the Company. An "eligible person" is defined in the Plan generally as any director, officer, employee (full or part-time) or consultant engaged to provide ongoing management or consulting services for the Company or any subsidiary thereof.

#### Other

Except as set out below, the Company has not paid any other compensation to any of its Executive Officers, Director or Employees in its most recently completed financial year.

## Summary Compensation Table

The Name Executive Officers of the Company are defined as follows:

- (a) the Chief Executive Officer or the President of the Company, despite the amount of compensation paid to that individual;
- (b) each of the Company's four highly compensated Executive Officers, other than the Chief Executive Officer, who are serving as Executive Officers at the end of the most recently completed financial year and whose total salary and bonus exceeded \$100,000.00; and
- (c) any additional individual for whom disclosure would have been provided under (b) but for the fact the individual was not serving as an Executive Officer of the Company at the end of the most recently completed financial year.

The following table provides a summary of compensation earned during the fiscal year ended May 31, 2002 by the only Named Executive Officer of the Company, the President. There are no other executive officers whose combined salary and bonus exceeds \$100,000.00.

		Annual Compensation Long-Term Compensation						
Name and Principal					Awards	Payouts		
Position	Year	Salary (\$)	Salary Bonus Other Annual Compensation	Securities Granted under (1) Options / SARS <sup>(2)</sup> Granted #	Restricted Shares or Restricted Share Units (\$)  Restricted Share (\$)  (\$)  Restricted Payouts (\$)  All Oth Compensa (\$)  (\$)			
John G. Robertson, President	2003	Nil	Nil	\$30,000.00 (4)	990,000 / Nil	Nil	Nil	Nil
John G. Robertson, President	2002	Nil	Nil	\$30,000.00 (4)	Nil <sup>(5)</sup> / Nil	Nil	Nil	Nil
John G. Robertson, President	2001	Nil	Nil	\$30,000.00 (4)	1,000,000 <sup>(5)</sup> / Nil	Nil	Nil	Nil

- (1) Number of stock options granted during the fiscal year reported. During fiscal 2003, Mr. Robertson held 990,000 options exercisable at \$0.10.
- "SARS" or "stock appreciation right" means a right granted by the Company, as compensation for services rendered, to receive a payment of cash or an issue or transfer of securities based wholly or in part on changes in the trading price of publicly traded securities of the Company.
- "LTIP" or "long term incentive plan" means any plan which provides compensation intended to serve as incentive for performance to occur over a period longer than one financial year, but does not include option or stock appreciation right plans or plans for compensation through restricted shares or restricted share units.
- (4)
  John Robertson is a director and Susanne Robertson is the sole shareholder of SMR Investments Ltd., which accrued \$2,500 per month from the Company for management services provided to the Company.
- (5) On April 22, 2002, options granted to Mr. Robertson were repriced to \$0.15 per share and extended to expire April 22, 2007

#### **Incentive Plans**

## (a) Long-term Incentive Plan Awards

During the most recently completed financial year, the Company did not grant any long-term incentive plan awards to any of its Executive Officers, Directors or Employees.

#### (b) Stock Options

The following sets forth details of individual grants of options to purchase or acquire securities of the Issuer or any of its subsidiaries made during the financial year ended May 31, 2003, to each of the Named Executive Officers and the directors of the Issuer. Options include all stock options, share purchase warrants and rights granted by the Issuer or its subsidiaries as compensation for services rendered or otherwise in connection with office or employment. Note that the Company has no plan for any of its Executive Officers, Directors or Employees involving stock appreciation rights (*SAR*'s).

#### Option/SAR Grants

Name	Securities Under Option/SARS Granted (#)	% of Total Options/SARS Granted to Employees in Financial Year	Exercise or Base Price (\$/Security) (2)	Market Value of Securities Underlying Options/SARS on the Date of Grant (\$/Security)	Expiration Date
John G. Robertson, President, Director and CEO	990,000 (1)(4)	nil% (1)(2)	n/a(2)	\$n/a(1)	(1)
Directors who are not Named Executive Officers	25,000	nil% (2)	\$0.15 <sup>(2)</sup>	\$0.15	September 23, 2007

- (1) There were no options granted to the Named Executive Officer of the Company during the year ended May 31, 2003.
- During the fiscal year ended May 31, 2003 800,000 additional stock options were granted, none of which were granted to employees. However, 775,000 were granted to consultants and 25,000 were granted to a director.

Management proposes to seek shareholder approval of the exercise of stock options previously granted to insiders and the granting and exercise of incentive stock options (options may have special rights attached) which may be granted during the ensuing year to directors, officers and employees of the Company at prices and in amounts determined by the directors, including any amendments thereto, in accordance with the policies of the TSX Venture Exchange.

#### Retirement and Pension Plans

The Issuer has no retirement plans or pension plans for any of its Named Executive Officers, Directors or Employees.

#### **Employment Contracts and Termination of Employment**

There are no employment agreements or other compensating plans or arrangements with regard to any of the Named Executive Officers which provide for specific compensation in the event of resignation, retirement, other termination of employment or from a change of control of the Issuer or from a change in a Named Executive Officer's responsibilities following a change in control.

## Composition of Compensation Committee

At the present time the Issuer does not have a Compensation Committee. All decisions involving compensation issues are made by the Board of Directors of the Issuer.

## Report on Executive Compensation

The Board of Directors, when performing equivalent functions of a Compensation Committee, base their decisions on very simplistic policies.

When deciding the method and amount of compensation, the Board of Directors base their decision on the following criteria and factors:

- 1. level of services, expertise, business contacts and skills provided to the Company:
- degree of involvement and participation in the day to day operations of the Company;
- amount of finances available to the Company; and
- 4. amount of outstanding options already granted.

At this time there is no relationship between corporate performance and executive compensation.

## Compensation of Directors

During the most recently completed financial year, the Company paid no cash compensation (including salaries, fees, directors' fees, commissions, bonuses paid for services rendered during the most recently completed fiscal year, bonuses paid during the most recently completed fiscal year for services rendered in a previous year, and any compensation other than bonuses earned during the most recently completed fiscal year the payment of which was deferred) to the Directors for services rendered.

Executive Officers of the Company, who also act as Directors of the Company, do not receive any additional compensation for services rendered in such capacity other than as paid by the Company to such Executive Officers in their capacity as Executive Officers (see "Compensation of Executive Officers").

#### MANAGEMENT CONTRACTS

The Company entered into a Management Agreement with SMR Investments Ltd. for the provision of management and administrative services. Pursuant to the Management Agreement, SMR Investments Ltd. provides management and administrative services to the Company, and is in a unique position to service the promotion, marketing, investment and business management needs of the Company, for which the Company pays the sum of \$2,500 per month. The Management Agreement also provides that the manager will be reimbursed for all reasonable out-of-pocket expenses. Susanne Robertson, a director of the Company, is the sole shareholder of SMR Investments Ltd. and John Robertson, President and a director of the Company is a director of SMR Investments Ltd. During the last fiscal year of the Company, the sum of \$30,000 was accrued as a management fee to SMR Investments Ltd. The sum of \$6,000 was paid as rent to the same company.

There are no other management contracts in existence at this time which the Company is a party other than the Management Agreement mentioned above.

#### INDEBTEDNESS OF DIRECTORS AND OFFICERS

None of the directors and senior officers of the Company, proposed nominees for election or associates of such persons is or has been indebted to the Company or its subsidiaries, other than routine indebtedness, at any time since the beginning of the last completed financial year of the Company.

#### INTEREST OF INSIDERS IN MATERIAL TRANSACTIONS

There was no material interest, direct or indirect, of directors and officers of the Company, any shareholder who beneficially owns more than 10% of the common shares of the Company, or any known associate or affiliate of these persons in any transactions since the commencement of the Company's last completed fiscal year end in any proposed transaction which has materially affected or would materially affect the Company.

### DIVIDEND RECORD AND POLICY

The Company has not paid any dividends to date and does not intend to pay dividends in the foreseeable future.

#### AUDITOR, TRANSFER AGENT AND REGISTRAR

The auditor of the Company is June Fitzmartyn, Chartered Accountant, of #590, 2600 Granville Street, Vancouver, British Columbia, V6H 3V3.

Computershare Trust Company of Canada is the transfer agent and registrar for the common shares of the Company at its principal offices in Vancouver, British Columbia.

#### PARTICULARS OF MATTERS TO BE ACTED UPON

#### Financial Statements

The audited financial statements of the Company for the fiscal years ended May 31, 2003 and 2002 have been approved by the Company's audit committee and Board of Directors and are enclosed with this Information Circular and will be placed before the Meeting for acceptance by the shareholders.

#### Appointment of Auditor

At the meeting the shareholders will be asked to appoint an auditor to serve until the close of the next annual meeting of the shareholders of the Company and to authorize the directors to fix their remuneration.

The Board of Directors of the Company recommends that the members re-appoint June Fitzmartyn, Chartered Accountant, as auditor of the Company to hold office until the close of the next annual meeting at remuneration to be fixed by the directors of the Company.

Unless other specified, the persons named in the enclosed form of proxy will vote for the appointment of June Fitzmartyn, Chartered Accountant, Vancouver, British Columbia, as auditor of the Company to hold office until the next annual general meeting of shareholders or until her successor is appointed and to authorize the directors to fix her remuneration.

#### **ELECTION OF DIRECTORS**

It is proposed that the following persons will be nominated at the Meeting. It is the intention of the management designees, if named as proxyholder, to vote for the election of said persons to the Board of Directors unless otherwise directed. Each director elected will hold office until the next annual meeting, or until his successor is duly elected or appointed, unless his office is earlier vacated in accordance with the *Company Act* (British Columbia). The following information relating to the nominees as directors is based partly on the Company's records and partly on information received by the Company from the said nominees and sets forth the name of each of the persons proposed to be nominated for election as a director, his principal occupation at present, all other positions and offices in the Company held by him, the date upon which he was first elected a director, and the approximate number of shares of the Company that he has advised the Company are beneficially owned by him, directly or indirectly.

Management of the Company proposes that the number of directors for the Company remains at four (4) for the ensuing year subject to such increases as may be permitted by the Articles of the Company.

Name, Municipality of Residence and Principal Occupation for the Past Five Years	Positions Held with Company	Year Became a Director	Voting Shares Beneficially Owned as at Date Hereof	Percentage of Issued Voting Shares (2)
John George Robertson * Richmond, B.C. President and Director of the Company since 1986; President of Reg Technologies since 1984; of SMR Investments Ltd. since 1979, of Rand Energy Group Inc. since 1993, of Access Information Services Inc. since 1993, Chairman of the Board and President of Linux Gold Corp., of REGI U.S., Inc., of IAS Communications, Inc., of Information-Highway.com, Inc. since 1995.	President, Secretary, Chief Financial Officer and Director	Oct. 25, 1985	1,752,064 common shares (directly) 285,200 common shares (indirectly)	7.48%
Jennifer Lorette Richmond, B.C. Director and Vice President of the Company since 2001; Vice President of Administration and Secretary of Reg Technologies Inc. since 1994 and a director and Secretary of the Reg Technologies Inc. since 2001; Director, Vice President and Secretary of Linux Gold Corp., Inc., Vice President of REGI U.S., Inc. Secretary and director of Information Highway.com, Inc.; and Secretary of IAS Communications, Inc.	Vice President and Director	February 20, 2001	112,800 common shares	0.41%
Susanne Robertson * Richmond, B.C. Businesswoman; Director of the Company, Director of SMR Investments Ltd., Director of LinuxWizardry Systems, Inc.; and Director of Reg Technologies Inc.	Director	Sept. 12, 1990	691,600 common shares (directly) 4,720,283 common shares (indirectly)	19.86%

Name, Municipality of Residence and Principal Occupation for the Past Five Years	Positions Held with Company	Year Became a Director	Voting Shares Beneficially Owned as at Date Hereof	Percentage of Issued Voting Shares (2)
Monique Van Oord* North Vancouver, BC Director of the Issuer since October, 2002. Administrator for several public companies from 2002 to date; Counsellor with Magdeline Society between 2001 and 2002; Accounts Manager with Information Highway between 1999 and 2001; attendance at training institute specializing in Business and Computers between 1998 and 1999.	Director	2002	Nil	0%

- (\*) Audit Committee
- (2) Number of common shares beneficially owned by nominees (directly or indirectly, or over which control or direction is exercised) are based on information furnished to the Company by the nominees.

## Approval of Stock Option Plan

In accordance with Policy 4.4 of the TSX Venture Exchange Inc. (the "TSX" or "Exchange"), the directors of the Company adopted the Teryl Resources Corp. 2002 Stock Option Plan (the "Plan" or the "2002 Plan"), and received shareholder approval of same on January 22, 2003. The Company has adopted a type of plan under which options may be granted for a number of shares up to 10% of the issued and outstanding shares of the Company from time to time. As the number of shares reserved for issuance under the Plan increases with the issue of additional shares by the Company, the Plan is considered to be a "rolling" stock option plan. This "rolling" plan requires Shareholder approval annually.

#### Recommendation

The Company is of the view that the 2002 Plan provides the Company with the flexibility necessary to attract and maintain the services of senior executives and other employees in competition with other businesses in the industry. Directors shall also have the authority to amend the 2002 Plan to reduce the benefits to its participants if in their discretion it is necessary or advisable in order to obtain any necessary regulatory approvals. If shareholders do not approve the 2002 Plan, the Company will grant options on a case by case basis with each option subject to specific regulatory approval.

Shareholders will be asked to ratify, confirm and approve the adoption of the 2002 Plan, and the existing stock options previously granted. The affirmative vote of a majority of the votes cast in respect thereof is required in order to pass such resolution, which is attached hereto as Exhibit "A".

### Disinterested Shareholder Approval

In addition to the general approval described above, the Exchange requires companies to obtain approval of a majority of their disinterested shareholders for "share compensation plans" which, together with all of a company's previously established or proposed stock option grants, could result at any time in the Company decreasing the exercise price of stock options previously granted to insiders.

"Disinterested Shareholder approval" requires a majority of the votes attaching to shares voted at the Meeting excluding those attaching to shares held by persons with an interest in the subject matter of the resolution. Votes attaching to securities beneficially owned by interested parties may not be voted in respect of resolutions requiring approval by the Company's disinterested Shareholders. To management's knowledge, as of September 30, 2003, a total of 7,561,947 shares of the Company, representing 27.75% of the presently issued and outstanding common shares of the Company, are held by insiders of the Company to whom options may be granted under the 2002 Plan which shares will not be eligible to be voted for the purposes of approving the 2002 Plan.

Accordingly, at the Meeting, the "disinterested" shareholders will be asked to consider and if thought fit, ratify, adopt, confirm and approve the adoption of the 2002 Plan, the existing stock options previously granted, and the downward repricing of options granted to insiders. The affirmative vote of a majority of the votes cast in respect thereof is required in order to pass such resolution, which is attached hereto as Exhibit "B".

### Particulars of Other Matters to be Acted Upon

The Company will consider and transact such other business as may properly come before the Meeting or any adjournment thereof. Management of the Company knows of no other matters to come before the Meeting other than those referred to in the Notice of Meeting. Should any other matters properly come before the Meeting, the shares represented by the proxy solicited hereby will be voted on such matters in accordance with the best judgment of the persons voting by proxy.

#### **CERTIFICATE**

The foregoing contains no untrue statement of a material fact and does not omit to state a material fact that is required to be stated or that is necessary to make a statement not misleading in the light of the circumstances in which it was made.

**DATED** at Richmond, British Columbia, this 30<sup>th</sup> day of September, 2003.

By Order of the Board of **TERYL RESOURCES CORP.** 

"John G. Robertson"
JOHN ROBERTSON,
President

#### EXHIBIT "A"

#### RESOLUTION RATIFYING THE COMPANY'S 2002 STOCK OPTION PLAN

"BE IT RESOLVED, that:

- 1. the adoption of the Company's 2002 Stock Option Plan, in the form approved by the shareholders on January 22, 2003, at the Annual General Meeting of Shareholders (the "Plan") be and the same is hereby ratified, adopted, confirmed and approved;
- 2. the Company be authorized to grant stock options for up to 10% of the common shares of the Company outstanding from time to time pursuant and subject to the terms and conditions of the Plan;
- 3. the previously existing stock options granted to directors, officers, employees and consultants of the Company be ratified; all existing stock options shall become subject to the provisions of the Plan upon adoption by the Company;
- 4. The Board of Directors be authorized on behalf of the Company to do all such further acts as are required to be done and make any amendments or revisions to the Plan as may be required by regulatory authorities, without further approval of the Shareholders of the Company, in order to ensure adoption of the Plan; and
- 5. and one director or officer of the Company be and is hereby authorized and directed to do all such acts and things and to execute and deliver under the corporate seal or otherwise all such deeds, documents, instruments and assurances as in his opinion may be necessary or desirable to give the effect to this resolution."

The discretionary authority granted by the enclosed proxy will be used by management to approve any amendments to the above resolution acceptable to it.

## EXHIBIT "B"

#### RESOLUTION RATIFYING THE COMPANY' S 2002 STOCK OPTION PLAN BY DISINTERESTED SHAREHOLDERS

"BE IT RESOLVED, that:

- 1. the stock options granted to Insiders, as that term is defined by the TSX Venture Exchange, under the Company's 2002 Stock Option Plan, in the form approved by the shareholders at the Annual General Meeting of Shareholders on January 22, 2003 (the "Plan"), be ratified, adopted, confirmed and approved;
- 2. all existing stock options granted to Insiders shall become subject to the provisions of the Plan upon adoption by the Company;
- 3. any reduction in exercise price of any option granted to an Insider be ratified and or approved;
- 4.

  and one director or officer of the Company be and is hereby authorized and directed to do all such acts and things and to execute and deliver under the corporate seal or otherwise all such deeds, documents, instruments and assurances as in his opinion may be necessary or desirable to give the effect to this resolution."

The discretionary authority granted by the enclosed proxy will be used by management to approve any amendments to the above resolution acceptable to it.

#### **Proxy**

#### ANNUAL GENERAL MEETING OF MEMBERS OF

TERYL RESOURCES CORP. (the "Company")

## TO BE HELD AT THE RIVER CLUB, 11111 HORSESHOE WAY, RICHMOND, BC

ON TUESDAY, NOVEMBER 4, 2003, AT 10:00 AM

The undersigned member ("Registered Shareholder") of the Company hereby appoints, JOHN ROBERTSON a Director of the Company, or failing this person, JENNIFER LORETTE, a Director of the Company, or in the place of the foregoing, as proxyholder for and on behalf of the Registered Shareholder with the power of substitution to attend, act and vote for and on behalf of the Registered Shareholder in respect of all matters that may properly come before the Meeting of the Registered Shareholders of the Company and at every adjournment thereof, to the same extent and with the same powers as if the undersigned Registered Shareholder were present at the said Meeting, or any adjournment thereof. The Registered Shareholder hereby directs the proxyholder to vote the securities of the Company registered in the name of the Registered Shareholder as specified herein. **Resolutions** (For full detail of each item, please see the enclosed Notice of Meeting and Information Circular) For Against 1 To determine the number of Directors at FOUR For Withhold \_\_\_\_\_ To elect as Director, JOHN ROBERTSON To elect as Director, JENNIFER LORETTE 3. To elect as Director, SUSANNE ROBERTSON 5. To elect as Director, MONIQUE VAN OORD To appoint June Fitzmartyn as Auditor of the Company For Against

- 7. To authorize the Directors to fix the auditor's remuneration
- 8. To approve the Stock Option Plan
- 9. To approve the exercise of options and downward repricing of options to insiders
- 10. To transact such other business as may properly come before the Meeting

The undersigned Registered Shareholder hereby revokes any proxy previously given to attend and vote at said Meeting.

SIGN HERE:	
Please Print Name:	
Date:	
Number of Shares	
Represented by Proxy:	

THIS PROXY FORM IS NOT VALID UNLESS IT IS SIGNED AND DATED. SEE IMPORTANT INFORMATION AND INSTRUCTIONS ON REVERSE

#### INSTRUCTIONS FOR COMPLETION OF PROXY

- 1. This Proxy is solicited by the Management of the Company.
- This form of proxy ("Instrument of Proxy") <u>must be signed</u> by you, the <u>Registered Shareholder</u>, or by your attorney duly authorized by you in writing, or, in the case of a corporation, by a duly authorized officer or representative of the corporation; and <u>if executed by an attorney</u>, <u>officer</u>, <u>or other duly appointed representative</u>, the original or a notarial copy of the instrument so empowering such person, or such other documentation in support as shall be acceptable to the Chairman of the Meeting, must accompany the Instrument of Proxy.
- If this Instrument of Proxy is not dated in the space provided, authority is hereby given by you, the Registered Shareholder, for the proxyholder to date this proxy seven (7) calendar days after the date on which it was mailed to you, the Registered Shareholder, by Computershare Trust Company of Canada...
- 4. A Registered Shareholder who wishes to <u>attend</u> the Meeting and vote on the resolutions in person, may simply register with the scrutineers before the Meeting begins.
- 5.

  A Registered Shareholder who is not able to attend the Meeting in person but wishes to vote on the resolutions, may do the following:
  - appoint one of the management proxyholders named on the Instrument of Proxy, by leaving the wording appointing a nominee as is (i.e. do not strike out the management proxyholders shown and do not complete the blank space provided for the appointment of an alternate proxyholder). Where no choice is specified by a Registered Shareholder with respect to a resolution set out in the Instrument of Proxy, a management appointee acting as a proxyholder will vote in favour of each matter identified on this Instrument of Proxy and for the nominees of management for directors and auditor as identified in this Instrument of Proxy;

OR

- *appoint another proxyholder*, who need not be a Registered Shareholder of the Company, to vote according to the Registered Shareholder's instructions, by striking out the management proxyholder names shown and inserting the name of the person you wish to represent you at the Meeting in the space provided for an alternate proxyholder. If no choice is specified, the proxyholder has discretionary authority to vote as the proxyholder sees fit.
- The securities represented by this Instrument of Proxy will be voted or withheld from voting in accordance with the instructions of the Registered Shareholder on any poll of a resolution that may be called for and, if the Registered Shareholder specifies a choice with respect to any matter to be acted upon, the securities will be voted accordingly. Further, the securities will be voted by the appointed proxyholder with respect to any amendments or variations of any of the resolutions set out on the Instrument of Proxy or matters which may properly come before the Meeting as the proxyholder in its sole discretion sees fit.

If a Registered Shareholder has submitted an Instrument of Proxy, *the Registered Shareholder*. *person may still attend the Meeting and may vote in* To do so, the Registered Shareholder must record his/her attendance with the scrutineers before the commencement of the Meeting and revoke, in writing, the prior votes.

To be represented at the Meeting, this proxy form must be received at the office of **Computershare Trust Company of Canada** by mail or by fax no later than forty eight (48) hours (excluding Saturdays, Sundays and holidays) prior to the time of the Meeting, or adjournment thereof or may be accepted by the Chairman of the Meeting prior to the commencement of the Meeting. The mailing address is:

Computershare Trust Company of Canada

## Proxy Dept. 100 University Avenue 9<sup>th</sup> Floor Toronto Ontario M5J 2Y1

Fax: Within North American: 1-866-249-7775 Outside North America: (416) 263-9524

# TERYL RESOURCES CORP. CONSOLIDATED FINANCIAL STATEMENTS

AS AT MAY 31, 2003

## JUNE FITZMARTYN

CHARTERED ACCOUNTANT #300 - 2608 GRANVILLE STREET VANCOUVER, BC V6H 3V3

## AUDITOR'S REPORT

To the Shareholders of Teryl Resources Corp., Richmond, B.C.,

I have audited the consolidated balance sheet of Teryl Resources Corp. as at May 31, 2003 and May 31, 2002 and the consolidated statements of deficit, income and expenses, deferred exploration and development expenditures, and cash flows for the years then ended. These financial statements are the responsibility of the company's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the company as at May 31, 2003 and May 31, 2002 and the results of its operations and its cash flows for the years then ended in accordance with Canadian generally accepted accounting principles. As required by the British Columbia Company Act, I report that, in my opinion, the principles have been applied on a basis consistent with that of the preceding year.

Vancouver, B.C. October 16, 2003

"June Fitzmartyn"
CHARTERED ACCOUNTANT

## CONSOLIDATED BALANCE SHEET

## AS AT MAY 31, 2003

<u>ASSETS</u>	<u>2003</u>	<u>2002</u>
Current Assets:	\$	\$
Cash	-	-
Prepaids, accounts and accrued receivables	73,797	33,068
Advances to related companies (Note 3)	10.112	1
	83,909	33,069
<u>Investments</u> (Note 4)	4,026	4,026
Office Equipment (Note 5)	3,939	4,923
Oil and Gas Well Interests (Note 6)	-	-
Mineral Property Interests (Note 7)	176,150	156,698
<u>Deferred Expenditures</u> :		
Exploration and development (Note 7)	1,849,567	1,629,429
Incorporation		1,379
	1,849,567	1,630,808
	2,117,591	1,829,524
<u>LIABILITIES</u>		
Current Liabilities:		
Bank overdraft	50,381	6,840
Accounts payable and accrued liabilities	622,410	513,265
Estimated liability for income and capital taxes (Note	750	862
Debenture payable (Note 9)	150,000	150,000
Advances from related companies (Note 10)	655,996	385,567
·	1,479,537	1,056,534
Contingencies and Commitments (Note 11)		
SHAREHOLDERS' EQUITY		
Share Capital: (Note 12)		
Issued	6,297,375	6,020,427
Subscriptions Received (Notes 12 & 15)	69,972	158,044
<u>Deficit</u>	(5,729,293)	(5,405,481)
	638,054	772,990
	2,117,591	1,829,524
Approved by the Directors:		
"J. ROBERTSON"  J. Robertson		
J. RODERTSON J. ROUGHSON		
<u>"J. LORETTE"</u> J. Lorette		

## CONSOLIDATED STATEMENT OF INCOME AND EXPENSES

	<u>2003</u>		2002	
Minaral Claim Oparations	\$		\$	
Mineral Claim Operations:  Revenue	_		_	
Expenses:				
Exploration and development written off re inactive claims	2,152		2,268	
Property costs written off re lapsed/optioned claims	-		1	
Troperty costs written our re-tupsed optioned claims	2,152		2,269	
	2,132			_
Net Income (Loss) from Mineral Claim Operations	(2,152	)	(2 269	)
Oil and Gas Operations:				
<u>Revenue</u>	24,255		19,510	
Expenses:				
Operating expenses	8,823		10,337	
Amortization on wells (Note 6)			3,027	
	8,823		13,364	
Net Income (Loss) from Oil and Gas Operations	15,432		6,146	
	12.200		2.077	
Net Operating Income (Loss)	13,280		3,877	
Other Income:			26.260	
Recovery of bad debt			26,268	
Net Income (Loss) before other Expenses	13,280		30,145	
Other Expenses:	15,200		50,110	
Administration expenditures (Schedule A)	337,092		112,505	
Net Income (Loss) for the Year	(323,812	)	(82,360	)
EARNINGS (LOSS) PER SHARE (Note 8)	(0.0135	`	(0.0036	)
EARNINGS (LOSS) I ER SHARE (Note 8)	(0.0133	<u> </u>	(0.0030	/
CONSOLIDATED STATEMENT OF DEFICIT				
Deficit at Beginning of Year	(5,405,481	)	(5,323,121	)
Add: Net Income (Loss) for the Year	(323,812	)	(82,360	)
Deficit at End of Year	(5,729,293	)	(5,405,481	)
		-		·

## Schedule A

## TERYL RESOURCES CORP.

## CONSOLIDATED SCHEDULE OF ADMINISTRATION EXPENDITURES

	<u>2003</u>	<u>2002</u>
	\$	\$
Publicity, promotion and investor relations	177,606	4,413
Management and director's fees (Note 13)	63,000	30,000
Audit, accounting and consulting (Note 13)	34,953	14,582
Telephone and telecopier	26,119	3,335
Office, stationery, delivery and moving	18,140	6,465
Filing fees	17,030	6,218
Office rent and utilities (Note 13)	15,191	13,785
Secretarial costs	15,013	-
Interest on debenture (Note 9)	14,697	14,697
Legal and subsidiary legal costs	14,229	1,388
Transfer agent fees	6,538	3,273
Travel, auto and entertainment	6,535	-
Corporation capital taxes	4,751	4,977
Shareholders and meeting costs	2,284	-
Bank charges and interest	1,847	970
Write off of incorporation costs	1,379	-
Foreign exchange loss (gain)	(83,152)	(9,169)
Financing fees (Note 11)	=	16,500
Amortization	984	1,231
	337,144	112,665
Less: Interest income	52	160
Administration Expenditures for the Year	337,092	112,505
•		

## CONSOLIDATED STATEMENT OF DEFERRED EXPLORATION

## AND DEVELOPMENT EXPENDITURES

	<u>2003</u>	<u>2002</u>
	\$	\$
Silverknife Claims: (Joint Venture) (Note 7A)		
Work assessment	2,152	2,268
Fish Creek Claims: (Joint Venture) (Note 7B)		
Geophysical survey	45,100	-
Assays, maps, reports and insurance	2,495	-
	47,595	-
West Ridge Claims: (Note 7C)		
Geophysical survey	11,277	500
Rent assessment	9,815	-
Assays and maps	1,884	784
	22,976	1,284
Gil Venture: (Joint Venture) (Note 7D)		
Maps and reports	5,072	-
Phase II exploration - trenching and drilling	144,495	82,650
	149,567	82,650
Exploration and Development for the Year	222,290	86,202
Exploration and Development at Beginning of Year	1,629,429	1,545,495
	1,851,719	1,631,697
Less: Exploration and development written off:		
Re inactive claims	2,152	2,268
Exploration and Development at End of Year	1,849,567	1,629,429

## CONSOLIDATED STATEMENT OF CASH FLOWS

	<u>2003</u>	<u>2002</u>
	\$	\$
Operating Activities:		
Revenue receipts for the year	22,915	8,291
Receipt of interest income	49	164
Refunds of goods and services sale taxes	10,824	3,873
Decrease in estimated liability for taxes	(112)	-
Payment of interest on debenture	(15,000)	(15,000)
Payments to suppliers for goods and services	(361,193	(85,254)
Cash Flows Provided (Used) by Operating Activities	(342,517)	(87,926
<u>Financing Activities</u> :		
Share Capital Issued for Cash (Note 12)	260,948	-
Advances from (to) related companies (Notes 3 & 10)	260,318	83,741
Cash Flows Provided by Financing Activities	521,266	83,741
Investing Activities:		
Current exploration and development payments	(222,290)	(3,552)
Cash Flows Provided (Used) by Investing Activities	(222,290)	(3,552)
Increase (Decrease) in Cash for the Year	(43,541)	(7,737)
Cash (Deficiency) at Beginning of Year	(6,840)	897
Cash (Deficiency) at End of Year	(50,381)	(6,840)
· · · · · · · · · · · · · · · · · · ·		

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

#### AS AT MAY 31, 2003

## SIGNIFICANT CANADIAN ACCOUNTING POLICIES:

[a] Nature of Operations and Going Concern:

The Company makes expenditures on acquiring mineral properties and carries out exploration and development work thereon. It also acquires oil and gas property interests and participates in drilling wells thereon. The recoverability of amounts shown for investments, mineral properties, interest in oil and gas properties and the related deferred expenditures is dependent upon the existence of economically recoverable reserves, the ability to obtain the necessary financing to complete the development, the profitability of future production or the ability of the Company to dispose of those assets on a profitable basis. The Company's ongoing operation is dependent upon cash flow from successful operations and equity financing. These financial statements are prepared on the basis that the Company will continue to operate as a going concern.

[b] Historical Cost:

1.

Assets and liabilities are carried at historical cost, less amounts written off, and are not intended to reflect present or future values.

[c] Equipment:

The Company records its equipment at cost and depreciates it on the declining-balance basis at 20% per annum.

[d] Accounting for Oil and Gas Well Interests:

The Company capitalizes the drilling and equipment costs of its interest in specific wells, which are to be amortized or written off as follows:

- (I) If wells are productive and connected to gathering systems wells are depreciated on the straight-line basis over their estimated productive life of seven years, from date production begins.
- (ii) If wells are believed to be productive but not connected to gathering systems (shut-in) wells are deemed to produce for two months a year and depreciated on that basis.
- (iii) If wells are, or are believed to become, non-productive costs are charged to expense.
- [e] Accounting for Mineral Property Interests:

The Company capitalizes its acquisition costs of mineral properties (including finders fees thereon) and the related exploration and development expenditures thereon by claim groups, or its share of costs on joint ventures, which are to be amortized as follows:

(I)	If property sold outright - costs written off entirely against proceeds.
(ii)	If property sold under option-type agreement - on basis of cash or shares received over total undiscounted amount to be received under agreement, exclusive of royalties or net profit participation.
(iii)	If property brought into production - on basis of units of production over total estimated reserves recoverable.
(iv)	If property retained, but has no proven economic reserves and is not currently being explored or developed by the Company or joint venture partner - costs written down to a nominal value.

## 1. SIGNIFICANT ACCOUNTING POLICIES (Continued):

[f] Accounting for Administration Expenditures:

The Company expenses its administration expenditures in the current year, except for items directly attributable to mineral properties.

[g] Revenue and Property Costs:

These statements reflect only Teryl's share of oil and gas revenue and expenses, although operations are conducted jointly with several parties. These statements reflect only Teryl's share of acquisition costs and expenditures on mineral property interests operated jointly with other parties.

[h] Foreign Exchange Translations:

The Company converts its current assets and liabilities and future payments receivable at current exchange rates, its non-current assets and liabilities at rates in effect on transaction dates, and its income and expenses at average rates of exchange for the period. Gains or losses on the transactions are reflected as administration expense.

[ I] <u>Investments</u>:

The Company's marketable securities are carried at cost until sold or a deemed disposition has occurred as defined under the Income Tax Act. The cost of shares sold is determined by the average cost method when less than all the shares held in one company are sold.

[j] <u>Capital Stock:</u>

2.

Capital stock issued for other than cash is recorded at values attributed by the Directors at time of issuance. Commissions and finders fees directly related to share issues are deducted in arriving at net proceeds from share capital. Flow-through share issues are reflected at actual issued prices.

## **CONSOLIDATION INFORMATION:**

These consolidated financial statements include the accounts of the Company and its wholly-owned subsidiaries, Argon Investment Corporation (inactive) and Teryl, Inc. Teryl, Inc. was incorporated on November 17, 1988, in the State of Delaware and registered to do business in the USA, to hold and operate the Alaska mineral property interests and Texas oil and gas well interests. In April, 1998, Teryl, Inc. reorganized and increased its authorized share capital from 1,000 common shares to 100,000,000 common shares, in preparation for taking the company public. Teryl Resources Corp. was issued 6,500,000 shares of Teryl, Inc. and held 100% of the shares at May 31, 2003. If Teryl, Inc. issues shares to others, Teryl Resources Corp.'s percentage holdings will decrease. See Note 15 re Teryl, Inc. transactions.

## 3.

## ADVANCES TO RELATED COMPANIES consist of the following:

	<u>2003</u>	<u>2002</u>
Linux Gold Corp. (See Note 4)	3,719	-
Reg Technologies Inc.	5,983	-
Information Highway.com Inc.	409	-
International Diamond Syndicate Ltd. (See Note 4)	1	1
	10,112	1

The advances to related companies bear no interest and have no fixed repayment terms.

## 4. <u>INVESTMENTS</u> consist of:

International Diamond Syndicate Ltd. (IDS) is a private company having no quoted market, in which Teryl Resources owns 40% of the issued shares. At May 31, 2000, the investment and advances to IDS were written down to \$1 each as IDS's property has no proven economic reserves, so there is little expectation of recovery.

Linux Gold Corp. (formerly LinuxWizardry Systems, Inc.) is a public company listed on US Stock Exchanges having a market value of \$ 543 Cdn. at May 31, 2003 (2002 - \$ 935).

		<u>2003</u>	<u>2002</u>
	International Diamond Syndicate Ltd.:		
	40 shares acquired June 24, 1993	1	1
	<u>Linux Gold Corp.</u> :		
	120,000 shares acquired March 4, 1986	30,500	30,500
	24,780 shares acquired February 28, 1993	6,195	6,195
	(59,000) shares sold February, 2000	(14,954	(14,954)
	85,780	21,741	21,741
	(69,900) shares sold June, 2000	(17,716	(17,716)
	<u>15,880</u>	4,025	4,025
		4,026	4,026
5.	OFFICE FURNITURE consists of:		
	Furniture and fixtures - at cost	34,932	34,932
	Less: Accumulated amortization	30,993	30,009
		3,939	4,923

#### OIL AND GAS WELL INTERESTS:

6.

The Company, through its subsidiary Teryl, Inc., owns 6.5% Working Interest (4.680% Net Revenue Interest) in the Peters No. 1 Well, in Fayette County, Texas, and a 7.5% Working Interest (5.79375% Net Revenue Interest) in each of the C-S #1, Jancik #2 and Herrmann #4 wells, located in Burleson County, Texas. The wells have been entirely amortized over the past seven years.

## 7. MINERAL PROPERTY INTERESTS consist of the following:

		Teryl's		<b>Acquisition Cost</b>	
Claim Group	Region	Interest	<u>Ref.</u>	<u>2003</u>	<u>2002</u>
Silverknife	Liard, BC	26.7 %	A	1	1
Fish Creek	Fairbanks, Alaska	0-45 %	В	19,452	-
West Ridge	Dome Creek, Alaska	100 %	C	116,189	116,189
Gil Venture	Dome Creek, Alaska	20 %	D	31,127	31,127
Stepovich Lease	Dome Creek, Alaska	10 %	E	9,381	9,381
				176,150	156,698

7.

## MINERAL PROPERTY INTERESTS (Continued):

A.

#### SILVERKNIFE:

Pursuant to agreements between Reg Technologies Inc., SMR Investments Ltd., Rapitan Resources Inc., and Chevron Minerals Ltd., Teryl acquired a 30% working interest in the Silverknife mineral claims, situate in the Liard Mining Division in the Province of British Columbia, subject to a 10% Net Profit Royalty to Rapitan and a 1% Net Smelter Returns to SMR. The Company has written down their acquisition costs to \$ 1 and has written off their exploration and development expenditures entirely, since the claims are not currently being explored and have no proven economic reserves.

#### B. FISH CREEK:

On March 5, 2002, the Company and Linux Gold Corp. entered into an agreement whereby Teryl may earn up to a 50% interest in the Fish Creek mineral claims located in the Fairbanks district of Alaska, USA by expending \$ 500,000 US within three years and issuing 200,000 common shares (issued December 16, 2002 for a deemed value of \$ 16,000. Linux will have a 5% net royalty interest until Teryl pays \$ 200,000 US.

## C. <u>WEST RIDGE</u>:

Pursuant to various agreements the Company, through its subsidiary Teryl, Inc., earned a 100% interest in the West Ridge (48 claims) mineral properties (approximately 5,200 acres) located in the Dome Creek area of the Fairbanks District of Alaska, USA.

Pursuant to an agreement, between Kinross Gold Corporation and Teryl, Inc. dated August 1, 1999, Kinross could earn a 70% interest in the West Ridge claims by paying \$ 285,000 US (\$ 60,000 received) over five years, expending \$ 1,500,000 US on work program and paying all property and assessment payments during that time. On November 30, 2001, Kinross withdrew from the agreement after satisfying all their obligations. Teryl, Inc. retains its 100% interest in the claims and has been conducting a geophysical survey over the past two years.

## D. GIL VENTURE:

Pursuant to various agreements the Company, through its subsidiary, Teryl, Inc., acquired a 50% interest in 237 claims located in the Gilmore Dome area of Fairbanks District of Alaska. On May 31, 1991, the Company, its subsidiary Teryl Inc., NERCO Exploration Company and Fort Knox Venture entered into an agreement which granted the Company a 20% participating interest in the claims, valued at \$ 150,000 US (\$ 171,720 Cdn). Under the agreement Fort Knox Venture paid the Company a total of \$ 143,500 US and to contributed \$ 600,000 US to fund approved programs and budgets earning them an 80% participating interest in the property with Teryl, Inc. retaining a 20% participating interest. Fort Knox Venture through its operator Kinross Gold USA, Inc., has been doing exploration and development work on this property during the 2002 and 2003 years and expects to go into production in the next few years. This has resulted in Teryl, Inc. being required to pay its 20% share of expenses, which amounted to \$ 144,495 (\$ 101,228 US) in the May, 2003 year and \$ 82,650 (\$ 53,340 US) in the May, 2002 year. Further cash calls are expected for the 2004 year.

7.

## MINERAL PROPERTY INTERESTS (Continued):

E.

#### STEPOVICH LEASE:

On September 28, 1990, the Company through its subsidiary Teryl, Inc., granted an option to Fort Knox Venture to acquire all of their interest in the Stepovich lease, except for a 10% Net Profit Interest to Teryl, for \$ 187,500 US (\$ 217,819 Cdn) and performing 3,000 feet of drilling on the property, which was done. Fort Knox Venture assumed all of the Company's liabilities and obligations under the Stepovich lease pursuant to an assignment dated May 29, 1992.

F.

### AMAD:

On May 30, 1992, the Company and Calco Resources Inc. entered into an agreement, whereby Teryl earned a 50% interest in the Amad mineral claims, located in the Lac de Gras area of the Northwest Ter- ritories, by paying \$ 40,000 cash, expending \$ 250,000 on the property and issuing 150,000 shares. At May 31, 2000, Company wrote down their acquisition costs to \$ 1 and wrote off their exploration and development expenditures entirely since the claims were not currently being explored and had no proven economic reserves. These claims were entirely written off at May 31, 2002 as they had lapsed.

## **SUMMARY OF MINING PROPERTIES:**

	Balance	Changes		Balance	Changes	Balance
PROPERTY COSTS:	May 31/01	2002		May 31/02	2003	May 31/03
Silverknife	1			1		1
Fish Creek					19,452	19,452
Amad - lapsed	1	(1	)	=		=
West Ridge	116,189			116,189		116,189
Gil Venture	31,127			31,127		31,127
Stepovich Lease	9,381			9,381		9,381
	156,699	(1		156,698	19,452	176,150

## **DEFERRED EXPLORATION AND DEVELOPMENT:**

West Ridge	244,902	1,284		246,186	22,976		269,162
Gil Venture	1,299,592	82,650		1,382,242	149,567		1,531,809
Stepovich Lease	1,001			1,001			1,001
Fish Creek					47,595		47,595
Silverknife - inactive		2,268			2,152		
Silverknife - inactive	-	(2,268	)	-	(2,152	)	-
	1,545,495	83,934		1,629,429	220,138		1,849,567

8. INCOME TAXES, DEFERRED LOSSES AND EARNINGS PER SHARE:

Since the Company has Canadian income tax losses of approximately \$ 1,127,460 available to reduce future taxable income until the year 2010, no figures have been presented for deferred income taxes. The Company has Canadian exploration and development expenditures of \$ 1,118,478 available to reduce future taxable income from mineral properties. The Company estimates it will be liable for approximately \$ 750 (\$ 548 US) income and capital taxes to the State of Texas, USA, in respect to its oil and gas well income.

Under "flow-through" issuances, the Company entered into agreements with contributors to expend certain proceeds from the issuances of its shares on exploration and development work on its mineral property interests which would "flow-through" to the contributors as Canadian Exploration Expenditures, which are deductible for income tax purposes. In prior years., the Company received \$ 533,801 of "flow-through" funds, which were expended on "eligible work" on its mineral property interests and renounced eligible expenditures incurred by it in respect thereto, these expenditures are not available to the Company for income tax purposes.

Basic earnings (loss) per share are calculated using the weighted daily average number of common shares outstanding for the year, which amount to 23,934,235 shares (2002 - 23,033,238 shares).

Diluted earning per share is calculated using the Treasury Stock Method, whereby it is assumed that proceeds on the exercised stock options are used by the Company to repurchase its shares at the average market price during the year of \$ 0.40 (2002 - \$ .20). As the 2003 and 2002 years both resulted in a loss there are no figures presented as the effect would be anti-dilutive.

9. DEBENTURE PAYABLE:

Pursuant to various agreements the Company agreed to issue a convertible debenture for \$ 150,000 to Keltic Bryce Enterprises Inc., subject to regulatory approval. The original agreement dated September 1, 1991 was approved. However, an amendment requested by Keltic Bryce, which resulted in the withdrawal of the original agreement, increasing the number of units and decreasing the share and warrant prices, did not subsequently receive approval and the debenture is not convertible under existing regulatory policy. Interest of \$ 13,827 was accrued to May 31, 2003 (2002 - \$ 14,130). Teryl paid Keltic Bryce \$ 15,000 interest on January 15, 2003.

After various disputes Teryl Resources Corp., Teryl, Inc. and Keltic Bryce Enterprises Inc. are negotiating a Settlement Agreement to repay Keltic Bryce the \$ 150,000 loan and all accrued interest as full settlement of the Debenture.

10.	ADVANCES FROM RELATED COMPANIES consist of:	<u>2003</u>	<u>2002</u>
	Access Information Systems Inc.	128,578	24,715
	JGR Petroleum Inc.	102,214	80,765
	Linux Gold Corp. (See Note 4)	-	265
	Rainbow Network	61,348	43,170
	Reg Technologies Inc.	-	4,568
	540330 BC Ltd.	78,228	-
	Sovo Computer Centre	4,953	3,600
	SMR Investments Ltd.	280,675	228,484
		655,996	385,567

The advances from related companies bear no interest and have no fixed repayment terms.

## 11. CONTINGENCIES AND COMMITMENTS:

See Note 12 below for "Outstanding Commitments to Issue Shares".

In March, 2001, the Company completed an agreement with IBK Capital Corp. to endeavour to raise up to \$1,000,000 on terms and conditions acceptable to the Company. During the 2002 year IBK was paid \$12,500 for work done and out of pocket fees. The agreement expired without any capital being raised.

In the 2002 year the Company entered into an agreement with Georgia Pacific Securities to endeavour to raise up to \$1,000,000 in equity financing and paid \$4,000 as a non-refundable financing fee. No capital was raised through this agreement.

## 12. SHARE CAPITAL:

## Authorized Share Capital consists of:

No Par Value	100,000,000
\$ 1 Par Value	5,000,000
	105,000,000

The Preferred Shares have attached thereto a right to receive dividends as determined by the Directors. The Preferred Shares may be issued in series, with special rights and restrictions therefor being determined by the Directors, subject to regulatory approval. No Preferred Shares have been issued to the date of these financial statements. At the Annual General Meeting held in November, 2000, it was resolved to increase the common shares to 100,000,000, which was completed November 25, 2002.

12.

## **SHARE CAPITAL (Continued)**:

<u>Issued Share Capital</u> - Common - consists of the following:

		No. of		
FOR CASH:	<u>Ref.</u>	<u>Shares</u>	<u>Price</u>	<u>Amount</u>
Total Issued for Cash at May 31, 2001 & May				
31, 2002		18,633,174		5,062,288
Shares issued in May 31, 2003 Year:		_		
Private placement	A	1,500,000	0.10	150,000
Employee stock option exercised	В	12,500	0.15	1,875
Private placement warrants exercised	C	275,000	0.12	33,000
Private placement	D	217,350	0.35	76,073
		2,004,850		260,948
Total Issued for Cash at May 31, 2003		20,638,024	_	5,323,236
<b>FOR MINERAL PROPERTY INTERESTS:</b>				
Total Issued for Mineral Property				
to May 31, 2001 and May 31, 2002		2,497,359		604,659
Shares issued in May 31, 2003 Year:				
Fish Creek mineral property	E	200,000	0.08	16,000
Total Issued to May 31, 2003		2,697,359		620,659
FOR DEBT, EXTENSIONS AND				
<u>SUBSIDIARY</u> :				
Total Issued for Debt, Extensions and Subsidiary				
to May 31, 2002 and May 31, 2003		1,902,705	_	353,480
TOTAL SHARES ISSUED AT MAY 31, 2003		25,238,088	_	6,297,375
		·	=	

- A.
  On December 11, 2002, the Company issued 1,500,000 units of capital stock at a price of \$ 0.10 per unit, pursuant to a Private Purchase agreement, to net the treasury \$ 150,000. Each unit consists of one common share and one share purchase warrant exercisable within the first year for \$ 0.12 and \$ 0.15 within the second year per common share.
- B.
  On December 20, 2002, J Singh, exercised an Employee Stock Option for 12,500 shares at \$ 0.15 per share to net the treasury \$ 1,875.
- C. On January 15 and 23, 2003, two individuals exercised Private placement warrants for a total of 275,000 shares at \$ 0.12 per share to net the treasury \$ 33,000.
- D.
  On May 23, 2003, the Company issued 217,350 shares of capital stock at a price of \$ 0.35 per unit, pursuant to a Private Purchase agreement, to net the treasury \$ 76,073. These shares were issued in regards to a subscription received by its subsidiary, Teryl, Inc., as described in Note 15.

E.	On December 16, 2002, the Company issued 200,000 common shares, at a price of \$ 0.08 each, to Linux Gold Corp. pursuant to the Fish Creek mineral claims agreement described in Note 7B.

12.

## **SHARE CAPITAL (Continued)**:

### Outstanding Commitments to Issue Shares:

At May 31, 2003, the following commitments to issue shares were outstanding:

	No. of		Expiry
Type of Commitment	<u>Shares</u>	<u>Price</u>	<u>Date</u>
Private placement Warrants (Note 12A)	1,250,000	0.12/0.15	Dec. 11/04
Consultant' s Option	350,000	0.40	Feb. 19/06
Director's Option	1,000,000	0.15	Apr. 22/07
Senior Officers' Options	600,000	0.15	Apr. 22/07
Employee's Option	37,500	0.15	Apr. 22/07
Employee's Option	25,000	0.15	Sept. 23/07
Senior Officer's Option	200,000	0.15	Nov. 22/07
Consultant' s Option	50,000	0.40	Dec. 16/07
Consultants' Options	175,000	0.40	Mar. 4/08
	3,687,500		

On September 12, 2000, the Company granted a Directors' stock option to J. Robertson for 1,000,000 shares at a price of \$ 0.24 for a period of five years. These options were renegotiated on April 22, 2002 to reduce the price per share to \$ 0.15 and the term was increased to five years from the date of renegotiation.

On April 22, 2002, the Company granted stock options to a senior officers to purchase up to 600,000 common shares at a price of \$ 0.15 for a five year period. On April 22, 2002, the Company granted a stock option to an employee to purchase up to 50,000 common shares at a price of \$ 0.15 for a five year period of which 12,500 have been exercised.

On September 23, 2002, the Company granted a stock options to an employees to purchase up to 25,000 common shares at a price of \$ 0.15 for a five year period.

On November 22, 2002, the Company granted a stock option to a senior officer to purchase up to 200,000 common shares at a price of \$ 0.15 for a five year period.

On December 16, 2002, the Company granted a stock option to a consultant to purchase up to 50,000 common shares at a price of \$ 0.40 for a five year period.

On February 19, 2003, the Company granted a stock option to a consultant to purchase up to 350,000 common shares at a price of \$ 0.40 for a three year period.

On March 4, 2003, the Company granted stock options to three consultants to purchase up to 175,000 common shares at a price of \$ 0.40 for a five year period.

See Note 14 "Subsequent Events" for details on a Private Placement after year end.

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12.

## **SHARE CAPITAL (Continued)**:

### **Stock Based Compensation Expense:**

On September 23, 2002; November 22, 2002; December 16, 2002; February 19,2003 and March 4, 2003, the Company issued stock options to various senior officers, directors, employees and consultants, to purchase up to 225,000 common shares at a price of \$ 0.15 per share and up to 225,000 common shares at a price of \$ 0.40 per share within five years and 350,000 common shares at a price of \$ 0.40 per share within three years. On a pro-forma basis, had compensation expense for the stock options been determined based on the fair value method, the Company's net loss for the year would have been increased by \$ 115,980 to \$ 439,792. The pro-forma net loss per share would have increase to \$ 0.0184 from \$ 0.0135. The Company does not reflect this pro-forma cost in its accounts.

The fair value of the stock options at the dates of the grants was estimated to be \$ 115,980, using the Black-Scholes model with the assumption being a risk free rate of between 4.5% and 4.75%, a volatility of 500%, expected option lives of between 3 years and 5 years and a zero dividend yield.

## 13. RELATED PARTY TRANSACTIONS:

International Diamond Syndicate Ltd. (IDS) is a 40% subsidiary of Teryl, formed to conduct joint mineral property exploration and development with Berkshire International Mining Ltd. and Geodex Minerals Ltd. See Notes 3 and 4 above re advances to and investment in IDS written down in 2000.

Reg Technologies Inc. is a public company which shares office facilities and staff, several directors and participates in Joint Ventures with the Company. See Note 7A in respect to the property that is operated as a Joint Venture with Reg. See Notes 3 & 10 re advances to or from Reg.

SMR Investments Ltd. is a private company which is controlled by an officer of the Company who has significant influence on the affairs of the companies. Under a management contract with SMR Investments Ltd. the Company agreed to pay \$ 2,500 per month for management services. The Company was deemed to have paid SMR management fees totalling \$ 30,000 during the current year (2002 - \$ 30,000 and \$ 4,000 for rent). See Note 7A regarding mineral property transactions with SMR. See Note 10 re advances from SMR.

The Company holds 15,880 shares of Linux Gold Corp., US a public company controlled by an officer of the Company, as described in Note 4. See Notes 3 and 10 re Linux advances. See Note 7B regarding mineral property transactions with Linux.

Administration consulting fees of \$ 33,000 (2002 - \$ 3,568) were paid to Lorette Enterprises, a proprietorship owned by J. Lorette, Vice-President of the company. Secretarial fees of \$ 15,013 were paid to M. van Oord, a director of the company.

controlled by an Officer of the Company who has significant influence on the affairs of the companies.					

14.

#### SUBSEQUENT EVENTS:

See the "Outstanding Commitments to Issue Shares" section at the end of Note 12 for information on commitments to issue shares after the balance sheet date.

On August 18, 2003, the Company announced it had arranged a Private Placement of 2,000,000 units of capital stock at a price of \$ 0.25 per unit. Each unit will consist of one common share and one-half share purchase warrant exercisable within the first year for \$ 0.30 per common share and for \$ 0.40 per common share within the second year. This Private Placement replaces one announced on March 28, 2003 for \$ 0.35 per unit.

15.

## TERYL, INC. TRANSACTIONS (100% US Subsidiary):

See Note 2 re consolidation of Teryl, Inc. within these statements and see Notes 7C, 7D & 7E regarding mineral claim properties, exploration and development and option agreements.

In April, 1998, Teryl, Inc. reorganized and increased its authorized share capital from 1,000 common shares to 100,000,000 common shares, in preparation for taking the company public on US exchanges. Teryl Resources Corp. was issued 6,500,000 shares of Teryl, Inc. and held 100% of the shares at May 31, 2003.

In 1998, Teryl, Inc. offered a private placement for up to 1,000,000 shares at a price of \$ 0.15 US and subscriptions of \$ 146,044 (\$ 96,750 US) were received by November 19, 1999. Since the offering was not fully subscribed, the Companies negotiated with the subscribers to replace the Teryl, Inc. shares with Teryl Resources Corp. shares. See Note 12 regarding the \$ 76,073 (\$ 51,750 US) worth of capital stock issued May 23, 2003 for these subscriptions. One subscriber did not return his agreement and negotiations are still proceeding to resolve this.

16.

## **CHANGE OF NAME:**

At the Annual General Meeting held January 22, 2003, the Board was granted approval to apply to have the Company's named changed to Teryl Gold Inc. This had not been done by the date of these financial statements.



# **British Columbia Securities Commission**

# **QUARTERLY AND YEAR END REPORT**BC FORM 51-901F (previously Form 61)

### Freedom of Information and Protection of Privacy Act:

The personal information requested on this form is collected under the authority of and used for the purpose of administering the *Securities Act*. Questions about the collection or use of this information can be directed to the Supervisor, Financial Reporting (604-899-6729), P.O. Box 10142, Pacific Centre, 701 West Georgia Street, Vancouver, BC V7Y 1L2. Toll Free in British Columbia 1-800-373-6393.

INCORPORATED	O AS PART OF
	Schedule A
X	Schedules R and C

### ISSUER DETAILS

NAME OF ISSUER	FOR QUARTER ENDED	DATE OF REPORT
		YY/MM/DD
Teryl Resources Corp.	May 31, 2003	03/10/14

ISSUER'S ADDRESS 1103 – 11871 Horseshoe Way

CITY	PROVINCE	POSTAL CODI	E ISSUER FAX NO.	ISSUER TEL NO.
Richmond	BC	V7A 5H5	604-278-3409	604-278-5996
CONTACT PERSON		CONTACT'S PO	SITION	CONTACT TEL NO.
John G. Robertson		President	:	604-278-5996
CONTACT E-MAIL ADDRESS			WEB SITE ADDRESS	
john@ihiway.com			w.terylresourcs.com	

#### **CERTIFICATE**

The three schedules required to complete this Report are attached and the disclosure contained therein has been approved by the Board of Directors. A copy of this Report will be provided to any shareholder who requests it.

		DATE SIGNED
DIRECTOR'S SIGNATURE	PRINT FULL NAME	YY/MM/DD
"John G. Robertson"	John G. Robertson	03/10/17
DIRECTOR'S SIGNATURE	PRINT FULL NAME	DATE SIGNED
"Jennifer Lorette"	Jennifer Lorette	YY/MM/DD

03/1	0/17
------	------

#### SCHEDULE "B" - SUPPLEMENTARY INFORMATION

# 1. ANALYSIS OF EXPENSES AND DEFERRED COSTS:

- (a) See Schedule "A" Consolidated Statement of Deferred Exploration and Development Expenditures and Note 7.
- (b) See Schedule "A" Consolidated Schedule of Administration Expenditures

# 2. <u>RELATED PARTY TRANSACTIONS:</u>

Related Party	Nature of Transactions	<u>Quarter</u>	Year to Date
Companies related to	Management fees	\$ 7,500	\$ 30,000
the President of the			
Company			
	Rent	-	2,700
Vice President	Administration fees	10,500	33,000
Director	Secretarial fees	5,445	15,013

See Schedule A - Notes 3, 10 and 13 for descriptions of Related Parties and advances to and from Related Parties.

# 3. SUMMARY OF SECURITIES ISSUED AND OPTIONS GRANTED DURING THE YEAR:

- (a) See Note 12 to Schedule "A" for securities issued during the year
- (b) See Note 12 to Schedule "A" for options granted during the year.

# 4. SUMMARY OF SECURITIES AS AT MAY 31, 2003:

- (a) See Note 12 to Schedule "A".
- (b) See Note 12 to Schedule "A".
- (c) See Note 12 to Schedule "A".

(d)
There are no shares subject to Escrow or Pooling agreements

# 5. DIRECTORS AND OFFICERS AT OCTOBER 14, 2003:

List of Directors:
John Robertson
Jennifer Lorette
Susanne Robertson
Monique Van Oord

<u>List of Officers:</u>
John Robertson - President and Secretary
Jennifer Lorette - Vice President
Susanne Robertson - Chief Financial Officer

Yale Hirsch - Vice President of Corporate Affairs

Quarterly Report to Shareholders for the Year Ended May 31, 2003

#### SCHEDULE "C" - MANAGEMENT DISCUSSION

Note: The following management discussion has been prepared as a summary of activities for the year ended May 31, 2003 and of significant subsequent events to the date of this report.

#### NATURE OF BUSINESS

The Company and its Subsidiary, Teryl, Inc., have gold, silver, diamond and oil and gas properties in Canada and the United States.

#### DISCUSSION OF OPERATIONS AND FINANCIAL CONDITION

The main exploration and development work over the last several years has taken place on the Gil claims (gold prospect) located in the Fairbanks, Alaska mining district. The Gil joint venture, with Kinross Gold Corporation, is divided into two mineralized zones, the Main Gil and the North Gil, of which a total of 45,547 feet of drilling was completed last year (see news release dated November 29, 2000 for details). Additional drilling (3,500 feet), trenching (1,900 feet) was completed this year on the Main Gil, North Gil and other targets on the Gil claims.

The Gil claims are adjacent to the producing Fort Knox deposit owned by Kinross Gold Corporation. Teryl, Inc. owns a 20% working interest and Kinross Gold has a 80% working interest in the Gil joint venture. Plans for the Gil claims in the 2002 year include the continuation of a detailed exploration plan to further this project.

The Company, through its subsidiary, Teryl, Inc., owns a 100% interest in the West Ridge claims located in the Fairbanks Alaska mining district.

Results of Operations for the period ended May 31, 2003 ("2003") compared to the period ended May 31, 2002 ("2002")

Results of operations was a net loss of \$ 323,812 (\$0.0135 per share) as compared to a net loss of \$ 82,360 (\$0.0036 per share) for 2002.

In 2003 the Oil and Gas operations had net income of \$15,432 compared to net income \$6,146 in 2002, which was mainly due to the reworking of the C-S#1 and Jancik #2 wells resulting in increased production revenue, increased oil and gas prices and the fact that the wells are now fully amortized.

In 2003 expenditures for advertising, promotion and public relations were \$ 177,606 compared to \$ 4,413 in 2002, due to increasing stock market prices and a determined effort to raise financing to carry out their exploration projects. Several other expenditures in 2003 were higher than in 2002 due to rising costs and increased administration and promotional activities, although this was partially offset by the \$ 83,152 gain in foreign exchange due to the stronger Canadian dollar.

#### Significant events and highlights

On March 6, 2003 we announced the proposed exploration budget for the Gil joint venture in 2003 was received from Fairbanks Gold Mining Inc., a subsidiary of Kinross Gold Corporation (TSX-K; NYSE-KGC). The program will focus on fully defining the limits of the gold deposits at the Main and North Gil and conducting infill drilling of previously tested areas to increase confidence in the resource.

The first phase budget of US\$830,000 is planned for 2003. This program would allow for the drilling of approximately 60 holes (25 core and 35 RC) for a total of 17,000 feet as a first phase of exploration, primarily in the North Gil and Main Gil zones.

Success with the first phase of the 2003 exploration program would require follow-up drilling to advance resources towards reserve status. A second phase of exploration drilling in 2003 would include drilling an additional 74 holes totaling approximately 22,000 feet. The second stage of work is estimated to cost US\$590,000.

According to the Fairbanks Gold Mining, Inc. (100% owned by Kinross Gold Corporation), preliminary metallurgical testing of mineralization from the Main Gil deposit returned recoveries similar in many respects to the Fort Knox ore. Test results from the North Gil show recoveries decreasing with depth, but an average

recovery on the order of 85 to 86 percent. The project location near the Fort Knox Mine and the favorable metallurgical results suggest the resources have the potential to be economic.

On March 19, 2003 we announced Teryl had been notified by geologist consultant, Avalon Development Corp., that the Fish Creek reverse circulation drilling program is completed. A total of five holes were drilled to test several magnetic anomalies for potential placer and lode gold mineralization.

Hard rock samples have been submitted to Chemex Labs, in Fairbanks, Alaska, for assays and the placer samples have been bagged and stored in our warehouse awaiting warmer weather to process them.

Additional core drilling will be recommended on the Phase II exploration program based on favorable results from the current drilling program. The Fish Creek Claims are located in the Fairbanks, Alaska mining district near the Kinross Gold Corp.'s Fort Knox Mine and adjacent to our joint venture Gil prospect which is reported to contain 10.7 million tons of gold at a grade of 0.04 opt Au (1.24 gpt) of drill indicated/inferred reserves.

On April 24, 2003 we announced that the first phase exploration program, budgeted at US\$ 830,000, commenced on the joint venture Gil project. A second phase of exploration drilling in 2003 is planned at an estimated cost US\$ 590,000, for a total of US\$ 1,420,000. Approximately 60 holes will be drilled in the first phase for 17,000 feet of core and R/C drilling, and 74 holes will be drilled for a total of 22,000 feet in the second phase.

The 2002 drill program on the Gil joint venture tested portions of the North Gil and Main Gil deposits and the Sourdough Ridge anomaly on Teryl's joint venture land. Several notable drill holes came from this 2002 drill program:

- North Gil encountered 15 feet of 0.095 ounces per ton at a depth of 65 feet from the surface.
- At Sourdough Ridge a hole intersected 15 feet of 0.49 ounces of gold per ton at a depth of 95 feet.
- An isolated drill hole on All Gold Creek located on the western end of the new scarn zone encountered a 15 foot interval of 0.228 ounces of gold per ton at a depth of 265 feet.

The 2003 drill program is designed to upgrade the currently defined resources and expand the mineralization at the Main Gil and the North Gil zones, as well as extend those mineralized zones to the east and the northeast. In addition, the program seeks to establish the presence of substantial mineralization at the Sourdough Ridge and scarn grid targets.

On May 6, 2003 we announced that assays on the first phase of drilling on the Fish Creek claims, Alaska, have not revealed economic values on four out of the five hole reverse drilling program. Hole number five, however, intercepted 5 feet of 2.33 PPM gold between 45 - 50 feet from surface. The five-hole reverse circulation drill program was completed to test several magnetic anomalies for placer and lode gold values.

The next phase of drilling recommended is to locate the extension of the gold discovery on the adjoining Gil project, which may extend onto the Fish Creek property. The Gil project is a joint venture with Kinross Gold Corporation and is currently being drilled in a first phase US\$ 830,000 exploration program to upgrade defined resources and expand known mineralization zones. Also recommended on Fish Creek is seismic exploration on the western portion of the property to locate economic placer channels.

Teryl will continue to evaluate the potential to establish hard rock and placer gold mineralization on the Fish Creek claims prior to the possibility of mining operations commencing on the adjacent Gil project.

On May 28, 2003 we announced drill results from the first six holes of a 60-hole first phase exploration program from joint venture partner Kinross Gold Corporation (TSX: K; NYSE: KGC) on the Gil Gold Project. Drilling of the initial holes was directed primarily at the North Gil Gold Zone where a 35-foot section of over 1/3 ounce of gold per ton was intersected. In terms of grade and length, this is one of the best intersections drilled to date on the Gil Project. Three core holes totaling 1,150 feet and six RC holes were drilled totaling 2,260 feet. Also a 375-foot trench was excavated using a D-8 dozer.

The first phase US\$ 830,000 exploration program consists of approximately 17,000 feet of drilling from 60 holes. An additional 22,000 feet of drilling from 74 holes will be drilled in the second phase for a total of 134 holes and 39,000 feet of drilling.

Drill results on the North Gil Zone (first six holes):

Hole	From (ft)	To (ft)	Thick (ft)	Gold (Au) opt
GVC03-300	25	60	35	0.360
GVC03-300	Including a 10 foot section of 1.2 oz gold per ton			

GVR03-292	105	145	40	0.058
G V K03-292	190	210	20	0.035
GVR03-288	190	200	10	0.035
G V K03-288	165	180	15	0.044
GVR03-289	200	225	25	0.033
GVR03-289	335	350	15	0.043
GVR03-290	120	130	10	0.045
G V K03-290	140	155	15	0.033
GVR03-291	90	100	10	0.035
G V K03-291	275	295	20	0.085

Additional drilling this summer will include continued drilling at the North and Main Gil Zones as well as step out drilling on the Sourdough Ridge Zone where Kinross also reported the following results:

Hole	From (ft)	To (ft)	Thick (ft)	Gold (Au) opt
GVC02-267	95	110	15	0.490
GVC01-250	0	105	105	0.033

#### **Subsequent Events**

On August 18, 2003 the Company announced it had arranged a Private Placement of 2,000,000 units of Capital Stock at a price of \$ 0.25 per unit. Each unit will consist of one common share and one-half share purchase warrant exercisable in the first year for \$ 0.30 per common share and in the second year for \$ 0.40 per common share.

On June 17, 2003 we announced that a drill program on the Company's 100% owned West Ridge Property has been approved. The program will commence initially with auger drilling to define reverse circulation drill targets on the Western gold anomaly. This target is approximately 4000 feet by 3000 feet with gold-in-soil values up to 4.42 ppm and best gold values of 16.45 ppm from float in hand-dug holes. Gold on the Western anomaly is closely associated with high levels of arsenic and antimony, similar to mineralization found on Kinross Gold's adjoining True North gold deposit located approximately 2 miles north.

On July 22, 2003 Teryl announced it had successfully negotiated a lease of 440 acres in the Fairbanks Mining District, Alaska from the State of Alaska, Mental Health Trust Land Office (TLO). The trust land is adjacent to the western portion of the Company's 100% owned West Ridge claims and 40 acres is strategically located within the West Ridge claims, which is on the edge of a geochemical gold anomaly. The gold anomaly may possibly be on trend with the 4000-foot western gold anomaly, which is geochemically similar to the gold mineralization at the True North deposit, according to AMAX Gold's report completed in 1999. The True North gold deposit was purchased by Kinross Gold for CAD\$94 million in shares and cash from La Teko Resources and Newmont Mining Corporation. An exploration work program will be submitted for approval immediately to the Trust Land Office to locate drill targets on the newly acquired lease.

In consideration for the State of Alaska lease, a production royalty on the lease land is granted to the State of Alaska, Trust Land Office (TLO) as follows:

Price of Gold (per ounce)	<u>Production Royalty</u>
Below \$300.00	2.5%
\$300.01 - \$350.00	3.0%
\$350.01 - \$400.00	3.5%
\$400.01 - \$450.00	4.0%
\$450.01 - \$500.00	4.5%
Above \$500.00	5.0%

Additionally, Teryl will grant a 1% Net Smelter Return (NSR) on its 100% owned West Ridge property with first refusal to purchase the 1% NSR in the event that TLO decides to sell.

On August 5, 2003 we announced that field exploration on the Company's 100%-owned West Ridge property has discovered a new gold zone with the same mineralization that hosts the gold deposits in the Fairbanks Mining District, Alaska, including the Fort Knox gold mine, eight miles southeast. Exploration activity has identified several highly prospective areas where work will continue to define reverse circulation drill targets.

Following are the highlights of work reported by the Company's geological consultants, Avalon Development Corporation.

#### Old Glory Prospect

Rock and soil sampling has been completed at the Old Glory prospect. In addition, a small close-spaced soil auger grid was placed over a trench area to try to determine the extent and trend of the mineralization. Rock samples consisted of quartz mica schist and medium grained diorite intrusive containing abundant sericite alteration associated with brown iron oxide after carbonate and reddish brown hematite after pyrite. Quartz veining ranged from fine chalcedonic veinlets to +2 cm milky white mesothermal veins with pitted pyrite and minor scorodite after arsenopyrite. Soil sampling results suggest a false bedrock layer of shingled barren quartz mica schist exists about 3 to 4 feet below surface. Once through this false bedrock, soil samples were taken as deep as 6 feet below surface and often contained abundant ocherous red-orange soil at the bedrock interface. Soil such as this is often associated with gold-bearing shear zones in the district

On August 14, 2003 we announced that an exploration program started on our newly acquired trust land, located adjacent to its West Ridge property, Fairbanks Mining District, Alaska, having recently received work approval from the Alaska Trust Land Office.

Exploration is being conducted by the Company's geological consultants, Avalon Development Corp., who are focused on finding another True North-type gold discovery on the Black Dome area of Teryl's recently acquired trust land (see news release July 22, 2003). The Eldorado Fault cuts through the Black Dome, the same fault that bounds Kinross Gold's True North gold deposit, approximately three miles northeast. The True North deposit was purchased by Kinross for CAD\$94 million in shares and cash from La Teko Resources and Newmont Mining Corporation.

Avalon field crews will sample a newly discovered old trench at Black Dome, which contains rubble composed of black carbonaceous schist cut by numerous quartz-carbonate veinlets. Most of the carbonate has been altered to a soft brown-red oxide, similar to oxide ore at the True North. The trench will be cleared of debris to sample bedrock and determine gold values to locate drill targets.

On August 26, 2003 we announced drill results from the 2003 exploration program at the Gil Gold Project, Alaska, a joint venture with Kinross Gold Corporation. Drilling on Gil continues to produce excellent results including an intercept of 0.116 ounces of gold per ton over an interval of 60 feet from the Main zone, one of four gold targets on the property.

The goal of the 2003 exploration program is to define the limits of gold mineralization at the North Gil and the Main Gil Zones. The first phase US\$830,000 exploration program consists of drilling approximately 60 holes for a total of 17,000 feet. Continued success in the first phase would initiate follow-up in-fill drilling at the Main Gil zone to upgrade the resource to reserve status.

The Gil Gold Project is located in the Fairbanks Mining District, Alaska, approximately five miles east of Kinross' Fort Knox deposit, Alaska's largest producing open-pit gold mine with an average gold grade of just under 0.03 ounces of gold per ton. Kinross' intentions for Gil are to advance the project to a production decision.

Following are assays of results received to date. Further results from the first phase program will be published when available.

Hole	From (feet)	To (feet)	Interval (feet)	Gold (OPT)	Target
GVR03-287	105	130	25	0.033	North Gil
GVR03-288	190	200	10	0.035	North Gil
GVR03-289	165 335	225 350	60 15	0.026 0.043	North Gil
GVR03-290	120	155	35	0.028	North Gil
GVR03-292	105 190	155 200	50 10	0.050 0.054	North Gil
GVR03-294	180 225	190 230	10 5	0.038 0.146	North Gil
GVR03-300 *Including	25 *25	60 35	35 10	0.364 1.207	North Gil
GVR03-301	155	170	15	0.032	North Gil
GVR03-302	45 340 375	50 345 410	5 5 35	0.094 0.520 0.033	North Gil
GVR03-325	25	35	10	0.042	North Gil

	195	215	20	0.041	
GVR03-291	90	100	10	0.036	M: At 41 Cit
	275	325	50	0.042	Main/North Gil Intersection
*Including	*280	285	5	0.242	intersection
GVR03-299	35	65	30	0.038	Main/North Gil
					Intersection
GVR03-323	130	145	15	0.059	Main/North Gil
0 / 1103 525	245	300	55	0.026	Intersection
GVR03-293	80	160	80	0.065	Main Gil
	*110	115	5	0.404	
*Including	*140	145	5	0.259	
	190 *225	235 230	45	0.026 0.109	
	<del></del>		-		
GVR03-295	85	110	25	0.100	Main Gil
	250	260	10	0.053	
GVR03-296	105	110	5	0.073	Main Gil
GVR03-303	50	95	45	0.042	Main Gil
GVR03-305	115	125	10	0.05	Main Gil
GVR03-306	15	50	35	0.028	V
	110	130	20	0.081	Main Gil
*Including	*115	120	5	0.252	
GVR03-307	40	75	35	0.05	Main Gil
GVR03-308	60	120	60	0.045	
*Including	*100	110	10	0.109	Main Gil
	25	95	70	0.062	
GVR03-321	155	160	5	0.122	Main Gil
	240	260	20	0.082	
	290	335	45	0.041	
GVR03-322	110	125	15	0.088	Main Gil
	165	185	20	0.023	
GVR03-324				0.025	
	220	235	15	0.040	Main Gil
	<del> </del>	235			
GVR03-326	25	235	15	0.020	Main Gil
	25 0	235 40 50	15 50	0.020 0.014	
GVR03-326	25 0 0	235 40 50 40	15 50 40	0.020 0.014 0.024	Main Gil
GVR03-326 GVR03-327 GVR03-328	25 0 0 20	235 40 50 40 40	15 50 40 20	0.020 0.014 0.024 0.037	Main Gil Main Gil Main Gil
GVR03-326 GVR03-327 GVR03-328 GVR03-329	25 0 0 20 0	235 40 50 40 40 25	15 50 40 20 25	0.020 0.014 0.024 0.037 0.019	Main Gil Main Gil Main Gil
GVR03-326 GVR03-327 GVR03-328 GVR03-329 GVR03-330	25 0 0 20 0 25	235 40 50 40 40 25 40	15 50 40 20 25 15	0.020 0.014 0.024 0.037 0.019 0.025	Main Gil Main Gil Main Gil
GVR03-326 GVR03-327 GVR03-328 GVR03-329 GVR03-330 GVR03-331	25 0 0 20 0 25 25	235 40 50 40 40 25 40 65	15 50 40 20 25 15 40	0.020 0.014 0.024 0.037 0.019 0.025 0.073	Main Gil Main Gil Main Gil Main Gil Main Gil
GVR03-326 GVR03-327 GVR03-328 GVR03-329 GVR03-330	25 0 0 20 0 25 25 *30	235 40 50 40 40 25 40 65 35	15 50 40 20 25 15 40 5	0.020 0.014 0.024 0.037 0.019 0.025 0.073 0.249	Main Gil Main Gil Main Gil Main Gil
GVR03-326 GVR03-327 GVR03-328 GVR03-329 GVR03-330 GVR03-331 *Including	25 0 0 20 0 25 25 *30 85	235 40 50 40 40 25 40 65 35 95	15 50 40 20 25 15 40 5	0.020 0.014 0.024 0.037 0.019 0.025 0.073 0.249 0.045	Main Gil Main Gil Main Gil Main Gil Main Gil Main Gil
GVR03-326 GVR03-327 GVR03-328 GVR03-329 GVR03-330 GVR03-331 *Including GVR03-333	25 0 0 20 0 25 25 *30	235 40 50 40 40 25 40 65 35	15 50 40 20 25 15 40 5	0.020 0.014 0.024 0.037 0.019 0.025 0.073 0.249	Main Gil
GVR03-326 GVR03-327 GVR03-328 GVR03-329 GVR03-330 GVR03-331 *Including	25 0 0 20 0 25 25 *30 85	235 40 50 40 40 25 40 65 35 95	15 50 40 20 25 15 40 5	0.020 0.014 0.024 0.037 0.019 0.025 0.073 0.249 0.045	Main Gil Main Gil Main Gil Main Gil Main Gil Main Gil
GVR03-326 GVR03-327 GVR03-328 GVR03-329 GVR03-330 GVR03-331 *Including GVR03-333 GVR03-335 GVR03-353	25 0 0 20 0 25 25 *30 85 145	235 40 50 40 40 25 40 65 35 95	15 50 40 20 25 15 40 5 10 40	0.020 0.014 0.024 0.037 0.019 0.025 0.073 0.249 0.045 0.039	Main Gil
GVR03-326 GVR03-327 GVR03-328 GVR03-329 GVR03-330 GVR03-331 *Including GVR03-333 GVR03-335	25 0 0 20 0 25 25 25 *30 85 145	235 40 50 40 40 25 40 65 35 95 185	15 50 40 20 25 15 40 5 10 40	0.020 0.014 0.024 0.037 0.019 0.025 0.073 0.249 0.045 0.039	Main Gil
GVR03-326 GVR03-327 GVR03-328 GVR03-329 GVR03-330 GVR03-331 *Including GVR03-333 GVR03-335 GVR03-353	25 0 0 20 0 25 25 *30 85 145	235 40 50 40 40 25 40 65 35 95 185	15 50 40 20 25 15 40 5 10 40	0.020 0.014 0.024 0.037 0.019 0.025 0.073 0.249 0.045 0.039	Main Gil
GVR03-326 GVR03-327 GVR03-328 GVR03-329 GVR03-330 GVR03-331 *Including GVR03-335 GVR03-353 *Including GVR03-353	25 0 0 20 0 25 25 *30 85 145 5 *10 50 135	235 40 50 40 40 25 40 65 35 95 185 65 40 75 210	15 50 40 20 25 15 40 5 10 40 60 30 25 75	0.020 0.014 0.024 0.037 0.019 0.025 0.073 0.249 0.045 0.039 0.116 0.202 0.046 0.030	Main Gil
GVR03-326 GVR03-327 GVR03-328 GVR03-329 GVR03-330 GVR03-331 *Including GVR03-333 GVR03-335 GVR03-353 *Including	25 0 0 20 0 25 25 *30 85 145 5 *10	235 40 50 40 40 25 40 65 35 95 185	15 50 40 20 25 15 40 5 10 40 60 30 25	0.020 0.014 0.024 0.037 0.019 0.025 0.073 0.249 0.045 0.039 0.116 0.202 0.046	Main Gil

On August 27, 2003 we announced assays were received from the Phase I auger drilling and rock sampling program on the Old Glory gold zone of the Company's 100% owned West Ridge Property.

The highest rock sample assayed 0.29 ounces of gold per ton and the best results from the auger drilling samples assayed 1,155 ppb gold. Ten samples have values of 250 to 1,000 ppb and 43 samples have values of 100 to 250 ppb values in gold in the soil (see chart below). Gold values in excess of 100 ppb outline several significant gold deposits in the district, including Fort Knox, True North and Dolphin, suggesting the soil anomalies at the Old Glory zone may represent a significant new intrusive-related gold discovery. All rock and soil samples were analyzed at ALS Chemex.

Gold (ppb) in Rocks	Gold (ppb) in Soils
1,000 to 10,000 (2)	1,000 to 1,155 (1)
500 to 1,000 (1)	250 to 1,000 (10)
100 to 500 (5)	100 to 250 (43)

5 to 50 (27)	50 to 100 (35)
Below detection (10)	25 to 50 (25)
	5 to 25 (25)
	Below detection (1)

Soil sampling results suggest a false bedrock layer of shingled barren quartz mica schist exists about 3 to 4 feet below surface. Once through this false bedrock, soil samples were taken as deep as 6 feet below surface and often contained abundant ocherous red-orange soil at the bedrock interface. Soil such as this is often associated with gold-bearing shear zones in the Fairbanks Mining District.

According to Avalon Development Corporation, our mining consultants, these anomalous values warrant additional exploration to define drill targets in search of an intrusive-related gold discovery. The West Ridge property adjoins Kinross Gold Corp.'s True North gold deposit and lies approximately eight miles northwest of the producing Fort Knox gold mine, reported to have contained reserves of 4,000,000 ounces of gold. Fort Knox currently produces over 400,000 ounces of gold annually.

On September 2, 2003 we announced drill results from the 2003 exploration program at the Gil Gold Project, Alaska, a joint venture with Kinross Gold Corporation. Drilling on Gil continues to produce excellent results including an intercept of 0.116 ounces of gold per ton over an interval of 60 feet from the Main zone, one of four gold targets on the property.

The goal of the 2003 exploration program is to define the limits of gold mineralization at the North Gil and the Main Gil Zones. The first phase US\$830,000 exploration program consists of drilling approximately 60 holes for a total of 17,000 feet. Continued success in the first phase would initiate follow-up in-fill drilling at the Main Gil zone to upgrade the resource to reserve status.

The Gil Gold Project is located in the Fairbanks Mining District, Alaska, approximately five miles east of Kinross' Fort Knox deposit, Alaska's largest producing open-pit gold mine with an average gold grade of just under 0.03 ounces of gold per ton. Kinross' intentions for Gil are to advance the project to a production decision.

Following are assays of results received to date. Further results from the first phase program will be published when available.

Hole	From (feet)	To (feet)	Interval (feet)	Gold (OPT)	Target
GVR03-287	105	130	25	0.033	North Gil
GVR03-288	190	200	10	0.035	North Gil
GVR03-289	165 335	225 350	60 15	0.026 0.043	North Gil
GVR03-290	120	155	35	0.028	North Gil
GVR03-291	90 275 280	100 325 285	10 50 5	0.036 0.042 0.242	Main/North Gil Intersection
GVR03-292	105 190	155 200	50 10	0.050 0.054	North Gil
GVR03-293	80 110 140 190 225	160 115 145 235 230	80 5 5 45 5	0.065 0.404 0.259 0.026 0.109	Main Gil
GVR03-294	180 225	190 230	10 5	0.038 0.146	North Gil
GVR03-295	85 250	110 260	25 10	0.100 0.053	Main Gil
GVR03-296	105	110	5	0.073	Main Gil
GVR03-299	35	65	30	0.038	M/NG Intersection
GVR03-300	25 25	60 35	35 10	0.364 1.207	North Gil
GVR03-301	155	170	15	0.032	North Gil
GVR03-302	45 340 375	50 345 410	5 5 35	0.094 0.520 0.033	North Gil
GVR03-303	50	95	45	0.042	Main Gil

GVR03-305 115 125 10 0.05	Main Gil
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110						
110	GVR03-306	15	50	35	0.028	
GVR03-307         40         75         35         0.05         Main Gil           GVR03-308         60         120         60         0.045         Main Gil           GVR03-308         25         95         70         0.062         Main Gil           GVR03-321         25         95         70         0.062         Main Gil           240         260         20         0.082         290         0.082           290         335         45         0.041         0.041         0.041         0.041           GVR03-322         110         125         15         0.088         Main Gil           GVR03-323         130         145         15         0.059         M/NG Intersection           GVR03-324         165         185         20         0.023         Main Gil           GVR03-324         25         35         10         0.042         North Gil           GVR03-325         25         35         10         0.042         North Gil           GVR03-326         25         40         15         0.020         Main Gil           GVR03-327         0         50         50         0.014         Main Gil						
GVR03-308   60		115	120	5	0.252	
100	GVR03-307	40	75	35	0.05	Main Gil
GVR03-321  25  95  70  0062  Main Gil  155  160  5  0.122  290  335  45  0.041  GVR03-322  110  125  155  160  20  0082  290  335  45  0.041  GVR03-323  130  145  155  165  185  20  0.026  M/NG Intersection  M/NG Intersection  More Gil  GVR03-324  165  185  20  0.023  Main Gil  GVR03-325  165  185  10  0.040  Main Gil  GVR03-326  25  40  15  0.040  Main Gil  GVR03-327  0  50  0.041  North Gil  GVR03-328  0  40  40  40  0.024  Main Gil  GVR03-329  0  25  40  15  0.037  Main Gil  GVR03-329  0  25  40  15  0.002  Main Gil  GVR03-329  0  40  40  40  0.024  Main Gil  GVR03-329  0  25  40  15  0.025  Main Gil  GVR03-331  30  35  5  0.026  Min Gil  Min Gil  GVR03-331  30  35  5  0.040  Main Gil  GVR03-333  85  95  10  0.045  Main Gil  GVR03-335  GVR03-335  T  Main Gil  GVR03-336  5  0.049  Main Gil  GVR03-337  Main Gil  GVR03-338  85  95  10  0.045  Main Gil  GVR03-337  Main Gil  GVR03-338  85  95  10  0.045  Main Gil  GVR03-339  Main Gil  GVR03-339  Sourdough Ridge  GVR03-349  5  65  60  0.016  Main Gil  Sourdough Ridge	CLID 02 200	60	120	60	0.045	M : 63
155	GVR03-308	100	110	10	0.109	Main Gil
155   100   260   20   0.082   200   200   0.082   200   200   335   45   0.041   200   200   335   45   0.041   200	CVD02 221	25	95	70	0.062	M : C'I
240   260   20   0.082   290   335   45   0.041   290   335   45   0.041   290   335   45   0.041   290   335   45   0.041   290   335   45   0.041   290   335   45   0.041   290   245   300   55   0.026   M/NG Intersection 20/R03-324   220   235   15   0.040   Main Gil 20/R03-324   220   235   15   0.040   Main Gil 20/R03-325   25   35   10   0.042   0.041   North Gil 20/R03-326   25   40   15   0.020   Main Gil 20/R03-327   0   50   50   0.014   Main Gil 20/R03-328   0   40   40   0.024   Main Gil 20/R03-329   0   25   25   0.019   Main Gil 20/R03-330   25   40   15   0.025   Main Gil 20/R03-331   25   65   40   0.073   Main Gil 20/R03-333   85   185   40   0.073   Main Gil 20/R03-335   35   35   0.249   Main Gil 20/R03-335   35   35   0.249   Main Gil 20/R03-335   35   35   0.046   0.039   Main Gil 20/R03-335   35   35   0.046   0.039   Main Gil 20/R03-335   35   35   35   35   30   0.046   30/R03-335   30   355   35   30   30   30   30	JVKU3-321	155	160	5	0.122	Main Gil
290   335   45   0.041					0.082	
130						
Coverage	GVR03-322	110	125	15	0.088	Main Gil
Coverage	CVD02 222	130	145	15	0.059	MAICL
SVR03-324   220   235   15   0.040   Main Gil	GVR03-323	245	300		0.026	M/NG Intersection
SVR03-324   220   235   15   0.040   Main Gil	CVW 02 224	165	185	20	0.023	
195   215   20   0.041   North Gil	GVR03-324					Main Gil
195   215   20   0.041   North Gil	GVR03-325	25	35	10	0.042	N. 4 67
GVR03-327         0         50         50         0.014         Main Gil           GVR03-328         0         40         40         0.024         Main Gil           GVR03-329         0         25         25         0.019         Main Gil           GVR03-330         25         40         15         0.025         Main Gil           GVR03-331         25         65         40         0.073         Main Gil           GVR03-331         30         35         5         0.249         Main Gil           GVR03-333         85         95         10         0.045         Main Gil           GVR03-335         Main Gil         50         75         25         0.046         Sourdough Ridge           GVR03-349         50         75         25         0.046         Sourdough Ridge           GVR03-350         155         185         30         0.018         Sourdough Ridge           GVR03-352         5         65         60         0.116         Main Gil						North Gil
GVR03-328         0 40 20 0.037         Main Gil           GVR03-329         0 25         25         0.019         Main Gil           GVR03-330         25         40         15         0.025         Main Gil           GVR03-331         25         65         40         0.073         Main Gil           GVR03-331         85         95         10         0.045         Main Gil           GVR03-333         85         95         10         0.045         Main Gil           GVR03-335         Main Gil         50         75         25         0.046         Sourdough Ridge           GVR03-350         155         185         30         0.018         Sourdough Ridge           GVR03-353         5         65         60         0.116         Main Gil	GVR03-326	25	40	15	0.020	Main Gil
GVR03-328         20         40         20         0.037         Main Gil           GVR03-329         0         25         25         0.019         Main Gil           GVR03-330         25         40         15         0.025         Main Gil           GVR03-331         25         65         40         0.073         Main Gil           GVR03-331         30         35         5         0.249         Main Gil           GVR03-333         85         95         10         0.045         Main Gil           GVR03-335         145         185         40         0.039         Main Gil           GVR03-349         50         75         25         0.046         Sourdough Ridge           GVR03-350         155         185         30         0.018         Sourdough Ridge           GVR03-352         5         65         60         0.116         Main Gil	GVR03-327	0	50	50	0.014	Main Gil
GVR03-328         20         40         20         0.037         Main Gil           GVR03-329         0         25         25         0.019         Main Gil           GVR03-330         25         40         15         0.025         Main Gil           GVR03-331         25         65         40         0.073         Main Gil           GVR03-331         30         35         5         0.249         Main Gil           GVR03-333         85         95         10         0.045         Main Gil           GVR03-335         145         185         40         0.039         Main Gil           GVR03-349         50         75         25         0.046         Sourdough Ridge           GVR03-350         155         185         30         0.018         Sourdough Ridge           GVR03-352         5         65         60         0.116         Main Gil	CV	0	40	40	0.024	
GVR03-330	GVR03-328	20				Main Gil
GVR03-331	GVR03-329	0	25	25	0.019	Main Gil
GVR03-331         30         35         5         0.249         Main Gil           GVR03-333         85         95         10         0.045         Main Gil           GVR03-335         Main Gil         Main Gil         Main Gil           GVR03-349         50         75         25         0.046         Sourdough Ridge           GVR03-349         135         210         75         0.030         Sourdough Ridge           GVR03-350         155         185         30         0.018         Sourdough Ridge           GVR03-352         5         65         60         0.116         Main Gil	GVR03-330	25	40	15	0.025	Main Gil
GVR03-333         85 145         95 10 0.045 40 0.039         Main Gil           GVR03-335         Main Gil         Main Gil           GVR03-349         50 75 25 0.046 135 210 75 0.030 195 205 10 0.101         Sourdough Ridge           GVR03-350         155 185 30 0.018 Sourdough Ridge           GVR03-352         5 65 60 0.016 Main Gil	CVD02 221	25	65	40	0.073	M : 63
GVR03-335	GVR03-331		35		0.249	Main Gil
GVR03-335	CVIDA2 222	85	95	10	0.045	M : 63
GVR03-349  50 75 25 0.046 135 210 75 0.030 195 205 10 0.101  GVR03-350  155 185 30 0.018 Sourdough Ridge  65 60 0.116  Main Gil	GVK03-333				0.039	Main Gil
135 210 75 0.030 Sourdough Ridge 195 205 10 0.101  GVR03-350 155 185 30 0.018 Sourdough Ridge  GVR03-352 5 65 60 0.116 Main Gil	GVR03-335					Main Gil
135 210 75 0.030 Sourdough Ridge 195 205 10 0.101  GVR03-350 155 185 30 0.018 Sourdough Ridge  GVR03-352 5 65 60 0.116 Main Gil	CVD02 240		75	25	0.046	Carradarrata Di 1
195 205 10 0.101  GVR03-350 155 185 30 0.018 Sourdough Ridge  GVR03-352 5 65 60 0.116 Main Gil	G V KU3-349	135	210		0.030	Sourdough Kidge
GVP03 252 5 65 60 0.116 Main Gil						
	GVR03-350	155	185	30	0.018	Sourdough Ridge
	CVD02 252	5	65	60	0.116	M : 03
	GVK03-353					Main Gil

On September 18, 2003 the Company announced that phase 2 field exploration on the Company's 100%-owned West Ridge property has expanded the size of the gold discovery at the Old Glory prospect. In addition, field work has confirmed the presence of eclogite-grade metamorphic rocks similar to those which host Kinross Gold's 660,000 ounce True North gold deposit located two miles north of the West Ridge project. The True North gold deposit was purchased by Kinross Gold in 1999 for \$94,000,000 in cash and shares.

Following are the highlights of work reported by the Company's geological consultants, Avalon Development Corporation, under the supervision of principal Curt Freeman.

#### Old Glory Prospect

Phase 2 rock and soil auger sampling has been completed at the Old Glory prospect and has expanded the extent of anomalous gold in rocks and soil to an area measuring 400 meters northeast-southwest by 200 meters northwest-southeast. Soil values in this grid range up to 1,155 parts per billion (1.16 grams per tonne) gold with 2,850 parts per million (ppm) arsenic and 200 ppm tungsten. Rock samples collected from old prospect pits and trenches within the soil grid returned values up to 10.0 grams (1/3 of an ounce) per tonne gold, 5,900 ppm arsenic and 144 ppm bismuth. Substantial mineralization is found where the northeast trending structure intersects the northwest-trending structure. Arsenic mimics gold to a large degree while tungsten and bismuth mineralization are less definitive.

Gold mineralization at Old Glory is associated with sericite alteration in a strong sodium depletion zone. Of significance is that mineralization appears to be controlled by the Eldorado fault, a major northeast-trending district-scale structure which bounds the 2.4 million ounce Ryan Lode gold deposit located 16 miles southwest and the 660,000 ounce True North gold mine, just 2 miles northeast. Along this same fault lies Teryl's Black Dome prospect, State of Alaska lease recently acquired, another gold anomalous area discovered by summer field exploration. Rocks of similar character to True North are present at both the Old Glory and the Black Dome areas, which suggests a genetic link between both mineralized prospects.

The Company is planning to continue expansion of the soil auger grid at Old Glory followed by backhoe trenching of the main Old Glory anomaly in preparation for drilling in 2003. Also, ground-based geophysical surveys are being planned to help better define drill targets.

Geochemical analyses for the West Ridge project were completed by ALS Chemex in Fairbanks, Alaska and Vancouver, British Columbia. Curt Freeman, M.S., P.Geo, is the qualified person for this news release.

On September 29, 2003 we announced further drill results from the 2003 first phase exploration program at the Gil Gold Project, Alaska, a joint venture with Kinross Gold Corporation.

The first phase drill program has served two purposes: firstly it has increased the geologic understanding of the Main Gil gold deposit to provide a more accurate gold distribution deposit model, and secondly, it has extended the strike length of the Main Gil zone to almost 3,000 feet.

A phase 2 budget that includes US\$750,000 for definition and infill drilling at the Main Gil will be submitted to the Gil Venture partners for approval. Drill data continues to be compiled for inclusion in the model database.

The Gil Gold Project is located in the Fairbanks Mining District, Alaska, approximately five miles east of Kinross' Fort Knox deposit, Alaska's largest producing open-pit gold mine with an average gold grade of just under 0.03 ounces of gold per ton. Kinross' intentions for Gil are to advance the project to a production decision with ore to be processed at the Fort Knox mill.

Following are new assays from the first phase program. Additional results will be published when available.

The Company is also pleased to announce that we are featuring a banner on www.gold-eagle.com.

Hole	From (feet)	To (feet)	Interval (feet)	Gold (OPT)	Target
GVC03-304	0	10	10	0.071	
G V C 03-304	135	145	10	0.065	Main Gil
	180	190	10	0.034	Wiam Gii
GVC03-309	225	230	5	0.035	North Gil
GVC03-310	20	25	5	0.068	
G V C03-310	40	65	25	0.111	North Gil
	95	115	20	0.038	North Gir
	205	215	10	0.092	
GVC03-311	25	30	5	0.060	
3 4 C 0 3 - 3 1 1	45	50	5	0.129	
	85	90	5	0.067	North Gil
	105	110	5	0.048	North Off
	205	215	10	0.064	
GVC03-312	130	135	5	0.038	North Gil
GVC03-313	15	20	5	0.052	North Gil
CVC02 214	10	20	10	0.026	
GVC03-314	50	55	5	0.139	M : CI
	95	110	15	0.069	Main Gil
	30	70	40	0.050	M : Cl
GVC03-315	80	85	5	0.056	Main Gil
CVC02 216	0	20	20	0.187	M : C1
GVC03-316	40	60	20	0.027	Main Gil
	105	125	20	0.326	
CVC02 217	120	135	15	0.129	
GVC03-317	155	170	15	0.026	
	180	195	15	0.029	M : 01
	220	235	15	0.082	Main Gil
	250	265	15	0.060	
	285	290	5	0.062	
CVC02 219	55	70	15	0.042	Main Cil
GVC03-318	115	130	15	0.030	Main Gil
GVC03-320	5	50	45	0.077	Main Gil
GVR03-334	5	10	5	0.044	Main Gil
CVC02 225	0	30	30	0.280	M : 03
GVC03-335	5	10	5	1.040	Main Gil
GVR03-351	40	55	15	0.063	Main Gil
GVR03-356	45	50	5	0.120	Maiii Gli

	75 190 260	80 210 270	5 20 10	0.056 0.035 0.064	Main Gil
GVR03-357	275	295	20	0.068	750 feet south of Main Gil
GVR03-360	50	85	35	0.145	Main/North Gil Intersection
GVR03-361	50 130	55 135	5 5	0.033 0.035	Main/North Gil Intersection
GVR03-362	80	90	10	0.038	Main/North Gil Intersection
GVR03-363	50	55	5	0.032	Main/North Gil Intersection
GVR03-373	5 65 115	45 85 120	40 20 5	0.051 0.058 0.031	Main Gil

#### FINANCING ACTIVITIES, PRINCIPAL PURPOSES AND MILESTONES, AND LIQUIDITY AND SOLVENCY

The Company did not issue any shares in 2002. During the 2003 year the Company issued 2,004,850 common shares to net the treasury \$ 260,948 (See Note 12 to Schedule "A"). The Company also issued 200,000 common shares for mineral property at a deemed price of \$ 0.08 per share. In 2003, the Company received loans, on a net basis, of \$ 260,318 from related companies.

Of the total cash raised of \$ 521,266 from financing and investing activities together with an opening cash deficit of \$ (6,840) and \$ 13,280 surplus on oil and gas operations, \$ 222,290 was spent on exploration and development of mineral property interests and \$ 337,092 was spent on operations. In 2002, \$ 82,650 was spent on exploration and development and \$ 112,505 was spent on operations. The Company's cash deficit at May 31, 2003 was \$ (50,381) compared to \$ (6,840) at May 31, 2002 and the working capital deficit increased by \$ 372,163 to \$ 1,395,628 compared to \$ 1,023,465 at May 31, 2002. The Company plans to continue raising funds through sale of capital stock and through option agreements on its mineral properties. See subsequent events note regarding private placement announced August 18, 2003.

#### NEWS RELEASE

#### GRANTING OF STOCK OPTIONS

For Immediate Release: October 20, 2003, Vancouver, BC - Teryl Resources Corp. (TSX Venture Exchange: TRC.V) announces that the Company has granted incentive stock options to individuals of up to 150,000 common shares at a price of \$0.40, exercisable for a period of five years from the date of granting.

Shareholder approval for the granting and exercise of incentive stock options was obtained at the Company's annual general meeting held on January 22, 2003.

#### ABOUT TERYL RESOURCES CORP.

With interests in four gold properties, Teryl Resources Corp. is one of the main landowners in the Fairbanks Mining District, Alaska. The Gil project is a joint venture (80% Kinross/20% Teryl) with Kinross Gold Corporation (TSX: K; NYSE: KGC). The Company's holdings also include the West Ridge Property (100% owned), the Fish Creek Claims, 50% optioned from Linux Gold Corp. (OTC BB: LNXGF), and the Stepovich Claims, which Teryl has a 10% net profit interest from Kinross. Teryl Resources Corp. also has one joint venture silver prospect located in Northern BC, Canada. For further information visit the Company's website at <a href="http://www.terylresources.com">http://www.terylresources.com</a>.

#### ON BEHALF OF THE BOARD OF DIRECTORS

"John Robertson"

John Robertson President

Contact: John Robertson

Tel. 800-665-4616

#### The TSX Venture Exchange has neither approved nor disapproved of the information contained herein.

Statements in this press release regarding Teryl's business which are not historical facts are "forward-looking statements" that involve risks and uncertainties, such as estimates and statements that describe the Company's future plans, objectives or goals, including words to the effect that the Company or management expects a stated condition or result to occur. Since forward-looking statements address future events and conditions, by their very nature, they involve inherent risks and uncertainties. Actual results in each case could differ materially from those currently anticipated in such statements.

1103 - 11871 Horseshoe Way, Richmond, B.C. V7A 5H5 **Phone: 604-278-5996 Fax: 604-278-3409 Toll Free: 800-665-4616** 

www.terylresources.com

#### NEWS RELEASE

Teryl Resources Corp. (the "Company")

TSX Venture Exchange: TRC Pink Sheet Symbol: TRYLF 12g3-2(b) # 82-2026

# TERYL RESOURCES ANNOUNCES \$1,050,000 PRIVATE PLACEMENT

For Immediate Release: October 21, 2003, Vancouver, BC - Teryl Resources Corp. (TSX Venture Exchange: TRC) announces that a private placement for 3,000,000 units at \$0.35 per unit, to raise \$1,050,000, has been approved by the board of directors. Each unit will consist of one common share of Teryl Resources Corp. and a ½ warrant enabling the investor to purchase an additional share at an exercise price of \$0.50 per share for a one year period. Two half warrants will enable the investor to purchase one additional share.

The funds raised are to be mainly used for the Gil joint venture with Kinross, West Ridge initial drilling program, general corporate purposes and accounts payable.

The financing is subject to the necessary regulatory approval.

With interests in four gold properties, Teryl Resources Corp. is one of the main landowners in the Fairbanks Mining District, Alaska. The Gil project is a joint venture (80% Kinross/20% Teryl) with Kinross Gold Corporation (TSX: K; NYSE: KGC). The Company's holdings also include the West Ridge Property (100% owned), the Fish Creek Claims, 50% optioned from Linux Gold Corp. (OTC BB: LNXGF), and the Stepovich Claims, which Teryl has a 10% net profit interest from Kinross. Teryl Resources Corp. also has one joint venture silver prospect located in Northern BC, Canada. For further information visit the Company's website at <a href="http://www.terylresources.com">http://www.terylresources.com</a>.

#### ON BEHALF OF THE BOARD OF DIRECTORS

"John Robertson"

John Robertson President

Contact: John Robertson

800-665-4616

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1103 - 11871 Horseshoe Way, Richmond, B.C. V7A 5H5

Phone: 604-278-5996 Fax: 604-278-3409 Toll Free: 800-665-4616 www.terylresources.com

#### NEWS RELEASE

Teryl Resources Corp. (the "Company")

TSX Venture Exchange: TRC Pink Sheet Symbol: TRYLF 12g3-2(b) # 82-2026

# PRIVATE PLACEMENT WITHDRAWN

For Immediate Release: October 31, 2003, Vancouver, BC - Teryl Resources Corp. (TSX Venture Exchange: TRC) wishes to announce that the private placement announced on March 28, 2003 has been withdrawn.

With interests in four gold properties, Teryl Resources Corp. is one of the main landowners in the Fairbanks Mining District, Alaska. The Gil project is a joint venture (80% Kinross/20% Teryl) with Kinross Gold Corporation (TSX: K; NYSE: KGC). The Company's holdings also include the West Ridge Property (100% owned), the Fish Creek Claims, 50% optioned from Linux Gold Corp. (OTC BB: LNXGF), and the Stepovich Claims, which Teryl has a 10% net profit interest from Kinross. Teryl Resources Corp. also has one joint venture silver prospect located in Northern BC, Canada. For further information visit the Company's website at <a href="http://www.terylresources.com">http://www.terylresources.com</a>.

#### ON BEHALF OF THE BOARD OF DIRECTORS

"John Robertson"

John Robertson President

Contact: John Robertson

800-665-4616

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1103 - 11871 Horseshoe Way, Richmond, B.C. V7A 5H5 Phone: 604-278-5996 Fax: 604-278-3409 Toll Free: 800-665-4616 www.terylresources.com

# FORM 51-901F

# QUARTERLY REPORT

Incorporated as part of:	X Schedule A Schedules B & C (place x in appropriate category)
ISSUER DETAILS:	
NAME OF ISSUER	TERYL RESOURCES CORP.
ISSUER'S ADDRESS	#1103 - 11871 HORSESHOE WAY
	RICHMOND, B. C. V7A 5H5
ISSUER'S TELEPHONE NUMBER	(604) 278-5996
CONTACT PERSON	JOHN ROBERTSON
CONTACT'S POSITION	PRESIDENT
CONTACT'S TELEPHONE NUMBER	(604) 278-5996
FOR QUARTER ENDED	AUGUST 31, 2003
DATE OF REPORT	OCTOBER 31, 2003
	CERTIFICATE
CONTAINED THEREIN HAS BEEN APPROV	MPLETE THIS QUARTERLY REPORT ARE ATTACHED AND THE DISCLOSURE VED BY THE BOARD OF DIRECTORS. A COPY OF THIS QUARTERLY REPORT WILL HO REQUESTS IT. PLEASE NOTE THIS FORM IS INCORPORATED AS PART OF BOTH AND SCHEDULES B & C.
"JOHN ROBERTSON"	2003/10/31
NAME OF DIRECTOR	DATE SIGNED (YY/MM/DD)
"JENNIFER LORETTE"	2003/10/31
NAME OF DIRECTOR	DATE SIGNED (YY/MM/DD)
(Signat	cures for this Form should be entered in TYPED form)

### CONSOLIDATED FINANCIAL STATEMENTS

### AS AT AUGUST 31, 2003

### CONSOLIDATED BALANCE SHEET

### **AS AT AUGUST 31, 2003**

	CC		
А	22	E.	· >

	August 31,	August 31,	May 31,
	2003	2002	2003
	Unaudited	Audited	Audited
Current Assets:	\$	\$	\$
Cash	48,427	-	-
Receivables, prepaids and deposits	77,345	31,480	73,797
Advances to related companies (Note 3)	19,970	13,754	10,112
	145,742	45,234	83,909
Investments (Note 4)	4,026	4,026	4,026
Office Equipment (Note 5)	9,754	4,677	3,939
Oil & Gas Interests (Note 6)	-	-	-
Mineral Property Interests (Note 7)	190,236	156,698	176,150
<u>Deferred Expenditures</u> :			
Exploration and development (Note 7)	1,868,746	1,638,440	1,849,567
	2,218,504	1,849,075	2,117,591
	-		

### LIABILITIES AND CAPITAL LESS DEFICIT

Current Liabilities:				
Cheques issued in excess of funds on deposit	-	1,273	50,381	
Accounts payable and accrued liabilities	581,407	528,311	622,410	
Estimated liability for capital taxes (Note 8)	759	854	750	
Debenture payable (Note 9)	150,000	150,000	150,000	
Advances from related parties (Note 10)	516,879	410,056	655,996	
	1,249,045	1,090,494	1,479,537	
Contingencies and Commitments (Note 11)				
Share Capital: (Note 12)	6,794,762	6,020,427	6,297,375	
Subscriptions Received (Notes 14 & 15)	69,972	186,594	69,972	
Deficit	(5,895,275	) (5,448,440	) (5,729,293	)
	2.218.504	1.849.075	2.117 591	

Approved by the Directors:

"John Robertson" John Robertson

"Jennifer Lorette" Jennifer Lorette

### CONSOLIDATED STATEMENT OF OPERATIONS

### FOR THE THREE MONTHS ENDED AUGUST 31, 2003

	Three Months Ended			
		Augu	st 31,	
	2003		2002	
	Unaudited		Audited	
Oil and Gas Operations: (Note 3)	\$		\$	
Revenue from Oil & Gas Sales	4,481		6,282	
Deduct: Oil & Gas Expenses:				
Operating expenses	1,455		3,143	
Net Income (Loss) from Oil and Gas Operations	3,026		3,139	
Net Operating Income (Loss)	3,026		3,139	
Other Income and Expenses:				
Write off of incorporation costs	-		(1,379	)
Administration expenditures (Schedule A)	169,008		(44,719	)
Other Income and Expenses	(169,008	)	(46,098	)
Net Income (Loss) for the Period	(165,982	)	(42,959	)
EARNINGS (LOSS) PER SHARE (Note 8)	(0.0066	)	(0.0019	
Weighted Average Number of Shares Outstanding	25,267,376		23,033,238	
CONSOLIDATED STATEMENT OF DEFICIT				
Deficit - Beginning of Period	(5,729,293	)	(5,405,481	)
Denen - Beginning of Feriod	(3,729,293	)	(3,403,461	)
Add: Net Income (Loss) for the Period	(165,982	)	(42,959	)
Deficit - End of Period	(5,895,275	)	(5,448,440	)
LINALIDITED DDEDADED DV MANAGEMENT				

# CONSOLIDATED STATEMENT OF ADMINISTRATION EXPENDITURES

### FOR THE THREE MONTHS ENDED AUGUST 31, 2003

	Three Months Ended August 31,	
	2,003	2,002
	Unaudited	Audited
	\$	\$
Publicity, promotion and investor relations	76,420	6,576
Auto, travel and entertainment	20,677	2,856
Audit, accounting and consulting	19,500	1,410
Foreign exchange loss (gain)	14,703	332
Management and directors' fees (Note 13)	9,250	9,100
Office supplies, telephone and courier	8 385	9,803
Secretarial fees (Note 13)	6,967	-
Filing fees and electronic data services	3 805	1,284
Debenture interest (Note 9)	3,704	3,704
Office rent and utilities (Note 13)	1,950	2,700
Transfer agent fees	1,621	724
Bank charges and other interest	784	339
Legal fees	732	2,927
Moving expense	-	2,741
Interest income	(3)	(23)
Amortization	513	246
Total Administration Expenses	169,008	44,719

### CONSOLIDATED STATEMENT OF DEFERRED

### EXPLORATION AND DEVELOPMENT EXPENDITURES

### FOR THE THREE MONTHS ENDED AUGUST 31, 2003

	Three Months Ended	
	August 31,	
	<u>2003</u>	<u>2002</u>
	Unaudited	Audited
	\$	\$
Silverknife Claims: (Joint Venture) (Note 7A)		
Work assessment	-	
Fish Creek Claims: (Joint Venture) (Note 7B)		
Geophysical survey and reports	470	2,409
West Ridge Claims: (Note 7C)	_	
Geophysical survey	13,214	-
Reports and maps	4,121	1,884
	17,335	1,884
Gil Venture: (Joint Venture) (Note 7D)	_	
Reports and maps	1,374	4,718
	1,374	4,718
Exploration and Development for the Period	19,179	9,011
Exploration and Development at Beginning of Period	1,849,567	1,629,429
	1,868,746	1,638,440
Less: Exploration and development written off:		
Re inactive claims	-	-
	-	-
Exploration and Development at End of Period	1,868,746	1,638,440

### CONSOLIDATED STATEMENT OF CASH FLOWS

# FOR THE THREE MONTHS ENDED AUGUST 31, 2003

	Three Months Ended		
	A	August 31,	
	2003	2002	
	Unaudited	Audited	
	\$	\$	
Operating Activities:			
Revenue receipts	4,481	4,794	
Interest income receipts	8	18	
Receipts from goods and services sales taxes	2,952	1,313	
Increase in estimated liability for capital tax	(9	) (8	)
Payments to suppliers for goods and services	(235,641	) (4,402	)
Cash Flows (Used) by Operating Activities	(228,209	) 1,715	
Financing Activities:			
Share capital issued for cash (Note 12)	501,500	-	
Advances from (to) related parties (Notes 3 & 10)	(148,975	) 10,736	
Cash Flows from Financing Activities	352,525	10,736	
Investing Activities:			
Purchase of office equipment	(6,329	) -	
Current exploration and development costs	(19,179	) (6,884	)
Cash Flows (Used) by Investing Activities	(25,508	) (6,884	)
Increase (Decrease) in Cash for the Period	98,808	5,567	
Cash (Deficiency) at Beginning of Period	(50,381	(6,840	)
Cash (Deficiency) at End of Period	48,427	(1,273	

#### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

#### FOR THE THREE MONTHS ENDED AUGUST 31, 2003

SIGNIFICANT ACCOUNTING POLICIES:

[a] Nature of Operations:

1.

The Company makes expenditures on acquiring mineral properties and carries out exploration and development work thereon. It also acquires oil and gas property interests and participates in drilling wells thereon. The recoverability of amounts shown for investments, mineral properties, interest in oil and gas properties and the related deferred expenditures is dependent upon the existence of economically recoverable reserves, the ability to obtain the necessary financing to complete the development, the profitability of future production or the ability of the Company to dispose of those assets on a profitable basis. The Company's ongoing operation is dependent upon cash flow from successful operations and equity financing. These financial statements are prepared on the basis that the Company will continue to operate as a going concern.

[b] Historical Cost:

Assets and liabilities are carried at historical cost, less amounts written off, and are not intended to reflect present or future values.

[c] Fixed Assets:

The Company records its fixed assets at cost and depreciates them on the declining-balance basis at 20% per annum.

[d] Accounting for Oil and Gas Well Interests:

The Company capitalizes the drilling and equipment costs of its interest in specific wells, which are to be amortized or written off as follows:

- (i) If wells are productive and connected to gathering systems wells are depreciated on the straight-line basis over their estimated productive life of seven years, from date production begins.
- (ii) If wells are believed to be productive but not connected to gathering systems (shut-in) wells are deemed to produce for two months a year and depreciated on that basis.
- (iii) If wells are, or are believed to become, non-productive costs are charged to expense.
- [e] Accounting for Mineral Property Interests:

The Company capitalizes its acquisition costs of mineral properties (including finders fees thereon) and the related exploration and development expenditures thereon by claim groups, or its share of costs on joint ventures, which are to be amortized as follows:

(i) If property sold outright - costs written off entirely against proceeds.

(ii)	If property sold under option-type agreement - on basis of cash or shares received over total undiscounted amount to received under agreement, exclusive of royalties or net profit participation.
(iii)	If property brought into production - on basis of units of production over total estimated reserves recoverable.
	UNAUDITED - PREPARED BY MANAGEMENT 2

# 1. SIGNIFICANT ACCOUNTING POLICIES (Continued):

[e] Accounting for Mineral Property Interests (Continued)

- (iv)

  If property retained, but has no proven economic reserves and is not currently being explored or developed by the Company or joint venture partner costs written down to a nominal value.
- (v)If property abandoned costs written off entirely.
- [f] Accounting for Administration Expenditures:

The Company expenses its administration expenditures in the current year, except for items directly attributable to mineral properties.

[g] Revenue and Property Costs:

These statements reflect only Teryl's share of oil and gas revenue and expenses, although operations are conducted jointly with several parties. These statements reflect only Teryl's share of acquisition costs and expenditures on mineral property interests operated jointly with other parties.

[h] Foreign Exchange Translations:

The Company converts its current assets and liabilities and future payments receivable at current exchange rates, its non-current assets and liabilities at rates in effect on transaction dates, and its income and expenses at average rates of exchange for the period. Gains or losses on the transactions are reflected as administration expense.

[i] <u>Investments</u>:

The Company's marketable securities are carried at cost until sold or a deemed disposition has occurred as defined under the Income Tax Act. The cost of shares sold is determined by the average cost method when less than all the shares held in one company are sold.

[j] <u>Capital Stock</u>:

Capital stock issued for other than cash is recorded at values attributed by the Directors at time of issuance. Commissions and finders fees directly related to share issues are deducted in arriving at net proceeds from share capital. Flow-through share issues are reflected at actual issued prices.

2. CONSOLIDATION INFORMATION:

These consolidated financial statements include the accounts of the Company and its wholly- owned subsidiaries, Argon Investment Corporation (inactive) and Teryl, Inc. Teryl, Inc. was in- corporated on November 17, 1988, in the State of Delaware and registered to do business in the USA, to hold and operate the Alaska mineral property interests and Texas oil and gas well interests. In April, 1998, Teryl, Inc. reorganized and increased its authorized share capital from 1,000 common shares to 100,000,000 common shares, in preparation for taking the company public. Teryl Resources Corp. was issued 6,500,000 shares of Teryl, Inc. and held 100% of the shares at August 31, 2003. If Teryl, Inc. issues shares to others, Teryl Resources Corp.'s percentage holdings will decrease. See Note 15 re Teryl, Inc. transactions.

# 3. <u>ADVANCES TO RELATED COMPANIES</u> consist of the following:

	August	August 31,
	<u>2003</u>	<u>2002</u>
Reg Technologies Inc.	13,312	
Linux Gold Inc. (Note 4)	6,248	12,453
Information Highway.com Inc.	409	1,300
International Diamond Syndicate	1	1
	19,970	13,754

The advances to related companies bear no interest and have no fixed repayment terms.

# 4. <u>INVESTMENTS</u> consist of:

International Diamond Syndicate Ltd. (IDS) is a private company having no quoted market, in which Teryl Resources owns 40% of the issued shares. At May 31, 2000, the investment and advances to IDS were written down to \$ 1 each as IDS's property has no proven economic reserves, so there is little expectation of recovery.

Linux Gold Inc. (formerly LinuxWizardry Systems, Inc.) is a public company listed on US Stock Exchanges having a market value of \$ 1,745 Cdn. at August 31, 2003 (2002 - \$ 668).

<u>2003</u>	<u>2002</u>
	_
l	I
30,500	30,500
6,195	6,195
(14,954	) (14,954
21,741	21,741
(17,716	) (17,716 )
4,025	4,025
4,026	4,026
August 31,	August 31,
<u>2003</u>	<u>2002</u>
41,261	34,932
31,507	30,255
9,754	4,677
	1 30,500 6,195 (14,954 21,741 (17,716 4,025 4,026  August 31, 2003 41,261 31,507

In accordance with Canadian general accepted accounting principles, the Company wrote off entirely its incorporation costs at August 31, 2002.

# 6. OIL AND GAS WELL INTERESTS:

The Company, through its subsidiary Teryl, Inc., owns 6.5% Working Interest (4.680% Net Revenue Interest) in the Peters No. 1 Well, in Fayette County, Texas, and a 7.5% Working Interest (5.79375% Net Revenue Interest) in each of the CS-#1 and Herrmann #4 wells, and a 0.102% Working Interest in the Jancik #2 well, acquired at no cost during the August 31, 2002 quarter, located in Burleson County, Texas. The well have been entirely amortized.

# 7. <u>MINERAL PROPERTY INTERESTS</u> consist of the following:

		Teryl's	Teryl's Acquisition		
Claim Group	<u>Region</u>	<u>Interest</u>	<u>Ref</u>	<u>2003</u>	<u>2002</u>
Silverknife	Liard, BC	26.7 %	A	1	1
Fish Creek	Fairbanks, Alaska	0-45 %	В	33,538	-
West Ridge	Dome Creek, Alaska	100 %	C	116,189	116,189
Gil Venture	Dome Creek, Alaska	20 %	D	31,127	31,127
Stepovich	Dome Creek, Alaska	10 %	E	9,381	9,381
				190,236	156,698

# A. SILVERKNIFE:

Pursuant to agreements between Reg Technologies Inc., SMR Investments Ltd., Rapitan Resources Inc., and Chevron Minerals Ltd., Teryl acquired a 30% working interest in the Silverknife mineral claims, situate in the Liard Mining Division in the Province of British Columbia, subject to a 10% Net Profit Royalty to Rapitan and a 1% Net Smelter Returns to SMR. The Company has written down their acquisition costs to \$ 1 and has written off their exploration and development expenditures entirely, since the claims are not currently being explored and have no proven economic reserves.

# B. FISH CREEK:

On March 5, 2002, the Company and Linux Gold Inc. entered into an agreement whereby Teryl may earn up to a 50% interest in the Fish Creek mineral claims located in the Fairbanks district of Alaska, USA by expending \$ 500,000 US within three years and issuing 200,000 common shares (issued December 16, 2002 for a deemed value of \$ 16,000). Linux will have a 5% net royalty interest until Teryl pays \$ 2,000,000 US.

# C. WEST RIDGE:

Pursuant to various agreements the Company, through its subsidiary Teryl, Inc., earned a 100% interest in the West Ridge (48 claims) mineral properties (approximately 5,200 acres) located in the Dome Creek area of the Fairbanks District of Alaska, USA. Teryl, Inc. retains its 100% interest in the claims and has been conducting an exploration program over the past two years.

# 7.

#### MINERAL PROPERTY INTERESTS (Continued):

#### D.

#### **GIL VENTURE**:

Pursuant to various agreements the Company, through its subsidiary, Teryl, Inc., acquired a 50% interest in 237 claims located in the Gilmore Dome area of Fairbanks District of Alaska. In 1991 the Company, its subsidiary Teryl Inc., NERCO Exploration Company and Fort Knox Venture entered into an agreement which granted the Company a 20% participating interest in the claims, valued at \$ 150,000 US (\$ 171,720 Cdn). Under the agreement Fort Knox Venture paid the Company a total of \$ 143,500 US and to contributed \$ 600,000 US to fund approved programs and budgets earning them an 80% participating interest in the property with Teryl, Inc. retaining a 20% participating interest. Fort Knox Venture through its operator Kinross Gold USA, Inc., has been doing exploration and development work on this property from 2001 to date and will announce a production decision in the next few years. This has resulted in Teryl, Inc. being required to pay its 20% share of expenses, which amounted to \$ 144,495 (\$ 101,228 US) in the May, 2003 year. Further cash calls are expected for the 2004 year.

# E. <u>STEPOVICH LEASE</u>:

In 1990, the Company through its subsidiary Teryl, Inc., granted an option to Fort Knox Venture to acquire all of their interest in the Stepovich lease, except for a 10% Net Profit Interest to Teryl, for \$ 187,500 US and performing 3,000 feet of drilling on the property, which was done. Fort Knox Venture assumed all of the Company's liabilities and obligations under the Stepovich lease pursuant to an assignment dated May 29, 1992.

# F. AMAD:

In 1992, the Company and Calco Resources Inc. entered into an agreement, whereby Teryl earned a 50% interest in the Amad mineral claims, located in the Lac de Gras area of the Northwest Territories, by paying \$ 40,000 cash, expending \$ 250,000 on the property and issuing 150,000 shares. These claims previously written down to \$ 1 were written off at May 31, 2002 as they had lapsed.

# SUMMARY OF MINING PROPERTIES:

### PROPERTY COSTS:

	Balance -	Changes	Balance	Changes	Balance
	May 31/02	<u>2003</u>	May 31/03	In Quarter	Aug 31/03
Silverknife	1		1		1
Fish Creek		19,452	19,452	14,086	33,538
West Ridge	116,189		116,189		116,189
Gil Venture	31,127		31,127		31,127
Stepovich Lease	9,381	-	9,381	-	9,381
	156,698	19,452	176,150	14,086	190,236
		<del></del>		·	

7.

#### MINERAL PROPERTY INTERESTS (Continued):

#### DEFERRED EXPLORATION AND DEVELOPMENT:

	Balance May 31/02	Changes <u>2003</u>	Balance May 31/03	Changes In Quarter	Balance Aug 31/03
Silverknife - inactive	·	2,152	·		
Silverknife - inactive			-		-
Fish Creek		47,595	47,595	470	48,065
West Ridge	246,186	22,976	269,162	17,335	286,497
Gil Venture	1,382,242	149,567	1,531,809	1,374	1,533,183
Stepovich Lease	1,001	-	1,001	-	1,001
-	1,629,429	220,138	1,849,567	19,179	1,868,746

# 8. INCOME TAXES AND EARNINGS PER SHARE:

Since the Company has Canadian income tax losses of approximately \$1,127,460 available to reduce future taxable income until the year 2010, no figures have been presented for deferred income taxes. The Company has Canadian exploration and development expenditures of \$1,118,478 available to reduce future taxable income from mineral properties. The Company estimates it will be liable for approximately \$759 (\$548 US) income and capital taxes to the State of Texas, USA, in respect to its oil and gas well income.

Under "flow-through" issuances, the Company entered into agreements with contributors to expend certain proceeds from the issuances of its shares on exploration and development work on its mineral property interests which would "flow-through" to the contributors as Canadian Exploration Expenditures, which are deductible for income tax purposes. In prior years., the Company received \$ 533,801 of "flow-through" funds, which were expended on "eligible work" on its mineral property interests and renounced eligible expenditures incurred by it in respect thereto, these expenditures are not available to the Company for income tax purposes.

Basic earnings (loss) per share are calculated using the weighted daily average number of common shares outstanding for the period as presented on the consolidated statement of operations.

Diluted earning per share is calculated using the Treasury Stock Method, whereby it is assumed that proceeds on the exercised stock options are used by the Company to repurchase its shares at the average market price during the year of \$ 0.40 (2002 - \$ .20). As the 2003 and 2002 periods both resulted in a loss there are no figures presented as the effect would be anti-dilutive.

9. DEBENTURE PAYABLE:

10.

Pursuant to various agreements the Company agreed to issue a convertible debenture for \$ 150,000 to Keltic Bryce Enterprises Inc., subject to regulatory approval. The original agreement dated September 1, 1991 was approved. However, an amendment requested by Keltic Bryce, which resulted in the withdrawal of the original agreement, increasing the number of units and decreasing the share and warrant prices, did not subsequently receive approval and the debenture is not convertible under existing regulatory policy. Interest of \$ 17,531 was accrued to August 31, 2003 (2001 - \$ 17,834). Teryl paid Keltic Bryce \$ 15,000 interest on January 15, 2003. After various disputes Teryl Resources Corp., Teryl, Inc. and Keltic Bryce Enterprises Inc. were negotiating a Settlement Agreement to repay Keltic Bryce the \$ 150,000 loan and all accrued interest as full settlement of the Debenture.

## ADVANCES FROM RELATED COMPANIES consist of:

	August 31,	August 31,
	<u>2003</u>	<u>2002</u>
540330 B.C. Ltd.	13,894	<del>-</del>
Access Information Systems Inc.	112,295	24,817
JGR Petroleum Inc.	96,129	92,697
Rainbow Network	55,616	47,001
Reg Technologies Inc.	-	1,782
REGI US, Inc.	=	=
Sovo Computer Centre	2,593	6,300
SMR Investments Ltd.	236,351	237,459
	516,879	410,056

Advances from related companies bear no interest and have no fixed repayment terms.

# 11. <u>CONTINGENCIES AND COMMITMENTS:</u>

See Note 12 below for "Outstanding Commitments to Issue Shares".

12. SHARE CAPITAL:

#### Authorized Share Capital consists of:

Common Shares - voting	No Par Value	100,000,000
Preferred Shares - non-voting	\$ 1 Par Value	5,000,000
		105,000,000

12.

#### **SHARE CAPITAL (Continued)**:

The Preferred Shares have attached thereto a right to receive dividends as determined by the Directors. The Preferred Shares may be issued in series, with special rights and restrictions therefor being determined by the Directors, subject to regulatory approval. No Preferred Shares have been issued to the date of these financial statements. At the Annual General Meeting held in November, 2000, it was resolved to increase the Common shares to 100,000,000, which was completed during the August 31, 2002 period.

# **Issued Share Capital** - **Common** - consists of the following: **FOR CASH**:

		No. of Shares		<u>Amount</u> \$
Total Issued for Cash at May 31, 2002		18,633,174		5,062,288
Shares issued in May 31, 2003 Year:				
Private placement	A	1,500,000	0.10	150,000
Employee stock option exercised	В	12,500	0.15	1,875
Private placement warrants exercised	C	275,000	0.12	33,000
Private placement	D	217,350	0.35	76,073
		2,004,850		260,948
Total Issued for Cash at May 31, 2003		20,638,024		5,323,236
Period Ended August 31, 2003:				
Stock option exercised	E	10,000	0.15	1,500
Private placement	F	2,000,000	0.25	495,887
Total Issued for Cash at August 31, 2003				
		22,648,024		5,820,623
<b>FOR MINERAL PROPERTY INTERESTS:</b>				
Total Issued for Mineral Property				
to May 31, 2002		2,497,359		604,659
Shares issued in May 31, 2003 Year:				
Fish Creek mineral property	G	200,000	0.08	16,000
Total Issued to May & August 31, 2003		2,697,359		620,659
FOR DEBT, EXTENSIONS AND				
SUBSIDIARY:				
Total Issued for Debt, Extensions and Subsidiary				
to May & August 31, 2003		1,902,705		353,480
TOTAL SHARES ISSUED AT AUGUST				
31, 2003		27,248,088		6,794,762

#### 12.

#### SHARE CAPITAL (Continued):

- A.

  On December 11, 2002, the Company issued 1,500,000 units of capital stock at a price of \$ 0.10 per unit, pursuant to a Private Purchase agreement, to net the treasury \$ 150,000. Each unit consists of one common share and one share purchase warrant exercisable within the first year for \$ 0.12 and \$ 0.15 within the second year per common share.
- B. On December 20, 2002, J Singh, exercised an Employee Stock Option for 12,500 shares at \$ 0.15 per share to net the treasury \$ 1,875.
- C. On January 15 and 23, 2003, two individuals exercised Private placement warrants for a total of 275,000 shares at \$ 0.12 per share to net the treasury \$ 33,000.
- D.
  On May 23, 2003, the Company issued 217,350 shares of capital stock at a price of \$ 0.35 per unit, pursuant to a Private Purchase agreement, to net the treasury \$ 76,073. These shares were issued for subscriptions received by its subsidiary, Teryl, Inc. (Note 15)
- E. On June 23, 2003, J. Robertson, President of the Company, exercised a Stock Option for 10,000 shares at \$ 0.15 per share to net the treasury \$ 1,500.
- F. On August 26, 2003, the Company issued 2,000,000 units of capital stock pursuant to a Private Placement with 27 places at a price of \$ 0.25 per unit (\$ 500,000 less issue costs of \$ 4,113) to net the treasury \$ 495,887. Each unit consists of one common share and one-half share purchase warrant exercisable within the first year for \$ 0.30 per common share and for \$ 0.40 per common share within the second year.
- G.
  On December 16, 2002, the Company issued 200,000 common shares, at a price of \$ 0.08 each, to Linux Gold Corp. pursuant to the Fish Creek mineral claims agreement described in Note 7B.

#### Outstanding Commitments to Issue Shares:

At August 31, 2003, the following commitments to issue shares were outstanding:

No. of		Expiry
<u>Shares</u>	<u>Price</u>	<u>Date</u>
s 1,250,000	0.12/0.15	Dec. 11/03/04
s 1,000,000	0.30/0.40	Aug. 26/04/05
350,000	0.40	Feb. 19/06
990,000	0.15	Apr. 22/07
600,000	1.15	Apr. 22/07
37,500	0.15	Apr. 22/07
25,000	0.15	Sept. 23/07
200,000	0.15	Nov. 22/07
50,000	0.40	Dec. 16/07
175,000	0.40	Mar. 4 /08
4,677,500		
	Shares s 1,250,000 s 1,000,000 350,000 990,000 600,000 37,500 25,000 200,000 50,000 175,000	Shares         Price           s 1,250,000         0.12/0.15           s 1,000,000         0.30/0.40           350,000         0.40           990,000         0.15           600,000         1.15           37,500         0.15           25,000         0.15           200,000         0.15           50,000         0.40           175,000         0.40

On September 12, 2000, the Company granted a Directors' stock option to J. Robertson for 1,000,000 shares at a price of \$ 0.24, which were renegotiated on April 22, 2002 to reduce the price per share to \$ 0.15 for a term of five years from the date of renegotiation. J. Robertson exercised options for 10,000 shares during the period.

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12.

#### **SHARE CAPITAL (Continued)**:

On April 22, 2002, the Company granted stock options to a senior officers to purchase up to 600,000 common shares at a price of \$ 0.15 for a five year period. On April 22, 2002, the Company granted a stock option to an employee to purchase up to 50,000 common shares at a price of \$ 0.15 for a five year period of which 12,500 have been exercised.

On September 23, 2002, the Company granted a stock options to an employees to purchase up to 25,000 common shares at a price of \$ 0.15 for a five year period.

On November 22, 2002, the Company granted a stock option to a senior officer to purchase up to 200,000 common shares at a price of \$ 0.15 for a five year period.

On December 16, 2002, the Company granted a stock option to a consultant to purchase up to 50,000 common shares at a price of \$ 0.40 for a five year period.

On February 19, 2003, the Company granted a stock option to a consultant to purchase up to 350,000 common shares at a price of \$ 0.40 for a three year period.

See Note 14 "Subsequent Events" for details on a Private Placement and Stock Option after August 31, 2003.

13.

#### **RELATED PARTY TRANSACTIONS:**

International Diamond Syndicate Ltd. (IDS) is a 40% subsidiary of Teryl, formed to conduct joint mineral property exploration and development with Berkshire International Mining Ltd. and Geodex Minerals Ltd. See Notes 3 and 4 above re advances to and investment in IDS.

Reg Technologies Inc. is a public company which shares office facilities and staff, several directors and participates in Joint Ventures with the Company. See Note 7A in respect to the property that is operated as a Joint Venture with Reg. See Note 10 re advances to or from Reg.

SMR Investments Ltd. is a private company which is controlled by an officer of the Company who has significant influence on the affairs of the companies. Under a management contract with SMR Investments Ltd. the Company agreed to pay \$ 2,500 per month for management services. The Company paid to SMR management fees totaling \$ 7,500 in the period ended August 31, 2002. See Note 7A regarding mineral property transactions with SMR. See Note 10 re advances from SMR.

13. RELATED PARTY TRANSACTIONS (Continued):

Administration consulting fees of \$ 6,750 were paid during the August 31, 2003 period (2002 - \$ 1,000 to J. Lorette, Vice-President of the company and secretarial fees of \$ 6,967 were paid to M. Van Oord, a director of the company. Director's fees of \$ 2,500 were paid to J. Robertson, President of the company during the August 31, 2003 period.

Office rent amounting to \$ 2,700 for the period ended August 31, 2002 was paid or deemed paid to Sovo Computer Centre, a private company which is controlled by an Officer of the Company who has significant influence on the affairs of the companies.

14. <u>SUBSEQUENT EVENTS:</u>

15.

See the "Outstanding Commitments to Issue Shares" section at the end of Note 12 for information on commitments to issue shares after the balance sheet date.

On November 27, 2002, the Company's directors passed a resolution to request a name change to Teryl Gold Inc. which was passed at the annual general shareholders' meeting. This change had still not been approved by regulatory bodies by the date of these statements.

On October 20, 2003, the Company granted a stock option to a consultant to purchase up to 150,000 common shares at a price of \$ 0.40 for a five year period.

On October 21, 2003, the Company announced it was arranging a Private Placement for 3,000,000 units of its common stock at a price of \$ 0.35 per unit. Each unit will consist of one common share and one-half share warrant exercisable for one year at a price of \$ 0.50 per share. Two half warrants will enable the investor to purchase one additional share.

TERYL, INC. TRANSACTIONS (100% US Subsidiary):

See Note 2 re consolidation of Teryl, Inc. within these statements and see Notes 7C, 7D & 7E regarding mineral claim properties, exploration and development and option agreements.

In 1998, Teryl, Inc. offered a private placement for up to 1,000,000 shares at a price of \$ 0.15 US and subscriptions of \$ 146,044 (\$ 96,750 US) were received by November 19, 1999. Since the offering was not fully subscribed, the Companies negotiated with the subscribers to replace the Teryl, Inc. shares with Teryl Resources Corp. shares. See Note 12 regarding the \$ 76,073 (\$ 51,750 US) worth of capital stock issued May 23, 2003 for these subscriptions. One subscriber did not return his agreement and negotiations are still proceeding to resolve this.



ISSUED DETAILS

## **British Columbia Securities Commission**

# **QUARTERLY AND YEAR END REPORT**BC FORM 51-901F (previously Form 61)

#### Freedom of Information and Protection of Privacy Act:

The personal information requested on this form is collected under the authority of and used for the purpose of administering the *Securities Act*. Questions about the collection or use of this information can be directed to the Supervisor, Financial Reporting (604-899-6729), P.O. Box 10142, Pacific Centre, 701 West Georgia Street, Vancouver, BC V7Y 1L2. Toll Free in British Columbia 1-800-373-6393.

INCORPORATE	TED AS PART OF	
	Schedule A	
X	Schedules B and C	

ISSUER DE I AILS						
NAME OF ISSUER		FOR QUARTER I	TER ENDED DA		DATE OF REPORT	
					YY/MM/DD	
Teryl Resources Corp.		August 31, 20	03		03/10/30	
ISSUER'S ADDRESS 1103 - 11871 Horseshoe Way						
CITY	PROVINCE POSTAL O		ISSUER FA	X NO.	ISSUER TEL NO.	
Richmond	BC	V7A 5H5	604-278-3409		604-278-5996	
CONTACT PERSON	CONTACT'S POSITION CONTACT TEL NO.			CONTACT TEL NO.		
John G. Robertson	President 604-278-5996					
CONTACT E-MAIL ADDRES	ADDRESS WEB SITE ADDRESS					
john@ihiway.com	www.terylresources.com					

#### **CERTIFICATE**

The three schedules required to complete this Report are attached and the disclosure contained therein has been approved by the Board of Directors. A copy of this Report will be provided to any shareholder who requests it.

		DATE SIGNED
DIRECTOR'S SIGNATURE	PRINT FULL NAME	YY/MM/DD
"John G. Robertson"	John G. Robertson	03/10/30
		DATE SIGNED
DIRECTOR'S SIGNATURE	PRINT FULL NAME	YY/MM/DD
"Jennifer Lorette"	Jennifer Lorette	03/10/30

1.

3.

#### SCHEDULE "B" - SUPPLEMENTARY INFORMATION

### ANALYSIS OF EXPENSES AND DEFERRED COSTS:

- (a) See Schedule "A" Consolidated Statement of Deferred Exploration and Development Expenditures and Note 7.
- (b) See Schedule "A" Consolidated Schedule of Administration Expenditures

## 2. RELATED PARTY TRANSACTIONS:

Related Party	Nature of Transactions	Quarter	Year to Date
Companies related to the President of the Company	Management fees	\$ Nil	\$ Nil
President	Director's fees	2,500	2,500
Vice President	Administration fees	6,750	6,750
Director	Secretarial fees	6,967	6,967

See Schedule A - Notes 3, 10 and 13 for descriptions of Related Parties and advances to and Related Parties.

#### SUMMARY OF SECURITIES ISSUED AND OPTIONS GRANTED DURING THE QUARTER:

- (a) See Note 12 to Schedule "A" for securities issued during the quarter
- (b) See Note 12 to Schedule "A" for options granted during the quarter.

### SUMMARY OF SECURITIES AS AT AUGUST 31, 2003:

- (a) See Note 12 to Schedule "A".
- (b) See Note 12 to Schedule "A".
- (c) See Note 12 to Schedule "A".

- (d)
  There are no shares subject to Escrow or Pooling agreements
- 5. <u>DIRECTORS AND OFFICERS AT OCTOBER 29, 2003</u>:

<u>List of Directors:</u>	List of Officers:
John Robertson	John Robertson - President and Secretary
Jennifer Lorette	Jennifer Lorette - Vice President
Susanne Robertson	Susanne Robertson - Chief Financial Officer
Monique Van Oord	Yale Hirsch - Vice President of Corporate Affairs

#### SCHEDULE "C" - MANAGEMENT DISCUSSION

Note: The following management discussion has been prepared as a summary of activities for the quarter ended August 31, 2003 and of significant subsequent events to the date of this report.

#### NATURE OF BUSINESS

The Company and its Subsidiary, Teryl, Inc., have gold, silver, diamond and oil and gas properties in Canada and the United States.

#### DISCUSSION OF OPERATIONS AND FINANCIAL CONDITION

The main exploration and development work over the last several years has taken place on the Gil claims (gold prospect) located in the Fairbanks, Alaska mining district. The Gil joint venture, with Kinross Gold Corporation, is divided into two mineralized zones, the Main Gil and the North Gil, of which a total of 45,547 feet of drilling was completed last year (see news release dated November 29, 2000 for details). Additional drilling (3,500 feet), trenching (1,900 feet) was completed this year on the Main Gil, North Gil and other targets on the Gil claims.

The Gil claims are adjacent to the producing Fort Knox deposit owned by Kinross Gold Corporation. Teryl, Inc. owns a 20% working interest and Kinross Gold has a 80% working interest in the Gil joint venture. Plans for the Gil claims in the 2002 year include the continuation of a detailed exploration plan to further this project.

The Company, through its subsidiary, Teryl, Inc., owns a 100% interest in the West Ridge claims located in the Fairbanks Alaska mining district.

#### Results of Operations for the period ended August 31, 2003 ("2003") compared to the period ended August 31, 2002 ("2002")

Results of operations was a net loss of \$ 165,982 (\$0.0066 per share) as compared to a net loss of \$ 42,959 (\$0.0019 per share) for 2002.

In 2003 the Oil and Gas operations had net income of \$3,026 compared to net income \$3,139 in 2002.

In 2003 expenditures for advertising, promotion and public relations were \$ 76,420 compared to \$ 6,576 in 2002, due to increasing stock market prices and a determined effort to raise financing to carry out their exploration projects. Travel expenses were \$ 20,677 in 2003 compared to \$ 2,856 in 2002, due to a trip to Alaska to examine the companies' mineral properties. Several other expenditures in 2003 were higher than in 2002 due to rising costs and increased administration and promotional activities.

#### Significant events and highlights

On June 17, 2003 we announced that a drill program on the Company's 100% owned West Ridge Property has been approved. The program will commence initially with auger drilling to define reverse circulation drill targets on the Western gold anomaly. This target is approximately 4000 feet by 3000 feet with gold-in-soil values up to 4.42 ppm and best gold values of 16.45 ppm from float in hand-dug holes. Gold on the Western anomaly is closely associated with high levels of arsenic and antimony, similar to mineralization found on Kinross Gold's adjoining True North gold deposit located approximately 2 miles north.

On July 22, 2003 Teryl announced it had successfully negotiated a lease of 440 acres in the Fairbanks Mining District, Alaska from the State of Alaska, Mental Health Trust Land Office (TLO). The trust land is adjacent to the western portion of the Company's 100% owned West Ridge claims and 40 acres is strategically located within the West Ridge claims, which is on the edge of a geochemical gold anomaly. The gold anomaly may possibly be on trend with the 4000-foot western gold anomaly, which is geochemically similar to the gold mineralization at the True North deposit, according to AMAX Gold's report completed in 1999. The True North gold deposit was purchased by Kinross Gold for CAD\$94 million in shares and cash from La Teko Resources and Newmont Mining Corporation. An exploration work program will be submitted for approval immediately to the Trust Land Office to locate drill targets on the newly acquired lease.

In consideration for the State of Alaska lease, a production royalty on the lease land is granted to the State of Alaska, Trust Land Office (TLO) as follows:

Price of Gold (per ounce)	<u>Production Royalty</u>
Below \$300.00	2.5%
\$300.01 - \$350.00	3.0%
\$350.01 - \$400.00	3.5%
\$400.01 - \$450.00	4.0%
\$450.01 - \$500.00	4.5%
Above \$500.00	5.0%

Additionally, Teryl will grant a 1% Net Smelter Return (NSR) on its 100% owned West Ridge property with first refusal to purchase the 1% NSR in the event that TLO decides to sell.

On August 5, 2003 we announced that field exploration on the Company's 100%-owned West Ridge property has discovered a new gold zone with the same mineralization that hosts the gold deposits in the Fairbanks Mining District, Alaska, including the Fort Knox gold mine, eight miles southeast. Exploration activity has identified several highly prospective areas where work will continue to define reverse circulation drill targets.

Following are the highlights of work reported by the Company's geological consultants, Avalon Development Corporation.

#### **Old Glory Prospect**

Rock and soil sampling has been completed at the Old Glory prospect. In addition, a small close-spaced soil auger grid was placed over a trench area to try to determine the extent and trend of the mineralization. Rock samples consisted of quartz mica schist and medium grained diorite intrusive containing abundant sericite alteration associated with brown iron oxide after carbonate and reddish brown hematite after pyrite. Quartz veining ranged from fine chalcedonic veinlets to +2 cm milky white mesothermal veins with pitted pyrite and minor scorodite after arsenopyrite. Soil sampling results suggest a false bedrock layer of shingled barren quartz mica schist exists about 3 to 4 feet below surface. Once through this false bedrock, soil samples were taken as deep as 6 feet below surface and often contained abundant ocherous red-orange soil at the bedrock interface. Soil such as this is often associated with gold-bearing shear zones in the district

On August 14, 2003 we announced that an exploration program started on our newly acquired trust land, located adjacent to its West Ridge property, Fairbanks Mining District, Alaska, having recently received work approval from the Alaska Trust Land Office.

Exploration is being conducted by the Company's geological consultants, Avalon Development Corp., who are focused on finding another True North-type gold discovery on the Black Dome area of Teryl's recently acquired trust land (see news release July 22, 2003). The Eldorado Fault cuts through the Black Dome, the same fault that bounds Kinross Gold's True North gold deposit, approximately three miles northeast. The True North deposit was purchased by Kinross for CAD\$94 million in shares and cash from La Teko Resources and Newmont Mining Corporation.

Avalon field crews will sample a newly discovered old trench at Black Dome, which contains rubble composed of black carbonaceous schist cut by numerous quartz-carbonate veinlets. Most of the carbonate has been altered to a soft brown-red oxide, similar to oxide ore at the True North. The trench will be cleared of debris to sample bedrock and determine gold values to locate drill targets.

On August 18, 2003 the Company announced it had completed a Private Placement of 2,000,000 units of Capital Stock at a price of \$ 0.25 per unit. Each unit will consist of one common share and one-half share purchase warrant exercisable in the first year for \$ 0.30 per common share and in the second year for \$ 0.40 per common share.

On August 26, 2003 we announced drill results from the 2003 exploration program at the Gil Gold Project, Alaska, a joint venture with Kinross Gold Corporation. Drilling on Gil continues to produce excellent results including an intercept of 0.116 ounces of gold per ton over an interval of 60 feet from the Main zone, one of four gold targets on the property.

The goal of the 2003 exploration program is to define the limits of gold mineralization at the North Gil and the Main Gil Zones. The first phase US\$830,000 exploration program consists of drilling approximately 60 holes for a total of 17,000 feet. Continued success in the first phase would initiate follow-up in-fill drilling at the Main Gil zone to upgrade the resource to reserve status.

The Gil Gold Project is located in the Fairbanks Mining District, Alaska, approximately five miles east of Kinross' Fort Knox deposit, Alaska's largest producing open-pit gold mine with an average gold grade of just under 0.03 ounces of gold per ton. Kinross' intentions for Gil are to advance the project to a production

decision.

Following are assays of results received to date. Further results from the first phase program will be published when available.

Hole	From (feet)	To (feet)	Interval (feet)	Gold (OPT)	Target
GVR03-287	105	130	25	0.033	North Gil
GVR03-288	190	200	10	0.035	North Gil
CVD02 200	165	225	60	0.026	North Cil
GVR03-289	335	350	15	0.043	North Gil
GVR03-290	120	155	35	0.028	North Gil
GVR03-292	105	155	50	0.050	North Gil
UVK03-292	190	200	10	0.054	North Gir
GVR03-294	180	190	10	0.038	North Gil
	225	230	5	0.146	
GVR03-300	25	60	35	0.364	North Gil
*Including	*25	35	10	1.207	
GVR03-301	155	170	15	0.032	North Gil
GVR03-302	45	50	5	0.094	North Gil
	340 375	345 410	5 35	0.520 0.033	
	25	35	10	0.042	
GVR03-325	195	215	20	0.042	North Gil
GVR03-291	90	100	10	0.036	35: 55: 4
	275	325	50	0.042	Main/North Intersection
*Including	*280	285	5	0.242	Intersection
GVR03-299	35	65	30	0.038	Main/North Intersection
GVR03-323	130	145	15	0.059	Main/North
UVK05-323	245	300	55	0.026	Intersection
GVR03-293	80	160	80	0.065	Main Gil
3 v 100 2 3 5	*110	115	5	0.404	l limin on
*Including	*140 190	145 235	5 45	0.259 0.026	
	*225	230	5	0.109	
CLID 02 205	85	110	25	0.100	14 : 67
GVR03-295	250	260	10	0.053	Main Gil
GVR03-296	105	110	5	0.073	Main Gil
GVR03-303	50	95	45	0.042	Main Gil
GVR03-305	115	125	10	0.05	Main Gil
GVR03-306	15	50	35	0.028	75 . 63
	110	130	20	0.081	Main Gil
*Including	*115	120	5	0.252	
GVR03-307	40	75	35	0.05	Main Gil
GVR03-308	60	120	60	0.045	Main Gil
*Including	*100	110	10	0.109	IVIUIII OII
GVR03-321	25	95	70	0.062	Main Gil
	155	160	5	0.122	
	240 290	260 335	20 45	0.082 0.041	
GVR03-322	110	125	15	0.088	Main Gil

GVR03-324	165 220	185 235	20 15	0.023 0.040	Main Gil
GVR03-326	25	40	15	0.020	Main Gil
GVR03-327	0	50	50	0.014	Main Gil
GVR03-328	0 20	40 40	40 20	0.024 0.037	Main Gil
GVR03-329	0	25	25	0.019	Main Gil
GVR03-330	25	40	15	0.025	Main Gil
GVR03-331 *Including	25 *30	65 35	40 5	0.073 0.249	Main Gil
GVR03-333	85 145	95 185	10 40	0.045 0.039	Main Gil
GVR03-335					Main Gil

GVR03-353 *Including	5 *10	65 40	60 30	0.116 0.202	Main Gil
GVR03-349 *Including	50 135 *195	75 210 205	25 75 10	0.046 0.030 0.101	Sourdough Ridge
GVR03-350	155	185	30	0.018	Sourdough Ridge

On August 27, 2003 we announced assays were received from the Phase I auger drilling and rock sampling program on the Old Glory gold zone of the Company's 100% owned West Ridge Property.

The highest rock sample assayed 0.29 ounces of gold per ton and the best results from the auger drilling samples assayed 1,155 ppb gold. Ten samples have values of 250 to 1,000 ppb and 43 samples have values of 100 to 250 ppb values in gold in the soil (see chart below). Gold values in excess of 100 ppb outline several significant gold deposits in the district, including Fort Knox, True North and Dolphin, suggesting the soil anomalies at the Old Glory zone may represent a significant new intrusive-related gold discovery. All rock and soil samples were analyzed at ALS Chemex.

Gold (ppb) in Rocks	Gold (ppb) in Soils
1,000 to 10,000 (2)	1,000 to 1,155 (1)
500 to 1,000 (1)	250 to 1,000 (10)
100 to 500 (5)	100 to 250 (43)
5 to 50 (27)	50 to 100 (35)
Below detection (10)	25 to 50 (25)
	5 to 25 (25)
	Below detection (1)

Soil sampling results suggest a false bedrock layer of shingled barren quartz mica schist exists about 3 to 4 feet below surface. Once through this false bedrock, soil samples were taken as deep as 6 feet below surface and often contained abundant ocherous red-orange soil at the bedrock interface. Soil such as this is often associated with gold-bearing shear zones in the Fairbanks Mining District.

According to Avalon Development Corporation, our mining consultants, these anomalous values warrant additional exploration to define drill targets in search of an intrusive-related gold discovery. The West Ridge property adjoins Kinross Gold Corp.'s True North gold deposit and lies approximately eight miles northwest of the producing Fort Knox gold mine, reported to have contained reserves of 4,000,000 ounces of gold. Fort Knox currently produces over 400,000 ounces of gold annually.

#### Subsequent Events

On September 2, 2003 we announced drill results from the 2003 exploration program at the Gil Gold Project, Alaska, a joint venture with Kinross Gold Corporation. Drilling on Gil continues to produce excellent results including an intercept of 0.116 ounces of gold per ton over an interval of 60 feet from the Main zone, one of four gold targets on the property.

The goal of the 2003 exploration program is to define the limits of gold mineralization at the North Gil and the Main Gil Zones. The first phase US\$830,000 exploration program consists of drilling approximately 60 holes for a total of 17,000 feet. Continued success in the first phase would initiate follow-up in-fill drilling at the Main Gil zone to upgrade the resource to reserve status.

The Gil Gold Project is located in the Fairbanks Mining District, Alaska, approximately five miles east of Kinross' Fort Knox deposit, Alaska's largest producing open-pit gold mine with an average gold grade of just under 0.03 ounces of gold per ton. Kinross' intentions for Gil are to advance the project to a production decision.

Following are assays of results received to date. Further results from the first phase program will be published when available.

Hole	From (feet)	To (feet)	Interval (feet)	Gold (OPT)	Target
GVR03-287	105	130	25	0.033	North Gil
GVR03-288	190	200	10	0.035	North Gil

GVR03-289	165 335	225 350	60 15	0.026 0.043	North Gil
GVR03-290	120	155	35	0.028	North Gil
GVR03-291	90 275	100 325	10 50	0.036 0.042	Main/North Gil Intersection

	280	285	5	0.242	
GVR03-292	105 190	155 200	50 10	0.050 0.054	North Gil
GVR03-293	80 110 140 190 225	160 115 145 235 230	80 5 5 45 5	0.065 0.404 0.259 0.026 0.109	Main Gil
GVR03-294	180 225	190 230	10 5	0.038 0.146	North Gil
GVR03-295	85 250	110 260	25 10	0.100 0.053	Main Gil
GVR03-296	105	110	5	0.073	Main Gil
GVR03-299	35	65	30	0.038	M/NG Intersection
GVR03-300	25 25	60 35	35 10	0.364 1.207	North Gil
GVR03-301	155	170	15	0.032	North Gil
GVR03-302	45 340 375	50 345 410	5 5 35	0.094 0.520 0.033	North Gil
GVR03-303	50	95	45	0.042	Main Gil
GVR03-305	115	125	10	0.05	Main Gil
GVR03-306	15 110 115	50 130 120	35 20 5	0.028 0.081 0.252	
GVR03-307	40	75	35	0.05	Main Gil
GVR03-308	60 100	120 110	60 10	0.045 0.109	Main Gil
GVR03-321	25 155 240 290	95 160 260 335	70 5 20 45	0.062 0.122 0.082 0.041	Main Gil
GVR03-322	110	125	15	0.088	Main Gil
GVR03-323	130 245	145 300	15 55	0.059 0.026	M/NG Intersection
GVR03-324	165 220	185 235	20 15	0.023 0.040	Main Gil
GVR03-325	25 195	35 215	10 20	0.042 0.041	North Gil
GVR03-326	25	40	15	0.020	Main Gil
GVR03-327	0	50	50	0.014	Main Gil
GVR03-328	0 20	40 40	40 20	0.024 0.037	Main Gil
GVR03-329	0	25	25	0.019	Main Gil
GVR03-330	25	40	15	0.025	Main Gil
GVR03-331	25 30	65 35	40 5	0.073 0.249	Main Gil

GVR03-333	85 145	95 185	10 40	0.045 0.039	Main Gil
GVR03-335					Main Gil
GVR03-349	50 135 195	75 210 205	25 75 10	0.046 0.030 0.101	Sourdough Ridge
GVR03-350	155	185	30	0.018	Sourdough Ridge
GVR03-353	5 10	65 40	60 30	0.116 0.202	Main Gil

On September 18, 2003 the Company announced that phase 2 field exploration on the Company's 100%-owned West Ridge property has expanded the size of the gold discovery at the Old Glory prospect. In addition, field work has confirmed the presence of eclogite-grade metamorphic rocks similar to those which host Kinross Gold's 660,000 ounce True North gold deposit located two miles north of the West Ridge project. The True North gold deposit was purchased by Kinross Gold in 1999 for \$94,000,000 in cash and shares.

Following are the highlights of work reported by the Company's geological consultants, Avalon Development

Corporation, under the supervision of principal Curt Freeman.

#### **Old Glory Prospect**

Phase 2 rock and soil auger sampling has been completed at the Old Glory prospect and has expanded the extent of anomalous gold in rocks and soil to an area measuring 400 meters northeast-southwest by 200 meters northwest-southeast. Soil values in this grid range up to 1,155 parts per billion (1.16 grams per tonne) gold with 2,850 parts per million (ppm) arsenic and 200 ppm tungsten. Rock samples collected from old prospect pits and trenches within the soil grid returned values up to 10.0 grams (1/3 of an ounce) per tonne gold, 5,900 ppm arsenic and 144 ppm bismuth. Substantial mineralization is found where the northeast trending structure intersects the northwest-trending structure. Arsenic mimics gold to a large degree while tungsten and bismuth mineralization are less definitive.

Gold mineralization at Old Glory is associated with sericite alteration in a strong sodium depletion zone. Of significance is that mineralization appears to be controlled by the Eldorado fault, a major northeast-trending district-scale structure which bounds the 2.4 million ounce Ryan Lode gold deposit located 16 miles southwest and the 660,000 ounce True North gold mine, just 2 miles northeast. Along this same fault lies Teryl's Black Dome prospect, State of Alaska lease recently acquired, another gold anomalous area discovered by summer field exploration. Rocks of similar character to True North are present at both the Old Glory and the Black Dome areas, which suggests a genetic link between both mineralized prospects.

The Company is planning to continue expansion of the soil auger grid at Old Glory followed by backhoe trenching of the main Old Glory anomaly in preparation for drilling in 2003. Also, ground-based geophysical surveys are being planned to help better define drill targets.

Geochemical analyses for the West Ridge project were completed by ALS Chemex in Fairbanks, Alaska and Vancouver, British Columbia. Curt Freeman, M.S., P.Geo, is the qualified person for this news release.

On September 29, 2003 we announced further drill results from the 2003 first phase exploration program at the Gil Gold Project, Alaska, a joint venture with Kinross Gold Corporation.

The first phase drill program has served two purposes: firstly it has increased the geologic understanding of the Main Gil gold deposit to provide a more accurate gold distribution deposit model, and secondly, it has extended the strike length of the Main Gil zone to almost 3,000 feet.

A phase 2 budget that includes US\$750,000 for definition and infill drilling at the Main Gil will be submitted to the Gil Venture partners for approval. Drill data continues to be compiled for inclusion in the model database.

The Gil Gold Project is located in the Fairbanks Mining District, Alaska, approximately five miles east of Kinross' Fort Knox deposit, Alaska's largest producing open-pit gold mine with an average gold grade of just under 0.03 ounces of gold per ton. Kinross' intentions for Gil are to advance the project to a production decision with ore to be processed at the Fort Knox mill.

Following are new assays from the first phase program. Additional results will be published when available.

The Company is also pleased to announce that we are featuring a banner on www.gold-eagle.com.

Hole	From (feet)	To (feet)	Interval (feet)	Gold (OPT)	Target
GVC03-304	0 135 180	10 145 190	10 10 10	0.071 0.065 0.034	Main Gil
GVC03-309	225	230	5	0.035	North Gil
GVC03-310	20 40 95 205	25 65 115 215	5 25 20 10	0.068 0.111 0.038 0.092	North Gil
GVC03-311	25 45 85 105 205	30 50 90 110 215	5 5 5 5 10	0.060 0.129 0.067 0.048 0.064	North Gil
GVC03-312	130	135	5	0.038	North Gil
GVC03-313	15	20	5	0.052	North Gil
GVC03-314	10	20	10	0.026	

	50 95	55 110	5 15	0.139 0.069	Main Gil
GVC03-315	30 80	70 85	40 5	0.050 0.056	Main Gil
GVC03-316	0 40 105	20 60 125	20 20 20	0.187 0.027 0.326	Main Gil
GVC03-317	120 155 180 220 250 285	135 170 195 235 265 290	15 15 15 15 15 15 5	0.129 0.026 0.029 0.082 0.060 0.062	Main Gil
GVC03-318	55 115	70 130	15 15	0.042 0.030	Main Gil
GVC03-320	5	50	45	0.077	Main Gil
GVR03-334	5	10	5	0.044	Main Gil
GVC03-335	0 5	30 10	30 5	0.280 1.040	Main Gil
GVR03-351	40	55	15	0.063	Main Gil
GVR03-356	45 75 190 260	50 80 210 270	5 5 20 10	0.120 0.056 0.035 0.064	Main Gil
GVR03-357	275	295	20	0.068	750 feet south o Main Gil
GVR03-360	50	85	35	0.145	Main/North Gi Intersection
GVR03-361	50 130	55 135	5 5	0.033 0.035	Main/North Gi Intersection
GVR03-362	80	90	10	0.038	Main/North Gi Intersection
GVR03-363	50	55	5	0.032	Main/North Gi Intersection
GVR03-373	5 65 115	45 85 120	40 20 5	0.051 0.058 0.031	Main Gil

On October 21, 2003 the Company announced it had arranged a Private Placement of 3,000,000 units of Capital Stock at a price of \$ 0.35 per unit. Each unit will consist of one common share and one-half share purchase warrant exercisable for one year at a price of \$ 0.50 per common share. Two half warrants will enable the investor to purchase one additional share.

#### FINANCING ACTIVITIES, PRINCIPAL PURPOSES AND MILESTONES, AND LIQUIDITY AND SOLVENCY

The Company did not issue any shares in the May 31, 2002 year. During the May 31, 2003 year the Company issued 2,004,850 common shares to net the treasury \$ 260,948 and during the August 31, 2003 quarter the Company issued 2,010,000 shares to net the treasury \$ 497,387. (See Note 12 to Schedule "A"). The Company also issued 200,000 common shares for mineral property at a deemed price of \$ 0.08 per share during the May 31, 2003 year. In the August 31,2003, quarter, the Company repaid loans, on a net basis, of \$ 148,975 to related companies.

Of the total cash raised of \$ 351,025 from financing activities together with an opening cash deficit of \$ (50,381) and \$ 3,026 surplus on oil and gas operations, \$ 19,179 was spent on exploration and development of mineral property interests and \$ 168,495 was spent on operations. In 2002, \$ 9,011 was spent on exploration and development and \$ 44,719 was spent on operations. The Company's cash surplus at August 31, 2003 was \$ 48,427 compared to \$ (1,273) at August 31, 2002 and the working capital deficit decreased by \$ 292,325 to \$ 1,103,303 compared

#### NEWS RELEASE

Teryl Resources Corp. (the "Company")

TSX Venture Exchange: TRC Pink Sheet Symbol: TRYLF 12g3-2(b) # 82-2026

## KINROSS GOLD/TERYL RESOURCES: PROJECT ASSESSMENT TO COMMENCE AT FORT KNOX-GIL GOLD PROJECT

### Assessment Work Added to Exploration Budget in Preparation for Development of Gold Deposits

**For Immediate Release: November 3, 2003, Fairbanks, Alaska** - **Teryl Resources Corp.** (TSX Venture Exchange: TRC) announces that the Company and Kinross Gold Corp. have increased the exploration program at the Fort Knox-Gil joint venture project in Alaska. Added to the original program of core and reverse circulation drilling, budgeted at US\$750,000, is project assessment studies, essential for the development of the Gil gold deposits.

Exploration at the Gil Project has defined two substantial gold zones known as the Main and North deposits. The objective of the enhanced phase 2 program is to collect environmental baseline data, characterize the hydrology in the area of the Main Gil deposit, as well as conduct engineering studies for a haul road and other project-related construction activities.

It is expected that successful and timely completion of these activities would allow for the assessment of the economic viability of the Gil Project.

The Fort Knox-Gil Gold Project is located in the Fairbanks Mining District, Alaska, approximately five miles east of Kinross' Fort Knox deposit, Alaska's largest producing open-pit gold mine.

Following is a summary of the 2003 Phase 2 Exploration Program for the Gil Project including estimated costs:

- 1. Additional core and reverse circulation drilling to more fully define the limits and magnitude of gold mineralization at the Main Gils deposit and other targets. This phase including assaying, geologic services, access road and drill pad construction, and reclamation of surface disturbance, is estimated at US750,000;
- A cultural resources survey to determine the presence (or absence) of historical artifacts in the project area. This phase of work is estimated to cost US\$81,000;

3. Wetlands delineation and a Threatened and Endangered Species surveys are estimated to cost US\$26,000;

4. Costs under a State of Alaska Reimbursable Services Agreement for project-related activities are estimated to be US\$23,000;

5. Detailed digital topography, suitable for engineering studies and design, for the area of the mineral deposits are estimated to be US\$20.000:

Access and haul road design activities and construction cost estimates, US\$75,000;

7. Preliminary hydrologic studies and construction of a piezometer network are estimated to cost US\$50,000; and

8. Drilling of a production (water) well to characterize the nature and volume of ground water in the vicinity of the Main Gil deposit, US\$50,000.

The total estimated cost of the proposed work program is US\$1,075,000. Teryl Resources Corp.'s share (20%) of these costs is US\$215,000 plus management fees.

#### ABOUT TERYL RESOURCES CORP.

With interests in four gold properties, Teryl Resources Corp. is one of the main landowners in the Fairbanks Mining District, Alaska. The Gil project is a joint venture (80% Kinross/20% Teryl) with Kinross Gold Corporation (TSX: K; NYSE: KGC). The Company's holdings also include the West Ridge Property (100% owned), the Fish Creek Claims, 50% optioned from Linux Gold Corp. (OTC BB: LNXGF), and the Stepovich Claims, which Teryl has a 10% net profit interest from Kinross. Teryl Resources Corp. also has one joint venture silver prospect located in Northern BC, Canada. For further information visit the Company's website at http://www.terylresources.com.

#### ON BEHALF OF THE BOARD OF DIRECTORS

"John Robertson"

John Robertson President Contact: John Robertson

800-665-4616 604-278-5996

The TSX Venture Exchange has neither approved nor disapproved of the information contained herein.

Statements in this press release regarding Teryl's business which are not historical facts are "forward-looking statements" that involve risks and uncertainties, such as estimates and statements that describe the Company's future plans, objectives or goals, including words to the effect that the Company or management expects a stated condition or result to occur. Since forward-looking statements address future events and conditions, by their very nature, they involve inherent risks and uncertainties. Actual results in each case could differ materially from those currently anticipated in such statements.

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#### NEWS RELEASE

Teryl Resources Corp. (the "Company")

TSX Venture Exchange: TRC Pink Sheet Symbol: TRYLF 12g3-2(b) # 82-2026

## TERYL RESOURCES CORP. PLANS A DRILL PROGRAM ON THE NEWLY DISCOVERED WEST RIDGE GOLD ZONE, FAIRBANKS, ALASKA

For Immediate Release: November 12, 2003, Fairbanks, Alaska - Teryl Resources Corp. (TSX Venture Exchange: TRC) announces that the third phase of auger drilling has been completed and three trenches totaling 342 meters have been completed on the newly discovered West Ridge gold zone. The Company's geological consultants, Avalon Development, report that a series of shear zones were encountered in the trenches with widespread iron, arsenic and antimony oxides present. The shears strike northeast and north-northwest and are marked by fault gouge, breccia and shearing with quartz veins ranging up to 25 centimeters. The most promising rocks include intense red iron oxide after pyrite, yellow antimony oxide after stibnite and apple green arsenic oxide after arsenopyrite. Unaltered quartz veins containing jamesonite were discovered in a shear zone in Trench 1. Jamesonite is commonly present in high grade mineralization found elsewhere in the Fairbanks District. The rocks are pervasively sericite altered and at the southwest end of Trench 3 a granodiorite intrusive body was encountered which exhibits sericitic alteration similar to that seen in other intrusive-hosted gold systems in the region. The extent of this intrusive body is unknown at present. All trenches have been mapped and sampled and analytical results are pending at ALS Chemex in Vancouver.

Auger drilling on the Old Glory prospect has expanded the extent of anomalous gold in rocks and soil to an area measuring 500 meters northeast - southwest by 500 meters northwest - southeast. Soil values in this grid range up to 2,130 parts per billion (over 2 grams of gold per ton) and rock samples collected from the trenches returned values up to 10 grams (1/3 of an ounce per ton gold). Mineralization remains open to expansion to the northeast, southwest and northwest.

The Company is planning on drilling the high-grade trench targets on the Old Glory gold zone as soon as permitting is approved.

#### ABOUT TERYL RESOURCES CORP.

With interests in four gold properties, Teryl Resources Corp. is one of the main landowners in the Fairbanks Mining District, Alaska. The Gil project is a joint venture (80% Kinross/20% Teryl) with Kinross Gold Corporation (TSX: K; NYSE: KGC). The Company's holdings also include the West Ridge Property (100% owned), the Fish Creek Claims, 50% optioned from Linux Gold Corp. (OTC BB: LNXGF), and the Stepovich Claims, which Teryl has a 10% net profit interest from Kinross. Teryl Resources Corp. also has one joint venture silver prospect located in Northern BC, Canada. For further information visit the Company's website at <a href="http://www.terylresources.com">http://www.terylresources.com</a>.

ON BEHALF OF THE BOARD OF DIRECTORS

"John Robertson"

John Robertson President Contact: John Robertson

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#### NEWS RELEASE

#### GRANTING OF STOCK OPTIONS

For Immediate Release: November 17, 2003, Vancouver, BC - Teryl Resources Corp. (TSX Venture Exchange: TRC.V) announces that the Company has granted incentive stock options to George Duggan for up to 300,000 common shares at a price of \$0.45, exercisable for a period of five years from the date of granting.

Mr. Duggan has been appointed the Company's Marketing and Advertising Consultant. Mr. Duggan is currently head of National Media Associates, formed in 1991, which specializes in market-development activities on behalf of Canadian and U.S. public companies. Mr. Duggan holds a Bachelor of Arts degree from University of Texas and an MBA from University of California and has been a senior financial communications advisor for 15 years.

Teryl Resources Corp.'s management wishes to welcome George Duggan and appreciates his expertise in the junior resource sector.

Shareholder approval for the granting and exercise of incentive stock options was obtained at the Company's annual general meeting held on November 4, 2003.

#### ABOUT TERYL RESOURCES CORP.

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#### ON BEHALF OF THE BOARD OF DIRECTORS

"John Robertson"

John Robertson President

Contact: John Robertson

Tel. 800-665-4616

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#### NEWS RELEASE

Teryl Resources Corp. (the "Company")

TSX Venture Exchange: TRC Pink Sheet Symbol: TRYLF 12g3-2(b) # 82-2026

### COMPLETION OF \$1,050,000 PRIVATE PLACEMENT OF 3,000,000 UNITS

For Immediate Release: November 25, 2003, Vancouver, B.C. - Teryl Resources Corp. (TSX Venture Exchange: TRC) announces pursuant to its News Releases dated October 21, 2003, whereby the Company disclosed that it had arranged a private placement of an aggregate of 3,000,000 units in the capital stock of the Company to various investors at a price of \$0.35 per unit, the Company is pleased to announce that it has now received regulatory acceptance of the private placement. Each unit consists of one common share and a ½ warrant (the "Warrant") enabling the investor to purchase an additional share at an exercise price of \$0.50 per share for a one year period expiring November 24, 2004. The common shares forming part of the units are subject to a hold period expiring 4 months from the date of issuance for the units, which hold period expires March 24, 2004.

#### ABOUT TERYL RESOURCES CORP.

With interests in four gold properties, Teryl Resources Corp. is one of the main landowners in the Fairbanks Mining District, Alaska. The Gil project is a joint venture (80% Kinross/20% Teryl) with Kinross Gold Corporation (TSX: K; NYSE: KGC). The Company's holdings also include the West Ridge Property (100% owned), the Fish Creek Claims, 50% optioned from Linux Gold Corp. (LNXGF), and the Stepovich Claims, which Teryl has a 10% net profit interest from Kinross. Teryl Resources Corp. also has one joint venture silver prospect located in Northern BC, Canada. For further information visit the Company's website at <a href="http://www.terylresources.com">http://www.terylresources.com</a>.

#### ON BEHALF OF THE BOARD OF DIRECTORS

"John Robertson"

John Robertson President

Contact: John Robertson

Tel. 800-665-4616 604-278-5996

The TSX Venture Exchange has neither approved nor disapproved of the information contained herein.

Statements in this press release regarding Teryl's business which are not historical facts are "forward-looking statements" that involve risks and uncertainties, such as estimates and statements that describe the Company's future plans, objectives or goals, including words to the effect that the Company or management expects a stated condition or result to occur. Since forward-looking statements address future events and conditions, by their very nature, they involve inherent risks and uncertainties. Actual results in each case could differ materially from those currently anticipated in such statements.

1103 - 11871 Horseshoe Way, Richmond, B.C. V7A 5H5 Phone: 604-278-5996 Fax: 604-278-3409 Toll Free: 800-665-4616

www.tervlresources.com

## TERYL RESOURCES CORP. LINUX GOLD CORP.

#### JOINT NEWS RELEASE

Teryl Resources Corp./Linux Gold Corp.

TSX Venture Exchange: TRC

OTCBB: LNXGF

## PLACER GOLD TARGETS IDENTIFIED ON THE FISH CREEK PROPERTY, FAIRBANKS MINING DISTRICT, ALASKA

For Immediate Release: December 2, 2003, Fairbanks, Alaska- Teryl Resources Corp. (the "Company") (TSX Venture Exchange: TRC.V) / Linux Gold Corp. (OTCBB: LNXGF) announces that a ground magnetic survey was completed on the Fish Creek property on November 20, 2003 on the right limit (east) side of Fish Creek Valley, approximately 600 - 700 feet down-valley from the toe of the Fort Knox mine fresh water supply dam. Extremely high grade gold placer accumulations were encountered in a narrow right-limit channel during excavation of the Fort Knox mine fresh water dam site but their extent and grade downstream on the Fish Creek property has never been explored. A two-person crew, consisting of James Munsell, from Avalon Development and equipment operator, Kerry Adler from On-Line Exploration Services, Inc. conducted the survey. This was orientation survey to test the right limit bench for a suspected buried placer gold-bearing channel east of Fish Creek. Surveys of this type have been successful in locating elevated magnetic field intensities associated with heavy, magnetic mineral concentrations often associated with placer gold accumulations.

The field survey consisted of two lines with 200-foot line spacing and 10-foot station spacing, which appears provide sufficient detail to extrapolate magnetic data between lines. Total field and vertical gradient magnetic have a good correlation, suggestive of adequate base station data. Signatures from the two traverses are interpreted to cross five features, of which three have the possibility of being associated with alluvial concentrations various characteristics.

The two anomalies recommended for physical testing are those indicative of alluvial heavy magnetic mineral concentration encountered on the west side of Lines 100N and 300N, just east of Fish Creek, and the strong anomaly on the eastern extent of Line 300N. Depth estimates for these targets, are generally 8 to 12 feet.

Avalon Development, Teryl's Consultant has recommended a program of additional ground magnetics followed by trenching and/or large-diameter auger drilling to evaluate the two most promising alluvial gold targets in early 2004.

ON BEHALF OF THE BOARD OF DIRECTORS

"John Robertson"

John Robertson President Contact: John Robertson 800-665-4616

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NEWS DELEASE

#### NEWS RELEASE

Teryl Resources Corp. (the "Company")

TSX Venture Exchange: TRC Pink Sheet Symbol: TRYLF

## TERYL RESOURCES ANNOUNCES RESULTS ON THE 100% OWNED WEST RIDGE CLAIMS, FAIRBANKS, ALASKA

#### GOLD BEARING INTRUSIVE LOCATED ON TRENCH 3, OLD GLORY PROSPECT

For Immediate Release: December 8, 2003, Fairbanks, Alaska - Teryl Resources Corp. (TSX Venture Exchange: TRC) announces that the following results have been received by Avalon Development Corp. on the trench geochemical results and ground geophysics recently completed on the Old Glory prospect on the Company's 100% owned West Ridge claims in the Fairbanks District.

The most significant geochemical results from the three West Ridge trenches came from the last 15 meters of trench 3 which averaged 596 ppb gold and intersected a highly oxidized sericite altered diorite to granodiorite intrusive containing up to 2.98 grams per tonne gold with 3,140 ppm arsenic (Table 1). Alteration associated with the intrusive included strong sericitic alteration and a marked increase in aluminum and sodium values. This sort of silicate alteration is normally associated with albitization in and adjacent to gold-bearing intrusives in the Tintina Gold Belt of Alaska and the Yukon. This intrusive mass remains open to expansion to the west and south into an area of the previously completed soil auger grid where gold soil values are consistently anomalous (+50 ppb) and reach up to 1,000 ppb. This portion of the soil grid, measuring at least 100 meters north-south by 150 meters east-west, is defined by an amorphous gold-in-soil pattern similar to that seen in intrusive hosted gold occurrences elsewhere in the district. This portion of the grid also yielded grab rock samples which returned up to 10 grams per tonne gold from quartz-vein float, the highest grades recovered from the property to date.

Table 1: Trench 3 intrusive results, West Ridge property

Sample #	Trench	From_m	To_m	Interval_ m	RockUnit	Au_ppb	As_ppm	Pb_ppm	Sb_ppm
461090	WRTR0303	99	100	1	Qtz-Mica Sch	71	240	7	5
461091	WRTR0303	100	101	1	Quartzite	226	926	4	14
461092	WRTR0303	101	102	1	Diorite	2860	3140	9	33
461093	WRTR0303	102	103	1	Diorite	1245	1915	15	37
461094	WRTR0303	103	104	1	Diorite	649	1480	5	17

461095	WRTR0303	104	105	1	Diorite	902	2610	5	22
461096	WRTR0303	105	106	1	Diorite	457	1120	9	16
461097	WRTR0303	106	107	1	Diorite	494	1455	7	21
461098	WRTR0303	107	108	1	Diorite	650	1360	13	22
461099	WRTR0303	108	109	1	Diorite	168	200	16	11
461100	WRTR0303	109	110	1	Diorite	218	233	13	28
465404	WRTR0303	110	111	1	Diorite	361	156	14	21
465405	WRTR0303	111	112	1	Diorite	296	102	11	13
465406	WRTR0303	112	113	1	Diorite	412	222	9	27
465407	WRTR0303	113	114	1	Diorite	178	100	17	9
465408	WRTR0303	114	115	1	Diorite	355	228	9	30

Given the presence of well mineralized intrusives in Trench 3, the extent of anomalous gold in soils adjacent to it and the presence of higher grade gold in rock samples from this area, a larger intrusive mass may exist south of the Old Glory discovery zone. Geophysical evidence supports this conclusion (see below).

#### GROUND GEOPHYSICS

Ground magnetic and VLF surveys were completed over the 3 West Ridge trenches in late November. These surveys correlate well with multi-element geochemistry and geologic mapping. Poorly mineralized quartzites and quartz mica schists generally have a flat, low magnetic response. Rocks of possible Chatanika Terrane origin returned a markedly higher magnetic response. Intrusive rocks display a flat low magnetic response in trench 3 but comprise only a small portion of the surveyed line making it difficult to determine whether or not the signature has reached a plateau or will continue to fall to a level which will allow mineralized intrusive and barren quartzite to be distinguishable on magnetic profiles.

#### CONCLUSIONS

Based on the geochemistry, geology and magnetics completed to date at the Old Glory prospect, John Robertson, President of Teryl Resources Corp., states, "I am very excited about drilling the intrusive discovery as soon as possible due to the fact that intrusive gold occurrences in the Fairbanks District have produced 20,000,000 ounces of gold from placer and lode resources."

The following conclusions are warranted:

- 1. Backhoe trenching has revealed the presence of northeast-trending mineralized shear zones at Old Glory. These shear zones correspond to linear gold arsenic anomalies outlined by soil auger sampling.
- 2. Backhoe trenching has revealed the presence of highly mineralized sericite altered intrusives which appear to underlie the southern end of the 2003 soil auger grid.
- 3. Magnetics profiles appear capable of distinguishing between barren quartz mica schist and quartzite of the Fairbanks Schist from more magnetic rocks of the Chatanika Terrane.
- 4. Magnetic profiles did not encounter enough intrusive rock to determine whether or not it could distinguish intrusives from Fairbanks Schist with any certainty.

RECOMMENDATIONS - Additional ground geophysics, trenching and drilling will commence on the gold intrusive discovery in January 2004.

#### ABOUT TERYL RESOURCES CORP.

With interests in four gold properties, Teryl Resources Corp. is one of the main landowners in the Fairbanks Mining District, Alaska. The Gil project is a joint venture (80% Kinross/20% Teryl) with Kinross Gold Corporation (TSX: K; NYSE: KGC). The Company's holdings also include the West Ridge Property (100% owned), the Fish Creek Claims, 50% optioned from Linux Gold Corp. (OTC BB: LNXGF), and the Stepovich Claims, which Teryl has a 10% net profit interest from Kinross. Teryl Resources Corp. also has one joint venture silver prospect located in Northern BC, Canada. For further information visit the Company's website at <a href="http://www.terylresources.com">http://www.terylresources.com</a>.

#### ON BEHALF OF THE BOARD OF DIRECTORS

"John Robertson"

John Robertson President Contact: John Robertson 800-665-4616 604-278-5996

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#### NEWS RELEASE

Teryl Resources Corp. (the "Company")

TSX Venture Exchange: TRC Pink Sheet Symbol: TRYLF

# KINROSS GOLD/TERYL RESOURCES: NEW PHASE II DRILL RESULTS - GIL PROJECT, ALASKA

## Teryl Resources Announces that Phase II Drilling Intercepts Significant In-fill Gold Mineralization

For Immediate Release: January 8, 2004, Fairbanks, Alaska - Teryl Resources Corp. (TSX Venture Exchange: TRC) announces further drill results from the 2003 second phase exploration program at the Gil Gold Project, Alaska, a joint venture with Kinross Gold Corporation (TSX: K).

The first phase drill program (see News Release, September 29, 2003) increased the geologic understanding of the Main Gil gold deposit to provide a more accurate gold distribution deposit model and extended the strike length of the Main Gil zone to almost 3,000 feet. Phase 2 drilling has recently been completed bringing 2003 drilling totals to 27,590 feet of reverse circulation drilling in 127 holes and 8,917 feet of diamond core drilling in 31 holes. The best gold results were on Hole # GVR03-398, which intersected 135 feet of 0.087 opt gold including 85 feet of 0.121 opt gold.

Following are new assays from a portion of the second phase drilling program on the Main Gil deposit. Analytical results from additional drill holes will be published when available. Please note assays have not been capped.

Hole #	From (feet)	To (feet)	Thick	Au opt	Prospect
GVR03-375	35	85	50	0.054	Main Gil
GVR03-388	40	55	15	0.076	Main Gil
GVR03-393	50	80	30	0.143	Main Gil
GVR03-393	130	195	65	0.033	Main Gil
GVR03-396	30	60	30	0.036	Main Gil
GVR03-398	140	275	135	0.087	Main Gil
including	140	225	85	0.121	Main Gil
GVR03-399	25	35	10	0.155	Main Gil
GVR03-402	40	65	25	0.060	Main Gil

GVR03-403	155	195	40	0.126	Main Gil
GVR03-404	125	145	20	0.038	Main Gil
GVR03-405	25	50	25	0.051	Main Gil
GVR03-406	0	40	40	0.034	Main Gil
and	185	210	25	0.034	Main Gil
GVR03-407	65	110	45	0.053	Main Gil
GVR03-410	70	80	10	0.101	Main Gil
GVR03-411	210	245	35	0.085	Main Gil
GVR03-412	60	105	45	0.038	Main Gil
GVR03-413	60	90	30	0.039	Main Gil
GVR03-416	0	35	35	0.047	Main Gil
GVR03-420	170	190	20	0.077	Main Gil
GVR03-421	70	90	20	0.068	Main Gil
and	150	170	20	0.066	Main Gil
GVR03-424	50	115	65	0.043	Main Gil

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#### ON BEHALF OF THE BOARD OF DIRECTORS

"John Robertson"

John Robertson President

Contact: John Robertson Tel. 800-665-4616

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#### NEWS RELEASE

Teryl Resources Corp. (the "Company")

TSX Venture Exchange: TRC Pink Sheet Symbol: TRYLF

## KINROSS GOLD/TERYL RESOURCES: ADDITIONAL PHASE II DRILL RESULTS - GIL PROJECT, ALASKA

## Drilling Results Intercept 205 Feet of Significant Gold Mineralization in Three Separate Zones in Hole #465

For Immediate Release: January 20, 2004, Fairbanks, Alaska - Teryl Resources Corp. (TSX Venture Exchange: TRC; Pinksheet Symbol: TRYLF) announces further drill results from the 2003 second phase exploration program intercepted 205 feet of significant gold mineralization on Hole # GVC03-465, gold assays in ounces per ton (Au opt) as follows;

From (ft)	To (ft)	Thick (ft)	Au opt
5	80	75	0.027
225	250	25	0.194
290	395	105	0.170
Including 310	325	15	0.529

The first phase drill program (see News Release, September 29, 2003) increased the geologic understanding of the Main Gil gold deposit to provide a more accurate gold distribution deposit model and extended the strike length of the Main Gil zone to almost 3,000 feet. Phase 2 drilling has recently been completed bringing 2003 drilling totals to 27,590 feet of reverse circulation drilling in 127 holes and 7,917 feet of diamond core drilling in 28 holes. Initial results of this second phase of drilling continued to advance the project (see News Release, January 8, 2004).

Following are new assays from a portion of the second phase drilling program on the Main Gil deposit. Analytical results from the final three drill holes will be published when available. A drill hole location map for these holes is attached for reference.

Hole #	From (ft)	To (ft)	Thick (ft)	Au opt	Prospect
GVR03-433	10	30	20	0.149	Main Gil
GVR03-433	40	50	10	0.057	Main Gil
GVR03-434	40	80	40	0.033	Main Gil
GVR03-434	90	100	10	0.075	Main Gil
GVR03-436	105	115	10	0.037	Main Gil
GVR03-438	60	80	20	0.120	Main Gil
GVR03-438	190	230	40	0.083	Main Gil
GVR03-441	5	45	40	0.073	Main Gil

GVR03-441	90	100	10	0.028	Main Gil
GVR02-442	50	105	55	0.029	Main Gil
GVR03-446	0	10	10	0.056	Main Gil
GVR03-447	45	80	35	0.105	Main Gil
GVR03-448	45	65	20	0.031	Main Gil
GVR03-449	40	75	35	0.024	Main Gil
GVR03-450	40	50	10	0.042	Main Gil
GVR03-451	70	145	75	0.028	Main Gil
GVR03-451	Including 110	120	10	0.092	Main Gil
GVC03-460	60	125	65	0.034	Main Gil
GVC03-460	185	205	20	0.041	Main Gil
GVC03-460	260	290	30	0.039	Main Gil
GVC03-461	225	235	10	0.048	Main Gil
GVC03-461	330	360	30	0.052	Main Gil
GVC03-463	20	35	15	0.055	Main Gil
GVC03-464	90	130	40	0.149	Main Gil
GVC03-465	5	80	75	0.027	Main Gil
GVC03-465	225	250	25	0.194	Main Gil
GVC03-465	290	395	105	0.170	Main Gil
GVC03-465	Including 310	325	15	0.529	Main Gil

Our Consultant, Curt Freeman, of Avalon Development Corporation (<a href="www.avalonalaska.com">www.avalonalaska.com</a>), states "Each drill program is incrementally improving the confidence in the Gil resources."

Elsewhere on the Gil project, preliminary hydrology and engineering studies, resource database modeling and baseline environmental data continue to be gathered in accordance with revised Phase II work plans (see News Release, November 3, 2003).

#### ABOUT TERYL RESOURCES CORP.

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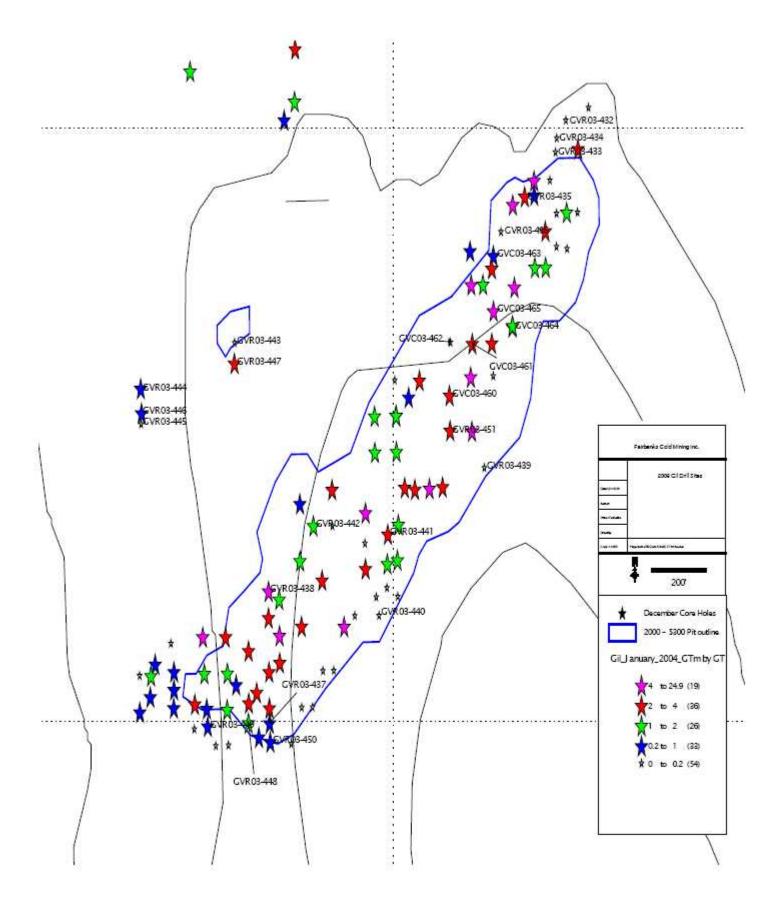
#### ON BEHALF OF THE BOARD OF DIRECTORS

"John Robertson"

John Robertson President Contact: John Robertson Tel. 800-665-4616

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# FORM 51-901F

QUARTERLY REPORT

Incorporated as part of:	X (place x in appropri	Schedule A Schedules B & C iate category)
ISSUER DETAILS:		
NAME OF ISSUER	TERYL RESOUR	CES CORP.
ISSUER'S ADDRESS	#1103 - 11871 HC	ORSESHOE WAY,
	RICHMOND, BC	V7A 5H5
ISSUER'S TELEPHONE NUMBER	(604) 278-5996	
CONTACT PERSON	JOHN G. ROBER	TSON
CONTACT'S POSITION	PRESIDENT	
CONTACT'S TELEPHONE NUMBER	(604) 278-5996	
FOR QUARTER ENDED	NOVEMBER 30,	2003
DATE OF REPORT	JANUARY 30, 20	04
	CER	TIFICATE
CONTAINED THEREIN HAS BEEN APPROV	'ED BY THE BOAI HO REQUESTS IT.	ARTERLY REPORT ARE ATTACHED AND THE DISCLOSURE RD OF DIRECTORS. A COPY OF THIS QUARTERLY REPORT WILL PLEASE NOTE THIS FORM IS INCORPORATED AS PART OF BOTH B & C.
"JOHN G. ROBERTSON"		2004/01/30
NAME OF DIRECTOR		DATE SIGNED (YY/MM/DD)
"JENNIFER LORETTE"		2004/01/30
NAME OF DIRECTOR		DATE SIGNED (YY/MM/DD)
(Signati	ares for this Form sh	ould be entered in TYPED form)

# CONSOLIDATED FINANCIAL STATEMENTS

# AS AT NOVEMBER 30, 2003

### CONSOLIDATED BALANCE SHEET

### AS AT NOVEMBER 30, 2003

### **ASSETS**

	Nov. 30,	Nov. 30,	May 31,
	2003	2002	2003
	Unaudited	Unaudited	Audited
Current Assets:	\$	\$	\$
Cash	188,998	4,129	-
Receivables, prepaids and deposits	266,219	30,659	73,797
	455,217	34,788	73,797
Investments (Note 3)	4,026	4,026	4,026
Office Equipment (Note 4)	7,345	4,431	3,939
Mineral Property Interests (Note 5)	196,795	156,698	176,150
<u>Deferred Expenditures</u> :			
Exploration and development (Note 5)	2,148,508	1,643,633	1,849,567
	2,811,891	1,843,576	2,107,479

### LIABILITIES AND CAPITAL LESS DEFICIT

Current Liabilities:			
Cheques issued in excess of funds on deposit	-	-	50,381
Accounts payable and accrued liabilities	169,081	525,891	622,410
Estimated liability for capital taxes (Note 6)	712	855	750
Advances from (to) related parties (Note 7)	495,653	414,181	636,644
Debenture payable (Note 8)	150,000	150,000	150,000
	815,446	1,090,927	1,460,185
Contingecies and Commitments (Note 9)			
Share Capital: (Note 10)	7,880,887	6,020,427	6,297,375
Subscriptions Received (Notes 12 & 13)	85,572	275,860	69,972
Deficit	(5,970,014)	(5,543,635)	(5,720,053)
	2,811,891	1,843,576	2,107,479

Approved by the Directors:

"John Robertson" John Robertson

"Jennifer Lorette" Jennifer Lorette

# STATEMENT OF OPERATIONS AND DEFICIT

# FOR THE THREE MONTHS AND SIX MONTHS ENDED NOVEMBER 30, 2003

	Three	Mon Nov.	ths Ended		Six	Mont Nov	hs Ended	
	2003	NOV.	2002		2003	INOV.	2002	
	\$		\$		\$		\$	
Oil and Gas Operations:	Ψ		Ψ		Ψ		Ψ	
Revenue from Oil & Gas Sales	5,789		4,320		10,270		10,601	
Deduct: Oil & Gas Operating expenses	1,488		-		2,943		6,602	
Net Income from Oil and Gas	4,301		4,320		7,327		3,999	
General and Administrative Expenses:								
Consulting, publicity and investor relations	64,376		23,948		140,796		30,524	
Management and directors fees(Note 11)	15,625		27,530		24,875		38,040	
Auto, travel and entertainment	15,163		2,846		30,840		5,702	
Filing fees and electronic data services	11,104		2,884		14,909		4,168	
Office supplies, courier & telephone	11,189		11,771		19,574		25,703	
Secretarial fees (Note 11)	3,907		4,500		10,874		4,500	
Debenture interest (Note 8)	3,664		3,664		7,368		7,368	
Transfer agent fees	2,994		670		4,615		1,934	
Legal fees	2,748		3,790		3,480		6,716	
Audit and accounting	700		10,935		20,200		10,935	
Office rent and utilities (Note 11)	650		4,752		2,600		5,142	
Bank charges and other interest	513		327		1,297		657	
Foreign exchange loss (gain)	(39,594	)	(22	)	(24,891	)	310	
Interest income	(174	)	(15	)	(177	)	(38	)
Amortization	414		246		927		492	
General and Administrative Expenses	88,279		97,826		257,287		142,153	
Net Income (Loss) for the Period	(83,978	)	(93,506		(249,960	)	(138,154	)
Deficit - Beginning of Period	(5,886,036	)	(5,450,129	)	(5,720,054	)	(5,405,481	)
Deficit - End of Period	(5,970,014	)	(5,543,635	)	(5,970,014	)	(5,543,635	)
EARNINGS (LOSS) PER SHARE (Note 6)	(0.0032	)	(0.0039)	)	(0.0097)	)	(0.0057	)
Weighted Average Shares Outsanding	25,847,198		23,934,235		25,847,198		23,934,235	

# CONSOLIDATED STATEMENT OF DEFERRED

# EXPLORATION AND DEVELOPMENT EXPENDITURES

# FOR THE THREE MONTHS AND SIX MONTHS ENDED NOVEMBER 30, 2003

	Three Months Ended			Ionths Ended
	]	Nov. 30,	]	Nov. 30,
	<u>2003</u>	<u>2002</u>	<u>2003</u>	<u>2002</u>
	\$	\$	\$	\$
Silverknife Claims: (Joint Venture) (Note 7A)				
Work assessment	<u>-</u>		<del>_</del>	<u> </u>
Fish Creek Claims: (Joint Venture) (Note 7B)				
Lease payments	2,310	-	2,310	-
Geophysical survey and reports	1,431	-	1,901	2,409
	3,741	-	4,211	2,409
West Ridge Claims: (Note 7D)				
Geophysical survey	104,976	5,193	118,190	5 193
Annual rent	8,125	-	8,125	-
Reports and maps		1,884	4,121	1,884
	113,161	7,077	130,496	7,077
Gil Venture: (Joint Venture) (Note 7E)				
Drilling and trenching	162,860	-	162,860	-
Reports and maps	-	4,524	1,374	4,718
	162,860	4,524	164,234	4,718
Exploration and Development for the Period	279,762	11,601	298,941	14,204
Exploration& Developmentt Beginning of Period	1,868,746	1,632,032	1,849,567	1,629,429
	2,148,508	1,643,633	2,148,508	1,643,633
Less: Exploration and development written off:				
Re inactive claims	-	-	-	-
Exploration & Development at End of Period	2,148,508	1,643,633	2,148,508	1,643,633

### **INTERIM STATEMENT OF CASH FLOWS**

# FOR THE THREE MONTHS AND SIX MONTHS ENDED NOVEMBER 30, 2003

	Thr		ths Ended		Si		hs Ended	
		Nov.	*			Nov.		
	<u>2003</u>		<u>2002</u>		<u>2003</u>		<u>2002</u>	
	\$		\$		\$		\$	
Operating Activities:								
Receipts from oil and gas revenues	5,789		4,320		10,270		10,601	
Payments of oil and gas operating costs	(1,488	)	(-)		(2,943	)	(6,602	)
Receipts of interest income	174		15		177		38	
Receipts from sales taxes	-		-		2,952		_	
Payment of debenture interest	(15,000	)	-		(15,000	)	-	
Capital tax liability change	47		(1	)	38		7	
Payments for goods and services	(485,820	)	(5,180	)	(720,000	)	(7,486	)
Cash Flows from Operating Activities	(496,298	)	(846	)	(724,506	)	(3,442	)
Financing Activities:								
Share capital issued for cash (Note 10)	906,650		-		1,408,150		-	
Advances from (to) related parties	7,985		17,849		(140,991	)	28,615	
Cash Flows from Financing Activities	914,635		17,849		1,267,159		28,615	
Investing Activities:								
Current exploration & development costs	(279,762	)	(11,601	)	(298,941	)	(14,204	)
Disposal (purchase) of office equipment	1,996		_		(4,333	)	-	
Cash Flows from Investing Activities	(277,766	)	(11,601	)	(303,274	)	(14,204	)
Increase (Decrease) in Cash	140,571		5,402		239,379		10,969	ĺ
Cash (Deficiency) at Beginning of Period	48,427		(1,273	)	(50,381	)	(6,840	)
Cash (Deficiency) at End of Period	188,998		4,129		188,998		4,129	
( 1 1 1 1)								

#### **INTERIM STATEMENT OF CASH FLOWS**

#### FOR THE THREE MONTHS AND SIX MONTHS ENDED NOVEMBER 30, 2003

SIGNIFICANT ACCOUNTING POLICIES:

[a] Nature of Operations:

1.

The Company makes expenditures on acquiring mineral properties and carries out exploration and development work thereon. It also acquires oil and gas property interests and participates in drilling wells thereon. The recoverability of amounts shown for investments, mineral properties, interest in oil and gas properties and the related deferred expenditures is dependent upon the existence of economically recoverable reserves, the ability to obtain the necessary financing to complete the development, the profitability of future production or the ability of the Company to dispose of those assets on a profitable basis. The Company's ongoing operation is dependent upon cash flow from successful operations and equity financing. These financial statements are prepared on the basis that the Company will continue to operate as a going concern.

[b] Historical Cost:

Assets and liabilities are carried at historical cost, less amounts written off, and are not intended to reflect present or future values.

[c] Fixed Assets:

The Company records its fixed assets at cost and depreciates them on the declining-balance basis at 20% per annum.

[d] Accounting for Oil and Gas Well Interests:

The Company capitalizes the drilling and equipment costs of its interest in specific wells, which are to be amortized or written off as follows:

- (i) If wells are productive and connected to gathering systems wells are depreciated on the straight-line basis over their estimated productive life of seven years, from date production begins.
- (ii) If wells are believed to be productive but not connected to gathering systems (shut-in) wells are deemed to produce for two months a year and depreciated on that basis.
- (iii) If wells are, or are believed to become, non-productive costs are charged to expense.
- [e] Accounting for Mineral Property Interests:

The Company capitalizes its acquisition costs of mineral properties (including finders fees thereon) and the related exploration and development expenditures thereon by claim groups, or its share of costs on joint ventures, which are to be amortized as follows:

- (ii) If property sold under option-type agreement on basis of cash or shares received over total undiscounted amount to be received under agreement, exclusive of royalties or net profit participation.
- (iii) If property brought into production on basis of units of production over total estimated reserves recoverable.

If property sold outright - costs written off entirely against proceeds.

- (iv) If property retained, but has no proven economic reserves and is not currently being explored or developed by the Company or joint venture partner costs written down to a nominal value.
- (v) If property abandoned costs written off entirely.

(i)

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# 1. SIGNIFICANT ACCOUNTING POLICIES (Continued):

### [f] Accounting for Administration Expenditures:

The Company expenses its administration expenditures in the current year, except for items directly attributable to mineral properties.

### [g] Revenue and Property Costs:

These statements reflect only Teryl's share of oil and gas revenue and expenses, although operations are conducted jointly with several parties. These statements reflect only Teryl's share of acquisition costs and expenditures on mineral property interests operated jointly with other parties.

### [h] <u>Foreign Exchange Translations</u>:

The Company converts its current assets and liabilities and future payments receivable at current exchange rates, its non-current assets and liabilities at rates in effect on transaction dates, and its income and expenses at average rates of exchange for the period. Gains or losses on the transactions are reflected as administration expense.

#### [i] Investments:

The Company's marketable securities are carried at cost until sold or a deemed disposition has occurred as defined under the Income Tax Act. The cost of shares sold is determined by the average cost method when less than all the shares held in one company are sold.

#### [i] Capital Stock:

Capital stock issued for other than cash is recorded at values attributed by the Directors at time of issuance. Commissions and finders fees directly related to share issues are deducted in arriving at net proceeds from share capital. Flow-through share issues are reflected at actual issued prices.

# 2. CONSOLIDATION INFORMATION:

These consolidated financial statements include the accounts of the Company and its wholly- owned subsidiaries, Argon Investment Corporation (inactive) and Teryl, Inc. Teryl, Inc. was in- corporated on November 17, 1988, in the State of Delaware and registered to do business in the USA, to hold and operate the Alaska mineral property interests and Texas oil and gas well interests. In April, 1998, Teryl, Inc. reorganized and increased its authorized share capital from 1,000 common shares to 100,000,000 common shares, in preparation for taking the company public. Teryl Resources Corp. was issued 6,500,000 shares of Teryl, Inc. and held 100% of the shares at November 30, 2003. If Teryl, Inc. issues shares to others, Teryl Resources Corp.'s percentage holdings will decrease. See Note 15 re Teryl, Inc. transactions.

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2002

# 3. <u>INVESTMENTS</u> consist of:

International Diamond Syndicate Ltd. (IDS) is a private company having no quoted market, in which Teryl Resources owns 40% of the issued shares. At May 31, 2000, the investment and

advances to IDS were written down to \$ 1 each as IDS's property has no proven economic reserves, so there is little expectation of recovery.

Linux Gold Inc. (formerly LinuxWizardry Systems, Inc.) is a public company listed on US Stock Exchanges having a market value of \$ 3,017 Cdn. at November 30, 2003 (2002 - \$ 978).

2002

	<u>2003</u>	<u>2002</u>
International Diamond Syndicate Ltd.:		
40 shares acquired June 24, 1993	1	1
LinuxGold Inc.:		
15,880 shares	4,025	4,025
	4,026	4,026
OFFICE EQUIPMENT consists of:	Nov. 30, 2003	Nov. 30, 2002
Furniture and fixtures - at cost	39,265	34,932
Less: Accumulated amortization	31,920	30,501
	7,345	4,431

In accordance with Canadian general accepted accounting principles, the Company wrote off entirely its incorporation costs at August 31, 2002.

# 5. <u>MINERAL PROPERTY INTERESTS</u> consist of the following:

				Acquisition Co	st
		Teryl's		Nov. 30,	Nov. 30,
Claim Group	<u>Region</u>	<u>Interest</u>	<u>Ref.</u>	<u>2003</u>	<u>2002</u>
Silverknife	Liard, BC	26.7 %	A	1	1
Fish Creek	Fairbanks, Alaska	0-45 %	В	33,538	-
Anderson Group	Fairbanks, Alaska	0-95 %	C	6,559	-
West Ridge	Dome Creek, Alaska	100 %	D	116,189	116,189
Gil Venture	Dome Creek, Alaska	20 %	E	31,127	31,127
Stepovich Lease	Dome Creek, Alaska	10 %	F	9,381	9,381
				196,975	156,698

# 5. MINERAL PROPERTY INTERESTS Continued):

# A. SILVERKNIFE:

Pursuant to agreements between Reg Technologies Inc., SMR Investments Ltd., Rapitan Resources Inc., and Chevron Minerals Ltd., Teryl acquired a 30% working interest in the Silverknife mineral claims, situate in the Liard Mining Division in the Province of British Columbia, subject to a 10% Net Profit Royalty to Rapitan and a 1% Net Smelter Returns to SMR. The Company has written down their acquisition costs to \$ 1 and has written off their exploration and development expenditures entirely, since the claims are not currently being explored and have no proven economic reserves.

# B. FISH CREEK:

On March 5, 2002, the Company and Linux Gold Inc. entered into an agreement whereby Teryl may earn up to a 50% interest in the Fish Creek mineral claims located in the Fairbanks district of Alaska, USA by expending \$500,000 US within three years and issuing 200,000 common shares (issued December 16, 2002 for a deemed value of \$16,000). Linux will have a 5% net royalty interest until Teryl pays \$2,000,000 US.

# C. ANDERSON GROUP:

Pursuant to a purchase agreement dated August 18, 2003, the Company agreed to pay Michael D. Roberts \$ 6,559 (\$ 5,000 US), with an additional \$ 142,500 US owing in the next three years, for a 100% interest (subject to a 5% net profit interest) for 70.785 acres located in the Fairbanks Mining district of Alaska, USA, known as Anderson Group 2nd Tier R.L. of Dome Creek.

# D. WEST RIDGE:

Pursuant to various agreements the Company, through its subsidiary Teryl, Inc., earned a 100% interest in the West Ridge (48 claims) mineral properties (approximately 5,200 acres) located in the Dome Creek area of the Fairbanks District of Alaska, USA. Teryl, Inc. retains its 100% interest in the claims and has been conducting an exploration program over the past two years.

# E. GIL VENTURE:

Pursuant to various agreements the Company, through its subsidiary, Teryl, Inc., acquired a 50% interest in 237 claims located in the Gilmore Dome area of Fairbanks District of Alaska. In 1991 the Company, its subsidiary Teryl Inc., NERCO Exploration Company and Fort Knox Venture entered into an agreement which granted the Company a 20% participating interest in the claims, valued at \$ 150,000 US (\$ 171,720 Cdn). Under the agreement Fort Knox Venture paid the Company a total of \$ 143,500 US and to contributed \$ 600,000 US to fund approved programs and budgets earning them an 80% participating interest in the

property with Teryl, Inc. retaining a 20% participating interest. Fort Knox Venture through its operator Fairbanks Gold, has been explorationing this property from 2001 to date and will announce a production decision in the next few years. This has resulted in Teryl, Inc. being required to pay its 20% share of expenses, which amounted to \$ 162,860 (\$ 122,114 US) in the November, 2003 period. Further cash calls are expected in 2004.

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# 5. <u>MINERAL PROPERTY INTERESTS (Continued):</u>

E.

### STEPOVICH LEASE:

In 1990, the Company through its subsidiary Teryl, Inc., granted an option to Fort Knox Venture to acquire all of their interest in the Stepovich lease, except for a 10% Net Profit Interest to Teryl, for \$ 187,500 US and performing 3,000 feet of drilling on the property, which was done. Fort Knox Venture assumed all of the Company's liabilities and obligations under the Stepovich lease pursuant to an assignment dated May 29, 1992.

#### SUMMARY OF MINING PROPERTIES: PROPERTY COSTS:

	Balance - May 31/02	Changes <u>2003</u>	Balance <u>May 31/03</u>	Changes in Period	Balance Nov 30/03
Silverknife	1		1		1
Fish Creek		19,452	19,452	14,086	33,538
Anderson Group				6,559	6,559
West Ridge	116,189		116,189		116,189
Gil Venture	31,127		31,127		31,127
Stepovich Lease	9,381	-	9,381	-	9,381
	156,698	19,452	176,150	20,645	196,795

#### DEFERRED EXPLORATION AND DEVELOPMENT:

	Balance May 31/02	Changes 2003		Balance May 31/03	Changes in Period	Balance Nov 30/03
Silverknife - inactive		2,152				
Silverknife - inactive				-		-
		(2 152	)			
Fish Creek		47,595		47,595	4,211	48,065
West Ridge	246,186	22,976		269,162	130,496	286,497
Gil Venture	1,382,242	149,567		1,531,809	164,234	1,533,183
Stepovich Lease	1,001	-		1,001	-	1,001
	1,629,429	220,138		1,849,567	298,941	2,148,508

### INCOME TAXES AND EARNINGS PER SHARE:

6.

Since the Company has Canadian income tax losses of approximately \$1,127,460 available to reduce future taxable income until the year 2010, no figures have been presented for deferred income taxes. The Company has Canadian exploration and development expenditures of \$1,118,478 available to reduce future taxable income from mineral properties. The Company estimates it will be liable for approximately \$712 (\$548 US) income and capital taxes to the State of Texas, USA, in respect to its oil and gas well income.

6.

# INCOME TAXES AND EARNINGS PER SHARE (Continued):

Under "flow-through" issuances, the Company entered into agreements with contributors to expend certain proceeds from the issuances of its shares on exploration and development work on its mineral property interests which would "flow-through" to the contributors as Canadian Exploration Expenditures, which are deductible for income tax purposes. In prior years., the Company received \$ 533,801 of "flow-through" funds, which were expended on "eligible work" on its mineral property interests and renounced eligible expenditures incurred by it in respect thereto, these expenditures are not available to the Company for income tax purposes.

Basic earnings (loss) per share are calculated using the weighted daily average number of common shares outstanding for the period as presented on the consolidated statement of operations.

Diluted earning per share is calculated using the Treasury Stock Method, whereby it is assumed that proceeds on the exercised stock options are used by the Company to repurchase its shares at the average market price during the year of \$ 0.40 (2002 - \$ .20). As the 2003 and 2002 periods both resulted in a loss there are no figures presented as the effect would be anti-dilutive.

# 7. ADVANCES FROM (TO) RELATED COMPANIES consist of:

	Changes for 3 Months		Changes 6 Months		Balance Nov. 30, 2003	
540330 B.C. Ltd.	-		(64,334	)	13,894	
Access Information Systems Inc.	536		(15,747	)	112,831	
JGR Petroleum Inc.	6,406		321		102,535	
Information Highway.com Inc.	(409	)	(409	)	(818	)
International Diamond Syndicate (Note 3)	-		-		(1	)
Linux Gold Inc. (Note 3)	4,544		2,015		(1,704	)
Rainbow Network	(21	)	(5,753	)	55,595	
Reg Technologies Inc.	12,724		5,395		(588	)
REGI US, Inc.	(2,600	)	(2,600	)	(11,840	)
Sovo Computer Centre	-		(2,360	)	2,593	
SMR Investments Ltd.	(13,195	)	(57,519	)	223,156	
	7,985		(140,991	)	495,653	

The advances to and from related companies bear no interest and have no fixed repayment terms.

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# 8. DEBENTURE PAYABLE:

Pursuant to various agreements the Company agreed to issue a convertible debenture for \$ 150,000 to Keltic Bryce Enterprises Inc., subject to regulatory approval. The original agreement dated September 1, 1991 was approved. However, an amendment requested by Keltic Bryce, which resulted in the withdrawal of the original agreement, increasing the number of units and decreasing the share and warrant prices, did not subsequently receive approval and the debenture is not convertible under existing regulatory policy. Interest of \$ 6,195 was accrued to November 30, 2003 (2002 - \$ 21,498). Teryl paid Keltic Bryce \$ 15,000 interest on January 15, 2003 and November 12, 2003. After various disputes Teryl Resources Corp., Teryl, Inc. and Keltic Bryce Enterprises Inc. were negotiating a Settlement Agreement to repay Keltic Bryce the \$ 150,000 loan and all accrued interest as full settlement of the Debenture.

9. CONTINGENCIES AND COMMITMENTS:

See Note 10 below for "Outstanding Commitments to Issue Shares".

10. SHARE CAPITAL:

Authorized Share Capital consists of:

Common Shares - voting	No Par Value	100,000,000
Preferred Shares - non-voting	\$ 1 Par Value	5,000,000
		105,000,000

The Preferred Shares have attached thereto a right to receive dividends as determined by the Directors. The Preferred Shares may be issued in series, with special rights and restrictions therefor being determined by the Directors, subject to regulatory approval. No Preferred Shares have been issued to the date of these financial statements. At the Annual General Meeting held in November, 2000, it was resolved to increase the Common shares to 100,000,000, which was completed during the August 31, 2002 period.

On April 22, 2002, the Company granted a Directors' stock option to J. Robertson for 1,000,000 shares at a price of \$ 0.15 for a term of five years. J. Robertson exercised options for 10,000 shares in June, 2003. On April 22, 2002, the Company granted stock options to a senior officers to purchase up to 600,000 common shares at a price of \$ 0.15 for a five year period. On April 22, 2002, the Company granted a stock option to an employee to purchase up to 50,000 common shares at a price of \$ 0.15 for a five year period of which 25,000 have been exercised.

On September 23, 2002, the Company granted a stock options to an employees to purchase up to 25,000 common shares at a price of \$ 0.15 for a five year period. On November 22, 2002, the Company granted a stock option to a senior officer to purchase up to 200,000 common shares at a price of \$ 0.15 for a five year period. On December 16, 2002, the Company granted a stock option to a consultant to purchase up to 50,000 common shares at a price of \$ 0.40 for a five year period, which were exercised in November, 2003.

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### **SHARE CAPITAL (Continued)**:

On February 19, 2003, the Company granted a stock option to a consultant to purchase up to 350,000 common shares at a price of \$ 0.40 for a three year period.

<u>Issued Share Capital</u> - Common - consists of the following: <u>FOR CASH</u>:

		No. of Shares		<u>Amount</u>
Total Issued for Cash at May 31, 2002		18,633,174		5,062,288
Shares issued in May 31, 2003 Year:				
Private placement	A	1,500,000	0.10	150,000
Employee stock option exercised	В	12,500	0.15	1,875
Private placement warrants exercised	C	275,000	0.12	33,000
Private placement	D	217,350	0.35	76,073
		2,004,850		260,948
Total Issued for Cash at May 31, 2003		20,638,024		5,323,236
Period Ended November 30, 2003:				
Stock option exercised	Е	10,000	0.15	1,500
Private placement	F	2,000,000	0.25	495,887
Private placement warrants exercised	G	250,000	0.12	30,000
Stock option exercised	Н	50,000	0.40	20,000
Private placement	I	3,000,000	0.35	1,034,250
Stock option exercised	J	12,500	0.15	1,875
		5,332,500		1,583,512
Total Issued for Cash at Nov. 30, 2003		25,960,224		6,906,748
FOR MINERAL PROPERTY INTERESTS:				
Total Issued for Mineral Property				
to May 31, 2002		2,497,359		604,659
Shares issued in May 31, 2003 Year:				
Fish Creek mineral property	K	200,000	0.08	16,000
Total Issued to May 31 & Nov. 30, 2003		2,697,359		620,659
FOR DEBT, EXTENSIONS AND				
SUBSIDIARY:				
Total Issued for Debt, Extensions and Subsidiary				
to May 31 & Nov. 30, 2003		1,902,705		353,480
TOTAL SHARES ISSUED AT NOVEMBER				
30, 2003		30,560,588		7,880,887
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### **SHARE CAPITAL (Continued)**:

- A.

  On December 11, 2002, the Company issued 1,500,000 units of capital stock at a price of \$ 0.10 per unit, pursuant to a Private Purchase agreement, to net the treasury \$ 150,000. Each unit consists of one common share and one share purchase warrant exercisable within the first year for \$ 0.12 and \$ 0.15 within the second year per common share.
- B. On December 20, 2002, J Singh, exercised an Employee Stock Option for 12,500 shares at \$ 0.15 per share to net the treasury \$ 1,875.
- C. On January 15 and 23, 2003, two individuals exercised Private placement warrants for a total of 275,000 shares at \$ 0.12 per share to net the treasury \$ 33,000.
- D.
  On May 23, 2003, the Company issued 217,350 shares of capital stock at a price of \$ 0.35 per unit, pursuant to a Private Purchase agreement, to net the treasury \$ 76,073. These shares were issued for subscriptions received by its subsidiary, Teryl, Inc. (Note 15)
- E. On June 23, 2003, J. Robertson, President of the Company, exercised a Stock Option for 10,000 shares at \$ 0.15 per share to net the treasury \$ 1,500.
- F. On August 26, 2003, the Company issued 2,000,000 units of capital stock pursuant to a Private Placement with 27 places at a price of \$ 0.25 per unit (\$ 500,000 less issue costs of \$ 4,113) to net the treasury \$ 495,887. Each unit consists of one common share and one-half share purchase warrant exercisable within the first year for \$ 0.30 per common share and for \$ 0.40 per common share within the second year.
- G. On October 20, 2003, one individual exercised Private placement warrants for a total of 250,000 shares at \$ 0.12 per share to net the treasury \$ 30,000.
- H. On November 21, 2003, G. Freeman, exercised an Employee Stock Option for 50,000 shares at \$ 0.45 per share to net the treasury \$ 20,000.
- I. On November 24, 2003, the Company issued 3,000,000 units of capital stock pursuant to a Private Placement with 50 placees at a price of \$ 0.35 per unit (\$ 1,050,000 less issue costs of \$ 15,750) to net the treasury \$ 1,034,250. Each unit consists of one common share and one-half share purchase warrant exercisable within one year for \$ 0.50 per common share.
- J.. On November 28, 2003, J Singh, exercised an Employee Stock Option for 12,500 shares at \$ 0.15 per share to net the treasury \$ 1,875.
- K.
  On December 16, 2002, the Company issued 200,000 common shares, at a price of \$ 0.08 each, to Linux Gold Corp. pursuant to the Fish Creek mineral claims agreement described in Note 5B.

During the three month quarter ended November 30, 2003, the Company issued stock options to two consultants, P. Zihlmann and G, Duggan, for 150,000 common shares at \$ 0.40 and 300,000 common shares at \$ 0.45 respectively, exercisable within a five year period.

In November, 2003, the Company cancelled two employee stock options. One, issued to J. Gomez for 50,000 common shares at \$ 0.40 expiring March 4, 2008 and the other issued to J. Singh for 25,000 common shares at \$ 0.15 expiring April 22, 2007.

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11.

### **SHARE CAPITAL (Continued)**:

#### Outstanding Commitments to Issue Shares:

At November 30, 2003, the following commitments to issue shares were outstanding:

	No. of		Expiry
Type of Commitment	<u>Shares</u>	<u>Price</u>	<u>Date</u>
Private placement Warrants	1,000,000	0.12/0.15	Dec. 11/03/04
Private placement Warrants	1,000,000	0.30/0.40	Aug. 26/04/05
Private placement Warrants	1,500,000	0.50	Nov. 24/04
Consultant's Option	350,000	0.40	Feb. 19/06
Director's Option	990,000	0.15	Apr. 22/07
Senior Officers' Options	600,000	0.15	Apr. 22/07
Employee's Option	25,000	0.15	Sept. 23/07
Senior Officer's Option	200,000	0.15	Nov. 22/07
Consultant's Option	50,000	0.40	Dec. 16/07
Consultant's Options	75,000	0.40	Mar. 4 /08
Consultant's Option	150,000	0.40	Oct. 20/08
Consultants' Options	300,000	0.45	Nov. 14/08
	6,240,000		

See Note 12 "Subsequent Events" for details on Private Placement warrants and Stock Option exercised after November 30, 2003.

# **RELATED PARTY TRANSACTIONS:**

International Diamond Syndicate Ltd. (IDS) is a 40% subsidiary of Teryl, formed to conduct joint mineral property exploration and development with Berkshire International Mining Ltd. and Geodex Minerals Ltd. See Notes 3 and 7 re investment in and advances to IDS.

Reg Technologies Inc. is a public company which shares office facilities and staff, several directors and participates in Joint Ventures with the Company. See Note 7A in respect to the property that is operated as a Joint Venture and Note 7 re advances to or from Reg.

SMR Investments Ltd. is a private company which is controlled by an officer of the Company who has significant influence on the affairs of the companies. Under a management contract with SMR Investments Ltd. the Company agreed to pay \$ 2,500 per month for management services. The Company paid to SMR management fees totaling \$ 15,000 in the period ended November 30, 2003. See Note 5A regarding mineral property transactions and Note 7 re advances from SMR.

The Company holds 15,880 shares of Linux Gold Inc., US a public company controlled by an officer of the Company, as described in Note 3. See Note 7 re Linux advances and Note 5B regarding mineral property transactions with Linux.

11. RELATED PARTY TRANSACTIONS (Continued):

Administration consulting fees of \$ 10,375 were paid during the November 30, 2003 period to J. Lorette, Vice-President of the company and secretarial fees of \$ 10,874 were paid to M. Van

Oord, a director of the company. Director's fees of \$ 5,500 were paid to J. Robertson, President of the company during the November 30, 2003 period.

12. SUBSEQUENT EVENTS:

See the "Outstanding Commitments to Issue Shares" section at the end of Note 10 for information on commitments to issue shares after the balance sheet date.

On November 27, 2002, the Company's directors passed a resolution to request a name change to Teryl Gold Inc. which was passed at the annual general shareholders' meeting. This change had still not been approved by regulatory bodies by the date of these statements.

In December, 2003 and January, 2004, three individuals exercised private placement warrants for 124,500 common shares at \$ 0.30 to net the treasury \$ 37,350 of which \$ 15,600 had been received as subscriptions at November 30, 2003. On December 4, 2003, an employee exercised a stock option for 50,000 common shares at \$ 0.15 to net the treasury \$ 7,500.

13. TERYL, INC. TRANSACTIONS (100% US Subsidiary):

See Note 2 re consolidation of Teryl, Inc. within these statements and see Notes 5D, 5E & 5F regarding mineral claim properties, exploration and development and option agreements.

In 1998, Teryl, Inc. offered a private placement for up to 1,000,000 shares at a price of \$ 0.15 US and subscriptions of \$ 146,044 (\$ 96,750 US) were received by November 19, 1999. Since the offering was not fully subscribed, the Companies negotiated with the subscribers to replace the Teryl, Inc. shares with Teryl Resources Corp. shares. See Note 10 regarding the \$ 76,073 (\$ 51,750 US) worth of capital stock issued May 23, 2003 for these subscriptions. One subscriber did not return his agreement and negotiations are still proceeding to resolve this.



# **British Columbia Securities Commission**

# **QUARTERLY AND YEAR END REPORT**BC FORM 51-901F (previously Form 61)

### Freedom of Information and Protection of Privacy Act:

The personal information requested on this form is collected under the authority of and used for the purpose of administering the *Securities Act*. Questions about the collection or use of this information can be directed to the Supervisor, Financial Reporting (604-899-6729), P.O. Box 10142, Pacific Centre, 701 West Georgia Street, Vancouver, BC V7Y 1L2. Toll Free in British Columbia 1-800-373-6393.

INCORPORATEL	O AS PART OF
	Schedule A
X	Schedules B and C

ISSUER DETAILS						
NAME OF ISSUER		FOR QUARTER ENDED		DATE OF REPORT		
				YY/MM/DD		
Teryl Resources Corp.		November	30,2	.003		04/01/29
ISSUER'S ADDRESS	1103 - 11871 Hor	rseshoe Way				
CITY	PROVINCE	POSTAL C	ODE	ISSUER FA	X NO.	ISSUER TEL NO.
Richmond	BC V7A 5H5			604-278-3409		604-278-5996
CONTACT PERSON		CONTACT	S POS	ITION		CONTACT TEL NO.
John G. Robertson	President					604-278-5996
CONTACT E-MAIL ADDRE	SS		WEE	SITE ADDRE	SS	
john@ihiway.com			www	.terylresources.	com	

#### **CERTIFICATE**

The three schedules required to complete this Report are attached and the disclosure contained therein has been approved by the Board of Directors. A copy of this Report will be provided to any shareholder who requests it.

		DATE SIGNED
DIRECTOR'S SIGNATURE	PRINT FULL NAME	YY/MM/DD
"John G. Robertson"	John G. Robertson	04/01/29
		DATE SIGNED
DIRECTOR'S SIGNATURE	PRINT FULL NAME	YY/MM/DD
"Jennifer Lorette"	Jennifer Lorette	04/01/29

1.

#### SCHEDULE "B" - SUPPLEMENTARY INFORMATION

# ANALYSIS OF EXPENSES AND DEFERRED COSTS:

- (a) See Schedule "A" Consolidated Statement of Deferred Exploration and Development Expenditures and Note 5.
- (b) See Schedule "A" Statement of Operations and Deficit.

# 2. RELATED PARTY TRANSACTIONS:

Related Party	Nature of Transactions	<u>Quarter</u>	Year to Date
Companies related to	Management fees	\$ 7,500	\$ 7,500
the President of the			
Company			
President	Director's fees	3,000	5,500
Vice President	Administration fees	3,625	10,375
Director	Secretarial fees	3,907	10,874

See Schedule A - Notes 7 and 11 for descriptions of Related Parties and advances to and from Related Parties.

# 3. SUMMARY OF SECURITIES ISSUED AND OPTIONS GRANTED DURING THE QUARTER:

- (a) See Note 10 to Schedule "A" for securities issued during the quarter
- (b) See Note 10 to Schedule "A" for options granted during the quarter.

# SUMMARY OF SECURITIES AS AT NOVEMBER 30, 2003:

- (a) See Note 10 to Schedule "A".
- (b) See Note 10 to Schedule "A".
- (c) See Note 10 to Schedule "A".

(d)
There are no shares subject to Escrow or Pooling agreements

# 5. <u>DIRECTORS AND OFFICERS AT JANUARY 29, 2004</u>:

<u>List of Directors:</u>	<u>List of Officers:</u>
John Robertson	John Robertson - President and Secretary
Jennifer Lorette	Jennifer Lorette - Vice President
Susanne Robertson	Susanne Robertson - Chief Financial Officer
Monique Van Oord	Yale Hirsch - Vice President of Corporate Affairs

#### SCHEDULE "C" - MANAGEMENT DISCUSSION

Note: The following management discussion has been prepared as a summary of activities for the quarter ended November 30, 2003 and of significant subsequent events to the date of this report.

#### NATURE OF BUSINESS

The Company and its Subsidiary, Teryl, Inc., have gold, silver, diamond and oil and gas properties in Canada and the United States.

#### DISCUSSION OF OPERATIONS AND FINANCIAL CONDITION

The main exploration and development work over the last several years has taken place on the Gil claims (gold prospect) located in the Fairbanks, Alaska mining district. The Gil joint venture, with Kinross Gold Corporation, is divided into two mineralized zones, the Main Gil and the North Gil, of which a total of 45,547 feet of drilling was completed last year (see news release dated November 29, 2000 for details). Additional drilling (3,500 feet), trenching (1,900 feet) was completed this year on the Main Gil, North Gil and other targets on the Gil claims.

The Gil claims are adjacent to the producing Fort Knox deposit owned by Kinross Gold Corporation. Teryl, Inc. owns a 20% working interest and Kinross Gold has a 80% working interest in the Gil joint venture. Plans for the Gil claims in the 2002 year include the continuation of a detailed exploration plan to further this project.

The Company, through its subsidiary, Teryl, Inc., owns a 100% interest in the West Ridge claims located in the Fairbanks Alaska mining district.

Results of Operations for the period ended November 30, 2003 ("2003") compared to the period ended November 30, 2002 ("2002")

Results of operations was a net loss of \$ 249,960 (\$0.0097 per share) as compared to a net loss of \$ 138,154 (\$0.0057 per share) for 2002.

In 2003 the Oil and Gas operations had net income of \$7,327 compared to net income \$3,999 in 2002.

In 2003 expenditures for advertising, promotion and public relations were \$ 140,796 compared to \$ 30,524 in 2002, due to increasing stock market prices and a determined effort to raise financing to carry out their exploration projects. Travel expenses were \$ 30,840 in 2003 compared to \$ 5,702 in 2002, due to a trip to Alaska to examine the companies' mineral properties and a trip to Europe to interest investors. Several other expenditures in 2003 were higher than in 2002 due to rising costs and increased administration and promotional activities.

### Significant events and highlights

On September 2, 2003 we announced drill results from the 2003 exploration program at the Gil Gold Project, Alaska, a joint venture with Kinross Gold Corporation. Drilling on Gil continues to produce excellent results including an intercept of 0.116 ounces of gold per ton over an interval of 60 feet from the Main zone, one of four gold targets on the property.

The goal of the 2003 exploration program is to define the limits of gold mineralization at the North Gil and the Main Gil Zones. The first phase US\$830,000 exploration program consists of drilling approximately 60 holes for a total of 17,000 feet. Continued success in the first phase would initiate follow-up in-fill drilling at the Main Gil zone to upgrade the resource to reserve status.

The Gil Gold Project is located in the Fairbanks Mining District, Alaska, approximately five miles east of Kinross' Fort Knox deposit, Alaska's largest producing open-pit gold mine with an average gold grade of just under 0.03 ounces of gold per ton. Kinross' intentions for Gil are to advance the project to a production decision.

Following are assays of results received to date. Further results from the first phase program will be published when available.

Hole	From (feet)	To (feet)	Interval (feet)	Gold (OPT)	Target
GVR03-287	105	130	25	0.033	North Gil

GVR03-288	190	200	10	0.035	North Gil
GVR03-289	165 335	225 350	60 15	0.026 0.043	North Gil
GVR03-290	120	155	35	0.028	North Gil
GVR03-291	90 275 280	100 325 285	10 50 5	0.036 0.042 0.242	Main/North Gil Intersection
GVR03-292	105 190	155 200	50 10	0.050 0.054	North Gil
GVR03-293	80 110 140 190 225	160 115 145 235 230	80 5 5 45 5	0.065 0.404 0.259 0.026 0.109	Main Gil
GVR03-294	180 225	190 230	10 5	0.038 0.146	North Gil
GVR03-295	85 250	110 260	25 10	0.100 0.053	Main Gil
GVR03-296	105	110	5	0.073	Main Gil
GVR03-299	35	65	30	0.038	M/NG Intersection
GVR03-300	25 25	60 35	35 10	0.364 1.207	North Gil
GVR03-301	155	170	15	0.032	North Gil
GVR03-302	45 340 375	50 345 410	5 5 35	0.094 0.520 0.033	North Gil
GVR03-303	50	95	45	0.042	Main Gil
GVR03-305	115	125	10	0.05	Main Gil
GVR03-306	15 110 115	50 130 120	35 20 5	0.028 0.081 0.252	
GVR03-307	40	75	35	0.05	Main Gil
GVR03-308	60 100	120 110	60 10	0.045 0.109	Main Gil
GVR03-321	25 155 240 290	95 160 260 335	70 5 20 45	0.062 0.122 0.082 0.041	Main Gil
GVR03-322	110	125	15	0.088	Main Gil
GVR03-323	130 245	145 300	15 55	0.059 0.026	M/NG Intersection
GVR03-324	165 220	185 235	20 15	0.023 0.040	Main Gil
GVR03-325	25 195	35 215	10 20	0.042 0.041	North Gil
GVR03-326	25	40	15	0.020	Main Gil
GVR03-327	0	50	50	0.014	Main Gil
GVR03-328	0 20	40 40	40 20	0.024 0.037	Main Gil

GVR03-329	0	25	25	0.019	Main Gil
GVR03-330	25	40	15	0.025	Main Gil
GVR03-331	25 30	65 35	40 5	0.073 0.249	Main Gil
GVR03-333	85 145	95 185	10 40	0.045 0.039	Main Gil
GVR03-335					Main Gil
GVR03-349	50 135 195	75 210 205	25 75 10	0.046 0.030 0.101	Sourdough Ridge
GVR03-350	155	185	30	0.018	Sourdough Ridge
GVR03-353	5 10	65 40	60 30	0.116 0.202	Main Gil

On September 18, 2003 the Company announced that phase 2 field exploration on the Company's 100%-

owned West Ridge property has expanded the size of the gold discovery at the Old Glory prospect. In addition, field work has confirmed the presence of eclogite-grade metamorphic rocks similar to those which host Kinross Gold's 660,000 ounce True North gold deposit located two miles north of the West Ridge project. The True North gold deposit was purchased by Kinross Gold in 1999 for \$94,000,000 in cash and shares.

Following are the highlights of work reported by the Company's geological consultants, Avalon Development Corporation, under the supervision of principal Curt Freeman.

### Old Glory Prospect

Phase 2 rock and soil auger sampling has been completed at the Old Glory prospect and has expanded the extent of anomalous gold in rocks and soil to an area measuring 400 meters northeast-southwest by 200 meters northwest-southeast. Soil values in this grid range up to 1,155 parts per billion (1.16 grams per tonne) gold with 2,850 parts per million (ppm) arsenic and 200 ppm tungsten. Rock samples collected from old prospect pits and trenches within the soil grid returned values up to 10.0 grams (1/3 of an ounce) per tonne gold, 5,900 ppm arsenic and 144 ppm bismuth. Substantial mineralization is found where the northeast trending structure intersects the northwest-trending structure. Arsenic mimics gold to a large degree while tungsten and bismuth mineralization are less definitive.

Gold mineralization at Old Glory is associated with sericite alteration in a strong sodium depletion zone. Of significance is that mineralization appears to be controlled by the Eldorado fault, a major northeast-trending district-scale structure which bounds the 2.4 million ounce Ryan Lode gold deposit located 16 miles southwest and the 660,000 ounce True North gold mine, just 2 miles northeast. Along this same fault lies Teryl's Black Dome prospect, State of Alaska lease recently acquired, another gold anomalous area discovered by summer field exploration. Rocks of similar character to True North are present at both the Old Glory and the Black Dome areas, which suggests a genetic link between both mineralized prospects.

The Company is planning to continue expansion of the soil auger grid at Old Glory followed by backhoe trenching of the main Old Glory anomaly in preparation for drilling in 2003. Also, ground-based geophysical surveys are being planned to help better define drill targets.

Geochemical analyses for the West Ridge project were completed by ALS Chemex in Fairbanks, Alaska and Vancouver, British Columbia. Curt Freeman, M.S., P.Geo, is the qualified person for this news release.

On September 29, 2003 we announced further drill results from the 2003 first phase exploration program at the Gil Gold Project, Alaska, a joint venture with Kinross Gold Corporation.

The first phase drill program has served two purposes: firstly it has increased the geologic understanding of the Main Gil gold deposit to provide a more accurate gold distribution deposit model, and secondly, it has extended the strike length of the Main Gil zone to almost 3,000 feet.

A phase 2 budget that includes US\$750,000 for definition and infill drilling at the Main Gil will be submitted to the Gil Venture partners for approval. Drill data continues to be compiled for inclusion in the model database.

The Gil Gold Project is located in the Fairbanks Mining District, Alaska, approximately five miles east of Kinross' Fort Knox deposit, Alaska's largest producing open-pit gold mine with an average gold grade of just under 0.03 ounces of gold per ton. Kinross' intentions for Gil are to advance the project to a production decision with ore to be processed at the Fort Knox mill.

Following are new assays from the first phase program. Additional results will be published when available.

The Company is also pleased to announce that we are featuring a banner on www.gold-eagle.com.

Hole	From (feet)	To (feet)	Interval (feet)	Gold (OPT)	Target
GVC03-304	0 135 180	10 145 190	10 10 10	0.071 0.065 0.034	Main Gil
GVC03-309	225	230	5	0.035	North Gil
GVC03-310	20 40 95 205	25 65 115 215	5 25 20 10	0.068 0.111 0.038 0.092	North Gil
GVC03-311	25 45 85	30 50 90	5 5 5	0.060 0.129 0.067	North Gil

	105	110	5	0.048	
	205	215	10	0.064	
GVC03-312	130	135	5	0.038	North Gil
GVC03-313	15	20	5	0.052	North Gil
G1/G02 214	10	20	10	0.026	
GVC03-314	50	55	5	0.139	M : 0:1
	95	110	15	0.069	Main Gil
GVG02-215	30	70	40	0.050	M : 63
GVC03-315	80	85	5	0.056	Main Gil
GVC03-316	0	20	20	0.187	Main Gil
U V C 0 3- 3 1 0	40	60	20	0.027	Maili Gii
	105	125	20	0.326	
GVC03-317	120	135	15	0.129	
G V C 03-317	155	170	15	0.026	
	180	195	15	0.029	
	220	235	15	0.082	Main Gil
	250	265	15	0.060	
	285	290	5	0.062	
GLIGO2 210	55	70	15	0.042	) f : G''
GVC03-318	115	130	15	0.030	Main Gil
GVC03-320	5	50	45	0.077	Main Gil
GVR03-334	5	10	5	0.044	Main Gil
GVC03-335	0	30	30	0.280	Main Gil
GVC03-333	5	10	5	1.040	Main Gii
GVR03-351	40	55	15	0.063	Main Gil
GVR03-356	45	50	5	0.120	
G v R03-330	75	80	5	0.056	Main Gil
	190	210	20	0.035	Maili Gii
	260	270	10	0.064	
GVR03-357	275	295	20	0.068	750 feet south Main Gil
CVD02-260	50	0.5	25	0.145	Main/North G
GVR03-360	50	85	35	0.145	Intersection
GVR03-361	50	55	5	0.033	Main/North G
O 1 102-201	130	135	5	0.035	Intersection
GVR03-362	80	90	10	0.038	Main/North G
2,1102,202			10	3.030	Intersection
GVR03-363	50	55	5	0.032	Main/North G
					Intersection
	-	45	40	0.051	1
GVR03-373	5				
GVR03-373	5 65 115	85 120	20	0.051	Main Gil

On October 21, 2003 the Company announced it had arranged a Private Placement of 3,000,000 units of Capital Stock at a price of \$ 0.35 per unit. Each unit will consist of one common share and one-half share purchase warrant exercisable for one year at a price of \$ 0.50 per common share. Two half warrants will enable the investor to purchase one additional share.

On November 3, we announced that the Company and Kinross Gold Corp. have increased the exploration program at the Fort Knox-Gil joint venture project in Alaska. Added to the original program of core and reverse circulation drilling, budgeted at US\$750,000, is project assessment studies, essential for the development of the Gil gold deposits.

Exploration at the Gil Project has defined two substantial gold zones known as the Main and North deposits. The objective of the enhanced phase 2 program is to collect environmental baseline data, characterize the hydrology in the area of the Main Gil deposit, as well as conduct engineering studies for a haul road and other project-related construction activities.

It is expected that successful and timely completion of these activities would allow for the assessment of the economic viability of the Gil Project.

The Fort Knox-Gil Gold Project is located in the Fairbanks Mining District, Alaska, approximately five miles east of Kinross' Fort Knox deposit, Alaska's largest producing open-pit gold mine.

Following is a summary of the 2003 Phase 2 Exploration Program for the Gil Project including estimated costs:

- 1. Additional core and reverse circulation drilling to more fully define the limits and magnitude of gold mineralization at the Main Gils deposit and other targets. This phase including assaying, geologic services, access road and drill pad construction, and reclamation of surface disturbance, is estimated at US750,000;
- 2. A cultural resources survey to determine the presence (or absence) of historical artifacts in the project area. This phase of work is estimated to cost US\$81,000;
- 3. Wetlands delineation and a Threatened and Endangered Species surveys are estimated to cost US\$26,000;
- 4. Costs under a State of Alaska Reimbursable Services Agreement for project-related activities are estimated to be US\$23,000;
- 5. Detailed digital topography, suitable for engineering studies and design, for the area of the mineral deposits are estimated to be US\$20,000;
- Access and haul road design activities and construction cost estimates, US\$75,000;
- 7. Preliminary hydrologic studies and construction of a piezometer network are estimated to cost US\$50,000; and
- 8. Drilling of a production (water) well to characterize the nature and volume of ground water in the vicinity of the Main Gil deposit, US\$50,000.

The total estimated cost of the proposed work program is US\$1,075,000. Teryl Resources Corp.'s share (20%) of these costs is US\$215,000 plus management fees.

On November 12, 2003 we announced that the third phase of auger drilling has been completed and three trenches totaling 342 meters have been completed on the newly discovered West Ridge gold zone. The Company's geological consultants, Avalon Development, report that a series of shear zones were encountered in the trenches with widespread iron, arsenic and antimony oxides present. The shears strike northeast and north-northwest and are marked by fault gouge, breccia and shearing with quartz veins ranging up to 25 centimeters. The most promising rocks include intense red iron oxide after pyrite, yellow antimony oxide after stibnite and apple green arsenic oxide after arsenopyrite. Unaltered quartz veins containing jamesonite were discovered in a shear zone in Trench 1. Jamesonite is commonly present in high grade mineralization found elsewhere in the Fairbanks District. The rocks are pervasively sericite altered and at the southwest end of Trench 3 a granodiorite intrusive body was encountered which exhibits sericitic alteration similar to that seen in other intrusive-hosted gold systems in the region. The extent of this intrusive body is unknown at present. All trenches have been mapped and sampled and analytical results are pending at ALS Chemex in Vancouver.

Auger drilling on the Old Glory prospect has expanded the extent of anomalous gold in rocks and soil to an area measuring 500 meters northeast – southwest by 500 meters northwest – southeast. Soil values in this grid range up to 2,130 parts per billion (over 2 grams of gold per ton) and rock samples collected from the trenches returned values up to 10 grams (1/3 of an ounce per ton gold). Mineralization remains open to expansion to the northeast, southwest and northwest.

The Company is planning on drilling the high-grade trench targets on the Old Glory gold zone as soon as permitting is approved.

On November 17, 2003, the Company announced that Mr. Duggan has been appointed the Company's Marketing and Advertising Consultant. Mr. Duggan is currently head of National Media Associates, formed in 1991, which specializes in market-development activities on behalf of

On November 25, 2003, the Company announced the receipt of approval of regulatory approval of its 3,000,000 Unit private placement.

### **Subsequent Events**

On December 2, 2003, the Company announced jointly with its joint venture partner, Linux Gold Corp., that a ground magnetic survey was completed on the Fish Creek property on November 20, 2003 on the right limit (east) side of Fish Creek Valley, approximately 600 - 700 feet down-valley from the toe of the Fort Knox mine fresh water supply dam. Extremely high grade gold placer accumulations were encountered in a narrow right-limit channel during excavation of the Fort Knox mine fresh water dam site but their extent and grade downstream on the Fish Creek property has never been explored. A two-person crew, consisting of James Munsell, from Avalon Development and equipment operator, Kerry Adler from On-Line Exploration Services, Inc. conducted the survey. This was an orientation survey to test the right limit bench for a suspected buried placer gold-bearing channel east of Fish Creek. Surveys of this type have been successful in locating elevated magnetic field intensities associated with the heavy, magnetic mineral concentrations often associated with placer gold accumulations.

The field survey consisted of two lines with 200-foot line spacing and 10-foot station spacing, which appears to provide sufficient detail to extrapolate magnetic data between lines. Total field and vertical gradient magnetic data have a good correlation, suggestive of adequate base station data. Signatures from the two traverses are interpreted to cross five features, of which three have the possibility of being associated with alluvial concentrations of various characteristics.

The two anomalies recommended for physical testing are those indicative of alluvial heavy magnetic mineral concentration encountered on the west side of Lines 100N and 300N, just east of Fish Creek, and the strong anomaly on the eastern extent of Line 300N. Depth estimates for these targets, are generally 8 to 12 feet.

Avalon Development, Teryl's Consultant has recommended a program of additional ground magnetics followed by trenching and/or large-diameter auger drilling to evaluate the two most promising alluvial gold targets in early 2004.

On December 8, 2003, we announced that the following results have been received by Avalon Development Corp. on the trench geochemical results and ground geophysics recently completed on the Old Glory prospect on the Company's 100% owned West Ridge claims in the Fairbanks District.

The most significant geochemical results from the three West Ridge trenches came from the last 15 meters of trench 3 which averaged 596 ppb gold and intersected a highly oxidized sericite altered diorite to granodiorite intrusive containing up to 2.98 grams per tonne gold with 3,140 ppm arsenic (Table 1). Alteration associated with the intrusive included strong sericitic alteration and a marked increase in aluminum and sodium values. This sort of silicate alteration is normally associated with albitization in and adjacent to gold-bearing intrusives in the Tintina Gold Belt of Alaska and the Yukon. This intrusive mass remains open to expansion to the west and south into an area of the previously completed soil auger grid where gold soil values are consistently anomalous (+50 ppb) and reach up to 1,000 ppb. This portion of the soil grid, measuring at least 100 meters north-south by 150 meters east-west, is defined by an amorphous gold-in-soil pattern similar to that seen in intrusive hosted gold occurrences elsewhere in the district. This portion of the grid also yielded grab rock samples which returned up to 10 grams per tonne gold from quartz-vein float, the highest grades recovered from the property to date.

Table 1: Trench 3 intrusive results, West Ridge property

Sample #	Trench	From_m	To_m	Interval_m	RockUnit	Au_ppb	As_ppm	Pb_ppm	Sb_ppm
461090	WRTR0303	99	100	1	Qtz-Mica Sch	71	240	7	5
461091	WRTR0303	100	101	1	Quartzite	226	926	4	14
461092	WRTR0303	101	102	1	Diorite	2860	3140	9	33
461093	WRTR0303	102	103	1	Diorite	1245	1915	15	37
461094	WRTR0303	103	104	1	Diorite	649	1480	5	17
461095	WRTR0303	104	105	1	Diorite	902	2610	5	22
461096	WRTR0303	105	106	1	Diorite	457	1120	9	16
461097	WRTR0303	106	107	1	Diorite	494	1455	7	21
461098	WRTR0303	107	108	1	Diorite	650	1360	13	22
461099	WRTR0303	108	109	1	Diorite	168	200	16	11
461100	WRTR0303	109	110	1	Diorite	218	233	13	28
465404	WRTR0303	110	111	1	Diorite	361	156	14	21
465405	WRTR0303	111	112	1	Diorite	296	102	11	13

465406	WRTR0303	112	113	1	Diorite	412	222	9	27
465407	WRTR0303	113	114	1	Diorite	178	100	17	9
465408	WRTR0303	114	115	1	Diorite	355	228	9	30

Given the presence of well mineralized intrusives in Trench 3, the extent of anomalous gold in soils adjacent to it and the presence of higher grade gold in rock samples from this area, a larger intrusive mass may exist south of the Old Glory discovery zone. Geophysical evidence supports this conclusion (see below).

#### **GROUND GEOPHYSICS**

Ground magnetic and VLF surveys were completed over the 3 West Ridge trenches in late November. These surveys correlate well with multi-element geochemistry and geologic mapping. Poorly mineralized quartzites and quartz mica schists generally have a flat, low magnetic response. Rocks of possible Chatanika Terrane origin returned a markedly higher magnetic response. Intrusive rocks display a flat low magnetic response in trench 3 but comprise only a small portion of the surveyed line making it difficult to determine whether or not the signature has reached a plateau or will continue to fall to a level which will allow mineralized intrusive and barren quartzite to be distinguishable on magnetic profiles.

#### CONCLUSIONS

Based on the geochemistry, geology and magnetics completed to date at the Old Glory prospect, John Robertson, President of Teryl Resources Corp., states, "I am very excited about drilling the intrusive discovery as soon as possible due to the fact that intrusive gold occurrences in the Fairbanks District have produced 20,000,000 ounces of gold from placer and lode resources."

The following conclusions are warranted:

- 1. Backhoe trenching has revealed the presence of northeast-trending mineralized shear zones at Old Glory. These shear zones correspond to linear gold arsenic anomalies outlined by soil auger sampling.
- 2. Backhoe trenching has revealed the presence of highly mineralized sericite altered intrusives which appear to underlie the southern end of the 2003 soil auger grid.
- 3. Magnetics profiles appear capable of distinguishing between barren quartz mica schist and quartzite of the Fairbanks Schist from more magnetic rocks of the Chatanika Terrane.
- 4. Magnetic profiles did not encounter enough intrusive rock to determine whether or not it could distinguish intrusives from Fairbanks Schist with any certainty.

RECOMMENDATIONS - Additional ground geophysics, trenching and drilling will commence on the gold intrusive discovery in January 2004.

On January 8, 2004 we announced further drill results from the 2003 second phase exploration program at the Gil Gold Project, Alaska, a joint venture with Kinross Gold Corporation (TSX: K).

The first phase drill program (see News Release, September 29, 2003) increased the geologic understanding of the Main Gil gold deposit to provide a more accurate gold distribution deposit model and extended the strike length of the Main Gil zone to almost 3,000 feet. Phase 2 drilling has recently been completed bringing 2003 drilling totals to 27,590 feet of reverse circulation drilling in 127 holes and 8,917 feet of diamond core drilling in 31 holes. The best gold results were on Hole # GVR03-398, which intersected 135 feet of 0.087 opt gold including 85 feet of 0.121 opt gold.

Following are new assays from a portion of the second phase drilling program on the Main Gil deposit. Analytical results from additional drill holes will be published when available. Please note assays have not been capped.

Hole #	From (feet)	To (feet)	Thick	Au opt	Prospect
GVR03-375	35	85	50	0.054	Main Gil

GVR03-388	40	55	15	0.076	Main Gil
GVR03-393	50	80	30	0.143	Main Gil
GVR03-393	130	195	65	0.033	Main Gil
GVR03-396	30	60	30	0.036	Main Gil
GVR03-398	140	275	135	0.087	Main Gil
including	140	225	85	0.121	Main Gil
GVR03-399	25	35	10	0.155	Main Gil

GVR03-402	40	65	25	0.060	Main Gil
GVR03-403	155	195	40	0.126	Main Gil
GVR03-404	125	145	20	0.038	Main Gil
GVR03-405	25	50	25	0.051	Main Gil
GVR03-406	0	40	40	0.034	Main Gil
and	185	210	25	0.034	Main Gil
GVR03-407	65	110	45	0.053	Main Gil
GVR03-410	70	80	10	0.101	Main Gil
GVR03-411	210	245	35	0.085	Main Gil
GVR03-412	60	105	45	0.038	Main Gil
GVR03-413	60	90	30	0.039	Main Gil
GVR03-416	0	35	35	0.047	Main Gil
GVR03-420	170	190	20	0.077	Main Gil
GVR03-421	70	90	20	0.068	Main Gil
and	150	170	20	0.066	Main Gil
GVR03-424	50	115	65	0.043	Main Gil

On January 20, 2004 we announced further drill results from the 2003 second phase exploration program intercepted 205 feet of significant gold mineralization on Hole # GVC03-465, gold assays in ounces per ton (Au opt) as follows;

From (ft)	To (ft)	Thick (ft)	Au opt
5	80	75	0.027
225	250	25	0.194
290	395	105	0.170
Including 310	325	15	0.529

The first phase drill program (see News Release, September 29, 2003) increased the geologic understanding of the Main Gil gold deposit to provide a more accurate gold distribution deposit model and extended the strike length of the Main Gil zone to almost 3,000 feet. Phase 2 drilling has recently been completed bringing 2003 drilling totals to 27,590 feet of reverse circulation drilling in 127 holes and 7,917 feet of diamond core drilling in 28 holes. Initial results of this second phase of drilling continued to advance the project (see News Release, January 8, 2004).

Following are new assays from a portion of the second phase drilling program on the Main Gil deposit. Analytical results from the final three drill holes will be published when available. A drill hole location map for these holes is attached for reference.

Hole #	From (ft)	To (ft)	Thick (ft)	Au opt	Prospect
GVR03-433	10	30	20	0.149	Main Gil
GVR03-433	40	50	10	0.057	Main Gil
GVR03-434	40	80	40	0.033	Main Gil
GVR03-434	90	100	10	0.075	Main Gil
GVR03-436	105	115	10	0.037	Main Gil
GVR03-438	60	80	20	0.120	Main Gil
GVR03-438	190	230	40	0.083	Main Gil
GVR03-441	5	45	40	0.073	Main Gil
GVR03-441	90	100	10	0.028	Main Gil
GVR02-442	50	105	55	0.029	Main Gil

GVR03-446	0	10	10	0.056	Main Gil
GVR03-447	45	80	35	0.105	Main Gil
GVR03-448	45	65	20	0.031	Main Gil
GVR03-449	40	75	35	0.024	Main Gil
GVR03-450	40	50	10	0.042	Main Gil
GVR03-451	70	145	75	0.028	Main Gil
GVR03-451	Including 110	120	10	0.092	Main Gil
GVC03-460	60	125	65	0.034	Main Gil
GVC03-460	185	205	20	0.041	Main Gil

GVC03-460	260	290	30	0.039	Main Gil
GVC03-461	225	235	10	0.048	Main Gil
GVC03-461	330	360	30	0.052	Main Gil
GVC03-463	20	35	15	0.055	Main Gil
GVC03-464	90	130	40	0.149	Main Gil
GVC03-465	5	80	75	0.027	Main Gil
GVC03-465	225	250	25	0.194	Main Gil
GVC03-465	290	395	105	0.170	Main Gil
GVC03-465	Including 310	325	15	0.529	Main Gil

Our Consultant, Curt Freeman, of Avalon Development Corporation (<a href="www.avalonalaska.com">www.avalonalaska.com</a>), states "Each drill program is incrementally improving the confidence in the Gil resources."

Elsewhere on the Gil project, preliminary hydrology and engineering studies, resource database modeling and baseline environmental data continue to be gathered in accordance with revised Phase II work plans (see News Release, November 3, 2003).

# FINANCING ACTIVITIES, PRINCIPAL PURPOSES AND MILESTONES, AND LIQUIDITY AND SOLVENCY [update for the 6 months ended November 30, 2003]

The Company did not issue any shares in the May 31, 2002 year. During the May 31, 2003 year the Company issued 2,004,850 common shares to net the treasury \$ 260,948 and during the November 30, 2003 period the Company issued 5,332,500 shares to net the treasury \$1,583,512. (See Note 10 to Schedule "A"). The Company also issued 200,000 common shares for mineral property at a deemed price of \$ 0.08 per share during the May 31, 2003 year. In the August 31,2003, quarter, the Company repaid loans, on a net basis, of \$ 140,991 to related companies and during the November, 2003 quarter made loans of \$ 7,985.

Of the total cash raised of \$ 1,267,159 from financing activities together with an opening cash deficit of \$ (50,381) and \$ 7,327 surplus on oil and gas operations, \$ 298,941 was spent on exploration and development of mineral property interests, \$ 260,230 was spent on operations and \$ 644,739 was used to retire debt. In 2002, \$ 14,204 was spent on exploration and development and \$ 148,755 was spent on operations. The Company's cash surplus at November 30, 2003 was \$ 188,998 compared to \$ 4,129 at November 30, 2002 and the working capital deficit decreased by \$ 1,035,399 to \$ 360,229 compared to \$ 1,395,628 at May 31, 2003. The Company plans to continue raising funds through sale of capital stock and through option agreements on its mineral properties.

#1103 - 11871 Horseshoe Way Richmond, BC V7A 5H5 Phone: 604-278-5996 Fax: 604-278-3409 Toll Free: 800-665-4616 www.terylresources.com

Teryl Resources Corp. (the "Company")

TSX Venture Exchange: TRC Pink Sheet Symbol: TRYLF

#### NEWS RELEASE

# WEST RIDGE INTRUSIVE TO BE DRILLED, FAIRBANKS, ALASKA

**For Immediate Release: February 9, 2004 Fairbanks, Alaska** - **Teryl Resources Corp.** (TSX Venture Exchange: TRC: Pinksheet Symbol: TRYLF) announces that a follow-up magnetic survey was conducted January 26<sup>th</sup>, 2004 on the 100% owned West Ridge prospect, located 22 miles north of Fairbanks, Alaska. The survey is a southern extension to the earlier work based on prior trenching and soil sampling, and is an attempt to define the southern limits of the intrusive - hosted schist (see News Release dated December 8<sup>th</sup>, 2003).

Curt Freeman our consultant of Avalon Development states, "that the ground magnetic over the intrusive in trench 3 extends the target area at least 700 feet south of the end of the trench and it corresponds with the high gold in soils discovered by last years soil auger drill program."

The West Ridge property is located in the Tintina Gold belt where a total of 24 million ounces of gold was discovered from eight separate deposits, according to Howlett Research Report dated January 21, 2004 (www.howlett-research.com)

An amendment to Teryl's existing exploration permit has been submitted to the Alaska Division of Mining, Land and Water Management for approval to drill up to 15 reverse circulation holes on the intrusive targets on the West Ridge. The Company expects to receive permit approval before the end of the month. A drilling contract has been awarded to commence immediately after receipt of the permit.

# ABOUT TERYL RESOURCES CORP.

With interests in four gold properties, Teryl Resources Corp. is one of the main landowners in the Fairbanks Mining District, Alaska. The Gil project is a joint venture (80% Kinross/20% Teryl) with Kinross Gold Corporation (TSX: K; NYSE: KGC). The Company's holdings also include the West Ridge Property (100% owned), the Fish Creek Claims, 50% optioned from Linux Gold Corp. (OTC BB: LNXGF), and the Stepovich Claims, which Teryl has a 10% net profit interest from Kinross. Teryl Resources Corp. also has one joint venture silver prospect located in Northern BC, Canada. For further information visit the Company's website at <a href="http://www.terylresources.com">http://www.terylresources.com</a>.

#### ON BEHALF OF THE BOARD OF DIRECTORS

"John Robertson"

John Robertson President

Contact: John Robertson Tel. 800-665-4616

#### The TSX Venture Exchange has neither approved nor disapproved of the information contained herein.

Statements in this press release regarding Teryl's business which are not historical facts are "forward-looking statements" that involve risks and uncertainties, such as estimates and statements that describe the Company's future plans, objectives or goals, including words to the effect that the Company or management expects a stated condition or result to occur. Since forward-looking statements address future events and conditions, by their very nature, they involve inherent risks and uncertainties. Actual results in each case could differ materially from those currently anticipated in such statements.

#1103 - 11871 Horseshoe Way Richmond, BC V7A 5H5 Phone: 604-278-5996 Fax: 604-278-3409 Toll Free: 800-665-4616 www.terylresources.com

#### NEWS RELEASE

Teryl Resources Corp. (the "Company")

TSX Venture Exchange: TRC Pink Sheet Symbol: TRYLF

# TERYL RESOURCES ANNOUNCES DRILLING PROGRAM TO COMMENCE AT WEST RIDGE GOLD PROSPECT, FAIRBANKS, ALASKA

**For Immediate Release: February 23, 2004 Fairbanks, Alaska - Teryl Resources Corp.** (TSX Venture Exchange: TRC: Pinksheet Symbol: TRYLF) announces that drilling on the West Ridge commences next week. The Alaska Division of Mining Land and Water Management has approved a total of 15 holes in the drilling permit. The goal is to test the intrusive target on the West Ridge, Old Glory gold zone.

Pad sites for the obvious intrusive drill targets are now being constructed. The first three holes will be targeted within the intrusive and angled to the north and south to test a multi-element soil and trench rock anomaly discovered in 2003. Our consultant, Avalon Development Corp., advised that the remaining 10 to 12 holes go into the intrusive target with multiple holes drilled from a single pad enabling cross section determination and the estimation of potential resources more quickly.

The property is located in the Tintina Gold Belt where a total of 24 million ounces of gold have been discovered in eight separate deposits. Teryl Resources Corp. discovered an intrusive mass on the Old Glory zone, which intersected a highly oxidized zone containing up to 2.98 grams of gold per ton (0.1 ounces of gold per ton). Previous ground magnetic work over the intrusive in Trench 3 extends the target area at least 700 feet south of the end of the trench, in an area where high gold-in-soil values were discovered by last year's soil auger drill program.

The West Ridge Property is 100% owned by Teryl Resources Corp. and is less than 8 kilometers from Kinross's original 4 million ounce gold deposit. The West Ridge is adjacent to the producing True North gold deposit with a road only 2 kilometers from the West Ridge property. This road leads to the producing Kinross Fort Knox Mill, which is currently processing 40,000 tons daily of ore grading approximately 0.03 ounces per ton, for daily production of approximately 1,200 ounces of gold.

With interests in four gold properties, Teryl Resources Corp. is one of the main landowners in the Fairbanks Mining District, Alaska. The Gil project is a joint venture (80% Kinross/20% Teryl) with Kinross Gold Corporation (TSX: K; NYSE: KGC). The Company's holdings also include the Fish Creek Claims, 50% optioned from Linux Gold Corp. (OTC BB: LNXGF), and the Stepovich Claims, which Teryl has a 10% net profit interest from Kinross. Teryl Resources Corp. also has one joint venture silver prospect located in Northern BC, Canada. For further information visit the Company's website at <a href="http://www.terylresources.com">http://www.terylresources.com</a>.

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anticipated in su	nature, they involve inher the statements.		

# ANNUAL INFORMATION FORM FOR THE FISCAL YEAR ENDED MAY 31, 2003

Dated: March 1, 2004

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#### **CORPORATE STRUCTURE**

### Name and Incorporation

Teryl Resources Corp. (the "Issuer") was incorporated on May 23, 1980, as Candy Mountain Gold Corporation under a perpetual charter pursuant to the *Company Act* (British Columbia) by the registration of its Memorandum of Association and Articles of Association. On January 20, 1984 a special resolution was passed changing its name to Teryl Resources Corp.

# **Intercorporate Relationships**

The Issuer owns interests in the following companies:

- 1.
  a 100% interest in Argon Investment Corporation, a British Columbia company. Argon Investment Corporation holds 773 shares in the capital of KRS (1987) Financial Limited. Otherwise, the subsidiary is inactive;
- 2. a 100% interest in Teryl, Inc., a Delaware company that owns and operates the Issuer's Alaska mineral property interests and its interests in three oil and gas wells located in Texas; and
- 3. a 40% interest in International Diamond Syndicate Ltd., a private company that is currently inactive.

#### GENERAL DEVELOPMENT OF THE ISSUER'S BUSINESS

The Issuer's principal business during the last three years has been the acquisition, exploration and development of natural resource properties. The Issuer currently has mineral property interests in Alaska, and British Columbia. It also, through its subsidiary, Teryl, Inc., has oil and gas well interests in Texas. All of the Issuer's mineral properties are in the exploration stage.

#### **Three-Year Business History and Significant Acquisitions**

#### Gil Mineral Claims

The Gil Gold Project is located in the Fairbanks Mining District, Alaska. The Issuer owns a 20% interest in the Gil Mineral Claims with its joint venture partner, Kinross Gold Corporation ("Kinross") with Kinross owning the other 80%. The Gil claims are adjacent to the producing Fort Knox mine which is owned by Kinross, approximately five miles east of Kinross' Fort Knox deposit, Alaska's largest producing open-pit gold mine with an average gold grade of just under 0.03 ounces of gold per ton.

In 2001, the Issuer and Kinross completed an exploration program along the eastern portion of the Main Gil zone and on the central part of the North Gil zone. The exploration program consisted of 11 reverse circulation drill holes totalling 3,035 feet, one core hole totalling 350 feet, nine trenches totalling 3,840 feet and 1,484 rock samples. Additional work included surveying, metallurgical studies, road maintenance and environmental monitoring.

Significant gold mineralization associated with an amphibolite/calc-silicate unit was initially discovered by trenching and was followed by outcrops for 140 feet. Steeply dipping gold bearing quartz veins and quartz-carbonate-amphibole veins trending in an east-west orientation were found crosscutting the unit. These veins are narrow with a frequency of one to five per five-foot interval. One drill hole targeted this unit and encountered significant gold mineralization to a depth of 175 feet.

Additional trenching was completed on the Main Gil and Sourdough Ridge. Excavation, sampling and mapping were performed on five trenches totalling 1,900 feet in the Gil Project area and two additional trenches were excavated 2,500 feet east of the Main Gil zone. The Sourdough Ridge area has widespread gold, bismuth and arsenic soil

anomalies. Assay reports indicate strong gold mineralization (up to 0.5 opt gold) in east-west striking high angle veins and fracture fillings.

The 2001 Gil Joint Venture exploration program began January 30<sup>th</sup> and concluded July 13<sup>th</sup>. The majority of this year's work was located directly east of the Main Gil Zone, along Sourdough Ridge. Fieldwork focused on testing and expanding gold-in-soil anomalies. Other areas of work included the eastern portion of the Main Gil Zone and the central North Gil Zone. A limited amount of work also occurred in an area located between these two zones. Petrographic and microprobe analysis was performed on rock samples to better understand mineralization events and the thermal history of the area.

The exploration consisted of 11 reverse-circulation (RVC) drill holes totalling 3,035 feet, one core hole totalling 350 feet, 9 trenches totalling 3,840 feet, and 1,485 rock samples collected for assaying. Additional work included surveying, metallurgical studies, and environmental monitoring.

Fieldwork along Sourdough Ridge identified two amphibolite/calc-silicate units with significant gold mineralization that warranted further testing. Exploration efforts along strike in the eastern margin of the Main Gil Zone identified discontinuous gold mineralization associated with quartz veins and shears in quartz-mica schist. Two out of four holes drilled in the North Gil intercepted significant gold mineralization. Ore zones located in the central portion of the North Gil appear to show good correlation with adjacent holes. Trenching between the North Gil and Main Gil Zones outlined a calc-silicate layer approximately 60 feet wide that warrants additional work. Geothermometry research shows increasing temperatures of mineral formation toward upper Slippery Creek. This could indicate the presence of a causative pluton and represents a good target for the 2002 exploration season.

The budget for the 2002 Gil Venture Exploration Program was proposed to be \$985,931 U.S. for exploration on the Gil claims in the Fairbanks Mining District as received from our joint venture partner Kinross Gold Corporation.

The budget for 2003 for the Gil joint venture was US\$830,000 for Phase I, then an additional \$750,000 in the Phase II program.

During fiscal 2001, 2002 and 2003, Fort Knox Venture through its operator Kinross Gold USA, Inc., completed exploration and development work on this property and expect to go into production in the next few years. This has resulted in Teryl, Inc. being required to pay its 20% share of expenses, which amounted to \$316,000 US in 2003 \$82,650 (\$53,340 US) in the May 2002 year and \$525,260 (\$333,817 US) in the May, 2001 year.

In June, 2002, we received the assays for the 2002 Gil drilling program on the first drill target from Fairbanks Gold Mining Inc., a wholly owned subsidiary of Kinross Gold Corporation.

The following conclusions can be drawn from the drilling on the newly discovered zone on the Sourdough Ridge prospect announced in December 2002. A new zone of mineralization was intercepted in the Sourdough Ridge prospect and consisted of 15ft of 0.49 gold opt or 16.80 grams per ton, including a 5ft section of 1.34 ounces of gold per ton (45.94 grams) with anomalous arsenic and bismuth hosted at the contact between overlying but barren cal-silicate altered metamorphic rocks in thrust-contact with underlying sericite-altered muscovite schist. There is a possibility that the high-grade zone is located where an east-west trending high angle structure intersects with the favorable thrust horizon. Drilling completed this year and in previous years suggests the mineralization continues to the northeast, according to a recent report received by the Company's consultant Avalon Development.

The 2002 drill program on the Gil joint venture tested portions of the North Gil and Main Gil deposits and the Sourdough Ridge anomaly on Teryl's joint venture land. Several notable drill holes came from this 2002 drill program:

- North Gil encountered 15 feet of 0.095 ounces per ton at a depth of 65 feet from the surface.
- At Sourdough Ridge a hole intersected 15 feet of 0.49 ounces of gold per ton at a depth of 95 feet.
- An isolated drill hole on All Gold Creek located on the western end of the new scarn zone encountered a 15 foot interval of 0.228 ounces of gold per ton at a depth of 265 feet.

In March, 2003 we announced the proposed exploration budget for the Gil joint venture in 2003 as received from Fairbanks Gold Mining Inc. The program will focus on fully defining the limits of the gold deposits at the Main and North Gil and conducting in-fill drilling of previously tested areas to increase confidence in the resource, as well as extend those mineralized zones to the east and the northeast. In addition, the program seeks to establish the presence of substantial mineralization at the Sourdough Ridge and scarn grid targets.

The first phase budget of US\$830,000 is completed for 2003. This program would allow for the drilling of approximately 60 holes (25 core and 35 RC) for a total of 17,000 feet as a first phase of exploration, primarily in the North Gil and Main Gil zones.

According to the Fairbanks Gold Mining, Inc., preliminary metallurgical testing of mineralization from the Main Gil deposit returned recoveries similar in many respects to the Fort Knox ore. Test results from the North Gil show recoveries decreasing with depth, but an average recovery on the order of 85 to 86 percent. The project location near the Fort Knox Mine and the favorable metallurgical results suggest the resources have the potential to be economic.

In April, 2003 the Company commenced the first phase exploration program.

In May, 2003 we announced drill results from the first six holes of a 60-hole first phase exploration program from joint venture partner Kinross Gold Corporation. Drilling of the initial holes was directed primarily at the North Gil Gold Zone where a 35-foot section of over 1/3 ounce of gold per ton was intersected. In terms of grade and length, this was one of the best intersections drilled to date on the Gil Project. Three core holes totaling 1,150 feet and six RC holes were drilled totaling 2,260 feet. Also a 375-foot trench was excavated using a D-8 dozer.

In August, 2003 we announced further drill results from the 2003 exploration program. Drilling continued to produce excellent results including an intercept of 0.116 ounces of gold per ton over an interval of 60 feet from the Main zone.

In September 29, 2003 we completed the first phase drill program served two purposes. Firstly, it increased the geologic understanding of the Main Gil gold deposit to provide a more accurate gold distribution deposit model, and secondly, it has extended the strike length of the Main Gil zone to almost 3,000 feet.

In November 2003, the Company and Kinross Gold Corp. increased the exploration program at the Fort Knox-Gil joint venture project in Alaska and commenced Phase II. Added to the original program of core and reverse circulation drilling, budgeted at US\$750,000, is project assessment studies, essential for the development of the Gil gold deposits.

Exploration at the Gil Project has defined two gold zones known as the Main and North deposits. The objective of the enhanced phase 2 programme is to collect environmental baseline data, characterize the hydrology in the area of the Main Gil deposit, as well as conduct engineering studies for a haul road and other project-related construction activities.

Following is a summary of the 2003 Phase 2 Exploration Program for the Gil Project including estimated costs:

- 1.

  Additional core and reverse circulation drilling to more fully define the limits and magnitude of gold mineralization at the Main Gils deposit and other targets. This phase including assaying, geologic services, access road and drill pad construction, and reclamation of surface disturbance, is estimated at US\$750,000;
- 2. A cultural resources survey to determine the presence (or absence) of historical artifacts in the project area. This phase of work is estimated to cost US\$81,000;
- Wetlands delineation and a Threatened and Endangered Species surveys are estimated to cost US\$26,000;

- 4. Costs under a State of Alaska Reimbursable Services Agreement for project-related activities are estimated to be US\$23,000;
- 5. Detailed digital topography, suitable for engineering studies and design, for the area of the mineral deposits are estimated to be US\$20,000;
- Access and haul road design activities and construction cost estimates, US\$75,000;
- 7. Preliminary hydrologic studies and construction of a piezometer network are estimated to cost US\$50,000; and
- 8. Drilling of a production (water) well to characterize the nature and volume of ground water in the vicinity of the Main Gil deposit, US\$50,000.

The total estimated cost of the proposed work program is US\$1,075,000. Teryl Resources Corp.'s share (20%) of these costs is US\$215,000 plus management fees.

Phase 2 drilling was completed bringing 2003 drilling totals to 27,590 feet of reverse circulation drilling in 127 holes and 8,917 feet of diamond core drilling in 31 holes. The best gold results were on Hole # GVR03-398, which intersected 135 feet of 0.087 opt gold including 85 feet of 0.121 opt gold.

Elsewhere on the Gil project, preliminary hydrology and engineering studies, resource database modeling and baseline environmental data continue to be gathered in accordance with revised Phase II work plans.

# **Westridge Claims**

The West Ridge Prospect is north of Fairbanks, Alaska, a distance of 22 miles by road. It lies immediately north of the Fox Creek Property which was drill tested by Cypress Gold in 1995. The West Ridge property adjoins Kinross Gold Corp.'s True North gold deposit and lies approximately eight miles northwest of the producing Fort Knox gold mine, reported to have contained reserves of 4,000,000 ounces of gold. Fort Knox currently produces over 400,000 ounces of gold annually. The West Ridge Property is made of 53 State mining claims held by the Company. The property was submitted to Kinross early in the summer of 1998 and a joint venture was signed.

In 2000, Kinross completed an exploration program on the Westridge Claims. This was pursuant to the 1999 agreement which granted Kinross the option to acquire a 70% undivided interest in the 48 mineral claims located in the Dome Creek area of the Fairbanks District, Alaska known as the Westridge Claims. In order to earn a 70% interest in the project, Kinross was obligated to make cash payments to the Issuer totalling US\$285,000 over five years, to make five annual advanced royalty payments of US\$200,000 each and to expend a minimum of \$1.5 million on exploration and development of the claims over five years.

The 2000 exploration program consisted of drill testing the large altered zone that extends from the Diorite Claims on Pedro Dome, across the northern part of Kinross' Steamboat Creek property and onto the eastern part of the Westridge Claims. Two main gold-in-soil anomalies were defined on the Westridge Claims. The western anomaly had the highest gold value in soil samples of 4.42 parts per million ("ppm") and samples from rock chips hap up to 16.45 ppm gold. The east anomaly soil samples had up to 1.64 ppm gold. The drill program showed that the near surface portion of the altered and mineralised Dome Fault did not contain economic gold values.

Kinross dropped the option respecting the Westridge Claims at the end of 2001. Teryl, Inc. retains its 100% interest in the claims.

In June, 2003 a drill program on the Company's 100% owned West Ridge Property was approved. The program commenced initially with auger drilling to define reverse circulation drill targets on the Western gold anomaly. This target is approximately 4000 feet by 3000 feet with gold-in-soil values up to 4.42 ppm and best gold values of 16.45 ppm from float in hand-dug holes. Gold on the Western anomaly is closely associated with high levels of

arsenic and antimony, similar to mineralization found on Kinross Gold's adjoining True North gold deposit located approximately 2 miles north.

In August, 2003 field exploration on the Company's 100%-owned West Ridge property discovered a new gold zone with the same mineralization that hosts the gold deposits in the Fairbanks Mining District, Alaska, including the Fort Knox gold mine, eight miles southeast. Exploration activity identified several highly prospective areas for future reverse circulation drill targets.

Rock and soil sampling was completed by the Company's geological consultants, Avalon Development Corporation at the Old Glory prospect. In addition, a small close-spaced soil auger grid was placed over a trench area to try to determine the extent and trend of the mineralization. Rock samples consisted of quartz mica schist and medium grained diorite intrusive containing abundant sericite alteration associated with brown iron oxide after carbonate and reddish brown hematite after pyrite. Quartz veining ranged from fine chalcedonic veinlets to +2 cm milky white mesothermal veins with pitted pyrite and minor scorodite after arsenopyrite. Soil sampling results suggest a false bedrock layer of shingled barren quartz mica schist exists about 3 to 4 feet below surface. Once through this false bedrock, soil samples were taken as deep as 6 feet below surface and often contained abundant ocherous red-orange soil at the bedrock interface. Soil such as this is often associated with gold-bearing shear zones in the district.

In August, 2003, assays were received from the Phase I auger drilling and rock sampling program on the Old Glory gold zone of the Company's 100% owned West Ridge Property.

The highest rock sample assayed 0.29 ounces of gold per ton and the best results from the auger drilling samples assayed 1,155 ppb gold. Ten samples have values of 250 to 1,000 ppb and 43 samples have values of 100 to 250 ppb values in gold in the soil (see chart below). Gold values in excess of 100 ppb outline several significant gold deposits in the district, including Fort Knox, True North and Dolphin, suggesting the soil anomalies at the Old Glory zone may represent a significant new intrusive-related gold discovery. All rock and soil samples were analyzed at ALS Chemex.

Gold (ppb) in Rocks	Gold (ppb) in Soils
1,000 to 10,000 (2)	1,000 to 1,155 (1)
500 to 1,000 (1)	250 to 1,000 (10)
100 to 500 (5)	100 to 250 (43)
5 to 50 (27)	50 to 100 (35)
Below detection (10)	25 to 50 (25)
	5 to 25 (25)
	Below detection (1)

Soil sampling results suggest a false bedrock layer of shingled barren quartz mica schist exists about 3 to 4 feet below surface. Once through this false bedrock, soil samples were taken as deep as 6 feet below surface and often contained abundant ocherous red-orange soil at the bedrock interface. Soil such as this is often associated with gold-bearing shear zones in the Fairbanks Mining District.

According to Avalon Development Corporation, these anomalous values warrant additional exploration to define drill targets in search of an intrusive-related gold discovery.

In September, 2003 the Phase II field exploration on the Company's 100%-owned West Ridge property expanded the size of the gold discovery at the Old Glory prospect. In addition, field work confirmed the presence of eclogite-grade metamorphic rocks similar to those which host Kinross Gold's 660,000 ounce True North gold deposit located two miles north of the West Ridge project.

Phase II rock and soil auger sampling was completed at the Old Glory prospect and expanded the extent of anomalous gold in rocks and soil to an area measuring 400 meters northeast-southwest by 200 meters northwest-southeast. Soil values in this grid range up to 1,155 parts per billion (1.16 grams per tonne) gold with 2,850 parts per million (ppm) arsenic and 200 ppm tungsten. Rock samples collected from old prospect pits and trenches within the soil grid returned values up to 10.0 grams (1/3 of an ounce) per tonne gold, 5,900 ppm arsenic and 144 ppm bismuth. Substantial mineralization is found where the northeast trending structure intersects the northwest-trending structure. Arsenic mimics gold to a large degree while tungsten and bismuth mineralization are less definitive.

Gold mineralization at Old Glory is associated with sericite alteration in a strong sodium depletion zone. Of significance is that mineralization appears to be controlled by the Eldorado fault, a major northeast-trending district-scale structure which bounds the 2.4 million ounce Ryan Lode gold deposit located 16 miles southwest and the 660,000 ounce True North gold mine, just 2 miles northeast. Along this same fault lies Teryl's Black Dome prospect, State of Alaska lease recently acquired, another gold anomalous area discovered by summer field exploration. Rocks of similar character to True North are present at both the Old Glory and the Black Dome areas, which suggests a genetic link between both mineralized prospects.

In November, 2003 the third phase of auger drilling was completed and three trenches totaling 342 meters were completed on the newly discovered West Ridge gold zone. The Company's geological consultants, Avalon Development, report that a series of shear zones were encountered in the trenches with widespread iron, arsenic and antimony oxides present. The shears strike northeast and north-northwest and are marked by fault gouge, breccia and shearing with quartz veins ranging up to 25 centimeters. The most promising rocks include intense red iron oxide after pyrite, yellow antimony oxide after stibnite and apple green arsenic oxide after arsenopyrite. Unaltered quartz veins containing jamesonite were discovered in a shear zone in Trench 1. Jamesonite is commonly present in high grade mineralization found elsewhere in the Fairbanks District. The rocks are pervasively sericite altered and at the southwest end of Trench 3 a granodiorite intrusive body was encountered which exhibits sericitic alteration similar to that seen in other intrusive-hosted gold systems in the region. The extent of this intrusive body is unknown at present.

Auger drilling on the Old Glory prospect has expanded the extent of anomalous gold in rocks and soil to an area measuring 500 meters northeast – southwest by 500 meters northwest – southeast. Soil values in this grid range up to 2,130 parts per billion (over 2 grams of gold per ton) and rock samples collected from the trenches returned values up to 10 grams (1/3 of an ounce per ton gold). Mineralization remains open to expansion to the northeast, southwest and northwest.

In December, 2003 the Company received results from Avalon Development Corp. on the trench geochemical results and ground geophysics recently completed on the Old Glory prospect on the Company's 100% owned West Ridge claims in the Fairbanks District.

The most significant geochemical results from the three West Ridge trenches came from the last 15 meters of trench 3 which averaged 596 ppb gold and intersected a highly oxidized sericite altered diorite to granodiorite intrusive containing up to 2.98 grams per tonne gold with 3,140 ppm arsenic (Table 1). Alteration associated with the intrusive included strong sericitic alteration and a marked increase in aluminum and sodium values. This sort of silicate alteration is normally associated with albitization in and adjacent to gold-bearing intrusives in the Tintina Gold Belt of Alaska and the Yukon. This intrusive mass remains open to expansion to the west and south into an area of the previously completed soil auger grid where gold soil values are consistently anomalous (+50 ppb) and reach up to 1,000 ppb. This portion of the soil grid, measuring at least 100 meters north-south by 150 meters east-west, is defined by an amorphous gold-in-soil pattern similar to that seen in intrusive hosted gold occurrences elsewhere in the district. This portion of the grid also yielded grab rock samples which returned up to 10 grams per tonne gold from quartz-vein float, the highest grades recovered from the property to date.

Given the presence of well mineralized intrusives in Trench 3, the extent of anomalous gold in soils adjacent to it and the presence of higher grade gold in rock samples from this area, a larger intrusive mass may exist south of the Old Glory discovery zone. Geophysical evidence supports this and the following conclusions:

- 1. Backhoe trenching has revealed the presence of northeast-trending mineralized shear zones at Old Glory. These shear zones correspond to linear gold arsenic anomalies outlined by soil auger sampling.
- Backhoe trenching has revealed the presence of highly mineralized sericite altered intrusives which appear to underlie the southern end of the 2003 soil auger grid.
- 3. Magnetics profiles appear capable of distinguishing between barren quartz mica schist and quartzite of the Fairbanks Schist from more magnetic rocks of the Chatanika Terrane.
- 4. Magnetic profiles did not encounter enough intrusive rock to determine whether or not it could distinguish intrusives from Fairbanks Schist with any certainty.

Avalon Development Corp. has recommended additional ground geophysics, trenching and drilling. The Company anticipates this will commence on the gold intrusive discovery in early 2004.

#### **Black Dome**

In July, 2003 we announced we had successfully negotiated a lease of 440 acres in the Fairbanks Mining District, Alaska from the State of Alaska, Mental Health Trust Land Office (TLO). The trust land is adjacent to the western portion of the Company's 100% owned West Ridge claims and 40 acres is strategically located within the West Ridge claims, which is on the edge of a geochemical gold anomaly. The gold anomaly may possibly be on trend with the 4000-foot western gold anomaly, which is geochemically similar to the gold mineralization at the True North deposit, according to AMAX Gold's report completed in 1999. The True North gold deposit was purchased by Kinross Gold for CAD\$94 million in shares and cash from La Teko Resources and Newmont Mining Corporation. An exploration work program will be submitted for approval immediately to the Trust Land Office to locate drill targets on the newly acquired lease.

In consideration for the State of Alaska lease, a production royalty on the lease land is granted to the State of Alaska, Trust Land Office (TLO) as follows:

Price of Gold (per ounce)	<u>Production Royalty</u>
Below \$300.00	2.5%
\$300.01 - \$350.00	3.0%
\$350.01 - \$400.00	3.5%
\$400.01 - \$450.00	4.0%
\$450.01 - \$500.00	4.5%
Above \$500.00	5.0%

Additionally, Teryl will grant a 1% Net Smelter Return (NSR) on its 100% owned West Ridge property with first refusal to purchase the 1% NSR in the event that TLO decides to sell.

An exploration program started in August 2003. Exploration is being conducted by the Company's geological consultants, Avalon Development Corp., who are focused on finding another True North-type gold discovery on the Black Dome area of Teryl's recently acquired trust land. The Eldorado Fault cuts through the Black Dome, the same fault that bounds Kinross Gold's True North gold deposit, approximately three miles northeast.

Avalon field crews will sample a newly discovered old trench at Black Dome, which contains rubble composed of black carbonaceous schist cut by numerous quartz-carbonate veinlets. Most of the carbonate has been altered to a soft brown-red oxide, similar to oxide ore at the True North. The trench will be cleared of debris to sample bedrock and determine gold values to locate drill targets.

#### **Misty Lake Diamond Property**

In September 2001, International Diamond Syndicate Ltd. (a private company 40% owned by the Issuer, 40% owned by Berkshire International Mining Ltd. and 20% owned by Geodex Minerals Ltd.), along with its partners, Major General Resources Ltd. and SouthernEra Resources Ltd., entered into a letter agreement optioning the Misty Lake diamond property to BHP Billiton Diamonds Inc. The agreement has been terminated.

In the same month, BHP Billiton Diamonds Inc. completed a 2,800-line kilometre, high-definition airborne electromagnetic survey over the majority of the property. Preliminary interpretation indicated the presence of a variety of scattered geophysical anomalies on the property. BHP Billiton Diamond Inc. must drill test its selected targets by 2003 and if kimberlite is encountered through drilling, then it will have earned a 35% in the Misty Lake property. BHP has terminated the agreement with Major General, SouthernEra and The International Diamond Syndicate. The Agreement has been terminated.

#### Fish Creek Claims

In March 2002, the Issuer entered into an agreement with Linux Gold Corp. (formerly LinuxWizardry Systems, Inc.) whereby the Issuer acquired the option to purchase a 50% undivided interest, subject to a 5% royalty interest to a maximum of US\$2,000,000, in 30 mineral claims located in the Fort Knox Mine area of the Fairbanks District, Alaska. The Issuer must issue 200,000 shares to the optionor and spend US\$500,000 on property exploration over a three-year period. The Issuer may purchase the optionor's 5% royalty for US\$500,000 within the first year of production on the claims. The said agreement was subsequently amended allowing LinuxWizardry to back-in for a 25% working interest after the \$500,000 expenditure in lieu of the 5% royalty interest.

In September, 2002 the Company received confirmation of an approved mining lease. The confirmation eliminates any past or future claim disputes. This mining lease clearly delineates our 30 claims, which were previously overstaked.

The Fish Creek gold claims lie adjacent to the Gil Claims.

Our Engineer has recommended to extend the Fish Creek claims previous line of forty auger drill holes and based on positive results follow up with additional reverse circulation and/or diamond drilling.

In March, 2003 our geologist consultant, Avalon Development Corp., completed the Fish Creek reverse circulation drilling program. A total of five holes were drilled to test several magnetic anomalies for potential placer and lode gold mineralization. However, assays on the first phase of drilling on the Fish Creek claims, Alaska, have not revealed economic values on four out of the five hole reverse drilling program. Hole number five, however, intercepted 5 feet of 2.33 PPM gold between 45 - 50 feet from surface. The five-hole reverse circulation drill program was completed to test several magnetic anomalies for placer and lode gold values.

The next phase of drilling recommended is to locate the extension of the gold discovery on the adjoining Gil project, which may extend onto the Fish Creek property. Also recommended on Fish Creek is seismic exploration on the western portion of the property to locate economic placer channels.

A ground magnetic survey was completed on the Fish Creek property on November 20, 2003 on the right limit (east) side of Fish Creek Valley, approximately 600 - 700 feet down-valley from the toe of the Fort Knox mine fresh water supply dam. Extremely high grade gold placer accumulations were encountered in a narrow right-limit channel during excavation of the Fort Knox mine fresh water dam site but their extent and grade downstream on the Fish Creek property has never been explored. A two-person crew, consisting of James Munsell, from Avalon Development and equipment operator, Kerry Adler from On-Line Exploration Services, Inc. conducted the survey. This was an orientation survey to test the right limit bench for a suspected buried placer gold-bearing channel east of Fish Creek. Surveys of this type have been successful in locating elevated magnetic field intensities associated with the heavy, magnetic mineral concentrations often associated with placer gold accumulations.

The field survey consisted of two lines with 200-foot line spacing and 10-foot station spacing, which appears to provide sufficient detail to extrapolate magnetic data between lines. Total field and vertical gradient magnetic data

have a good correlation, suggestive of adequate base station data. Signatures from the two traverses are interpreted to cross five features, of which three have the possibility of being associated with alluvial concentrations of various characteristics.

The two anomalies recommended for physical testing are those indicative of alluvial heavy magnetic mineral concentration encountered on the west side of Lines 100N and 300N, just east of Fish Creek, and the strong anomaly on the eastern extent of Line 300N. Depth estimates for these targets, are generally 8 to 12 feet.

Avalon Development has recommended a program of additional ground magnetics followed by trenching and/or large-diameter auger drilling to evaluate the two most promising alluvial gold targets in early 2004.

#### **Trends**

There are no trends, commitments, events or uncertainties known to management that can reasonably be expected to have a material effect on the Issuer's business other than those facing junior development stage resource companies generally and those relating to the fact that the Issuer is currently only in the exploration phase of its development. See "Risk Factors".

#### NARRATIVE DESCRIPTION OF THE BUSINESS

The Issuer's principal resource property interests as at the date of this AIF is a 20% undivided interest in the Gil Mineral Claims located in the Fairbanks Mining District, Alaska and a 100% interest in the West Ridge Claims located in the Fairbanks Mining District, Alaska.

#### **GIL PROPERTY**

#### **Description and Location**

The Issuer owns a 20% interest in the Gil Mineral Claims, which consist of 237 unpatented contiguous state mineral claims encompassing slightly less than 3,836.4 hectares located 32 kilometres northeast of Fairbanks, Alaska. Kinross Gold Corporation ("Kinross") owns the other 80% of the claims and acts as operator of the project.

Kinross and the Issuer each contribute to annual exploration costs on an 80:20 ratio with net profits distributed in that same proportion in the event of production. The Issuer may opt to reduce its interest in the Gil Mineral Claims by choosing not to contribute its portion of the annual exploration expenditure. Its interest would then be reduced on a pro-rata basis utilizing the following formula:

\$150,000 (\$600,000 + expenditure for the year)

At its sole option, Kinross may choose to carry the Issuer's portion of expenditures in the form of an interest-bearing demand note, principal and interest to be added in the event of application of the reduction formula. Should the Issuer fail to contribute its share of the exploration costs or fail to honour the demand note within 30 days of formal request for payment, it would be considered in default. In a default situation, the Issuer's interest would be reduced by double the amount normally applied by the reduction formula. In the event its interest is reduced below 10%, the Issuer's interest would be converted to a 5% net profits interest with no further financial contributions required.

State mining claims in Alaska require a minimum annual work expenditure of \$100 per claim prior to the first of September of each year. Unused expenditures may be carried forward and subsequently utilized in successive years to a total of five years from the year in which they were incurred. The claims have been maintained annually by Kinross who have sufficient expenditure reserve to apply for the next five years. Prior to production, Kinross will likely convert the claims to a mining lease or apply for a millsite permit, a procedure involving public hearings and an environmental

impact study. In anticipation, the Issuer has legally surveyed the claims and has completed a series of six water wells for ground water monitoring purposes, already underway.

#### Accessibility, Climate, Local Resources, Infrastructure and Physiography

The Gil Mineral Claims may be accessed via Fairbanks, Alaska, by a combination of paved highway, improved gravel roads and three seasons, four-wheel drive dirt road. Road distance is 16 kilometres north of Fairbanks to Fox along the Steese highway, east along the Steese highway and the Fort Knox access road to the mine site (another 19 kilometres), east through the mine property to the water retention dam (18 kilometres) and the start of the Gil access road. An additional 9.6 kilometres along the Gil access road brings one to the area of drill-indicated resources and the principal site of current exploration activity. A number of four-wheeler trails provide additional access to this portion of the property.

The claims lie along a moderate northwestern facing slope of a northeastern ridge rising from the broad Fish Creek valley trending in the same direction. Vegetation consists of black spruce, birch, poplar, alder and tussock grass. The slope is broken by a number of short, northwestern flowing streams which form a series of gullies. Elevations range from 300 to 600 metres.

Snow generally falls on the property in late September or early October, remaining on the ground until mid to late May. The month of April is particular productive for drilling and moving heavy equipment over normally soft or swampy areas which remain frozen. Exploration work involving heavy equipment is generally suspended during the break up period extending from mid-April through the end of May and the freeze up interval through mid-October to early November.

Fairbanks is the main population and service centre in the area. The hamlet of Fox twenty kilometers west is residence to several dozen locals and provides a few facilities for food and gas. While the claim area is void of any buildings or other infrastructure, it does lie adjacent to the Kinross' Fort Knox open pit gold mine, a 40,000 ton per day operation with 250 permanent employees.

#### History

In 1989, the Issuer acquired an option on the Gil Mineral Claims from Nerco Exploration Company whose exploration work on the property had consisted largely of surface magnetometer surveys. In 1991, the Issuer signed a joint venture and option agreement respecting the property with Fairbanks Gold Corp., which eventually became Kinross. Kinross earned an 80% interest in the Gil Mineral Claims from the Issuer by incurring exploration expenditures on the property of \$600,000. During the past ten years, Kinross and its predecessors have conducted an integrated exploration program on the claims incurring total expenditures of between US\$3,500,000 and US\$4,000,000.

# **Geological Setting**

# Regional Geology

In regional terms, the Gil Mineral Claims are located within the Yukon-Tanana terrane, popularly labelled the Tintina Gold Belt. The lithologies are polymetamorphic and are approximately Precambrian to Upper Paleozoic in age. The protoliths are believed to have been primarily sedimentary, with lessor volcanic and plutonic origins. The rocks have undergone dynamothermal metamorphism; an early prograde amphibolite facies event and a later greenschist facies retrograde event. Using detailed fabric studies, four phases of penetrative deformation have been described. Radiometric ages of the Yukon-Tanana terrane indicated that a widespread regional metamorphic event occurred both in early Jurassic (about 180 Ma) and most recently during mid-Cretaceous time (105-125 Ma).

The Yukon-Tanana terrane is bound to the north by the Tintina fault and to the south by the Denali fault. Both faults are large scale right lateral strike-slip fault systems with numerous sympathetic northeast-southeast faults. The northeast trending faults display both left lateral strike-slip and dip-slip movements.

Intrusive rocks in the area are intermediate to felsic in composition. The Gilmore Dome intrusive rocks and related calc-silicate mineralization are dated at 86+/-3 Ma to 95+/-5 Ma. It is assumed that the other intrusive rocks of similar composition in the district have similar age. Tertiary tholeittic basaltic rocks are present in several localities in the district. These basalts tend to occur along northeasterly faults.

The Fairbanks district has produced approximately 7,500,000 ounces of placer gold since 1902. Prior to exploitation of the Fort Knox deposit, district lode production totalled only a few hundred thousand ounces, primarily from vein deposits within metamorphosed strata. This huge disparity between placer and lode production in terms of quantity suggests that sizeable source lode deposits remain to be found. Alternatively, the placer lode sources may have been largely eroded over the last 100 million years. Lode deposit types in the area include volcanogenic stratabound sulphides, intrusive hosted gold and silver, tungsten skarn, metamorphic-hosted gold-quartz-sulphide veins and stibnite veins.

#### **Local Geology**

The Gil property lies within the Tintina Gold Belts or Yukon-Tanana terrain, a region situated between Denali and Tintina faults, extending through Central Alaska into the Yukon. Extensive exploration within the belt over the past decade has increased gold resources by at least 23 million ounces from over ten different new deposits. In the Alaskan portion, an additional eight million ounces of placer gold has been taken since 1902, primarily from the Fairbanks district.

While Tintina gold deposits occur within a variety of rock hosts, form, alteration types, depth and temperature ranges, they feature many common characteristics as well as several unique differences. Though a plutonic association is common, deposits may be hosted within the plutons, within or exterior to the contact aureoles or within adjacent schists and sediments. Associated plutons fall within the 8 to 105 million-year range. They are granitic to granodioritic in composition, I-type intrusives, with lithophile affinities and low magnetic signatures (absence of magnetite, minor ilmenite). The magnetic fluids emanating from the plutons are seen to be responsible for the gold mineralization. Prospective intrusives are small in size, generally less than four square kilometres in surface area. Termed the Tombstone-Tungsten Magmatic Belt within the Yukon, this same suite of prospective plutonics extends for a distance of over 700 km across the Yukon, Alaska and into British Columbia.

Significant deposits within the Tintina Gold Belt include the Fort Knox (4 million ounces in sheeted veins within granodiorite), Brewery Creet (970,000 ounce disseminations and veins within monzonite dykes and metasiliciclastics), Dublin Gulch (1.5 million ounces in sheeted veins within granodiorite), Pogo (5.6 million ounces in high temperature/low level ductile sub-horizontal quartz veins within gneisses), Donlin Creek (13 million ounces in high level hypabyssal sedimentary hosted dyke swarms), True North (1.3 million ounces in a medasediment host, disseminated shear/replacement) and Shotgun (979,000 ounces in rhyolite porphyry and adjacent sediments).

#### **Property Geology**

The Gil Mineral Claims are primarily underlain by the Fairbanks Schist, a Proterozoic to Lower Cambrian formation derived largely from sedimentary rocks that have been converted into muscovite-quartz schist and macaceous quartzite. In certain areas the Fairbanks Schist contains a metamorphic sub-unit of volcanic provenance called the Cleary Sequence. The Cleary Sequence is present within the central portion of the claims trending northeasterly in a narrow band to the Slippery Creek area where it becomes the host formation for the Main Gil as well as the North Gil zones.

The southwestern portion of the Gil Mineral Claims, about three kilometres south of the Fort Knox pit, in underlain by part of the Gilmore Dome, a quart monzonitic to granitic pluton which is probably the mother intrusive to the small stock hosting gold mineralization within the production pit. The location of additional intrusive rock has become a significant sub-goal of the Fairbanks Gold exploration programme. Indications of a possible intrusive

rock in the headwater area of Slippery Creek are suggested by the presence of a gravity high outlined in a previous survey as well as petrographic studies indicating a causative heat source in that direction.

Within the area of the Gil zones, the Fairbanks Gold geological staff have subdivided the mixed metamorphic, sedimentary and volcanic package into at least ten separate units which is not an easy task given the scarcity of outcrop and the highly faulted, segmented complex nature of the property.

Strata strikes N65E dipping to the northwest variably from 35 to 70 degrees. Faults and shears in the Gil claim block strike predominantly northwest or northeast, as indicated by trenching, drilling, ground based magnetometer surveys, and ground based radiometric surveys. A ground based gravity survey in 1999 exposed east to west and northeast trending structures that were previously unknown. Faults are often coincident with gold mineralization and commonly contain duly clay gouge, crushed quartz, calcite veining and/or quartz veining, and can be intensely limonitically stained.

#### **Exploration**

The following is a summary of exploration work that Kinross and the Issuer have conducted on the Gil Mineral Claims since 1992:

In 1993, a road was built to facilitate exploration. In 1992 and 1993, soil samples were collected along with a NanoTEM induced current resistivity survey with the information being used to compile a geologic map and locate gold anomalies. A drill program consisting of four core holes, totalling 909 feet, was conducted on a gold anomaly. Low-grade gold mineralization was discovered in all four holes.

From 1994 to 1997, Kinross expanded the existing Gil Mineral Claims soil grid to the southwest by a total of 110,000 linear feet, carried out a magnetometer survey over the grid expansion totalling 80,500 lineal feet and conducted three reverse circulation drill programs consisting of 38 holes, totalling about 11,000 feet. Gold mineralization in these holes was low with the silicate layer containing moderate gold grades with a northeast strike length of 1,000 feet, dipping to the northwest. True thickness of the layer was shown to be about 70 feet.

In 1998, the majority of Kinross' exploration work was performed on the eastern portion of the Gil Mineral Claims and included about 64,000 feet of soil grid expansion, the collection of 260 soil samples, a reverse circulation program consisting of 29 holes totalling 10,004 feet and a core drill program consisting of four holes totalling 3,238 feet. Eight trenches were excavated, mapped and sampled. The Main Gil gold bearing horizon was extended to 2,500 feet in strike length. Trench assays confirmed the nature of gold distribution indicated by reverse circulation drilling. A new soil anomaly, designated as the North Gil, was drilled by reverse circulation and core rigs. Four of five holes encountered significant mineralization at depths less than 425 feet.

In 1999, Kinross' exploration program consisted of 14,800 feet of grid expansion, the collection of 88 soil samples, a geophysical survey measuring 266 gravity data points and an upgrade of the primary road access. Drilling consisted of a nine hole, 4,038 foot reverse circulation program and a five hole, 3,119 foot core drill program. A total of 90 soil samples were collected in the eastern portion of the property and submitted an assay. The interpretation of gravity data outlined several possible exploration targets. A large gravity low at the head of Slippery Creek and in the drainage of All Gold Creek suggests the presence of an intrusive. A projection derived from gravity data indicates the continuation of the calc-silicate rocks to the east of Slippery Creek.

In 2000, the Issuer and Kinross focussed on drilling the Mail Gil and North Gil mineralized zones located within the Gil property. The exploration drill program consisted of 95 reverse circulation drill holes totalling 29,785 feet and 33 core holes totalling 15,761 feet. In addition to the exploration drilling, six water wells were drilled to collect ground water data. Fieldwork also included geologic mapping, soil sampling, surveying, trenching, water well maintenance and upgrading, environmental monitoring and reclamation. Drilling extended the Main Gil calc-silicate layer to the east by 800 feet for a total of 3,300 feet in strike length. The mineralized zone was shown to have a true thickness of 21 metres between 50 to 70 degrees. Drilling to the north with both core and reverse circulation drilling confirmed the continuity and grade of gold mineralization to depths in excess of 500 feet.

Drill data in the eastern portion of the Main Gil zone revealed that the calc-silicate layer had a steeper dip, about 70 degrees to the northwest. Drill data also indicated that the upper 50 to 100 feet of this layer was displaced due to shearing. The North Gil mineralized zone was enlarged to an area about 1,000 feet long by 500 feet wide and appeared to be open in all directions except to the north. Results indicated a general northeast southwest to east-west trend to the gold mineralization. Soil sampling taken in 2000 revealed or expanded several possible target areas for further exploration.

The Issuer and Kinross completed an exploration program along the eastern portion of the Main Gil zone and on the central part of the North Gil zone in 2001. The exploration program consisted of 11 reverse circulation drill holes totalling 3,035 feet, one core hole totalling 350 feet, nine trenches totalling 3,840 feet and 1,484 rock samples. Additional work included surveying, metallurgical studies, road maintenance and environmental monitoring.

Significant gold mineralization associated with an amphibolite/calc-silicate unit was initially discovered by trenching and was followed by outcrops for 140 feet. Steeply dipping gold bearing quartz veins and quartz-carbonate-amphibole veins trending in an east-west orientation were found crosscutting the unit. These veins are narrow with a frequency of one to five per five-foot interval. One drill hole targeted this unit and encountered significant gold mineralization to a depth of 175 feet.

Additional trenching was completed on the Main Gil and Sourdough Ridge. Excavation, sampling and mapping were performed on five trenches totalling 1,900 feet in the Gil Project area and two additional trenches were excavated 2,500 feet east of the Main Gil zone. The Sourdough Ridge area has widespread gold, bismuth and arsenic soil anomalies. Assay reports indicate strong gold mineralization (up to 0.5 opt gold) in east-west striking high angle veins and fracture fillings.

The 2001 Gil Joint Venture exploration program began January 30<sup>th</sup> and concluded July 13<sup>th</sup>. The majority of this year's work was located directly east of the Main Gil Zone, along Sourdough Ridge. Fieldwork focused on testing and expanding gold-in-soil anomalies. Other areas of work included the eastern portion of the Main Gil Zone and the central North Gil Zone. A limited amount of work also occurred in an area located between these two zones. Petrographic and microprobe analysis was performed on rock samples to better understand mineralization events and the thermal history of the area.

The exploration consisted of 11 reverse-circulation (RVC) drill holes totalling 3,035 feet, 1 core hole totalling 350 feet, 9 trenches totalling 3,840 feet, and 1,485 rock samples collected for assaying. Additional work included surveying, metallurgical studies, and environmental monitoring.

Fieldwork along Sourdough Ridge identified two amphibolite/calc-silicate units with significant gold mineralization that warrant further testing. Exploration efforts along strike in the eastern margin of the Main Gil Zone identified discontinuous gold mineralization associated with quartz veins and shears in quartz-mica schist. Two out of four holes drilled in the North Gil intercepted significant gold mineralization. Ore zones located in the central portion of the North Gil appear to show good correlation with adjacent holes. Trenching between the North Gil and Main Gil Zones outlined a calc-silicate layer approximately 60 feet wide that warrants additional work. Geothermometry research shows increasing temperatures of mineral formation toward upper Slippery Creek. This could indicate the presence of a causative pluton and represents a good target for the 2002 exploration season.

The 2002 drill program on the Gil joint venture tested portions of the North Gil and Main Gil deposits and the Sourdough Ridge anomaly on Teryl's joint venture land. Several notable drill holes came from this 2002 drill program:

- North Gil encountered 15 feet of 0.095 ounces per ton at a depth of 65 feet from the surface.
- At Sourdough Ridge a hole intersected 15 feet of 0.49 ounces of gold per ton at a depth of 95 feet.
- An isolated drill hole on All Gold Creek located on the western end of the new scarn zone encountered a 15 foot interval of 0.228 ounces of gold per ton at a depth of 265 feet.

The first phase of the 2003 drill program served two purposes. Firstly it increased the geologic understanding of the Main Gil gold deposit to provide a more accurate gold distribution deposit model, and secondly, it has extended the strike length of the Main Gil zone to almost 3,000 feet

Following is a summary of the 2003 Phase 2 Exploration Program for the Gil Project including estimated costs:

- Additional core and reverse circulation drilling to more fully define the limits and magnitude of gold mineralization at the Main Gils
  deposit and other targets. This phase including assaying, geologic services, access road and drill pad construction, and reclamation of
  surface disturbance, is estimated at US750,000;
- A cultural resources survey to determine the presence (or absence) of historical artifacts in the project area. This phase of work is estimated to cost US\$81,000;
- Wetlands delineation and a Threatened and Endangered Species surveys are estimated to cost US\$26,000;
- Costs under a State of Alaska Reimbursable Services Agreement for project-related activities are estimated to be US\$23,000;
- Detailed digital topography, suitable for engineering studies and design, for the area of the mineral deposits are estimated to be US\$20,000;
- Access and haul road design activities and construction cost estimates, US\$75,000;
- Preliminary hydrologic studies and construction of a piezometer network are estimated to cost US\$50,000; and
- Drilling of a production (water) well to characterize the nature and volume of ground water in the vicinity of the Main Gil deposit, US\$50.000.

Phase 2 drilling has recently been completed bringing 2003 drilling totals to 27,590 feet of reverse circulation drilling in 127 holes and 8,917 feet of diamond core drilling in 31 holes. The best gold results were on Hole # GVR03-398, which intersected 135 feet of 0.087 opt gold including 85 feet of 0.121 opt gold.

#### Mineralization

Gold mineralization is contained within two distinct zones designated the Main Gil and the North Gil, the latter situated 366 metres north of the former. A third zone showing potential, the Sourdough Ridge zone, occurs some 790 metres further east and is in the early stages of exploration.

To date, the Main Gil zone has been extensively drill tested over a minimal strike distance of 1,006 metres to 152 metre depths. Gold values occurs within a calc-silicate horizon approximately 21 metres thick striking N60E, dipping between 45 and 70 degrees NW. Indicated resource is calculated to be 10,700,000 tons at 0.04 opt gold.

The host calc-silicate horizon is described as a biotite-pyroxenite-actinolite-quartz-calcite schist derived from finely laminated mafic volcanic tuff or impure marl of amphibolite metamorphic grade. While favourable as a gold-bearing host, the presence of secondary quartz stockworking, veining and/or faulting/fracturing is vital for elevated gold values. Veining varies in character but falls into two broad gold bearing categories: a) discrete white quartz veins up to 1 inch in width; and b) later discrete thinner quartz-carbonate veins with or without actinolite/pyroxenite. Both sets dip steeply and both are preceded by apparently barren quartz-feldspar veins and are cut by later calcite veins.

The presence of abundant pyroxenite and secondary iron rich actinolite are necessary for high gold values. The latter minerals form as dark green fibrous mats sub-parallel to foliation and are seen as retrograde replacement products of hornblende and pyroxene. Fine-grained biotite is also found in close association. The characteristic dark green colour of the assemblage is frequently used as an exploration guide for elevated gold values. Gold deposition is not only

caused by system cooling of the aqueous siliceous solutions but also the replacement of pyroxene by Fe-rich ilmenite

and ilmenite by rutile. This process liberates ferrous iron, the oxidation of which destabilized the Au(HS)2 complex.

The released iron is then free to form pyrite or pyrrhotite, thus lowering the fugacity of sulphur in the fluid, which also destabilizes the gold complex. Sulphides include pyrrhotite and pyrite while oxides are ilmenite and rutile. Magnetic, molybdenite and chalcopyrite are rarely seen.

The North Gil zone exhibits a slightly different character in that elevated gold values are entirely associated with quartz veining. A lesser preference is seen for host units as the veins occur within quartz-mica schists, the felsic schists (slightly favoured) and/or calcareous biotite-chlorite-quartz schist. Sulphide contents of less than 1% consist of pyrite and/or calcite veins. Veins are generally less than two inches wide, dip from 45 degrees to vertically and consist primarily of white quartz or quartz-calcite with or without actinolite/pyroxenite. Overall zone dimensions are in order of 1,000 by 500 feet and have been tested to 1,000-foot depths where grades remain strong. The zone remains open along strike, both to the east and the west.

More persistent gold values are found a) when quartz veining occurs within the felsic schist or the interlayered felsic schist; b) when quartz veins occur in or near contacts between lithologies; c) in and around the margins of shear zones; and d) among areas of increased carbonate rock (calcite veins and/or marble).

A third area receiving increased exploration attention is the Sourdough Ridge Zone. Four reverse circulation drillholes have returned values of mineable grade material while an additional two contain significant values. Two types of gold bearing veins occur within the calc-silicate units and mica schists, namely quartz-carbonate-amphibole and quartz veins. They tend to be narrow, striking in an east-westerly direction with near vertical dips. Positive exploration results in this zone imply a doubling of the previously known mineralized strike length with a corresponding increase in the resource tonnage.

#### Drilling

Kinross had initially utilized an auger drill in its exploration on the Gil Mineral Claims. Auger drill depths generally range from two to 60 feet with the average in the eight to 20 foot range. Cuttings are assayed using a one assay ton fire assay and a 34 element ICP package.

The core from diamond drilling is generally HQ sized with occasional NQ where reduction is dictated by faulted ground. The core is logged, photographed and a sample taken for reference approximately every ten feet. The remaining core is submitted in five-foot intervals for gold assay using a one assay ton fire assay with AA finish.

As reverse circulation drilling is used for grade evaluation in a low-grade gold environment, great care is employed in the sampling procedure. Holes are sampled on continuous intervals of five feet with a quarter split retained as a sample. A Jones splitter mounted directly below the cyclone is used when drilling dry while a rotary wet splitter is used when drilling wet.

#### Sampling, Analysis and Security of Samples

Samples are analysed by one assay ton with an AA finish. Duplicates of each  $10^{th}$ ,  $30^{th}$ ,  $50^{th}$ ,  $70^{th}$ ,  $90^{th}$  sample, and so on, are sent to the primary lab under different numbers while duplicates of each  $20^{th}$ ,  $40^{th}$ ,  $60^{th}$ ,  $80^{th}$ ,  $100^{th}$ , etc., sample are sent to another lab. On every  $40^{th}$  sample, the primary lab does a recheck at their own facility while every  $80^{th}$  is sent to an outside lab. A duplicate sample at the end of every logging page, every 100 feet, is taken at the drill and sent to the primary lab. Chemex Labs, and more recently Bondar-Klegg, have carried out the bulk of Issuer's analyses over the decade.

In addition, an experienced gold panner employed at the rig takes a gold pan full of cuttings at each five foot interval. The cuttings are panned and the concentrate examined for gold colours, the presence and type of sulphides and, should suspected tungsten minerals occur, these are placed under an ultraviolet light for examination. Everything is recorded along with the details of the lithology. Samplers and loggers are discouraged from wearing jewellery during work.

#### Mineral Resources and Mineral Reserve Estimates

Kinross has cited a resource figure for the Gil Mineral Claims of 10,700,000 short tons averaging 0.04 opt, containing 433,000 ounces of gold. This was calculated by polygonal methods utilizing cross sections and includes only the Main Gil zone. At present, the numbers indicated would not be viewed as hard mineable reserves. A typical section is characterized by narrowish higher grade zones up to 0.6 opt gold interspersed with relatively wide, fairly barren portions. An open cast operation dictates that all the rock within a given bloc be taken. Lack of a visual cut off reinforces the need for an all-inclusive mode of mining, which is a tricky reserve calculation situation.

Metallurgical testing on the Main Gil zone has proven positive. Preliminary tests indicate that material from the Main Gil is easier to beneficiate than the Fort Knox ore. Indicated recoveries are in excess of 90% for the Main Gil and 79% for the North Gil. The positive recovery aspects of the Gil resource further enhance its eventual placement into the "ore" category. In a negative sense, the geometry of the Main Gil zone suggests a fairly high stripping ratio, possibly in the order of 6:1, overall to a 500-foot depth. With Fort Knox gold's low cost mining capability, this should not prove an insurmountable factor.

Drilling at the Main Gil has indicated consistent, somewhat strataform mineralization over a strike length of 2,500 feet. The zone has been drilled to depths of 500 feet. Thickness is an average of 75 feet. At an average dip of 65 degrees and a specific gravity of 2.5, such a zone would contain a resource of 10,795,500 short tons.

The Main Gil is characterized by narrow, relatively high grades zones with intervening zones of low grade to barren rock. The lacking of any obvious stratigraphic control adds to the difficulty of a resource calculation, however, the presence of the Main Gil pit one thousand feet to the south, means that the cost to exploit the adjoining North Gil zone would be minimal.

Since the dimension of the North Gil, as indicated by drilling, is in the order of 1,000 feet by 500 feet, the zone should eventually provide a significant addition to the total resources of the Gil property. Gold grades over narrow intervals are spectacular in places of the 0.40 opt range. Overall, they would appear to equal the Main Gil or be slightly higher.

The presence of the currently producing Fort Knox mine facility six miles to the southwest vastly enhances the economics of any deposit within trucking distance. The experience of the Fort Knox/Kinross/Fairbanks Gold management group in successfully procuring mining or millsite permits, as well as dealing with the mining related environmental issues and public hearings in the Fairbanks area, suggests that any application tendered by the organization will receive preferential and expedient treatment.

#### **Mining Operations**

Currently, there are no mining operations conducted on the Gil Mineral Claims.

#### **Exploration and Development**

The first phase of the 2003 Gil Mineral Claims exploration program had two purposes. Firstly it increased the geologic understanding of the Main Gil gold deposit to provide a more accurate gold distribution deposit model, and secondly, it has extended the strike length of the Main Gil zone to almost 3,000 feet. Phase 2 drilling has recently been completed bringing 2003 drilling totals to 27,590 feet of reverse circulation drilling in 127 holes and 8,917 feet of diamond core drilling in 31 holes. The best gold results were on Hole # GVR03-398, which intersected 135 feet of 0.087 opt gold including 85 feet of 0.121 opt gold.

#### WEST RIDGE PROPERTY

Description and Location

The Issuer owns a 100% interest in the West Ridge Property, which consists of 53 mineral claims located in the Dome Creek area of the Fairbanks District, Alaska known as the Westridge Claims.

#### Accessibility, Climate, Local Resources, Infrastructure and Physiography

The West Ridge Prospect is north of Fairbanks, Alaska, a distance of 22 miles by road. It lies immediately north of the Fox Creek Property which was drill tested by Cypress Gold in 1995. The West Ridge property adjoins Kinross Gold Corp.'s True North gold deposit and lies approximately eight miles northwest of the producing Fort Knox gold mine, reported to have contained reserves of 4,000,000 ounces of gold. Fort Knox currently produces over 400,000 ounces of gold annually. The West Ridge Property is made of 53 State mining claims held by the Company.

The claims lie along a moderate northwestern facing slope of a northeastern ridge rising from the broad Fish Creek valley trending in the same direction. Vegetation consists of black spruce, birch, poplar, alder and tussock grass. The slope is broken by a number of short, northwestern flowing streams which form a series of gullies. Elevations range from 300 to 600 metres.

Snow generally falls on the property in late September or early October, remaining on the ground until mid to late May. The month of April is particular productive for drilling and moving heavy equipment over normally soft or swampy areas which remain frozen. Exploration work involving heavy equipment is generally suspended during the break up period extending from mid-April through the end of May and the freeze up interval through mid-October to early November.

Fairbanks is the main population and service centre in the area. The hamlet of Fox twenty kilometers west is residence to several dozen locals and provides a few facilities for food and gas. While the claim area is void of any buildings or other infrastructure, it does lie adjacent to the Kinross' Fort Knox open pit gold mine, a 40,000 ton per day operation with 250 permanent employees.

#### History

The West Ridge property adjoins Kinross Gold Corp.' s True North gold deposit. The property was submitted to Kinross early in the summer of 1998 and a joint venture was signed.

In 2000, Kinross completed an exploration program on the Westridge Claims. This was pursuant to the 1999 agreement which granted Kinross the option to acquire a 70% undivided interest in the 48 mineral claims located in the Dome Creek area of the Fairbanks District, Alaska known as the Westridge Claims. In order to earn a 70% interest in the project, Kinross was obligated to make cash payments to the Issuer totalling US\$285,000 over five years, to make five annual advanced royalty payments of US\$200,000 each and to expend a minimum of \$1.5 million on exploration and development of the claims over five years.

The 2000 exploration program consisted of drill testing the large altered zone that extends from the Diorite Claims on Pedro Dome, across the northern part of Kinross' Steamboat Creek property and onto the eastern part of the Westridge Claims. Two main gold-in-soil anomalies were defined on the Westridge Claims. The western anomaly had the highest gold value in soil samples of 4.42 parts per million ("ppm") and samples from rock chips hap up to 16.45 ppm gold. The east anomaly soil samples had up to 1.64 ppm gold. The drill program showed that the near surface portion of the altered and mineralised Dome Fault did not contain economic gold values.

Kinross dropped the option respecting the Westridge Claims at the end of 2001. Teryl, Inc. retains its 100% interest in the claims.

Geophysical and geochemical work completed in 2003 resulted in a gold bearing zone which is currently plan to be drilled in early 2004.

#### **Geological Setting**

The West Ridge Claims lie across a north-northeast-trending anticlinal axis along which the Late Cretaceous/Early Tertiary granodiorite/quartz monzonite Pedro Dome Stock has been intruded. The country rock is made up of schists and quartzites of the Proterozoic Fairbanks Schist. In places these rocks exhibit metavolcanic textures, and they are believed to be part of the previously recongnized Cleary Sequence. The schist and granodiorite are sub by fine-grained felsic dikes which are evidenced by float across the property. In hand samples, the felsite has an indistinct, sericitic groundmass with scattered 2- to 3-mm feldspar and quartz phenocrysts, and spotty to pervasive limonite staining. At several locations the felsite is cut by vuggy, clear to smoky gold-bearing quartz veins which average 2 mm in width. Where present, these veins are abundant, with vein densities of up to two veins per inch. Several felsite samples were cut by rare, milky quartz veins up to 5 mm wide.

Broken schist/quartzite with strong limonite staining occurs at numerous sample locations on the western part of the grid. At one location, gold-bearing quartz veins were found broken, iron-stained schist along with the veined felsite described above. It is believed that this broken, rusty rock represents faults which cross the property along a northeast trend.

Samples of granodiorite collected by the Company from along the stock/schist contact displayed limonite staining and scattered quartz veinlets. No significant gold values were found in these samples.

#### Geochemistry

The Company has established north-south gridlines over the entire property. The lines, with 50-foot stations, are spaced 400 feet apart, and total approximately 26 line-miles. Two gold-in-soil anomalies were outlined. The "east" anomaly lies in the eastern part of the claim block and is a continuation of the "Northwest" anomaly at the Steamboat Creek Property. The "West" anomaly lies on the northwest-trending ridge in the north-central portion of the claim block.

In 1998, Kinross resampled the area approximately 800 feet by 900 feet over the western part of the soil grid and confirmed the anomaly which Teryl Resources had outlined (West anomaly).

The Company's soil sampling program utilized a hand-held, power auger, therefore geochemical results from areas of frozen ground or deep loess were considered to be unreliable. In 1999, Kinross conducted a Bombardier auger, soil-sample program to retest portions of the property grid, with emphasis on areas of potentially frozen ground and/or thick loess cover. Another objective was to better define the distribution of rock types within the property.

Gold. Two main gold-in-soil anomalies have been defined on the West Ridge Property. The West anomaly lies astride the northwest-trending ridge between Dome Creek and Moose Creek. This broad anomaly is approximately 4,000 feel NW-SE by 3,000 feet NE-SW. Gold-in-soil values in the 0.X-ppm range occur throughout this area. The highest gold value in a soil sample collected by Kinross was 4.42 ppm. Anomalous gold values are accompanied by elevated arsenic values, with >200-ppm arsenic values common. There are no bedrock exposures in the area examined, so rock-chip samples were collected from surface rubble along an old powerline right-of-way which crosses the property, and from float found in hand-dug holes. The best gold values (up to 16.45 ppm) were found in samples of broken, limonite-stained quartzite and felsite. On the ridge between Moose Creek No. 1 and Moose Creek No. 2, about 2,000 feet to the southwest of the West anomaly, there is another area with anomalous gold values. This anomaly may possibly be on trend with the West anomaly, however, the intervening value of Moose Creek No. 2 makes sampling difficult between the two areas.

The East anomaly lies in the eastern part of the property and is continuous with the gold-in-soil anomaly in the northwestern part of the Steamboat Creek Property. The southwest end of this anomaly is comprised of scatter anomalous soil-sample values; the highest was 1.64 ppm Au. This anomaly is closely associated with the Pedro Dome Pluton and the Dome Fault, and extends along a northeast trend for 7,000 feet.

There is a weak gold anomaly in the saddle area between the heads of Moose Creek No. 2 and Seattle Creek. The highest gold value in soil was 0.96 ppm.

<u>Arsenic</u>. Arsenic values form a pattern similar to that of gold values. Generally, the higher arsenic values accompany higher gold values, though not with a 1:1 correlation. Values of 500 ppm, or higher are fairly common. The highest arsenic-in-soil value (4350 ppm) is from the soil sample with the highest gold value (4.42 ppm).

<u>Antimony</u>. Antimony values follow a pattern similar to the gold and arsenic mineralization, with values of 20 ppm, or greater, very common. The highest antimony values (up to 1483 ppm) generally occur with elevated levels of gold and arsenic.

#### Ground Geophysics

Ground magnetic and VLF surveys were completed over the 3 West Ridge trenches in late November, 2003. These surveys correlate well with multi-element geochemistry and geologic mapping. Poorly mineralized quartzites and quartz mica schists generally have a flat, low magnetic response. Rocks of possible Chatanika Terrane origin returned a markedly higher magnetic response. Intrusive rocks display a flat low magnetic response in trench 3 but comprise only a small portion of the surveyed line making it difficult to determine whether or not the signature has reached a plateau or will continue to fall to a level which will allow mineralized intrusive and barren quartzite to be distinguishable on magnetic profiles.

# Drilling and Exploration and Development

The Company completed a small drill program in 1999. A fence of five holes was drilled along the old powerline right-of-way to test the West anomaly. Four of the holes were angled either to the northwest, or to the southeast, in an attempt to cross suspected northeast-trending, high-angle, mineralised structures. The 1999 drill program failed to define continuous zones of economic gold mineralization, suggesting the presence of a number of small gold-bearing fractures.

In 2000, Kinross completed an exploration program on the Westridge Claims. This was pursuant to the 1999 agreement which granted Kinross the option to acquire a 70% undivided interest in the 53 mineral claims located in the Dome Creek area of the Fairbanks District, Alaska known as the Westridge Claims. In order to earn a 70% interest in the project, Kinross was obligated to make cash payments to the Issuer totalling US\$285,000 over five years, to make five annual advanced royalty payments of US\$200,000 each and to expend a minimum of \$1.5 million on exploration and development of the claims over five years.

The 2000 exploration program consisted of drill testing the large altered zone that extends from the Diorite Claims on Pedro Dome, across the northern part of Kinross' Steamboat Creek property and onto the eastern part of the Westridge Claims. Two main gold-in-soil anomalies were defined on the Westridge Claims. The western anomaly had the highest gold value in soil samples of 4.42 parts per million ("ppm") and samples from rock chips hap up to 16.45 ppm gold. The east anomaly soil samples had up to 1.64 ppm gold. The drill program showed that the near surface portion of the altered and mineralised Dome Fault did not contain economic gold values.

During 2003, the most significant geochemical results from the three West Ridge trenches came from the last 15 meters of trench 3 which averaged 596 ppb gold and intersected a highly oxidized sericite altered diorite to granodiorite intrusive containing up to 2.98 grams per tonne gold with 3,140 ppm arsenic. Alteration associated with the intrusive included strong sericitic alteration and a marked increase in aluminum and sodium values. This sort of silicate alteration is normally associated with albitization in and adjacent to gold-bearing intrusives in the Tintina Gold Belt of Alaska and the Yukon. This intrusive mass remains open to expansion to the west and south into an area of the previously completed soil auger grid where gold soil values are consistently anomalous (+50 ppb) and reach up to 1,000 ppb. This portion of the soil grid, measuring at least 100 meters north-south by 150 meters east-west, is defined by an amorphous gold-in-soil pattern similar to that seen in intrusive hosted gold occurrences elsewhere in the district. This portion of the grid also yielded grab rock samples which returned up to 10 grams per tonne gold from quartz-vein float, the highest grades recovered from the property to date.

Trenching

Geochemical results from the three West Ridge trenches have been received and results are presented in file names WR03Trnc.xls. Results indicate the presence of widespread elevated gold, arsenic and antimony with sporadic but lower level anomalous lead, molybdenum, bismuth and tungsten (see file WRTrench.jpg). Host rocks consist of quartz mica schist, quartzite, felsic intrusives and breccia zones containing one or more of these rock types. Multi-element graphs of these trenches are presented in file name WRTr03.ppt and clearly show a strong shear zone at about 70 meters in Trench 1 which separates quartzite and quartz mica schists of the Fairbanks Schist with low level gold and pathfinder levels on the west from more elevated gold and pathfinder levels to the east. Host rocks east of this structure contain elevated levels of Mg, K, Ba, Ca, Ba, Sr, and V and appear to be composed of host rocks with compositions similar to eclogitic rocks of the Chatanika Terrane, an allochthonous terrane which hosts the True North deposit to the northwest but which has never been identified as being present on the West Ridge claims. The shear at the 70 meter mark returned grab samples with values up to 2.12 grams per tonne gold and 5,280 ppm arsenic and strikes to the northeast. This shear probably is responsible for the northeast-trending gold-in-soil anomaly outlined previously by auger sampling. The extension of this shear into Trench 2 did not yield significant gold mineralization but did correspond to a 10-meter section of the trench with anomalous gold, arsenic and antimony mineralization.

The most significant intervals encountered in trenching came from the last 15 meters of trench 3 which averaged 596 ppb gold and intersected a highly oxidized sericite altered diorite to granodiorite intrusive containing up to 2.98 grams per tonne gold with 3,140 ppm arsenic (Table 1). This intrusive did not contain anomalous Pd, Ag, Sb, Bi or W. Alteration associated with the intrusive included strong sericitic alteration and a marked increase in aluminum and sodium values. This sort of silicate alteration is normally associated with albitization in and adjacent to gold-bearing intrusives in the Tintina Gold Belt of Alaska and the Yukon. This intrusive mass remains open to expansion to the west and south into an area of the previously completed soil auger grid where gold soil values are consistently anomalous (+50 ppb) and reach up to 1,000 ppb. This portion of the soil grid, measuring at least 100 meters north-south by 150 meters east-west, is defined by an amorphous gold-in-soil pattern similar to that seen in intrusive hosted gold occurrences elsewhere in the district. This portion of the grid also grab rock samples which returned up to 10 grams per tonne gold from quartz-vein float, the highest grades recovered from the property to date.

# **Mining Operations**

Currently, there are no mining operations conducted on the West Ridge Mineral Claims.

# SELECTED CONSOLIDATED FINANCIAL INFORMATION

The following table sets forth selected financial information of the Issuer for the last three fiscal years. This financial information is derived from the financial statements of the Issuer, which have been audited by June Fitzmarten Chartered Accountant.

	2003	2002	2001
Total Revenue	\$24,255	\$19,510	\$53,036
Total Income (Loss) from Operations	\$13,280	\$3,877	\$24,144
Operating Income (Loss) per Share	\$0.0005	\$0.0002	\$0.001
Net Income (Loss) in Total	\$(323,812)	\$(82,360)	\$68,843

Net Income (Loss) per Share	\$(0.0135)	\$(0.0036)	\$0.003
Total Assets	\$2,117,591	\$1,829,524	\$1,733,434
Total Long-Term Financial Liabilities	Nil	Nil	Nil
Cash Dividends Declared per Share	Nil	Nil	Nil

# **Dividends**

The Issuer has no fixed dividend policy and has not paid dividends since its incorporation. The Issuer anticipates that its cash resources will be used to undertake exploration and development of its mineral properties and related expenses for the foreseeable future.

#### MANAGEMENT DISCUSSION AND ANALYSIS

The following discussion of the Issuer's operating results and financial position should be read in conjunction with the Issuer's financial statements and related notes thereto.

#### General

The following discussion of the Issuer's financial condition at May 31, 2003, and the changes in financial condition and results of operations for the years ended May 31, 2003 and 2002 should be read in conjunction with the financial statements of the Issuer and related notes included therein. The Issuer's reporting currency is the Canadian dollar. All amounts in this discussion are expressed in Canadian dollars.

Results of operations was a net loss of \$323,812 (\$0.0135 per share) as compared to a net loss of \$82,360 (\$0.0036 per share) for 2002.

In 2003 the Oil and Gas operations had net income of \$15,432 compared to net income \$6,146 in 2002, which was mainly due to the reworking of the C-S#1 and Jancik #2 wells resulting in increased production revenue, increased oil and gas prices and the fact that the wells are now fully amortized.

In 2003 expenditures for advertising, promotion and public relations were \$ 177,606 compared to \$ 4,413 in 2002, due to increasing stock market prices and a determined effort to raise financing to carry out their exploration projects. Several other expenditures in 2003 were higher than in 2002 due to rising costs and increased administration and promotional activities, although this was partially offset by the \$ 83,152 gain in foreign exchange due to the stronger Canadian dollar.

# **Quarterly Information**

The following selected consolidated financial information for the fiscal years ended May 31, 2002 and 2003 have been derived from consolidated accounts of the Issuer and should be read in conjunction with the Issuer's consolidated financial statements and notes thereto:

	Twelve months ended May 31, 2003	Nine months ended Feb 28, 2003	Six months ended Nov 30, 2002	Three months ended Aug 31, 2002	Twelve months ended May 31, 2002	Nine months ended Feb 28, 2002	Six months ended Nov 30, 2001	Three months ended Aug 31, 2001
Revenues	\$24,255	\$17,150	\$10,601	\$4,481	\$19,510	\$10,366	\$4,409	\$3,687
Operating Income (Loss)	\$13,280	\$7,208	\$3,999	\$3,026	\$3,877	\$5,071	\$3,606	\$ 587
Total Net Income (Loss)	\$(323,812)	\$(255,298)	\$(156,978)	\$(165,982)	\$(82,360)	\$(49,835)	\$(26,369)	\$(29,291)

#### **Liquidity and Capital Resources**

Since its incorporation, the Issuer has financed its operations almost exclusively through the sale of its common shares to investors. The Issuer expects to finance operations through the sale of equity in the foreseeable future as it generates limited revenue from business operations. There is no guarantee that the Issuer will be successful in arranging financing on acceptable terms.

Of the total cash raised of \$ 521,266 from financing and investing activities together with an opening cash deficit of \$ (6,840) and \$ 13,280 surplus on oil and gas operations, \$ 222,290 was spent on exploration and development of mineral property interests and \$ 337,092 was spent on operations. In 2002, \$ 82,650 was spent on exploration and development and \$ 112,505 was spent on operations. The Company's cash deficit at May 31, 2003 was \$ (50,381) compared to \$ (6,840) at May 31, 2002 and the working capital deficit increased by \$ 372,163 to \$ 1,395,628 compared to \$ 1,023,465 at May 31, 2002. The Company plans to continue raising funds through sale of capital stock and through option agreements on its mineral properties. See subsequent events note regarding private placement announced August 18, 2003.

The Company did not issue any shares in 2002. During the 2003 year the Company issued 2,004,850 common shares to net the treasury \$ 260,948 (See Note 12 to Schedule "A"). The Company also issued 200,000 common shares for mineral property at a deemed price of \$ 0.08 per share. In 2003, the Company received loans, on a net basis, of \$ 260,318 from related companies.

To a significant extent, the Issuer's ability to raise capital is affected by trends and uncertainties beyond its control. These include the market prices for base and precious metals and results from the Issuer's exploration programs. The Issuer's ability to attain its business objectives may be significantly impaired if prices for metals fall or if results from exploration programs on its properties are unsuccessful.

#### **Results of Operations**

The Issuer realized a net loss for the fiscal year ended May 31, 2003 of \$323,812 or \$0.0135 per common share. The Issuer incurred administrative expenses of \$337,092 and wrote off \$2,152 in property costs and expenditures during the fiscal year.

The Issuer's administrative costs for the fiscal year consisted primarily of publicity, promotion and investor relations fees of \$177,606, management and directors' fees of \$63,000, audit, accounting and consulting fees of 34,953, and telecommunication costs of \$26,119.

The Issuer realized a net loss of \$323,812 in fiscal 2003, compared to a net loss of \$82,360 in fiscal 2002, mainly due to a marked increase in advertising, promotion and public relations expenditures and related administrative expenses. This was due to a determined effort to raise financing since the stock market was strengthening and funds were required to pay for the Company's share of the mineral exploration and development costs regarding the Alaskan properties.

As the Issuer is in the exploration stage and does not as yet have a mine in production, the recoverability of operating expenses is dependent upon the discovery of economically recoverable reserves.

# MARKET FOR SECURITIES

The Issuer's common shares trade on the TSX Venture Exchange under the symbol "TRC".

# **DIRECTORS AND OFFICERS**

#### Name, Address, Occupation and Security Holdings

The names and municipalities of residence of each of the directors and officers of the Issuer, the date from which each has acted as a director or officer of the Issuer and the principal occupations in which each has been engaged during the immediately preceding five years are as follows:

Name, Municipality of Residence and Position With Issuer	Date From Which Each Has Been a Director or Officer	Principal Occupation During the Past Five Years
John Robertson (1) Richmond, B.C. President, C.E.O., Secretary, C.F.O. and Director	1982	President of the Issuer since 1982; President and Director of Reg Technologies, Inc., a TSX Venture Exchange trading company involved in the development of a rotary engine and related devices, since 1984; President and Director of Linux Gold Corp., a BC Company reporting in the U.S. involved in the natural resource development, since 1979; President and Director of IAS Communications, Inc., a U.S. reporting company involved in the development of antenna technology; President and Director of Information Highway.com, Inc., an inactive U.S. reporting company.
Jennifer Lorette (1) Richmond, B.C. Vice President and Director	1997	Vice President and Director of the Issuer since 1997; Vice-President and Director of Reg Technologies, Inc.; Vice-President and Director of Linux Gold Corp; Director of IAS Communications, Inc.
Susanne Robertson (1) Richmond, B.C. Director	1990	Director of the Issuer since 1990; Principal of SMR Investments, Ltd., a private business and financial consulting company, since 1979; Director of Linux Gold Corp, a BC company reporting in the US and Canada involved in the development of computer software, since 1984;
Monique Van Oord North Vancouver, B.C. Director	2002	Director of the Issuer since October, 2002. Administrator for several public companies from 2002 to date; Counsellor with Magdeline Society between 2001 and 2002; Accounts Manager with Information Highway between 1999 and 2001; attendance at training institute specializing in Business and Computers between 1998 and 1999.

(1) Indicates member of the Issuer's audit committee.

Each director of the Issuer holds office until the next Annual General Meeting unless his or her office is earlier vacated in accordance with the Articles of the Company and the *Company Act* (British Columbia), or unless he or she becomes disqualified to act as a director.

Directors and officers of the Issuer beneficially own, directly or indirectly, or exercise control or direction over 7,567,447 common shares, which is approximately 24.5% of the 30,907,588 common shares in the capital stock of the Issuer issued and outstanding as at the date of this AIF.

### **Corporate Cease Trade Orders or Bankruptcies**

No director, officer or major shareholder of the Issuer is, or within the 10 years prior to the date of this AIF has been, a director, officer or promoter of any other issuer that, while that person was acting in that capacity, was the subject of a cease trade or similar order, or an order that denied the other issuer access to any exemptions under Canadian securities legislation, for a period of more that 30 consecutive days, or became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold the assets of that issuer.

#### **Penalties or Sanctions**

No director, officer or major shareholder of the Issuer has been subject to any penalties or sanctions imposed by a court relating to Canadian securities legislation or by a Canadian securities regulatory, has entered into a settlement agreement with a Canadian securities regulatory authority, or has been subject to any other penalties or sanctions imposed by a court or regulatory body.

#### Personal Bankruptcies

No director, officer or major shareholder of the Issuer, or a personal holding company of any such persons has, within the previous 10 years, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold his or her assets.

#### **Conflicts of Interest**

Certain of the directors, officers, promoters and other members of management of the Issuer serve as directors, officers, promoters and members of management of other companies, and therefore it is possible that a conflict may arise between their duties as a director, officer, promoter or member of management of the Issuer and their duties as a director, officer, promoter or member of management of such other companies.

The directors and officers of the Issuer are aware of the existence of laws governing accountability of directors and officers for corporate opportunity and requiring disclosures by directors of conflicts of interest and the Issuer will rely upon such laws in respect of any directors' and officers' conflicts of interest or in respect of any breaches of duty by any of its directors or officers. All such conflicts will be disclosed in accordance with the provisions of applicable corporate legislation and directors or officers will govern themselves in respect thereof to the best of their ability in accordance with the obligations imposed upon them by law.

In March 2002, the Issuer entered into an agreement with Linux Gold Corp. (formerly LinuxWizardry Systems, Inc.) whereby the Issuer acquired the option to purchase a 50% undivided interest, subject to a 5% royalty interest to a maximum of US\$2,000,000, in 30 mineral claims located in the Fort Knox Mine area of the Fairbanks District, Alaska. The Issuer's President, John G. Robertson is President and a director of Linux Gold Corp. As well, Jennifer Lorette, Vice-President and a director of the Issuer, is Vice-President and a director of Linux Gold Corp., and Susanne Robertson, a director of the Issuer is also a director of Linux Gold Corp.

#### ADDITIONAL INFORMATION

Upon request to its secretary, the Issuer will provide to any person or company:

1. when the securities of the Issuer are in the course of a distribution under a preliminary short form prospectus or a short form prospectus,

- (i) one copy of the Issuer's AIF, together with one copy of any document, or the pertinent pages of any document, incorporated by reference in the AIF;
- (ii) one copy of the comparative financial statements of the Issuer for its most recently completed financial year for which financial statements have been filed together with the accompanying report of the auditor and one copy of the most recent interim financial statements of the Issuer that have been filed, if any, for any period after the end of its most recently completed financial year;
- (iii) one copy of the Information Circular of the Issuer in respect of its most recent annual meeting of shareholders that involved the election of directors; and
- (iv) one copy of any other documents that are incorporated by reference into the preliminary short form prospectus or the short form prospectus and are not required to be provided under clauses (i), (ii) or (iii); or
- 2. at any other time, one copy of any documents referred to in clauses (a)(i), (ii) and (iii), provided that the Issuer may require payment of a reasonable charge if the request is made by a person or company who is not a security holder of the Issuer.
- Include a statement to the effect that additional information including directors' and officers' remuneration and indebtedness, principal holders of the Issuer's securities, options to purchase securities and interests of insiders in material transactions, if applicable, is contained in the Issuer's information circular for its most recent Annual Meeting of shareholders that involved the election of directors, and that additional financial information is provided in the Issuer's comparative financial statements for May 31, 2003.

Additional information regarding the directors' and officers' remuneration and indebtedness, principal holders of the Issuer's securities, options to purchase securities and interest of insiders in material transactions, if applicable, is contained in the Issuer's information circular for its most recent annual meeting of shareholders that involved the election of directors. Additional financial information is provided in the Issuer's comparative financial statements for the fiscal year ended May 31, 2003.

Enquiries relating to this documentation should be addressed to:

# TERYL RESOURCES CORP.

1103 - 11871 Horseshoe Way Richmond, B.C. V7A 5H5 Telephone: (604) 278-5996 Facsimile: (604) 278-3409

#1103 - 11871 Horseshoe Way Richmond, BC V7A 5H5 Phone: 604-278-5996 Fax: 604-278-3409 Toll Free: 800-665-4616

www.terylresources.com

#### NEWS RELEASE

Teryl Resources Corp. (the "Company")

TSX Venture Exchange: TRC Pink Sheet Symbol: TRYLF

# GRANTING OF STOCK OPTIONS

**For Immediate Release: March 5, 2004, Vancouver, BC** - **Teryl Resources Corp.** (TSX Venture Exchange: TRC.V) announces that it has granted incentive stock options to purchase up to 50,000 common shares at a price of \$0.63 per share, exercisable for a period of five years from the date of granting.

The granting of the options is subject to regulatory acceptance. Shareholder approval for the granting and exercise of incentive stock options was obtained at the Company's annual general meeting held on November 4, 2003.

Dated at Richmond, British Columbia this 5<sup>th</sup> day of March, 2004.

#### ABOUT TERYL RESOURCES CORP.

With interests in four gold properties, Teryl Resources Corp. is one of the main landowners in the Fairbanks Mining District, Alaska. The Gil project is a joint venture (80% Kinross/20% Teryl) with Kinross Gold Corporation (TSX: K; NYSE: KGC). The Company's holdings also include the West Ridge Property (100% owned), the Fish Creek Claims, 50% optioned from Linux Gold Corp. (OTC BB: LNXGF), and the Stepovich Claims, which Teryl has a 10% net profit interest from Kinross. Teryl Resources Corp. also has one joint venture silver prospect located in Northern BC, Canada. For further information visit the Company's website at <a href="http://www.terylresources.com">http://www.terylresources.com</a>.

#### ON BEHALF OF THE BOARD OF DIRECTORS

"John Robertson"

John Robertson President

Contact: John Robertson Tel. 800-665-4616

The TSX Venture Exchange has neither approved nor disapproved of the information contained herein.

Statements in this press release regarding Teryl's business which are not historical facts are "forward-looking statements" that involve risks and uncertainties, such as estimates and statements that describe the Company's future plans, objectives or goals, including words to the effect that the Company or management expects a stated condition or result to occur. Since forward-looking statements address future events and conditions, by their very nature, they involve inherent risks and uncertainties. Actual results in each case could differ materially from those currently anticipated in such statements.

#1103 - 11871 Horseshoe Way Richmond, BC V7A 5H5 Phone: 604-278-5996 Fax: 604-278-3409 Toll Free: 800-665-4616

www.terylresources.com

#### NEWS RELEASE

Teryl Resources Corp. (the "Company")

TSX Venture Exchange: TRC Pink Sheet Symbol: TRYLF

# TERYL RESOURCES ANNOUNCES \$1,000,000 PRIVATE PLACEMENT

**For Immediate Release: March 12, 2004. Vancouver, BC** - **Teryl Resources Corp.** (TSX Venture Exchange: TRC) announces that a private placement for 2,000,000 units at \$0.50 per unit, to raise \$1,000,000, has been approved by the board of directors. Each unit will consist of one common share of Teryl Resources Corp. and one warrant enabling the investor to purchase an additional share at an exercise price of \$0.60 per share for eighteen months.

The funds raised are to be used for the West Ridge claims, general corporate purposes and accounts payable.

The financing is subject to the necessary regulatory approval.

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# ON BEHALF OF THE BOARD OF DIRECTORS

"John Robertson"

John Robertson President

Contact: John Robertson 800-665-4616

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#### **GEOLOGIC REPORT WR04EXE-1**

#### SUMMARY REPORT FOR THE WEST RIDGE GOLD PROPERTY, FAIRBANKS MINING DISTRICT, ALASKA

prepared for

Teryl Resources Corp. #1103-11871 Horseshoe Way Richmond, BC V7A 5H5 Canada

prepared by

Avalon Development Corp. P.O. Box 80268 Fairbanks, AK 99708

March 25, 2004

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### Appendix 1: Legal description of the West Ridge claims.

#### **SUMMARY**

The West Ridge project is located in a road accessible mining district with excellent land status and infrastructure. The project is located within host rocks that contain commercially viable mineralization elsewhere in the Fairbanks Mining District and is located in the headwaters of streams that were mined for alluvial gold in the past. Limited exploration conducted in the 1990's suggested the presence of widespread structurally controlled gold mineralization however surface bedrock exposures of mineralization were not discovered until soil sampling and trenching were completed in 2003. Trenching on the Old Glory prospect area of the West Ridge property has revealed shear and intrusive hosted gold mineralization at several locations. Follow-up geophysical surveys suggest intrusive-related gold mineralization may exist on the Old Glory prospect area. Additional geophysical surveys, soil auger sampling and reverse circulation drilling are recommended for the project. The total estimated cost of these programs is US\$590,000.

#### INTRODUCTION AND TERMS OF REFERENCE

The following report was commissioned by Teryl Resources Inc. (Teryl) to summarize the geology and mineralization of Teryl's West Ridge gold prospect near Fairbanks Alaska (Figure 1). Previous work on the property had revealed low-level soil and drill anomalies but a comprehensive review of the property had never been conducted. Avalon Development Corp. was retained in mid-2003 to review past exploration efforts and recommend future exploration programs, if warranted. Avalon identified lode tungsten and gold in soil anomalies in several areas of the property and following review by Teryl management, staged exploration programs were approved and conducted during the period July 2003 through January 2004. This report constitutes a summary of all past work and includes recommended future work programs.

Unless otherwise noted, all costs contained in this report are denominated in United States dollars (US\$1.00 = CDN\$1.25). For purposes of this report, the term "opt" will refer to troy ounces per short ton, "gpt" will refer to grams per metric tonne. "ppb" will refer to parts per billion and "ppm" will refer to parts per million. The conversion used to convert troy ounces per short ton to grams per metric tonne is 1 troy ounce per short ton is equal to 34.2857 grams per metric tonne.

#### DISCLAIMER

The attached report has been prepared by Avalon using public documents acquired by the author and private documents given to the author for this purpose. While reasonable care has been taken in preparing this report, Avalon cannot guarantee the accuracy or completeness of all supporting documentation. In particular, Avalon did not attempt to determine the veracity of geochemical data reported by third parties, nor did Avalon attempt to conduct duplicate sampling for comparison with the geochemical results provided by other parties. The interpretive views expressed herein are those of the author and may or may not reflect the views of Teryl.

#### PROPERTY DESCRIPTION AND LOCATION

The West Ridge Au property is located approximately 15 miles north of Fairbanks, Alaska, in the Livengood A-2 1:63,360 quadrangle. The property's western margin is crossed by the Elliott Highway, a major paved artery connecting Fairbanks to the North Slope oil and gas production facilities at Prudhoe Bay (Figure 1). The West Ridge property consists of 48 state of Alaska mining claims covering 1750.5 acres, 440 acres of leased Mental Health Trust (MHT) land and 75 acres of patented mining claims under lease purchase option in the Livengood quadrangle Township 2 North, Range 1 East (Figure 2). The state claims are registered with the Alaska Division of Mining, Land, and Water Management with Teryl Resources Corp. as the 100% owner (Appendix 1)

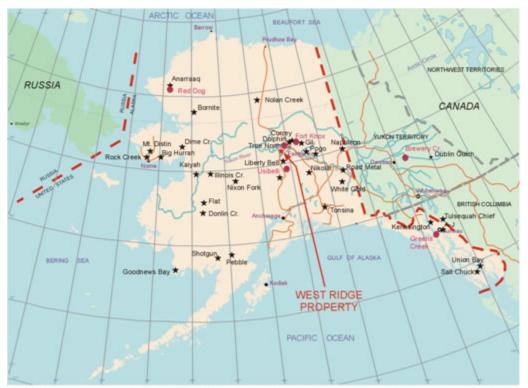


FIGURE 1: Location map for the West Ridge property, Livengood quadrangle, Alaska. Prospect location data from Avalon Dev., 2004.

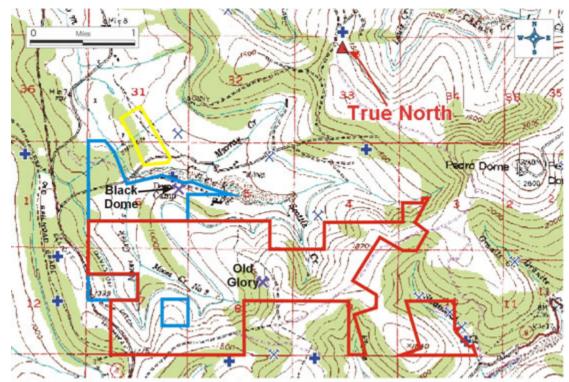


FIGURE 2: Land status and prospect location map for the West Ridge property, Fairbanks District, Alaska. Teryl claims in red outline, Mental Health Trust leased lands in blue outline, M. Roberts leased lands in yellow outline. All remaining lands within the figure are owned by third-party interests. Land status from E. Hansen, 2003.

In mid-2003 Teryl acquired and exploration option on a 440 acre parcel of fee-simple land owned 100% by the Alaska Mental Health Trust (Figure 2). These lands lie within and adjacent to the northern boundary of the West Ridge claims and can be converted to a development lease at the option of Teryl. In consideration for the State of Alaska lease, a variable net smelter returns (NSR) production royalty on the lease land is granted to the State of Alaska, Trust Land Office (TLO). The NSR royalty ranges from 2.5% for gold prices below \$300 to 5% for gold prices above \$500. Additionally, Teryl will grant a 1% Net Smelter Return (NSR) on its 100% owned West Ridge property with first refusal to purchase the 1% NSR in the event that TLO decides to sell. Annual rental charges on the Mental Health Trust lease total \$2,200 per year for 2003 through 2005 with work commitments of \$4,400 per year for the same period. The Mental Health Trust lease is in good standing.

In mid-August 2003 Teryl acquired an option to purchase 70.785 acres of patented land from Fairbanks mine operator Michael Roberts (Figure 2). The claim, known as Anderson Group 2<sup>nd</sup> Tier Right Limit of Dome Creek was patented as Mineral Survey No. 1740 and is situated on the north side of Dome Creek in a physically separate block from the other Teryl holdings at West Ridge. Under terms of the agreement Teryl has the option to purchase 100% interest in the claim, subject to a 5% net profits interest retained by Roberts, by making stages cash payment totaling \$147,500 before August 31, 2006. The agreement currently is in good standing.

Mineral rights in this part of Alaska are administered by the State of Alaska (for both State mining claims and Mental Health Trust lands). Annual mining claim rents vary according to claim size and age and are due and payable by November 30 of each year for State mining claims. Total 2003-2004 rents paid on State claims total \$6,240. Claim rentals are paid in addition to annual work commitment on State mining claims total (\$2.50 per acre per year). Amounts spent in excess of these levels are bankable on State mining claims for up to four years into the future. All claims on the West Ridge project currently are in good standing. There currently are no unusual social, political or environmental encumbrances to mining on the project. Two open pit gold mines currently operate within 10 miles of the West Ridge project, Fort Knox and True North, both operated by Kinross Gold. None of the claims or Mental Health Trust lands controlled by the West Ridge project have been surveyed by a registered land or mineral surveyor and there are no State or federal laws or regulations requiring such surveying. Teryl currently holds a valid 3-year Hardrock Exploration Permit on the project. Additional permits for future work will be acquired from the Alaska Department of Natural Resources on an as-needed basis.

#### ACCESS AND INFRASTRUCTURE

The West Ridge property is approximately 15 road miles north of Fairbanks via the paved Elliott Highway. The south side of the property is accessible via seasonal dirt roads and the Old Murphy Dome Road while the north side of the property is accessible via the Dome Creek Road and seasonal dirt roads connecting to it. Land telephone lines and a high voltage electrical power line service Kinross Gold's True North mine, less than 2 miles from the property. A cellular phone network already covers the West Ridge property. The greater Fairbanks area supports a population of approximately 75,000 and has excellent labor and services infrastructure, including rail and international airport access. Exploration and development costs in the Fairbanks area are at or below those common in the western United States.

Elevations on the property range from 800 feet to over 1900 feet (Figure 2). Topography in the area is dominated by low rounded hills dissected by relatively steep walled valleys. Outcrops are scarce except in man-made exposures. Vegetation consists of a tundra mat that supports subarctic vegetation. A variably thick layer of aeolian silt covers valley bottoms on the property. Permafrost is limited to small discontinuous lenses on steep, poorly drained north-facing slopes and has posed no hindrance to past exploration. Average annual precipitation is 13 inches, mostly as snowfall. Mining operations can be conducted on a year-round basis and heap leach technology has been profitably employed at two locations in the Fairbanks district since 1985. The nearby Fort Knox and True North gold mines currently are producing on a year-round basis with combined 2003 production of 391,831 ounces of gold at a cash cost of \$243 per ounce (Kinross, 2004).

#### HISTORY

The Dome Creek basin has been one of the most productive placer gold drainages in the Fairbanks District with the portion of the drainage from Seattle Creek (draining the central West Ridge project area) downstream to the townsite of Olnes producing approximately 114,000 ounces of placer gold between 1903 and 1973 (Cobb, 1973). The United States Smelting Refining and Mining Company (USSR&M) conducted dredging in Dome Creek from Seattle Creek to Moose Creek from 1955 - 1959 (Freeman and Schafer, 1999). A small scale undergound drift mine was operated by Roberts Mining started from 1989 to 1993 below the lower limit of U.S.S.R. & M. dredging (Bundtzen and others, 1990, Bundtzen and others, 1994). This ground currently is controlled under purchase option by Teryl. During the summer of 1989 Roberts Mining processed about 14,000 cubic yards of gravel mined the previous winter that averaged 0.04 ounces per cubic yard (Bundtzen and others, 1990). In 1991, Robert's Mining mined 11,470 cubic meters (15,000 cubic yards) of placer pay at the drift mine, reworking old drifts and removing side pay left by the early 20th century hand miners (Bundtzen and others, 1994). Although limited evidence exists of small scale surface placer prospecting exists in Seattle Creek, Moose Creek No. 1 and Moose Creek No. 2, no information is available to the author regarding these activities or possible production from them.

Several small lode gold and tungsten occurrences occur with and adjacent to the West Ridge project (Freeman and Schafer, 1999). Prior to 1943 a small occurrence of scheelite was discovered at the Old Glory prospect on the ridge between Seattle Creek and Moose Creek No. 2 (Figure 2). A 3-foot zone of weathered schist containing disseminated scheelite was found which strikes N44°E and dips 45°SE. The average tungsten tri-oxide content was estimated at 0.5 to 1% (Joesting, 1943). Byers (1957) reported that channel samples across 4.5 feet of the disseminated scheelite zone contained 0.48% tungsten tri-oxide. A fine-grained quartz diorite dike was found 8 feet below the surface in the bottom of a small pit sunk in the same trench where the scheelite was encountered (Joesting, 1943). No record of production or other exploration is available on this prospect. Vegetation observed in 2003 that had grown up in the trench suggests this prospect had not been explored of at least 30 years.

In October and November 1996 Placer Dome U.S. (PDUS) conducted limited diamond drilling on the MHT lands now controlled by Teryl (Freeman, 1997). PDUS completed core holes FR96-27, FR96-28, FR96-30 with a total footage of 2,420 feet. The cost of this work was

approximately \$124,000. Following completion of this drilling it became apparent that holes FR96-28 and FR96-30 were drilled north of the MHT property line on lands then owned by USSR&M predecessor Alaska Gold. Data from these two holes was transmitted to MHT but is not available to Teryl or the author since these data are not owned by MHT.

In early 1997 seven diamond drill core holes (3,271 feet) were drilled along the basin floor of Moose Creek No. 1 on what is now MHT lands. At the time these holes were drilled this land consisted of two state mining claims owned by local prospector John Hannah and leased to PDUS. Shortly afterwards PDUS terminated its interest in the lease and in 2002 Hannah failed to pay annual state claim rents thereby terminating the claims. The land formerly covered by the Hannah claims automatically became fee simple lands owned by MHT and are now part of the MHT - Teryl lease agreement. Data from the 1997 drilling is not owned by MHT since the drilling was done prior to their ownership so the results of the drilling are not available to the author.

Teryl Resources acquired the property in the early 1990's and conducted limited ground magnetics surveys and power auger soil sampling on 400 foot spaced north-south lines (Duncan, 1999). This work outlined two broadly defined gold in soil anomalies, the East anomaly lies on the divide between Seattle and Steamboat Creeks on the eastern margin of the property. The Western anomaly is located on the divide between Moose Creek No. 2 and small unnamed tributaries of Dome Creek in the central portion of the West Ridge property. Follow-up work on these anomalies was conducted by Kinross in 1998 and 1999 when Kinross completed widely spaced Bombardier auger soil sampling and followed up by drilling 4 reverse circulation drill holes (1,650 feet) along the old powerline right or way within the Western anomaly (Duncan, 1999). Kinross terminated its option on the property in early 2000.

No further work was conducted on the West Ridge prospect until July 2003 when Teryl retained the author to review past work and make recommendations for future work on the property. Initial efforts focused on the Old Glory and the newly discovered Black Dome prospects. During the period July 2003 through January 2004 Teryl funded hand trenching, rock sampling, power soil auger sampling, trenching and ground magnetics and VLF surveys over the Old Glory prospect and limited power soil auger sampling, rock sampling and prospecting on the Black Dome prospect. Table 1 is a summary of work completed at West Ridge in 2003. Samples collected in 2003 are discussed under "Exploration".

Table 1: 2003 work summary for the West Ridge project.

Activity	# samples	# feet or line-ft
Rock Grab Sampling	98	0
Soil Auger Sampling	525	33,210
3 Backhoe Trenches	246	1,122
Line Feet Magnetics	0	1,400
Line Feet VLF-EM	0	1,400
Blank Samples	81	0
Total Samples	950	

#### GEOLOGIC SETTING

Bedrock geology of the Fairbanks Mining District is dominated by a N60-80E trending lithologic and structural trend covering a 30-mile by 15-mile area (Robinson and others, 1990; Newberry and others, 1996). The southern two-thirds of the West Ridge project is situated primarily in lower to middle Paleozoic metavolcanic and metasedimentary rocks of the Cleary Sequence and Fairbanks Schist (Figure 3). These rocks are in fault contact along the northeast trending Eldorado Fault which separates Fairbanks Schist on the south from eclogite and amphibolite facies rocks of the Chatanika Terrane on the north. Rocks of the Cleary Sequence and Fairbanks Schist are exposed in the Cleary antiform, the northern of two northeast trending antiformal belts present in the district.

Lithologies in the Fairbanks Schist include quartz muscovite schist, micaceous quartzite and biotite quartz mica schist. These lithologies have been metamorphosed to the lower amphibolite facies. Lithologies within the Cleary Sequence include quartzite, massive to finely laminated mafic to intermediate flows and tuffs, calc-schist, black chloritic quartzite, quartz-sericite schist of hydrothermal origin and impure marble.

Most investigators believe rocks of the Cleary Sequence and Fairbanks Schist have been over thrust from the northeast by eclogite to amphibolite facies rocks of the Chatanika terrane (Newberry and others, 1996; Figure 3). The Chatanika terrane consists of quartz muscovite schist, carbonaceous quartzite, impure marble, garnet feldspar muscovite schist, and garnet-pyroxene eclogite that have yielded Ordovician Ar<sup>40</sup>/Ar<sup>39</sup> age dates. Motion on the Chatanika thrust fault has been dated at approximately 130 million years (Douglas, 1997; Douglas and others, 2002) and resulted in structural preparation of favorable host units in the Chatanika terrane and adjacent lower plate rocks. Evidence from the district and from other parts of Interior Alaska with similar geologic histories suggest rocks classified as part of the Cleary Sequence may in fact be both Fairbanks Schist and Chatanika terrane rocks separated by multiple low angle structures that could be either thrust or gravity faults or both (Freeman, 2004; Smith and others, 2000).

Intrusives in the Fairbanks district have yielded Ar<sup>40</sup>/Ar<sup>39</sup> and K-Ar dates of 85-95 million years (McCoy and others, 1995; McCoy and others, 1997). These intrusives range in composition from diorite to granite and possess elevated Rb/Sr ratios indicative of significant crustal contribution to subduction generated magmas. Several granodiorite to aplite intrusive bodies are present in the West Ridge project area. The presence of hypabyssal intrusives and sporadic Au and Au-W mineralization in the West Ridge project area suggests the area may be underlain by more extensive intrusive bodies similar to those on Pedro Dome and Gilmore Dome. This conclusion is supported by airborne geophysical surveys (DGGS, 1995). Mineralization within the Pedro Dome, Gilmore Dome and Dolphin intrusive complexes suggests plutonic rocks predate or are contemporaneous with mineralization.

Rocks on the West Ridge project are folded about earlier northwest and northeast trending isoclinal recumbent fold axes followed by an open folded N60-80E trending system (Hall, 1985). Upper plate rocks of the Chatanika terrane have been affected by more intense northwest and northeast trending isoclinal and recumbent folding followed by folding along the same N60-80E trending axis which affected lower plate rocks. Lithologic packages in both the

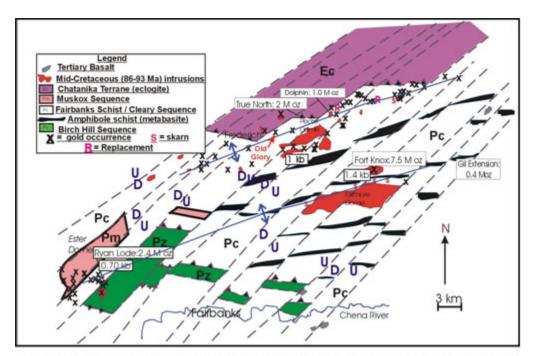


FIGURE 3: General geology of the Fairbanks Mining District, Alaska. Old Glory prospect on the West Ridge property is shown for reference. Geology from Newberry, and others, 1996, modified by Avalon Development, 2004.

upper and lower plates are cut by steeply dipping, high angle northwest and northeast trending shear zones, some of which are mineralized (Figure 3). Airborne magnetic data in this part of the Fairbanks District indicate the presence of district scale east-west and northeast trending structures which appear to pre-date N60-80E folding (DGGS, 1995, LaLacheur, 1991). Although little empirical evidence exists from the West Ridge property itself, gold mineralization on the West Ridge project probably post-dates regional and district scale folding and probably is contemporaneous with or slightly younger than district-scale northeast trending structures and plutonic activity.

#### DEPOSIT TYPES

Recent discoveries in the Fairbanks District have outlined a series of distinctive mineral occurrences which appear to be genetically related to mid-Cretaceous plutonic activity which affected a large area of northwestern British Columbia, Yukon, Alaska and the Russian Far East (Flanigan and others, 2000). This work, based on extensive geologic and structural mapping and analytical studies (major and trace element analysis, fluid inclusion microthermometry, Ar<sup>40</sup>/Ar<sup>39</sup> geochronology, and isotope analysis) has provided new information regarding gold metallogenesis in the Fairbanks district (Burns et al., 1991; Lelacheur et al., 1991; Hollister, 1991; McCoy et al., 1994; Newberry et al., 1995; McCoy et al., 1995). A synthesis of this information (Hart et al., 2002, McCoy et al., 1997) suggests an ore deposit model in which gold and high CO<sub>2</sub> bearing fluids fractionate from ilmenite series, I-type mid-Cretaceous intrusions during the late phases of differentiation. The gold is deposited in anastomosing pegmatite and/or feldspar selvage quartz veins. Brittle fracturing and continued fluid convection and concentration lead to concentration of gold bearing fluids in intrusions and schist-hosted brittle quartz-sericite shear zones. Carbonate and/or calcareous metamafic horizons host W-Au skarns and replacement deposits. Structurally prepared calcareous and/or carbonaceous horizons may host bulk-mineable replacement deposits. These occur most distal to the intrusions within favorable host rock in the Fairbanks Schist and Chatanika Terrane. The various styles of significant hypogene gold mineralization in the Fairbanks Mining District are portrayed in a schematic cross section in Figure 4 (McCoy and others, 1997, Smith and other, 2000).

Seven different potentially economic gold deposit types have been identified in Interior Alaska and the Fairbanks district. They are:

- 1. Gneiss or high-grade schist-hosted quartz veins or metasomatic replacement zones proximal to or within causative intrusives. Metals associated include Au, Bi, and As and possibly Cu and W. Pogo (5.6 Moz) and Gil (433,000 oz) are examples of such mineralization. There is a strong genetic relationship between the causative intrusion and gold mineralization but no obvious spatial relationship.
- 2. Stockwork-shear style mineralization hosted in porphyritic intermediate to felsic intrusives. Mineralization contains Au with anomalous Bi, Te, W and trace Mo. Examples include Fort Knox (7.2 Moz) and Dublin Gulch (+1 Moz). There is a strong genetic and spatial relationship between host intrusion and gold mineralization.
- 3. Porphyritic stockwork with intrusion/schist shear hosted Au-As-Sb (Ryan Lode, 2.4 Moz) with a strong genetic and spatial relationship between host intrusion and gold mineralization,

- 4. Base metal ± Au, Ag and W intrusion hosted mineralization with both spatial and genetic relationship between precious metal mineralization and intrusion. Examples include Dolphin (0.6 Moz) and Silver Fox prospects.
- 5. Structurally controlled mineralization hosted by schist-only high angle shear zones and veins. Associated metals include Au, As, Sb, Ag, Pb and W in low sulfide quartz-carbonate veins. Alteration adjacent to veins is pervasive quartz-sericite- sulfide alteration that can extend for up to one mile from the source structure. Deposits were mined heavily prior to World War II and are noteworthy because of their exceptional grades (+1 to +5,000 opt Au). Examples include Cleary Hill (280,000 oz production), Christina, Hi Yu (110,000 oz production) and Tolovana (500 oz production) veins. There is a strong genetic relationship between the causative intrusion and gold mineralization but no obvious spatial relationship.
- 6. Low angle, disseminated, carbonate-hosted Au-As-Sb mineralization associated with brittle thrust or detachment zones distal to generative intrusives. The True North deposit (1.3 Moz) is an example of this type of mineralization (Jensen and Newberry, 2003). There is a strong genetic relationship between causative intrusions and gold mineralization but no obvious spatial relationship.
- 7. Shear-hosted monominerallic massive stibnite pods and lenses. Trace As, Au, Ag and Pb but these prospects are noteworthy because they appear to represent the most distal end members of the intrusive gold hydrothermal systems. Examples include Scrafford and Stampede mines. There is a strong genetic relationship between causative intrusions and gold mineralization but no obvious spatial relationship.

#### MINERALIZATION

Little is know of the controls for mineralization on the West Ridge project however gold mineralization in the Fairbanks District is well documented and reasonably well understood (Flanigan and others, 2000, LaLacheur, 1991; McCoy and others, 1997). The majority of the mineralized structures in the district trend either N60-80W and dip steeply to the southwest or N40-60E and dip steeply to the northwest (Chapman and Foster, 1969). These shear zone geometries and their distribution may represent sympathetic structures generated by regional scale shear couples related to Tertiary (post 55 Ma) motion of the Tintina and Denali faults (Flanigan and others, 2000).

Examination of the spatial arrangement of gold occurrences in the Fairbanks District suggests clusters or swarms of gold-bearing veins, stockworks and shear zones are controlled by a series of district-scale northeast-trending structures regularly spaced approximately 8,000 feet (2.4 km) apart across the district. These structures were first identified as district scale features evident on public airborne geophysical surveys conducted in the mid-1990's (DGGS, 1995). Their periodicity with respect to clusters of known gold occurrences was unrecognized prior to that time. The Eldorado fault, which cuts through the West Ridge property (Figure 5), is the best documented of these district scale northeast structures and appears to control mineralization at both the Ryan Lode (2.4 million ounces) and the True North (1.3 million ounces) deposits. This 8,000-foot periodicity extends to the east where it is associated with the 600,000 ounce Dolphin deposit and several of the district's largest past-producing lode gold mines (Freeman, 2004). Gold mineralization to the west of the Eldorado Creek fault in the Treasure Creek area and the

Sheep Creek area of Ester Dome may also be controlled by regularly spaced northeast trending structures.

The other recently recognized feature of gold mineralization in the West Ridge area is related to the structural relationship between "lower plate" rocks of the Fairbanks Schist - Cleary Sequence and "upper plate" rocks of the Chatanika Terrane. Published maps of the district (Robinson and others, 1990; Weber and others, 1992; Newberry and others, 1996) indicate that the contact between the overlying Chatanika Terrane and rocks of the lower plate are marked by a single north-dipping thrust plane that strikes northeast according to Robinson and others (1990) or east-west according to Newberry and others (1996). Douglas (1997) and Douglas and others (2002) dated this thrust event at 130 Ma based on data derived from a single core hole drilled by Placer Dome on Marshall Dome several miles east of the West Ridge project. The actual contact between upper and lower plate rocks is not exposed at surface anywhere along its mapped trace so the inferred motion direction (thrust versus low-angle gravity fault) is unknown. With the exception of gold and antimony mineralization in the vicinity of the True North deposit, published geologic maps of the district indicate that all of the historic lode gold, tungsten and antimony occurrences in the district are hosted in lower plate rocks. However, geological and geochemical data from the West Ridge property suggest that lode gold mineralization on the Old Glory prospect on the West Ridge project is hosted in a zone containing mixed lithologies derived from both upper and lower plate rocks. This mixed zone appears to may be the result of multiple en-echelon low angle structures separating upper and lower plate rocks. If this interpretation is correct, the grade and geometry of gold mineralization in the West Ridge project area may be controlled in part by district-scale northeast trending "master" structures and favorable physio-chemical conditions in host rocks separated by en-echelon low-angle faults related to emplacement of the Chatanika Terrane.

#### **EXPLORATION**

Prior to the work conducted by Teryl in 2003 the only significant exploration work conducted on the West Ridge project was that conducted by Teryl (1992-96) and Kinross (1998 and 1999, See History). Teryl's efforts consisted of ground magnetics and soil auger sampling which identified the East and West anomalies (see History). Except for gold values, details of these surveys are not available to the author. A total of 718 soil auger samples were collected by Teryl with gold values ranging from 2 to 990 ppb (Teryl, 1996). Anomalous gold was clustered in two locations in the central part of the property on the ridge between Moose Creek and Seattle Creek and on the divide between upper Dome Creek and Steamboat Creek (Figure 5). A single anomalous soil sample containing 215 ppb gold was detected near the Old Glory prospect but was not associated with other anomalous soil samples.

In 1998 Kinross Gold, then operating the Fort Knox project and conducting district-scale work on a number of other projects acquired the West Ridge property and completed due diligence sampling that confirmed the presence of anomalous gold, arsenic and antimony on the East and West Anomalies (Duncan, 1999). Additional widely spaced Bombardier soil auger sampling was completed in 1999 and reverse circulation drilling was conducted on the West anomaly. This work identified two large gold in soil anomalies, the East and West anomalies (Figure 5). The West anomaly measures 4,000 feet NW-SE by 3,000 feet NE-SW and contained numerous samples with +100 ppb gold and +200 ppm arsenic. Limited surface rubble crop

returned anomalous gold in felsic intrusive and quartzite with the values ranging from <5 ppb to 16.45 ppm. The East anomaly, while containing lower overall geochemical values, is over 7,000 feet long NE-SW and extends off the West Ridge property to the northeast. Gold in soils on the East anomaly reached a high of 1.64 ppm. A single sample anomaly containing 960 ppb gold was identified 2,000 feet west of the Old Glory prospect but the Old Glory prospect was not covered by the Kinross soil sampling grid.

Kinross conducted follow-up reverse circulation drilling in 5 holes (1,650 feet) on the West anomaly. This drilling failed to intersect significant mineralization except for a 20 foot interval in hole WR1 with returned 0.033 opt gold from 115 to 135 feet and a 10 foot interval in hole WR4 with returned 0.040 opt gold from 340 to 350 feet (Duncan, 1999). Gold-bearing intrusive rocks that were mapped and sampled at the surface were not found to be extensive in drilling. Anomalous gold in drill cuttings was associated with elevated arsenic and antimony similar to other gold-bearing systems in the central Fairbanks Mining District. Kinross terminated its interest in the property prior to the 2000 exploration season.

In July of 2003 Teryl retained Avalon Development to evaluate the West Ridge project and make recommendations for future exploration. This evaluation revealed a number of significant gold and pathfinder anomalies where no follow-up work had been completed. Initial field exploration efforts in 2003 focused on the Black Dome area of the property where prospecting revealed the presence of a previously undocumented abandoned adit/trench on the north facing ridge above the Dome Creek (Figure 2). Chatanika terrain eclogite, black carbonaceous schist and quartzite are exposed in the walls of the excavation which appears to date back to the 1950's. Samples of the carbon rich, Fe-oxide stained carbonaceous schist returned a high of 105 ppb gold. Due to the low gold concentrations and lack of quartz stockwork veining characteristic of upper plate mineralization, exploration emphasis was shifted to the south to the Old Glory prospect.

Initial efforts at the Old Glory prospect included hand-trenching in the vicinity of the historic tungsten-bearing trench (Freeman and Schafer, 1999). Grab rock sampling conducted in and around this old slit trench produced several significant gold values with associated with highly anomalous arsenic and sporadic anomalous lead, bismuth, antimony and tungsten (Table 2). The presences of gold-bearing calc-silicate alteration in some rock samples and sporadic anomalous bismuth (<2 to 144 ppm) suggests the presence of a gold-favorable intrusive system similar to that being drilled currently by Kinross Gold at their Gil project in the eastern Fairbanks District.

The extent of this type of mineralization and the possible presence of the causative intrusive were unknown so a small closely spaced (10 meter spacing) soil auger grid was placed over the Old Glory discovery area in late July. This work revealed a 100 square meter + 50 ppb gold anomaly within which 56 out of 121 samples contained over 100 ppb Au with a high of 1,155 ppb Au. An expanded soil sampling program was conducted August-October and consisted of an additional 405 soil auger samples on 25 meter centers.

Table 2: Significant rock grab sample geochemistry, Old Glory prospect.

Sample #	Rock Type	Au_ppb	As_ppm	Bi_ppm	Fe_perc	Pb_ppm	Sb_ppm	W_ppm
460488	Qtz vnlt in qtzt	10,000	5,370	-2	9.58	33	35	20
161975	Quartzite	1,915	10,000	-2	1.70	7	367	-10
460484	Skarn	1,885	5,900	-2	5.50	11	72	20
460483	Skarn	922	472	6	9.13	15	75	30
468324	Calc-silicate	698	30	44	5.13	6	10	10
460486	Skarn	419	581	144	3.85	202	61	-10
468327	Calc-silicate	338	745	-2	3.86	5	38	50
161971	Quartzite	316	230	5	4.17	16	10	-10
460487	Quartzite	191	31	-2	3.51	18	9	-10
468320	Quartzite	162	81	4	3.07	8	5	-10
460485	Skarn	137	526	-2	12.35	5	39	30
492432	Quartzite	135	354	-2	1.51	8	22	20

Geochemical data from the two integrated grids delineated at least two prominent structural trends associated with gold mineralization at Old Glory (Figure 6). The dominant trend for gold in soils is N30E. This trend lies along a mapped district-scale northeast trending linear defined from airborne geophysical surveys (Newberry and others, 1996). A less apparent N45W trending gold anomaly can also be interpreted from the soil geochemistry however the northwest trending anomalies are less continuous and of lower magnitude than the northeast trending anomalies. There is a strong correlation in soil geochemistry between Au, As and Sb and to a lesser degree with Bi and W. Gold, arsenic and antimony are elevated within a northeast trending corridor measuring 650 meters in length by 375 meters in width. The anomaly remains open to expansion beyond the limits of the soil auger grid. Gold, arsenic and antimony also display less obvious northwest trending soil anomalies suggesting the northwest trending mineralization pre-dates the district-scale northeast shear system.

Soil geochemistry also delineates a remarkably clear boundary between schists of the Chatanika Terrane, Fairbanks Schist and Cleary Sequence on the south and hornblende granodiorite to the north. This intrusive is thought to be the western limit of the Pedro Dome intrusive. Limited rubble crop of the Pedro Dome intrusive exists along the old powerline access road on the north end of the soil grid. These rubble crops are unaltered and unmineralized as are most of the soil chips collected from soil samples in the northern 1/3 of the soil grid area. However, more felsic derivatives of the Pedro Dome intrusive are concentrated along the intrusive – schist contact and intruding into the schist units south of the main contact. These contact units are strongly sericite altered and contain variable amounts of gold and pathfinder elements. Soil geochemistry suggests potassic alteration and Au-As-Sb mineralization are associated with these marginal phase intrusives. In addition elevated bismuth values in soils, while generally low (3-5 ppm), are generally located within or proximal to sericite-altered granodiorite. These findings suggest gold mineralization may be related to late-stage intrusives which are in turn controlled by the district scale northeast trending structures. Similar genetic conclusions have been drawn for two other deposits in the district: the 1.3 million ounce True North deposit mineralization, located along the Eldorado fault, a district-scale northeast trending structure that is parallel to and approximately one mile northwest of the Old Glory area, and the

0.6 million ounce Dolphin deposit located along a similar northeast trending linear that is parallel to and approximately one-half mile southeast of the Old Glory area.

The preliminary rock sampling and soil auger sampling results prompted Teryl to approved backhoe trenching over the central portion of the Old Glory soil anomaly. Three trenches (342 meters total) were excavated, mapped and sampled in October 2003. In addition, ground based magnetics and VLF-EM surveys that parallel trenches were completed in late November and a follow-up magnetic survey was completed in mid January 2004 to expand geophysical coverage to the south of the trenches (Adler, 2003; Adler, 2004).

Two of the three trenches were oriented west-northwest to cross the main trend of soil anomalies and the predominant structural grain through the Old Glory area. The other was oriented N30E parallel to and within the heart of the Old Glory soil anomaly (Figure 7). Overburden thickness ranges from about 3 to 8 feet and consisted of thawed aeolian silt on heavily weathered bedrock. Trench WR-1 is a total of 155 meters in length, trench WR-2 was 72 meters in length and trench WR-3 was 115 meters in length. Each trench was mapped and chip channel samples collected from the floor of the trench. Geochemical sampling was conducted on 1 meter centers for altered and/or mineralized intervals and 2 meter centers for unaltered rocks. Samples collected for trenches WR-1, WR-2, and WR-3 totaled 119, 35, and 93, respectively. An additional 34 samples were collected as high-grade material from selected locations.

The dominant lithologies present in the WR trenches include massive to thinly bedded gray quartzite, massive to fissile brown and buff micaceous quartzite, and fissile brown to gray quartz mica schist. Less common lithologies observed include dark gray aphanitic quartz porphyry dikes, eclogite and biotite diorite to granodiorite. Barren metamorphic "sweat" quartz lenses from 1 to 3 centimeters in width are common and normally parallel metamorphic foliation. Unaltered rocks generally weather rusty brown-orange to rusty orange-brown.

Folding, faulting and shearing of varying degrees and orientations were observed in the West Ridge trenches. In general, foliation ( $S_1$ ) and original bedding ( $S_0$ ) are parallel and dip variably to the south. Small folds are common with a predominant fold axis orientation of  $070^{\circ}$  with axes plunging  $14^{\circ}$ E. There is no preferred orientation for faults. Dominant trends are NE, NW, and E-W +/-  $20^{\circ}$ . with variable but generally steep ( $+60^{\circ}$ ) dips. Faulting and shearing appear to be polyphase and some evidence was observed for foliation plane or low angle displacement. Shears are characterized by variable sericite alteration and occasional quartz veins/lenses. Several orientations of vertical to steeply dipping joints also are present, the most prominent being N20-25°E, N80°W, N80°E, and N40°W.

Sericite alteration is pervasive in rocks containing significant anomalous gold and/or pathfinder elements and varies from weak and patchy in less altered rocks to pervasive and strong in highly altered rocks, most commonly where host rocks are cut by shear zones or at contacts with altered granitic rocks. Secondary oxidation products consists of As, Sb, Fe, and Mn oxides. Relative trace element concentrations help in identification between and among the various rock types at the nearby True North mine (Jenson and Newberry, 2003) and proved useful in helping distinguish between oxidized, hydrothermally altered and fresh units within the Chatanika terrane, Cleary Sequence and Fairbanks Schist.

Quartz of hydrothermal origin was observed in all trenches, most commonly as 1 to 15 cm veins or stockwork veins in shear zones. Although surface oxidation is nearly complete, small amounts of unoxidized vein material remains in some of these shears and contain 1-3% sulfide/sulfosalts including arsenopyrite, pyrite, stibnite and/or boulangerite-jamesonite. The best exposures of mineralized shear zone was about the 70-meter mark of trench WR-1. The shear zone at this location is controlled by a steeply south dipping fault trending 290°. The immediate 10 meters in the hanging wall (south side) of this mineralized structure contained abundant slickensides. The shear itself consists of 30 cm of mineralized milky quartz vein and sericite altered schist fragments. A one-meter chip channel rock sample from this shear returned 595 ppb gold and 2,430 ppm arsenic (Table 3, sample 466406). Grab samples from this same zone returned 2,120 ppb gold and 5,280 ppm arsenic (Table 4).

Table 3: Significant 2003 trench channel sample geochemistry. Data from ALS Chemex.

Sample #	Trench	From_m	To_m	RockUnit	Au_ppb	As_ppm	Pb_ppm	Sb_ppm
468541	WRTR0301	46	48	Quartzite	519	1365	10	23
466406	WRTR0301	67	68	Breccia	595	2430	58	64
468334	WRTR0302	20	22	Qtz-mica schist	705	1770	37	45
461090	WRTR0303	99	100	Qtz-Mica schist	71	240	7	5
461091	WRTR0303	100	101	Quartzite	226	926	4	14
461092	WRTR0303	101	102	Diorite	2860	3140	9	33
461093	WRTR0303	102	103	Diorite	1245	1915	15	37
461094	WRTR0303	103	104	Diorite	649	1480	5	17
461095	WRTR0303	104	105	Diorite	902	2610	5	22
461096	WRTR0303	105	106	Diorite	457	1120	9	16
461097	WRTR0303	106	107	Diorite	494	1455	7	21
461098	WRTR0303	107	108	Diorite	650	1360	13	22
461099	WRTR0303	108	109	Diorite	168	200	16	11
461100	WRTR0303	109	110	Diorite	218	233	13	28
465404	WRTR0303	110	111	Diorite	361	156	14	21
465405	WRTR0303	111	112	Diorite	296	102	11	13
465406	WRTR0303	112	113	Diorite	412	222	9	27
465407	WRTR0303	113	114	Diorite	178	100	17	9
465408	WRTR0303	114	115	Diorite	355	228	9	30

Trench 2 intercepted variably mineralized rock but failed to return plus-1 gram per tonne gold values from channel or grab samples. The best interval in trench 2 was a six-meter zone from 18 to 24 meters that returned three consecutive 2-meter samples which returned 189, 705 and 136 ppb gold, respectively. The first of these three samples contained a small dike of dark greenish gray siliceous sericite-altered intrusive suggesting a genetic relationship between anomalous gold and intrusive rocks on the prospect.

Table 4: Significant 2003 trench grab sample geochemistry. Data from ALS Chemex.

Sample #	Trench	From_m	To_m	RockUnit	Au_ppb	As_ppm	Pb_ppm	Sb_ppm
490466	WRTR0301	70	70	Shear	2120	5280	46	154
490454	WRTR0301	29.5	29.5	Vein	452	707	6	12
490462	WRTR0301	59	59.5	Shear	208	339	5	71
490484	WRTR0302	spoils	spoils	Shear	442	2030	11	29
458668	WRTR0303	106.5	106.5	Shear	534	1230	15	31
458666	WRTR0303	101	101.5	Shear	419	1585	10	31
458670	WRTR0303	111	111	Intrusive	304	96	16	19
458672	WRTR0303	115	115	Intrusive	186	180	8	30

Trench WRTR0303 was oriented northeast - southwest and extended from trench WRTR0302 on the north through and beyond trench WRTR0301 on the south. The southern 15 meters of trench 3 intercepted a diorite to granodiorite intrusive which had been noted in soil chips. This intrusive was highly oxidized but was strongly sericite altered where fresh rock was present. Oxidized sulfide cast suggest the fresh rock contained 1%-5% total sulfides. This intrusion is also cut by two white aplite dikes. Geochemistry from channel samples collected in trench 3 show a dramatic increase in gold and arsenic content within the intrusive (Table 5). The 14-meter section of the trench which intercepted the intrusive averages 660 ppb gold and 1,022 ppm arsenic with the highest grade portion of this interval being a two-meter zone nearest the country rock contact which averaged 2,052 ppb gold and 2,527 ppm arsenic. The intrusive mineralization remains open to expansion beyond the end of trench WRTR0303.

Table 5: Intrusive channel sample geochemistry, trench WRTR0303. Data from ALS Chemex.

Sample #	Trench	From_m	To_m	RockUnit	Au_ppb	As_ppm	Pb_ppm	Sb_ppm
461090	WRTR0303	99	100	Qtz-mica schist	71	240	7	5
461091	WRTR0303	100	101	Quartzite	226	926	4	14
461092	WRTR0303	101	102	Diorite	2860	3140	9	33
461093	WRTR0303	102	103	Diorite	1245	1915	15	37
461094	WRTR0303	103	104	Diorite	649	1480	5	17
461095	WRTR0303	104	105	Diorite	902	2610	5	22
461096	WRTR0303	105	106	Diorite	457	1120	9	16
461097	WRTR0303	106	107	Diorite	494	1455	7	21
461098	WRTR0303	107	108	Diorite	650	1360	13	22
461099	WRTR0303	108	109	Diorite	168	200	16	11
461100	WRTR0303	109	110	Diorite	218	233	13	28
465404	WRTR0303	110	111	Diorite	361	156	14	21
465405	WRTR0303	111	112	Diorite	296	102	11	13
465406	WRTR0303	112	113	Diorite	412	222	9	27
465407	WRTR0303	113	114	Diorite	178	100	17	9
465408	WRTR0303	114	115	Diorite	355	228	9	30

Following return of geochemical results from the 2003 trenching program, two ground geophysical surveys were conducted over the Old Glory prospect. The initial survey consisted of magnetics and very low frequency electromagnetics (VLF-EM) lines which were coincident with the three trenches (Adler, 2003). These surveys revealed the presence of several coincident magnetic and VLF-EM anomalies. Coincident magnetic and VLF-EM anomalies outlined in

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trenches 1 and 2 suggested that alteration and mineralization are likely controlled by a northeast striking structural zone which has an apparent dip of 55 degrees to the west. This interpretation is in agreement with soil geochemistry collected earlier in the season. In addition, the magnetic response from last 15 meters of trench WRTR0303 was markedly lower that the surrounding traverses within the metamorphic country rocks suggesting magnetic surveys could be a useful tool in tracing the extent of the mineralized intrusive encountered in trench 3. Magnetic lows are known to be associated with gold-bearing intrusives elsewhere in the Tintina Gold Belt (Hart et al., 2002, McCoy et al., 1997, Flanigan and others, 2000).

A follow-up magnetic survey was completed over the Old Glory prospect in January 2004 in an attempt to determine the extent of the intrusive rocks encountered in trench WRTR0303 (Adler, 2004). This survey consisted of three lines ranging from 500 to 700 feet in length which extended from the south end of trench 3 in a fan pattern to the southwest, south and southeast. All three lines showed a marked decrease in magnetic response to the south suggesting a possible schist - intrusive contact in that area. Additional exploration will be required to determine if significant gold mineralization is associated with this probably contact zone (see Recommendations).

#### DRILLING

Past drilling on the West Ridge property was conducted by Kinrsoss Gold in 1999. (see History). This work consisted of 4 reverse circulation drill holes (1,650 feet, Duncan, 1999). Drilling techniques and protocols used in this drilling are not available to the author. No other drilling has been conducted on the West Ridge property.

#### SAMPLING METHOD AND APPROACH

Details of sampling methods utilized by Teryl Resources prior to 2003 and by Kinross Gold in 1998 and 1999 are not available to the author.

All rock samples collected during the 2003 field programs were marked in the field using Garmin 48XL and Garmin Etrex hand-held GPS units. Each grab rock sample collected for geochemical analysis was accompanied by a separate hand sample retained by Avalon for reference purposes. Each soil sample collected for analysis was accompanied by a separate lithology sample that was washed, logged and added to the digital database by Avalon. Samples collected were placed in double nylon shipping sacks and picked up at Avalon's secured warehouse by representatives of ALS Chemex of Fairbanks.

Soil sampling completed in 2003 consisted of power auger soil sampling using 3-inch wide auger flights powered by man-portable gas powerheads. Sampling protocols in place for the program dictated that only top of bedrock soil samples would be collected. Samples were not collected at sample stations where overburden was deeper than the 12 feet of auger flight on hand or where discontinuous permafrost prevented sampling at the soil - bedrock interface. Trench channel sampling conducted in October was conducted with geologic pick and chisel.

#### SAMPLE PREPARATION, ANALYSES AND SECURITY

Details of sampling analytical techniques and security measures utilized by Teryl Resources sampling conducted in the early 1990's are not available to the author. Sampling conducted by Kinross gold was completed by Bondar Clegg Ltd. using their Fairbanks preparation facility and North Vancouver analytical laboratory (Duncan, 1999). All samples submitted by Kinross were analyzed for Au by 50 gram lead collection fire assay techniques with an atomic emission spectrographic finish. In addition each sample was analyzed for a suite of 27 trace elements using a two acid digestion procedure followed by inductively coupled plasma (ICP) finish. Details relating to crushing, pulverizing and blanks/ standard insertion protocols from Kinross' work are not available to the author.

All samples collected in 2003 were prepared by ALS Chemex at their Fairbanks preparation facility and analyzed by ALS Chemex at their North Vancouver laboratory. The entirety of each grab and channel rock sample was crushed to 85% passing 75 microns (200 mesh). The entirety of each soil sample collected in 2003 was dried, sieved through a 180 micron (80 mesh) screen and pulverized to +85% passing 75 microns (200 mesh). All soil and rock samples were analyzed for Au by 30 gram lead collection fire assay techniques with an atomic emission spectrographic finish. In addition each sample was analyzed for a suite of 27 trace elements using a four acid digestion procedure followed by inductively coupled plasma (ICP) finish. Pulps and rejects from the 2003 program were returned to Avalon Development's Fairbanks warehouse for permanent storage.

#### DATA VERIFICATION

Sample blanks composed of Browns Hill Quarry basalt from the Fairbanks Mining District, Alaska were inserted as the first sample in a submittal and thereafter in the same submittal on a minimum 1 for 25 basis. A total of 82 sample blanks were inserted into the sampling sequence for the 2003 program. Extensive previous analysis of this same blank rock type has given Avalon a large geochemical database for use on a comparative basis. Analyses performed by ALS Chemex on the blanks from the West Ridge project indicate no unusual or spurious sample results in the blanks submitted. No standards were included in analytical sample shipments.

#### ADJACENT PROPERTIES

The West Ridge project is surrounded by over a dozen small to moderate size properties owned by companies and individuals. Several of these properties contain old mines and known-gold-bearing prospects (Freeman and Schaefer, 1999). While some of these properties host mineralization that is similar to that known to exist on the West Ridge project, a discussion of these prospects is outside the scope of this summary.

#### MINERAL PROCESSING AND METALLURGICAL TESTING

There has been no mineral processing or metallurgical testing on mineralized material from the West Ridge property.

#### MINERAL RESOURCE AND MINERAL RESERVE ESTIMATES

There are currently no mineral resources or mineral reserve estimates on the West Ridge property.

#### OTHER RELEVANT DATA AND INFORMATION

The are no other data available to the author that bear directly on the potential of the West Ridge project.

#### INTERPRETATION AND CONCLUSIONS

The West Ridge project is located in a road accessible mining district with excellent land status and infrastructure. The project is located within host rocks that contain commercially viable mineralization elsewhere in the Fairbanks Mining District and is located in the headwaters of streams that were mined for alluvial gold in the past. Limited exploration conducted in the 1990's suggested the presence of widespread structurally controlled gold mineralization however surface bedrock exposures of mineralization were not discovered until soil sampling and trenching were completed in 2003. Trenching on the Old Glory prospect area of the West Ridge property has revealed shear and intrusive hosted gold mineralization at several locations. Follow-up geophysical surveys suggest intrusive-related gold mineralization may exist on the Old Glory prospect area. Additional exploration work is merited.

#### RECOMMENDATIONS

Based on preliminary field, laboratory and literature studies completed to date, the following recommendations for future work are warranted:

Airborne Geophysical Reinterpretation: Data from coarsely spaced lines completed by DGGS (1995) indicate a strong correlation between known gold-bearing prospects and metamorphic rocks containing variably high magnetic susceptibilities. In addition, low-iron, I-type intrusives such as that which host gold mineralization at Fort Knox, Ryan Lode and Dolphin, returned flat or slightly low magnetic responses in the DGGS data and also should be better defined to determine the location and possible extent of intrusive-hosted gold mineralization on the project. Better definition of these metamorphic and intrusive rocks should help guide future drilling of high-grade gold targets. An area measuring 9 kilometers east-west by 7 kilometers north-south should be extracted from the existing digital airborne data and subjected to reinterpretation. The estimated cost of this work is \$5,000.

- Reverse Circulation Drilling: Existing geological, geophysical and geochemical data are sufficiently encouraging at the Old Glory prospect to merit initial drilling. A ten to twelve-hole program totaling 5,000 feet is recommended to evaluate the potential of the Old Glory prospect. All holes should be drilled with 6-inch center return reverse circulation equipment with samples collected on 5-foot intervals. All samples should be analyzed for gold by fire assay plus a multi-element ICP package with multi-acid digestion. The estimated cost of this drilling is \$300,000.
- 3. **Soil Auger Sampling:** Top of bedrock soil auger sampling using power auger should be extended over the remainder of the West Ridge project. Sample spacing should be on 100 meter centers. All samples should be analyzed for gold by fire assay plus a multi-element ICP package with multi-acid digestion. The estimated cost of this drilling is \$275,000.
- Ground Magnetics: Reconnaissance scale ground magnetics surveys should be extended to the east and west from the Old Glory prospect. Lines should be spaced 50 meters apart east-west with stations spacing on the lines spaced at 25 meter centers. Gradiometer methods should be employed to help outline subtle magnetic lows often associated with mineralized intrusives in the district. Initial efforts should concentrate on expanding the existing magnetic grid and would consist of approximately \$1,000 line feet of survey. Total cost of this program is approximately \$10,000.

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#### STATEMENT OF QUALIFICATIONS

#### **CURTIS J. FREEMAN**

Avalon Development Corporation P.O. Box 80268, Fairbanks, Alaska 99708 Phone 907-457-5159, Fax 907-455-8069, Email Avalon@alaska.net

I, CURTIS J. FREEMAN, Certified Professional Geologist #6901, HEREBY CERTIFY THAT:

I am currently employed as President of Avalon Development Corporation, P.O. Box 80268, Fairbanks, Alaska, 99708, USA.

- 2. I am a graduate of the College of Wooster, Ohio, with a B.A. degree in Geology (1978). I am also a graduate of the University of Alaska with an M.S. degree in Economic Geology (1980).
- 3. I am a member of the American Institute of Professional Geologists, the Society of Economic Geologists, the Geological Society of Nevada, the Alaska Miners Assoc. and the Prospectors and Developers Assoc. of Canada.
- 4. From 1980 to the present I have been actively employed in various capacities in the mining industry in numerous locations in North America, Central America, South America, New Zealand and Africa.
- 5. I have read the definition of "Qualified Person" set out in National Instrument 43-101 (NI43-101) and certify that by reason of my education, affiliation with a professional organization (as defined by NI43-101) and past relevant work experience, I fulfill the requirements to be a "Qualified Person" for the purposes of NI43-101.
- 6. I am responsible for preparations of all sections of the report entitled "Summary Report for the West Ridge Gold Property, Fairbanks Mining District, Alaska, and dated March 25, 2004 (the "Technical Report") relating to the West Ridge property. I visited this property numerous times in 2003 and 2004 and employees of Avalon Development conducted all fieldwork on this property during that period.
- 7. I have not had prior involvement with the property that is the subject of the Technical Report.
- 8. I am not aware of any material fact or material change with respect to the subject matter of this Technical Report that is not reflected in the Technical Report, the omission to disclose which would make the Technical Report misleading.
- 9. I am independent of the issuer applying all of the tests in section 1.5 of NI43-101. I own no interest in any company or entity that owns or controls an interest in the properties which comprise the West Ridge project.

- 10. I have read NI43-101 and Form 43-101F1 and the Technical Report has been prepared in compliance with that instrument and form.
- 11. I consent to the filing of the Technical Report with any stock exchange and other regulatory authority and the publication by them, including publication of the Technical Report in the public company files on their websites accessible by the public.

DATED in Fairbanks, Alaska this 25th day of March 2005.

Curtis J. Freeman, BA, MS, CPG#6901, AA#159



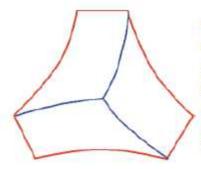
#### APPENDIX 1

## WEST RIDGE CLAIMS All claims located in the Fairbanks Recording District, Alaska

No.	Claim	Name	Acres	Twnshp	Rng	Sec	Meridian	ADL#
1	West Ridge	4641	40	2N	1E	7	Fairbanks	340081
2	West Ridge	4642	40	2N	1E	7	Fairbanks	340082
3	West Ridge	4643	40	2N	1E	8	Fairbanks	340083
4	West Ridge	4644	40	2N	1E	8	Fairbanks	340084
5	West Ridge	4741	40	2N	1E	7	Fairbanks	340085
6	West Ridge	4743	40	2N	1E	8	Fairbanks	340087
7	West Ridge	4744	40	2N	1E	8	Fairbanks	340088
8	West Ridge	4841	40	2N	1E	7	Fairbanks	340093
9	West Ridge	4842	40	2N	1E	7	Fairbanks	340094
10	West Ridge	4843	40	2N	1E	8	Fairbanks	340095
11	West Ridge	4844	40	2N	1E	8	Fairbanks	340096
12	West Ridge	4845	40	2N	1E	8	Fairbanks	340097
13	West Ridge	4846	40	2N	1E	8	Fairbanks	340098
14	West Ridge	4847	40	2N	1E	9	Fairbanks	340099
15	West Ridge	4848	40	2N	1E	9	Fairbanks	340100
16	West Ridge	4849	40	2N	1E	9	Fairbanks	340101
17	West Ridge	5041	40	2N	1E	6	Fairbanks	340113
18	West Ridge	5042	40	2N	1E	6	Fairbanks	340114
19	West Ridge	5043	40	2N	1E	5	Fairbanks	340115
20	West Ridge	5044	40	2N	1E	5	Fairbanks	340116
21	West Ridge	5045	40	2N	1E	5	Fairbanks	340117
22	West Ridge	5048	40	2N	1E	4	Fairbanks	340120
23	West Ridge	5049	40	2N	1E	4	Fairbanks	340121
24	West Ridge	5050	40	2N	1E	4	Fairbanks	340122
25	West Ridge	5039	40	2N	1E	6	Fairbanks	347662
26	West Ridge	5040	40	2N	1E	6	Fairbanks	347663
27	West Ridge	4649	40	2N	1E	9	Fairbanks	347926
28	West Ridge	4651	40	2N	1E	10	Fairbanks	347928
29	West Ridge	4652	40	2N	1E	10	Fairbanks	347929
30	West Ridge	4653	40	2N	1E	10	Fairbanks	347930
31	West Ridge	4749	40	2N	1E	9	Fairbanks	347931
32	West Ridge	4751	40	2N	1E	10	Fairbanks	347933
33	West Ridge	4752	40	2N	1E	10	Fairbanks	347934
34	West Ridge	4640	40	2N	1E	7	Fairbanks	350798
35	West Ridge	4740	40	2N	1E	7	Fairbanks	350799

36	West Ridge	5051	40	2N	1E	3	Fairbanks	350800
37	West Ridge	5151	40	2N	1E	3	Fairbanks	350801
38	West Ridge	4939	40	2N	1E	7	Fairbanks	363923

No.	Claim	Name	Acres	Twnshp	Rng	Sec	Meridian	ADL#
39	West Ridge	4940	40	2N	1E	7	Fairbanks	363924
40	West Ridge	4941	40	2N	1E	7	Fairbanks	363925
41	West Ridge	4942	40	2N	1E	7	Fairbanks	363926
42	West Ridge	4943	40	2N	1E	8	Fairbanks	363927
43	West Ridge	4944	40	2N	1E	8	Fairbanks	363928
44	West Ridge	4945	40	2N	1E	8	Fairbanks	363929
45	West Ridge	4946	40	2N	1E	8	Fairbanks	363930
46	West Ridge	4947	40	2N	1E	9	Fairbanks	363931
47	West Ridge	4948	40	2N	1E	9	Fairbanks	363932
48	West Ridge	4949	40	2N	1E	9	Fairbanks	363933



## Avalon Development Corp.

P.O. Box 80268

Fairbanks, Alaska 99708 Phone: 907-457-5159

Fax: 907-455-8069
Email: avalon@alaska.net
Web site: www.avalonalaska.com

#### CONSENT OF AUTHOR

To: BC Securities Commission Alberta Securities Commission Ontario Securities Commission

I, Curtis Freeman, do hereby consent to the filing, with the regulatory authorities referred to above, of the technical report titled "Summary Report for the West Ridge Gold Property, Fairbanks Mining District, Alaska" and to the written disclosure of the Technical Report and of extracts from or a summary of the Technical Report in the written disclosures to be filed by Teryl Resources Corp.

I also certify that I have read the written disclosure being filed and I do not have any reason to believe that there are any misrepresentations in the information derived from the Technical Report or that the written disclosures of Teryl Resources Corp. contain any misrepresentation of the information contained in the Technical Report.

Dated this 25th day of March 2004

Signature of Qualified Person

Curtis Freeman

6901
AIPG
AIPG
PROFESSION

Seal or Stamp

#### TERYL RESOURCES CORP.

#1103 - 11871 Horseshoe Way Richmond, BC V7A 5H5 Phone: 604-278-5996 Fax: 604-278-3409 Toll Free: 800-665-4616

www.terylresources.com

#### NEWS RELEASE

Teryl Resources Corp. (the "Company")

TSX Venture Exchange: TRC Pink Sheet Symbol: TRYLF

# TERYL RESOURCES ANNOUNCES DRILLING PROGRAM UPDATE, FAIRBANKS, ALASKA

For Immediate Release: April 8, 2004 Fairbanks, Alaska - Teryl Resources Corp. (TSX Venture Exchange: TRC: Pinksheet Symbol: TRYLF) announces that 2680 feet of reverse circulation drilling has been completed on the first phase of our gold exploration program on the West Ridge property.

To date, a total of six holes, of the proposed 15 hole drilling program, have been completed to test the targets outlined by last years trenching, sampling and geophysical work. The last three holes were designed to test the intrusive and EM conductors outlined by the State Airborne Geophysical survey. Three of the holes hit intrusive rock as well as schist, sulphide mineralization, with quartz veining, which was present in all six holes. The samples have been submitted to ALF Chemex Labs in Vancouver for assays.

Avalon Development consultant, Curt Freeman, states, "Most of the drilling intersected favourable rock at or near the surface and more pervasive mineralization at greater depths."

The West Ridge property is 100% owned by Teryl Resources Corp. and is less than 8 kilometres from Kinross' original 4 million ounce gold deposit. The property is located in the Tintina Gold Belt where a total of 24 million ounces of gold have been discovered in eight separate deposits. Teryl Resources Corp. discovered an intrusive mass on the Old Glory zone, which intersected a highly oxidized zone containing up to 2.98 grams of gold per ton (0.1 ounces of gold per ton).

#### ABOUT TERYL RESOURCES CORP.

With interests in four gold properties, Teryl Resources Corp. is one of the main landowners in the Fairbanks Mining District, Alaska. The Gil project is a joint venture (80% Kinross/20% Teryl) with Kinross Gold Corporation (TSX: K; NYSE: KGC). The Company's holdings also include the Fish Creek Claims, 50% optioned from Linux Gold Corp. (OTC BB: LNXGF), and the Stepovich Claims, which Teryl has a 10% net profit interest from Kinross. Teryl Resources Corp. also has one joint venture silver prospect located in Northern BC, Canada. For further information visit the Company's website at <a href="http://www.terylresources.com">http://www.terylresources.com</a>.

ON BEHALF OF THE BOARD OF DIRECTORS

"John Robertson"

John Robertson President

Contact: John Robertson Tel. 800-665-4616

The TSX Venture Exchange has neither approved nor disapproved of the information contained herein.

Statements in this press release regarding Teryl's business which are not historical facts are "forward-looking statements" that involve risks and uncertainties, such as estimates and statements that describe the Company's future plans, objectives or goals, including words to the effect that the Company or management expects a stated condition or result to occur. Since forward-looking statements address future events and

antionary uniterpated in su	nature, they involve inher the statements.		



## **British Columbia Securities Commission**

# **QUARTERLY AND YEAR END REPORT**BC FORM 51-901F (previously Form 61)

## Freedom of Information and Protection of Privacy Act:

The personal information requested on this form is collected under the authority of and used for the purpose of administering the *Securities Act*. Questions about the collection or use of this information can be directed to the Supervisor, Financial Reporting (604-899-6729), P.O. Box 10142, Pacific Centre, 701 West Georgia Street, Vancouver, BC V7Y 1L2. Toll Free in British Columbia 1-800-373-6393.

X	Schedule A
X	Schedule B and C

INCORPORATED AS PART OF

ISSUER DETAILS						
NAME OF ISSUER		FOR QUARTER	ENDED		DATE OF REPORT	
					YY/MM/DD	
Teryl Resources Corp.		February 29, 2004			04/04/07	
ISSUER'S ADDRESS 1103 - 11871 Horseshoe Way						
CITY	PROVINCE	POSTAL COD	E ISSUER FA	X NO.	ISSUER TEL NO.	
Richmond	BC	V7A 5H5	604/278-3409		604-278-5996	
CONTACT PERSON		CONTACT'S PC	OSITION		CONTACT TEL NO.	
John G. Robertson	President				604-278-5996	
CONTACT E-MAIL ADDRES	SS	WI	EB SITE ADDRE	SS		
jr@ihiway.com		ww	ww.terylresources.	com		

#### **CERTIFICATE**

The three schedules required to complete this Report are attached and the disclosure contained therein has been approved by the Board of Directors. A copy of this Report will be provided to any shareholder who requests it.

		DATE SIGNED
DIRECTOR'S SIGNATURE	PRINT FULL NAME	YY/MM/DD
"John G. Robertson"	John G. Robertson	04/04/07
		DATE SIGNED
DIRECTOR'S SIGNATURE	PRINT FULL NAME	YY/MM/DD
"Jennifer Lorette"	Jennifer Lorette	04/04/07

## CONSOLIDATED FINANCIAL STATEMENTS

## AS AT FEBRUARY 29, 2004

(UNAUDITED)

(PREPARED BY MANAGEMENT)

### CONSOLIDATED BALANCE SHEET

## AS AT FEBRUARY 29, 2004

## (Unaudited - Prepared by Management)

## **ASSETS**

	Nine Months	Nine Months	Year Ended
ACCEPTEC	February 29,	February 28,	May 31,
ASSETS	<u>2004</u>	<u>2003</u>	<u>2003</u>
Current Assets:	\$	\$	\$
Cash	123,863	- 22 507	-
Prepaids, accounts and accrued receivable		33,597	73,797
Advances to related companies (Note 3)	13,960	11,959	10,112
	218,350	45,556	83,909
<u>Investments</u> (Note 4)	4,026	4,026	4,026
Office Equipment (Note 5)	8,356	4,185	3,939
Mineral Property Interests (Note 7)	196,794	172,698	176,150
<u>Deferred Expenditures</u> :			
Exploration and development (Note 7)	2,155,582	1,661,695	1,849,567
	2,583,108	1,888,160	2,117,591
<u>LIABILIT</u>	ES AND CAPITAL LESS DEFICIT		
Current Liabilities:			
Cheques issued in excess of funds on depo	osit -	12,184	50,381
Accounts payable and accrued liabilities	51,134	532,824	622,410
Estimated liability for capital taxes (Note	8) 732	813	750
Debenture payable (Note 9)	150,000	150,000	150,000
Advances from related companies (Note 1	0) 527,146	485,772	636,644
·	729,012	1,181,593	1,460,185
Contingencies and Commitments: (Note 11)			
Share Capital: (Note 12)			
Issued	7,928,362	6,221,302	6,297,375
Subscriptions Received (Notes 12 and 15)	85,572	146,044	69,972
Deficit	(6,159,838	) (5,660,779	(5,720,053)
	2,583,108	1,888,160	2,117,591
Approved by the Directors:	"John G Robertson"	"Jennifer	
	John G Robertson, Director	Jennifer Lore	ette, Director

## CONSOLIDATED STATEMENT OF INCOME AND EXPENSES

## FOR THE NINE MONTHS ENDED FEBRUARY 29, 2004

	For the Three Months		For the Nine Months					
	Feb. 29,		Feb. 28,		Feb. 29,		Feb. 28,	
	<u>2004</u>		<u>2003</u>		<u>2004</u>		<u>2003</u>	
	\$		\$		\$		\$	
Oil and Gas Operations:								
Revenue	5,908		12,730		16,178		17,150	
Less: Operating expenses	1,461		7,208		4,404		7,208	
Net Income (Loss) from Oil and Gas	4,447		5,522		11,774		9,942	
Operations								
Other Expenses:								
Exploration and development written off	(2,152	)	-		(2,152	)	-	
Administration expenditures (Schedule A)	(192,119	)	(119,007	)	(449,406		(265,240	
Net (Loss) Income for the Period	(189,824	)	(113,485		(439,784	)	(255,298	)
EARNINGS (LOSS) PER SHARE (Note 8)	(0.005	)	(0.005	)	(0.016	)	(0.011	)
Weighted Average Shares Outstanding	27,209,796		23,428,512		27,209,796		23,428,512	
8								
CONS	OLIDATED STAT	ЕМЕ	NT OF DEFIC	ΙΤ				
				_				
Deficit at Beginning of Period	(5,970,014	)	(5,547,294	)	(5,720,054	)	(5,405,481	)
	,		•					
Add: Net (Loss) Income for the Period	(189,824	)	(113,485	)	(439,784	)	(255,298	)
Deficit at End of Period	(6,159,838	)	(5,660,779	)	(6,159,838	)	(5,660,779	)

### Schedule "A"

## TERYL RESOURCES CORP.

## CONSOLIDATED SCHEDULE OF ADMINISTRATION EXPENDITURES

## FOR THE NINE MONTHS ENDED FEBRUARY 29, 2004

	For the	Three Months	For th	ne Nine Months	
	Feb. 29,	Feb. 28,	Feb. 29,	Feb. 28,	
	<u>2004</u>	<u>2003</u>	<u>2004</u>	<u>2003</u>	
	\$	\$	\$	\$	
Publicity, promotion and investor relations	129,118	54,303	266,172	84,827	
Management, consulting and director's fees (Note 13)	17,250	31,618	42,125	69,658	
Foreign exchange loss (gain)	14,125	(2,591	) (10,466	) (1,971	)
Filing fees	4,932	8,392	19,841	12,560	
Secretarial costs	4,900	5,068	15,774	9,568	
Telephone and telecopier	4,521	4,102	12,410	19,203	
Interest on debenture (Note 9)	3,624	2,970	10,992	10,992	
Transfer agent fees	3,515	751	8,130	2,145	
Office, stationery and delivery	2,895	2,770	14,580	10,338	
Audit, accounting and legal	2,743	282	26,423	17,555	
Travel and entertainment	2,282	-	33,122	5,409	
Office rent and utilities (Note 13)	1,300	6,929	3,900	16,691	
Shareholder costs	583	2,284	4,325	2,284	
Moving and incorporation cost written off	=	1,315	-	4,056	
Bank charges and interest - net	(458	) 568	662	1,187	
Amortization	489	246	1,416	738	
Administration Expenditures for the Period	192,119	119,007	449,406	265,240	

## CONSOLIDATED STATEMENT OF DEFERRED EXPLORATION

## AND DEVELOPMENT EXPENDITURES

## FOR THE NINE MONTHS ENDED FEBRUARY 29, 2004

	For the	Three Months	For the	Nine Months
	Feb. 29,	Feb. 28,	Feb. 29,	Feb. 28,
	<u>2004</u>	<u>2003</u>	<u>2004</u>	<u>2003</u>
	\$	\$	\$	\$
West Ridge Claims (Note 7D)				
Geological survey	6,053	2,417	124,243	4,304
Annual rent	-	-	8,185	9,796
Reports and maps			4,121	3,061
	6,053	2,417	136,549	17,161
<u>Gil Venture (</u> Note 7E)				
Reports and maps	-	4,708	1,374	4,780
Drilling and trenching	_	-	162,860	
	-	4,708	164,234	4,780
Fish Creek Claims (Note 7B)			-	_
Lease payment	-	2,409	2,310	2,409
Geological survey and reports	1,021	5,764	2,922	5,764
	1,021	8,173	5,232	8,173
Silverknife (Note 7A)				
Work assessment	2,152	2,152	2,152	2,152
Exploration and Development for the Period	9,226	17,450	308,167	32,266
Less: Exploration and Development written off:				
Re: Inactive claims	2,152	-	2,152	=
	7,074	17,450	306,015	32,266
Exploration & Development at Beginning of Period	2,148,508	1,644,245	1,849,567	1,629,429
<b>Exploration &amp; Development at End of Period</b>	2,155,582	1,661,695	2,155,582	1,661,695

## CONSOLIDATED STATEMENT OF CASH FLOWS

## FOR THE NINE MONTHS ENDED FEBRUARY 29, 2004

	For th	e Thr	ee Months		For the Nine Months		e Months	
	Feb. 29, <u>2004</u> \$		Feb. 28, 2003 \$		Feb. 29 <u>2004</u> \$		Feb. 28, 2003 \$	
Operating Activities:								
Oil and Gas revenue receipts	7,464		12,730		16,891		17,150	
Change in estimated liability for capital tax	20		(49	)	(18	)	(49	)
Payment of debenture interest	-		(15,000	)	(15,000	)	(15,000	)
Payments to suppliers for goods and services	(136,276	)	(236,431	)	(1,037,103	)	(248,301	)
Cash Flows (Used) by Operating Activities	(128,792	)	(238,750	)	(1,035,230	)	(246,200	)
Financing Activities:								
Share capital issued for Cash (Note 12)	55,350		184,875		1,630,987		184,875	
Advances from (to) related parties (Notes 3 & 10)	17,533		55,012		(113,346		88,247	
Cash Flows from Financing Activities	72,883		239,887		1,517,641		273,122	
Investing Activities:								
Current exploration and development costs	(9,226	)	(17,450	)	(308,167	)	(32,266	)
Cash Flows from Investing Activities	(9,226		(17,450		(308,167		(32,266	
Increase (Decrease) in Cash for the Period	(65,135		(16,313		174,244		(5,344	
Cash at Beginning of Period	188,998	,	4,129	,	(50,381	)	(6,840	)
Cush at Deginning of Feriod	100,770	_	1,127		(50,501		(0,010	
Cash (Deficiency) at End of Period	123,863		(12,184	)	123,863		(12,184	)

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

## AS AT FEBRUARY 29, 2004

SIGN	IIFICANT ACCOUNTING POLICIES:
[a]	Nature of Operations:
	The Company makes expenditures on acquiring mineral properties and carries out exploration and development work thereon. It also acquires oil and gas property interests and participates in drilling wells thereon. The recoverability of amounts shown for investments, mineral properties, interest in oil and gas properties and the related deferred expenditures is dependent upon the existence of economically recoverable reserves, the ability to obtain the necessary financing to complete the development, the profitability of future production or the ability of the Company to dispose of those assets on a profitable basis. The Company's ongoing operation is dependent upon cash flow from successful operations and equity financing. These financial statements are prepared on the basis that the Company will continue to operate as a going concern.
[b]	Historical Cost:
	Assets and liabilities are carried at historical cost, less amounts written off, and are not intended to reflect present or future values.
[c]	Fixed Assets:
	The Company records its fixed assets at cost and depreciates them on the declining-balance basis at 20% per annum.
[d]	Accounting for Oil and Gas Well Interests:
	The Company capitalizes the drilling and equipment costs of its interest in specific wells, which are to be amortized or written off as follows:
	(i)  If wells are productive and connected to gathering systems - wells are depreciated on the straight-line basis over their estimated productive life of seven years, from date production begins.
	(ii)  If wells are believed to be productive but not connected to gathering systems (shut-in) - wells are deemed to produce for two months a year and depreciated on that basis.
	(iii)  If wells are, or are believed to become, non-productive - costs are charged to expense.
[e]	Accounting for Mineral Property Interests:

The Company capitalizes its acquisition costs of mineral properties (including finders fees thereon) and the related exploration and development expenditures thereon by claim groups, or its share of costs on joint ventures, which are to be amortized as follows:

- (i) If property sold outright costs written off entirely against proceeds.
- (ii)

  If property sold under option-type agreement on basis of cash or shares received over total undiscounted amount to be received under agreement, exclusive of royalties or net profit participation.
- (iii) If property brought into production on basis of units of production over total estimated reserves recoverable.
- (iv)

  If property retained, but has no proven economic reserves and is not currently being explored or developed by the Company or joint venture partner costs written down to a nominal value.
- (v) If property abandoned costs written off entirely.

## 1. SIGNIFICANT ACCOUNTING POLICIES (Continued):

[f] Accounting for Administration Expenditures:

The Company expenses its administration expenditures in the current year, except for items directly attributable to mineral properties.

[g] Revenue and Property Costs:

These statements reflect only Teryl's share of oil and gas revenue and expenses, although operations are conducted jointly with several parties. These statements reflect only Teryl's share of <u>acquisition costs and expenditures on mineral property interests operated jointly with other parties.</u>

[h] Foreign Exchange Translations:

The Company converts its current assets and liabilities and future payments receivable at current exchange rates, its non-current assets and liabilities at rates in effect on transaction dates, and its income and expenses at average rates of exchange for the period. Gains or losses on the transactions are reflected as administration expense.

[i] Investments:

The Company's marketable securities are carried at cost until sold or a deemed disposition has occurred as defined under the Income Tax Act. The cost of shares sold is determined by the average cost method when less than all the shares held in one company are sold.

[j] Capital Stock:

2.

Capital stock issued for other than cash is recorded at values attributed by the Directors at time of issuance. Commissions and finders fees directly related to share issues are deducted in arriving at net proceeds from share capital. Flow-through share issues are reflected at actual issued prices.

#### **CONSOLIDATION INFORMATION:**

These consolidated financial statements include the accounts of the Company and its wholly-owned subsidiaries, Argon Investment Corporation (inactive) and Teryl, Inc., incorporated on November 17, 1988, in the State of Delaware and registered to do business in the USA, to hold and operate the Alaska mineral property interests and Texas oil and gas well interests. In April, 1998, Teryl, Inc. reorganized and increased its authorized share capital from 1,000 common shares to 100,000,000 common shares, in preparation for taking the company public. Teryl Resources Corp. was issued 6,500,000 shares of Teryl, Inc. and held 100% of the shares at February 29, 2004. If Teryl, Inc. issues shares to others, Teryl Resources Corp. s percentage holdings will decrease. See Note 15 re Teryl, Inc. transactions.

Feb. 29, Feb. 28, May 31,

3.	ADVANCES TO RELATED COMPANIES:	<u>2004</u>	<u>2003</u>	<u>2003</u>
	Information Highway.com, Inc.	819	409	409
	Linux Gold Corp. (See Note 4)	-	3,609	3,719
	REGI US, Inc.	13,140	-	-
	Reg Technologies Inc. (See Note 13)	-	6,240	5,983
	International Diamond Syndicate Ltd. (See	1	1,701	1
		13,960	11,959	10,112

The advances to related companies bear no interest and have no fixed repayment terms.

## 4. <u>INVESTMENTS</u> consist of:

International Diamond Syndicate Ltd. (IDS) is a private company having no quoted market, in which Teryl Resources owns 40% of the issued shares. At May 31, 2000, the investment and advances to IDS were written down to \$1 each as IDS's property has no proven economic reserves, so there is little expectation of recovery.

Linux Gold Corp. (formerly Linux Wizardry Systems, Inc.) is a public company listed on US Stock Exchanges having a market value of \$4,288 Cdn. at February 29, 2004 and \$794 Cdn. at February 28, 2003.

	Feb. 29, 2004	Feb. 28, 2003	May 31, 2003
International Diamond Syndicate Ltd.:			
40 shares - June 24, 1993	1	1	1
Linux Gold Corp.:			
15,880 shares - Feb. 28, 1993	4,025	4,025	4,025
	4,026	4,026	4,026
•			
OFFICE FURNITURE consists of:			
Furniture and fixtures - at cost	40,765	34,932	34,932
Less: Accumulated amortization	32,409	30,747	30,993
	8,356	4,185	3,939
	Linux Gold Corp.:  15,880 shares - Feb. 28, 1993  OFFICE FURNITURE consists of: Furniture and fixtures - at cost	2004	2004   2003     2004   2003     2004   2003     2004   2003     2004   2005   2005     2005

## 6. OIL AND GAS WELL INTERESTS:

The Company, through its subsidiary Teryl, Inc., owns 6.5% Working Interest (4.680% Net Revenue Interest) in the Peters No. 1 Well, in Fayette County, Texas, and a 7.5% Working Interest (5.79375% Net Revenue Interest) in each of the Jancik #1 and Herrmann #4 wells, located in Burleson County, Texas, which have been completely amortized.

## 7. <u>MINERAL PROPERTY INTERESTS</u> consist of the following:

				<b>Acquisition Cost</b>	<u>.</u>
		Teryl' s		Feb. 29,	May 31,
Claim Group	Region	<u>Interest</u>	<u>Ref.</u>	<u>2004</u>	<u>2003</u>
Silverknife	Liard, BC	26.7%	A	1	1
Fish Creek	Fairbanks, Ala	0-45%	В	33,538	19,452
Anderson	Fairbanks, Ala	0-95%	C	6,558	-
West Ridge	Dome Creek, Ala	100%	D	116,189	116,189
Gil Venture	Dome Creek, Ala	20%	Е	31,127	31,127
Stepovich	Dome Creek, Ala	10%	F	9,381	9,381
				196,794	176,150

A.

#### **SILVERKNIFE**:

Pursuant to agreements between Reg Technologies Inc., SMR Investments Ltd., Rapitan Resources Inc., and Chevron Minerals Ltd., Teryl acquired a 30% working interest in the Silverknife mineral claims, situate in the Liard Mining Division in the Province of British Columbia, subject to a 10% Net Profit Royalty to Rapitan and a 1% Net Smelter Returns to SMR. The Company has written down their acquisition costs to \$ 1 and has written off their exploration and development expenditures entirely, since the claims are not currently being explored and have no proven economic reserves.

Page 4

## 7. <u>MINERAL PROPERTY INTERESTS (Continued)</u>:

B.

#### FISH CREEK:

On March 5, 2002, the Company and Linux Gold Corp. entered into an agreement whereby Teryl may earn up to a 50% interest in the Fish Creek mineral claims located in the Fairbanks district of Alaska, USA by expending \$ 500,000 US within three years and issuing 200,000 common shares subject to regulatory approval (see Note 12 re issuance of these shares during the February 28, 2003 quarter). Linux will have a 5% net royalty interest until Teryl pays \$ 500,000 US.

C.

#### ANDERSON GROUP:

Pursuant to a purchase agreement dated August 18, 2003, the Company agreed to pay Michael D. Roberts \$ 6,559 (\$ 5,000 US), with an additional \$ 142,500 US owing in the next three years, for a 100% interest (subject to a 5% net profit interest) for 70.785 acres located in the Fairbanks Mining district of Alaska, USA, known as Anderson Group 2nd Tier R.L. of Dome Creek.

D.

#### WEST RIDGE:

Pursuant to various agreements the Company, through its subsidiary Teryl, Inc., earned a 100% interest in the West Ridge (48 claims) mineral properties (approximately 5,200 acres) located in the Dome Creek area of the Fairbanks District of Alaska, USA.

Pursuant to a letter agreement, between Kinross Gold Corporation and Teryl, Inc. dated October 15, 1998 and a formal agreement dated August 1, 1999, Kinross may earn a 70% interest in the West Ridge claims by paying \$ 285,000 US over five years, expending \$ 1,500,000 US on a work program over five years and paying all property and assessment payments during that time. Teryl, Inc. will retain a 30% vested interest and proportionately share any further expenditures after the five years. At May 31, 2000, Teryl, Inc. wrote off \$ 8,367 in property costs and \$ 17,186 in deferred exploration costs against the \$ 37,388 (\$ 25,000 US) option payment received and at May 31, 2001, wrote off \$ 11,714 in property costs and \$ 23,033 in deferred exploration costs against the \$ 53,036 (\$ 35,000 US) option payment received. Kinross Gold has terminated this agreement. Teryl, Inc. has been conducting exploration on this property since 2001.

Ε.

#### GIL VENTURE:

Pursuant to various agreements the Company, through its subsidiary, Teryl, Inc., acquired a 50% interest in 237 claims located in the Gilmore Dome area of Fairbanks District of Alaska. On May 31, 1991, the Company, its subsidiary Teryl Inc., NERCO Exploration Company and Fort Knox Venture entered into an agreement which granted the Company a 20% participating interest in the claims, valued at \$150,000 US (\$171,720 Cdn). Under the agreement Fort Knox Venture paid the Company a total of \$143,500 US and to contributed \$600,000 US to fund approved programs and budgets earning them an 80% participating interest in the property with Teryl, Inc. retaining a 20% participating interest. Fort Knox Venture through its operator, Fairbanks Gold Mining Inc., has been doing exploration and development work on this property from 2000 through 2003 and will make a decision on going into production in the next few years. This has resulted in Teryl, Inc. being required to pay its 20% share of expenses, which amounted to \$162,860 (\$122,114 US) in the February 29, 2004 period (May 31, 2003 year - \$144,495 Cdn.). Further cash calls are expected for the 2004 year.

ы	

## STEPOVICH LEASE:

The Company, through its subsidiary Teryl, Inc., and Fort Knox Venture under an assignment dated May 29, 1992 agreed that Teryl, Inc. would retain a 10% Net Profit Interest in these claims after various assignments.

## 7. <u>MINERAL PROPERTY INTERESTS (Continued)</u>: <u>SUMMARY OF MINING PROPERTIES</u>:

DD ODEDTIL GOGTG	Balance	Changes	Balance	Changes	Balance
PROPERTY COSTS:	May 31/02	<u>2003</u>	May 31/03	<u>2004</u>	<u>Feb. 29/04</u>
Silverknife	1		1		1
Fish Creek	=	19,452	19,452	14,086	33,538
Anderson Group	=	=	=	6,559	6,559
West Ridge	116,189		116,189		116,189
Gil Venture	31,127		31,127		31,127
Stepovich Lease	9,381	=	9,381	-	9,381
	156,699	19,452	176,150	20,645	196,795
DEFERRED EXPLORATIO	N AND DEVELOPMEN	<u>VT</u> :			

Silverknife	=		-		-
Fish Creek	-	47,595	47,595	5,232	52,827
Anderson Group	=	-	-	-	-
West Ridge	246,186	22,976	269,162	136,549	407,711
Gil Venture	1,382,242	149,567	1,531,809	164,234	1,696,043
Stepovich Lease	1,001		1,001		1,001
	1,629,429	220,138	1,849,567	306,015	2,155,582

## 8. INCOME TAXES AND EARNINGS PER SHARE:

Since the Company has Canadian income tax losses of approximately \$ 1,127,460 available to reduce future taxable income until the year 2010, no figures have been presented for deferred income taxes. The Company has Canadian exploration and development expenditures of \$ 1,118,478 available to reduce future taxable income from mineral properties. The Company estimates it will be liable for approximately \$ 732 (\$ 548 US) income and capital taxes to the State of Texas, USA, in respect to its oil and gas well income.

Under "flow-through" issuances, the Company entered into agreements with contributors to expend certain proceeds from the issuances of its shares on exploration and development work on its mineral property interests. The amounts so expended would "flow-through" to the contributors as Canadian Exploration Expenditures, which are deductible for income tax purposes. In prior years, the Company received \$ 533,801 of "flow-through" funds, which were expended on "eligible work" on its mineral property interests and renounced eligible expenditures incurred by it in respect thereto. Since the tax deductibility of these expenditures has been renounced to the contributors, the expenditures are not available to the Company for income tax purposes.

Basic earnings (loss) per share are calculated using the weighted daily average number of common shares outstanding for the period, which amount to 27,209,796 shares (2003 - 23,428,512 shares).

Diluted earning per share is calculated using the Treasury Stock Method, whereby it is assumed that proceeds on the exercised stock options are used by the Company to repurchase its shares at the average market price during the period of \$ 0.50 (2003 - \$ .40). As the 2004 and 2003 periods both resulted in a loss there are no figures presented as the effect would be antidilutive.

9. <u>DEBENTURE PAYABLE:</u>

Pursuant to various agreements the Company agreed to issue a convertible debenture for \$ 150,000 to Keltic Bryce Enterprises Inc., subject to regulatory approval. The original agreement dated September 1, 1991 was approved. However, an amendment requested by Keltic Bryce, which resulted in the withdrawal of the original agreement, increasing the number of units and decreasing the share and warrant prices, did not subsequently receive approval and the debenture is not convertible under existing regulatory policy. Interest of \$ 9,818 was accrued to February 29, 2004 (February 28, 2003 - \$10,122). The Company paid \$15,000 in accrued interest November 12, 2003.

After various disputes Teryl Resources Corp., Teryl, Inc. and Keltic Bryce Enterprises Inc. were negotiating a Settlement Agreement to repay Keltic Bryce the \$ 150,000 loan and all accrued interest as full settlement of the Debenture.

## 10. ADVANCES FROM RELATED COMPANIES consist of:

	Feb 29,2004	Feb. 28,2003	May 31,2003
Access Information Systems Inc.	113,770	113,267	128,578
JGR Petroleum Inc.	103,112	68,653	102,214
Linux Gold Corp.	7,567	-	-
Rainbow Network	55,604	49,667	61,348
Reg Technologies Inc.	263	-	-
540330 BC Ltd.	13,894	-	78,228
Sovo Computer Centre	824	10,353	4,953
SMR Investments Ltd.	232,112		261,323
	527,146	485,772	636,644

The advances from related companies bear no interest and have no fixed repayment terms.

## 11. CONTINGENCIES AND COMMITMENTS:

See Note 12 below for "Outstanding Commitments to Issue Shares".

## SHARE CAPITAL:

12.

### Authorized Share Capital consists of:

Common Shares - voting	No Par Value	100,000,000
Preferred Shares - non-voting	\$ 1 Par Value	5,000,000

105,000,000

The Preferred Shares have attached thereto a right to receive dividends as determined by the Directors. The Preferred Shares may be issued in series, with special rights and restrictions therefor being determined by the Directors, subject to regulatory approval. No Preferred Shares have been issued to the date of these financial statements. At the Annual General Meeting held in November, 2000, it was resolved to increase the Common shares to 100,000,000, which was completed.

12.

#### SHARE CAPITAL (Continued):

#### **Issued Share Capital - Common - consists of the following:**

		No. of		
FOR CASH:	Ref.	<u>Shares</u>	<u>Price</u>	<u>Amount</u>
Total Issued for Cash at May 31, 2002		18,633,174		5,062,288
Shares issued in May 31, 2003 Year:				
Private placement	A	1,500,000	0.10	150,000
Employee stock option exercised	В	12,500	0.15	1,875
Private placement warrants exercised	C	275,000	0.12	33,000
Private placement	D	217,350	0.35	76,073
		2,004,850		260,948
Total Issued for Cash at May 31, 2003		20,638,024	•	5,323,236
Issued during February 29, 2004 period:			•	
Stock options exercised	E	97,500	0.15	14,625
Private placement	F	2,000,000	0.25	495,887
Private placement warrants exercised	G	250,000	0.12	30,000
Stock option exercised	Н	50,000	0.40	20,000
Private placement	I	3,000,000	0.35	1,026,375
Private placement warrants exercised	J	147,000	0.30	44,100
		5,544,500		1,630,987
Total Issued at February 29, 2004		26,182,524		6,954,223
FOR OTHER:				
Total Issued for Other at May 31, 2002		4,400,064		958,139
Issued during May 31, 2003 year:				
Fish Creek Mineral property	K	200,000	0.08	16,000
Total Issued at February 29, 2004		4,600,064		974,139
TOTAL ISSUED AT FEB. 29, 2004		30,782,588	:	7,928,362

- A. On December 11, 2002, the Company issued 1,500,000 units of capital stock at a price of \$ 0.10 per unit, pursuant to a Private Purchase agreement, to net the treasury \$ 150,000. Each unit consists of one common share and one share purchase warrant exercisable within the first year for \$ 0.12 and \$ 0.15 in the second year per common share.
- B.
  On December 20, 2002, J. Singh, an Employee, exercised a Stock Option for 12,500 shares at \$ 0.15 per share to net the treasury \$ 1,875.
- C.
  On January 15 and 23, 2003, two individuals exercised Private placement warrants for a total of 275,000 shares at \$ 0.12 per share to net the treasury \$ 33,000.
- D.
  On May 23, 2003, the Company issued 217,350 shares of capital stock at a price of \$ 0.35 per unit, pursuant to a Private Purchase agreement, to net the treasury \$ 76,073. These shares were issued for subscriptions received by its subsidiary, Teryl, Inc. ( Note 15).

#### 12.

### **SHARE CAPITAL (Continued)**:

- E. On June 23, 2003, J. Robertson, President of the Company, exercised a Stock Option for 10,000 shares at \$ 0.15 per share to net the treasury \$ 1,500. On November 28 and December 4, 2003 and February 24, 2004 three employees exercised Employee Stock Options for 87,500 shares at \$ 0.15 per share to net the treasury \$ 13,125.
- F. On August 26, 2003, the Company issued 2,000,000 units of capital stock pursuant to a Private Placement with 27 places at a price of \$ 0.25 per unit (\$ 500,000 less issue costs of \$ 4,113) to net the treasury \$ 495,887. Each unit consists of one common share and one-half share purchase warrant exercisable within the first year for \$ 0.30 per common share and for \$ 0.40 per common share within the second year.
- G.
  On October 20, 2003, one individual exercised Private placement warrants for a total of 250,000 shares at \$ 0.12 per share to net the treasury \$ 30,000.
- H. On November 21, 2003, G. Freeman, exercised an Employee Stock Option for 50,000 shares at \$ 0.45 per share to net the treasury \$ 20,000.
- I. On November 24, 2003, the Company issued 3,000,000 units of capital stock pursuant to a Private Placement with 50 places at a price of \$ 0.35 per unit (\$ 1,050,000 less issue costs of \$ 23,625) to net the treasury \$ 1,026,375. Each unit consists of one common share and one-half share purchase warrant exercisable within one year for \$ 0.50 per common share.
- J.
  In December, 2003 and January, 2004, five individuals exercised Private placement warrants for a total of 147,000 shares at \$ 0.30 per share to net the treasury \$ 44,100.
- K.
  On December 16, 2002, the Company issued 200,000 common shares, at a price of \$ 0.08 each, to Linux Gold Corp. pursuant to the Fish Creek mineral claims agreement described in Note 7B.

#### Outstanding Commitments to Issue Shares:

At February 29, 2004, the following commitments to issue shares were outstanding:

	No. of		Expiry
Type of Commitment	<u>Shares</u>	<u>Price</u>	Date
Private placement Warrant	ts1,000,000	0.15	Dec. 11/04
Private placement Warrant	ts853,000	0.30/0.40	Aug. 26/04/05
Private placement Warrant	ts1,500,000	0.50	Nov. 24/04
Consultant's Option	350,000	0.40	Feb. 19/06
Director s Option	990,000	0.15	Apr. 22/07
Senior Officers' Options	600,000	0.15	Apr. 22/07
Senior Officer's Option	150,000	0.15	Nov. 22/07
Consultant's Option	50,000	0.40	Dec. 16/07
Consultants' Options	75,000	0.40	Mar. 4 /08
Consultant's Option	150,000	0.40	Oct. 20/08
Consultants' Options	300,000	0.45	Nov. 14 /08

6,018,000	

During the nine month quarter ended February 29, 2004, the Company issued stock options to two consultants, P. Zihlmann and G, Duggan, for 150,000 common shares at \$ 0.40 and 300,000 common shares at \$ 0.45 respectively, exercisable within a five year period. In November, 2003, the Company cancelled two employee stock options. One, issued to J. Gomez for 50,000 common shares at \$ 0.40 expiring March 4, 2008 and the other issued to J. Singh for 25,000 common shares at \$ 0.15 expiring April 22, 2007.

The Company has received \$ 15,600 in subscriptions towards Private Placements warrants exercised. The shares are to be issued in the next quarter.

Teryl Resources Corp. Notes to Consolidated Financial Statements As At February 29, 2004 (Unaudited - Prepared by Management)

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13.

#### **RELATED PARTY TRANSACTIONS:**

International Diamond Syndicate Ltd. (IDS) is a 40% subsidiary of Teryl, formed to conduct joint mineral property exploration and development with Berkshire International Mining Ltd. and Geodex Minerals Ltd. See Notes 3 and 4 above re advances to and investment in IDS written down in 2000.

Reg Technologies Inc. is a public company which shares office facilities and staff, several directors and participates in Joint Ventures with the Company. See Note 7A in respect to the property that is operated as a Joint Venture with Reg. See Notes 3 and 10 re advances to or from Reg.

SMR Investments Ltd. is a private company which is controlled by an officer of the Company who has significant influence on the affairs of the companies. Under a management contract with SMR Investments Ltd. the Company agreed to pay \$ 2,500 per month for management services. The Company paid to SMR management fees totalling \$ 15,000 during the current period (2003 - \$ 22,500). See Note 7A regarding mineral properties transactions with SMR and Note 10 re advances from SMR.

The Company holds 15,880 shares (2003 -15,880 shares) of Linux Gold Corp., a public company controlled by an officer of the Company, as described in Note 4. See Notes 3 and 10 re advances to or from Linux.

Director's fees of \$8,500 have been paid to John Robertson, President of the Company for the nine months ended February 29, 2004 (2003 - Nil). Administration consulting fees of \$17,125 (2003 - \$22,500) were paid to J. Lorette, Vice-President of the Company. Secretarial fees of \$14,874 (2003 - \$9,568) were paid to Monique van Oord, a director of the Company

Office rent amounted to \$ 11,700 for the period ended February 29, 2004 and \$ 7,800 of this has been shared with Reg Technologies Inc. and REGI US Inc.

14.

#### OTHER:

See the "Outstanding Commitments to Issue Shares" section at the end of Note 12 for information on commitments to issue shares after the balance sheet date.

At the Annual General Meeting held January 22, 2003, the Board was granted approval to apply to have the Company's named changed to Teryl Gold Inc.. At the date of these financial statements this had not yet been completed.

On March 12, 2004, the Company announced that a Private Placement of 2,000,000 units at \$ 0.50 per unit had been approved. Each unit will consist of one common share and one warrant to purchase one additional share within eighteen months for a price of \$ 0.60.

#### TERYL, INC. TRANSACTIONS (100% US Subsidiary):

See Note 2 re consolidation of Teryl, Inc. within these statements and see Notes 7D, 7E & 7F regarding mineral claim exploration and development and option agreements.

In 1998, Teryl, Inc. offered a private placement for up to 1,000,000 shares at a price of \$ 0.15 US and subscriptions of \$ 146,044 (\$ 96,750 US) were received by November 19, 1999. Since the offering was not fully subscribed, the Companies negotiated with the subscribers to replace the Teryl, Inc. shares with Teryl Resources Corp. shares. See Note 10 regarding the \$ 76,073 (\$ 51,750 US) worth of capital stock issued May 23, 2003 for these subscriptions. One subscriber did not return his agreement and negotiations are still proceeding to resolve this.

#### SCHEDULE "B" - SUPPLEMENTARY INFORMATION

## 1. ANALYSIS OF EXPENSES AND DEFERRED COSTS:

- (a) See Schedule "A" Consolidated Statement of Deferred Exploration and Development Expenditures and Note 7.
- (b) See Schedule "A" Consolidated Schedule of Administration Expenditures

## 2. RELATED PARTY TRANSACTIONS:

3.

Related Party	Nature of Transactions	<u>Quarter</u>	Year to Date
Companies related to the President of the Company	Management fees	\$ 7,500	\$ 15,000
President	Director's fees	3,000	8,500
Vice President	Administration fees	6,750	17,125
Director	Secretarial fees	4,000	14,874

See Schedule A - Notes 3, 10 and 13 for descriptions of Related Parties and advances to and from Related Parties.

### SUMMARY OF SECURITIES ISSUED AND OPTIONS GRANTED DURING THE YEAR:

- (a) See Note 12 to Schedule "A" for securities issued during the year
- (b) See Note 12 to Schedule "A" for options granted during the year.

## SUMMARY OF SECURITIES AS AT February 29, 2004:

- (a) See Note 12 to Schedule "A".
- (b) See Note 12 to Schedule "A".
- (c) See Note 12 to Schedule "A".

- (d)
  There are no shares subject to Escrow or Pooling agreements
- 5. <u>DIRECTORS AND OFFICERS AT April 8, 2004</u>:

<u>List of Directors:</u>	List of Officers:
John Robertson	John Robertson - President and Secretary
Jennifer Lorette	Jennifer Lorette - Vice President
Susanne Robertson	Susanne Robertson - Chief Financial Officer
Monique Van Oord	

#### Quarterly Report to Shareholders for the Period Ended February 29, 2004

#### SCHEDULE "C" - MANAGEMENT DISCUSSION

Note: The following management discussion has been prepared as a summary of activities for the period ended February 29, 2004 and of significant subsequent events to the date of this report.

#### NATURE OF BUSINESS

The Company's principal business during the last three years has been the acquisition, exploration and development of natural resource properties. The Company currently has mineral property interests in Alaska, and British Columbia. It also, through its subsidiary, Teryl, Inc., has oil and gas well interests in Texas. All of the Company's mineral properties are in the exploration stage.

#### DISCUSSION OF OPERATIONS AND FINANCIAL CONDITION

The main exploration and development work over the last several years has taken place on the Gil claims (gold prospect) located in the Fairbanks, Alaska mining district. The Gil joint venture, with Kinross Gold Corporation, is divided into two mineralized zones, the Main Gil and the North Gil, of which a total of 45,547 feet of drilling was completed last year (see news release dated November 29, 2000 for details). Additional drilling (3,500 feet), trenching (1,900 feet) was completed this year on the Main Gil, North Gil and other targets on the Gil claims.

The Gil claims are adjacent to the producing Fort Knox deposit owned by Kinross Gold Corporation. Teryl, Inc. owns a 20% working interest and Kinross Gold has a 80% working interest in the Gil joint venture. Plans for the Gil claims in the 2002 year include the continuation of a detailed exploration plan to further this project.

The Company, through its subsidiary, Teryl, Inc., owns a 100% interest in the West Ridge claims located in the Fairbanks Alaska mining district. Between June, 2003 and November 2003, the Company completed three phases of a drill program on the Company's 100% owned West Ridge Property was approved. The Company anticipates additional ground geophysics, trenching and drilling commencing on the gold intrusive discoveries in early to mid 2004.

#### Results of Operations for the period ended February 29, 2004 ("2004") compared to the period ended February 28, 2003 ("2003")

Results of operations was a net loss of \$439,784 (\$0.016 per share) as compared to a net loss of \$255,298 (\$0.011 per share) for 2003.

In 2004 the Oil and Gas operations had net income of \$ 11,774 compared to net income \$ 9,242 in 2003, which was mainly due high fuel price resulting in increased oil & gas production and sales.

In 2004 expenditures for advertising, promotion and public relations were \$ 266,172 compared to \$ 84,827 in 2003, due to increasing stock market prices and a determined effort to raise financing to carry out their exploration projects. Several other expenditures in 2004 were higher than in 2003 due to rising costs and increased administration and promotional activities, although this was partially offset by the \$ 10,466 gain in foreign exchange due to the stronger Canadian dollar.

#### Significant events and highlights

#### Gil Claims

In November 2003, the Company and Kinross Gold Corp. increased the exploration program at the Fort Knox-Gil joint venture project in Alaska and commenced Phase II. Added to the original program of core and reverse circulation drilling, budgeted at US\$750,000, is project assessment studies, essential for the development of the Gil gold deposits.

Exploration at the Gil Project has defined two gold zones known as the Main and North deposits. The objective of the enhanced phase 2 programme is to collect environmental baseline data, characterize the hydrology in the area of the Main Gil deposit, as well as conduct engineering studies for a haul road and other project-related construction activities.

Following is a summary of the 2003 Phase 2 Exploration Program for the Gil Project including estimated costs:

- 1. Additional core and reverse circulation drilling to more fully define the limits and magnitude of gold mineralization at the Main Gils deposit and other targets. This phase including assaying, geologic services, access road and drill pad construction, and reclamation of surface disturbance, is estimated at US\$750,000;
- 2. A cultural resources survey to determine the presence (or absence) of historical artifacts in the project area. This phase of work is estimated to cost US\$81,000;
- 3. Wetlands delineation and a Threatened and Endangered Species surveys are estimated to cost US\$26,000;
- 4. Costs under a State of Alaska Reimbursable Services Agreement for project-related activities are estimated to be US\$23,000;
- 5. Detailed digital topography, suitable for engineering studies and design, for the area of the mineral deposits are estimated to be US\$20,000;
- Access and haul road design activities and construction cost estimates, US\$75,000;
- 7. Preliminary hydrologic studies and construction of a piezometer network are estimated to cost US\$50,000; and
- 8. Drilling of a production (water) well to characterize the nature and volume of ground water in the vicinity of the Main Gil deposit, US\$50,000.

The total estimated cost of the proposed work program is US\$1,075,000. Teryl Resources Corp.'s share (20%) of these costs is US\$215,000 plus management fees.

Phase 2 drilling was completed bringing 2003 drilling totals to 27,590 feet of reverse circulation drilling in 127 holes and 8,917 feet of diamond core drilling in 31 holes. The best gold results were on Hole # GVR03-398, which intersected 135 feet of 0.087 opt gold including 85 feet of 0.121 opt gold.

Elsewhere on the Gil project, preliminary hydrology and engineering studies, resource database modeling and baseline environmental data continue to be gathered in accordance with revised Phase II work plans.

#### West Ridge Property

In November, 2003 the third phase of auger drilling was completed and three trenches totaling 342 meters were completed on the newly discovered West Ridge gold zone. The Company's geological consultants, Avalon Development, report that a series of shear zones were encountered in the trenches with widespread iron, arsenic and antimony oxides present. The shears strike northeast and north-northwest and are marked by fault gouge, breccia and shearing with quartz veins ranging up to 25 centimeters. The most promising rocks include intense red iron oxide after pyrite, yellow antimony oxide after stibnite and apple green arsenic oxide after arsenopyrite. Unaltered quartz veins containing jamesonite were discovered in a shear zone in Trench 1. Jamesonite is commonly present in high grade mineralization found elsewhere in the Fairbanks District. The rocks are pervasively sericite altered and at the southwest end of Trench 3 a granodiorite intrusive body was encountered which exhibits sericitic alteration similar to that seen in other intrusive-hosted gold systems in the region. The extent of this intrusive body is unknown at present.

Auger drilling on the Old Glory prospect has expanded the extent of anomalous gold in rocks and soil to an area measuring 500 meters northeast - southwest by 500 meters northwest - southeast. Soil values in this grid range up to 2,130 parts per billion (over 2 grams of gold per ton)

and rock samples collected from the trenches returned values up to 10 grams (1/3 of an ounce per ton gold). Mineralization remains open to expansion to the northeast, southwest and northwest.

In December, 2003 the Company received results from Avalon Development Corp. on the trench geochemical results and ground geophysics recently completed on the Old Glory prospect on the Company's 100% owned West Ridge claims in the Fairbanks District.

The most significant geochemical results from the three West Ridge trenches came from the last 15 meters of trench 3 which averaged 596 ppb gold and intersected a highly oxidized sericite altered diorite to granodiorite

intrusive containing up to 2.98 grams per tonne gold with 3,140 ppm arsenic (Table 1). Alteration associated with the intrusive included strong sericitic alteration and a marked increase in aluminum and sodium values. This sort of silicate alteration is normally associated with albitization in and adjacent to gold-bearing intrusives in the Tintina Gold Belt of Alaska and the Yukon. This intrusive mass remains open to expansion to the west and south into an area of the previously completed soil auger grid where gold soil values are consistently anomalous (+50 ppb) and reach up to 1,000 ppb. This portion of the soil grid, measuring at least 100 meters north-south by 150 meters east-west, is defined by an amorphous gold-in-soil pattern similar to that seen in intrusive hosted gold occurrences elsewhere in the district. This portion of the grid also yielded grab rock samples which returned up to 10 grams per tonne gold from quartz-vein float, the highest grades recovered from the property to date.

Given the presence of well mineralized intrusives in Trench 3, the extent of anomalous gold in soils adjacent to it and the presence of higher grade gold in rock samples from this area, a larger intrusive mass may exist south of the Old Glory discovery zone. Geophysical evidence supports this and the following conclusions:

- 1. Backhoe trenching has revealed the presence of northeast-trending mineralized shear zones at Old Glory. These shear zones correspond to linear gold arsenic anomalies outlined by soil auger sampling.
- Backhoe trenching has revealed the presence of highly mineralized sericite altered intrusives which appear to underlie the southern end of the 2003 soil auger grid.
- 3. Magnetics profiles appear capable of distinguishing between barren quartz mica schist and quartzite of the Fairbanks Schist from more magnetic rocks of the Chatanika Terrane.
- 4. Magnetic profiles did not encounter enough intrusive rock to determine whether or not it could distinguish intrusives from Fairbanks Schist with any certainty.

Avalon Development Corp. has recommended additional ground geophysics, trenching and drilling. The Company anticipates this will commence on the gold intrusive discovery in early 2004.

#### FINANCING ACTIVITIES, PRINCIPAL PURPOSES AND MILESTONES, AND LIQUIDITY AND SOLVENCY

During the nine month period ending February 29, 2004, the Company issued 5,544,500 common shares to net the treasury \$ 1,630,987 (See Note 12 to Schedule "A"). In this period, the Company repaid loans, on a net basis, of \$ 113,346 to related companies.

During the 2003 year the Company issued 2,004,850 common shares to net the treasury \$ 260,948 (See Note 12 to Schedule "A"). The Company also issued 200,000 common shares for mineral property at a deemed price of \$ 0.08 per share. In 2003, the Company received loans, on a net basis, of \$ 260,318 from related companies.

Of the total cash raised of \$ 174,244 from financing and investing activities together with an opening cash deficit of \$ (50,381) and \$ 11,774 surplus on oil and gas operations, \$ 308,167 was spent on exploration and development of mineral property interests and \$ 449,406 was spent on operations. In the same nine month period, ending February 28, 2003, \$ 255,298 was spent on exploration and development and \$ 265,240 was spent on operations. The Company's cash surplus at February 29, 2004 was \$ 123,863 compared to \$ (50,381) at May 31, 2003 and the working capital deficit decreased by \$ 865,614 to \$ 510,662 compared to \$ 1,376,276 at May 31, 2003. The Company plans to continue raising funds through sale of capital stock and through option agreements on its mineral properties. See subsequent events note regarding private placement announced March 12, 2004.

### **Subsequent Events**

See above regarding Private Placement announcement dated March 12, 2004.

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#### NEWS RELEASE

Teryl Resources Corp. (the "Company")

TSX Venture Exchange: TRC Pink Sheet Symbol: TRYLF

## TERYL RESOURCES RECEIVES GIL JOINT VENTURE 2003 EXPLORATION REPORT -FAIRBANKS, ALASKA

**For Immediate Release: April 21, 2004 Fairbanks, Alaska** - **Teryl Resources Corp.** (TSX Venture Exchange: TRC: Pinksheet Symbol: TRYLF) wishes to announce that the 2003 exploration report on the Gil joint venture has been received by Kinross Gold Corporation.

The 2003 Gil Joint Venture exploration program began April 1<sup>st</sup>, 2003, and concluded December 31, 2003. The exploration program consisted of: 127 reverse circulation (RC) drill holes totaling 28,000 feet, 31 core holes totaling 8,917 feet, 4 trenches totaling 1,150 feet, and 358 rock samples collected for assaying. Additional work included geologic mapping, reclamation, surveying, and environmental monitoring.

The largest share of the exploration program was directed at increasing the level of confidence in the grade and continuity of mineralization at both the Main and North Gil deposits. This goal was accomplished by increasing the nominal drill density and targeting specific areas having complex geology with additional drilling and trenching. Drilling was successful in expanding mineralized boundaries in portions of both zones as well as identifying several high-grade quartz vein targets.

Exploration work also took place along Sourdough Ridge, the Intersection Area, which is where the Main Gil and North Gil trends intersect, and in the western portion of the Gil Joint Venture claim block near the Fort Knox Mine.

Sourdough Ridge fieldwork has outlined two significant calc-silicate units that out crop on the surface for approximately 300 feet in a northeast-southwest trend and remains open to the northeast. In the Intersection Area drilling confirmed strong gold values located in trenching and outlined an east-west trend to the mineralization. One drill hole was collared in the western portion of the Gil Joint Venture block, but did not intersect significant mineralization. This area remains to be thoroughly investigated.

Please see our News Release dated January 20, 2004 on our web site (www.terylresources.com), for assay results on the Gil joint venture.

#### ABOUT TERYL RESOURCES CORP.

With interests in four gold properties, Teryl Resources Corp. is one of the main landowners in the Fairbanks Mining District, Alaska. The Gil project is a joint venture (80% Kinross/20% Teryl) with Kinross Gold Corporation (TSX: K; NYSE: KGC). The Company's holdings also include the Fish Creek Claims, 50% optioned from Linux Gold Corp. (OTC BB: LNXGF), and the Stepovich Claims, which Teryl has a 10% net profit interest from Kinross. Teryl Resources Corp. also has one joint venture silver prospect located in Northern BC, Canada. For further information visit the Company's website at <a href="http://www.terylresources.com">http://www.terylresources.com</a>.

ON BEHALF OF THE BOARD OF DIRECTORS

"John Robertson"

John Robertson President Contact: John Robertson Tel. 800-665-4616

The TSX Venture Exchange has neither approved nor disapproved of the information contained herein.

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#### NEWS RELEASE

Teryl Resources Corp. (the "Company")

TSX Venture Exchange: TRC Pink Sheet Symbol: TRYLF

## COMPLETION OF \$1,000,000 PRIVATE PLACEMENT OF 2,000,000 UNITS

For Immediate Release: April 27, 2004, Vancouver, B.C. - Teryl Resources Corp. (TSX Venture Exchange: TRC) announces pursuant to its News Releases dated March 12, 2004, whereby the Company disclosed that it had arranged a private placement of an aggregate of 2,000,000 units in the capital stock of the Company to various investors at a price of \$0.50 per unit, the Company is pleased to announce that it has now received regulatory acceptance of the private placement. Each unit consists of one common share and one warrant (the "Warrant") enabling the investor to purchase an additional share at an exercise price of \$0.60 per share for an eighteen month period expiring October 26, 2005. The common shares forming part of the units are subject to a hold period expiring 4 months from the date of issuance for the units, which hold period expires August 26, 2004.

The funds raised by way of the private placement will be used for continued exploration and development expenses on the West Ridge claims, general corporate purposes and accounts payable

#### ABOUT TERYL RESOURCES CORP.

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#### NEWS RELEASE

Teryl Resources Corp. (the "Company")

TSX Venture Exchange: TRC Pink Sheet Symbol: TRYLF

# TERYL RESOURCES RECEIVES WEST RIDGE PHASE I DRILLING PROGRESS REPORT, FAIRBANKS, ALASKA

#### - SIGNIFICANT GOLD INTERVAL INTERSECTED IN THE FIRST PHASE OF DRILLING -

**For Immediate Release: April 28, 2004 Fairbanks, Alaska** - **Teryl Resources Corp.** (TSX Venture Exchange: TRC: Pinksheet Symbol: TRYLF) wishes to announce that the first six holes of reverse circulation drilling from the company's 100% owned West Ridge property have been received from Avalon Development Corp., our consultant for the exploration program in Alaska.

Curt Freeman, of Avalon Development Corp., reports that 2,650 feet of reverse circulation drilling was completed between March 16<sup>th</sup> through April 1<sup>st</sup> in six reverse circulation drill holes where previous soil, rock and trench results had revealed the presence of significant gold mineralization, all of the holes encountered anomalous gold mineralization. The most significant of the intervals came from hole #4, which returned 35 feet grading 1.68 grams of gold per tonne (0.049 opt) including a 20 foot section that returned 2.2 grams gold per tonne (0.064 opt).

Based on encountering a 35 foot intersection of potentially economic grade gold mineralization in Hole WR04 -04 additional reverse circulation drilling is warranted within the area previously covered by soil auger drilling. Gold mineralization is preferentially hosted in quartzites and quartz mica schists and consists of brecciated zones containing sulfides and polyphase quartz veining. Mineralization is open to expansion in all directions. A budget is to be announced shortly for additional auger drilling, ground geophysics and reverse circulation drilling on the West Ridge Property.

Significant geochemical results from the Phase 1 drill holes at the Old Glory Prospect:

Drill Hole	From ft	To ft	Int. ft	Au ppb	As ppm	Bi ppm	Sb ppm	W ppm	Lithology
WRR0404	395	400	5	2170	6610	-2	46	50	Qtzt
WRR0404	400	405	5	2130	8280	4	47	30	Qtzt, Breccia
WRR0404	405	410	5	2430	10000	-2	61	30	Qtzt, Qtz-ser-schist
WRR0404	410	415	5	2100	10000	-2	56	30	Qtzt, Qtz-ser-schist
WRR0404	415	420	5	1456	10000	4	52	30	Qtzt, Qtz-ser-schist
WRR0404	420	425	5	515	3810	2	32	10	Qtzt, Qtz-ser-schist
WRR0404	425	430	5	969	5420	4	97	30	Qtzt

The Company has recently completed a \$1,000,000 financing to complete the exploration on the West Ridge Property.

#### ABOUT TERYL RESOURCES CORP.

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net profit interest from Kinross. Teryl Resources Corp. also has one joint venture silver prospect located in Northern BC, Canada. For further information visit the Company's website at <a href="http://www.terylresources.com">http://www.terylresources.com</a>.

#### ON BEHALF OF THE BOARD OF DIRECTORS

"John Robertson"

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## TERYL RESOURCES CORP. LINUX GOLD CORP.

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#### JOINT NEWS RELEASE

Teryl Resources Corp.: TSX Venture Exchange: TRC
Pink Sheet Symbol: TRYLF

Linux Gold Corp.: OTC BB: LNXGF

# EXPLORATION PROGRAM FOR THE PLACER GOLD BEARING CHANNEL TO COMMENCE, FAIRBANKS, ALASKA

For Immediate Release: May 18, 2004. Fairbanks, Alaska - Teryl Resources Corp. (TSX Venture Exchange: TRC: Pinksheet Symbol: TRYLF) and Linux Gold Corp. (LNXGF - OTCBB & GISBeX) will commence an additional closely spaced magnetic survey over the previous magnetic targets that were discovered last winter on the Fish Creek property. The magnetic survey located two anomalies indicative of a potential buried placer gold bearing channel. Extremely high-grade placer gold was encountered during the excavation of the Fort Knox mine fresh water dam, immediately upstream of the Fish Creek property.

Upon completion of the magnetic data, large diameter auger drilling will take place to top off the bedrock to determine the grade and extent of placer gold in the channel. Since 1902 a total of 8,000,000 ounces of gold has been placer mined in the Fairbanks Mining District making it the most prolific placer gold producing district in Alaska. The secondary goal is to assay bedrock samples to determine if significant lode gold is present in the bedrock areas drilled.

The total time to complete the geophysical and Bombardier drill work on the Fish Creek property is estimated to take 30 days, according to our consultant, Curt Freeman, of Avalon Development.

#### ABOUT TERYL RESOURCES CORP.

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### ABOUT LINUX GOLD CORP.

Linux Gold Corp. holds an option to purchase all the issued and outstanding shares of the private company that holds an 85% interest in a co-operative joint venture company that has the exclusive mineral exploration rights for the Bo Luo Nuo Gold Mine covering an area of 161 square kilometres in Hebei Province, Peoples Republic of China.

Linux Gold Corp. also has an option on a 100% interest in two gold prospects in the Bralorne Gold mining area located in British Columbia, Canada near the Bralorne Pioneer Mine. The Bralorne Pioneer Mine has produced over 4.1 million ounces of gold during the life of the mine. Linux Gold Corp. also owns a 50% interest in 30 mineral claims known as the Fish Creek Prospect, located in the Fairbanks Mining Division in Alaska. Linux Gold Corp. optioned to Teryl Resources Corp. (TRC-V) a 50% interest in the Fish Creek claims by expending US\$500,000 over three years. Linux Gold Corp. retains a 5% net smelter return or may convert into a 25% working interest. The Kinross Fort Knox mill is within 6 miles from the Fish Creek claims. For more information please visit <a href="https://www.linuxgoldcorp.com">www.linuxgoldcorp.com</a>.

#### ON BEHALF OF THE BOARD OF DIRECTORS

"John Robertson"

John Robertson President Contact: John Robertson Tel. 800-665-4616

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Statements in this press release regarding Teryl's and Linux's business which are not historical facts are "forward-looking statements" that involve risks and uncertainties, such as estimates and statements that describe the Company's future plans, objectives or goals, including words to the effect that the Company or management expects a stated condition or result to occur. Since forward-looking statements address future events and conditions, by their very nature, they involve inherent risks and uncertainties. Actual results in each case could differ materially from those currently anticipated in such statements.

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#### NEWS RELEASE

Teryl Resources Corp. (the "Company")

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# WEST RIDGE GOLD EXPLORATION PROGRAM TO CONTINUE IN EARLY JUNE, FAIRBANKS, ALASKA

For Immediate Release: May 19, 2004 Fairbanks, Alaska - Teryl Resources Corp. (TSX Venture Exchange: TRC: Pinksheet Symbol: TRYLF) wishes to announce that exploration will commence on the 100% owned West Ridge property, in early June, to follow the NE trending shear system that seems to control mineralization that was located in the previous drill program (as reported in Teryl Resources Corp. news release dated April 28, 2004). Significant gold intervals were found in Hole #4, which intersected 35 feet of 0.05 opt gold, including a 20 foot section of 0.06 opt gold. Our goal is to expand on the mineralization found in the Phase I drilling program, by completing an induced polarization (IP) geophysical survey, expanding previously completed soil auger grids and conducting rock sampling programs on the property.

The total time estimated to commence drilling on the West Ridge gold target is within 30 - 45 days, according to Curt Freeman, of Avalon Development Corp., our consultant for the project.

The West Ridge property is located in the prolific Tintina Gold Belt, where past lode gold production exceeds 3.5 million ounces; past placer gold production exceeds 31 million ounces and current lode gold resource top 90 million troy ounces.

#### ABOUT TERYL RESOURCES CORP.

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#### NEWS RELEASE

Teryl Resources Corp. (the "Company")

TSX Venture Exchange: TRC Pink Sheet Symbol: TRYLF

## TERYL RESOURCES CORP. RETAINS INVESTOR RELATIONS FIRM

**For Immediate Release: May 27, 2004, Vancouver, BC** - **Teryl Resources Corp.** (TSX Venture Exchange: TRC: Pinksheet Symbol: TRYLF) has retained SmallCap Corporate Partners Inc., of Victoria, B.C., to act as our consultant for providing investor relations, media relations and public market development services. The fees for the services shall be computed at a monthly rate of CDN\$3,000 for a 12 month term for an aggregate of CDN\$36,000.

#### ABOUT TERYL RESOURCES CORP.

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