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NEWS RELEASE**

**EEL-TSX.VENTURE  
EAT - FRANKFURT**

### **2005 EXPLORATION PROGRAM ACCOMPLISHMENTS**

Eaglecrest Explorations Ltd. (EEL-TSX.VENTURE & EAT.FSE FRANKFURT) is very pleased to report that the Company has made significant progress in executing the 2005 Exploration Program on the Company's San Simon Property. The San Simon Property is located on the San Simon plateau, which rises approximately 300 metres above the Amazon basin in northeastern Bolivia, 20 km from the Brazilian border and covers almost 300 square kilometers (km).

#### **OUTLINE OF THE COMPANY'S 2005 PROGRAM:**

Since 2003 the Company has focused its exploration program in the Doña Amelia zone that covers an area of 40 square km within the Company's 299.675 square km San Simon project. During 2003 and 2004 the Company completed the 16,000 metres (m) Phase I diamond drilling program and initiated the Phase II 20,000 m diamond drill program. In 2005 the company expanded exploration to an underground bulk sampling program to complement the continuation of the Phase II diamond drilling.

The underground bulk sampling program consists of the development of two decline adits in the Doña Amelia zone where surface exploration has traced the main quartz vein/structure (MQV) along strike for 4.2 km. The decline adits will be located some 1.9 km apart along the strike of the MQV. The TD-1 decline adit will be completed in the Trinidad area in the eastern portion of the Doña Amelia zone and the MD-1 decline adit in the Manganese area in the western portion of Doña Amelia zone. The development of both decline adits, each with a profile of 3.0 by 3.0 m, will trace the MQV down dip and 2.5 by 2.5 m profile drifts will trace the MQV along strike to the east and west at the bottom of each decline adit for a total development length of approximately 900 m.

The locations of the two decline adits have been determined based on the results of 29,115 m of diamond drilling completed between 2003 and October 2005 in 129 holes along 2.3 km of the 4.2 km defined strike length of the MQV as well as 1,318.7 m of diamond drilling in 17 holes completed in 1996. The diamond drilling has defined the MQV to a 200 m down dip length along the 2.3 km strike length drilled including a 400 m of strike length section in the Trinidad area where the MQV has been traced to 560 m down dip and 300 m of strike length in the Manganese area where the MQV has been traced 400 m down dip (including a hole to 560 m down dip).

Drilling and surface mapping have defined the main east-west structure as a south dipping thrust fault that has an indicated north-northwest movement with conjugate sets of strike-slip ductile shear zones. Auxiliary faults occur at stratigraphically higher levels along strike within the hanging wall of the host sediments. The thrust fault is occupied by a quartz vein with width (quartz vein thickness) that varies between less than 1 m and 16 m. Movements along the thrust fault during at least two stages of deformation have created several dilation zones where the quartz vein has widths of 4 m or more. Dilation zones have been identified at surface in the Trinidad pit and in the Las Rosas area (the 1.1 km

area between Trinidad and Manganese areas) and down dip in the Trinidad and Manganese areas.

Due to the coarse nature and erratic distribution of the gold grains within the MQV and the relative small drill core sample (maximum about 8 kg) the Company decided that bulk sampling was required to determine the true in-situ grade of the gold mineralization in the MQV. Metallurgical testing by the Company's Mineral Processing Engineer Gary Hawthorn, P.Eng. (B.C.) on diamond drill core samples indicate an overall gold recovery of 95% at a nominal 5 grams per tonne (g/t) or more divided between approximately 50% gold concentrate and approximately 50% gold bullion. Mr. Hawthorn has designed a 150 tonne per day (tpd) gold recovery plant comprising of a crushing section, ball mill, gravity circuit and flotation circuit. The crushing circuit has a jaw crusher and cone crusher with capacity of 450 tpd while the milling circuit has a 1.8 by 2.4 metre ball mill, gravity jig, shaking table, flotation cells and vacuum filter with capacity of 150 tpd. The Company recently initiated the underground bulk sampling program with the erection of the gold recovery plant to determine the in-situ gold grade of the MQV and recover the gold from the bulk samples.

#### **OUTLINE OF THE COMPANY'S 2005 PROGRAM ACCOMPLISHMENTS TO DATE:**

To date, the Company has achieved the following objectives during the 2005 program.

- 1 In May 2005, Major Drilling International Inc. resumed the remaining 12,000 m of diamond drilling of Phase II program in the Company's Doña Amelia zone. Major Drilling International Inc. has two Boyles 56 drills on the property capable of drilling PQ (85 mm), HQ (63.5 mm) and NQ (47 mm) core sizes. Since resuming in 2005, an additional 5,115 m of diamond drilling has been completed in the Trinidad area in 24 holes. Diamond drilling will continue in the Trinidad area and later this year diamond drilling will resume in the Manganese area in preparation for the collaring of the MD-1 decline in January 2006.
- 2 The Company purchased and completed the construction of an on-site Fire Assay laboratory in late July 2005. The on-site Fire Assay laboratory is operated independently by ANALAB S.R.L. of Peru under the overall supervision of Mr. Hawthorn who is the Qualified Person for the laboratory and it commenced operations on August 3, 2005. The laboratory is located in a secured fenced area adjacent to the Company's camp 10 km from the Doña Amelia zone.
- 3 The Company received approval of the Category II Environmental Impact Assessment study (EIA) for a 500 tpd underground bulk sampling and gold recovery plant in the Doña Amelia zone from Bolivia's Ministry of Mines and Vice-Ministry of Natural Resources and Environment within the Ministry of Sustainable Development who issued the Environmental License on August 10, 2005.
- 4 The Company purchased and completed the construction and final commissioning of an on-site gold recovery plant in late September 2005 under the overall supervision of Mr. Hawthorn who also is the Qualified Person for the the plant. The gold recovery plant has a present maximum capacity of 150 tpd and is located in the Manganese area near the planned MD-1 decline adit portal.
- 5 The Company signed a contract with AMTRAC Ltda. for approximately 900 m of underground development in two decline adits and AMTRAC has mobilized the majority of their primary mining equipment to site. The TD-1 decline adit was collared with the first round blasted on July 29, 2005. It is currently being developed towards the target zone (drill hole intersections of the MQV at approximately 135 m down dip). The development progress of the TD-1 decline adit has been slower than anticipated due to ground conditions resulting in short (1.2 m) blast rounds and the installation of rock support in the form of steel sets and plates with concrete for the first 30 m of development. The advances have averaged less than one round per day and the Company anticipates increases in the daily advances since ground conditions have improved.

#### **OUTLINE OF THE COMPANY'S 2005 AND 2006 PROGRAM OBJECTIVES:**

The current Exploration Program will continue through the first half of 2006 and the Company plans to achieve the following objectives during the program.

- 1 Continue the focus on the development of the TD-1 decline adit and drifts, which are estimated to be completed in February 2006.
- 2 Collar the MD-1 decline adit in the Manganese area in January 2006 prior to the completion of the TD-1 decline adit, and it is estimated that the MD-1 decline adit and drifts will be completed by the end of May 2006.
- 3 Process an estimated 16,000 tonnes of quartz vein material from underground bulk sampling of the MQV to determine the true in-situ grade of the gold mineralization of the MQV.
- 4 Complete the remaining 6,885 m of the Phase II diamond drilling program by January 2006 and commence the Phase III diamond drilling program to complete drilling for an initial resource calculation for the Trinidad and Manganese areas.
- 5 An independent consultant to complete a structural geological study of the MQV to define the control of the gold mineralization and the geometry of the dilation zones.
- 6 Complete contract negotiations with a gold refinery for the sale of the gold concentrate and bullion recovered in the gold recovery plant.
- 7 The Company is currently in negotiations to engage an independent International Mining Industry Consultant to prepare a Preliminary Feasibility Study that will provide the Company with an inferred mineral resource calculation for the Trinidad and Manganese areas and an economic evaluation based on those inferred resources. The Preliminary Feasibility Study will be based on previous and additional drilling completed during 2005 and early 2006 as well as data collected from the underground bulk sampling development and gold recovery plant. The Company anticipates that the Preliminary Feasibility Study will be completed in various stages during the first half of 2006.
- 8 The Company is currently in negotiations to engage an independent International Environmental Consultant to complete an Environmental Audit of the project and an expanded Environmental and Socioeconomic Impact Study based on the production rates defined in the Preliminary Feasibility Study. It is anticipated that the expanded Environmental and Socioeconomic Impact Study will be completed in the second half of 2006.

The diamond drilling, underground exploration development and bulk sampling program is being supervised by Tor Bruland, P.Geo. and Don Allen, P.Eng., both of whom are Qualified Persons under the Canadian National Instrument 43-101 Standards of Disclosure for Mineral Projects.

On behalf of the Board of Directors,

Carl A. Erickson  
President, Eaglecrest Exploration Ltd.

Additional information on the company's project is available on our website [www.eaglecrestexplorations.com](http://www.eaglecrestexplorations.com), the SEDAR website (securities related information electronic filed with the Canadian securities regulatory authorities) [www.sedar.com](http://www.sedar.com) or by contacting Paul Zdebiak at 604-684-7160 or by E-Mail: [eel.tsxv@telus.net](mailto:eel.tsxv@telus.net). The TSX Venture Exchange has neither approved nor disapproved the information herein.