



EASTMAIN

Eastmain Resources Inc.

THIRD QUARTERLY REPORT

FOR THE PERIOD ENDING JANUARY 31, 2000

Highlights

- **3,000 metre drill program completed at Clearwater**
- **Phase-One drilling at Nett River confirms extension of metal-rich Abitibi greenstone belt**
- **Eastmain acquires three VMS base metal deposits and expands land position at Bathurst**

Clearwater Project – Eastmain and SOQUEM recently completed a 3,000-metre diamond drill program at the Eau Claire gold deposit. Sixteen holes, 60 to 100 metres in length, were drilled under the 450 - 650 West Discovery Area and adjacent high-grade Tourmaline Zone. Six holes, 250 to 345 metres in length, were also drilled to evaluate the continuity and grade of the G, I and J ore shoots at depth. Fourteen hundred samples, 1.4 km of split core, were submitted for assay. Results are expected mid-April.

Surface stripping completed last October in the 450-650 West Area exposed several new parallel, gold-bearing quartz-tourmaline veins. Closely spaced channel sampling confirmed that these new veins contain ore grade gold across mineable widths. Two of the largest veins exposed at surface include the *J-Vein*, which contains an average grade of 15.56 grams gold per tonne along a length of 82 metres and the *P-Vein*, which assayed 12.3 grams gold per tonne along a 135-metre length. These average grades are diluted to a minimum two metre mining width.

Channel sampling also revealed a 17.6 metre-wide tourmaline-rich zone, which assayed 16.2 grams gold per tonne (0.47 ounces per ton). This high-grade zone, located immediately east of the *J-Vein*, includes a **3.9-metre-wide interval grading 67.1 grams gold per tonne** (1.96 ounces per ton).

Our near term objective is to define a resource of two million tonnes grading 10 grams gold per tonne at Eau Claire. Additional drilling and surface stripping are planned for the Eau Claire deposit and five other prospects on the property in May.

Abitibi Extension Project – Ten diamond drill holes totalling 1,200 metres have been completed on the Nett River claim block, located in northern Ontario. Eastmain and Quaterra Resources are jointly exploring the western extension of the Abitibi Greenstone Belt – which has

accounted for numerous gold, copper-zinc-silver VMS and nickel-copper-platinum-rich ore deposits.

Many of the mining districts within the Canadian Shield were discovered by prospecting. Thick overburden cover and limited road access hindered previous exploration within the western extension of the Abitibi Greenstone Belt. Modern-day airborne geophysical technology, capable of penetrating through the overburden cover, provides a means of finding copper-zinc-silver and lode gold deposits within this unexplored frontier.

Phase-one drilling has confirmed that the Nett River claim block is geologically similar to the rest of the Abitibi Belt. Furthermore, each of the electromagnetic anomalies tested to date has been caused by exhalative massive sulphide (pyrite-pyrrhotite) and chert horizons. These massive sulphide-chert horizons are commonly situated near both base metal and gold ore deposits. Quaterra has arranged an additional \$240,000 financing to fund an immediate expansion of the on-going exploration program.

Bathurst VMS Exploration

Eastmain has acquired the option to earn a 50% interest in two large claim blocks that are contiguous with our 100% owned Railroad Project. This acquisition gives Eastmain control of an area 15 km long by 15 km wide, which hosts three base metal sulphide deposits, eight base metal prospects and numerous untested targets along trend from the 25-million-tonne Heath Steele Mine.

Financial

Eastmain had approximately \$1.2 million in working capital and no debt as at January 31, 2000. In the nine-month period, the Corporation spent \$314,822 on exploration, after government grant reimbursements. The Corporation also raised \$500,000 in a private placement during the reporting period. Subsequent to the end of the reporting period the Corporation received \$77,000 from Quaterra Resources Inc. towards funding exploration at the Abitibi Extension Project.

Donald J. Robinson,
President and Chief Executive Officer

March 30, 2000

EASTMAIN RESOURCES INC.
BALANCE SHEETS (Unaudited)

As at January 31,	2000	1999
ASSETS		
CURRENT		
Cash and short-term investments	\$ 888,589	\$ 551,729
Marketable securities	296,478	611,884
Government grants receivable	26,000	26,000
Sundry receivables	8,446	12,318
	1,219,513	1,201,931
Capital Assets	20,794	29,413
Mining Properties	672,528	626,527
Deferred Exploration	4,700,818	4,430,091
	\$ 6,613,653	\$ 6,287,962
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	\$ 21,012	\$ 19,093
Advances from joint venture partners	199,745	141,423
	220,757	160,516
SHAREHOLDERS' EQUITY		
Capital stock	8,618,578	8,098,578
Deficit	(2,225,682)	(1,971,132)
	6,392,896	6,127,446
	\$ 6,613,653	\$ 6,287,962

EASTMAIN RESOURCES INC.
STATEMENT OF OPERATIONS (Unaudited)

Nine months ended January 31,	2000	1999
Revenue		
Interest and dividends	\$ 38,245	\$ 70,397
Loss on sale of marketable securities	(151,447)	(5,232)
Management fees	9,357	-
	(103,845)	65,165
Expenses		
Legal and audit fees	13,421	13,281
General and office	143,964	135,334
Write down of marketable securities to market value	-	255,832
Depreciation	6,037	7,745
	163,422	412,192
Net loss for the period	\$ 267,267	\$ 347,027
Net loss per share	\$ 0.01	\$ 0.02

SCHEDULE OF EXPLORATION EXPENDITURES

Nine months ended January 31, (Unaudited)

Projects	2000	1999
Reservoir	1,896	16,277
Lac Elmer	4,330	12,645
Clearwater	95,104	12,303
Lidge	-	1,962
Abitibi Extension	141,902	29,663
Akwekwa	-	6,159
Mattagami VMS	-	4,201
Bathurst VMS	1,066	58,864
Bathurst Cu-Au	-	25,098
Rocky Lake	1,659	6,362
Otter Brook	275	31,745
Railroad	112,160	197,985
Tingley Brook	23,110	-
General Exploration	33,175	54,507
	414,677	457,771
Government grants	(99,855)	(135,586)
	\$ 314,822	\$ 322,185

STATEMENT OF CASH FLOWS (Unaudited)

Nine months ended January 31,

Cash provided by (used in)

Operating Activities

	2000	1999
Net loss for the period	\$ (267,267)	\$ (347,027)
Loss on sale of marketable securities	151,447	5,232
Items not affecting cash:		
Write down of marketable securities to market value	-	255,832
Depreciation	6,037	7,745
	(109,783)	(78,218)
Net changes in non-working capital		
(Increase) decrease in sundry receivables	(27,451)	(2,007)
(Increase) decrease in accounts payable	(48,689)	-
Increase (decrease) in advances from joint venture partners	164,155	-
	(21,768)	(80,225)

Investing activities

Exploration expenditures (schedule)	(314,822)	(322,185)
Acquisition of capital assets	-	(5,473)
Acquisition of mining claims	(26,684)	(20,216)
Net sales (purchases) of marketable securities	103,500	(421,736)
	(238,006)	(769,610)

Financing activities

Private placement	500,000	-
For cash, on exercise of stock options	20,000	6,250
	520,000	6,250

Increase (decrease) in cash

	260,226	(843,585)
Cash and short-term investments, beginning of period	628,363	1,395,314
Cash and short-term investments, end of period	\$ 888,589	\$ 551,729

EASTMAIN RESOURCES INC.

TRANSFER AGENT

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SHARES LISTED

The Toronto Stock Exchange

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