



March 22, 2005

### **President's Message to Shareholders**

Since my last message to you the Garrison management team has been working very hard dealing with several issues involving the Initial Public Offering (IPO), activities in China and assessing new opportunities.

In the fall, preliminary approvals were received from the B.C., Alberta and Ontario Securities Commissions and the TSX-Venture Exchange for the *IPO*. However, management decided to delay the IPO to avoid the expected end-of-year slow down in the market. We are pleased to announce that we have recently entered into an agreement (subject to normal due diligence) with a London, England based financial institution, to raise \$1.5 million for our lead IPO order. We expect to close the IPO in April 2005.

In China, Shanxi Jinguang Mineral Development Co., a joint venture between Garrison and the Shanxi Province No. 3 Geological Engineering Prospecting Institute was issued its Business License on September 05, 2004. Under Garrison management, the joint venture, will be exploring for extensions to the Dongyaozhuang Gold Mine in the Wutai Mountains of eastern Shanxi Province. The mine, which is owned and operated by our partners, is profitably exploiting a 5-9 meter wide shear hosted ore zone with gold grades in excess of 8 grams per tonne. The deposit has analogies with some of the very prolific gold deposits of eastern Canada.

All of the geologic and mine data from the Dongyaozhuang Mine has been transferred to Jinguang, Garrison's joint venture company. Garrison's geologic team is in the process of digitally reformatting the data and developing geologic models which will assist in designing the exploration and drill programs. The Exploration Licenses adjacent to the mine and within the project area as defined by the joint venture agreement are in the process of being transferred to Jinguang. Jinguang has also applied for additional Exploration Licenses to cover the known 20 km length of the mineralized shear zone.

We are excited about the possibility that a recently announced Chinese government subsidy of up to \$2.5 million may be available to our partners, the Shanxi Institute, to be used to explore for down dip and immediate lateral extensions to the Dongyaozhuang Mine. Garrison is assisting the Shanxi Institute to maximize the amount of the subsidy so

that any government funded drilling will be used for the benefit of both the Shanxi Institute and the joint venture. The joint venture's drill programs, expected to start by early summer, will target a zone of known gold mineralization adjacent to the mine as well as attractive mineralized targets along the 20 km long mineralized shear zone. If the proposed drilling successfully delineates extensions to the Dongyaozhuang ore zone, Garrison will increase its interest in Jinguang to 75% and consider exercising an option to purchase the Mine.

Garrison's second joint venture, with the Baoding Geological and Engineering and Exploration Institute of Hebei Province, is awaiting the issuance of its Business License.

We continue to evaluate new opportunities in China and elsewhere as we seek to broaden our asset base with quality partners and properties, ultimately increasing shareholder value.

Thank you for your continued support of Garrison. For further information, please visit our website at [www.garrison-intl.com](http://www.garrison-intl.com), or feel free to contact me if you have any questions about our activities and goals.

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