

PACIFIC COMOX RESOURCES LTD.

NEWS RELEASE

- **COMOX AND PAPEX INC. HAVE COMPLETED THE FINAL AGREEMENTS FOR COMOX TO ACQUIRE A 30% EQUITY INTEREST IN PAPEX WITH AN OPTION TO ACQUIRE AN ADDITIONAL 19%**
- **PAPEX IS COMMENCING BETA TESTS OF ITS NEWSPRINT TRANSACTION NETWORK WITH SEVERAL TOP TEN NEWSPAPER PUBLISHERS AND NEWSPRINT PRODUCERS IN NORTH AMERICA**
- **COMOX IS PROCEEDING WITH A PROPOSED FINANCING OF C\$700,000 TO \$1,000,000**

Stock Listing: PCM on CDNX

November 22, 2000, Toronto, Canada: Pacific Comox Resources announces that the definitive agreements for the previously reported proposed transaction with Papex Inc. have been executed. Papex is a private Ontario corporation, based in Mississauga, Ontario which is completing the development of its on-line transaction network for pulp and paper. Papex is now commencing beta testing of the system with several of the top 10 largest newspaper publishing groups and newsprint producers in North America .

The terms of Comox's proposed transaction with Papex have been revised from the Letter of Intent. Comox will now acquire a 30% equity interest in Papex (approximately 19% as treasury shares from Papex and 11% through purchase of secondary shares) in exchange for cash payments of C\$620,400 and the issuance of 1,800,000 common shares of Pacific Comox. Comox will also have an option, exercisable at its discretion during late 2002, to acquire an additional 19% equity interest in Papex for a cash price of five times Papex's annualized revenue during the February 1, 2002 to July 31, 2002 period. If Comox exercises the option the minimum payment would be C\$600,000 and the maximum payment would be \$11,200,000.

Papex Inc. also undertakes to use its best efforts to complete a going public transaction during the late 2002 to late 2003 period.

Comox is now proceeding with the preparation of the Management Information Circular, which after review by the CDNX, will be sent to Comox's shareholders in preparation for a shareholders meeting to be called as quickly as possible. Although Comox may retain interests in gold mining properties, this transaction will constitute a change of business, as the Company plans to devote a high proportion of its future expenditures to non-mining interests. Comox is proposing to change its line of business to on-line application services and information technology projects. Final documents required in support of the Company's "Change Of Business" review by the CDNX will also be submitted. The transaction is expected to close by March 31, 2001. A finders fee is payable to an unrelated party when the Papex transaction closes.

Pacific Comox is raising between C\$700,000 and C\$1,000,000 to fund the cash component of acquiring the interest in Papex, and for working capital purposes. The funds will be raised by the sale of 7,000,000 to 10,000,000 units at C\$0.10 per unit. Each unit consists of one share and one share purchase warrant exercisable at C\$0.20 per share during the next year. A commission will be paid on part of the funding. The transaction is subject to Pacific Comox obtaining satisfactory financing.

At October 31, 2000 Pacific Comox had 38,467,546 shares outstanding.

The business plan of Papex Inc. is based on the implementation of an on-line transaction network for pulp and paper transactions on a global basis. Papex will derive its revenue through fees and commissions on the transactions completed through its facilities and from fees for other information generated by Papex and provided to clients.

Papex is now commencing beta testing of its transaction network with several of the largest North American newspaper publishing groups and newsprint producers. The testing will involve both the business transaction aspects and the security management technologies employed on the network.

Ms Ijen Huang, of Mississauga, Ontario, the President and controlling shareholder of Papex, has had many years of industry experience in the marketing of pulp and paper products, and also as a consultant to the industry. No related parties of Pacific Comox have any interest in the assets, business, or properties of Papex.

The documents submitted to the CDNX include a draft of the sponsorship letter to be provided by Goepel McDermid Inc. This sponsorship was required following the earlier announcement of the Company's intended change of business.

"Goepel McDermid, subject to completion of satisfactory due diligence, has agreed to act as sponsor to Pacific Comox in connection with the transaction. An agreement to sponsor should not be construed as any assurance with respect to the merits of the transaction or the likelihood of completion".

"Completion of the transaction is subject to a number of conditions, including but not limited to, Exchange acceptance and disinterested shareholder approval. The transaction cannot close until the required shareholder approval is obtained. There can be no assurance that the transaction will be completed as proposed or at all.

Investors are cautioned that, except as disclosed in the Management Information Circular to be prepared in connection with the transaction, any information released or received with respect to the Change Of Business may not be accurate or complete and should not be relied upon. Trading in the securities of Pacific Comox Resources Ltd. should be considered highly speculative.

The Canadian Venture Exchange has in no way passed upon the merits of the proposed transaction and has neither approved nor disapproved the contents of this press release"

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