

DALLAS EXPLORATIONS LTD.

82E/9W

82ENE002

000799 BANNER

Incorporated Under the Laws
of the Province of British Columbia

P R O S P E C T U S

Date: November 29, 1974

NEW ISSUE

250,000

COMMON SHARES

RECEIVED
MAR 5 1975
BRITISH COLUMBIA
SECURITIES COMMISSION

	Price to Public	Commission	Proceeds to Issuer If all the Shares Are Sold
Per Unit	20¢	5¢	15¢
Total	\$50,000.00	\$12,500.00	\$37,500.00

THERE IS NO MARKET FOR THE SHARES OF THIS COMPANY.

A PURCHASE OF THE SHARES OFFERED BY THIS PROSPECTUS MUST BE CONSIDERED A SPECULATION SINCE THE COMPANY'S MINERAL CLAIMS ARE STILL ONLY IN THE EXPLORATION STAGE. REFERENCE SHOULD ALSO BE MADE TO THE HEADING "PRINCIPAL HOLDERS OF SHARES" ON PAGE 8 AND THE COMPARISON OF THE PERCENTAGE OF SECURITIES BEING OFFERED TO THE PUBLIC FOR CASH AND THOSE ALREADY ISSUED BY THE COMPANY TO PROMOTERS AND DIRECTORS FOR CASH PROPERTY AND SERVICES.

NO SECURITIES COMMISSION OR SIMILAR AUTHORITY IN CANADA HAS IN ANY WAY PASSED UPON THE MERITS OF THE SECURITIES OFFERED HERE- UNDER AND ANY REPRESENTATION TO THE CONTRARY IS AN OFFENCE.

NO SURVEY HAS BEEN MADE OF THE COMPANY'S LOCATED MINERAL CLAIMS AND THEREFORE IN ACCORDANCE WITH THE MINING LAWS OF THE PROVINCE OF BRITISH COLUMBIA THEIR EXISTENCE AND AREA COULD BE IN DOUBT.

A MINIMUM SUBSCRIPTION IS REQUIRED UNDER THIS PROSPECTUS. FOR DETAILS SEE PAGE I UNDER "PLAN OF DISTRIBUTION".

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NAME AND INCORPORATION OF ISSUER

The name of the Company is DALLAS EXPLORATIONS LTD. The address of the Company's Head Office is 987 Wavertree Road, North Vancouver, British Columbia. The address of the Company's registered office and records office is 534 - 789 West Pender Street, Vancouver, British Columbia. The Company was incorporated under the laws of the Province of British Columbia on the 2nd day of April, 1974 as a limited company and is a reporting company under the British Columbia Companies Act.

PLAN OF DISTRIBUTION

The Company offers by this Prospectus 250,000 shares of its capital stock at 20¢ per share. Shares of this issue will be sold through brokers or broker-dealers and they will be paid a commission by the Company of up to 25% or 5¢ per share for each share sold. The Company may also sell its shares directly to the public through its own salesmen or trading directors. Salesmen will be paid a commission of up to 25% or 5¢ per share for each share sold. Trading directors will not be paid any commission although the Company may allow a discount of up to 25% or 5¢ per share for each share sold by the trading director. Robert Leslie Harrison a director of the Company is employed by McDermid Miller & McDermid Ltd., a broker-dealer. If any of the shares are sold through McDermid Miller & McDermid Ltd. and commissions are paid to that company Robert Leslie Harrison will indirectly receive a portion of such commissions.

The proceeds from the sale of shares sold hereunder will be deposited with and held in trust by Yorkshire Trust Company, the Company's Registrar and Transfer Agent, until the Company has received, after providing for the payment of commissions the sum of \$37,500.00 which amount is referred to as the minimum amount and is required to ensure that the Company will be able to complete its exploration program, satisfy general administrative expenses including the costs of this issue and pay a \$2,000.00 listing fee to the Vancouver Curb Exchange. If the minimum amount is not raised within 120 days from the date of the acceptance for filing of this Prospectus, then, all subscriptions for shares held by Yorkshire Trust Company must be returned to the subscribers in full. If the

minimum amount is obtained funds are not to be released to the Company without the consent of the Superintendent of Brokers.

DIRECTORS AND OFFICERS

<u>Name and Address</u>	<u>Principal Occupation for Past Five Years</u>	<u>Office</u>
Thomas Harold Wardell 1236 Haywood West Vancouver, B. C.	President of Wardell Agencies Ltd. - Wholesale clothing industry	President & Director
Arthur William Lake 401 - 2726 Alder St. Vancouver, B. C.	Prospector and mining exploration manager	Director
Robert Leslie Harrison 987 Wavertree Road North Vancouver, B. C.	Security salesman from 1970 to present and owner of retail clothing business Director of No. 6 Motel Ltd.	Secretary & Director

CAPITALIZATION

<u>Designation of Security</u>	<u>Amount Authorized to Issue</u>	<u>Amount outstanding at October 31, 1974 Balance Sheet</u>	<u>Amount outstanding at October 31, 1974</u>	<u>Amount outstanding if all securities sold</u>
Common Shares Without Par Value	3,000,000	860,502	860,502	1,110,502

SECURITIES SOLD FOR CASH

<u>Number Sold</u>	<u>Price</u>	<u>Total Cash Received</u>	<u>Commission Paid</u>
2	\$1.00	\$ 2.00	Nil
140,500	.10	14,050.00	Nil

All of the shares shown as issued for cash and 720,000 shares issued for property at a deemed consideration of 10¢ per share were issued during the last 12 months.

DESCRIPTION OF SHARE CAPITAL STRUCTURE

The share capital of the Company consists of one class of shares only. All shares issued by the Company rank equally as to dividends, voting rights and as to any distribution of assets on winding-up or liquidation. There are no indentures or agreements limiting the payment of dividends and there are no conversion rights, no special liquidation rights, pre-emptive rights or subscription rights. The presently outstanding share capital is not subject to any call or assessment and the shares offered

hereby when issued and sold as described in this Prospectus will not be subject to any call or assessment.

USE OF PROCEEDS TO ISSUER

The estimated net proceeds to be derived by the Issuer from the sale of the securities being offered hereby is \$37,500.00.

The proceeds of the sale of securities will be used to conduct a portion of the exploration program recommended by Donald W. Tully, P. Eng., in his report on the Franklin Camp Area Claims dated November 22, 1974 a copy of which report is attached hereto and forms part of this Prospectus. Particulars of the proposed expenditures are as follows:

Camp	\$ 1,000.00
Survey Baselines	2,625.00
Geological Mapping and Magnetometer Survey	1,700.00
Induced Polarization Survey	5,250.00
Diamond Drilling	10,500.00
Engineering, Administration, Assaying and Travel	3,500.00
	<u>\$ 24,575.00</u>

The balance of the proceeds, being \$12,925.00 will be spent on the costs of this issue estimated to be \$4,000.00, and general administrative expenses. If primary distribution of shares under the Prospectus is completed the Company shall endeavour to obtain a listing on the Vancouver Curb Exchange. The Company has allotted \$2,000.00 of the proceeds to cover the listing fees to be held in trust by Yorkshire Trust Company until application for listing has been made.

The Company may, pursuant to the recommendations of an independent qualified engineer, abandon in whole or in part any of its properties or make arrangements for the performance of all or any portion of such work by other persons or companies and may use any money so diverted for the purpose of conducting work or examining other properties acquired by the Company after the date of this Prospectus, although the Company has no present plans in this regard. If any such event occurs during primary distribution of the shares referred to in this Prospectus, an amendment

to this Prospectus must first be filed and if a substantial portion of the Company's property is abandoned or sold after primary distribution, the shareholders shall be notified promptly.

No part of the proceeds shall be used to invest, underwrite or trade in securities other than those that qualify as investments in which trust funds may be invested under the laws of the jurisdiction in which securities offered by this Prospectus may be lawfully sold. Should the Company propose to use the proceeds to acquire non-trustee type securities after initial distribution of the securities offered by this Prospectus, approval by the shareholders must first be obtained and prior disclosure must be made to the securities regulatory bodies having jurisdiction over the sale of the securities offered by this Prospectus.

DESCRIPTION OF BUSINESS AND PROPERTY OF ISSUER

The principal business of the Company is the acquisition, exploration and development of mineral claims.

Franklin Creek Camp Area Claims

The Company is the owner of the following mineral properties which are situate in the Greenwood Mining Division, British Columbia:

<u>Claim Name</u>	<u>Record Number</u>	<u>Expiry Date</u>
Munster	37014	March 26, 1975
Yellow Jacket	37044	April 2, 1975
Eclipse	37015	March 26, 1975
Alto Fraction	37045	April 2, 1975
Ax	37020	March 26, 1975
Antelope	37043	April 2, 1975
Eganville	37039	April 2, 1975
Banner	36952	January 24, 1975
Athelstan	37038	April 2, 1975
Rio	36953	January 24, 1975
Dall 1	37189	June 4, 1975
Dall 2	37190	June 4, 1975

The Company acquired the DALL 1 and 2 claims by staking. The balance of the claims were acquired by agreement dated June 8th, 1974 for \$5,000.00 and 720,000 shares of the Company. Arnold Miller, 733 Dogwood Street, Coquitlam, British Columbia, received \$5,000.00 and 55,000 shares for his interest in the claims and the following persons received the shares set opposite their respective names.

<u>Name</u>	<u>Number of Shares</u>
George O'Brien Greenwood, B. C.	50,000
Arthur Lake 401 - 2726 Alder Street Vancouver, B. C.	35,000
Robert Harrison 987 Wavertree Road North Vancouver, B. C.	290,000
Thomas Wardell 1236 Haywood West Vancouver, B. C.	290,000

The cost of the claims to the Vendors was approximately \$2,300.00.

The claims are located in the Monashee Mountains approximately 44 miles north of Grand Forks, British Columbia, between Mount McKinley and Mount Franklin. Access to the claims is from Grand Forks by four-wheel drive vehicle along a truck road for a distance of approximately 44 miles.

A 25 foot shaft was sunk and a crosscut intersecting was driven on the Banner claim around 1900. Diamond drilling was carried out by the Dominion Copper Company in 1906 and in 1911 the British Columbia Copper Company carried out development work on the claims. Numerous other companies have conducted mapping, trenching and drilling in the area. Reference is made to the report of Donald W. Tully, P. Eng., dated November 22, 1974, a copy of which has been reproduced in full and is attached hereto as a part of the Prospectus, for particulars and references.

There is no surface or underground plant or equipment on the claims.

The Company has not done any work on the claims. In order to maintain the mineral claims in good standing, the Company must conduct exploration work at a cost of \$200.00 per claim per year or pay cash in lieu and they must also pay an annual rental fee of \$10.00 per year.

The principal mineralization on the claims consists of copper. There is no known commercial body of ore on the property and the proposed program is an exploratory search for ore, primarily lead and copper.

PROMOTERS

The Promoters of the Company are Robert Leslie Harrison and Thomas Harold Wardell. The Company, as consideration for their interest in the Franklin Camp Area Claims, issued shares of the Company to the following promoters in the amounts set opposite their respective names:

<u>Name</u>	<u>Shares</u>
Robert Leslie Harrison	290,000
Thomas Harold Wardell	290,000

Reference is made to the caption "Description of Business and Property of Issuer" for particulars of the Franklin Camp Area Claims.

REMUNERATION OF DIRECTORS AND SENIOR OFFICERS

No remuneration has been paid by the Company to the Directors or Senior Officers since incorporation of the Company and none is intended to be paid during the current fiscal year ending June 15th, 1975.

ESCROWED SHARES

Certificates representing 720,000 shares referred to below are held in escrow by Yorkshire Trust Company subject to the direction or determination of the Superintendent of

Brokers ("Superintendent"). The escrow restrictions provide that the shares may not be traded in, dealt with in any manner whatsoever, or released nor may the Company, its transfer agent or escrow holder make any transfer or record any trading of the shares without the consent of the Superintendent.

In the event the Company loses or abandons or fails to obtain title to all or part of the property or assets for which it allotted all or part of the escrow shares, the Company will declare any such event to the Superintendent by way of Directors' Resolution and the holders of such shares, the trustee thereof and the Company have agreed that such number of said shares as the Superintendent determines shall have become subject to cancellation shall be surrendered to the Company by way of gift for cancellation. The complete text of the escrow agreement is available for inspection at the Company's registered office at 534 - 789 West Pender Street, Vancouver, British Columbia.

<u>Designation of Class</u>	<u>Number of Shares Held in Escrow as at October 31, 1974</u>	<u>Percentage of Class</u>
Common Shares	720,000	* 83.67%

140,502 shares of the capital of the Company have been voluntarily pooled with Yorkshire Trust Company not to be released until 30 days after the completion of the sale of the shares offered by this Prospectus.

PRINCIPAL HOLDERS OF SHARES

To the knowledge of the Company, only the following own, directly or indirectly, more than 10% of any class of shares of the Company as at October 31st, 1974.

<u>Name and Address</u>	<u>Type of Ownership</u>	<u>Class and No. of Shs. Owned</u>	<u>Percentage of Class</u>
Robert Harrison	Direct and Beneficial	Common 300,001	34.86%
Thomas Wardell	Direct and Beneficial	Common 290,001	33.70%

* calculated on the basis of there being 860,502 shares issued and outstanding.

The following table shows the respective percentage of shares of the Company beneficially owned either directly or indirectly by the Directors and Senior Officers of the Issuer as a group:

<u>Designation of Class</u>	<u>Percentage of Class</u>
Common Shares	* 73.21%

Based on 1,110,502 shares to be outstanding if the shares offered by this Prospectus are sold, 56.7% of the shares have been issued to Insiders for property and cash and 22.5% are being offered to the public

PRELIMINARY EXPENSES

As set out in the Financial Statements as at October 31, 1974 attached hereto, the following preliminary expenses were incurred by the Company:

Development Expenses:

Engineering Fee	\$ 2,650.00
Licenses	450.00
Supplies	450.00
Supervision & Travel	<u>536.34</u>
Total	<u>\$ 4,086.34</u>

Administrative Expenses:

Administration	\$ 334.71
Legal and Audit	<u>2,340.22</u>
Total	<u>\$ 2,674.93</u>

It is not anticipated that the Company will have any further expenses with respect to preliminary matters.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Reference is made to the caption "Description of Business and Property of Issuer" for shares issued by the Company to Directors for property.

AUDITORS, TRANSFER AGENT AND REGISTRAR

The Auditor of the Company is G. Wayne Oliver, Chartered Accountant, 1112 West Pender Street, Vancouver, British Columbia.

* calculated on the basis of there being 860,502 shares issued and outstanding.

The Company's Registrar and Transfer Agent is
Yorkshire Trust Company, 590 West Pender Street, Vancouver,
British Columbia.

PURCHASER'S STATUTORY RIGHTS OF RESCISSION

Sections 61 and 62 of the Securities Act, 1967
(British Columbia) provide in effect that where a security is
offered to the public in the course of primary distribution:

- (a) A purchaser has a right to rescind a contract
for the purchase of a security, while still the
owner thereof, if a copy of the last Prospectus,
together with Financial Statements and reports
and summaries of reports relating to the secur-
ities as filed with the Superintendent of
Brokers was not delivered to him or his agent
prior to delivery to either of them of the
written confirmation of the sale of the
securities. Written notice of intention to
commence an action for rescission must be served
on the person who contracted to sell within 60
days of the date of delivery of the written con-
firmation but no action shall be commenced after
the expiration of three months from the date of
service of such notice.
- (b) A purchaser has the right to rescind a contract
for the purchase of such security, while still
the owner thereof, if the Prospectus or any amended
Prospectus offering such security contains an
untrue statement of a material fact or omits to
state a material fact necessary in order to make
any statement therein not misleading in the light
of the circumstances in which it was made, but no
action to enforce this right can be commenced by
a purchaser after expiration of 90 days from the

later of the date of such contract of the date on which such Prospectus or amended Prospectus is received or is deemed to be received by him or his agent.

Reference is made to the said Act for the complete text of the provisions under which the foregoing rights are conferred.

OTHER MATERIAL FACTS

There are no other material facts relating to the securities offered by this Prospectus which are not disclosed under the foregoing captions.

DON TULLY ENGINEERING LTD
SUITE 102 - 2222 BELLEVUE AVENUE
WEST VANCOUVER, BRITISH COLUMBIA
V7V 1C7

REPORT ON THE

ARNOLD MILLER CLAIM GROUP
RECORD NOS. 37014, 15, 20, 38, 39, 43, 44, 45, 52, 53
FRANKLIN CAMP AREA
GREENWOOD MINING DIVISION
GRAND FORKS, BRITISH COLUMBIA

N.L. 49^o-34'

W.L. 118^o-22'

FOR

DALLAS EXPLORATIONS LTD.
SUITE 534 - 789 WEST PENDER STREET
VANCOUVER, BRITISH COLUMBIA

BY

DONALD W. TULLY, P.ENG.

NOVEMBER 22, 1974

WEST VANCOUVER, B. C.

DONALD W. TULLY, B.Sc., P.ENG.

Consulting Geologist

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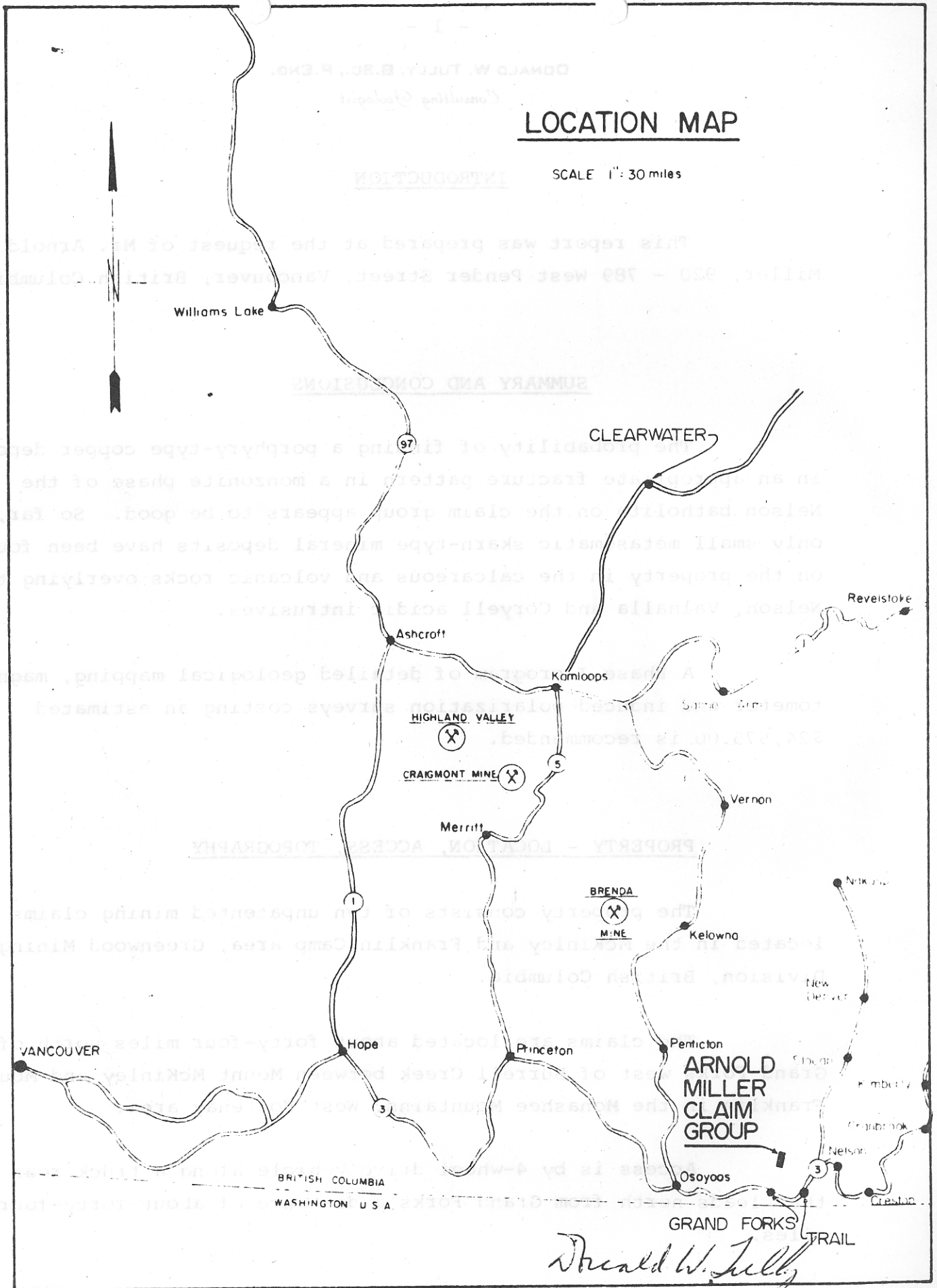
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MAPS

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LOCATION MAP

SCALE 1" = 30 miles



DONALD W. TULLY, B.Sc., P.ENG.

Consulting Geologist

INTRODUCTION

This report was prepared at the request of Mr. Arnold Miller, 920 - 789 West Pender Street, Vancouver, British Columbia.

SUMMARY AND CONCLUSIONS

The probability of finding a porphyry-type copper deposit in an appropriate fracture pattern in a monzonite phase of the Nelson batholith on the claim group appears to be good. So far, only small metasomatic skarn-type mineral deposits have been found on the property in the calcareous and volcanic rocks overlying the Nelson, Valhalla and Coryell acidic intrusives.

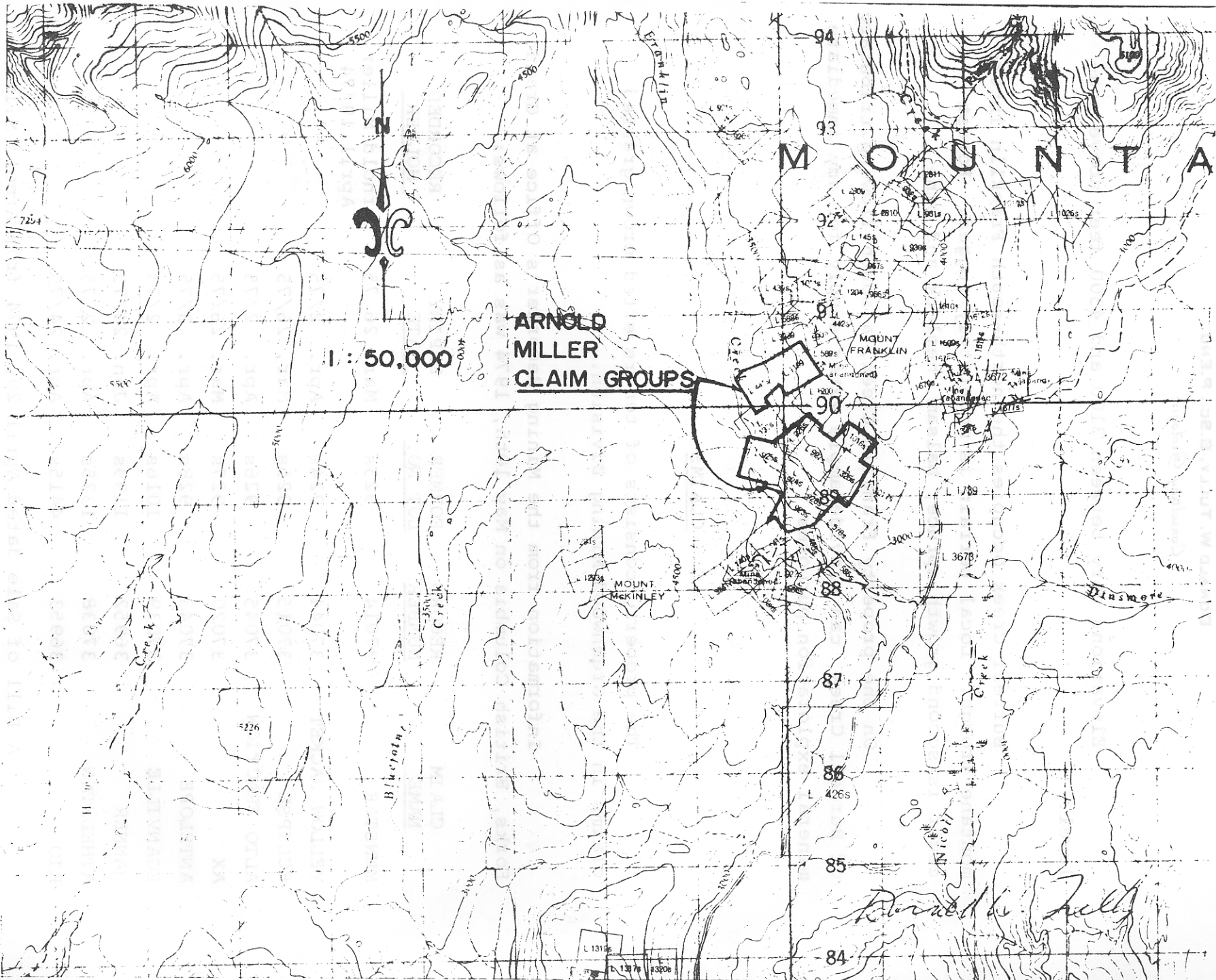
A Phase I program of detailed geological mapping, magnetometer and induced polarization surveys costing an estimated \$24,575.00 is recommended.

PROPERTY - LOCATION, ACCESS, TOPOGRAPHY

The property consists of ten unpatented mining claims located in the McKinley and Franklin Camp area, Greenwood Mining Division, British Columbia.

The claims are located about forty-four miles north of Grand Forks west of Burrell Creek between Mount McKinley and Mount Franklin in the Monashee Mountains, West Kootenay area.

Access is by 4-wheel drive vehicle along a truck road that leads north from Grand Forks a distance of about forty-four miles.



1 : 50,000
ARNOLD MILLER CLAIM GROUPS

M O U N T A

Donald H. Zell

DONALD W. TULLY, B.Sc., P.ENG.

Consulting Geologist

Elevations vary between 3100 and 4300 feet above sea-level.

Burrell Creek occupies the north-south Franklin Intermontane Trough. Local terrain is moderately rugged. Forest cover is second growth spruce, balsam, hemlock and pine.

On the property Franklin Creek, a south-flowing tributary of Burrell Creek, can provide ample water supply for any immediate mineral exploration purposes.

CLAIMS

The property consists of ten reverted crown granted claims in the Greenwood Mining Division.

Information from the Mining Recorder's Office at Grand Forks, British Columbia on May 10th, 1974 was as follows:

<u>CLAIM NAME</u>	<u>RECORD NUMBER</u>	<u>FORMER LOT NO.</u>	<u>EXPIRY DATE</u>	<u>RECORDED HOLDER</u>
MUNSTAR	37014	923s	Mar. 26/75	Arnold Miller April 19/74
YELLOW JACKET	37044	924s	Apr. 2/75	"
ECLIPSE	37015	925s	Mar. 26/75	"
ALTO FRACTION	37045	926s	Apr. 2/75	"
AX	37020	927s	Mar. 26/75	"
ANTELOPE	37043	928s	Apr. 2/75	"
EGANVILLE	37039	1016s	Apr. 2/75	"
BANNER	36952	1199s	Jan. 24/75	"
ATHELSTAN	37038	1325s	Apr. 2/75	"
RIO	36953	4415s	Apr. 24/75	"

A Bill of Sale dated April 29, 1974 from Arnold Miller to Dallas Explorations Ltd. was examined by the writer in the office of the Company's solicitor on May 13, 1974 at 620-789 West Pender St., Vancouver, B. C.

DONALD W. TULLY, B.Sc., P.ENG.

Consulting Geologist

These claims are shown on B.C. Department of Mines and Petroleum Resources claim map 82E-9W(M).

HISTORY - PREVIOUS DEVELOPMENT - REFERENCES

One of the first mineral claims staked in the Franklin Camp in 1896 was the BANNER claim. The remaining claims in the ARNOLD MILLER claim group were staked in subsequent years around the turn of the 1900's.

A shaft was sunk to a depth of twenty-five feet and later in 1900 a crosscut was driven to intersect this shaft and also a vein carrying values in gold, silver, zinc, lead and copper. This same year a government trail was cut from Grand Forks to "Gloucester City" a camp on the GLOUCESTER claim near Mount Franklin.

Activity reached a peak in 1906 when diamond drilling was done by The Dominion Copper Company on the BANNER claim. In 1911 the British Columbia Copper Company carried out development work on the claim group.

Numerous exploration companies have conducted programs of mapping, trenching and drilling from time to time in the Franklin Camp. The focal area has been the McKinley Mine where several small oreshoots have been developed by underground workings. Copper ore was shipped to a smelter at Grand Forks.

Useful references to the Franklin Camp are:

Geological Survey of Canada Memoir 56;

Geological Survey of Canada Maps #791, 792, 133A, 1382, 6-1957;

Geological Survey of Canada Geophysics Map 8489g;

B.C. Department of Mines and Petroleum Resources claim map 82E-9W(M);

Canada
 Department of Mines
 HON L CODERRE, MINISTER, R W BROCK, DEPUTY MINISTER

GEOLOGICAL SURVEY



OUTLINE MAP

LEGEND

Tertiary sediments and lava flows
 (Blank formation)

Angite granite
 (Black lead formation)

Gneissitic (Mesozoic) and
 Monzonitic (Tertiary)

Granitic crystalline basement
 (Palaeozoic)

Franklin altered rocks
 (Palaeozoic)

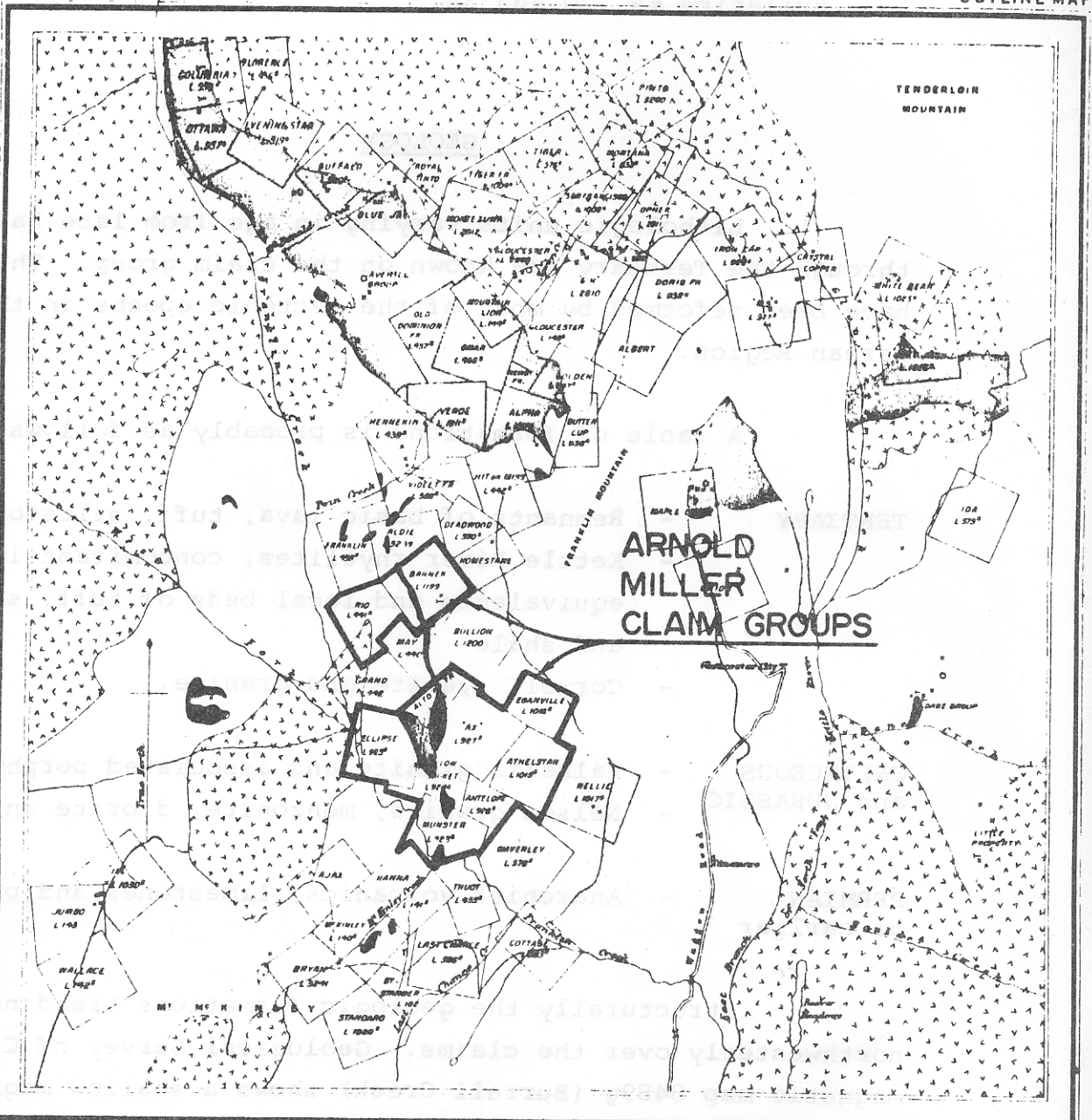
Symbols

Shaft

Tunnel

Prospect

Vein (Lead)



© O. Sembl, Geographer and Chief Draftsman.

MAP 133 A
 (Revised 1974)

MINERAL CLAIMS, FRANKLIN MINING CAMP, WEST KOOTENAY, B.C.

In company sheets by C.V. Reynolds.

Scale of feet
 0 1000 2000 3000

Donald W. July

DONALD W. TULLY, B.Sc., P.ENG.

Consulting Geologist

B.C. Minister of Mines Annual Reports for years 1900, 1901, 1904, 1906, 1908, 1911, 1913, 1914, 1918, 1920, 1921, 1922, 1927-28, 1931, 1933, 1935D11, 1936D36, 1937D32, 1940-42, 1945, 1947-49, 1964, Bulletins #9, 20 and 36.

GEOLOGY

Lithologic units varying in age from late Paleozoic through the Tertiary are known on the claim group. These rocks have been deformed by most of the tectonic epochs in the Cordillerean Region.

A table of formations is probably as follows:

- | | |
|----------------------------|---|
| TERTIARY | - Remnants of basic lava, tuff, siltstone |
| | - Kettle River rhyolites, concomitant intrusive equivalents and local beds of tuff, sandstone and shale |
| | - Coryell syenite and granite. |
| CRETACEOUS
and JURASSIC | - Valhalla granite and associated porphyries |
| | - Nelson granite, monzonite, diorite and porphyries. |
| PERMIAN
or earlier | - Anarchist volcanics, limestones and parasediments. |

Structurally the geologic formations trend north to northwesterly over the claims. Geological Survey of Canada aeromagnetic map 8489g (Burrell Creek) shows a shallow magnetic trough trending through the claims in a northwest direction with magnetic high areas on the north flanks of Mount McKinley and Mount Franklin.

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Consulting Geologist

A north-south contact traverses the claims. This contact is shown on G.S.C. Map 133A. Strike length from the BANNER claim on the north through the MUNSTAR claim on the south is 5000 feet.

Schistosity and cleavage strikes are generally north-south with east dips but mineralized shears have been noted dipping steeply to the west.

MINERALIZATION

The contact between the granodiorite (Jurassic) on the west and the Anarchist (Franklin) group of rocks trends north-south through the claims over an aggregate distance of 5000 feet. This is the most likely area for the occurrence of any economic mineralization.

More than one type of mineralization is known on the claims.

On the BANNER claim zincblende (sphalerite-marmatite) galena, chalcopyrite and pyrite occur in a quartz gangue in fissure-type veins. The host rocks are silicified tuff, calcareous conglomerate and quartzite. This is considered to be contact metamorphic.

Mineralization on the ALTO, AX and YELLOW JACKET claims occurs on the contact with granodiorite as well as augite syenite and the Anarchist (Franklin) group of metamorphosed volcanics, silicated limestones and para-sediments.

The writer has noted disseminated chalcopyrite in dikes of diorite porphyry in the area of these claims. He believes an

DONALD W. TULLY, B.Sc., P.Eng.

Consulting Geologist

appropriate fracture pattern may occur in the acidic intrusives mineralized with copper mineralization in economic quantities in this area.

RECOMMENDATIONS

1. In compliance with regulations in effect as of April 1st, 1974, before any field work is contemplated, B.C. Department of Mines and Petroleum Resources Notice of Work On A Mineral Property Form 10-11 should be completed and filed and the forest ranger at Grand Forks should be notified.

2. Detailed geological mapping is recommended to outline and better understand the structural control of the mineralization on a scale of 1" = 200 feet.

3. A magnetometer survey is proposed using the same grid control over the claims.

4. Ten line miles of induced polarization survey on electrode spacings of N = 100', N = 200', N = 400', N = 800' along parallel lines 400 feet apart over the claims.

5. Any anomalous areas along the north-south mineralized zone through the claims should be diamond drill tested. Along a strike length of 5000 feet it is assumed three target areas should be found. These should each be tested with a diamond drill hole probably 200 feet in length.

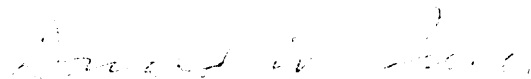
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Consulting Geologist

ESTIMATED COST OF THE PROPOSED WORK PROGRAM

1.	Establish a camp.....	\$ 1,000.00
2.	Survey a north-south baseline and establish east-west control lines at 200-foot intervals with 100-foot marker posts along each line 15 line miles x \$175.00/line mile.....	2,625.00
3.	Geological mapping on scale one inch equals 200 feet 10 claims x \$80.00/claim.....	800.00
4.	Magnetometer survey on grid one inch equals 200 feet 10 claims x \$90.00/claim.....	900.00
5.	10 line miles induced polarization survey @ \$525.00/line mile.....	5,250.00
6.	Diamond drilling - 3 holes 200 feet long equals 600 feet of BX wireline drilling @ \$17.50/foot.....	10,500.00
7.	Engineering, administration, travel, assaying and contingencies.....	3,500.00
	TOTAL.....	<u>\$24,575.00</u>

Respectfully submitted,



November 22, 1974

Donald W. Tully, P.Eng.
Consulting Geologist

DONALD W. TULLY, B.Sc., P.ENG.

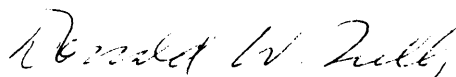
Consulting Geologist

CERTIFICATE

I, DONALD WILLIAM TULLY, of the Municipality of West Vancouver, in the Province of British Columbia, hereby certify as follows:

1. I am a Consulting Geologist with an office at Suite 102, 2222 Bellevue Avenue, West Vancouver, British Columbia.
2. I am a registered Professional Engineer in the Provinces of British Columbia and Ontario.
3. I graduated with a degree of Bachelor of Science, Honours Geology, from McGill University in 1943.
4. I have practiced my profession for twenty-eight years.
5. I have no direct, indirect or contingent interest in the ARNOLD MILLER claims #37014, 15, 20, 38, 39, 43, 44, 45, 52, 53 or the shares of DALLAS EXPLORATIONS LTD. nor do I intend to receive any interest.
6. This report dated November 22nd, 1974 is based on a personal study of the available published literature, personal communications and an examination of the ground in the Franklin Camp on July 29, 1970.

DATED at West Vancouver, British Columbia, this 22nd day of November, 1974.



Donald W. Tully, P.Eng.
Consulting Geologist

DALLAS EXPLORATIONS LTD.

FINANCIAL STATEMENTS

FOR THE PERIOD ENDED OCTOBER 31, 1974

DALLAS EXPLORATIONS LTD.

FINANCIAL STATEMENTS

FOR THE PERIOD FROM INCORPORATION, APRIL 2, 1974 TO OCTOBER 31, 1974

I N D E X

EXHIBIT

AUDITORS' REPORT

- A. BALANCE SHEET
- B. STATEMENT OF DEFERRED EXPLORATION
AND ADMINISTRATION COSTS
- C. STATEMENT OF SOURCE AND APPLICATION
OF FUNDS

NOTES TO FINANCIAL STATEMENTS

G. WAYNE OLIVER
Chartered Accountant

Telephone 682-6304

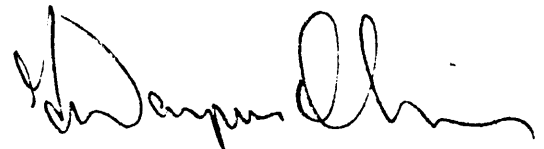
700-1112 West Pender Street
Vancouver, B.C. V6E 2S1

AUDITORS' REPORT TO THE SHAREHOLDERS

I have examined the Balance Sheet of Dallas Explorations Ltd. as at October 31, 1974 and the statements of Deferred Exploration and Administration Costs and Source and Application of Funds for the period then ended. My examination included a general review of the accounting records and other supporting evidence as I considered necessary in the circumstances.

I have not verified titles to the mineral properties directly with the Government Registry offices. I have obtained an opinion from the Company's solicitor that the Company is the beneficial owner of all properties recorded in the accounts and that all are in good standing.

In my opinion, except for the foregoing, these financial statements present fairly the financial position of the Company as at October 31, 1974 and the source and application of its working capital for the period then ended in accordance with generally accepted accounting principles.



CHARTERED ACCOUNTANT

Vancouver, B.C.
November 25, 1974

DALLAS EXPLORATIONS LTD.
BALANCE SHEET
AS AT OCTOBER 31, 1974

ASSETS

CURRENT

Cash

\$ 2,070.80

FIXED, at cost

Office equipment

241.08

DEFERRED EXPLORATION AND ADMINISTRATION

COSTS - (Exhibit B) (Note 1)

6,923.14

MINERAL PROPERTIES - (Note 2)

77,200.00

INCORPORATION COSTS

207.20

\$86,642.22

LIABILITIES

CURRENT

Accounts payable and accrued liabilities

\$ 590.22

SHAREHOLDERS' EQUITY

SHARE CAPITAL - (Note 3)

Authorized

3,000,000 common shares of no par value

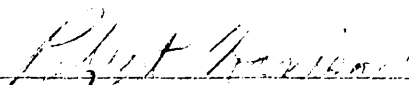
Issued

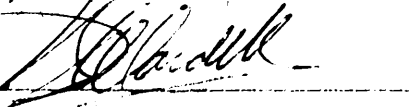
860,502 common shares

\$86,052.00

\$86,642.22

APPROVED ON BEHALF OF THE BOARD

 Director

 Director

DALLAS EXPLORATIONS LTD.
STATEMENT OF DEFERRED EXPLORATION AND ADMINISTRATION COSTS
FOR THE PERIOD FROM INCORPORATION, APRIL 2, 1974 TO OCTOBER 31, 1974

Consulting and engineering fees	\$2,650.00
Licences	450.00
Supplies	450.00
Travel	296.34
Supervision	240.00
Administration and office	334.71
Legal and audit	2,340.22
Prospectus costs	<u>350.00</u>
	7,111.27
Miscellaneous income	<u>188.13</u>
Total deferred costs - (Note 1)	<u><u>\$6,923.14</u></u>

DALLAS EXPLORATIONS LTD.
STATEMENT OF SOURCE AND APPLICATION OF FUNDS
FOR THE PERIOD FROM INCORPORATION, APRIL 2, 1974 TO OCTOBER 31, 1974

FUNDS WERE PROVIDED BY

Sale of shares	\$86,052.00
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FUNDS WERE APPLIED TO

Deferred exploration and administration costs	\$ 6,923.14	
Fixed asset additions	241.08	
Incorporation costs	207.20	
Property purchased	<u>77,200.00</u>	<u>84,571.42</u>

WORKING CAPITAL, END OF THE PERIOD\$ 1,480.58REPRESENTED BY

Current assets	2,070.80
Current liabilities	<u>590.22</u>

\$ 1,480.58

DALLAS EXPLORATIONS LTD.
NOTES TO FINANCIAL STATEMENTS
OCTOBER 31, 1974

1. DEFERRED EXPLORATION AND ADMINISTRATION COSTS

The company is engaged in preliminary exploration of its mineral property. Until such time as mineral production commences, or the property is abandoned, the Company will defer all expenses related to this exploration.

2. MINERAL PROPERTIES

Arnold Miller Group - Grand Forks Mining District

The Company acquired ten mineral claims for the following consideration:

Cash	\$ 5,000.00
720,000 shares of the company with an attributed value of \$.10 each	72,000.00
The Company also staked two adjoining claims	<u>200.00</u>
	<u>\$77,200.00</u>

3. SHARE CAPITAL

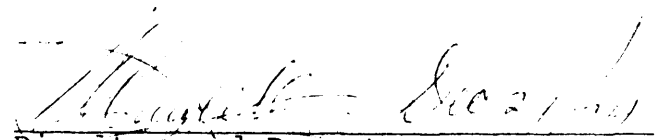
Shares have been issued as follows:

	<u>Shares</u>	<u>Net</u>
For cash	140,502	\$14,052.00
For properties - (Note 2)	<u>720,000</u>	<u>72,000.00</u>
	<u>860,502</u>	<u>\$86,052.00</u>

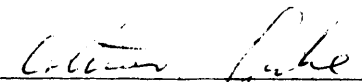
CERTIFICATE

The foregoing constitutes full, true and plain disclosure of all material facts relating to the securities offered by this Prospectus as required by Part VII of the Securities Act, and the regulations thereunder.

DATED at Vancouver, British Columbia, this 29th day of November, 1974.



Director and Promoter



Director and Promoter



Director and Promoter