

THIS PROSPECTUS CONSTITUTES A PUBLIC OFFERING OF THESE SECURITIES ONLY IN THOSE JURISDICTIONS WHERE THEY MAY BE LAWFULLY OFFERED FOR SALE AND THEREIN ONLY BY PERSONS PERMITTED TO SELL SUCH SECURITIES. NO SECURITIES COMMISSION OR SIMILAR AUTHORITY IN CANADA HAS IN ANY WAY PASSED UPON THE MERITS OF THE SECURITIES OFFERED HEREBY AND ANY REPRESENTATION TO THE CONTRARY IS AN OFFENCE.

PROSPECTUS

ROCKET ENERGY RESOURCES LTD.
Incorporated under the laws
of the Province of British Columbia
1052 Richards Street
Vancouver, B.C., V6B 4Y6
(herein called the "Issuer")

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PROPERTY FILE
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NEW ISSUE

500,000 shares at \$0.50 per share

	Price to Public	Commission	Proceeds to Issuer (1)
Per Share.....	\$0.50 (2)	\$0.05	\$0.45
Total.....	\$250,000.00	\$25,000.00	\$225,000.00

- (1) Before deduction of expenses of this Offering estimated not to exceed \$20,000
- (2) The price of the Offering has been determined by the Issuer in negotiation with the Agent.

There is no market through which these securities may be sold.

The Vancouver Stock Exchange has conditionally listed the securities being offered pursuant to this Prospectus. Listing is subject to the Issuer fulfilling all of the listing requirements of the Vancouver Stock Exchange on or before January 20, 1988, including prescribed distribution and financial requirements.

This Offering is subject to a minimum subscription begin received by the Issuer on the Offering Day within 180 days of the effective date of this Prospectus. Further particulars of the minimum subscription are disclosed under the heading "Plan of Distribution" on page "1".

A purchase of the securities offered by this Prospectus must be considered as speculation. The property in which the Issuer has an interest is in the exploration and development stage only and without a known body of commercial ore. Refer to "Risk Factors" on page "7".

No person is authorized by the Issuer to give any information or to make any representation other than those contained in this Prospectus in connection with the issue and sale of the securities offered.

The issue price to the public exceeds the net tangible book value per common share calculated as at April 30, 1987 after giving effect to the offering by 82.78%. Reference is made to the heading "Other Material Facts" on page "13" hereof for details of shares owned by underwriters.

Upon completion of this Offering, this issue will represent 18.43% the shares then outstanding as compared to 37.82% that will then be owned by the controlling persons, promoters, directors and officers of the Issuer and associates of the Agent. Reference is made to the heading "Principal Holders of Securities" on page "10" hereof for details of shares held by directors, promoters and controlling persons and associates of the Agent.

We, as Agent, conditionally offer these shares subject to prior sale, if, as and when issued by the Issuer and accepted by us, in accordance with the conditions contained in the Agency Agreement referred to under "Plan of Distribution" on page "1" hereof.

C.M. OLIVER & COMPANY LIMITED
Second Floor, 750 West Pender Street
Vancouver, British Columbia, V6C 1B5

DATED: June 30, 1987

EFFECTIVE DATE: July 23, 1987

SUMMARY OF PROSPECTUS

The following is a summary of the principal features of this Offering. More detailed information is contained in the body of the Prospectus:

- The Offering:** 500,000 common shares at price of \$0.50 through the facilities of the Vancouver Stock Exchange, pursuant to the Issuer's conditional listing on that Exchange.
- Proceeds to the Issuer:** \$225,000
- The Property:** The Issuer is the holder of an option to purchase a 100% interest in and to 6 Crown Granted mineral claims and an option to purchase a 100% interest in and to 8 Reverted Crown Granted mineral claims, all of which are located in the Greenwood Mining Division, in the Province of British Columbia.
- Use of Proceeds:** To complete the first phase of an exploration program recommended on the Crown Granted mineral claims and the Reverted Crown Granted mineral claims located in the Greenwood Mining Division, in the Province of British Columbia, in accordance with the recommendations received from the Issuer's consulting engineers.
- Dilution:** The issue price to the public exceeds the net tangible book value per common share calculated as at April 30, 1987, after giving effect to the Offering, by \$0.41.
- Management:** Gerald Anthony Mulhall - Chief Executive Officer, President, and Director;
Ian Lambert - Chief Financial Officer and Secretary;
Patrick James Finucane - Director;
John F. McIntyre - Director
- Risk Factors:** The shares offered hereunder are speculative. There is no market for the Issuer's shares. A purchase of the shares is subject to a number of risk factors, particulars of which are set forth on page 8 under the heading "Risk Factors."
- The Issuer:** The Issuer was incorporated on July 31, 1979 under the name Rocket Resources Ltd. The Issuer changed its name to Rocket Energy Resources Ltd. on January 12, 1981. The Issuer is engaged in the business of acquiring, exploring and developing natural resource properties.

BALANCE SHEET April 30, 1987 Audited

<u>Assets</u>		<u>Liabilities</u>	
Accounts Receivable	1,220	Current	\$45,290
Deferred Exploration Costs.....	2,160	Shareholders' Equity	<u>8,590</u>
Resource Properties	50,000		
Incorporation Costs	<u>500</u>		
TOTAL	<u>\$53,880</u>	TOTAL	<u>\$53,880</u>

ROCKET ENERGY RESOURCES LTD.

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CERTIFICATE

SHARE OFFERING AND PLAN OF DISTRIBUTION

Offering and Appointment of Agent

Rocket Energy Resources Ltd. (the "Issuer") has entered into an Agreement dated May 15, 1987 under which the Issuer has appointed C.M. Oliver & Company Limited, of Second Floor, 750 West Pender Street, Vancouver, British Columbia, V6C 1B5, as the Issuer's Agent (the "Agent") to use its best efforts to offer (the "Offering") to the public through the facilities of the Vancouver Stock Exchange (the "Exchange") 500,000 shares (the "Shares") of the Issuer at a purchase price of \$0.50 per Share. The Offering will be made in accordance with the rules and policies of the Exchange on a day (the "Offering Day") determined by the Agent and the Issuer with the consent of the Exchange, within a period of 180 days from the date the Shares of the Issuer are conditionally listed on the Exchange (the "Effective Date").

The Agent will receive a commission of \$0.05 per Share.

The Agent reserves the right to offer selling group participation in the normal course of the brokerage business to selling groups of other licenced broker dealers, brokers and investment dealers, who may or may not be offered part of the commissions or bonuses derived from this Offering.

The obligations of the Agent under the Agency Agreement may be terminated by the Agent before the Offering Day on the basis of its assessment of the state of the financial markets and may also be terminated upon the occurrence of certain stated events therein.

The persons holding more than 5% interest in the Agent are Robert H. Chilcott, Eagletree Estates Ltd. (a private company controlled by Robert A. Chilcott), R.P.C. Holdings Limited (a private company controlled by R. Page Chilcott), Leon Lotter, and Sperin Enterprises Limited (a private company controlled by T.J. Louis McKinney).

There are no payments in cash, securities or other consideration being made or to be made to a promoter, finder or any other person or company in connection with the Offering.

The Directors, Officers and other Insiders of the Issuer may purchase shares from this Offering.

The Vancouver Stock Exchange has conditionally listed the securities being offered pursuant to this Prospectus. Listing is subject to the Issuer fulfilling all of the listing requirements of the Vancouver Stock Exchange on or before January 20, 1988, including prescribed distribution and financial requirements.

The Issuer has granted the Agent a right of first refusal with respect to any future public equity financings it may require during the 12 month period following the Effective Date.

Minimum Subscription

This Offering is subject to a minimum of 500,000 Shares being sold on the Offering Day. If the minimum subscription is not reached, all funds will be returned to the purchasers without deduction.

NAME AND INCORPORATION OF THE ISSUER

The Issuer was incorporated under the laws of the Province of British Columbia under the name Rocket Resources Ltd. by registration of its Memorandum and Articles on July 31, 1979. The Issuer changed its name to Rocket Energy Resources Ltd. on January 12, 1981. The Issuer's registered office is located at Suite 708, 1111 West Hastings Street, Vancouver, British Columbia, V6E 2J3. The Issuer's head office is located at Suite 1052 Richards Street, Vancouver, British Columbia, V6B 4Y6. The Issuer is a reporting company as defined under the Company Act of the Province of British Columbia by virtue of having filed a Prospectus with the Office of the Superintendent of Brokers and having a receipt issued therefor on August 5, 1981, (the "1981 Prospectus").

DESCRIPTION OF BUSINESS

The Issuer is a natural resource company engaged in the acquisition, exploration and development of natural resource properties. The Issuer owns or has an interest in the properties described under the heading "The Properties" and intends to seek and acquire additional properties worthy of exploration and development.

ACQUISITIONS

The Issuer is the holder of options to purchase a 100% interest in and to two groups of mineral claims consisting of 6 Crown Granted mineral claims and 8 Reverted Crown Granted mineral claims located in the Greenwood Mining Division, in the Province of British Columbia, (the "claims") and described as follows:

1. Crown Granted Mineral Claims

<u>Name of Claim</u>	<u>Lot No.</u>	<u>Name of Optionor</u>
D.A.	824	Gevast Holdings Ltd.
Gold Bug	890	Gevast Holdings Ltd.
Gold Pick Fraction	1092S	Gevast Holdings Ltd.
Elkhorn	818	Gevast Holdings Ltd.

<u>Name of Claim</u>	<u>Lot No.</u>	<u>Name of Optionor</u>
Elkhorn Fraction	297S	Paul Forshaw
Crescent	1711	Loretta Forshaw

(hereinafter collectively called the "Crown Grants")

2. Reverted Crown Granted Mineral Claims

<u>Name of Claim</u>	<u>Lot No.</u>	<u>Name of Optionor</u>
Warwick Fraction	616	Ernest J. Taylor-Smith
Freemont	1217	Ernest J. Taylor-Smith
Admiral	2379	Ernest J. Taylor-Smith
Coronation	3365	Ernest J. Taylor-Smith
Spokane	1011	Ernest J. Taylor-Smith
Minneapolis Fraction	2940	Ernest J. Taylor-Smith
Fred D.	830	Ernest J. Taylor-Smith
CSEH	833	Ernest J. Taylor-Smith

(hereinafter collectively called the "Reverted Crown Grants")

Crown Grants Acquisitions

The Issuer acquired the options to purchase the claims under two separate agreements. The first agreement is an agreement dated April 14, 1986 entered into between the Issuer and Gevast Holdings Ltd., Stan Ruzicka, both of Grand Forks, British Columbia, and Paul Forshaw and Loretta Forshaw of 7867 Latrobe Place, Prince George, British Columbia (the "Optionors"), (the "Gevast Agreement"). Under the Gevast Agreement, the Issuer acquired the right, privilege and option to purchase the six Crown Grants.

The consideration due and payable by the Issuer in order to exercise its option to purchase the Crown Grants is the sum of \$350,000 due and payable on or before April 23, 1991 in instalments of the greater of 2.5% of net operating profits or the following sums:

- (a) \$2,500 due and payable on execution (which amount has been paid);
- (b) \$7,500 on February 15, 1986 (which amount has been paid);
- (c) \$10,000 on or before December 1, 1986 (which amount has been paid);
- (d) \$10,000 on or before December 1, 1987;
- (e) \$10,000 on or before December 1, 1988;

(f) \$10,000 on or before December 1, 1989;

(g) \$300,000 on April 23, 1991.

On the due date for the payment of the \$300,000 due and payable on April 23, 1991 or prior thereto, the Optionors have the right to elect to receive either payment of the \$300,000 due and payable in order to exercise the option or a ten year 2.5% net operating profit due and payable from production.

In addition, the Issuer has assumed the obligation of paying taxes on the Crown Grants.

Reverted Crown Grants Acquisition

The second agreement is an agreement dated April 24, 1986 entered into between the Issuer and Ernest J. Taylor-Smith, of 2905 West 37th Avenue, Vancouver, British Columbia, pursuant to which the Issuer acquired the right, privilege and option to purchase the Reverted Crown Grants.

The consideration due and payable for the Reverted Crown Grants is identical to the consideration due and payable under the Gevast Agreement and can be summarized as follows:

- (a) \$2,500 due and payable on execution (which amount has been paid);
- (b) \$7,500 on February 15, 1986 (which amount has been paid);
- (c) \$10,000 on or before December 1, 1986 (which amount has been paid);
- (d) \$10,000 on or before December 1, 1987;
- (e) \$10,000 on or before December 1, 1988;
- (f) \$10,000 on or before December 1, 1989;
- (g) \$300,000 on April 23, 1991.

On the due date for the payment of the \$300,000, Ernest J. Taylor-Smith has the right to elect to receive either payment of the \$300,000 due and payable in order to exercise the option or a ten year 2.5% net operating profit royalty due and payable from production.

THE PROPERTY

The Crown Grants and the Reverted Crown Grants adjoin the city limits of Greenwood on the north and east. The community is serviced by the Kettle Valley Branch of the CPR and by Inter-provincial Highway No. 3. Several unimproved roads and trails

trails radiate from the city and from the Greenwood-Phoenix road onto, or to the near vicinity of all the claims. The property lies one kilometre east of the former Deadwood Copper Camp and four kilometres west of the Phoenix Copper Camp. All of the claims are located in the same proximity, however, the Crescent and the Fred D. claims are not contiguous to the remainder of the claims.

The earliest expiry date for any of the Reverted Crown Granted mineral claims is the 15th of September, 1988.

The main period of exploration activity on the claims was within the interval from 1890 to about 1915 when prospecting was more or less continuous, and limited development work was done on most, if not all of the claims, with only sporadic work on some thereafter. Exploratory work consisted of the testing of generally small quartz veins, with unusually high silver and moderate gold content, by shallow shafts, pits and rock trenches.

According to J. Richardson, P. Eng. as stated in a report to the Issuer dated January 10, 1986, (which Report was updated on February 15, 1987), a copy of which is hereunto annexed and forms part of this Prospectus:

minor shipments of ore were made in the early history of several of the claims within the property. These are shown in the following list:

<u>Claim</u>	<u>Tons</u>	<u>Oz.Ag./Ton</u>	<u>Oz.Au/Ton</u>
Elkhorn	197*	77.5	0.87
Elkhorn Fraction	48	162.0	0.17
Gold Pick	3	46.0	0.67
Gold Bug	46	16.5	0.57
Freemont	5	29.0	0.20
Crescent	274	52.5	0.22
D.A.	43	21.5	0.30

(No record of ore shipments could be found for the remaining 12 claims).

....*In some cases there is little agreement in various sources for the tonnage and grade of shipments. One seemingly official record (smelter receipts) shows a total shipment for the Elkhorn of over 1,000 tons of ore of similar grade to the above.

J. Richardson, P.Eng., in his report to the Issuer, has recommended that the Issuer commence the first stage of an exploration program on the claims consisting of a drilling program of 2,500 feet on the claims at an estimated cost to the Issuer of \$96,000.

The Issuer has accepted those recommendations and will be proceeding with the program dependent upon the Issuer success-

fully concluding its proposed offering of shares provided under this Prospectus.

There is no plant or equipment located on or under the claims and the claims are without a known body of commercial ore. No Director, Officer, Insider or Promoter of the Issuer has any interest in any mineral properties located contiguously to these claims.

To date, the Issuer has spent \$2,160 on account of exploration work on the claims.

USE OF PROCEEDS

The net proceeds to be derived by the Issuer from the Offering of \$225,000 less the April 30, 1987 working capital deficit of \$45,290 will be used by the Issuer for the following purposes (listed in order of priority):

	<u>Maximum Subscription</u>
1. To pay the legal, audit and printing expenses of this Prospectus, estimated not to exceed:	\$ 20,000
2. To carry out the first phase of the program recommended by J. Richardson, P.Eng., in his report to the Company dated January 10, 1986, (which report was updated on February 15, 1987) a copy of which forms part of this Prospectus:	100,000
3. To pay the 1987 payments required to maintain the option on the Crown granted mineral claims and the reverted Crown granted mineral claims:	20,000
4. Working Capital Remainder:	<u>39,710</u>
TOTAL:	<u><u>\$179,710</u></u>

The unallocated portion of the net proceeds to the Issuer is being set aside for working capital to ensure that the business of the Issuer can be funded after the results of the first phase of the recommended exploration program are known.

The Issuer may, pursuant to the written recommendations of a qualified engineer, abandon in whole or in part any of its properties or may alter as work progresses, the work program recommended or may make such arrangements for the performance of all or any portion of such work by other persons or companies and

may use any monies so diverted for the purpose of conducting work or examining other properties acquired by the Issuer after the date of this Prospectus, although the Issuer has no present plans in this regard. James Richardson, P.Eng., has agreed to advise the Issuer in this regard. If any such event occurs during the primary distribution of the shares referred to in this Prospectus, an amendment to this Prospectus will be filed. If any such event occurs after primary distribution of the shares, the shareholders will be notified.

No part of the proceeds will be used to invest, underwrite or trade in securities other than those that qualify as an investment in which trust funds may be invested under the laws of the jurisdiction in which the securities offered by this Prospectus may be lawfully sold. Should the Issuer intend to use the proceeds to acquire other than trustee type securities after the distribution of the securities offered by this Prospectus, approval by the shareholders of the Issuer must first be obtained and notice of the intention must be filed with the regulatory bodies having jurisdiction over the sale of the securities offered by this Prospectus.

RISK FACTORS

A. Mineral exploration and development is inherently speculative and carries with it many risks that even the most careful evaluation and management cannot overcome. There is no assurance that any production will be obtained. If production is obtained, prices received are subject to market fluctuations.

B. No survey has been made of the mineral claims held under option by the Issuer and, in accordance with the mining laws of the jurisdiction in which the claims are situate, their precise location and area may be in doubt.

C. Mining operations generally involve a high degree of risk. Hazards such as unusual or unexpected formations and other conditions are involved. The Issuer may become subject to liability for pollution, cave-ins or hazards against which it cannot insure or against which it may elect not to insure. The payment of such liabilities may have a material adverse effect on the Issuer's financial position.

D. The speculative nature of the Issuer's business makes it probable that purchasers will not realize a profit on the shares purchased under the Offering.

E. The issue price to the public exceeds the net tangible book value per common share calculated at April 30, 1987 (after giving effect to the Offering) by \$0.41. This is equivalent to a dilution of 82.78%.

F. The percentage of shares of the Issuer being offered to the public for cash will represent 18.43% of the shares issued and

outstanding upon completion of the sale of the shares qualified hereunder as compared to 37.82% which will be owned by controlling persons, Promoters, Directors and Officers of the Issuer.

DESCRIPTION OF SHARES

The authorized capital of the Issuer consists of 10,000,000 common shares without par value of which 1,250,001 shares have been issued and allotted as fully paid and non-assessable shares, and 963,000 shares have been allotted as fully paid and non-assessable shares which will be issued upon the release of a Cease Trading Order. All of the shares of the Issuer, both issued and unissued, rank equally as to dividends, voting powers and participation in assets. No shares have been issued subject to call or assessment. There are no pre-emptive rights or conversion rights and no provision for redemption, purchase for cancellation, surrender or sinking fund or purchase funds have been made. Provisions as to the modifications, amendments or variations of such rights or such provisions are contained in the Company Act of the Province of British Columbia.

SHARE AND LOAN CAPITAL STRUCTURE

Designation of Security	Amount Authorized	Amount Outstanding as at April 30 1987	Amount Outstanding as at date of Prospectus(1)	Amount to be Outstanding on Completion of Offering(2)
Common Shares Without Par Value	10,000,000	1,250,001	2,213,001	2,713,001

(1) This includes 213,000 free shares and 750,000 escrowed shares currently allotted but not issued which are due to be issued upon a partial rescission of a cease trade order in effect against the Issuer. Further details of the cease trade order can be found under the heading "Other Material Facts" on page 13.

(2) This will be the outstanding capital if the complete offering is sold.

PRIOR SALES

Number of Securities Sold	Price Per Share	Total Cash Received	Commissions Paid
600,001	\$0.10	\$ 60,000	Nil
400,000	\$0.20	\$ 80,000	Nil
200,000	\$0.625	\$125,000	Nil
50,000	\$1.00	\$ 50,000	Nil
213,000(1)	\$0.25	\$ 53,250	Nil
750,000(2)	\$0.01	\$ 7,500	Nil
<u>2,213,001</u>		<u>\$375,750</u>	

- (1) These 213,000 shares will be issued under a partial rescission of a cease trade order in effect against the Issuer upon a final receipt for this Prospectus being granted by the Superintendent of Brokers.
- (2) The 750,000 shares to be issued for and in consideration of the sum of \$0.01 per share will be issued as "Principal's Shares" subject to escrow restrictions more particularly described under the heading "Escrowed Shares" on page 11 of this Prospectus. These shares will also be issued under the partial rescission of the cease trade order. The \$7,500 purchase price has been paid to the Issuer by offsetting the amount due and payable against the Issuer's indebtedness to Edward David Duncan, of 1052 Richards Street, Vancouver, British Columbia, V6B 4Y6, a Promoter of the Company.

DIRECTORS AND OFFICERS

The names, addresses and principal occupations in which each of the Directors and Officers of the Company have been engaged during the immediately preceding five years are as follows:

<u>Name and Address</u>	<u>Position with Company</u>	<u>Principal Occupation</u>
*GERALD ANTHONY MULHALL 14109 Valleyview Drive Edmonton, Alberta T5R 5V1	Chief Executive Officer, President and Director	Self-Employed Business Consultant.
*PATRICK JAMES FINUCANE Suite 302 2191 West 1st Avenue Vancouver, B.C. V6K 1E7	Director	Self-Employed Consultant November 1983 - present; Night Manager, Penderwest Y from April, 1982 - February, 1984;
*JOHN F. MCINTYRE 11448 - 80th Avenue Delta, B.C. V4C 1X3	Director	Self-Employed Professional Engineer, McIntyre & Associates 1965
IAN LAMBERT Suite 1401 675 West Hastings Street Vancouver, B.C. V6B 1N2	Chief Financial Officer and Secretary	Self-Employed Business Consultant.

*Members of the Audit Committee.

OPTIONS TO PURCHASE SECURITIES

There are no options outstanding as of the date of this Prospectus.

EXECUTIVE COMPENSATION

The Issuer has two Executive Officers: Gerald Anthony Mulhall who is the Chief Executive Officer, President and a Director of the Issuer, and Ian Lambert who is the Chief Financial Officer and Secretary of the Issuer. Patrick Finucane, a Director of the Issuer, has received indirect remuneration from the Issuer in the amount of \$4,500 representing consultant fees paid to him for taking steps to revive the corporate affairs of the Issuer. The remuneration is calculated based on a monthly fee of \$500.

Cynthia Anne Diakiw, a former Director of the Issuer, has received \$4,650 for providing secretarial services to the Issuer. Additional sums of \$500 per month will be paid to her for secretarial services performed for and on behalf of the Issuer.

Save and except as aforesaid, no Executive Officer, Director or Employee compensation plans have been established nor are any such plans contemplated pursuant to which cash or non cash compensation will be paid to Executive Officers, Directors or Employees.

Key Employee Stock Options have been set aside for the grant to Key Employees of the Issuer. It is the intention of the Issuer to set aside for the grant of future Key Employee Stock Options that number of unissued Treasury shares equal to 5% of the issued and outstanding shares of the Issuer. Key Employee Stock Options will be granted from time to time by the Board of Directors to remunerate Officers of the Issuer for services rendered or to be rendered to the Issuer, which options will be granted partially in lieu of cash remuneration.

Directors Stock Options have been set aside for grants to the Directors of the Issuer. The Directors of the Issuer will be rewarded in the future by Directors Stock Options as the Issuer intends to set aside for the grant of such options that number of unissued Treasury shares equal to 5% of the issued and outstanding shares of the Issuer. The Directors Stock Options will be granted from time to time by the Board of Directors as a form of remuneration for Directors agreeing to serve on the Board and acting in the best interest of the Issuer.

PRINCIPAL HOLDERS OF SECURITIES

Set forth hereunder are the particulars of shareholders of the Issuer as of the date of this Prospectus who own 10% or more of the issued shares of the Issuer:

<u>Name and Address</u>	<u>Designation of Class</u>	<u>Type of Owner-ship</u>	<u>Number of Securities Owned</u>	<u>Percentage</u>
Edward David Duncan 1052 Richards Street Vancouver, B.C. V6B 4Y6	Common-escrow -free	direct indirect	750,000 261,001 1,011,001	45.68

The 261,001 free trading shares beneficially owned by Edward David Duncan are registered in the name of Three Seasons Inc. of 1052 Richards Street, Vancouver, British Columbia, V6B 4Y6, a company 100% beneficially owned and controlled by Edward David Duncan. The 750,000 escrowed shares are to be issued upon release of a cease trading order and are subject to regulatory approval.

The percentage of shares of each class of equity shares of the Issuer beneficially owned, directly or indirectly, by all Directors and Senior Officers of the Issuer as a group, on the date of this Prospectus, is:

<u>Designation of Class</u>	<u>Percentage of Class</u>
Common	0%

PROMOTERS

Edward David Duncan of 1052 Richards Street, Vancouver, British Columbia, V6B 4Y6, is the Promoter of the Issuer in accordance with the definitions contained in Section 1 of the Securities Act of the Province of British Columbia.

Edward David Duncan has agreed to purchase 750,000 Principal's Shares of the Issuer for and in consideration of \$0.01 per share, which Principal's Shares will be issued subject to escrow restrictions and upon regulatory approval and the release of a cease trading order. Additionally, Edward David Duncan, through his wholly-owned company, Three Seasons Inc., owns 261,000 shares of the Issuer, 110,000 of which were purchased for \$0.20, 151,000 of which were purchased for \$0.10 and 1 of which was purchased for \$0.25.

ESCROWED SHARES

<u>Designation of Class</u>	<u>Number of Shares Held in Escrow</u>	<u>Percentage of Class</u>
Common	750,000	33.89%

It is intended that at the date of this Prospectus, 750,000 common shares of the Issuer will be held in escrow by The Canada Trust Company, 1055 Dunsmuir Street, Vancouver, British Columbia. These shares were allotted but not issued due to a cease trading order being in effect and will be purchased as "Principal's Shares" and may not be traded-in, dealt with in any manner whatsoever or released, nor may the Issuer, its Transfer Agent or any holder of the escrowed shares make any transfer or record any trading of such shares without the consent of the Superintendent or the Exchange. The Escrow Agreement also provides that a portion of the consideration for the issuance of the escrowed shares is to encourage the holders thereof to act in the best interest of the Issuer. If the Issuer becomes successful, due in part to the efforts of the holders of the escrowed shares, the Agreement provides that the holder of the shares will be entitled to maintain ownership of the shares and to have the shares released from escrow in accordance with the general policies of the Superintendent or the Exchange. Any shares not released from escrow before the expiration of ten years from the date of the receipt issued by the Superintendent for this Prospectus will be cancelled. The complete text of the Escrow Agreement will be available for inspection at the Issuer's registered office, Suite 708, 1111 West Hastings Street, Vancouver, British Columbia, V6E 2J3, for a period of 30 days following completion of the Offering.

DIVIDEND RECORD

The Issuer has not paid any dividend on any of its shares since incorporation. The Issuer has no present intention of paying dividends but the future dividend policy will be determined by the Board of Directors on the basis of earnings, financial requirements and other relevant factors.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

The Directors, Officers, Insiders and Promoters of the Issuer do not have any interest, direct or indirect, by way of beneficial ownership of shares or otherwise in material transactions except for any interest arising from the ownership of shares of the Issuer where the shareholder will receive no extra or special benefit or advantage not shared on a pro rata basis by all holders of shares in the capital of the Issuer.

AUDITORS, TRANSFER AGENTS AND REGISTRARS

The auditors of the Issuer are Corcoran & Company, Chartered Accountants, of Suite 575, 885 Dunsmuir Street, Vancouver, British Columbia, V6C 1N9. The Issuer's Registrar and Transfer Agent is The Canada Trust Company, Four Bentall Centre, P.O. Box 49390, 1055 Dunsmuir Street, Vancouver, British Columbia, V7X 1P3.

MATERIAL CONTRACTS

There are no material contracts except as disclosed in this Prospectus. The following contracts may be inspected at the registered office of the Issuer, Suite 708, 1111 West Hastings Street, Vancouver, British Columbia, V6E 2J3, during normal business hours while primary distribution of the Shares offered by this Prospectus is in progress and for a period of 30 days thereafter:

- (a) Agency Offering Agreement dated May 15, 1987 entered into between the Issuer and C.M. Oliver & Company Limited;
- (b) Property Option Agreements respectively dated April 14, 1986 entered into between the Issuer and Gevast Holdings Ltd., Stan Ruzicka, Paul Forshaw and Loretta Forshaw and April 24, 1986 entered into between the Issuer and Ernest J. Taylor Smith; and
- (c) Escrow Agreement to be entered into upon release of the cease trading order.

OTHER MATERIAL FACTS

A cease trading order was issued against the Issuer's shares on March 14, 1984 and extended on March 29, 1984 by the Office of the Superintendent of Brokers as a result of the Issuer failing to: (a) fulfill the financial reporting requirements under the Securities Act of the Province of British Columbia; (b) failing to hold an Annual General Meeting; and (c) failing to file its Annual Report under the Company Act. Each of the aforementioned items have been corrected by the Issuer although the cease trading order remains in effect due to concerns about the Issuer's working capital position, these concerns will be alleviated by the successful completion of the Offering. The cease trading order will be partially rescinded upon final receipt of this Prospectus by the Superintendent of Brokers to allow for the issuance of the 213,000 shares being issued in exchange for debt and the issuance of the 750,000 Principals' Shares. Additionally, upon the successful completion of the Offering qualified herein, the cease trading order will be rescinded.

The 1981 Prospectus qualified for sale to the public 500,000 units of the Issuer at a price of \$1.50 per share.

The 1981 Prospectus offering was revised by reducing the price of the offering to \$1.00 per share under an amendment to the 1981 Prospectus dated November 24, 1981. No shares were sold to the public under the 1981 Prospectus as amended and the offering was abandoned.

At the time of the 1981 Prospectus, the Issuer held:

- (a) a right to earn an interest in certain oil and gas leases located in the State of Oklahoma, which rights could be exercised by advancing funds for the drilling of the oil and gas prospects;
- (b) an interest in two separate oil and gas leases located in Creek County, Oklahoma, comprising 235.56 acres and 128 acres of oil and gas leased lands;
- (c) an interest in an oil and gas lease covering 120 acres located in Wagoner County, Oklahoma;
- (d) an exclusive license to market and manufacture the Wind Baron system in Canada. The Wind Baron system was an invention related to a high performance water pumping windmill.

The oil and gas leases required expenditures in order to maintain the leases in good standing. Since the Issuer's proposed offering under the 1981 Prospectus was unsuccessful, the oil and gas leases were abandoned and the Issuer's investment in those properties was written off.

In addition, the Issuer also abandoned its rights to market and manufacture the Wind Baron as the Issuer assumed an inactive state from the period January 1982 to December 1985.

During the period December 15, 1985 to April 30, 1986, the Issuer borrowed \$53,250 from 15 individuals or corporations, as a result of which the Issuer agreed to convert the loans into 213,000 shares of the Issuer at a deemed price of \$0.25 per share. These funds were originally advanced to enable the Issuer to meet its working capital commitments with the intention being to issue shares in exchange therefor. However due to the cease trading order, no shares could be issued. The conversion of debt is subject to a release of a cease trading order issued against the Issuer's securities and the filing of the requisite notice under Section 122(e) of the Regulation to the British Columbia Securities Act and the Superintendent of Brokers not objecting to the trade.

Underwriters as defined by Local Policy Statement 3-30 issued by the Office of the Superintendent of Brokers under the Securities Act of British Columbia have purchased an aggregate of 29,000 shares of the Issuer's capital stock at a price of \$1.00 per share. Additionally, underwriters will be receiving 22,000 of the 213,000 shares to be issued on the conversion of debt at a deemed price of \$0.25 per share.

PURCHASER'S STATUTORY RIGHTS OF WITHDRAWAL AND RESCISSION

The Securities Act provides purchasers with a right to withdraw from an agreement to purchase securities within two business days after receipt or deemed receipt of a prospectus and further provides a purchaser with remedies for rescission or damages where the prospectus and any amendment contains a material misrepresentation or is not delivered to the purchaser prior to delivery of the written confirmation of sale or prior to midnight on the second business day after entering into the agreement, but such remedies must be exercised by the purchaser within the time limit prescribed. For further information concerning these rights and the time limits within which they must be exercised the purchaser should refer to Sections 66, 114, 118 and 124 or the Securities Act or consult a lawyer.

ROCKET ENERGY RESOURCES LTD.
REPORT AND FINANCIAL STATEMENTS
April 30, 1987

CORCORAN & COMPANY

CORCORAN & COMPANY

CHARTERED ACCOUNTANTS

A LIMITED PARTNERSHIP

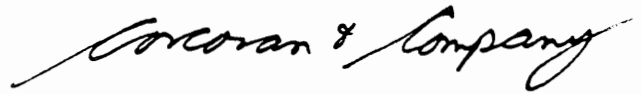
AUDITORS' REPORT

To the Shareholders,
Rocket Energy Resources Ltd.

We have examined the balance sheet of Rocket Energy Resources Ltd. as at April 30, 1987, 1986, 1985, 1984 and 1983 and the statements of loss and deficit, deferred exploration expenses and changes in financial position for the years then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the financial position of the company as at April 30, 1987, 1986, 1985, 1984 and 1983 and the results of its operations and the changes in its financial position for the years then ended in accordance with generally accepted accounting principles applied on a consistent basis.

Vancouver, B.C.
May 27, 1987



Chartered Accountants

ROCKET ENERGY RESOURCES LTD.
Incorporated under the Company Act of British Columbia
BALANCE SHEET
as at April 30, 1987

<u>ASSETS</u>	<u>1987</u>	<u>1986</u>	<u>1985</u>	<u>1984</u>	<u>1983</u>
Current					
Cash	\$ -	\$ 6,494	\$ 639	\$ -	\$ -
Prepaid expenses	-	2,500	-	1	1
	-	8,994	639	1	1
Deferred exploration expenses	2,160	2,160	-	-	-
Due from R.F. Oil Industries Ltd.	1,220	2,270	-	-	-
Resource properties - Note 2	50,000	30,000	-	-	-
Incorporation	500	500	500	500	500
	\$ 53,880	\$ 43,924	\$ 1,139	\$ 501	\$ 501
	=====	=====	=====	=====	=====
<u>LIABILITIES</u>					
Current					
Accounts payable	\$ 20,290	\$ 24,519	\$ 13,125	\$ 13,125	\$ 31,674
Loans payable - Note 3	25,000	-	-	-	-
	45,290	24,519	13,125	13,125	31,674
<u>SHAREHOLDERS' EQUITY</u>					
Capital stock - Note 4					
Authorized					
10,000,000 common shares without par value					
Issued and fully paid					
1,250,001 common shares	315,000	315,000	315,000	315,000	315,000
Allotted but not issued					
963,000 common shares	60,750	60,750	-	-	-
Deficit	(367,160)	(356,345)	(326,986)	(327,624)	(346,173)
	8,590	19,405	(11,986)	(12,624)	(31,173)
	\$ 53,880	\$ 43,924	\$ 1,139	\$ 501	\$ 501
	=====	=====	=====	=====	=====

APPROVED BY THE DIRECTORS

[Signature], Director

[Signature], Director

SEE ACCOMPANYING NOTES

CORCORAN & COMPANY

ROCKET ENERGY RESOURCES LTD.
STATEMENT OF LOSS AND DEFICIT
for the years ended April 30

	<u>1987</u>	<u>1986</u>	<u>1985</u>	<u>1984</u>	<u>1983</u>
Revenue					
Recovery of note receivable previously written down	\$ -	\$ -	\$ -	\$ 25,000	\$ -
Miscellaneous income	-	634	-	-	-
	<u>-</u>	<u>634</u>	<u>-</u>	<u>25,000</u>	<u>-</u>
Expenses					
Administrative					
Consulting fees	-	4,500	-	-	-
Filing fees	2,500	1,100	-	-	-
Finance fee	2,500	-	-	-	-
Interest expense	-	-	-	6,451	719
Office and secretarial	822	7,600	-	-	-
Printing	-	665	-	-	-
Professional fees	4,700	4,350	-	-	-
Rent and sundry	-	2,665	-	-	-
Telephone (recovered)	-	3,740	(638)	-	-
Transfer agent fees	293	772	-	-	-
Travel and promotion	-	4,600	-	-	-
Write-off of Wind Baron receivable	-	1	-	-	-
	<u>10,815</u>	<u>29,993</u>	<u>(638)</u>	<u>6,451</u>	<u>719</u>
Net income (loss) for the years before income taxes and extraordinary item	(10,815)	(29,359)	638	18,549	(719)
Income taxes	-	-	-	9,275	-
	<u>(10,815)</u>	<u>(29,359)</u>	<u>638</u>	<u>9,274</u>	<u>(719)</u>
Extraordinary item					
Recovery of income taxes due to loss carried forward	-	-	-	9,275	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>9,275</u>	<u>-</u>
Net income (loss) for the years	(10,815)	(29,359)	638	18,549	(719)
Deficit, beginning of the years	(356,345)	(326,986)	(327,624)	(346,173)	(345,454)
Deficit, end of the years	\$(367,160)	\$(356,345)	\$(326,986)	\$(327,624)	\$(346,173)
	=====	=====	=====	=====	=====

SEE ACCOMPANYING NOTES

CORCORAN & COMPANY

ROCKET ENERGY RESOURCES LTD.
STATEMENT OF DEFERRED EXPLORATION EXPENSES
for the years ended April 30

	<u>1987</u>	<u>1986</u>	<u>1985</u>	<u>1984</u>	<u>1983</u>
Exploration					
Geological report	\$ -	\$ 2,160	\$ -	\$ -	\$ -
Deferred exploration expenses, beginning of the years	<u>2,160</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Deferred exploration expenses, end of the years	\$ <u>2,160</u>	\$ <u>2,160</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>
Represented by					
8 reverted crown grants	\$ <u>2,160</u>	\$ <u>2,160</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>

SEE ACCOMPANYING NOTES

CORCORAN & COMPANY

ROCKET ENERGY RESOURCES LTD.
STATEMENT OF CHANGES IN FINANCIAL POSITION / CASH FLOW
for the years ended April 30

	<u>1987</u>	<u>1986</u>	<u>1985</u>	<u>1984</u>	<u>1983</u>
Operations					
Net income	\$(10,815)	\$(29,359)	\$ 638	\$ 18,549	\$(719)
Adjustments					
Accounts receivable	2,500	(2,499)	1	-	-
Accounts and loans payable	20,771	11,393	-	(18,549)	719
Advance to R. F. Oil Industries Ltd.	1,050	(2,270)	-	-	-
Exploration expenses	<u>-</u>	<u>(2,160)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change / operations - inflow (outflow)	<u>13,506</u>	<u>(24,895)</u>	<u>639</u>	<u>-</u>	<u>-</u>
Financing					
Capital stock allotted	<u>-</u>	<u>60,750</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change / financing - inflow	<u>-</u>	<u>60,750</u>	<u>-</u>	<u>-</u>	<u>-</u>
Investing					
Acquisition of resource properties	<u>(20,000)</u>	<u>(30,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change / investing - (outflow)	<u>(20,000)</u>	<u>(30,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net inflow (outflow) of cash	<u>(6,494)</u>	<u>5,855</u>	<u>639</u>	<u>-</u>	<u>-</u>
Cash, beginning	<u>6,494</u>	<u>639</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash, ending	\$ <u>-</u>	\$ <u>6,494</u>	\$ <u>639</u>	\$ <u>-</u>	\$ <u>-</u>
	=====	=====	=====	=====	=====

SEE ACCOMPANYING NOTES

CORCORAN & COMPANY

ROCKET ENERGY RESOURCES LTD.
NOTES TO THE FINANCIAL STATEMENTS
April 30, 1987

Note 1 Summary of Significant Accounting Policies

(a) Resource Properties

The acquisition of resource properties are initially recorded at cost. Producing resource properties are depleted over their estimated useful lives based upon a method relating recoverable resource reserves to production. Non-producing resource properties that the company abandons interest in are written off in the year of abandonment.

(b) Deferred Exploration Expenses

The company capitalizes all exploration expenses that result in the acquisition and retention of resource properties or an interest therein. The accumulated costs including applicable exploration expenses relative to non-productive resource properties that the company abandons interest in are written off. Otherwise, the exploration expenses are depleted over the estimated useful lives of the producing resource properties based on a method relating recoverable reserves to production.

(c) Values

The amounts shown for resource properties and deferred exploration expenses represent costs to date and do not necessarily reflect present or future values.

(d) Earnings Per Share

Net earnings per share figures are not shown as management considers this information to be not meaningful given the exploratory nature of the company's operations to date.

Note 2 Resource Properties

1987

1986

8 Reverted Crown Grants - Option

The company acquired a five year option to purchase 8 reverted crown grant mineral claims in the Greenwood Mining Division of British Columbia for \$20,000.

The company has further agreed to pay a 2-1/2% net profit royalty to the vendor up to a maximum of \$350,000 and a minimum of \$10,000 per year payable December 1, 1987, 1988 and 1989.

Cash

\$ 20,000

\$ 20,000

CORCORAN & COMPANY

Note 2 Resource Properties - (cont'd) 1987 1986

6 Reverted Crown Grants - Option

The company acquired a five year option to purchase 6 reverted crown grant mineral claims in the Greenwood Mining Division of British Columbia for \$20,000.

The company has further agreed to pay a 2-1/2% net profit royalty to the vendor up to a maximum of \$350,000 and a minimum of \$10,000 per year payable December 1, 1987, 1988 and 1989.

Cash	20,000	10,000
------	--------	--------

10 Mineral Claims - Option

The company acquired an option to purchase 10 mineral claims in the Greenwood Mining Division of British Columbia for \$10,000. To date, title to these mineral claims has not passed to the company.

Cash	<u>10,000</u>	<u>-</u>
------	---------------	----------

Total resource properties	\$ 50,000	\$ 30,000
	=====	=====

Note 3 Loans payable

The loans are repayable from the proceeds of the underwriting and bear interest at 2% per month on the amount borrowed.

Note 4 Capital Stock

The company's common share transactions are summarized as follows:

	<u>Number of Shares</u>	<u>Amount</u>
Issued and fully paid		
Balance, beginning and end of the years	1,250,001	\$ 315,000
	=====	=====
Allotted but not issued		
By private placement	213,000	\$ 53,250
By escrow agreement	<u>750,000</u>	<u>7,500</u>
Balance, end of the year	963,000	\$ 60,750
	=====	=====

Note 5 Related Party Transactions

For the year ended April 30, 1986 the company paid \$4,500 to a director of the company for consulting services.

JAMES RICHARDSON, P. Eng.

Consulting Geologist

4883 CEDAR CRES.,
DELTA, B.C. V4M 1J9
TELEPHONE (604) 943-3210

REPORT

ON THE

GREENWOOD CLAIMS

GREENWOOD MINING DIVISION
BRITISH COLUMBIA
82E/2E

for

ROCKET ENERGY RESOURCES LIMITED

by

J. Richardson, P.Eng.

Delta, B.C.

10 January, 1986

Updated: 15 February, 1987

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LIST OF ILLUSTRATIONS

- Figure 1 - LOCATION MAP (Following page 2)
Figure 2 - CLAIM MAP 1:12,000 (Following page 3)
Figure 3 - GEOLOGICAL CLAIM 1:12,000 (In Pocket)

UPDATE ADDENDUM

At the request of Mr. Patrick Finucane, Director of Rocket Energy Resources Ltd., I have updated my report of 10 January, 1986 to the Company. I have been informed by the owners of the property that no exploratory work has been done on the property, nor has the tenure of the several claims changed, since the date of my initial report. Accordingly, my observations, conclusions and recommendations remain unchanged with the exception that the initially proposed budget has been increased somewhat to reflect current costs, etc.

SUMMARY

Rocket Energy Resources Limited has optioned a mineral property, adjacent to the City of Greenwood B.C., comprising six crown-granted and eight reverted crown-granted mineral claims. The property is underlain by metasedimentary and metavolcanic layered rocks of the Upper Paleozoic Knob Hill Group which have been intruded by the Greenwood granodiorite stock and smaller related intrusives. Several quartz veins containing generally high silver and substantial gold values have been discovered in the property. The near-surface potential of some of these veins has been partially explored by prospecting and shallow shafts, pits and trenches mainly in the period 1894 to 1915. Inasmuch as no systematic geological, geophysical, geochemical or diamond drilling programs have been done on the claims, reasonable possibilities remain for finding strike, lateral, and depth extensions of the known high grade, partially explored veins and for finding additional deposits in covered areas by any of the above-mentioned exploratory methods.

SUMMARY (continued)

An initial program of ten 300' to 500' diamond drilling holes is proposed to assess the potential of the property. The drilling program will be supplemented by geological mapping, geophysical and geochemical surveys in selected areas, and the rehabilitation of some of the mine workings. The initial program will cost \$100,000 exclusive of any property payments.

All of the mineral claims referred to in this report are either crown-granted or reverted crown-granted claims. Therefore their boundaries have been surveyed and their precise area and location are not in doubt. Currently the claims are without a known body of commercial ore and the programs to be conducted thereon are an exploratory search for ore.

INTRODUCTION

In December 1985, the writer was commissioned by Mr. G. Mulhall, President of Rocket Energy Resources Limited to prepare a report on the Greenwood area claims, which have been optioned from various owners. The writer previously visited the property on 6 May, 1983 and from 9 - 19 July, 1984 and prepared an examination and geological report on the work in the latter period. The purpose of the examination was to appraise the mineral potential of the property to determine the possibilities for the existence of mineral deposits worthy of exploratory work.

The writer did not revisit the property prior to writing this report but has based it on his prior knowledge and on the several reports listed in the References.

LOCATION AND ACCESS (Fig.1)

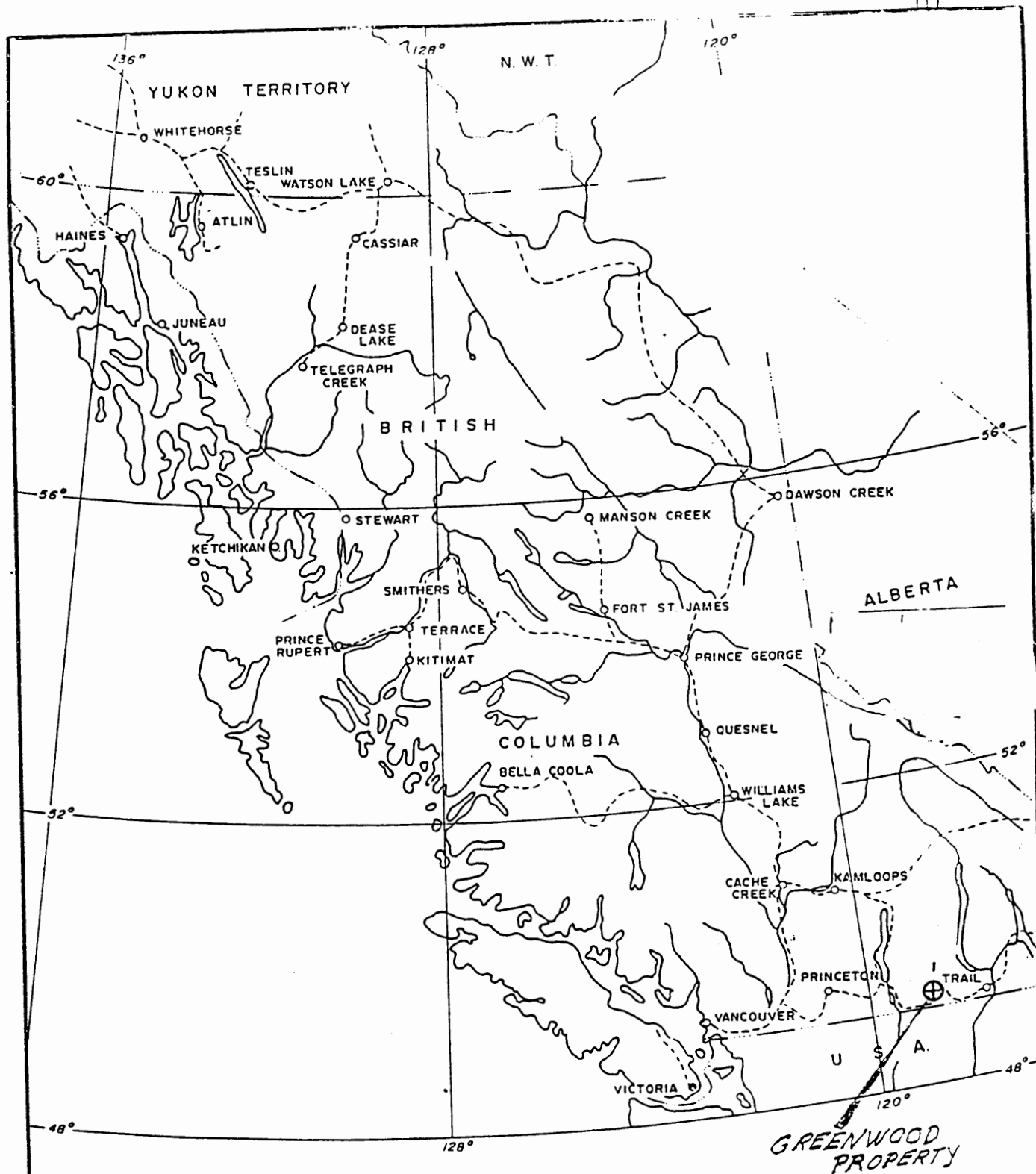
The property adjoins the city limits of Greenwood on the north and east. The community is serviced by the Kettle Valley Branch of the C.P.R. and by Inter-provincial Highway #3. Several unimproved roads and trails radiate from the city and from the Greenwood-Phoenix road onto, or to the near-vicinity of, all the claims.

As shown in Figure 3, the property lies about one kilometer east of the former Deadwood Copper Camp and four kilometers west of the Phoenix Copper Camp.

Elevations on the property range from 2400' (730m) in Boundary Creek Valley to 4,300' (1,300m) on the Crescent claim, the most easterly of the group. The general area can be described as an upland plateau which has been deeply dissected by southerly-flowing Boundary Creek and its main tributaries, Providence and Twin Creeks from the east and Greyhound Creek from the west.

CLAIMS (Fig. 2)

The property comprises the following six crown-granted and eight reverted crown-granted mineral claims, all held under various option agreements by Rocket Energy Resources Limited, who are the current operators.



ROCKET ENERGY RESOURCES LTD

LOCATION MAP

GREENWOOD MINING CAMP

Greenwood Mining Division, B.C.

SCALE: 1" = 125 MILES

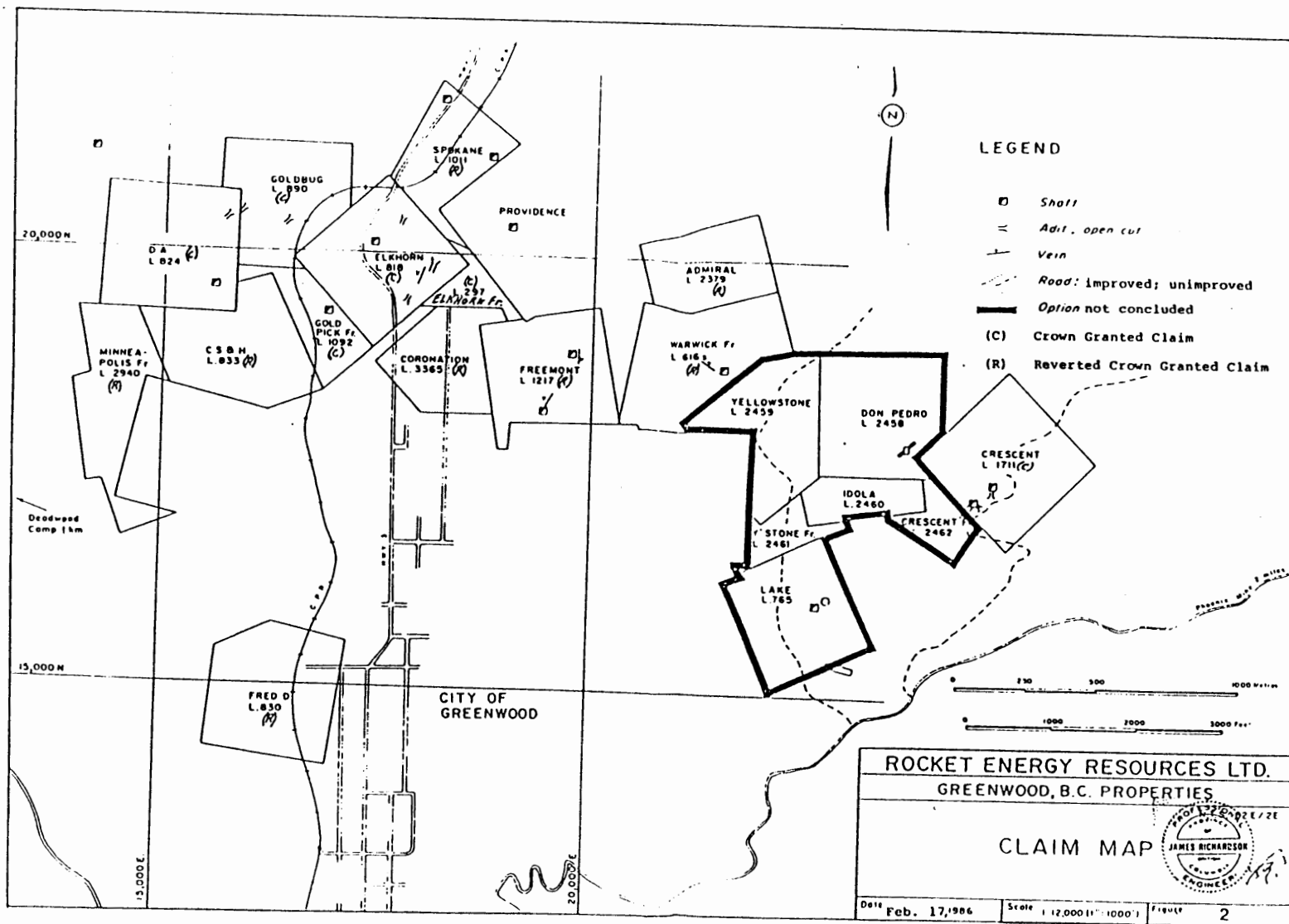
Figure 1

<u>LOT NO.</u>	<u>NAME</u>	<u>STATUS</u>	<u>RECORD NO.</u>	<u>YEAR OF EXPIRY</u>
297	Elkhorn Fraction	Crown-granted	-	-
818	Elkhorn	Crown-granted	-	-
824	D.A.	Crown-granted	-	-
890	Gold Bug	Crown-granted	-	-
1092	Gold Pick Fraction	Crown-granted	-	-
1711	Crescent	Crown-granted	-	-
616	Warwick Fraction	Reverted C-G	1312	15 Sept.1989
830	Fred D.	Reverted C-G	990	5 Apr. 1989
833	C.S. & H	Reverted C-G	992	5 Apr. 1989
1011	Spokane	Reverted C-G	1314	15 Sept.1989
1217	Freemont	Reverted C-G	1313	15 Sept.1988
2379	Admiral	Reverted C-G	1311	15 Sept.1988
2940	Minneapolis Fraction	Reverted C-G	991	5 Apr. 1989
3365	Coronation	Reverted C-G	1310	15 Sept.1988

The claims are shown by Lot Number and Name in Figure 2. For the most part, the claims were staked originally during the last decade of the 19th century. As seen from the foregoing list, all of the claims are either crown-granted or reverted crown-granted. Accordingly, their boundaries have been surveyed and their precise area and location are not in doubt. The ownerships of the claims have been checked in government records and they are as shown in the signed option agreements. The claims are to be transferred to the optionee in trust by Bills of Sale.

HISTORY

The main period of activity was in the interval from the 1890's to about 1915 when prospecting and more or less continuous, but limited, development work was done on most, if not all of the claims, with only sporadic work on some thereafter. Exploratory work consisted of the testing of generally small quartz veins, with unusually high silver and moderate gold content, by shallow shafts, pits and rock trenches. The only record of diamond drilling was mention of a few very short holes in the D.A. and Gold Bug vein and, in 1925, in the main



Elkhorn vein. No data were available on the results of this drilling. The writer did not find any record of systematic geochemical or geophysical surveys having been done on the property.

Minor shipments of ore were made in the early history of several of the claims within the property. They are shown in the following list:

<u>Claim</u>	<u>Tons</u>	<u>Oz.Ag./Ton</u>	<u>Oz.Au/Ton</u>
Elkhorn	197*	77.5	0.87
Elkhorn Fraction	48	162.0	0.17
Gold Pick	3	46.0	0.67
Gold Bug	46	16.5	0.57
Freemont	5	29.0	0.20
Crescent	274	52.5	0.22
D.A.	43	21.5	0.30

(No record of ore shipments could be found for the remaining 12 claims).

Undoubtedly in several of these minor shipments the ore was presorted, thus giving exaggerated grades. Nevertheless, they show that veins in the claims around the northeast corner of the Greenwood stock have a very high silver and a substantial gold content. The overall silver to gold ratio is greater than 100:1 and the average grade for all the shipments is 65 Oz. Ag/T and 0.45 Oz. Au/T.

*In some cases there is little agreement in various sources for the tonnage and grade of shipments. One seemingly official record (smelter receipts) shows a total shipment for the Elkhorn of over 1,000 tons of ore of similar grade to the above.

AREAL GEOLOGY (Fig. 3):

The general geological setting of the property within the Greenwood mineralized area is shown in Fig. 3, which is a compilation of a portion of G.S.C. Map 1500A (Paper 79-29) and the results of the writer's nine days of

field mapping in July 1984. As far as possible, the lithological terminology used corresponds with that on the above-mentioned map.

As shown therein the claims, for the most part, are underlain by layered rocks of the Knob Hill Group of Upper Paleozoic age. Here, the rock units of this Group are a thick and extensive assemblage of massive chert with interlayers of minor greenstone (Unit 3) and a lesser unit of greenstone with minor chert interlayers (Unit 2). Because of this interlayering nature, the contact between these two members is difficult to establish. The approximate position of the contact is shown in Fig. 3. The remaining claims are underlain by the Greenwood Stock, a near-circular pluton of granodiorite 3 km in diameter (Unit 5).

Bedding in the massive chert and greenstone layered rocks was rarely observed by the writer. The few attitudes measurable indicate a general northeasterly strike with a moderate dip to the northwest.

The position of pits and open cuts extending from the main shafts at the Crescent and D.A. showings indicate the presence of small faults offsetting the veins from 10' to 80'. Some of the major faults shown in G.S.C. Map 1500A have been plotted, in part, in Fig. 3. Their presence was not investigated in the field by the writer as they are outside the area of interest.

ECONOMIC GEOLOGY (Fig. 3)

The Rocket Energy Resources claims lie within one of the most varied and extensively mineralized areas in British Columbia. This well mineralized area extends from the Granby River on the east for 20 km to Deadwood Ridge Fault on the west and for 20 km north from the 49th parallel to the vicinity of Jewel Lake. (See Greenwood Sheet 82E/2, 1:50,000) Most of this area is covered by crown-granted mineral claims which have been held for decades, thus indicating the extent of mineralization.

The property is situated in the northwest quadrant of this mineralized area and, as shown in Fig. 3, the claims are draped around the north and northeast sides of the Greenwood stock. Throughout the area there is a strong overprint

of silver and gold mineralization in several types of occurrences, which may be grouped into the following main types:

- (1) "Skarn-type" copper-gold deposits in limy rocks (Phoenix and Deadwood Camps).
- (2) Massive pyrite-pyrrhotite bodies in siliceous argillite with significant gold values (Sylvester property near Phoenix pits).
- (3) Massive to disseminated pyrrhotite-pyrite-arsenopyrite in layered rocks near intrusive contacts.
- (4) Quartz veins in chert, greenstone or Nelson Granodiorite with generally very high silver and significant gold values.

The search for additional, and the further exploration of known, occurrences of Types (3) and (4) offer the most likely chance of developing viable ore bodies in the property.

Deposits of Type (3) in the Greenwood Camp are the Lake, Winnipeg and Athelstan-Jackpot mines, the Winnipeg being the second largest gold mine in the area, with a production of about 60,000 tons averaging 0.2% Cu, 0.6 Oz. Ag/T and 0.2 Oz. Au/T.

All of the other known showings in Rocket Resources claims are of Type (4), comprising small quartz veins mainly in chert and greenstone members. The veins have a general northeasterly strike and are near-vertical or dip to the southeast at a high angle. They vary from an inch up to 5' locally in width and some, such as those on the Elkhorn and Crescent have been traced for approximately 300' (100 m). They are characteristically of very high silver and moderate gold grade. It is to be noted that the mine workings are all shallow as the deepest level reached was about 200' at the Crescent and Elkhorn claims.

Also, frequent mention is made of parallel veins and silicified wall rocks in the deposits. These features present the possibility of developing a broad

stockwork of veins with the possibility of ore values in the intervening altered wall rock as no record could be found of any significant lateral testing of the main veins by crosscuts or diamond drill holes. Notwithstanding the extensive shallow prospecting work that has been done on the claims, interesting possibilities for additional high grade ore at depth and laterally remain to be tested.

Currently, the largest known mineralized vein in the property is in the Elkhorn claim from which smelter records indicate nearly 1,000 tons of high grade ore was shipped. The Elkhorn adjoins the Providence mine on the west. The latter property produced some 12,000 tons of ore averaging 120 Oz. Ag/T and 0.51 Oz. Au/T.

The largest producer in the immediate area is the Jewel property, recently being developed by Dentonia Resources, about eight km northeast of the Elkhorn. Some 140,000 tons averaging 6.2 Oz. Ag/T and 0.28 Oz. Au/T were produced to the end of 1943. Additional ore has been outlined by the recent development work. The geological setting of the Elkhorn/Providence vein system is similar to that of the Jewel Property in that the quartz veins are in metasedimentary and metavolcanic rocks adjacent to a Nelson age granodiorite pluton.

CONCLUSIONS

1. Rocket Energy Resources have assembled a group of 14 claims, draped around the north and northeast sides of the Greenwood stock, in one of the most varied and extensively mineralized areas in British Columbia.
2. Several of the claims contain small vein deposits with very high silver and substantial gold values. For the most part, these deposits have been inadequately tested and possibilities remain for finding more ore at depth and laterally from the known veins.
3. None of the claims have been subjected to systematic geochemical or geophysical surveys. These indirect search methods along with the accumulating geological knowledge of the camp, as a result of renewed

interest in the area, should make exploration programs more effective than in the past. Geochemical sampling in the vicinity of quartz veins and local magnetometer surveys could prove of value in future exploration.

4. The property has an ideal location with all the necessary infrastructure, local labour supply and other amenities readily at hand.
5. Inasmuch as any one vein or vein system is likely to contain a relatively small tonnage of ore, the future of the property might lie in direct shipping of siliceous high grade ore to the TRAIL smelter located 100 miles (160 km) east on the C.P.R. and Highway 3, or in shipping ore to a central mill. The mill on the adjoining Providence claim is said to be available with some renovation.

RECOMMENDATIONS

- (1) Although the claims were extensively prospected by surface and shallow exploration and development work several decades ago, no systematic geological, geophysical, geochemical or diamond drilling programs have been done on the claims. Accordingly, possibilities remain for finding strike, lateral and depth extensions of the known veins and for finding additional deposits in covered areas by any of the above-mentioned indirect exploratory methods.
- (2) The areas that appear to have the better possibilities for finding additional ore are:
 - (i) Crescent Claim.
 - (ii) Freemont and Spokane areas.
 - (iii) D.A. and Gold Bug vein system.
 - (iv) Elkhorn and Elkhorn Fraction vein system.
- (3) A vein on the D.A. and Gold Bug claims has been explored by adits and open cuts. Although it averages only 1/2 foot in width, it is of high grade. A

few short drill holes in 1950 intersected two other nearby narrow veins of unstated grade. The possibility exists here of finding by surface drilling a stockwork of rather high grade veins.

- (4) As seen in Fig. 3, the Elkhorn and Elkhorn Fraction veins lie on the extension of the Providence vein system. The latter property was the largest mine in the immediate area of Rocket Resources claims, having a past production of 12,000 tons of ore averaging 120 Oz. Ag/T and 0.51 Oz. Au/T. Diamond drilling to locate the strike, dip and lateral extensions of this very high grade vein system onto the adjoining Elkhorn and Elkhorn Fraction claims could be a good exploration chance.
- (5) Before undertaking any exploratory diamond drilling programs in the vicinity of old mine workings, detail mapping of the veins and location of the underground mine workings must be done in order to locate drill sites properly.
- (6) In summary, it can be concluded that although future exploration work would be rather speculative due to the difficulty of locating small individual ore zones with an expected modest accumulative tonnage coupled with high mining costs in the narrow veins, the expected high gold and silver grades could be sufficient to overcome these shortcomings. Furthermore, the property's ideal location adjacent to power, transportation, an experienced labour source, and an idle nearby precious metal mill all tend to result in a relatively low capital cost for a future operation.

ESTIMATED COSTS OF RECOMMENDED PROGRAM

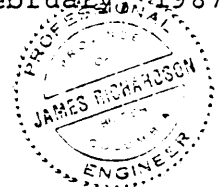
The estimated expenditures for the First Stage exploration program are as follows:

1. Diamond Drilling: 4,000' @ \$17.50/ft. (direct cost)	\$ 70,000
2. Geophysical Equipment rental; Geochemical Analyses; Assaying	2,000
3. Engineering: Supervision, Reports, Maps, etc.	10,000
4. Travel; Truck Rental; 5 weeks @ \$400	2,000
5. Road & Site Preparation: Bulldozer - 40 hrs. @ \$60	2,400
6. Room & Board: 50 man-days @ \$60	3,000
7. Labor: Core Grabbing & Sampling, etc. 25 days @ \$120	3,000
8. Fencing old Adits & Shafts; Rehabilitation	4,000
9. Core Boxes & Storage; Supplies	<u>1,100</u>
	\$ 95,500
Contingencies @ 5%	<u>4,500</u>
*TOTAL:	<u>\$100,000</u>

*Property Payments not included

A Second Stage program will be conditional on obtaining favorable results in the First Stage. The cost of this subsequent program would be approximately the same order as that of the First Stage.

Report by: J. Richardson
J. Richardson, P. Eng.
15 February, 1987



REFERENCES:

- Annual Reports B.C. Dept. Mines (1893-1915)
- B.C. Dept. Mines Bulletin No. 1, (1932)
- B.C. Dept. Mines Bulletin No. 20 (Part III) (1945)
- G.S.C. Memoir No. 21 (1912)
- G.S.C. Papers: 45-20; 65-1; 66-1; 69-22; and 79-29.
- G.S.C. Map 6 - 1957
- G.S.C. Annual Report 1902
- Assessment Report for Stall Lake Mines - J. Richardson, 2 September, 1984.

JAMES RICHARDSON, P. Eng.

Consulting Geologist


4883 CEDAR CRES.,
DELTA, B.C. V4M 1J9
TELEPHONE (604) 943-3210

CERTIFICATE

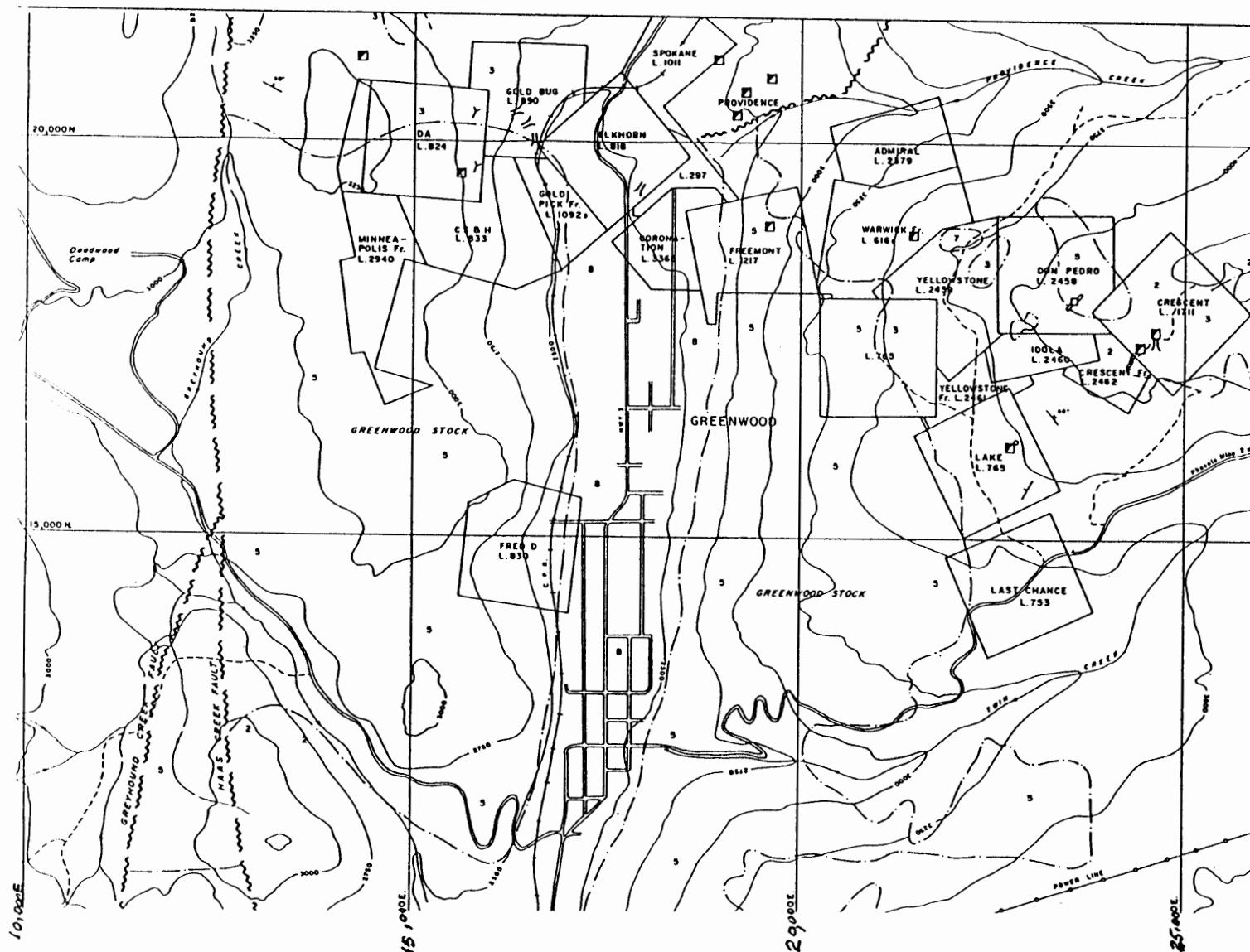
I, James Richardson, of the Municipality of DELTA, in the Province of British Columbia, hereby certify the following:

1. I am a geological engineer residing and with an office at 4883 Cedar Crescent, DELTA, B.C.
2. I am a graduate in geology of the University of Toronto (1940).
3. I have practiced my profession since 1940.
4. I am a Life Member of the Association of Professional Engineers of British Columbia; a Senior Member of the Canadian Institute of Mining and Metallurgy; and a Senior Fellow of the Geological Association of Canada.
5. I have no interest, direct or indirect, in the Greenwood Claims reported herein or in Rocket Energy Resources Limited, nor do I expect to receive any such interest in the future.
6. That I have been retained as a consulting geologist by Rocket Energy Resources Limited and that this report is based upon personal examinations of the property on 6 May, 1983 and 9 to 19 July, 1984 and on published reports of the Geological Survey of Canada and the British Columbia Ministry of Energy, Mines, and Petroleum Resources.
7. I consent to the use of this report, dated 10 February, 1987, in a Prospectus or a Statement of Material Facts by Rocket Energy Resources Limited.

Dated at DELTA, B.C. this 15th day of February, 1987.


J. Richardson, P. Eng.





LEGEND

QUATERNARY

- 6 Unconsolidated Sediments

TERTIARY

- 7 Coryell Syenite, Feldspar Porphyry (FP)
4 Extrusives: mainly Andesite (Xa)

JURO - CRETACEOUS

- 5 Nelson Intrusions: Granodiorite, minor Diorite
4 Jurassic Ultrabasic Intrusives

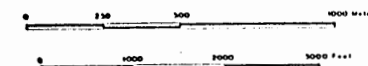
UPPER PALEOZOIC

KNOB HILL GROUP

- 3 Chert, local interlayered Greenstone
2 Greenstone, local interlayered Chert
1 Amphibolite

SYMBOLS

- Shaft
+/- Open cut, adit
--- Geological contact
--- Bedding, tops known
--- Bedding, tops unknown



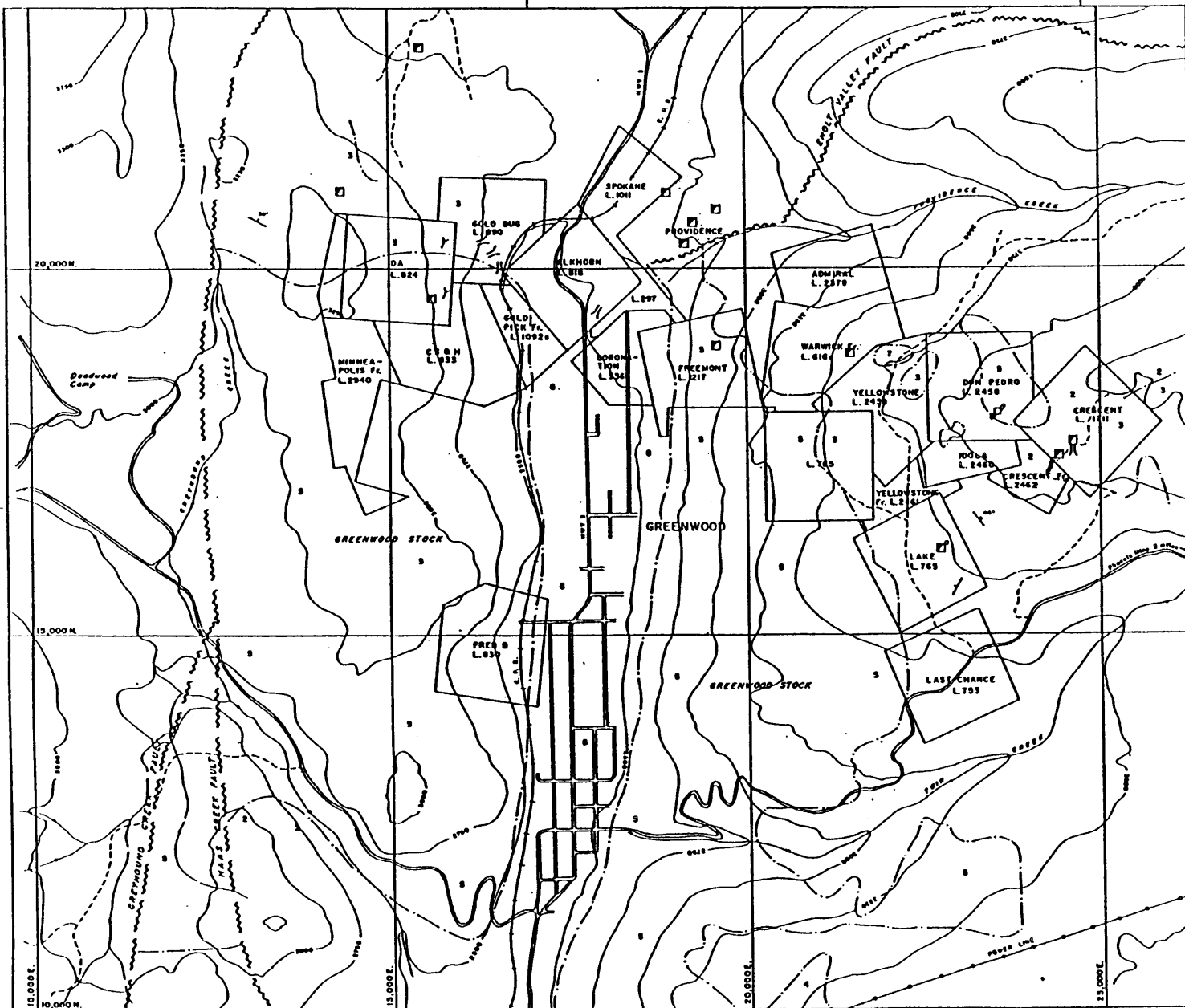
ROCKET ENERGY RESOURCES LTD.

GREENWOOD, B.C. PROPERTIES

GEOLOGICAL MAP

JAMES RICHARDSON
ENGINEER

Geology from GSC Paper 79-59 (Map 1500 A) Additions by J. Richardson (17/84).



LEGEND

QUATERNARY

8 Unconsolidated Sediments.

TERTIARY

7 Coryell Syenite, Feldspar Porphyry (FP).

6 Extrusives: mainly Andesite (Xa).

JURO-CRETACEOUS

5 Nelson Intrusions: Granodiorite, minor Diorite.

4 Jurassic Ultrabasic Intrusives.

UPPER PALEOZOIC

KNOB HILL GROUP

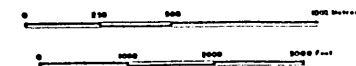
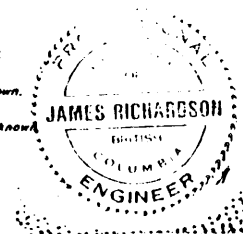
3 Chert, local interlayered Greenstone.

2 Greenstone, local interlayered Chert.

1 Amphibolite.

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- Shaft.
- Open cut, adit.
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- Bedding, tops known.
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ROCKET ENERGY RESOURCES LTD.
GREENWOOD, B.C. PROPERTIES

N15 02 E/2E

GEOLOGICAL MAP


Geology from GSC Paper 79-59 (Map 1500A). Additions by J. Richardson (7/84).

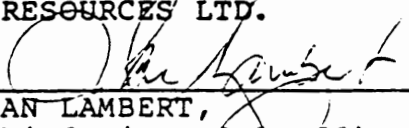
Date: Jan. 10, 1986 Scale: 1:12,000 (1"=1000') Figure: 3

CERTIFICATE OF THE COMPANY


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


ROCKET ENERGY RESOURCES LTD.


GERALD ANTHONY MULHALL,
Chief Executive, President
and Director


IAN LAMBERT,
Chief Financial Officer and
Secretary

ON BEHALF OF THE BOARD OF DIRECTORS


JOHN F. MCINTYRE


PATRICK JAMES FINUCANE

PROMOTER


EDWARD DAVID DUNCAN

DATED at Vancouver, British Columbia, this 30th day of June, 1987.

CERTIFICATE OF THE AGENT

To the best of our knowledge, information and belief, the foregoing constitutes full, true and plain disclosure of all material facts relating to the securities offered by this Prospectus as required by the Securities Act and its regulations.

C.M. OLIVER & COMPANY LIMITED

Per: 

DATED at Vancouver, British Columbia, this 30th day of June, 1987.