

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 HEREUNDER AND ANY REPRESENTATION TO THE CONTRARY IS AN OFFENCE.

INITIAL PUBLIC OFFERING

DATE: NOVEMBER 30TH, 1995

**082ESW/210**

PROSPECTUS

PHOENIX GOLD RESOURCES LTD.  
 (the "Company" or the "Issuer")  
 12255 Brown Creek Road  
 Grand Forks, B.C. V0H 1H0  
 Phone Number: (604) 442-2406

PUBLIC OFFERING

2,000,000 Shares Without Par Value(1)  
 at a price of \$0.52 per share

Consisting of 1,000,000 "flow-through" common shares (the "Flow-Through Shares") and a minimum of 800,000 and a maximum of 1,000,000 "non-flow through common shares" (the "Non-Flow Through Shares")

The Flow-Through Shares and Non-Flow Through Shares are collectively referred to as the "Shares".

(1) MINIMUM SUBSCRIPTION. This Offering is subject to a minimum subscription of 1,800,000 Shares being subscribed for. Further particulars of the minimum subscription are disclosed under the heading "Plan of Distribution".

NON FLOW-THROUGH COMMON SHARE OFFERING - A minimum of 800,000 and a maximum of 1,000,000 Non-Flow Through Shares at a price of \$0.52 per common share.

	Price to public	Agents' discounts or commissions(2)	Proceeds to Issuer(3)
Per security	\$0.52	\$0.09	\$0.43
Totals: Minimum	\$416,000	\$72,000	\$344,000
Maximum	\$520,000	\$90,000	\$430,000

**Ket 2B**

82E/3E

Phoenix Gold Claims =  
 Rock Creek Property

Ruzicka Claims  
 (South Dayton group)

Falkoski Claims  
 (Hap 1-5)  
 Nighthawk Property  
 (Hypay, Edly, Rice)

- Whales claims  
 82E/3E

082ESW116

082ESW 149?

082ESW 23 LeRose

082ESW 022

Dayton

001631

PF => 082ESW General File

**FLOW-THROUGH COMMON SHARE OFFERING - 1,000,000 Flow-Through Shares at a price of \$0.52 per share.**

	<u>Price to public</u>	<u>Agents' discounts or commissions(2)</u>	<u>Proceeds to Issuer(3)</u>
Per security	\$0.52	\$0.09	\$0.52
Total	\$520,000	---	\$520,000
TOTALS: Minimum	\$936,000	\$72,000	\$864,000
Maximum	\$1,040,000	\$90,000	\$950,000

(2) The Commissions payable with respect to the Flow-Through Share Offering (\$0.09 per Flow-Through Share for a total of \$90,000 which provides a 17.3% commission) will be paid from the net proceeds received from the Non Flow-Through Share portion of the Offering. See "Use of Proceeds". The Agent will receive 20,000 shares as well as a Share Purchase Warrant to purchase up to 450,000 shares upon completion of the Offering. See "Plan of Distribution". The Agent will receive a fee of \$15,000 plus Goods and Services Tax as a sponsorship fee. See "Sponsorship Agreement".

(3) Before deduction of the costs of the Offering, estimated at \$35,000 which will be paid from the Non Flow-Through Share portion of the Offering.

THE PURCHASERS OF FLOW-THROUGH SHARES ARE EXPECTED TO RECEIVE CERTAIN DEDUCTIONS FOR INCOME TAX PURPOSES. TAX DEDUCTIONS FOR A TAX YEAR ARE DEPENDENT ON THE COMPANY EXPENDING FUNDS ON "CANADIAN EXPLORATION EXPENSES" ("CEE") AS DEFINED IN THE INCOME TAX ACT (CANADA) BEFORE FEBRUARY 28TH OR 29TH IN THE FOLLOWING YEAR. REFERENCE IS MADE TO THE HEADING "INCOME TAX CONSEQUENCES" ON PAGE 48 HEREOF FOR FURTHER INFORMATION CONCERNING THE FLOW-THROUGH SHARES.

THERE IS NO MARKET THROUGH WHICH THESE SECURITIES MAY BE SOLD.

AN INVESTMENT IN NATURAL RESOURCE ISSUERS INVOLVES A SIGNIFICANT DEGREE OF RISK. THE DEGREE OF RISK INCREASES SUBSTANTIALLY WHERE THE ISSUER'S PROPERTIES ARE IN THE EXPLORATION AS OPPOSED TO THE DEVELOPMENT STAGE. REFER TO "RISK FACTORS".

THE VANCOUVER STOCK EXCHANGE HAS CONDITIONALLY LISTED THE SECURITIES BEING OFFERED UNDER THIS PROSPECTUS. THE LISTING IS SUBJECT TO THE COMPANY FULFILLING ALL THE LISTING REQUIREMENTS OF THE VANCOUVER STOCK EXCHANGE, INCLUDING PRESCRIBED DISTRIBUTION AND FINANCIAL REQUIREMENTS, ON OR BEFORE JUNE 3RD, 1996.

NO PERSON IS AUTHORIZED BY THE COMPANY TO PROVIDE 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 BY THE COMPANY.

UPON COMPLETION OF THIS OFFERING, THIS ISSUE WILL REPRESENT 41.8% OF THE SHARES THEN OUTSTANDING IF THE MINIMUM OFFERING IS SOLD OR 44.37% IF THE MAXIMUM OFFERING IS SOLD AS COMPARED TO 32.72% IF THE MINIMUM OFFERING IS SOLD OR 31.28% IF THE MAXIMUM OFFERING IS SOLD THAT WILL THEN BE OWNED BY THE PROMOTERS, INSIDERS, HOLDERS OF PERFORMANCE SHARES OR ESCROW SECURITIES AND THE AGENT AS A GROUP. ONE OR MORE OF THE DIRECTORS OF THE ISSUER HAS AN INTEREST, DIRECT OR INDIRECT IN OTHER NATURAL RESOURCE COMPANIES. REFERENCE SHOULD BE MADE TO THE ITEM "RISK FACTORS" HEREIN FOR A COMMENT AS TO THE RESOLUTION OF POSSIBLE CONFLICTS OF INTEREST.

THE PRICE OF THIS OFFERING WAS DETERMINED BY NEGOTIATION BETWEEN THE COMPANY AND THE AGENT.

THE AGENT HAS AGREED TO PURCHASE (THE "GUARANTEE") ANY OF THE SHARES OFFERED HEREBY FOR WHICH SUBSCRIPTIONS HAVE NOT BEEN RECEIVED, UP TO THE AMOUNT OF THE MINIMUM SUBSCRIPTION, AT THE CONCLUSION OF THE OFFERING, AND AS CONSIDERATION FOR THE GUARANTEE HAS BEEN GRANTED NON-TRANSFERABLE SHARE PURCHASE WARRANTS (THE "AGENT'S WARRANTS") ENTITLING IT TO PURCHASE UP TO 450,000 SHARES OF THE COMPANY FOR A PERIOD OF TWO YEARS EXERCISABLE AT A PRICE OF \$0.60 PER SHARE DURING THE FIRST YEAR AND \$0.69 PER SHARE DURING THE SECOND YEAR.

THE SHARES OFFERED UNDER THIS PROSPECTUS WILL BE SUBJECT TO A DILUTION OF \$0.2739 PER SHARE (52.67%) IF THE MINIMUM OFFERING IS SOLD OR \$0.2658 PER SHARE (51.12%) IF THE MAXIMUM OFFERING IS SOLD.

ALL SUBSCRIPTION PROCEEDS RECEIVED BY THE AGENT OR OTHER REGISTERED DEALERS OR BROKERS AUTHORIZED BY THEM, WILL BE FORWARDED TO AND HELD BY THE AGENT PENDING THE CLOSING OF THE OFFERING. THE OFFERING WILL BE MADE ON A DAY (THE "OFFERING DAY") TO BE AGREED UPON BETWEEN THE COMPANY AND THE AGENT, ON OR BEFORE THE EARLIER OF THE DAY WHICH IS:

- (A) 180 DAYS FOLLOWING THE DATE ON WHICH A FINAL RECEIPT IS ISSUED BY THE BRITISH COLUMBIA SECURITIES COMMISSION IN RESPECT TO THIS PROSPECTUS; AND
- (B) TWELVE MONTHS FROM THE DATE OF ISSUE BY THE BRITISH COLUMBIA SECURITIES COMMISSION OF A RECEIPT FOR THE PRELIMINARY PROSPECTUS FILED IN CONNECTION WITH THIS OFFERING.

WE, AS AGENT, CONDITIONALLY OFFER THESE SECURITIES SUBJECT TO PRIOR SALE, IF, AS AND WHEN ISSUED BY THE COMPANY AND ACCEPTED BY US IN ACCORDANCE WITH THE CONDITIONS CONTAINED IN THE AGENCY AGREEMENT REFERRED TO UNDER "PLAN OF DISTRIBUTION" OF THIS PROSPECTUS.

Name and Address of Agent

YORKTON SECURITIES INC.  
1100 - 1055 Dunsmuir Street  
Vancouver, B.C. V7X 1L4  
(604) 640-0400

EFFECTIVE DATE: December 6th, 1995

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## SUMMARY

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

**Issue:** 2,000,000 Common Shares (the "Maximum Offering")

Consisting of 1,000,000 "flow-through" common shares (the "Flow-Through Shares") and a minimum of 800,000 and a maximum of 1,000,000 "non-flow through common shares" (the "Non-Flow Through Shares"). The Flow-Through Shares and Non-Flow Through Shares are collectively referred to as the "Shares".

**Price:** \$0.52 Per Share (a commission of \$0.09 per Share shall be paid to the Agent out of the subscription proceeds. The commission payable with respect to the Flow-Through Shares shall be paid from the proceeds received from the Non-Flow Through Shares).

**Business:** The Company is a natural resource company engaged in the acquisition and exploration of mining properties. The Company's main emphasis is in the exploration for gold deposits in the Greenwood Mining Division, southern British Columbia where the Company has acquired interests in two properties THE PHOENIX GOLD CLAIMS and THE WHALES CLAIM GROUP. The properties are located near Rock Creek, B.C. and are more specifically described below in this Prospectus.

**Management:** John W. Carson, the President of the Company, is a mining company entrepreneur. Robert E. Miller, P.Geol., Chief Geologist and a Director of the Company, has over 25 years experience in mineral exploration. Nigel Stonestreet, P.Eng., a Director of the Company, has over 30 years experience in engineering, exploration and marketing in the mineral industry. Reference is made to the heading "Key Management and Exploration Personnel" on page 6 hereof for further information concerning management.

**Flow-Through Shares:** The purchasers of Flow-Through Shares are expected to receive certain deductions for income tax purposes. The tax deduction for a year is

dependent upon the Issuer incurring the exploration expenditures by February 28th or 29th of the following year. Reference is made to the heading "Income Tax Consequences" on page 48 hereof for further information concerning Flow-Through Shares.

**Minimum Offering:** In the opinion of the Company's directors, it will be necessary to sell 1,800,000 Shares (the "Minimum Offering") offered by this Prospectus in order to raise sufficient funds to carry out the recommended exploration programs and to provide for administration and adequate working capital.

This Offering is subject to a minimum subscription being received by the Company within the earlier of 180 days of the effective date of December 6th, 1995 or 12 months from September 11th, 1995 which is the date of issue of the receipt for the Preliminary Prospectus filed in connection with this Offering.

The Agent has agreed to purchase the balance of the Shares comprising the Minimum Offering for which subscriptions have not been received on the Offering Day.

The Agent will be issued 20,000 Shares of the Company on completion of the Offering in consideration for corporate finance services provided in connection with the Offering and in consideration for guaranteeing the Minimum Offering will be issued the Agent's Warrants to purchase up to 450,000 shares. See "Plan of Distribution" on page 44. The Agent will receive \$15,000 (plus Goods and Services Tax) as a Sponsorship fee. See "Sponsorship Agreement" on page 68.

**Use of Proceeds:** The net proceeds (\$864,000 minimum or \$950,000 maximum) to be received by the Company from the Offering less the Company's working capital deficit of \$23,221 as at October 31st, 1995 will be used as follows:

	<u>Minimum</u>	<u>Maximum</u>
To pay costs of the Offering	\$ 35,000	\$ 35,000
To pay the cost of the exploration program on the Phoenix Gold Claims (1)(5)	560,000	560,000
To pay property payments on the Whales Property (1)	10,000	10,000
To pay property payment on Ruzicka Claims (1)	5,000	5,000
To pay property payment on the Falkoski Claims (1)	1,000	1,000

To pay the Company's share of a property payment on Foreshaw Property (1)	1,275	1,275
To pay a fee to the Agent pursuant to the Sponsorship Agreement (2)	16,050	16,050
To pay a commission on Flow-Through Share Offering (3)	90,000	90,000
To carry out Stage I of the exploration program on the Whales Claim Group (1)	Nil	100,000
Administration costs for 12 months (4)	60,000	60,000
Further unallocated working capital	62,454	48,454
	<hr/>	<hr/>
TOTAL	\$840,779	\$926,779
	<hr/> <hr/>	<hr/> <hr/>

(1) See "Description of Business and Property" on page 6.

(2) See "Sponsorship Agreement" on page 68.

(3) See "Plan of Distribution" on page 44.

(4) Includes management fees of \$30,000 which will be paid to an Insider or his holding company. See "Payments to Insiders and Promoters" on page 61 and "Administration" on page 54.

(5) The Company intends to apportion the proposed work program as follows: Nighthawk - \$122,000; Joint Venture Properties (Ket 28, War Eagle and LeRoi and Lis) - \$438,000. The Company intends to proceed with this work. There may or may not be participation by joint venture partners in respect to a portion of the program. If the Company's joint venture partners elect to participate in the exploration programs, the funds may be re-allocated as described under "Use of Proceeds" on page 55.

#### Risk Factors

AN INVESTMENT IN NATURAL RESOURCE ISSUERS INVOLVES A SIGNIFICANT DEGREE OF RISK. THE DEGREE OF RISK INCREASES SUBSTANTIALLY WHERE THE ISSUER'S PROPERTIES ARE IN THE EXPLORATION AS OPPOSED TO THE DEVELOPMENT STAGE.



(1) In the event that the Company's exploration programs as described in this Prospectus are successful, the Company will require additional financing in order to further develop the Company's properties. These funds may not be available. There is no guarantee that commercial quantities of ore will be discovered, or if they are discovered, that funding will be available to further develop and put the properties into production. Even if the properties are put into production there is no guarantee the Company will be able to successfully market any minerals produced. The Company's properties include mineral claims which have not been surveyed and therefore, the precise location of these properties may be in doubt.

(2) The title reports prepared with respect to the Company's property cannot be construed as a guarantee of title.

(3) The marketability of natural resources which may be acquired or discovered by the Company will be affected by numerous factors beyond control of the Company. These factors include market fluctuations, the proximity and capacity of natural resource markets and processing equipment, government regulations, including regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals and environmental protection. The exact effect of these factors cannot be accurately predicted but the combination of these factors may result in the Company not receiving an adequate return on invested capital.

(4) Mining operations generally involve a high degree of risk. Hazards such as unusual or unexpected formations and other conditions are involved. The Company 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 Company's financial position.

(5) The properties may be subject to prior unregistered agreements or transfers or native land claims, and title may be affected by undetected defects. The Company must expend monies to carry out further work on the properties described in this Prospectus in order to keep in good standing the interests as described under the heading "Description of Business and Property" on page 6 of this Prospectus.

(6) There is no market for the shares of the Company.

(7) The Company operates at a loss and there is no assurance that the Company will ever be profitable.

(8) The tax laws may change and such a change may have an impact on the "flow-through" treatment of the Flow-Through Shares. If the Company cannot expend the allocated offering proceeds on CEE by February 29th, 1996, investors will not be able to take full advantage of the tax benefits for the 1995 tax year and the Company shall make every effort to expend the balance for the 1996 tax year.

(9) Certain of the Directors of the Company serve as directors of other companies or have significant shareholdings in other companies and, to the extent that such other companies may participate in ventures in which the Company may participate, the Directors of the Company may have a conflict of interest in negotiating and concluding terms respecting the extent of such participation. In the event that such a conflict of interest arises at a Board of Directors meeting, a director who has such a conflict will abstain from voting for or against the approval of such a participation or such terms. From time to time several companies may participate in the acquisition, exploration and development of natural resource properties thereby allowing for their participation in larger programs, permitting involvement in a greater number of programs and reducing financial exposure in respect of any one program. It may also occur that a particular company will assign all or a portion of its interest in a particular program to another of these companies due to the financial position of the Company making the assignment.

In accordance with the laws of the Province of British Columbia, the Directors of the Company are required to act honestly, in good faith and in the best interests of the Company. In determining whether or not the Company will participate in a particular program and the interest therein to be acquired by it, the Directors will primarily consider the degree of risk to which the Company may be exposed and its financial position at that time.

(10) The proposed expenditures from the proceeds raised by the Offering described in this Prospectus will not increase net tangible assets owned by the Company.

(11) Upon completion of this Offering this issue will represent 41.8% of the shares then outstanding if the Minimum Offering is sold or 44.37% if the Maximum Offering is sold as compared to 32.72% if the Minimum Offering is sold or 31.28% if the Maximum Offering is sold that will then be owned by the promoters, insiders, holders of performance shares or escrow securities and the Agent as a group.

## NAME AND INCORPORATION

Phoenix Gold Resources Ltd. (the "Company") was incorporated on August 4th, 1988 under the Company Act of the Province of British Columbia by the registration of its Memorandum and Articles under the name of Greenwood Gold Inc. On May 26th, 1994, the Company changed its name to Phoenix Gold Resources Ltd. By the provisions of the Company Act, R.S.B.C. 1979 as amended, the Company will be deemed to be a reporting company upon the issuance of a receipt for this Prospectus.

The head office of the Company is 12255 Brown Creek Road, Grand Forks, B.C. V0H 1H0 and the registered and records of the Company and its address for service is 430 - 580 Hornby Street, Vancouver, B.C. V6C 3B6.

## DESCRIPTION OF BUSINESS AND PROPERTY

### Business

The Company is a natural resource company engaged in the acquisition and exploration of mining properties. The Company's main emphasis is in the exploration for gold deposits.

### Key Management and Exploration Personnel

Mr. John Carson, President and Chief Executive Officer - Mr. Carson is a mining company entrepreneur. He has been a director of Glendale Resources Inc., Footwall Explorations Inc., Athabaska Gold Resources Inc., Sumac Resources Inc., Summit Ventures Ltd., Rimacan Resources Ltd. and has been the promoter of Hera Resources Inc.

Mr. Robert E. Miller, P.Geol., Chief Geologist and Director - Mr. Miller is a graduate in engineering geology from Brigham Young University. He has over 25 years of experience in exploration, of which time he has spent the majority emphasizing gold exploration. He has worked for the following companies: Sherrit Gordon Limited, Kennecott Inc., Sabine Corp., U.S. Steel and Crown Resources Corp.

Mr. Nigel Stonestreet, P.Eng. Director - Mr. Stonestreet has 30 years of experience in the mineral industry covering the areas of engineering, exploration and marketing. He is a graduate mining engineer and a registered Professional Engineer in British Columbia. He was formerly Vice-President, Westar Mining Ltd. and

formerly a director of both Sway Resources Inc. and International King Jack Resources Ltd.

**Immediate Goals**

To undertake follow-up exploration for gold in the Greenwood Mining Division, southern British Columbia where the Company has acquired an interest in two properties:

- THE PHOENIX GOLD CLAIMS
- THE WHALES CLAIM GROUP

The Company commenced operations on November 1, 1993. To date, the Company has spent \$147,320 on the exploration of the Phoenix Gold Claims and \$112,935 on the exploration of the Whales Claim Group. The properties are located near Rock Creek, B.C. and are more specifically described below in this Prospectus.

**Summary and Analysis of Financial Operations**

See the financial statements prepared by the Company's Auditors for the nine month period ended July 31st, 1995 and the year ended October 31st, 1994.

	Nine Months Period Ending July 31, 1995	Year Ending October 31, 1994
Revenues	---	---
Gross Profit	---	---
Exploration and Development Expenses	\$ 10,632	\$265,256
General and Administrative Expenses	43,378	31,153
Increase in Deficit (loss)	(99,842)	(31,153)
Working Capital (deficiency)	(16,747)	57,434
<b>Properties</b>		
Deferred Exploration and Development and Acquisition costs	297,466	310,768
Other Assets	15,920	68,440
Long Term Liabilities	None	None

Shareholders' Equity		
Dollar Amount	286,005	373,347
Number of Securities	2,388,000	2,338,000
	shares	shares

There are 2,388,000 shares issued and outstanding as of the date of this Prospectus of which 750,000 are performance shares or escrow securities that will be released from escrow only upon obtaining the consent of the appropriate regulatory authority. Upon the successful completion of this Offering, a minimum total of 4,308,000 shares or a maximum total of 4,508,000 shares will be issued and outstanding.

Subsequent to the Company's year ended October 31st, 1994, the Company decided not to continue the acquisition of certain mineral claims which had previously been optioned as part of the Phoenix Gold Claims. As a result, the exploration and acquisition costs in respect to the said claims were "written off" to deficit. See "Other Material Facts". Only minimal exploration expenses were incurred since October, 1994 as the Company has been awaiting the funding to be obtained from the Offering described herein.

### Property

#### **PHOENIX GOLD CLAIMS**

(Which consists of the Rock Creek Property, Ruzicka Claims (South Dayton group), Falkoski Claims and Nighthawk Property)

GREENWOOD MINING DIVISION  
PROVINCE OF BRITISH COLUMBIA

Properties described below as the "The Rock Creek Property" and "Falkoski Claims" are the properties which form part of the Rock Creek Gold Trend Joint Venture (described below) which consists of the Company as to 25.5%, Sway Resources Inc. as to 25.5% and Gold City Mining Corporation as to 49%.

The DR 1 to 4 mineral claims of the Nighthawk Property are owned by the Company as to 50% and Sway Resources Inc. as to 50% and the remainder of the Nighthawk Property is owned by the Company as to 100%. In the event that the Ruzicka Option Agreement, described below is exercised, the "Ruzicka Claims" will be held 100% by the Company.

### Rock Creek Property

By an option agreement dated March 1st, 1994 (the "Option Agreement"), as amended on January 4th, 1995 (the "Amending Agreement") and by a letter of agreement dated May 12th, 1995, the Company acquired from Gold City Mining Corporation (previously Gold City Resources Inc.) ("Gold City") the option to earn a 51% interest in Gold City's interest in 21 mineral claims and two Crown granted mineral claims located in the Greenwood Mining Division, Province of British Columbia (the "Property"). The consideration in regards to the Option Agreement was determined by arms-length negotiations between the Company and Gold City. Mr. Robert E. Miller who was a director of Gold City at the date of the Option Agreement subsequently became a Director of the Company.

Mr. Robert E. Miller acquired, in trust for Gold City, the option to purchase a 100% interest in the 21 mineral claims forming part of the Property from Crown Resources Corporation ("Crown") of 1225 - 17th Street, Suite 150, Denver, Colorado pursuant to an option agreement dated May 5th, 1994 (the "Crown Option"). The Crown Option will be deemed to have been exercised when Crown has received a 3% net smelter return royalty of \$5,000,000 (U.S.). Accordingly, the Property (other than the Le Roi and War Eagle Crown Grant) is subject to the 3% net smelter return royalty payable to Crown. Mr. Miller was appointed a Director of the Company subsequent to the date of the Option Agreement. Mr. Miller is also a Director of Gold City. On October 18th, 1995, Mr. Miller became a director and officer of Sway Resources Inc.

Both Gold City and Crown are reporting issuers. The shares of Gold City trade on the Vancouver and the Alberta Stock Exchanges. The shares of Crown trade on the Toronto Stock Exchange and NASDAQ.

By an Agreement dated July 23rd, 1993 (the "Forshaw Agreement") Richard Paul Forshaw, who is at arms-length from Mr. Miller and Gold City, of Comp 1, Site 52, R.R. #1, Osoyoos, B.C. V0H 1V0 granted to 448772 B.C. Ltd. of P.O. Box 2941, Grand Forks, B.C. V0H 1H0, a private company whose principal is Robert E. Miller of that address, an option to acquire a 100% interest in the LeRoi and War Eagle crown granted mineral claims in consideration for \$400,000 payable as follows:

(a) \$1,000 within 60 days after execution of the Forshaw Agreement (paid by Robert E. Miller on behalf of 448772 B.C. Ltd.);

(b) on or before July 23rd, 1994, the greater of \$3,000 or a 4% net smelter return royalty (paid by "Rock Creek Gold Trend Joint Venture" as defined below);

(c) on or before July 23rd, 1995, the greater of \$3,000 or a 4% net smelter return royalty (paid by Rock Creek Gold Trend Joint Venture);

(d) on or before July 23rd, 1996, the greater of \$5,000 or a 4% net smelter return royalty;

(e) on or before July 23rd, 1997, the greater of \$10,000 or a 4% net smelter return royalty;

(f) on or before July 23rd of each succeeding year the greater of \$50,000 or a 4% net smelter return royalty until a total of \$400,000 has been paid.

Also, the option may be exercised by making payments (including previous payments) totalling \$200,000 on or before July 23rd, 1997.

On September 5th, 1994, 448772 B.C. Ltd. signed a Declaration of Trust in the person of its principal Robert E. Miller, a director of the Company, stating that the option acquired pursuant to the Forshaw Agreement was held for Gold City.

By an assignment agreement dated April 15th, 1994 (the "Assignment Agreement"), the Company assigned one-half of its rights under the Option Agreement to Sway Resources Inc. ("Sway") of Vancouver, B.C., a reporting issuer in British Columbia whose shares trade on the Vancouver Stock Exchange. John W. Carson is the President and a Director of both the Company and Sway, and Nigel Stonestreet is a Director of the Company and was formerly a Director of Sway. Robert E. Miller became a Director and Officer of Sway on October 18th, 1995.

The Option Agreement required the following cash payments and exploration expenditure which, pursuant to the Assignment Agreement, were to be paid to Gold City by the Company and Sway as to 50% each:

(a) \$5,000 cash payable on execution of the Option Agreement (paid by the Company and by Sway in their proportionate share);

(b) \$10,000 cash (paid by the Company and by Sway in their proportionate share); and

(c) the expenditure of \$102,000 on exploration of the Property on or before July 31st, 1994 (completed by the Company and Sway in their proportionate share).

Pursuant to the terms of the Option Agreement, the Company and Sway were deemed to have exercised their option on completion of the \$102,000 work program referred to above. Pursuant to the terms of the Option Agreement, the Company, Sway and Gold City then agreed to contribute on a joint venture basis, a total of \$200,000 for further

exploration work on the Property of which \$50,000 was contributed by each of the Company and Sway and \$100,000 was contributed by Gold City.

Pursuant to the Option Agreement and Amending Agreement, the Company and Gold City formed a joint venture under the title of the Rock Creek Gold Trend Joint Venture for purposes of further exploration of the Property and entered into a Joint Venture Agreement (the "Joint Venture Agreement"). By the Assignment Agreement, Sway joined the Joint Venture. The interests of the Company, Sway and Gold City in the joint venture are 25.5%, 25.5% and 49% respectively and each party is required to contribute to future exploration and development expenses and future payments under the Forshaw Agreement pro rata to their respective interests from time to time. If any party elects not to contribute to joint venture expenses its interest will be diluted as described below. So long as the Company and Sway together hold a 51% interest in the joint venture, the Company has the right to be the operator of the Property (the "Operator").

#### DILUTION OF INTEREST PROVISION IN JOINT VENTURE AGREEMENT

The Joint Venture Agreement provides that if a party elects not to contribute to the exploration costs of any program, the interest of that party shall be reduced and the interest of each participant contributing in excess of its proportionate share of the exploration costs shall be increased so that the interest of each party will be that percentage which is equivalent to its exploration costs and prior exploration costs expressed as a percentage of the exploration costs and prior exploration costs of all of the parties. A party whose interest has been reduced shall be entitled to receive details of and to contribute to future programs to the extent of its then interest provided that, if a party's interest is reduced to less than 10%, it will be deemed to have assigned and conveyed its interests to the other parties in consideration for a royalty of 5% of net proceeds of production. However, if a production notice is given by the Operator and a party elects not to contribute to the costs of construction of a mine, then that party will forfeit its right to contribute to further costs, its interest will be diluted substantially in accordance with the formula set forth above and:

(a) if at the Completion Date (ie. the date that the preparing and equipping of a mine for commercial production is complete), a non-contributing party (the "Assigning Party") holds an interest of 10 per cent or more, the Assigning Party shall be deemed to have assigned and conveyed its interest to the other joint venture participants, if more than one then in proportion to their



respective interests. In consideration of that assignment and conveyance, the Assigning Party shall be entitled to receive as its sole remuneration, by way of royalty, that per cent of the net proceeds of production as and when available, which is equivalent to the interest which it was deemed to have assigned and conveyed; or

(b) if any time prior to the Completion Date, a party has its interest reduced to less than 10 per cent, it shall be deemed to thereupon have assigned and conveyed its interest to the other joint venture participants in consideration of a royalty of five per cent of net proceeds of production.

The Rock Creek property consists of the following mineral claims:

<u>Claim Name</u>	<u>Tenure No.</u>	<u>Units</u>	<u>Expiry Date</u>	
Elyshia	323313	9	January	13, 1997
Ket 28	215230	15	March	15, 2000
RM 1	215724	14	May	2, 2000
RM 2	215725	18	May	2, 2000
RM 3	215726	8	May	2, 2000
RM 4	215727	1	May	2, 2000
RM 5	215728	1	May	2, 2000
RM 6	215729	1	May	2, 2000
RM 7	215730	1	May	2, 2000
RM 8	215737	1	May	1, 2000
RM 9	215731	1	May	1, 2000
RM 10	215732	1	May	5, 2000
RM 11	215733	1	May	5, 2000
RM 12	215734	1	May	5, 2000
RM 13	215735	1	May	5, 2000
RM 16	215736	16	May	3, 2000
Ana 1	215377	18	July	20, 2000
Lis #1	216228	12	April	9, 1996
Lis #2	216229	12	April	9, 1996
Ana 2	215378	20	July	21, 1996
Ana 3	246997	15	July	22, 1996

Crown Granted Mineral Claims (Similkameen Mining Division, Yale District)

LeRoi Lot 1649  
War Eagle Lot 1879

Ruzicka Claims (South Dayton group)

By an Agreement dated April 16th, 1994 (the "Ruzicka Option Agreement"), the Company acquired a right to earn a 100% interest from Stan Ruzicka of Box 1496, Grand Forks, B.C. (subject to a 1.5% net smelter return royalty to a maximum of \$250,000) in twenty-one (21)

mineral claims located in the Greenwood Mining Division of British Columbia, for a consideration of:

(a) \$1,000.00 cash payable on execution of the Ruzicka Option Agreement (paid);

(b) \$5,000.00 is payable on or before April 16th, 1995 (paid) and on or before April 16th of each succeeding year until a total of \$250,000 in cash and net smelter return royalty payments have been made;

(c) The issue of 25,000 of the Company's shares when the Company's shares are listed for trading on the Vancouver Stock Exchange;

(d) the issue of 25,000 shares on the first anniversary of the issuance of the first 25,000 shares.

Mr. Ruzicka is arm's length to the Company and the consideration in regards to this agreement was determined by arm's length negotiations.

The Ruzicka Option Agreement covers the following mineral claims:

<u>Claim Name</u>	<u>Tenure No.</u>	<u>Units</u>	<u>Expiry Date</u>
G.V.S. #1	214684	1	May 9, 1996
G.V.S. #2	214685	1	May 9, 1996
Gem #1	214571	1	June 10, 1996
Gem #2	214572	1	June 10, 1996
Gem #3	214573	1	June 10, 1996
SR 1	215704	1	May 8, 1996
SR 2	215705	1	May 8, 1996
SR 3	215706	1	May 8, 1996
SR 4	215707	1	May 8, 1996
SR 5	215708	1	May 8, 1996
SR 6	215709	1	May 8, 1996
SR 7	215710	1	May 8, 1996
SR 8	215711	1	May 8, 1996
SR 9	215712	1	May 8, 1996
SR 10	215713	1	May 8, 1996
SR 11	215715	1	May 10, 1996
SR 12	215716	1	May 10, 1996
SR 13	215717	1	May 10, 1996
SR 14	215718	1	May 10, 1996
Pro 1	332481	1	November 10, 1999
Pro 2	332483	1	November 10, 1999

Falkoski Claims (Lis Area)

By an agreement dated July 15th, 1994 (the "Falkoski Option Agreement"), the Company acquired a right to earn a 100% interest from Joe Falkoski of R.R. #1, Rock

Mountain Road, Bridesville, B.C. in five (5) mineral claims located in the Greenwood Mining Division of British Columbia for consideration of \$1,000.00 cash payable on or before July 15th, 1995 (paid by the Company) and the greater of \$1,000 cash or 1.5% of net smelter returns on or before July 15th of each succeeding year until a total of \$250,000 in cash and net smelter return royalty payments have been made.

Mr. Falkoski is arm's length to the Company and the consideration in regards to this Agreement was determined by arm's length negotiations.

The Falkoski Option Agreement covers the following mineral claims:

<u>Claim Name</u>	<u>Tenure No.</u>	<u>Units</u>	<u>Expiry Date</u>
Hap 1	320128	1	July 29th, 1996
Hap 2	320129	1	July 29th, 1996
Hap 3	320130	1	July 29th, 1996
Hap 4	320131	1	July 29th, 1996
Hap 5	320132	1	July 29th, 1996

In the event that the Company exercises its option, the Company's interest will be subject to the Rock Creek Trend Joint Venture because the Falkoski Claims fall within the area of material interest created under the Amending Agreement dated January 4th, 1995. Therefore, the Company's interest would be reduced to a 25.5% interest.

#### Nighthawk Property (Issuer staked)

The Company has acquired by staking a 100% interest in thirty-eight (38) mineral claims and a 50% interest in four (4) mineral claims (Sway Resources Inc. owns the other 50%), all located in the Greenwood Mining Division, Province of British Columbia. Capitalized staking costs of \$3,681 were paid.

The staked claims are described as follows:

<u>Claim Name</u>	<u>Tenure No.</u>	<u>Units</u>	<u>Expiry Date</u>
<u>100%</u>			
Hypay #9	323281	1	January 10th, 1999
Hypay #10	323282	1	January 10th, 1999
Hypay #11	323283	1	January 10th, 1999
Hypay #12	323284	1	January 10th, 1999
Hypay #13	323285	1	January 10th, 1999
Hypay #14	323286	1	January 10th, 1999
Hypay #15	323287	1	January 10th, 1999

Hypay #1	323289	1	January 6th, 1999
Hypay #2	323290	1	January 6th, 1999
Hypay #3	323291	1	January 6th, 1999
Hypay #4	323292	1	January 6th, 1999
Hypay #5	323293	1	January 6th, 1999
Hypay #6	323297	1	January 6th, 1999
Hypay #7	323295	1	January 6th, 1999
Hypay #8	323296	1	January 6th, 1999
Hypay #16	323288	1	January 10th, 1999
Hypay Fr #1	323298	1	January 7th, 1999
Hypay Fr #2	323299	1	January 7th, 1999
Hypay Fr #3	323300		January 11th, 1999

Jolly #1	324607	1	April 7th, 1999
Jolly #2	324608	1	April 7th, 1999
Jolly #3	324609	1	April 7th, 1999
Jolly #4	324610	1	April 7th, 1999
Jolly #5	324611	1	April 7th, 1999
Jolly #6	324612	1	April 7th, 1999
Jolly #7	324613	1	April 7th, 1999
Jolly #8	324614	1	April 7th, 1999
Jolly #10	324615	1	April 8th, 1999
Jolly #12	324616	1	April 8th, 1999

Rice 1	324947	1	April 28th, 1999
Rice 2	324948	1	April 28th, 1999
Rice 3	324949	1	April 28th, 1999
Rice 4	324950	1	April 28th, 1999
Rice 5	324951	1	April 28th, 1999
Rice 6	324952	1	April 28th, 1999
Rice 7	324953	1	April 28th, 1999
Rice 8	324954	1	April 28th, 1999
Rice Fraction	325277	1	May 3rd, 1999

50%

DR 1	324656	1	April 14th, 1996
DR 2	324657	1	April 14th, 1996
DR 3	324658	1	April 14th, 1996
DR 4	324659	1	April 14th, 1996

The following information has been excerpted from a report prepared by Laurence Sookochoff, P.Eng. dated November 17th, 1995 except where marked "N.B.". The said report is lodged at the registered office of the Company, 430 - 580 Hornby Street, Vancouver, B.C., where it may be examined, during normal business hours, during the period of the Offering.

LOCATION AND ACCESS

The Phoenix Gold Claims are within the Similkameen Division of the Yale Land District and

Greenwood Mining Division, British Columbia referenced to map sheets N.T.S. 82 E/3E. The centre of the claim area is Latitude 49° 03' and Longitude 119° 07' near the village of Bridesville, B.C. All of the project area is within fifteen kilometres of the United States-Canadian Border. (N.B. - The Phoenix Gold Claims are approximately 9 kilometers to the west of Rock Creek, B.C. Reference is made to the maps forming part of this Prospectus).

Access to the claims and intervening areas is via Highway 3 from Bridesville, B.C. and numerous branch roads servicing farming, ranching, mining, recreation and logging activities.

### Physiography

Local relief is moderate with elevations ranging from 671 metres above sea level in the Kettle River valley to 1362 metres above sea level on Anarchist Mountain. The intervening area consists of grassy, rolling highlands with local steep gradients near the numerous drainages and in particular, along Rock Creek.

Conifers and grassland pasture are found at the higher elevations with grasslands, poplars, willows and conifers intermixed with crop and haylands, at lower elevations.

### Water and Power

Adjacent to and within the area of interest, Rock Creek flows south through the northern part of the Phoenix Gold Claim area to its confluence with the south easterly flowing McKinney Creek. From that point, Rock Creek flows easterly to the Kettle River.

In the southern portion of the Phoenix Gold Claims area, McCoy Creek and its tributaries flow north. Budy Creek flows north along the eastern boundary and Baker Creek flows north-northeast along the western boundary.

Numerous small lakes, ponds and swamps are located within and/or adjacent to the area of interest.

Based on existing water well data, adequate supplies of domestic subsurface water may be obtained from depths generally less than 150 metres and possibly from undeveloped springs in the headwaters areas of the many drainages.

Water for an envisioned mining and milling operation may be attainable under permit from either a direct source or through completion of holding reservoirs.

A South Kootenay Water Power Company regional electric transmission line crosses the north central part of the Phoenix Gold Claims area and is paralleled by a natural gas pipeline.

#### Supplies, Transportation and Labor

Supplies, manpower and equipment related to mining can be moved by general use vehicles and transport trucks along an excellent network of roads, including paved Highway 3 and numerous improved gravel roads. The closest commercial airports are at Penticton, 100 km northwest and Castlegar, 170 km east.

Limited rail service is available, but would involve truck haulage to and/or from the Okanagan, Castlegar or Trail areas. Commercial bus routes service the town of Osoyoos, B.C., 42 km to the west of the village of Rock Creek, 10 km to the east.

Local supplies are limited generally to food goods and timber industry maintenance parts. The closest sources of major industrial supplies are from, in addition to Vancouver, the Kelowna and Kamloops areas to the northwest.

#### HISTORY

Mineral exploration and development within the Phoenix Gold Claims area, commenced around the turn of the century with discovery of the McKinney Creek-Rock Creek placer deposit and mines of Camp McKinney. One of the early lode gold producing areas in British Columbia, Camp McKinney produced 82,000 ounces of gold, with the majority of the production coming in the years 1894-1904. Since 1904 various attempts to revive the camp have been made up until the present time. The Camp McKinney lode gold deposits along with the placer gold occurrences of McKinney, Rice and Rock Creeks are located along and near the northwest boundary of the Phoenix Claims.

South of Camp McKinney, minor turn of the century production was attained by direct shipping hand sorted ore from the Dayton Fraction claim that is located adjacent to the SR claims of the South Dayton group.

In 1955, Mr. Brian Fenwick-Wilson, originally staked a nickel showing located between the Rock Creek bridge and the Rock Creek-Bridesville road, now located within the RM 16 claim of the Phoenix Gold Claim area and then restaked the ground in 1966. Since that time Newmont Mining Corp., Nickel Ridge Mines Ltd., and Utica Mines Ltd. have carried out extensive exploration programs on the property and reported an estimated 100,000,000 tons of

0.22% Ni and 0.01% Co. Gold City Mining Corporation reports positive results from an agitated leach test carried out on the nickel bearing rock in addition to reporting their estimate of 40,000,000 tons of mineral inventory.

Other small scale sporadic exploration programs within the boundaries of the Phoenix Gold claims area, have continued through to the present time and have included the development of shafts, adits and prospect pits for gold, chrome, molybdenum and base metals. In more recent times exploration has centered around geochemistry and geophysics usually followed, where warranted, by small drilling programs.

In 1970 Gunnex Limited conducted a wide spaced Induced Polarization survey in the South Dayton area. This was followed in 1974 through 1985 with geochemical and geophysical ground magnetometer and VLF-EM surveys by small companies and/or individuals with the primary objective of locating copper-gold mineralization.

From 1989 to 1990, Crownex Resources Ltd. completed fixed wing airborne magnetometer and VLF-EM surveys over the general area from Anarchist Mountain east to the village of Rock Creek and from the International border to 10 km north. In addition, Crownex acquired the LeRoi and War Eagle Claims of the South Dayton group just north of the airborne survey. Two areas, the Ket 28 and Dayton camp were selected by Crownex for detailed geochemical and geophysical ground based programs followed by seven reverse circulation drill holes in the "Ket 28" area and fourteen reverse circulation drill holes in the South Dayton area.

In 1993, Gold City Resources completed six shallow percussion drill holes at Ket 28 with limited success. During this same year, Winslow Gold and Northwind Ventures drilled fifteen holes on ground adjacent to the South Dayton group. This drill also met with limited success due to insufficient drill capacity.

The most encouraging results from the 1989 to 1993 drilling at Dayton Camp are Crownex's 1990 drill hole. These drill holes include drill hole DC #7 which returned assays of up to 0.29 opt Au over a 1.5 metre section, drill hole DC #9 which returned up to 0.11 opt Au over a 1.5 metre section and drill hole DC #14 which returned up to 0.282 opt Au over a 1.5 metre interval. Winslow Gold-Northwind Venture drill holes 93DCP #7 on ground adjacent to the South Dayton group, intersected 0.392 opt gold from 36.6-38.1 metres. These Crownex and Winslow drill holes are not on the Phoenix Gold property.

South of the South Dayton group and on the Phoenix Gold property, Gold City Resources LeRoi War Eagle

hole intersected 16.77 metres of 1.16% copper from three metres to 19.8 metres. Crownex drilled a reverse circulation hole on their "Ket 28" project, numbered KT #1 which intersected 0.26 opt gold from 11 to 17 metres.

Industrial mineral exploitation is limited within the area to the Mighty-White Dolomite pit and various gravel operations. Minor exploration and evaluation has been directed towards the siliceous meta-chert outcrops along the Rock Mountain-Bridesville Road near the summit and the sporadic outcropping of dolomite south of Rock Creek and south of Bridesville.

Very limited recent placer activity was noted along the Rock Creek and McKinney Creek drainages with no evidence of serious production efforts while windrowed piles of sand and gravel along the shores of the creeks attest to the intense historical placer mining effort.

### Regional Geology

Permo-Triassic Anarchist Group rocks occur throughout most of the area of interest along the Phoenix Gold Claims area. The lithologies include amphibolite, greenstone, quartzite, chert, minor marble, quartz-chlorite schist, quartz-biotite schist and serpentinite.

Kobau Group rocks, similar in age to the Anarchist Group, are found to the west of the area of interest where they are mainly comprised of amphibolite, greenschist, quartzite, chert, greenstone and minor marble.

Nelson plutonic rocks of Jurassic-Cretaceous age consisting of massive hornblende-biotite, granodiorite, quartz diorite, and granite, intrude the eugeosynclinal Anarchist Formation within the area of interest.

Smaller intrusives of biotite granodiorite, diorite and granite of the Jurassic to Cretaceous age Okanagan batholith, are located in the northeast and northwest corner of the claim block area. Additionally, younger intrusive bodies, mainly syenite, of Coryell age, cut Jurassic-Cretaceous intrusives.

Eocene age rocks of the Yellow Lake and Kitley Lake formation occur trending north-south in the north-eastern part of the claim area and can, in part, be traced to the south near the International border. These Tertiary rocks are comprised of phonolite, trachyandesite, trachyte and a sequence of cobble conglomerate with minor sands.

Generally the Anarchist Group rocks strike northwest and dip plus or minus sixty (60) degrees northeast. Locally the dip and strike is highly variable due to folding and faulting. Tight folds were noted in



the metasediment-metavolcanic sequences of the Anarchist rocks along with strong northeast, northwest and north trending faults. Within the northerly trending graben-like fault zones, minor east-west faulting was noted. Most of the faulting is attended by phyllitic to mylonitic fabrics, slickensides and/or brecciation.

#### Property Geology and Mineralization

Within the Lis Group, steeply dipping greenstones, greenstone schists, quartzites, cherts, argillites and minor limestones of the Anarchist Group predominate. Locally the metasediment volcanic rock package is intruded by diorite, rhyodacite and feldspar porphyry. Along the western edge of the Lis #1 claim a highly foliated greenstone trends N15°E, marking what appears to be the west boundary of a zone of deformation that is generally oriented north-south and is approximately one kilometre in width.

Propylitic alteration with abundant magnetite occurs in the highly foliated greenstone. Chlorite, epidote, calcite, quartz veins and ankerite are also present. Some of the pyritic quartz veins, within the rocks of interest, are gold bearing. Overlying rocks of the Eocene Yellow Lake and Kitley Lake Formations occur to the northeast of the Property and consist of mafic phonolite and trachyte to trachyandesite flows and clastic sediments which have been displaced by northeast trending faults. Similar geology, alteration and mineralization occurs at the Ana #2 claim of the Lis Group.

*KET 28*  
The geology on the Ket 28 Group, similar to the geology of the Lis Group, consists mainly of a metasediment-metavolcanic sequence of Anarchist Group rocks. Lithologies on the north end of the project area generally consist of massive quartzite, commonly brownish-white to pale green with chlorite partings and containing 2-15% sulfides; mainly pyrite. The quartzite is fractured and highly silicified. Minor serpentinite also occurs in the area of the massive quartzite. Both the massive quartzite and the serpentinite, host the Old Nick nickel mineral zone that occurs on the RM 16 claim of the Ket 28 Group.

*KET 28*  
South of the nickel zone, dark grey to black silicified argillite, with siltstone and greenstone outcrop. North-south, east-west, and northwest faulting has separated the metasediment-metavolcanic package of rocks into discrete blocks. Within and adjacent to the generally north-south trending fault zone, argillites, siltstone, cherts and metavolcanics are highly foliated and locally fractured, bleached and brecciated with phyllitic to mylonitic fabrics. Free quartz occurs in this stratigraphy as: breccia matrix, veinlets, veins, breccia fragments and as discrete patches. The known

strong gold showings are associated with this lithology and more particularly with a pyritic, silicified, matrix supported, tectonic, heterolithic breccia.

West of this north-south tectonic belt, dark green to black greenstones with minor disseminated magnetite appear to be the predominant rock type, while to the east, propylitic greenstones with locally abundant magnetite outcrop.

Northwest and east-west faults appear younger than the north-south fault and may be more closely related to the gold mineralization. The gold showings developed by shallow drilling near the Ket 28, RM16 common claim boundary in 1990 and 1994, may be related to a zone within which an east to east-northeast gold bearing drag fold has formed. The gold values appear to be more enriched at the apex of the fold, than along the limbs. Additionally the quartz flooding that makes up the gold bearing breccia matrix shows a very subtle flow structure. Also most of the breccia fragments have highly foliated fabrics; all of which suggest a continuum of crustal adjustment through plastic and brittle deformation.

*South Dayton*

The geology of the South Dayton group consists of metasedimentary rocks of the Permian Anarchist Formation, intrusive rocks of the Jurassic-Cretaceous Nelson batholith, and Tertiary Coryell intrusives, with Eocene coarse sediments along the eastern boundaries. Trending northwest along the southern portion of the South Dayton Group, a Nelson age granodiorite is in contact with Anarchist quartzite and greenstone. North of the granodiorite contact towards the central part of Dayton Group, diorite to quartz diorite bodies intrude quartzites, limestones and greenstones.

*South Dayton*

In the central part of the South Dayton Group, propylitic greenstone, hosting diorite and feldspar porphyry intrusives and attendant sulfide mineralization contact a magnetite bearing quartz diorite to the west. Anarchist rocks increase in abundance to the north east; regionally striking northwest and dipping to the northeast.

Outcropping on the northern end of the South Dayton Group are predominantly greenstone and quartzites with interbedded pebble conglomerate and diorite. Rhyolite and feldspar porphyry dykes observed in drilling, occur locally but do not readily outcrop.

North of the South Dayton Group, along the south area of the Nighthawk project, highly fractured quartzite with pebble conglomerate interbeds outcrop. Black argillite with minor pyrite and graphite occurs in rare outcroppings north of the quartzite conglomerate outcrop and appears to lie stratigraphically above. Diorite and feldspar porphyry intrusive bodies are common in the area.

Mineralization types within the Phoenix Gold Claims include: precious and polymetallic quartz veins, mineralized shear zones and breccias, nickel rich silicified replacement ore bodies, base metal skarnification with minor precious metal content and disseminated base metal values in intrusive bodies.

General alteration patterns related to the mineralization are: massive silicification near the Old Nick prospect where sulfides occur in metaquartzite and/or metachert and/or siliceously replaced metasedimentary beds; hematite, manganese, epidote, magnetite, calcite and thin quartz veining associated with propylitic greenstones and sheared metasediments generally correlate with the airborne magnetic highs and are closely related to precious metal pyritic breccia zones, extensive ankeritic quartz veining and bleaching near fault zones; hornfelsic development along granodiorite contacts with fine grained clastics at Dayton Camp and garnet skarn with massive sulfide was noted at both the Dayton and South Dayton.

#### Work Completed on the Phoenix Gold Claims by the Company

The Company's 1994 exploration program was directed towards specific target areas within each of the four Groups - LIS, KET 28, SOUTH DAYTON AND NIGHTHAWK - of the Phoenix Gold Claims. Grids were either re-established from old grids or new grids established on each of the target areas. (N.B. - Sway was a participant in the exploration of that part of the property which includes the properties of the Rock Creek Gold Trend Joint Venture). The Company has expended \$147,320 on exploring the Phoenix Gold Property to date. On that part of the property in which the Rock Creek Gold Trend Joint Venture holds an interest, Sway has expended an additional \$82,735.

The close spaced Lis grid was developed within the Lis #1 claim to explore anomalous gold values discovered during Crownex Resource's previous reconnaissance soil and rock chip sampling programs.

North of the Lis grid, the 1990 Crownex Resources Ltd. Ket 28 grid within the Ket 28 and RM 16 claims of the Ket 28 group was physically relocated in order to facilitate the use of Crownex's geochemical, geophysical and drill hole data.

Further north across Highway 3 and along the west wide of Rock Creek the 1990 Crownex Resources Dayton Camp data was relocated and expanded. The southern part of the Dayton area grid is referred to as South Dayton and is anchored by the LeRoi and War Eagle claims. The expansion to the north is designated as the Nighthawk.

Pertinent data available to the Company, including the 1990 Crownex data has been related where

applicable and possible to the various relocated grids. Where data point location is in question on the ground due to changes in the grid and/or passage of time the information was not used. This was true for pre-1990 data and some of the very shallow 1993 percussion drill holes.

The data base was expanded through re-establishing the old grid, developing new grids and by conducting ground magnetometer, Induced Polarization, resistivity and geochemical survey programs. Although the I.P. survey was conducted over existing exploration grids there is a difference in stations along the lines because pre-cut wires were used for the I.P. survey and additionally, no "slope corrections" were made.

The amount of core diamond drilling and rotary percussion drilling performed by Phoenix Gold Resources on the Phoenix Gold claims is as follows:

Rotary percussion: 22 holes totalling 1334.9 metres. Core: Six holes totalling 953.7 metres.

Holes drilled previous to the work performed on the Phoenix Gold claims and for which records are available are seven reverse circulation holes totalling 648 metres.

#### Lis Group

Near the southwest corner of the Lis #1 claim a small 1.75 kilometre grid was emplaced over an area where rock chip samples had returned anomalous gold values. A geochemical (110 soil samples) and a geophysical survey (magnetometer) were completed.

Based on the recommendations of the March-April 1994 geochemical and geophysical 1994 exploration program, three Rotary Percussion drill holes were completed. During the April-August, 1994 phase of the program, the two targeted anomalous geochemical gold areas were near the contact of a rhyodacite dyke and a greenstone schist, and in the area of a gold-bearing quartz vein paralleling the fabric of the greenstone schist. The following table summarizes the three drill holes:

TABLE II  
Drill Hole Summary: Lis Group

<u>Drill Hole</u>	<u>Depth (m)</u>	<u>Angle</u>	<u>Bearing</u>
94 Lis #1	83.8	-45°	245°
94 Lis #2	60.9	-60°	0°
94 Lis #3	<u>68.6</u>	-50°	180°
Total metres	213.3		

Ket 28 Group

Re-established the 1990 Crownex grid and completed 3.3 line kilometres of I.P. and resistivity at 25 metre stations and N=10 separations along select lines.

Combining the 1990 Crownex Resources Ltd. and the 1994 Company data for gold in soils, ground magnetics and Induced Polarization surveys, six core holes and two Rotary Percussion drill sites were selected and drilled.

Core hole sites were selected to test: an area of intense magnetite development within a propylitically altered greenstone; an area containing two high grade I.P. anomalies not associated with known gold mineralization or pathfinder elements; and an area of known gold mineralization associated with soils, rocks and 1990 reverse circulation drill holes. Additionally, two strong I.P. anomalies in areas of very little outcrop and no known gold occurrences were selected for Rotary Percussion drilling to test I.P. chargeability anomalies.

NQ Core drill footage totalled 953.8 metres and the Rotary Percussion drilling totalled 174 metres.

TABLE III  
Drill Hole Summary: Ket 28 Group

<u>Drill Hole</u>	<u>Depth (m)</u>	<u>Angle</u>	<u>Bearing</u>
<u>Core</u>			
94Ket 28-1C	243.2	-60°	015
94Ket 28-2C	165.5	-90°	n/a
94Ket 28-3C	143.6	-45°	075
94RM 1-1C	125.3	-60°	360
94RM 1-2C	122.8	-90°	n/a
94RM 1-3C	153.3	-90°	n/a
<u>Rotary</u>			
94Ket 28-1R	91.7	-90°	n/a
94Ket 28-2R	82.3	-90°	n/a
Total metres	1127.7		

South Dayton Group

Field work consisted of re-establishing the 1990 Crownex grid and conducting a Pole-Dipole I.P. survey over the grid at 100 metre line intervals at five separations (n=5).

Four Rotary Percussion drill holes were completed to test I.P. anomalies on the South Dayton area with the work mainly confined to the LeRoi and War Eagle claims. Total drilled was 292.6 metres.

Two additional holes were drilled on the north side of the LeRoi-War Eagle shaft and glory hole to investigate the possibility of gold occurring in the retrograde part of the skarn.

TABLE IV  
Drill Hole Summary: South Dayton Group

<u>Drill Hole</u>	<u>Depth</u>	<u>Angle</u>	<u>Bearing</u>
94 DAT #1	67.0	-90°	n/a
94 DAT #3	42.7	-90°	n/a
94 DAT #6	76.2	-90°	n/a
94 DAT #7	30.5	-90°	n/a
94 WAR EAGLE #1	30.5	-60°	180
94 LE ROI #1	<u>39.6</u>	-60°	180
Total metres	286.5		

Nighthawk Group

Gridding consisted of 1.4 kilometre of baseline and 12 kilometres of grid lines 100 metres apart, marked with 25 metre stations. Total field magnetic readings were taken over the grid followed by five kilometres of Pole-Dipole Induced Polarization and Resistivity surveys on selected lines. Soil samples were collected along the base line and analyzed for geochemical gold as were the rock chip samples that were collected at prospect pits.

Nine Rotary Percussion drill holes totalling 499.6 metres were drilled within the Nighthawk Group to test geochemical and geophysical anomalies. Two additional Rotary Percussion drill holes were completed in the Nighthawk Group to test anomalous geochemical gold in soil and rocks generated after the completion of the Phase I drilling. The two holes totalled 161.5 metres.

TABLE V  
Drill Hole Summary: Nighthawk Group

<u>Drill Hole</u>	<u>Depth</u>	<u>Angle</u>	<u>Bearing</u>
94 NH #1	60.9	-90°	n/a
94 NH #2	60.9	-45°	090
94 NH #3	60.9	-90°	n/a

94 NH #4	60.9	-90°	n/a
94 NH #5	30.5	-90°	n/a
94 NH #7	76.2	-90°	n/a
94 NH #8	60.9	-90°	n/a
94 NH #9	30.5	-90°	n/a
94 NH #10	57.9	-90°	n/a
94 NH #1A	76.2	-60°	090
94 NH #2A	<u>85.3</u>	-90°	n/a
Total metres	661.1		

Results of Work Completed

Ket 28 Group

1994 NQ core drill holes collared to test the 1990 down hole gold intercepts of the Crownex Reverse Circulation drill hole program, returned gold sections from drill hole 94RM 1-2C averaging 2.43 metres of 1.96 oz/T Au from 5.79 to 8.23 metres of depth. The down hole gold intercepts along with lithology and structure from the three 1994 Company core holes, as well as the 1990 Crownex Reverse Circulation drill holes, indicate that the gold bearing lithology may be related to a drag fold within a northwest structural zone. The axial plane of the fold within the fault, may strike east-northeast and appears to dip steeply to the south.

Assay Results from Drill Hole 94RM 1-2C

Sample No. and Interval (feet)	Assay (oz/T Au) (Fire assays by Chemex)
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Samples of drill core (halved by diamond saw)  
sampled and submitted by R. Miller (1994)

94RM1-2C-19-20	3.656
94RM1-2C-20-21	2.604
94RM1-2C-21-23	1.645
Weighted average 19-23	2.387
94RM1-2C-23-25	0.944
94RM1-2C-25-26	1.651
94RM1-2C-26-27	2.606
Weighted average 23-27	1.536

Weighted average assay over a 2.43 metre interval (19-27 feet) is calculated as 1.966 oz/ton gold.

Sookochoff Check Samples

Samples of core (quartered by diamond saw) sampled  
and submitted by L. Sookochoff (1994)

56719	19-23	2.320
56715	23-27	1.252

The I.P. chargeability signature associated with this high grade gold occurrence at the apex of the fold, is very distinctive. A similar I.P. pattern occurs four hundred metres to the south of 94RM 1-2C on line 32200 N in a comparable geologic setting and anomalous gold values in the soil. The 1989 Crownex airborne data, as well as aerial photography and field measurements, suggests that the anomalous gold related signature on line 32200 N is bisected by a northwest structural system.

In correlating the high-grade section of drill hole 94RM1-2C to other drill hole intercepts in nearby holes as shown on Figure 20, it appears that the higher grade gold values are erratic and controlled by breccia zones. This is based on the correlation of the high-grade intersection of drill hole 94RM1-2C, the geology of the possible mineral zone intersection of drill hole 94RM1-1C some five metres distant where a 1.8 metre brecciated section assayed 0.13 opt Au, and an assay of 0.26 opt Au within one of the three KT series of holes some 13 metres distant for which drill logs are unavailable.

Correlating the high-grade section with surface showings, there are a series of pits that approximate the VLF-EM conductor axis as shown on Figure 9. Samples from the pits are anomalous in gold and may reflect surface seepage of gold values from the underlying high-grade zone.

The 1994 Ket 28 #1 core hole intersected only sporadic gold over narrow intervals with a high assay of 0.053 opt from a siliceous section of the greenstone. Drill holes 94 Ket #2 and #3 were drilled to test high chargeability I.P. anomalies. Results indicate a minor amount of sulfides in argillaceous rocks, some graphitic sections and abundant water in fault zones. Two rotary percussion drill holes drilled to test areas of high chargeability met with limited success.

South Dayton Group

The DAT drill holes were directed towards the evaluation of I.P. anomalies on lines 37700 N and 37800 N. Sufficient sulfides were intersected in the drill holes to account for the high chargeability I.P. anomalies. The sulfide was mainly pyrite. The 1994 LeRoi #1 and the 1994 War Eagle #1 were short rotary percussion drill holes angled southerly underneath the massive sulfide skarn



showing on the LeRoi-War Eagle claims. These holes were in an area where a shallow 19.8 metre 1993 Gold City drill hole returned 1.23% copper over 16.7 metres and trace amounts of gold. The two 1994 rotary percussion drill holes each returned interesting gold values of 1,000-2,000+ ppb over 3.2 metres.

The 94 War Eagle #1 drill hole intersected a section which assayed 750 ppb gold in an altered quartzite and hole 94 LeRoi #1 intersected a 4.5 metre section, from the 9.15 to the 13.72 metre interval of anomalous gold values; the highest value ranging to 2,080 ppb gold and associated with sulfides and skarn.

#### Nighthawk Group

On the Nighthawk, surface samples returned up to 0.094 opt gold from siliceously altered quartzites and pebble conglomerates. Surface geochemical and geophysical indicators, as well as subsurface gold results from rotary percussion drilling intercepts, have indicated that multiple gold targets exist within this geology.

The significant results derived from the eleven hole Rotary Percussion drill program are as follows:

Hole 94NH #1, which was located to test a magnetite zone associated with a diorite quartzite contact, intersected approximately 60 meters of altered diorite without intersecting the quartzite contact. Only one significant intersection, 1.52 metres of 245 ppb gold, was encountered.

Hole 94NH #2 returned anomalous gold geochem values of 760 ppb Au from a 1.52 metre section between 25.91 and 27.43 metres.

Hole [94NH #5] returned anomalous gold values of 730 ppb and 2,370 ppb from the intervals of 16.77 to 18.29 metres and 24.39 to 25.91 metres respectively. \*

Drill holes 94NH #7, #8 and #10 were not sent in for assay. These holes intersected pyritic and graphitic zones in an argillite similar to the geology intersected in 94NH #9 which when assayed returned no detectable gold values. In addition, there was not any correlative gold or magnetic anomalies associated with the high I.P. - chargeability low resistivity anomalies along line 39800N.

Hole 94NH 1A returned one anomalous gold value of 990 ppb from 6.1 to 7.62 metres.

Hole [94NH 2A] located 600 metres southeast of hole 94NH 1A, and drilled to test an area of anomalous gold in soil, coincidental with an I.P. chargeability anomaly, returned the most significant results of the \*

Nighthawk drill program. Anomalous gold values were intersected throughout the length of the hole with 32% of the samples returning gold values in excess of 100 ppb. Values of up to 760 ppb gold were obtained from a 1.52 metre intersection from the interval of 25.91 to 27.43 metres.

The anomalous gold values of hole 94NH2A are associated with increased pyrite content and silicification. Protolith based on rock chips appear to be mainly metaquartzites, amphibolites and greenstone.

#### Lis Group

All three drill holes intersected a greenstone schist. Drill hole 94 Lis #1, intersected 12.19 metres of rhyodacite between 42.68 and 54.88 metres and 5.18 metres of rhyodacite between 63.41 and 68.60 metres. Drill hole 94 Lis #2 intersected 38.72 metres of rhyodacite between 14.6 and 53.4 metres. Drill hole 94 Lis #3 did not intersect any rhyodacite but localized zones of silicification were encountered.

Drill hole 94 Lis #1 exhibited the highest gold value; 1,220 ppb over the interval of 13.72 to 15.24 metres. Another anomalous gold value of 510 ppb was encountered between 56.40 and 57.92 metres in drill hole 94 Lis #2. Both of these high gold values are associated with quartz veining in the greenstone schist. The principal metallic mineralization observed in the quartz vein, consisted of euhedral pyrite crystals and trace amounts of chalcopyrite.

The greenstone schist ranges from strongly foliated and chloritic to a less foliated, dark greenish-gray schist. Small amounts of quartz veining (<1% to 5%) are present through most of the host rock. Calcite veining is rare, although all of the greenstone schist is moderate to strongly calcareous. Disseminated, massive or euhedral pyrite occurs through all three holes, both in the greenstone and in the rhyodacite. Chalcopyrite is associated with rhyodacite in drill holes 94 Lis #1 and 94Lis #2 and with the quartz veining in 94 Lis #3.

Anomalous, 40 ppb plus gold values are interpreted as being spatially related to an east-west rhyodacite intrusive on the south end of the grid and a N 05°E trending gold bearing quartz vein in the central portion of the grid. The highest gold in soil assay was 305 ppb in an area near the quartz vein.

A plot of the data shows a magnetic high related to a propylitically altered greenstone schist that contains disseminated magnetite and hosts the gold bearing quartz vein.

## Recommended Exploration Program

### Ket 28 Group

The grid should be extended in all directions and twenty line km of additional I.P. and resistivity surveys along with soil sampling and ground magnetics be completed. This should be followed with eight rotary percussion drill holes, three of which should be spotted to delineate the significant gold intercepts of 94RM 1-2C. Five additional holes should be spotted to test a similar geological signature on line 32200N and one each on lines 32700N and 32500N and to test I.P. anomalies with some similar characteristics to the area of interest on line 32600N.

The rotary percussion program would be followed by five NQ core holes; one of which should be drilled to determine the geology to depth. Site selection will be dependent upon results from the rotary drill program.

Additionally, reconnaissance sampling should be carried out around a silicified iron carbonate outcrop with anomalous arsenic and low gold values that is located eleven hundred metres north of the 1990 Reverse Circulation drill holes within the RM 16 claim.

It is further recommended that a rock chip sampling program be conducted on the east side of the Ket 28 Group Claims in the vicinity of Budy Creek where granodiorite in contact with Anarchist metasediments has been reported.

### South Dayton Group

Expansion of the skarn related copper-gold intercept discovered in the 1993 Gold City Drill program at the LeRoi-War Eagle claims, may be realized by step-out drilling. Additional gold skarn and copper-gold skarn potential exists north of the LeRoi-War Eagle claims in the vicinity of an east-west trending marble unit. Additionally, to the east, the potential for skarn hosted copper-gold depositing exists along a volcanic-diorite contact.

In the South Dayton area, additional rotary percussion drilling is recommended on I.P. line 37600N in the vicinity of I.P. station 45050E where a strong chargeability anomaly is associated with known copper mineralization along a diorite greenstone contact. Four holes are planned and projected on to the composite section of Line 37700N. On line 37700N two holes are planned to investigate a chargeability anomaly at I.P. station 44275E which appears to be coincidental with a weak soil gold anomaly and a 600 gamma change in magnetic response. One rotary percussion hole is planned to test a

high resistivity and an n2 chargeability anomaly. This soil anomaly extends northerly towards an area of known gold mineralization in the central part of the Dayton Camp. The other rotary percussion holes are to be held in reserve for testing the extension of the mineralized zone.

Two core holes between lines 37600N and 37700N along the common boundary between the LeRoi and War Eagle claims are recommended to test the 1993 copper intersections of Gold City Resources.

Expansion of the existing grid eastward is suggested to evaluate, through soil sampling and ground magnetics, the gold potential of the step faults sympathetic to the north trending Rock Creek structure. It is further recommended that one other core hole be completed to investigate the stratigraphy in the vicinity of the marble unit outcropping near line 37800N.

#### Nighthawk Group

Expand the grid to define the soil gold anomaly delineated along the 44000E base line from grid points 39100N to 39300N. Expansion of the grid to the east should also be accomplished as a reconnaissance tool to evaluate that part of the claim block from which no data has been collected.

Five rotary percussion drill holes are recommended on line 39600N near the 1994 drilling to evaluate the anomalous gold values obtained in the drill holes from a meta quartzite metaconglomerate diorite contact. The single rock chip surface sample taken in the area of the drill hole assayed 0.094 opt gold.

On the extreme west edge of line 39300N an additional rotary percussion drill hole is recommended to the east of NH #1, in the area of a magnetite skarn, to test the contact between the metaquartzite and altered diorite.

Planning should include two rotary percussion drill holes and one NQ core hole to test the gold occurrence associated with the area around drill hole 94 NH #2A on line 39200N.

#### Lis Group

Expand the grid to the north, increasing the line length east-west and the line spacing to 50 metres with 10 metre stations. Soil sample and obtain ground magnetometer readings at each station. Re-examine all of the claims in the Group, specifically ANA 2, for gold bearing siliceous breccias similar to those that occur at the Ket 28.

In order to evaluate any gold anomalies developed through the ground based exploration program, two rotary percussion drill holes should be included in the budget.

Proposed Drilling Summary

<u>Location</u>	<u>Rotary Percussion</u>	<u>Total Metres</u>	<u>Core</u>	<u>Total Metres</u>
Ket 28	8	800	5	1,250
South Dayton	7	700	2	500
Nighthawk	8	800	1	250
Lis	<u>2</u>	<u>200</u>	<u>-</u>	<u>--</u>
Total	25	2,500	8	2,000

Drilling Cost Estimate

Drilling costs based on the initial 1994 exploration experience are:

Rotary Percussion Direct Cost	\$ 34.45/metre
Rotary Percussion Indirect Cost	<u>51.69/metre</u>
Total	\$ 86.14/metre
NQ Core Direct Costs	\$ 72.16/metre
NQ Core Indirect Costs	<u>76.17/metre</u>
Total	\$148.33/metre

Estimated Cost of the Recommended Exploration and Development Program

Detailed geochemical & geophysical surveys	\$ 25,000
Prospecting and geologic mapping	10,000
Assay and field expenses	10,000
Rotary percussion drilling 2,500 m	215,000
Diamond drilling 2,000 m	<u>300,000</u>
TOTAL ESTIMATED COST	\$560,000

The information set out above has been excerpted from a report prepared by Laurence Sookochoff, P.Eng. dated November 17th, 1995 except where marked "N.B.". The said report is lodged at the registered office of the Company, 430 - 580 Hornby Street, Vancouver, B.C. where it may be examined, during normal business hours, during the

period of the Offering. An Addendum consisting of a property location map and property plan map of this property is located before the "Financial Statements" herein.

The Company has expended \$147,320 on exploring the Phoenix Gold property to date. In addition, further sums were expended by Sway Resources Inc. on that part of the property held by the Rock Creek Gold Trend Joint Venture of \$82,735.

Following the completion of the Offering, the Company intends to carry out the program recommended in the report of Laurence Sookochoff, P.Eng. dated November 17th, 1995. The recommended program consists of detailed geochemical and geophysical surveys, prospecting and geological mapping, assaying, rotary percussion and diamond drilling at an estimated cost of \$560,000.

The Company intends to apportion the proposed work program as follows: Nighthawk - \$122,000; Joint Venture Properties (Ket 28, War Eagle and LeRoi and Lis) - \$438,000. However, a reallocation of funds may be necessary if the Company's joint venture partners contribute to the planned exploration programs. In this event, the Company may redirect funds to other properties in which the Company has an interest. In the event that they do not participate in financing the joint venture work, the interests of the other parties in the joint venture will be diluted. See under heading "Use of Proceeds" on page 55.

Immediately after receipt of funding from this Offering, the Company shall seek appropriate regulatory approvals to carry out the exploration program. It is anticipated that the approvals will be available within 30 days after submissions are made. The exploration program is expected to commence immediately thereafter and is estimated to be completed within 3 to 4 months. Exploration results will be announced immediately after receiving any assay results or their equivalent.

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

THERE IS NO KNOWN BODY OF COMMERCIAL ORE ON THIS PROPERTY AND THE PROPOSED PROGRAM IS AN EXPLORATORY SEARCH FOR ORE.

#### Abandoned Claims

Pursuant to an arms-length agreement dated August 31st, 1994 between the Company and Winslow Gold Corp. and Northwind Ventures Ltd., the Company was granted the option to purchase a 50% interest in certain mineral claims, subject to a 3.6% royalty payable to Dayton Camp

Joint Venture. Robert Miller, a Director of the Company, is a member of the Dayton Camp Joint Venture. These mineral claims previously comprised part of the Phoenix Gold Claims. The Company has allowed this option to lapse after it received notice of termination from Winslow Gold Corporation. The Company incurred costs of \$15,633 on exploration and development, incurred costs of \$40,831 on acquisition of the abandoned claims (\$8,821 on the optionor's costs of a geological program, \$6,010 of capitalized legal fees, \$13,500 in cash payments and issued 50,000 shares to Winslow and Northwind valued at \$12,500). All acquisition and exploration costs have been written down on the books of the Company. There were no significant results from the mineral exploration work done by the Company and Sway on this property. Reference is made to the heading "Other Material Facts" on page 70.

**WHALES CLAIM GROUP  
GREENWOOD MINING DIVISION  
PROVINCE OF BRITISH COLUMBIA**

By an Agreement dated January 3rd, 1994 as modified by a letter dated April 28th, 1995 from Edward Carson to the Company as accepted by a letter from the Company dated May 2nd, 1995 and amended on November 11th, 1995 (the "Carson Option Agreement"), the Company acquired from Edward Carson of Box 656, Grand Forks, B.C., who is a relative of the President of the Company (Mr. Edward Carson is a Director of Sway Resources Inc. which company is a partner in the Rock Creek Gold Trend Joint Venture which has an interest in several of the properties described above under the heading "Phoenix Gold Claims"), a right to earn a 100% interest (subject to a 2% net smelter return royalty to a maximum of \$1,000,000) in twelve (12) mineral claims located in the Greenwood Mining Division of British Columbia in consideration for:

(a) \$5,000 cash payable on execution of the Carson Option Agreement (paid);

(b) \$5,000 cash payable on or before January 3rd, 1995 (paid) and on or before January 3rd of each succeeding year until a total of \$100,000 in cash and net smelter return royalty payments have been made;

(d) the issuance of 50,000 shares of the Company when the Company's shares are listed for trading on the Vancouver Stock Exchange;

(e) the issuance of 100,000 shares of which 50,000 shares are to be issued following completion of each of two programs on the property and acceptance for filing by the regulatory authorities of acceptable

engineering reports recommending further exploration work following completion of previous work programs.

Mr. Edward Carson is arm's length to the Company and the consideration in regards to this agreement was determined by arm's length negotiations.

The option agreement with Edward Carson covers the following mineral claims:

<u>Claim Name</u>	<u>Units</u>	<u>Tenure No.</u>	<u>Expiry Date</u>
Whales 90	20	215901	October 28, 1996
Whales 90-#1	20	215885	September 20, 1996
Whales 90-#3	20	215886	September 23, 1996
Whales 90-#4	1	215883	September 20, 1996
Whales 90-#5	1	215884	September 20, 1996
Whales 90-6	8	215996	December 12, 1996
Whales 90-7	8	215997	December 12, 1996
Whales 95	20	333357	January 9, 1996
F.M.L. #1	1	319182	June 28, 1996
F.M.L. #2	1	319183	June 28, 1996
F.M.L. #3	1	319184	June 28, 1996
F.M.L. #4	1	319185	June 28, 1996

By an Agreement dated February 10th, 1994 as modified by a letter from Daniel D. Geronazzo dated May 2nd, 1995 and accepted by the Company by a letter dated May 8th, 1995 (the "Geronazzo Option Agreement"), the Company acquired from Daniel D. Geronazzo of Box 1030, Grand Forks, B.C., a right to earn a 100% interest (subject to a 1.5% net smelter return royalty to a maximum of \$250,000) in two (2) mineral claims located in the Greenwood Mining Division of British Columbia, in consideration for:

(a) \$2,500 cash payable on execution of the Geronazzo Option Agreement (paid);

(b) \$5,000 cash payable on or before February 10th, 1995 (paid) and on or before February 10th of each succeeding year until a total of \$250,000 in cash and net smelter return royalty payments have been made;

(c) 25,000 shares upon the calling of a market and the approval of the Vancouver Stock Exchange.

Daniel Geronazzo is arm's length to the Company and the consideration in regards to this agreement was determined by arms's length negotiations.

The Geronazzo Option Agreement covers the following mineral claims:



<u>Claim Name</u>	<u>Tenure No.</u>	<u>Expiry Date</u>
Princess Louise Lot 3680 (1 Unit)	214940	August 7th, 1996
Prince of Wales Lot 3681 (1 Unit)	214939	August 7th, 1996

The following information has been excerpted from a report prepared by Laurence Sookochoff, P.Eng. dated October 25th, 1995 except where marked "N.B.". The said report is lodged at the registered office of the Company, 430 - 580 Hornby Street, Vancouver, B.C., where it may be examined, during normal business hours, during the period of the Offering.

### LOCATION AND ACCESS

The Whales Claim Group is located 13 kilometres from Greenwood, B.C. or 11.5 kilometres from Rock Creek, B.C. (N.B. - The Whales Group is located east of Rock Creek, B.C. Reference is made to the maps forming part of this Prospectus). The two communities are on the southern Trans-Provincial Highway No. 3 some 475 kilometres east of Vancouver and within 10 kilometres of the Canada-U.S. border.

Access to the southwestern portion of the Property is provided by a network of logging roads emanating from the Ingram Creek forest access road which originates from Highway #3, 21 kilometres west of Greenwood. The southern boundary is approximately nine kilometres north of the Highway.

Access to the northeastern portion of the Claim Group is provided by the Wallace Creek forest access road which originates from Highway #3 within five kilometres north of Greenwood. The eastern boundary of the Claim Group is approximately eight kilometres from the Highway.

### Physiography, Climate, Water and Power

The Whales Claim Group is situated within the gently rolling wooded terrain of the Midway range of the Monahsee Mountains. The topographic relief is 500 metres from the higher elevations of 1,625 metres at the headwaters of Wallace Creek and the Ingram Creek drainage systems, to the lowest elevations in the Wallace Creek valley in the northeast and the valley of the north fork of Ingram Creek along the central south boundary of the Claim Group.

The climate in the area is influenced by British Columbia Interior Dry Belt with low summer precipitation and moderate winter snowfalls. Annual precipitation is

approximately 45 cm. The regional temperature ranges from -15°C to +40°C. Snow in the area usually occurs by mid-November and is snow free by the end of April.

Sufficient water for all phases of exploration, mining and development could be available from numerous water sources on and peripheral to the Claim Group.

A natural gas pipeline and high voltage powerlines are located within eight kilometres south of the Claim Group.

### Transportation and Supplies

Kelowna, 90 km to the northwest and Castlegar, 120 km to the east of Greenwood, are serviced daily by commercial jet airlines. Most exploration and industrial supplies should be available at Grand Forks and Osoyoos, which are 36 km east and 50 km west from Greenwood, respectively.

### HISTORY

The history of the area dates back to 1891 when pioneering prospectors in the Boundary District discovered important copper deposits including the Deadwood, Motherlode and Phoenix Camps; all of which are within six kilometres of Greenwood, B.C. The most active Camp was Phoenix, which produced 27 million tons of ore from 1900 to 1919 and subsequently from the 1950's to 1978, yielding 30 million grams of gold, 92 million grams of silver and 250,050 tonnes of copper.

The Copper Queen Camp (King Soloman), located within one kilometre east of the eastern Periphery of the Whales Claim Group was established in 1894 with intermittent production from 1896 to 1917. In excess of 3,000 tons of ore grading up to 20% copper were shipped from the King Soloman and Big Copper Mines of the Copper Queen Camp (B.C. Annual Report of Mines, 1901-1917). Geophysical and diamond drilling programs on the Copper Queen Camp were intermittently carried out by major companies including Noranda, McIntyre, Porcupine and Riocanex from 1955 to 1983.

The initial discovery of mineralization on the Prince of Wales Crown Grant, which is within the northeast quadrant of the Whales 95 claim, is reported as "small veins of rich ore" with exploration carried out prior to 1910. The Crown Grant was intermittently explored thereafter with a compilation of sampling results reported by Dr. Allan P. Fawley, P.Eng. in 1973. Sample results of selected vein materials were reported as attaining up to

3.25 ounces of gold per ton, 8.4 ounces of silver per ton and 16.97% copper.

Development work on the Prince of Wales consisted of a vertical shaft, approximately 30 feet deep and numerous open-cuts within a radius of 150 feet of the shaft. A 1907 Minister of Mines Report states that samples taken from the Wales shaft-dump and open-cuts only assayed a trace of gold and silver and no copper, whilst the showings consist of massive pieces of pyrite and arsenopyrite with the appearance of "small veins of rich ore", as quoted from the 1935 report of Minister of Mines.

It is also reported that "About half a mile west of the West Copper Cabin some development work has been done on a quartz vein impregnated with pyrite, varying from two to 12 inches of width. A picked sample of this ore reportedly assayed 2.02 oz in gold to the ton" (1907 Minister of Mines Report C251). The location of this sample has not been verified in the field but numerous shallow workings have reportedly been found in the vicinity of the West Copper Cabin.

In 1970, exploration work was completed on ground presently covered by the Whales 90-#1 and Whales 90-#3 claims to the northeast of the trenches and pits related to the pre-1910 Mabel-Jenney (Tye) showings. The work was targeted on a small lead-zinc skarn designated as the Penn showing which Rio Tinto explored from 1975 to 1978. The exploration included geological mapping, geophysical surveys, soil geochemistry and two diamond drill holes.

In 1988 an exploration program was completed for Pricam Explorations Inc. on the Louise Claim Group, an adjacent claim group which included the contiguous Princess Louise and the Prince of Wales reverted crown grants. Portions of adjacent ground to the east of the reverted crown grants was explored. That ground is presently covered by the Whales Claim Group. The results of the Whales Claim Group portion of the exploration indicated several multi-element soil geochemical anomalies in addition to Ronka EM anomalies.

In 1990 Canamax Resources Inc. completed line cutting, soil sampling and geological mapping in an area now covered by the Whales Claim Group with additional soil sampling, geological mapping and prospecting conducted in 1991.

Results of the soil geochem survey delineated spotty anomalous gold values related to sulfide mineralization zones in the Knob Hill metasediments.

The combined Helicopter-Borne magnetic, electro-magnetic, VLF-EM radiometric survey completed by Aerodat

for Canamax during the 1990-1991 exploration period targeted disseminated sulfides as the main exploration objective.

## REGIONAL GEOLOGY

### Regional Setting

The regional geology is indicated in the GSC Open File Map 1969; a geological compilation by Dirk Templeman-Kluit. The regional geology consist of metamorphic, sedimentary, intrusive and extrusive igneous rocks ranging in age from pre-Carboniferous to Tertiary that "reflect multiple episodes of deformation and igneous intrusions".

The basement rocks of the Greenwood region consist of pre-Carboniferous Knob Hill and Attwood group rocks with the Knob Hill Group consisting mainly of chert, greenstone, amphibolite and minor limestone and the Attwood Group consisting of limestone with thin chert interbeds.

The Knob Hill rocks were metamorphosed, uplifted and eroded and are unconformably overlain by the Triassic Brooklyn Formation. The Brooklyn and its basal unit, the Rawhide Formation, are comprised of sharpstone conglomerate, carbonates, shales and cherts. The Knob Hill and Brooklyn are intruded by the Greenwood granodiorite related to the Cretaceous Nelson Intrusions.

Subsequent to the Nelson Intrusions, the Greenwood region was extensively covered by Tertiary flows and intruded by Valhalla Intrusives, Marron Intrusives and Coryell Intrusives in addition to intrusions of quartz feldspar porphyry. The Valhalla Intrusives consist of granite and quartz monzonite. The Coryell Intrusives consist of syenite, quartz monzonite, minor granite and pulaskite.

The Brooklyn limestone hosts the larger mineral deposits of the Phoenix Camp. These deposits, including the Phoenix and the Snowshoe, are large, irregular replacement deposits containing chalcopyrite, pyrite and magnetite in a skarn formed by the metamorphism of limestone.

### Structure

According to Church (1985), the regional tectonics are represented by a series of normal and low to high angle reverse faults. In general, the western half of the Greenwood map area is characterized by north and northeast trending normal faults (Little 1983), whereas the eastern part is dominated by northwest trending block faults (Church 1986). Numerous horsts and grabens were

developed as a result of the east-west extensional tectonics of the Tertiary (Harris 1991).

Church (1985) reports that the extensive fissure system of the Mt. Attwood-Phoenix area conceivably provided the necessary channelways leading mineral solutions to the deposition of ore deposits with the igneous intrusions serving as the heat source in the process of convection and dispersion of the solutions.

Other mineral occurrences of note that have received attention are the Tam O'Shanter epithermal mineralization associated with Tertiary faults and copper-gold mineralization hosted by listwanite-serpentine.

### Property Geology

According to Harris (1991), the Whales Claim Group is located at the north end of the Toroda Creek Graben and underlain by the Permian Knob Hill Group, Triassic Brooklyn Formation, Cretaceous Nelson plutonic rocks and Tertiary sedimentary, volcanic and intrusive rocks. All these rocks have been subjected to faulting as described earlier.

For a complete description of the rock types mapped on the Whales Claim Group, reference is made to a report by Harris (1991). In summary, the Knob Hill rocks, consisting mainly of chert breccia, hornfelsed argillite and greenstone, occur in the northwesterly striking 1.3 km wide belt. The Brooklyn limestone, which is recrystallized, occurs as three northerly striking bands of 10 metres to 60 metres wide.

Garnet skarn occurs associated with lead and zinc, in addition to minor amounts of garnet skarn and calc-silicate occurring locally. A circular stock of granodiorite occurs within the Jenny grid and hosts the Jenny gold veins. Syenite intrusive rocks are the predominant Tertiary rocks.

### Mineralization

Mineral deposits in the Greenwood region vary, ranging from contact metasomatic skarn deposits with base metal occurrences to fissure-controlled quartz veining and sulfide deposits carrying precious metal values.

Harris (1991) reports and describes three types of mineralization on the Whales Claim Group:

(1) Disseminations and veins of pyrrhotite-pyrite with anomalous gold in Knob Hill sediments.

This type of mineralization occurs in two areas. Veins of massive sulfides are up to one metre wide with

anomalous amounts of gold and arsenic. Chip sample assays ranged from five to 2,280 ppb gold. Arsenic values are up to greater than 10,000 ppm.

(2) Sulfide bearing skarns in Brooklyn limestone.

The skarn occurs at the Penn showing where three-three metre Canamax chip samples returned assay values averaging 1,246 ppm copper, 27.5 ppm silver, greater than 10,000 ppm zinc, 75 ppm lead and 247 ppb gold. Two 1976 drill holes under this showing reportedly failed to intercept significant mineralization.

(3) Gold bearing quartz veins within the Jenny Grid.

The Coronation vein is a 10 to 15 cm wide quartz-pyrite-arsenopyrite vein hosted by Knob Hill greenstone. Two selected samples from this vein reportedly assayed 11 and 34 grams gold per tonne. The Mabel-Jenny veins are quartz-arsenopyrite-pyrite veins controlled by shear zones. Sample results from these veins are reported up to 9.2 grams gold per tonne.

1994 Exploration Program

(N.B. - which was carried out by the Company. See page 43 for costs).

In May 1994 a 11.6 km Induced Polarization Resistivity and ground Magnetics Survey was completed over a portion of the Whales Claim Group. The geophysical surveys covered an area of known copper-gold enriched sulfide mineralization along a contact between diorite and clastic sediments.

Six Rotary Percussion and five NQ core hole sites were selected for drilling based on the geophysical results in conjunction with existing geological and geochemical data. Five of the six Rotary Percussion drill sites and three of the five NQ core hole sites were drilled for a total of 650.6 metres.

Results of the 1994 Exploration Program

The 1994 geophysical program was successful in outlining a strong chargeability zone associated with disseminated sulfides near intrusive contacts. In addition, the IP results delineated several previously unknown vein-like anomalies.

Five Rotary Percussion holes were completed totalling 456 metres and were drilled to test IP, resistivity and geochemical anomalies. The drill cuttings were sampled at 1.5 metre intervals and analyzed for

geochemical gold. The sixth Rotary Percussion proposed drill hole was not drilled.

Drill hole 94WH #2R returned a high gold value of 2,040 ppb from 57.92 - 59.45 metres (190-195 feet) related to possible quartz veining in a pyritic diorite. The high gold assay in 94WH #3R of 535 ppb gold is associated with a pyritic hornfels contact zone above a granodiorite and may also be associated with thin quartz veining.

Drill hole 94WH #4R intersected a 1.5 metre section between 68.6 to 70.12 metres (225-230 feet) which was indicated to be related to quartz flooding within a pyritic hornfels between two zones of granodiorite. Drilled on the east side of the grid, well away from the main surface showings, drill hole 94WH #5R returned anomalous gold values with a highly anomalous value of 1,510 ppb gold from 62.5 to 64 metres (205 to 210 feet). The intersection was from an area of increased pyrite content (up to 5%) of a siliceous hornfels below a granodiorite. Fifty-two of the sixty possible assays returned detectable gold values ranging from a low of 15 ppb to a high of 1,510 ppb with a mean value for the 52 samples of 223 ppb gold. This represented the most significant gold values encountered in the drill hole program.

Fifty ppb gold was the highest gold assay value from drill hole 94WH #6R and appears to be associated with increased pyrite and traces of chalcopyrite in a siliceous pyritic metasediment.

The following table presents a summary of the Rotary Percussion drill hole geochemical data:

<u>Drill Hole</u>	<u>Min Au* ppb</u>	<u>Max Au ppb</u>	<u>Mean Au ppb</u>	<u>No. of observations &gt;5 ppb Au out of 60 possible</u>
94WH #2R	5	2,040	117	51
94WH #3R	5	525	57	27
94WH #4R	5	90	35	15
94WH #5R	15	1,510	223	52
94WH #6R	5	50	16	31

\* Detection limit 5 ppb gold.

In addition, three core holes totalling 193.6 metres (635 feet) were drilled to test geophysical and geochemical targets. The program met with limited success as drilling was challenging due to the hardness and highly fractured nature of the rock. Core hole 94WH #1C was abandoned at 26.83 metres (88 feet) when adverse rock conditions prevented reasonable core recovery and penetration rates. Core hole 94WH #2C, 100 metres north

of 94WH #1C, was drilled southerly to a depth of 97.56 metres at -45° towards 94WH #1C with improved core recovery but very slow drilling rates. The core indicated pyrite and trace amounts of arsenopyrite on fracture planes with veinlets in the highly fractured silica flooded metasediment which was also encountered in drill holes 94WH #1 and 94WH #2. Samples of splits from the best visible pyrite bearing sections did not return any elevated gold values.

Megascopically, core hole 94WH #3C was not as well mineralized with sulfides as the first two core hole and therefore was not assayed.

#### Recommended Exploration Program

A continuation of the 1994 exploration program is recommended to further evaluate the IP, resistivity and ground magnetics survey and to investigate the significance of the anomalous gold values of drill holes 94WH #2R and 94WH #5R. The continuing exploration program should begin with a localized detailed soil geochem program, specifically around drill hole 94WH #5R. Follow-up of the anomalous soil and rock samples from the 1990-1991 Canamax geochemical data and the two Aerodat conductors should be implemented.

Areas deemed to hold the potential for economic gold mineralization should be trenched and subsequently mapped in detail to explore for favourable geological controls to mineralization. Rotary Percussion and diamond drilling to test for continuity of any indicated mineralization would follow.

The information set out above has been excerpted from a report prepared by Laurence Sookochoff, P.Eng. dated October 25th, 1995 except where marked "N.B.". The said report is lodged at the registered office of the Company, 430 - 580 Hornby Street, Vancouver, B.C., where it may be examined, during normal business hours, during the period of the Offering.

An Addendum consisting of a property location map and property plan map of this property is located before the "Financial Statements" herein.

The Company has expended \$112,935 on exploring the property, to date (including the costs of the 1994 exploration program).

If the Maximum Offering is subscribed for, the Company intends to carry out the Stage I program recommended in the report of Laurence Sookochoff, P.Eng. dated October 25th, 1995 following completion of the Offering. The recommended Stage I program consists of soil and rock geochemical surveys, IP and magnetometer



surveys, geological mapping, prospecting, assaying and rotary percussion drilling, at an estimated cost of \$100,000. If only the Minimum Offering is subscribed for, none of the proceeds from the Offering will be expended for exploration work on this Property.

If the Maximum Offering is subscribed for, immediately after receipt of funding from this Offering, the Company shall seek appropriate regulatory approvals to carry out the Stage I exploration program. It is anticipated that the approvals will be available within 30 days after submissions are made. The Stage I exploration program is expected to commence immediately thereafter and is estimated to be completed within 3 to 4 months. Exploration results will be announced immediately after receiving any assay results or their equivalent.

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

THERE IS NO KNOWN BODY OF COMMERCIAL ORE ON THIS PROPERTY AND THE PROPOSED PROGRAM IS AN EXPLORATORY SEARCH FOR ORE.

#### PLAN OF DISTRIBUTION

The Company, by an agreement (the "Agency Agreement") dated July 18th, 1995 as amended on November 14th, 1995 has appointed Yorkton Securities Inc. as its agent ("Agent") to offer through the facilities of the Vancouver Stock Exchange (the "Exchange") 1,000,000 flow-through common shares (the "Flow-Through Shares") and up to 1,000,000 non flow-through common shares (the "Non-Flow Through Shares") (hereinafter collectively referred to as the "Shares") of the Company at a price of \$0.52 per Flow-Through Share and Non-Flow Through Share (the "Offering Price").

#### Minimum Subscription

In the opinion of the Company's Directors, it will be necessary to sell 1,800,000 Shares (the "Minimum Offering") offered by this Prospectus in order to raise sufficient funds to carry out the recommended exploration programs and to provide for administration and adequate working capital. The Minimum Offering will be comprised of 1,000,000 Flow-Through Shares and 800,000 Non-Flow Through Shares. All subscription proceeds received by the Agent or other registered dealers or brokers authorized by them, will be forwarded to and held by the Agent pending the closing of the Offering. The Offering will be made on a day (the "Offering Day") to be agreed upon between the Company and the Agent, on or before the earlier of the day which is:

(a) 180 days following the date on which a final receipt is issued by the British Columbia Securities Commission in respect to this Prospectus; and

(b) twelve months from the date of issue by the British Columbia Securities Commission of a receipt for the Preliminary Prospectus filed in connection with this Offering.

The Agent has agreed to purchase the balance of the Shares comprising the Minimum Offering for which subscriptions have not been received on the Offering Day.

### Flow-Through Shares

The Flow-Through Shares will be issued to those persons who subscribe for the Flow-Through Shares (the "Subscribers"). The Flow-Through Shares issued pursuant thereto will be ordinary, transferable, free trading common shares of the Company, listed for trading on the Exchange.

A Subscriber subscribing for Flow-Through Shares will advance an amount (the "Subscription Contribution") of \$0.52 per Flow-Through Share. The Subscription Contribution will be advanced through the Agent to the Company. The Company shall allocate 100% of each Subscriber's Subscription Contribution to Flow-Through Shares.

An investor who purchases Flow-Through Shares must execute and deliver to the Agent a power of attorney, in the form which accompanies this Prospectus as Schedule "B" and which authorizes the President or Secretary of the Company to execute on behalf of the investor, the Flow-Through Share Subscription Agreement (the "Flow-Through Share Subscription Agreement"), in the form which accompanies this Prospectus as Schedule "A" and forms a part of this Prospectus, in order for the investor to receive "flow-through" tax treatment for his subscription as described under the heading "Income Tax Consequences" on page 48. Subscribers will then become party to and shall thereupon become bound by all of the terms and conditions of the Flow-Through Share Subscription Agreement. THE COMPANY WILL ONLY BE ABLE TO MAKE A RENUNCIATION TO AN INVESTOR OF THOSE "FLOW-THROUGH EXPENSES" WHICH ARE INCURRED BY THE COMPANY AFTER THE DATE ON WHICH THE INVESTOR ENTERS INTO A WRITTEN AGREEMENT WITH THE COMPANY RELATING TO THE INCURRENCE OR RENUNCIATION OF THE SUBJECT EXPENSES ASSOCIATED WITH THE EXPLORATION WORK RECOMMENDED BY MR. LAWRENCE SOOKOHOFF, P.ENG. ACCORDINGLY, INVESTORS IN FLOW-THROUGH SHARES MUST PROVIDE A DULY EXECUTED POWER OF ATTORNEY WITH THEIR SUBSCRIPTION PROCEEDS IN ORDER TO ENSURE PRESERVATION OF THEIR

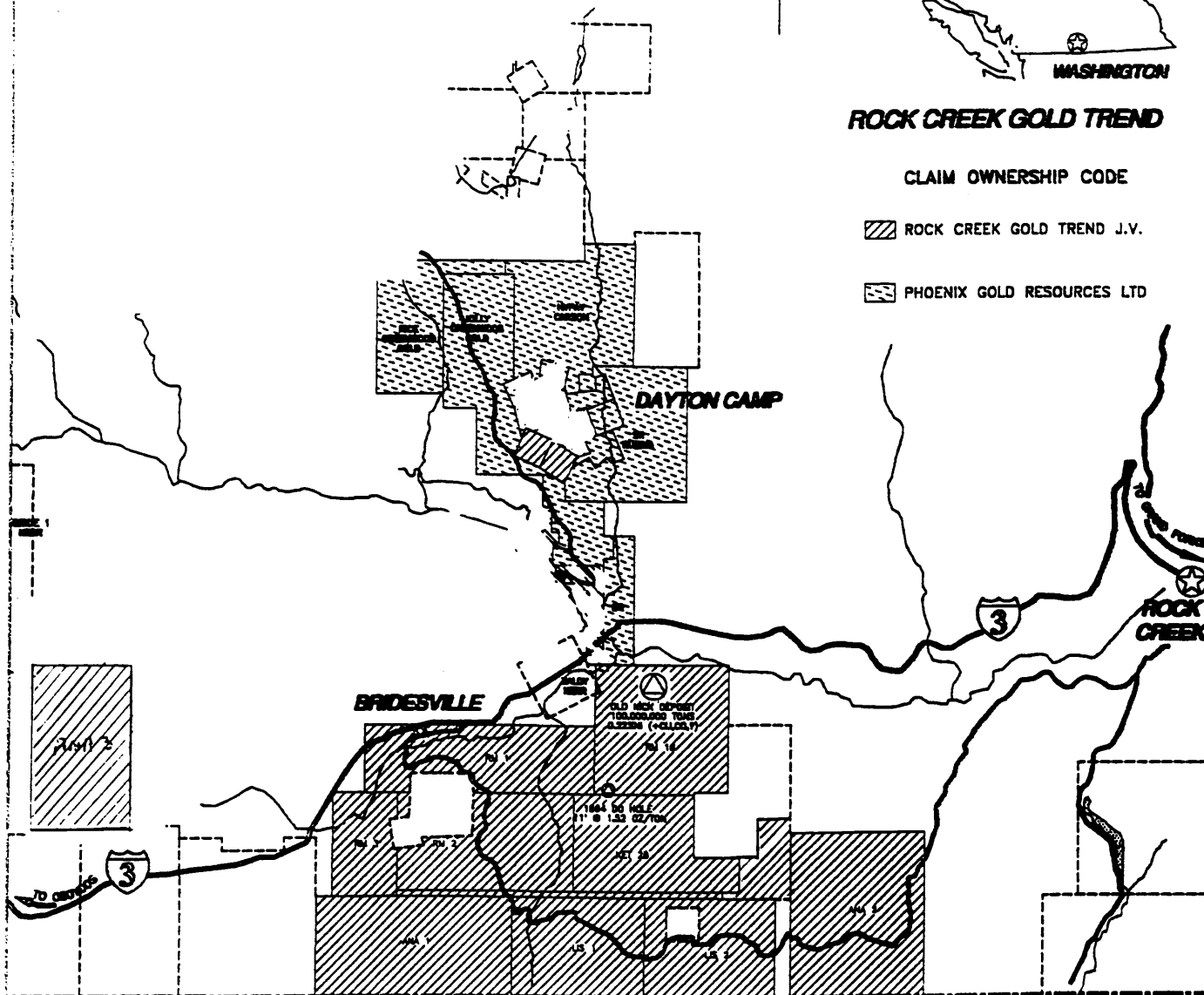


**ROCK CREEK GOLD TREND**

CLAIM OWNERSHIP CODE

 ROCK CREEK GOLD TREND J.V.

 PHOENIX GOLD RESOURCES LTD




**CANADA - USA BORDER**

**PHOENIX GOLD RESOURCES LTD.**

 MOLSON PROSPECT

ROCK CREEK, B.C. NTS 82E3E

 POLARIS CHINA PROSPECT

**Location Map**

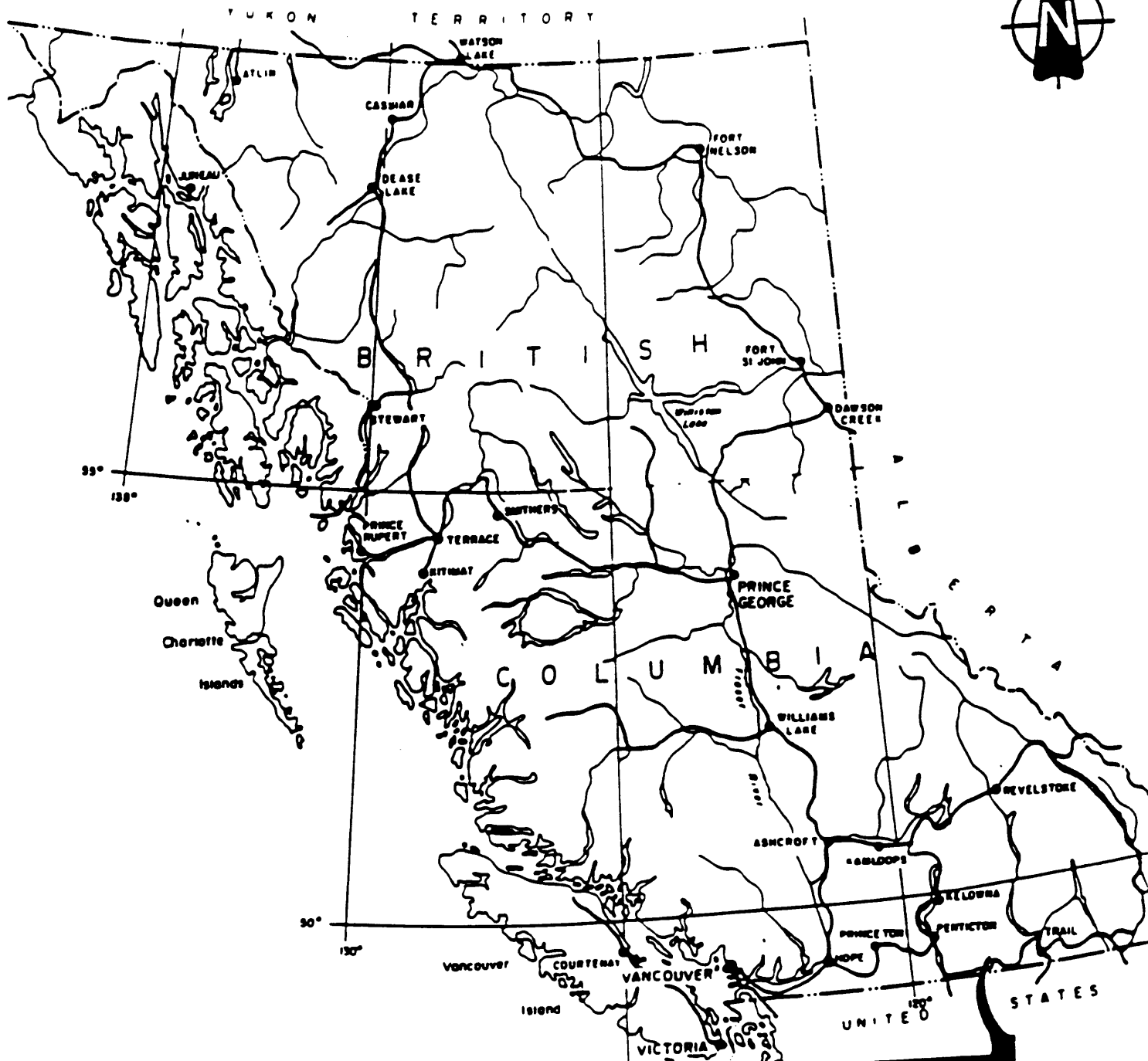


**CROWN JEWEL**   
**DEPOSIT**  
1,800,000 OUNCES PROVEN  
CONSTRUCTION SCHEDULED - 1995

**CHESAW** 

**FIGURE 1**

"MAPS"



**WHALES CLAIM GROUP**

**PHOENIX GOLD RESOURCES LTD**

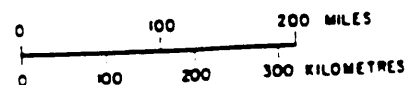
**WHALES  
PROPERTY LOCATION MAP  
GREENWOOD MINING DIVISION**

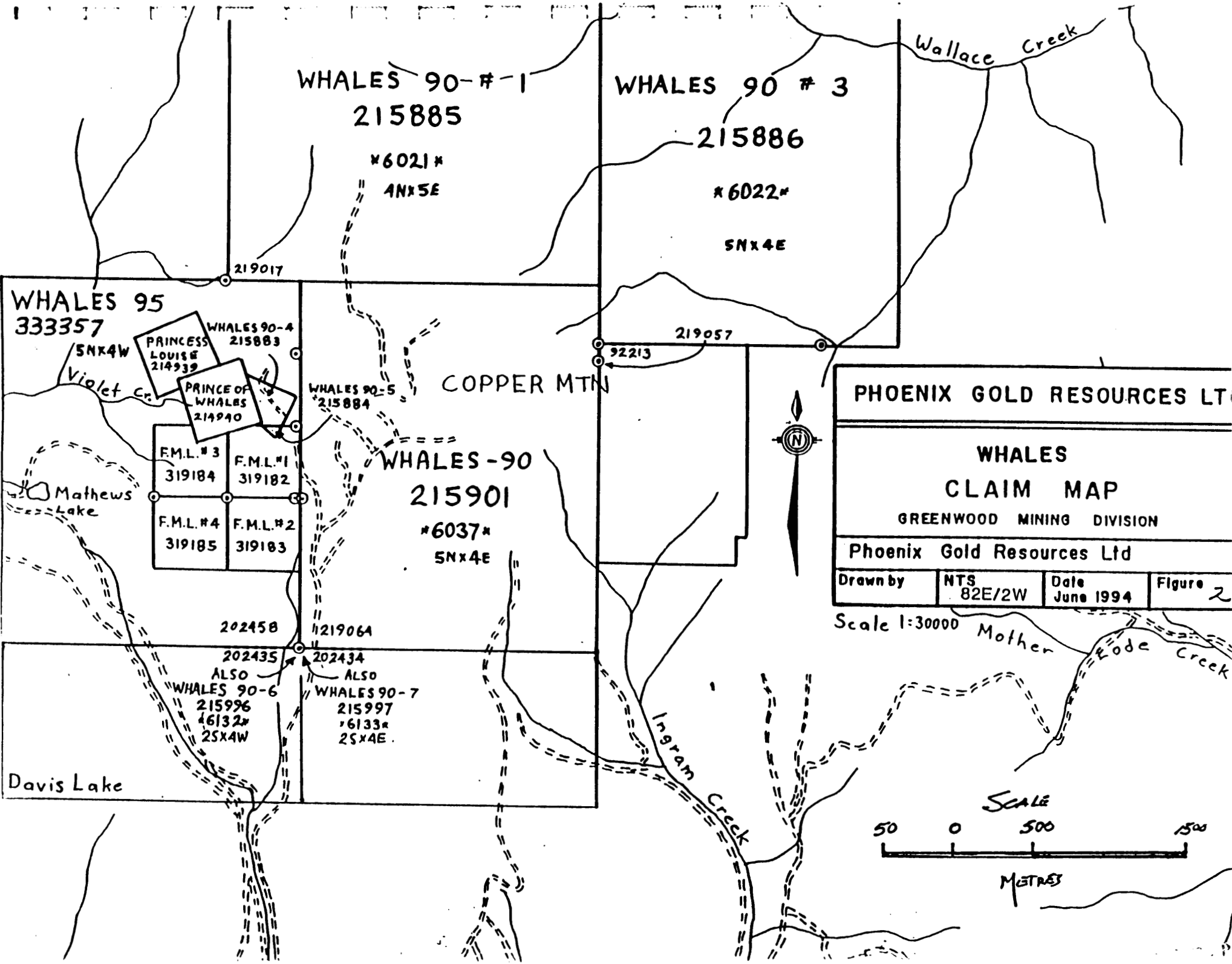
**Phoenix Gold Resources Ltd**

Drawn by NTS  
R2F/3E

Date  
June 1994

Figure 1





WHALES 90-#-1  
215885

WHALES 90 # 3  
215886

\*6021\*  
4N x 5E

\*6022\*  
5N x 4E

219017

219057

92213

WHALES 95  
333357

WHALES 90-4  
215883  
PRINCESS LOUISE  
214939  
PRINCE OF WHALES  
214940

COPPER MTN

WHALES 90-5  
215884

F.M.L. #3  
319184  
F.M.L. #1  
319182  
F.M.L. #4  
319185  
F.M.L. #2  
319183

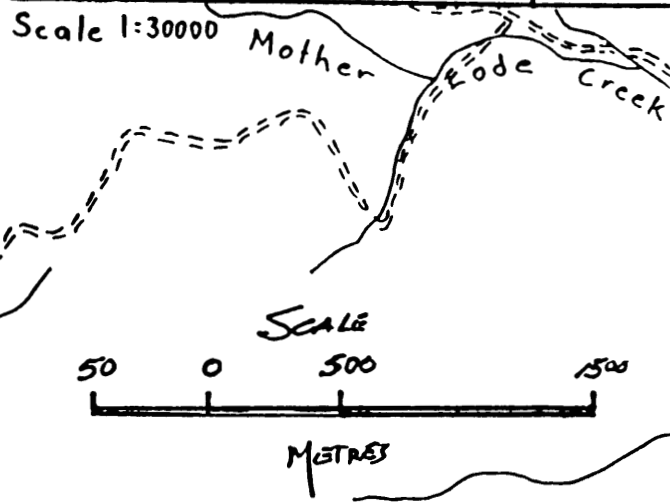
WHALES-90  
215901  
\*6037\*  
5N x 4E

PHOENIX GOLD RESOURCES LTD

WHALES  
CLAIM MAP  
GREENWOOD MINING DIVISION

Phoenix Gold Resources Ltd

Drawn by	NTS 82E/2W	Date	June 1994	Figure	2
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202458  
202435  
ALSO  
WHALES 90-6  
215996  
46132\*  
25 x 4W

21906A  
202434  
ALSO  
WHALES 90-7  
215997  
46133\*  
25 x 4E

Davis Lake