G.A.

Wisconsin

PROPERTY FILE

82FSE036

002605

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.

NEW ISSUE PROSPECTUS

DUTCH CREEK RESOURCES LTD.

(the "Issuer")
1922 Ironwood Court
Port Moody, British Columbia
V3H 4C3
Telephone No. 604-461-6971

OFFERING OF 400,000 COMMON SHARES AND 100 CEE UNITS

THE ISSUER IS OFFERING TO THE PUBLIC THE RIGHT TO SUBSCRIBE FOR COMMON SHARES (THE "SHARES") AT A PRICE OF $0.45 PER SHARE, AND FLOW-THROUGH UNITS (THE "UNITS") AT A PRICE OF $460 PER UNIT. EACH UNIT ENTITLES THE SUBSCRIBER TO RECEIVE A RENUNCIATION OF UP TO $450 OF CANADIAN EXPLORATION EXPENSES UNDER THE INCOME TAX ACT (CANADA). EACH UNIT CONSISTS OF A TOTAL OF 1,000 SHARES AND 3,000 SERIES "A" SHARE PURCHASE WARRANTS.

	Number	Price to Public	Agent's Commission	Net Proceeds to Company (1)
Per Share	1	$ 0.45	$ 0.045	$ 0.405
Total Shares	400,000	$180,000	$18,000	$162,000
Per Unit	1	$ 460	$ NIL (2)	460
Total Units	100	$ 46,000	$ NIL (2)	46,000
Totals		$226,000	$18,000	$208,000

(1) Before deduction of costs of the issue estimated not to exceed $20,000.

(2) The Issuer will pay the Agent a fee of $46 from working capital for each Unit sold.

THERE IS CURRENTLY NO MARKET FOR THE SECURITIES BEING OFFERED UNDER THIS PROSPECTUS. THE SHARES AND UNITS OF THIS OFFERING MUST BE CONSIDERED SPECULATIVE. THERE IS NO MARKET FOR THE SECURITIES OF THE ISSUER AND THERE IS NO ASSURANCE A MARKET WILL DEVELOP. THE PROPERTIES IN WHICH THE ISSUER HAS AN INTEREST ARE IN THE EXPLORATION AND DEVELOPMENT STAGE ONLY AND ARE WITHOUT A KNOWN BODY OF COMMERCIAL ORE. NO SURVEY OF ANY PROPERTY OF THE ISSUER HAS BEEN MADE, AND IN ACCORDANCE WITH THE LAWS OF THE JURISDICTION IN WHICH THE PROPERTIES ARE SITUATED, THEIR EXISTENCE AND AREA COULD BE IN DOUBT. SEE "RISK FACTORS".

THE PRICE TO THE PUBLIC OF THE SHARES AND UNITS OFFERED BY THIS PROSPECTUS WAS DETERMINED BY NEGOTIATION BETWEEN THE ISSUER AND THE AGENT.

THE VANCOUVER STOCK EXCHANGE HAS CONDITIONALLY LISTED THE SECURITIES BEING OFFERED PURSUANT TO THIS PROSPECTUS. LISTING IS SUBJECT TO THE COMPANY FULFILLING ALL THE LISTING REQUIREMENTS OF THE VANCOUVER STOCK EXCHANGE ON OR BEFORE MAY 21, 1988, INCLUDING PRESCRIBED DISTRIBUTION AND FINANCIAL REQUIREMENTS.

UPON COMPLETION OF THE OFFERING OF SHARES AND ISSUANCE OF SHARES OF UNITS THE SHARES QUALIFIED BY THIS PROSPECTUS WILL REPRESENT 30.08% OF THE SHARES OF THE ISSUER THEN OUTSTANDING AS COMPARED TO 52.65% THAT WILL THEN BE DIRECTLY OR INDIRECTLY OWNED BY THE PROMOTERS, DIRECTORS AND OFFICERS OF THE ISSUER. SEE "PRINCIPAL HOLDERS OF SECURITIES" FOR DETAILS OF SHARES HELD BY DIRECTORS, OFFICERS AND PROMOTERS.

THE NET ASSET VALUE PER SHARE AFTER COMPLETION OF THE OFFERINGS BUT BEFORE EXERCISE OF ANY SERIES "A" WARRANTS OR BROKER'S WARRANTS WILL BE 16.67 CENTS REPRESENTING A DILUTION OF 62.96%, ON A FULLY DILUTED BASIS, OR 33.32 CENTS, REPRESENTING A DILUTION OF 25.96%, EXCLUDING THE ESCROWED SHARES.

THIS PROSPECTUS ALSO QUALIFIES FOR SALE TO THE PUBLIC AT THE MARKET PRICE FOR THE ISSUER SHARES, AT THE TIME OF ANY SALE, ANY SHARES ACQUIRED UPON THE EXERCISE OF THE SERIES "A" WARRANTS, ANY SHARES OF THE ISSUER WHICH THE AGENT MAY ACQUIRE ON EXERCISE OF THE AGENT'S WARRANTS OR GREENSHOE OPTION. SEE "PLAN OF DISTRIBUTION".

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

Name and Address of Agent

OSLER INC.
14th Floor, 1177 West Hastings Street
Vancouver, British Columbia

Date: October 29, 1987 Effective Date: November 24, 1987

PROSPECTUS SUMMARY

THE ISSUER: The Issuer was incorporated on the 20th day of December, 1985 by registration of its Memorandum and Articles under the Company Act (British Columbia). The name of the Issuer, initially 302189 B.C. Ltd., was changed on April 25, 1986 to Hyperion Industries Ltd. On March 10, 1987, the name was changed to its present name. The head office of the Issuer is located at 1922 Ironwood Court, Port Moody, British Columbia, V3H 4C3, and its registered and records office is located at 2550 - 555 West Hastings Street, Vancouver, British Columbia, V6B 4N5.

AMOUNT: $226,000

SHARE OFFERING: The Issuer offers to the public 400,000 common shares of the Issuer at a price of $0.45 per share.

FLOW-THROUGH OFFERING: The Issuer also offers to the public 100 units (the "Flow-Through Units") at a price of $460 per Unit, each Unit consisting of 1,000 flow-through shares (the "Flow-Through Shares") of the Issuer. Each Flow-Through Share will have three Series "A" share purchase warrants attached, where three such warrants will entitle the holder to purchase an additional common share of the Issuer for $0.50. See "Plan of Distribution".

RISK FACTORS: The Issuer is in the business of mineral exploration and development. Mineral exploration and development is a speculative business. The marketability of any minerals acquired by the Issuer will be affected by numerous factors, which include production costs, market fluctuations, processing prices and government regulation, including regulations relating to royalties, allowable production, importing and exporting of minerals and environmental protection, which cannot be accurately predicted. In addition, the properties in which the Issuer has an interest are in the exploration and development stage only and are without a known body of commercial ore. No survey of any property of the Issuer has been made, and in accordance with the laws of the jurisdiction in which the properties are situated, their existence and area could be in doubt. See "Speculative Aspects".

PRO FORMA DILUTION OF INVESTMENT:

The net asset value per share after completion of the Offerings but before exercise of any Series "A" warrants or broker's warrants will be 16.67 cents representing a dilution of 62.96%, on a fully diluted basis, or 33.32 cents, representing a dilution of 25.96%, excluding the escrowed shares.

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THE ISSUER

DUTCH CREEK RESOURCES LTD. (the "Issuer") was incorporated on December 20, 1985 by registration of its Memorandum and Articles under the Company Act (British Columbia). The name of the Issuer, initially 302189 B.C. Ltd., was changed on April 25, 1986 to Hyperion Industries Ltd. On March 10, 1987, the name was changed to its present name. The head office of the Issuer is located at 1922 Ironwood Court, Port Moody, British Columbia V3H 4C3, and its registered and records offices is located at 2550 - 555 West Hastings Street, Vancouver, British Columbia V6B 4N5. The authorized share capital of the Issuer consists of 100,000,000 common shares.

PLAN OF DISTRIBUTION

Share Offering

The Issuer by its Agent hereby offers (the "Offering") to the public through the facilities of the Vancouver Stock Exchange (the "Exchange") 400,000 shares (the "Shares") of the Issuer at a price of $0.45 per share (the "Offering Price"). The Offering will be made in accordance with the rules and policies of the Exchange and on a day (the "Offering Day") determined by the Agent and the Issuer, with the consent of the Exchange, within a period of 180 days from the date (the "Effective Date") upon which the Shares of the Issuer are conditionally listed on the Exchange.

Flow Through Offering

The Issuer by its Agent also offers, on a best efforts basis, (the "Flow Through Offering") to the public through the facilities of the Vancouver Stock Exchange (the "Exchange"), 100 Units (the "Flow Through Units"), which each Flow Through Unit being a security for which:

(a) the subscriber will receive 1,000 flow through-shares ("Flow-Through Shares") of the Issuer and receive a renunciation of up to $450 of eligible Canadian exploration expenses;

(b) each Flow-Through Share will have three Series "A" share purchase warrants attached, where each three Series "A" warrants will entitle the holder to purchase an additional common share of the Issuer for $0.50; and

(c) the price of the Unit is $460, equivalent to $0.45 per Flow-Through Share, and $10 for the Series "A" warrants.

The Flow-Through Offering will also take place on the Offering Day.

An Investor subscribing for Flow-Through Units will advance $460 (the "Subscription Amount") per Flow-Through Unit through the Agent to the Issuer. Investors will then become party to and shall thereupon become bound by all the terms and conditions of the agreement (the "Flow-Through Share Participation Agreement") attached to this Prospectus.

Appointment of Agent

By an agreement (the "Agency Agreement") dated July 23, 1987, the Issuer appointed Osler Inc. (the "Agent") as its agent to offer the Shares and Units through the facilities of the Exchange.

The Agent has agreed to purchase any Shares not sold at the conclusion of the Offering Day, which is within a period of 180 days from the date on which the final receipt for the Prospectus is issued by the Superintendent of Brokers for the Province of British Columbia. In consideration therefor, the Agent has been granted non-transferable share purchase warrants (the "Agent's Warrants") entitling it to purchase up to 100,000 shares of the Issuer at any time up to the close of business 180 days from the listing of the Issuer's shares on the Exchange or 12 months from the Effective Date of this Prospectus, whichever is earlier, at a price of $0.50 per share.

The Agent will receive a commission of $0.045 per Share, and will further receive a fee of $46, to be paid from the Issuer's working capital, for each Unit sold.

The Agent is entitled to over allot the shares of the Issuer in connection with the Offering and the Issuer has granted to the Agent an option (the "Greenshoe Option") to purchase at $0.405 per share the number of shares of the Issuer which is the lesser of 15% of the Offering or the actual number of shares subscribed for by way of an over-subscription during primary distribution of the Shares. The Greenshoe Option will be exercisable for a period of 30 trading days from the Offering Day. The number of shares subject to the Greenshoe Option will be determined at the conclusion of the Offering Day. Alternatively, the Agent is entitled to cover each over allotment by making purchases of the Issuer's shares in the open market through the facilities of the Exchange at the market price from time to time during the exercise period of the Greenshoe Option. The Greenshoe Option is on the Offering only, not the Flow-Through Offering.

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

The obligations of the Agent under the Agency Agreement may be terminated at any time before the opening of the market on the Offering Day.

The Issuer has granted the Agent a right of first refusal to provide future equity financing to the Issuer for a period of 12 months from the Effective Date.

Share Purchase Warrants

(a) **Series "A" Warrants** The Series "A" share purchase warrants to be issued upon issuance of the Flow-Through Shares will be transferable and in bearer form and subject to filing evidence of satisfactory distribution with the Exchange will be posted for trading on the Exchange. The Series "A" warrants will contain, among other things, anti-dilution provisions and provision for appropriate adjustment of the class, number and price of shares issuable pursuant to any exercise thereof upon the occurrence of certain events including any subdivision, consolidation or reclassification of the Shares or the payment of stock dividends. Three such warrants will entitle the holder to purchase one common share of the Issuer at any time up to the close of business 180 days following the Offering Day or 12 months from the Effective Date of this Prospectus, whichever is earlier, at a price of $0.50.

(b) **Agent's Warrants** The Agent's Warrants will have the same terms and conditions as the Series "A" warrants except they will be non-transferable and only one Agent's Warrant is required to purchase one share in the capital of the Company.

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

The Directors, Officers and other Insiders of the Issuer may purchase Shares from this Offering at the market price prevailing at the time of sale at any time up to 180 days from the date of listing of the Issuer's shares on the Exchange but not more than one year from the date of this Prospectus.

The Vancouver Stock Exchange has conditionally listed the securities being offered pursuant to this Prospectus. Listing is subject to the Company fulfilling all the listing requirements of the Vancouver Stock Exchange on or before May 21, 1988, including prescribed distribution and financial requirements.

Additional Offering

The Prospectus also qualifies for sale to the public at the market price prevailing at the time of the sale, any of the common shares purchased by the Agent hereunder and any of the common shares which may be acquired on the exercise of the Agent's Warrants at any time up to 180 days from the listing of the Issuer's shares on the Exchange but not more than one year from the date of this Prospectus. The Issuer will not receive any proceeds from the sale of any such shares by the Agent, all of which proceeds will in such event accrue to the Agent.

USE OF PROCEEDS

The gross proceeds to be received by the Issuer from the sale of Shares and Units will be $226,000. The Issuer has cash on hand of $10.91 as of October 26, 1987. The total funds will be expended in priority in accordance with the below allocation, however all Unit subscriptions will be applied exclusively to Property development.

	Allocation Category	Fund Allocation
(a)	Agent's commissions	$ 18,000.00
(b)	Agent's fee on sale of Units	4,600.00
(c)	To pay the costs of this Offering	20,000.00
(d)	To make the payments to the Owners under the Esperanza Option from January 15, 1988 through July 1, 1988. 1*	31,440.00
(e)	To pay estimated accounts payable at October 26, 1987	19,698.00
(f)	To conduct Phase 1 of the work program on the Property recommended by C.J. Westerman, Ph.D. F.G.A.C. in his report of June 5, 1986 (all proceeds from the Flow-Through Offering will be applied towards this expenditure)	100,000.00

(g) Working Capital	32,272.91
TOTAL:	$226,010.91

.1* By an agreement dated May 6, 1986 (the "Option Agreement") the Issuer acquired from Esperanza Explorations Ltd. ("Esperanza") the exclusive option to purchase its 70% working interest in and to an option on the below-referred 12 mineral claims (the "Property") located in the Nelson Mining District, British Columbia . Esperanza has the option to acquire a 100% interest in and to the Property by October 1, 1989 pursuant to an agreement dated September 30, 1983 and amended April 2, 1986 (the "Esperanza Option"). The Esperanza Option will be exercised upon the payment of a total of U.S.$179,000, of which U.S.$76,800 has been paid to date, after production of the Property is commenced and until the aggregate of U.S.$3,000,000 has been paid, the owners of the Property will be entitled to receive the greater of a 3% net smelter return or U.S.$25,000 for each calendar quarter.

The Option Agreement provides that, in order to exercise the option, the Issuer will pay U.S.$7,100 to Esperanza, which sum has been paid, and will issue to Esperanza a total of 200,000 of its common shares pursuant to the schedule as referenced below. The Issuer is also required to make all payments to the owners of the Property under the Esperanza Option, which payments include U.S.$8,000 per calendar quarter beginning July 1, 1987 and ending October 1, 1989 inclusive. The company paid the July 1, 1987 and October 1, 1987, U.S.$8,000 payments to Esperanza on October 13, 1987. The above-referenced Can.$31,400 (U.S.$24,000 based on a U.S.exchange rate of 1.31) payment will cover the payments from January 15, 1988 through July 1, 1988. See "Description of Business and Property of the Issuer" herein. The company borrowed the sum of U.S.$16,000 (Can.$20,960 based on a U.S. exchange rate of 1.31) from Abbotsford Drilling and Contracting Ltd., in order to make the July 1, 1987 and October 1, 1987 payments to Esperanza in the amount of U.S.$8,000 each.The said loan is payable on demand and bears interest at the rate of ten per cent (10%) per annum calculated from October 9, 1987. By way of an acknowledgement dated October 26, 1987, Abbotsford Drilling and Contracting Ltd. agreed to defer payment on the loan until November 1, 1988.

Any proceeds received from the exercise of the Agent's Warrants, the Greenshoe Option or the Series "A" warrants will be applied to working capital.

The allocation of funds in the foregoing manner appears warranted on the basis of information presently available to the Issuer and current circumstances, economic and otherwise. However, the Issuer's management may elect to redirect these funds to other resource properties in light of further information or a subsequent change in such circumstances, in accordance with advice from its independent qualified engineer. If any such event occurs during the primary distribution of the Shares and Units referred to in this Prospectus, an amendment to this Prospectus will be filed with the British Columbia Securities Commission. If such event occurs subsequent to completion of the primary distribution, the shareholders and Unit holders will be notified.

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

DESCRIPTION OF BUSINESS AND PROPERTY OF THE ISSUER

The Business

The Issuer's principal business is the exploration and development of mineral properties referred to herein. The Issuer owns or has interests in the Property described under the heading "The Property" and intends to seek and acquire additional properties worthy of exploration and development.

The Property

By an agreement dated May 6, 1986 (the "Option Agreement"), the Issuer acquired the exclusive option to acquire 70% of the working interest of Esperanza Explorations Ltd. ("Esperanza"), of 1027 - 470 Granville Street, Vancouver, B.C., in the following 12 mineral claims:

Name	Record No.	Units	Expiry
Wisconsin	L2928	1	Crown grant
Lucky Strike	L2929	1	Crown grant
Wis 1	1558	20	March 19, 1994
Wis 2	1559	20	March 19, 1993
Wis 4	1939	4	October 7, 1993
Lis 1	3537	20	October 24,1992

Lis 2	3538	20	October 24,1992
Lis 3	3539	20	October 24,1994
Lis 4	3540	20	October 24,1993
Lis 5	3541	20	October 24,1992
Lis 6	3795	16	August 3, 1993
Lis 7	3796	16	August 3, 1993

(the "Property"), all located in the Nelson Mining District, British Columbia.

Esperanza has the option (the "Esperanza Option") to acquire by October 1, 1989 a 100% interest in and to the Property pursuant to an agreement dated September 30, 1983 and amended April 2, 1986 with Valarie Harper-Powell, the Stambaugh Trust, Catherine T. Cochran, Margaret M. McGinnis, Mary Francis Rooney and George Bernard Fleming (jointly the "Owners"). The Esperanza Option will be exercised upon the payment of a total of U.S.$179,000 (of which U.S.$115,000 has been paid to date). After production of the Property is commenced and until the aggregate of U.S.$3,000,000 has been paid, the Owners will be entitled to receive the greater of 3% of net smelter returns for each calendar quarter or U.S.$25,000. Esperanza has the sole right to conduct exploration and development of the Property during the term of the Esperanza Option.

The Option Agreement provides that, in order to exercise the option, the Issuer will:

(a) pay U.S.$7,100 to Esperanza, which has been paid;

(b) issue 200,000 shares to Esperanza as follows:

(i) 25,000 shares upon the date of issuance by the Superintendent of Brokers (British Columbia) of a receipt for this Prospectus;

(ii) 25,000 shares on the date the shares of the Issuer are listed on the Vancouver Stock Exchange (the "VSE");

(iii) 50,000 shares upon filing with the VSE an acceptable engineering report disclosing the results of a minimum $50,000 work program and recommending further work on the Property involving an expenditure of at least $50,000;

(iv) 50,000 shares upon filing with the VSE an acceptable engineering report recommending further work on the Property involving an expenditure of at least a further $50,000 subsequent to the report and expenditure referred to in subparagraph (iii); and

(v) the remainder upon filing with the VSE an acceptable engineering report recommending further work on the Property involving an expenditure of at least a further $50,000, subsequent to the report and expenditure referred to in subparagraph (iv).

The Issuer will also make all payments to the Owners under the Esperanza Agreement as follows:

Payment Date	Amount(U.S.funds)
July 1, 1987	8,000
October 1, 1987	8,000
January 15, 1988	8,000
April 1, 1988	8,000
July 1, 1988	8,000
October 1, 1988	8,000
January 15, 1989	8,000
April 1, 1989	8,000
July 1, 1989	8,000
October 1, 1989	8,000

The Company has made the July 1, 1986 payment of $7,100, the October 1, 1986 payment of $7,100, the January 15, 1987 payment of $7,100, the April 1, 1987 payment of $8,000, the July 1,1987 payment of $8,000, and the October 1, 1987 payment of $8,000 , all in U.S. funds, to the Owners.

The Issuer will be responsible for all maintenance, exploration and development expenses on the Property until it delivers to Esperanza a positive feasibility study recommending that the Property be brought into production. Esperanza will then have 90 days in which to reimburse the Issuer 30% of the expenditures incurred after the date the option was exercised, and a joint venture, as described below, will be constituted. If Esperanza does not so reimburse the Issuer, Esperanza's interest will be converted to a 10% net profits interest and Esperanza will convey its 30% working interest to the Issuer.

The Option Agreement also contains the following provisions:

(a) the Issuer or its appointee will be the operator of the Property during the term of the option;

(b) the Option Agreement and the rights and obligations of the Issuer will terminate upon the occurrence of any of the following stated events:

(i) upon 30 days after the Issuer gives advance written notice to Esperanza of its decision to terminate the Option Agreement;

(ii) upon 15 days after Esperanza gives advance written notice to the Issuer that the Issuer is in default of making any cash payments or issuance of shares under the Esperanza Option or the Option Agreement, and the Issuer has not remedied such default by the end of the 15 day period; or

(iii) at the option of Esperanza at any time after March 1, 1987, if the 25,000 shares to be issued to Esperanza upon the Effective Date of this Prospectus pursuant to the terms of the Option Agreement have not been issued by the Issuer to Esperanza by that time. Esperanza extended the time period for this issuance to October 1, 1987 by virtue of an extension letter dated July 24, 1987, and further extended the time period to November 1, 1987 by virtue of an extension letter dated October 13, 1987.

(c) a force majeure clause; and

(d) a right of first refusal of each party to purchase the other party's interest.

Upon Esperanza's election to reimburse the Company 30% of expenditures incurred between the date the Issuer exercises the option to acquire the Property and the delivery of a feasibility study, the parties will constitute a joint venture on the following terms:

(a) a management committee consisting of one representative of each of the Issuer and Esperanza (the "Participants") and a chairman appointed by the operator (so long as the operator has a Participating Interest in the Property) will be responsible for the management and control of the affairs of the joint venture. Each representative will have a number of votes equal to its respective Participant's participating interest, with the chairman having a casting vote only in the event of a tie in voting;

(b) the initial operator of the Property will be the Issuer. The operator may resign on 90 days' notice in writing to all Participants or may be removed by the management committee for cause or if the operator, having been a Participant at the time of being appointed operator, ceases to be a Participant. The operator will conduct operations on the Property under the control and direction of the management committee;

(c) each Participant will pay expenses of the joint venture in accordance with the percentage share which that Participant has from time to time in the joint venture assets. If a Participant elects not to pay or fails to pay some or all of its cost share, its participating interest will be reduced and the lost part forfeited to the other Participant in accordance with the additional cost share assumed by the other Participant. If by virtue of this mechanism a Participant's participating interest is reduced to less than a 10% share, its participating interest will be forfeited to the other Participant, and it will be entitled to a 10% net proceeds royalty on production from the Property;

(d) the joint venture will continue so long as more than one Participant holds a participating interest in the Property;

(e) the Participants may permanently discontinue mining operations on the Property if in the opinion of the management committee further mining operations cannot be economically carried out, and may thereupon sell the Property and mining equipment thereon or dispose of it as they think fit;

(f) disputes will be settled by arbitration; and

(g) each Participant will have a right of first refusal to purchase the interest of the other Participant in the Property.

Location and Access

The Property is comprised of 12 mineral claims covering an approximate area of 10,850 acres (4,400 hectares), and is located in the Nelson Mining District of southeastern British Columbia. Access is provided by approximately 30 kilometres of paved road south of Nelson, 30 kilometres of logging road along Porcupine, Cultus and Laib Creeks and 6.5 kilometres of four wheel drive road.

The following historical information is extracted from a report dated June 5, 1986 prepared for the Issuer by C.J. Westerman, Ph.D., F.G.A.C.

Exploration History

The Wisconsin and Lucky Strike claims were staked in 1884 and Crown granted in 1899. By 1903, five mineralized zones were being explored. The No. 1 zone was exposed along a length of 244 metres in 13 surface cuts and explored by two crosscut tunnels of 30 metres and 26 metres length. The No. 2 zone was explored by 13 metres of drift and cross cuts and the No. 3 zone by a short shaft and open cut. The Nos. 4 and 5 zones were explored by 11 surface cuts.

Between 1903 and 1915, a meandering tunnel totaling 244 metres of crosscutting and 75 metres of drifting was driven from the No. 3 adit in the vicinity of No. 3 and No. 5 zones. In 1928, Radiore Company of Canada outlined a 500 metre long conductive zone, coincident with the No. 1 zone. In 1933, a program of surface trenching was undertaken and 3 diamond drill holes totaling 305 metres were drilled.

Between 1935 and 1937 a 46 metre winze was sunk on the No. 1 zone and 158 metres of drifting plus 69 metres of crosscutting undertaken on the lower level. The adit level on the No. 1 zone was extended in 1940 by 58 metres of drifting and 40 metres of crosscutting. Metallurgical testing undertaken between 1937 and 1942 was not encouraging due largely to the refractory nature of the mineralization and the high arsenic content.

No further property work was undertaken until 1980 when Esperanza Explorations Ltd. carried out detailed sampling of accessible surface and underground workings, detailed geological mapping, a Crone E.M. survey, and a soil geochemical survey covering an area of 1.6 sq. kilometres.

The Selco Division of B.P. Resources Canada Ltd. optioned the Property from Esperanza Explorations Ltd. in 1984 and 1985. Selco constructed 8 km of access roads, 72.5 km of survey grid and undertook a UTEM geophysical survey over the northern third of the grid. Selco also drilled 8 BQ diamond drill holes totaling 1169 metres and 6 NQ diamond drill holes totaling 925 metres and undertook a leveling survey of hole collars.

The Property is host to seven known mineralized zones containing significant concentrations of gold, silver, copper, lead, zinc and arsenic. Petrographic studies and preliminary metallurgical work indicates that approximately half of the gold occurs as fine grained inclusions within chalcopyrite and to a lesser extent galena. Assay data indicates moderate to strong corrections of gold, silver and arsenic values, but there is insufficient data to determine correlation with copper values.

The No. 1 zone is the most significant zone. It has been traced on surface for at least 300 metres of strike length and to a depth of 150 metres by drilling. C.J. Westerman, Ph.D., F.G.A.C. states in his report dated June 5, 1986:

> *"The Wisconsin property hosts a drill indicated mineral deposit in the No. 1 zone containing in the order of 340,000 tones at an average grade of 6.0 g/t gold and 51.5 g/t silver with an average width of roughly 1.3 metres. The deposit includes a reasonably well defined "probable mineral reserve" of about 50,000 tons grading 12.3 g/t gold and 109.7 g/t silver. Uncertainties in the reserve estimate will*

remain until the deposit has been drilled off at closer spacing (50 metres) than is currently the case. The deposit has been drilled to a depth of 150 metres and is open at depth. The deposit has not been adequately tested along strike and there is considerable potential for discovery of additional reserves by drill testing other mineralized zones exposed to surface."

He also concludes that the 400 metre strike length of the combined No. 3, 4 and 5 zones represent an attractive exploration target that warrants testing by drilling. For further details on the mineralization and potential of the Property, see Mr. Westerman's report, a copy of which is attached to this Prospectus.

To date, the Company has completed a geophysical survey and property examination on the Property at a cost of $34,042. The survey successfully identified known massive sulphide zones on the Property as being associated with linear anomalies of low resistivity (high conductivity). The geophysical data showed excellent correlation with the No. 1 and No. 4 mineral zones and indicates a 200 metre northern extension of the No. 2 zone which was not previously recognized.

The Westerman report recommends a Phase 1 program of approximately 1000 metres of diamond drilling and a trenching program be conducted. Most of this drilling should be directed towards definition of the No. 1 mineral zone. Coincident with drilling, it is also recommended that a thorough prospecting program be undertaken to determine if previously unrecognized mineral zones exist on the Property. If the results of the Phase 1 program are favourable, a Phase 2 program, also consisting of 1000 metres of diamond drilling, will be undertaken. Mr. Westerman recommends that the Phase 2 program be directed towards expanding the reserve of the No. 1 zone and testing at depth the other mineral zones currently recognized at surface. The estimated cost of the Phase 1 program will be $100,000 and of the Phase 2 program will be $110,000.

Exploration Agreements

The Issuer entered into Canadian Exploration and Development Expense (share flow-through) agreements with the following persons (the "Principals"):

Principal	Amount	Number of Units
Leonard Evans	$5,000	20
Roy Evans	$2,500	10
Muriel Evans	$5,000	20
James Evans	$2,500	10
Robert Holland	$2,500	10
Raymond Sam	$1,000	4

Dean Toye	$2,500	10
Mary Toye	$2,500	10
Peter K. Jensen	$3,000	12
Earl Zubroniewich	$2,500	10
Randal Balcom	$5,000	20

Under the terms of the agreements, each Principal subscribed for units ("Units") at a cost per Unit of $250 and constituted the Issuer as his agent to incur Canadian Exploration and Development Expense ("CEE") on eligible capital property under the provisions of the Income Tax Act (Canada). Each Unit entitled the Principal to receive 1,000 shares of the Issuer upon expenditure by the Issuer of the funds subscribed by the Principal for the Unit.

The Issuer has given up certain potential tax benefits available to it as a result of incurring CEE on behalf of the Principals rather than on its own behalf.

The Issuer has expended the amount subscribed by the Principals on CEE and accordingly has issued 136,000 shares to the Principals.

There are no known reserves of commercial ore located on the Property, and the Issuer is conducting an exploration search for ore only.

There are no known material underground workings, plant or equipment located on the Property, except as disclosed herein.

SPECULATIVE ASPECTS

Mineral exploration and development is a speculative business. The marketability of any minerals acquired by the Issuer will be affected by numerous factors, which include production costs, market fluctuations, processing prices and government regulation, including regulations relating to royalties, allowable production, importing and exporting of minerals and environmental protection, which cannot be accurately predicted. In addition, the Property in which the Issuer has an interest is in the exploration and development stage only and is without a known body of commercial ore. No survey of the Property of the Issuer has been made, and in accordance with the laws of the jurisdiction in which the Property is situate, its existence and area could be in doubt.

There is no known body of commercial ore on any of the Property and the proposed programs are exploratory searches for ore.

The Shares and Flow-Through Units offered hereby are considered speculative due to the nature of the Issuer's business. There can be no assurance that expenditures to be made by the Issuer will result in any discoveries of commercial bodies of ore.

The Issuer has sought professional counsel to acquire an opinion (see "Tax Aspects") that the offering of Flow-Through Units will qualify within the provisions of the Income Tax Act (Canada) to allow the subscribers to incur Canadian Exploration Expenses ("CEE") or Canadian Development Expenses ("CDE"). However, the Issuer has not sought a ruling from Revenue Canada and risk exists that the deductible expenses may be contested.

In accordance with the present prevailing practice in the industry the Issuer understands that, depending upon a subscriber's status, the subscriber may deduct from taxable income all or part of the cumulative CEE and CDE made on his behalf; but the Issuer does not purport to give tax advice in this Prospectus and each subscriber should satisfy himself as to the tax consequences of subscription to the Unit offering and the tax consequences of receiving the common shares consequent upon such expenses. Each subscriber should consult legal and tax counsel before subscribing, both in respect to the tax consequences and to the effects of the attached Unit Subscription Agreement, and must not rely exclusively upon any discussion herein.

In addition, there can be no surety that the Issuer will be able to expend the funds in the year of subscription by the subscribers, that it will have sufficient eligible expenditures or that the expenses will not be disallowed in whole or in part, nor that the tax laws will not be detrimentally amended.

The Flow-Through Units of this offering are generally more suitable for persons having a high taxable income. Consultation with tax counsel is advisable to determine the suitability of the Flow-Through Units to a subscriber's financial position.

TAX ASPECTS

The Issuer has acquired the opinion of Jung & Lee, Chartered Accountants, of 550 - 1130 West Pender St., Vancouver, B.C., as to the eligibility of expenditures of Unit funds by the Company for CEE and CDE flow-through to the subscribers of the Units. That opinion is here reproduced in full:

TAXATION HIGHLIGHTS

Canadian Income Tax Considerations

The following is a general summary of the principal Canadian Income Tax consequences for a Canadian resident who is investing in the units of the Dutch Creek Resources Ltd. primary distribution. The income tax consequences of investing in these units will vary according to the circumstances of each subscriber, including the Province in which he is a resident. There can be no assurances that there will not be adverse legislative or administrative changes which will modify the income tax consequences as outlined herein, and *EACH SUBSCRIBER SHOULD SATISFY HIMSELF AS TO THE FEDERAL AND PROVINCIAL INCOME TAX CONSEQUENCES OF HIS INVESTMENT IN UNITS BY CONSULTING HIS OWN TAX ADVISOR*.

Jung & Lee, Chartered Accountants, auditors for the company, are of the opinion that the following fairly describes in general terms the income tax consequences which may apply to a resident of B.C. on becoming a subscriber.

Canadian Exploration Expenses

The Canadian Income Tax Act provides that a taxpayer, who is an individual or corporation other than a principal business corporation, may deduct in computing his income for a taxation year the entire balance of his Canadian exploration expenses as defined in the Income Tax Act.

For tax purposes, the Canadian Tax Act defines Canadian exploration expenses as any expense incurred for the purpose of determining the existence, location, extent or quality of a mineral resource in Canada and includes any expenses incurred in the course of:

(a) Prospecting;

(b) Carrying out geological, geophysical or geochemical surveys;

(c) Drilling by rotary, diamond, percussion or other methods; or

(d) Trenching, digging, test pits, and preliminary sampling.

In general, Canadian exploration expenses include the costs of prospecting, surveying, drilling and sampling in order to determine what minerals are present at a particular location in sufficient quantities and qualities towards establishment of a mine or extension thereof. If minerals are found in sufficient quantity and quality to warrant establishing a mine, expenses incurred for the purposes of bringing the mine into production but incurred before the commencement of production from the mine in reasonable commercial quantity will also qualify as Canadian exploration expenses.

The Act provides that Canadian exploration expenses include any expenses renounced to a taxpayer pursuant to an agreement whereby the taxpayer subscribed for shares, other than prescribed shares, of the capital stock of the company.

The preceding definition will also include auxiliary expenses specifically related to the expenses which qualify as Canadian exploration expenses.

Pursuant to the Flow-Through Share participation agreement the Company will incur CEE expenses in an amount equal to the consideration for which the shares are issued. The Company will then renounce the expenses to the subscriber and, on renunciation, the subscriber will be deemed to have incurred the expenses.

With respect to the shares which may be received as consideration for Canadian exploration expenses, Revenue Canada has announced on June 18, 1987 that for the purposes of flow-through shares, that certain types of shares will be considered to be "prescribed shares" which will not qualify for the purposes of Canadian exploration expenses. The regulation prohibits shares which permit the investor to recover a portion or all of his capital by exchange or redemption. This restriction applies to shares issued after June 18, 1987.

Based on our review of the proposed shares which will be issued by Dutch Creek Resources Ltd. it is our opinion that the Shares issued will not be considered to be "prescribed shares".

A subscriber is entitled to deduct in computing his income for tax purposes such amounts which have been renounced to him with respect to Canadian exploration expenses pursuant to his purchase.

Where a subscriber has not deducted the full Canadian exploration expenses, the expenses are deductible in a future year and subsequently if the taxpayer disposes of the shares, the unused expenditures remain with the subscriber and are not transferred to the person who acquired the shares.

For share purchases prior to June 30, 1988 a taxpayer may further deduct from his income from all sources a depletion amount which is not restricted to be only deductible against resource income . Accordingly, where a taxpayer has designated Canadian exploration expenses after April 19, 1983 and before June 30, 1988, the depletion is earned at a rate of $1.00 for each $3.00 of eligible expenditure. The deduction for the depletion will be limited to 25% of the taxpayer's net income. Accordingly, where the taxpayer has Canadian exploration expenses, he will benefit by being able to claim a depletion deduction. An amount not claimed in a year may be deducted in a subsequent year subject to the 25% net income limitation.

Where the taxpayer has designated Canadian exploration expenses for shares purchased the Act would deem the taxpayer to acquire the shares for a nil cost base.

Further based on the change effective November 12, 1981, a subscriber may consider the shares to be capital property of the taxpayer and on the disposition of these shares will be taxed on the capital gain based on the proceeds received for the shares. A disposition by a subscriber of the shares which he holds as capital property will result in a capital gain to the extent by which the proceeds of disposition exceed the subscribers' adjusted cost base of these shares. Accordingly, unless the subscriber is considered to be trading in these shares or to have acquired these shares as an adventure in the nature of trade, the shares can be treated as capital property.

The Federal budget announced on June 18, 1987 proposed changes to allow individuals a cumulative lifetime exemption of tax on capital gains to a maximum of $100,000. The exempt capital gain will commence in 1985 and is to be phased in cumulatively as follows:

1985	$ 20,000
1986	$ 50,000
1987	$100,000

The eligible capital gain will be exempt from tax based on a deduction after the capital gain has been reduced by the individual "Cumulative Net Investment Loss Account" after 1987. "Cumulative net investment loss" includes investment interest expense, deductions in respect of flow-through shares, losses from rental properties and from partnerships in which the individual is not actively engaged and other losses from property. Accordingly, in the future, if the shares are sold and results in a capital gain, the gains may be exempt from taxes if it qualifies for the capital gain exemption on the preceding basis.

The subscriber should be aware that CEE and depletion are non-deductible items under the Alternative Minimum Tax System (AMT). Basically, the AMT requires an additional calculation of tax. If the AMT is greater than taxes otherwise determined, the greater amount becomes payable.

The preceding is a short summary of the income tax consequences of the relevant provisions of the Income Tax Act (Canada) as it presently exists and takes into account the proposed changes as announced in the budget released on June 18, 1987. The summary is not intended to be a complete analysis of the relevant laws and proposed changes for each potential subscriber and since each subscriber's circumstances may differ, *WE WOULD RECOMMEND THAT THEY CONSULT WITH THEIR OWN TAX ADVISORS WHO ARE AWARE OF THE CIRCUMSTANCES OF THE POTENTIAL SUBSCRIBER'S OWN PERSONAL TAX POSITION.*"

SHARE AND LOAN CAPITAL STRUCTURE

Designation	Amount Authorized	Amount Outstanding as of Jan 31 1987	Amount Outstanding as of Oct 1 1987	Amount to be outstanding if all securities being issued are sold *
Common	100,000,000	750,001	1,162,001	1,662,001

* Before exercise of any Series "A" warrants or Agent's Warrants.

Each of the 100 Flow-Through Units, comprising a portion of the total Offering, consists of 1000 flow-through shares, and each flow-through share will have 3 Series "A" share purchase warrants attached whereby 3 such warrants will entitle the holder thereof to purchase an additional common share of the Issuer at a price of $0.50 per share. See "Plan of Distribution" above.

There are no shares subject to rights, options or warrants, except as disclosed herein.

PRIOR SALES AND SHARE ISSUANCES

Since the incorporation of the Issuer the following shares have been issued:

	No. of Shares	Price Attributable per Share	Total Consideration Received	Commissions Paid
	1(1)	$0.15	$ 0.15	Nil
	750,000	$0.01	7,500.00	Nil
	412,000(2)	$0.25	103,000.00	Nil
Total:	1,162,001		$110,500.15	

(1) Initial Subscriber's share.

(2) Comprised of seed capital of which 136,000 shares (or 136 Units) were subscribed for on a Flow-Through basis allowing the subscriber to receive a renunciation of up to $450 of Canadian Exploration and Development Expenses for

each Flow -Through Unit purchased. See "Exploration Agreements" and "Tax Aspects" above. The Issuer has expended the amount subscribed for by the Flow-Through Principal subscribers on the CEE and, accordingly, has issued 136,000 shares to these Principals.

DESCRIPTION OF SECURITIES OF THE ISSUER BEING OFFERED

The authorized capital of the Issuer consists of 100,000,000 shares without par value of which 1,162,001 shares are issued as fully paid and non-assessable. All shares of the Issuer, both issued and unissued, are common shares of the same class and rank equally as to dividends, voting powers and participation in assets. No shares have been issued subject to call or assessment. There are no pre-emptive or conversion rights and no provisions for redemption, purchase for cancellation, surrender or sinking or purchase funds. Provisions as to the modification, amendment or variation of such rights or such provisions are contained in the Company Act (British Columbia).

The Issuer has authorized a maximum of 100 Flow-Through Units to be issued under this Prospectus. Each Flow-Through Unit consists of 1,000 Flow-Through Shares, with each Flow-Through Share having 3 Series "A" share purchase warrants attached. The Series "A" share purchase warrants will be transferable and in bearer form, and subject to the filing of evidence of satisfactory distribution with the Exchange. The Series "A" warrants will contain, among other things, anti-dilution provisions and provision for appropriate adjustment of the class.

The Flow- Through Units offered by the Issuer allow the subscriber to receive a renunciation of up to $450 of Canadian exploration expenses and Canadian development expenses. The subscriber may acquire such Flow-Through Units, at a price of $460 per Flow- Through Unit, by completing the Flow-Through Unit Subscription Agreement attached and returning it to the Agent with the subscriber's cheque or money order, made to the order of Yorkshire Trust Company, in trust.

The Flow-Through Unit Subscription Agreement provides, in part, as follows:

(a) the cost of each Flow-Through Unit is $460;

(b) any commissions, fees, or non-eligible administrative costs in relation to the Flow-Through Units, administration of exploration, or accounting will be paid by the Issuer;

(c) the subscriber's subscription is non-refundable except in the events of rejection by the Issuer or the granting of rescission rights under the Securities Act (British Columbia);

(d) all interest on the funds will accrue to the Issuer;

(e) the Issuer will employ due diligence and best efforts to cause the expenditure of $450 per Unit on the mineral properties in the year of subscription with a priority for Canadian exploration expenses;

(f) $450 per Unit will be expended on the Property, subject to redirection in the event of geological, economic, or other circumstances, in accordance with expert consultant opinion; and

(g) the Issuer will renounce to the subscriber pursuant to subsection 66(12.6) of the Income Tax Act (Canada) deductions associated with mineral exploration in the full amount of $450 per Unit upon expenditure of such amount.

REFERENCE IS MADE TO THE FLOW-THROUGH UNIT SUBSCRIPTION AGREEMENT ATTACHED. THE SUBSCRIBER IS ADVISED TO SEEK COUNSEL PRIOR TO SUBSCRIBING TO THE FLOW-THROUGH UNITS SO THAT HE MAY BE PROPERLY APPRAISED OF THE OBLIGATIONS, RIGHTS AND LIABILITIES CONFERRED BY THE FLOW-THROUGH UNIT SUBSCRIPTION AGREEMENT AND SO THAT HE MAY PROPERLY COMPLY WITH THE SUBSCRIPTION REPRESENTATION TO THAT EFFECT.

PROMOTERS

The following persons may be considered promoters of the Issuer within the five years immediately preceding the date of this Prospectus in that they took the initiative in founding or organizing the business of the Issuer, or that they are receiving 10% or more of the Issuer's securities:

Tyrone Mark Docherty
James Bavalis
Len Evans

The names of the promoters, the nature and amount of anything of value (including money, property, options or rights of any kind) received directly or indirectly from the Issuer, and the nature and amount of any asset, service or other consideration received or to be received by the Issuer, are as follows:

(a) Seedstock

Purchaser	No. of Shares	Price Per Share
James Bavalis	30,000	$0.25
	1(1)	$0.15
Len Evans	20,000(2)	$0.25

(1) Initial Subscriber's share.
(2) Flow-Through shares.

(b) Principals' Escrowed Shares

Name of Shareholder	No. of Shares
Tyrone Mark Docherty	316,667 (1)
James Bavalis	216,667 (1)
Len Evans	216,666 (1)

(1) All at a price of $0.01 per share.

(c) Stock Options

Optionee	Type of Option	No. of Shares
Tyrone Mark Docherty	Employee	38,000
James Bavalis	Director	38,000
Len Evans	Director	38,000

All of the above options are exercisable at a price of $0.45 per share for a period of 2 years from the date of the final receipt for this Prospectus.

The details of the amounts and dates of assets acquired or to be acquired within the past 2 years by the Issuer from the promoters and the amounts and dates of such assets to such promoters is nil.

Peter Sidney Jones and Hans Schwabl withdrew as promoters and resigned their positions as directors and officers of the Issuer effective August 31, 1987. Peter Sidney Jones has transferred 216,667 principals' escrowed shares to Tyrone Mark Docherty, the new President and a Director of the Issuer. Hans Schwabl has transferred 100,000 principals' escrowed shares to Tyrone Mark Docherty.

OPTIONS TO PURCHASE SECURITIES

As at the date of this Prospectus, the Issuer has granted the following Incentive Stock Options:

(a) To Directors who are not Executive Officers of the Issuer who number two (2) as a group:

Number of Shares Optioned	Purchase Price	Expiration Date	Market Value as of Date of Granting
76,000	$0.45	Two years after date of final receipt of this Prospectus	$34,200

(b) To Employees who are Executive Officers of the Issuer who number one (1) as a group:

Number of Shares Optioned	Purchase Price	Expiration Date	Market Value as of Date of Granting
38,000	$0.45	Two years after date of final receipt of this Prospectus	$17,100

The Directors' options are subject to shareholder approval prior to exercise.

ESCROWED AND POOLED SHARES

Escrowed Shares

Set forth hereunder are particulars of the escrowed shares of the Issuer as of the date of this Prospectus:

Designation of Class	Number of Shares held in Escrow	Percentage of Class Issued
Common (Principals' shares)	750,000	64.54%

These escrowed shares were issued as Principals' shares at a price of $0.01 per share, as follows:

Name & Address of Principal	No. of Shares Issued
Tyrone Mark Docherty 2724 West 5th Avenue Vancouver, B.C. V6K 1T4	316,667

Name & Address of Principal	No. of Shares Issued
James Bavalis 1920 Queens Street, Abbotsford, B.C.	216,667
Len Evans 34765 Mt. Blanchard Drive, Abbotsford, B.C.	216,666

and are held in escrow pursuant to an escrow agreement dated August 31, 1987 (the "Escrow Agreement") with Yorkshire Trust Company of 1100 Melville Street, Vancouver, B.C., subject to the direction and determination of the Superintendent of Brokers (the "Superintendent") and the Vancouver Stock Exchange (the "Exchange") (the Superintendent and the Exchange jointly referred as the "Regulatory Authorities"). The escrow restrictions provide that the shares may not be traded in, dealt with in any manner whatsoever, or released, nor may the Issuer, its transfer agent or escrow holder make any transfer or record any trading of the escrowed shares without the consent of the Regulatory Authorities.

The Escrow Agreement acknowledges that a portion of the consideration for the issuance of the shares is to encourage the escrow shareholder to act in the best interests of the Issuer, and if the Issuer becomes successful due in part to the efforts of the escrow shareholder the escrow shareholder shall be entitled to maintain his ownership of the shares and to a release of the shares from time to time in accordance with the general policies of the Regulatory Authorities.

In the event the Issuer loses or abandons or fails to obtain title to all or part of the property or assets for which it allotted all or part of the escrowed shares, then the Issuer will declare any such event to the Superintendent and, after listing of its shares on the Exchange by way of a directors' resolution, and the holders of such shares, the Trustee thereof and the Issuer have agreed that such number of shares, as the Superintendent and/or Exchange determine, shall become subject to cancellation and shall be surrendered to the Issuer by way of gift for cancellation.

The complete text of the Escrow Agreement is available for inspection at the Registered Office of the Issuer, at Suite 2550 - 555 West Hastings Street, Vancouver, B.C., during normal business hours and will continue to be available for a period of thirty days following completion of primary distribution.

Pooled Shares

There are no shares of the Issuer subject to a pooling agreement.

DIRECTORS AND OFFICERS

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

Name and Address	Occupation
TYRONE MARK DOCHERTY 2724 West 5th Avenue Vancouver, B.C. V6K 1T4 President and a Director	Management of Wild Rose Resources Ltd. and Empire Gold Resources Ltd., Sales Representative, London Life Insurance
JAMES BAVALIS 1920 Queens Street Abbotsford, B.C. Secretary and a Director	President of Four Star Drilling Ltd. (Mining Drilling Contractor)
LEN EVANS 34765 Mt. Blanchard Drive Abbotsford, B.C. A Director	President of Wakefield Sperling (Automotive Parts Retailer).

Certain Directors are also directors of other companies engaged in the acquisition, exploration and development of resource properties. Where such positions pose a potential conflict of interest with their positions as Directors of the Issuer, such conflicts are to be dealt with in accordance with the provisions of the Company Act of British Columbia.

Details of positions held by the foregoing during the past Five (5) years in other reporting companies are available during normal business hours at the office of the Issuer, 1922 Ironwood Court, Port Moody, British Columbia.

EXECUTIVE COMPENSATION

The number of Executive Officers of the Issuer is two (2). They consist of Tyrone Mark Docherty , the President, Chief Executive Officer and a Director of the Issuer, and James Bavalis, the Secretary, Chief Financial Officer and a Director of the Issuer.

The aggregate cash compensation, including salaries, fees, commissions and bonuses paid or to be paid to the Executive Officers of the Issuer for services rendered during the most recently completed fiscal year, being January 31, 1987, is $3,000. The Company paid an additional $10,000 to the Executive Officers of the Issuer for services rendered from February 1, 1987 to August 31, 1987. As of August 31, 1987, additional management and consulting fees of $11,500 are owed to former Directors of the Issuer. The $13,000 was paid to Peter Sidney Jones, the former President, Chief Executive Officer, and Director of the Issuer, for administrative and management services provided to the Issuer by Mr. Jones pursuant to an agreement dated November 1, 1986. The Issuer and Mr. Jones terminated the agreement on August 31, 1987. Reference is made to the section captioned "Interest of Management and Others in Material Transactions" herein.

The Issuer has no plans pursuant to which cash or non-cash compensation was paid or distributed or is proposed to be paid to Executive Officers during the most recently completed financial year being January 31, 1987, except for the management agreement referenced above.

The Issuer has no plan to grant options to purchase securities to Executive Officers during the most recently completed financial year, being January 31, 1987, except those incentive stock options granted as disclosed under the section captioned "Options to Purchase Securities" herein. The aggregate net value of options exercised during the Issuer's most recently completed financial year, being January 31, 1987, is nil, as there have been no options exercised.

The Issuer reserves the right to pay remuneration to its Directors and Senior Officers if financial conditions merit such payments, subject to regulatory approval.

INDEBTEDNESS OF DIRECTORS AND SENIOR OFFICERS

Particulars of indebtedness to the Issuer that is not routine and has been incurred by proposed and current Directors and Senior Officers of the Issuer and their associates or affiliates is nil.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Particulars of any proposed or existing material interests in respect of the Issuer, direct or indirect, of any Director, Senior Officer, Principal Holders of Securities and any associates or affiliates of the foregoing within a Three (3) year period prior to the date of this Prospectus is nil.

Pursuant to the transfer of shares from Peter Sidney Jones and Hans Schwabl to Tyrone Mark Docherty, and the subsequent Principals' Share Escrow Agreement dated August 31, 1987, escrowed shares of the Issuer were issued as Principals' Shares at a price of $0.01 per share, as follows:

Name of Director	No. of Shares
Tyrone Mark Docherty	316,667
James Bavalis	216,667
Len Evans	216,666

Directors of the Issuer have each purchased shares of the Issuer as seedstock at a price of $0.25 per share, as follows:

Purchaser	No. of Shares	Price Per Share
James Bavalis	30,000	$0.25
Len Evans	20,000*	$0.25

* Flow-Through shares.

Management Agreement

By an agreement dated November 1, 1986, Peter Sidney Jones, the former President, Chief Executive Officer, and Director of the Issuer, agreed to provide administrative and management services to the Issuer. The agreement was for a term of 2 years, but by mutual agreement between Mr. Jones and the Issuer, the agreement was terminated on August 31, 1987. Mr. Jones received a total of $13,000 from November 1, 1986 to August 31, 1987, and is presently owed $8,000.

Potential Conflicts of Interest

Officers and Directors of the Issuer may be presented, from time to time, with situations or opportunities which give rise to apparent conflicts of interest which cannot be resolved by arms-length negotiations but only through exercise by the Officers and Directors of such judgment as is consistent with their fiduciary duties to the Issuer which arise under British Columbia corporate law, especially insofar as taking advantage, directly or indirectly, of information or opportunities acquired in their capacities as Directors or Officers of the Issuer. Any transactions with Officers and Directors will be on terms consistent with industry standards and sound business practice in accordance with the fiduciary duties of those persons to the Issuer, and, depending upon the magnitude of the transactions and the absence of any disinterested board members, may be submitted to the shareholders for their approval.

PRINCIPAL HOLDERS OF SECURITIES

Control Shareholders

As of the date of this Prospectus, each person or company holding, as of record or known to the Issuer to hold beneficially, directly or indirectly, more than 10% of the issued shares of the Issuer is as follows:

Name & Address	Class of Shares	Type of Ownership	Number of Shares		Percentage of Class
Tyrone Mark Docherty 2724 West 5th Avenue Vancouver, B.C.	Common	Direct	316,667	*	33.71%
James Bavalis 1920 Queens Street, Abbotsford, B.C.	Common	Direct	216,667 30,000	* **	21.23%
Len Evans 34765 Mt. Blanchard Drive, Abbotsford, B.C.	Common	Direct	216,666 20,000	* **	20.37%

* Escrowed shares.
** Free-Trading shares.

Directors and Officers

At the date of this Prospectus, the number and percentage of securities of each class of voting securities of the Issuer beneficially owned, directly or indirectly, by all Directors and Senior Officers of the Issuer as a group are as follows:

Class of Shares	Number of Shares Owned	Percentage of Class prior to Offering	Percentage of Class after Offering
Common	875,001	75.30%	52.65%

DIVIDEND RECORD

There have been no dividends paid by the Issuer.

SHARES ISSUED FOR OTHER THAN CASH

There are no shares issued for other than cash.

PENDING LEGAL PROCEEDINGS

There are no legal proceedings to which the Issuer is a party.

AUDITOR, REGISTRAR AND TRANSFER AGENT AND SOLICITORS

Auditors:	Jung & Lee Chartered Accountants 550-1130 West Pender Str. Vancouver, B.C.
Registrar and Transfer Agent:	Yorkshire Trust Company 1100 Melville St., Vancouver, B.C.
Solicitors:	Devlin Jensen Harvey 2550-555 W. Hastings St. Vancouver, B.C.

REMUNERATION OF DIRECTORS AND SENIOR OFFICERS

To the date of this prospectus the Issuer has not paid any remuneration to any directors or senior officers of the Issuer.

MATERIAL CONTRACTS

Except for contracts made in the ordinary course of the Issuer's business, the only material contracts entered into by the Issuer within two years preceding the date of this Prospectus are the following:

(a) Agency Agreement dated July 23, 1987, referred to in the section captioned "Plan of Distribution" herein;

(b) Option and Joint Venture Agreement dated May 6, 1986, re: the Property referred to in the section captioned "Description of the Business and Property of the Issuer" herein;

(c) Flow-Through Unit Subscription Agreements variously dated, referred to in the section captioned "Exploration Agreements" herein;

(d) Management Agreement dated November 1, 1986, referred to in the section captioned "Interest of Management and Others in Material Transactions" herein and in the notes to the Issuer's Financial Statements attached herewith;

(e) Principals' Share Escrow Agreement dated January 31, 1987, referred to in the section captioned "Escrowed and Pooled Shares" herein; and

(f) Stock Option Agreements, undated, referred to in the section captioned "Options to Purchase Securities of the Issuer" herein.

Other than as set out above, there are no material contracts except as disclosed in this Prospectus or entered into in the ordinary course of the Issuer's business, all of which may be inspected at the Registered Office of the Issuer during normal business hours while the primary distribution of the securities being offered under this Prospectus is in progress, and for a period of thirty days thereafter.

OTHER MATERIAL FACTS

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

STATUTORY RIGHTS OF RESCISSION AND WITHDRAWAL

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

Dutch Creek Resources Ltd.

(formerly Hyperion Industries Ltd.)

Report and Financial Statements

August 31, 1987

JUNG & LEE

AUDITORS' REPORT

The Directors,
Dutch Creek Resources Ltd.
(formerly Hyperion Industries Ltd.)

We have examined the balance sheet of Dutch Creek Resources Ltd. (formerly Hyperion Industries Ltd.) as at August 31, 1987 and the statements of deferred exploration and administrative expenses and changes in financial position for the seven month period then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the financial position of the company as at August 31, 1987 and the results of its operations and changes in its financial position for the seven month period then ended in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding period.

Jung + Lee

Chartered Accountants

Vancouver, B.C.
October 26, 1987

Dutch Creek Resources Ltd.
(formerly Hyperion Industries Ltd.)

Balance Sheet
as at August 31, 1987

ASSETS

	Aug. 31, 1987	(Note 11) Jan. 31, 1987
Current		
Cash in bank	$ 141	$ 182
Accounts receivable	-	2,500
Prepaids	-	586
	141	3,268
Deferred exploration and administrative expenses	87,200	48,463
Resource properties - Note 3	50,058	39,558
Incorporation costs	800	800
	$138,199	$ 92,089

LIABILITIES

	Aug. 31, 1987	Jan. 31, 1987
Current		
Accounts payable	$ 19,698	$ 11,188
Management fees payable - Note 7	8,000	4,000
	27,698	15,188

SHAREHOLDERS' EQUITY

	Aug. 31, 1987	Jan. 31, 1987
Capital Stock - Note 4	110,501	76,901
	$138,199	$ 92,089

APPROVED BY THE DIRECTORS:

Mac Watt, Director

James Bowles, Director

See accompanying notes to the financial statements

Dutch Creek Resources Ltd.
(formerly Hyperion Industries Ltd.)

Statement of Deferred Exploration and Administrative Expenses for the Seven Month Period Ended August 31, 1987

	Aug. 31, 1987	(Note 11) Jan. 31, 1987
Exploration		
Consulting fees	$ -	$ 3,500
Drilling and site preparation	4,150	-
Property examination	-	5,073
Recording and filing	-	1,960
Road work	3,528	-
Surveying	-	21,944
Travel	-	1,565
	7,678	34,042
Administrative		
Accounting and legal	8,370	7,573
Bank charges	26	44
Entertainment and promotion	627	834
Filing fees	4,350	-
Insurance	586	414
Management fees	14,000	6,000
Office and sundry	451	-
Rent	1,500	-
Telephone	173	-
Transfer agent	1,000	-
	31,083	14,865
Less: Interest income	24	444
	31,059	14,421
	38,737	48,463
Deferred exploration and administrative expenses, beginning of the period	48,463	-
Deferred exploration and administrative expenses, end of the period	$ 87,200	$ 48,463
Represented by:		
Exploration expenses	$ 41,720	$ 34,042
Administrative expenses	45,480	14,421
	$ 87,200	$ 48,463

See accompanying notes to the financial statements

Dutch Creek Resources Ltd.
(formerly Hyperion Industries Ltd.)

Statement of Changes in Financial Position
for the Seven Month Period Ended August 31, 1987

	Aug. 31, 1987	(Note 11) Jan. 31, 1987
Financing activities		
Sale of capital stock	$ 33,600	$ 76,900
Investing activities		
Deferred exploration and administrative expenses	(38,737)	(48,463)
Option payments for mineral interest	(10,500)	(39,558)
	(49,237)	(88,021)
Net change in non-cash working capital balances *	15,596	11,302
	(33,641)	(76,719)
Increase (decrease) in cash during the period	(41)	181
Cash, beginning of the period	182	1
Cash, end of the period	$ 141	$ 182

* Comprised of accounts receivable, prepaids, accounts payable and management fees payable.

See accompanying notes to the financial statements

Dutch Creek Resources Ltd.
(formerly Hyperion Industruies Ltd.)

Notes to the Financial Statements
August 31, 1987

Note 1 Nature of Operations

The company is in the process of exploring its interests in mineral properties and has not yet determined whether these properties contain ore reserves that are economically recoverable. The recoverability of amounts shown for mineral properties and related deferred exploration and administrative expenses is dependent upon the existence of economically recoverable reserves, the ability of the company to obtain necessary financing to complete the development, and upon future profitable production.

Note 2 Summary of Significant Accounting Policies

(a) Resource Properties

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

(b) Deferred Exploration and Administrative Expenses

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

(c) Values

The amounts shown for resource properties and deferred exploration and administrative expenses represent costs to date and do not necessarily reflect present or future values. No adjustment is made to the original cost of resource properties acquired until all of the leases comprising the property are sold or abandoned.

Note 2 Summary of Significant Accounting Policies - cont'd

(d) Foreign Exchange

Monetary assets and monetary liabilities in U.S. currency are translated into Canadian dollars at the rate of exchange prevailing at the balance sheet date. All other amounts are translated at the rate of exchange prevailing on the date of each transaction.

Note 3 Resource Properties

	Aug. 31, 1987	(Note 11) Jan. 31, 1987
By an agreement dated May 6, 1986, the company obtained an option to acquire a 70% working interest in 12 mineral claims located in the Nelson Mining Division of British Columbia. Upon the claims being put into production, this interest will increase to a 100% working interest and a 90% net profits interest unless the optionor reimburses the company for 30% of its expenditures on developing the property. The company has paid $36,400 U.S. to date and is required to issue 200,000 shares of its capital stock (Note 6) in order to exercise the option, of which the first 25,000 shares are to be issued by November 1, 1987. During the option period, the company is also required to make quarterly payments of $8,000 U.S. commencing April 1, 1987 to a maximum aggregate of $95,100 U.S. Only the April 1, 1987 quarterly payment has been made to August 31, 1987. Additional payments were made subsequently (Note 9(b)).		
In addition, commencing on January 15, 1990, royalties consisting of the greater of 3% of net smelter returns or $25,000 U.S. are due per calendar quarter until aggregate royalties of $3,000,000 U.S. have been paid.		
	$ 50,058	$ 39,558

Note 4 Capital Stock

Authorized:
100,000,000 common shares without par value

	Number of Shares	Amount
Balance, beginning of the period	1,027,601	$ 76,901
Fully paid and issued during the period		
- For cash	134,400	33,600
Balance, end of the period	1,162,001	$110,501

Included in the total shares issued are 750,000 common shares which are subject to escrow restrictions and may not be traded, transferred or released without the consent of the regulatory authorities.

Note 5 Stock Options

(a) During the period, the company granted stock options to directors which allow them to purchase up to 76,000 common shares of the company at $0.45 per share. The options expire two years after the date of the receipt for the final prospectus from the Superintendent of Brokers.

(b) During the period, the company granted stock options to an employee which allows the purchase of up to 38,000 common shares of the company at $0.45 per share. The options expire two years after the date of receipt for the final prospectus from the Superintendent of Brokers.

Note 6 Other Share Commitments

Under the terms of an option agreement, the company is to issue 200,000 common shares in stages based upon the filing of a prospectus, obtaining a stock exchange listing and the completion of certain phases of an exploration program. The first 25,000 common shares are to be issued by November 1, 1987 (Note 3).

Note 7 Related Party Transactions

During the period, the company paid $10,000 (January 31, 1987 - $3,000) to a former director for management fees. At period end, additional management fees of $8,000 (January 31, 1987 - $4,000) and consulting fees of $3,500 (January 31, 1987 - $3,500) were owed to former directors. Subsequent to the year end, the former director agreed to defer payment of the $8,000 management fees until November 1, 1988.

Note 8 Income Taxes

The company has a non-capital tax loss carry-forward of $14,421 available to reduce taxable income of future years. The loss carry-forward expires in 1994.

Note 9 Subsequent Events

(a) The company is in the process of filing a prospectus for the offering of shares, which is subject to regulatory approval.

Under the proposed offering, 400,000 common shares and 100 CEE Units will be offered at a price of $0.45 per share and $460 per unit resulting in estimated proceeds, net of commission expenses and agents fees, of $203,400. Each unit is to consist of 1,000 flow through shares and each share will have three Series "A" warrants attached. Three Series "A" warrants will entitle the holder to purchase one common share of the company up to 180 days following the offering date at a price of $0.50 each.

In addition, the offering agents are to receive 100,000 non-transferable warrants in return for guaranteeing the sale of all units offered. Each warrant will entitle the holder to purchase one common share of the company at $0.50 per share up to the earliest of 180 days from the listing on the company's shares on the Vancouver Stock Exchange or 12 months from the effective date of the company's prospectus.

(b) Quarterly payments of $8,000 U.S. due on July 1, 1987 and October 1, 1987 as per the option agreement described in Note 3, were made on October 13, 1987.

(c) In October 1987, the company signed a promissory note for $16,000 U.S. with an affiliated company. The loan is payable on demand at any time after October 31, 1988 and bears interest at a rate of 10 percent per annum.

Note 10 Comparative Figures

Comparative numbers are for the year ended January 31, 1987.

THE WISCONSIN PROPERTY

NELSON MINING DIVISION
BRITISH COLUMBIA

for

HYPERION INDUSTRIES LTD.

by

C.J. WESTERMAN, PH.D., F.G.A.C.
Consulting Geologist

June 5th, 1986
Vancouver, B.C.

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SUMMARY

The Wisconsin gold-silver property, located near Nelson in southeastern British Columbia, is subject to an option agreement whereby Hyperion Industries Ltd. may earn up to a 100% interest. Massive to semi-massive sulphide mineralization occurs in sheared Proterozoic metasediments and Cretaceous quartz-diorite intrusives. The mineralization was staked originally in 1884 and by 1940 "potential ore reserves" from underground work were estimated to be 50,000 tonnes of 12.3 g/t gold and 109.7 g/t silver (0.36 oz/t gold, 3.2 oz/t silver). Development at that time was prevented by the refractory nature of the ore and a high arsenic content. The property was drilled in 1984 and 1985 by the Selco Division of B.P. Resources Canada Ltd. Calculations based on this data indicate the presence of a mineral reserve of approximately 340,000 tonnes of 6.0 g/t gold and 51.5 g/t silver (0.17 oz/t gold, 1.5 oz/t silver) with an average width of 1.3 metres in the No. 1 zone to a depth of 150 metres (open). Due to the wide spacing of drill holes, no realistic confidence limits can be placed on the mineral reserve estimate. Surface indicators of mineralization in other zones on the property, from geological, geochemical and geophysical surveys, indicate the potential to substantially increase reserves. A two phased, success contingent, program of diamond drilling at an estimated total cost of $210,000 is recommended, to better define the existing reserve in the No. 1 zone and to test other zones on the property.

INTRODUCTION

Preamble

The Wisconsin property, located in southeastern British Columbia, is the subject of an option agreement whereby Hyperion Industries Ltd. may earn up to 100% interest by making certain payments and expenditures on exploration and development.

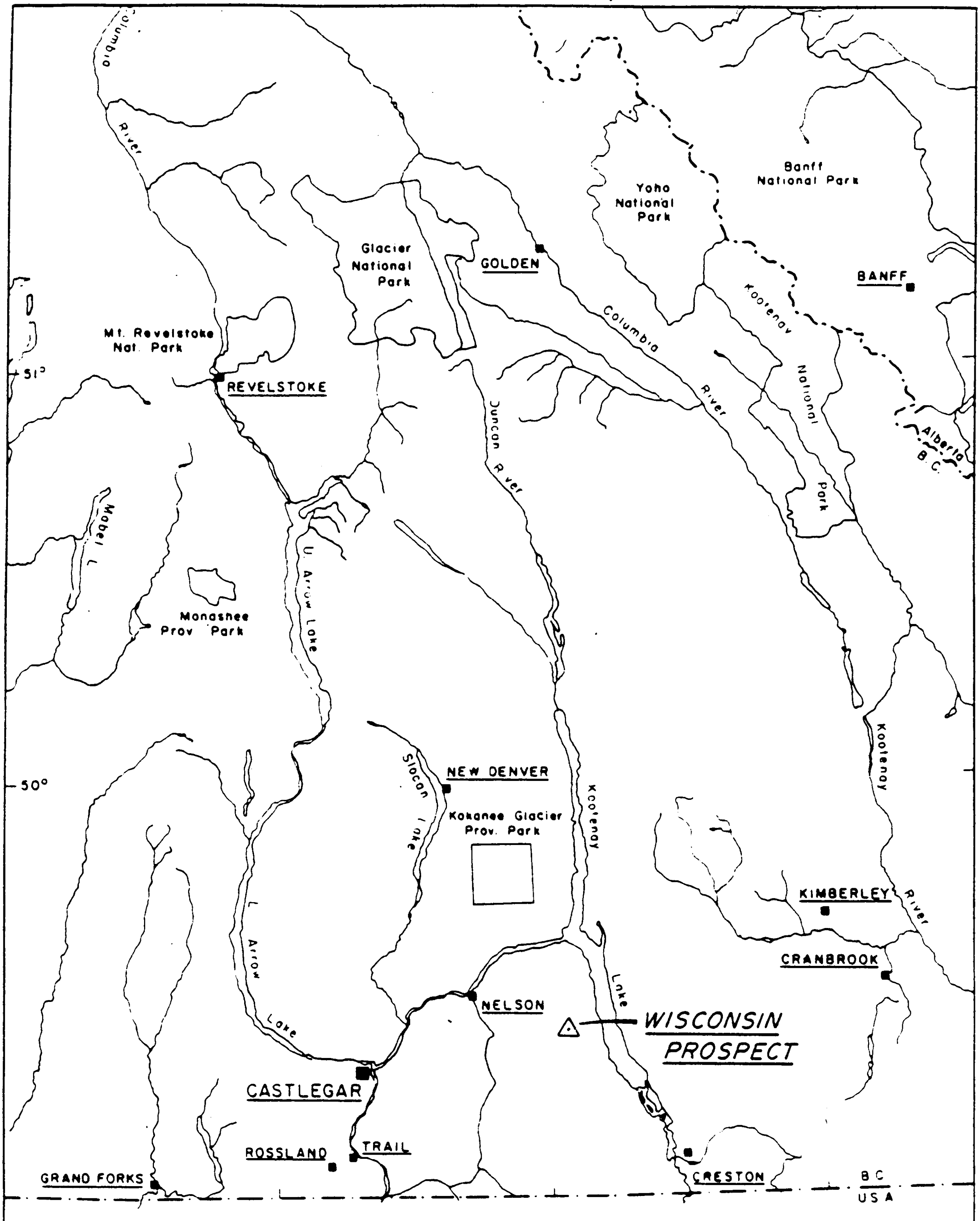
The author, acting as an independent Consulting Geologist, has been retained by Mr. Robert Holland, President of Hyperion Industries Ltd., to review results of previous exploration work on this mineral property and to report his findings with recommendations for future action.

The author has reviewed all available pertinent technical reports on the property and carried out a field examination on May 23rd, 1986 at which time accessible surface and underground exposures of mineralization were examined. The cooperation and assistance of Mr. Robert Holland and of Esperanza Explorations Ltd. is gratefully acknowledged. Mr. Holland is very familiar with this property because he undertook detailed sampling and mapping programs on the Wisconsin whilst employed as a geologist by Esperanza Explorations Ltd. - the current property owner in 1980. The Selco Division of B.P. Resources Canada Ltd. is also acknowledged for permission to reproduce certain figures and diagrams utilised in this report.

Location and access

The Wisconsin property is located 25 km east-southeast of the town of Nelson in southeastern British Columbia (Figure 1). The property is centred on latitude 49° 24' N and longitude 116° 75' W within NTS map areas 82F/6 and 82F/7. The old mine workings are situated on the Wisconsin Crown grant at an elevation of 1900 metres on a ridge between Hughes Creek and Seeman Creek, both of which are east flowing tributaries of Midge Creek.

Access is provided by approximately 30 km of paved road (Highway 6) south of Nelson, 30 km of logging roads along Porcupine, Cultus and Laib Creeks, and 6.5 km of four wheel road to the old mine site.



HYPERION INDUSTRIES LTD.

WISCONSIN PROJECT - B.C.
NELSON MINING DIVISION

LOCATION MAP

SCALE As Shown	DRAWN BY:	FIG. 1
DATE NOVEMBER 1984	DRAFTED BY: J.S	
N.T.S. 82 F, M	REV JUNE 5, 1986	C.J.W. Ph.D

Maximum relief on the property is 2300 metres and topography is moderate to steep. Forest cover is generally moderate to sparse at upper elevations but increasingly thick underbrush is present at lower elevations.

Property definition

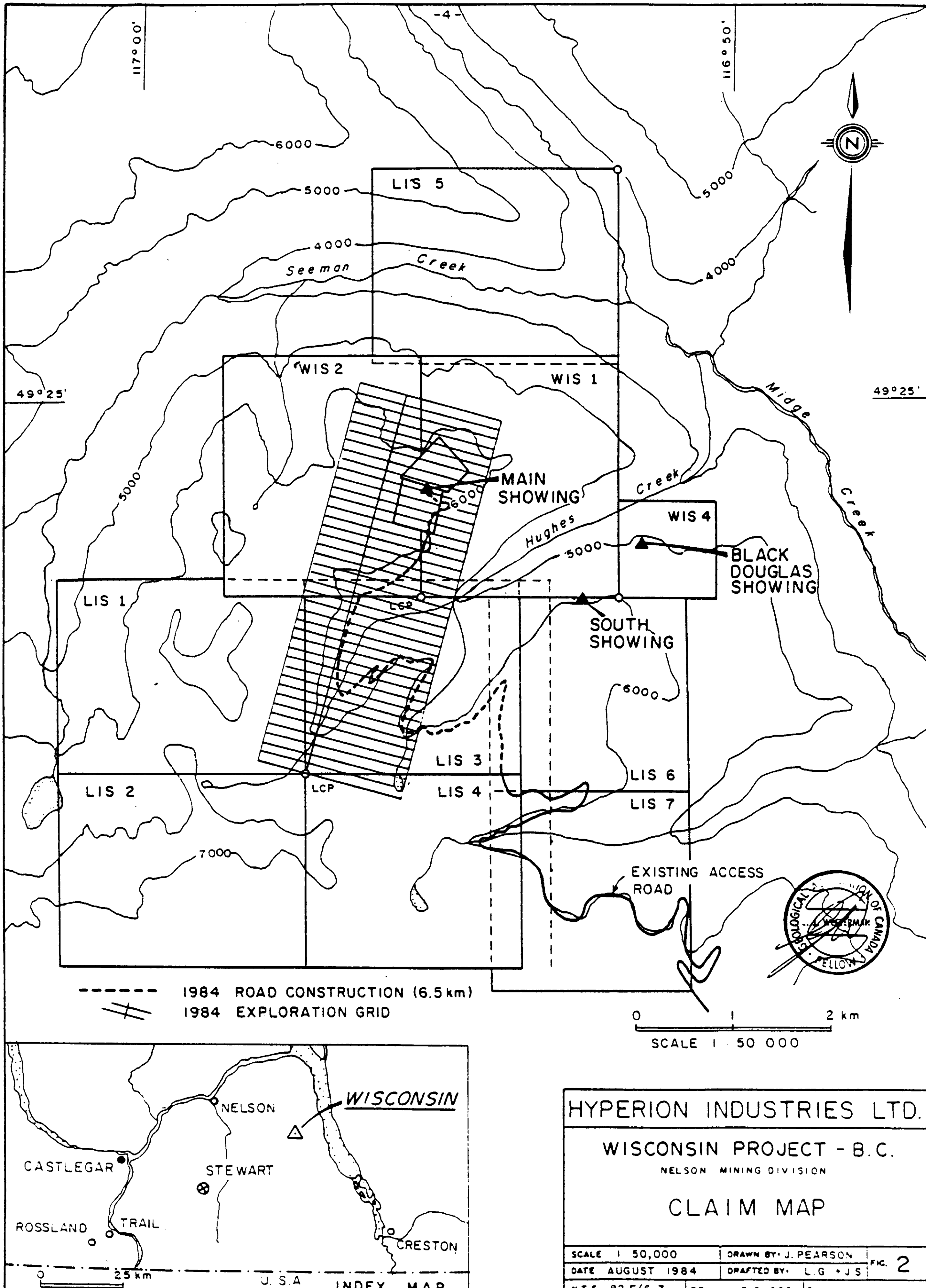
The Wisconsin property (Figure 2) consists of the following Crown granted and metric grid system mineral claims located in the Nelson Mining Division of British Columbia.

TABLE 1

Mineral Claim Definition

Claim Name	Record No.	No. of Units	Present Expiry Date
Wisconsin	L2928	1	—
Lucky Strike	L2929	1	—
Wis 1	1558	20	March 19, 1994
Wis 2	1559	20	March 19, 1993
Wis 4	1939	4	October 7, 1993
Lis 1	3537	20	October 24, 1992
Lis 2	3538	20	October 24, 1992
Lis 3	3539	20	October 24, 1994
Lis 4	3540	20	October 24, 1993
Lis 5	3541	20	October 24, 1992
Lis 6	3595	16	August 3, 1993
Lis 7	3596	16	August 3, 1993
Total		178	

The metric grid system claims Wis 1, Wis 2, Wis 4 and Lis 1 - 7 inclusive are owned 100% by Esperanza Explorations Ltd. The Crown granted claims Wisconsin and Lucky Strike are owned by Esperanza Explorations Ltd. subject to an underlying option agreement. Hyperion Industries Ltd. may earn up to 100% interest in the property by way of an option agreement with Esperanza.



HYPERION INDUSTRIES LTD.

WISCONSIN PROJECT - B.C.

NELSON MINING DIVISION

CLAIM MAP

SCALE 1 : 50,000	DRAWN BY: J. PEARSON	FIG. 2
DATE AUGUST 1984	DRAFTED BY: L.G + J.S	
N.T.S. 82 F/6,7	REV JUNE 5,1986	

Exploration history

The Wisconsin and Lucky Strike claims were staked in 1884 and Crown granted in 1899. By 1903, five mineralized zones were being explored. The No. 1 zone was exposed along a length of 244 metres in 13 surface cuts and explored by two crosscut tunnels of 30 metres and 26 metres length. The No. 2 zone was explored by 13 metres of drift and crosscuts and the No. 3 zone by a short shaft and open cut. The Nos. 4 and 5 zones were explored by 11 surface cuts.

Between 1903 and 1915, a meandering tunnel totalling 244 metres of crosscutting and 75 metres of drifting was driven from the No. 3 adit in the vicinity of the No. 3 and No. 5 zones. In 1928, Radiore Company of Canada outlined a 500 metre long conductive zone, coincident with the No. 1 zone. In 1933, a program of surface trenching was undertaken and 3 diamond drill holes totalling 305 metres were drilled.

Between 1935 and 1937 a 46 metre winze was sunk on the No. 1 zone and 158 metres of drifting plus 69 metres of crosscutting undertaken on the lower level. The adit level of the No. 1 zone was extended in 1940 by 58 metres of drifting and 40 metres of crosscutting. Metallurgical testing undertaken between 1937 and 1942 was not encouraging due largely to the refractory nature of the mineralization and the high arsenic content.

No further property work was undertaken until 1980 when Esperanza Explorations Ltd. carried out detailed sampling of accessible surface and underground workings, detailed geological mapping, a Crone E.M. survey, and a soil geochemical survey covering an area of 1.6 sq. kilometres.

The Selco Division of B.P. Resources Canada Ltd. optioned the property from Esperanza Explorations Ltd. in 1984 and 1985. Selco constructed 8 km of access roads, 72.5 km of survey grid and undertook a UTEM geophysical survey over the northern third of the grid. Selco also drilled 8 BQ diamond drill holes totally 1169 metres and 6 NQ diamond drill holes totalling 925 metres and undertook a levelling survey of hole collars.

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GEOLOGY

Regional geology

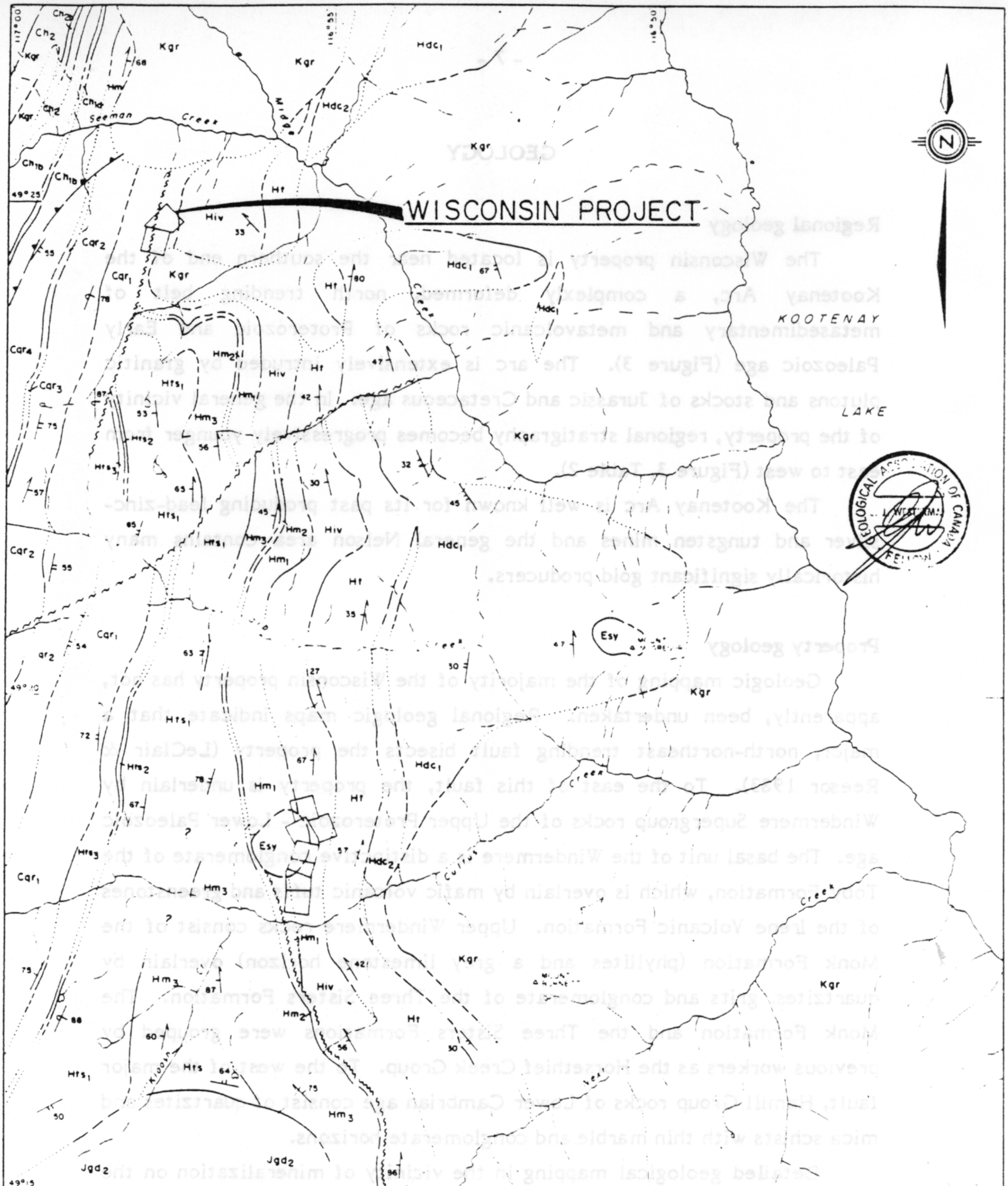
The Wisconsin property is located near the southern end of the Kootenay Arc, a complexly deformed, north trending belt of metasedimentary and metavolcanic rocks of Proterozoic and Early Paleozoic age (Figure 3). The arc is extensively intruded by granitic plutons and stocks of Jurassic and Cretaceous age. In the general vicinity of the property, regional stratigraphy becomes progressively younger from east to west (Figure 3, Table 2).

The Kootenay Arc is well known for its past producing lead-zinc-silver and tungsten mines and the general Nelson area contains many historically significant gold producers.

Property geology

Geologic mapping of the majority of the Wisconsin property has not, apparently, been undertaken. Regional geologic maps indicate that a major, north-northeast trending fault bisects the property (LeClair & Reesor 1983). To the east of this fault, the property is underlain by Windermere Supergroup rocks of the Upper Proterozoic - Lower Paleozoic age. The basal unit of the Windermere is a distinctive conglomerate of the Toby Formation, which is overlain by mafic volcanic tuffs and greenstones of the Irene Volcanic Formation. Upper Windermere rocks consist of the Monk Formation (phyllites and a grey limestone horizon) overlain by quartzites, grits and conglomerate of the Three Sisters Formation. The Monk Formation and the Three Sisters Formations were grouped by previous workers as the Horsethief Creek Group. To the west of the major fault, Hamill Group rocks of Lower Cambrian age consist of quartzites and mica schists with thin marble and conglomerate horizons.

Detailed geological mapping in the vicinity of mineralization on the Wisconsin and Lucky Strike Crown grants (Figure 4) indicates that the stratigraphy and structure of the Windermere Super Group is considerably more complex than indicated by regional maps. The most common rock type in the area is a quartz-sericite schist which was probably originally an



LEGEND

Eocene	Esy	Syenite, shonkinite
Cretaceous	Kgr	Granite ± biotite, muscovite garnet
Jurassic	Jgd₂	Biotite-hornblende granodiorite
Lower Cambrian	Car/Ch	HAMILL GROUP
		Car_4 - White Quartzite
		Car_3 - Conglomerate
		Car_2 - Micaceous Quartzite
		Car_1 - Orthoquartzite
		Ch_{2b} - Marble
		Ch_2 - Muscovite-biotite-chlorite-schist
		$Ch_{1b,1d}$ - Massive white quartzite + pebbly feldspathic quartzite
		WINDERMERE SUPERGROUP
Lower Paleozoic	Hh	HORSETHIEF CREEK GROUP
	Hts	THREE SISTERS FORMATION
		Hts_3 - Quartzite
		Hts_2 - Conglomerate, Hts_1 - Grit
Lower Paleozoic	Hm	MONK FORMATION
		Hm_3 - Phyllite
		Hm_2 - Limestone
		Hm_1 - Phyllite quartzite
	Hiv	IRENE VOLCANIC FORMATION
	Ht	TOBY FORMATION
		PURCELL SUPERGROUP
Proterozoic	Hmn	MT. NELSON FORMATION
		Hmn_4 - Dolomite
		Hmn_3 - Black Argillite
		Hmn_2 - Dolomite, Hmn_1 - Quartzite
	Hdc	DUTCH CREEK FORMATION
		Hdc_2 - Upper, Hdc_1 - Lower

Geology by A.E. Leclair and J.E. Reesor 1983
(Open File 929)

HYPERION INDUSTRIES LTD

WISCONSIN PROJECT - B.C.

NELSON MINING DIVISION

REGIONAL GEOLOGY

SCALE	1:50,000	DRAWN BY: B. GRANT		FIG. 3
DATE	APRIL 1985	DRAFTED BY: L.G.		
N.T.S.	82 F/7	REV JUNE 86	C.J.W.	PhD

TABLE OF FORMATIONS

PALEOZOIC	CAMBRIAN			LARDEAU GROUP	BROADVIEW FORMATION	
					JOWETT FORMATION	
					SHARON CREEK FORMATION AJAX FORMATION TRIUNE FORMATION	
					INDEX FORMATION	
				BADSHOT - MOHICAN FORMATION		
				HAMILL FORMATION		
PROTEROZOIC	HADRYNIAN		WINDERMERE SUPERGROUP	HORSETHIEF CREEK GROUP	THREE SISTERS FORMATION	
					MONK FORMATION	
				IRENE VOLCANIC FORMATION		
				TOBY FORMATION		
						EAST KOOTENAY OROGENY
	HELIKIAN	NEO-HELIKIAN	PURCELL SUPERGROUP	MOYIE INTRUSIONS		
				MOUNT NELSON FORMATION		
				DUTCH CREEK FORMATION		
		PALEO-HELIKIAN		KITCHENER - SIYEH FORMATION		
				CRESTON FORMATION		
				ALDRIDGE FORMATION		

TABLE I

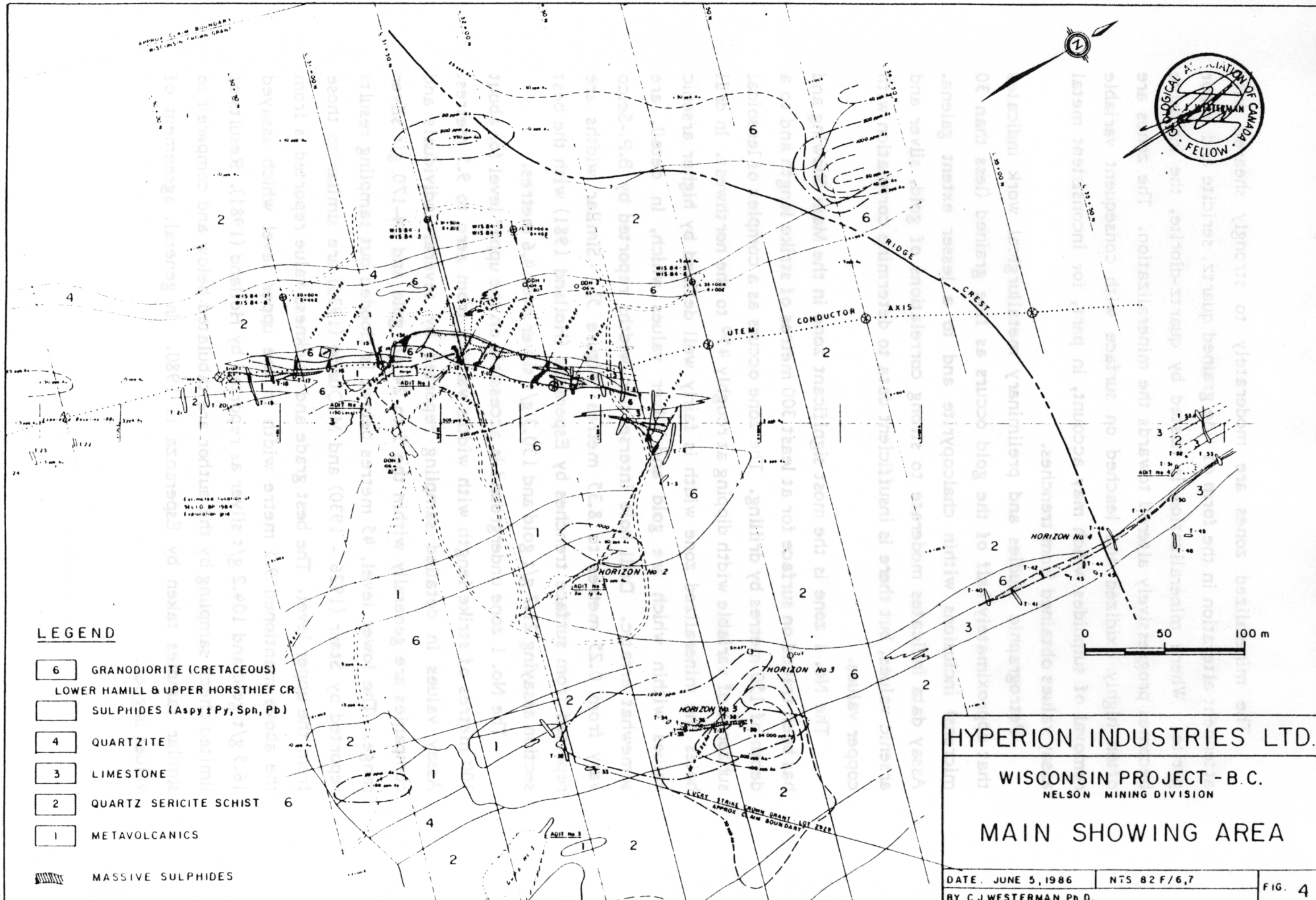
impure quartzite. Lenses of volcanic greenstone and mature quartzite are present within the schists but it is uncertain if these represent original stratigraphic lenses or are repetitions created by tight to isoclinal folding. Grey weathering marble horizons are also present as apparently discontinuous lenses.

Lithologic contacts generally trend north to northeast with steep to moderate westerly dips which are subparallel to a pervasive schistosity. The Windermere rocks are cut by complex dikes, sills and plugs of quartz diorite of probable Cretaceous age. The intrusive rocks are equigranular to weakly porphyritic and are variably altered by shear zones which are most probably related to mineralization.

MINERALIZATION

The Wisconsin property is host to seven known mineralized zones containing significant concentrations of gold, silver, copper, lead, zinc and arsenic. Five of these zones are located within the "Main Showings" area adjacent to the common boundary of the Wisconsin - Lucky Strike Crown grants (Figure 4). The sixth zone, historically referred to as the Black Douglas showing, lies on the Wis 4 claim and the "South" showing is located on the north boundary of claim Lis 6 (Figure 2).

Mineralized zones in the Main Showing area are hosted by quartz-diorite, quartzite, quartz sericite schist, greenstone and limestone. Sulphide mineralization varies from massive to semi-massive to veinlets, stringers and disseminations. Pyrite and arsenopyrite constitute the majority of the sulphides with lesser amounts of chalcopyrite, galena, sphalerite and pyrrhotite. Associated gangue minerals include siderite, barite and quartz. Manganese staining is locally intense. Pyrite and arsenopyrite occur dominantly as coarsely crystalline masses which are strongly fractured and occasionally brecciated with chalcopyrite and galena occurring as fracture fillings. Locally, sulphides have cemented brecciated quartz veins. Massive siderite, with or without barite may contain up to 40% disseminated sulphides. Massive sulphides have a tendency to occur at the footwall of mineralized zones whereas massive siderite and barite occur towards the hangingwall.



LEGEND
6 GRANODIORITE (CRETACEOUS)
LOWER HAMILL & UPPER HORSTHIEF CR.
SULPHIDES (Aspy ± Py, Spn, Pb)
4 QUARTZITE
3 LIMESTONE
2 QUARTZ SERICITE SCHIST
1 METAVOLCANICS
MASSIVE SULPHIDES
HYPERION INDUSTRIES LTD.
WISCONSIN PROJECT - B.C.
NELSON MINING DIVISION
MAIN SHOWING AREA
DATE. JUNE 5, 1986
NTS 82 F/6,7
BY C.J.WESTERMAN Ph D.
FIG. 4
GEOLOGICAL ASSOCIATION OF CANADA
C. J. WESTERMAN
FELLOW
RIDGE CREST
UTEM CONDUCTOR AXIS
HORIZON No 2
HORIZON No 3
HORIZON No 4
HORIZON No 5
ADIT No 1
ADIT No 2
ADIT No 3
0 50 100 m

The mineralized zones are moderately to strongly sheared with attendent alteration in the form of fine grained quartz, sericite and minor pyrite. Where mineralization is hosted by quartz-diorite, the intrusive becomes progressively altered towards the mineralization. The zones are often highly oxidized and leached on surface with consequent variable removal of sulphides which may account, in part, for inconsistent metal assay values obtained from trenches.

Petrographic studies and preliminary metallurgical work indicates that approximately half of the gold occurs as fine grained (less than 30 microns) inclusions within chalcopyrite and to a lesser extent galena. Assay data indicates moderate to strong correlations of gold, silver and arsenic values, but there is insufficient data to determine correlation with copper values.

The No. 1 zone is the most significant zone in the Main Showing and has been traced on surface for at least 300 metres of strike length and to a depth of 150 metres by drilling. The zone occurs as a complex of lensoidal subzones of variable width dipping at roughly 45° to the northwest. In drill holes the mineralized zone width is fairly well defined by higher arsenic values within which are gold and silver values which, in detail, are somewhat erratic. Drill hole intersection widths reported by B.P.-Selco vary from 0.25 metres to 8.35 metres (Figure 5). Similar widths are reported from surface trenches by Esperanza (Holland 1981) with the best section assaying 21.7 g/t gold and 130.3 g/t silver over 4.6 metres.

The No. 1 zone underground is accessible on the upper level for about 100 metres of strike length with widths varying from zero to 9.5 metres. Assay values in detailed sampling reported by several individuals and companies are generally within the 3 to 24 g/t gold and 34-170 g/t silver range. The lower level, 45 metres below, is flooded but sampling results reported by Starr (1926 - 1930) and McQuade (1935) are similar to those from the upper level. The best grade and thickness value reported is from the above mentioned 9.5 metre width in the upper level which assayed 16.5 g/t gold and 104.2 g/t silver as reported by Holland (1981). Results of limited check sampling by the author are tabulated below and compared to similar samples taken by Esperanza in 1980. In general, agreement of values is good.

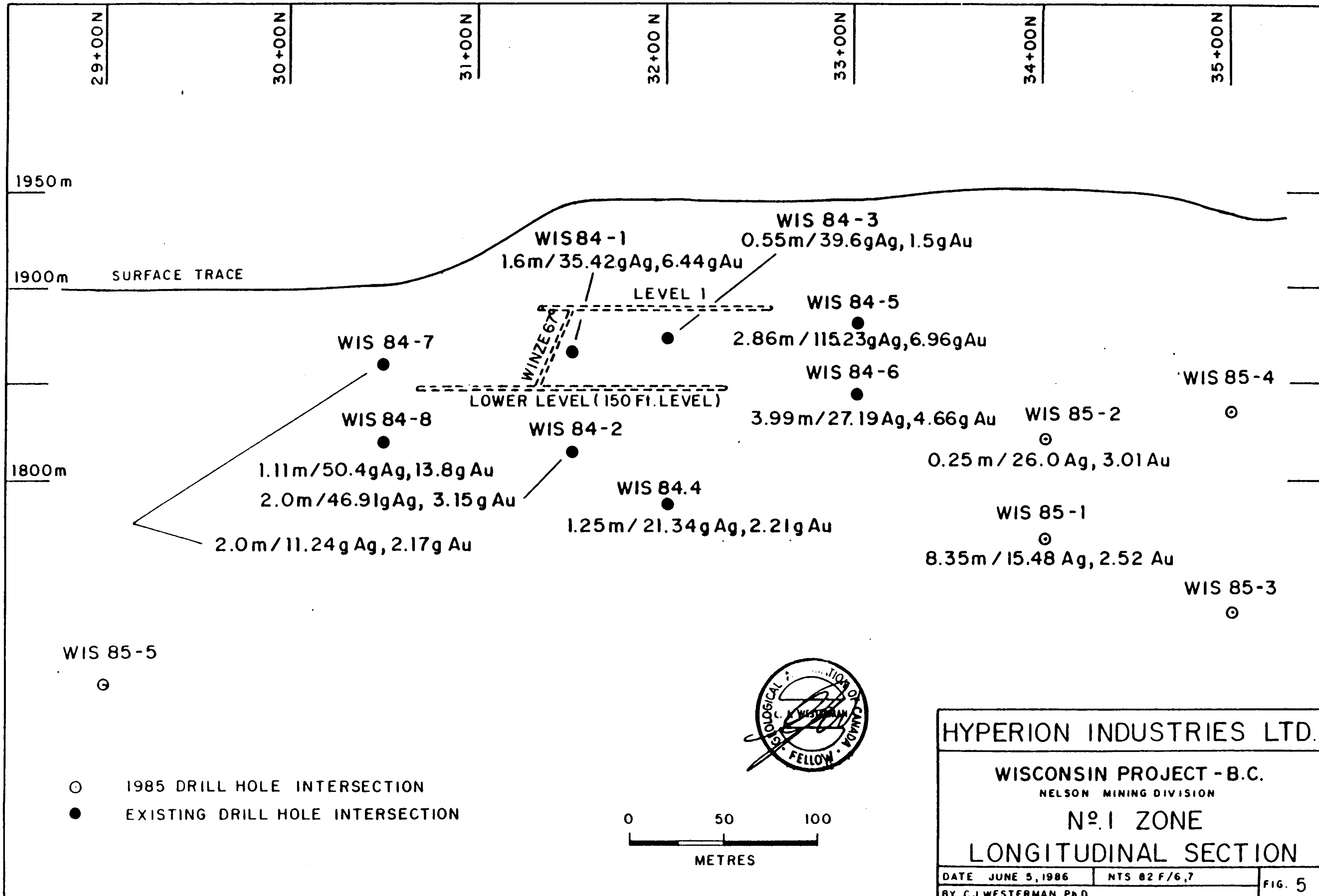

29+00N
30+00N
31+00N
32+00N
33+00N
34+00N
35+00N
1950m
1900m
1800m
SURFACE TRACE
LEVEL 1
WINZE 67
LOWER LEVEL (150 Ft. LEVEL)
WIS 84-1
1.6m/35.42gAg,6.44gAu
WIS 84-3
0.55m/39.6gAg, 1.5gAu
WIS 84-5
2.86m/115.23gAg,6.96gAu
WIS 84-6
3.99m/27.19Ag,4.66g Au
WIS 84-7
WIS 84-8
1.11m/50.4gAg,13.8g Au
WIS 84-2
2.0m/46.91gAg, 3.15g Au
2.0m/11.24g Ag,2.17g Au
WIS 84.4
1.25m/21.34g Ag,2.21g Au
WIS 85-4
WIS 85-2
0.25m/26.0Ag, 3.01Au
WIS 85-1
8.35m/15.48 Ag, 2.52 Au
WIS 85-3
WIS 85-5
GEOLOGICAL ASSOCIATION OF CANADA
C. J. WESTERMAN
FELLOW
1985 DRILL HOLE INTERSECTION
EXISTING DRILL HOLE INTERSECTION
0 50 100
METRES
HYPERION INDUSTRIES LTD.
WISCONSIN PROJECT - B.C.
NELSON MINING DIVISION
No.1 ZONE
LONGITUDINAL SECTION
DATE JUNE 5, 1986
NTS 82 F/6,7
BY C.J WESTERMAN Ph.D.
FIG. 5

TABLE 3

Check Sampling Results

Sampler	Sample No.	Width	g/t Au	g/t Ag	% As	% Cu
		Underground Adit No. 1				
Westerman	86WR20	0.7m	13.1	106.0	18.1	0.61
Esperanza	69150	0.7m	13.0	51.8	18.1	N.A.
Westerman	86WR21	1.6m	18.5	120.0	20.2	0.95
Esperanza	69135	1.6m	15.5	118.6	15.0	N.A.
Westerman	86WR22	2.0m	10.5	42.2	5.9	0.16
Esperanza	69128	2.0m	46.6	108.3	13.2	N.A.
		Trench T - 12				
Westerman	86WR23	1.2m	5.3	109.0	14.4	0.43
Esperanza	69095	1.8m	7.9	64.5	7.5	N.A.
Westerman	86WR24	1.6m	21.9	113.0	15.6	0.07
Esperanza	69093	1.1m	8.1	129.6	16.8	N.A.

The No. 2 zone is explored by a short adit and consists of a series of narrow limonitic shears at the contact between quartz diorite and siliceous schist, both of which are intensely altered. Chip samples taken at the caved portal returned values to 133.7 g/t silver and 2.6% arsenic with weak gold values in the 0.75 g/t range. The short underground workings do not adequately explore the zone exposed in the portal and chip samples returned only weak metal values (Holland 1981).

A shallow caved shaft exposes the No. 3 zone which follows a narrow but strong shear in quartz diorite. The limonitic and arsenic oxide stained shear is about 0.2 metres in width. The No. 4 zone follows a contact between quartz diorite and a marble horizon for at least 300 metres along strike with widths up to 3 metres. Rock samples from 15 sloughed trenches along the zone returned geochemically anomalous values for silver and arsenic. The No. 5 zone has been traced in sloughed trenches over a length of 45 metres with widths up to 4.4 metres. A sample from one trench assayed 7.6 g/t gold, 787 g/t silver and 9.6% arsenic across a width of 1.7 metres. The No. 3 adit presumably was driven to test parts of the No. 3 and No. 5 zones but sampling data is not available and the adit portal is caved.

The Black Douglas zone is located on the south side of Hughes Creek on the Wis 4 claim, two kilometres southeast of the main Wisconsin zones. The zone was explored in 1946-7 by 29 hand trenches, a short adit and shaft over a length of about 200 metres. The recessive weathering zone is hosted by quartz-diorite and is similar in many respects to the No. 1 zone on the Wisconsin. Three grab samples of dump material assayed 6.7 g/t Au and 15.7 g/t Ag; 12.8 g/t Au and 80.9 g/t Ag; 28.3 g/t Au and 332.2 g/t Ag. Chip samples of oxidized material from trenches returned low but definitely anomalous values for gold and silver (Holland 1981).

The south zone, located 1 km west-southwest of the Black Douglas zone was discovered in 1984. The showing consists of a quartz vein in highly sheared mafic metavolcanic host. The vein is up to 2.5 metres in width and carries chalcopyrite, pyrite and pyrrhotite. Values up to 240 ppb Au have been returned from chip samples.

The mineralized zones display several features normally considered to be characteristic of hydrothermal replacement along shear structures. Esperanza (Holland 1981) referred to the zones as "veins" and made reference to replacement of carbonates by silica and sulphides. B.P.-Selco (Grant 1984-85) considered the possibility that the mineralization was originally syngenetic of a sedex exhalative type and that subsequent shearing and remobilization during granitic intrusion had considerably modified original features.

MINERAL RESERVE ESTIMATES

At the time of completion of underground work "potential ore reserves" in the No. 1 zone were estimated to be 50,000 tons of 12.3 g/t gold and 109.7 g/t silver (Lakes 1945). Ten of the B.P.-Selco holes drilled in 1984-85 intersected significant mineralization but at widely spaced intervals (50 -

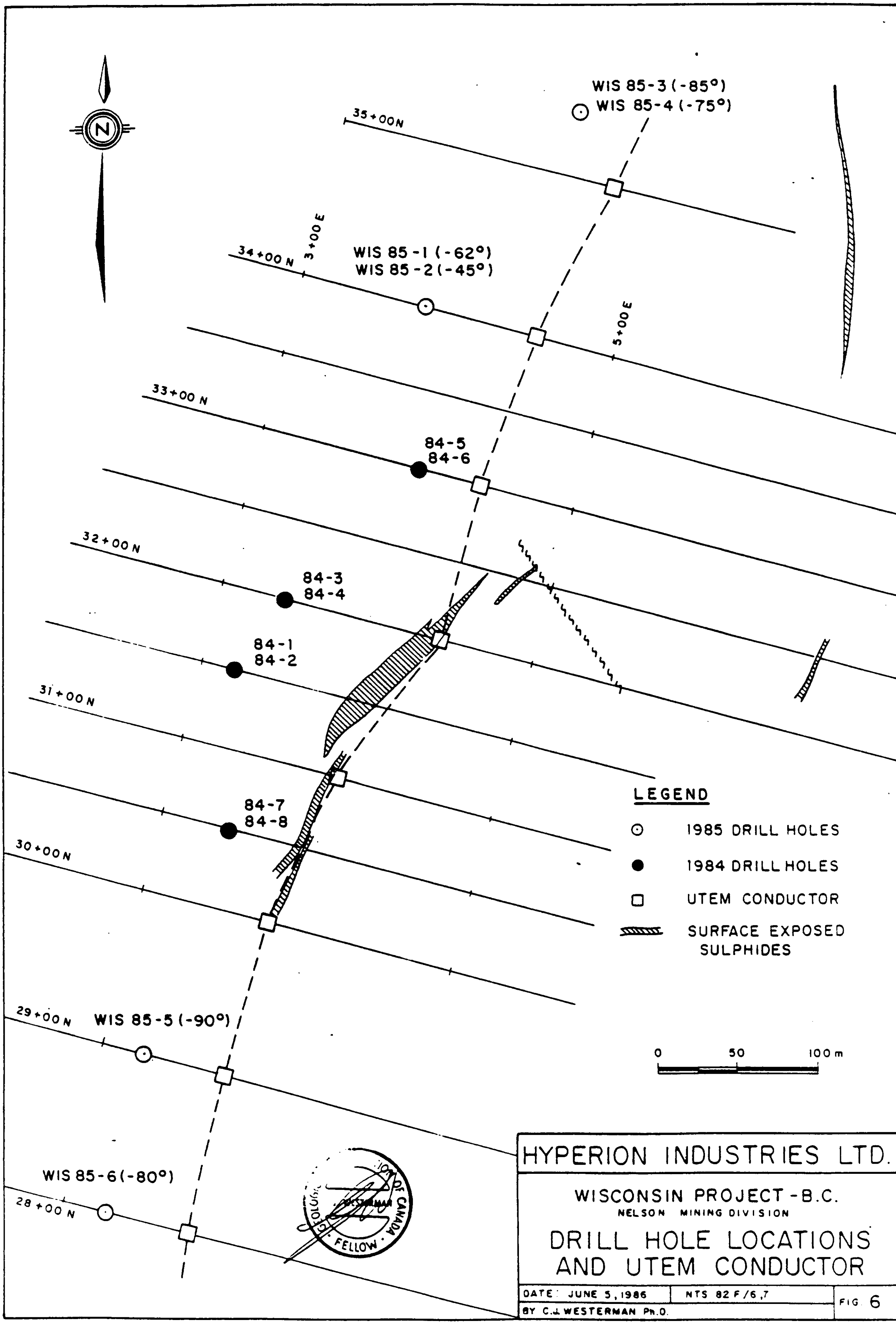
150 m). Grant (1985) reports that "...The ore grade zone has now been tested about 350 metres along strike and to a depth of about 150 metres to define a zone with an average width of 2.48 metres, grading 4.02 grams of gold and about 35 grams of silver. At a specific gravity of about 3 to 3.5, this indicates that the tonnage potential is slightly over 400,000 tonnes." R. Holland has recalculated the B.P.-Selco drill data to arrive at a mineral reserve estimate of 338,921 tonnes grading 6.02 g/t gold and 51.5 g/t silver over an average width of 1.34 metres. The current author has reviewed Holland's reserve calculations and, whilst they do not adhere strictly to standard practice because of the wide-spaced drill data, they do nevertheless provide a reasonable estimate of the mineral reserve currently outlined.

The author concurs that there exists a drill indicated mineral reserve approximating Holland's estimate but cannot place any confidence limits on this reserve. The author also declines to independently calculate a reserve due to uncertainties related to the irregular grade and lensoid nature of mineralization in addition to the relatively wide spacing of drill hole data.

GEOPHYSICS AND GEOCHEMISTRY

A soil geochemical survey was undertaken in the 1.6 sq. km area surrounding the main Wisconsin showings by Esperanza in 1980. Well defined coincident gold-arsenic-silver anomalies were outlined over areas of known mineralization (Figure 4). No anomalies were obtained in the area south of the Main Showings - perhaps due to the presence of thicker overburden and an absence of outcrop. Four areas of anomalous values were obtained in the area north and west of the Main Showings but detailed follow-up has not, apparently, been undertaken.

Esperanza attempted an orientation Crone EM survey in 1980 but failed to outline any significant conductive zones. A UTEM survey undertaken by B.P.-Selco in 1984 identified a single linear conductive zone which extended the entire length of the survey area (1200 metres). One section displaying enhanced conductivity corresponds to the known strike length of the Wisconsin No. 1 mineral zone (Figure 6).


N
35+00N
34+00N
33+00N
32+00N
31+00N
30+00N
29+00N
28+00N
3+00E
5+00E
WIS 85-3 (-85°)
WIS 85-4 (-75°)
WIS 85-1 (-62°)
WIS 85-2 (-45°)
84-5
84-6
84-3
84-4
84-1
84-2
84-7
84-8
WIS 85-5 (-90°)
WIS 85-6 (-80°)
LEGEND
1985 DRILL HOLES
1984 DRILL HOLES
UTEM CONDUCTOR
SURFACE EXPOSED SULPHIDES
0
50
100 m
HYPERION INDUSTRIES LTD.
WISCONSIN PROJECT - B.C.
NELSON MINING DIVISION
DRILL HOLE LOCATIONS AND UTEM CONDUCTOR
DATE: JUNE 5, 1986
NTS 82 F/6,7
BY C.J. WESTERMAN Ph.D.
FIG. 6
FELLOW

CONCLUSIONS AND EXPLORATION POTENTIAL

The Wisconsin property hosts a drill indicated mineral deposit in the No. 1 zone containing in the order of 340,000 tonnes at an average grade of 6.0 g/t gold and 51.5 g/t silver with an average width of roughly 1.3 metres. The deposit includes a reasonably well defined "probable mineral reserve" of about 50,000 tons grading 12.3 g/t gold and 109.7 g/t silver. Uncertainties in the reserve estimate will remain until the deposit has been drilled off at closer spacing (50 metres) than is currently the case. The deposit has been drilled to a depth of 150 metres and is open at depth. The deposit has not been adequately tested along strike and there is considerable potential for discovery of additional reserves by drill testing other mineralized zones exposed at surface.

There is certainly exploration potential still available for expansion of reserves in the No. 1 zone at depth and along strike. The 1985 drill holes were step-outs to the north and south, designed to test a major UTEM conductor, which is partly coincident with the No. 1 zone in the vicinity of the underground workings (Figure 6). The conductor is a major through-going feature with a known strike length of 1200 metres (open at both ends) which has only been drill tested over a length of 700 metres. If mineralization is genetically associated with this conductor there is a high potential for discovery of new mineralized zones which may not outcrop on surface. It is noted, however, that step-out holes 85-3 to 85-6 did not intersect any structure which might explain the UTEM conductor. It is also noted that the conductor diverges from the apparent surface trace of mineralization and is not affected by northwest trending cross faults which displace lithologic contacts (Figure 4). Geologic mapping suggests that mineral zones 2, 3, 4 and 5 may originally have been a continuous linear zone which has been displaced by the northwest trending faults. Surface sampling along this trend has returned anomalous metal values for gold, silver and arsenic, accompanied by alteration similar to that associated with the No. 1 zone. The #3 adit presumably tested parts of the No. 3 and No. 5 zones but sampling data is not available and the adit is caved. The 400 metre strike length of the combined No. 3, 4 and 5 zones represent an attractive exploration target that warrants testing by drilling.

Only about ten percent of the property has been adequately explored on surface and continued exploration outside of the Main Showing area is definitely warranted.

Previous attempts to develop the property (pre 1945) were unsuccessful, in part, because of metallurgical problems related to the refractory nature of the mineralization and the relatively high arsenic content. These problems remain but a solution might be attainable by application of modern metallurgical research testing.

RECOMMENDATIONS

It is recommended that a Phase 1 program of approximately 1000 metres of diamond drilling be undertaken. The majority of this drilling should be directed towards better definition of the No. 1 mineral zone, which will lead to calculations of a mineral reserve. Coincident with drilling, it is also recommended that a thorough prospecting program be undertaken to determine if previously unrecognized mineral zones exist on this rather large property. Contingent on favourable results from Phase 1, it is recommended that a Phase 2 program, also consisting of 1000 metres of diamond drilling, be undertaken. The Phase 2 program should be directed towards expanding the reserve of the No. 1 zone and also to testing at depth the other mineral zones currently recognized at surface. It is further recommended that, during Phase 1, consideration be given to the best method of solving the metallurgical problems and that during Phase 2 some financial resources be expended on metallurgical test work.

It is estimated that the cost of the recommended Phase 1 program will be approximately $100,000 and that of the recommended Phase 2 program will be approximately $110,000. Further recommendations for future development of the property are beyond the scope of this report.

GEOLOGICAL ASSOCIATION OF CANADA
C.J. WESTERMAN
FELLOW

Vancouver, B.C.
June 5th, 1986

C.J. Westerman, Ph.D., F.G.A.C.
Consulting Geologist

COST ESTIMATE

Phase 1

Diamond drilling: 1000 m NQ at $75/m	$ 75,000
Assays: 200 at $30	6,000
Salaries:	
Geologist: 30 days at $250/day	7,500
Assistant: 25 days at $100/day	2,500
Equipment, camp supplies, food, fuel	3,000
Travel, freight, vehicle rental	2,000
Drafting, printing, office supplies and communication	1,000
Engineering	3,000
Total Phase 1	$ 100,000

Phase 2

Diamond drilling: 1000 m NQ at $75/m	$ 75,000
Assays: 200 at $30	6,000
Salaries:	
Geologist: 30 days at $250/day	7,500
Assistant: 25 days at $100/day	2,500
Equipment, camp supplies, food, fuel	3,000
Travel, freight, vehicle rental	2,000
Drafting, printing, office supplies and communication	1,000
Engineering	3,000
Metallurgical testing	10,000
Total Phase 2	$ 110,000

Vancouver, B.C.
June 5th, 1986

C.J. Westerman, Ph.D., F.G.A.C.
Consulting Geologist

CERTIFICATION

I, Christopher John Westerman, hereby certify that:

1. I am an independent Consulting Geologist with an office at 1010 - 470 Granville Street, Vancouver, British Columbia, V6C 1V5.

2. I am a graduate of London University, England with the degree of Bachelor of Science in Geology (1967); of the University of British Columbia with the degree of Master of Science in Geology (1970) and of McMaster University, Ontario with the degree of Doctor of Philosophy in Geology (1977).

3. I am a Fellow in the Geological Association of Canada (F.525) and a member of the Canadian Institute of Mining and Metallurgy.

4. I have practised my profession in North America since 1967, having worked as employee and consultant for several International Mining Corporations and Junior Resource Companies.

5. I have not, directly or indirectly, received or expect to receive any interest, direct or indirect, in the properties of Hyperion Industries Ltd. or any affiliates or of any property within a radius of ten kilometres of subject property, or beneficially own, directly or indirectly, any securities of the company or of any affiliates.

6. This report is based upon a personal examination of all available company and government reports pertinent to the subject property, and upon a field examination of the property on May 23rd, 1986.

7. I consent to the use of this report in, or associated with, the filing of a Prospectus or a Statement of Material Facts by Hyperion Industries Ltd.

ASSOCIATION OF CANADA
C.J. WESTERMAN
FELLOW

June 5th, 1986
Vancouver, B.C.

C.J. Westerman, Ph.D., F.G.A.C.
Consulting Geologist

C.J.WESTERMAN Ph.D. CONSULTING GEOLOGIST

1010-470 Granville St., Vancouver, British Columbia, Canada V6C1V5 (604) 683-8617

November 19th, 1986

The Directors
Hyperion Industries Ltd
13451 - 112A Avenue
Surrey, B.C.
V3R 2G7

Dear Sirs:

Re: Wisconsin Property

On June 5th 1986, I wrote a Summary report for your company on the Wisconsin Property, Nelson Mining Division, British Columbia. In that report I recommended a phase 1 drilling program of 1000 metres at an estimated cost of \$100,000 and a success contingent phase 2 drilling and metallurgical testing program at an estimated cost of \$110,000.

Subsequent to the date of my report you have undertaken a geophysical survey on the property at a cost of \$20,400. I have carefully reviewed the results of that survey, as detailed in a report dated 30 September 1986 by Paul A. Cartwright of Pacific Geophysical Limited which was entitled "Report on the Resistivity and Induced Polarization Survey on the Wisconsin Property, Nelson Mining Division, British Columbia." This survey has successfully identified known massive sulphide zones on the property as being associated with linear anomalies of low resistivity (high conductivity). The geophysical data shows excellent correlation with the No. 1 and No. 4 mineral zones and indicates a 200 metre northern extension of the No. 2 zone which was not previously recognized. Another conductor, which possibly represents a northern continuation of the No. 1 zone, suggests that drill holes 85-1 through 85-4 were collared too far to the west to intersect the zone at depth. Several other conductors identified in the recent survey have not been adequately explored to date.

In view of the success of the geophysical program I wish to make no substantial changes to the recommendations contained in my report of June 5th 1986. I suggest that more attention be directed to follow-up of the geophysical anomalies in Phase 1 of the program. I recommend that a trenching program at an estimated cost of approximately \$7,500 be substituted for 10% of the 1000 metres of drilling originally recommended. Such substitution would not affect my original cost estimate of \$100,000 for completion of Phase 1.

I confirm that I have no direct or indirect interest in the securities or properties of Hyperion Industries Ltd. I consent on the use of this letter report in, or associated with, the filing of a Prospectus of Statement of Material Facts by Hyperion Industries Ltd.

Respectfully submitted,

GEOLOGICAL ASSOCIATION OF CANADA
C. J. WESTERMAN
FELLOW

C.J. Westerman, Ph.D., F.G.A.C.

CERTIFICATE OF THE ISSUER

DATED: November 23, 1987

THE FOREGOING CONSTITUTES FULL, TRUE AND PLAIN DISCLOSURE OF ALL MATERIAL FACTS RELATING TO THE SECURITIES OFFERED BY THIS PROSPECTUS AS REQUIRED BY THE SECURITIES ACT (BRITISH COLUMBIA) AND ITS REGULATIONS.

DUTCH CREEK RESOURCES LTD.

TYRONE DOCHERTY, Chief Executive Officer, President and a Director	JAMES BAVALIS, Chief Financial Officer, Secretary and a Director

ON BEHALF OF THE BOARD OF DIRECTORS

JAMES BAVALIS, Director	LEN EVANS Director

THE PROMOTERS

JAMES BAVALIS	LEN EVANS
TYRONE DOCHERTY	

CERTIFICATE OF THE AGENT

DATED: Nov. 23, 1987

TO THE BEST OF OUR KNOWLEDGE, INFORMATION AND BELIEF, THE FOREGOING CONSTITUTES FULL, TRUE AND PLAIN DISCLOSURE OF ALL MATERIAL FACTS RELATING TO THE SECURITIES OFFERED BY THIS PROSPECTUS AS REQUIRED BY THE SECURITIES ACT (BRITISH COLUMBIA) AND ITS REGULATIONS.

OSLER INC.

PER: ______________________