

P R O S P E C T U S

THIS PROSPECTUS CONSTITUTES AN 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 FOR SALE BY THIS PROSPECTUS AND ANY REPRESENTATION TO THE CONTRARY IS AN OFFENCE.

TRIUNE RESOURCES LTD.
(the "Issuer")
(Incorporated in British Columbia)

NEW ISSUE
500,000 COMMON SHARES

	Offering Price(1)	Commission	Net Proceeds to the Issuer(2)
Per Share	\$0.40	\$0.04	\$0.36
Total	\$200,000	\$20,000	\$180,000

(1) The price was established by the Issuer and agreed to by the Agents.

(2) Before deduction of the balance of costs of this Prospectus estimated at \$30,000.

THERE IS NO MARKET THROUGH WHICH THESE SECURITIES MAY BE SOLD. A PURCHASE OF THE SHARES OFFERED BY THIS PROSPECTUS MUST BE CONSIDERED SPECULATIVE. REFERENCE IS MADE TO THE SECTION CAPTIONED "RISK FACTORS".

THIS PROSPECTUS IS AUTHORIZED BY THE ISSUER TO PROVIDE ANY INFORMATION OR TO MAKE ANY REPRESENTATION IN THOSE CONTAINED IN THIS PROSPECTUS IN CONNECTION WITH THE ISSUE AND SALE OF SECURITIES OFFERED HEREBY.

DIRECTORS OF THE ISSUER MAY HAVE INTERESTS, DIRECT OR INDIRECT, IN OTHER NATURAL PERSONS OR COMPANIES. REFERENCE IS MADE TO THE SECTION CAPTIONED "DIRECTORS AND OFFICERS" ON THIS PROSPECTUS FOR COMMENT AS TO THE RESOLUTION OF POSSIBLE CONFLICTS OF INTEREST.

TERMS OF THE SHARES BEING OFFERED FOR CASH AND THOSE ISSUED TO PROMOTERS, DIRECTORS AND INSIDERS, REFERENCE IS MADE TO THE SECTION CAPTIONED "PRINCIPAL SHAREHOLDERS AND UNDERWRITERS OF THE SHARES PURCHASED BY UNDERWRITERS ARE DISCLOSED IN THE SECTION CAPTIONED "TERMS OF SALE".

THE STOCK EXCHANGE HAS CONDITIONALLY LISTED THE SECURITIES BEING OFFERED PURSUANT TO THIS PROSPECTUS. LISTING IS SUBJECT TO THE ISSUER FULFILLING ALL THE LISTING REQUIREMENTS OF THE VANCOUVER STOCK EXCHANGE ON OR BEFORE AUGUST 2, 1988, INCLUDING FINANCIAL REQUIREMENTS.

THIS OFFERING IS SUBJECT TO A MINIMUM SUBSCRIPTION BEING RECEIVED BY THE ISSUER WITHIN 180 DAYS OF FEBRUARY 4, 1988. REFERENCE IS MADE TO THE SECTION CAPTIONED "PLAN OF DISTRIBUTION".

WE, AS AGENTS, 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 IN THE SECTION CAPTIONED "PLAN OF DISTRIBUTION".

PACIFIC INTERNATIONAL SECURITIES INC.
#1500, 700 West Georgia Street
Vancouver, B.C., V7Y 1G1

UNION SECURITIES LTD.
#1300, 409 Granville Street
Vancouver, B.C., V6C 1T2

DATED: 11TH JANUARY 1988
EFFECTIVE DATE: 4TH FEBRUARY 1988

Dumas
REF SWO
PROPERTY FILE
82 F/6 E

PROSPECTUS SUMMARY

The Offering

Issuer: TRIUNE RESOURCES LTD.

Securities Offered: 500,000 Common Shares

Gross Proceeds: \$200,000

Net Proceeds: \$180,000

Price: \$0.40 per Common Share

Commission: \$0.04 per Common Share

Use of Proceeds: The net proceeds from this Offering will be used to conduct Phase I and provide a reserve for Phase II of an exploration program on the Dumas Property, British Columbia. The balance will be added to the working capital of the Issuer.

The Issuer

The Issuer is in the business of acquiring, exploring and developing natural resource properties. Reference is made to the section captioned "Business and Property of the Issuer".

Risk Factors

Investment in the Common Shares must be considered speculative due to the nature of the Issuer's business and the present stage of its development. Reference is made to the section captioned "Risk Factors".

THE FOREGOING IS A SUMMARY ONLY AND SHOULD BE READ IN CONJUNCTION WITH THE MORE DETAILED INFORMATION CONTAINED ELSEWHERE IN THIS PROSPECTUS.

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Audited Financial Statements of the Issuer as at August 31, 1987
and Unaudited Financial Statements of the Issuer as at December
31, 1987.

Report dated September 18, 1987 by D.L. Cooke and Associates Ltd.

Certificates of the Issuer, Promoter and Agents.

NAME AND INCORPORATION OF THE ISSUER

The Issuer, Triune Resources Ltd., was incorporated as a limited company under the name 323481 B.C. Ltd. on March 17, 1987 pursuant to the laws of British Columbia by the registration of memorandum and articles with the British Columbia Registrar of Companies. On April 24, 1987, the Issuer's name was changed from 323481 B.C. Ltd. to Triune Resources Ltd..

The head office of the Issuer is located at #606 - 626 West Pender Street, Vancouver, B.C., V6B 1V9. The registered and records' office of the Issuer is located at Suite 100, 200 Granville Street, Vancouver, British Columbia, V6C 1S4.

PLAN OF DISTRIBUTION

Offering

The Issuer by its Agents hereby offers (the "Offering") through the facilities of the Vancouver Stock Exchange (the "Exchange") on a best efforts basis 500,000 common shares of the Issuer (the "Shares") at a price of \$0.40 per share (the "Offering Price"), which price was established pursuant to negotiations between the Issuer and the Agents.

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 Agents and the Issuer, with the consent of the Exchange, within a period of 180 days from the date on which the Shares are conditionally listed on the Exchange.

Appointment of Agents

By Agreement dated October 1, 1987 as amended January 11, 1988 (the "Agency Agreement") the Issuer appointed its agents (the "Agents") to offer the Shares through the facilities of the Exchange as follows:

<u>Agents</u>	<u>No. of Shares</u>
Pacific International Securities Inc.	400,000
Union Securities Ltd.	100,000

The Agents will receive a commission of \$0.04 per share.

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

The obligations of the Agents under the Agency Agreement may be terminated prior to the opening of the market on the Offering Day at the Agents' discretion on the basis of their assessment of the state of the financial markets and may also be terminated upon the occurrence of certain stated events.

5. To provide for working capital.....\$ 39,573

TOTAL: \$ 257,823

The foregoing represents the Issuer's best estimate as to how the proceeds of the Offering will be expended. However, the Issuer reserves the right to redirect any portion of the funds pursuant to the recommendations of a qualified engineer. In the event the Dumas Property is abandoned or if arrangements are made for the performance of all or any portion of the Phase I and II work programs by other parties, the Issuer may direct the funds so allocated to the acquisition or exploration of other natural resource properties acquired by the Issuer after the date of this Prospectus, based upon recommendations of a qualified engineer. Such re-direction of funds to the acquisition or exploration of other resource properties will not be made without the prior approval of the Exchange, should the shares of the Issuer become listed on the Exchange, except as may be permitted by the policies of the Exchange.

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 jurisdictions in which the Shares offered by this Prospectus may be lawfully sold except as may be permitted by the policies of the Superintendent of Brokers for British Columbia (the "Superintendent") and/or the Exchange should the shares of the Issuer become listed on the Exchange. Should the Issuer propose to use the proceeds to acquire other than trustee-type securities after the distribution of the Shares offered by this Prospectus, the consent of the Superintendent or the Exchange, as the case may be, and any other regulatory authority having jurisdiction over the sale of the Shares offered by this Prospectus, will be obtained.

RISK FACTORS

The Shares offered hereby are considered speculative due to the nature of the Issuer's business and the present stage of its development. A prospective investor should consider carefully the following factors:

1. Dilution - Based upon the balance sheet of the Issuer as at December 31, 1987, the following table reflects the dilution which will result from the purchase of the Shares offered pursuant to this Prospectus:

Dilution per Share Offered

Price per share offered.....	\$ 0.40
Net tangible book value per share issued and outstanding immediately before the Offering....	\$ 0.1317
Increase of net tangible book value to each	

share issued and outstanding immediately
before the Offering.....\$ 0.0416 *
Net tangible book value of each share issued
and outstanding after the Offering.....\$ 0.1733
Dilution to each share offered.....\$ 0.2267
Percentage of dilution to each share offered
in relation to the Offering price.....56.7%

* After deduction of the Agents' commission and the estimated costs (\$30,000 in the aggregate) of this Prospectus.

2. There is no current market for the shares of the Issuer and there can be no assurances given that one will develop.

3. Exploration for minerals is a speculative venture involving risk. Expenditures made on mineral properties may not result in the discovery of commercial quantities of ore.

4. Certain of the mineral claims which comprise a portion of the property in which the Issuer has an interest have not been surveyed and therefore, in accordance with the mining laws of the applicable jurisdiction, the existence of or the area of such mineral claims could be in doubt.

5. There is no known body of commercial ore present on the property in which the Issuer has an interest.

6. The marketability of the minerals acquired by the Issuer may be affected by numerous factors beyond the control of the Issuer. The effect of these factors, which include mineral market fluctuations, cost and availability of processing equipment and government regulation (including regulations pertaining to royalties, importing, exporting and environmental protection) cannot be accurately determined.

DIRECTORS AND OFFICERS

The names and municipality of residence of all the Directors and Officers of the Issuer, as well as their respective principal occupations within the five preceding years, are as follows:

**Name, Municipality of Residence
and Position with the Issuer**

Principal Occupations

ORVILLE L. BAKER
Ruskin, Mission, B.C.
President, Chief Executive
Officer, Director

President of the Issuer (April 1987 - present); formerly President and General Manager of Supreme Resources Inc. (February 1986 - January 1987); self-employed prospector (February 1985 - January 1986); President and General Manager of Coast Range Resources Inc. (September 1983 - January

DON G.M. QUAN Burnaby, B.C. Secretary and Director	1985); self-employed prospector (July 1980 to September 1983) Real Estate Salesman - The Canada Trust Realtor Co. (1983 - present); formerly employed by La Fair Hair Design (1982 1983); currently a director of Pemberton Exploration Ltd.
PETER J. PARRY Surrey, B.C. Director	Retired (1978 - present); President of Stixson Inc., U.S.A.; formerly President of Poney Explorations (to 1985)
JAMES P. ELWELL West Vancouver, B.C. Director	Self-employed mining engineer/consultant (owner of J.P. Elwell Engineering Ltd., Vancouver, B.C.)

Certain of the Directors also serve as directors of other companies and, to the extent that such other companies may participate in ventures in which the Issuer may participate, the Directors of the Issuer may have a conflict of interest in negotiating and concluding terms respecting the extent of such participation. From time to time several companies may participate in the acquisition, exploration or development of natural resource properties thereby allowing for their participation in larger programs, permitting involvement in a greater number of programs and reducing financial exposure in respect of any program. It may also occur that a particular company will assign all or a portion of its interest in a particular program to another of these companies due to the financial position of the company making the assignment.

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

PROMOTER

Orville Baker, President, Chief Executive Officer and a Director of the Issuer, is the promoter of the Issuer as that term is defined by the British Columbia Securities Act.

Mr. Baker has entered into transactions with the Issuer as disclosed in the sections captioned "Escrowed Shares" and "Executive Compensation".

BUSINESS AND PROPERTY OF THE ISSUER

The Issuer is engaged in the acquisition, exploration and development of natural resource properties. The Issuer holds an option to acquire a 100% interest in the mining property described hereunder and intends to seek and acquire additional properties worthy of exploration and development.

Dumas Property

Option Agreement

Pursuant to a Memorandum of Agreement dated July, 1987, between Phillip R. Beaulieu, Merlin E. Mahar and David C. Lundgren (the "Vendors"), all of Box 32, Ymir, B.C., and the Issuer (the "Option Agreement"), the Issuer was irrevocably granted the sole and exclusive option to purchase an undivided 100% interest, free and clear of all liens, charges and encumbrances, in and to the Dumas Property, Nelson Mining Division, Province of British Columbia.

The terms of the Option Agreement provide that, in order to exercise the option and acquire its interest in the Dumas Property, the Issuer must pay to the Vendors the sum of \$6,000, which sum has been paid, and issue to the Vendors an aggregate 200,000 fully paid and non-assessable shares of its capital stock, such shares to be issued at the times and in the manner set forth hereunder:

- (a) 25,000 shares within 10 days following the listing of the Issuer's shares for trading on the Exchange after completion of Phase I of an exploration and development program on the Dumas Property and, without restriction as to time, has received a recommendation from its independent consultant to proceed to Phase II thereof;
- (b) an additional 50,000 shares after the Issuer has completed Phase II of an exploration and development program on the Dumas Property and, without restriction as to time, has received a recommendation from its independent consultant to proceed to Phase III thereof;
- (c) an additional 50,000 shares after the Issuer has completed Phase III of an exploration and development program on the Dumas Property and, without restriction as to time, has received a recommendation from its independent consultant to proceed to Phase IV thereof;
- (d) an additional 75,000 shares (to aggregate a total of 200,000 shares inclusive of all shares previously issued to the Vendors pursuant to the Option Agreement) after the Issuer has completed Phase IV of an exploration and development program on the Dumas Property and, without restriction as to time, has received a favourable report on the Dumas Property from its independent

consultant;

provided that the exploration and development program referred to shall be recommended by a duly qualified, independent consultant and, with the exception of those recommendations referred to in paragraph (a) above, the recommendations of the consultant shall be subject to the filing with and acceptance by the Exchange and provided further that no shares shall be issued under paragraphs (b), (c) or (d) above unless and until such acceptance is received by the Issuer. As noted below, the Issuer has completed a program of induced polarization, self-potential tests, soil sampling and road building (which constitutes Phase I of an exploration and development program for purposes of the Option Agreement) on the Property and has received a recommendation from its independent consultant to proceed to Phase II (Phase I in the Cooke Report referred to below). Accordingly, the 25,000 shares of the Issuer to be issued to the Vendors, as referred to in paragraph (a) above, will be issued within 10 days following the listing of the Issuer's shares for trading on the Exchange.

Finder's Fee Agreement

By agreement dated August 31, 1987 with Raymond J. Clark of Box 27, Salmo, British Columbia ("Clark"), the Issuer agreed to pay to Clark the sum of \$1,000 and to issue to Clark 10,000 free trading shares of the Issuer at a deemed price of \$0.25 per share, subject to the approval by the British Columbia securities' regulatory authorities, as a finder's fee (the "Finder's Fee Agreement") in respect of the Option Agreement on the Dumas Property.

Title to Dumas Property

The Dumas Property consists of 7 unpatented mining claims situated in the Nelson Mining Division, Province of British Columbia, identified as follows;

<u>Name</u>	<u>Record Number</u>	<u>Expiry Date</u>
Dumas #1	1696	June 2, 1990
Dumas #2	1697	June 2, 1989
Dumas #3	1698	June 2, 1989
Dumas #4	1699	June 2, 1989
Dumas #5	1700	June 2, 1989
Dumas #9	1936	September 29, 1988
Dumas #10	2147	March 3, 1989

and one crown grant mineral claim in the Nelson Mining Division, Kootenay Land District, Province of British Columbia, identified as follows;

<u>Claim Name</u>	<u>Lot No.</u>	<u>Units</u>	<u>Taxes Due</u>
Dumas	5727	1	July 2, 1988

(collectively the "Dumas Property").

Title to the Dumas Property is, pursuant to the terms of the Option Agreement, registered in the name of the Issuer and held by the Issuer subject to the terms of the Option Agreement for administrative convenience only until the option is exercised. Pending exercise of the option, the Option Agreement provides for the Issuer to have the sole and exclusive right to enter upon the Property, have the exclusive and quiet possession of the Property, explore for minerals on, in or under the Property, bring upon and erect upon the Property such mining facilities as it may consider advisable, operate the property comprising the Property as a mine and remove from the Property and/or sell or otherwise dispose of mineral products. The Issuer has the obligation, during the currency of the Option Agreement, to keep the Dumas Property free and clear of all liens and encumbrances arising from its operations and in good standing by the doing and filing of all necessary work and payment of all taxes required to be paid.

The Dumas Property is the subject of a report dated September 18, 1987 by D.L. Cooke and Associates Ltd. (the "Cooke Report"), which report is included in this Prospectus. The following discussion has been derived from the Cooke Report.

Location and Access

The Dumas Property is situated between 1,500 and 1,800 metres elevation, approximately 10 kilometres northeast of Ymir, British Columbia. The Property lies on a north facing slope on the south fork of Clearwater Creek. The Property consists of 7 "two-post" claims and one crown granted mineral claim, each such claim consisting of 1 unit.

The Dumas Property is accessible by paved and gravel roads approximately 20 kilometres southeast of Nelson, British Columbia. Access is by 7 kilometres along Highway No. 6, south from the urban centre of Nelson and then east for 13 kilometres along secondary logging roads.

History

The precious metal mineralization of the Dumas Property is considered to be part of the Ymir gold camp. The first claim covering the Dumas precious metal mineralization was crown granted on July 20, 1897 and two adits (drifts) were driven at the turn of the century. The Property remained dormant until 1980 when a preliminary investigation, consisting of preliminary geological mapping, soil sampling and a VLF-EM survey, was undertaken by P.J. Santos of Cominco Ltd.. In late 1980, the old drifts were re-opened by the Vendors.

During July and August, 1987, the Issuer completed a program of induced polarization, self-potential tests, soil sampling and road building at a cost to the Issuer of \$59,370. The induced polarization survey undertaken by the Issuer on the Dumas Property is reported on by Marcus Seywerd, B.Sc., Geophysicist, and Glen E. White, B.Sc., P.Eng., Geophysicist, in their Geophysical Report dated September 1, 1987 (the "Seywerd and White Report"), which report is referenced in the Cooke Report. The induced polarization survey was conducted utilizing the dipole-dipole configuration. Ten kilometres of line was surveyed and strong linear chargeability anomalies were found to trend north-northeasterly across the entire 900 metre length. This anomalous zone encompasses the area of precious metal mineralization and soil anomalies in the area of the adits. The IP chargeability anomaly is open to the north and south.

The program of induced polarization, self-potential tests, soil sampling and road building undertaken by the Issuer during 1987, together with the Seywerd and White Report which recommends further exploration work on the Dumas Property, are considered by the Issuer to satisfy two of the conditions required to be met prior to the issuance of 25,000 shares to the Vendors under the Option Agreement.

Mineralization

The geology map of the Clearwater area shows the Dumas Property to be underlain by sedimentary rocks of the Ymir Group west of the margin of Nelson intrusive rocks. Gold and silver mineralization in the Ymir area consists of quartz veins which occupy faults and sheer zones within most rock types of the area. Quartz vein mineralization occurs in the two adits and several intervening pits. The veins strike north and north-east and dip moderately to the east and south-east. Where exposed at surface, the quartz veins vary from a few centimetres to one metre wide. An analysis of three samples collected, the first consisting of vein quartz with pyrite, the second containing both galena and sphalerite and the third, a quartz vein with pyrite from an inclined shaft in the southern part of the Dumas Property, resulted in the following assays:

<u>SAMPLE NUMBER</u>	<u>AU OZ/T</u>	<u>AG OZ/T</u>	<u>PB %</u>	<u>ZN %</u>
DM87-1	0.456	1.00	1.00	0.87
DM87-2	1.639	9.92	9.15	6.55
DM87-3	0.049	0.09	0.06	0.03

Conclusions and Recommendations

The Cooke Report concludes that the Dumas Property covers significant precious metal mineralization in the Ymir gold camp of southern British Columbia. Soil geochemical anomalies for gold,

lead and zinc confirms the presence of near surface gold mineralization in the vicinity of the two old adits located approximately 100 metres apart. The induced polarization survey indicates a potential 900 metres strike length for this zone. The lack of electromagnetic response suggests that the induced polarization anomalies are due to sulphide rather than to graphite mineralization and that the Dumas Property warrants further investigation.

According to the Cooke Report, a two phase exploration program is recommended for the Dumas Property. Phase I, consisting of a program of diamond drilling is recommended to test the induced polarization anomalies for precious metal mineralization at an estimated cost of \$80,000. A minimum of six diamond drill holes are proposed which, initially, should be confined to the area between the two adits which are anomalous for gold, lead and zinc, in order to establish the presence of gold mineralization within the IP anomalies.

If the results of Phase I of the exploration program are sufficiently encouraging, the Cooke Report recommends Phase II, consisting of induced polarization, soil sampling, trenching and additional diamond drilling, at an estimated cost of \$120,000.

Reference should be made to the complete text of the Cooke Report.

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

ACQUISITIONS

The only material acquisition made by the Issuer during the past two years was pursuant to the Option Agreement dated July, 1987, between Phillip R. Beaulieu, Merlin E. Mahar and David C. Lundgren (the "Vendors") (the "Option Agreement"). The Option Agreement provides for the acquisition by the Issuer of an option to acquire a 100% interest in the Dumas Property.

Reference is made to the section captioned "Business and Property of the Issuer" for particulars of the Option Agreement.

PRELIMINARY EXPENSES - INCORPORATION WITHIN ONE YEAR

Since its incorporation to December 31, 1987, the Issuer has expended \$52,889 (net) in respect of administrative expenses and incorporation costs and \$69,538 in respect of the Dumas Property. An additional \$3,250 has been expended by the Issuer since December 31, 1987 for filing fees to the Exchange in respect of the Offering pursuant to this Prospectus.

It is estimated that \$15,000 will be expended for administrative purposes relating to the Offering pursuant to this Prospectus and

\$200,000 will be expended on exploration and development of the Dumas Property from the proceeds of the Offering.

SHARE AND LOAN CAPITAL STRUCTURE

The authorized capital of the Issuer consists of 25,000,000 common shares without par value of which 1,521,000 shares have been issued as fully paid and non-assessable.

The common shares of the Issuer rank equally as to dividends, voting rights and as to any distribution of assets on winding-up or liquidation.

The share and loan capital structure of the Issuer is as follows:

<u>Designation of Security</u>	<u>Amount Authorized</u>	<u>Amount outstanding as at December 31, 1987 Balance Sheet</u>	<u>Amount outstanding as at January 11, 1988</u>	<u>Amount outstanding if all Shares are Sold</u>
Common Shares	25,000,000	1,521,000	1,521,000	2,021,000(1)

- (1) Does not give effect to 332,500 common shares of the Issuer reserved for issuance pursuant to the Option Agreement in respect of the Dumas Property (200,000 shares), the Finder's Fee in respect of the Dumas Property (10,000 shares) and Director and Employee incentive stock options (122,500 shares).

PRIOR SALES

Shares Issued for Cash

Since incorporation to the date of this Prospectus, the Issuer sold 1,521,000 common shares for cash as follows:

<u>Designation of Class</u>	<u>Number of Shares</u>	<u>Price Per Share</u>	<u>Commissions Paid</u>	<u>Net Proceeds to Issuer</u>
Common Shares	750,000(1)	\$0.01	Nil	\$ 7,500.00
Common Shares	771,000(2)	\$0.25	Nil	<u>\$192,750.00</u>
			TOTAL:	<u>\$200,250.00</u>

- (1) These shares are held in escrow and reference is made to the section captioned "Escrowed Shares" for further details.
- (2) 88,000 of these shares were purchased at \$0.25 per share by Underwriters (as that term is defined in Local Policy Statement 3-30 of the British Columbia Securities Commission).

The purchasers of these shares have undertaken that none of the shares will be sold prior to the expiry of six months from the date of listing of the Issuer's shares on the Exchange and that, where more than 10,000 shares have been acquired by the purchaser, the shares will be sold only on the following basis and provided that at least seven days notice of the intended sale is filed with the Superintendent and the Exchange:

- (a) 25% in a three month period following the expiry of six months from the date of listing of the Issuer's shares on the Exchange;
- (b) not more than 25,000 shares in each three month period thereafter.

ESCROWED SHARES

There are a total of 750,000 common shares of the Issuer held in escrow, as follows:

<u>Designation of Class</u>	<u>Number of Shares Held in Escrow</u>	<u>Percentage of Class</u>
Common Shares	750,000	49.31%

The 750,000 common shares of the Issuer (the "Principals' Shares") were issued for cash at \$0.01 per share to the persons ("Principals") as follows:

<u>Principals</u>	<u>Number of Principals' Shares Issued</u>
Orville Baker	650,000
Peter Parry	50,000
Don Quan	50,000
TOTAL:	<u>750,000</u>

These Shares are held in escrow by Guaranty Trust Company of Canada pursuant to a Principals' Shares Escrow Agreement dated September 14, 1987.

The Principals' Shares are issued to the Principals as an incentive to them to give diligent support to the affairs of the Issuer in the prospect that there will be resultant accretion in the value of the Principals' Shares and to give the Principals some measure of control over the Issuer in order that the development of the Issuer may proceed in an orderly fashion.

The Principals' Shares are subject to the order of the Superintendent or the Exchange, should the shares of the Issuer become listed on the Exchange. The Principals' Shares Escrow Agreement provides that, if the Issuer becomes successful due in part to

the efforts of the escrow shareholders, the escrow shareholders shall be entitled to a release of the Shares from time to time in accordance with the general policies of the Superintendent or the Exchange, as the case may be. Any Principals' Shares not released from escrow before the expiration of ten years from the date a receipt is issued for this Prospectus shall be cancelled.

Until the Principals' Shares are released from escrow, the Principals' Shares shall not be sold, assigned, hypothecated, alienated, released from or transferred within escrow or in any other manner dealt with without the written consent of the Superintendent or the Exchange, as the case may be.

PRINCIPAL SHAREHOLDERS

As at the date of this Prospectus, the number and percentage of common shares of the Issuer owned of record or beneficially, directly or indirectly, by each person or company who owns of record or is known by the Issuer to own beneficially, directly or indirectly, more than 10% of the said shares are as follows:

<u>Name and Address</u>	<u>Designation of Class</u>	<u>Type of Ownership</u>	<u>Number of Shares Owned</u>	<u>Percentage of Class</u>
Orville Baker 29561 Hudson Av. R.R. #7 Ruskin, Mission, B.C., V2V 6H5	Common shares	of record and beneficially; direct	650,000 (Principal's shares)	42.74%

The total number and percentage of common shares of the Issuer beneficially owned, directly or indirectly, by all the Directors and Officers of the Issuer as a group are as follows:

<u>Group</u>	<u>Designation of Class</u>	<u>Number of Shares Owned</u>	<u>Percentage of Class Prior to Offering</u>	<u>Percentage of Class After Completion of Offering(1)</u>
Directors and Officers	Common Shares	820,000	53.91%	40.57%

The 500,000 common shares offered by this Prospectus represent 24.74% of the total common shares which will be issued if all Shares are sold pursuant to this Offering(1).

- (1) Does not give effect to 332,500 common shares of the Issuer reserved for issuance pursuant to the Option Agreement in respect of the Dumas Property (200,000 shares), the Finder's Fee in respect of the Dumas Property (10,000 shares) and Director and Employee incentive stock options (122,500 shares).

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Pursuant to the Principals' Shares Escrow Agreement, certain Directors of the Issuer purchased shares of the Issuer at \$0.01 per share as described in the section captioned "Escrowed Shares".

EXECUTIVE COMPENSATION

The Issuer has one executive officer, Orville Baker, President, Chief Executive Officer and a Director of the Issuer.

Since June 1, 1987, Mr. Baker has received \$2,000 per month from the Issuer and, upon completion of the Offering pursuant to this Prospectus, Mr. Baker is to be paid a salary of \$2,000 per month for providing administrative services to the Issuer. He has also been granted an incentive stock option to purchase 61,250 shares of the Issuer at a price of \$0.40 per share exercisable at any time over a five year period commencing on the date a receipt is issued for this Prospectus.

OPTIONS TO PURCHASE SHARES

The Issuer has granted the following incentive stock options:

<u>Optionees</u>	<u>Number of Common Shares under Option</u>	<u>Exercise Price and Term</u>
Executive Officers who are Directors: 1	61,250))\$0.40 per share exercisable)within a five year period
Directors who are not Executive Officers: 1	61,250)the date a receipt is issued)for this Prospectus

AUDITORS, TRANSFER AGENT AND REGISTRAR

The Auditors of the Issuer are Telford Watson Tyner Lindow, of #404, 1045 Howe Street, Vancouver, British Columbia, V6Z 2A9.

The Registrar and Transfer Agent for the Issuer is Guaranty Trust Company of Canada, 800 West Pender Street, Vancouver, British Columbia, V6C 2V7.

MATERIAL CONTRACTS

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

1. The Agency Agreement disclosed in the section captioned "Plan of Distribution".
2. The Option Agreement and Finder's Fee Agreement disclosed in the section captioned "Business and Property of the Issuer";
3. The Principals' Shares Escrow Agreement disclosed in the section captioned "Escrowed Shares".

All material contracts and reports referred to herein may be inspected at Suite 100, 200 Granville Street, Vancouver, British Columbia during normal business hours while distribution of the shares offered hereunder is in progress and for a period of thirty days thereafter.

OTHER MATERIAL FACTS

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

PURCHASER'S STATUTORY RIGHT OF WITHDRAWAL AND RESCISSION

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

Telford . Watson . Tyner . Lindow

Chartered Accountants

Associate: J.E. Lindow • 1045 Howe Street #404, Vancouver, B.C. Canada V6Z 2A9

Telephone (604) 669-1314

TRIUNE RESOURCES LTD.



TRIUNE RESOURCES LTD.

FINANCIAL STATEMENTS

AUGUST 31, 1987

Auditors' Report	1
Balance Sheet	2
Statement of Changes in Financial Position . . .	3
Notes to Financial Statements	4/5

AUDITORS' REPORT

To the Shareholders of Triune Resources Ltd.

We have examined the balance sheet of Triune Resources Ltd. at August 31, 1987 and the statement of changes in financial position for the period from March 17, 1987 (date of incorporation) to August 31, 1987. 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 at August 31, 1987 and the changes in its financial position for the period then ended in accordance with generally accepted accounting principles.

TELFORD WATSON TYNER LINDOW



Chartered Accountants

Vancouver, B.C.

September 28, 1987

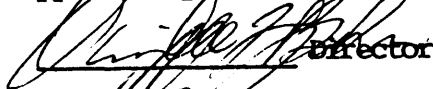
TRIUNE RESOURCES LTD.
(incorporated under the Company Act of British Columbia)

BALANCE SHEET


AUGUST 31, 1987

	\$
<u>ASSETS</u>	
Current Assets	
Cash	110,730
Deposit and prepaid expense	14,049
	<u>124,779</u>
Mineral Properties (note 4)	<u>80,140</u>
	<u>204,919</u>
 <u>LIABILITIES</u>	
Current Liabilities	
Accounts payable and accrued liabilities	<u>4,669</u>
 <u>SHAREHOLDERS' EQUITY</u>	
Share Capital (note 5)	<u>200,250</u>
	<u>204,919</u>

Approved by the Directors



Director



Director

TRIUNE RESOURCES LTD.

STATEMENT OF CHANGES IN FINANCIAL POSITION

FOR THE PERIOD FROM MARCH 17, 1987 (DATE OF INCORPORATION)
TO AUGUST 31, 1987

	\$
Cash Resources Provided by (Used for)	
Investment	
Mineral properties	(80,140)
Changes in non-cash working capital	(9,380)
	<u>(89,520)</u>
Financing	
Share subscriptions received	<u>200,250</u>
Increase in Cash	<u>110,730</u>
Cash at end of the period	110,730
Cash at beginning of the period	<u>-</u>
Increase in Cash	<u>110,730</u>

TRIUNE RESOURCES INC.

NOTES TO FINANCIAL STATEMENTS

AUGUST 31, 1987

1. Nature of Operations

The company is in the process of exploring and developing its mineral properties and on the basis of information to date has not yet determined whether these properties contain ore reserves which are economically recoverable.

2. Significant Accounting Policies

(a) Mineral Properties

The company capitalizes acquisition costs, exploration, development and administrative costs until such time as the property to which they relate is brought into production or is abandoned. These costs will be amortized on a unit of production basis following commencement of production or will be included in the determination of net income for that year if the property is abandoned.

(b) Earnings per Share

Basic earnings per share have not been calculated as this statistic is not considered meaningful at this stage of the company's development.

3. General

The company was incorporated on March 17, 1987 as 323481 B. C. Ltd. and commenced activities during June 1987. On April 24, 1987 the company changed its name to Triune Resources Ltd.

4. Mineral Properties

Pursuant to an option agreement dated July 1987 the company acquired the sole and exclusive option to acquire an undivided 100% interest in 8 claims known as the Dumas Claims near Nelson, B. C. This agreement provides for a cash payment of \$6,000 and the allotment of up to 200,000 common shares of the company. The issuance of the common shares is subject to regulatory approval and is dependant upon the company completing an exploration and development program on these claims.

Expenditures on the Dumas property to August 31, 1987 were:

	\$
Cash payment under option agreement	6,000
Finder's fee	1,000
Exploration and development costs	59,370
Administrative expenses capitalized	13,770
	<hr/>
	80,140
	<hr/> <hr/>

TRIUNE RESOURCES INC.

NOTES TO FINANCIAL STATEMENTS

AUGUST 31, 1987

5.	Share Capital		\$
	(a) Authorized		
	25,000,000 common shares, no par value		
	(b) Issued		
	1 common share		-
	(c) Subscribed for but not issued at August 31, 1987		
	1,520,999 common shares		200,250
			200,250
			200,250

Common shares subscribed for but not issued at August 31, 1987:

	#	\$
(i) at \$0.01 each, to be subject to an escrow agreement which will provide for the cancellation of all or a portion of the shares under certain circumstances	749,999	7,500
(ii) at \$0.25 each	771,000	192,750
	1,520,999	200,250
	1,520,999	200,250

All common shares not issued at August 31, 1987 were fully paid and issued subsequent to that date.

(d) The company has agreed (subject to regulatory approval) to issue 10,000 common shares at a deemed price of \$0.25 per share in partial payment of a finder's fee for the Dumas Claims. In addition the company has agreed to issue up to 200,000 common shares for the Dumas Claims, as more fully described in note 4.

(e) The company has granted employee/director stock options to acquire a total of 122,500 shares at \$0.40 per share, exercisable within a five year period. These options are subject to regulatory approval.

6.	Contractual Obligations		\$
	(a) The company has agreed to pay a finder's fee of \$3,500 related to the Dumas Claims as follows:		
	Cash		1,000
	10,000 common shares at \$0.25 each (note 5(d))		2,500
			3,500
			3,500
	(b) Mineral properties - Dumas claims (note 4)		

7. Subsequent events

By way of a prospectus offering dated October 1987 the company is offering 500,000 common shares at \$0.40 each to net the company \$180,000.

Telford . Watson . Tyner . Lindow

Chartered Accountants

Associate: J.E. Lindow • 1045 Howe Street #404, Vancouver, B.C. Canada V6Z 2A9

Telephone (604) 669-1314

TRIUNE RESOURCES LTD.



TRIUNE RESOURCES LTD.

FINANCIAL STATEMENTS
(unaudited)

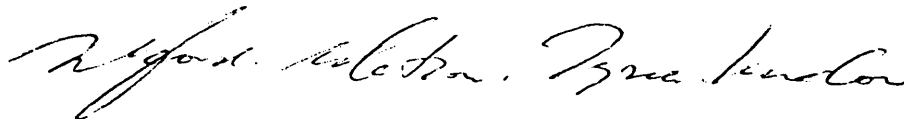
DECEMBER 31, 1987

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ACCOUNTANTS' COMMENTS

We have prepared the accompanying balance sheet at December 31, 1987 and the statement of changes in financial position for the four month period then ended from the records of Triune Resources Ltd. and from other information supplied to us by the company. In order to prepare these financial statements we made a review consisting primarily of enquiry, comparison and discussion of such information. However, in accordance with the terms of our engagement we have not performed an audit and consequently do not express an opinion on these financial statements.

TELFORD WATSON TYNER LINDOW



Chartered Accountants

Vancouver, B.C.

February 3, 1988


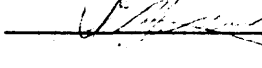
TRIUNE RESOURCES LTD.
(incorporated under the Company Act of British Columbia)

BALANCE SHEET
(unaudited)

DECEMBER 31, 1987

	<u>ASSETS</u>	\$
Current Assets		
Cash		18,503
Treasury bill		49,194
Prepaid expense		13,630
		<u>81,327</u>
Mineral Properties (schedule)		<u>122,427</u>
		<u><u>203,754</u></u>
	<u>LIABILITIES</u>	
Current Liabilities		
Accounts payable and accrued liabilities		<u>3,504</u>
	<u>SHAREHOLDERS' EQUITY</u>	
Share Capital (note 5)		
Authorized		
25,000,000 common shares, no par value		
Issued		
1,521,000 common shares		<u>200,250</u>
		<u><u>203,754</u></u>

Approved by the Directors

 Director
 Director

TRIUNE RESOURCES LTD.

STATEMENT OF CHANGES IN FINANCIAL POSITION
(unaudited)

FOR THE FOUR MONTH PERIOD ENDED DECEMBER 31, 1987

	\$
Cash Resources Provided by (Used for)	
Investment	
Mineral properties	42,287
Changes in non-cash working capital	746
	<hr/>
Decrease in Cash	(43,033)
	<hr/> <hr/>
Cash at end of the period	67,697
Cash at beginning of the period	110,730
	<hr/>
Decrease in Cash	(43,033)
	<hr/> <hr/>

TRIUNE RESOURCES LTD.

SCHEDULE OF MINERAL PROPERTIES
(unaudited)

FOR THE FOUR MONTH PERIOD ENDED DECEMBER 31, 1987

	\$	
	<u>Aug 31</u>	<u>Dec 31</u>
Deferred Exploration and Development Costs		
Property acquisition cost	7,000	7,000
Engineering, surveys and arrays	29,029	30,764
Wages	15,351	15,201
Roadwork	6,890	7,093
Equipment rental	2,465	2,690
Travel	4,521	4,691
Miscellaneous	1,114	2,099
	<u>66,370</u>	<u>69,538</u>
Deferred Administrative Expense		
Legal and accounting	4,751	20,868
Management	3,965	12,252
Office assistance	956	3,351
Communications	974	3,955
Trust, transfer and filing fees	-	2,869
Travel	2,573	3,341
Miscellaneous	551	7,446
	<u>13,770</u>	<u>54,082</u>
Interest income	-	(1,193)
	<u>13,770</u>	<u>52,889</u>
	<u>80,140</u>	<u>122,427</u>

TRIUNE RESOURCES INC.

NOTES TO FINANCIAL STATEMENTS
(unaudited)

DECEMBER 31, 1987

1. Nature of Operations

The company is in the process of exploring and developing its mineral properties and on the basis of information to date has not yet determined whether these properties contain ore reserves which are economically recoverable.

2. Significant Accounting Policies

(a) Mineral Properties

The company capitalizes acquisition costs, exploration, development and administrative costs until such time as the property to which they relate is brought into production or is abandoned. These costs will be amortized on a unit of production basis following commencement of production or will be included in the determination of net income for that year if the property is abandoned.

(b) Earnings per Share

Basic earnings per share have not been calculated as this statistic is not considered meaningful at this stage of the company's development.

3. General

The company was incorporated on March 17, 1987 and commenced activities during June 1987 and consequently comparative figures for 1986 are not available.

4. Mineral Properties

Pursuant to an option agreement dated July 1987 the company acquired the sole and exclusive option to acquire an undivided 100% interest in 8 claims known as the Dumas Claims near Nelson, B.C. This agreement provides for a cash payment of \$6,000 and the allotment of up to 200,000 common shares of the company. The issuance of the common shares is subject to regulatory approval and is dependant upon the company completing an exploration and development program on these claims.

	\$
Expenditures on the Dumas property to December 31, 1987 were:	
Cash payment under option agreement	6,000
Finder's fee	1,000
Exploration and development costs	62,538
Administrative expenses capitalized	52,889
	<hr/>
	122,427
	<hr/> <hr/>

TRIUNE RESOURCES INC.

NOTES TO FINANCIAL STATEMENTS
(unaudited)

DECEMBER 31, 1987

5. Share Capital
- (a) The company has agreed (subject to regulatory approval) to issue 10,000 common shares at a deemed price of \$0.25 per share in partial payment of a finder's fee for the Dumas Claims. In addition the company has agreed to issue up to 200,000 common shares for the Dumas Claims, as more fully described in note 4.
 - (b) The company has granted employee/director stock options to acquire a total of 122,500 shares at \$0.40 per share, exercisable within a five year period. These options are subject to regulatory approval.
6. Subsequent Events
- By way of a prospectus offering dated January 11, 1988 the company is offering 500,000 common shares at \$0.40 each to net the company \$180,000.

D. L. COOKE AND ASSOCIATES LTD.
MINERAL EXPLORATION CONSULTANTS

**1987 REPORT ON THE
DUMAS PROPERTY
YMIR AREA, B.C.
NELSON M.D.**

**N.T.S. 82 F / 6 E
Latitude: 49° 21' N
Longitude: 117° 16' W**

For

**TRIUNE RESOURCES LTD.
29561 Hudson Street, Ruskin
Mission, B.C.
V2V 6H5**

By

**DAVID L. COOKE, Ph.D., P.Eng.
D.L. COOKE AND ASSOCIATES LTD.
#808 - 675 West Hastings Street
Vancouver, B.C.
V6B 1N2**

September 18, 1987

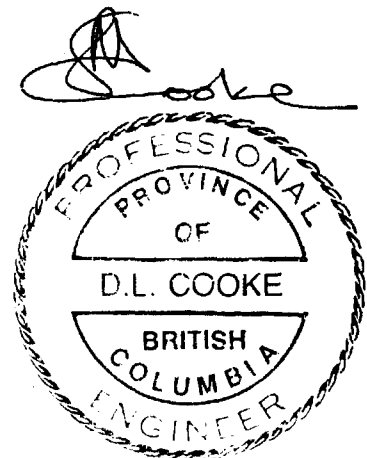


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ILLUSTRATIONS

Figure 1:	Location Map, Dumas Property
Figure 2:	Claim Map, Dumas Property
Figure 3:	Geology Map of the Clearwater Area
Figure 4:	Au, Ag Geochemistry, Dumas Property
Figure 5:	Pb, Zn Geochemistry, Dumas Property
Figure 6:	Induced Polarization, Apparent Chargeability, Dumas Property

APPENDICES

Appendix I:	Statement of Qualifications
Appendix II:	Estimated Cost of Proposed Program
Appendix II:	Analytical Results

SUMMARY

The Dumas property consists of seven claims and one lease which covers precious metal vein mineralization in the Ymir district of British Columbia. Gold and silver occur with pyrite, sphalerite and galena in quartz veins, which are hosted by the Ymir Group rocks of Triassic age. The property is situated on the south side of Clearwater Creek between elevations of 1,500 and 1,800 meters and is accessible by paved and gravel roads approximately 20 kilometers southeast of Nelson, B.C. The claims are located 10 kilometers northeast of Ymir, B.C., and the precious metal mineralization is considered to be a part of the Ymir gold camp.

Veins of the Ymir gold camp occur within volcanic, sedimentary and intrusive rocks of Cretaceous age. These rocks belong to the Rossland Formation, Ymir Group and Nelson plutons respectively. A great portion of the gold mineralization occurs within the sedimentary rocks close to the contacts with intrusions.

The Dumas vein was Crown-granted in 1897, and two adits were driven at the turn of the century. The property remained dormant until 1980 when it was purchased by prospectors from Ymir, and a preliminary program of mapping, soil sampling and VLF-EM work was done. Triune Resources Ltd. acquired the Dumas property in 1987 and carried out a program of soil sampling in the vicinity of the adits, and an Induced Polarization survey over 10.0 line kilometers.

The I.P. survey outlined strong linear resistivity and chargeability anomalies, 900 meters in length, which encompass the vein mineralization of the two adits. The anomalies are open at both ends. Soil anomalies for gold overlie the core of the IP anomalies. Character samples collected from the upper adit by the writer during an examination of the property returned 1.69 oz. Au/T and 9.92 oz. Ag/T.

This data indicates the potential for precious metal mineralization occurring over a strike distance of 900 meters. A program of diamond drilling is recommended to test the IP and geochemical soil anomalies.

INTRODUCTION

This evaluation of the Dumas property was undertaken at the request of Triune Resources Ltd. A field examination of the known adits and vein occurrences was made on July 9, 1987. The results of an induced polarization survey by White Geophysical Inc. and of soil sampling done since that field examination, has been made available to the writer. This report reviews this and other available data on the Dumas property and presents recommendations for further exploration.

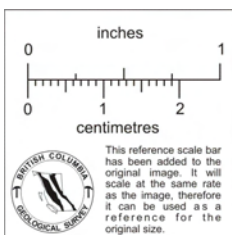
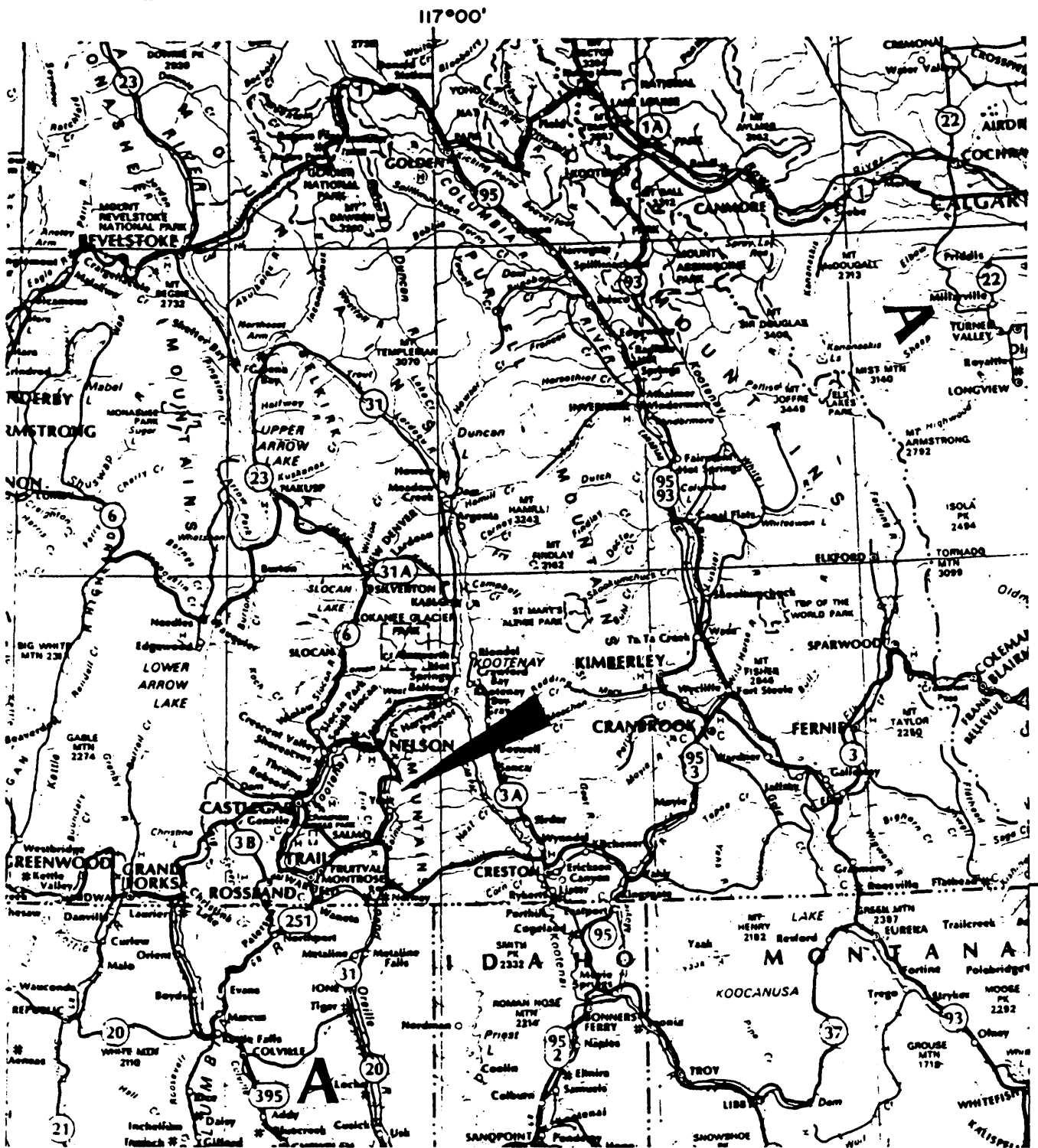
LOCATION AND ACCESS

The Dumas property is situated between 1,500 and 1,800 meters elevation, approximately 10 kilometers northeast of Ymir, B.C. (Figure 1). The claims lies on a north-facing slope on the south fork of Clearwater Creek.

Access to the property is by seven kilometers along Highway #6, south from the urban center of Nelson, B.C., and then east for thirteen kilometers along secondary logging roads.

PROPERTY AND OWNERSHIP

Triune Resources Ltd. holds the Dumas property through an agreement with the owners: P. Beaulieu, M. Mahar and D. Lundgren of Ymir, B.C. The property consists of seven "two-post" claims and one Crown-granted mineral claim (Figure 2). The pertinent claim data is as follows:



TRIUNE RESOURCES LTD.
DUMAS PROPERTY
LOCATION MAP
N.T.S. 82F/6



FIG. 1

<u>Name</u>	<u>Record Number</u>	<u>Number of Units</u>	<u>Date Recorded</u>	<u>Expiry* Date</u>
Dumas #1	1696	1	June 2, 1980	June 2, 1989
Dumas #2	1697	1	June 2, 1980	June 2, 1989
Dumas #3	1698	1	June 2, 1980	June 2, 1989
Dumas #4	1699	1	June 2, 1980	June 2, 1989
Dumas #5	1700	1	June 2, 1980	June 2, 1988
Dumas #9	1936	1	Sep 29, 1980	Sep 29, 1988
Dumas #10	2147	1	March 3, 1981	March 3, 1988

<u>Crown Granted Claim</u>	<u>Lot</u>	<u>Units</u>	<u>Taxes Due</u>
Dumas	#5727	1	July 2, 1988

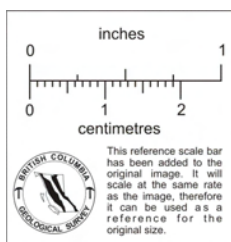
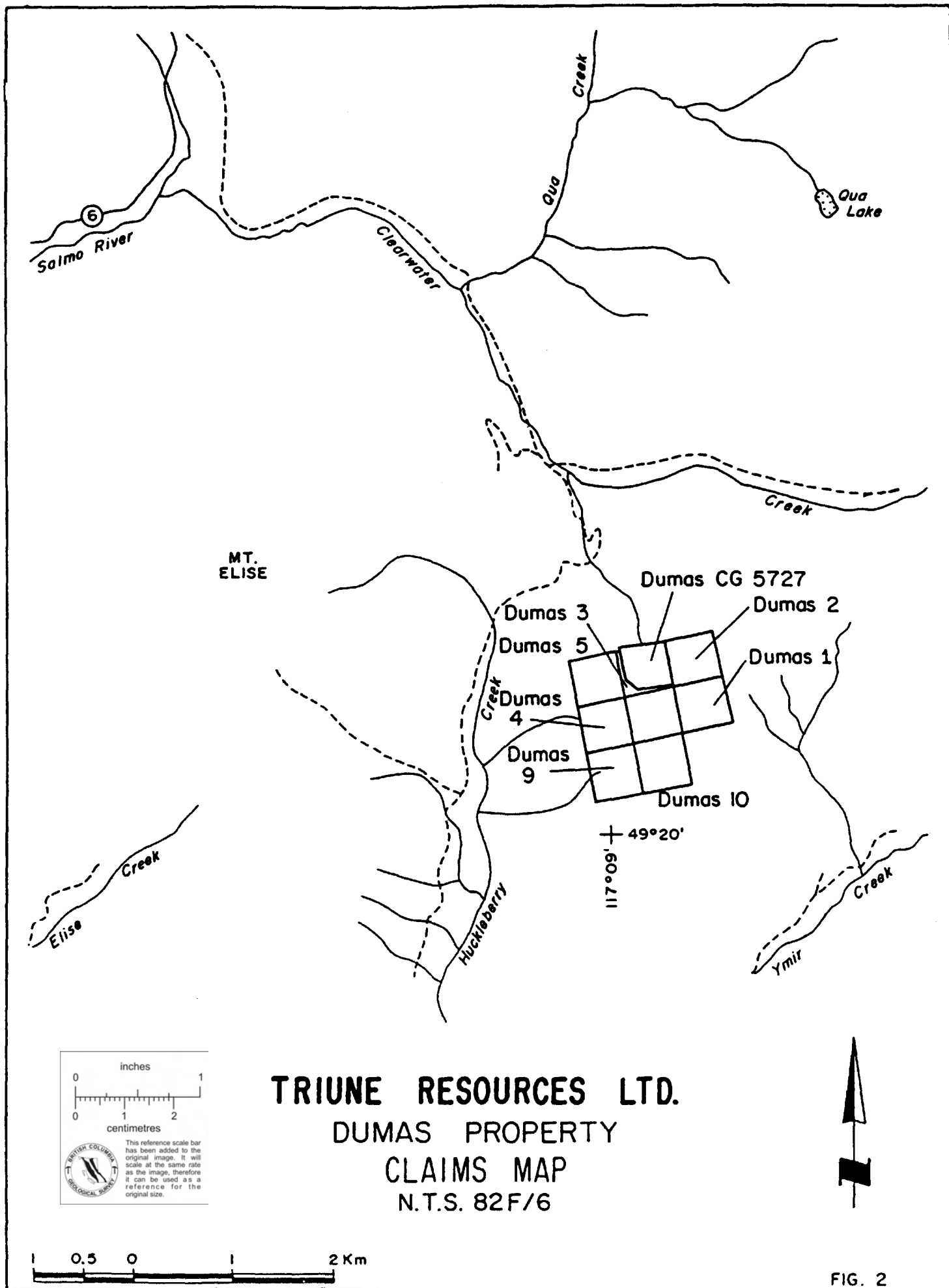
* Prior to the filing of the IP report for assessment credits.

HISTORY AND PREVIOUS WORK

The first claim covering the Dumas precious metal mineralization was Crown granted on July 20, 1897 to E. Croteau and G. Pellant. The Alexandre claim was Crown granted in the following year and the owners drove the upper adit for a distance of 150 feet on a quartz vein. This adit was inaccessible in 1914 when the property was examined by C.W. Drysdale (1917, p. 93). The Dumas property was subsequently acquired by Joe Dunn of Ymir, B.C. A lower adit was driven about 31 meters below the first adit, but little is known of the activities on the property at that time.

P. Beaulieu, M. Mahar and D. Lundgren purchased the property from the estate of Joe Dunn in 1980 after the claims lay dormant for a long period of time. A preliminary investigation was done by P.J. Santos of Cominco Ltd. in 1980. This investigation consisted of preliminary geological mapping, soil sampling and a VLF-EM survey. The old drifts were re-opened by the owners in late 1980.

Triune Resources Ltd. acquired the Dumas property in 1987 from Beaulieu, Mahar and Lundgren and has since completed a program of induced polarization, self potential tests, soil sampling and road building.



TRIUNE RESOURCES LTD.
DUMAS PROPERTY
CLAIMS MAP
N.T.S. 82F/6



FIG. 2

REGIONAL GEOLOGY

The Ymir gold camp is underlain by Mesozoic sedimentary, volcanic and intrusive rocks. The oldest rocks in the area belong to the Ymir Group of Triassic or older age. This group consists of black argillites, slates, argillaceous quartzites and minor limestones. These foliated rocks trend to the north and dip vertically or steeply to the west. The Ymir Group is overlain to the west by the Elise and Rossland volcanic formations which consist of intermediate to basic flows and pyroclastics. To the east the Ymir Group is intruded by portions of the Nelson batholith and inter-fingering offshoots. The Nelson intrusions are granitic in nature, but diorite, quartz diorite and granodiorite phases have been mapped. Lamprophyre dikes are also present.

Gold and silver mineralization in the Ymir area consists mainly of quartz veins which occupy faults and shear zones within most rock types of the area. The veins generally strike to the east and dip to the north or strike to the north parallel to the Ymir sedimentary rocks near their contact with tongues of Nelson intrusive rocks (Map 175A, 1916). Pyrite, galena and sphalerite are associated with the precious metals within the quartz veins.

The Ymir - Sheep Creek gold camp is the sixth most prolific gold producer in British Columbia. Total production from ten mines of the area amounted to 2,000,000 tons with a recovered grade of 0.5 oz/T Au. The size of deposits varied from a few tens of thousands of tons to several hundred thousand tons. In 1935 the Yankee Girl Mine had produced 101,000 tons, and reserves were listed at 286,600 tons with a grade of 0.47 oz/T Au (Cockfield, p. 27 and 31). The Yankee Girl vein averaged between 4 and 6 feet wide, but in places reached 30 feet in width. Mineralization consisted of quartz, pyrite, galena and sphalerite. Consequently, considerable amounts of lead, zinc and silver were recovered in the extraction of gold from the ores.

PROPERTY GEOLOGY

The geology map of the Clearwater area shows the Dumas property to be underlain by sedimentary rocks of the Ymir Group west of the margin of Nelson intrusive rocks (Figure 3). In the vicinity of the adits the country rocks consists of argillites, phyllites and argillaceous quartzites which strike north-northeasterly and dip vertically and steeply to the west. Local reversals of dip are not uncommon. Lamprophyre dike rock was noted on the dump at the upper adit.

The argillites which occur in the southern part of the property are intruded by irregular granite and feldspar porphyry dikes and impregnations. These intrusive rocks may be offshoots of the Nelson granitic pluton which occurs to the east of the adits.

Quartz vein mineralization occurs in the two adits and several intervening pits. The veins strike north and northeast and dip moderately to the east and southeast. Where exposed at surface the quartz veins vary from a few centimeters to 1 meter wide. Abundant pyrite occurs in the wall rocks adjacent to the veins and sporadically within the veins. Galena and sphalerite was noted only in the vein material from the dump at the upper adit. Two samples were collected for analysis. The first consisted of vein quartz with pyrite, and the second contained both galena and sphalerite. The assays are as follows:

<u>Sample No.</u>	<u>Au oz/T</u>	<u>Ag oz/T</u>	<u>Pb %</u>	<u>Zn %</u>
DM 87-1	0.456	1.00	1.00	0.87
DM 87-2	1.639	9.92	9.15	6.55
DM 87-3	0.049	0.09	0.06	0.03

The third sample is quartz vein with pyrite from an inclined shaft in the southern part of the property. Significant values, reported from the upper adit by the owners are:

<u>Au</u> <u>oz/T</u>	<u>Ag</u> <u>oz/T</u>	<u>Pb</u> <u>%</u>	<u>Zn</u> <u>%</u>
0.50	13.76	2.17	3.90
0.22	4.62	-	-

The assay certificates are included under analytical results in Appendix III.

GEOCHEMISTRY AND GEOPHYSICS

During 1987 approximately 120 soil samples were collected in the vicinity of the adits by M. Mahar and partners, at 5 meter intervals on lines 30 meters apart. Two additional lines were run at 60 meter intervals north of the lower adit. The soil samples were shipped to Loring Laboratories in Calgary for geochemical analysis. The results are plotted in Figures 4 and 5 and tabulated in Appendix III.

Anomalous values in gold, lead and zinc reflect the underling vein mineralization in the area of the two adits. Anomalous gold in soil ranges from 10 to 165 ppb Au. Lead and zinc anomalies exceed 50 ppm Pb and 150 ppm Zn. Silver values are erratic. Unfortunately, the soil sample coverage was inadequate to fully define the dimensions of the near surface precious metal mineralization.

A total of 10.0 line kilometers of Induced Polarization survey was done in July and August 1987 on the Dumas property by White Geophysical Inc., using the dipole-dipole configuration. The results are covered under a separate report (Seywerd and White, 1987). However, the plan of the Apparent Chargeability (Figure 21) is reproduced herein as Figure 6, because it is pertinent to a discussion of further exploration on the property. Strong linear chargeability anomalies, in excess of 50 milliseconds, trend north-northeasterly across the entire 900 meter length of the grid. This anomalous zone encompasses the area of known precious metal mineralization and soil anomalies in the area of the upper and lower adits. The IP chargeability anomaly is open to the north and to the south.

To a lesser extent the apparent resistivity anomalies coincide with the chargeability anomalies (White, 1987) suggesting that sulphide mineralization may occur over a strike distance of some 900 meters. This conclusion is consistent with the observation that abundant pyrite occurs in the wall rocks adjacent to the precious metal vein mineralization.

CONCLUSIONS

The Dumas property covers significant precious metal mineralization in the Ymir gold camp of southern British Columbia. Soil geochemical anomalies for gold, lead and zinc confirms the presence of near surface gold mineralization in the vicinity of two old adits located approximately 100 meters apart.

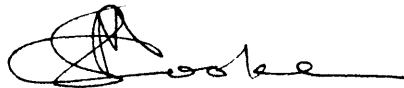
An induced polarization survey indicates a potential 900 meters strike length for this zone. The lack of electromagnetic response suggests that the induced polarization anomalies are due to sulphide rather than to graphite mineralization. The property warrants further investigation.

RECOMMENDATIONS

A program of diamond drilling is recommended to test the induced polarization anomalies for precious metal mineralization. A minimum of six diamond drill holes are proposed from the eight holes indicated on Figure 6. Initially, these holes should be confined to the area between the two adits which are also anomalous for gold, lead and zinc, in order to establish the presence of gold mineralization within the IP anomalies. The cost of this initial phase of exploration is estimated at \$80,000. A breakdown of these costs is presented in Appendix II.

A second phase of exploration, consisting of induced polarization, soil sampling, trenching and additional diamond drilling, is also proposed if the results of the first phase of exploration are sufficiently encouraging. The cost of this second phase of exploration is estimated at \$120,000.

Respectfully submitted,
D.L. COOKE AND ASSOCIATES LTD.



David L. Cooke, Ph.D., P.Eng.



REFERENCES

Cockfield, W.E., 1936, Lode Gold Deposits of Ymir, Nelson Area, G.S.C. Memoir 191, pp. 26-37.

Drysdale, C.W., 1917, Ymir Mining Camp, G.S.C. Memoir 94, pp. 175.

Little, H.W., 1960, Nelson Map-Area, West Half, B.C., G.S.C. Memoir 308, pp. 205.

Seywerd, M. and White, G.E., 1987, Geophysical Report on an Induced Polarization Survey on the Dumas Property.

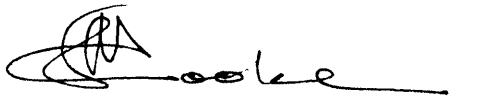
APPENDIX I

STATEMENT OF QUALIFICATIONS

I, DAVID LAWRENCE COOKE, of the Municipality of Surrey in the Province of British Columbia, hereby certify:

1. That I am a Consulting Geologist, residing at 16331 Bell Road, Surrey, B.C., V3S 1J9, with a business office at 800 - 675 West Hastings Street, Vancouver, B.C., V6B 1N2.
2. That I graduated with a B.Sc. degree in Geology from the University of New Brunswick in 1959, and with a M.A. degree and Ph.D. degree in Geology from the University of Toronto in 1961 and 1966 respectively.
3. That I have practised my profession as an exploration geologist from 1959 to the present time in Canada, the U.S.A., Mexico, the Caribbean and South America.
4. That I am a Registered Member of the Association of Professional Engineers of the Province of British Columbia.
5. That this report is based on a field examination of the Dumas property on July 9, 1987 and on available reports and maps of the property and the Ymir district.
6. That I have no interest in the Dumas property, nor in the shares of Triune Resources Ltd., nor do I expect to receive any interest.
7. That Triune Resources Ltd. has my permission to use this report in a Prospectus or Statement of Material Facts for the purpose of raising private or public funds.




DAVID L. COOKE, PH.D., P.ENG.

APPENDIX II

**ESTIMATED COST OF PROPOSED PROGRAM
DUMAS PROPERTY. NELSON M.D.**

Phase I

Geology

Geologist, 1 ½ months at \$5,000/month	\$ 7,500	
Assistant, 1 ½ months at \$3,000/month	4,500	
Supplies	<u>1,000</u>	\$ 13,000

Diamond Drilling

Contract, 600 meters at \$75/m	45,000	
Drill site preparation	5,000	
Assays, 100 x \$20 ea.	<u>2,000</u>	52,000

Transportation

4-wheel drive, 1 ½ months at \$1,500/month	2,250	
Other expenses	<u>1,000</u>	3,250

Domicile

90 man days at \$50/day		4,500
-------------------------	--	-------

Tenure

Assessment fees, etc.		1,000
-----------------------	--	-------

Organization, supervision, report

6,250

Total Phase I

\$ 80,000


Phase II

Diamond drilling

1,200 meters at \$100/m overall		<u>\$ 120,000</u>
---------------------------------	--	-------------------

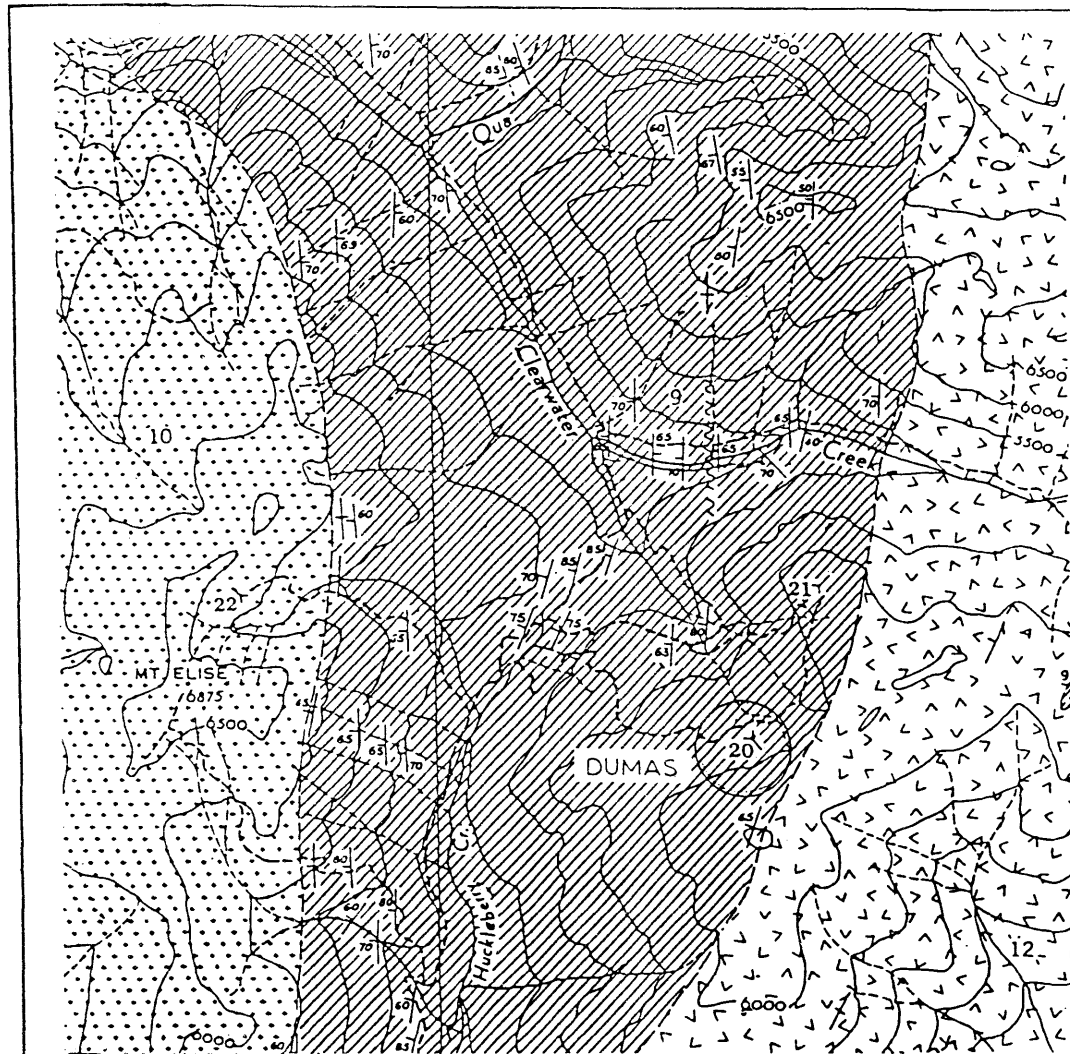
Total Phase I and II

\$ 200,000



ILLUSTRATIONS

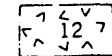
- Figure 3: Geology of the Clearwater Creek Area
- Figure 4: Au, Ag Geochemistry
- Figure 5: Pb, Zn Geochemistry
- Figure 6: IP/Apparent Chargeability



LEGEND

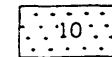
CRETACEOUS (?)

NELSON INTRUSIONS



Mainly granite; minor granodiorite, quartz diorite, diorite, lamprophyre, and aplite

TRIASSIC (?)



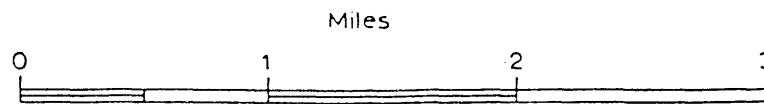
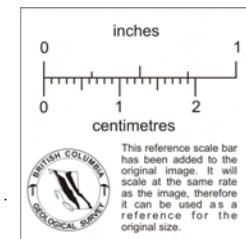
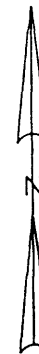
ELISE FORMATION: mainly intermediate and basic lavas; (Rosland Fm.)
minor pyroclastic, intrusive, and sedimentary rocks

TRIASSIC AND (?) EARLIER

YMIR GROUP



Shale, argillite, slate, quartzite; minor limestone



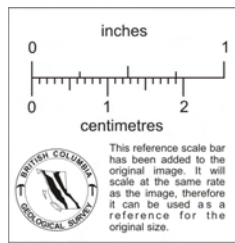
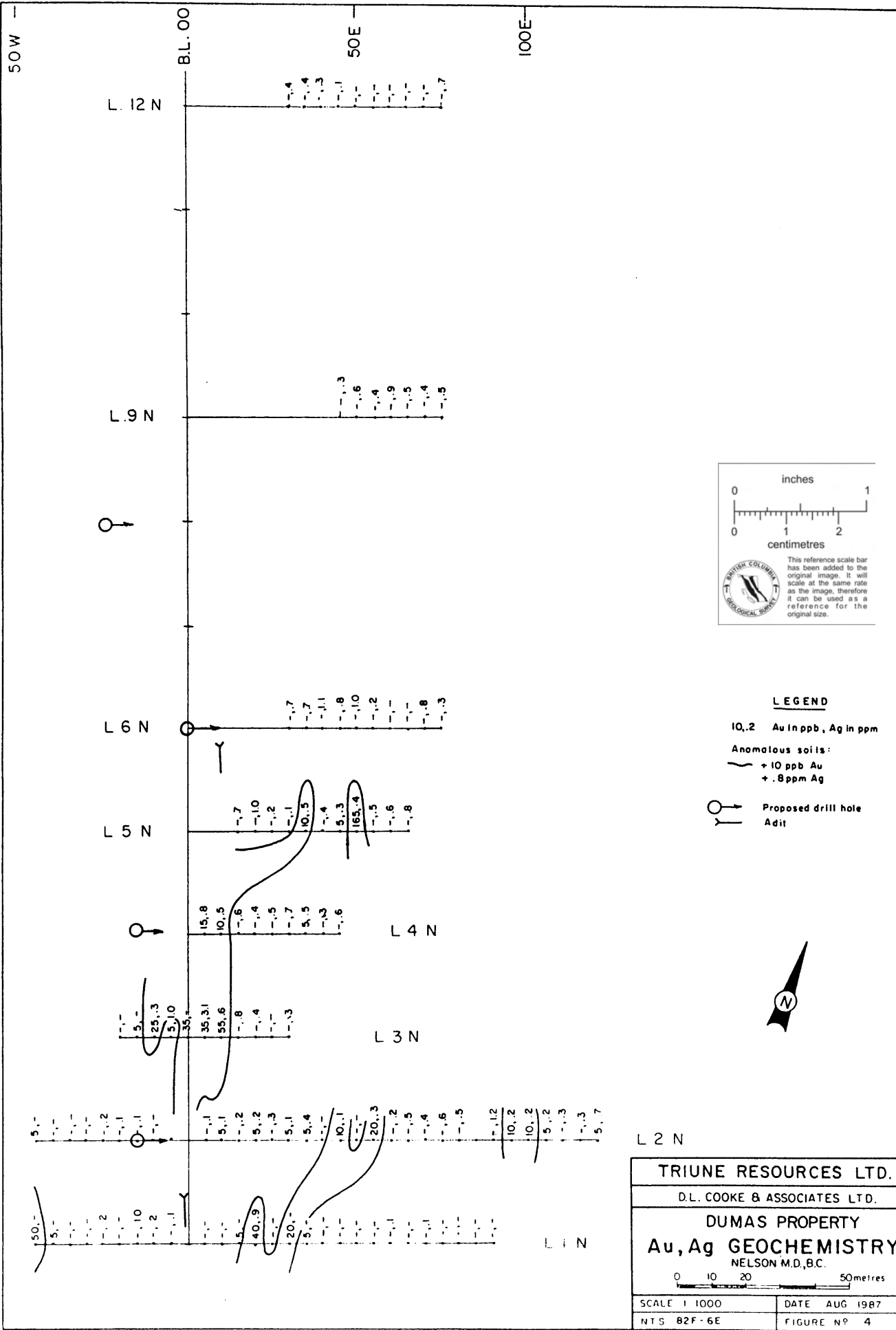
DUMAS PROPERTY TRIUNE RESOURCES LTD

Geology map of the Clearwater Creek area

N.T.S. 82F/6E NELSON M.D.

Drawn by: vvp Scale: 1:31,680 Date: 03/81

FIGURE 3



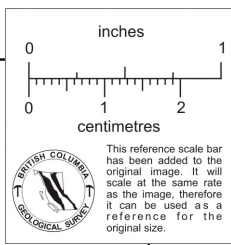
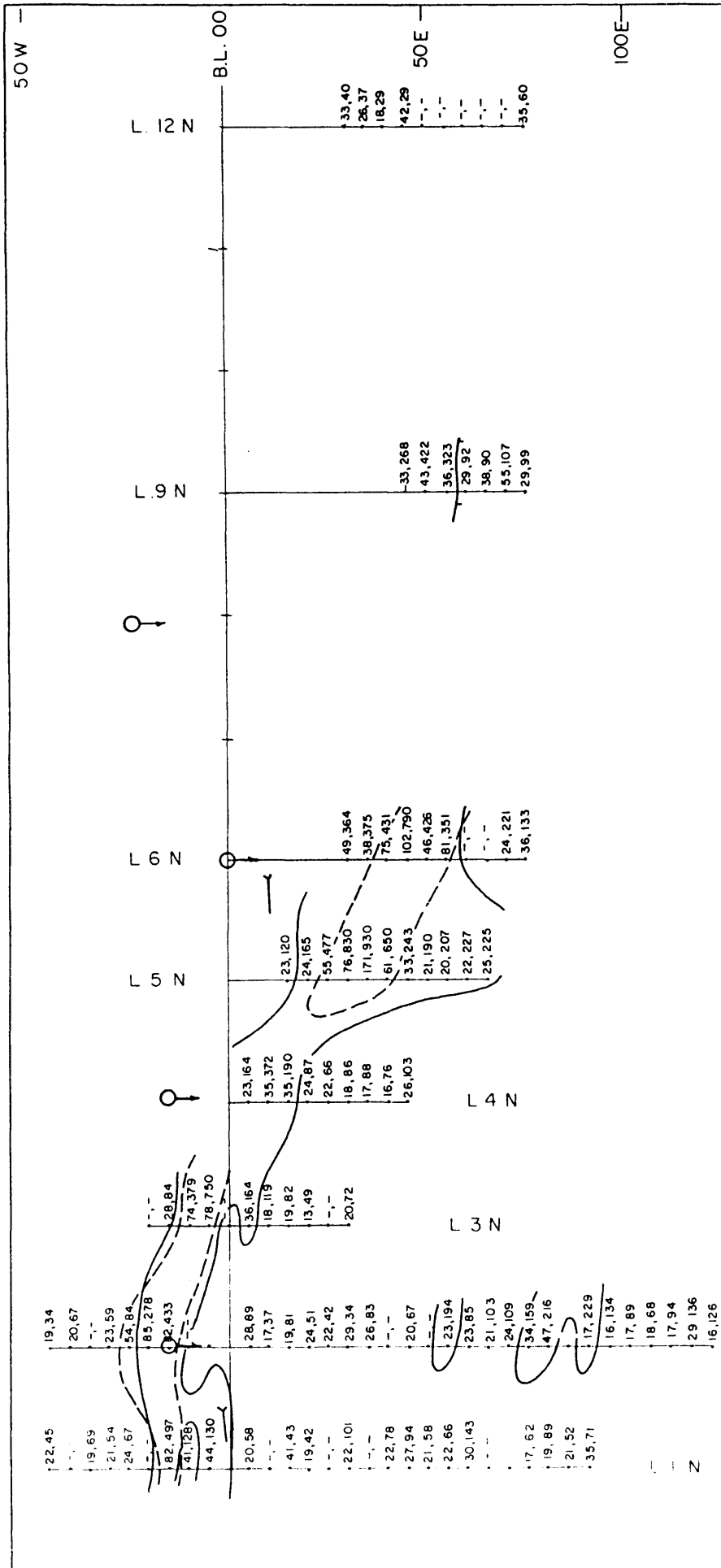
LEGEND

- 10.2 Au in ppb, Ag in ppm
- Anomalous soils:
 - + 10 ppb Au
 - + 8 ppm Ag
- Proposed drill hole (circle with crosshair)
- Adit (arrow)



L 2 N

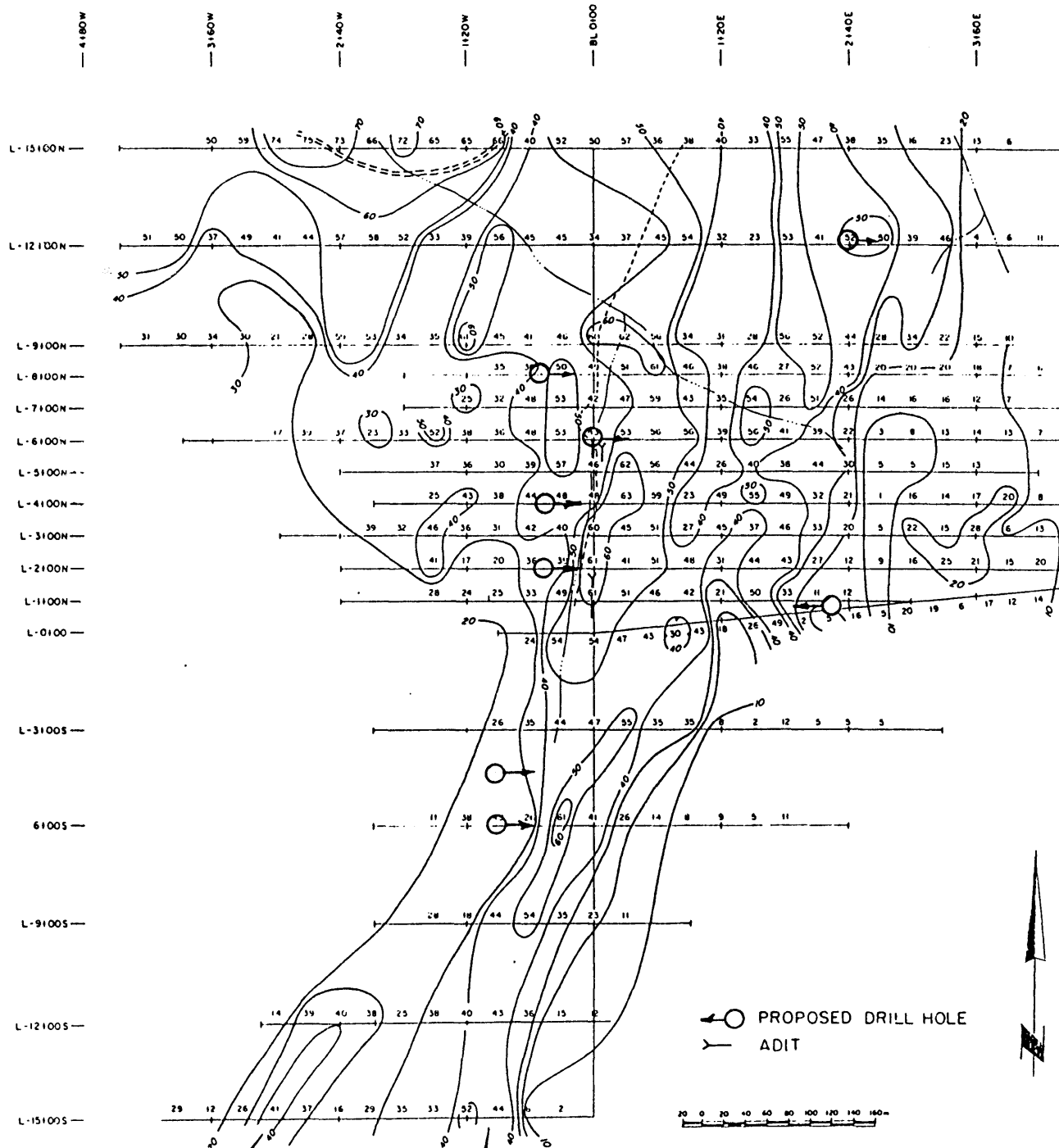
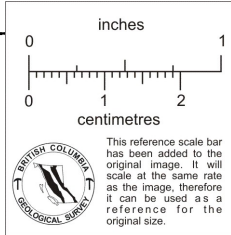
TRIUNE RESOURCES LTD.	
D.L. COOKE & ASSOCIATES LTD.	
DUMAS PROPERTY	
Au, Ag GEOCHEMISTRY	
NELSON M.D., B.C.	
SCALE 1 1000	DATE AUG 1987
NTS 82F-6E	FIGURE NO 4



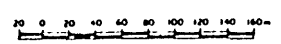
LEGEND

- 36,133 Pb, Zn in ppm
- Anomalous soils :
 - + 50 ppm Pb
 - + 150 ppm Zn
- → Proposed drill hole
- ┴ Adit

L 2 N	
TRIUNE RESOURCES LTD.	
D.L. COOKE & ASSOCIATES LTD.	
DUMAS PROPERTY	
Pb, Zn GEOCHEMISTRY	
NELSON M.D., BC	
SCALE 1:1000	DATE AUG 1987
NTS 82F-6E	FIGURE NO 5



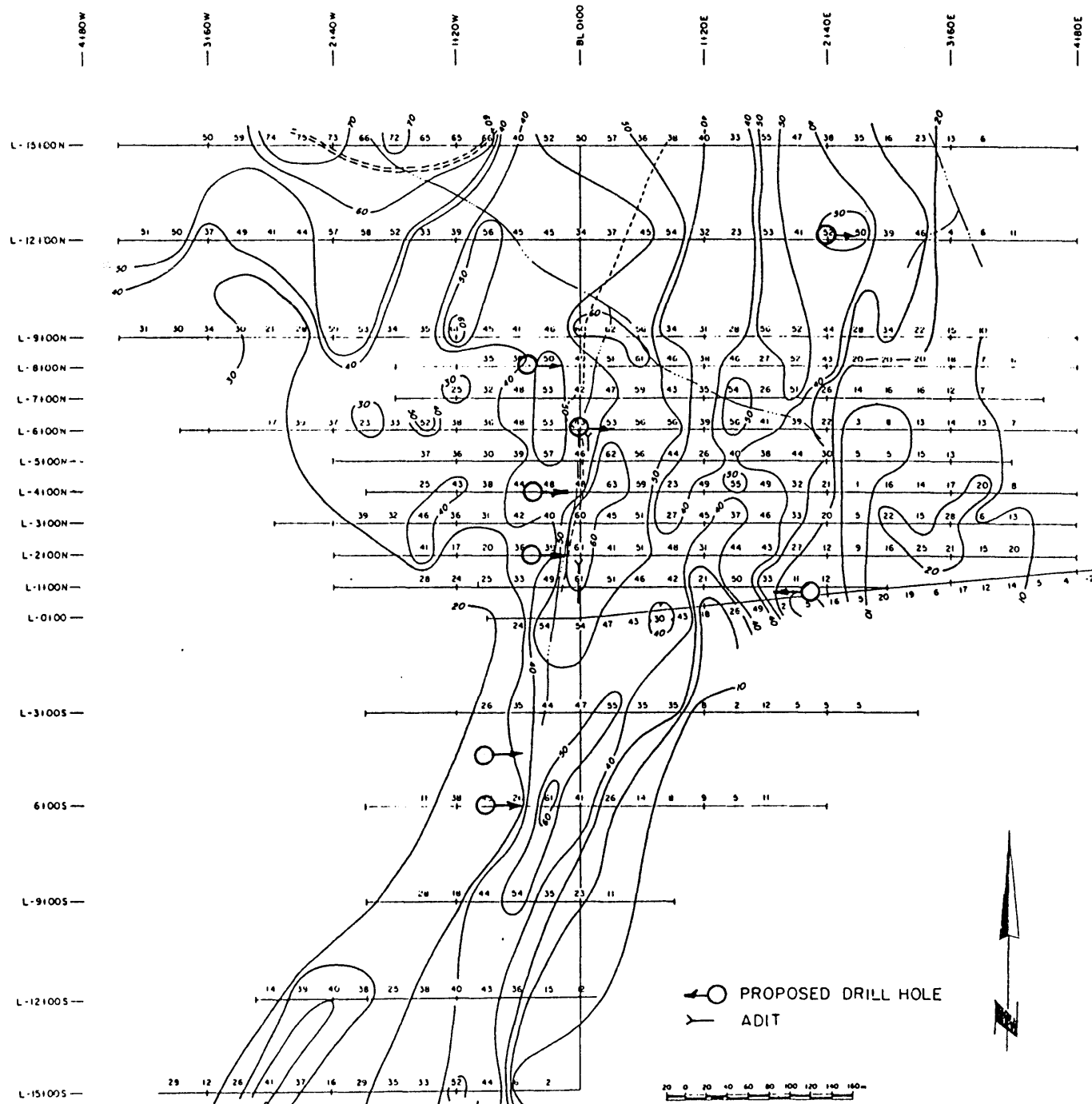
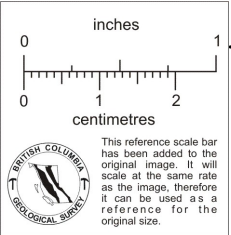
PROPOSED DRILL HOLE
 ADIT



ZONE "B" ZONE "A"

TRIUNE RESOURCES LTD. N.T.S. 82F-6E DUMAS PROPERTY NELSON M.D., B.C.	
INDUCED POLARIZATION APPARENT CHARGEABILITY A = 30, N = 2	
WHITE GEOPHYSICAL INC.	Instrument: Muntec FIG. 6

INSTRUMENT - MUNTEC

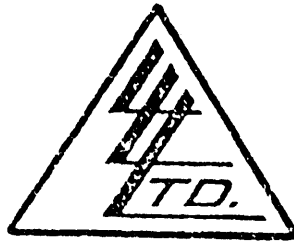


TRIUNE RESOURCES LTD.	
DUMAS PROPERTY NELSON M.D.B.C.	
N.T.S. 82F-6E	
INDUCED POLARIZATION APPARENT CHARGEABILITY	
A = 30, N = 2	
Interpreted by: M.S.	
Drawn by: M.S.	
Checked by: M.S.	
WHITE GEOPHYSICAL INC.	INSTRUMENT - HUNTEC MARK IV
	FIG. 6

APPENDIX III

ANALYTICAL RESULTS

To: Mr. P. R. Beaulieu
 P.O. BOX 32
 YMIR, B.C.
 VOG 2K0



File No. 19742
 Date July 30th, 1980
 Samples Rock

Certificate of
 ASSAY of

LORING LABORATORIES LTD.

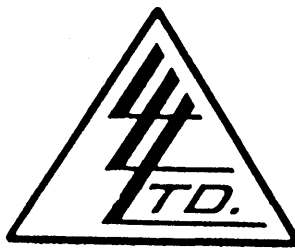
P.R. BEAULIEU
 BOX 32 YMIR, B.C.
 PHL 357-9591 VOG 2K0

SAMPLE No.	OZ./TON GOLD	OZ./TON SILVER	% Pb	% Zn
<u>Dumas</u>				
<u>"Rock Samples"</u>				
D & P # 1	.500	13.76	22.17	3.90
D & P # 2	.220	4.62	-	-
D & P # 3	.010	.32	-	-
D & P # 1	Gelena and Sphalerite and was taken from the top workings.			
D & P # 2	Heavy Pyrite also taken from the upper workings.			
D & P # 3	Quartz taken from the trench across the upper tunnel.			
<p>I Hereby Certify THAT THE ABOVE RESULTS ARE THOSE ASSAYS MADE BY ME UPON THE HEREIN DESCRIBED SAMPLES</p>				

Rejects Retained one month.
 Pulps Retained one month
 unless specific arrangements
 made in advance.

Edmund

To: TRIUNE RESOURCES,
 808, 675 W. Hastings Street,
 Vancouver, B.C. V6B 1N2
 ATTN: David L. Cook



File No. 30191
 Date August 25, 1987
 Samples Soil

cc: O. Baker - Ruskin Mission, B.C.

Certificate of
 ASSAY OF

LORING LABORATORIES LTD.

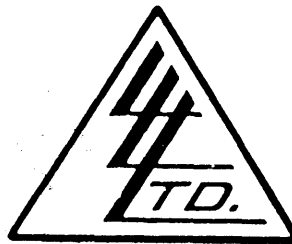
Page # 2

SAMPLE No.	PPB Au	PPM Pb	PPM Zn	PPM Ag
2N-25 W	NIL	54	84	0.2
30 W	NIL	23	59	NIL
35 W	NIL	NSS	NSS	NSS
40 W	NIL	20	67	NIL
45 W	5	19	34	NIL
2N- 5 E	NIL	28	89	0.1
10 E	5	17	37	0.1
15 E	NIL	19	81	0.2
20 E	5	24	51	0.2
25 E	NIL	22	42	0.3
30 E	5	29	34	0.1
35 E	5	26	83	0.4
40 E	NIL	NSS	NSS	NSS
45 E	10	20	67	0.1
50 E	NIL	NSS	NSS	NSS
55 E	20	23	194	0.3
60 E	NIL	23	85	0.2
65 E	NIL	21	103	0.5
70 E	NIL	24	109	0.4
75 E	NIL	34	159	0.6
80 E	NIL	47	216	0.5
90 E	NIL	17	229	1.2
95 E	10	16	134	0.2
100 E	10	17	89	0.2
105 E	5	18	68	0.2
110 E	NIL	17	94	0.3
115 E	NIL	29	136	0.3
120 E	5	16	126	0.7
3N- 0	35	NSS	NSS	NSS
3N- 5 W	5	78	750	1.0
10 W	25	74	379	0.3

I Hereby Certify THAT THE ABOVE RESULTS ARE THOSE
 ASSAYS MADE BY ME UPON THE HEREIN DESCRIBED SAMPLES

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File No. 30191
 Date August 25, 1987
 Samples Soil

cc: O. Baker - Ruskin Mission, B.C.

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ASSAY of
LORING LABORATORIES LTD.

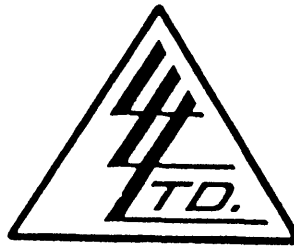
Page # 3

SAMPLE No.	PPB Au	PPM Pb	PPM Zn	PPM Ag
3N-15 W	5	28	84	NIL
20 W	NIL	NSS	NSS	NSS
3N- 5 E	35	36	164	3.1
10 E	55	18	119	0.6
15 E	NIL	19	82	0.8
20 E	NIL	13	49	0.4
25 E	NIL	NSS	NSS	NSS
30 E	NIL	20	72	0.3
L4- 1 N	NIL	NSS	NSS	NSS
4 N	5	21	101	0.5
4N- 5 E	15	23	164	0.8
10 E	10	35	372	0.5
15 E	NIL	35	190	0.6
20 E	NIL	24	87	0.4
25 E	NIL	22	66	0.5
30 E	NIL	18	86	0.7
35 E	5	17	88	0.5
40 E	NIL	16	76	0.3
45 E	NIL	26	103	0.6
5N-15 E	NIL	23	120	0.7
20 E	NIL	24	165	1.0
25 E	NIL	55	477	0.2
30 E	NIL	76	830	0.1
35 E	10	171	930	0.5
40 E	NIL	61	650	0.4
45 E	5	33	243	0.3
50 E	165	21	190	0.4
55 E	NIL	20	207	0.5
60 E	NIL	22	227	0.6
65 E	NIL	25	225	0.8
6N-30 E	NIL	49	364	0.7

I Hereby Certify THAT THE ABOVE RESULTS ARE THOSE
 ASSAYS MADE BY ME UPON THE HEREIN DESCRIBED SAMPLES

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 cc: O. Baker - Ruskin Mission, B.C.



File No. 30191
 Date August 25, 1987
 Samples Soil

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Page # 4

SAMPLE No.	PPB Au	PPM Pb	PPM Zn	PPM Ag
6N-35 E	NIL	38	375	0.7
40 E	NIL	75	431	1.1
45 E	NIL	102	790	0.8
50 E	NIL	46	426	1.0
55 E	NIL	81	351	0.2
60 E	NIL	NSS	NSS	NSS
65 E	NIL	NSS	NSS	NSS
70 E	NIL	24	221	0.8
75 E	NIL	36	133	0.3
9N-45 E	NIL	33	268	0.3
50 E	NIL	43	422	0.6
55 E	NIL	36	323	0.4
60 E	NIL	29	92	0.9
65 E	NIL	38	90	0.5
70 E	NIL	55	107	0.4
75 E	NIL	29	99	0.5
12N-30 E	NIL	33	40	0.4
35 E	NIL	26	37	0.4
40 E	NIL	18	29	0.3
45 E	NIL	42	29	0.1
50 E	NIL	NSS	NSS	NSS
55 E	NIL	NSS	NSS	NSS
60 E	NIL	NSS	NSS	NSS
65 E	NIL	NSS	NSS	NSS
70 E	NIL	NSS	NSS	NSS
75 E	NIL	35	60	0.7

I **Hereby Certify** THAT THE ABOVE RESULTS ARE THOSE
 ASSAYS MADE BY ME UPON THE HEREIN DESCRIBED SAMPLES

Rejects Retained one month.
 Pulps Retained one month
 unless specific arrangements
 made in advance.

MIN-EN LABORATORIES LTD.

Specialists in Mineral Environments

705 West 15th Street North Vancouver, B.C. Canada V7M 1T2

PHONE: (604)980-5814 OR (604)988-4524

TELEX: VIA USA 7601067 UC

Certificate of ASSAY

Company: D.L. COOKE
Project:
Attention: D.L. COOKE

File: 7-899/P1
Date: JULY 28/87
Type: ROCK ASSAY

We hereby certify the following results for samples submitted.

Sample Number	PB %	ZN %	AG G/TONNE	AG OZ/TON	AU G/TONNE	AU OZ/TON
DM-87-1	1.00	.87	34.2	1.00	15.65	0.456
DM-87-2	9.15	6.55	340.0	9.92	56.20	1.639
DM-87-3	.06	.03	3.2	0.09	1.68	0.049

Certified by

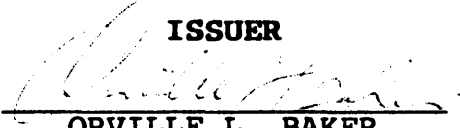
MIN-EN LABORATORIES LTD.

CERTIFICATES

The foregoing constitutes full, true and plain disclosure of all material facts relating to the securities offered by this Prospectus as required by Part 7 of the Securities Act and its regulations.

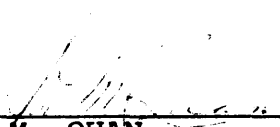
DATED: January 11, 1988

ISSUER



ORVILLE L. BAKER
President, Director
and Chief Executive Officer

ON BEHALF OF THE BOARD OF DIRECTORS



DON G.M. QUAN
Director



PETER J. PARRY
Director

PROMOTER



ORVILLE L. BAKER

AGENTS

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 Part 7 of the Securities Act and its regulations.

DATED: January 11, 1988

PACIFIC INTERNATIONAL
SECURITIES INC.

UNION SECURITIES LTD.

Per: 

Per: 
