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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.

PROSPECTUS

DATED: JUNE 28, 1988

A.L.

003369

SOUTH PACIFIC GOLD CORPORATION

200 - 535 Thurlow Street
Vancouver, British Columbia
V6E 3L2

PUBLIC OFFERING 600,000 Common Shares

PROPERTY FILE

Shaft 82F/6NW
C82F/6NB31

	Price to Public	Commission	Net Proceeds to be Received by the Issuer
.....	\$0.50 ⁽¹⁾	\$0.05 ⁽²⁾	\$0.45
.....	\$300,000	\$30,000	\$270,000 ⁽²⁾

- (1) The price of the shares has been determined by the Issuer in negotiation with the Agents.
- (2) Before deduction of the balance of the expenses of this issue estimated not to exceed \$15,000.

THIS OFFERING IS ON A "BEST EFFORTS" BASIS, SUBJECT TO THE AGENTS OBTAINING A MINIMUM SUBSCRIPTION OF 100% OF THE SHARES OFFERED AND THE SHARES OF THE ISSUER BEING LISTED, POSTED AND CALLED FOR TRADING ON THE VANCOUVER STOCK EXCHANGE BY AUGUST 1, 1988. REFER TO "PLAN OF DISTRIBUTION" AND "MINIMUM SUBSCRIPTION".

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

AN INVESTMENT IN SHARES OF THE ISSUER MUST BE CONSIDERED SPECULATIVE. SEE "RISK FACTORS" FOR DETAILS OF SUCH MATTERS AS DILUTION, RISKS INHERENT IN MINING, CONFLICTS OF INTEREST AND PERCENTAGES OF SHARES HELD BY PROMOTERS, DIRECTORS, OFFICERS, SUBSTANTIAL SECURITY HOLDERS AND UNDERWRITERS.

"UNDERWRITERS", AS DEFINED IN LOCAL POLICY STATEMENT 3-30 OF THE BRITISH COLUMBIA SECURITIES COMMISSION, OWN 50,000 SHARES OF THE ISSUER, PURCHASED AT \$0.25 PER SHARE.

THE VANCOUVER 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 JANUARY 16, 1989, INCLUDING PRESCRIBED DISTRIBUTION AND FINANCIAL REQUIREMENTS.

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 UNDER "PLAN OF DISTRIBUTION" ON PAGE 14 OF THIS PROSPECTUS.

AGENTS

BRINK, HUDSON & LEFEVER LTD.
1500 - 666 Burrard Street
Vancouver, British Columbia
V6C 3C4

EFFECTIVE DATE: July 15, 1988

As additional consideration for the property, the Issuer shall issue to the Optionors 100,000 common shares upon the commencement of commercial production on the property.

In the event that commercial production has not commenced on the property by September 30, 1992, the Issuer must make annual payments to the Optionors of \$150,000 or the Canadian dollar value equivalent of 300 Troy ounces of gold, whichever is greater, such payments to continue until commercial production commences. The payments become reinstated in the event that commercial production substantially ceases for any period exceeding 90 days.

The Issuer has to date expended approximately \$85,000 on the property and, following completion of the 1987 exploration programme, retained John Jenks, B.Sc., P.Geol. to prepare a report based on the results of that programme. The report, dated January 1988, (the "Jenks Report") is summarized in the following:

Description, Location and Access

The Shaft property comprises 16 contiguous mineral claims covering approximately 527 acres situated seven kilometres south of Nelson, British Columbia. The property may be reached by helicopter, by two-wheel drive vehicle under good weather conditions, or by four-wheel drive vehicle. Within the claim block, fair access is provided by the road and trail system constructed during the course of the 1987 work programme.

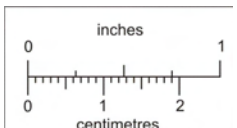
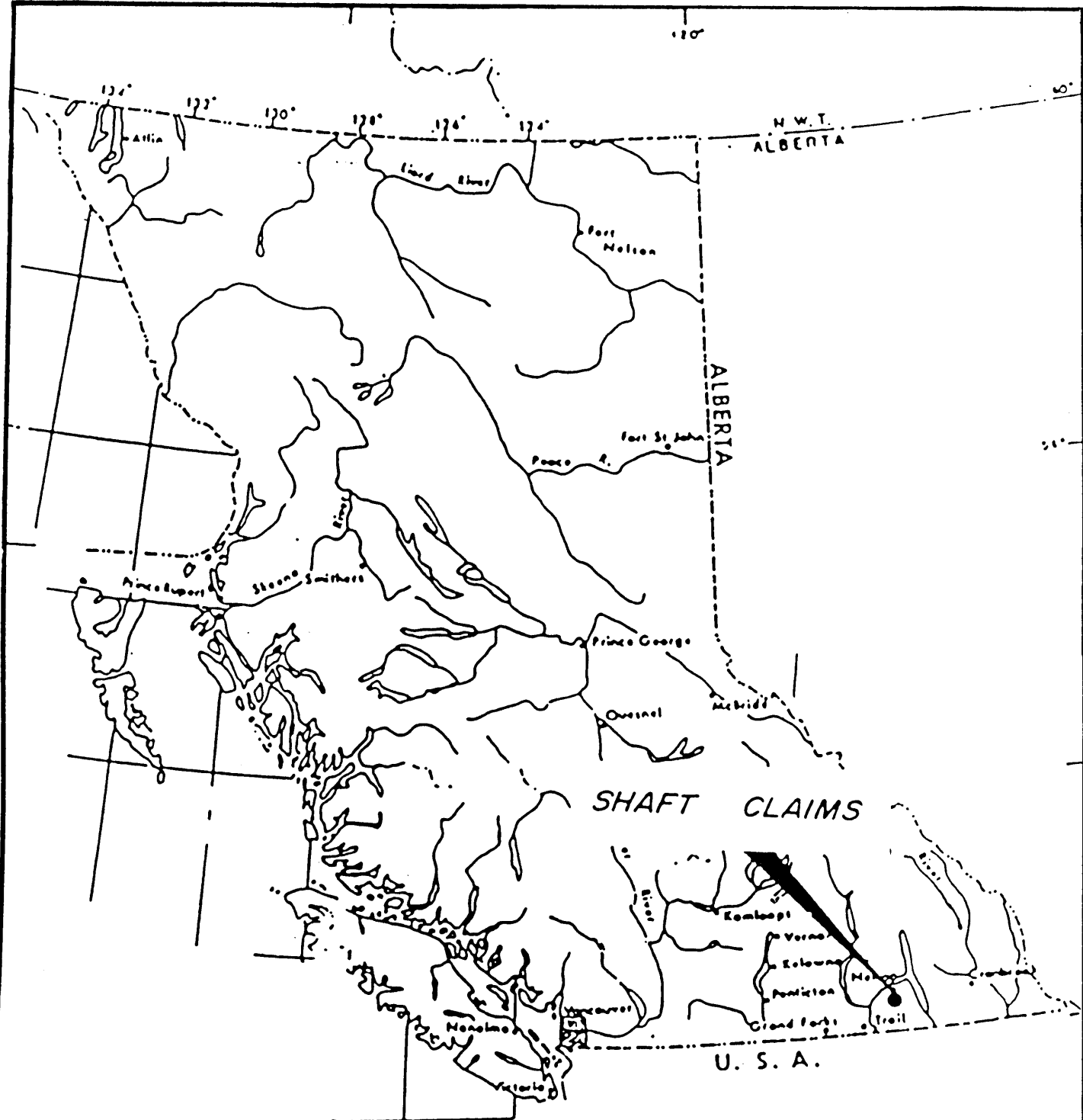
Physiography

The property lies on the northeasterly flank of Toad Mountain. The western half consists of a gentle relief plateau topography, while the eastern half drops sharply in elevation towards Highway 6 and Cottonwood Creek Valley to the east. Elevation also decreases abruptly towards the southern boundary into the steep valley occupied by Gold Creek.

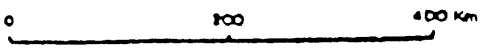
Relief is in the order of 640 metres on the claim group as elevation ranges from 856 metres at Cottonwood Creek in the east to 1,500 metres on the plateau area to the west.

A fairly thick cover of mature first and younger second growth conifers cover the claim area.

Along the southern claim border perennial streamflow is provided by northeasterly-flowing Gold Creek as well as a small southerly flowing tributary.



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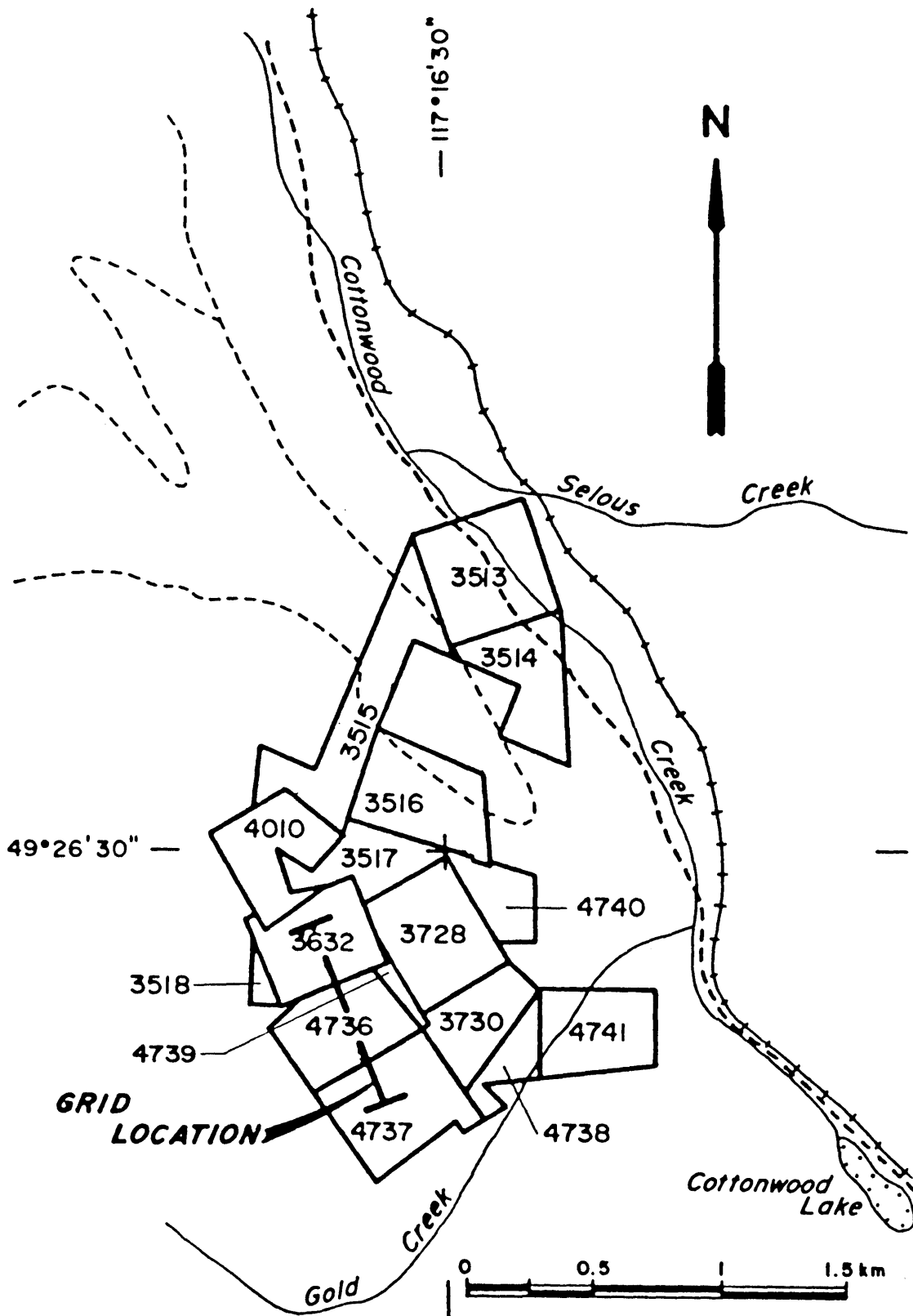


South Pacific Gold Corp.

SHAFT PROJECT

GENERAL LOCATION MAP

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South Pacific Gold Corporation
SHAFT PROPERTY
CLAIMS MAP
N.T.S. 82F/6W

John Fisher

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centimetres

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History

Though no history of exploration activity on the Shaft property has been recorded, physical evidence in the form of a 2-metre test pit (the Shaft showing), three trenches, and a collapsed adit of uncertain length (the Dighem adit), indicates otherwise. Best estimates suggest that these were excavated between 1900 and 1904.

The Shaft showing was located by Otto Janout in July 1987. Janout, co-owner of an adjoining claim block to the south (the Kena property), felt that soil geochemistry performed by Lacana Mining Corp. on the Kena property indicated probable northerly extensions onto the Shaft property. Discovery of a chalcopyrite/sphalerite-bearing boulder to the east ultimately led to the Shaft area where the precious metal discovery was eventually made.

Utilizing geochemical and Dighem data from prior surveys centred on the Kena property, further prospecting followed. This led to successive discoveries of the Cat showing to the north and the Dighem showing to the east.

During November and December, 1987, the Issuer conducted the work programme described hereafter.

1987 Work Programme

The 1987 work programme conducted by the Issuer on the Shaft property comprised the following:

- a) Line cutting: A cut baseline laid out at an orientation of 330° true, totalled 875 metres in length. Crosslines were blazed and flagged at 50-metre centres with stations marked every 25 metres. Total baseline and crosslines amounted to 4,675 metres.
- b) Access road construction: Approximately 1,500 metres of rough, though drivable, access road was constructed using a Komatsu D65 E bulldozer.
- c) Trenching: Sixteen separate exploration trenches were dug. These totalled approximately 500 metres in length. Depths ranged from 0.6 to 1.2 metres.
- d) Blasting: to provide fresh rock exposure and to facilitate the sampling procedure, six of the trenches were drilled and blasted.

- e) Sampling: Rock samples were taken from trenches whenever any evidence of gold mineralization was seen. This indirect evidence included the presence of malachite and/or silicification. In retrospect, several of the apparently barren trenches could be sampled in the 1988 program. Sample types included random grab, selected grab, composite grab, and composite chip samples. In total, thirty-eight samples were submitted to Acme Analytical Laboratories Ltd. in Vancouver for ICP analysis and fire assay.
- f) Soil chemistry: Eleven soil samples were taken by soil auger and submitted for ICP and AAS analysis.
- g) Geophysics: In an attempt to define and/or quantify geophysical response from the known gold showings, and to locate further mineralization of the same type, four different varieties of geophysical survey were completed. These included Crone Pulse-EM, VLF-EM (EM-16), IP and magnetics.
- h) Thin section examination: Three rock specimens were submitted to Vancouver Petrographics Ltd. where they were slabbed, thin-sectioned, microscopically examined and described under plane and polarized light.

Regional Mining Activity

The Rossland Group rocks, which host mineralization on the Shaft property, are an important host to a number of mining camps and deposits in south British Columbia. They include the South Nelson District (Shaft property), the Rossland Mining District (fifty kilometres southwest of the Shaft property, 6,200,000 tons of ore assayed 1% Cu, 0.47 oz/ton Au and 0.6 oz/ton Ag), as well as such recent discoveries as the Tillicum deposit (75 km northwest, 480,000 tons of total possible reserves at 0.56 oz/ton gold), and the Willa property (60 km north, 600,000 tons of possible reserves averaging 0.22 oz/ton Au, 1.04% Cu, 0.27 oz/ton Ag).

Though located in host formations other than the Rossland Group, three additional mining camps in the district, the Sheep Creek (40 km southeast), the Ymir (20 km south), and the Salmo Camp (30 km south), illustrate the prevalence of precious and base metal mineralization within the region. The Sheep Creek and Ymir Camps mined a total of 2,435,000 tons of ore averaging 0.4 oz/ton Au and 0.2 oz/ton Ag.

Within a 14 km radius of the Shaft property, at least 34 mineral showings have been documented, some of which underwent commercial production. The largest producer was the Silver King Mine located two kilometres west of the Shaft claims, which averaged 3.36% copper, 19.96 oz/ton silver, plus small quantities

of gold, lead and zinc from 222,246 tons of ore. Modest gold production has also come from the Granite-Poorman, Royal Canadian and the Venango, the combined production from which totalled 200,660 tons averaging 0.33 oz/ton gold and 0.14 oz/ton silver.

Virtually all the significant discoveries in the area south of Nelson had been made by the end of the 19th century. A small smelter, the Halls Mines smelter, operated briefly during that period.

The south Nelson area, which has an extensive history of mining activity, has seen a resurgence of exploration during the past eight years. This is reflected by the high proportion of area held under mineral claims, and the large number of mining companies currently active. Ongoing exploration programmes are presently evaluating a number of past producers, including the Granite-Poorman, California, and the Athabaska Mines, in addition to a major programme on the Great Western property.

Geology

Regionally, the property is located within a large roof pendant of Lower to Mid-Jurassic Rossland Group Volcanics embayed on three sides by the Jurassic to Cretaceous-aged Nelson Batholith. Structural trends are generally to the northwest. Conceivably the prospect could be situated along the northeast limb of a large syncline following the regional structural trend.

Mulligan (1952) has divided the mineral deposits of the region into four categories: (1) gold quartz fissure veins and lodes, with minor lead, zinc, and copper (eg. the Granite-Poorman, Royal Canadian, California mines), (2) silver-copper-lead lodes and veins (eg. the Silver King mine), (3) replacement bodies in limestone (eg. the Eureka, Queen Victoria mines), and (4) tungsten deposits (eg. the Stewart mine).

The gold mineralization on the Shaft property is unique to the four assigned categories of Mulligan. It is seen as a conformable, breccia-associated type of mineralization characterized by a paucity of quartz, high correlation with the copper-bearing minerals, chalcopyrite and malachite, and an ill-defined relation to pyrite content. Primary lithology and secondary fracturing appear to critically relate to gold deposition.

Two main rock formations underlie the Shaft property, consisting of:

1. The Elise Formation: A Lower Jurassic, middle member of the Rossland Group. Thickness of the Elise in the Ymir area to the south ranges from 2,600 to 2,750 metres. On the property it includes mafic pyroclastics, flows and minor sedimentary units, mainly thin-bedded siltstones

and mudstones. Alkalic igneous sills are located near the top of the Elise Formation. Reported thicknesses range to 400 metres; however, detailed mapping is required to define dimensions and distribution. The sills generally contain a high proportion of sulphides (to 15% pyrite, 3% chalcopyrite and associated gold) and are the major host rock for anomalous gold and copper values. They have a high magnetic susceptibility due to disseminated magnetite.

2. The Silver King Porphyry: This unit occurs along the western edge of the property where it forms a northwesterly-trending contact with the Elise Formation. The intrusive is very coarse-grained containing feldspar phenocrysts, biotite lathes and quartz eyes.

Mineralization

Mineralization on the Shaft property occurs in two principal showings: (a) the Shaft showing and (b) the Cat showing. Additional mineralization uncovered during the 1987 programme included mineralized vein float along the road near 9+15N-4+50E, another showing 30 metres northeast of the original Cat discovery and a small mineralized quartz vein near 14N-5+25E.

Within the claim block two additional areas of interest were not evaluated during the current programme. These included the Dighem showing some 400 metres east of the grid and a series of small, very old trenches along the southerly strike of the Shaft showing.

The nature of the mineralization is fairly similar on both the Shaft and the Cat showings. Host rock is a meta-diorite sill rock. The presence of gold seems directly associated with that of copper mineralization which manifests itself in the form of malachite on weathered fracture surfaces, and chalcopyrite in disseminations and small discreet patches and thin layers. In the samples taken, this association is borne out by the correlation coefficient between copper and gold, calculated at 0.7493.

The role of pyrite in the paragenesis of the prospect is incompletely understood. There appears to be two different phases of pyrite present, a pale variety and a brassy version. Fairly ubiquitous pyrite occurs disseminated in a primary form throughout most of the dioritic sills, in places up to 15% by volume. While elevated gold values are not seen in the absence of pyrite, the presence of pyrite does not necessarily ensure high gold values.

Textures differ slightly on the Cat showing in that the sulphides concentrate within the matrix of a crackle breccia.

A paucity of quartz is a common feature of both showings. Except for the occasional small vein, the showings are quartz deficient.

As a result of additional trenching during the 1987 programme, the width of the gold zone at the Shaft showing has been increased to roughly 9.4 metres including a 2.5 metre high grade zone averaging 0.34 oz/ton gold. Depending upon the type of sample taken, weighted averages indicate 0.20 oz/ton Au over 9.44 metres width (channel chip) or 0.167 oz/ton Au over 5.7 metres of width (chip of blasted muck).

From a trench twelve metres to the north, a chip sample of blasted muck averaged 0.131 oz/ton over 4.0 metres.

Currently the Shaft zone is seen as only partially delineated. It has now been followed for some twenty-five metres along strike. The maximum width of mineralization within this interval ranges to 9.44 metres, although the average is closer to 4 or 5 metres. Grades range to 0.34 oz/ton Au and average about 0.18 oz/ton Au with appreciable copper values (ranging from 0.13-1.86% Cu).

a) The Shaft Showing

The site was originally marked by a hand trench and a two metre deep test pit dug prior to 1904. Other than a slightly higher than normal pyrite content, plus minor chalcopyrite and malachite, there is little to indicate the presence of elevated gold values. The showing has been sampled by several mining company representatives interested in optioning the property. The results range from 0.03 to 0.20 oz/ton gold over widths of approximately five metres.

b) The Cat Showing

The Cat showing was a prospecting discovery made by Charles Pittman, a co-owner of the property, following-up anomalous soil values in the area. During the 1987 programme the Cat showing was extensively trenched, both on the showing itself and the adjoining area.

Trenching indicated the Cat showing to be lensy in nature. Surface dimensions are approximately 9 by 5.5 metres, the long axis following the regional trend. Gold grades on the Cat averaged 0.04 oz/ton gold (high of 0.072) while copper values averaged 0.7% (ranging from 0.4-1.23%).

Some thirty metres northeast of the Cat showing, additional surface mineralization was discovered and trenched. Gold values were similar to those from the Cat, ranging from 0.03 to 0.07 oz/ton Au, while copper grades ranged from 0.4 to 1.2% Cu. The zone was three metres thick and traced for 20 metres along strike.

On the extreme northern edge of the grid a quartz vein 15 cm thick traceable for 14 metres contains chalcopyrite, pyrite and minor malachite. Sampling indicated a grade of 0.023 oz/ton Au and 0.08% Cu.

c) Other

Mineralized float was uncovered on the road near 9+15N - 4+50E. A single piece of quartz vein float containing chalcopyrite, pyrite, and malachite was not assayed. Trenching in the vicinity was inconclusive and should be followed up.

A series of small, very old trenches was dug prior to 1904 south of the Shaft showing. No work was carried out in this area during the programme, though it is planned for the 1988 season.

The Dighem showing includes a number of old trenches and a collapsed tunnel of uncertain length located 400 metres east of the grid. Both vein material and meta-volcanic rock can be seen on the dump pile. A selective grab from the dump taken by one of the owners assays 0.40 oz/ton Au. The showing area is coincidental with a 300-metre long Dighem anomaly delineated by an airborne survey flown by Lacana Mining Corp. during 1984. This showing is a prime area for future work.

Geochemistry

Nine soil samples were taken along the western half of line 1000N, plus two additional samples immediately east of the grid near line 9+50N. The purpose of sampling was to spotcheck reported high values from previous sampling taken in this sector by the owners.

While eleven samples hardly constitute a very meaningful population in statistical terms, the following table lists the parameters:

Summary of Soil Samples Taken			
	Cu (ppm)	Ag (ppm)	Au (ppb)
Number of Samples	11	11	11
Mean	170.9	0.50	89.5
Standard Deviation	114.1	0.36	155.3
Correlation coefficient	Cu/Au -0.267	Ag/Au 0.436	Cu/Ag 0.397

Slightly elevated gold values occurred near the contact between the Silver King Porphyry and the Elise Formation, while slightly elevated copper values were seen just east of the contact.

Geophysics

Four types of preliminary geophysical test surveys were carried out: VLF-EM, Crone Pulse-EM, I.P. and magnetics.

Compilation of the geophysical data suggests that, based upon chargeability characteristics and to a lesser degree resistivity, the grid area (comprising a strike length of +800 metres) appears divisible into a northern block north of line 10+50N) and a southern block (south of 10+50N). The intermediate area is notable for an interruption of both Crone Pulse-EM and VLF-EM conductors from north to south.

The vicinity around the Shaft showing has a high chargeability and a low resistivity, the former remaining open to the south. The area surrounding the Cat does not appear to respond in such a favorable geophysical manner.

Magnetic data indicates a "flat" area on the western portion of the grid and an area of peaks and lows on the eastern half. This feature is interpreted as a lithological boundary, possibly the contact between the Silver King and Elise Formation, although field evidence suggests the contact is roughly 100 metres further to the west.

Various EM conductors seem to define the southwestern and northeastern margins of a discreet lithologic unit trending northwesterly. Whether this unit is a zone of sills or a particular volcanic horizon remains to be defined.

Recommendations and Cost Estimates

A three phase programme is recommended:

Phase I

Extension of survey grid, 10 km @ \$800/km	\$	8,000
Rock trenching - backhoe, airdrill blasting 7 days @ \$1,100/day		7,700
Geological mapping		6,000
Geophysics - EM, IP, magnetics		30,000
Geochemical soil survey, 2,000 samples		6,000