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Shawn Property

~~82F SW or NW~~

~~New~~

SUPERINTENDENT OF BROKERS
AND
VANCOUVER STOCK EXCHANGE

STATEMENT OF MATERIAL FACTS (#3/90)

EFFECTIVE DATE: JANUARY 17, 1990 MINFILE = 082FSW340

ILM RESOURCES LTD., formerly Golden Exodus Ventures Ltd.,
500 - 890 West Pender Street,
Vancouver, British Columbia V6C 1J9 (604) 681-7966
Name of Issuer, Address of Head Office and Telephone Number

12th Floor, 1190 Hornby Street, Vancouver, B.C. V6Z 2L3
Address of Registered and Records Offices of Issuer

Central Guaranty Trust Company, 800 West Pender Street,
Vancouver, British Columbia V6C 2V7
Name and Address of Registrar and Transfer Agent for Issuer's Securities in British Columbia

OFFERING: 800,000 COMMON SHARES WITHOUT PAR VALUE

Shares	Estimated Price to Public(1)	Estimated Commission	Estimated Net Proceeds to be received by the Issuer(2)
Per Share	$0.23	$0.03	$0.20
Total	$184,000	$24,000	$160,000

(1) The Offering price was determined by the Issuer in consultation with the Agent and the Exchange.

(2) Before deduction of the balance of the costs of the issue estimated to be $15,000.

ADDITIONAL OFFERING: The Agent will receive warrants to purchase 400,000 shares of the Issuer on completion of the Offering. The Agent's Warrants are distributed to the Agent under this Statement of Material Facts. Any Shares acquired by the Agent under its guarantee will also be distributed under this Statement of Material Fact through the facilities of the Vancouver Stock Exchange at the market price at the time of sale.

The Securities offered hereunder are speculative in nature. Information concerning the risks involved may be obtained by reference to this document; further clarification, if required, may be sought from a broker.

AGENT:

GEORGIA PACIFIC SECURITIES CORPORATION
16th Floor, 555 Burrard Street
Vancouver, British Columbia
V7X 1S6

Neither the Superintendent of Brokers nor the Vancouver Stock Exchange has in any way passed upon the merits of the securities offered hereunder and any representation to the contrary is an offence.

Rvd Feb. 12/90

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1. PLAN OF DISTRIBUTION

Offering

The Issuer, by its Agent, hereby offers (the "Offering") to the public through the facilities of the Vancouver Stock Exchange (the "Exchange"), 800,000 common shares (the "Shares"). The Offering will take place on a day (the "Offering Day") not more than 180 calendar days after the date (the "Effective Date") this Statement of Material Facts is accepted for filing by the Exchange and the Superintendent of Brokers for British Columbia (the "Superintendent").

The price of the Shares (the "Offering Price") will be determined by the Issuer and the Agent in accordance with the Exchange's rules and policies, at a discount of not more than 10% from the average trading price ("Average Trading Price") of the Issuer's common shares as traded on the Exchange and as determined by the Exchange, but in any even not less than $0.20 per share net to the Issuer's treasury.

The purchaser of any Shares will be required to pay regular commission rates as specified in the rules and by-laws of the Exchange.

Appointment of Agent

The Issuer, by an agreement dated September 20, 1989 as amended November 10, 1989 (the "Agency Agreement"), appointed Georgia Pacific Securities Corporation as its agent ("Agent") to offer the Shares to the public.

The Issuer will pay the Agent a commission of $0.03 per Share.

The Agent has agreed to purchase any Shares which remain unsubscribed at the conclusion of the Offering Day and, in consideration therefor, the Issuer has agreed to allot and issue to the Agent, immediately following the Offering Day, non-transferable share purchase warrants ("Agent's Warrants") entitling the Agent to purchase a total of 400,000 common shares of the Issuer. The Agent may exercise any of the Agent's Warrants within a period of two years after the Offering Day at a price equal to the Offering Price in the first year and increasing by a premium of 15% of the Offering Price in the second year. The Agent's Warrants will contain, among other things, anti-dilution provisions and provision for appropriate adjustment in the class, number and price of shares issuable pursuant to any exercise thereof upon the occurrence of certain events, including any subdivision, consolidation or reclassification of the shares of the Issuer, or the payment of stock dividends. The Agent's Warrants will be non-transferable and only one Agent's Warrant is required to purchase one common share in the capital of the Issuer.

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

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

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

Greenshoe Option

The Agent is entitled to over allot the Shares in connection with this Offering and the Issuer has granted to the Agent an option (the "Greenshoe Option") to purchase at a price per Share determined in accordance with the rules and policies of the Exchange that number of Shares equal to the lesser of 15% of the Offering or the actual number of Shares subscribed for by way of an oversubscription during the distribution of the Shares. The Greenshoe Option shall be exercisable for a period of 60 calendar days from the Offering Day. The number of Shares subject to the Greenshoe Option shall be determined at the conclusion of the Offering Day. Alternatively, the Agent is entitled to cover each over allotment by making purchases of the Issuer's shares in the open market through the facilities of the Exchange at the market price from time to time during the exercise period of the Greenshoe Option.

Additional Offering

This Statement of Material Facts also qualifies the distribution of the Agent's Warrants to the Agent and the sale, through the facilities of the Exchange at the market price at the time of sale, of any Shares acquired by the Agent pursuant to its guarantee. The Agent will receive the proceeds from the sale of such Shares and none of these proceeds will accrue to the Issuer.

2. HOW THE NET PROCEEDS OF THE ISSUER ARE TO BE SPENT

The Issuer cannot estimate with certainty the price at which the Shares will sell but if all Shares are sold at a price of $0.23 per share, the Issuer will received gross proceeds of $184,000 which, after deduction of commissions of $24,000, will net the Issuer $160,000.

The principal purposes for which the estimated net proceeds of $160,000 are required, and the estimated amount to be spent on each are:

(a)	To pay the balance of the costs of this Statement of Material Facts	$ 15,000
(b)	To rectify working capital deficiency as of December 29, 1989 of approximately	$ 73,000
(c)	To pay balance of property payments on Shawn Property	$ 9,000
(d)	Reserve for the Issuer's share of Phase IV expenditures on the Shawn Property	$ 31,000
(e)	For general corporate purposes	$ 32,000
		$160,000

Any monies received from the exercise of the Agent's Warrants or Greenshoe Option described in Item 1 will be used for the general corporate purposes of the Issuer.

None of the proceeds from the Offering will be spent on any properties other than those referred to above without the prior approval of the Exchange where (a) such expenditure is in excess of $300,000, whether by way of cash and/or the issuance of shares, (b) the acquisition involves the issuance of more than 100,000 shares of the Issuer, or (c) the acquisition is not arms length being with a director, officer or other insider of the Issuer or with a company having common insiders with the Issuer.

3. MATERIAL NATURAL RESOURCE PROPERTIES

SUMMARY OF MATERIAL MINING PROPERTIES

Group I Properties for which regulatory approval has been obtained under this Statement of Material Facts.

Group II Presently held properties which are currently producing or being explored, or upon which exploration is planned within the next year.

Group III Other presently held properties upon which the Issuer's acquisition and exploration costs to date exceed $100,000.

Group	Property Name	Issuer's Acquisition and Exploration Costs to Date	Shares Issued to Date	Planned Expenditure from Funds Available upon Completion of the Offering
I	-----	-----	-----	-----
II	Shawn Property	$176,673	50,000	$31,000*
III	-----	-----	-----	-----

*The Issuer also has an exploration credit of $62,500 with Northwind Ventures Ltd. in connection with the exploration and development of the Shawn Property.

Group I Properties for which regulatory approval has been obtained under this Statement of Material Facts

The Issuer has no mineral resource properties for which regulatory approval has been obtained under this Statement of Material Facts.

Group II Presently held properties which are currently producing or being explored, or upon which exploration is planned within the next year

A. The Shawn Property
Nelson Mining Division, British Columbia

Pursuant to an option agreement dated June 18, 1987 as amended (the "Shawn Option Agreement") between the Issuer and Northwind Ventures Ltd. ("Northwind"), the Issuer has acquired a 37.5% interest in and to Northwind's 100% interest in and to nine recorded mining claims comprising approximately 420 acres located in the Nelson Mining Division in the Province of British Columbia as follows:

Claim Name	Record Number	Expiry Date
Shawn C-1	2758	Sept. 7, 1996
Shawn C-2	2759	Sept. 7, 1996
Shawn C-3	2760	Sept. 7, 1996
Shawn C-4	2761	Sept. 7, 1996
Shawn C-7	2762	Sept. 7, 1996
Shawn C-8	2763	Oct. 1, 1996
Hurbar	2764	Oct. 6, 1998
Cindy 1	3152	May 25, 1998
Cindy 2	3153	May 25, 1998

82FSW or NW

To date, the Issuer has paid $100,000 and issued 50,000 shares to Northwind. In addition, to date the Issuer has incurred a total of $50,298 in exploration and development expenses on the Shawn Property pursuant to the terms of a joint venture agreement between the Issuer and Northwind entered into upon the Issuer acquiring its interest in the Shawn Property.

Northwind Ventures Ltd. is a reporting British Columbia company whose common shares are listed for trading on the Vancouver Stock Exchange. The principal shareholder of Northwind is Mr. Gerry Ross of Calgary, Alberta.

Northwind, in turn, acquired the Shawn Property from Walter L. Nesbitt ("Nesbitt") pursuant to the terms of an assignment agreement dated June 18, 1987, as amended (the "Assignment Agreement"). Pursuant to the terms of the Assignment Agreement, Northwind paid $15,000 and issued 60,000 common shares to Nesbitt upon regulatory approval for the Assignment Agreement. In addition, Northwind agreed to assume Nesbitt's obligations under the terms of an underlying purchase agreement dated September 15, 1986, as amended (the "Underlying Agreement") between Nesbitt and Stewart William Barclay and Eleanor Barclay (collectively the "Vendors"). The obligations assumed by Northwind under the Underlying Agreement were to pay the Vendors $66,000 in property payments (of which $1,000 represented reimbursement of staking costs) and issue 22,222 treasury shares to the Vendors having a total deemed value of $10,000. To date a total of $57,000 has been paid and 22,222 shares issued to the Vendors by Northwind. The Issuer's share of these cash payments was $12,000, of which $6,375 has been paid to Northwind to date and $5,625 remains owing. Northwind is required to pay a further $9,000 to the Vendors on or before April 1, 1990 in order to satisfy its remaining obligations under the Underlying Agreement. The Issuer's proportionate share of this payment will be $3,375.

The Shawn Property is located in Nelson Range about 16 kilometers northeast of Salmo and 30 kilometers southeast of Nelson, British Columbia and is centered about 49° 14' 30" North latitude and 117° 02' West longitude. The Shawn Property borders the Sheep Creek Gold Camp which is defined by seven major producers, a few minor producers, and many prospects. The principal producing mines where the Gold Belt, Kootenay Belle, Queen, Nugget, Mother Lode, Reno and Yellow Stone. Total production from the major producers of the Sheep Creek Gold Camp during the period 1900-1974 was 22,799,845 grams gold and 8,092,749 grams silver from 1,578,654 tons mined.

The Shawn Property is underlain by a northerly trending belt of Proterozoic to Middle Cambrian metasedimentary rocks. A small granitic stock within a large block of undifferentiated Middle Cambrian metasediments separates this part of the belt from the Sheep Creek Gold Camp seven kilometres to the south. The formations strike north to northeast on the Shawn Property and are vertical to steeply east and west dipping. In addition, the prospective quartzite range formation, which hosts most of the auriferous quartz veins in the Sheep Creek Gold Camp, is exposed in the western part of the Shawn Property. This formation is at least 1,000 metres thick and is predominantly comprised of pure, massive white quartzite beds with minor this argillaceous intercalations.

During the late summer of 1987, Northwind carried out a Phase I work program on the Shawn Property consisting of the establishment of a flagged grid, collection of soil geochemical samples and the undertaking of both VLF-EM and magnetometer surveys. In addition, recognizance mapping and detailed prospecting of old showings, trenches and one adit was carried out. The results of the Phase I work program indicated that detailed mapping and prospecting as well as the grab samples from several of the quartz veins yielded values up to one ounce/ton gold, while typical one meter chip samples across them yielded less than 0.25 ounce/tonne. Furthermore, a northwest trending, left-lateral fault had been inferred and delineated by mapping and the VLF-EM survey.

The Phase II work program which consisted of five diamond drill holes totalling 504 meters, the mapping and sampling of an old adit, and one, "cat" trench was completed in Mid-January, 1988. Three of the five holes drilled to date on the Shawn Property contained encouraging intersections of gold mineralization. Drilling revealed similar grades (up to one ounce/ton gold) but better widths of gold mineralization than that documented previously. Drilling indicated that grades and widths of gold mineralization are better on the northeast side of the creek, probably as a result of the increase veining associated with the northwest trending fault zone. In light of these encouraging results, a Phase III work program consisting of secant corrected grid establishment, soil geochemical sampling, VLF-EM/magnetometer surveying of the new grid, detailed geological mapping and prospecting was completed in the fall of 1988. This program was funded by the Issuer from the proceeds of a flow-through private placement with NIM Resource - 1988 and Company, Limited Partnership (see heading "Other Material Facts" for details of the flow-through private placement). A re-evaluation of the VLF-EM soil geochemistry and magnetic data suggests the presence of a sinistral northwest trending fault located south of the adit located on the Shawn Property. Four of the five holes drilled on the Shawn Property to date contain encouraging intersections of gold mineralization. An examination of diamond drill core revealed fracture systems, sulphides and alterations that were not previously logged or sampled.

Based on these results T. Bojczyszyn, P.Geol. of Taiga Consultants Ltd., recommends a Phase IV work program of back-hoe trenching and road building in preparation of drilling south of the adit to test the northwest fault. Follow-up of Phase III gold-in-soil geochemical anomalies, re-logging of the drill core and new diamond drilling are also proposed. The estimated cost of Phase IV is $180,000.

The Issuer has an exploration credit of $62,500 with Northwind. While this credit would normally be sufficient to enable the Phase IV program to be completed at little or no cost to the Issuer, the Issuer has agreed to defer reimbursement of a portion of the exploration credit and fund approximately $31,000 of the Phase IV work program. It is expected that the Phase IV work program will be carried out in early 1990.

The Shawn Property contains no underground or surface plant or equipment and has no known body of commercial ore. The proposed work program is an exploratory search with the objective of establishing proven reserves of commercial quantities.

Group III Other presently held properties upon which the Issuer's acquisition and exploration costs to date exceed $100,000

The Issuer has no presently held properties upon which the Issuer's acquisition and exploration costs to date exceed $100,000.

MATERIAL OIL AND GAS PROPERTIES

Group I Properties for which regulatory approval has been obtained under this Statement of Material Facts

The Issuer has no oil and gas properties for which regulatory approval has been obtained under this Statement of Material Facts.

Group II Presently held properties which are currently producing or being explored, upon which exploration is planned within the next year or which have undiscounted reserves in excess of $50,000 or current revenue in excess of $1,000 a month

Sunchild Prospect, Alberta

Pursuant to an agreement dated July 15, 1988 between the Issuer and Devon Energy Inc. ("Devon") the Issuer has paid for its proportionate share of drilling two oil wells located in the Sunchild area of southern Alberta (being $19,558 after taking into consideration government incentives recieved) in order to earn a 4% working interest therein. One well was drilled as a dry hole and it has taken some time for the operator, Colin Energy Inc. (the "Operator"), to complete the other well. The most recent update obtained from the Operator is that the completed well was flowing without a pump jack at a rate of 30 bbls of oil per day ("BOPD") but has now declined to 5 BOPD. The gas rate of 200 MCF per day has remained relatively constant and has been flared. A production of 30 BOPD (with the pump) combined with the solution gas and associated liquids will create an economic well if it can be tied-in. Production tubing has been placed in the well however, a pumping unit has not been installed. The Issuer has also been informed that the Operator has shut the well in recently and has no plans to resume production prior to effecting a tie-in. Other working interest owners have been dissatisfied with the performance of the Operator to date and have been discussing with other companies who are active in the Sunchild area the possibility of taking over as Operator and completing the well.

Pursuant to the terms of the acquisition agreement the Issuer has also acquired the right to participate in any further acquisitions within an area of mutual interest established between the Issuer and Devon. Devon and Colin Energy Inc. acquired a 100% working interest in the Sunchild prospect on a farm-out basis from Norcen Energy Resources Limited, Prairie Oil Royalties Company Ltd. and Canterra Energy Inc. The Issuer does not intend to expend any of the proceeds from this Offering on the Sunchild prospect.

Group III Other presently held properties upon which the Issuer's acquisition and exploration costs to date exceed $100,000

The Issuer has no other oil and gas properties upon which the Issuer's acquisition and exploration costs to date exceed $100,000.

4. PARTICULARS OF NON-RESOURCE ASSETS

The Issuer is not engaged nor does it propose to engage, in whole or in part, in a business other than the exploration and development of natural resource properties.

5. CORPORATE INFORMATION

The Issuer was incorporated in British Columbia on May 8, 1981, by the registration of Memorandum and Articles under the British Columbia Company Act under the name "Genesis Resources Corporation".

By special resolution dated July 17, 1987 the Issuer changed its name to "Golden Exodus Ventures Ltd.", adopted new form of Articles for the Issuer, consolidated its authorized capital on the basis of one post-consolidated share for every two pre-consolidated shares and thereafter increased its authorized capital to 300,000,000 shares divided into 100,000,000 common shares without par value, 100,000,000 Class "A" Preference shares with a par value of $1.00 each and 100,000,000 Class "B" Preference shares with a par value of $5.00 each, the said shares having attached thereto the special rights and restrictions set out and included in Part 23 of the Articles of the Issuer.

By special resolution dated September 11, 1989 and effective as of January 16, 1990, the Issuer changed its name to "ILM Resources Ltd." and consolidated its authorized capital on the basis of one post-consolidated share for every four pre-consolidated shares and thereafter increased its authorized capital by increasing the number of common shares without par value to 100,000,000 common shares. There are 3,983,006 common shares of the Issuer that are issued and outstanding of which 995,751 will be issued and outstanding after regulatory approval of the share consolidation. REFERENCES IN THIS STATEMENT OF MATERIAL FACTS TO SHARES BEING ISSUED AND OUTSTANDING OR TO BE ISSUED ARE REFERENCES TO SHARES ISSUED ON A POST-CONSOLIDATED BASIS EXCEPT AS OTHERWISE SPECIFICALLY INDICATED.

On July 17, 1987 the shareholders approved by special resolution the issuance of 281,250 additional principals' shares to the principals of the Company. This issuance increased the then number of shares held in escrow to 656,250. On April 26, 1989 the Exchange approved the release of 98,438 shares from escrow leaving a total of 557,812 shares in escrow. Upon consolidation of the Issuer's capital, the outstanding number of escrowed shares will be reduced to 139,453. In order to provide adequate incentive, the rules and policies of the Vancouver Stock Exchange provide that a further 329,297 additional principals' shares may be issued to the principals of the Company in order to bring the total outstanding escrow position to 468,750 shares. The Issuer proposes to issue these shares to Robert D. Fedun, the President and a director of the Issuer, at the price of $0.04 per share upon completion of the Offering. The proceeds will be used for general corporate purposes (see the heading "Other Material Facts" for details).

The common shares rank equally within their class as to dividends, voting rights, participation in assets and in all other respects. The issued common shares are not subject to calls or assessments nor pre-emptive or conversion rights. There ar no provisions attached to such shares for redemption or cancellation, surrender or sinking or purchase funds.

The directors of the Issuer are authorized by its Articles to issue Class "A" and Class "B" preference shares in one or more series each and to create and attach special rights and restrictions to a series of shares. In the event of liquidation, dissolution or winding-up of the issuer or any distribution of its assets for the purpose of winding-up its affairs, the holders of Class "A" and Class "B" Preference shares are entitled, unless otherwise provided in the special rights and restrictions attached to such shares, after the payment of unpaid dividends, to be paid pari passu the amount of capital paid up per share (or as otherwise provided by the special rights and restrictions attached thereto) from the Issuer's assets in priority to the common shareholders. All Class "A" and Class "B" Preference shares rank equally within their respective classes as to dividends or return of capital on winding-up or otherwise. Neither Class "A" nor Class "B" Preference shares are entitled to vote at any general meeting of shareholders unless expressly provided as a special right. There are no Class "A" or Class "B" Preference shares outstanding as of the date hereof.

Upon acceptance of this Statement of Material Facts and completion of the Offering hereunder, consolidation of the Issuer's shares and issuance of additional principals' shares there will be 2,125,048 post-consolidated common shares issued and outstanding as more particularly set out in the table below:

Current Issued and Outstanding (pre-consolidated)	**3,983,006**
Upon Regulatory Approval and Completion of:	
Consolidation (4 for 1)	995,751
Statement of Material Facts	800,000
Additional Principals' Shares	329,297
TOTAL:	**2,125,048**

All shares of the Issuer issued to date and those issued pursuant to this Statement of Material Facts are and shall be fully paid and non-assessable.

6. DIRECTORS, OFFICERS, PROMOTERS AND PERSONS HOLDING MORE THAN 10% OF THE ISSUED AND EQUITY SHARES

The following information about each director, officer and promoter of the Issuer is as at the effective date of this Statement of Material Facts:

Name, Address & Position	Chief Occupation	No. of Shares Beneficially Held
Robert D. Fedun 8404 Hawkview Manner Rd., N.W. Calgary, Alberta T3G 2Y1 Director and President	President and director, International Focus Resources Ltd., 1985 to 1989; Vice-President, Power Application Manufacturing Company Limited (engaged in oil field supply business), 1979 to 1985.	139,453*
Terry Butchart 206 - 7165 Granville Vancouver, B.C. V6P 4Z6 Director	Director, Golden Exodus Ventures Ltd.; Promoter	17,901
Bill Calsbeck 5331 - 4th Avenue Delta, B.C. V4M 1G8 Director and Secretary	Executive Placement Consultant, 1984 to present; Director and Secretary, Golden Exodus Ventures Ltd.; January, 1989 to present	NIL
Glen Indra 2045 Floralynn Crescent North Vancouver, B.C. V7J 2W3 Director	Vice-President and director, International Focus Resources Ltd., 1985 to 1989; previously employed in executive lending department of the Royal Bank, pre-1985 to 1986.	NIL
G. Barry Mann 701 - 408 Lonsdale Avenue North Vancouver, B.C. V7M 2G5	Businessman; Director and officer of numerous mining companies including Arapahoe Mining Ltd. and Texas Northern Minerals Ltd.	NIL

*Upon completion of the Offering pursuant to this Statement of Material Facts, the Issuer will issue 329,297 additional principals' shares to Mr. Fedun at a price of $0.04 per share.

The following directors, officers and promoters of the Issuer are directors, officers or promoters of other reporting companies;

Name	Number of Companies
Robert D. Fedun	2
Terry Butchart	0
Bill Calsbeck	1
Glen Indra	5
G. Barry Mann	4

A list of the names of such companies may be inspected during normal business hours at the offices of O'Neill & Bence, Barristers & Solicitors, at 12th Floor - 1190 Hornby Street, Vancouver, British Columbia, during the period of primary distribution of the securities offered hereby and for 30 days after completion of the primary distribution.

None of the directors, officers or promoters of the Issuer are, or have been within the past three years, directors, officers or promoters of other reporting companies which, during the period he held such position, were struck from the register of companies by the Registrar of Companies or whose securities were the subject of a cease trading order or suspension order for a period of more than thirty consecutive days except for G. Barry Mann who is a director of Ferber Mining Ltd., a reporting company whose shares have been subject to a cease trade order under Section 146 of the Securities Act for a period of more than 30 consecutive days for failure to file financial statements.

During the year ended May 31, 1989 and the subsequent three month period ended August 31, 1989 the following directors, officers, promoters and insiders of the Issuer received direct or indirect remuneration from the Issuer:

(a) Terry Butchart was paid or is payable the sum of $30,000 indirectly through Pro-Cap Ventures Ltd. in consideration for providing management services to the Issuer. (See the heading "Other Material Facts - Management Agreement" for details); and

(b) Hugh Ross, the former Secretary of the Issuer, was paid the sum of $9,500 in consideration for providing administrative services to the Issuer.

Pursuant to an agreement dated as June 1, 1987, Pro-Cap Ventures Ltd. of Suite 206 - 7165 Granville Street, Vancouver, British Columbia, supplies management services to the Issuer for a fee of $2,000 per month. Terry Butchart, a Director of the Issuer is the principal of Pro-Cap Ventures Ltd.

Except as described above, none of the directors, officers or promoters of the Issuer have received any other direct or indirect remuneration other than reimbursement of travel and other out-of-pocket expenses incurred for the benefit of the Issuer during the year ended May 31, 1989 and the subsequent three month period ended August 31, 1989.

During the year ended May 31, 1989 and the subsequent three month period ended August 31, 1989, the directors, officers, promoters and insiders of the Issuer have not received anything in value from the Issuer which has not been disclosed elsewhere in this Statement of Material Facts.

To the knowledge of the signatories hereto, no persons (excluding directors, officers and promoters of the Issuer) beneficially own, directly or indirectly, more than 10% of the equity shares of the Issuer.

7. OPTIONS TO PURCHASE SECURITIES OF THE ISSUER

The following directors and employees of the Issuer (or employees of its management company) hold options to purchase shares of the Issuer on the terms set out below:

Name & Position	Nature of Option	Number of Shares	Exercise Price	Expiry Date
Bill Calsbeck	Insider	48,500	$0.60	Feb. 22, 1991

There are no other options of the Issuer's currently outstanding.

8. SECURITIES OF THE ISSUER HELD IN ESCROW

As at the Effective Date of this Statement of Material Facts, 139,453 shares of the Issuer are held in escrow by the Issuer's registrar and transfer agent, Central Guaranty Trust Company, 800 West Pender Street, Vancouver, British Columbia, pursuant to an escrow agreement dated August 21, 1989. The holder of the aforesaid escrowed shares and the number of shares held by him are as follows:

Name	No. of Shares
Robert D. Fedun	139,453

The escrow restrictions provide inter alia, that the shares may not be traded in or dealt with in any manner whatsoever nor released, nor may the Issuer, its transfer agent or escrow holder make any transfer or record any trading of shares without the consent of the Vancouver Stock Exchange. The escrow arrangements also provide, among other matters that a portion of the consideration for the issuance of the escrow shares is to encourage the escrow shareholders, or any one of them, the shareholders shall be entitled to maintain their ownership of the escrow shares and to a release of the shares form the terms of the Escrow Agreement, from time to time, in accordance with the general policies of The British Columbia Securities Commission and the Vancouver Stock Exchange.

Upon completion of the Offering pursuant to this Statement of Material Facts and confirmation of same by the Vancouver Stock Exchange, the Issuer will issue 329,297 additional principals' shares to Robert D. Fedun at a price of $0.04 per share.

These shares will be issued pursuant to an escrow agreement dated August 21, 1989 and will be subject to the same escrow restrictions as the escrow shares discussed above.

None of the shares of the Issuer are held in pool.

9. PARTICULARS OF ANY OTHER MATERIAL FACTS

A. Other Mineral Properties

Rachel Property, Nelson Mining Division,
Province of British Columbia

By an agreement made June 18, 1987 as amended (the "Rachel Option Agreement") between the Issuer and Northwind, Northwind granted the sole and exclusive option (the "Rachel Option") to the Issuer to acquire 37.5% of the Northwind's interest in and to two recorded mining claims comprising thirty units located in the Nelson Mining Division, British Columbia (the "Rachel Property") as follows:

Claim	Record Number	Expiry Date
Rachel 5	3732	June 6, 1990
Rachel 6	3733	June 6, 1990

Pursuant to the terms of the Rachel Option Agreement, the Issuer paid an aggregate of $30,000 to Northwind, such payment being the Issuer's 50% share of the option payments and exploration expenditures associated with the completion of the Phase I work program on the Rachel Property.

Northwind acquired its 100% interest in the Rachel Property from Stewart W. Barclay (the "Optionor") pursuant to an option agreement dated May 11, 1987 (the "Underlying Agreement").

The Rachel Property is located 22 kilometers southwest of the town of Nelson, British Columbia. The Property covers approximately 750 hectares (1853 acres) in a single contiguous block with dimensions of 1.9 km x 1.6 km. The claims are located in the Bonnington Range of the Selkirk Mountains.

The Phase I work program was completed in the late summer of 1987 and included flagged grid emplacement, geological mapping, rock sampling, soil geological sampling and magnetometer and VLF-EM surveying. In a report dated December 15, 1987, prepared by G. I. Hall, M.Sc., F.GAC, Mr. Hall reported on the findings of the Phase I work program and observed that the galena gold mineralization exposed in the adit is located at the crest of a single narrow quartz vein in unaltered granodiorite. In the grid area of the abundant outcrop there were no other service

AMENDMENT NO. 1 TO THE STATEMENT OF MATERIAL FACTS

OF

ILM RESOURCES LTD.
(formerly Golden Exodus Ventures Ltd.)
600 - 890 West Pender Street
Vancouver, British Columbia
V6C 1J9

Telephone: (604) 681-7966

ILM Resources Ltd. (the "Issuer") hereby amends its Statement of Material Facts dated December 29, 1989 (#3/90) (the "Statement of Material Facts) in order to disclose an increase in the Issuer's accounts payable as of January 19, 1990 to $105,500 as well as an increase in the balance of costs of issue to $20,000. Accordingly, the principal purposes for which the estimated net proceeds of $160,000 are required in Item 2 "How the Net Proceeds of the Issuer are to be Spent" on page 3 of the Statement of Material Facts are amended as follows:

A.	To pay the balance of the costs of this Statement of Material Facts	$ 20,000
B.	To pay outstanding liabilities as of January 19, 1990 of approximately	$105,500
C.	To pay balance of property payments on the Shawn Property	$ 9,000
D.	Reserve to purchase free miner's certificate	$ 500
E.	For general corporate purposes	$ 25,000
	TOTAL:	$160,000

Due to the increase in the amount of the offering proceeds to be used to reduce outstanding liabilities, the Issuer has eliminated its reserve of $31,000 for the Issuer's share of Phase IV expenditures on the Shawn Property. Accordingly, the Issuer will require additional financing in order to fund its share of the Phase IV work program. The only source of future funds presently available to the Issuer is through the sale of equity capital. In the event the Issuer is unable to raise such additional financing, the Issuer's percentage interest in the Shawn Property will be diluted in accordance with the terms of its joint venture arrangement with Northwind Ventures Ltd.

The Issuer further discloses that approximately $60,000 of the amount reserved to pay outstanding liabilities is owed to insiders and associates of insiders of the Issuer.

STATUTORY RIGHTS OF RESCISSION

The British Columbia Securities Act provides purchasers with the right to rescind a contract for the purchase of securities where the Statement of Material Facts and any existing amendments thereto either contain a misrepresentation or are not delivered to the purchaser before delivery of the written confirmation of sale. For further information concerning these rights, and the time limits within which they must be exercised, refer to Sections 66, 114, 118 and 124 of the Securities Act or consult a lawyer.

EFFECTIVE DATE: JANUARY 25, 1990 **NUMBER: A3/90**

The foregoing amendment and the Statement of Material Facts constitute full, true and plain disclosure of all material facts relating to the securities offered by the Statement of Material Facts as amended hereby as required by the Securities Act and its regulations.

DATED: January 19, 1990

ILM RESOURCES LTD.

Robert D. Fedun
Chief Executive Officer,
Director and Promoter

Bill Calsbeck
Chief Financial Officer
and Director

Glen Indra
Director

Terry Butchart
Director and Promoter

G. Barry Mann
Director

To the best of our knowledge, information and belief, the foregoing amendment and the Statement of Material Facts constitute full, true and plain disclosure of all material facts relating to the securities offered by the Statement of Material Facts as amended hereby as required by the Securities Act and its regulations.

DATED: January 19, 1990

GEORGIA PACIFIC SECURITIES CORPORATION

Per: ______________________

expressions of mineralization. The down plunge extension of mineralization is considered to be minimal.

Mr. Hall concluded that low gold-in-soil values, the lack of mineralized zones in an area of abundant outcrop, the low gold values from quartz veins samples, and small size on known gold showing indicates a low potential for an economic deposit being located on the Rachel Property. As a result of these findings, Mr. Hall recommended that no further work be carried out on the Rachel Property at the present time and Northwind elected not to maintain its option under the Underlying Agreement. The Issuer has decided not to assume Northwind's obligations under the Underlying Agreement and accordingly, its interest in the Rachel Property has been written off.

FG Mineral Claims, Nelson Mining Division,
Province of British Columbia

By agreements dated September 15, 1988 as amended between the Issuer and each of Don Whorley and Pierre Lessard, the Issuer acquired 2 mineral claims (the "FG Claims") located adjacent to the Shawn Property in the Nelson Mining Division of British Columbia as follows:

Claim Name	Record Number	Number of Units	Expiry Date
FG1	5958	15	Sept. 28, 1990
FG3	5959	15	Sept. 26, 1990

In consideration for the FG Claims the Issuer paid the sum of $1,500 and issued 50,000 common shares in its capital stock to each of Messrs. Whorley and Lessard.

There is no surface or underground plant or equipment and no known body of commercial ore on the FG Claims. To date, the Issuer has expended limited funds on exploration of the FG Claims and it has no intentions to spend any further funds on same at this time.

Miscellaneous Mineral Claims

During the last fiscal year ended May 31, 1989, the Issuer acquired three additional mineral claims in the Kamloops Mining Division of British Columbia in consideration for 100,000 common shares in the capital stock of the Issuer per claim as follows:

Name of Claim	Record Number	Number of Units
Whorley 1	7726	20
Whorley 3	7737	20
Pierre I	7723	4

In addition, the Issuer paid $2,000 as reimbursement of staking and out-of-pocket costs in connection with the purchase of the Whorley 3 mineral claim.

The Issuer elected not to carry out the required assessment work to keep these claims in good standing. Accordingly, the mineral claims lapsed and have been written off by the Issuer.

Risk Factors

The securities offered by this Statement of Material Facts must be considered speculative, generally because of the nature of the Issuer's business. In particular:

1. There are no known bodies of ore on the Issuer's mineral properties. The purpose of the present offering is to raise working capital funds to enable the Issuer to carry out further exploration with the objective of establishing ore of commercial tonnage and grade. If the Issuer's exploration programs are successful, additional funds will be required for the development of economic ore bodies and to place them in commercial production. The only sources of future funds presently available to the Issuer are the sale of equity capital or the offering by the Issuer of an interest in its properties to be earned by another party or parties carrying out further exploration or development thereof.

2. Exploration for petroleum and minerals are speculative ventures necessarily involving substantial risk. There is no certainty that the expenditures to be made by the Issuer in the acquisition of the interests described herein will result in discoveries of commercial quantities of petroleum or ore.

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

4. Mining operations generally involve a high degree of risk. Hazards such as unusual or unexpected formations and other conditions are involved. The Issuer may become subject to

liability for pollution, cave-ins or hazards against which it cannot insure or against which it may elect not to insure. The payment of such liabilities may have a material, adverse effect on the Issuer's financial position.

5. While the Issuer has obtained the usual industry standard title report with respect to its property, this should not be construed as a guarantee of title. The property may be subject to prior unregistered agreements or transfers or native land claims, and title may be affected by undetected defects.

6. The Issuer's property consists of recorded mineral claims which have not been surveyed, and therefore, the precise area and location of such claims may be in doubt.

7. Directors of the Issuer also serve as directors of other similar companies involved in natural resource development. Accordingly, it may occur that properties will be offered to both the Issuer and such other companies. Furthermore, those other companies may participate in the same properties as those in which the Issuer has an interest. As a result there may be situations which involve a conflict of interest. In that event, the directors would not be entitled to vote at meetings of directors which evoke any such conflict. The directors will attempt to avoid dealing with such other companies in situations where conflicts might arise and will at all times use their best efforts to act in the best interests of the Issuer.

B. Flow-through Private Placement

Pursuant to a flow-through private placement agreement dated August 16, 1988 between the Issuer and NIM Resource - 1988 and Company, Limited Partnership (the "Partnership") the Issuer raised a total of $100,000 from the sale of 333,333 pre-consolidated flow-through common shares in the capital stock of the Issuer at a price of $0.30 per share. The proceeds from the flow-through private placement were used to fund the Issuer's share of exploration and development expenditures for Phase II of the work program on the Shawn Property.

C. Eastern Cable Corp. Transaction

During the year, the Issuer, through its wholly-owned subsidiary, Golden Exodus Cable Systems Ltd. (the "Subsidiary"), agreed to acquire from Eastern Cable Corp. ("Eastern") 35% of the issued and outstanding limited partnership units (the "Units") in the Cross Country Cable Limited Partnership (the "CCCLP") and a 35% interest in and to various cable television licenses granted to Eastern in the State of Mississippi, U.S.A. (the "Additional Licenses").

CCCLP is a limited partnership formed pursuant to the provisions of the Texas Revised Limited Partnership Act which holds a license to operate a community antenna system in Hancock County, Mississippi.

In consideration for the acquisition of the Units and the Additional Licenses, the Issuer paid Eastern a non-refundable deposit of $25,000 (U.S.) [$31,258 Cdn.], and agreed to issue to Eastern a total of 3,000,000 escrowed common shares in the capital stock of the Issuer at a deemed price of $0.30 per share. In addition, the Issuer agreed to post an irrevocable letter of credit in the amount of $150,000 (Cdn.) in favour of Firstmark Credit Corporation of Indianapolis, Indiana ("Firstmark") as security for a loan from Firstmark to CCCLP in the amount of $875,000 (U.S.), the proceeds of which loan were to be used by CCCLP to finance the construction of the CCCLP cable system.

The Issuer was unable to post the required letter of credit and accordingly, Eastern terminated the agreement. The deposit was forfeited accordingly.

D. Inactive Status

Effective December 29, 1989 the Issuer was deemed to be an "inactive listed company" by the Exchange, having expended less than $25,000 on exploration and development costs during the twelve months prior to its re-organization, issued no shares by way of primary distribution, received no significant operating revenue during the said twelve month period and is currently in a working capital deficit with insufficient funds to cover six months of normal operating expenses.

E. Transfer within Escrow

Pursuant to a share purchase agreement dated August 21, 1989 between Robert D. Fedun and Terry Butchart, Mr. Butchart agreed to sell an aggregate of 139,453 principal's escrow shares in the capital stock of the Issuer to Mr. Fedun at a total purchase price of $1.00.

F. Issuance of Additional Principal's Shares

As part of the Issuer's re-organization (as defined in Vancouver Stock Exchange Listings Policy Statement LD17/84) and pursuant to an agreement dated August 21, 1989 the Issuer has agreed to issue 329,297 additional principal escrowed shares (the "Additional Principal's Shares") to Robert D. Fedun at a price of $0.04 per share. Mr. Fedun is the President and a director of the Issuer.

G. Change in Control

The transfer within escrow of 139,453 principal's shares and the issuance of the Additional Principal's Shares to Robert D. Fedun will result in a change of control of the Issuer.

Shareholder approval of the matters described in items E, F and G above was obtained, by special resolution where required, at the Issuer's Annual General Meeting held on September 11, 1989.

Legal Proceedings

Pursuant to a share purchase agreement dated March 3, 1987 (the "Share Purchase Agreement") among the Issuer, Randall Thiemer on behalf of himself and others (the "Vendors") and 112130 Resources Ltd. acting on behalf of itself and others (the "Purchasers") the Vendors agreed to sell 1,086,677 pre-consolidated common shares of the Issuer to the Purchasers. The 1,086,677 pre-consolidated common shares were comprised of 375,000 escrowed shares and 711,667 free trading shares. Mr. Terry Butchart, a director of the Issuer, is the principal of 112130 Resources Ltd. The Share Purchase Agreement was entered into as part of a reorganization and change of control of the Issuer as more particularly described in the Issuer's Statement of Material Facts dated May 20, 1988 with an Effective Date of May 26, 1988. To date a total of 375,000 escrowed shares and 476,038 free trading shares have been transferred from the Vendors to the Purchasers. A further 237,832 free trading shares (the "Remaining Shares") remain to be paid for by the Purchasers. The Vendors have made demand against the Purchasers for payment of the sum of $35,674.80 representing the balance of the purchase price owed for the Remaining Shares.

Except as disclosed above, there are no actual or pending material legal proceedings to which the Issuer is or is likely to be a party or of which any of its property is or is likely to be the subject.

Items for Which Regulatory Approval is Not Being Sought

Reactivation Private Placement

In order to raise further working capital to fund the Issuer's reactivation plan, the Issuer has agreed to carry out a one time reactivation private placement of 400,000 common shares in the capital stock of the Issuer at a price of $0.15 per share to the following directors and officers of the Issuer:

Name	Number of Shares
Terry Butchart	200,000
Glen Indra	200,000

Resale of the shares to be issued on the reactivation private placement will be held in pool to be released on the basis of 25% at the time of issuance of the common shares and 25% every three months thereafter. While pooled, except with the written consent of the Exchange, the holders of the pooled shares may not sell, deal in, assign or transfer in any manner whatsoever any of the pooled shares or beneficial ownership thereof or any interest therein.

The reactivation private placement is subject to regulatory approval.

Except as described above there are no items for which regulatory approval is not being sought under this Statement of Material Facts.

Liabilities

Since August 31, 1989, being the date of the latest financial statements reproduced in this Statement of Material Facts, the Issuer's liabilities have not significantly increased or been altered.

Management Agreement

Pursuant to an agreement dated as June 1, 1987, Pro-Cap Ventures Ltd. of Suite 206 - 7165 Granville Street, Vancouver, British Columbia, supplies management services to the Issuer for a fee of $2,000 per month. Terry Butchart, a Director of the Issuer is the principal of Pro-Cap Ventures Ltd.

Pro-Cap Ventures Ltd. is a non-reporting British Columbia company, the shares of which are owned by Terry Butchart.

Other Material Facts

There are no other material facts not previously disclosed herein.

Inspection of Documents

The following may be inspected during normal business hours at the offices of O'Neill & Bence, Barristers and Solicitors, at 12th Floor, 1190 Hornby Street, Vancouver, British Columbia, during the period of primary distribution of the securities offered hereby and for 30 days after completion of the primary distribution:

(a) all contracts referred to in this Statement of Material Facts;

(b) all technical reports summarized or referred to in Items 3 and 4; and

(c) a list of names of the reporting companies referred to in Item 6.

10. STATUTORY RIGHTS OF RESCISSION

The British Columbia Securities Act provides purchasers with the right to rescind a contract for the purchase of securities where the Statement of Material Facts and any existing amendments thereto either contain a misrepresentation or are not delivered to the purchaser before delivery of the written confirmation of sale. For further information concerning these rights, and the time limits within which they must be exercised, refer to Sections 66, 114 and 118 of the Securities Act or consult a lawyer.

GOLDEN EXODUS VENTURES LTD.

Vancouver, B.C.

INTERIM FINANCIAL STATEMENTS

For the Three Months Ended August 31, 1989

Cinnamon Jang Willoughby & Company
A Partnership of Incorporated Professionals

GOLDEN EXODUS VENTURES LTD.

INDEX TO INTERIM FINANCIAL STATEMENTS

Cinnamon Jang Willoughby & Company
CHARTERED ACCOUNTANTS

A Partnership of Incorporated Professionals

A.L. CINNAMON C.A. INC
G.R. GODFREY C.A. INC
R.W. SPELLER C.A. INC
S.K.T. LEE C.A. INC
H.Q. JANG C.A. INC
H.M. MASON C.A. INC
B.D. PEETS C.A. INC
D.R. WILLOUGHBY C.A. INC
P. CHA C.A. INC
J. HENDERSON C.A. INC

300-3920 Norland Avenue, Burnaby, B.C. V5G 4K7 Telephone (604) 299-4321, Telecopier (604) 299-1779

REVIEW ENGAGEMENT REPORT

To The Directors of Golden Exodus Ventures Ltd.:

We have reviewed the interim balance sheet of Golden Exodus Ventures Ltd. as at August 31, 1989 and the interim statements of loss and deficit and changes in financial position for the period then ended. Our review was made in accordance with generally accepted standards for review engagements and accordingly consisted primarily of enquiry, analytical procedures and discussion related to information supplied to us by the company.

A review does not constitute an audit and consequently we do not express an audit opinion on these interim financial statements.

Based on our review, nothing has come to our attention that causes us to believe that these interim financial statements is not, in all material respects, in accordance with generally accepted accounting principles.

Cinnamon Jang Willoughby & Company

Chartered Accountants

Burnaby, B.C.
November 2, 1989

GOLDEN EXODUS VENTURES LTD.

Interim Balance Sheet

(unaudited)

August 31, 1989

ASSETS

	August 31, 1989	May 31, 1989
Current:		
Cash	$ 1,002	$ 482
Prepaid expenses (Note 2)	62,500	62,500
	63,502	62,982
Interest in mineral properties (Note 3)	162,375	208,375
Interest in oil and gas property (Note 4)	11,878	11,878
Deferred exploration costs (Note 5)	50,298	51,298
	$ 288,053	$ 334,533

LIABILITIES

Current:		
Accounts payable and accrued liabilities	$ 82,055	$ 64,452
Due to shareholders (Note 6)	11,387	8,387
	93,442	72,839

SHAREHOLDERS' EQUITY

Share Capital (Note 7)	1,315,467	1,315,467
Deficit, per Exhibit "B"	1,120,856	1,053,773
	194,611	261,694
Commitment and Contingency (Note 11)		
Subsequent Events (Note 12)		
	$ 288,053	$ 334,533

Approved by the Directors:

(See accompanying notes)

Cinnamon Jang Willoughby & Company
A Partnership of Incorporated Professionals

Exhibit "B"

GOLDEN EXODUS VENTURES LTD.

Interim Statement of Loss and Deficit

(unaudited)

For the Three Months Ended August 31, 1989

	3 Months Ended August 31, 1989	Year Ended May 31, 1989
Revenue:		
Interest and miscellaneous income	$ -	$ 1,730
Expenses:		
Advertising	-	1,112
Consulting	-	6,450
Licences, taxes and fees	500	4,596
Management fees	6,000	33,500
Office and miscellaneous	2,342	11,415
Professional fees	10,342	48,855
Transfer agent fees	899	5,462
Travel	-	10,028
	20,083	121,418
Loss before extraordinary items	20,083	119,688
Extraordinary Items:		
Non-recoverable deposit	-	31,258
Cost of mineral claims written-off	46,000	45,000
Cost of oil and gas property abandoned	-	7,680
Deferred exploration costs written-off	1,000	-
	47,000	83,938
Net Loss	67,083	203,626
Deficit, beginning	1,053,773	850,147
Deficit, ending, to Exhibit "A"	$1,120,856	$1,053,773
Loss per share, based on weighted average number of shares outstanding during the period - Before extraordinary items	$ 0.033	$ 0.005
For the period	$ 0.057	$ 0.017

(See accompanying notes)

Exhibit "C"

GOLDEN EXODUS VENTURES LTD.

Interim Statement of Changes in Financial Position

(unaudited)

For the Three Months Ended August 31, 1989

	3 Months Ended August 31, 1989	Year Ended May 31, 1989
Operating Activities:		
Cash from operations -		
Loss before extraordinary items, per Exhibit "B"	$(20,083)	$(119,688)
Net change in non-cash working capital balances -		
(Increase) Decrease in prepaid expenses	-	(62,500)
Increase (Decrease) in accounts payable and accrued liabilities	17,603	(9,487)
Increase (Decrease) in amount due to shareholders	3,000	(82,372)
	520	(274,047)
Extraordinary items -		
Non-recoverable deposit	-	(31,258)
Cost of oil and gas property abandoned	-	(7,680)
Cost of mineral claims written-off	-	(45,000)
	520	(357,985)
Financing Activity:		
Proceeds from issuance of common shares	-	630,018
Investing Activities:		
Acquisition of mineral properties	-	(208,375)
Decrease in interest in oil and gas property	-	(11,878)
Deferred exploration and development expenses	-	(51,298)
	-	(271,551)
Change in Cash	520	482
Cash, beginning	482	-
Cash, ending	$ 1,002	$ 482

(See accompanying notes)

Cinnamon Jang Willoughby & Company

A Partnership of Incorporated Professionals

GOLDEN EXODUS VENTURES LTD.

(unaudited)

Notes to Interim Financial Statements

August 31, 1989

1. Accounting Policies:

   a) Deferred Exploration and Development Costs -

   Property exploration and development expenditures are accumulated until such time as the properties either attain the production stage or are disposed of. Deferred costs will be amortized over the useful life of the ore body following commencement of production, or written-off if the mineral claims are sold or abandoned.

   b) Interest in Mineral Properties -

   Mineral properties are recorded at the deemed value of shares issued for those properties or the consideration paid. These costs are carried on the same basis as the related exploration costs described above.

   c) Interest in Oil and Gas Property -

   The company follows the successful efforts method of accounting for oil and gas exploration and development activities. Acquisition costs of resource properties and exploratory drilling costs are capitalized and will be amortized using the unit-of-production method based on estimated recoverable reserves. The cost of exploratory wells found to be dry and all other exploration costs are expensed. All costs of development wells are capitalized.

   d) Valuation -

   The amounts shown for deferred exploration costs and oil and gas property represent costs to date less recoveries and are not intended to reflect present or future values. The company does not accrue the estimated future cost of maintaining in good standing its mineral claims.

   e) Administration Costs -

   Administration costs are expensed in the year incurred.

2. Prepaid Expenses:

   Prepaid expenses represent exploration expenses incurred on the Shawn Property mineral claims in excess of the company's proportionate share of such expenses.

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GOLDEN EXODUS VENTURES LTD.

Notes to Interim Financial Statements

(unaudited)

August 31, 1989

	August 31, 1989	May 31, 1989
3. Interest in Mineral Properties:		
a) The company has acquired a 37.5% interest in nine unpatented mineral claims (known as the Shawn Property) in the Nelson Mining Division of British Columbia for the following considerations:		
i) $100,000 (paid);		
ii) 50,000 common shares of the company at a deemed price of $0.40 per share (issued);		
iii) $15,375 to be paid to the original owners ($6,375 paid).	$126,375	$126,375
b) The company has entered into agreements to acquire the FG 1 & 3 mineral claims situated in the Nelson Mining Division of British Columbia on the following terms:		
i) $3,000 (paid);	3,000	3,000
ii) 100,000 common shares of the company at a deemed price of $0.33 per share (issued);	33,000	33,000
iii) incurring exploration expenditures of $50,000 on the property on or before September 15, 1989. This commitment was waived subsequent to the period-end.		
c) Whorley 3 mineral claim - allowed to lapse during period.	-	25,000
d) Whorley I mineral claim - allowed to lapse during period.	-	21,000
	$162,375	$208,375

GOLDEN EXODUS VENTURES LTD.

Notes to Interim Financial Statements

(unaudited)

August 31, 1989

4. Interest in Oil and Gas Property:

The company has entered into an agreement to acquire a 4% working interest in a well known as the Sunchild 12-24-43-9 W5M in Alberta. The amount shown on the balance sheet represents the company's share of costs paid less any government incentives received.

5. Deferred Exploration Costs:

	August 31, 1989	May 31, 1989
Exploration cost incurred on Shawn Property.	$50,298	$50,298
Exploration cost assumed on purchase of FG 1 & 3 mineral claims.	-	1,000
	$50,298	$51,298

6. Due to Shareholders:

The amounts due to shareholders are non-interest bearing and have no specific terms of repayment.

7. Share Capital:

a) Authorized -

300,000,000 shares divided into 100,000,000 common shares without par value, 100,000,000 Class "A" preference shares with a par value of $1.00 each and 100,000,000 Class "B" preference shares with a par value of $5.00 each.

b) Issued -

	Number of Shares	Amount
Balance, May 31, 1989 and August 31, 1989	3,983,006	$1,315,467

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GOLDEN EXODUS VENTURES LTD.

Notes to Interim Financial Statements

(unaudited)

August 31, 1989

7. Share Capital: (Continued)

c) Stock Options -

At August 31, 1989, the company has granted the following stock options:

Nature of Option	Number of Shares	Exercise Price	Expiry Date
Director	194,000	$0.15	February 22, 1991

d) Of the shares issued, 557,813 shares are held in escrow under the direction and determination of the Superintendent of Brokers of British Columbia.

8. Remuneration of Directors and Senior Officers:

During the period, management fees of $6,000 were accrued to a company controlled by a director.

9. Related Party Transactions:

During the period, a company controlled by a director paid expenses totalling $2,322 on behalf of the company.

10. Income Taxes:

At May 31, 1989, the company has accumulated losses of $101,774 for tax purposes which may be available to reduce taxable income in future years. These losses expire as follows:

1990	$ 15,229
1991	13,620
1992	14,876
1993	11,106
1995	9,166
1996	37,777
	$101,774

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GOLDEN EXODUS VENTURES LTD.

Notes to Interim Financial Statements

(unaudited)

August 31, 1989

10. Income Taxes: (Continued)

The potential income tax benefits of these losses carried forward have not been recorded in the accounts.

All exploration expenses, net of revenue, have been deferred for income tax purposes and are not included in the above loss carry forward figures.

11. Commitment and Contingency:

a) The company has entered into a management agreement with a company controlled by a director to provide management services at a fee of $2,000 per month, effective from June 1, 1987.

b) Included in accounts payable is an amount of $12,798 which the company is disputing.

12. Subsequent Events:

a) At the 1989 annual general meeting, the shareholders approved a change of name to ILM Resources Ltd. and ratified a consolidation of the company's issued and outstanding shares on a four for one basis, subject to regulatory approval. The shareholders also approved, subject to regulatory approval, the authorized share capital (post-consolidation) be increased by increasing the number of common shares without par value to 100,000,000 common shares.

b) At the 1989 annual general meeting, the shareholders approved the issuance of 329,297 additional principals' shares (post-consolidation) at $0.04 per share.

c) Refer to Note 3(b).

13. Continuing Operations:

These financial statements have been prepared on the assumption that the company will continue as a going concern. However, the company has incurred substantial losses in past years. Thus the ability of the company to meet its present obligations and to finance future exploration and development is very much dependent on the availability of additional financing.

GOLDEN EXODUS VENTURES LTD.

Vancouver, B.C.

FINANCIAL STATEMENTS

For the Year Ended May 31, 1989

GOLDEN EXODUS VENTURES LTD.

INDEX TO FINANCIAL STATEMENTS

Cinnamon Jang Willoughby & Company
CHARTERED ACCOUNTANTS

A Partnership of Incorporated Professionals

A.L. CINNAMON C.A. INC
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P. CHA C.A. INC
J. HENDERSON C.A. INC

300-3920 Norland Avenue, Burnaby, B.C. V5G 4K7 Telephone (604) 299-4321, Telecopier (604) 299-1779

AUDITORS' REPORT

To the Shareholders of Golden Exodus Ventures Ltd.:

We have examined the balance sheet of Golden Exodus Ventures Ltd. as at May 31, 1989 and the statements of loss and deficit and changes in financial position for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the financial position of the company as at May 31, 1989 and the results of its operations and the changes in its financial position for the year then ended in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Cinnamon Jang & Willoughby

Chartered Accountants

Burnaby, B.C.
August 10, 1989

Exhibit "A"

GOLDEN EXODUS VENTURES LTD.

Balance Sheet

May 31, 1989

ASSETS	1989	1988
Current:		
Cash	$ 482	$ -
Prepaid expenses (Note 2)	62,500	-
	62,982	-
Interest in mineral properties (Note 3)	208,375	-
Interest in oil and gas property (Note 4)	11,878	-
Deferred exploration costs (Note 5)	51,298	-
	$ 334,533	$ -

LIABILITIES		
Current:		
Accounts payable and accrued liabilities	$ 64,452	$ 73,939
Due to shareholders (Note 6)	8,387	90,759
	72,839	164,698

SHAREHOLDERS' EQUITY		
Share Capital (Note 7)	1,315,467	685,449
Deficit, per Exhibit "B"	1,053,773	850,147
	261,694	(164,698)
Commitment and Contingency (Note 12)		
Subsequent Events (Note 13)		
	$ 334,533	$ -

Approved by the Directors:

(See accompanying notes)

Cinnamon Jang Willoughby & Company
A Partnership of Incorporated Professionals

GOLDEN EXODUS VENTURES LTD.

Statement of Loss and Deficit

For the Year Ended May 31, 1989

	1989	1988
Revenue:		
Interest and miscellaneous income	$ 1,730	$ -
Expenses:		
Advertising	1,112	-
Consulting	6,450	-
Licences, taxes and fees	4,596	4,888
Management fees	33,500	24,000
Office and miscellaneous	11,415	3,797
Professional fees	48,855	43,016
Transfer agent fees	5,462	801
Travel	10,028	-
	121,418	76,502
Loss before extraordinary items	119,688	76,502
Extraordinary Items:		
Non-recoverable deposit	31,258	-
Cost of mineral claims written-off	45,000	10,000
Cost of oil and gas property abandoned	7,680	-
	83,938	10,000
Net Loss	203,626	86,502
Deficit, beginning	850,147	763,645
Deficit, ending, to Exhibit "A"	$1,053,773	$850,147
Loss per share, based on weighted average number of shares outstanding during the year, before extraordinary items	$ 0.033	$ 0.046
For the year	$ 0.057	$ 0.052

(See accompanying notes)

Exhibit "C"

GOLDEN EXODUS VENTURES LTD.

Statement of Changes in Financial Position

For the Year Ended May 31, 1989

	1989	1988
Operating Activities:		
Cash from operations -		
Loss before extraordinary items, per Exhibit "B"	$(119,688)	$(76,502)
Net change in non-cash working capital balances -		
(Increase) Decrease in prepaid expenses	(62,500)	-
Increase (Decrease) in accounts payable and accrued liabilities	(9,487)	66,015
Increase (Decrease) in amount due to shareholders	(82,372)	10,510
	(274,047)	23
Extraordinary items -		
Non-recoverable deposit	(31,258)	-
Cost of oil and gas property abandoned	(7,680)	-
Cost of mineral claims written-off	(45,000)	-
	(357,985)	23
Financing Activity:		
Proceeds from issuance of common shares	630,018	-
Investing Activities:		
Acquisition of mineral properties	(208,375)	-
Acquisition of oil and gas property	(11,878)	-
Deferred exploration and development expenses	(51,298)	-
	(271,551)	-
Change in Cash	482	23
Cash, beginning	-	(23)
Cash, ending	$ 482	$ -

(See accompanying notes)

GOLDEN EXODUS VENTURES LTD.

Notes to Financial Statements

May 31, 1989

1. Accounting Policies:

a) Deferred Exploration and Development Costs -

Property exploration and development expenditures are accumulated until such time as the properties either attain the production stage or are disposed of. Deferred costs will be amortized over the useful life of the ore body following commencement of production, or written-off if the mineral claims are sold or abandoned.

b) Interest in Mineral Properties -

Mineral properties are recorded at the deemed value of shares issued for those properties or the consideration paid. These costs are carried on the same basis as the related exploration costs described above.

c) Interest in Oil and Gas Property -

The company follows the successful efforts method of accounting for oil and gas exploration and development activities. Acquisition costs of resource properties and exploratory drilling costs are capitalized and will be amortized using the unit-of-production method based on estimated recoverable reserves. The cost of exploratory wells found to be dry and all other exploration costs are expensed. All costs of development wells are capitalized.

d) Valuation -

The amounts shown for deferred exploration costs and oil and gas property represent costs to date less recoveries and are not intended to reflect present or future values. The company does not accrue the estimated future cost of maintaining in good standing its mineral claims.

e) Administration Costs -

Administration costs are expensed in the year incurred.

2. Prepaid Expenses:

Prepaid expenses represent exploration expenses incurred on the Shawn Property mineral claims in excess of the company's proportionate share of such expenses.

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GOLDEN EXODUS VENTURES LTD.

Notes to Financial Statements

May 31, 1989

3. Interest in Mineral Properties:

	1989	1988
a) The company has acquired a 37.5% interest in nine unpatented mineral claims (known as the Shawn Property) in the Nelson Mining Division of British Columbia for the following considerations:		
i) $100,000 (paid);		
ii) 50,000 common shares of the company at a deemed price of $0.40 per share (issued);		
iii) $15,375 to be paid to the original owners ($6,375 paid).	$126,375	$ -
b) The company has entered into agreements to acquire the FG 1 & 3 mineral claims situated in the Nelson Mining Division of British Columbia on the following terms:		
i) $3,000 (paid);	3,000	-
ii) 100,000 common shares of the company at a deemed price of $0.33 per share (issued);	33,000	-
iii) incurring exploration expenditures of $50,000 on the property on or before September 15, 1989.		
c) The company has entered into an agreement to acquire the Whorley 3 mineral claim situated in the Kamloops Mining Division of British Columbia on the following terms:		
i) $2,000 (paid);	2,000	-
ii) 100,000 common shares of the company at a deemed price of $0.23 per share (issued);	23,000	-
iii) incurring exploration expenditures of $60,000 on the property on or before September 22, 1989.		
d) The company entered into an agreement to acquire the Whorley I mineral claim situated in the Kamloops Mining Division of British Columbia. One hundred thousand common shares were issued at a deemed price of $0.21 per share in payment for this claim.	21,000	-
	$208,375	$ -

GOLDEN EXODUS VENTURES LTD.

Notes to Financial Statements

May 31, 1989

4. Interest in Oil and Gas Property:

The company has entered into an agreement to acquire a 4% working interest in a well known as the Sunchild 12-24-43-9 W5M in Alberta. The amount shown on the balance sheet represents the company's share of costs paid less any government incentives received.

5. Deferred Exploration Costs:

	1989	1988
Exploration cost incurred on Shawn Property.	$50,298	$ -
Exploration cost assumed on purchase of FG 1 & 3 mineral claims.	1,000	-
	$51,298	$ -

6. Due to Shareholders:

The amounts due to shareholders are non-interest bearing and have no specific terms of repayment.

7. Share Capital:

a) Authorized -

300,000,000 shares divided into 100,000,000 common shares without par value, 100,000,000 Class "A" preference shares with a par value of $1.00 each and 100,000,000 Class "B" preference shares with a par value of $5.00 each.

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GOLDEN EXODUS VENTURES LTD.

Notes to Financial Statements

May 31, 1989

7. Share Capital: (Continued)

b) Issued -

	Number of Shares	Amount
Balance, May 31, 1988	1,672,687	$ 685,449
Public offering at $0.40 per share net of related expenses	1,000,000	338,672
Principals' shares at $0.02 per share	281,250	5,625
Debt settlement at a deemed value of $0.30 per share	245,736	73,721
Shares re mineral property acquisition at a deemed value of $0.33 per share	100,000	33,000
Shares re mineral property acquisition at a deemed value of $0.23 per share	100,000	23,000
Shares to optionor re option agreement at a deemed value of $0.40 per share	50,000	20,000
Flow-through shares at $0.30 per share	333,333	100,000
Shares re mineral property acquisition at a deemed value of $0.15 per share	100,000	15,000
Shares re mineral property acquisition at a deemed value of $0.21 per share	100,000	21,000
Balance, May 31, 1989	3,983,006	$1,315,467

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GOLDEN EXODUS VENTURES LTD.

Notes to Financial Statements

May 31, 1989

7. Share Capital: (Continued)

c) Stock Options -

At May 31, 1989, the company has granted the following stock options:

Nature of Option	Number of Shares	Exercise Price	Expiry Date
Employee	127,696	$0.40	August 11, 1989
Director	42,565	$0.40	August 11, 1989
Employee/Director	194,000	$0.15	February 22, 1991

d) Of the shares issued, 557,813 shares are held in escrow under the direction and determination of the Superintendent of Brokers of British Columbia.

8. Remuneration of Directors and Senior Officers:

During the year, management fees of $24,000 (1988 - $24,000) were paid to a company controlled by a director and $9,500 (1988 - nil) was paid to an officer of the company.

9. Related Party Transactions:

During the year, a shareholder paid expenses totalling $4,200 on behalf of the company and a company controlled by a director paid expenses totalling $5,805 on behalf of the company.

10. Extraordinary Items:

a) The company entered into an agreement to purchase 35% of the units of two limited partnerships operating in the United States. A deposit of $31,258 ($25,000 U.S.) was paid to the vendor. During the year, the agreement was terminated and the deposit, which was non-recoverable, has been expensed.

b) Costs incurred with respect to an interest in an oil well known as Sunchild 14-13-43-9 W5M were expensed because the project was abandoned.

GOLDEN EXODUS VENTURES LTD.

Notes to Financial Statements

May 31, 1989

11. Income Taxes:

At May 31, 1989, the company has accumulated losses of $101,774 for tax purposes which may be available to reduce taxable income in future years. These losses expire as follows:

1990	$ 15,229
1991	13,620
1992	14,876
1993	11,106
1995	9,166
1996	37,777
	$101,774

The potential income tax benefits of these losses carried forward have not been recorded in the accounts.

All exploration expenses, net of revenue, have been deferred for income tax purposes and are not included in the above loss carry forward figures.

12. Commitment and Contingency:

a) The company has entered into a management agreement with a company controlled by a director to provide management services at a fee of $2,000 per month, effective from June 1, 1987.

b) Included in accounts payable is an amount of $12,798 which the company is disputing.

13. Subsequent Events:

Subsequent to the year-end, the Whorley I and Whorley 3 mineral claims were allowed to lapse.

14. Continuing Operations:

These financial statements have been prepared on the assumption that the company will continue as a going concern. However, the company has incurred substantial losses in past years. Thus the ability of the company to meet its present obligations and to finance future exploration and development is very much dependent on the availability of additional financing.

11.(1) CERTIFICATE OF THE DIRECTORS AND PROMOTERS OF THE ISSUER:

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

DATED: December 29, 1989

GOLDEN EXODUS VENTURES LTD.

Robert D. Fedun
Chief Executive Officer,
Director and Promoter

Bill Calsbeck
Chief Financial Officer
and Director

Glen Indra
Director

Terry Butchart
Director and Promoter

G. Barry Mann
Director

11.(2) CERTIFICATE OF THE AGENT:

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

DATED: December 29, 1989

GEORGIA PACIFIC SECURITIES CORPORATION

Per: