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LOUMIC RESOURCES LTD.

507 - 1030 West Georgia Street
Vancouver, British Columbia

(hereinafter called the "Issuer")

(Incorporated under the laws of the Province of British Columbia)

PUBLIC OFFERING 500,000 COMMON SHARES WITHOUT PAR VALUE PRICE: \$0.40 PER SHARE

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	PRICE TO PUBLIC	COMMISSIONS	NET PROCEEDS TO ISSUER
RE.....	\$0.40	\$0.05	\$0.35
.....	\$200,000	\$25,000	\$175,000 ⁽¹⁾

duction of expenses of this issue estimated to be \$20,000.00.

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AGENT

CANARIM INVESTMENT CORPORATION LTD.

2200 - 609 Granville Street
Vancouver, British Columbia

Effective Date: October 5, 1988

PROPERTY FILE

Ottawa creek
Oakline

in assets as well as in all other respects. The shares presently issued are not subject to any call or assessment.

THE BUSINESS

The Issuer is a natural resource company engaged in the acquisition exploration and development of natural resource properties. The Issuer's present activities are the exploration and development of the Issuer's natural resource properties in British Columbia. The Issuer has an interest in those properties described under the heading "Property" on page 7. The Issuer was incorporated on October 2, 1987, and has no prior operating history.

THE PROPERTY

1. The Ottawa Creek Property

By Agreement dated as at February 23, 1988, (the "Agreement") the Issuer has been granted an option to acquire an undivided One Hundred (100%) percent legal and beneficial interest in and to the following located mineral claims (the "Mineral Claims") situated in the Revelstoke and Slocan Mining Divisions of British Columbia:

<u>Name</u>	<u>Record No.</u>	<u>No. of Units</u>	<u>Expiry Date</u>
Ottawa 1	2463	20	October 9, 1989
Ottawa 2	2464	20	October 9, 1989
Haskins	5548	5	October 19, 1989

The sole recorded and beneficial owner of the Mineral Claims is Judy Trkla of 1108 Crestline Street, Kamloops, British Columbia. In order to exercise the option and acquire title to the Mineral Claims, the Agreement specifies that the Issuer must pay to Trkla the sum of \$25,000 (as paid) and issue a total of 150,000 shares on the following basis:

- a) 50,000 shares upon the Issuer's shares becoming unconditionally listed for trading on the Vancouver Stock Exchange;
- b) 50,000 shares upon completion of a Phase I exploration program on the Mineral Claims and the Issuer receiving a recommendation to proceed with a Phase II exploration program which is acceptable to the Vancouver Stock Exchange; and
- c) 50,000 shares upon completion of a Phase II program of exploration on the Mineral Claims and the Issuer receiving a recommendation to proceed with a Phase III exploration program which is acceptable to the Vancouver Stock Exchange.

If regulatory approval has not been granted for the Agreement by December 31, 1988, or if the option granted pursuant to the Agreement

has not been exercised by June 30, 1990, then the Agreement lapses and the Issuer will have no interest in the Mineral Claims.

The Mineral Claims are without a known body of ore and the program of exploration which the Issuer intends to undertake is an exploratory search for ore.

The Mineral Claims are presently without underground or surface plant and equipment.

THE FOLLOWING IS A BRIEF SUMMARY OF THE MINERAL CLAIMS. THIS SUMMARY IS BASED UPON AN ENGINEERING REPORT PREPARED FOR THE ISSUER BY A.S. GREENE, P.GEOL. AND C. VON EINSIEDEL, B.SC., AND DATED JANUARY 30, 1988 (A COPY OF WHICH FORMS A PART OF THIS PROSPECTUS). ALL SUBSCRIBERS ARE URGED TO READ THIS ENGINEERING REPORT.

Location and Access

According to A.S. Greene, P.Geol. and C. von Einsiedel, B.Sc., in their report (the "Engineering Report") to the Issuer dated January 30, 1988, the Mineral Claims are situated in the Selkirk Mountains roughly 10 km north west of Gerrard in south eastern B.C. The geographic centre of the claim area is approximately longitude $117^{\circ} 06'$, latitude $50^{\circ} 34'$. The Mineral Claims cover an area of approximately 5 km long and 2 km wide within the "Central" or "Cambourne" Mineral Belt, the most important of two parallel belts of gold, silver and base metal occurrences collectively referred to as the "Trout Lake Mining District".

Access to the Trout Lake Area is by paved highway from Revelstoke or Nakusp. Access to Gerrard is via government maintained gravel roads from either Trout Lake or Kaslo.

Access to the Mineral Claim area is via a moderately steep 4 x 4 track which extends north from Gerrard roughly 14 km to within 1 km of the boundary of the Mineral Claims. As part of the present exploration program, several steep sections of the access road were relocated, new culverts were installed and an additional 2 km of roads were constructed.

The Mineral Claims cover the Ottawa Creek Valley with elevations ranging from 4,500 feet at the northern claim boundary to ridge tops of over 9,000 feet in the south eastern part of the property.

Regional History

According to the Engineering Report, the Mineral Claims cover parts of a complex fault zone known as the Cambourne or Central Mineral Belt. This belt extends for roughly 60 km beginning northwest of Cambourne and continuing south east past Gerrard. Throughout the Belt over 100 polymetallic, vein-type occurrences are known. Five of these have undergone extensive, shallow reserve definition or were mined on several levels including the recent Windflower Mines discovery near Cambourne, the Spider-Eclipse Mine, the True Fissure

Deposit, the Nettie Lake Mine and the Silver Cup Mine. All of these prospects occur in close proximity to a major north west trending fault zone typically near junctions with cross structures (north east trending faults). Until recently, only sporadic exploration of the best known prospects has been carried out.

Published technical records document exploration of several occurrences in the vicinity of the Mineral Claims including the Foggy Day Prospect (located 2 km to the north west) the Golden Crown Prospect (located approximately 2 km to the west) and massive sulfide mineralization exposed immediately to the south. All of these prospects consist of fault controlled, gold bearing quartz veins which occur within the same lithologic units exposed on the Mineral Claims.

According to the Engineering Report, Skyworld Resources Ltd. has recently completed diamond drill testing of several gold occurrences on the Foggy Day Prospect and have reported grades of between 0.1 and 3.2 ounces/ton gold across widths of up to several metres. Historical records regarding the Golden Crown Prospects document sampling of quartz veins which returned grades of 0.25 ounces/ton gold across widths of up to five metres.

During October and November, 1987, an exploration program was carried out consisting of: airbourne multi-frequency electromagnetic and magnetic surveys; geological mapping of the southern part of the Mineral Claim area; and, an examination of several near by precious metal occurrences. As part of this program, the Issuer participated in a road rehabilitation project to upgrade access to the Mineral Claim area.

Geology

According to the Engineering Report, geological mapping shows that the Trout Lake District forms the northern terminus of the Kootenay Arc, an important metallogenic province which hosts most of the well known lead-zinc-silver (gold) camps of the western Cordillera. Rocks within the project area comprise complexly folded metasediments and metavolcanics belonging to the Lardeau Group (Fyles, 1962).

Throughout the Cambourne Belt over 100 polymetallic, vein-type occurrences are known. Published technical reports document exploration of several occurrences in the area of the Mineral Claims and massive sulphide showings south of the area. Surrounding prospects including the Foggy Day Prospect and the Golden Crown Prospect consist of fault controlled, gold-bearing quartz veins which occur within the same lithologic units exposed on the Mineral Claims.

According to the Engineering Report, results of a sophisticated airbourne HEM and magnetics survey indicate several high priority targets in the central and south central parts of the Mineral Claim area. Magnetics maps indicate a buried intrusive body flanked by volcanic rocks which have been cut by several major fault zones. Such environments are a common host for local mineral deposits.

Exploration Program and Recommendations

A.S. Greene, F.G.S. and C. von Einsiedel, B.Sc. in their Engineering Report to the Issuer have recommended a program of geological mapping and geochemical surveys for the Mineral Claims followed by trenching and, if warranted, diamond drilling, as follows:

Phase I

Engineering/Supervision/Reports	\$ 10,000
Helicopter Support and related technical	20,000
Surface Exploration Program (allow 5 man field crew, 20 days)	30,000
Assays	5,000
Contingency	<u>10,000</u>
	\$ <u>75,000</u>

Phase II (contingent upon Phase 1)

Engineering/Supervision/Reports	\$ 25,000
Trenching and tract equipment support	25,000
Diamond Drilling - 500 metres @ \$100.00 (inclusive)	50,000
Contingency	<u>25,000</u>
	\$ <u>125,000</u>

In the Engineering Report, A.S. Greene and C. von Einsiedel state that in the event that completion of their recommended program of exploration identifies a significant mineralized zone, provision will have to be made for an additional 1,500 meters of follow-up diamond drilling.

RISK FACTORS

There is no established market for the securities of the Issuer.

The Issuer is in a start-up situation and therefore, as is the case with most new businesses, faces numerous risks.

None of the Issuer's properties contain a known body of commercial ore and the proposed exploration programs are an exploratory search for ore. There is no guarantee that the funds to be expended on these programs will result in the discovery of commercially recoverable ore.

No survey of any property of the Issuer has been made and therefore in accordance with the laws of the jurisdiction in which the properties are situate, their existence and area could be in doubt.

RAM EXPLORATIONS LTD.

SUMMARY REPORT
AND
PROPOSED EXPLORATION PROGRAM
OTTAWA CREEK PROJECT

REVELSTOKE AND SLOCAN MINING DIVISIONS
SOUTH EASTERN BRITISH COLUMBIA

Longitude = $117^{\circ} 06' W$

Latitude = $50^{\circ} 34' N$

NTS = 82K11W

Mineral Claims

Ottawa 1, Record No. 2463

Ottawa 2, Record No. 2464

Haskins, Record No. 5498

Owner / Operator: Loumic Resources Ltd.

Reported By: A. S. Greene, P. Geol.

C. von Einsiedel, B. Sc.

Submitted: January 30, 1988

TABLE OF CONTENTS

	<u>Page</u>
TERMS OF REFERENCE	1
INTRODUCTION	1
SUMMARY & RECOMMENDATIONS	2
SECTION 1 - PROPOSED EXPLORATION PROGRAM	
1.1 Exploration Targets	1-1
1.2 Estimated Costs	1-2
Phase 1	
Phase 2	
SECTION 2 - PROPERTY DESCRIPTION	
2.1 Property Location, Access, Ownership	2-2
2.2 Regional Geology and Exploration Model	2-4
2.3 Previous Exploration	2-8
2.4 Property Geology and Description of Mineral Occurrences	2-10
SECTION 3 - GEOPHYSICAL SURVEYS	
3.1 Airborne Electromagnetic Survey	3-1
3.2 Discussion of Results	3-3
BIBLIOGRAPHY	
CERTIFICATES	
APPENDIX 1 -Rock Sample Descriptions and Geochemical Assay Results	

LIST OF FIGURES

	<u>Page</u>
Figure 1 Location Map	2-1
Figure 2 Claim Map - Ottawa Creek Claim Group	2-3
Figure 3 Mineral Occurrence Map - Trout Lake District	2-5
Figure 4 Regional Geology Map - Trout Lake District	2-6
Figure 5 Ottawa Creek Claim Group - Topographic and Compilation Map showing Claim Boundaries, Local Mineral Occurrences, Areas of Detailed Topographic Mapping and Areas Covered by Airborne Geo-physical Surveys (1:50,000)	2-8
Figure 6 Ottawa Creek Claim Group - Orthophoto Mosaic Showing Airborne Magnetics and EM Anomalies (1:10,000)	pocket
Figure 7 Ottawa Creek Claim Group - Compilation Map Showing Geology, Rock Sample Locations, Geophysical Anomalies and Proposed Detail Survey Areas (Phase 1 Exploration) (1:2,500)	pocket

TERMS OF REFERENCE

AND

INTRODUCTION

TERMS OF REFERENCE

By way of an option agreement effective October 1, 1987, Lounic Resources Ltd. acquired a 100% interest in 45 mineral claims located roughly 70 kilometers southeast of Revelstoke in southeastern British Columbia. The claims adjoin similar properties which host precious metal mineralization and are therefore considered a "grassroots" prospect.

The claims are of interest because they cover parts of a complex fault zone (termed the "Cambourne" or "Central" Mineral Belt) which hosts several past producing mines and recently developed prospects. Of particular interest is a new discovery situated at the northwestern end of the Cambourne Mineral Belt (indicated reserves are currently estimated at 400,000 tons grading 0.30 oz/ton gold; Windflower Mines News Release dated Jan. 12, 1988).

On the basis of this information, Lounic Resources commissioned Ram Explorations Ltd. to conduct an evaluation of the property and, if warranted, to make recommendations for continued exploration.

INTRODUCTION

During October and November, 1987, an exploration program was carried out consisting of: airborne multifrequency electromagnetic and magnetic surveys; geological mapping of the southern part of the claim area; and, an examination of several nearby precious metal occurrences. As part of this program Lounic Resources participated in a road rehabilitation project to upgrade access to the claim area.

This report describes results of these surveys and outlines recommendations for continued exploration.

SUMMARY
AND
RECOMMENDATIONS

SUMMARY AND RECOMMENDATIONS

The Ottawa Creek Project consists of 45 mineral claims covering an area approximately five kilometres long and two kilometres wide located roughly ten kilometres northwest of Gerrard. The property is within the "Central" or "Cambourne" Mineral Belt, the most important of two parallel belts of gold, silver and base metal occurrences collectively referred to as the Trout Lake Mining District.

Geological mapping by Read, 1975 (GSC Map Nos. 432 and 464) shows that the Trout Lake District forms the northern terminus of the Kootenay Arc, an important metallogenic province which hosts most of the well known lead-zinc-silver (gold) camps of the western cordillera. Rocks within the project area comprise complexly folded metasediments and metavolcanics belonging to the Lardeau Group (Fyles, 1962).

The property is of interest primarily because of its location within the Cambourne Mineral Belt. This belt extends for roughly 60 kilometres beginning northwest of Cambourne and continuing southeast past Gerrard.

Throughout the Cambourne Belt over 100 polymetallic, vein-type occurrences are known. Five of these have undergone extensive, shallow reserve definition or were mined on several levels including the recent Windflower Mines discovery near Cambourne, the Spider/Eclipse Mine, the True Fissure Deposit, the Nettie Lake Mine and the Silver Cup Mine. All of these prospects occur in close proximity to a major northwest trending fault zone typically near junctions with cross structures (northeast trending faults). Until recently only sporadic exploration of the best known prospects has been carried out.

The objectives of the present exploration program were to delineate favourable geological environments such as fault or fracture zones and

contact areas within the claim group and to assess the significance of precious metal occurrences on adjoining properties.

Published technical records document exploration of several occurrences in the Ottawa Creek Claim area including the Foggy Day Prospect (located 2 kilometres to the northwest), the Golden Crown Prospect (located approximately 2 kilometres to the west) and massive sulfide showings exposed immediately south of the claim area. All of these prospects consist of fault controlled, gold bearing quartz veins which occur within the same lithologic units exposed on the Ottawa Creek Claims.

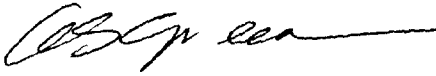
Skyworld Resources Ltd. has recently completed diamond drill testing of gold occurrences on the Foggy Day Prospect and have reported grades of between 0.1 and 3.2 oz/ton gold across widths of up to several meters. Historical records regarding the Golden Crown Prospect document sampling of quartz veins which returned grades of 0.25 oz/ton gold across widths of up to 5 meters. The close proximity of these occurrences suggests that the Ottawa Creek claim area has potential to host mineralization similar to that developed at the better known prospects of the Trout Lake area (notably Windflower Mines discovery).

According to Emmons (1914), prospectors identified several gold occurrences in the southern part of the claim area, however these were not examined as part of the present survey.

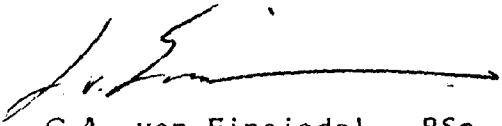
Results of a sophisticated airborne HEM and magnetics survey indicate several high priority targets in the central and south central parts of the claim area. Magnetics maps indicate a buried intrusive body flanked by volcanic rocks which have been cut by several major fault zones. This type of environment is a common host for local mineral deposits and it is recommended that an evaluation be made of all known targets.

An exploration program consisting of surface exploration followed by trenching and if warranted, diamond drilling is suggested at an estimated cost of \$200,000.

Respectfully Submitted,



A.S. Greene, P.Geol.
Consulting Geologist



C.A. von Einsiedel, BSc.
Consulting Geologist

SECTION 1

PROPOSED EXPLORATION PROGRAM

1.1 Exploration Targets

(please refer to figure no.s 6 and 7)

The objective of the proposed program will be to evaluate target areas identified by the airborne survey.

Phase 1

This stage of exploration should consist of geological mapping and soil geochemical surveys along the trace of all EM conductors. The total estimated cost of these surveys is \$75,000 to be allocated as follows:

Engineering/Supervision/Reports	\$ 10,000
Helicopter Support and Related Technical	20,000
Surface Exploration Program - allow 5 man field crew 20 days	30,000
Assays	5,000
Contingency	<u>10,000</u>
Total	\$ 75,000

Phase 2

Phase 2 will be a follow-up program consisting of trenching and if warranted, diamond drilling, designed to test anomalous areas identified during Phase 1. Provision should be made for an expenditure of \$125,000 to be allocated as follows:

Engineering/Supervision/Reports	\$ 25,000
Trenching and Tracked Equipment Support	25,000
Diamond Drilling - 500 meters @ \$100 (inclusive)	50,000
Contingency	<u>25,000</u>
Total	\$ 125,000

The total estimated cost of these surveys is \$200,000. In the event that completion of this program identifies a significant mineralized zone, provision would have to be made for an additional 1,500 metres of follow-up diamond drilling.

SECTION 2

PROPERTY DESCRIPTION

2.1 Property Location, Access, Ownership

(please refer to figure nos. 1, 2, 5, and 6)

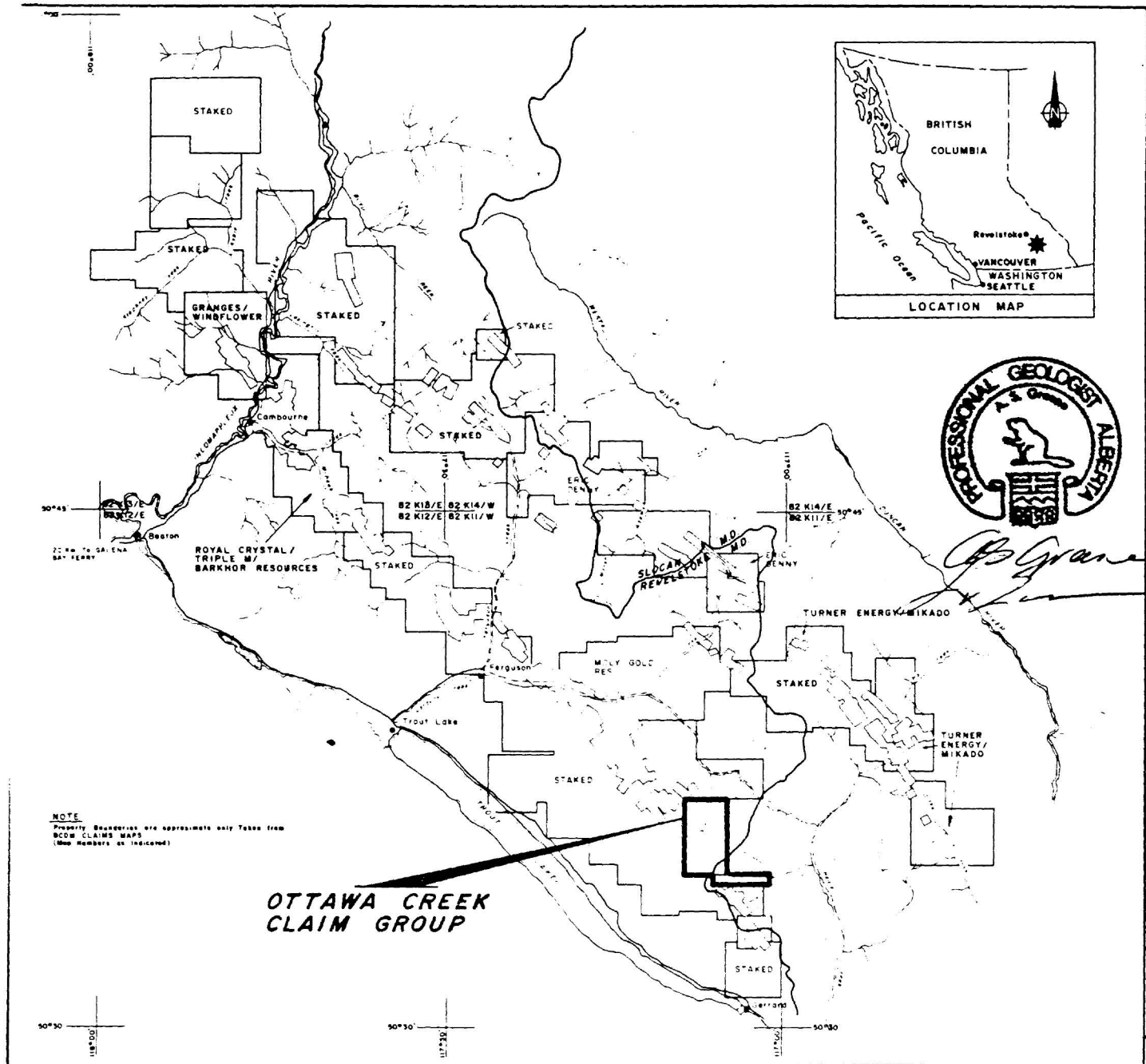
The Ottawa Creek Claim Group consists of three located mineral claims (45 claim units) situated in the Selkirk Mountains roughly 10 kilometers northwest of Gerrard in southeastern B. C. The geographic centre of the claim area is approximately longitude 117° 06' W, latitude 50° 34' N.

Access to the Trout Lake area is by paved highway from Revelstoke or Nakusp. Access to Gerrard is via government maintained gravel roads from either Trout Lake or Kaslo.

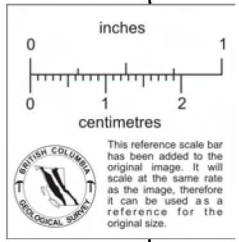
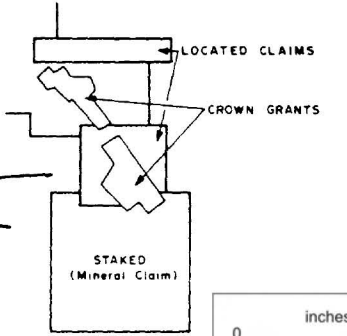
Access to the claim area is via a moderately steep 4 x 4 track which extends north from Gerrard roughly 14 kilometers to within one kilometer of the boundary of the property. As part of the present exploration program, several steep sections of the access road were relocated, new culverts were installed and an additional 2.0 kilometers of roads were constructed.

The claims cover Ottawa Creek Valley at elevations ranging from 4,500' at the northern claim boundary to ridgetops of over 9,000' in the southeastern part of the property. Figure 5 shows the topography of the claim area. Figure 6 is an orthophoto mosaic which shows physiography.

Title is recorded in the Revelstoke and Slocan Mining Divisions on Mineral Title Reference Map No. 82K11W as shown in Table 1.



LEGEND
 — All Weather Road
 - - - Cul. Trch (Not Maintained)



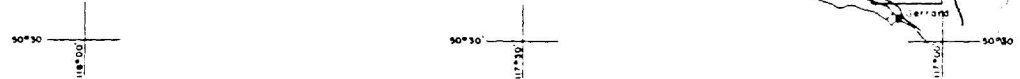
LOUMIK RESOURCES LTD.
 OTTAWA CREEK CLAIM GROUP
 REVELSTOCK & SLOCAN M.D. - B.C.

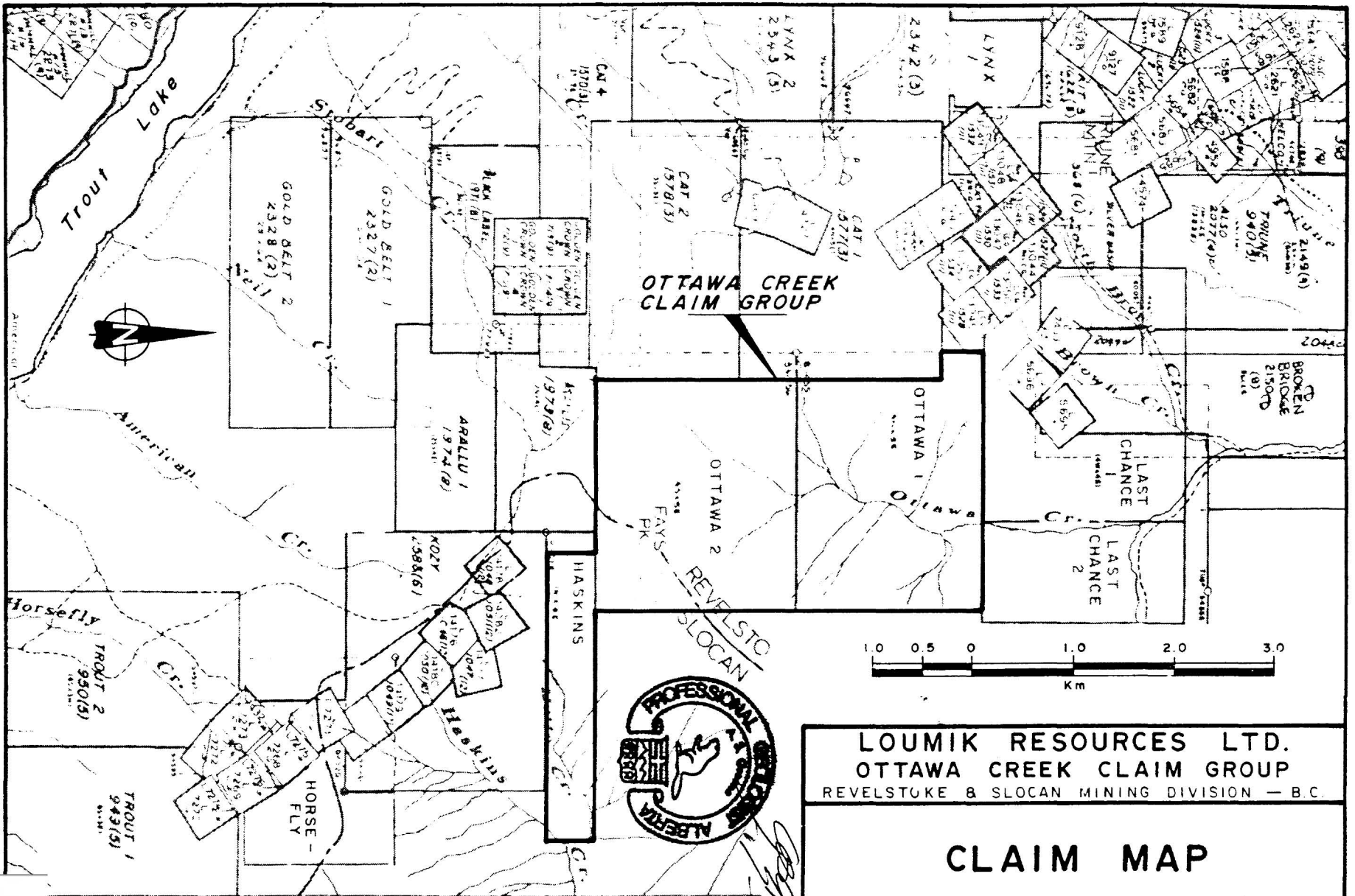
PROPERTY LOCATION MAP

RAM EXPLORATIONS LTD	OWN BY 'M	FIG NO
VANCOUVER B.C.	CHK BY	1
	DATE JAN 988	

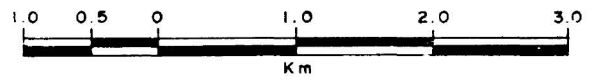
NOTE
 Priority Boundaries are approximate only Taken from
 B.C.M. CLAIMS MAPS
 (See Numbers as Indicated)

**OTTAWA CREEK
 CLAIM GROUP**





OTTAWA CREEK CLAIM GROUP



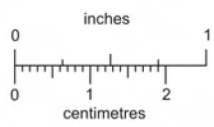
LOUMIK RESOURCES LTD.
OTTAWA CREEK CLAIM GROUP
 REVELSTOKE & SLOCAN MINING DIVISION — B.C.

CLAIM MAP

RAM EXPLORATIONS LTD.
 VANCOUVER, B.C.

DWN. BY: T.M.
 CHK. BY:
 DATE: JAN. 1988

FIG. No.
2



This reference scale bar has been added to the original image. It will scale at the same rate as the image, therefore it can be used as a reference for the original size.

TABLE 1

OTTAWA CREEK PROJECT - REVELSTOKE AND SLOCAN MINING DIVISIONS
 LIST OF MINERAL CLAIMS, RECORD NUMBERS, EXPIRY DATES, OWNERSHIP AND OPTION TERMS

OTTAWA CREEK CLAIM GROUP

<u>CLAIM NAME</u>	<u>RECORD No.</u>	<u>No. of UNITS</u>	<u>EXPIRY DATE</u>	<u>OWNER</u>	<u>OPTION TERMS</u>
OTTAWA 1	2463	20	OCTOBER 9, 1988	JUDY TRKLA	- OPTION TO PURCHASE 100% INTEREST FOR \$25,000 IN CASH AND \$150,000 TREASURY SHARES TO BE ISSUED IN STAGES ON COMPLETION OF EACH PHASE OF ENGINEERING.
OTTAWA 2	2464	20	OCTOBER 9, 1988	JUDY TRKLA	
HASKINS	5498	5	OCTOBER 9, 1988	JUDY TRKLA	

2.2 Regional Geology and Exploration Model

2-4

(Please refer to Figure No. 3, 4 and 5)

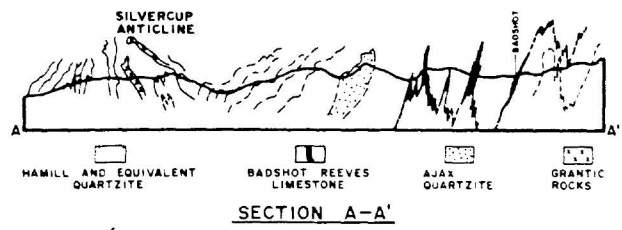
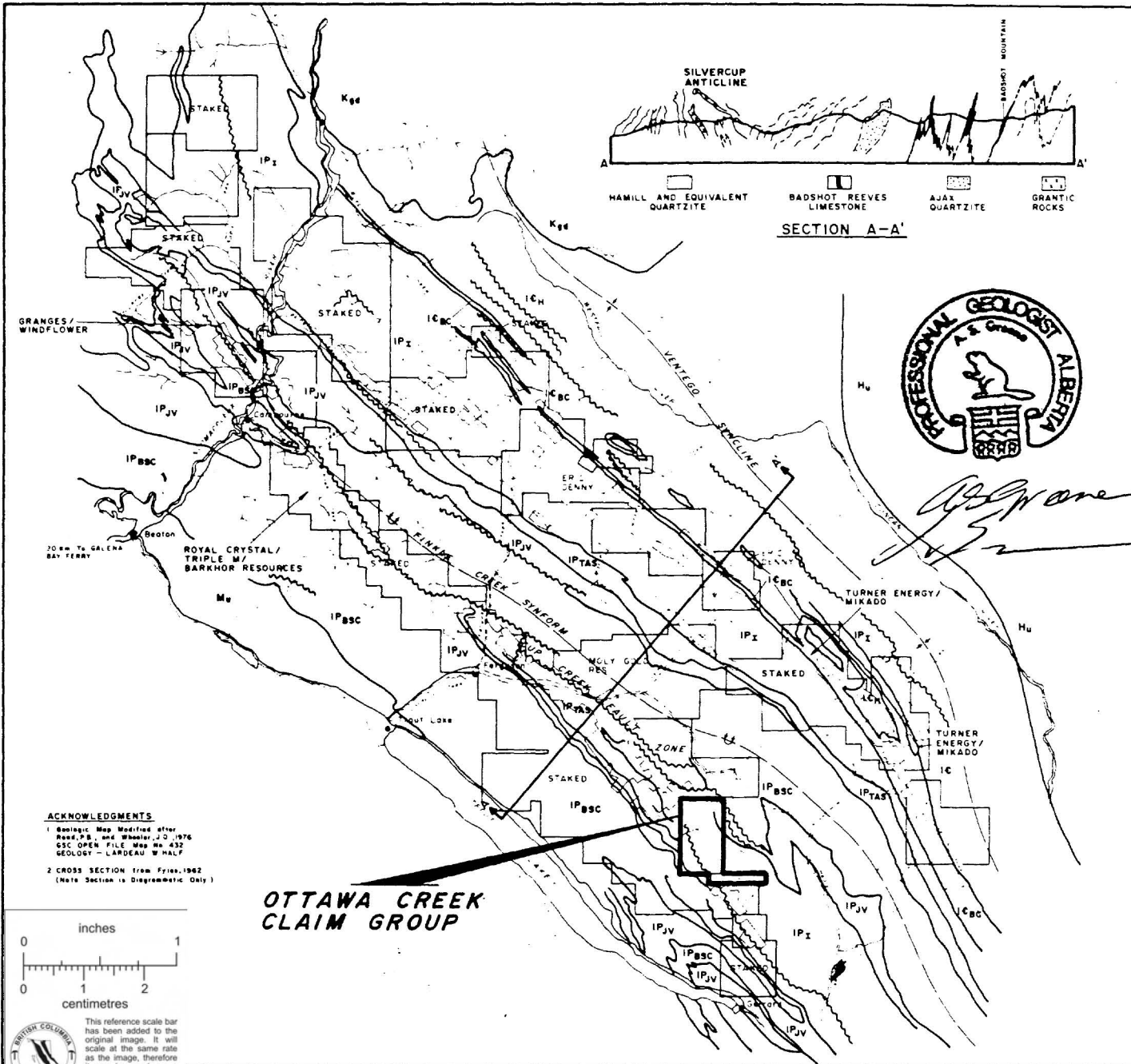
The regional geology of the Trout Lake District was recently described by Fyles (1962) and Read (1976).

The district forms the northern terminus of an arcuate belt of complexly folded metasediments and metavolcanics which extend from northern Washington to Revelstoke in southeastern British Columbia. This belt, termed the Kootenay Arc, hosts many of the well known Pb-Zn-Ag camps of the western Cordillera and is considered an important metallogenic province. A new gold discovery in the northwestern part of the Trout Lake District (Windflower Mines) indicates good potential for medium tonnage gold deposits and has generated considerable industry interest in the area.

In the vicinity of Trout Lake, the rocks of the Kootenay Arc are dominated by complicated vertical folds which strike northwest and plunge 20 - 40° to the northwest. One of the more prominent folds is the Silver Cup Anticline, a broad, isoclinally folded structure which extends for over 60 kilometres (from Gerrard in the southeast to Scott Creek west of the Incomappleux River; Granges - Windflower discovery area).

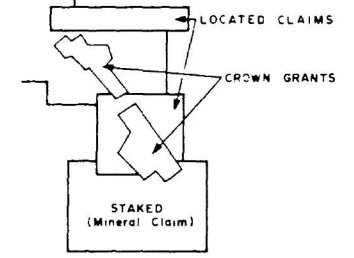
Rocks within the Silver Cup fold comprise argillites, siliceous argillites, quartzites, phyllites and chlorite schists belonging to the Lardeau Group (Broadview, Ajax-Sharon Creek and Jowett Formations). Along this structure, a practically continuous, northwest striking, axial fault system (termed the Cambourne Fault) has been developed, individual sections of which may be traced up to several kilometres (refer to figure no.3).

Between Gerrard and Scott Creek a belt of over 100 precious metal occurrences have been identified in close proximity to the Cambourne Fault. These occurrences are collectively referred to as the Central or Cambourne Mineral Belt (refer to figure no. 3).



- LEGEND**
- CRETACEOUS**
- Kgd Barre Range Batholith - granodiorite, diorite
- MISSISSIPPIAN TO PERMIAN**
- Mu Millard Group - phyllite, grit, conglomerate, slate - basalt
- CAMBRIAN TO DEVONIAN**
- LARDEAU GROUP**
- IP_{BSC} Brodeur Formation - phyllite, greenstone, limestone
 - IP_{JV} Jovett Formation - fine phyllite, greenstone
 - IP_{TAS} Truena, Ajax, Sheron Creek Formations - calcareous phyllite, quartzite, grey - black phyllite
 - IP_I Indus Formation - fine phyllite, greenstone, brownaceous limestone, limestone, quartzite, grit
- CAMBRIAN TO LOWER CAMBRIAN**
- IC_{BC} Beeshof Formation - limestone
- LOWER CAMBRIAN TO HADRYNIAN**
- IC_H Hamill Group - phyllite, grit, limestone, minor greenstone
- HADRYNIAN**
- Hu Horseshoe Creek Group - sandstone, s. tuff, slate, limestone

- SYMBOLS**
- Fault
 - Axis of Anti-form, Synform
 - Axis of Anticline, Syncline
 - Geological Contact (Approximate)



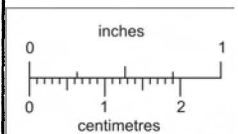
LOUMIK RESOURCES LTD.
OTTAWA CREEK CLAIM GROUP
REVELSTOKE & SLOCAN M.D. - B.C.

REGIONAL GEOLOGY

RAM EXPLORATIONS LTD VANCOUVER BC	DRN BY TM CHK BY DATE JAN 1988	FIG NO 4
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ACKNOWLEDGMENTS

- Geologic Map Modified after Res. 98, and Wholter, J.D., 1976 GSC OPEN FILE Map No. 432 GEOLOGY - LARDEAU W HALF
- CROSS SECTION from Fryer, 1982 (Note Section is Diagrammatic Only)



OTTAWA CREEK CLAIM GROUP

Precious metal mineralization within this belt consists of fault controlled, vein-type occurrences which vary in metal content from predominantly gold bearing to silver and base metal rich types. Some prospects consist of massive sulphide bands (up to 2.0 meters wide) containing abundant lead and zinc in addition to gold and silver while other consist of barren looking, white quartz containing variable gold and only minor silver and base metal values.

The authors have considerable local experience and have compiled a brief summary of the principal characteristics of these occurrences.

- 1) Mineralization occurs where cross fracturing (typically having a north to northeast orientation) intersects quartz filled, sub-conformable to conformable bedding plane faults.
- 2) Mineralization occurred in several episodes and is almost always associated with the development of siderite and ankerite. Alteration is minor in most rock types however propylitic and carbonate alteration minerals are developed where phyllitic or chloritic rocks are mineralized.
- 3) Sulphide minerals tend to occur at or near vein contacts or along graphitic partings within the veins. Gold may occur either with sulphides or "free" within quartz veins.

It is concluded that bedding plane faults developed along the Silver Cup Anticline represent favourable exploration targets particularly in areas of cross-fracturing.

The Ottawa Creek claims cover approximately 4 kilometers of strike length along the Cambourne Fault zone.

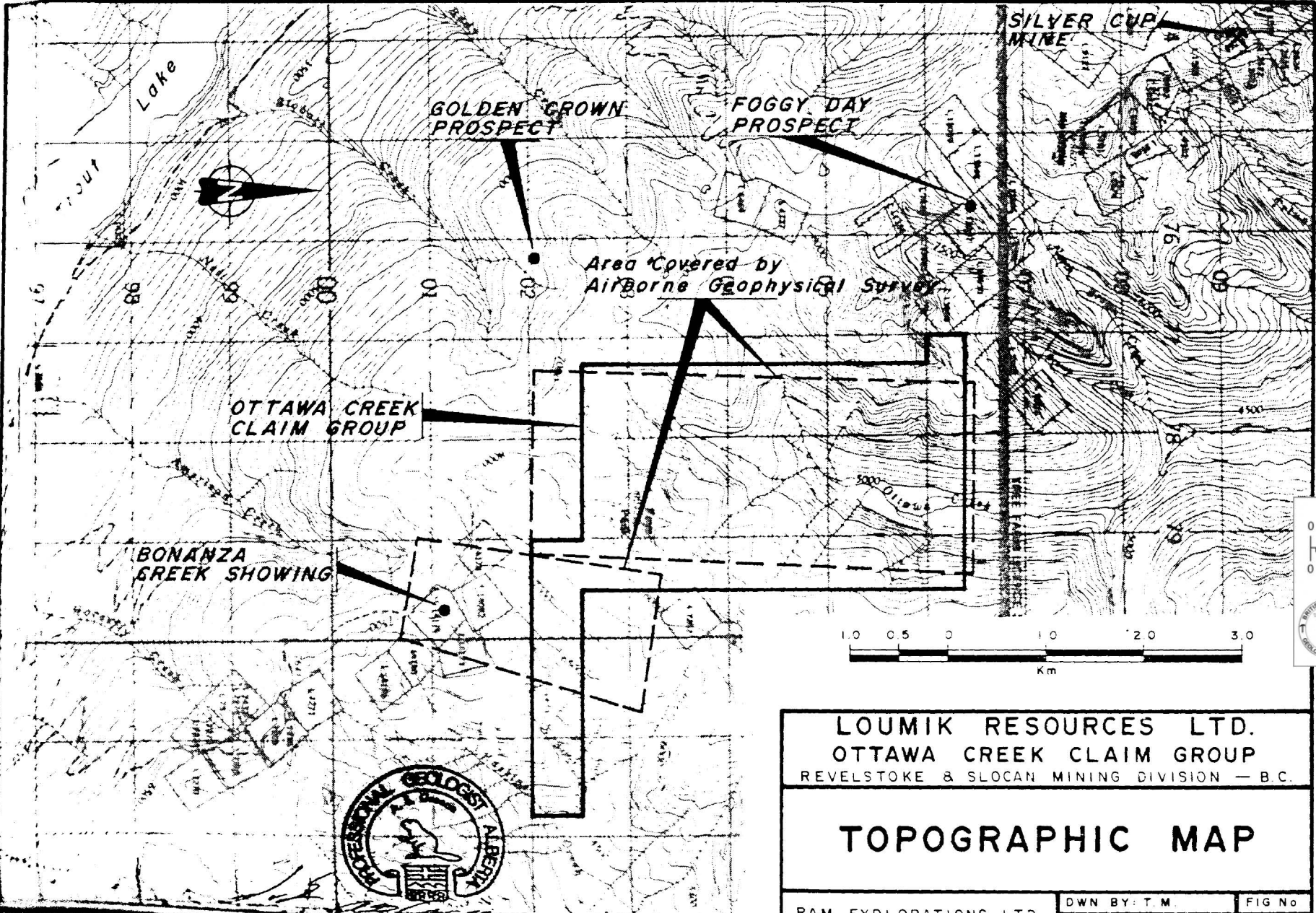
2.3 Previous Exploration

The only reported exploration within the claim area is described in an early 1900's summary report on mineral properties within the Trout Lake District. Ermons (1914), notes that "prospectors identified a northwest striking belt of calc-schist cut by northeast oriented fractures containing quartz, carbonate and sulfide minerals. Selected samples of this material assayed: 0.13 oz/ton gold, 5 oz/ton silver and 4% combined base metals."

The location of this occurrence is described as the headwaters of Ottawa Creek at elevations of between 7,000 and 8,000'. By description, this prospect is within the claim area however no examination has recently been made.

During the 1986/87 season, surface geological and preliminary diamond drilling programs were carried out by various operators throughout the Cambourne Belt. On the adjoining Foggy Day Property, Skyworld Resources reported encouraging results from sampling and drilling of gold bearing quartz veins and plan follow-up diamond drilling programs in 1988. Other operators also reported encouraging results however, a detailed account is beyond the scope of this report.

For additional information regarding recent exploration within the Trout Lake area the reader is referred to information published by Granges Exploration; Windflower Mines Ltd., Brynnoldson Mines Ltd., Triple M Mining Corp., Winslow Gold Mines Ltd., Royal Crystal Resources Ltd., Barkhor Resources Ltd., Halley Resources Ltd., Jazzman Resources Inc. Camfrey Resources Ltd., Mikado Resources Ltd., and K-2 Resources Ltd.



SILVER CUP MINE

GOLDEN CROWN PROSPECT

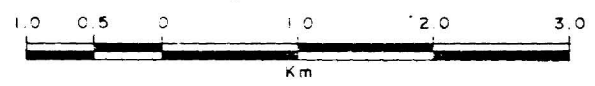
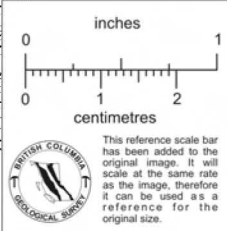
FOGGY DAY PROSPECT

Area Covered by Airborne Geophysical Survey

OTTAWA CREEK CLAIM GROUP

BONANZA CREEK SHOWING

Lake



LOUMIK RESOURCES LTD.
OTTAWA CREEK CLAIM GROUP
REVELSTOKE & SLOCAN MINING DIVISION — B.C.

TOPOGRAPHIC MAP

RAM EXPLORATIONS LTD VANCOUVER, B.C.	DWN BY: T.M.	FIG No
	CHK BY:	5
	DATE: JAN. 1988	

2.4 Property Geology and Description of Mineral Occurrences (please refer to figure no.7)

Geological mapping carried out during the present survey shows that the southern part of the claim area covers a northwest plunging fold (Silver Cup Anticline) consisting of a core of Jowett Formation metavolcanic rocks flanked by argillities, phyllites and quartzites of the Broadview Formation. On the northeast flank, a bedding plane fault (probably an offset extension of the Cambourne Fault) separates these rocks from chlorite schists and limestones belonging to the Index Formation. Figure no.7 shows the distribution of these units and includes a comprehensive mineralogic description.

Regional mapping by Read (1976) shows that the central and northern parts of the claim area are underlain by Index Formation metavolcanics and sediments also cut by bedding plane faults.

Figure no.5 shows the approximate position of several gold occurrences in close proximity to the claim area which occur within the same geological environment. These include: the Foggy Day, Golden Crown and Haskins prospects all of which consist of quartz veins containing free gold and in some cases, silver and base metals.

Mapping of the Haskins Prospect showed massive sulfides in a quartz gangue, localized along a northwest trending fault. Select samples of this material returned grades of up to 0.11 oz/ton gold, 51 oz/ton silver and a base metal content of over 20%. This fault structure has been traced across the Haskins Claim and across the southeastern corner of the Ottawa 2 Claim and will be further evaluated by geochemical and geophysical surveys as part of Phase 1 exploration.

To the west of the claim area Emmons (1914) reported grades of between 0.25 and 0.70 oz/ton gold from two to five meter wide quartz veins (Golden Crown Prospect: located approximately 1.5 kilometers west of

the claim area). On the Foggy Day prospect, Skyworld Resources (1987) drill tested gold and silver bearing quartz veins and reported grades of between 0.013 and 3.2 oz/ton gold across widths of up to several meters.

SECTION 3
GEOPHYSICAL SURVEYS

3.1 Airborne Electromagnetic and Magnetic Survey (please refer to figure no.6)

From an exploration viewpoint, one of the most important characteristics of metallic mineral deposits is their low resistivity and correspondingly high conductivity relative to surrounding bedrock. In some cases these properties permit identification of such occurrences by remote sensing methods such as electromagnetic surveys.

Electromagnetic surveys utilize receiving coils to measure changes in the alternating electromagnetic field produced by eddy currents in subsurface rocks when subjected to an alternating primary signal. The responses encountered by an electromagnetic survey are of three main types. Bedrock conductors, which may include massive sulfide bodies, graphitic fault zones and to a lesser extent, graphite rich argillaceous rocks are normally limited in dimension and very often "maximum couple" with the vertical coaxial coil. These responses can be interpreted for conductance, depth and strike.

Secondly, surficial conductors such as overburden, glacial till and lake sedimentation responses, "maximum couple" with the horizontal coplanar coil configuration and are often "broad" responses. This type of response cannot easily be distinguished from deep seated conductors because increased depth also produces a broader response.

Thirdly, "negative" permeability effects occur when rocks are magnetic. The electromagnetic response can become distorted by decreasing the in-phase response, often reversing the polarity of the E. M. signal. Both coil configurations are affected by this phenomenon. Resistivity, conductance, and depth calculations in this instance cannot be calculated.

Magnetic surveys are based on the premise that the concentration of magnetic minerals is constant within a particular rock type and further, that a contrast exists between different rock types. As a result, magnetic data can be interpreted to reveal areas underlain by

different lithologies as well as areas where offsets have occurred suggesting the presence of faults or fracture zones.

Some ore deposits contain higher percentages of magnetic minerals than the surrounding rocks and may appear as magnetic highs. In other cases, ore deposits are localized along shear or fault zones which commonly act as fluid conduits often resulting in oxidation of associated magnetic minerals. These occurrences would appear as magnetic lows.

The geophysical system that was used for this survey was provided by Apex Airborne Surveys in conjunction with Questor Surveys and is considered one of the most sophisticated systems available. Equipment included a 6 meter Geotech Emex 3 Electromagnetometer (HEM System), a Total Field Nuclear Precession Magnetometer, 35 mm flight path camera, Picodas/Olivetti digital acquisition system, and a radar altimeter. The helicopter used was an Aerospatiale Gazelle provided by Canwest Helicopters Ltd.

The Geotech System utilizes both coplanar and coaxial coil configurations, as well as three frequencies. The system consists of three sets of receivers and transmitters as follows:

- 1) Coaxial Pairs - The coaxial transmitter-receiver pairs are separated by 5 meters and utilize low frequency signals of 380 and 920 Hz. This configuration couples best with vertical, dike-like targets.
- 2) Coplanar Pair - The coplanar transmitter-receiver pairs are separated by 5 meters and utilize a "high frequency" signal of 4020 Hz. This configuration couples best with horizontal tabular targets.

The transmitter and receiving coils for the three frequencies as well as the magnetic sensors are located at the ends of the 6 meter sensor that is commonly called a "bird". The bird is towed 30 meters below the helicopter by means of a suitable cable which also carries the electric signals to and from the bird.

3.2 Discussion of Results (please refer to figure no. 6)

The objectives of the airborne survey were to explore overburden covered parts of the project area and to delineate the extent of volcanic and/or intrusive rocks. A total of approximately 70 line kilometers were flown within the claim area. Additional surveys were flown across several known mineral deposits within the Cambourne Mineral Belt to provide a data base for comparison with data from the project area.

A preliminary examination of magnetic data indicates a possible buried intrusive located in the north central part of the claim area flanked by volcanic rocks of the Index Formation. In addition, bedding plane faults are indicated in the central and southern parts of the claim area. In addition, a north to northeast striking zone is indicated in the central part of the claim area.

An examination of electromagnetic data shows three distinct conductivity anomalies termed Area "A", Area "B" and Area "C". These anomalies are approximately co-incident with the fault zones indicated by magnetic data and are considered excellent targets.

Figure no. 6 shows geophysical data and figure no. 7 shows proposed areas of detailed geochemical and geophysical surveys.

REFERENCES

The following maps, publications and contracts were consulted during the course of this study:

D.C. Ministry of Mines Annual Reports, 1898 p. 1059, 1900 p. 981, 1923 p.234, 1926 p. A274, 1927 p. 295, 1930 p. 447.

GSC Memoir No. 161 p. 55

Read, P.B., 1976. Geology - Lardeau West Half. GSC Map No. 434.

Westmin Resources, 1983. Summary Report of 1982 Fieldwork, Mohawk and Related Properties. Westmin Resources Corporate Files.

CERTIFICATES

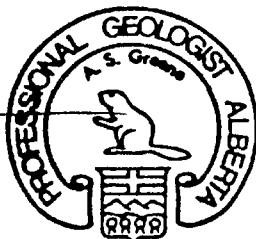
CERTIFICATE

I, Alfred Sonni Greene of Kootenay Bay in the province of British Columbia certify that:

1. My address is P.O. Box 57, Kootenay Bay, British Columbia, V0B 1X0 and that my occupation is that of Geologist.
2. I am a graduate of the University of Calgary, 1969, with a degree of Bachelor of Science - Geology.
3. I have been a practising geologist since 1969 and am a member in good standing of the Association of Professional Engineers, Geologists and Geophysicists of Alberta.
4. This report is based on: results of several personal examinations of the subject property; results of geochemical and geophysical surveys carried out under my supervision; and on the results of extensive research regarding local mineral deposits.
5. I have no interest, either directly or indirectly in the properties or securities of Loumic Resources Ltd.
6. I consent to the use of this report in a Prospectus, Statement of Material Facts or Qualifying Report for submittal to the Superintendent of Brokers or the Vancouver Stock Exchange.

Dated this 30th day of January, 1988 at Vancouver, British Columbia.

A.S. Greene



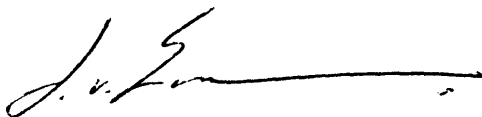
A.S. Greene, P. Geol.
Consulting Geologist

CERTIFICATE

I, Carl A. von Einsiedel of the City of Vancouver in the Province of British Columbia, certify that:

1. I am a consulting geologist with offices located at 210 - 470 Granville Street, Vancouver, B.C.
2. I am a graduate of Carleton University in Ontario in Geological Sciences with a degree of BSc.
3. I have been employed in the field of mineral exploration since 1980 and have made application to the Fellowship of the Geological Association of Canada.
4. This report is based on: results of several personal examinations of the subject property; results of geochemical and geophysical surveys carried out under my supervision; and on the results of extensive research regarding local mineral deposits.
5. I have no interest, either directly or indirectly, in the properties or securities of Loumic Resources Ltd.
6. I consent to the use of this report in a Prospectus, Statement of Material Facts or Qualifying Report for submittal to the Superintendent of Brokers or the Vancouver Stock Exchange.

Dated this 30th day of January, 1988 at Vancouver, British Columbia.



Carl von Einsiedel, BSc.
Consulting Geologist

APPENDIX 1

TABLE 2

ROCK SAMPLE DESCRIPTIONS AND ASSAY RESULTS

PROJECT: OTTAWA CREEK

PREPARED: 1987-11-14

HASKINS PROSPECT (SEE FIGURE NO. 7 FOR LOCATIONS)

NOTE: THE HASKINS PROSPECT IS LOCATED APPROXIMATELY 500 METERS SOUTHEAST OF THE OTTAWA CREEK PROPERTY

<u>FIELD</u> <u>REF. No.</u>	<u>ASSAY</u> <u>REF. No.</u>	<u>AU</u> <u>oz/ST</u>	<u>AG</u> <u>oz/ST</u>	<u>PB</u> <u>(%)</u>	<u>ZN</u> <u>(%)</u>	<u>DESCRIPTION</u>
GR-AM-01	-	0.104	50.52	26.50	1.15	CHARACTER SAMPLE, HEAVY GALENA, PYRITE MINERALIZATION AS COARSE MASSIVE MATERIAL (60%) IN QUARTZ DUMP AT PORTAL OF CAVED ADIT ON NORTH SIDE OF BONANAZA BASIN (NORTHWEST TRENDING STRUCTURE).
GR-AM-02	-	0.030	0.65	0.20	0.01	ALTERED VOLCANICS SHOWING MINOR DISSEMINATED SULFIDES, PROPYLITIC ALTERATION.
GR-AM-03	-	0.022	8.60	6.95	27.45	CHARACTER SAMPLE FROM DUMP AT CAVED PORTAL, 100M NORTHWEST OF TRENCH No. 8-2. MASSIVE, FINE GRAINED SPHALERITE AND GALENA IN QUARTZ-CARBONATE GANGUE.
GR-AM-04	-	0.014	2.27	2.10	2.60	DISSMEMINATED SULFIDES IN SILICIFIED VOLCANICS.
GR-AM-05	-	0.084	32.87	32.05	1.50	GRAB SAMPLE, MASSIVE COARSE GRAINED GALENA FROM DUMP, MINOR SPHALERITE, CHALCOPYRITE.
OTTAWA CREEK PROSPECT						
-	15085	TR	0.20	TR	TR	CHANNEL SAMPLE ACROSS 2.50 METER WIDE FRACTURED ZONE CONTAINING QUARTZ STRINGERS AND MINOR SULFIDES IN CALC SCHIST (NEWTON EMMONS, 1914).

TABLE 2

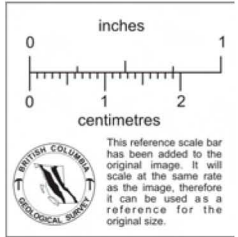
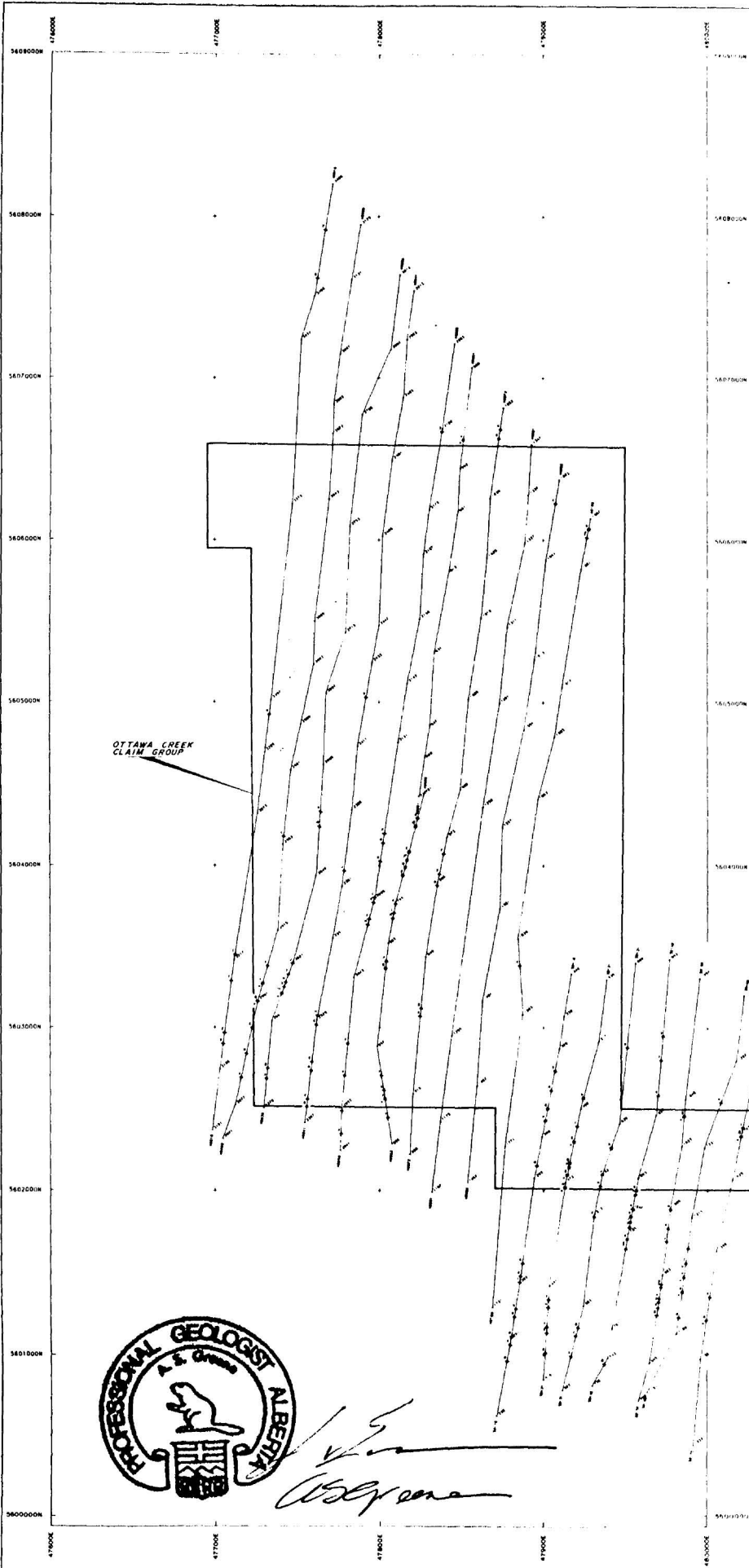
ROCK SAMPLE DESCRIPTIONS AND ASSAY RESULTS

PROJECT: OTTAWA CREEK

PREPARED: 1987-11-14

OTTAWA CREEK PROSPECT - CONT'D

<u>FIELD</u> <u>REF. No.</u>	<u>ASSAY</u> <u>REF. No.</u>	<u>AU</u> <u>OZ/ST</u>	<u>AG</u> <u>OZ/ST</u>	<u>PB</u> <u>(%)</u>	<u>ZN</u> <u>(%)</u>	<u>DESCRIPTION</u>
-	15086	0.10	5.6	TR	TR	CHARACTER SAMPLE - QUARTZ-CHALCOPYRITE PYRITE STRINGERS IN CALC SCHIST (NEWTON EMMONS, 1914). NOTE: 3.25% COPPER.
-	15087	0.13	5.0	TR	TR	SELECT SAMPLE - QUARTZ-CHALCOPYRITE PYRITE STRINGERS IN CALC SCHIST (NEWTON EMMONS, 1914).



AIRBORNE SURVEY SPECIFICATIONS

Altitude : 10,000 ft
 Acquisition : 1987
 Line Spacing : 200 m
 Line Orientation : 090°
 Line Length : 10 km
 Line Interval : 100 m

LEGEND

- 200 T
- 100 T
- 50 T
- 20 T
- 10 T
- 5 T

INTERPRETATIVE SYMBOLS

- Red Rock Reservoir**
- Reservoir: (Symbol) Conductance (T)
- Depth: (Symbol)
- Topographic Reservoir**
- Reservoir: (Symbol) Conductance (T)
- Depth: (Symbol)

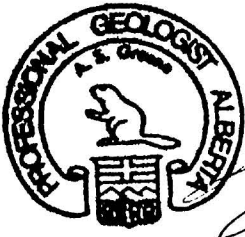


UNIVERSAL TRANSVERSE MERCATOR GRID
 ZONE 10

PRODUCED BY 150-A 10-110
 SUR No. 15-110
 DECEMBER 1987

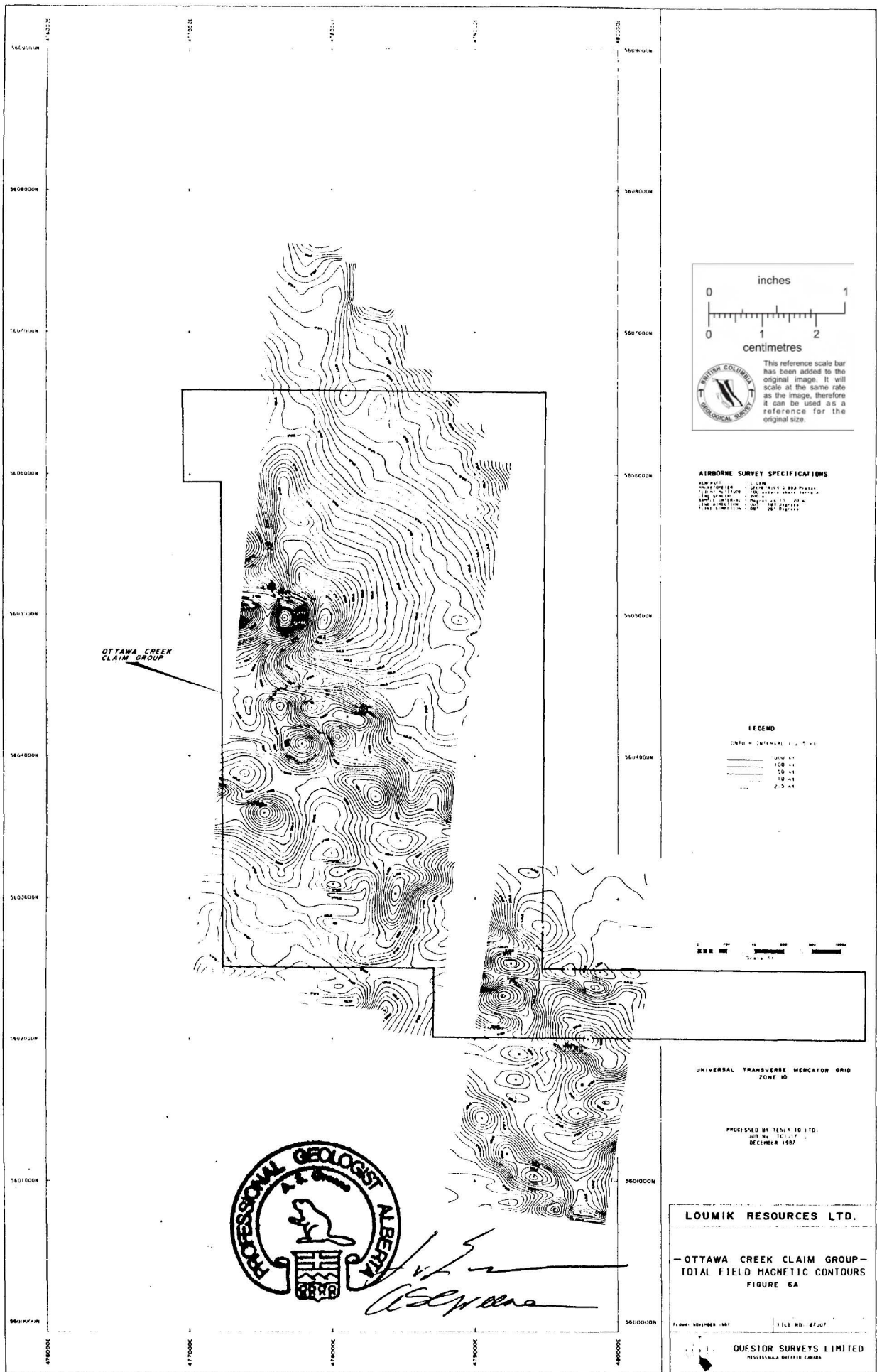
LOUMIK RESOURCES LTD.

OTTAWA CREEK CLAIM GROUP
 EM ANOMALY MAP
 Interpretative Conductor Axes
 FIGURE 6

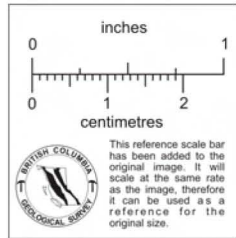


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QUESTOR SURVEYS LIMITED
 MISSISSAUGA, ONTARIO, CANADA



OTTAWA CREEK CLAIM GROUP



AIRBORNE SURVEY SPECIFICATIONS
 Altitude: 10,000 ft
 Wavelength: 1000 m
 Frequency: 100 kHz
 Scan Rate: 1000 lines/sec
 Scan Width: 1000 m
 Scan Angle: 10 degrees

LEGEND

- Contour Interval: 5 m
- 100 m
- 50 m
- 10 m
- 2-5 m

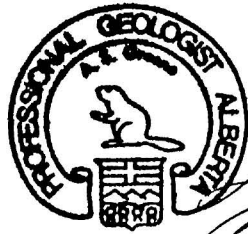
UNIVERSAL TRANSVERSE MERCATOR GRID
 ZONE 10

PROCESSED BY TERNAL ID LTD.
 JOB NO. TERNAL
 DECEMBER 1987

LOUMIK RESOURCES LTD.

—OTTAWA CREEK CLAIM GROUP—
 TOTAL FIELD MAGNETIC CONTOURS
 FIGURE 6A

FILE NO. 87007
QUESTOR SURVEYS LIMITED
 MISSISSAUGA, ONTARIO, CANADA



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