

THE SECURITIES OFFERED FOR SALE THROUGH THIS PROSPECTUS MAY ONLY BE LAWFULLY OFFERED FOR SALE IN THOSE JURISDICTIONS IN WHICH THIS PROSPECTUS HAS BEEN ACCEPTED FOR FILING AND THEREIN ONLY BY PERSONS PERMITTED TO SELL SUCH SECURITIES.

NO SECURITIES COMMISSION OR SIMILAR AUTHORITY IN CANADA HAS IN ANY WAY PASSED UPON THE MERITS OF THE SECURITIES OFFERED HEREUNDER AND ANY REPRESENTATION TO THE CONTRARY IS AN OFFENCE.

PROSPECTUS

EFFECTIVE DATE: DECEMBER 3, 1987

TORREZ RESOURCES LTD.
 960 - 789 West Pender Street
 Vancouver, British Columbia
 V6C 1H2

LOG NO: MAY 17 1988 VAN
ACTION:
Net Proceeds to be received by the Company

PUBLIC OFFERING: 375,000 Common Shares

Price to Public	Commissions	Net Proceeds to be received by the Company
\$0.40	\$0.05	\$0.35
\$150,000	\$18,750	\$131,250

Cost of the issue estimated to be \$18,000

R.M.
 PROPERTY FILE
 9/20/88
 150,000

PRESENTLY NO MARKET THROUGH WHICH THESE SECURITIES MAY BE SOLD. THE OFFERING PRICE DETERMINED BY NEGOTIATION BETWEEN THE COMPANY AND THE AGENT. THESE SHARES ARE SECURITIES AND SUBJECT TO A DILUTION FACTOR OF \$0.263 PER SHARE (65.75%). REFER TO "RISK FACTORS" ON PAGE 10 HEREIN FOR FURTHER DETAILS.

COMPANY HAS MADE APPLICATION TO THE VANCOUVER STOCK EXCHANGE FOR A CONDITIONAL LISTING OF SECURITIES BEING OFFERED HEREIN. LISTING IS SUBJECT TO THE COMPANY FULFILLING ALL THE REQUIREMENTS OF THE EXCHANGE ON OR BEFORE MAY 31, 1988 INCLUDING PRESCRIBED AND FINANCING REQUIREMENTS.

AGENT IS AUTHORIZED BY THE COMPANY TO PROVIDE ANY INFORMATION OR TO MAKE ANY STATEMENT OTHER THAN THOSE CONTAINED IN THIS PROSPECTUS IN CONNECTION WITH THE ISSUE AND OFFERING OF SECURITIES OFFERED BY THE COMPANY.

SUBSCRIPTIONS FOR THE SECURITIES WILL BE RECEIVED SUBJECT TO REJECTION OR ALLOTMENT IN WHOLE OR IN PART AND THE RIGHT IS RESERVED TO CLOSE THE SUBSCRIPTION BOOK WITHOUT NOTICE.

UPON COMPLETION OF THIS OFFERING, THIS ISSUE WILL REPRESENT 24.70% OF THE SHARES THEN OUTSTANDING AS COMPARED TO 52.57% THAT WILL THEN BE OWNED BY THE CONTROLLING PERSONS, PROMOTERS, DIRECTORS AND SENIOR OFFICERS OF THE COMPANY AND ASSOCIATES OF THE AGENT. REFER TO THE HEADING "PRINCIPAL HOLDERS OF SECURITIES" ON PAGE 14 HEREIN FOR DETAILS OF SHARES HELD BY CONTROLLING PERSONS, PROMOTERS, DIRECTORS, SENIOR OFFICERS AND ASSOCIATES OF THE AGENTS.

WE, AS AGENT, CONDITIONALLY OFFER THESE SECURITIES SUBJECT TO PRIOR SALE, IF, AS AND WHEN ISSUED BY THE COMPANY AND ACCEPTED IN ACCORDANCE WITH THE CONDITIONS CONTAINED IN THE AGENCY AGREEMENT REFERRED TO UNDER "PLAN OF DISTRIBUTION" ON PAGE 1 OF THIS PROSPECTUS.

AGENT

GEORGIA PACIFIC SECURITIES CORPORATION
 16TH FLOOR, TWO BENTALL CENTRE
 555 BARRARD STREET
 VANCOUVER, BRITISH COLUMBIA
 V7X 1S6

DATED: NOVEMBER 25, 1987.

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PROSPECTUS SUMMARY

The following is a summary of the principal features of this offering only and should be read in conjunction with the more detailed information and financial statements appearing elsewhere in this Prospectus.

- The Company:** Torrez Resources Ltd. (the "Company") was incorporated in British Columbia and is engaged in the acquisition, exploration and development of natural resource properties.
- The Offering:** 375,000 common shares without par value at a price of \$0.40 per share.
- Use of Proceeds:** The net proceeds from this offering are expected to amount to \$131,250. Of these proceeds, approximately \$85,000 will be expended upon a recommended exploration program on the Company's Senicar mineral claims, with any balance being utilized for general corporate purposes. Refer to "Use of Proceeds" on page 2 herein.
- Risk Factors:** The purchase of the Shares offered hereby involves a high degree of risk, including those factors associated generally with an unseasoned company, substantial dilution from the offering price and a venture in which existing mineral properties are without known bodies of ore in commercial quantities. Refer to "Risk Factors" on page 9 herein.
- Financial Information:** The financial statements included in this Prospectus set forth information regarding the Company as of July 31, 1987.

PLAN OF DISTRIBUTION

Offering

The Company by its Agent hereby offers (the "Offering") to the public through the facilities of the Vancouver Stock Exchange (the "Exchange") Three Hundred Seventy-Five Thousand (375,000) common shares without par value (the "Shares") of the Company at a price of \$0.40 per share. The Offering will be made in accordance with the rules and policies of the Exchange on a day (the "Offering Day") determined by the Agent and the Company, with the consent of the Exchange, within a period of 180 days from the date upon which the shares of the Company are conditionally listed on the Exchange (the "Effective Date").

Appointment of Agents

The Company, by an agreement (the "Agency Agreement") dated November 16, 1987, appointed Georgia Pacific Securities Corporation as its Agent ("Agent") to use its best efforts to effect the sale of Shares through the facilities of the Exchange.

The Agent has agreed to purchase any shares not sold at the conclusion of the Offering. In consideration thereof the Agent has been granted non-transferable share purchase warrants (the "Agent's Warrants") entitling it to purchase up to 93,750 shares of the Company at any time up to the close of business 180 days from the listing of the Company's shares on the Exchange or 12 months from the date of this Prospectus, whichever is earlier, at a price of \$0.50 per share.

The Agent's Warrants will contain, among other things, anti-dilution provisions and provisions for appropriate adjustments of the class, number and price of shares issuable pursuant to any exercise thereof upon the occurrence of certain events including any subdivision, consolidation or reclassification of the shares of the Company, or the payment of stock dividends.

The Agents will receive a commission of \$0.05 per share.

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

The obligations of the Agent under the Agency Agreement may be terminated before 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 upon the occurrence of certain stated events.

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

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

The directors, officers and other insiders of the Company may purchase shares from this Offering.

The Company has made application to the Vancouver Stock Exchange for a conditional listing of the securities being offered herein. Listing is subject to the Company fulfilling all the listing requirements of the Exchange on or before May 31, 1988, including prescribed distribution and financing requirements.

Additional Offering

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

USE OF PROCEEDS

As of the date of this Prospectus the Company has working capital of approximately \$31,000. The net proceeds to be derived by the Company from the sale of the offering herein will be \$131,250, which together with existing working capital, will be used as follows:

	Proceeds of Issue
1. Costs of this issue including legal, audit & printing:	\$ 18,000

- | | | |
|----|---|---------------|
| 2. | To carry out Phase I of the work program on the Senicar Claims as recommended by Orcan Mineral Associates Ltd. in its report dated June 30, 1987: | 85,000 |
| 3. | Unallocated funds to be added to working capital: | <u>59,250</u> |
| | | \$ 162,250 |

Any monies received from the exercise of the Agent's Warrants will be added to working capital and used for general corporate purposes.

The proceeds from the sale of Shares offered by this Prospectus are intended to be used for the purposes set forth above and in carrying out the above program of work, and the Company will not discontinue or depart from the recommended program of work unless advised in writing by its consulting engineer to do so. Should the Company contemplate any such change or departure, notice thereof will be given to all shareholders. If such a change occurs during the primary distribution of Shares pursuant to this Prospectus, an amendment hereto will be filed.

No part of the proceeds will be used to invest, underwrite or trade in securities other than those that qualify as an investment in which trust funds may be invested under the laws of the principal jurisdiction in which the Shares offered by this Prospectus may be lawfully sold.

Should the Company intend to use the proceeds to acquire other than trustee type securities after the distribution of the Shares offered by this Prospectus, approval by the members of the Company must first be obtained and notice of the intention must be filed with the regulatory securities bodies having jurisdiction over the sale of the Shares offered by this Prospectus.

In the event of any material change in the affairs of the Company during the primary distribution of the Shares offered by this Prospectus, an amendment to this Prospectus will be filed. Following completion of the primary distribution of the Shares offered by this Prospectus, shareholders will be notified of changes in the affairs of the Company in accordance with the requirements of the appropriate regulatory authorities.

SHARE AND LOAN CAPITAL STRUCTURE

Designation of Security	Amount Authorized	Amount Outstanding as at July 31/87	Amount Outstanding as at the date hereof	Amount Outstanding If All Shares are Sold
Common Shares	10,000,000	381,001	1,143,001*	1,518,001

*A total of 762,000 shares were allotted and issued after July 31, 1987, of which 750,000 were escrowed principals' shares. Refer to heading "Prior Sales" on page 15 herein for further details.

As at the date hereof the Company does not have a contributed surplus or any retained earnings.

Options to purchase a total of 151,800 shares of the Company are held by directors and employees. Refer to "Options to Purchase Securities" on page 13 herein for further details.

Warrants to purchase 93,750 shares of the Company are held pursuant to the Agency Agreement dated November 16, 1987. Refer to "Plan of Distribution" on page 1 herein for further details.

NAME AND INCORPORATION OF COMPANY

The Company was incorporated on March 27, 1987 under the Company Act of the Province of British Columbia by registration of its Memorandum and Articles.

The address of the head office of the Company is 960-789 West Pender Street, Vancouver, B.C., V6C 1H2.

The address of the registered and records office of the Company is 960 - 789 West Pender Street, Vancouver, B.C., V6C 1H2.

DESCRIPTION OF BUSINESS**Business**

The Company is a natural resource company engaged in the acquisition, exploration and development of mineral properties. The Company owns or has interests in the properties

described under the heading "The Property" and intends to seek and acquire additional properties worthy of exploration and development.

**Senicar Mineral Claims
Clinton Mining Division
Province of British Columbia**

By agreement dated April 22, 1987 with Eastfield Resources Ltd. ("Eastfield"), of 110 - 325 Howe Street, Vancouver, B.C., the Company acquired an option to purchase the Senicar Mineral Claims, located in the Clinton Mining Division, British Columbia. A description of the claims is as follows:

Claim	Units	Record No.	Expiry Date
Senicar 1	16	1707	Nov. 18/89
Senicar 2	16	1713	Dec. 21/89
S-1	16	2267	May 29/90
S-2	16	2266	May 29/90

Eastfield is a reporting British Columbia Issuer whose shares trade on the Vancouver Stock Exchange, and is at arms-length to the Company. The consideration for the acquisition of the option was payment of the sum of \$6,000, issuance of 200,000 shares of the Company and the expenditure of \$150,000 on the property, as follows:

- (a) \$6,000 upon execution of the agreement (paid);
- (b) 25,000 shares upon issuance of a receipt by the Superintendent of Brokers for this Prospectus;
- (c) 55,000 shares upon completion of a first phase work program on the Company's property and the acceptance by the Vancouver Stock Exchange of an acceptable engineering report recommending further work;
- (d) 55,000 shares upon completion of a second phase work program and the acceptance by the Vancouver Stock Exchange of an acceptable engineering report recommending further work;
- (e) 65,000 shares upon completion of a third phase work program and the acceptance by the Vancouver Stock Exchange of an acceptable engineering report recommending further work.

- (f) the carrying out of work on the property to a value of \$45,000 by August 31, 1987 (completed), with further work to a value of \$35,000 by August 31 of each of the three successive years thereafter.

The agreement provides that in the event the Company exercises its option in full and earns its interest in the property as provided for therein, there shall revert back to Eastfield a 5% participating interest in the property.

Eastfield acquired the Senicar claims from Imperial Metals Corporation ("Imperial Metals") by agreement dated March 3, 1986, together with a number of other claims, in settlement of indebtedness in the amount of \$16,000. The March 3, 1986 agreement between Eastfield and Imperial Metals provides that in the event \$150,000 is spent on the Senicar claims, Imperial Metals must be notified of the expenditures whereupon it must elect within 30 days whether or not it will acquire up to a 30% interest in the property. If Imperial Metals elects to acquire an interest, its costs of acquiring that interest, which interest cannot be more than 30%, will be payment of the percentage of the expenditures which is equal to the percentage interest Imperial Metals has elected to acquire. Upon Imperial Metals' acquisition of an interest in the property, a joint venture will be entered into with costs being shared in proportion to each parties participating interest. If Imperial Metals elects not to exercise its right to acquire an interest, such right will be waived and cannot be exercised at a future point in time. The terms of the Company's agreement with Eastfield provides that the Company must enter into a novation of the Imperial Metals -Eastfield agreement of March 3, 1986, keeping Imperial Metals right to earn an interest in the property alive.

Location and Access

The property is located four kilometres north of Canim Lake, approximately 50 kilometres northeast of 100 Mile House. Access is provided by paved road to Eagle Creek, a small settlement approximately seven kilometres southwest of the property, from which a good, all weather gravel road continues on in the direction of the property. Branch roads, built for logging purposes, provide direct access to the west side of the property and to the southeast corner.

Elevation on the property ranges from 772 metres to 1,350 metres. A portion of the property has been logged in the past, however most of the property is covered with stands of cedar, spruce and fir up to 60 centimetres in diameter.

History and Work Done

The Senicar 1 and 2 claims were staked in late 1983 after reconnaissance soil sampling conducted by Imperial Metals returned values anomalous in arsenic, and sporadically high in copper and gold. Imperial Metals then sampled over a small grid and carried out limited geological mapping in 1984, which was followed up by further rock and soil reconnaissance sampling and mapping in 1985 and 1986. Results from these preliminary surveys, together with indications of favourable results being obtained on nearby properties, caused the Company to carry out a more thorough examination of the property in 1987. This also led to the staking of the additional S-1 and S-2 claims in May, 1987. The work carried out by the Company included an IGS and VLF-EM survey, a magnetometer survey and the collection of 849 soil samples along 39,600 metres of grid lines. In total, the Company has spent \$54,798 in exploration and development work on the property since its acquisition in April, 1987.

Geology and Mineralization

The property is situated within Jurassic volcani-clastic units of the Quesnel Mesozoic volcanic belt, lying between the Pinchi Fault and a parallel major fault to the east. A northwesterly trending fault crosses the northwestern part of the property, and other large faults lie off the property to the northeast and south. To the northwest is the Takomkane Batholith, a large intrusive of quartz diorite/granodiorite composition. The Jurassic units in the area consist of andesite arenite, siltstone, grit, breccia and tuff.

In its report dated June 30, 1987, a copy of which is attached to and forms part of this Prospectus, Orcan Mineral Associates Ltd. ("Orcan") describes the property's geology as follows:

"The claims are underlain by a succession of interbedded mafic volcanics (hornblende basalt flows), fine grained and finely banded volcani-clastic sediments, and rhyo-dacit tuffaceous breccia and lithic volcanic breccia. This assemblage is intruded by fine to medium grained, equigranular hornblende diorite, by fine grained gabbro, and by megacrystic feldspar porphyry (trachyte).

The mafic volcanics underlie about 40 percent of the mapped area (Senicar 1 and 2 claims), forming a large mass to the southwest and a strip along the northern part of the property. In composition they comprise porphyritic augite basalt, porphyritic hornblende basalt and mafic tuff which have been locally

hornfelsed. They are mostly dark to medium green in colour. The tuff commonly contains 1-2 percent fine disseminated pyrite.

The volcanic-clastic sediments occur as one large mass in the north-central part of the claims and as several, small, irregular-shaped areas elsewhere. They consist of rhyo-dacitic tuffs, lapilli agglomerate, greywacke and argillite. Colours are predominantly medium to dark grey with local variations to grey-green and brownish. The grey wacke and argillite are of volcanic origin (as determined by petrographic study); the tuffs and agglomerate usually contain 1/2-2 percent fine sulphides.

The volcanic breccia underlies the southeast corner of the mapped claims. The most northerly strip consists of rhyo-dacite breccia, whereas the remainder is lithic breccia. The volcanic breccia may represent a volcanic centre.

Gabbro is considered to be an instrusive although it could be a coarse mafic flow rock. It is present as large masses in the northern part of the property and as smaller dioritic bodies adjacent to the larger masses elsewhere on the property. It contains no quartz or sulphides.

The hornblende diorite is present as small bodies intruding most other rock types. In the southern part of the mapped area, it occurs within the volcanic breccia and as several small bodies to the east in the mafic volcanics. These occurrences, along with the local hornfelsing of the mafic volcanics may be indications of an underlying intrusive body.

The feldspar porphyry is present only as three small bodies on the east side of the Senicar claims.

* * * * *

Seritization is the most common alteration of the volcanic and mafic units with chloritization occurring to a lesser degree and mainly in the gabbro. Carbonate veining is present locally and, in some cases, along quartz, forms a vein stockwork. Quartz is somewhat more ubiquitous, occurring mainly as small veins, breccia veins, and vein stockworks. Silicification is uncommon within the mapped area, but to the northwest, in an

area covered in part by new claim S-2, previous work by Pickands Mather & Co. located strong silicification with associated pyrite.

Pyrite is present to some degree in most rock units; limonite is present but, except for rare gossan zones, is of limited extent and not particularly noticeable. Chalcopyrite and arsenopyrite have been found within chalcedonic quartz and carbonate within the volcanic breccia.

Hornfelsing of the volcanic and sedimentary units is spotty but widespread. In some cases the hornfels occurs adjacent to dioritic intrusive bodies, but in others it is some distance from such bodies, thereby suggesting the presence of capped intrusives."

Conclusions and Recommendations

In its June 30, 1987 report Orcan concludes that the property warrants further, more detailed exploration which should be directed towards the search for gold mineralization.

It is concluded that the property geology provides a favourable host for gold mineralization, and six specific target areas have been identified on the property by Orcan. In addition, several other locations require further detailed examination and soil sampling. A recommended work program has been developed by Orcan which includes an IP survey and a total of 400 metres of rotary drilling on the currently defined targets, together with further reconnaissance sampling and geochemical sampling. The estimated cost of the work program is \$85,000, and if favourable results were obtained a follow-up program of diamond drilling, costing in the order of \$150,000 to \$250,000, is recommended.

THERE IS NO SURFACE OR UNDERGROUND PLANT OR EQUIPMENT ON THE PROPERTY. THE PROPERTY IS WITHOUT A KNOWN BODY OF COMMERCIAL ORE AND THE PROPOSED PROGRAM IS AN EXPLORATORY SEARCH FOR ORE.

RISK FACTORS

Investment in developmental stage ventures such as the Company is highly speculative and subject to numerous and substantial risks. Therefore, prospective purchasers should carefully consider the following risk factors:

1. Since the Company has no past history of operations, the price at which the shares are offered hereby has been determined by negotiation between the Company and the agent

and bears no relationship to earnings, book value, or other criteria of value, and any real value attributable to the Company's shares is dependent upon the discovery of commercially mineable ore, of which there is no assurance.

2. Upon completion of the offering herein, shares issued to the public will represent 47.43% of the total shares outstanding as compared to 52.57% that will then be owned by promoters, directors and officers of the Company.
3. A substantial amount of exploratory work will have to be done before a determination can be made as to whether or not the property contains commercially mineable ore bodies. If results prove favourable, further financing will be necessary. There is no assurance the Company could obtain such financing, and, if such financing is obtained, that it would be on terms favourable to the Company.
4. The discovery by the Company of an ore body on its property may not mean that the ore is economic to mine and sell. The mining industry is intensely competitive and the marketability of any ore discovered may be affected by numerous factors beyond the control of the Company. These factors include market fluctuations, the proximity and capacity of transportation systems and refining facilities and government regulation, including regulations relating to taxes, land tenure, importing and exporting and environmental protection.
5. The Company's property has not been surveyed and therefore the precise location and area of the property may be in doubt.

Purchasers of shares will suffer an immediate substantial dilution because the net tangible book value per share after the offering will be substantially less than the public offering price.

The Company's net book value, as reflected on the July 31, 1987 audited balance sheet, was \$95,251, or approximately \$0.083 per share, calculated as follows:

Total Assets:	\$ 102,256
less: Total Liabilities:	<u> 7,005</u>
Net Book Value:	\$ 95,251
Per share (based on 1,143,001 shares issued and outstanding):	\$ 0.083

After the sale of the 375,000 shares offered hereby a total of 1,518,001 shares will be issued and outstanding, with the net book value per share being \$0.137 per share. Purchasers of the shares offered hereby will experience an immediate dilution upon completion of the offering of \$0.263 per share, or 65.75%, calculated as follows:

	Total	Per Share
Net Book Value before offering:	\$ 95,251	\$0.083
add: Net proceeds of offering less cost of issue:	<u>113,250</u>	-
Net Book Value after offering:	\$ 208,501	\$0.137
Offering Price		\$0.40
less: Net Book Value after offering		<u>0.137</u>
Dilution:		\$0.263

INCORPORATION WITHIN ONE YEAR - PRELIMINARY EXPENSES

Since incorporation, the Company has incurred the following preliminary expenses:

Administration:	\$12,802
Development:	\$54,798

Since the date of the latest financial statements included herein, the company has incurred administrative costs in the amount of \$7,765 for regulatory authorities' filing fees, legal fees and auditor's fees. Further administrative expenses are estimated to be \$18,000, based on the cost of completing this Prospectus and the Offering. Further development costs are estimated to be \$85,000, being the cost of completing the recommended Phase I work program on the Senicar claims.

PROMOTERS

The Company's promoter is Helen R. del Val.

Ms. del Val purchased 483,334 shares (escrowed) at \$0.01 per share and 4,000 shares at \$0.25 per share in the Company's non-reporting stage.

Ms. del Val also received an incentive stock option to purchase 75,900 shares at a price of \$0.40 per share until August

LEGAL PROCEEDINGS

There are no legal proceedings to which the Company is party or any of its properties are the subject, nor are any such proceedings known to be contemplated.

ISSUANCE OF SHARES

Upon incorporation the Company's authorized capital was 10,000,000 common shares without par value. All shares of the Company, both issued and unissued, rank equally as to dividends, voting powers and participation in assets. No shares have been issued subject to call or assessment. There are no pre-emptive or conversion rights, and no provision for purchase for cancellation, surrender, or sinking or purchase funds. Provisions as to the modifications, amendments or variations of such rights or such provisions are contained in the Company Act of the Province of British Columbia.

DIRECTORS AND OFFICERS

The Directors and Officers of the Company are:

Helen Ray del VAL*
3291 West 3rd Avenue
Vancouver, B.C.
Director & President

Ms. del Val has been practising as a barrister and solicitor since 1982, prior to which she was a law student.

Keith Lorne LIM*
3172 Mathers Avenue
West Vancouver, B.C.
Director

Mr. Lim has been self-employed as a dentist for the past 10 years.

Murray McCLAREN*
101 - 2070 Cornwall Avenue
Vancouver, B.C.
Director

Mr. McClaren is a self-employed consulting geologist, and has been actively involved as a mining executive with a number of Vancouver-based junior resource companies

Sarah Glen MAXWELL-SMITH
 396 West 20th Avenue
 Vancouver, B.C.
Secretary

Ms. Maxwell-Smith has been a legal secretary since 1986, prior to which she was a college student.

* Denotes members of the Company's audit committee.

EXECUTIVE COMPENSATION

The Company has two executive officers. As of the date hereof, no remuneration has been paid to any executive officer or director. At a later date the Company may decide to pay appropriate remuneration to one or more executive officers or directors to retain their services for the Company, however the Company has no such plans at the present time.

Any future remuneration paid to executive officers or directors will be subject to approval by the requisite regulatory authorities.

OPTIONS TO PURCHASE SECURITIES

As of the date hereof the Company has granted the following incentive stock options, all of which are exercisable at a price of \$0.40 per share to August 31, 1992:

Optionee	Type of Option	No. of Shares
Executive Officer (one)	Employee	75,900
Director (one)	Director	75,900

ESCROWED SHARES

As of the date of this Prospectus 750,000 shares are held in escrow by Pacific Corporate Services Limited, 830-625 Howe Street, Vancouver, B.C.

The escrow restrictions provide that the shares may not be traded in, dealt with in any manner whatsoever, or released, nor may the Company, its transfer agent or escrow holder make any transfer or record any tradings of the shares without the consent

of the Superintendent of Brokers ("Superintendent") or, while the shares are listed on the Vancouver Stock Exchange (the "Exchange"), the consent of the Exchange.

The Superintendent or Exchange may permit the release of all or a portion of the shares based, among other things, upon the future success of the Company. Any shares not released at the expiration of ten years from the Effective Date of this Prospectus will be automatically cancelled. The complete text of the escrow agreement is available for inspection at the Company's registered office.

Designation of Class	Number of Securities held in escrow	Percentage of class
common	750,000	65.62%

PRINCIPAL HOLDERS OF SECURITIES

As of the date of this Prospectus, the following table sets forth the number of shares owned of record or beneficially, directly or indirectly, by each person who owns 10% or more of the Company's shares:

Name and Address	Type of Ownership	Class of Shares	Number of Shares	% of Shares Outstanding
Helen R. del Val 3291 West 3rd Ave. Vancouver, B.C.	beneficial, direct	common	487,334	42.64%
Keith L. Lim 3172 Mathers Ave. W. Vancouver, B.C.	beneficial, direct	common	256,666	22.45%

As of the date hereof all directors and senior officers of the Company beneficially own of record, directly or indirectly, 69.81% of the shares outstanding.

PRIOR SALES

Since the incorporation of the Company on March 27, 1987 to the date of this Prospectus, the Company sold the following shares for cash:

Number of Shares	Price Per Share	Commissions Paid	Net Cash Received
750,000	\$0.01	Nil	\$ 7,500.00
393,000	\$0.25	Nil	\$ 98,250.00
<u>1</u>	\$1.00	Nil	\$ <u>1.00</u>
1,143,101			\$105,751.00

INTEREST OF MANAGEMENT OR OTHERS IN MATERIAL TRANSACTIONS

No other directors, seniors officers or principal holders of securities, or any associates or affiliates of the foregoing, have an interest in any material transactions in which the Company has participated or intends to participate at this time, save and except as disclosed in this Prospectus.

AUDITORS, TRANSFER AGENT AND REGISTRAR

The auditor for the Company is Randall Yip, Chartered Accountant, 222-470 Granville Street, Vancouver, British Columbia.

The Registrar and Transfer Agent for the Company is Pacific Corporate Services Limited, 830-625 Howe Street, Vancouver, British Columbia.

MATERIAL CONTRACTS

The material contracts entered into by the Company since incorporation, other than in the ordinary course of business, are:

1. The Agency Agreement referred to under the heading "Plan of Distribution" on page 1 herein;
2. The property acquisition and option agreements referred to under the heading "Description of Business" on page 4 herein;
3. The incentive stock option agreements referred to under the heading "Options to Purchase Securities" on page 13 herein;

4. The escrow agreement referred to under the heading "Escrowed Shares" on page 13 herein;

While shares offered by this Prospectus are in the course of primary distribution to the public, all material contracts of the Company may be inspected during normal business hours at the Company's registered and records office, 960-789 West Pender Street, Vancouver, British Columbia.

PURCHASER'S STATUTORY RIGHT OF WITHDRAWAL AND RESCISSION

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

TORREZ RESOURCES LTD.
FINANCIAL STATEMENTS
FOR THE ONE HUNDRED AND TWENTY-SEVEN DAYS
ENDED JULY 31, 1987
AND AUDITOR'S REPORT TO THE DIRECTORS

RANDALL W. YIP, BSC, CA

Chartered Accountant

Rogers Building,
Suite 222 - 470 Granville Street,
Vancouver, B.C. V6C 1V5

(604) 685-8769

AUDITOR'S REPORT

To The Directors of
Torrez Resources Ltd.

I have examined the balance sheet of Torrez Resources Ltd. as at July 31, 1987 and the statements of deferred exploration and administration expenses, and changes in financial position for the one hundred and twenty seven days then ended. My examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary in the circumstances.

In my opinion, these financial statements present fairly the financial position of the company as at July 31, 1987 and the results of its operations and the changes in its financial position for the one hundred and twenty-seven days then ended in accordance with generally accepted accounting principles.



Vancouver, B.C.
August 18, 1987

Chartered Accountant

TORREZ RESOURCES LTD.

Balance Sheet

July 31, 1987

ASSETS

Current Assets:	
Cash	\$ 35,579
Subscriptions receivable	1
Mineral Claims (Note 4)	6,000
Deferred Exploration and Administration Expenses	59,835
Incorporation expense	<u>841</u>
	<u>\$ 102,256</u>

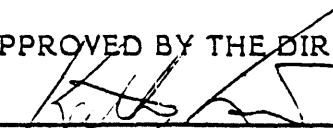
LIABILITIES

Current Liabilities:	
Accounts payable and accrued liabilities	\$ 7,005

SHAREHOLDERS' EQUITY

Share Capital (Note 5)	<u>95,251</u>
	<u>\$ 102,256</u>

APPROVED BY THE DIRECTORS



Director



Director

TORREZ RESOURCES LTD.

Statement of Deferred Exploration and Administration Expenses

For the One Hundred and Twenty Seven Days

Ended July 31, 1987

Exploration

Senicar Claims Group

Assaying	\$ 9,680
Communications and expediting	325
Crew maintenance	4,013
Engineering	5,000
Equipment rental	2,749
Field equipment and supplies	1,352
Geological supervision and administration	14,355
Geophysical	1,200
Labour	10,132
License and fees	808
Maps, freight, insurance and sundries	2,367
Transportation	2,239
Travel	578
	<u>54,798</u>

Administration

Accounting, audit and legal	5,000
Bank charges and interest	37
	<u>5,037</u>

Balance, Exploration and Administration Expenses \$ 59,835

TORREZ RESOURCES LTD.
Statement of Changes in Financial Position
For the One Hundred and Twenty Seven Days
Ended July 31, 1987

Operating Activities	
Subscriptions receivable	\$ (1)
Accounts payable and accrued liabilities	<u>7,005</u>
	<u>7,004</u>
 Financing Activities	
Issuance of share capital	<u>95,251</u>
	<u>95,251</u>
 Investing Activities	
Incorporation expense	841
Deferred exploration and administration expenses	59,835
Option payments on mineral claims	<u>6,000</u>
	<u>66,676</u>
 Increase (decrease) in cash and equivalence	 35,579
 Cash and equivalents, beginning of period	 <u>-</u>
 Cash and equivalents, end of period	 <u><u>\$ 35,579</u></u>
 Represented by:	
Cash	<u><u>\$ 35,579</u></u>

TORREZ RESOURCES LTD.
Notes to Financial Statements
For the One Hundred and Twenty Seven Days
Ended July 31, 1987

1. INCORPORATION

Torrez Resources Ltd. was incorporated under provisions of the Company Act of British Columbia on March 27, 1987.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Mineral Properties:

Acquisition, exploration and development costs of mining properties are capitalized and will be depleted on a unit-of-production basis when production commences. Such costs are not intended to reflect present or future market value. Administration costs will be allocated to properties in proportion to the exploration and development costs incurred on each property. Under this method all costs are categorized by property and are charged against operations if the property is abandoned.

3. COMPARATIVE FIGURES

No comparative figures are shown as this is the first period of operation.

4. MINERAL PROPERTIES

Senicar Claims Group:

Clinton Mining Division, B.C.

Located near Canim Lake, 50 km northeast of 100 Mile House, B.C.

Four claims, 64 Units

Option payments	<u>\$ 6,000</u>
-----------------	-----------------

Optioned from Eastfield Resources Ltd. (Eastfield) pursuant to April 22, 1987 agreement to acquire 100% interest according to the following terms:

(a) Cash Payment -

\$6,000 upon execution (paid).

(b) Issue of 200,000 Shares

(i) 25,000 shares upon issuance of a receipt by the Superintendent of Brokers for the Torrez Resources Ltd. (Torrez) Prospectus;

TORREZ RESOURCES LTD.
Notes to Financial Statements
For the One Hundred and Twenty Seven Days
Ended July 31, 1987

- (ii) 55,000 shares upon the filing with the Vancouver Stock Exchange of an acceptable engineering report recommending a further work program on the property after completion of the work program as provided for in the Torrez Prospectus.
 - (iii) 55,000 shares upon the filing with the Vancouver Stock Exchange of an acceptable engineering report recommending a further work program on the property, after completion of the work program referred to in (ii) above.
 - (iv) 65,000 shares upon the filing with the Vancouver Stock Exchange of an acceptable engineering report recommending a further work program on the property, after completion of the work program referred to in (iii) above.
- (c) Work Commitment - \$150,000

The carrying out of work on the property by the Optionee of a minimum value as follows:

- (i) work to a value of \$45,000 by August 31, 1987;
- (ii) work to a value of \$35,000 by August 31 of each of the three successive years thereafter, provided that sums expended in any year over and above the minimum requirements for that year shall be credited to the minimum annual expenditure required for subsequent years.

The agreement provides that in the event the Company exercises its option in full and earns its interest in the property as provided for therein, there shall revert back to Eastfield a 5% participating interest in the property.

Torrez, Eastfield and Imperial Metals Corporation (Imperial) entered into an agreement dated April 22, 1987. In this agreement Torrez undertook to be bound by all the terms and provisions with respect to the Senicar mineral claims only of a March 3, 1986 agreement between Eastfield and Imperial Metals.

Eastfield acquired the Senicar claims from Imperial Metals Corporation ("Imperial Metals") by agreement dated March 3, 1986, together with a number of other claims. The March 3, 1986 agreement between Eastfield and Imperial Metals provides that in the event \$150,000 is spent on the Senicar claims, Imperial Metals must be notified of the expenditures whereupon it must elect within 30 days whether or not it will acquire up to 30% interest in

TORREZ RESOURCES LTD.
Notes to Financial Statements
For the One Hundred and Twenty Seven Days
Ended July 31, 1987

the property. If Imperial Metals elects to acquire an interest, its costs of acquiring that interest, which interest cannot be more than 30%, will be payment of the percentage of the expenditures which is equal to the percentage interest Imperial Metals has elected to acquire. Upon Imperial Metals' acquisition of an interest in the property, a joint venture will be entered into with costs being shared in proportion to each parties' participating interest. If Imperial Metals elects not to exercise its right to acquire an interest, such right will be waived and cannot be exercised at a future point in time. The terms of the Company's agreement with Eastfield provides that the Company must enter into a novation of the Imperial Metals -Eastfield agreement of March 3, 1986, keeping Imperial Metals right to earn an interest in the property alive.

5. SHARE CAPITAL

Authorized: 10,000,000 common shares without par value:

	Number of Shares	Amount
Subscribed		
Cash	381,000	\$ 95,250
Issued		
Cash	1	1
	381,001	\$ 95,251

6. REMUNERATION TO DIRECTORS AND OFFICERS

No remuneration was paid to directors and officers of the company during the One Hundred and Twenty Seven Days Ended July 31, 1987.

7. SUBSEQUENT EVENTS

An additional 2,000 common shares at \$.25 per share were subscribed.

**ORCAN MINERAL ASSOCIATES LTD.
CONSULTING ENGINEERS**

**SUITE 1417 - 409 GRANVILLE STREET
VANCOUVER, CANADA V6C 1T2
TELEPHONE (604) 662-3722**

Torrez Resources Ltd.

**Geological Report
on the
SENICAR PROPERTY
Canim Lake, B.C.**

30 June, 1987

C. Raymond Saunders, P.Eng.

Vancouver, Canada

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SUMMARY

The Senicar mineral property of Torrez Resources Ltd., comprising four claims totalling 64 units, is situated near Canim Lake in central British Columbia. It has received reconnaissance exploration for gold in 1984, 1985 and 1986 and more comprehensive exploration in 1987.

The property is situated in the Quesnel Mesozoic volcanic belt. It is underlain by mafic volcanics, volcani-clastic sediments and volcanic breccias that have been intruded by diorite, gabbro and feldspar porphyry plugs. Faults may be present but have not been defined; mineralization is sparse.

The exploration results indicate the presence of gold in geologically significant settings. Geochemical surveys and geological mapping, with limited support from magnetic and VLF-EM geophysical surveys, have established several 'target areas' that warrant more detailed and definitive exploration. In addition, other local areas of interest (primarily geochemical anomalies or 'spot-high' gold values) require more detailed exploration, and two recently acquired peripheral claims should receive reconnaissance exploration.

An exploration program is outlined; it includes further, more detailed geochemical sampling, prospecting and geological mapping, an IP survey, and rotary drilling. The estimated cost of this work is **\$85,000**.

INTRODUCTION

This report has been commissioned by the directors of Torrez Resources Ltd. Its purpose is to describe the geological setting and potential for mineral occurrences, and to outline further exploration that is warranted for the Senicar property. The report is based on available government and industry reports and data and on a personal examination of the property made on 16 June, 1987.

Location

The Senicar property is centered seven kilometres northeast of Eagle Creek on the north side of Canim Lake, at latitude 51°57' and longitude 120°48' (Figure 1). Eagle Creek is a small, unincorporated settlement with very few services. It is at the end of a paved road that connects with the town of 100 Mile House some 50 kilometres to the southwest. From 100 Mile House, main highways connect with Williams Lake (90 kilometres to the north), Kamloops and Vancouver. Regular airline service is available from Williams Lake to Vancouver and other cities.

The property is situated four kilometres north of Canim Lake in an area of low, subdued topography, (NTS area 92P/15W). Elevations range from 772 metres (2,534 feet) on Canim Lake to about 1,350 metres (4,500 feet) on the higher hills. Some of the claims area has been logged in the past and, consequently, trees are small and the brush is thick. However, much of the area is unlogged and is covered with stands of cedar, spruce and fir up to 60 centimetres in diameter.

Access is excellent. The paved road to Eagle Creek continues to the northeast as a good, all-weather gravel road. Branch roads, for logging purposes, provide access to the west side of the property and to the southeast corner.

Rock exposures are sparse, probably accounting for less than one percent of the property area. However, except near lakes, overburden cover appears to be shallow, probably no more than a metre or two in most places.

Ample water is available for exploration services from lakes and small streams on the property.

Property

The Senicar property consists of four metric claims comprising 64 units. Some of the claims partly overtake others and, consequently, the effective property area is about 1,400 hectares (3,460 acres), (Figure 2). Claim details are as follows:

<u>Claim Name</u>	<u>No. of Units</u>	<u>Record Number</u>	<u>Anniversary Date</u>
Senicar 1	16	1707	18 November, 1987
Senicar 2	16	1713	21 December, 1987
S-1	16	* 90861	29 May, 1988
S-2	16	* 90862	29 May, 1988

* Claim tag number

Recent work done on Senicar 1 and Senicar 2 will keep these two claims in good standing for several years beyond the dates shown above.

History

Gold mining in the Cariboo District originated with the discovery of placer gold in 1860 at Quesnel Forks, Keithley Creek and Antler Creek and, in 1861, the more spectacular discoveries at Williams, Grouse, Lowhee and Lightning creeks. Placer activity peaked in 1863 but it continued in a significant manner for many years thereafter. It received a boost in 1879 when hydraulic mining was introduced. In later years underground mining was carried out as well as mechanized methods of dredging such as the use of draglines and bulldozers. After the early years of this century, placer mining activity became sporadic and was generally conducted on a small scale.

Total placer production from the Cariboo District is estimated to be 2.5 - 3 million ounces. No records were kept prior to 1874, and recorded production thereafter is estimated to be only a portion of the total gold produced.

Lode mining followed in the footsteps of placer mining. Earliest exploration of quartz veins (lodes) was in the early 1870's. It has been stated that "the history of lode-gold mining in the Cariboo District was one of repeated unsuccessful ventures from the early 1870's until 1933, and since then pulses of intense activity followed by periods of quiescence", (Sutherland Brown, B.C.D.M., Bull, No 38). In 1933, the Cariboo Gold Quartz Mine was brought into production.

In the past few years, all of the areas of known lode mineralization in the district have been staked by mining and exploration companies of all sizes. Many companies are looking for gold but some are also seeking base metals or tungsten. Surface exploration is being conducted but, with possible rare exceptions, no underground exploration is being done. The surface work consists of geological mapping, geophysical and geochemical surveys, trenching, stripping, and diamond or rotary drilling.

The Senicar property, consisting of Senicar 1 and 2 claims, was staked in late 1983 after reconnaissance soil sampling conducted by Imperial Metals Ltd. returned values anomalous in arsenic and sporadically high in copper and gold. A small grid was sampled and limited geological mapping was done in 1984. Further reconnaissance sampling (rock and soil) and mapping were conducted in 1985 and 1986. Results from these preliminary surveys, along with indications of favourable results being obtained on nearby properties, were sufficient evidence to justify a more thorough examination of the property in 1987. Two additional claims were added to the original two-claim property because of favourable exploration results obtained in 1987.

Recent Exploration Work

The most recent exploration work conducted on the property was done during a four week period from late April to late May, 1987. The work consisted of:

- Grid establishment; a surveyed baseline and 39,600 metres of compass and chain grid lines.

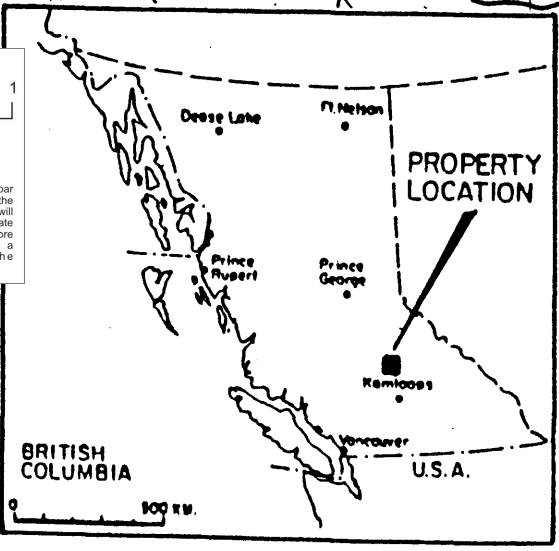
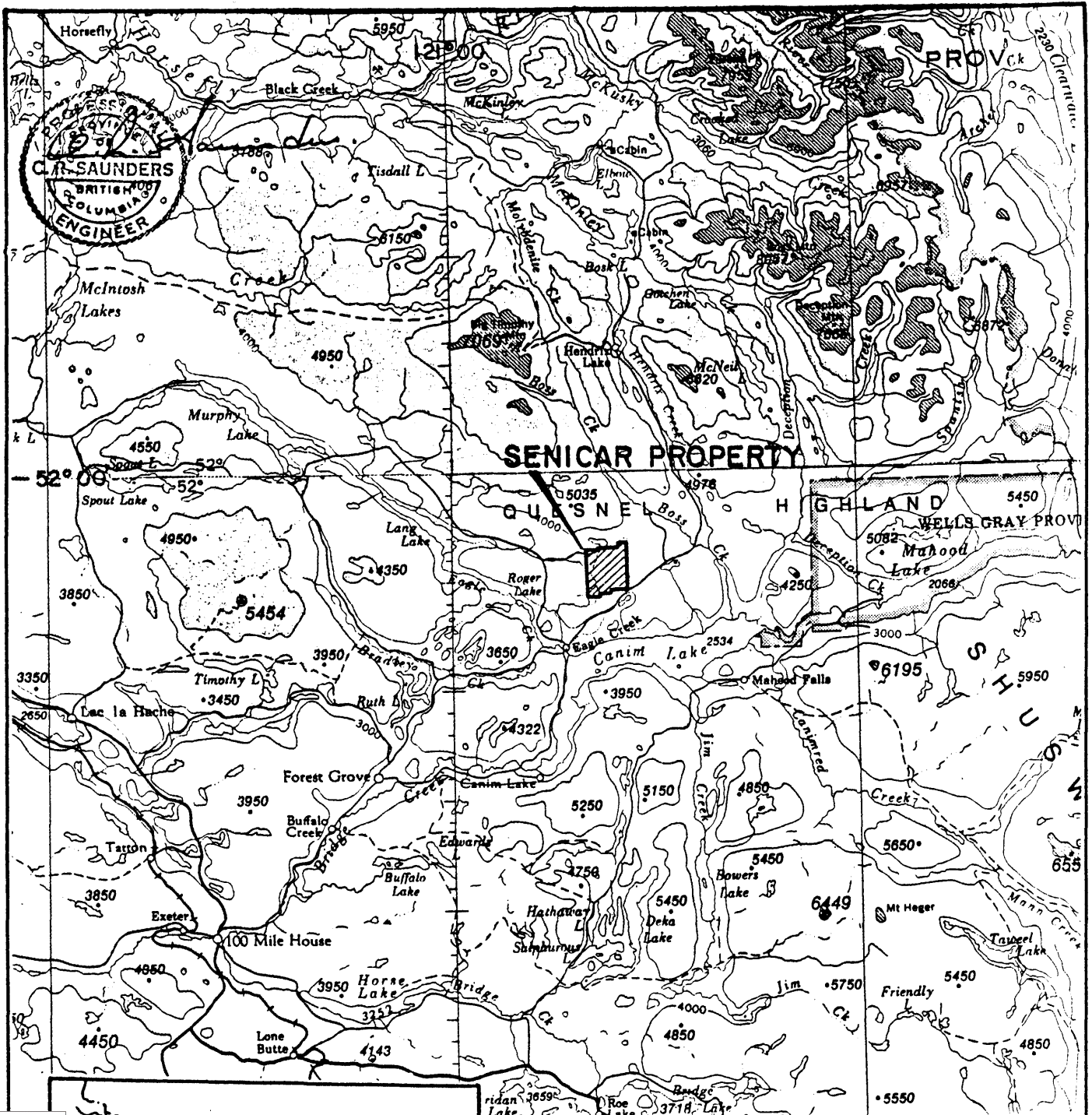
- Collection of 849 soil samples over the entire grid.

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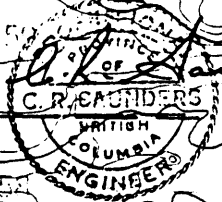
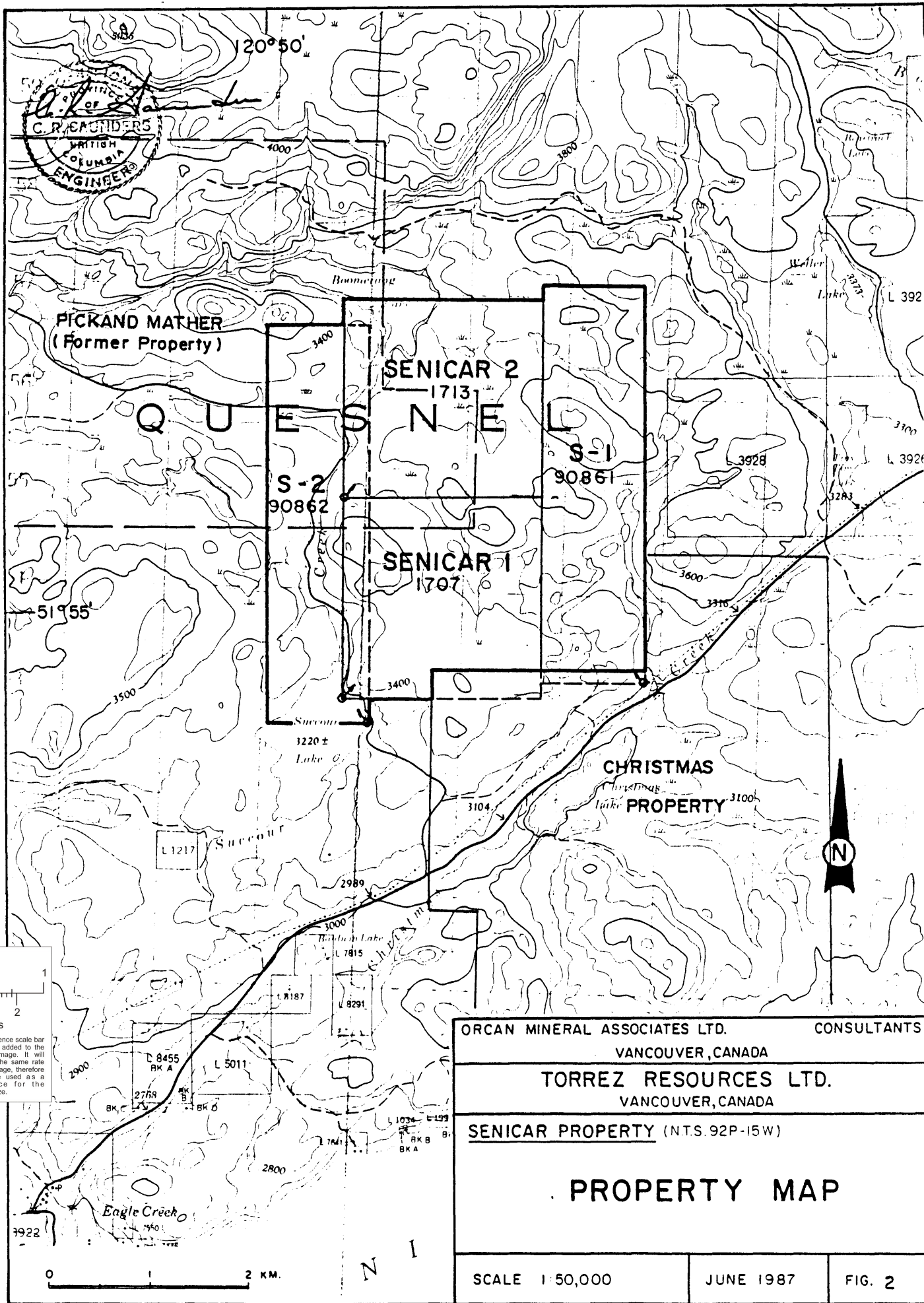
- Conducting an IGS geophysical survey over a portion of the grid by the exploration crew, (i.e., not contracted).
- Geological mapping and prospecting; collection of numerous rock samples, some of which were geochemically assayed for gold.

References

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ORCAN MINERAL ASSOCIATES LTD. CONSULTANTS	
VANCOUVER, CANADA	
TORREZ RESOURCES LTD.	
VANCOUVER, CANADA	
SENICAR PROPERTY (92P-15W)	
LOCATION MAP	
SCALE 1:500,000	JUNE 1987
	FIG. 1



PICKAND MATHER
(Former Property)

Q U E S N E

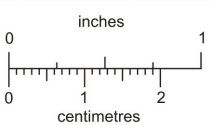
SENICAR 2
1713

S-2
90862

S-1
90861

SENICAR 1
1707

CHRISTMAS
Lake PROPERTY



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GEOLOGICAL SETTING

Regional Geology

The Senicar Property lies within Jurassic volcani-clastic units of the Quesnel (or Nechako) Mesozoic volcanic belt (Figure 3). It is between the Pinchi Fault and a parallel major fault to the east. A northwesterly trending fault crosses the northwestern part of the property although, on the basis of limited property geology, the strength and exact location of the fault are uncertain. Other large faults lie off the property to the northeast and south. To the northwest is the Takomkane Batholith, a large intrusive of quartz diorite/granodiorite composition. The Jurassic units in the general area of the property consist of andesite arenite, siltstone, grit, breccia and tuff.

There are no known mineral deposits in the immediate area of Canim Lake, but the geological setting is similar to that of the Princeton-Merritt-Kamloops region, in which numerous copper deposits and some producing mines are located. The Boss Mountain molybdenum deposit is about 25 kilometres to the north; several gold and gold/copper deposits (QR, Cariboo Bell, Madre) are situated farther north in the same general geological setting. An adjacent property to the south (Christmas), with similar underlying rock types, is currently being explored by geochemical and geophysical surveys, rock sampling, and drilling; good induced polarization (IP) response has been obtained as well as gold assays up to 0.20 oz Au per ton (personal communication). The current status of the Senicar property is quite similar to that of the Christmas property prior to the recent exploration on the latter. (The writer of this report examined and authored a similar report on the Christmas property in 1985.)

Property Geology

The claims are underlain by a succession of interbedded mafic volcanics (hornblende basalt flows), fine grained and finely banded volcani-clastic sediments, and rhyo-dacite tuffaceous breccia and lithic volcanic breccia (Figure 4). This assemblage

is intruded by fine to medium grained, equigranular hornblende diorite, by fine grained gabbro, and by megacrystic feldspar porphyry (trachyte).

The mafic volcanics underlie about 40 percent of the mapped area (Senicar 1 and 2 claims), forming a large mass to the southwest and a strip along the northern part of the property. In composition they comprise porphyritic augite basalt, porphyritic hornblende basalt and mafic tuff which have been locally hornfelsed. They are mostly dark to medium green in colour. The tuff commonly contains 1-2 percent fine disseminated pyrite.

The volcani-clastic sediments occur as one large mass in the north-central part of the claims and as several, small, irregular-shaped areas elsewhere. They consist of rhyo-dacitic tuffs, lapilli agglomerate, greywacke and argillite. Colours are predominantly medium to dark grey with local variations to grey-green and brownish. The greywacke and argillite are of volcanic origin (as determined by petrographic study); the tuffs and agglomerate usually contain 1/2 - 2 percent fine sulphides.

The volcanic breccia underlies the southeast corner of the mapped claims. The most northerly strip consists of rhyo-dacite breccia, whereas the remainder is lithic breccia. The volcanic breccia may represent a volcanic centre.

Gabbro is considered to be an intrusive although it could be a coarse mafic flow rock. It is present as large masses in the northern part of the property and as smaller bodies elsewhere on the property. It contains only minor quartz or sulphides.

The hornblende diorite is present as small bodies intruding most other rock types. In the southern part of the mapped area, it occurs within the volcanic breccia and as several small bodies to the east in the mafic volcanics. These occurrences, along with the local hornfelsing of the mafic volcanics may be indications of an underlying intrusive body.

The feldspar porphyry is present only as three small bodies on the east side of the Senicar claims.

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Observable faulting is minimal with only local shearing as indications of such structures. However, results from VLF-EM and magnetic surveys indicate the probability of more extensive northerly and north-northwesterly trending structures (faults?).

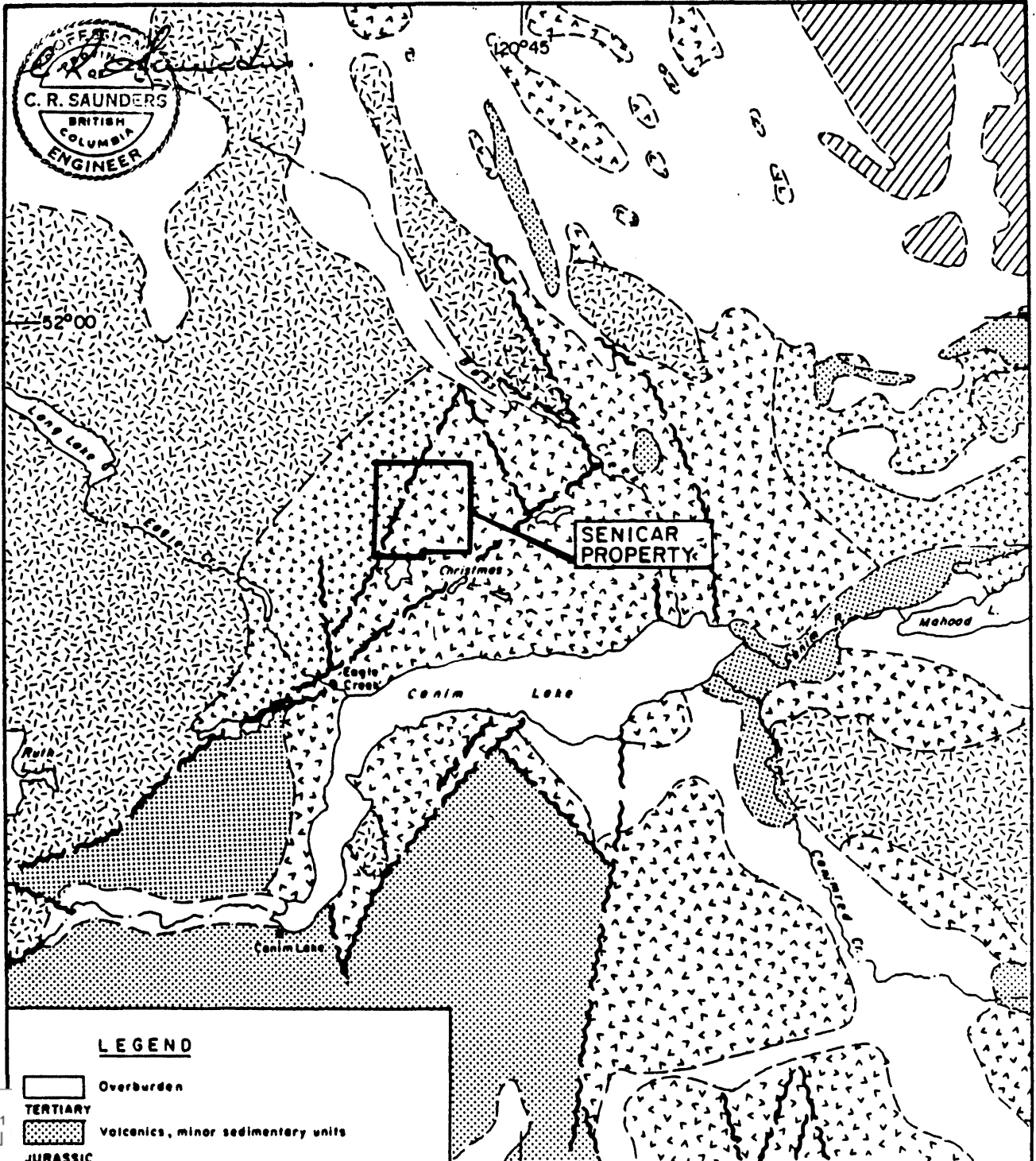
Alteration and Mineralization

Seritization is the most common alteration of the volcanic and mafic units with chloritization occurring to a lesser degree and mainly in the gabbro. Carbonate veining is present locally and, in some cases, along with quartz, forms a vein stockwork. Quartz is somewhat more ubiquitous, occurring mainly as small veins, breccia veins, and vein stockworks. Silicification is uncommon within the mapped area, but to the northwest, in an area covered in part by new claim S-2, previous work by Pickands Mather & Co. located strong silicification with associated pyrite.

Pyrite is present to some degree in most rock units; limonite is present but, except for rare gossan zones, is of limited extent and not particularly noticeable. Chalcopyrite and arsenopyrite have been found with chalcedonic quartz and carbonate within the volcanic breccia.

Hornfelsing of the volcanic and sedimentary units is spotty but widespread. In some cases the hornfels occurs adjacent to dioritic intrusive bodies, but in others it is some distance from such bodies, thereby suggesting the presence of capped intrusives.

Surface exposures of mineral occurrences are sparse, but this may be as much a reflection of the amount of rock exposure as it is of the amount of mineralization present on the claims.



OFFICIAL
 C. R. SAUNDERS
 BRITISH
 COLUMBIA
 ENGINEER

- LEGEND**
- Overburden
 - TERTIARY**
 - Volcanics, minor sedimentary units
 - JURASSIC**
 - Volcanic derived sediments and breccias ; minor flows
 - JURASSIC - CRETACEOUS**
 - Acidic to medium intrusives
 - TRIASSIC**
 - Volcanics, flows, some metasediments
 - CAMBRIAN**
 - Metamorphic units

Fault



0 5 10 KM.

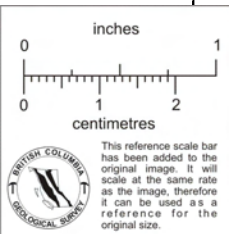
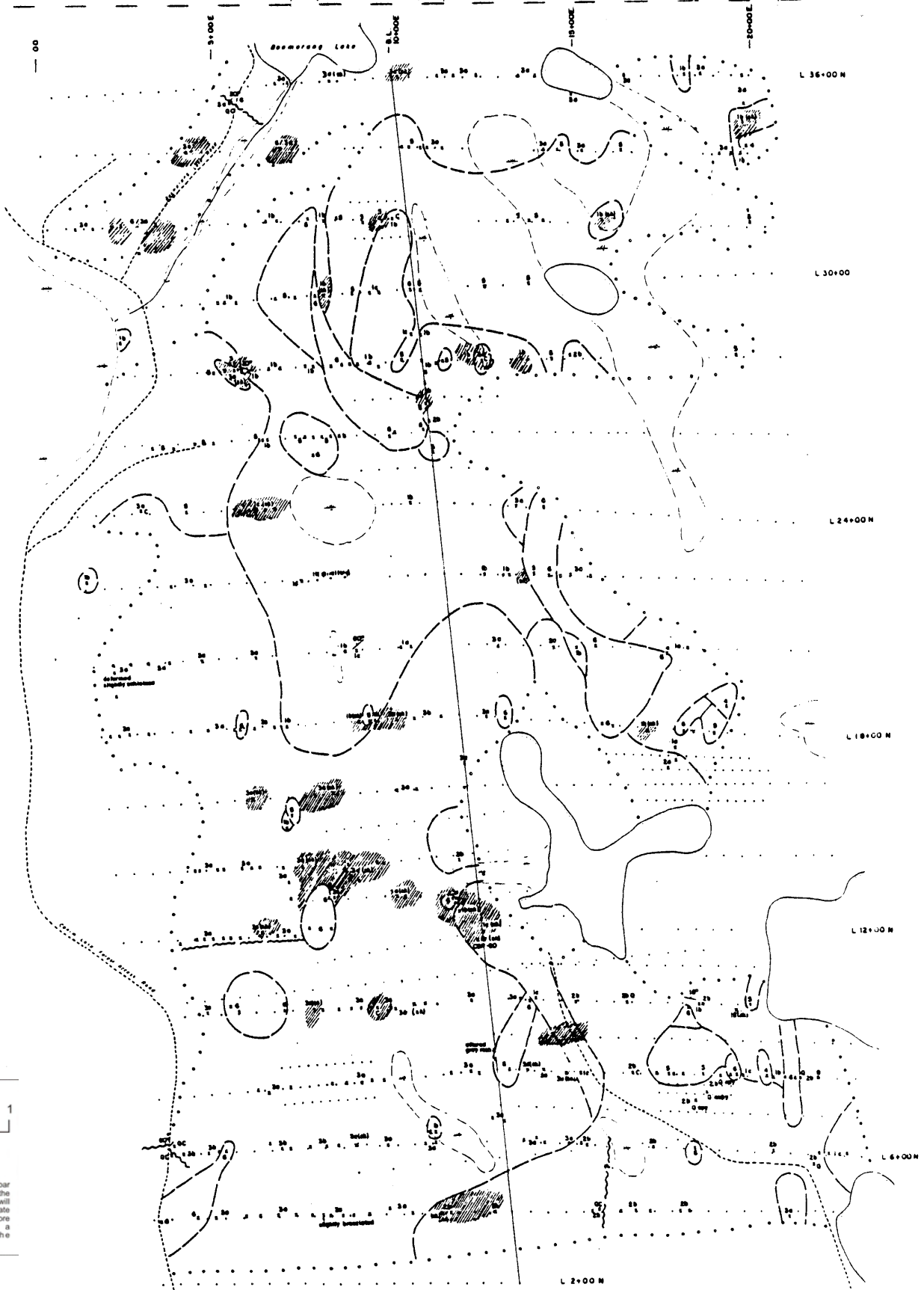
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ORCAN MINERAL ASSOCIATES LTD.	CONSULTANT
VANCOUVER, CANADA	
TORREZ RESOURCES LTD.	
VANCOUVER, CANADA	
SENICAR PROPERTY	
REGIONAL GEOLOGY	
CLINTON M.D., B.C.	N.T.S. 92P-15W
SCALE 1: 253,440	JUNE 1987
	FIG. 3

CHONG



- LEGEND**
- Road
 - Lease
 - Swamp
 - Outcrop
 - Geological contact
 - Limit of mapping (as limited by continuous map borders)
 - Sandstone
 - Hardwood zone
 - C Cribstone
 - Quartz
- S Sesoite
 - Chp Chrysotile
 - Aspy Arsenopyrite
- INTRUSIVES**
- marblelike felsic porphyry, quartz
 - hornblende (pyroxene), quartz
 - intermediate felsic porphyry, tridymite, perthite
- MAFIC VOLCANICS**
- Porphyritic diorite dyke
 - Porphyritic hornblende dyke
 - diarite tuff

- VOLCANIC BRECCIA**
- diarite breccia, calcareous breccia
 - limonite breccia, intermediate to diorite (only for mine cutting)
- VOLCANIClastic SEQUENCE**
- diarite breccia, sandstone
 - diarite breccia tuff
 - argillaceous sandstone matrix
 - limonite breccia



[Signature]

ORCAN MINERAL ASSOCIATES LTD CONSULTANTS
VANCOUVER CANADA

TORREZ RESOURCES LTD
VANCOUVER CANADA

SENICAR PROJECT

TR GRID GEOLOGY

CLINTON MD BC N.T.S. 92P-159

SCALE: 1:5000 DATE: 1987 F.C. 4

GEOPHYSICAL AND GEOCHEMICAL SURVEY RESULTS

IGS Survey

The IGS survey (Integrated Geophysical System) measures total field magnetics and VLF-EM (Very Low Frequency - Electro-magnetic) response with one package of instruments. By integrating with a base station magnetometer, diurnal variations are electronically corrected. Results are tabulated for both systems through a computer and can be printed in map form by a computer as well.

Magnetic - The magnetic survey did not produce particularly significant results (Figure 5). The trends of both high and low readings are lenticular in shape and tend to be parallel or sub-parallel to the VLF-EM cross-over trends. Thus, they substantiate, to a limited degree, the interpretation of the VLF-EM results.

VLF-EM - Numerous 'apparent' conductors have been identified by the VLF-EM survey. Some may represent faults but others could reflect rock units (locally) or overburden. The general north-south linearity, while no doubt present, is magnified by the 4:1 ratio of station spacing along line to line spacing. However, the results are still useful, particularly with regard to defining potential intersection areas.

Geochemical Survey

A total of 849 soil samples were collected along 39,600 metres of grid lines. The samples were analyzed for six metals by ICP (Cu, Zn, Ni, As, Mo, Ag) and by fire assay for gold. The results for arsenic and gold have been supplemented by results from previous surveys on Figures 6 and 7. Interpretation of results from the 1985 sampling of a small detailed grid is shown on Figure 8.

The nickel, molybdenum and silver values were of no use for interpretation purposes or for outlining anomalous zones. The zinc results did produce some probably anomalous values but, considering the very limited number of such anomalies, their

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small size, and the normally ubiquitous nature of zinc in soils, the results have not been used in this evaluation.

Copper distribution displays some anomalous zones (Figure 5) but exhibits only weak correlation with gold. It serves to indicate the possible presence of sulphides in the underlying rocks.

Arsenic locally exhibits a reasonable correlation with gold and thus is of some use in defining potential drilling targets. The best correlation generally occurs where the arsenic (and gold) values are highest. Arsenic values greater than 25 ppm are 'possibly anomalous' and values greater than 90 ppm are anomalous (independent statistical analysis). One zone (B) that is particularly high in arsenic does not contain many anomalous gold values (Figure 6). However, with values in excess of 400 ppm, and a large area in excess of 100 ppm, the zone merits further testing.

Gold values from the soil geochemistry are statistically "weakly anomalous" at 3 ppb (parts per billion) or greater and "anomalous" above 9 ppb. As is common with gold geochemistry, the anomalous values tend to be scattered and thus anomalous 'zones' can rarely be defined. (This is attributable to the erratic nature and very low volume of gold in most host rocks and mineral deposits.) However, there is a general concentration of higher values in the south-central part of the claims and near the southeast corner. Spot-highs are present elsewhere on the property. Approximately 5.6 percent of the values are anomalous (greater than 9 ppm), and the majority of them are concentrated in the two areas noted above.

EXPLORATION POTENTIAL

The exploration potential of the Senicar property is related to a number of features of both general and specific natures. General features include its location adjacent to the Christmas property on which significant, early stage exploration results are being obtained, and its overall geological setting. In the latter case, volcanic and volcani-clastic units intruded by acidic to basic plugs and stocks can be considered as a favourable geological setting. More importantly, and somewhat more specifically, the volcanic breccia, within and around which the bulk of the gold and arsenic anomalous soil geochemical assays are clustered, provides a favourable host for mineralization and/or a favourable path for mineral bearing fluids and gases. The several diorite plugs to the west of the volcanic breccia could be apophyses from an underlying intrusive which, in turn, could be a source of mineralization. The possibility of an underlying intrusive is further supported by the hornfelsing of the volcanic and sedimentary units in areas where there are no exposed intrusives nearby.

More specific target areas are outlined on Figures 5, 6 and 7.

Target A - The interesting aspects of this target are its underlying and peripheral geology (volcanic breccia, several intrusive bodies), the quartz veining which locally forms a stockwork, the presence of chalcopyrite, numerous weakly anomalous and three anomalous soil geochemical gold values (20, 27, 72 ppb), some anomalous copper and arsenic response from soil geochemistry, and three rock samples containing interesting gold and arsenic values (up to 1,770 ppb gold, 25,477 ppm arsenic). The rock samples and the quartz stockwork occur within an area of approximately 20 x 40 metres; there is little rock exposure in much of the surrounding area.

Target B - This exploration target, to the east of Target A, consists of a large arsenic soil geochemical anomaly with several values greater than 100 ppm (the two highest are 624 and 825 ppm). Although there are few significant gold geochemical values associated with the arsenic anomaly, the size and strength of the anomaly, and the geological setting of volcanic breccia intruded by a lenticular diorite stock, dictate that it receive further testing.

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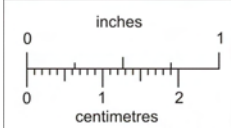
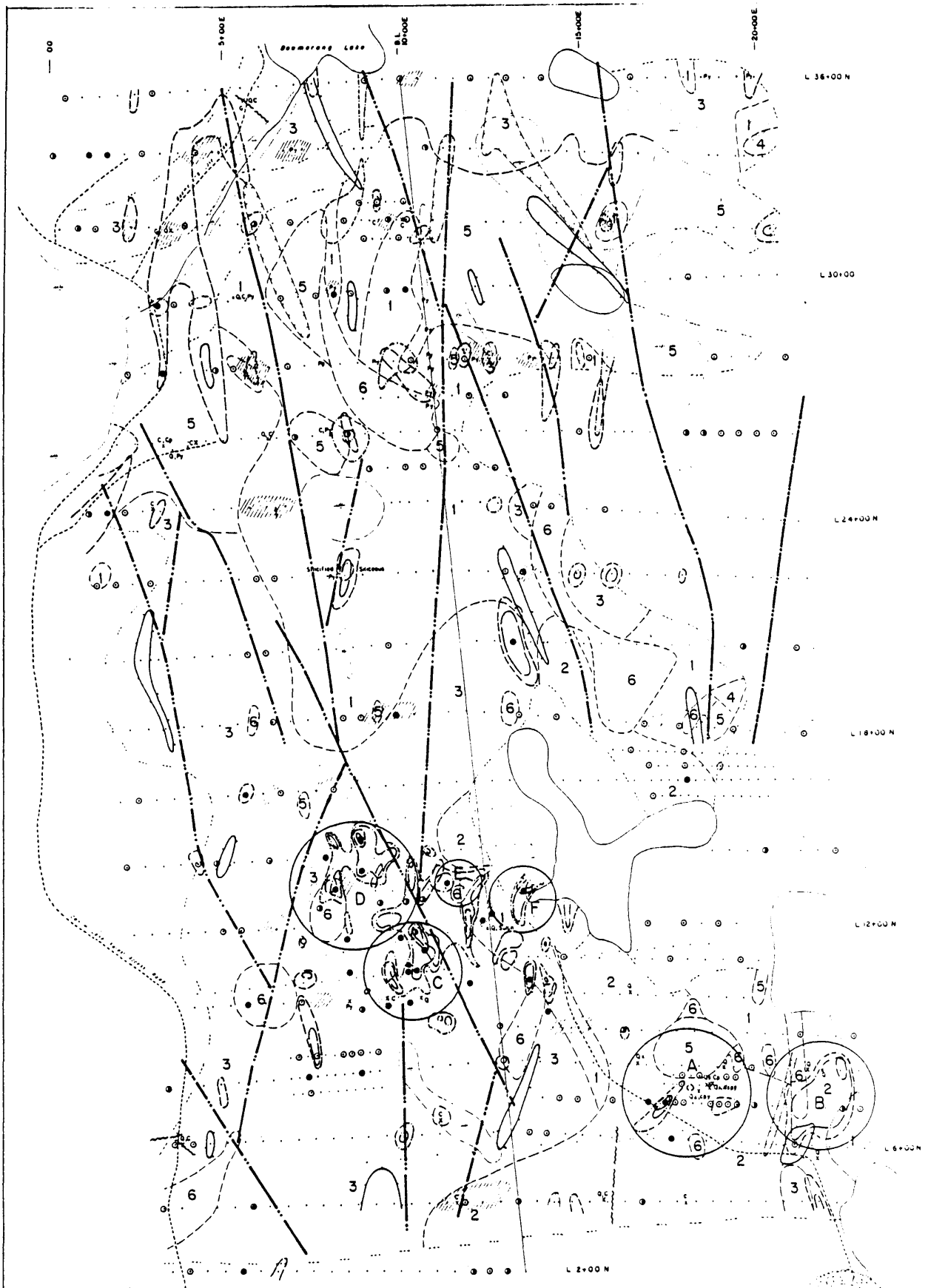
Target C - The 1987 exploration returned anomalous soil geochemical values in gold (22, 28, 39, 48, 60, 115 ppb) and outlined a partially coincident arsenic anomaly. A small grid with comparatively close sample spacing, done in 1985, also contains anomalous values in gold and arsenic (Figure 8). The geological features include basic volcanic host rocks, a possible fault along the northeast side and some hornfelsing of the volcanics in the southwest.

Target D - Mafic volcanics are intruded by a small diorite stock; the area is east of, but near the volcanic breccia unit. There is good geochemical response: spot-high gold values are 21, 72, 89 and 210 ppb; several arsenic anomalies are present and contain some moderately high values. There is the possibility of faulting along the eastern and western peripheries. Hornfelsing of the volcanics is present around the northern part of the diorite stock and throughout much of the northern part of the target area.

Target E - This target appears to be adjacent to the volcanic breccia-mafic volcanic contact. The one spot-high gold value is very high (1,290 ppb); the arsenic soil anomalies are quite strong. Besides being near the volcanic breccia, the target also encompasses a small diorite plug that has caused hornfelsing of the intruded mafic volcanics.

Target F - This is a small but appealing exploration target. It lies astride the (presumed) contact between volcanic breccia and volcanoclastic sedimentary rocks, and encompasses a small but moderately strong arsenic soil geochemical anomaly and one 'spot high' (58 ppb) gold value (soil geochemistry).

Other Targets - There are several other locations on the Senicar claims that require further detailed examination and soil sampling. For the most part these are areas of spot-high gold values, groupings of several "anomalous" gold values, or combinations of two or more gold, arsenic or copper anomalies.



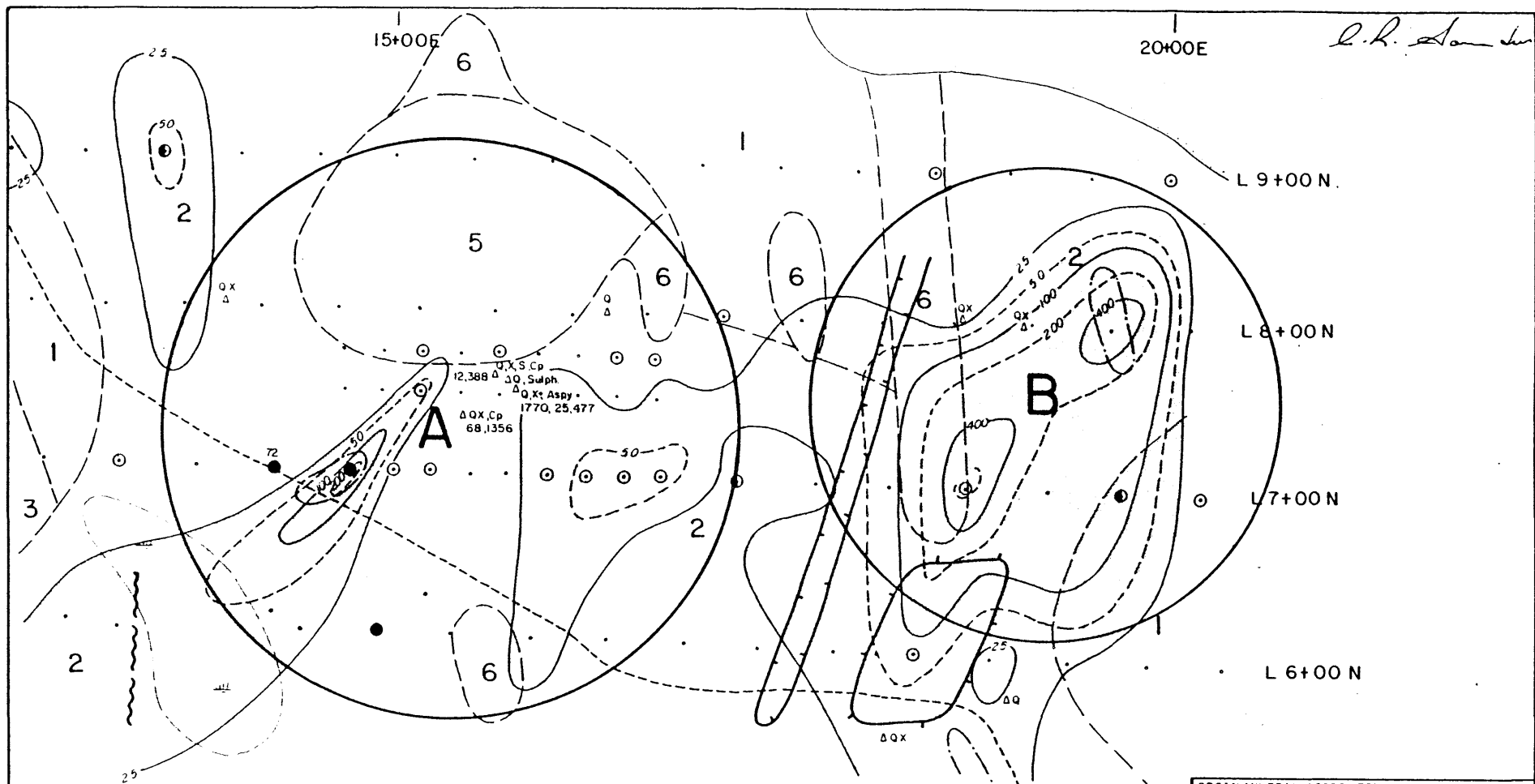
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LEGEND --- Road --- Lake --- Swam SOIL GEOCHEMICAL SURVEY ● Av. 20 ppm @ greater ○ 12-18 ppm ○ 1-9 --- As. acid anomalous --- anomalous --- Cu. prop. anomalous --- anomalous		USE SURVEY --- Magnetic high --- Magnetic low --- VLF-EM conductor --- med. to strong --- weak		GEOLOGY --- Paraphyric diorite (charbonade, feldspar) --- metabasite, gabbro --- Paraphyric trachyte (faldspar) --- mafic volcanics --- volcanic breccia --- volcanoclastic sedimentary rocks		Other --- Limit of mapping --- Geological contact --- Possible fault --- Outcrop --- Quartz (ammonite, chertoid), s. breccia, stratacones --- Carbonite --- Gossan --- Arsenopyrite --- Chalcopyrite --- Pyrite --- Magnetite	
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SENICAR PROJECT
 TR GRID
COMPILATION MAP
 CLINTON M.D. BC N.T.S. 92P. 15W
 SCALE 1 June 1987 FIG. 5

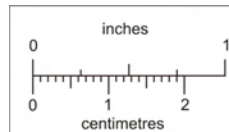
L.R. Stamer



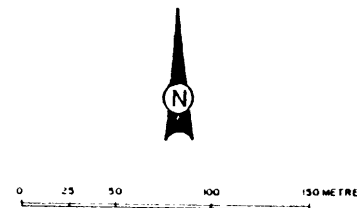
ROCK UNITS - REFER TO FIGURE 5

- ////// HORNFELS
- Q QUARTZ
- S STOCKWORK
- K BRECCIA
- Cp CHALCOPYRITE
- Aspy ARSENOPYRITE
- Sulph SULPHIDES
- ~~~~~ POSSIBLE FAULT

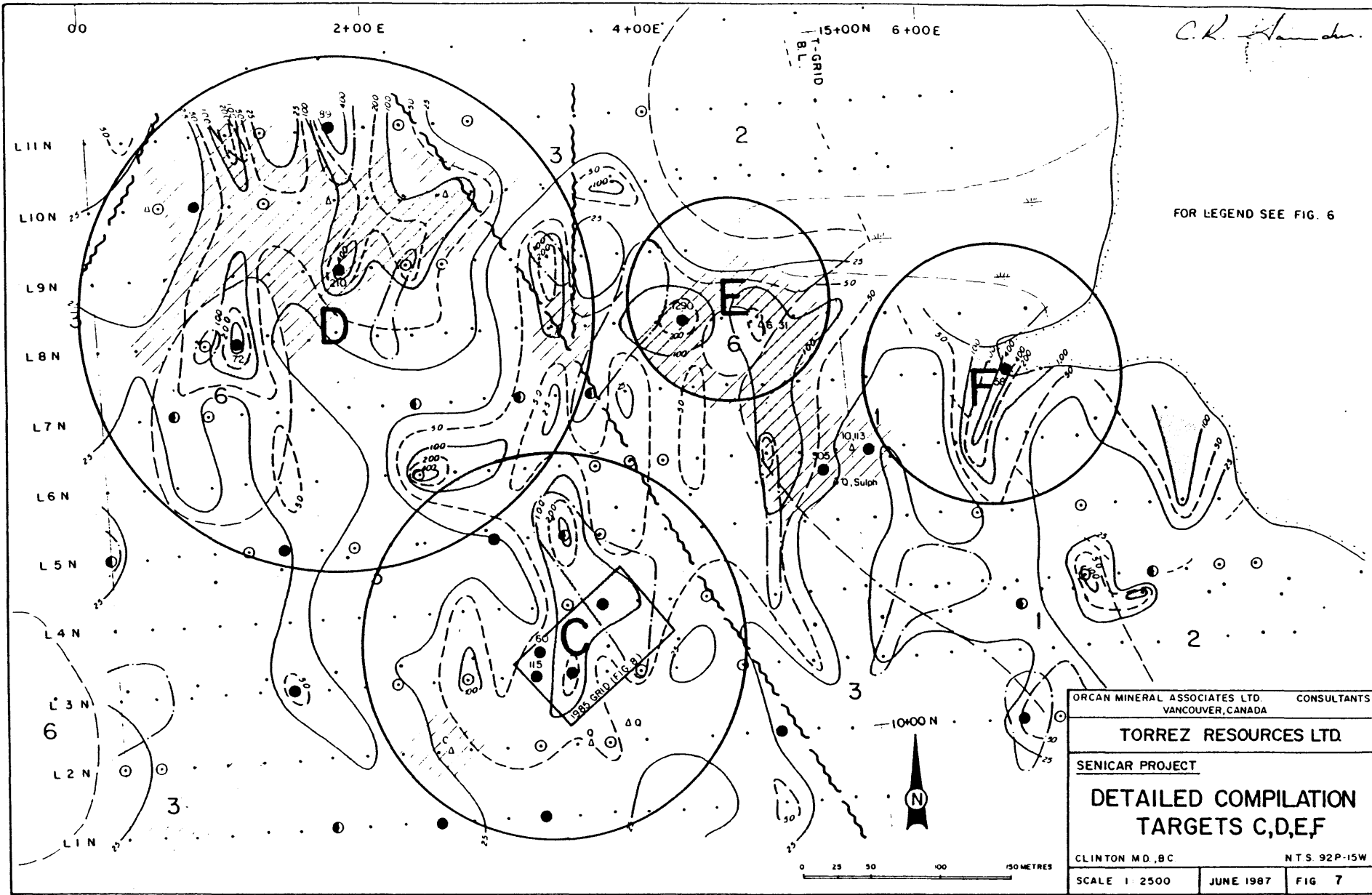
- △ ROCK SPECIMEN - Au ppb, As ppm
- MAGNETIC ANOMALY - HIGH
- MAGNETIC ANOMALY - LOW
- Au > 19 ppb
- Au 10 - 19 "
- Au 3 - 9 "
- ppm As
- ppm Cu (> 80ppm)



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.



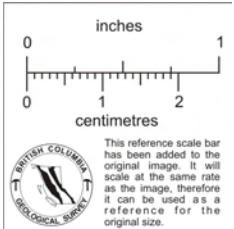
ORCAN MINERAL ASSOCIATES LTD. CONSULTANTS	
VANCOUVER, CANADA	
TORREZ RESOURCES LTD.	
<u>SENICAR PROJECT</u>	
DETAILED COMPILATION TARGETS A,B	
CLINTON M.D., BC	NTS 92P-15W
SCALE 1 2500	JUNE 1987 FIG 6



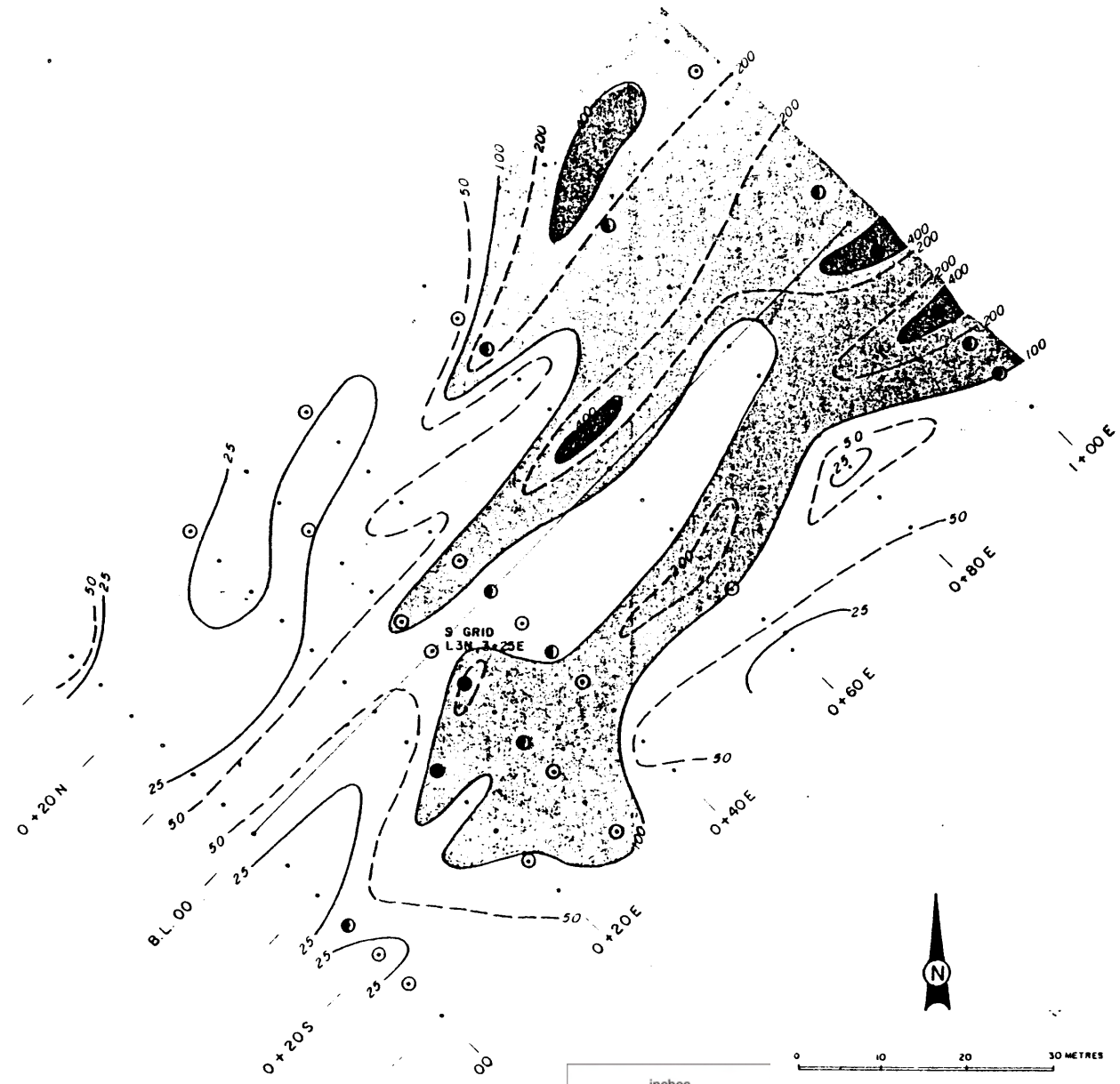
C.R. Anderson

FOR LEGEND SEE FIG. 6

CHONG

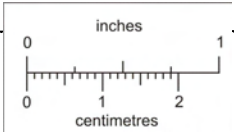


P.R. Anderson



FOR LEGEND SEE FIG. 6

ORCAN MINERAL ASSOCIATES LTD		CONSULTANTS
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SENICAR PROJECT		
INTERPRETATION OF GEOCHEMICAL SOIL SAMPLING 1985 DETAILED GRID		
CLINTON M.D., BC		NTS. 92P-15W
SCALE 1: 500	JUNE 1987	FIG 8



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.



CONCLUSIONS

On the basis of location, geological setting, alterations and mineralization, and soil and rock geochemical response for gold and arsenic, it is concluded that the Senicar property warrants further, more detailed exploration directed towards the search for gold mineralization. The next stage of exploration should be designed to enhance the prospects for diamond drilling by more clearly defining the several prospective targets that have been identified by the work to date.

Recommended Exploration

Detailed soil geochemical sampling should be done in the vicinity of all anomalous gold values and all arsenic anomalies. Other areas where quartz or carbonate veining are present should also be soil sampled on a detailed grid. Depending on present line and sample spacing, the sample lines should be 20-25 metres apart and sample spacing 10-15 metres. In addition, the two new claims, S-1 and S-2, require sampling on a reconnaissance spacing of 200 metres for lines and 50 metres for sample stations.

Careful prospecting and more detailed geological mapping must be done in all prospective areas.

A reconnaissance IP survey should be conducted over several of the currently defined target areas to determine the usefulness of this geophysical method as a means of enhancing or defining diamond drill targets.

A truck-mounted rotary drill should be used to drill short vertical holes (5-15 metres) in the target areas to obtain rock type information and rock samples. Such information will enhance the geological picture, provide data on gold content and, where results are favourable, aid in defining diamond drill targets.


Estimated Cost

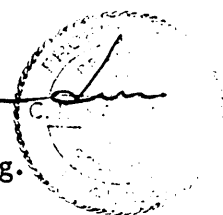
The estimated cost to carry out the recommended program is:

Rotary Drilling - 400 m @ \$50/m (includes mob.)	\$ 20,000
IP Survey - 20 km @ \$500/km	10,000
Assaying - 1,400 soil samples and 100 rock samples	15,000
Crew Maintenance	5,000
Support (travel, freight, communications, etc.)	4,000
Field Crew - 2 people	6,000
Geologist/Supervisor, Consulting	17,000
Contingency (approximately 10%)	<u>8,000</u>
TOTAL ESTIMATED COST	<u>\$ 85,000</u>

If favourable results are obtained from this program, the next stage of exploration will be predominantly diamond drilling and will cost in the order of \$150,000 - \$250,000.

Respectfully submitted,
ORCAN MINERAL ASSOCIATES LTD.


C. Raymond Saunders, P.Eng.



CERTIFICATE

I, C. Raymond Saunders, of 666 St. Ives Crescent, North Vancouver, Canada, do hereby certify that:

1. I am a graduate of the University of British Columbia, (B.A.Sc. in Geological Engineering, 1956).
2. I am a registered Professional Engineer of the Province of British Columbia (registration number 6498).
3. From 1956 until 1967 I was engaged in mining and mining exploration in Canada for a number of companies; positions included mine geologist, mine engineer and chief geologist for underground and open pit operations. Since 1967 I have been practicing as a consulting geological engineer in minerals exploration, property development and deposit evaluation in Canada and other countries.
4. This report is based on the results of a personal examination of the Senicar property made by the writer on 16 June, 1987, and the use of all available government and industry reports, maps and records.
5. I have not received, nor do I expect to receive, any interest, directly or indirectly, in the properties or securities of Torrez Resources Ltd. or any associate or affiliate of Torrez Resources Ltd.
6. I do not have a direct or indirect interest in, nor do I beneficially own, directly or indirectly, any securities of Torrez Resources Ltd. or any associate or affiliate of Torrez Resources Ltd.

Respectfully submitted,




C. Raymond Saunders, B.A.Sc., P.Eng.

Vancouver, Canada

CERTIFICATES

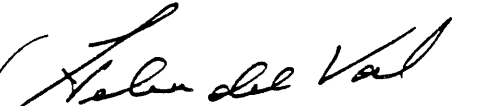
DATED: November 25, 1987

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



HELEN RAY DEL VAL
Chief Executive Officer
and Promoter


MURRAY McCLAREN
Chief Financial Officer

ON BEHALF OF THE BOARD OF DIRECTORS


HELEN RAY DEL VAL
Director & Promoter

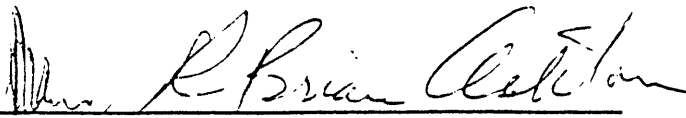

MURRAY McCLAREN
Director


KEITH LORNE LIM
Director

To the best of our knowledge, information and belief the foregoing constitutes full, true and plain disclosure of all material facts relating to the securities offered by this Prospectus as required by Part 7 the Securities Act and the regulations under it.

DATED: November 25, 1987

GEORGIA PACIFIC SECURITIES CORPORATION

Per: 
R. Brian Ashton