

ELN, 207, SHR 92H/9W (092HNE037)

EXHIBIT "A"

THE REGIONAL

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.

008353

216,000 No Par Value Shares

CANWEX EXPLORATIONS LTD. (N.P.L.)

Incorporated under the laws of the Province of British Columbia

REGISTERED AND HEAD OFFICE:

1666 West Broadway Avenue
Vancouver, British Columbia

The Company offers by this prospectus 216,000 shares of its capital stock at 50¢ per share. This is a similar offer to those made by the Company by its prospectuses dated March 18, 1970 and May 28, 1971 and included in this issue are those shares of the capital stock of the Company not sold pursuant to the earlier offers. Shares of this issue may be sold by trading Directors of the Company without commission pursuant to the provisions of section 7(2) of the Securities Act, 1967, and registered securities salesmen who will receive commissions as set forth below. Shares of this issue may also be offered by persons and companies registered to trade in securities in the Province of British Columbia.

	Price to Public	Commissions	Proceeds to Company
Per Unit	50¢	12½¢	37½¢
Total	\$108,000.00	\$27,000.00	\$81,000.00

THE PROPERTIES OF THE COMPANY ARE NOT KNOWN TO CONTAIN ANY PROVEN ORE RESERVES. A SUBSTANTIAL AMOUNT OF EXPLORATORY WORK MUST BE DONE BEFORE A DETERMINATION CAN BE MADE AS TO WHETHER OR NOT THE CLAIMS CONTAIN ANY COMMERCIALY MINEABLE ORE-BODIES. THEREFORE, A PURCHASE OF THE SHARES OFFERED BY THIS PROSPECTUS MUST BE CONSIDERED A SPECULATION.

THERE IS NO EXISTING MARKET FOR THE SHARES OF THIS COMPANY.

WITH RESPECT TO THE LOCATED MINERAL CLAIMS HELD BY THE COMPANY NO SURVEY HAS BEEN MADE AND THEREFORE, IN ACCORDANCE WITH THE MINING LAWS OF THE APPROPRIATE JURISDICTIONS IN WHICH THE PROPERTY IS SITUATE, THE EXISTENCE OF AND THE AREA OF THE PROPERTY COULD BE IN DOUBT.

Reference should be made to the paragraph "Principal Holders of Shares" herein for a comparison of the number of shares held by the directors of the Company for cash, services and property with the number of shares offered by this prospectus.

DATED: August 1, 1972.

TABLE OF CONTENTS

Page No.

Offering 1

The Company 3

Capitalization 3

Auditors, Registrar and Transfer Agent 3

Principal Holders of Shares 3

Business and Property

 Christian Creek Property 4

 Other Properties 5

Use of Proceeds 6

Remuneration of Directors and Senior Officers 6

Promoter 6

Directors and Officers 6

Escrowed Shares 7

Interest of Management and Others in Material Transactions 8

Statutory Rights of Withdrawal and Rescission 8

Certificates 8

Engineer's Report 9

Engineer's Budget 14

Engineer's Certificate 16

Auditors' Report and Financial Statements 17

THE COMPANY

The Company was incorporated on May 30, 1966 under the laws of the Province of British Columbia by Memorandum of Association. At the date of incorporation the Company was called Christian Creek Mines Ltd. (Non-Personal Liability). By a Certificate of the Registrar of Companies dated December 9, 1968 the Company changed its name to Canwex Explorations Ltd. (N.P.L.). The Company was incorporated as a private company and has been converted to a public company by virtue of a Certificate of the Registrar of Companies dated May 21, 1969.

CAPITALIZATION

The authorized capital of the Company is 3,000,000 common shares without nominal or par value. The share capital is divided into one class of shares only which rank equally as to dividends (the payment of which are to be only out of profits or otherwise as provided by law) voting rights and participation in assets.

<u>Share Capitalization</u>	<u>Amount Outstanding as of December 31, 1971</u>	<u>Amount Outstanding as of August 1, 1972</u>	<u>Amount to be Outstanding if Offering Completed</u>
3,000,000	1,283,002	1,284,002	1,500,002

Particulars of shares sold for cash:

<u>Number of Shares</u>	<u>Price</u>	<u>Commissions</u>	<u>Cash Received</u>
500,002	10¢	nil	\$50,000.20
24,000	50¢	nil	12,000.00
10,000	50¢	\$1,250.00	3,750.00

The 500,002 shares are pooled with Canada Permanent Trust Company in trust for the beneficial holders thereof and will not be released until at least 30 days following completion of this public offering and subject to the Superintendent of Brokers for the Province of British Columbia consenting to such release.

AUDITORS, REGISTRAR AND TRANSFER AGENT

The Auditors of the Company are Cook Burt & Co., 475 Howe Street, Vancouver 1, British Columbia.

The Registrar and Transfer Agent of the Company is Canada Permanent Trust Company, 455 Granville Street, Vancouver, British Columbia.

PRINCIPAL HOLDERS OF SHARES

The persons holding more than 10% of any class of shares are as follows:

<u>Name and Address</u>	<u>Type of Ownership</u>	<u>No. of Shares Owned</u>	<u>Percentage of Shares Outstanding</u>
Donald W. Smellie 6050 Chancellor Boulevard Vancouver, B.C.	Record and Beneficial Record Only	820,001 2,000	63.9%

George Woodburn	Record and	140,001	10.9%
1439 Devonshire Crescent	Beneficial		
Vancouver, B.C.	Record only	65,000	

The directors and senior officers of the Company beneficially own as a group 90% of the outstanding shares of the Company.

BUSINESS AND PROPERTY

The Company is and has been since its incorporation engaged in the acquisition, exploration and development of mineral properties. The Company has acquired the properties hereinafter described.

CHRISTIAN CREEK PROPERTY

The Company is the recorded owner, subject to the Mineral Act, of the following 58 mineral claims in the Similkameen Mining Division, which are situated in the Christian Creek area of British Columbia:

<u>Mineral Claim</u>	<u>Record Number</u>
SHR 1 to 18	12350 and 12351 12365 to 12368 12416 to 12427
JOY 1 to 4	12441 to 12444
SHR 19 to 22	28220 to 28223
SHR 23 Fr.	18877
SHR 24 Fr.	18956
SHR 25 to 28	33719 to 33722
SHR 29 and 30	34549 and 34550
SHR 31 Fr.	34655
ELN 1 to 6	12344 to 12349
ELN 7 and 8	12428 and 12429
ELN 9 to 20	22380 to 22391
ELN 21 and 22	33723 and 33724
ELN 23 Fr.	33725

The Company acquired the following mineral claims from Donald W. Smellie, a director of the Company, by the following assignments:

<u>Date of Assignment</u>	<u>Mineral Claim</u>	<u>Consideration</u>
July 6, 1966	SHR 1 to 18 and JOY 1 to 4	750,000 shares "
February 17, 1969	SHR 23 Fr. and 24 Fr.	Nominal
September 17, 1968	ELN 1 to 8	Nominal

The Company acquired by assignment dated September 17, 1968, the ELN 9 to 20 mineral claims from G. Woodburn, a director of the Company, for a nominal consideration.

Other mineral claims were recorded directly by the Company.

The out-of-pocket expenses for Donald W. Smellie in staking and carrying out initial exploration work on the above claims were \$2,044.37 and to Mr. Woodburn were \$60.00. To the best of the knowledge of the signatories hereto, no persons or organization have received or are to receive from the Vendors a greater than 5% interest in the consideration received therefor except for 50,000 of the 750,000 Vendor shares, 25,000 of which were transferred for value to William Choukalos and George Woodburn respectively on the 17th day of September, 1968.

The Christian Creek property is located 8 miles north of Princeton and 2 miles north of Jura, a station on the Canadian Pacific Railway. Access can be gained from Jura over a good secondary road into the southern part of the claim block; trails provide easy access into the northern part. A number of companies are actively exploring this area.

The early history and particulars of the property are described in the Report of E.D. Dodson, P.Eng., dated July 25, 1972, a copy of which accompanies and forms part of this prospectus.

OTHER PROPERTIES

The Company was formerly the owner of the NEL 1 to 24 inclusive mineral claims in the Highland Valley area of British Columbia. Following an exploration program by Cominco Ltd., the claims were transferred to Cominco on July 21, 1970, for a consideration of \$100,000.00, subject to a retained royalty to the Company of 2½% of the net smelter returns attributable to any ores or concentrates mined or won from the property.

Of the sum of \$100,000.00 received, \$83,000.00 is currently invested in income-generating securities. Interest earned thereon is being used for the acquisition of, and preliminary work on, additional mineral properties. To date, four such properties have been staked, the ownership of which is subject to the "Mineral Act" of British Columbia.

In the Omineca Mining Division, the following eight claims are located south of Chuchi Lake, 52 miles north of the town of Fort St. James.

<u>Mineral Claim</u>	<u>Record Number</u>	<u>Date of Record</u>
EVE 1 to 8	94963 to 94970	October 30, 1970
ANN 1 to 4	94981 to 94984	October 30, 1970
ANN 5 and 6	94439 and 94440	October 30, 1970

The following are located approximately six miles west of the town of Endako:

The following eight claims are located immediately east of Priestly, a station on the Canadian National Railway west of Endako:

SUE 1 to 8	94431 to 94438	October 30, 1970
------------	----------------	------------------

In the Cariboo Mining Division, the following six claims are located three miles north-east of the village of Marguerite:

MARG 1 to 6	64949 to 64954	October 22, 1971
-------------	----------------	------------------

Reconnaissance geochemical work has been carried out on all four properties. Induced polarization surveys of the ANN and SUE groups showed one large and significant anomaly on each group.

USE OF PROCEEDS

The Company proposes to proceed in accordance with the recommended budget of E.D. Dodson, P.Eng., in his Report of July 25th, 1972, which involves an expected expenditure of \$51,500.00.

If the actual proceeds from the sale of shares offered under this prospectus together with funds presently on hand prove insufficient to complete the recommended work program, the program will be altered by reducing the amount of diamond drilling to be undertaken. The Company may abandon any part of the property or change any work program as outlined in this prospectus only upon the recommendation of a qualified engineer.

Proceeds from the sale of shares under this prospectus not required for the above program will be used for general corporate purposes and for the acquisition of additional mineral properties. If any additional properties are acquired during the period of primary distribution an amendment to this prospectus will be filed with the B.C. Securities Commission.

No part of the proceeds shall be used to invest, underwrite, or trade in securities other than those that qualify as investments in which trust funds may be invested under the laws of jurisdictions in which the securities offered by this prospectus may lawfully be sold.

Should the Company propose to use the said proceeds to invest, underwrite or trade in non-trustee type securities after the initial distribution of the securities offered by this prospectus, approval by the shareholders shall first be obtained and disclosure made to the regulatory securities bodies having jurisdiction over the sale of the securities offered by this prospectus.

REMUNERATION OF DIRECTORS AND SENIOR OFFICERS

No remuneration has been paid or will during the next twelve months be paid to Directors and Senior Officers as such.

PROMOTER

Donald W. Smellie may be considered the Promoter of the Company. Reference is made to the caption "Description of Business and Property of Issuer" wherein the interest of Donald W. Smellie in the property acquired by the Company is disclosed. Between July, 1966 and September, 1968, Donald W. Smellie subscribed for and was allotted and issued by the Company 120,001 shares upon payment in full to the Company of 10¢ per share.

DIRECTORS AND OFFICERS

<u>Name and Address</u>	<u>Principal Occupation for past five years</u>	<u>Position held with Company</u>
Donald William Smellie 6050 Chancellor Boulevard Vancouver, B.C.	Consulting Geophysicist and President of Northwestern Geophysics Limited.	President and Director

<u>Name and Address</u>	<u>Principal Occupation for past five years</u>	<u>Position held with Company</u>
George Woodburn 1439 Devonshire Crescent Vancouver, B.C.	Consulting Engineer Choukalos Woodburn McKenzie Maranda Ltd. (formerly Choukalos, Woodburn and McKenzie).	Vice-President and Director
William Choukalos 1704 7241 Cambie Street Vancouver, B.C.	Consulting Engineer Choukalos Woodburn McKenzie Maranda Ltd. (formerly Choukalos, Woodburn and McKenzie).	Vice-President
David Lisle Vaughan, Q.C. 4036 Marine Drive West Vancouver, B.C.	Barrister and Solicitor Farris, Farris, Vaughan, Wills & Murphy.	Director
Laurie Gene Maranda 735 Bates Road Richmond, B.C.	Consulting Engineer Choukalos Woodburn McKenzie Maranda Ltd. (formerly Choukalos, Woodburn and McKenzie).	Treasurer
William Cameron McKenzie 3285 Mathers Avenue West Vancouver, B.C.	Consulting Engineer Choukalos Woodburn McKenzie Maranda Ltd. (formerly Choukalos, Woodburn and McKenzie).	Secretary
John Haig DeBeque Farris 7393 Montecito Drive Burnaby 2, B.C.	Financial Consultant Partner, Brown, Farris & Jefferson Ltd. Formerly Barrister and Solicitor Farris, Farris, Vaughan, Wills & Murphy.	Director

ESCROWED SHARES

As of March 13, 1969, 750,000 shares are held in escrow by Canada Permanent Trust Company subject to the direction or determination of the British Columbia Securities Commission (Commission). 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 trading of the shares without the consent of the Commission.

In the event the company loses or abandons or fails to obtain title to all or part of the property or assets for which it allotted all or part of the escrow shares, the company will declare any such event to the Commission by way of directors resolution and the holders of such shares, the trustee thereof and the company, have agreed that such number of said shares, as the Commission determines shall have become subject to cancellation, shall be surrendered to the company by way of gift for cancellation. The complete text of the escrow agreement is available for inspection at the offices of Canadian Permanent Trust Company.

**INTEREST OF MANAGEMENT AND OTHERS
IN MATERIAL TRANSACTIONS**

Reference is made to the caption "Business and Property" for the shares issued to a director for property.

STATUTORY RIGHTS OF WITHDRAWAL AND RESCISSION

Sections 61 and 62 of the Securities Act, 1967 (British Columbia) provide, in effect, that where a security is offered to the public in the course of primary distribution,

(a) a purchaser has the right to rescind a contract for the purchase of a security, while still the owner thereof, if a copy of the last prospectus, together with financial statements and reports and summaries of reports relating to the securities as filed with the British Columbia Securities Commission, was not delivered to him or his agent prior to delivery to either of them of the written confirmation of the sale of the securities. Written notice of intention to commence an action for rescission must be served on the person who contracted to sell within 60 days of the date of delivery of the written confirmation, but no action shall be commenced after the expiration of three months from the date of service of such notice.

(b) a purchaser has the right to rescind a contract for the purchase of such security, while still the owner thereof, if the prospectus or any amended prospectus offering such security contains an untrue statement of a material fact or omits to state a material fact necessary in order to make any statement therein not misleading in the light of the circumstances in which it was made, but no action to enforce this right can be commenced by a purchaser after expiration of 90 days from the later of the date of such contract or the date on which such prospectus or amended prospectus is received or is deemed to be received by him or his agent.

Reference is made to the said Act for the complete text of the provisions under which the foregoing rights are conferred.

CERTIFICATES

The foregoing constitutes full, true, and plain disclosure of all material facts relating to the securities offered by this prospectus as required by Part VII of the Securities Act, 1967, and the Regulations thereunder.

"D.W. SMELLIE"
DONALD W. SMELLIE
Director and Promoter

"J. HAIG deB. FARRIS"
J. HAIG deB. FARRIS
Director

"G. WOODBURN"
GEORGE WOODBURN
Director

"D.L. VAUGHAN"
DAVID L. VAUGHAN, Q.C.
Director

DATED this 1st day of August, 1972.

REPORT ON THE
SHR, ELN AND JOY MINERAL CLAIMS
SIMILKAMEEN MINING DISTRICT, B.C.
for
CANWEX EXPLORATIONS LTD. (N.P.L.)

by
EARL D. DODSON, P.ENG.

July 25, 1972

TABLE OF CONTENTS

	Page
Introduction	10
Location and Access	10
Mineral Claims	10
History	10
Physiography	10
Geology	13
Economic Geology	13
Conclusions	13
Recommendations	13
Budget	14
Bibliography	15
Maps	
Location Map	11
Claim Map	12

INTRODUCTION

The Shr, Eln and Joy Mineral Claims of Canwex Explorations Ltd. were first examined by the writer on July 31, 1969. They are the subject of his report of February 25, 1970, and updating letters of April 9, 1971, and June 16, 1972.

LOCATION AND ACCESS

The property is situate ten miles north-northeast of Princeton and two miles north of Jura. The elevation is approximately 4,500 feet above sea level. Access is by good secondary road to both the south and west sides of the property.

MINERAL CLAIMS

The Canwex holdings consist of the following 58 mineral claims and fractional mineral claims:

<u>Claim Name</u>	<u>Record Number</u>
Shr 1 - 2	12350 - 51
Shr 3 - 6	12365 - 68
Shr 7 - 18	12416 - 27
Shr 23 Fr.	18877
Shr 24 Fr.	18956
Shr 25 - 28	33719 - 22
Shr 29 - 30	34549 - 50
Shr 31 Fr.	34655
Eln 1 - 6	12344 - 49
Eln 7 - 8	12428 - 29
Eln 11 Fr.	22382
Eln 9 - 20	22380 - 91
Eln 21 - 23 Fr.	33723 - 25
Joy 1 - 4	12441 - 44

HISTORY

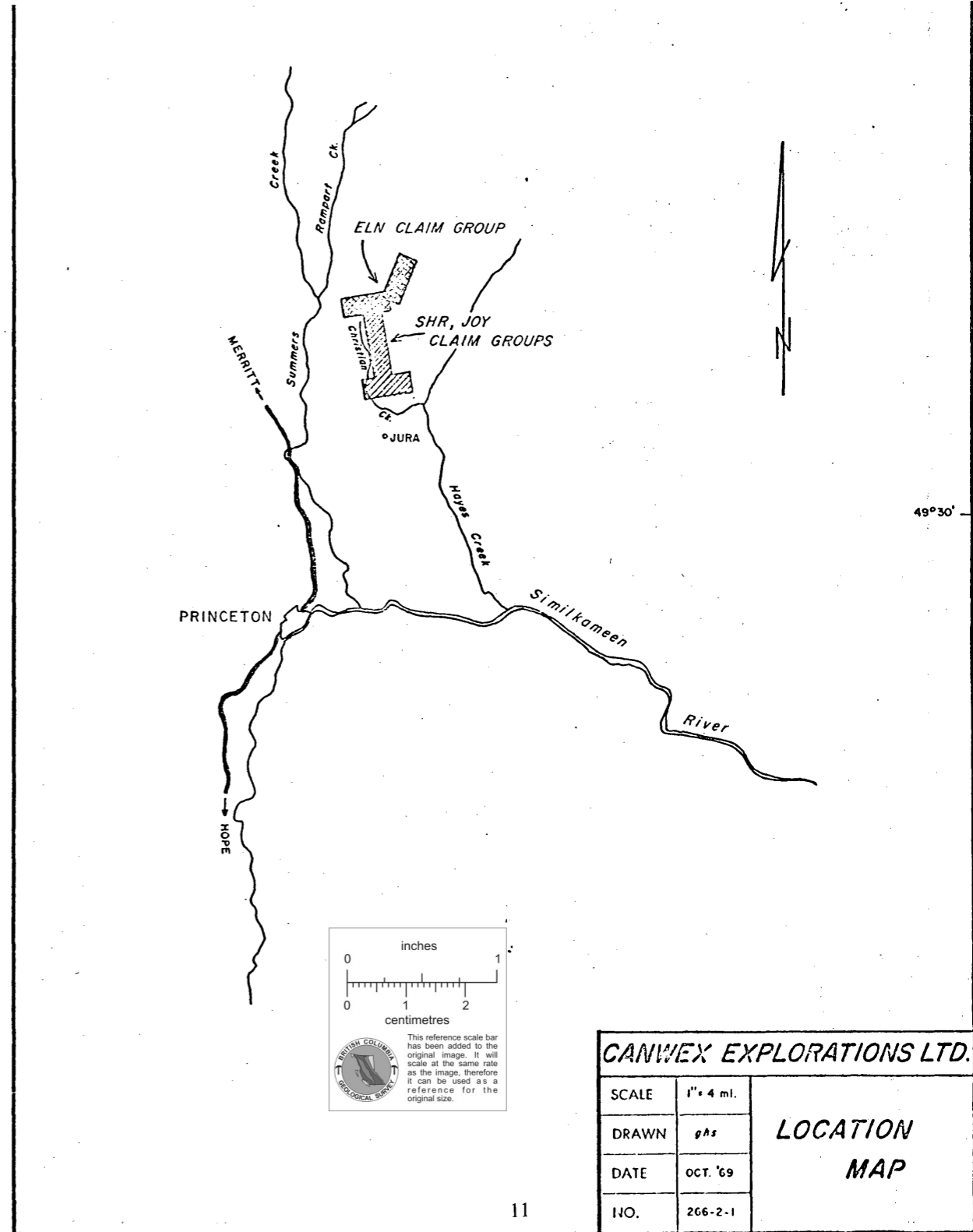
The original claims comprising this group were staked by D.W. Smellie and G. Woodburn in 1965, 1966 and 1968. Additional claims and fractional claims have been added since. During the period from 1965 to the present, various surveys of limited extent have been performed. A list of the reports on the property is included as a bibliography to this report.

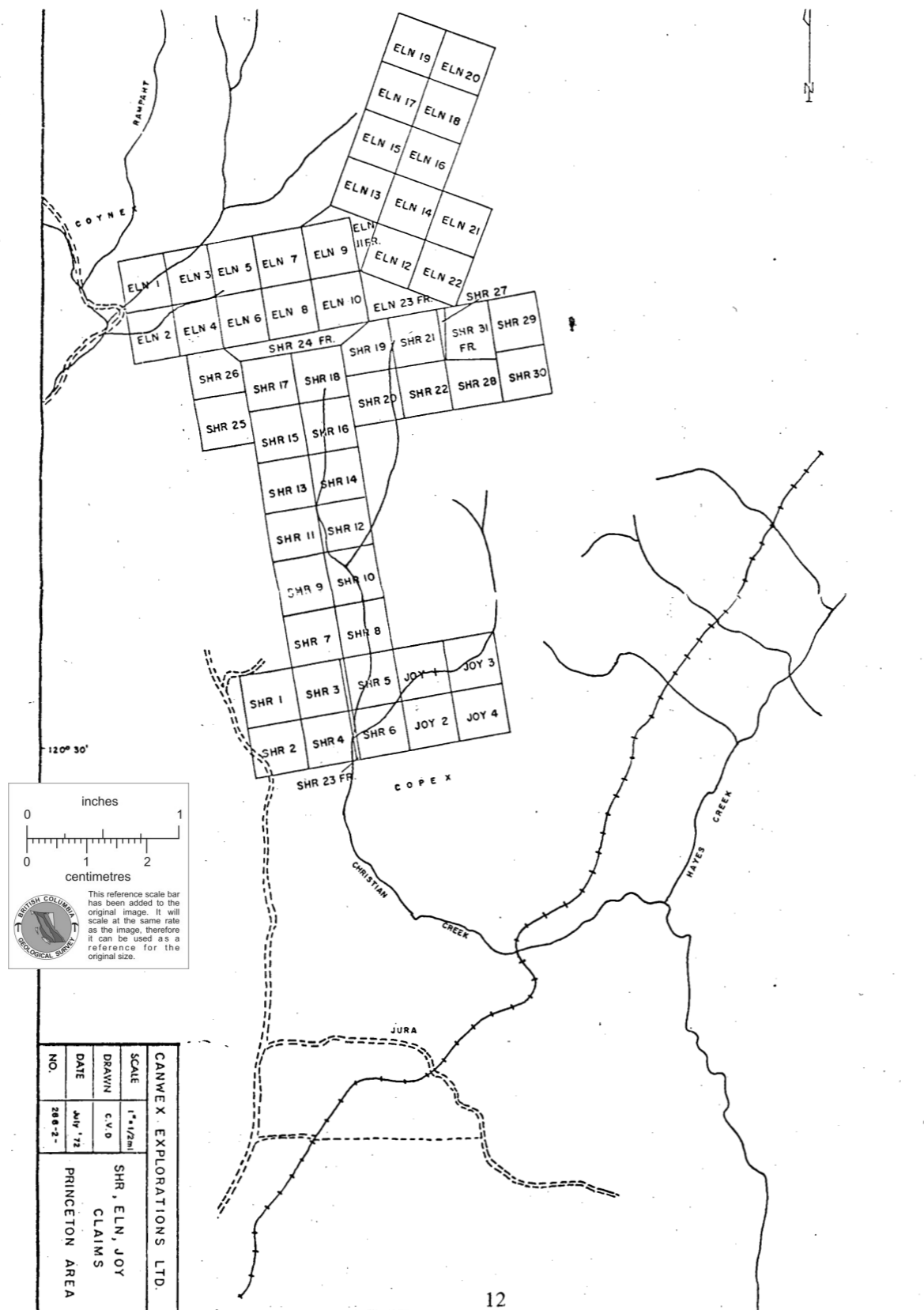
In addition to the various surveys, seven percussion holes have been drilled on the Shr and Eln claims. These holes encountered heavy pyritization but no economic sulphides.

PHYSIOGRAPHY

The claims lie in an area of gently rolling topography. Major stream valleys are steep-sided and deeply incised below the general level. Much of the claims area is mantled by glacial and fluvioglacial deposits. The Eln 1 to 4 claims are mantled by thick gravel deposits, in part at least, exceeding 200 feet.

Bedrock outcrops locally as small patches or on the valley walls as precipitous cliffs.





GEOLOGY

The claims lie along the west edge of the Osprey Lake Batholith which extends from Princeton to Penticton, and northward from Hedley a distance of 50 miles. The local variant of this mass, known as the Summers Creek intrusive complex is quartz-monzonite to granite in composition. The Summers Creek rocks are in contact with Nicola volcanics on the southwest. Adjacent to the contact is a hybrid zone or separate intrusion of gabbroic composition.

The gabbro can be traced geophysically as a magnetic high from its outcrops on Eln 5 claim over the Eln 7, 9, 10, 12 and 23 Fr. claims.

Nicola volcanics outcrop along the west sides of the Eln 13, 15 and 17 claims and on the Shr 16, 18 and 24 Fr. claims.

ECONOMIC GEOLOGY

The district has long been known for its copper deposits. The Copper Mountain camp, currently the site of Similkameen Mining Company's Ingerbelle operation has been in active production almost continuously since 1925. To the south of the Canwex property at Jura, Kennco Explorations outlined a large low-grade copper deposit. On the Cop-Ex Mining Corporation ground immediately to the south of Canwex, a copper showing is currently under exploration. Immediately to the northwest, Coyne Explorations Ltd. has a copper showing. Further to the northwest, Adonis Mines Ltd. has a major low-grade deposit under exploration.

A significant feature of the Adonis property is the association of copper mineralization with Nicola volcanics at their contact with gabbroic intrusives. This is important in that the gabbro on the Canwex ground is in contact with Nicola rocks and much of the presumed contact is hidden under heavy overburden.

The writer, before commencing this report, studied the data from all previous surveys. He correlated the various items and attempted to assess the degree to which various parts of the ground had been tested. For this purpose, all data was compiled on maps at 400 feet to the inch and compared on a light-table.

CONCLUSIONS

The Eln, Shr and Joy claims are situated within an area known to be favourable to the occurrence of copper deposits. Work to date has been largely of a reconnaissance nature, but it has indicated the presence of a gabbroic intrusive in contact with Nicola volcanics. This has proven to be a favourable condition on the Adonis property and warrants investigation on this ground.

The south end of the property appears to have had sufficient work done to eliminate the likelihood of the occurrence there of large disseminated copper deposits. The central part of the property, Shr 9 to 16, has had almost no work done other than the geochemical survey. The surveys to date have been conducted in a somewhat random fashion, as work was required on the claims, and at a minimal cost. As a result, coverage is incomplete. To completely evaluate the property's potential, further work is required.

RECOMMENDATIONS

The writer recommends the following work be undertaken as a co-ordinated, systematic program as soon as practical.

1. Complete the reconnaissance magnetic and IP surveys of the property by covering the as yet untested Shr 9 to 16, 22, 25, 28 and 30 claims with both magnetometer and IP on

- lines spaced 800 feet apart.
2. Extend the trenching a total of 2,000 lineal feet on the Eln 9, 10 and Eln Fr. 23 claims to establish the extent of mineralization in the Nicola at the contact of the gabbro.
 3. Drill three 500 foot holes to assess the IP anomaly underlying Eln 1 to 4 claims. These holes will require drilling with rotary rig to bedrock surface and should be completed with diamond drill.
 4. If results of the other surveys provide targets, drill to establish the nature of these targets.

BUDGET

Magnetometer Survey – seven miles	\$ 500.00
IP Survey – seven miles including some line recutting	3,500.00
Trenching – 2,000 lineal feet	3,000.00
Drilling – 2,500 feet @ \$14.00/foot	35,000.00
Engineering, geology, supervision	2,500.00
Assaying	500.00
	<hr/>
	\$45,000.00
Contingencies + 15%	6,500.00
	<hr/>
	<u>\$51,500.00</u>

Respectfully submitted,

“EARL D. DODSON”
Earl D. Dodson, P.Eng.

BIBLIOGRAPHY

Geochemical Survey	Eln Group, Donald W. Smellie, P.Eng., Canwex Expl. Ltd. (N.P.L.) April 30, 1969 (Cu Mo)
Geochemical Report	Shr, Joy and Eln Mineral Claims, by MacDonald Consultants Ltd., E.D. Dodson, P.Eng. October 10, 1969 (Cu Mo)
Geochemical Report	Princeton Mineral Group of Canwex Expl. Ltd. (N.P.L.) by Stephen C. Gower, November 24, 1969
Geophysical Report	Eln Group, Donald W. Smellie, May 24, 1966 (Magnetometer & IP Surveys – Hewitt)
Geophysical Report	Shr, Joy Groups, Donald W. Smellie, May 24, 1966 (Magnetometer & IP Surveys – Hewitt)
Geophysical Report	Eln Group, Christian Creek, Similkameen Mining Division, Donald W. Smellie, May 29, 1966
Geophysical Report	Eln Group, Donald W. Smellie, April 29, 1968 (Magnetometer)
Geophysical Report	Shr and Joy Groups, Donald W. Smellie, Canwex Expl. Ltd. (N.P.L.), November 20, 1970 (IP – McPhar Geophysics Ltd.)
Geophysical Report	Eln Group, Donald W. Smellie, P.Eng., Canwex Explorations Ltd. (N.P.L.), December 8, 1970 (IP – McPhar Geophysics Ltd.)
Geophysical Report	Eln Group, Donald W. Smellie, P.Eng., Canwex Expl. Ltd. (N.P.L.), May 12, 1971 (IP – McPhar Geophysics Ltd.)
Geophysical Report	Eln Group, Donald W. Smellie, P.Eng., Canwex Explorations Ltd. (N.P.L.), October 7, 1971 (IP – McPhar Geophysics Ltd.)
Geophysical Report	Shr and Joy Groups, Donald W. Smellie, P.Eng. Canwex Explorations Ltd. (N.P.L.), October 7, 1971 (IP – McPhar Geophysics Ltd.)
Preliminary Report	Shr and Joy Groups, J.S. Scott, P.Eng. May 24, 1966 (Including drilling)
Report	Shr, Joy and Eln Groups, by MacDonald Consultants Ltd., E.D. Dodson, P.Eng., February 25, 1970
Summary Report	Shr and Joy Groups, Donald W. Smellie, P.Eng. June 26, 1967

CERTIFICATE

I, Earl D. Dodson, do hereby declare that:

1. I reside at 2990 St. Kilda Avenue, North Vancouver, B.C. and have business address at 12 - 425 Howe Street, Vancouver 1, B.C.
2. I am a graduate in geology of the University of British Columbia, 1954.
3. Since 1954, I have been employed in various phases of mineral exploration; in the latter years, in posts of considerable responsibility.
4. I am a professional engineer registered in the Association of Professional Engineers of the Province of British Columbia and the Yukon Territory.
5. I visited the property described herein on July 31, 1969.
6. I have no interest, direct or indirect, nor do I expect to receive either directly or indirectly any interest in the properties or securities of Canwex Explorations Ltd. (N.P.L.).

Respectfully submitted,

“EARL D. DODSON”
Earl D. Dodson, P.Eng.

AUDITORS' REPORT

To the Directors of
Canwex Explorations Ltd. (N.P.L.)

We have examined the balance sheet of Canwex Explorations Ltd. (N.P.L.) as at June 30, 1972 and the statement of source and application of working capital for the five years and six months then ended. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the financial position of the company as at June 30, 1972 and the source and application of its working capital for the five years and six months then ended in accordance with generally accepted accounting principles applied on a consistent basis.

“COOK BURT & CO.”
Chartered Accountants

Vancouver, B.C.
July 19, 1972

CANWEX EXPLORATIONS LTD. (N.P.L.)

BALANCE SHEET AS AT JUNE 30, 1972

ASSETS	
CURRENT ASSETS	
Cash	\$ 143
Term deposit, 4¾% due July 7, 1972	35,000
Accrued interest receivable	396
Prepaid expense	33
	<u>35,572</u>
INVESTMENTS, at cost	
B.C. Hydro and Power Authority, 7% parity bonds due September 1, 1975 (par value \$50,000)	50,100
MINERAL CLAIMS (Note 1)	75,000
DEFERRED EXPLORATION, DEVELOPMENT AND OTHER EXPENDITURES	98,585
INCORPORATION COSTS	1,271
	<u>\$260,528</u>
LIABILITIES AND SHAREHOLDERS' EQUITY	
CURRENT LIABILITIES	
Accounts payable and accrued liabilities	\$ 4,785
SHAREHOLDERS' EQUITY	
Share capital	
Authorized 3,000,000 common shares of no par value	
Issued and fully paid (Notes 1 and 2)	140,625
Surplus	
Received with respect to the granting of exploration rights on mineral claims	25,000
Arising from the disposal of mineral claims	90,118
	<u>115,118</u>
	<u>255,743</u>
ON BEHALF OF THE BOARD	<u>\$260,528</u>
 "D.W. SMELLIE" Director	
 "G. WOODBURN" Director	

The accompanying notes to the financial statements are an integral part thereof

This is the balance sheet referred to in the accompanying report of
Cook Burt & Co., Chartered Accountants, dated July 19, 1972

CANWEX EXPLORATIONS LTD. (N.P.L.)

STATEMENT OF SOURCE AND APPLICATION OF WORKING CAPITAL

for the Five Years and Six Months ended June 30, 1972
(with comparative figures for the Six Months ended June 30, 1971)

	Year Ended December 31,						
	Six Months Ended June 30,		Year Ended December 31,				
	1972	1971	1971	1970	1969	1968	1967
SOURCE OF WORKING CAPITAL							
Sale of shares for cash	\$ 375	\$ 2,750	\$ 13,500	\$ 1,750	\$ -	\$ 14,000	\$ 36,000
Issue of shares for mineral claims	-	-	-	-	-	-	75,000
Received with respect to the granting of exploration rights on mineral claims	-	-	-	-	25,000	-	-
Sale of mineral claims	-	-	-	100,000	-	-	-
	375	2,750	13,500	101,750	25,000	14,000	111,000
APPLICATION OF WORKING CAPITAL							
Purchase of mineral claims for cash	-	-	-	-	-	-	200
Acquisition of mineral claims for shares	-	-	-	-	-	-	75,000
Incorporation costs	-	-	-	-	-	-	1,271
Net deferred exploration, development and other expenditures	3,836	5,894	27,347	7,260	20,949	4,441	44,434
Purchase of investments	-	-	-	50,100	-	-	-
	3,836	5,894	27,347	57,360	20,949	4,441	120,905
INCREASE (DECREASE) IN WORKING CAPITAL	(3,461)	(3,144)	(13,847)	44,390	4,051	9,559	(9,905)
WORKING CAPITAL (DEFICIENCY) AT BEGINNING OF PERIOD	34,248	48,095	48,095	3,705	(346)	(9,905)	-
WORKING CAPITAL (DEFICIENCY) AT END OF PERIOD	\$ 30,787	\$ 44,951	\$ 34,248	\$ 48,095	\$ 3,705	\$ (346)	\$ (9,905)
WORKING CAPITAL (DEFICIENCY) REPRESENTED BY							
Current assets	\$ 35,572	\$ 50,314	\$ 49,548	\$ 50,607	\$ 16,892	\$ 2,083	\$ 2,165
Current liabilities	4,785	5,363	15,300	2,512	13,187	2,429	12,070
	\$ 30,787	\$ 44,951	\$ 34,248	\$ 48,095	\$ 3,705	\$ (346)	\$ (9,905)

CANWEX EXPLORATIONS LTD. (N.P.L.)

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 1972

1. MINERAL CLAIMS

Similkameen Mining Division, British Columbia:	
Acquired upon the issuance of 750,000 shares as fully paid, at an attributed value of 10¢ per share:	
SHR 1 - 18)	\$ 75,000
JOY 1 - 4)	
Acquired for nominal consideration:	
ELN 1 - 22, 23 Fr.	-
SHR 19 - 22, 23 Fr., 24 Fr., 25 - 30, 31 Fr.	-
Omenica Mining Division, British Columbia:	
Acquired for nominal consideration:	
ANN 1 - 6	-
SUE 1 - 8	-
EVE 1 - 8	-
Cariboo Mining Division, British Columbia:	
Acquired for nominal consideration:	
MARG 1 - 6	-
	<u>\$ 75,000</u>

2. SHARE CAPITAL

Share capital has been issued for the following consideration:

	<u>Number of Shares</u>	<u>Gross</u>	<u>Commissions</u>	<u>Net Proceeds</u>
For cash	534,002	\$ 67,000	\$ 1,375	\$ 65,625
For mineral claims	<u>750,000</u>	<u>75,000</u>	<u>-</u>	<u>75,000</u>
	<u>1,284,002</u>	<u>\$142,000</u>	<u>\$ 1,375</u>	<u>\$140,625</u>

CANWEX EXPLORATIONS LTD. (N.P.L.)

SCHEDULE OF DEFERRED EXPLORATION, DEVELOPMENT AND OTHER EXPENDITURES

for the Five Years and Six Months ended June 30, 1972

(with comparative figures for the Six Months ended June 30, 1971)

	Year Ended December 31,						
	Six Months Ended June 30,	1971	1971	1970	1969	1968	1967
EXPLORATION AND DEVELOPMENT							
Assays	\$ 263	\$ -	\$ 537	\$ 308	\$ 318	\$ 100	\$ 1,226
Bulldozing and construction	-	-	3,347	-	522	1,056	1,045
Professional services and travel	(4,852)	5,819	14,770	5,212	12,804	2,501	5,233
Drilling	6,462	-	7,461	-	-	-	35,716
Recording fees	757	380	854	603	342	70	540
	<u>2,630</u>	<u>6,199</u>	<u>26,969</u>	<u>6,123</u>	<u>13,986</u>	<u>3,727</u>	<u>43,760</u>
OTHER							
Bank charges and office expense	37	787	907	656	309	404	113
Legal, audit and transfer fees	4,596	1,754	4,155	3,483	6,654	310	561
	4,633	2,541	5,062	4,139	6,963	714	674
Less interest income	3,427	2,846	4,684	3,002	-	-	-
	<u>1,206</u>	<u>(305)</u>	<u>378</u>	<u>1,137</u>	<u>6,963</u>	<u>714</u>	<u>674</u>
NET EXPENDITURES FOR THE PERIOD	<u>3,836</u>	<u>5,894</u>	<u>27,347</u>	<u>7,260</u>	<u>20,949</u>	<u>4,441</u>	<u>44,434</u>
BALANCE AT BEGINNING OF PERIOD	<u>94,749</u>	<u>67,402</u>	<u>67,402</u>	<u>69,824</u>	<u>48,875</u>	<u>44,434</u>	<u>-</u>
	<u>98,585</u>	<u>73,296</u>	<u>94,749</u>	<u>77,084</u>	<u>69,824</u>	<u>48,875</u>	<u>44,434</u>
Deduct expenditures written off on sale of mineral claims	-	-	-	9,682	-	-	-
BALANCE AT END OF PERIOD	<u>\$ 98,585</u>	<u>\$ 73,296</u>	<u>\$ 94,749</u>	<u>\$ 67,402</u>	<u>\$ 69,824</u>	<u>\$ 48,875</u>	<u>\$ 44,434</u>
ALLOCATION TO MINERAL CLAIMS:							
Similkameen	\$ 86,046						
Cariboo	3,440						
Omenica	9,099						
	<u>\$ 98,585</u>						