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DAGO 92H/15E. (092HNE109)

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.

NE109

P R O S P E C T U S

OF

TRI-POWER MINERALS CORPORATION (N.P.L.)

P.O. Box 43
1205 Sunvalley Crescent
Cache Creek, British Columbia
V0K 1H0

RECEIVED
AUG 11 1978
SUPERINTENDENT
OF BROKERS

250,000 COMMON SHARES, PAR VALUE 50¢
20¢ PER SHARE

250,000 Shares	Price to Public	Underwriting Discounts or Commissions	Proceeds to Company if all Shares Sold
Per Unit	20¢	5¢	15¢
Total	\$50,000	\$12,500	\$37,500

(i) BEFORE DEDUCTION OF LEGAL, AUDIT AND PRINTING EXPENSES PAYABLE BY THE COMPANY ESTIMATED NOT TO EXCEED \$5,000.

THE SHARES OF THE COMPANY MUST BE CONSIDERED SPECULATIVE SECURITIES AS THE COMPANY'S MINING PROPERTIES ARE IN THE EXPLORATION AND DEVELOPMENT STAGE AND THERE IS NO KNOWN BODY OF COMMERCIAL ORE.

AT THE PRESENT TIME, THERE IS NO MARKET FOR THE SHARES OF THE COMPANY.

A MINIMUM SUBSCRIPTION OF \$37,500. OR 250,000 SHARES MUST BE SOLD UNDER THE TERMS OF THIS PROSPECTUS: REFERENCE IS MADE TO THE SECTION "USE OF PROCEEDS" ON PAGE 6 HEREIN.

REFERENCE IS MADE TO THE HEADING "SHARE OFFERING AND PLAN OF DISTRIBUTION" AND THE COMPARISON OF THE PERCENTAGE OF SECURITIES BEING OFFERED TO THE PUBLIC FOR CASH AND ALREADY ISSUED BY THE COMPANY TO PROMOTERS, DIRECTORS, OFFICERS AND CONTROLLING PERSONS.

THERE IS NO LAND SURVEY OF THE COMPANY'S PROPERTIES AND UNTIL SUCH LAND SURVEY IS COMPLETED THE BOUNDARIES OF THE PROPERTIES COULD BE IN DOUBT.

TRANSFER AGENT AND REGISTRAR
YORKSHIRE TRUST COMPANY
Vancouver, British Columbia

THIS PROSPECTUS IS DATED THIS 31st DAY OF MARCH, 1978.

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THE COMPANY

TRI-POWER MINERALS CORPORATION (N.P.L.) ("the Company") was incorporated on 3 May 1976 under the Companies Act of the Province of British Columbia by registration of its Memorandum. The Company is not a reporting Company, but will become one after this Prospectus is accepted for filing.

The Head Office for the Company is P.O. Box 43, 1205 Sunvalley Crescent, Cache Creek, British Columbia, V0K 1H0, and the Registered Office and Records Office is #202 - 900 West Pender Street, Vancouver, British Columbia, V6C 1L1.

THE BUSINESS

The Company is a mining Company engaged in the acquisition, exploration and development of mining properties. The Company owns or has interests in the properties described under "The Property" and intends to seek and acquire additional properties worthy of exploration and development.

THE PROPERTY

ASPEN GROVE PROPERTY

By Agreement dated 29 July 1976 between Larry William Reaugh, of 1205 Sunvalley Crescent, Cache Creek, British Columbia, and the Company, the Company acquired the DAGO (9 units), Record Number 82(3) and the DAGO #2 (1 unit), Record Number 99(5) Claims in the Nicola Mining Division of the Province of British Columbia having expiry dates March 9, 1980 and May 12, 1979 respectively in consideration for SEVEN HUNDRED AND FIFTY THOUSAND (750,000) SHARES in the capital of the Company paid as follows:

Larry William Reaugh -	345,000 shares
Lorne Harvey Spence -	345,000 shares
William Howard Reaugh -	20,000 shares
Errol Frederick Johnson -	20,000 shares
James Victor Johnson -	20,000 shares
TOTAL:	<u>750,000 shares</u> =====

Larry William Reaugh is a director and promoter of the Company. Errol Frederick Johnson and William Howard Reaugh are directors of the Company.

James Victor Johnson resigned as a director of the Company on 12 May 1977 and assigned his escrow shareholdings as set out above to Larry W. Reaugh as to 10,000 shares and Lorne Harvey Spence as to 10,000 shares.

Lorne Harvey Spence was formerly a director of the Company, but resigned as such November 8, 1977.

The aforementioned Mineral Claims were acquired by Larry William Reaugh in February and April 1976 by staking at a cost of approximately \$500.

The DAGO Claims totalling 10 units cover part of the old Dago and Open Claim groups which were held by White River Mines Ltd. in 1972. The DAGO Claims are located mainly to the east of Highway #5 about 2 miles south of Aspen Grove and entirely surround Kidd Lake. Access to various parts of the claim area from Merritt, the nearest large town, is by way of Highway #5 south for about 11 miles and then by way of farm and logging roads which lead from the highway to both the east and west side of the Property.

With respect to the history of the Property, in the late 1960's stimulated by the success of Bethlehem Copper and Craigmont, renewed exploration took place in the area, the objective being to find large, porphyry type copper bodies. To the north and east of the DAGO Claims a large group of claims was explored by Amax Exploration Inc. in the period 1969 - 1972, the work consisting of geological mapping, geochemical, magnetometer and I.P. surveys, and diamond and percussion drillings. According to the Minister of Mines Reports for this period, chalcopryrite and chalcocite mineralization was encountered in shear zones in the volcanics, and as pods and disseminations in graphitic argillites.

To the south of the DAGO Property, Noranda Mines explored claims owned Adonis Mines Ltd. Chalcocite and native copper associated with shear zones in the Nicola volcanics were reported from the diamond drilling program carried out in 1972-1973.

The unfavourable mining legislation promulgated by the previous government, and the drastic fall in copper prices in late 1974 resulted in an almost complete cessation of activity in the area, and much of the claim area was allowed to lapse, with the exception of the ground held by Amax Exploration Inc. In 1975, interest was renewed in the area, and the current claim map shows new staking covering most of the ground which was previously

explored but on which the claims had expired.

The Aspen Grove Area is entirely underlain by Upper Triassic Nicola Group rocks consisting of varicolored volcanics, ranging from dacite to basalt, but predominantly andesitic. The total thickness of the volcanics is unknown, but is known to be several thousands of feet. Within the volcanics are lenses of sedimentary rocks mainly limestone and argillite with some tuff beds.

Copper mineralization in the Nicola Group is widespread, occurring as chalcopyrite, bornite, and to a minor extent as chalcocite and native copper in shear zones in the volcanics and as disseminations and partial replacement bodies in the limy sediments.

THE PROPOSED PROGRAM ON THE COMPANY'S PROPERTY IS AN EXPLORATORY SEARCH FOR ORE AND THE PROPERTY IS WITHOUT A KNOWN BODY OF COMMERCIAL ORE.

SHARE OFFERING AND PLAN OF DISTRIBUTION

The Company by this Prospectus offers to sell 250,000 of its shares as fully paid and non-assessable at the price of 20¢ per share subject to an underwriting discount or commission in respect of some or all of such shares, not exceeding 5¢ per share. The shares will be sold through registered securities dealers and salesmen who will receive a commission and by trading directors of the Company who will not receive a commission. The Company reserves the right to accept applications for these shares in whole or in part.

If all the shares offered by this Prospectus are sold to the public, this issue will represent 22.85% of the shares then outstanding as compared to 76.11% that will then be owned by directors and promoters issued for cash and property.

USE OF PROCEEDS

The net proceeds to be derived by the Company from the sale of the shares offered hereunder (assuming maximum commission or discount paid on all shares sold) will be \$37,500.00. The proceeds will be used for the following purposes:

(a) Expenses of this Offering: \$ 5,000.00

(b) To complete Phase I of the recommendations of J.P. Elwell, P.Eng., in his Report dated 7 June 1976, which is attached hereto on the Company's Aspen Grove Property:

PHASE I

2,250 ' of percussion drilling at \$3.00 per foot -	\$ 6,750	
Assaying -	\$ 250	
Engineering, Admin. etc.	\$ 1,000	
	\$ 8,000	\$ 8,000.00

(c) Listing Fee - Vancouver Curb Exchange (to be held in trust by the Yorkshire Trust Company for that purpose only). The Directors of the Company will endeavour to obtain a listing on the Vancouver Curb Exchange once the offering hereunder has been completed- \$ 2,000.00

(d) To provide working capital for the Company \$ 5,000.00

(e) To carry out part of the recommendations for Phase II of the program recommended by J.P. Elwell, P.Eng., on the Aspen Grove Property as recommended in his Report of 1 June 1976 - \$ 17,500.00

TOTAL: \$ 37,500.00

The Company shall have 120 days from the date of the receipt of the filing of the Prospectus by the Superintendent of Brokers in which to raise the sum of \$37,500. being the minimum subscription. All funds raised during this 120 day period will be deposited in an account at the Yorkshire Trust Company, separate and apart from the Company's general account, until the full amount of the minimum subscription has been raised by the sale of shares sold pursuant to this Prospectus in British Columbia or in any other jurisdiction in which the shares have been qualified for sale, and the Superintendent of Brokers has consented to the release of funds. If the minimum amount is not raised within the 120 day period, all subscription for the shares of the Company will be returned immediately to the subscribers in full.

The Company may, pursuant to the recommendations of a qualified engineer, abandon in whole or in part any of its properties or may alter as work progresses the work program recommended, or may make arrangements for the performance of all or any portion of such work by other persons or companies and may use any monies so diverted for the purpose of conducting work or examining other properties acquired by the Company after the date of this Prospectus although the Company has no present plans in this regard. In any such event, the shareholders will be notified and if this occurs during the primary distribution of the shares referred to in this Prospectus, an amendment to this Prospectus will be filed.

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 the jurisdiction in which securities 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 securities offered by this Prospectus, approval by the shareholders of the Company must first be obtained and notice of the intention filed with the regulatory securities bodies having jurisdiction over the sale of the securities offered by this Prospectus.

SHARE AND LOAN CAPITAL STRUCTURE

Designation of Security	Amount Authorized	Amount Outstand- ing as of January 31, 1978	Amount Outstand- ing as of March 31, 1978	Amounts to be Outstanding on completion of Offering *
Common Shares	5,000,000 (\$2,500,000)	843,940 (\$84,494.00)	843,940 (\$84,494.00)	1,093,940 (\$121,994.00)*

- (1) 250 shares were sold at 50¢ per share; 93,690 shares were sold at 10¢ per share; 750,000 shares were issued for mineral properties; 250,000 shares are being offered hereunder. The total cash received by the Company for the sale of the above shares is \$9,494. There were no commissions paid by the Company on the sale of any of the above shares.

* Assuming maximum commission or discount paid on all shares sold.

DESCRIPTION OF SHARES

The authorized capital of the Company consists of \$2,500,000 divided into 5,000,000 shares with a par value of 50¢ each, of which 843,940 shares are issued as fully paid and non-assessable. All shares of the Company, both issued and unissued, are common shares of the same class and 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 conversions rights and no provision for redemption, 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 Companies Act of the Province of British Columbia.

PROMOTERS

Under the definition of "Promoter" contained in Section 2 of the Securities Act, Larry William Reaugh may be considered a Promoter of the Company in that he took the initiative in founding the Company. Shares were issued to him for cash and properties as follows:

<u>NAME</u>	<u>SHARES FOR CASH</u>	<u>SHARES FOR PROPERTIES</u>
Larry William Reaugh	39,645 Shares	355,000 Shares

All shares issued to Larry William Reaugh for cash were issued at 10¢ per share, except for the 50 subscriber shares which were issued to him at 50¢ per share.

The Aspen Grove Property was acquired by Larry William Reaugh at a cost of approximately \$500.

Under the definition contained in Section 2 of the Securities Act, Lorne Harvey Spence may also be considered a Promoter of the Company. Shares were issued to Lorne Harvey Spence for cash at 10¢ per share and for properties as follows:

<u>NAME</u>	<u>SHARES FOR CASH</u>	<u>SHARES FOR PROPERTIES</u>
Lorne Harvey Spence	37,395 Shares	355,000 Shares

For details of the Property acquired for such shares and the escrow positions relating to such shares, refer to "The Property" and "Escrowed Shares" herein.

ESCROWED SHARES

Set forth hereunder are particulars of the escrowed shares in the capital of the Company as of the date of this Prospectus:

<u>Designation of Class</u>	<u>Number of Shares Held in Escrow</u>	<u>Percentage of Class</u>
Common	750,000 Shares	88.86%

The 750,000 shares were issued in consideration for the Aspen Grove Property, referred to under the Section "The Property" herein.

At the date hereof, 750,000 shares were held in escrow by the Yorkshire Trust Company, subject to the direction or determination of the Superintendent of Brokers ("Superintendent of Brokers"). 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 Superintendent of Brokers.

In the event that 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 Superintendent of Brokers 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 Superintendent of Brokers determines shall 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 Company's registered office, #202 - 900 West Pender Street, Vancouver, British Columbia.

DIRECTORS AND OFFICERS

The names, addresses, and principal business or occupations in which each of the Directors and Senior Officers of the Company have been engaged during the immediate preceding five years are as follows:

<u>NAME AND ADDRESS AND POSITION WITH COMPANY</u>	<u>OCCUPATIONS</u>
LARRY WILLIAM REAUGH 1205 Sunvalley Crescent Cache Creek, British Columbia PRESIDENT/DIRECTOR	Drilling Contractor, L & L Drilling & Explorations Ltd., (March, 1974 to date) Previously, Safety Director, Bethlehem Copper Corporation Ltd., (October, 1966 to March, 1974)
ERROL FREDERICK JOHNSON 203 - 3rd Street Ashcroft, British Columbia SECRETARY-TREASURER/DIRECTOR	Owner Operator; Ashcroft Laundry Ltd. (July, 1967, to date)
WILLIAM HOWARD REAUGH Highway # 97 Cache Creek, British Columbia DIRECTOR	Brand Inspector, Department of Agriculture, Victoria, B. C. (November, 1973 to date); Previously, Rancher, Semlin Ranch, Cache Creek, B. C. (October, 1959 to November 1973)

REMUNERATION OF DIRECTORS & SENIOR OFFICERS AND
INTEREST OF MANAGEMENT IN MATERIAL TRANSACTIONS

No direct or indirect remuneration has been paid to any of the Directors or Officers as such of the Company, nor does the Company anticipate paying any such remuneration in the near future.

PRINCIPAL SHAREHOLDERS

At the date hereof, the number and percentage of shares of the Company owned of record or beneficially, directly or indirectly, by each person or Company who owns of record or is known by the Company to own beneficially, directly or indirectly, more than 10% of the shares of the Company is as follows:

<u>NAME AND ADDRESS</u>	<u>CLASS, TYPE OF OWNERSHIP</u>	<u>NO. OF SHARES OWNED</u>	<u>PERCENTAGE</u>
LARRY W. REAUGH 1205 Sunvalley Cache Creek, B.C.	Beneficial, Direct, Of record	394,645	46.76%
LORNE H. SPENCE Dodding Avenue Merritt, B.C.	Beneficial, Direct, Of record	392,395	46.5%

The number and percentages of shares in the Company beneficially owned directly or indirectly by all Directors and Senior Officers of the Company as a group are as follows:

<u>DESIGNATION OF CLASS</u>	<u>NUMBER OF SHARES BENEFICIALLY OWNED</u>	<u>PERCENTAGE OF CLASS</u>
Common	440,245	52.17%

PRIOR SALES

During the twelve calendar months prior to the date of this Prospectus, the Company sold the following shares for cash:

<u>Number of Shares</u>	<u>Price Per Share</u>	<u>Commissions Paid Per Share Sold</u>	<u>Cash Received</u>
93,690	10¢	NIL	\$ 9,369
250	50¢	NIL	\$ 125
			<u>\$ 9,494</u>

All shares previously sold for cash have been voluntarily pooled with the Yorkshire Trust Company subject to release at the expiration of thirty (30) days following completion of the primary distribution of the shares offered under this Prospectus.

AUDITORS

The name and address of the Auditors of the Company are Messrs. Morgan & Company, Chartered Accountants, #1210 - 675 West Hastings Street, Vancouver, British Columbia.

REGISTRAR AND TRANSFER AGENT

The Registrar and Transfer Agent of the Company is the Yorkshire Trust Company, 900 West Pender Street, Vancouver, British Columbia.

MATERIAL CONTRACTS

Particulars of all material contracts entered into by the Company within two years preceding the date of this Prospectus, other than in the ordinary course of business, are as follows:

1. Agreement dated 29 July 1976, between the Company and Larry W. Reaugh, with respect to the acquisition of the Aspen Grove Property (DAGO Mineral Claims), referred to under "The Property" hereunder.

All material contracts may be inspected at the registered office of the Company during normal business hours while primary distribution of the securities offered hereunder is in progress and for a period of thirty days thereafter.

PURCHASER'S STATUTORY RIGHT OF WITHDRAWAL AND RESCISSION

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

- (a) A purchaser has a right to rescind a contract for the purchase of securities, 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 Superintendent of Brokers 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 the expiration of 90 days from the latter 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.

TRI-POWER MINERALS CORPORATION (N.P.L.)

FINANCIAL STATEMENTS

JANUARY 31, 1978

Morgan & Company

Chartered Accountants

1210 - 675 West Hastings Street
Vancouver, B.C. V6B 1N2
Telephone (604) 687-5841

John F. Morgan
Tor B. Barth
Lorne M. Beauchamp
James K.C. Fraser

AUDITORS' REPORT

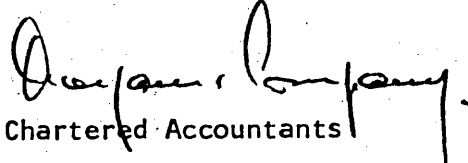
The Shareholders
Tri-Power Minerals Corporation (N.P.L.)
Vancouver, Canada

We have examined the balance sheet of Tri-Power Minerals Corporation (N.P.L.) as at January 31, 1978 and the statements of deferred exploration and administrative expenditure and of changes in financial position for the period May 1, 1977 to January 31, 1978. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the financial position of the company as at January 31, 1978 and the results of its operations and the changes in its financial position for the period then ended in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding period.

Vancouver, Canada

February 23 1978.


Chartered Accountants

TRI-POWER MINERALS CORPORATION (N.P.L.)

BALANCE SHEET

AS AT JANUARY 31, 1978

(with comparative figures as at April 30, 1977)

	<u>January 31,</u> <u>1978</u>	<u>April 30,</u> <u>1977</u>
ASSETS		
CURRENT ASSETS		
Cash	\$ 304.68	\$ 55.33
Sundry retainers and advances	<u>740.00</u>	<u>23.00</u>
	1,044.68	78.33
 INTEREST IN MINERAL PROPERTIES, at cost (Note 2)	 75,000.00	 75,000.00
 DEFERRED EXPLORATION AND ADMINISTRATIVE EXPENDITURE, per attached statement	 9,956.29	 9,166.32
 INCORPORATION COSTS	 <u>249.35</u>	 <u>249.35</u>
	\$ <u>86,250.32</u>	\$ <u>84,494.00</u>
LIABILITIES		
CURRENT LIABILITIES		
Account payable	\$ 7.97	
Due to directors	<u>1,748.35</u>	
	<u>1,756.32</u>	
SHAREHOLDERS' EQUITY		
SHARE CAPITAL		
Authorized		
5,000,000 shares of 50¢ par value each		
Issued (Note 3)		
93,940 shares for cash	46,970.00	46,970.00
Less discount	<u>37,476.00</u>	<u>37,476.00</u>
	<u>9,494.00</u>	<u>9,494.00</u>
750,000 shares for mineral properties	375,000.00	375,000.00
Less discount	<u>300,000.00</u>	<u>300,000.00</u>
	<u>75,000.00</u>	<u>75,000.00</u>
<u>843,940 shares</u>	<u>84,494.00</u>	<u>84,494.00</u>
	\$ <u>86,250.32</u>	\$ <u>84,494.00</u>

Approved on behalf of the Board:

..... Director

 Director

TRI-POWER MINERALS CORPORATION (N.P.L.)

NOTES TO FINANCIAL STATEMENTS

JANUARY 31, 1978

1. ACCOUNTING POLICIES

In common with most mining companies in the exploration stage the Company defers all direct expenditure on properties and areas in which it is interested and all administrative expenditure. At such time as the Company loses or abandons title or its interest in any property the accumulated expenditure on such property and the attributable portion of administrative expenditure will be charged to deficit. If any property reaches commercial production applicable deferred expenditure will be amortized over the productive period.

2. MINERAL PROPERTIES

DAGO claims, Nicola Mining Division,
Province of British Columbia

The Company has acquired this group of claims for the issue of 750,000 shares at an attributable value of 10¢ per share

\$ 75,000.00

3. SHARE CAPITAL

Of the Company's issued and outstanding shares 750,000 shares are subject to escrow conditions and may be released only on the approval by the regulatory authorities.

4. DIRECTORS' REMUNERATION

No remuneration was paid to any of the directors during the period in their capacity as such.

Under an agreement entered into during the period ended April 30, 1977, for the sale of the DAGO mineral claims to the Company 750,000 shares at an attributable value of 10¢ per share were issued to former and present directors.

TRI-POWER MINERALS CORPORATION (N.P.L.)

STATEMENT OF DEFERRED EXPLORATION AND ADMINISTRATIVE EXPENDITURE

FOR THE PERIOD MAY 1, 1977 TO JANUARY 31, 1978

(with comparative figures for the period from the date of incorporation,
May 3, 1976 to April 30, 1977)

	May 3, 1976 to April 30, 1977	May 1, 1977 to January 31, 1978	Balance at January 31, 1978
EXPLORATION EXPENDITURES			
DAGO claims, Nicola Mining Division, Province of British Columbia			
Engineering and surveys	\$ 1,253.50	\$	\$ 1,253.50
Drilling	6,219.00		6,219.00
Assays		38.00	38.00
Recording and filing fees	110.00		110.00
Sundry	125.00		125.00
	<u>7,707.50</u>	<u>38.00</u>	<u>7,745.50</u>
ADMINISTRATIVE EXPENDITURES			
Accounting and audit fees		460.00	460.00
Legal fees and disbursements	478.65	87.97	566.62
Licences and fees to regulatory authorities	800.00	200.00	1,000.00
Office expense and sundry	180.17	4.00	184.17
	<u>1,458.82</u>	<u>751.97</u>	<u>2,210.79</u>
TOTAL EXPENDITURES - to balance sheet	\$ <u>9,166.32</u>	\$ <u>789.97</u>	\$ <u>9,956.29</u>

TRI-POWER MINERALS CORPORATION (N.P.L.)

STATEMENT OF CHANGES IN FINANCIAL POSITION

FOR THE PERIOD MAY 1, 1977 TO JANUARY 31, 1978

(With comparative figures for the period from the date of incorporation,
May 3, 1976 to April 30, 1977)

	May 1, 1977 to January 31, 1978	May 3, 1976 to April 30, 1977
SOURCE OF FUNDS		
Proceeds from the issue of shares from the treasury	\$	\$ <u>9,494.00</u>
APPLICATION OF FUNDS		
Exploration and administrative expenditures, per attached statement	789.97	9,166.32
Incorporation costs	<u>789.97</u>	<u>249.35</u>
		<u>9,415.67</u>
INCREASE (DECREASE) IN WORKING CAPITAL	(789.97)	78.33
WORKING CAPITAL AT BEGINNING OF THE PERIOD	<u>78.33</u>	<u> </u>
WORKING CAPITAL (DEFICIENCY) AT END OF THE PERIOD	\$ <u><u>(711.64)</u></u>	\$ <u><u>78.33</u></u>
REPRESENTED BY:		
Current Assets	\$ 1,044.68	\$ 78.33
Current Liabilities	<u>(1,756.32)</u>	<u> </u>
	\$ <u><u>(711.64)</u></u>	\$ <u><u>78.33</u></u>

REPORT ON

THE

DAGO CLAIMS

Aspen Grove Area
Nicola Mining Division, B.C.

for

TRI-POWER MINERALS CORP.
Box 43, Cache Creek, B.C.

by

J. P. ELWELL, P.Eng.
Consulting Mining Engineer

June 7th 1976

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Map #1 Surface Plan and Geology Dago Property	In Pocket
Map #2 Section Through Drill Hole	Follows P. 6

REPORT ON THE DAGO CLAIMS
ASPEN GROVE AREA, NICOLA MINING
DIVISION, B.C.

SUMMARY

The Dago claims totalling 10 units are located in the Aspen Grove area mainly to the east of Kidd Lake, and cover part of the old Dago and Open Claim groups which were held by White River Mines Ltd. in 1972.

The area is underlain by Upper Triassic rocks of the Nicola Group, consisting of a varied assemblage of volcanics, and includes lenses and beds of argillites, tuffs and limestones. Copper mineralization is widespread, mainly associated with shear zones in the volcanics, but also occurring as lenses and disseminations in the sedimentary and tuffaceous formations. Some deposits were worked early in the century and small ore shipments are reported.

Previous work in 1972 by White River Mines Ltd. consisted of geological mapping, geochemical and geophysical surveys, and 6,318 feet of diamond drilling in 14 holes. Three holes cut significant copper mineralization over a strike length of 400 feet, the mineralization being associated or in close proximity to sedimentary and tuffaceous rocks. Exploration by White River Mines Ltd. was terminated when the drilling results failed to meet the criteria for a large tonnage open pit type of orebody.

There remains the possibility that further detailed drilling could outline a modest tonnage of economic mineralization by expanding the

limits of the known zones. For this purpose, a percussion drilling program is recommended, the first phase consisting of 2,250 feet in 9 holes to be followed if successful, by a further 6,000 feet. The total cost of both phases of the program, including auxiliary costs is estimated at \$33,000.

INTRODUCTION

On May 24th 1976, the writer examined the Dago and Dago #2 mineral claims located in the Kidd Lake area, about one mile south of Aspen Grove in the Nicola Mining Division, B.C. The purpose of the examination was to check the location of the claims and the sites of the diamond drill holes which were put down by a previous company in 1972. As the claim area is covered with varying thicknesses of overburden except for a few outcrops which have no significant mineral showings, the appraisal of the property is based on its geological characteristics and the results of previous exploration work which has been filed with the Department of Mines for assessment work.

This report was prepared for Tri-Power Minerals Corporation, Box 43, Cache Creek, B.C.

LOCATION AND ACCESS

The Dago claims are located mainly to the east of highway #5 about 2 miles south of Aspen Grove and entirely surround Kidd Lake. Access to various parts of the claim area from Merritt, the nearest large town, is by way of highway #5 south for about 11 miles and then by

way of farm and logging roads which lead from the highway to both the east and west side of the property. (See location plan accompanying this report.)

TOPOGRAPHY, WATER, ETC.

The ground slopes moderately both to the east and west of the highway, the average elevation of the claims being about 3,600 feet above sea level.

Except for cleared and cultivated ranch lands near the highway, the claims are covered with second growth timber. Overburden cover is fairly complete except for some large outcroppings of volcanics which appear on the slopes.

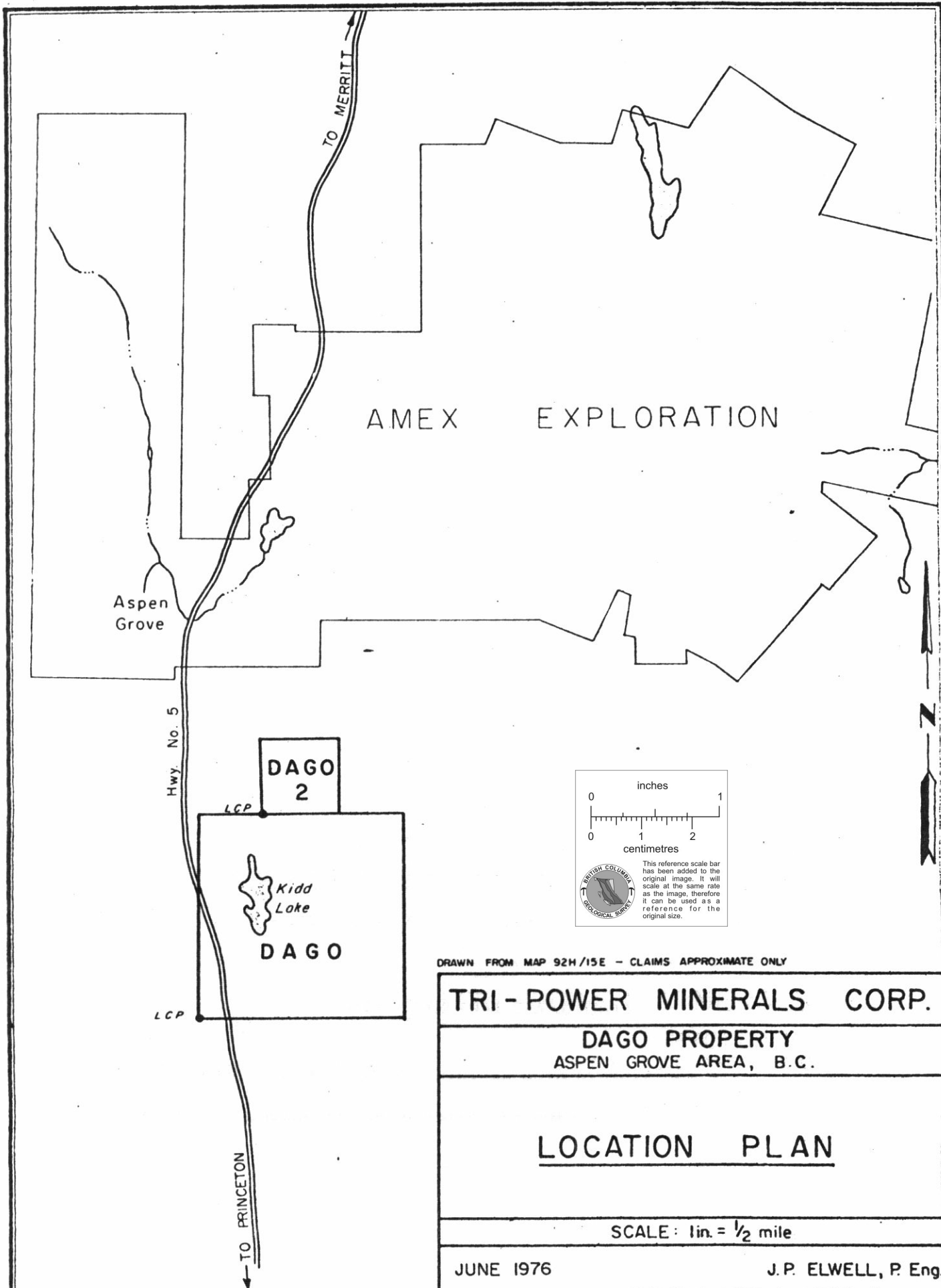
Abundant water for all purposes is available in Kidd Lake.

PROPERTY

The property consists of two claims, the Dago (9 units) staked February 29th 1976, record No. 82(3), and the Dago #2 (1 unit) which adjoins the Dago claim to the north, staked 13 April 1976 Tag #25538. The claims were recorded at Merritt, in the Nicola Mining Division of B.C.

GENERAL AND ECONOMIC GEOLOGY

The Aspen Grove area is entirely underlain by Upper Triassic Nicola Group rocks consisting of varicolored volcanics, ranging from dacite to basalt, but predominantly andesitic. The total thickness of the volcanics is unknown, but is known to be several thousands of feet.



Within the volcanics are lenses of sedimentary rocks mainly limestone and argillite with some tuff beds. According to H.M.A. Rice, (G.S.C. Memoir 243) these lenses are elongated, but may be several miles in extent.

Copper mineralization in the Nicola Group is widespread, occurring as chalcopyrite, bornite, and to a minor extent as chalcocite and native copper in shear zones in the volcanics and as disseminations and partial replacement bodies in the limy sediments.

HISTORY OF THE AREA

The present Dago claims lie within the area named by Rice as the "Aspen Grove Copper Camp" which covers a belt running north from Missuzula Lake for about 8 miles and from the Merritt-Princeton highway for a width of 2 to 2.5 miles. Within this belt, a large number of copper mineralized shear zones were explored and worked on a minor scale during the first part of the century. Some small shipments of handsorted ore are reported.

In the late 1960's stimulated by the success of Bethlehem Copper and Craigmont, renewed exploration took place in the area, the objective being to find large, porphyry type copper bodies. To the north and east of the Dago claims a large group of claims was explored by Amax Exploration Inc. in the period 1969-1972, the work consisting of geological mapping, geochemical, magnetometer, and I.P. surveys, and diamond and percussion drillings. According to the Minister of Mines Reports for this period, chalcopyrite and chalcocite mineralization was encountered in shear zones in the volcanics, and as pods and disseminations in graphitic argillites.

To the south of the Dago property, Noranda Mines explored claims owned by Adonis Mines Ltd. Chalcocite and native copper associated with shear zones in the Nicola volcanics were reported from the diamond drilling program carried out in 1972-1973.

The present Dago claims cover ground staked by White River Mines Ltd. and explored in 1972. Details of the work done are covered in the following section.

The unfavorable mining legislation promulgated by the previous government, and the drastic fall in copper prices in late 1974 resulted in an almost complete cessation of activity in the area, and much of the claim area was allowed to lapse, with the exception of the ground held by Amax Exploration Inc.

In 1975 interest was renewed in the area, and the current claim map shows new staking covering most of the ground which was previously explored but on which the claims had expired. The present Dago claims cover ground previously staked as the Dago and Open claim groups.

PREVIOUS EXPLORATION

All previous exploration on the ground in question was carried out by White River Mines Ltd. in 1972 under the direction of Charles A.R. Lammle, P.Eng. The geological and progress reports by Lammle together with an I.P. survey report by Seegal Associates, and a Gravity Survey report by Charles Agar, geophysicist, were made available for study, and the following summary of the work done is

taken from these reports.

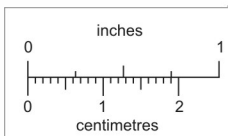
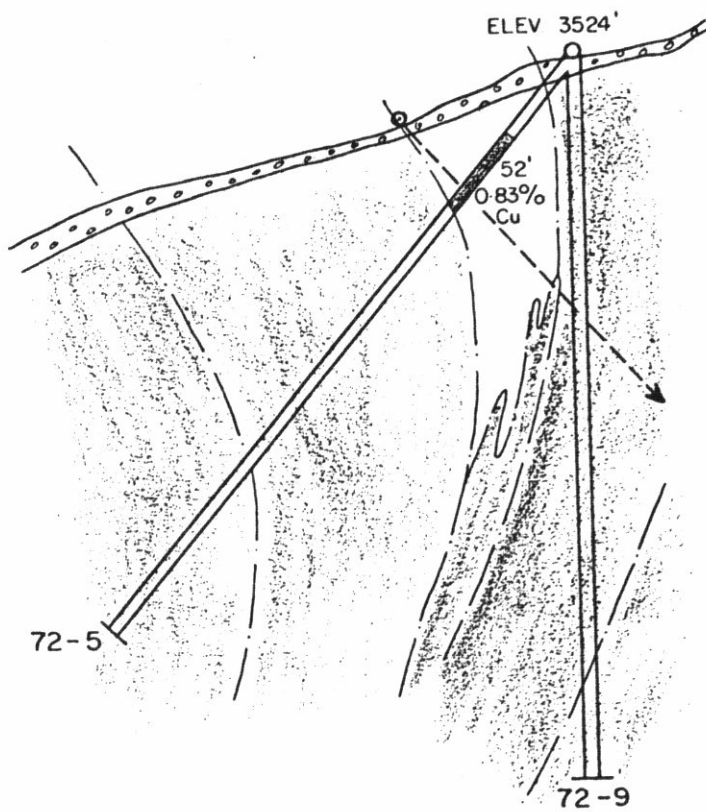
The initial work consisted of a geochemical and magnetometer survey, and geological mapping. Following this, an I.P. survey was conducted, and part of the area was covered with a Worden Gravimeter survey.


The geochemical survey resulted in a strong copper anomaly which was found to be co-incident with magnetic, chargeability and gravimetric profiles indicative of a possible sulphide body. These factors, together with promising lithological and structural features, and evidence of copper mineralization in the area resulted in a decision to carry out an extensive diamond drilling program.

A total of 6,318 feet of drilling in 14 holes was completed in 1972. Three holes cut significant sections of fairly good grade copper mineralization and minor amounts of copper were intersected in some of the other holes. The location of these holes is shown on the surface plan which accompanies this report (Map #1), and east-west sections of the holes which encountered mineralization are shown in Map #2. A discussion of the results obtained is contained in the following section.

DISCUSSION OF DRILLING RESULTS

The three drill holes which cut worthwhile sections of copper mineralization were Nos. 72-2, 72-5, and 72-7. The mineral intersections encountered and the lithographic section of rock types as interpreted by Lammle from the drill core logs are shown in sections A-A, B-B, and horizontal projection C-C (Map #2).



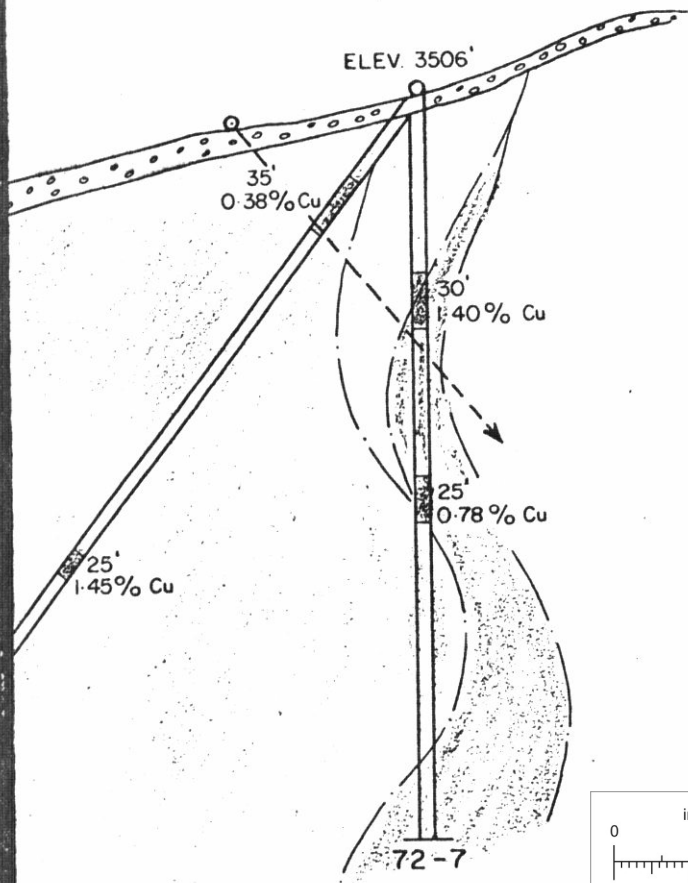

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SECTION A - A

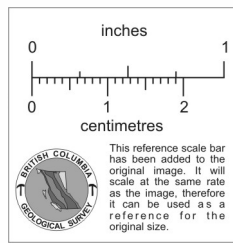
72-2



72-5









72-2

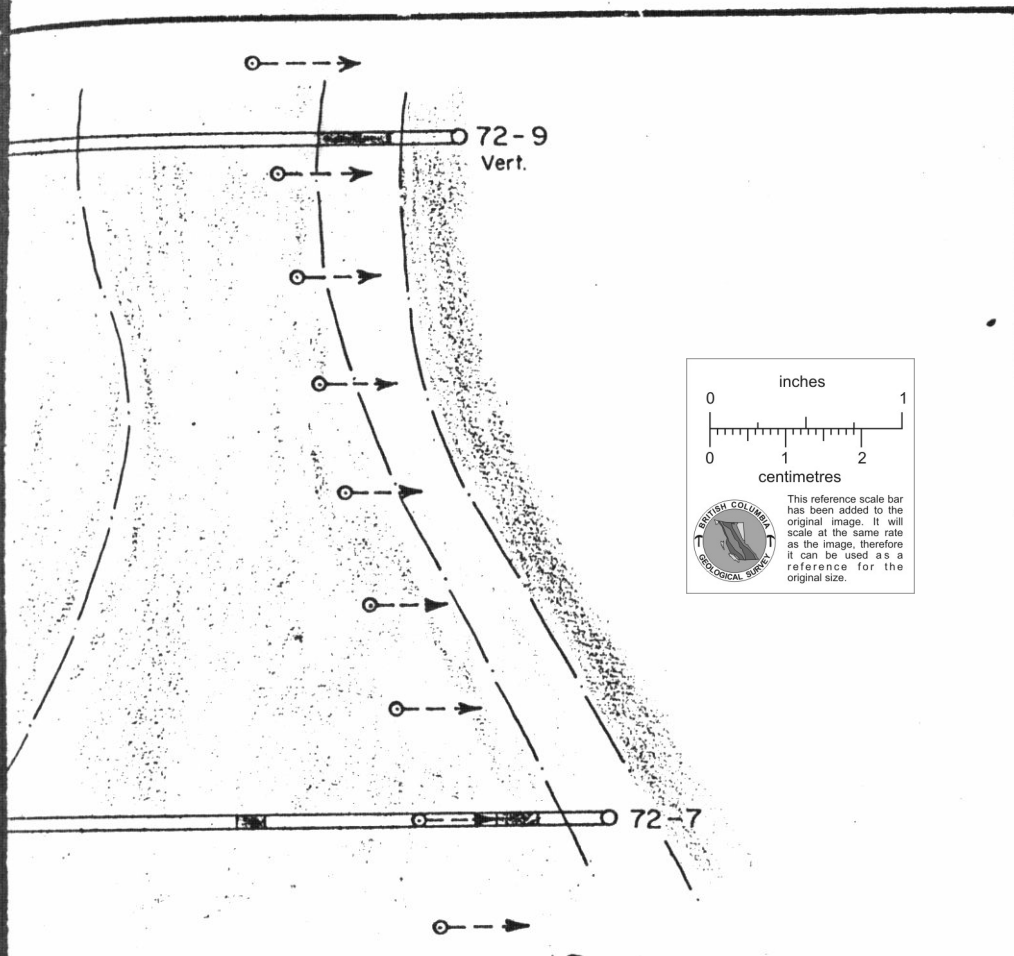


SECTION B - B

LEGEND

-  DACITE TUFF, GREYWACKE, ARGILLITE
-  GREY - GREEN ANDESITE BRECCIA
-  LIMESTONE
-  MAROON ANDESITE
-  Cu Min
-  Proposed Percussion Drill Holes

H



HORIZONTAL PROJECTION C-C

MAP No. 2

TRI-POWER MINERALS CORP.

**DAGO PROPERTY
ASPEN GROVE AREA, B.C.**

**SECTIONS THROUGH DRILL HOLES -
72-5, 72-9, 72-2, 72-7**

GEOLOGY AND MIN INTERSECTIONS AFTER C. LAMMIE, P.Eng, 1972

SCALE: 1" = 100'

JUNE 1976

J.P. ELWELL, P. Eng.

It will be noted that the two inclined holes 72-2 and 72-5 cut near surface sections, 72-2 being noted as 35 ft. of chalcopryrite and bornite mineralization assaying 0.38% Cu. in grey-green andesite breccia, and 72-5 cutting 52 ft. of chalcocite, chalcopryrite, bornite, and native copper in coralline limestone assaying 0.83% Cu.

The vertical hole, 72-7 drilled from the same site as 72-2 cut two sections of chalcopryrite mineralization in argillite and tuffaceous greywacke in close proximity to the coralline limestone. The first section of 30 ft. assayed 1.40% Cu. and the second section of 25 ft. assayed 0.78% Cu. Inclined hole 72-2 cut a second section of 15 ft. assaying 1.45% Cu. with 5 ft. of this running 3.97% Cu.

The vertical hole 72-9 failed to cut any mineralization. The section as interpreted by Lammle shows that this hole ran roughly parallel to the steep dipping limestone band and was entirely in a maroon andesite breccia. According to Lammle's report and drill hole sections, none of the other holes encountered any significant copper mineralization even though they intersected similar rock sequences as the previously mentioned holes.

From the data available, it appears that the copper mineralization encountered consists of a series of lenses within certain rock types. The rock structures are extremely complex, and the drill hole spacing at 400 feet along strike has been too wide to determine the shape or extent of any one of the lenses.

CONCLUSIONS

The reason for abandoning the exploration of the property as stated by Lamble, was that the copper mineralization intersected by the drilling; while showing interesting values, failed to indicate the tonnage possibilities to meet the criteria for a large tonnage, open pit type of operation, which was the objective of the program.

It would appear however that the lenses so far indicated might have sufficient extent along strike and to depth to be developed into a modest tonnage of fairly high grade material which due to its easy accessibility could prove economic to mine and process. To determine this, more close spaced drilling is required which in addition to proving up the extent of the presently known showings, may well indicate additional lenses.

Sufficient diamond drilling has been done to determine the geological structures in the area of interest so that future exploration can be done with a percussion drill which would be quite adequate for the purpose at a cost of only 20% or less than for diamond drilling. The details of the initial phases of work are outlined below.

RECOMMENDATIONS

Phase I

Test the area between holes 72-2, 72-7 and 72-5, 72-9 with a series of percussion holes inclined at -50° with a bearing of 90° . The holes will be collared on a line 100 feet west of the line between the collars of the present holes. The holes should be in 60 foot spacing,

starting 60 feet south of the 72-2, 72-7 site and extending 60 feet north of 75-5, 75-9. (See Maps #1&2) This will total 9 holes drilled to an average of 250 feet or a total of 2,250 feet.

Phase II

If Phase I drilling proves continuity of mineralization and values along strike for the distance covered (about 520 feet) then drilling should be continued in the same manner, both along strike and to depth, to delineate as completely as possible the size, shape, and grade of these mineral zones. The position of the holes will depend on an evaluation of the Phase I drilling. On the experience gained in this drilling, other targets within the claim area should be tested.

ESTIMATE OF COSTS

Phase I

1.	2,250 feet of percussion drilling at \$3.00 per ft.	\$6,750
2.	Assaying	250
3.	Engineering, admin. etc.	1,000
	Total, Phase I	<u>\$8,000</u>

Phase II

1.	Additional percussion drilling, allow 6,000 feet at \$3.00 per ft.	\$18,000
2.	Assaying	800
3.	Engineering, admin. etc.	2,200
4.	Site preparation, as required	1,000
5.	Contingencies approx. 15%	3,000
	Total, Phase II	<u>\$25,000</u>

June 7, 1976
James Paul Elwell, P.Eng.

Total, Phase I and II \$33,000

REFERENCES

1. G.S.C. Memoir 423, H.M.A. Rice, 1960.
2. Topographic Map 92H/15.
3. G.S.C. Map 888A Princeton.
4. Assessment Report #3789-C. Lammle, P.Eng., May 24th 1972.
5. Assessment Report #3787 - Jon G. Baird, P.Eng. June 9th 1972.
6. Assessment Report #3788 - Charles Ager and C. Lammle, P.Eng., May 29th 1972.
7. Minister of Mines Reports 1971, 1972, 1973.

C E R T I F I C A T E

I, James Paul Elwell, of 4744 Caulfield Drive, West Vancouver, B.C., do hereby certify that:

1. I am a Consulting Mining Engineer residing at 4744 Caulfield Drive, West Vancouver, B. C., and with an office at 1030 - 510 West Hastings Street, Vancouver, B. C. V6B 1L8.
2. I am a graduate in Mining Engineering from the University of Alberta in 1940, and am a Registered Professional Engineer in the Province of British Columbia.
3. I have no personal interest, directly or indirectly in the properties examined or in Tri-Power Minerals Corp. securities, nor do I expect to receive directly or indirectly any interest in such property or securities.
4. The findings in the report are from data obtained from the report and maps referred to and from a personal examination made on May 24th 1976.
5. The Legal Corner Posts of the claims were found to be marked in accordance with the Mineral Act.

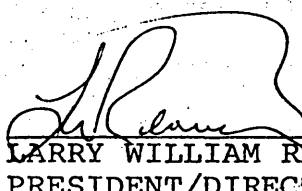
DATED at VANCOUVER, B. C. this 7th day of June 1976.



JAMES PAUL ELWELL, P. Eng.


CERTIFICATE


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 (British Columbia) and the regulations thereunder.

DATED at Vancouver, British Columbia, this 31st day of MARCH, A.D. 1978.


LARRY WILLIAM REAUGH
PRESIDENT/DIRECTOR


ERROL FREDERICK JOHNSON
SECRETARY-TREASURER/DIRECTOR


WILLIAM HOWARD REAUGH
DIRECTOR


LORNE HARVEY SPENCE
PROMOTER