

Rui/AL/LD

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Recd Sept. 11/89

THIS PROSPECTUS CONSTITUTES A PUBLIC OFFERING OF THESE SECURITIES ONLY IN THOSE JURISDICTIONS WHERE THEY MAY BE LAWFULLY OFFERED FOR SALE 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

DATED: April 18, 1989

REDDING GOLD CORPORATION
1763 - 595 Burrard Street
Vancouver, British Columbia
V7X 1G4

Golden Zone & ESW 042
~~Vancouver & SE 189~~
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PUBLIC OFFERING
650,000 Common Shares

	Price to Public	Commission	Net Proceeds to be Received by the Issuer
Per Share	\$0.35(1)	\$0.035(2)	\$0.315
Total	\$227,500	\$22,750	\$204,750(3)

- (1) The price of the shares has been determined by the Issuer in negotiation with the Agents.
- (2) The Agents have been granted a warrant to acquire 162,500 shares of the Issuer at \$0.35 per share. See "Plan of Distribution".
- (3) Before deduction of the expenses of this issue estimated not to exceed \$30,000.

THE AGENTS HAVE AGREED TO PURCHASE ANY OF THE SHARES OFFERED HEREBY WHICH HAVE NOT BEEN SOLD AT THE CONCLUSION OF THE OFFERING AND AS CONSIDERATION FOR THE GUARANTEE HAVE BEEN GRANTED A NON-TRANSFERABLE WARRANT TO ACQUIRE 162,500 SHARES OF THE ISSUER. THE AGENTS' WARRANT HAS BEEN DISTRIBUTED TO THE AGENTS UNDER THIS PROSPECTUS. ANY SHARES ACQUIRED BY THE AGENTS UNDER THE GUARANTEE WILL ALSO BE DISTRIBUTED UNDER THIS PROSPECTUS THROUGH THE FACILITIES OF THE VANCOUVER STOCK EXCHANGE AT THE MARKET PRICE AT THE TIME OF SALE.

THERE IS CURRENTLY NO MARKET THROUGH WHICH THESE SECURITIES MAY BE SOLD.

AN INVESTMENT IN SHARES OF THE ISSUER MUST BE CONSIDERED SPECULATIVE. SEE "RISK FACTORS" FOR DETAILS OF SUCH MATTERS AS DILUTION, RISKS INHERENT IN MINING, CONFLICTS OF INTEREST AND PERCENTAGES OF SHARES HELD BY PROMOTERS, DIRECTORS, OFFICERS, SUBSTANTIAL SECURITY HOLDERS AND UNDERWRITERS.

THE VANCOUVER STOCK EXCHANGE HAS CONDITIONALLY LISTED THE SECURITIES BEING OFFERED PURSUANT TO THIS PROSPECTUS. LISTING IS SUBJECT TO THE ISSUER FULFILLING ALL THE LISTING REQUIREMENTS OF THE VANCOUVER STOCK EXCHANGE ON OR BEFORE OCTOBER 23, 1989, INCLUDING PRESCRIBED DISTRIBUTION AND FINANCIAL REQUIREMENTS.

WE, AS AGENTS, CONDITIONALLY OFFER THESE SECURITIES SUBJECT TO PRIOR SALE, IF, AS AND WHEN ISSUED BY THE ISSUER AND ACCEPTED BY US IN ACCORDANCE WITH THE CONDITIONS CONTAINED IN THE AGENCY AGREEMENT REFERRED TO UNDER "PLAN OF DISTRIBUTION" ON PAGE 18 OF THIS PROSPECTUS.

AGENTS

Continental Securities
- 10th Floor, Four Bentall Centre
1055 Dunsmuir Street
Vancouver, British Columbia
V7X 1L4

EFFECTIVE DATE: April 25, 1989

THE SCHMIDT REPORT IS AVAILABLE FOR INSPECTION AT THE BUSINESS OFFICE OF THE ISSUER, 1763 - 595 BURRARD STREET, VANCOUVER, BRITISH COLUMBIA DURING NORMAL BUSINESS HOURS WHILE PRIMARY DISTRIBUTION OF THE SHARES OFFERED HEREUNDER IS IN PROGRESS AND FOR 30 DAYS THEREAFTER.

The DOR Property

The Issuer has to date expended approximately \$26,000 on examination of and the preparation of a report on the DOR property. The resulting report of A.J. Schmidt, P.Eng. ("Schmidt") dated July 8, 1988 is summarized in the following.

Description, Location and Access

The Issuer owns a 100% interest in the DOR claim comprising six units and covering 150 hectares.

The property is located in southern British Columbia, approximately 18 kilometres south of Merritt and just south of Courtney Lake. The property has an elevation of about 1,070 metres and local relief is less than 100 metres. Much of the surrounding area is open grasslands with mature forests of Douglas fir at slightly higher elevations. Except for the rocky ridge just south of Courtney Lake, outcrop does not appear plentiful, particularly in the grass-covered valley bottoms.

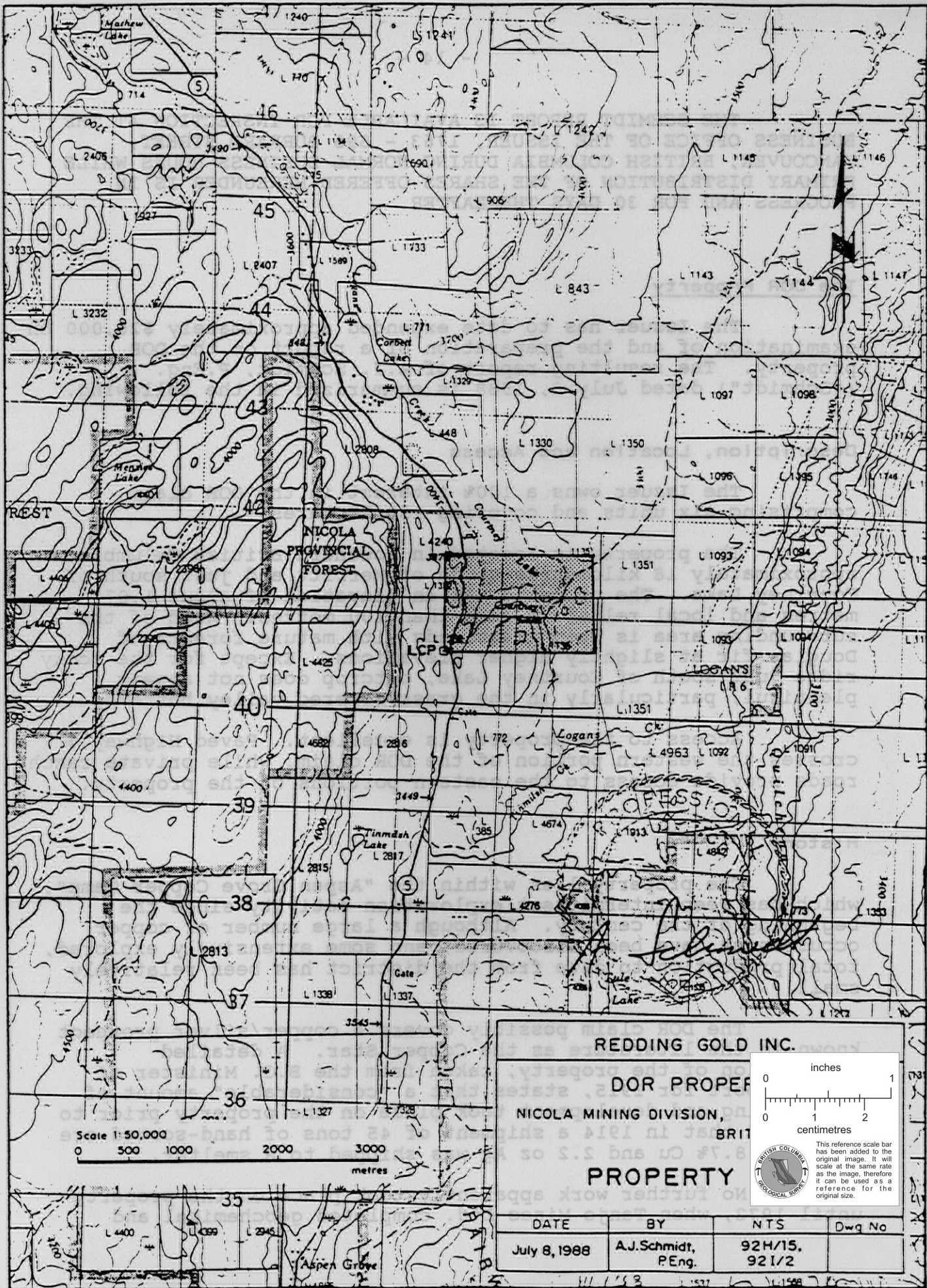
Access to the property is excellent. Paved Highway 5 crosses the western portion of the DOR claim, while private ranch roads provide access to the eastern portions of the property.

History

The property lies within the "Aspen Grove Copper Camp", which has seen intermittent exploration activity since the beginning of the century. Although a large number of copper occurrences have been discovered, and some extensively explored, total production to date from the district has been relatively small.

The DOR claim possibly covers a copper/silver prospect known in the literature as the Copper Star. A detailed description of the property, taken from the B.C. Minister of Mines Report for 1915, states that a "considerable" amount of prospecting and development took place on the property prior to 1915, and that in 1914 a shipment of 45 tons of hand-sorted ore assaying 8.7% Cu and 2.2 oz Ag was shipped to a smelter.

No further work apparently took place on the property until 1972, when Tanjo Mines Ltd. completed geochemical and



Scale 1:50,000
 0 500 1000 2000 3000 metres

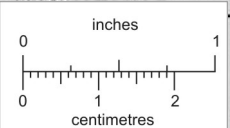
REDDING GOLD INC.

DOR PROPERTY

NICOLA MINING DIVISION,
BRITISH COLUMBIA

PROPERTY

DATE	BY	NTS	Dwg No
July 8, 1988	A.J. Schmidt, P.Eng.	92H/15, 92 I/2	



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geophysical surveys over the present area of interest. There is no evidence that any drilling has ever been completed on the property.

In recent years activity in the district has been directed towards gold exploration, and a number of significant gold occurrences have been trenched and drilled. These include the "Snowflake" prospect (quartz vein) and the "Sadim" prospect (quartz stockwork), south of Missezula Lake.

Geology

The Aspen Grove Copper Camp lies within the Intermontane Belt of the Canadian Cordillera. This region is underlain mainly by Upper Triassic volcanic, sedimentary and intrusive rocks of the Nicola Group. However, Cretaceous to Tertiary sediments and volcanics are also abundant to the west and north of the property, and the low hills just northeast of Courtney Lake are capped by Pleistocene Valley basalts.

The Nicola Group is subdivided into three north-trending structural belts, bounded by major faults, but containing rocks of similar composition and origin. The DOR claim lies within the Central Belt, bounded on the east by the Summers Creek fault system, and on the west by the Allison Creek fault system. Rocks are typically pyroxene and plagioclase-rich andesitic and basaltic flows, breccia, conglomerate, and lahar deposits. Comagmatic intrusive rocks are mostly diorite with subordinate syenite.

Most of the rock ridge south of Courtney Lake is composed of augite andesite or basalt, commonly weakly propylitically altered by pervasive epidote clots and disseminations. Generally, the outcrops are quite massive, with no evidence of significant fracturing or brecciation. No sulphides were observed.

Mineralization

On the claim south of Courtney Lake Schmidt observed numerous old prospect pits, shallow trenches, and short adits which expose weakly malachite-stained basaltic outcrops. Several of these were sampled to confirm the tenor of copper, gold and silver mineralization present. As well, Windsor (1988) reports on 15 rock samples similarly collected from old cuts and workings. Schmidt's samples contained from 72 to 282 ppm Cu, while Windsor's samples contained from 24 to 1232 ppm Cu. Judging from these low values, Schmidt questions whether the old Cooper Star prospect has yet been re-located; it might well be further south along the brush covered west side of the ridge.

While examining the DOR claim, Schmidt was particularly looking for evidence of quartz veins and silicification. One small outcrop was found to contain 8-10 narrow (1-3 cm), sub-parallel quartz veinlets. The exposed zone was about 3 x 5 metres in size. Schmidt's selected sample of only quartz vein material carried 4 ppb Au, and 1.4 ppm Ag, not of exploration significance.

Geophysics

In 1972, and again in 1988, the DOR claim was the subject of ground magnetometer and VLF-EM surveys in an attempt to locate geophysical anomalies correlative with copper mineralization. The 1972 work was done on a 500 x 100 foot grid, while the 1988 work was done on a 50 x 25 metre grid. The 1972 survey, however, covered about four times as large an area; it surveyed from about 500 metres north of Courtney Lake to about 500 metres south of the lake.

Both magnetometer surveys located modest north trending magnetic anomalies of about 3,000 gammas on both sides of the ridge crest, south of Courtney Lake. The eastern anomaly is about 350 x 50 metres, while the western anomaly is about 200 x 75 metres. The western magnetic anomaly is centered about 50 metres east of a shallow adit and open cut exploring weak malachite stain.

There is reasonably good correlation between the 1972 and 1988 VLF-EM surveys. Both show several strong NNE trending anomalies as well as several shorter anomalies at the southeastern corner of the lake. The "main" mineralized zone has moderate VLF-EM conductors on each side, but none correlating directly with the known weak malachite mineralization.

Geochemistry

A total of 374 soil samples were collected by Windsor in February 1988 and analyzed for Cu, Pb, Zn, Mn, Ag, Mo and Sb. Several single station copper soil anomalies (>80 ppm Cu) are scattered across the northern slopes of the ridge south of Courtney Lake. Of more interest is the three-station, north-trending anomaly which encompasses the old adit and open cut. However, the overall magnitude of the geochemical values is low, and properly reflects the weak nature of the copper mineralization exposed thus far.

The 1972 geochemical survey collected and analyzed 1,337 soil samples for Cu only. It also located several weak copper anomalies on the ridge south of Courtney Lake, as well as a fairly strong copper anomaly associated with a known copper occurrence about 1,300 metres east of the north end of the lake.

Here values reach about 500 ppm Cu in a north-trending anomaly about 200 x 50 metres.

Recommendations

A two-phase exploration programme is recommended:

Phase 1

1. Stake additional claims to the south of the present property.
2. Thoroughly prospect the claims and locate definitely the old Copper Star mine workings. Map and sample all additional new mineralized and altered outcrops.
3. If necessary, extend the grid lines to the south to cover all new zones of mineralization. Map the geology of the entire claim block, at a scale of at least 1:2500.
4. Analyze the existing 374 soil samples for Au and compile data.
5. Conduct an orientation Induced Polarization survey over several copper mineralized areas to ascertain whether there are sufficient sulphides or resistivity changes to outline anomalous zones.
6. Conduct a limited Induced Polarization survey over the overburden covered area south and east of the southeast corner of Courtney Lake to outline possible anomalous zones associated with the Summers Creek fault and/or the known VLF-EM conductors.
7. If warranted, extend the magnetometer, VLF-EM and geochemical soil surveys (Cu, Au) over the new grid and compile data.
8. Contingent upon the results of Phase 1, additional exploration work (drilling) may be warranted.

Phase 2

1. Conduct an Induced Polarization survey over the remaining prospective areas of the property.
2. Trench, map and sample targets developed by the previous work.
3. Diamond drill targets developed by the previous work.

Cost Estimate for the Proposed Programme

Phase 1

1. Claim staking (9 units)	1,000
2. Prospecting and sampling	1,500
3. Au geochemical analyses (374)	1,500
4. Orientation Induced Polarization surveys	5,000
5. Magnetometer, VLF-EM, geochemical surveys	5,000
6. Geological supervision, report preparation	3,000
7. Contingencies @ 20%	<u>3,000</u>

TOTAL PHASE 1 \$ 20,000

Phase 2

1. Induced Polarization surveys	10,000
2. Trenching	10,000
3. Diamond drilling, 500 m @ \$100/m (incl.)	50,000
4. Geological supervision, report preparation	5,000
5. Contingencies @ 10%	<u>7,500</u>

TOTAL PHASE 2 \$ 82,500

TOTAL PHASE 1 & 2 \$102,500

The Issuer owns the DOR claim outright and the property is in good standing until November 14, 1998. The Issuer does not intend to conduct further work on the property at this time.

Additional Information

There is no surface or underground plant and equipment on the property.

THE PROPERTY IS WITHOUT A KNOWN BODY OF COMMERCIAL ORE, AND THE PROPOSED PROGRAMME IS AN EXPLORATORY SEARCH FOR ORE.

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PLAN OF DISTRIBUTION

The Issuer, by an agreement dated January 9, 1989 (the "Agency Agreement"), appointed Continental Securities as its agent (the "Agents") to offer through the facilities of the