

PROSPECTUS

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

MACNEILL INDUSTRIAL INC.
(the "Issuer")

NEW ISSUE

DATED: August 18, 1988

THE ISSUER BY THIS PROSPECTUS IS OFFERING TO THE PUBLIC THE RIGHT TO SUBSCRIBE FOR 325,000 UNITS OF THE ISSUERS SHARES, EACH UNIT CONSISTING OF ONE COMMON SHARE WITHOUT PAR VALUE AND ONE FLOW-THROUGH SHARE AT A PRICE OF \$0.90 PER UNIT.

OFFERING OF UNITS
325,000 UNITS @ \$0.90 PER UNIT

| | Gross Funds Received | Commission | Net Proceeds to be received by the Issuer |
|----------|-------------------------|------------|---|
| Per Unit | \$0.90 | \$0.10 | \$0.80 (1) |
| Total | \$292,500 | \$32,500 | \$260,000 (2) |

- (1) The price received by the Issuer was negotiated with the Agent.
(2) Before deduction of the costs of this offering estimated not to exceed \$25,000.00

REFERENCE IS MADE TO THE SECTIONS "PLAN OF DISTRIBUTION" AND "DESCRIPTION OF SECURITIES OF THE ISSUER BEING OFFERED" FOR A DETAILED DESCRIPTION OF THE SHARES AND THE FLOW-THROUGH SHARES COMPRISING THE UNIT OFFERING, THE REQUIREMENTS FOR SUBSCRIPTION, AND THE COMMISSIONS AND FEES PAYABLE THEREON.

THERE IS NO MARKET THROUGH WHICH THESE SECURITIES MAY BE SOLD. A PURCHASE OF THE SHARES OFFERED BY THIS PROSPECTUS MUST BE CONSIDERED SPECULATIVE. REFERENCE IS MADE TO THE SECTION CAPTIONED "RISK FACTORS".

NO PERSON IS AUTHORIZED BY THE ISSUER TO PROVIDE ANY INFORMATION OR TO MAKE ANY REPRESENTATION OTHER THAN THOSE CONTAINED IN THIS PROSPECTUS IN CONNECTION WITH THE ISSUE AND SALE OF THE SECURITIES OFFERED HEREBY.

CERTAIN DIRECTORS OF THE ISSUER MAY HAVE INTERESTS, DIRECT OR INDIRECT, IN OTHER NATURAL RESOURCE COMPANIES. REFERENCE IS MADE TO THE SECTION CAPTIONED "DIRECTORS AND OFFICERS" ON PAGE 6 FOR A COMMENT AS TO THE RESOLUTION OF POSSIBLE CONFLICTS OF INTEREST.

THE VANCOUVER STOCK EXCHANGE HAS CONDITIONALLY LISTED THE SECURITIES BEING OFFERED PURSUANT TO THIS PROSPECTUS. LISTING IS SUBJECT TO THE ISSUER FULFILLING THE LISTING REQUIREMENTS OF THE VANCOUVER STOCK EXCHANGE ON OR BEFORE FEBRUARY 23, 1989.

Amount
7,500
100,000
107,500
March 31,
release

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THE SPOKANE GOLD PROPERTY

and adjoining claims

Lillooet Mining Division

British Columbia

NTS 92 J / 16

a summary report for

MacNEILL INDUSTRIAL INC.

by

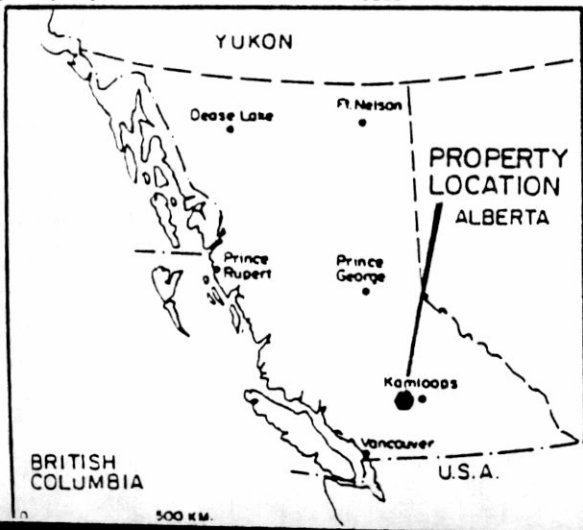
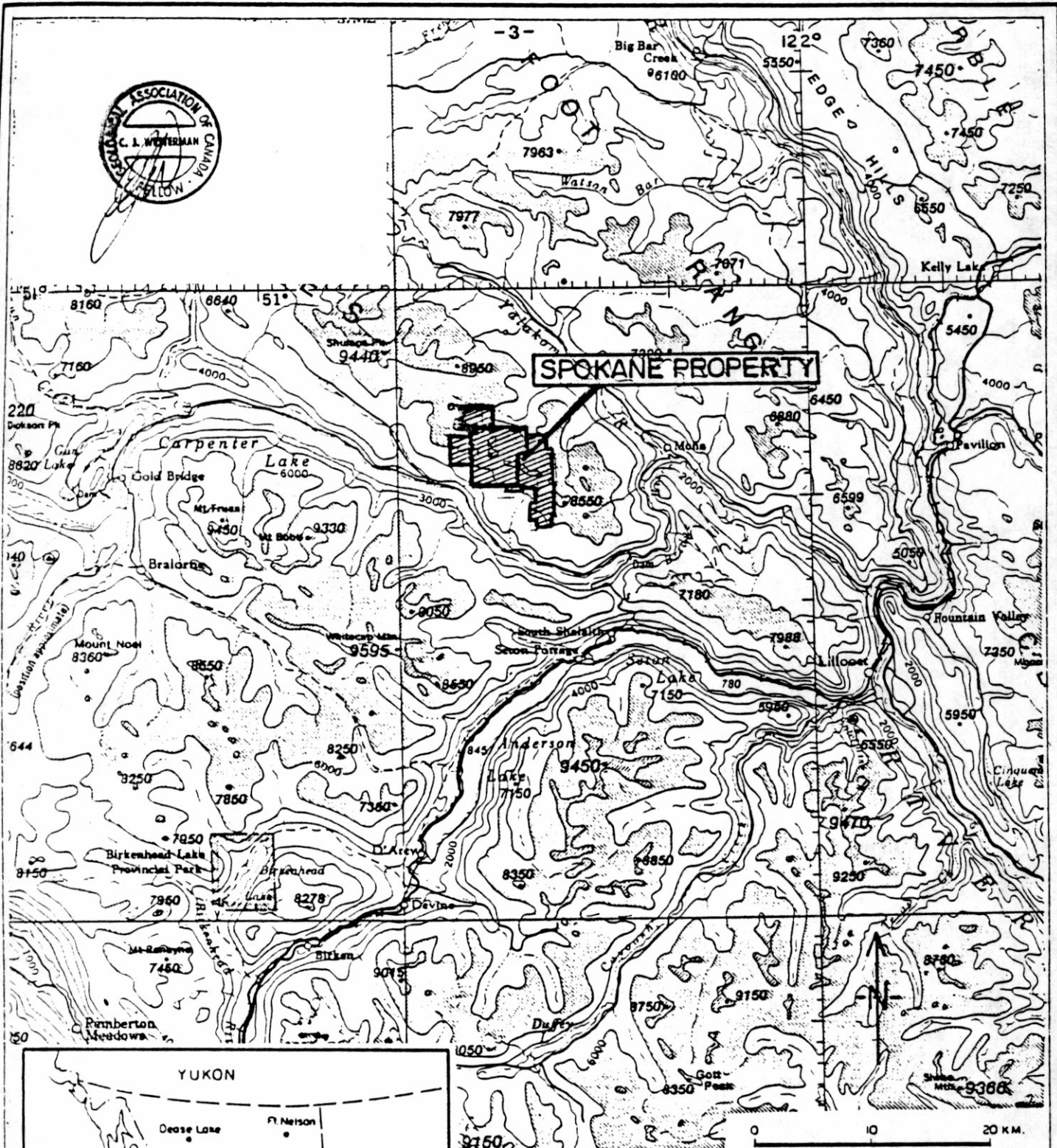
C.J. WESTERMAN, Ph.D., F.G.A.C.

Consulting Geologist

May 10, 1988

Revised July 18, 1988

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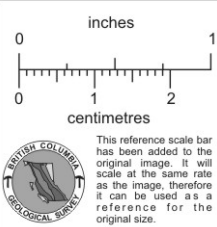
MacNEILL INDUSTRIAL INC.

SPOKANE PROPERTY

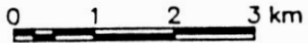
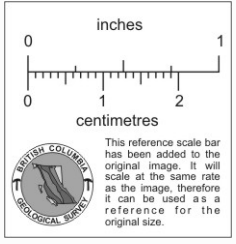
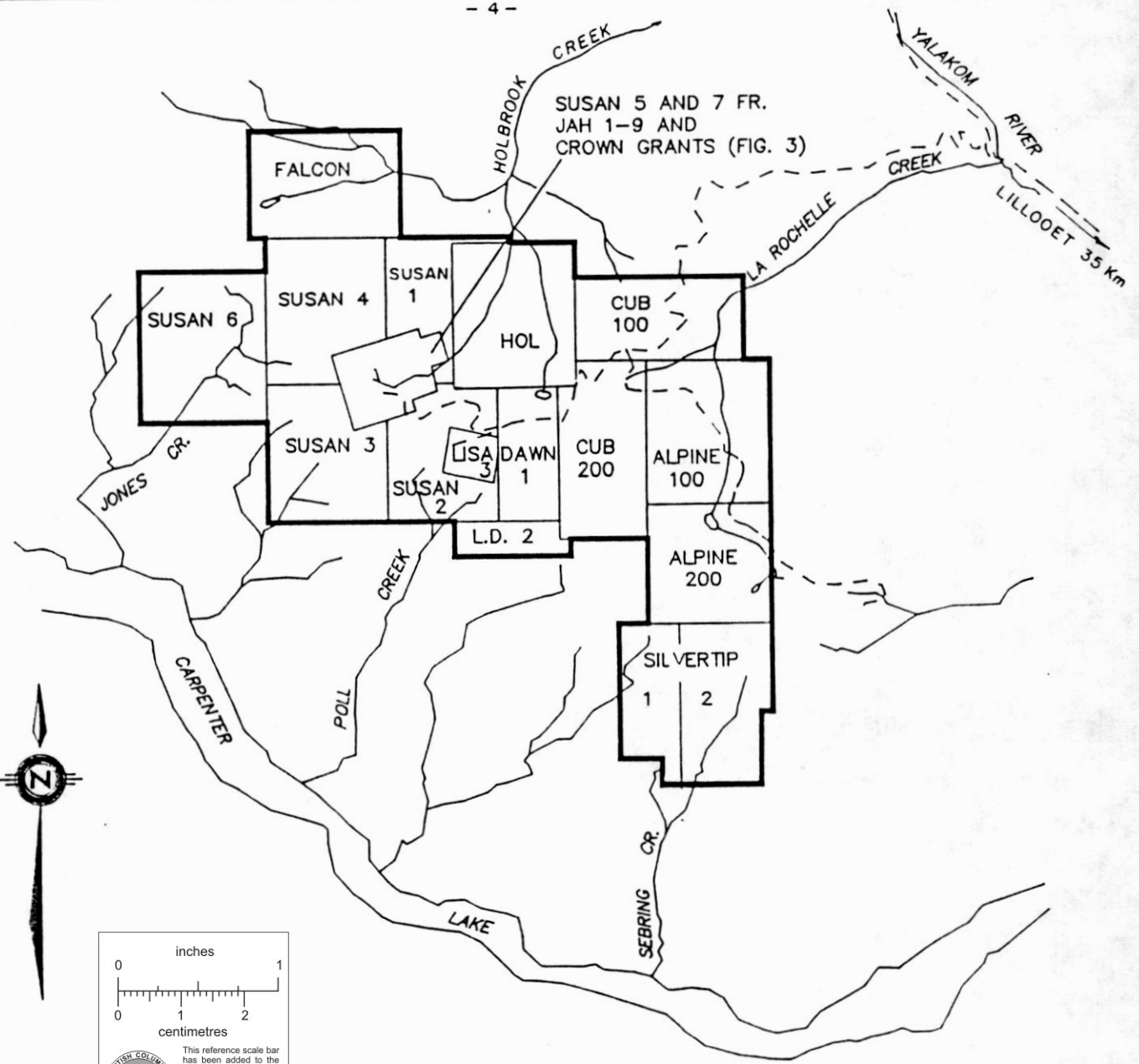
LOCATION MAP

BRITISH COLUMBIA

DATE: _____



92 J/16



| | |
|---|-----------|
| MacNEILL INDUSTRIAL INC. | |
| SPOKANE PROPERTY | |
| LILLOOET MINING DIVISION, B.C. NTS: 92 J/16 | |
| CLAIM MAP | |
| C.J.WESTERMAN | |
| DATE: MAY, 1988 | FIGURE: 2 |