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Raven #1
Lillooet Mining
Division
925NE056

MINISTRY OF ENERGY, MINES
AND PETROLEUM RESOURCES
KAMLCOPS, B.C.

Rec'd. JUN 19 1992

**SUPERINTENDENT OF BROKERS
AND
VANCOUVER STOCK EXCHANGE
(Venture Company)**

MAY 28 1992

Geological Survey Branch
MEMPR

**STATEMENT OF MATERIAL FACTS #26/92
EFFECTIVE DATE: APRIL 20, 1992**

REESE RIVER RESOURCE CORPORATION

#400 - 455 Granville Street, Vancouver, B.C., V6C 1T1

Telephone: (604) 682-3701

NAME OF ISSUER, ADDRESS OF HEAD OFFICE AND TELEPHONE NUMBER

#400 - 455 Granville Street, Vancouver, B.C., V6C 1T1

ADDRESS OF REGISTERED AND RECORDS OFFICES OF ISSUER

Montreal Trust Company, 510 Burrard Street, Vancouver, B.C., V6C 3B9

NAME AND ADDRESS OF REGISTRAR AND TRANSFER AGENT FOR ISSUER'S SECURITIES IN BRITISH COLUMBIA

The securities offered hereunder are speculative in nature. Information concerning the risks involved may be obtained by reference to this document; further clarification, if required, may be sought from a broker.

OFFERING : 1,000,000 COMMON SHARES

	Offering Price (estimated)*	Commission (estimated)	Estimated Net Pro- ceeds to be Received by the Issuer
Per Share	\$ 0.18	\$0.03	\$0.15
Total	\$ 180,000	\$ 30,000	\$150,000

* To be calculated in accordance with the Rules of the Vancouver Stock Exchange.

ADDITIONAL OFFERING

The Agent has agreed to purchase (the "Guarantee") any of the Shares offered hereby which are unsubscribed for on the Offering Day and, as consideration for the Guarantee, has been granted Agent's Warrants entitling the purchase of up to 500,000 common shares of the Issuer (see "Consideration to Agents"). Any shares acquired by the Agent under the Guarantee will be distributed under this Statement of Material Facts through the facilities of the Vancouver Stock Exchange at the market price at the time of sale.

AGENT

Georgia Pacific Securities Corporation
1600 - 555 Burrard Street
Vancouver, B.C., V7X 1S6

Neither the Superintendent of Brokers nor the Vancouver Stock Exchange has in any way passed upon the merits of the securities offered hereunder and any representation to the contrary is an offence.

All proceeds derived from the exercise of the Agent's Warrants will be added to working capital.

The Issuer proposes to use the proceeds of the Offering, together with its working capital, to fund the exploration and development of natural resource properties presently held as well as the acquisition of new assets or properties. Should the Issuer wish to spend all or part of the funds on the exploration and development of its present resource properties, it will, if such expenditure is material, do so only upon the recommendations of a qualified engineer or geologist. Should the Issuer wish to spend all or part of the funds on the acquisition of new assets or resource properties, it will do so only with the prior approval of the Exchange where such approval is required.

3. MATERIAL NATURAL RESOURCE PROPERTIES

Summary of Material Mining Properties

Group I Properties for which regulatory approval has been obtained under this Statement of Material Facts.

Group II Presently held properties which are currently producing or being explored, or upon which exploration is planned within the next year.

Group III Other presently held properties upon which the Issuer's acquisition and exploration costs to date exceed \$100,000.

Group	Property Name	Issuer's Acquisition & Exploration costs to January 31, 1992	Shares Issued to Date	Planned Expenditures from funds available upon completion of the Offering
I	- - - - -	- - - - -	N/A	- - - - -
II	Raven #1 Claim Lillooet Mining Division, British Columbia	Acquisition: \$ 25,000 Exploration: \$105,510	50,000	Nil
III	- - - - -	- - - - -	N/A	- - - - -

GROUP II**Raven #1 Claim, Lillooet Mining
Division Province of British Columbia**

Pursuant to an Option Agreement dated for reference August 30, 1990, as amended by Letter Agreement dated September 25, 1990, made between Gary Polischuk of Lillooet, British Columbia, as optionor, and the Issuer, as optionee, the Issuer acquired an exclusive option to purchase a 100% interest in and to a mineral claim located in the Lillooet Mining Division, Province of British Columbia, more particularly described as follows:

<u>Claim Name</u>	<u>No. of Units</u>	<u>Tenure No.</u>	<u>Expire Date</u>
Raven #1	20	229320	July 18, 1999

In accordance with the terms of the Option Agreement, the Issuer has, to date, paid \$20,000 cash and issued 50,000 of its common shares to the optionor and has received Regulatory approval to the issuance of a further 50,000 common shares to the optionor, which shares will be issued, with the optionor's consent, upon completion of this Offering.

In addition, the Issuer has agreed to issue an additional 100,000 shares to the optionor, in two installments of 50,000 shares each upon the completion of certain stipulated phases of exploration work and the filing of an acceptable report detailing the exploration work completed on the property and containing recommendations that further exploration work be undertaken thereon, which recommendations must be acceptable to the Vancouver Stock Exchange.

The Issuer has also agreed that, upon commencement of commercial production from the Raven #1 claim, a 2% Net Smelter Return royalty will be reserved in favor of the optionor.

The following is extracted from the Report dated August 28, 1991 prepared by the Issuer's Consulting Geologist, Chris J. Sampson, P.Eng:

"The 20 unit Raven 1 claim of Reese River Resource Corporation is located 15 kilometres southwest of Lillooet in the Lillooet Mining Division of B.C.

The claim is easily accessible by use of logging roads and contains gold bearing shear zones of varying widths and attitudes in carbonate altered Bridge River green stones and cherty argillites.

The area was not extensively prospected in the past and there is no record of the showings in government files. The showings were found in 1990 by tracing the source of pyrite bearing float which assayed 0.356 oz/ton gold and was found on the logging road which runs along the southern boundary of the Raven 1 claim.

The initial discoveries of significance consisted of a boulder composed of quartz vein material in altered green stone which contained 1-3 mm blebs of native gold and grab sample from arsenopyrite-pyrite-galena mineralization in a quartz vein (in place) which assayed 0.102 oz/ton gold.

In addition, 35 soil samples were collected some of which contained anomalous gold and arsenic values (up to 1.01 ppm gold and 1004 ppm arsenic).

One sample (16652) consisting of powdery arsenopyrite in a quartz vein in altered Bridge River green stone assayed 19.906 oz/ton gold. A further grab sample from another area of quartz vein (16654) assayed 0.129 oz/ton gold.

Trenching programmes in September, November 1990 subsequently identified three gold showings designated zones A, B and C.

Geochemical soil sampling in November 1990 (Report on Geochemical Soil Sampling and Trenching Programmes 18 December 1990), had outlined an area of coincident strong copper-gold-arsenic anomalies trending approximately north-south between lines 5N and 9N. In early May 1991, a further trenching programme using a Caterpillar 225 backhoe explored this area of geochemical anomalies and discovered a new gold bearing structure designated zone D.

Chip sampling across the D zone quartz vein and mineralized shear exposed in trench RTR-9 returned assays of 0.842 oz/ton gold across 3.5 metres (11.48 feet).

Diamond drilling, consisting of 10 BQ holes totalling 1577 feet (480.65 metres) was done (May - July 1991) in order to further explore the A, B, C and D zones.

The two holes 91-1, 91-2 drilled to explore zone A did not intersect mineralization. It is probable that the mineralized shear structure (zone A) is folded, i.e. it is synformal and thus the holes drilled from either side of it were completely in argillite.

Topography in the area of zone B is very steep and rocky and it wasn't possible to construct an access road to this showing and carry out backhoe trenching. The showing was explored by blasting and hand mucking, which indicated that the zone B showing consists of two quartz veins folded into an antiformal (arch like) structure which plunges at a shallow angle probably 20-30 (degrees) in direction 020. Due to the locally steep terrain, and locational difficulties the one hole that was drilled in this area, 91-9, did not intersect the plunging antiformal structure.

Locally, steep topography also proved to be a problem in drilling zone C. Two holes, DDH91-7 and 8, were drilled from one set-up on the west side of the C zone structure. Neither of the holes intersected mineralization, and it is probable that the structure dips more steeply than originally predicted from exposures in the trenches. Ideally, the structure should be drilled from the east side, but the mountain side is steep and rocky in this locality.

Five holes were drilled to explore the D zone (DDH's 91-3, 4, 5, 6 and 10). The 4 holes drilled from the western side of the showing all intersected the principal mineralized shear and quartz veining. Due to the narrow diameter of the core (BQ) and the vuggy and fractured nature of the mineralization and country rocks, core recoveries were poor and since values obtained from sludge samples were considerably higher than values reported from core at comparable depth, it is apparent that gold values were lost from the core.

Since the country rock is fractured, even values obtained from sludge samples were probably below "in place" or actual grade due to gold particles being lost in the walls of the drill holes."

Mr. Sampson recommended that a further program of exploration be undertaken on the property, which program is to consist of approximately 2000 feet of diamond drilling, with holes being drilled to a depth of 330 feet, together with additional trenching of previously identified geochemical soil anomalies; such recommended program is estimated to cost \$50,000.

The Issuer intends to undertake such recommended program of exploration with the proceeds of those certain Flow-Through Unit Subscription Agreements described in Item 9 A herein.

As at January 31, 1992, the Issuer had incurred exploration expenditures on the Raven #1 mineral claim aggregating \$105,510.

THERE IS NO UNDERGROUND OR SURFACE PLANT OR EQUIPMENT ON THE ISSUER'S PROPERTIES, NOR ANY KNOWN BODY OF COMMERCIAL ORE, AND THE PROPOSED PROGRAM IS AN EXPLORATORY SEARCH FOR ORE.

RISK FACTORS

The Shares offered hereby must be considered speculative due to the nature of the Issuer's business. In particular:

1. To the knowledge of the Issuer, the property described above (the "Property") are without a known body of commercial ore and any program conducted on the Property with the proceeds from the Offering would be an exploratory search for ore.
2. If the Issuer's exploration programs are successful in establishing ore of commercial tonnage and grade, additional funds will be required for the development of the ore body and to place it in commercial production. One source of future funds presently available to the Issuer is through the sale of equity capital. Another alternative for the financing of further exploration would be the offering by the Issuer of an interest in the Property to be earned by another party or parties carrying out further exploration or development thereof.
3. Resource exploration and development is a speculative business and involves a high degree of risk. The marketability of natural resources which may be acquired or discovered by the Issuer will be affected by numerous factors beyond the control of the Issuer. These factors include market fluctuations, the proximity and capacity of natural resource markets and processing equipment, government regulations, including regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting minerals and environmental protection. The exact effect of these factors cannot be accurately predicted, but the combination of these factors may result in the Issuer not receiving an adequate return on invested capital.
4. Mining operations generally involve a high degree of risk. Hazards such as unusual or unexpected formations and other conditions are involved. The Issuer may become subject to liability for pollution, cave-ins or hazards against which it cannot insure against or which it may elect not to insure. The payment of such liability may have a material, adverse effect on the Issuer's financial position.

5. While the Issuer has obtained the usual industry standard title report in respect to the Property in which it has an interest, this should not be construed as a guarantee of title. The Property may be subject to prior unregistered agreements or transfers or native land claims, and title may be affected by undetected defects.
6. The Property has not been surveyed and the precise location and extent thereof may be in doubt.
7. The directors of the Issuer serve as directors of other public companies and, to the extent that such other companies may participate in ventures in which the Issuer may participate, the Directors of the Issuer may have a conflict of interest in negotiating and concluding terms respecting the extent of such participation. In the event that such a conflict of interest arises at a Board of Directors meeting, a Director who has such a conflict will abstain from voting for or against the approval of such a participation or such terms. From time to time several companies may participate in the acquisition, exploration and development of natural resource properties thereby allowing for their participation in larger programs, permitting involvement in a greater number of programs and reducing financial exposure in respect of any one program. It may also occur that a particular company will assign all or a portion of its interest in a particular program to another of these companies due to the financial position of the company making the assignment.

In accordance with the laws of British Columbia, the Directors and Officers of the Issuer are required to act honestly, in good faith and in the best interests of the Issuer. In determining whether or not the Issuer will participate in a particular program and the interest therein to be acquired by it, the Directors will primarily consider the degree of risk to which the Issuer may be exposed and its financial position at that time.

4. PARTICULARS OF NON-RESOURCE ASSETS

The Issuer is not presently engaged in, nor does it have any present intention to engage, in whole or in part, in a business other than the exploration and, if warranted, development of natural resources properties.