

THIS PROSPECTUS CONSTITUTES A PUBLIC OFFERING OF THESE SECURITIES ONLY IN THOSE JURISDICTIONS IN WHICH THIS PROSPECTUS HAS BEEN ACCEPTED FOR FILING AND THEREIN ONLY BY PERSONS PERMITTED TO SELL SUCH SECURITIES. 011785 ✓

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.

NEW ISSUE  
PROSPECTUS

DATED: OCTOBER 1ST, 1990

REGEENA RESOURCES INC.  
(the "Company")  
705 - 543 Granville Street  
Vancouver, B.C. V6C 1X8

*Discovery*  
*0925/3E*  
*0925 W 035,*  
*034*

700,000 COMMON SHARES

consisting of 300,000 "Flow-Through" Shares and 400,000 "Non Flow-Through Shares"

NON FLOW-THROUGH SHARE OFFERING - 400,000 shares at a price of \$0.35 per share

	<u>Price to Public</u>	<u>Commission</u>	<u>Net Proceeds to be Received by Company (1)</u>
Per Share	\$0.35	\$0.05	\$0.30
Total	\$140,000	\$20,000	\$120,000

FLOW-THROUGH SHARE OFFERING - 300,000 "Flow-Through" shares at a price of \$0.35 per share.

	<u>Price to Public</u>	<u>Commission(2)</u>	<u>Net Proceeds to be Received by Company (1)</u>
Per Share	\$0.35	\$0.05	\$0.35
Total	\$105,000	---	\$105,000
<b>TOTALS:</b>	<b>\$245,000</b>	<b>\$20,000</b>	<b>\$225,000</b>

(1) Before deduction of the costs of the Issue, estimated at \$13,000.

(2) The commissions payable with respect to the Flow-Through Share Offering shall be paid by the Company from its working capital and will not be deducted from the Flow-Through Offering.

(787)

Nov. 20/90

887110

THE PURCHASERS OF "FLOW-THROUGH" SHARES SHALL BE ENTITLED TO RECEIVE CERTAIN DEDUCTIONS FOR INCOME TAX PURPOSES. REFERENCE IS MADE TO THE HEADING "FEDERAL INCOME TAX CONSEQUENCES" ON PAGE 9 HEREOF FOR FURTHER INFORMATION CONCERNING FLOW-THROUGH SHARES. IN THE EVENT THAT THERE IS A MARKET FOR THE SECURITIES IN THE FUTURE, THE PURCHASERS OF NON "FLOW-THROUGH" SHARES MAY SUFFER A DISADVANTAGE AS AGAINST PURCHASERS OF THE "FLOW-THROUGH" SHARES ON THE RESALE OF SHARES IN SUCH A MARKET.

A PURCHASE OF THE SECURITIES OFFERED BY THIS PROSPECTUS MUST BE CONSIDERED AS SPECULATION. ALL OF THE PROPERTIES IN WHICH THE COMPANY HAS AN INTEREST ARE IN THE EXPLORATION AND DEVELOPMENT STAGE ONLY AND ARE WITHOUT A KNOWN BODY OF COMMERCIAL ORE. SEE ALSO "RISK FACTORS" HEREIN.

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

THE VANCOUVER STOCK EXCHANGE HAS CONDITIONALLY LISTED THE SECURITIES BEING OFFERED PURSUANT TO THIS PROSPECTUS. LISTING IS SUBJECT TO THE COMPANY FULFILLING ALL THE LISTING REQUIREMENTS OF THE VANCOUVER STOCK EXCHANGE ON OR BEFORE APRIL 10TH, 1991, INCLUDING PRESCRIBED DISTRIBUTION AND FINANCIAL STATEMENTS.

NO PERSON IS AUTHORIZED BY THE COMPANY 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 BY THE COMPANY.

UPON COMPLETION OF THIS OFFERING, THIS ISSUE WILL REPRESENT 34.23% OF THE SHARES THEN OUTSTANDING AS COMPARED TO 62.73% THAT WILL THEN BE OWNED BY THE CONTROLLING PERSONS, DIRECTORS, PROMOTERS AND SENIOR OFFICERS OF THE COMPANY AND ASSOCIATES OF THE AGENT. REFER TO THE HEADING "PRINCIPAL HOLDERS OF SECURITIES" HEREIN FOR DETAILS OF SHARES HELD BY DIRECTORS, SENIOR OFFICERS, PROMOTERS AND CONTROLLING PERSONS AND ASSOCIATES OF THE AGENT.

ONE OR MORE OF THE DIRECTORS OF THE ISSUER HAS AN INTEREST, DIRECT OR INDIRECT IN OTHER NATURAL RESOURCE COMPANIES. REFERENCE SHOULD BE MADE TO THE ITEM "RISK FACTORS" HEREIN FOR A COMMENT AS TO THE RESOLUTION OF POSSIBLE CONFLICTS OF INTEREST.

THE PRICE OF THIS OFFERING WAS DETERMINED BY NEGOTIATION BETWEEN THE COMPANY AND THE AGENT.

THE SHARES OFFERED UNDER THIS PROSPECTUS WILL BE SUBJECT TO A DILUTION OF \$0.2515 PER SHARE (71.86%).

THIS OFFERING IS SUBJECT TO A MINIMUM SUBSCRIPTION BEING RECEIVED BY THE COMPANY WITHIN 180 DAYS OF THE EFFECTIVE DATE OF THIS PROSPECTUS. FURTHER PARTICULARS OF THE MINIMUM SUBSCRIPTION ARE DISCLOSED ON PAGE 9 UNDER THE CAPTION "MINIMUM SUBSCRIPTION".

GEOCHEMICAL, GEOLOGICAL AND GEOPHYSICAL  
REPORT ON DISCOVERY CLAIM GROUP

VANCOUVER MINING DIVISION,  
CALLAGHAN CREEK AREA, BRITISH COLUMBIA

LOCATION:

N.T.S.: 92 J-3E  
LATITUDE: 50° 05' N.  
LONGITUDE: 123° 06' W.

CLAIMS:

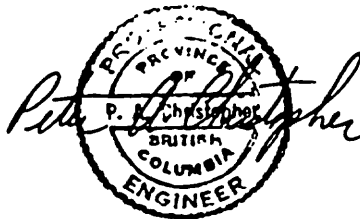
DISCOVERY I (#2011)  
DISCOVERY II (#2106)  
DISCOVERY IV (#2308)

REPORT FOR:

HADLEY RESOURCES INC.  
705-543 GRANVILLE STREET  
VANCOUVER, B.C. V6C 1X8

PREPARED BY:

Peter A. Christopher Ph.D., P.Eng.  
PETER CHRISTOPHER AND ASSOCIATES INC.  
3707 WEST 34TH AVENUE,  
VANCOUVER, B.C. V6N 2K9



SEPTEMBER 28, 1988

HADLEY RESOURCES INC.  
NOTES TO INTERIM FINANCIAL STATEMENTS  
MARCH 31, 1990

EXHIBIT D  
(CONT'D.)

9. FINANCIAL STATEMENT PRESENTATION

Comparative figures in the financial statements are for the year ended September 30, 1989, and for the initial fiscal period from the date of incorporation, April 18, 1988 to September 30, 1988.

10. SUBSEQUENT EVENTS

On October 30, 1989, the company's May, 1989 prospectus expired without sale of the offering under the terms of the prospectus having been achieved. Accordingly, the company is in the process of preparing a revised prospectus for resubmission to regulatory authorities, in order to offer 400,000 shares of authorized share capital to the public at a price per share acceptable to regulatory authorities and anticipated to be 35¢ per share. The company also intends to enter into agreements with individuals for the issuance of 300,000 flow-through shares at 35¢ per share, in order to finance exploration expenses as was previously done with the proceeds of flow-through shares mentioned in Note 6 above.



TABLE OF CONTENTS

	PAGE
SUMMARY	i
INTRODUCTION	1
LOCATION AND ACCESS	1
PROPERTY DEFINITION	1
HISTORY	2
1988 WORK PROGRAM	3
REGIONAL GEOLOGY	3
PROPERTY GEOLOGY	4
MINERALIZATION	4
GEOCHEMICAL PROGRAM	5
GEOPHYSICAL PROGRAM	6
DISCUSSION OF DISCOVERY PROPERTY	7
CONCLUSIONS AND RECOMMENDATIONS	7
COST ESTIMATES	8
BIBLIOGRAPHY	9
CERTIFICATE	10
CONSENT LETTER	

APPENDIX A. DESCRIPTION OF ROCK SAMPLES  
CERTIFICATES OF ANALYSES-ROCK SAMPLES

LIST OF TABLES

TABLE 1. PERTINENT CLAIM DATA	2
TABLE 2. SUMMARY OF ROCK SAMPLE RESULTS	5

LIST OF ILLUSTRATIONS

	AFTER PAGE
FIGURE 1: LOCATION MAP	1
FIGURE 2: CLAIM MAP	1
FIGURE 3: REGIONAL GEOLOGY	3
FIGURE 3A: GRID GEOLOGY	4
FIGURE 4: SOIL GEOCHEMISTRY AU, AG	5
FIGURE 5: SOIL GEOCHEMISTRY PB, ZN	5
FIGURE 6: SOIL GEOCHEMISTRY MO, CU	5
FIGURE 1G: MAGNETIC SURVEY	6
FIGURE 2G: VLF-EM PROFILES	7
FIGURE 3G: VLF-EM FRASER FILTERED	7

## SUMMARY

The Discovery Claim Group, consisting of 34 units in 3 modified grid claims, covers about 700 ha (1730 acres) in the Vancouver Mining Division near Whistler, British Columbia. The property has excellent access from Vancouver via Highway 99 and the Callaghan Creek Logging Road (Northair Mine Road). The Discovery Property is situated immediately southwest of Northair Mines Property. The property was acquired by Hadley Resources Inc. to explore for deposits similar to those on the adjacent Northair Mines Property and nearby Silver Tusk Mines Ltd. Property. The Northair deposits are about 3km north and the Silver Tusk deposits are about 3km southwest of the Discovery Property.

The Discovery, Manifold, and Warman zone on the adjacent Northair Mine Property have yielded 345,700 tons containing 166,582 ounces of gold (5,181 kg.) and 845,854 ounces of silver (26,309 kg.) with by-product copper, lead and zinc. Mineralization occurs as disseminations, veins and massive sulphides in NNW trending, fault segmented structures.

The Discovery Property is underlain by quartz diorite intrusions of the Coast Plutonic Complex and a package of intermediate, greenschist facies, meta-volcanic rocks. The geological setting and the northerly to north-northwesterly structures on the Discovery Property are similar to those found on the adjacent Northair Mines Property.

The 1988 work program consisted of 25 Km of VLF-EM and magnetometer survey, 568 soil samples and 39 rock samples. The surveys have been successful in defining a number of multi-element soil geochemical anomalies with gold values to 9380 ppb, magnetic anomalies "A-F" and VLF-EM anomalies "A-F" (Basil, 1988). Rock sample 59054, collected by the writer, contained 10.20% copper, 2.43 oz Ag/t and 0.025 oz Au/ton over 0.31 meters. The writer's sample confirmed a reported (Demczuk and Cuttle, 1987) base and precious metal occurrence on the property.

Considering the encouraging results obtained during Phase 1, further, success contingent, phased exploration of the Discovery Property is strongly recommended with Phase 2 program, of trenching followed by diamond drilling, estimated to cost \$ 100,000. Contingent on the success of the Phase 2 program, a Phase 3, 1,000 meter diamond drill program is estimated to cost \$ 160,000. Recommendations for a Phase 4 program should be made by an independent engineer after evaluation of Phase 2 and Phase 3 results.

## INTRODUCTION

The Discovery I, Discovery II and Discovery IV claims, consisting of 34 metric units, are owned by Hadley Resources Inc. The writer was retained by the management of Hadley Resources Inc. to recommend a qualifying exploration program, examine the Discovery Property, prepare an assessment report on the 1988 work program (Christopher, 1988), and prepare a qualifying engineering report on the property, if warranted. The writer examined the property with project geologist Duro Adamec and Ludvik Skalicky, director of Hadley Resources Inc. on June 30, 1988, reviewed previous reports on the area and compiled the results of the work program conducted between June and August, 1988.

This report reviews the geological setting and 1988 work program on the Discovery Property and provides recommendations for further success contingent, staged exploration of the Discovery Property.

## LOCATION AND ACCESS (FIGURES 1 & 2)

The Discovery Property is located in the Coast Mountains of Southwestern British Columbia about 10 km southwest of the ski-resort of Whistler and 85 km north of Vancouver, British Columbia. The claims are in the Vancouver Mining Division and N.T.S. map sheet 92-J-3E at geographic coordinates 50° 05'N. latitude and 123° 06'W. longitude. The claims straddle the Callaghan Creek Valley about 3 km northerly from the junction of Callaghan Creek and the Cheakamus River.

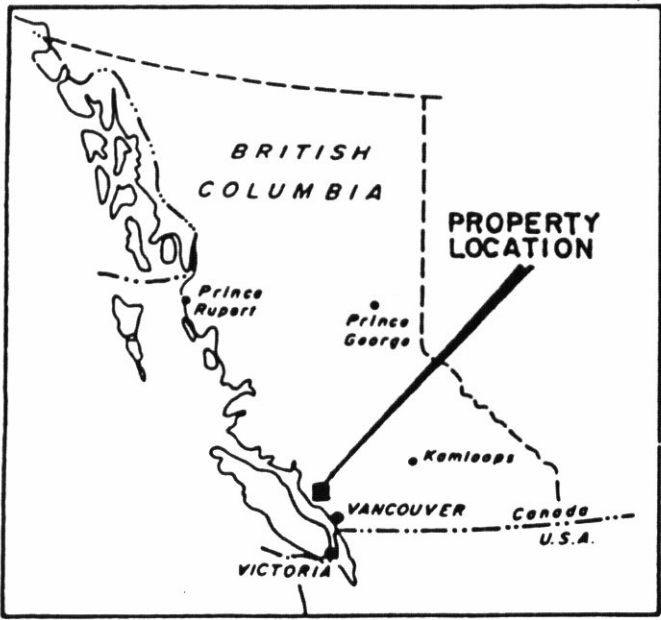
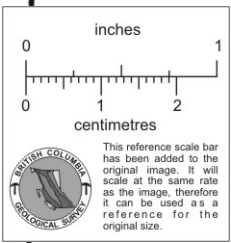
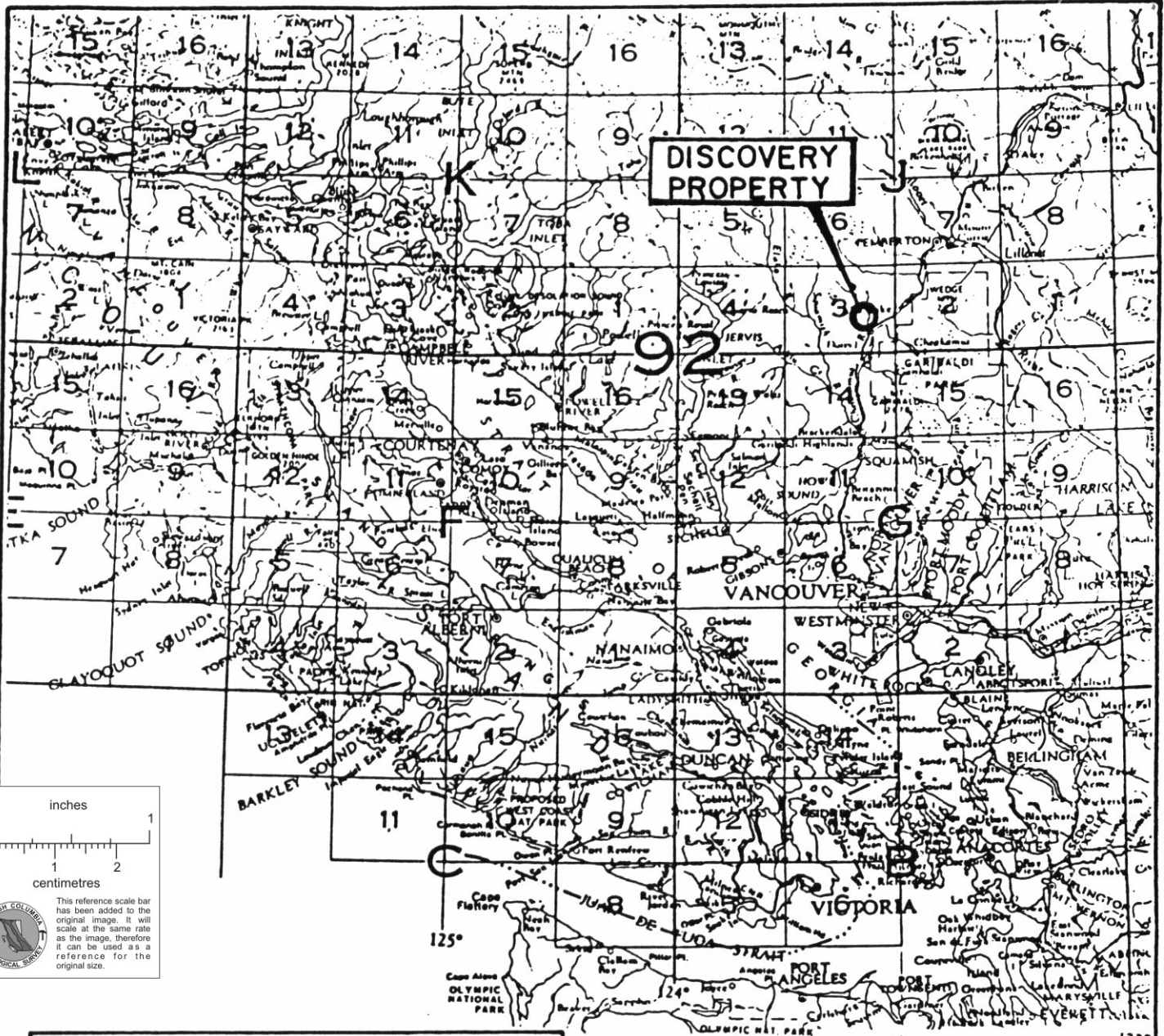
Access to the property from Vancouver is via Highway 99 to the Callaghan Creek Logging (Northair Mine) Road which extends northward about 3 km to the southern property boundary. Logging operations throughout the property have resulted in a network of two and four-wheel drive roads on the property. The British Columbia Railway branch from Vancouver to Lillooet follows Highway 99 from Vancouver to Pemberton.

Elevations on the property range from about 2000 feet (610 meters) in the Callaghan Creek Valley to about 3200 feet (975 meters) with moderate to strong relief of 365 meters. Vegetation is typical of coast rain forest with most of the property being recently logged for commercial stands of hemlock, yellow cedar and balsam.

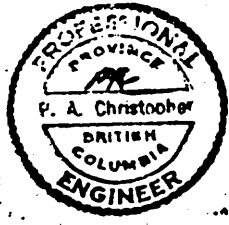
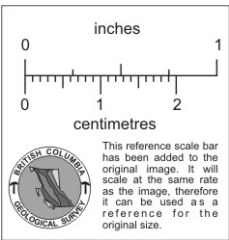
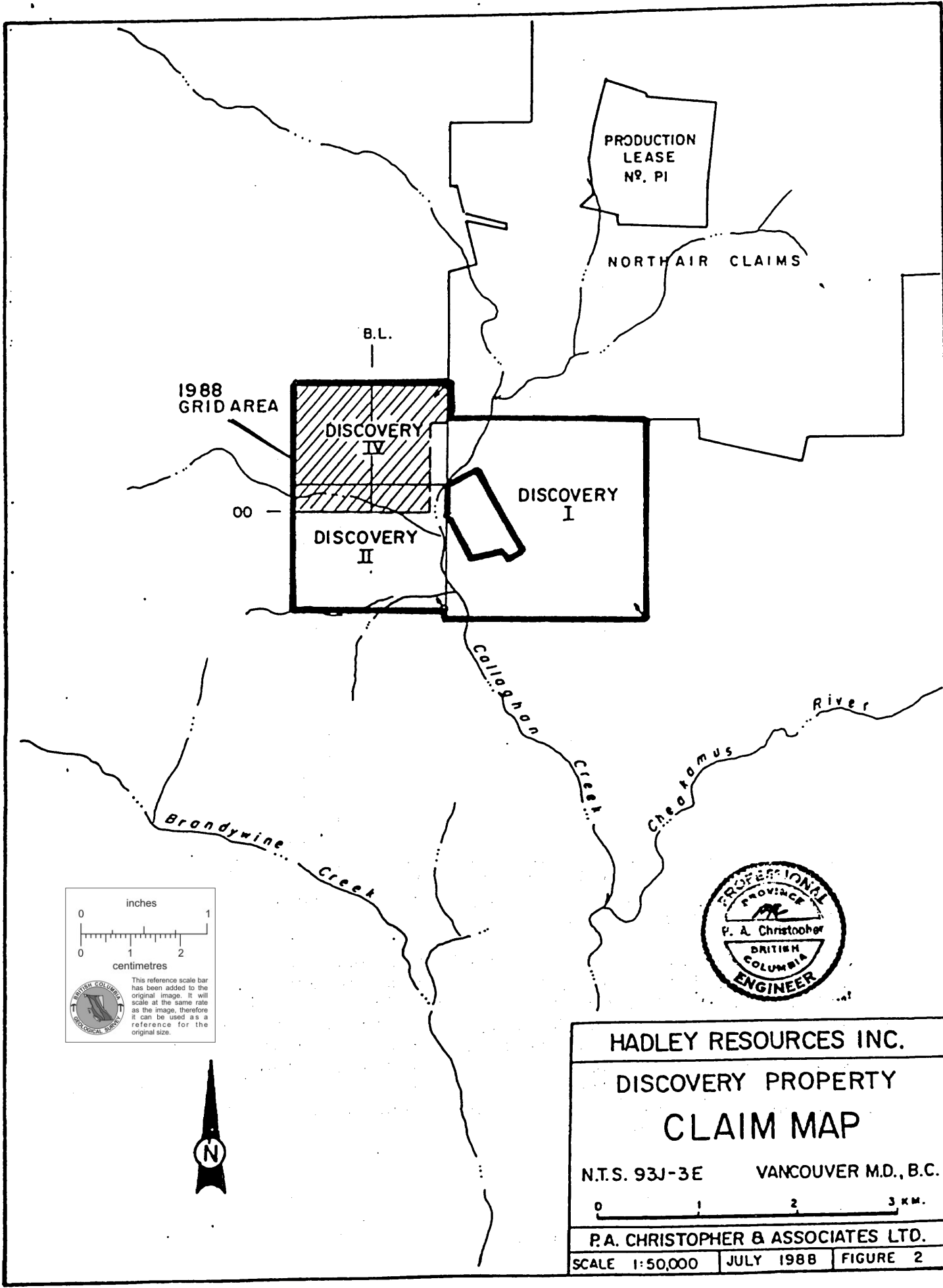
## PROPERTY DEFINITION (FIGURE 2)

The Discovery Claim Group, consisting of the Discover I, Discovery II, and Discovery IV metric claims, consists of 34 metric units in the Vancouver Mining Division, British Columbia. Hadley Resources Inc. is the owner of the Discovery Claim Group with the Discovery I and II purchased and the Discovery IV claim staked for Hadley Resources Inc. on May 26, 1988 by Mr. L. Demczuk. The writer examined the legal corner post for the Discovery IV claim with the location shown on Figure 2 confirmed by Duro Adamec during the 1988 field program.

Claim locations shown on Figure 2 are after government claim map 92 J-3E with pertinent claim data summarized in Table 1.



<b>HADLEY RESOURCES INC.</b>		
<b>DISCOVERY PROPERTY</b>		
<b>LOCATION MAP</b>		
N.T.S. 93J-3E	VANCOUVER M.D., B.C.	
<b>P.A. CHRISTOPHER &amp; ASSOCIATES LTD.</b>		
SCALE AS SHOWN	JULY 1988	FIGURE 1



**HADLEY RESOURCES INC.**

**DISCOVERY PROPERTY**

**CLAIM MAP**

N.T.S. 93J-3E VANCOUVER M.D., B.C.

0 1 2 3 KM.

**P.A. CHRISTOPHER & ASSOCIATES LTD.**

SCALE 1:50,000 | JULY 1988 | FIGURE 2

TABLE 1. Pertinent Claim Data for Discovery Claim Group.

<u>Name</u>	<u>Rec. #</u>	<u>Units/Shape</u>	<u>Staker</u>	<u>Record Date</u>	<u>Expiry*</u>
Discovery I	2011	16/4Nx4W	L. Demczuk	Oct. 27/86	1988
Discovery II	2106	12/3Nx4W	"	April 6/87	1990
Discovery IV	2308	6/2Sx3N	"	May 27/88	1989

\* Prior to Recording 1988 Work Program.

=====

HISTORY

The first reports of exploration and mineral occurrences along the Pacific Great Eastern Railroad, now British Columbia Railroad, were made by Camsell (1917) in Summary Report, 1917, Part B, Geological Survey of Canada. In the 1924 Report of the Minister of Mines, Brewer states that, "During 1924 discoveries were made by Helmar Hogstrom on a small tributary of the Brandywine River, about 3 miles westerly from McGuire Siding, which are of considerable importance and promise to supply a tonnage of ore and supplies for railway-haul during the coming season of 1925." The description apparently apply to the Astra and Cambria prospects (B.C. Mineral Inventory 92-JW #1) and Blue Jack prospect (B.C. Mineral Inventory 92-JW #3) operated in 1969 and 1970 by Barkley Valley Mines Ltd. and Van Silver Explorations Ltd., respectively.

The area appears to have received a number of prospecting efforts with a few small shipments from the Astra-Cambria and Blue Jack prospects prior to discovery of the Warman Property on Callaghan Creek in 1970 by Dr. M.P. Warshawski, an amateur prospector, and Mr. A. H. Manifold, a geologist. The Warman Property was explored and developed by Northair Mines Ltd. from 1972 to start of production in 1976. From 1976 to June 1982, the Northair Mines milled 345,700 tons yielding 166,582 ounces of gold and 845,854 ounces of silver with by-product production of copper, lead and zinc. Milling was suspended in June 1982 due to economic conditions with reserves as of February 28, 1982 reported at 67,236 tons averaging 0.25 oz Au/ton, 0.77 oz Ag/ton, 1.25% lead and 1.90% zinc.

Acquisition of the Discovery Claim Group was started by Les Demczuk, geologist with staking of the Discovery I claim on October 26, 1986 with the Discovery II claim added on April 5, 1987. Hadley Resources Inc. purchased the property from S. Carnogursky on May 10, 1988 with the Discovery IV claim added to the property by Les Demczuk, as agent for Hadley Resources Inc., on May 27, 1988. Prior to acquisition by Hadley Resources, exploration of the Discovery Property consisted of a brief geological and geochemical program to satisfy assessment requirements (Demczuk and Cuttle, 1987).

Peter Christopher & Associates Inc. was retained by Hadley Resources Inc. in May 1988 to review the property and recommend a program of exploration. A Phase I, geological, geochemical and geophysical program was conducted on the Discovery Property from May to August, 1988.

## 1988 WORK PROGRAM

The 1988 field program was mainly conducted between May 23, 1988 and June 30, 1988 with follow-up, geochemical prospecting between August 9th and 12th, 1988. The work consisted of 26.50 km of surveyed grid and baseline with 1300 meters of slope corrected baseline and 25.20 km of cross lines. Lines were spaced at 50 meters in the detailed, northern portion of the grid with the stations at 25 meter intervals. Lines were spaced at 100 meters in the southern portion of the grid with stations every 50 meters. Stations were chained and flagged.

A total of 25 kilometers of magnetometer and VLF-EM survey was carried out over the grid area by Coast Mountain Geological Ltd. (Basil, 1988). Geophysical readings, using a Barringer Toroid total field magnetometer and a Geonics EM-16 receiver, were collected at 25 meter intervals along lines. Readings were collected between June 20th and June 26th, 1988. The geophysical survey cost was \$5,000 plus room and board. The magnetic and VLF-EM report has been included as appendix A to the assessment report (Christopher, 1988).

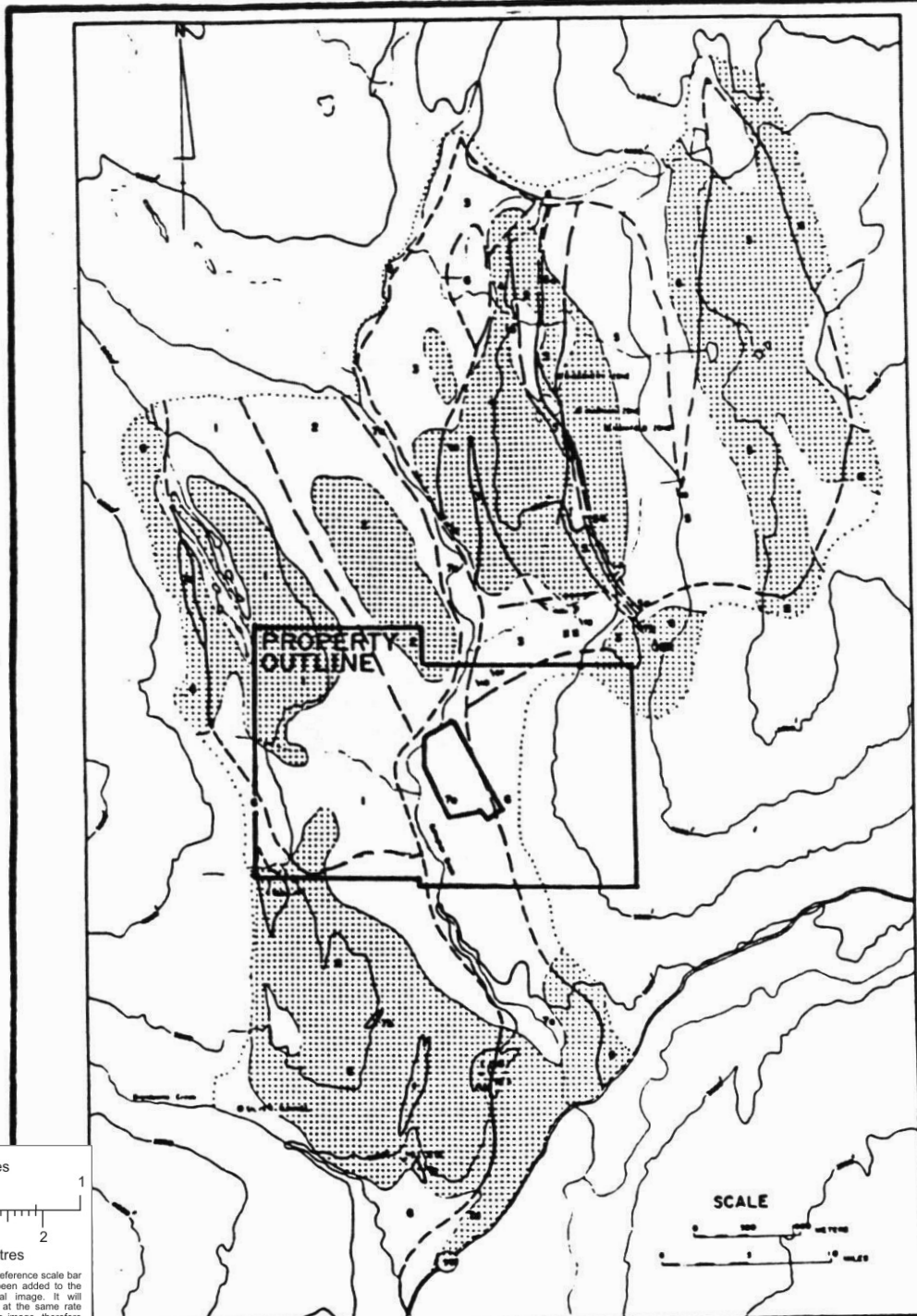
Geological mapping, prospecting, soil and rock sampling was conducted over the grid area. During the initial survey, 539 soil samples and 48 rock chip and grab samples were collected. A total of 29 soil samples were collected during geochemical follow-up. The geochemical samples were analyzed for 30 element ICP and gold geochemistry by Acme Analytical Laboratories Ltd. in Vancouver with results for Au, Ag, As, Mo, Cu, Pb, and Zn treated statistically. Certificates of analyses and the statistical summary are included as Appendix B to the assessment report (Christopher, 1988).

The 1988 field program is presented in assessment report form in a separate report by the writer (Christopher, 1988). The cost of the 1988 program was \$ 62,460.20 with a cost statement presented as Appendix C to the assessment report.

## GENERAL GEOLOGY (Figure 3)

The general geology of the Callaghan Creek area has been mapped by Roddick and Woodsworth, (1976), Mathews (1958) and Miller and Sinclair (1978; 1979). Figure 3 is after Miller and Sinclair (1978) mapping published in the B.C. Ministry of Mines and Pet. Resources Fieldwork 1977. They show the Discovery Property to be underlain by dioritic units of the Cretaceous or earlier Coast Plutonic Complex which host roof pendent of metavolcanic and related metasedimentary rocks. Northwesternly trending structures appear to localized Tertiary basalts which occur along the Callaghan Creek valley.

The north-northwesterly trend of Tertiary volcanic rocks is also reflected in the trend of the mineralized zones on the Warman Property of Northair Mines Ltd. The Warman, Discovery and Manifold zones on the Northair Mines Property are believed to have resulted from right lateral separation of a single mineralized zone along northerly trending fault structures.



## LEGEND

### TERTIARY

- 7 VOLCANICS a) BASALT  
 b) ACIDIC TUFF  
 c) RHYOLITE

### CRETACEOUS (or earlier)

- 6 COAST PLUTONIC COMPLEX  
 5 AGGLOMERATE; 5a) VOLCANIC BRECCIA  
 4 ACIDIC VOLCANIC ROCKS  
 3 CRYSTAL TUFF  
 2 AGGLOMERATE  
 1 GREENSTONE

HORNBLENDITE CENTRES

BEDDING AND DIP

CONTACT (APPROXIMATE; ASSUMED)

ABUNDANT OUTCROP

FAULT (APPROXIMATE; ASSUMED)

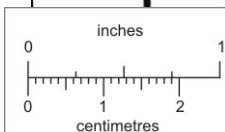
MINE ADIT

MINERAL OCCURRENCE

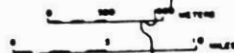
LIMIT OF FIELD MAPPING



AFTER J.H.L. MILLER & A.J. SINCLAIR (MMPR, 1977)



SCALE



HADLEY RESOURCES INC.

DISCOVERY PROPERTY

REGIONAL GEOLOGY

N.T.S. 93J-3E

VANCOUVER MD., B.C.

P.A. CHRISTOPHER & ASSOCIATES LTD.

SCALE AS SHOWN

JULY 1988

FIGURE 3

This reference scale bar has been added to the original image. It will scale at the same rate as the image, therefore it can be used as a reference for the original size.





## PROPERTY GEOLOGY (Figure 3A)

The geology of the 1988 grid area was mapped by Duro Adamec as shown in Figure 3A. He defined three main units: 1.) Pale chlorite and muscovite schist, 2.) Greenstone of assumed andesitic composition, and 3.) Fine Quartz Diorite. A contact between andesitic greenstone and dacitic tuff in a road metal pit at 8+00E 12+00N and previous mapping of the Northair Mines Property suggest that the greenstone unit may be subdividable. The diorite unit is fine to medium grained and pale to medium grey-green with an equigranular texture. Dioritic rocks in the area are reported to contain 45% plagioclase, 25% chlorite, 14% epidote, 8% quartz, and the remainder accessory minerals. Tertiary basaltic rocks have been mapped by Miller and Sinclair (1978) just east of the grid area.

The chlorite and muscovite schist units appear to be related to major shear or fault zones that cross the property with a number of northerly and north-northwesterly zones recognized. Bedding, foliation and measured vein direction range from about N10°E to N10°W with mainly steep easterly dips.

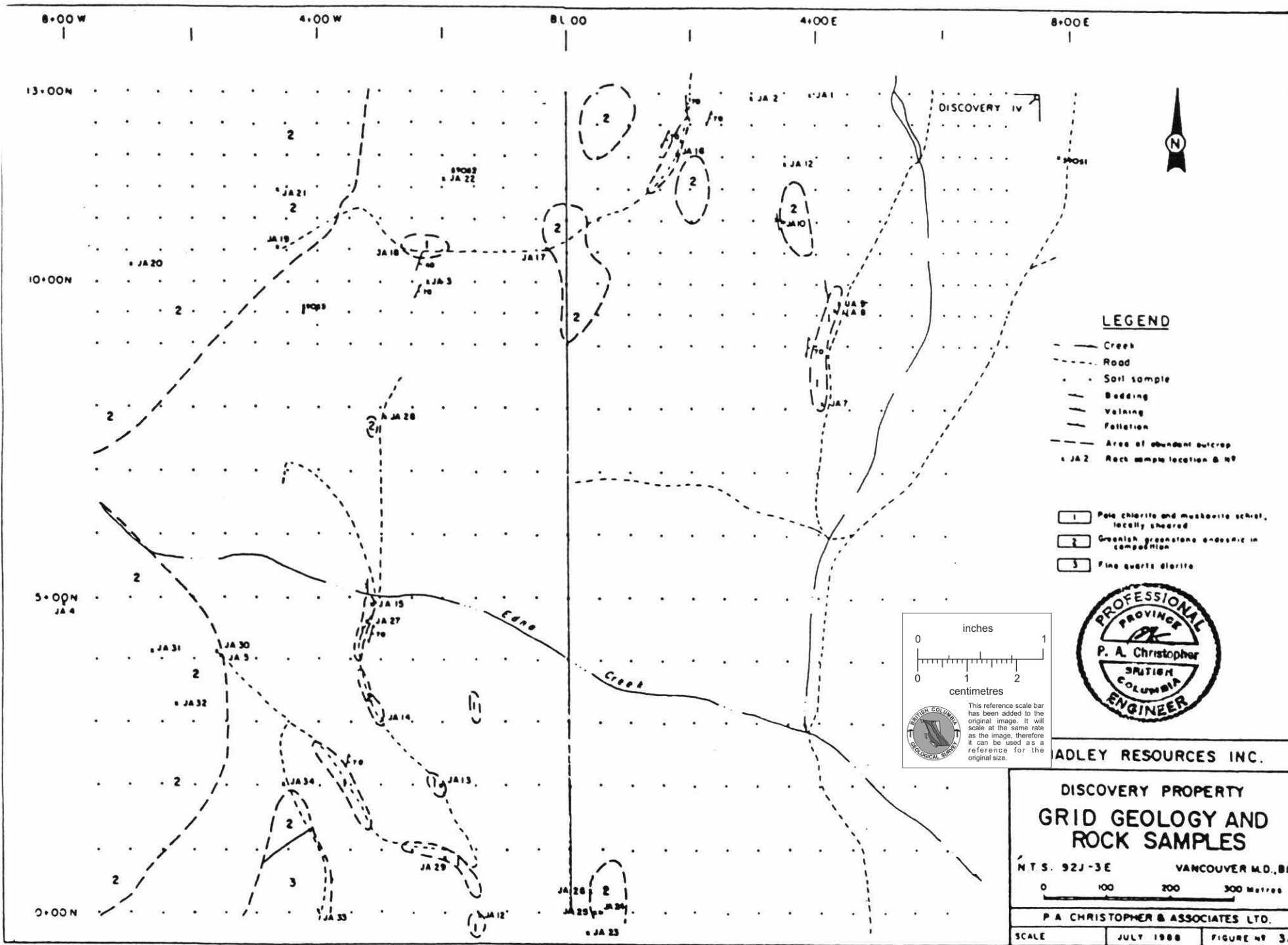
## MINERALIZATION

Exploration on the Discovery Property has been orientated toward location of deposits similar to those exploited on the adjacent Warman Property of Northair Mines Ltd. The deposits on the Warman Property are apparently faulted segments of a single 'volcanogenic' exhalite deposits that has been somewhat deformed and remobilized during metamorphism that accompanied emplacement of the Coast Plutonic Complex (Miller and Sinclair, 1979). Between 1967 and 1982 Northair Mines Ltd. milled 345,700 tons yielding 166,582 ounces of gold (5,181 kg.) and 845,854 ounces of silver (26,309 kg.) with by-product copper, lead and zinc. The Northair Mines Ltd. suspended mining with reserves of about 61,000 metric tonnes grading 7.775 gm. gold, 23.94 gm. silver, 1.25% lead and 1.90% zinc.

Several significant occurrences are found in the Callaghan Creek area. The occurrences (Figure 3), controlled by Northair Mines Ltd. and associated companies (Silver Tusk Mines Ltd. and Brandy Resources Inc.), are of the following types:

1. Discovery -- Massive Sulphide.
2. Warman Zone -- Veins, Massive Sulphide and Disseminated.
3. Manifold Zone -- Veins and Disseminated.
4. Silver Tunnel -- Veins and Disseminated.
5. Millsite -- Veins and Disseminated.
6. Tedi Pit -- Massive Sulphide.
7. Zone 4 -- Massive Sulphide and Skarn.

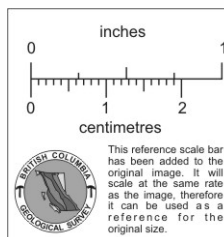
The Zone 4 occurrences contains sphalerite, pyrite and minor chalcopyrite in a skarn. The other occurrences and deposits are polymetallic, containing galena, sphalerite, and pyrite with significant amounts of several silver mineral and native gold, and minor amounts of chalcopyrite and pyrrhotite (Miller and Sinclair, 1978).



**LEGEND**

- Creek
- - - Road
- Soil sample
- Bedding
- Veining
- Foliation
- - - Area of abundant outcrop
- JA 2 Rock sample location & #

- 1 Pole chlorite and muscovite schist, locally sheared
- 2 Greenish greenstone andesitic in composition
- 3 Fine quartz diorite



ADLEY RESOURCES INC.

**DISCOVERY PROPERTY  
GRID GEOLOGY AND  
ROCK SAMPLES**

N.T.S. 92J-3E VANCOUVER M.D., B.C.

0 100 200 300 Metres

P.A. CHRISTOPHER & ASSOCIATES LTD.

SCALE JULY 1988 FIGURE NO. 3A

The writer collected two samples of apparently barren quartz veins and two samples of sheared siliceous material with visible malachite and chalcopryrite. Several samples of pyritic metavolcanics and quartz veins were collected by Duro Adamec (Figure 3A and Appendix A). The writer's 0.31 meter chip sample 59054 contained 10.20% copper, 0.025 oz Au/t, and 2.43 oz Ag/ton was taken from massive sulphide in a siliceous shear zone at about L7+50N 20+00E. A summary of results from the better mineralized samples is presented in Table 2.

Table 2. Summary of Rock Sample Results.

<u>Sample #</u>	<u>Type</u>	<u>ppb Au</u>	<u>ppm Ag</u>	<u>ppm Cu</u>	<u>Other(ppm)</u>
JA 17	0.15M chip	51	0.9	261	200 As 13 Mo
JA 22	grab	44	19.0	4225	
JA 24	0.20M chip	220	1.8	298	
JA 29	0.20M chip	67	4.6	152	449 Pb 551 Zn
JA 34	0.25M chip	330	8.9	86	
59052	grab	28	10.7	1853	
59054	0.31M chip	0.025 oz/t	2.43 oz/t	10.20%	

=====

### GEOCHEMICAL PROGRAM

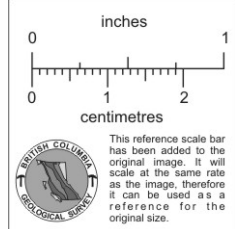
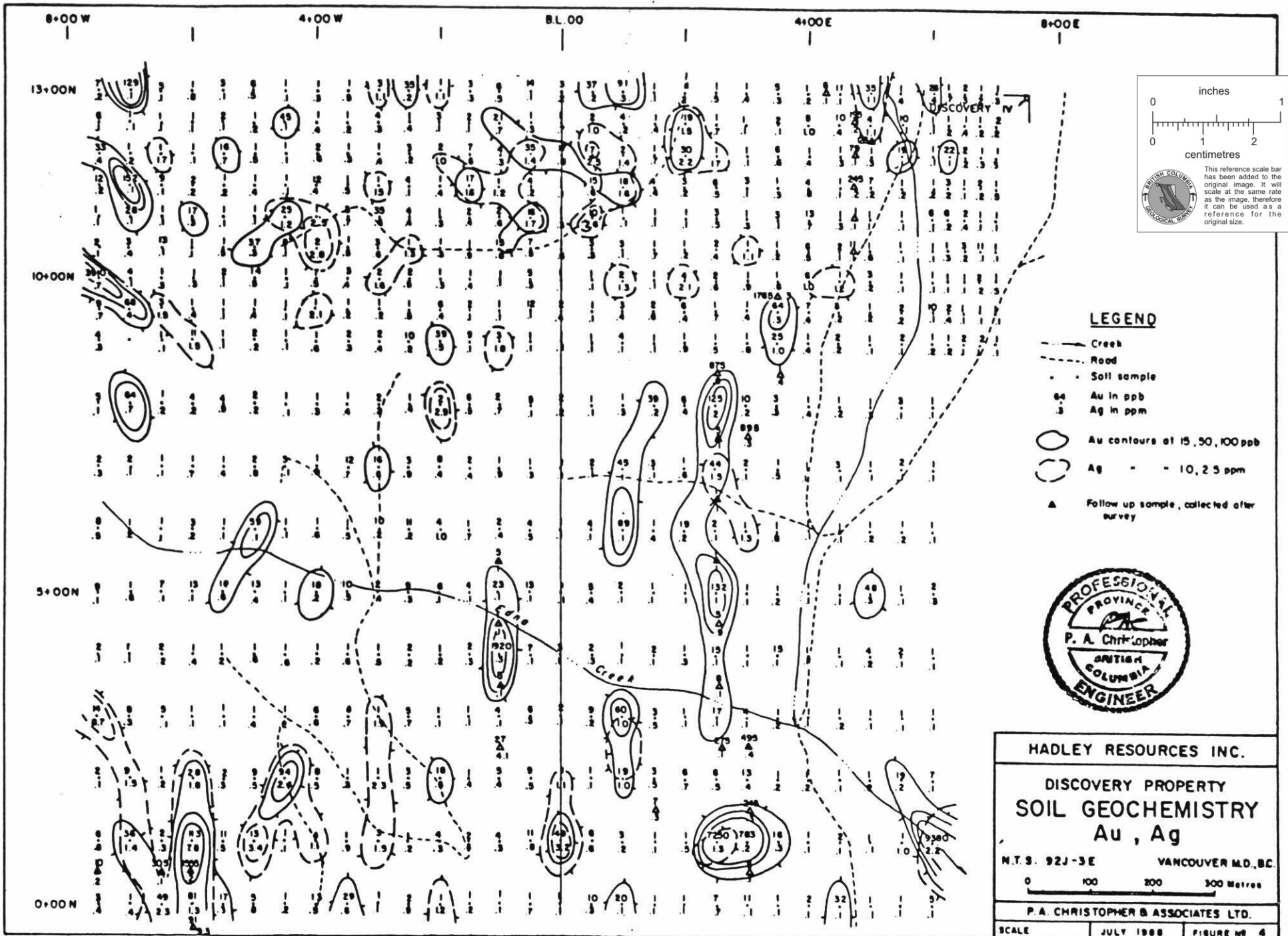
The geochemical program consisted of 39 rock samples, 539 initial soil samples and 29 follow up soil samples. Soil samples were collected from the B horizon at about 25 cm with samples placed in kraft sample bags, dried and shipped to Acme Analytical Labs in Vancouver. Soil samples were analyzed by 30 element ICP and gold by atomic absorption with initial rock samples analyzed in the same manner. The writer samples were analyzed by rock geochemical methods or assayed for Au, Ag, Pb, Zn, and Cu. Results for the initial 539 soil samples were summarized using statistical treatment by Acme Analytical Labs. Rock sample descriptions and analytical results are presented in Appendix A with soil results for Au, Ag, Mo, Cu, Pb and Zn plotted and contoured on Figures 4 through 6. Certificates of analysis for soils and statistical plots are included in Appendix A of the 1988 assessment report (Christopher, 1988).

#### Gold

Gold values in the initial 539 samples varied from 1 ppb to 9380 ppb with 69 sample results over 15 considered anomalous. Gold values were plotted on Figure 4 and contoured at 15, 50 and 100 ppb levels. The strongest gold response of 9380 ppb was obtained from the southeast corner of the grid in the Edna Creek valley. Six of the anomalous gold zones were tested with 29 follow-up soil samples. A total of 14 of the follow-up samples contained anomalous gold.

#### Silver

Silver values in the initial 539 samples varied from 0.1 to 8.7 ppm with values over 1.0 ppm considered anomalous. Silver values were contoured on Figure 4 at 1.0 and 2.5 ppm levels. Anomalous silver values are concentrated with anomalous copper, lead, zinc and gold in the southwest corner of the grid.



**LEGEND**

- Creek
- Road
- Soil sample
- 64 Au in ppb
- 3 Ag in ppm
- Au contours at 15, 50, 100 ppb
- Ag - - 10, 25 ppm
- Follow up sample, collected after survey



**HADLEY RESOURCES INC.**

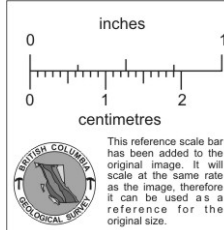
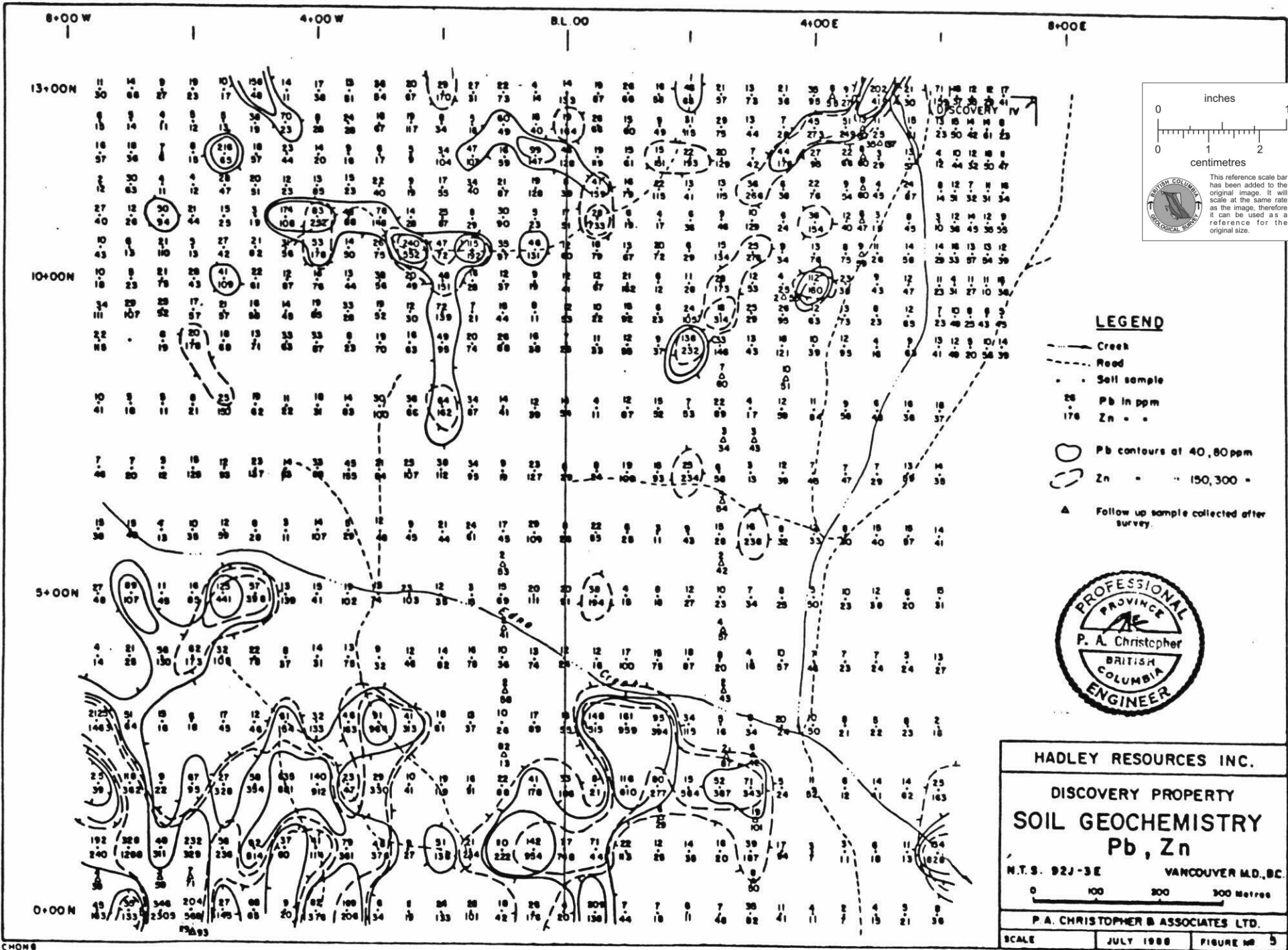
**DISCOVERY PROPERTY  
SOIL GEOCHEMISTRY  
Au, Ag**

N.T.S. 92J-3E VANCOUVER M.D., B.C.

0 100 200 300 Metres

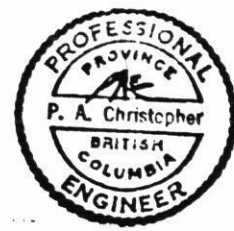
**P. A. CHRISTOPHER & ASSOCIATES LTD.**

SCALE	JULY 1988	FIGURE NO 4
-------	-----------	-------------



**LEGEND**

- Creek
- Road
- Soil sample
- Pb in ppm
- Zn - -
- Pb contours at 40, 80 ppm
- Zn - - 150, 300 -
- ▲ Follow up sample collected after survey.



HADLEY RESOURCES INC.

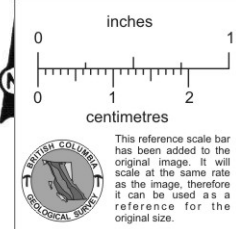
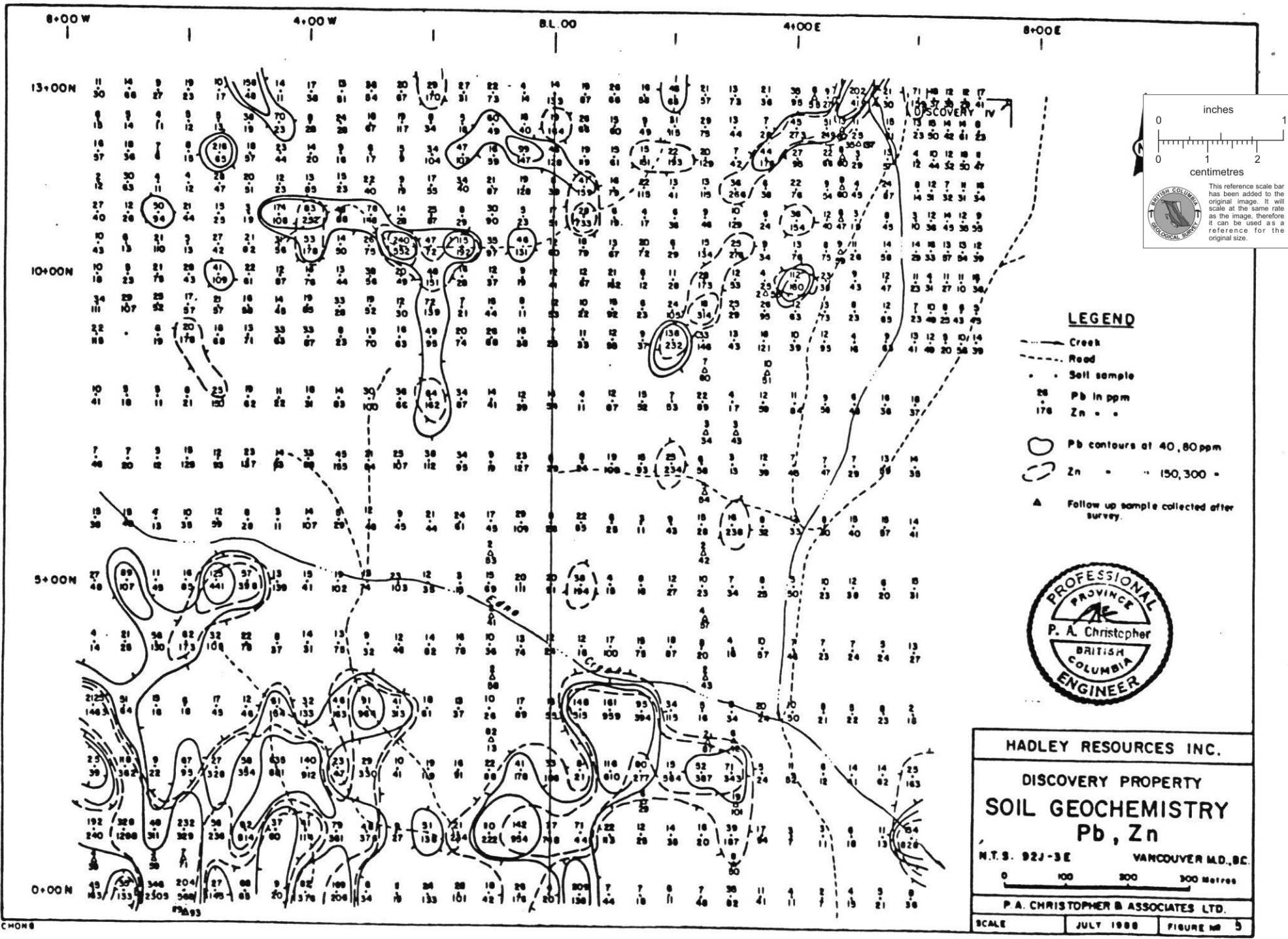
DISCOVERY PROPERTY  
SOIL GEOCHEMISTRY  
Pb, Zn

N.T.S. 92J-3E VANCOUVER I.D., B.C.

0 100 200 300 Metres

P. A. CHRISTOPHER & ASSOCIATES LTD.

SCALE JULY 1988 FIGURE NO 5



**LEGEND**

- Creek
- Road
- Soil sample
- Pb in ppm
- Zn in ppm
- Pb contours at 40, 80 ppm
- Zn contours at 150, 300 ppm
- Follow up sample collected after survey.



**HADLEY RESOURCES INC.**

**DISCOVERY PROPERTY**  
**SOIL GEOCHEMISTRY**  
**Pb, Zn**

N.T.S. 92J-3E VANCOUVER M.D., B.C.

0 100 300 500 Metres

**P. A. CHRISTOPHER & ASSOCIATES LTD.**

SCALE	JULY 1988	FIGURE NO 5
-------	-----------	-------------

### Zinc

Zinc values in the initial 539 soil samples varied from 6 to 2305 ppm with values over 150 ppm considered anomalous. Zinc values were plotted on Figure 5 and contoured at 150 and 300 ppm levels. Anomalous zinc values form multi-element anomalies with copper, lead and silver.

### Lead

Lead values in the initial 539 soil samples varied from 2 to 2125 ppm with values over 40 ppm considered anomalous. Lead values were plotted on Figure 5 and contoured at 40 and 80 ppm levels. The distribution of anomalous lead values follows that of anomalous copper, zinc, and silver.

### Copper

Copper values in the initial 539 soil samples varied from 2 to 768 ppm with values over 80 ppm considered anomalous. Copper values were plotted on Figure 6 and contoured at 80 and 200 ppm levels. The distribution of anomalous copper values follows that of anomalous lead, zinc and silver.

### Molybdenum

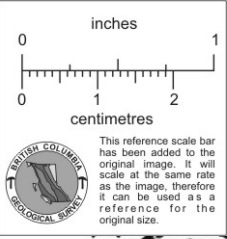
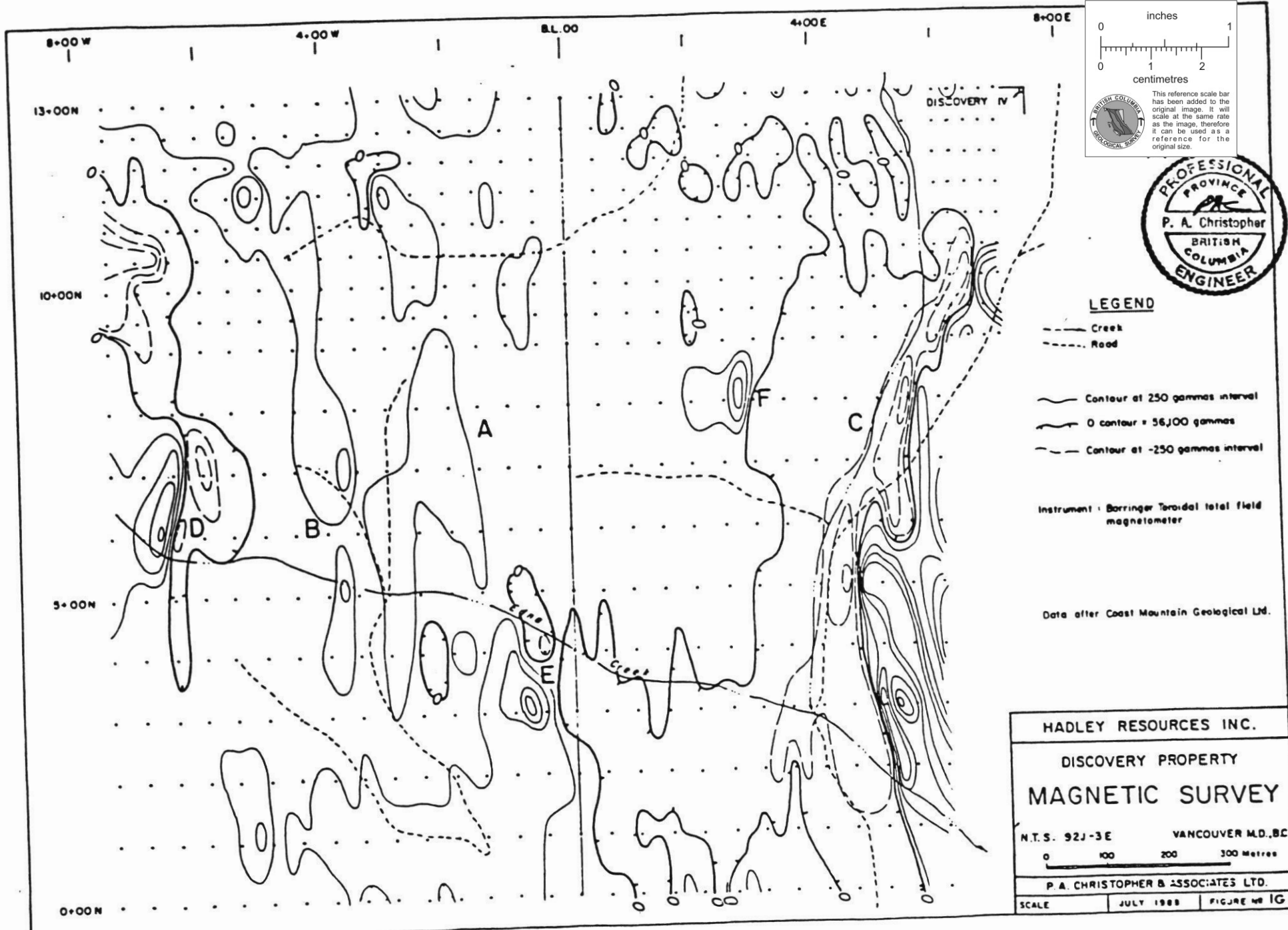
Molybdenum values in the initial 539 samples varied from 1 to 27 ppm with values over 5 ppm considered anomalous and contoured on Figure 6. A total of 29 anomalous molybdenum values were obtained. A central zone of anomalous molybdenum is separate from other base and precious metal anomalies.

## GEOPHYSICAL PROGRAM

A total of 25 line kilometer of total field magnetometer and VLF-EM was conducted over the grid area by contractor Coast Mountain Geological Ltd. between June 20, and June 26, 1988. Readings were collected with a Barringer Toroidal total field magnetometer and a Geonics EM-16 VLF-EM receiver tuned for the Jim Creek Washington (24.8Khz) transmitting station. The geophysical survey is summarized in a report by Basil (1988) and is included as Appendix B to the assessment report (Christopher, 1988).

Magnetic readings varied from a low of 55,124 gammas to 57,910 gammas with background generally from 56,100 gammas to 56,350 gammas. Magnetic values are contoured at 250 gamma intervals on Figure G1. Basil (1988) has delineated several anomalous zones (A to F) as follows: "Within the median domain, which encompasses most of the central region of the grid there are approximately two parallel trends of higher magnetics (up to 56,800 nT), one extending 1.2 kilometers from LN 0+00, 1+25W through LN 11+50N, 3+00W, and the other extending 900 meters from LN 4+00N, 4+00W through LN 13+00N, 5+50W and open to the north. (Labeled "A" and "B" respectively).





**LEGEND**

- Creek
- - - Road
- Contour at 250 gammas interval
- 0 contour = 56,000 gammas
- - - Contour at -250 gammas interval

Instrument: Barringer Toroidal total field magnetometer

Data after Coast Mountain Geological Ltd.

HADLEY RESOURCES INC.		
DISCOVERY PROPERTY		
MAGNETIC SURVEY		
N.T.S. 92J-3E	VANCOUVER M.D., B.C.	
0 100 200 300 Metres		
P. A. CHRISTOPHER & ASSOCIATES LTD.		
SCALE	JULY 1988	FIGURE NO 1G



Along the eastern edge of the grid the medium domain contacts a narrow anomalous zone of low magnetics as low as 55, 124 nT (labeled "C"). Numerous high magnetic field anomalies occur along the eastern contact of this 'mag low', the most prominent and extensive being open to the south-east, running from LN 5+00N, 4+75E through LN 2+00N, 6+00E. Similarly, at the western edge of the surveyed area, the medium domain contacts another zone of low magnetics. Of interest is anomaly at the contact with an adjacent high magnetic anomaly (labeled "D"). Two other dipole anomalies were noted ("E" and "F")."

Basil (1988) interpreted magnetic anomalies "C" and "D" to be reflecting geological contacts. Lower intensity anomalies "A" and "B" were considered of interest because of coincident and parallel VLF-EM anomalies "A" and "B".

VLF-EM data was plotted in profile form (Figure 2G) and in plan form as contoured Fraser filtered values (Figure 3G). Anomalies A through F were selected by Basil (1988) with survey results showing several linear structures trending NNW-SSE (ie. parallel to mineral zones on Northair Mines Property). Conductor "A" and "C" were considered to exhibit the most continuous and strongest EM response. Conductors B, D, E and F are weaker conductor that could represent discontinuous (faulted) and disseminated mineralization.

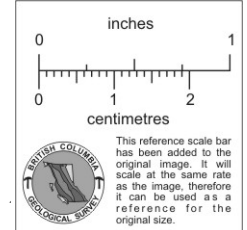
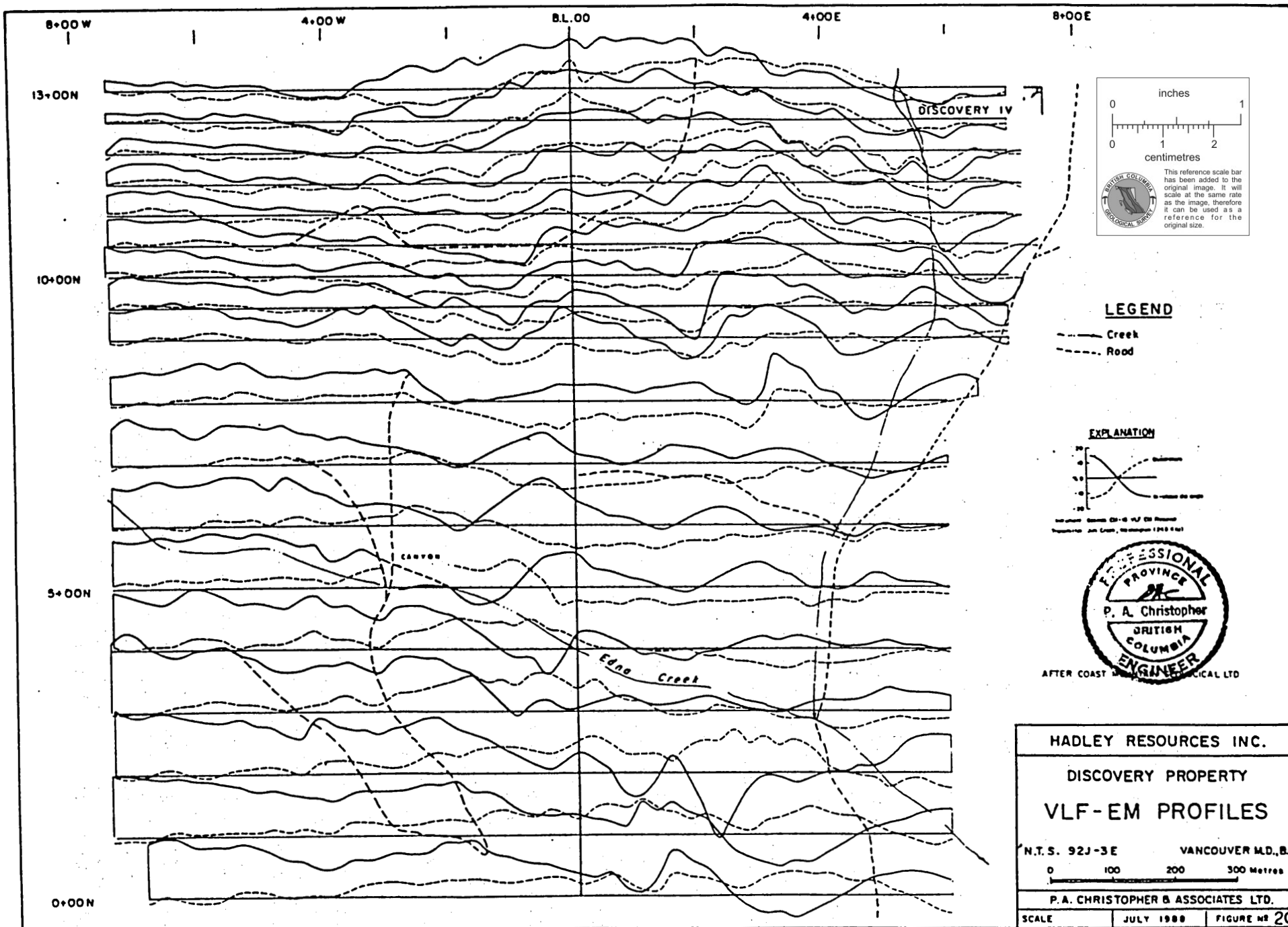
#### DISCUSSION OF DISCOVERY PROPERTY

The Discovery Property was acquired to evaluate an area with similar geological setting to the adjacent Northair Mines Ltd. Property. Initial exploration of the property by Demczuk and Cuttle (1987) revealed a shear zone on the Discovery I claim with 5% copper, 74.8 ppm silver (2.1 oz/t) and gold values up to 1154 ppb (0.03 oz/t). The writer's sample 59054 contained 10.20% copper, 2.43 oz Ag/t and 0.025 oz Au/t over 0.31M and confirmed the earlier sampling. Grid geological, geochemical and geophysical surveys, conducted in 1988, over part of the Discovery II and Discovery IV claims produced several strong precious and base metal anomalies in soils with gold values to 9380 ppb. Follow-up soil sampling resulted in eleven of 29 samples with gold values over 100 ppb and confirmed several of the gold in soil anomalies.

The VLF-EM and magnetic surveys have aided geological interpretation with several possible NNW trending mineralized structures, subparallel to mineralized zones on Northair Mines Property, indicated. Strong VLF-EM conductors A and C should be trenched to provide a basis for evaluating anomalous VLF-EM results.

#### CONCLUSIONS AND RECOMMENDATIONS

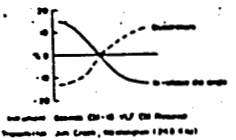
The Phase 1 program on the Discovery Property has been successful in defining a number of geological, geophysical and geochemical targets that warrant Phase 2 exploration. The strong base and precious metal response from soils and several NNW trending VLF-EM conductors suggest mineralized structures similar to those on the adjacent Northair Mines Property.



**LEGEND**

- Creek
- - - Road

**EXPLANATION**



HADLEY RESOURCES INC.

DISCOVERY PROPERTY

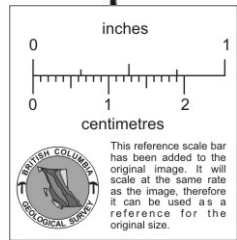
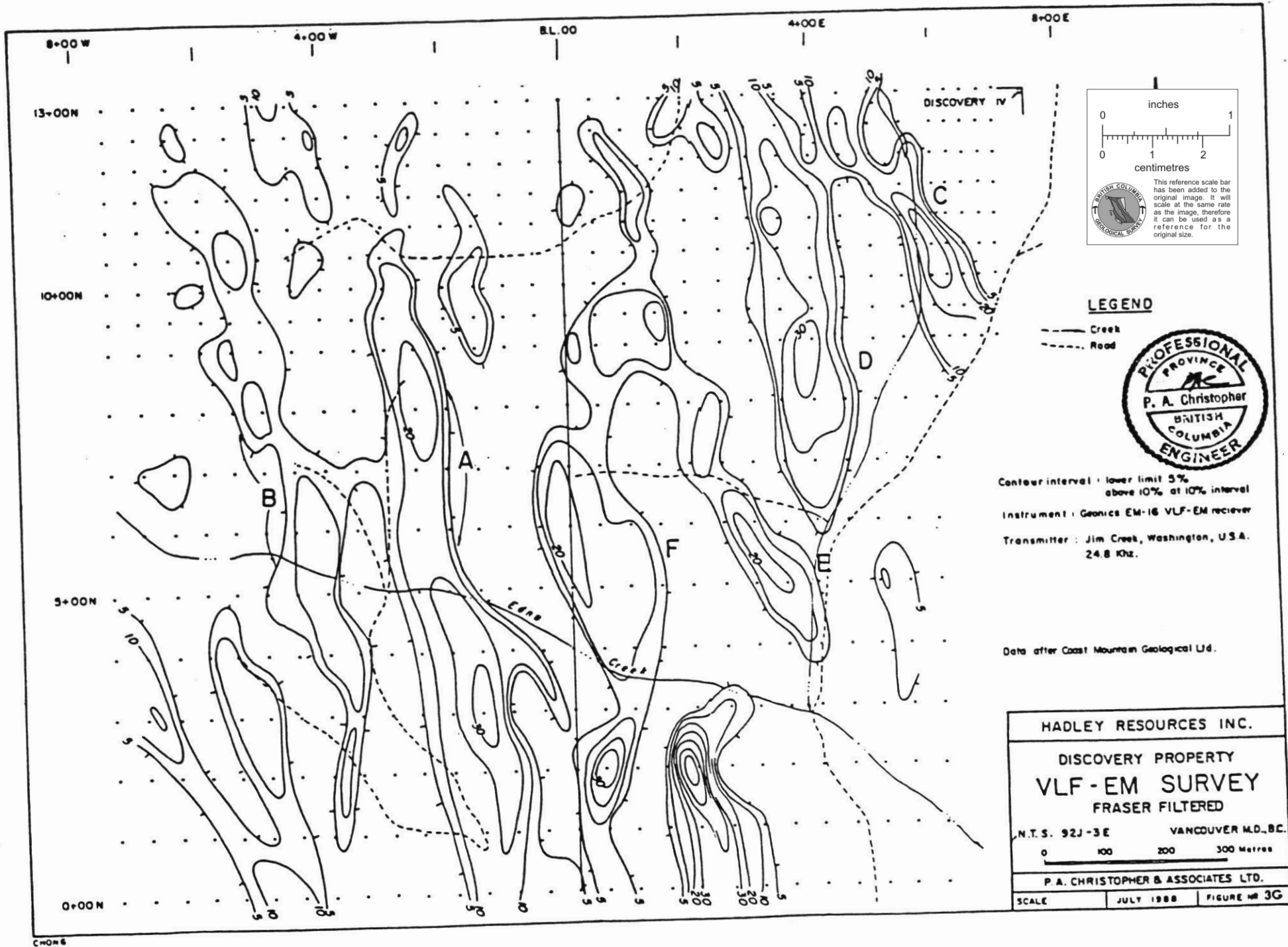
VLF-EM PROFILES

N.T.S. 92J-3E VANCOUVER M.D., B.C.

0 100 200 300 Metres

P.A. CHRISTOPHER & ASSOCIATES LTD.

SCALE JULY 1988 FIGURE NO 2G



**LEGEND**

- Creek
- - - Road



Contour interval : lower limit 5%  
 above 10% at 10% interval  
 Instrument : Geonics EM-16 VLF-EM receiver  
 Transmitter : Jim Creek, Washington, U.S.A.  
 24.8 KHz.

Data after Coast Mountain Geological Ltd.

HADLEY RESOURCES INC.		
DISCOVERY PROPERTY		
VLF-EM SURVEY		
FRASER FILTERED		
N.T.S. 92J-3E	VANCOUVER M.D., B.C.	
0 100 200 300 Metres		
P. A. CHRISTOPHER & ASSOCIATES LTD.		
SCALE	JULY 1988	FIGURE # 3G

Further, success contingent, phased exploration of the Discovery Property is warranted with a recommended Phase 2 program, of trenching followed by 400 meter of diamond drilling, estimated to cost \$ 100,000. Contingent on the success of the Phase 2 program, a Phase 3, 1,000 meter diamond drill program is estimated to cost \$ 160,000. Recommendations for a Phase 4 program should be made by an independent engineer after evaluation of Phase 2 and Phase 3 results.

COST ESTIMATES

Phase 2. Trenching and Diamond Drilling.

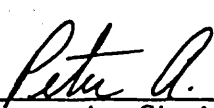
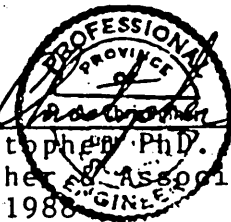
Project Preparation.....	\$ 1,000
Supervision .....	5,000
Geological Support.....	5,000
Trenching & Site Preparation.....	15,000
Diamond Drilling 400 meters @ \$ 80 ea. ....	32,000
Geochemical Costs .....	6,000
Transportation & Shipping .....	3,000
Field Support.....	4,000
Field Supplies .....	1,000
Reporting & Engineering.....	6,000
Management .....	8,000
Contingency .....	<u>16,000</u>

Phase 2 Total \$100,000

Phase 3. Diamond Drilling (Contingent)

Project Preparation.....	\$ 1,000
Supervision .....	8,000
Geological Support.....	8,000
Trenching & Site Preparation.....	10,000
Diamond Drilling 1000 meters @ \$ 80 ea. ....	80,000
Geochemical Costs .....	10,000
Transportation & Shipping .....	4,000
Field Support.....	6,000
Field Supplies .....	2,000
Reporting & Engineering.....	6,000
Management .....	10,000
Contingency .....	<u>15,000</u>

Phase 3 Total \$160,000

   
Peter A. Christopher, Ph.D. P.Eng.  
Peter Christopher & Associates Inc.  
September 28, 1988


BIBLIOGRAPHY


- Basil, C. 1988. Geophysical Report on the Discovery 2 and Discovery 4 Claims in the Vancouver Mining Division. for Hadley Resources Inc. dated July 22, 1988.
- Christopher, P.A., 1988. Geological, Geochemical and Geophysical Assessment Report on the Discovery Claim Group. for Hadley Resources Inc. dated September 28, 1988.
- Demczuk, L. and Cuttle, J., 1987. Geological and Geochemical Report on the Discovery I and Discovery II Claim Group. dated October 1987.
- Dickson, M.P. and McLeod, D.A., 1975. Northair Mines: Grass roots to Senior Financing. Cdn. Min. Jour., April, pp. 79-82.
- Little, L.M., 1974. The Geology and Mineralogy of the Brandywine Property Lead-Zinc-Gold-Silver Deposit, Southwest British Columbia. unpubl. B.Sc. thesis, University of British Columbia, Dept. of Geological Sciences, Vancouver.
- Mathews, W.H., 1958. Geology of the Mount Garibaldi Map-Area, Southwest British Columbia, Canada. Geol. Soc. Amer, Bull., Vol. 69, No. 2, pp. 161-178.
- Miller, J.H.L. and Sinclair, A.J., 1979. Geology of an Area Including Northair Mines Ltd. Callaghan Creek Property. B.C. Min. Energy, Mines and Pet. Res., Geological Fieldwork 1978, Paper 1979-1, pp. 124-131.
- 
- \_\_\_\_\_, 1978. Geology of the Callaghan Creek - Roof Pendant. B.C. Min. Energy, Mines and Pet. Res., Geological Fieldwork 1977, pp. 96-102.
- Pearson, D.E., 1973. Warman (92-J-89). in B.C. Ministry of Mines GEM 1973, pp. 245-248.
- Sinclair, A.J., Wynne-Edwards, H.R., and Sutherland Brown, A., 1978. An Analysis of Distribution of Mineral Occurrences in British Columbia. B.C. Ministry of Mines & Pet. Res., Bull 68.
- Roddick, J.A., and Woodsworth, G.J., 1975. Coast Mountains Project: Pemberton (92J West Half) Map-Area, British Columbia. Geol. Surv., Canada, Paper 75-1, Pt. A, pp. 37-40.
- Woodsworth, G.J., Pearson, D.E., and Sinclair, A.J., 1977. Metal Distribution Patterns Across the Eastern Flank of the Coast Plutonic Complex, South-Central British Columbia, Econ. Geol., Vol. 71, pp. 170-183.

CERTIFICATE

I, Peter A. Christopher, with business address at 3707 West 34th Avenue, Vancouver, British Columbia, do hereby certify that:

- 1) I am a consulting geological engineer registered with the Association of Professional Engineers of British Columbia since 1976.
- 2) I am a Fellow of the Geological Association of Canada and a member of the Society of Economic Geologists.
- 3) I hold a B.Sc. (1966) from the State University of New York at Fredonia, a M.A. (1968) from Dartmouth College and a Ph.D. (1973) from the University of British Columbia.
- 4) I have been practising my profession as a Geologist for over 20 years.
- 5) I have no direct or indirect interest, nor do I expect to receive any interest directly or indirectly in the property or securities of Hadley Resources Inc.
- 6) I have based this report on previous exploration experience in the area of the Discovery Claim Group, a review of government and company reports listed in the bibliography, a field examination conducted by me on June 30, 1988 and an exploration program conducted between June and August of 1988.
- 7) I consent to the use of this report by for any Filing Statement, Statement of Material Facts, Prospectus, support document, or assessment work by Hadley Resources Inc.

  
Peter A. Christopher, Ph.D., P.Eng.  
September 28, 1988



APPENDIX A.

ROCK SAMPLES BY P.A. CHRISTOPHER JUNE 30, 1988.

<u>SAMPLE #</u>	<u>TYPE</u>	<u>WIDTH</u>	<u>LOCATION</u>	<u>DESCRIPTION</u>
59051	CHIP	0.15M (10-20CM)	RD. METAL PIT 1200N 800W	QUARTZ VEIN NEAR N40°E GREENSTONE-TUFF CONTACT
59052	GRAB	NA	1165N 200W	HEAVY PY & SOME MAL.
59053	CHIP	2.0M	950N 425E	VEIN STRIKING 340°
59054	CHIP	0.31M	750N 2000E	QUARTZ & CPY. SHEAR AT GRANITE-GREENSTONE CONTACT

ROCK SAMPLES BY DURO ADAMEC. MAY 23-JUNE 30, 1988.

<u>SAMPLE #</u>	<u>TYPE</u>	<u>WIDTH</u>	<u>LOCATION</u>	<u>DESCRIPTION</u>
D88 JA1	GRAB	(FLOAT)	1290N 397E	PALE GRAY MED. GRAINED TUFF SOME PY CUBES TO 3MM
D88 JA2	CHIP	0.10M	1290N 300E	GREENSTONE DIS. PY<3%
D88 JA3	CHIP	0.15M	1000N 225W	PALE MUSCOVITE SCHIST
D88 JA4	CHIP	0.12M	500N 800W	FNG GREENSTONE DIS. PY<1%
D88 JA5	GRAB	-	400N 550W	GRAY GREENSTONE DIS. SULP.
D88 JA7	CHIP	0.10M	800N 415E	SCH. GREENSTONE DISS. PY<2%
D88 JA8	CHIP	2.50M	950N 425E	QUARTZ VEIN WITH RUSTY STAIN
D88 JA9	CHIP	0.15M	956N 430E	SCHIST, SULP. STRINGERS <1MM
D88 JA10	CHIP	0.30M	1090N 325E	QUARTZ LENS 5M LONG,
D88 JA11	CHIP	0.15M	1186N 350E	GREENSTONE, FINE PY, 5%
D88 JA12	CHIP	0.15M	00N 138W	SHEARED GREENSTONE, MALACHITE
D88 JA13	CHIP	0.15M	200N 200W	SHEARED GREENSTONE, <2% PY
D88 JA14	CHIP	0.15M	300N 300W	SCHIST, PY <5%
D88 JA15	CHIP	0.80M	490N 310W	QUARTZ VEIN, CHLORITE POCKETS
D88 JA16	CHIP	0.15M	1180N 185E	RUSTY GREENSCHIST, 5% SULP.
D88 JA17	CHIP	0.15M	1053N 43W	PYRITIC GREENSTONE
D88 JA18	CHIP	0.20M	1050N 250W	WEAKLY MAGNETIC PORPHYRY DYKE
D88 JA19	CHIP	0.15M	1053N 464W	MASSIVE GREENSTONE, PY <5%
D88 JA20	CHIP	0.10M	1035N 680W	GREENSTONE, SPARSE PY
D88 JA21	CHIP	0.15M	1147N 460W	GREENSTONE, FINE DISS. PY
D88 JA22	GRAB	(FLOAT)	1162N 200W	RUSTY QTZ., CPY., PY, MAL.
D88 JA23	GRAB	(FLOAT)	40S 40E	PYRITIC GREENSTONE
D88 JA24	CHIP	0.20M	00N 50E	PYRITIC GREENSTONE
D88 JA25	CHIP	0.12M	00N 40E	PYRITIC GREENSTONE
D88 JA26	CHIP	0.30M	35N 20E	SHEARED GREENSTONE, RED, SULP
D88 JA27	CHIP	0.15M	430N 320W	GREENSTONE
D88 JA28	CHIP	0.20M	780N 290W	MASSIVE GREENSTONE
D88 JA29	CHIP	0.20M	80N 200W	SCHISTOSE GREENSTONE, PY<2%
D88 JA30	CHIP	0.15M	410N 553W	GREY GREENSTONE, PY<2%
D88 JA31	CHIP	0.25M	410N 659W	RUSTY GREENSTONE, BOULDER
D88 JA32	CHIP	0.15M	325N 623W	MASSIVE GREENSTONE BOULDER <2% PY
D88 JA33	CHIP	0.20M	08N 400W	RUSTY SCHIST
D88 JA34	CHIP	0.25M	193N 457W	GREENSTONE NEXT TO QUARTZ VEIN SULPHIDES <10%

ACME ANALYTICAL LABORATORIES LTD.

DATE RECEIVED: JUNE 30 1988

852 E. HASTINGS ST. VANCOUVER B.C. V6A 1R6

PHONE(604)253-3158 FAX(604)253-1716 DATE REPORT MAILED:

*July 7/88*

**GEOCHEMICAL ANALYSIS CERTIFICATE**

ICP - .500 GRAM SAMPLE IS DIGESTED WITH 3ML 3-1-2 HCL-HNO3-H2O AT 95 DEG. C FOR ONE HOUR AND IS DILUTED TO 10 ML WITH WATER. THIS LEACH IS PARTIAL FOR MN FE CA P LA CR MG BA YI B W AND LIMITED FOR NA K AND AL. AU DETECTION LIMIT BY ICP IS 3 PPM.

- SAMPLE TYPE: ROCK Au\* ANALYSIS BY ACID LEACH/AA FROM 10 GM SAMPLE.

ASSAYER: *C. Leong*. D.TOYE OR C.LEONG, CERTIFIED B.C. ASSAYERS

HADLEY RESOURCES INC. File # 88-2372 Page 1

SAMPLE#	Cu PPM	Pb PPM	Zn PPM	Ag PPM	Au* PPB
E 59051	107	1	12	.2	1
E 59052	1853	1	1	10.7	28
E 59053	34	1	12	.1	2

ACME ANALYTICAL LABORATORIES LTD.

DATE RECEIVED: JUNE 30 1988

852 E. HASTINGS ST. VANCOUVER B.C. V6A 1R6

PHONE(604)253-3158 FAX(604)253-1716 DATE REPORT MAILED:

*July 7/88*

**ASSAY CERTIFICATE**

- SAMPLE TYPE: ROCK

ASSAYER: *C. Leong*. D.TOYE OR C.LEONG, CERTIFIED B.C. ASSAYERS

HADLEY RESOURCES INC. File # 88-2372A

SAMPLE#	Cu %	Pb %	Zn %	Ag OZ/T	Au OZ/T
E 59054	10.20	.01	.02	2.43	.025



PROGRESS REPORT ON  
PROSPECTING, GEOLOGICAL AND GEOCHEMICAL  
SURVEYS ON DISCOVERY CLAIM GROUP  
VANCOUVER MINING DIVISION,  
CALLAGHAN CREEK AREA, BRITISH COLUMBIA

LOCATION:

N.T.S.: 92 J-3E  
LATITUDE: 50° 05'N.  
LONGITUDE: 123° 06'W.

CLAIMS:

DISCOVERY I (#2011)  
DISCOVERY II (#2106)  
DISCOVERY IV (#2308)

REPORT FOR:

HADLEY RESOURCES INC.  
705-543 GRANVILLE STREET  
VANCOUVER, B.C. V6C 1X8

PREPARED BY:

Peter A. Christopher Ph.D., P.Eng.  
PETER CHRISTOPHER AND ASSOCIATES INC.  
3707 WEST 34TH AVENUE,  
VANCOUVER, B.C. V6N 2K9



DECEMBER 23, 1988

## TABLE OF CONTENTS

	PAGE
SUMMARY	i
INTRODUCTION	1
LOCATION AND ACCESS	1
PROPERTY DEFINITION	1
DECEMBER 1988 WORK PROGRAM	2
REGIONAL GEOLOGY	2
EAST GRID GEOLOGY	2
MINERALIZATION	2
GEOCHEMICAL PROGRAM	3
DISCUSSION OF EAST GRID AREA	5
CONCLUSIONS AND RECOMMENDATIONS	5
BIBLIOGRAPHY	6
CERTIFICATE	7
CONSENT LETTER	

### APPENDIX A. DESCRIPTION OF ROCK SAMPLES CERTIFICATES OF ANALYSES

#### LIST OF TABLES

TABLE 1. PERTINENT CLAIM DATA	1
TABLE 2. SUMMARY OF ROCK SAMPLE RESULTS	3

#### LIST OF ILLUSTRATIONS

	AFTER PAGE
FIGURE 1: CLAIM MAP	1
FIGURE 2: GRID GEOLOGY	2
FIGURE 3: SOIL GEOCHEMISTRY AU, AG	3
FIGURE 4: SOIL GEOCHEMISTRY MO, CU	3
FIGURE 5: SOIL GEOCHEMISTRY ZN	3

SUMMARY

The Discovery Claim Group, consisting of 34 units in 3 modified grid claims, covers about 700 ha (1730 acres) in the Vancouver Mining Division near Whistler, British Columbia. The property has excellent access from Vancouver via Highway 99 and the Callaghan Creek Logging Road (Northair Mine Road). The Discovery Property is situated immediately southwest of Northair Mines Property. The property was acquired by Hadley Resources Inc. to explore for deposits similar to those on the adjacent Northair Mines Property and nearby Silver Tusk Mines Ltd. Property. The Northair deposits are about 3km north and the Silver Tusk deposits are about 3km southwest of the Discovery Property.

The geological setting and the northerly to north-northwesterly structures on the Discovery Property are similar to those found on the adjacent Northair Mines Property (Christopher, 1988b).

The December 13th to 18th, 1988 program consisted of prospecting, grid cutting, 100 soil samples, 10 rock samples and geological mapping over auriferous copper showings located on the Discovery I claim. The exploration program was undertaken to further explore a base and precious metal occurrence located by Demczuk and Cuttle (1987) and confirmed by the writer (Christopher, 1988a & b). Gold in soil values range from 1 ppb to 1710 ppb with 10 strongly anomalous values over 100 ppb Au. The strongest gold in soil response was from site L00 100N, at the northwest edge of the grid. Gold values in rock chip samples varied from 2 ppb to 715 ppb with samples JA-53, JA-54, JA-56, and JA-166 containing over 100 ppb gold. Copper values in soils and rocks were strongly anomalous with 58 soil samples containing over 100 ppm copper and four rock samples containing over 2000 ppm copper.

The results of this program provide encouragement for expansion of the east grid and trenching of showings which should be conducted as part of the Phase 2 program recommended by the writer (Christopher, 1988). The recommended Phase 2 budget of \$100,000 should be adequate to allow for expansion of the east grid and trenching of showings.

INTRODUCTION

The Discovery I, Discovery II and Discovery IV claims, consisting of 34 metric units, are owned by Hadley Resources Inc. Ruza Resources Ltd. was retained by the management of Hadley Resources Inc. to conduct prospecting, geological mapping and geochemical sampling. The writer was retained to recommend an area for further exploration and to summarize the results in a brief exploration status report. The writer had previously examined the property with project geologist Duro Adamec and Ludvik Skalicky, director of Hadley Resources Inc. on June 30, 1988, reviewed reports on the area and compiled the results of the work program conducted between June and August, 1988 in a engineering and assessment reports (Christopher, 1988a & b).

This report reviews the December 1988 work program in the 'East Grid' area on the Discovery I claim and provides recommendations for further sampling and trenching in the 'East Grid' area.

LOCATION AND ACCESS (FIGURE 1)

The Discovery Property is located about 10 km southwest of the ski-resort of Whistler and 85 km north of Vancouver, British Columbia. The claims are in the Vancouver Mining Division and N.T.S. map sheet 92-J-3E at geographic coordinates 50° 05'N. latitude and 123° 06'W. longitude. The claims straddle the Callaghan Creek Valley about 3 km northerly from the junction of Callaghan Creek and the Cheakamus River.

Access to the property from Vancouver is via Highway 99 to the Callaghan Creek Logging (Northair Mine) Road which extends northward about 3 km to the southern property boundary. Logging operations throughout the property have resulted in a network of two and four-wheel drive roads on the property.

PROPERTY DEFINITION (FIGURE 1)

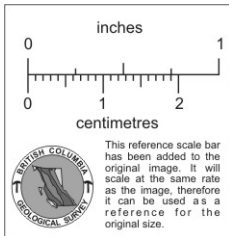
The Discovery Claim Group, consisting of the Discover I, Discovery II, and Discovery IV metric claims, consists of 34 metric units in the Vancouver Mining Division, British Columbia. Hadley Resources Inc. is the owner of the Discovery Claim Group with the Discovery I and II purchased and the Discovery IV claim staked for Hadley Resources Inc. on May 26, 1988 by Mr. L. Demczuk. The writer examined the legal corner post for the Discovery IV claim with the location shown on Figure 2 confirmed by Duro Adamec during the 1988 field programs.

Claim locations shown on Figure 2 are after government claim map 92 J-3E with pertinent claim data summarized in Table 1.

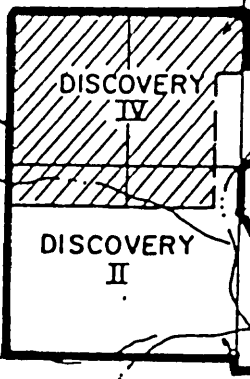
TABLE 1. Pertinent Claim Data for Discovery Claim Group.

<u>Name</u>	<u>Rec. #</u>	<u>Units/Shape</u>	<u>Staker</u>	<u>Record Date</u>	<u>Expiry</u>
Discovery I	2011	16/4Nx4W	L. Demczuk	Oct. 27/86	1992
Discovery II	2106	12/3Nx4W	"	April 6/87	1992
Discovery IV	2308	6/2Sx3N	"	May 27/88	1992

=====



1988 MAIN GRID AREA



PRODUCTION LEASE NO. P1

NORTHAIR CLAIMS

B.L.

1988 EAST GRID AREA

00 1125E

DISCOVERY I

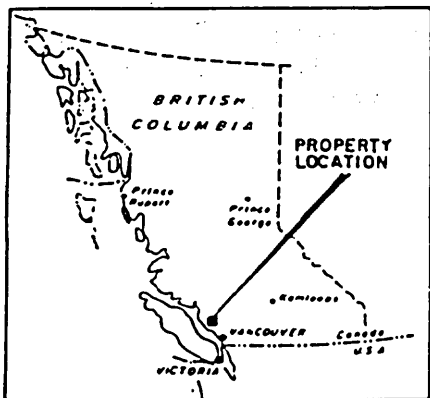
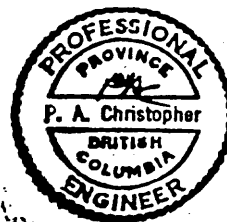
1140N  
B.L.  
2005

00

Colaplan Creek

Brandywine Creek

Cheakamus River



HADLEY RESOURCES INC.

DISCOVERY PROPERTY

CLAIM MAP

N.T.S. 93J-3E

VANCOUVER M.D., B.C.

0 1 2 3 KM.

P. A. CHRISTOPHER & ASSOCIATES LTD.

SCALE 1:50,000

DEC. 1988

FIGURE 1

## DECEMBER 1988 WORK PROGRAM

The December 1988 field program was conducted between December 13 and December 18, 1988. The work consisted of 2.04 km of surveyed grid and a 0.15 km baseline. Five lines were spaced at 25 meters intervals with flagged and picketed stations at 20 meter intervals.

Geological grid mapping (Figure 2), prospecting, soil and rock sampling was conducted over the grid area with prospecting extending beyond the grid and employed to locate the showings. A total of 100 soil and 10 rock samples were collected from the grid area. The geochemical samples were analyzed for 30 element ICP and gold geochemistry by Acme Analytical Laboratories Ltd. in Vancouver with results for Au, Ag, Zn, Mo, and Cu plotted on Figures 3 through 5. Certificates of analyses and rock sample descriptions are included as Appendix A to this report.

The December 1988 field program cost is about \$13,000 with total exploration expenditures by Hadley Resources Inc. on the Discovery Group of about \$ 75,000.

## GENERAL GEOLOGY

The general geology of the Callaghan Creek area has been mapped by Roddick and Woodsworth, (1976), Mathews (1958) and Miller and Sinclair (1978; 1979). The Discovery Property is underlain by dioritic units of the Cretaceous or earlier Coast Plutonic Complex which host roof pendent of metavolcanic and related metasedimentary rocks. Northwesterly trending structures appear to localize Tertiary basalts which occur along the Callaghan Creek valley.

The north-northwesterly trend of Tertiary volcanic rocks is also reflected in the trend of the mineralized zones on the Warman Property of Northair Mines Ltd. The Warman, Discovery and Manifold zones on the Northair Mines Property are believed to have resulted from right lateral separation of a single mineralized zone along northerly trending fault structures.

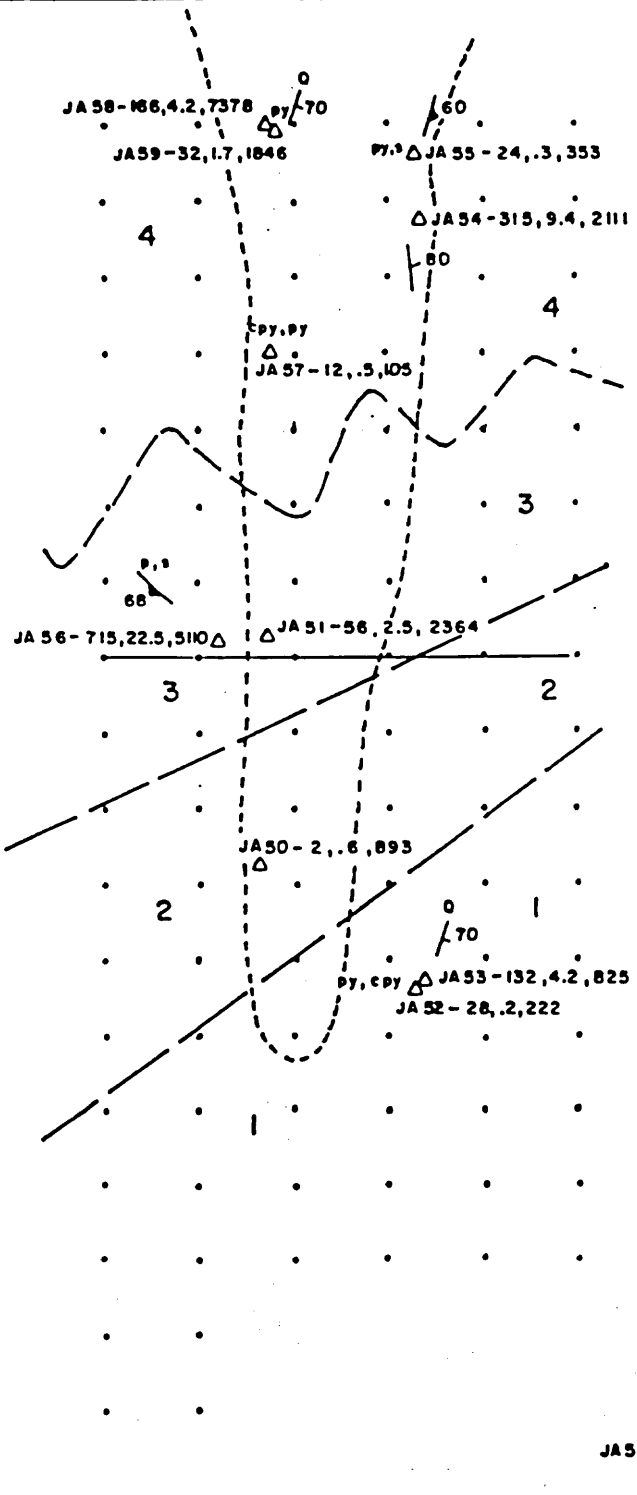
## EAST GRID GEOLOGY (FIGURE 2)

Four units are present within the East Grid are: 1. Greenschist, 2. Schist, 3. Granodiorite and 4. Fine Diorite with the schist units existing as pendants in granitic rocks. The granitic units are considered to be gradational phase of the Coast Plutonic Complex. The grid area is cut by quartz veins with strikes varying between 340° and 020° and generally steep easterly dips. Shear zones are sub-parallel to veins and occur in a 315° direction. Rock contacts are generally northeasterly striking.

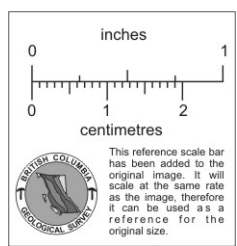
Alteration types include pyritization and silicification with chalcopyrite, malachite and quartz veins with each type.

## MINERALIZATION

Exploration on the Discovery Property has been orientated toward location of deposits similar to those exploited on the adjacent Warman Property of Northair Mines Ltd. The deposits on the Warman Property



— 1+00 N



— 0+00

**LEGEND**

- 1 Greenstone
  - 2 Schist
  - 3 Granodiorite
  - 4 Fine diorite
  - / Vein
  - ↘ Shear zone
  - Road
  - ~~~ Approx. contact
  - Gradational or questionable
- Alteration
- P Pyritization
  - S Silicification
- Mineralization
- py Pyrite
  - cpy Chalcopyrite
  - mal Malachite
  - Q Quartz
- JA 50-2,.6,893 Sample No. - Au ppb, Ag ppm, Cu ppm
- △ Rock sample

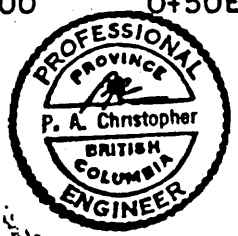
— 1+00 S

— 2+00 S

0+00

0+50E

1+00E



After J. DURO ADAMEC

<b>HADLEY RESOURCES INC.</b>		
<b>DISCOVERY PROPERTY EAST GRID GEOLOGY</b>		
N.T.S. 93J-3E	VANCOUVER M.D., B.C.	
<b>P.A. CHRISTOPHER &amp; ASSOCIATES LTD.</b>		
SCALE 1:2000	DEC. 1988	FIGURE 2

are apparently faulted segments of a single 'volcanogenic' exhalite deposits that has been somewhat deformed and remobilized during metamorphism that accompanied emplacement of the Coast Plutonic Complex (Miller and Sinclair, 1979). Between 1967 and 1982 Northair Mines Ltd. milled 345,700 tons yielding 166,582 ounces of gold (5,181 kg.) and 845,854 ounces of silver (26,309 kg.) with by-product copper, lead and zinc. The Northair Mines Ltd. suspended mining with reserves of about 61,000 metric tonnes grading 7.775 gm. gold, 23.94 gm. silver, 1.25% lead and 1.90% zinc.

The 'East Grid' area was selected for further exploration because of pyrite, chalcopyrite, sphalerite, galena, tetrahedrite, and malachite identified by Demczuk and Cuttle (1987) in quartz-carbonate gangue, sulphide-rich sheets and stockwork veinlets. The zones were reported by Demczuk and Cuttle (1987) to be auriferous with values to 1150 ppb Au, 74.8 ppm Ag and 5% copper (86-DJC-002). The anomalous sample was confirmed by the writer (Christopher, 1988a) with a 0.31 meter chip sample (59054) which contained 0.025 oz Au/t, 2.43 oz Ag/ton and 10.20% copper. The strong copper values were believed to partly result from the presence of chalcocite with chalcopyrite, tetrahedrite and malachite mineralization.

Ten samples of mineralized shears, pyritic metavolcanics and quartz veins in the 'East Grid' area were collected by Duro Adamec (Figure 2 and Appendix A) with analytical results summarized in Table 2.

Table 2. Summary of Rock Sample Results.

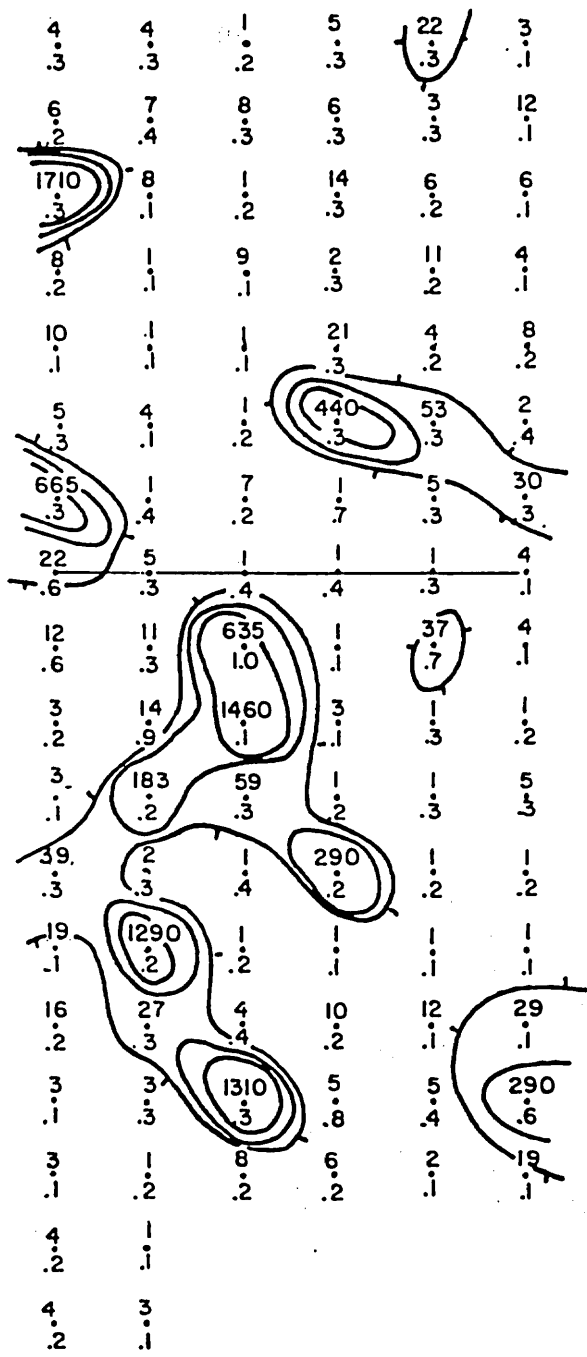
<u>Sample #</u>	<u>Type</u>	<u>ppb Au</u>	<u>ppm Ag</u>	<u>ppm Cu</u>	<u>Other(ppm)</u>
JA 50	40CM CHIP	2	0.6	893	
JA 51	25CM CHIP	56	2.5	2364	16 As; 1084 Mn
JA 52	15CM CHIP	28	0.2	222	
JA 53	40CM CHIP	132	4.2	825	162 Zn; 1999 Mn
JA 54	40CM CHIP	315	9.4	2111	72 Mo;
JA 55	25CM CHIP	24	0.3	353	
JA 56	25CM CHIP	715	22.5	5110	505 Mo; 10 As
JA 57	30CM CHIP	12	0.5	105	
JA 58	20CM CHIP	166	4.2	7378	
JA 59	30CM CHIP	32	1.7	1846	

=====

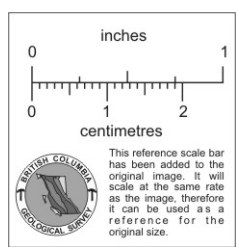
GEOCHEMICAL PROGRAM (FIGURES 3, 4, & 5)

The geochemical program consisted of 10 rock samples, 100 soil samples. Soil samples were collected from the B horizon at about 25 cm with samples placed in kraft sample bags, dried and shipped to Acme Analytical Labs in Vancouver. Soil samples were analyzed by 30 element ICP and gold by atomic absorption with rock samples analyzed in the same manner. Rock sample descriptions and all analytical results are presented in Appendix A with soil results for Au, Ag, Mo, Cu, and Zn plotted and contoured on Figures 3 through 5.



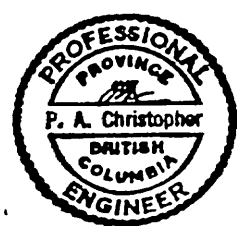


— 1+00 N



— 0+00

— 1+00 S



— 2+00 S

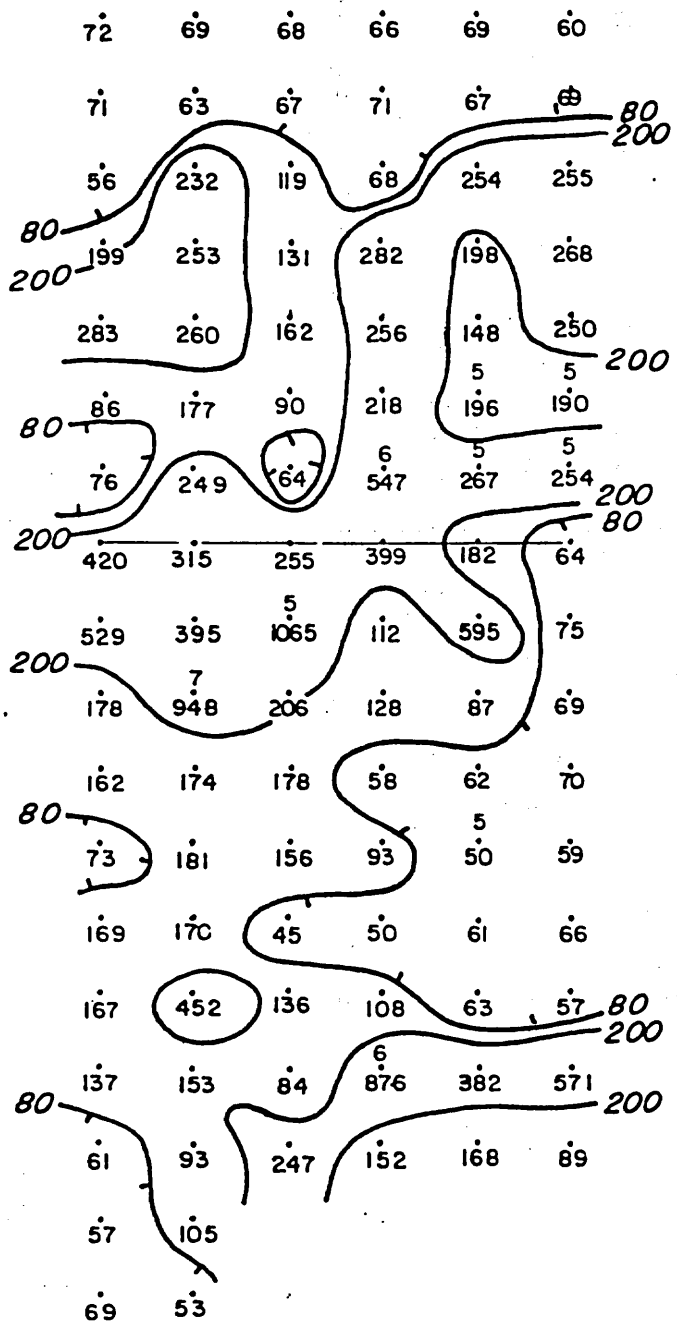
0+00                      0+50E                      1+00E

4     Au ppb  
 .2    Ag ppm

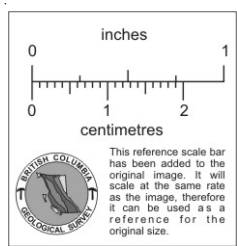
Au contours at 20,100,300 ppb



HADLEY RESOURCES INC.		
DISCOVERY PROPERTY EAST GRID		
SOIL GEOCHEMISTRY-Au,Ag		
N.T.S. 93J-3E	VANCOUVER M.D., B.C.	
0                      50                      100METRES		
P. A. CHRISTOPHER & ASSOCIATES LTD.		
SCALE 1:2000	DEC. 1988	FIGURE 3



— 1+00 N



— 0+00

— 1+00 S



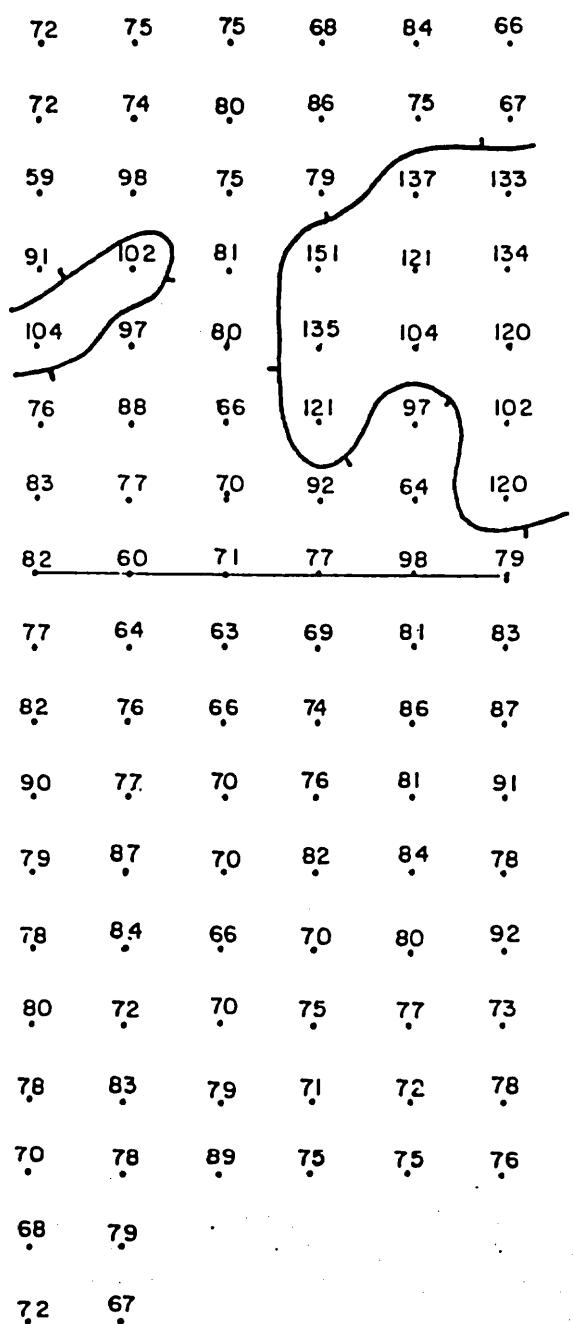
— 2+00 S

0+00      0+50E      1+00E

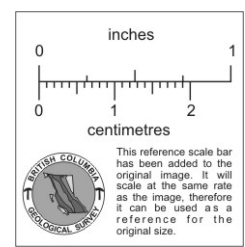
5 Mo ppm ( only, >5 ppm are plotted )  
 57 Cu ppm  
 Cu contours at 80, 200 ppm



HADLEY RESOURCES INC.		
DISCOVERY PROPERTY EAST GRID		
SOIL GEOCHEMISTRY-Mo,Cu		
N.T.S. 93J-3E	VANCOUVER M.D., B.C.	
0      50      100METRES		
P.A. CHRISTOPHER & ASSOCIATES LTD.		
SCALE 1:2000	DEC. 1988	FIGURE 4



— 1+00 N



— 0+00

— 1+00 S



— 2+00 S

0+00                      0+50E                      1+00E

67 Zn ppm  
Zn contour at 100 ppm



HADLEY RESOURCES INC.		
DISCOVERY PROPERTY EAST GRID SOIL GEOCHEMISTRY - Zn		
N.T.S. 93J-3E	VANCOUVER M.D., B.C.	
0                      50                      100 METRES		
P.A. CHRISTOPHER & ASSOCIATES LTD.		
SCALE 1:2000	DEC. 1988	FIGURE 5

### Gold

Gold values in soils varied from 1 ppb to 1710 ppb with 10 sample results over 100 ppb considered strongly anomalous. Gold values were plotted on Figure 3 and contoured at 20, 100 and 300 ppb levels. The strongest gold response of 1710 ppb was obtained from the northwesterly edge of the East Grid area. Three of ten strongly anomalous samples occur at the grid edge. Gold in rock samples varied from 2 to 715 ppb with four strongly anomalous (>100 ppb) samples. Strong gold in rock values occur with strong molybdenum, copper and silver response.

### Silver

Silver values in soils varied from 0.1 to 1.0 ppm with values over 1.0 ppm considered anomalous. No strongly anomalous silver values were obtained from soils with values plotted on Figure 3. Silver in rock samples varied from 0.2 to 22.5 ppm with the strongest silver response with strong gold, molybdenum and copper response.

### Zinc

Zinc values in soils varied from 59 to 137 ppm with values over 100 ppm considered anomalous. Zinc values were plotted on Figure 5 and contoured at the 100 ppm level. Anomalous zinc values form multi-element anomalies with copper, molybdenum and gold. Zinc values in rocks were generally low with a single value of 162 (JA-53) considered weakly anomalous.

### Lead

Lead values varied from 5 to 26 ppm with no anomalous values over 40 ppm in rock or soils. Lead values were not plotted.

### Copper

Copper values in soils varied from 45 to 1065 ppm with values over 80 ppm considered anomalous. Copper values were plotted on Figure 4 and contoured at 80 and 200 ppm levels. Over 50% of the soil samples were anomalous in copper with 30% strongly anomalous at over 200 ppm. An anomalous belt of copper and zinc occurs in the northern part of the grid. The ten rock samples were all anomalous in copper with values ranging from 105 to 7378 ppm. Gold and silver values in rocks showed a general increase with increasing copper values.

### Molybdenum

Molybdenum values in the soils samples varied from 1 to 7 ppm with three values over 5 ppm considered anomalous and plotted on Figure 4. Molybdenum values in rock samples varied from 1 to 505 ppm with two values over 5 ppm considered anomalous. The two anomalous molybdenum samples contained the strongest gold values.

## DISCUSSION OF 'EAST GRID' AREA

The 'East Grid' area was selected for detailed geological, and geochemical exploration because of auriferous copper mineralization identified by Demczuk and Cuttle (1987) and confirmed by the writer (Christopher 1988a & b). The area was being actively logged during the previous program and therefore was not available for grid controlled exploration.

The East Grid area contains quartz veins and mineralized shear zone that have similar orientation to those found on the adjacent Northair Mines property. The zones are generally poorly exposed which provides encouragement for trenching. Since three of the strongest gold responses were obtained from edges of the grid, expansion of the grid area is strongly recommended.

Moderately anomalous zinc values have an east-west trend which might relate to the local strata. Copper and possibly molybdenum and silver are pathfinders for gold in the 'East Grid' area but zinc and lead have a weak response in comparison with the main grid area (Christopher, 1988a & b).

## CONCLUSIONS AND RECOMMENDATIONS

The Phase 1 program on the East Grid area of the Discovery 1 claim has been successful in defining strong geochemical response in soils for copper and gold. Anomalies extend to grid boundaries which provides justification for expansion of the East Grid area. Showings and anomalies within the grid area warrant trenching and rock sampling. The recommended Phase 2 budget of \$100,000 (Christopher, 1988b) should be adequate to allow for initial trenching and expansion of the East Grid area.

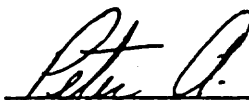
BIBLIOGRAPHY

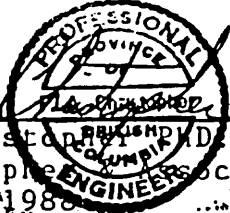
- Basil, C. 1988. Geophysical Report on the Discovery 2 and Discovery 4 Claims in the Vancouver Mining Division. for Hadley Resources Inc. dated July 22, 1988.
- Christopher, P.A., 1988a. Geological, Geochemical and Geophysical Assessment Report on the Discovery Claim Group. for Hadley Resources Inc. dated September 28, 1988.
- Christopher, P.A., 1988b. Geochemical, Geological and Geophysical Report on the Discovery Claim Group. qualifying engineering report for Hadley Resources Inc. dated September 28, 1988.
- Demczuk, L. and Cuttle, J., 1987. Geological and Geochemical Report on the Discovery I and Discovery II Claim Group. dated October 1987.
- Dickson, M.P. and McLeod, D.A., 1975. Northair Mines: Grass roots to Senior Financing. Cdn. Min. Jour., April, pp. 79-82.
- Little, L.M., 1974. The Geology and Mineralogy of the Brandywine Property Lead-Zinc-Gold-Silver Deposit, Southwest British Columbia. unpubl. B.Sc. thesis, University of British Columbia, Dept. of Geological Sciences, Vancouver.
- Mathews, W.H., 1958. Geology of the Mount Garibaldi Map-Area, Southwest British Columbia, Canada. Geol. Soc. Amer. Bull., Vol. 69, No. 2, pp. 161-178.
- Miller, J.H.L. and Sinclair, A.J., 1979. Geology of an Area Including Northair Mines Ltd. Callaghan Creek Property. B.C. Min. Energy, Mines and Pet. Res., Geological Fieldwork 1978, Paper 1979-1, pp. 124-131.
- \_\_\_\_\_, 1978. Geology of the Callaghan Creek - Roof Pendant. B.C. Min. Energy, Mines and Pet. Res., Geological Fieldwork 1977, pp. 96-102.
- Pearson, D.E., 1973. Warman (92-J-89). in B.C. Ministry of Mines GEM 1973, pp. 245-248.
- Sinclair, A.J., Wynne-Edwards, H.R., and Sutherland Brown, A., 1978. An Analysis of Distribution of Mineral Occurrences in British Columbia. B.C. Ministry of Mines & Pet. Res., Bull 68.
- Roddick, J.A., and Woodsworth, G.J., 1975. Coast Mountains Project: Pemberton (92J West Half) Map-Area, British Columbia. Geol. Surv., Canada, Paper 75-1, Pt. A, pp. 37-40.
- Woodsworth, G.J., Pearson, D.E., and Sinclair, A.J., 1977. Metal Distribution Patterns Across the Eastern Flank of the Coast Plutonic Complex, South-Central British Columbia, Econ. Geol., Vol. 71, pp. 170-183.

CERTIFICATE

I, Peter A. Christopher, with business address at 3707 West 34th Avenue, Vancouver, British Columbia, do hereby certify that:

- 1) I am a consulting geological engineer registered with the Association of Professional Engineers of British Columbia since 1976.
- 2) I am a Fellow of the Geological Association of Canada and a member of the Society of Economic Geologists.
- 3) I hold a B.Sc. (1966) from the State University of New York at Fredonia, a M.A. (1968) from Dartmouth College and a Ph.D. (1973) from the University of British Columbia.
- 4) I have been practising my profession as a Geologist for over 20 years.
- 5) I have no direct or indirect interest, nor do I expect to receive any interest directly or indirectly in the property or securities of Hadley Resources Inc.
- 6) I have based this report on previous exploration experience in the area of the Discovery Claim Group, a review of government and company reports listed in the bibliography, a field examination conducted by me on June 30, 1988 and an exploration programs conducted between June and August of 1988 and December 13 to December 18, 1988.
- 7) I consent to the use of this report by for any Filing Statement, Statement of Material Facts, Prospectus, support document, or assessment work by Hadley Resources Inc.

  
Peter A. Christopher, P.Eng.  
Peter Christopher Associates Inc.  
December 23, 1988



**Peter Christopher & Associates Inc.**  
GEOLOGICAL & EXPLORATION SERVICES  
3707 West 34th Ave., Vancouver, B.C. V6N 2K9

Office/Res: 263-6152

December 23, 1988

HADLEY RESOURCES INC.  
705-543 Granville Street  
Vancouver, B.C. V6C 1X8

Dear Sirs:

I, Peter A. Christopher, Ph.D., P.Eng., hereby consent to the use of my Progress Report on Prospecting, Geological Mapping and Geochemical Sampling dated December 23, 1988 on the Discovery Claim Group, Vancouver Mining Division, British Columbia, in any Filing Statement, Statement of Material Facts, Prospects or for obtaining private financing.

Dated at Vancouver, British Columbia, this 23rd day of December, 1988.

  
Peter A. Christopher, Ph.D., P.Eng.





APPENDIX A.

ROCK SAMPLES BY J. DURO ADAMEC DECEMBER, 1988.

DISCOVERY 1 CLAIM (1988 EAST GRID AREA)

<u>SAMPLE #</u>	<u>TYPE</u>	<u>WIDTH(CM)</u>	<u>LOCATION</u>	<u>DESCRIPTION</u>
JA 50	CHIP	40	L40E 53S	RUSTY SCHIST, BLEACHED
JA 51	CHIP	25	L45E 05N	LIGHT GREY, MEDIUM GRAINED GD., PY, CPY, MAL <10%
JA 52	CHIP	15	L80E 85S	Q VEIN 20°/80°E;
JA 53	CHIP	40	L80E 85S	SILICIFIED GN, PY, CPY <5%
JA 54	CHIP	40	L80E 115N	Q, PY, CPY VEIN 360°/80°E
JA 55	CHIP	25	L80E 135N	STRONGLY SILICIFIED; PY <2%
JA 56	CHIP	25	L30E 05N	PYRITIZED, SILICEOUS ZONE, RUSTY, CPY, 130°/68°S
JA 57	CHIP	30	L40E 80N	FINE GRAINED DIORITE, PY, CPY <10%
JA 58	CHIP	20	L45E 140N	QUARTZ, 20°/30°W; PY, CPY
JA 59	CHIP	30	L45E 140N	DIORITE; PY>>CPY IN FRACTURES TO 1CM WIDE.

CERTIFICATES OF ANALYSES

(SEE FOLLOWING PAGES)

GEOCHEMICAL ANALYSIS CERTIFICATE

ICP - .500 GRAM SAMPLE IS DIGESTED WITH 3ML 3-1-2 HCL-HNO3-H2O AT 95 DEG. C FOR ONE HOUR AND IS DILUTED TO 10 ML WITH WATER.  
 THIS LEACH IS PARTIAL FOR MN FE SR CA P LA CR MG BA TI B W AND LIMITED FOR NA K AND AL. AU DETECTION LIMIT BY ICP IS 3 PPM.  
 - SAMPLER TYPE: P1-P3 SOIL P4 ROCK AU\*\* ANALYSIS BY PA\*\*A FROM 10 GM SAMPLES.

DATE RECEIVED: DEC 20 1988 DATE REPORT MAILED: Dec 22/88 SIGNED BY: R. Sam... D. TOYR, C. LEONG, B. CHAN, J. WANG; CERTIFIED B.C. ASSAYERS

HADLEY RESOURCES INC. File # 88-6333 Page 1

SAMPLE#	Mo	Cu	Pb	Zn	Ag	Ni	Co	Mn	Fe	As	U	Ru	Tb	Sr	Cd	Se	Si	V	Cr	Z	La	Ce	Mg	Er	Ti	B	Al	Na	K	W	Au**
	PPM	PPM	PPM	PPM	PPM	PPM	PPM	PPM	%	PPM	PPM	PPM	PPM	PPM	PPM	PPM	PPM	PPM	%	%	PPM	PPM	%	PPM	%	PPM	%	%	%	PPM	PPM
L125N 040W	2	60	11	66	.1	10	11	409	3.47	2	5	ND	2	16	1	2	5	53	.16	.044	5	22	.75	61	.06	2	2.19	.01	.05	1	3
L125N 050W	2	59	13	67	.1	9	11	412	3.72	2	5	ND	2	17	1	2	3	63	.15	.039	4	19	.77	36	.10	2	2.40	.01	.05	1	10
L125N 060W	3	255	14	122	.1	12	14	395	3.24	8	5	ND	2	30	1	2	3	43	.33	.032	10	15	.80	44	.10	2	2.32	.01	.05	2	6
L125N 080W	3	265	9	134	.1	14	13	391	3.09	6	5	ND	2	32	1	2	2	47	.35	.029	10	21	.84	47	.10	2	2.31	.01	.06	1	4
L125N 060W	2	250	16	120	.2	14	13	401	3.67	5	5	ND	3	25	1	2	3	58	.27	.047	7	26	1.00	51	.10	2	2.47	.01	.07	1	8
L125N 040W	5	190	14	102	.4	10	16	455	4.09	2	5	ND	3	22	1	2	3	80	.23	.032	10	19	.59	40	.12	3	3.02	.01	.06	1	2
L125N 020W	5	258	22	120	.3	9	14	373	3.51	6	5	ND	2	27	1	2	3	54	.30	.031	22	20	.70	43	.11	2	2.70	.01	.05	1	30
L125N 020S	2	64	13	73	.1	10	14	409	4.23	2	5	ND	3	16	1	2	2	99	.13	.034	4	18	1.20	25	.14	2	3.04	.01	.06	1	4
L125N 020S	2	75	15	83	.2	13	15	566	4.12	7	5	ND	3	22	1	2	2	79	.24	.051	5	25	1.05	51	.11	2	2.52	.01	.07	1	4
L125N 040S	2	69	19	87	.2	10	17	494	4.65	3	5	ND	3	17	1	2	2	113	.14	.032	5	19	1.20	25	.15	2	3.32	.01	.07	1	1
L125N 050S	1	70	22	91	.2	10	16	430	4.75	5	5	ND	3	18	1	2	2	110	.15	.033	4	21	1.21	42	.15	2	3.20	.01	.07	1	5
L125N 060S	1	59	15	78	.2	9	14	401	4.27	2	5	ND	3	17	1	2	2	97	.13	.033	4	17	1.00	37	.14	2	3.27	.01	.06	1	1
L125N 150S	2	66	20	92	.1	10	12	529	4.16	5	5	ND	3	19	1	2	2	75	.19	.044	5	16	.83	42	.11	3	2.98	.01	.06	1	1
L125N 120S	1	57	16	73	.1	9	10	472	3.44	4	5	ND	2	20	1	2	2	68	.18	.035	4	15	.75	37	.10	2	2.50	.01	.06	1	29
L125N 140S	4	571	19	78	.6	11	11	501	4.11	3	5	ND	3	26	1	2	2	65	.21	.075	5	20	.32	45	.10	2	2.82	.01	.06	1	290
L125N 160S	2	89	11	76	.1	10	11	642	3.59	4	5	ND	2	25	1	2	2	60	.30	.043	5	18	.48	71	.07	2	2.63	.01	.08	1	19
L100N 110W	2	69	16	84	.3	13	16	515	4.65	6	5	ND	3	17	1	2	2	108	.17	.041	6	22	1.22	45	.14	2	3.07	.01	.07	1	22
L100N 120W	1	67	17	75	.3	13	12	454	4.25	4	5	ND	3	19	1	2	2	84	.18	.050	7	26	1.00	43	.11	2	2.86	.01	.06	1	3
L100N 130W	3	254	13	127	.2	10	14	407	3.49	7	5	ND	3	29	1	2	3	59	.32	.037	9	29	.56	43	.11	3	2.57	.01	.05	1	6
L100N 130W	2	198	9	121	.2	10	15	456	3.95	6	5	ND	3	23	1	2	2	75	.31	.042	3	20	1.02	49	.12	2	2.73	.01	.08	1	11
L100N 060W	2	142	26	104	.2	13	15	420	4.22	6	5	ND	3	24	1	2	2	79	.24	.042	7	19	.94	43	.13	2	3.16	.01	.05	1	4
L100N 040W	5	196	20	97	.3	10	15	421	3.96	4	5	ND	3	23	1	2	2	67	.24	.039	11	20	.73	37	.11	4	3.01	.01	.05	2	53
L100N 020W	5	267	22	64	.3	8	16	495	3.51	6	5	ND	3	20	1	2	2	56	.20	.040	17	19	.61	37	.10	2	3.02	.01	.04	1	5
L100N 000W	2	182	16	98	.3	10	14	444	3.83	6	5	ND	3	23	1	2	2	56	.21	.041	9	23	.81	57	.09	2	2.71	.01	.06	1	1
L100N 020S	3	595	19	61	.7	10	13	448	4.57	2	5	ND	3	19	1	2	2	84	.18	.065	6	22	.98	45	.12	3	3.04	.01	.06	1	37
L100N 040S	1	97	20	86	.3	15	15	518	4.43	3	5	ND	3	20	1	2	2	93	.21	.048	6	22	1.11	39	.13	2	3.09	.01	.06	1	1
L100N 050S	1	62	16	81	.3	11	15	533	4.25	2	5	ND	3	18	1	2	2	99	.16	.031	5	17	1.07	33	.14	2	3.02	.01	.05	1	1
L100N 080S	5	50	21	84	.2	11	11	1240	3.26	5	5	ND	1	28	1	2	2	48	.35	.042	4	17	.92	101	.04	3	2.28	.01	.09	1	1
L100N 100S	1	61	19	80	.1	10	11	692	3.43	3	5	ND	2	24	1	2	2	60	.29	.042	5	18	.80	54	.08	3	2.50	.01	.08	1	1
L100N 120S	2	63	19	77	.1	13	12	739	3.47	5	5	ND	2	25	1	2	3	56	.31	.050	6	24	.89	61	.07	2	2.42	.01	.07	1	12
L100N 140S	3	382	11	72	.4	13	11	468	3.96	5	5	ND	3	21	1	2	2	53	.21	.070	6	21	.76	43	.10	2	2.66	.01	.06	1	5
L100N 160S	3	158	16	75	.1	16	14	479	4.19	3	5	ND	5	22	1	2	2	62	.23	.047	10	30	.98	49	.10	3	3.15	.01	.05	1	2
L075N 140W	1	66	17	69	.3	11	11	385	4.03	6	5	ND	3	19	1	2	2	70	.17	.052	6	21	.80	40	.11	2	2.67	.01	.05	1	5
L075N 120W	2	71	17	86	.3	11	18	529	4.36	4	5	ND	3	18	1	2	2	119	.15	.038	6	21	1.25	44	.16	2	3.44	.01	.07	1	6
L075N 100W	2	68	18	79	.3	10	15	470	4.56	6	5	ND	3	18	1	2	2	92	.16	.042	6	21	1.05	41	.14	2	3.25	.01	.06	1	14
L075N 090W	4	282	12	151	.3	11	15	415	3.44	9	9	ND	3	33	1	2	2	54	.37	.036	12	21	.85	47	.11	2	2.52	.01	.06	1	2
97C CAD-S	13	60	42	122	7.2	67	30	1025	4.13	45	18	9	37	47	19	12	13	59	.49	.090	38	58	.88	175	.05	53	1.95	.06	.14	11	49

HADLEY RESOURCES INC. FILE # 88-6333

SAMPLE#	Wc PPM	Cc PPM	Pc PPM	Zc PPM	Ag PPM	NI PPM	Co PPM	Mn PPM	Fe %	As PPM	U PPM	Au PPM	Th PPM	Sr PPM	Cd PPM	Pb PPM	V PPM	Ca %	P %	La PPM	Cr PPM	Mg %	Ba PPM	Ti %	B PPM	Al %	Na %	K %	W PPM	Au** PPB	
L075N 050V	4	255	5	125	.3	12	12	357	3.0E	5	5	ND	2	32	1	2	49	.24	.032	10	22	.75	43	.11	2	2.3E	.01	.06	1	21	
L075N 040V	4	210	10	121	.3	8	13	358	3.31	3	5	ND	2	27	1	2	52	.25	.032	10	21	.68	40	.10	2	2.4E	.01	.05	1	440	
L075N 020V	5	34E	12	92	.7	5	12	347	3.79	3	5	WC	3	22	1	2	60	.21	.056	8	19	.70	40	.11	3	2.33	.01	.05	1	1	
L075N 000S	2	399	10	77	.4	9	11	325	3.63	3	5	WC	2	20	1	2	51	.16	.052	4	22	.72	49	.08	3	2.04	.01	.04	1	1	
L075N 020S	1	112	14	69	.1	17	13	425	3.65	2	5	KD	3	22	1	2	62	.24	.054	7	29	.93	34	.09	2	2.4E	.01	.05	1	1	
L075N 040S	2	120	9	74	.1	15	13	585	3.29	2	5	ND	2	24	1	2	51	.23	.058	5	25	.80	39	.07	4	2.11	.01	.05	1	3	
L075N 060S	2	58	15	76	.2	10	12	684	3.5E	2	5	ND	2	23	1	2	65	.25	.038	4	18	.85	57	.0E	4	2.44	.01	.07	1	1	
L075N 080S	1	53	13	82	.2	12	11	406	3.54	2	5	ND	2	23	1	2	56	.20	.037	4	30	.85	51	.06	3	2.11	.01	.05	2	290	
L075N 100S	1	50	12	70	.1	9	10	581	3.14	4	5	ND	2	25	1	2	56	.27	.039	4	15	.75	57	.07	2	2.25	.01	.07	1	1	
L075N 120S	2	108	8	75	.2	11	12	543	3.51	3	5	ND	2	24	1	2	53	.24	.040	5	24	.65	64	.07	3	2.35	.01	.07	1	10	
L075N 140S	5	87E	9	71	.8	11	12	376	3.87	2	5	ND	3	20	1	2	51	.20	.086	7	20	.6E	42	.09	2	2.45	.01	.05	1	3	
L075N 160S	2	152	11	75	.2	11	12	457	3.31	3	5	ND	3	21	1	2	67	.22	.046	6	22	.93	40	.10	2	2.74	.01	.0E	1	6	
L050N 180V	2	53	7	75	.2	11	15	459	4.22	3	5	ND	3	18	1	2	98	.17	.027	5	20	1.05	42	.12	4	2.74	.01	.05	1	1	
L050N 120V	2	67	9	80	.3	10	15	471	4.4E	2	5	ND	3	19	1	2	105	.16	.040	6	22	1.13	43	.13	3	3.01	.01	.07	1	8	
L050N 100V	1	115	5	75	.2	13	13	435	3.81	3	5	ND	3	21	1	2	72	.20	.05E	5	26	.65	40	.10	2	2.52	.01	.0E	1	1	
L050N 080V	2	131	9	81	.1	11	13	514	3.38	2	5	ND	3	22	1	2	72	.22	.045	6	25	.94	43	.10	4	2.41	.01	.07	1	9	
L050N 060V	2	162	8	80	.1	12	14	509	3.62	2	5	ND	3	24	1	2	69	.25	.045	6	25	.94	45	.10	2	2.35	.01	.0E	1	1	
L050N 040V	2	90	9	56	.2	8	12	364	3.32	2	5	ND	3	15	1	2	83	.15	.034	4	20	.33	32	.12	2	2.72	.01	.0E	1	1	
L050N 020V	2	54	11	70	.2	9	14	403	4.27	4	5	ND	3	17	1	2	101	.14	.031	4	19	.95	32	.14	3	2.98	.01	.0E	1	7	
L050N 000S	2	255	16	71	.4	10	11	376	3.73	2	5	ND	3	20	1	2	55	.17	.044	7	23	.74	45	.05	4	2.3E	.01	.05	1	1	
L050N 020S	5	1365	18	63	1.0	9	12	803	4.05	3	5	ND	3	20	1	2	53	.19	.088	9	21	.65	44	.09	4	2.63	.01	.05	1	635	
L050N 040S	3	206	15	56	.1	12	13	412	3.79	2	5	ND	3	20	1	2	56	.19	.039	9	25	.78	45	.09	2	2.77	.01	.05	1	1460	
L050N 060S	3	178	8	70	.3	15	14	433	3.32	2	5	ND	4	20	1	2	58	.20	.041	11	26	.82	43	.10	2	2.95	.01	.05	1	59	
L050N 080S	2	156	13	70	.4	13	13	419	3.67	2	5	ND	4	21	1	2	56	.20	.039	10	24	.80	46	.09	4	2.58	.01	.05	1	1	
L050N 100S	1	45	14	66	.2	9	10	794	3.16	2	5	WC	2	29	1	2	47	.37	.039	4	14	.78	52	.04	5	2.21	.01	.05	1	1	
L050N 120S	1	136	6	70	.4	20	14	452	4.21	5	9	ND	4	21	1	2	66	.23	.045	9	34	.95	40	.10	2	3.13	.01	.05	1	4	
L050N 140S	1	84	11	75	.3	14	13	568	3.64	4	5	ND	3	22	1	2	65	.24	.040	6	20	.87	50	.09	2	2.7E	.01	.07	1	1310	
L050N 160S	4	247	12	89	.2	10	12	424	3.61	4	5	ND	3	24	1	2	59	.26	.040	9	23	.70	40	.10	4	2.51	.01	.05	1	8	
L025N 180V	1	69	11	75	.3	13	14	464	4.07	3	5	ND	4	20	1	2	79	.20	.052	8	26	.98	51	.10	2	2.70	.01	.07	1	4	
L025N 120V	1	63	10	74	.4	12	15	447	4.10	5	5	ND	4	19	1	2	80	.19	.052	7	25	.97	46	.10	2	2.7E	.01	.0E	1	7	
L025N 100V	2	232	10	98	.1	14	16	581	4.05	4	5	ND	3	26	1	2	82	.29	.056	7	31	1.12	53	.11	2	2.55	.01	.09	1	8	
L025N 080V	2	253	13	102	.1	16	16	611	4.16	6	5	ND	3	28	1	2	81	.30	.059	8	33	1.15	53	.11	5	2.64	.01	.09	1	1	
L025N 060V	2	260	12	97	.1	14	15	610	3.91	2	5	ND	4	28	1	2	71	.30	.059	8	34	1.13	51	.10	3	2.58	.01	.10	1	1	
L025N 040V	1	177	8	88	.1	13	13	520	3.89	4	5	ND	3	26	1	2	68	.25	.052	6	31	1.01	57	.09	2	2.47	.01	.08	1	4	
L025N 020V	1	249	13	77	.4	10	11	384	3.8E	2	5	WC	3	22	1	2	54	.18	.056	4	24	.84	58	.08	2	2.3E	.01	.05	1	1	
L025N 000S	4	315	11	60	.3	8	12	364	3.69	2	5	ND	3	19	1	2	53	.17	.041	9	20	.59	38	.05	2	2.2E	.01	.04	1	5	
STD C/AD-S	18	59	39	133	6.5	68	31	1021	4.09	42	18	7	36	43	19	19	18	59	.49	.090	39	57	.87	175	.06	33	1.94	.06	.13	12	51

HADLEY RESOURCES INC. FILE # 89-6333

SAMPLE#	Mo PPM	Cu PPM	Pb PPM	Zn PPM	Ag PPM	Ni PPM	Co PPM	Mn PPM	Fe %	As PPM	U PPM	Al PPM	Th PPM	Si PPM	Cd PPM	Sb PPM	Bi PPM	V PPM	Ca %	P %	La PPM	Ce PPM	Mg %	Ba PPM	Ti %	B PPM	Al %	Ka %	K %	V PPM	Sc** PPM
L005N 0008	3	395	15	64	.3	21	24	519	3.75	3	5	ND	2	26	1	2	2	58	.29	.064	3	27	.32	39	.05	2	2.21	.01	.05	1	11
L005N 0408	7	342	21	75	.3	15	23	415	4.26	5	5	ND	3	24	1	2	2	58	.23	.101	9	21	.70	17	.10	2	2.54	.02	.06	1	11
L005N 1008	2	452	12	72	.3	14	13	624	3.75	8	5	ND	2	25	1	2	2	56	.31	.016	7	21	.36	55	.09	2	2.64	.01	.07	1	27
L005N 1408	2	252	13	95	.3	12	14	521	3.75	5	5	ND	2	26	1	2	2	54	.25	.043	8	22	.25	54	.10	2	2.74	.01	.07	1	3
L005N 1508	2	93	22	78	.2	15	14	655	3.84	7	5	ND	6	27	1	2	3	68	.29	.052	7	26	.50	50	.05	2	2.70	.01	.08	1	1
L005N 1808	2	105	15	79	.1	19	14	652	3.79	6	5	ND	2	25	1	2	2	62	.27	.052	7	28	.37	65	.05	2	2.53	.01	.07	2	1
L005N 2008	1	53	13	67	.1	11	12	725	3.44	6	5	ND	1	32	1	2	2	52	.41	.051	4	18	.29	54	.04	2	2.34	.01	.10	1	2
L005N 100W	1	72	21	72	.3	15	15	474	4.09	5	5	ND	3	22	1	2	2	51	.20	.062	8	25	.37	51	.13	7	2.59	.01	.07	1	1
L005N 100W	1	71	20	72	.2	14	14	474	4.12	2	5	ND	2	21	1	2	2	46	.25	.056	5	26	.38	45	.11	2	2.75	.01	.07	1	6
L005N 100W	1	55	17	69	.3	11	11	367	2.97	4	5	ND	2	19	1	2	2	40	.15	.045	5	18	.74	34	.13	2	2.45	.01	.05	1	1710
L005N 080W	2	155	17	91	.2	18	15	542	4.21	5	5	ND	2	25	1	2	2	44	.24	.057	7	29	1.05	52	.12	11	2.66	.01	.08	1	8
L005N 050W	3	283	10	104	.1	20	17	640	4.25	7	5	ND	3	25	1	2	2	54	.29	.062	9	32	1.22	55	.13	2	2.78	.01	.10	1	10
L005N 040W	1	26	14	76	.3	15	12	460	3.77	4	5	ND	2	26	1	2	2	65	.24	.046	6	25	.54	52	.05	2	2.25	.01	.05	1	5
L005N 200W	1	75	19	82	.3	16	12	424	3.36	5	5	ND	2	27	1	2	2	62	.20	.044	5	31	.30	58	.10	5	2.29	.01	.05	1	565
L005N 2008	3	422	19	25	.5	25	13	422	4.21	4	5	ND	2	25	1	2	2	62	.20	.071	5	30	.85	58	.10	2	2.48	.01	.05	1	22
L005N 1208	2	529	23	77	.6	12	12	414	4.21	5	5	ND	3	24	1	2	2	63	.20	.035	6	26	.34	52	.10	3	2.57	.01	.06	1	12
L005N 1408	2	276	16	82	.2	14	14	515	4.01	7	5	ND	2	27	1	2	2	78	.25	.061	7	28	.35	49	.11	2	2.53	.01	.08	1	3
L005N 1608	3	152	23	60	.1	19	14	536	4.32	5	5	ND	3	27	1	2	2	69	.23	.031	10	27	.35	47	.11	4	2.28	.01	.07	1	1
L005N 0608 A	3	174	19	77	.2	15	15	521	3.55	3	5	ND	3	26	1	2	2	62	.28	.052	11	26	.50	50	.10	2	2.50	.01	.07	1	182
L005N 0808	4	73	16	79	.3	16	13	1135	3.44	8	5	ND	2	33	1	2	2	54	.33	.062	6	23	.55	93	.05	6	2.31	.01	.10	1	39
L005N 0608 A	3	181	21	87	.3	12	15	465	3.57	7	5	ND	3	27	1	2	2	59	.25	.042	10	24	.79	55	.10	2	2.52	.01	.06	1	2
L005N 1008	3	155	15	79	.1	23	14	473	4.29	4	5	ND	4	26	1	2	2	72	.25	.047	11	36	1.01	44	.12	2	3.13	.01	.06	1	19
L005N 1608 A	3	176	14	84	.2	20	14	485	4.27	2	5	ND	4	26	1	2	2	73	.25	.049	12	37	1.03	43	.11	2	3.21	.01	.06	1	1230
L005N 1208	3	167	17	80	.2	23	14	501	4.37	6	5	ND	4	26	1	2	2	72	.26	.050	11	33	1.02	44	.11	2	3.19	.01	.05	1	15
L005N 1408	2	127	20	79	.1	22	14	531	4.22	6	5	ND	4	27	1	2	2	69	.23	.053	10	33	1.34	53	.10	2	3.05	.01	.07	1	3
L005N 1608	2	61	22	70	.1	15	11	695	3.65	9	5	ND	2	32	1	2	2	55	.37	.052	6	19	.34	55	.06	2	2.63	.01	.10	1	3
L005N 1808	1	57	15	69	.2	12	11	745	3.40	5	5	ND	2	31	1	2	2	51	.35	.049	5	18	.89	92	.04	2	2.35	.01	.10	1	4
L005N 2008	2	63	17	72	.2	12	12	629	3.52	8	5	ND	2	28	1	2	2	62	.30	.044	6	19	.84	68	.08	3	2.54	.01	.09	1	4
SPC 0100-S	19	63	42	132	7.0	72	32	1047	4.85	40	19	8	40	50	19	20	19	61	.49	.097	41	55	.87	182	.07	25	1.92	.06	.13	11	52

SAMPLE#	Mo PPM	Cu PPM	Pb PPM	Zn PPM	Ag PPM	W1 PPM	Co PPM	Ni PPM	Fe %	As PPM	U PPM	Au PPM	Th PPM	Sr PPM	Cd PPM	Sb PPM	Bi PPM	V PPM	Ca %	P %	La PPM	Cr PPM	Mg %	Ba PPM	Y1 %	B PPM	Al %	Mn %	K %	V PPM	Au** PPB
JA-50	1	393	5	65	.6	13	10	815	2.30	5	5	WD	6	26	1	2	2	26	1.15	.054	11	13	.92	101	.04	5	1.51	.03	.29	1	2
JA-51	1	2364	8	75	2.5	19	26	1084	4.86	16	5	WD	2	57	1	2	2	66	2.79	.053	3	25	1.71	58	.06	6	2.14	.04	.15	1	56
JA-52	1	222	3	37	.2	6	7	254	1.38	2	5	WD	3	5	1	2	2	19	.15	.022	5	8	.14	62	.01	5	.48	.02	.12	1	28
JA-53	2	825	12	162	4.2	19	21	1999	6.91	3	5	WD	4	40	2	2	2	46	.75	.056	8	16	1.79	63	.06	7	2.54	.02	.15	1	132
JA-54	72	2111	11	11	9.4	2	3	108	1.83	3	5	WD	10	18	1	2	2	4	.12	.006	3	3	.09	25	.01	2	.29	.03	.12	1	315
JA-55	1	353	13	25	.3	4	5	333	1.31	2	5	WD	8	37	1	2	2	10	1.60	.033	6	6	.41	40	.05	2	.74	.05	.09	1	24
JA-56	505	5110	21	17	22.5	1	6	103	3.84	10	5	WD	3	33	1	2	2	9	.38	.023	2	2	.11	67	.01	3	.49	.01	.19	1	715
JA-57	3	105	15	73	.5	6	21	648	4.79	2	5	WD	1	69	1	2	2	29	1.00	.099	2	3	1.09	47	.12	2	1.55	.05	.09	1	12
JA-58	2	7378	3	60	4.2	14	13	893	3.14	2	5	WD	1	36	1	2	2	26	3.06	.033	2	17	1.17	32	.03	2	1.35	.01	.08	1	166
JA-59	1	1846	8	51	1.7	11	11	708	2.34	2	5	WD	3	28	1	2	2	22	1.98	.047	9	21	.91	62	.04	5	1.25	.04	.17	1	32
STD C/AU-R	16	62	41	132	6.7	68	31	1019	3.93	46	22	7	37	47	19	20	19	58	.47	.083	38	55	.90	174	.05	35	1.90	.06	.13	12	525

# Peter Christopher & Associates Inc.

GEOLOGICAL & EXPLORATION SERVICES

3707 West 34th Ave., Vancouver, B.C. V6N 2K9

Office/Res: 263-6152

April 18, 1990

Hadley Resources Inc.  
705-543 Granville Street  
Vancouver, British Columbia V6C 1X8

Dear Sir:

Re: Addendum To Qualifying Engineering Reports on the Discovery  
Property, Vancouver Mining Division, British Columbia

At the request of the management of Hadley Resources Inc., the writer has reviewed his engineering reports and recommended budget for the Discovery Property (see Location Map Fig. 1). The review was conducted in order to modify the Phase 2 budget to allocate additional funds. Modification of the budget is practical and can best be accomplished by increasing recommended diamond drilling to 500 meters and increasing geochemical budgets in the recommended Phase 2, geochemical, trenching and diamond drilling program. The expanded Phase 2 budget allows for 10 drill holes to be drill as shown on compilation Figure 2 and 500 grid soil samples for the "East Grid" area shown on Figure 1. The Phase 3 program has not been modified, but remains contingent on the success of the Phase 2 exploration program. Revised Phase 2 cost estimates follow:

## COST ESTIMATES

### Phase 2. Trenching and Diamond Drilling.

Project Preparation.....	\$ 2,000
Supervision & Geological Support.....	10,000
Trenching & Site Preparation.....	14,000
Reclamation.....	2,000
Diamond Drilling 500 meters @ \$ 80 ea. ....	40,000
Geochemical Costs .....	10,000
Transportation & Shipping .....	4,000
Field Support.....	5,000
Field Supplies .....	2,000
Reporting & Engineering.....	6,000
Management .....	5,000
Contingency .....	<u>10,000</u>
Phase 2 Total	<u>\$110,000</u>

.../2

Phase 3. Diamond Drilling (Contingent)

Project Preparation.....	\$ 1,000
Supervision .....	8,000
Geological Support.....	8,000
Trenching & Site Preparation.....	10,000
Diamond Drilling 1000 meters @ \$ 80 ea. ....	80,000
Geochemical Costs .....	10,000
Transportation & Shipping .....	4,000
Field Support.....	6,000
Field Supplies .....	2,000
Reporting & Engineering.....	6,000
Management .....	10,000
Contingency .....	<u>15,000</u>

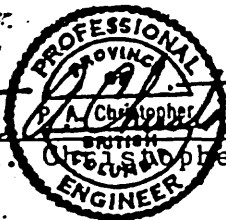
Phase 3 Total \$160,000

I, Peter A. Christopher PhD., P.Eng., do hereby certify:

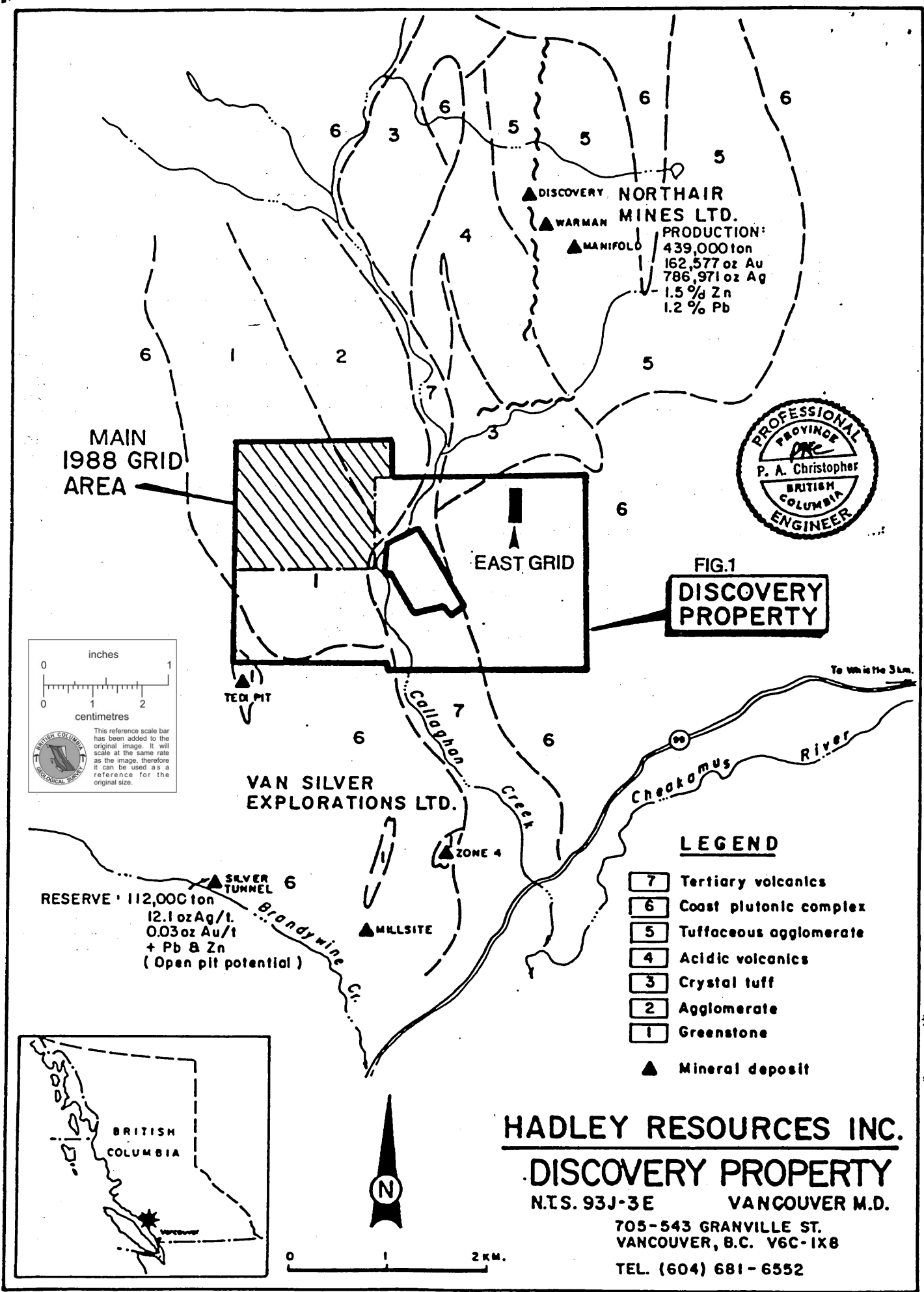
- 1.) That I have no interest in the properties or securities of Hadley Resources Inc.
- 2.) That I have based this Addendum on exploration results obtained on the Discovery Property by Hadley Resources Inc. in 1988 and on a personal examination of the Discovery Property on June 30, 1988.
- 3.) I consent to the use of this report in any Prospectus, Filing Statement or Statement of Material Facts issued by Hadley Resources Inc.

Dated in Vancouver, B.C. this 18th day of April, 1990.

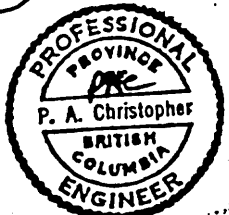
Peter Christopher & Associates Inc.

 *Peter A. Christopher*  
Peter A. Christopher PhD., P.Eng.

The seal is circular with the text "PROFESSIONAL ENGINEER" around the perimeter and "BRITISH COLUMBIA" in the center. The name "P. A. Christopher" is written across the seal.

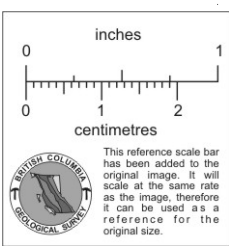
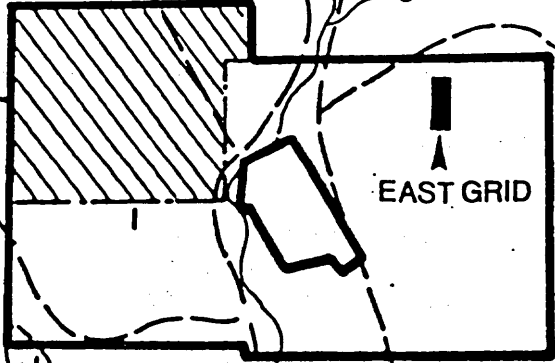


**NORTHAIR MINES LTD.**  
 PRODUCTION:  
 439,000 ton  
 162,577 oz Au  
 786,971 oz Ag  
 1.5% Zn  
 1.2% Pb



**FIG.1**  
**DISCOVERY PROPERTY**

**MAIN 1988 GRID AREA**



**VAN SILVER EXPLORATIONS LTD.**

**RESERVE 112,000 ton**  
 12.1 oz Ag/t.  
 0.03 oz Au/t  
 + Pb & Zn  
 ( Open pit potential )

**LEGEND**

- 7 Tertiary volcanics
- 6 Coast plutonic complex
- 5 Tuffaceous agglomerate
- 4 Acidic volcanics
- 3 Crystal tuff
- 2 Agglomerate
- 1 Greenstone
- ▲ Mineral deposit



**HADLEY RESOURCES INC.**  
**DISCOVERY PROPERTY**  
 N.T.S. 93J-3E VANCOUVER M.D.  
 705-543 GRANVILLE ST.  
 VANCOUVER, B.C. V6C-1X8  
 TEL. (604) 681-6552





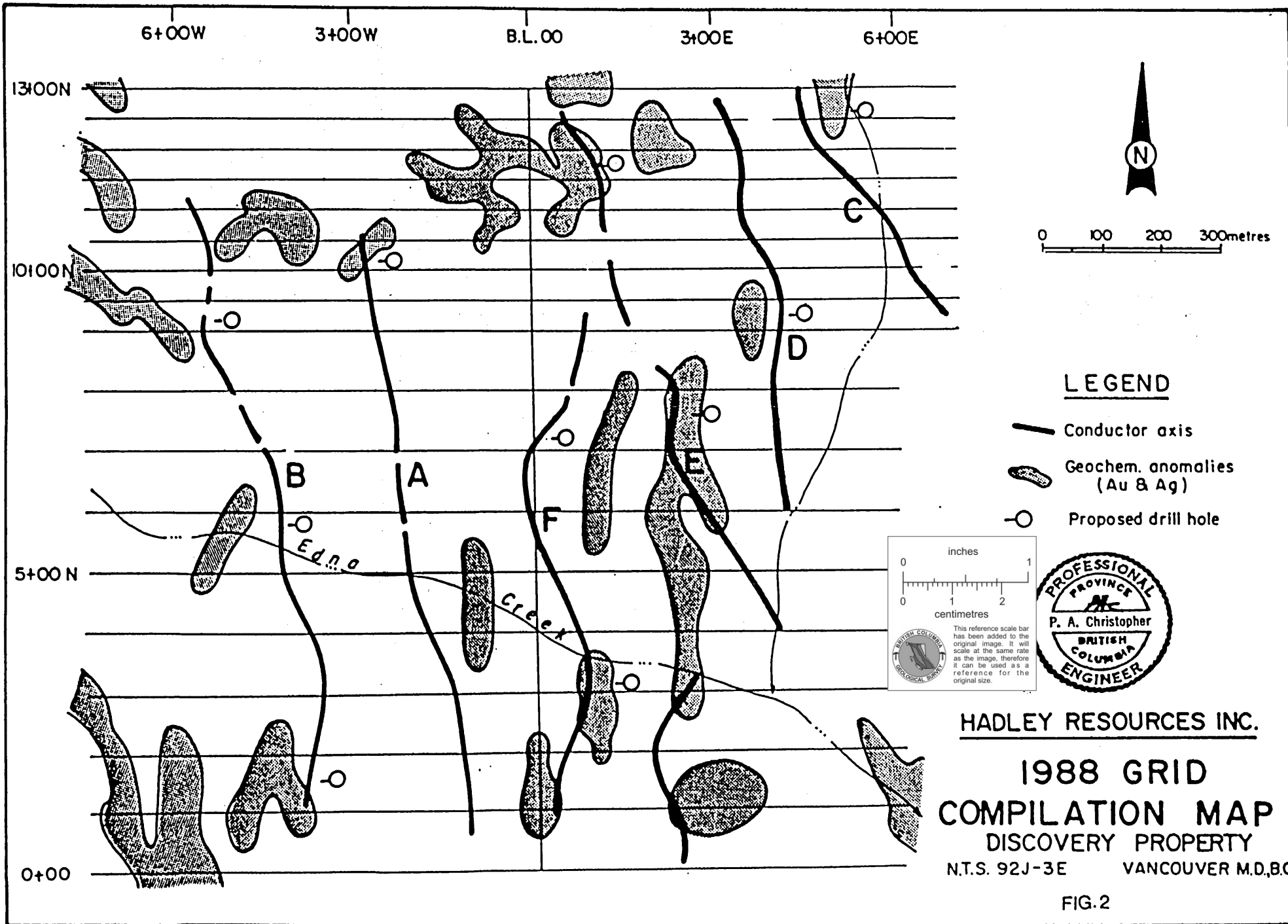


FIG.2

CERTIFICATE TO ACCOMPANY

Addendum To Qualifying Engineering Reports on the Discovery Property, Vancouver Mining Division, British Columbia dated April 18, 1990.

CERTIFICATE

I, Peter A. Christopher, with business address at 3707 West 34th Avenue, Vancouver, British Columbia, do hereby certify that:

1) I am a consulting geological engineer registered with the Association of Professional Engineers of British Columbia since 1976.

2) I am a Fellow of the Geological Association of Canada and a member of the Society of Economic Geologists.



3) I hold a B.Sc. (1966) from the State University of New York at Fredonia, a M.A. (1968) from Dartmouth College and a Ph.D. (1973) from the University of British Columbia.

4) I have been practising my profession as a Geologist for over 25 years.

5) I have no direct or indirect interest, nor do I expect to receive any interest directly or indirectly in the property or securities of Hadley Resources Inc. (now Regeena Resources Inc.).

6) I have based this report on previous exploration experience in the area of the Discovery Claim Group, a review of government and company reports listed in the bibliography, a field examination conducted by me on June 30, 1988 and an exploration programs conducted between June and August of 1988 and December 13 to December 18, 1988.

7) I consent to the use of this report by for any Filing Statement, Statement of Material Facts, Prospectus, support document, or assessment work by Hadley Resources, Inc. (now Regeena Resources Inc.).

   
Peter A. Christopher, Ph.D., P. Eng.  
Peter Christopher Associates Inc.  
August 24, 1990

SCHEDULE "A"

FLOW THROUGH SHARE SUBSCRIPTION AGREEMENT

THIS AGREEMENT made and dated for reference this \_\_\_\_ day  
of \_\_\_\_\_, 1990.

BETWEEN:

The person whose name appears above that of the Company on page 10 of this Agreement, and who wishes to subscribe for flow through shares pursuant to the Prospectus of Regeena Resources Inc. with an Effective Date of \_\_\_\_\_, 1990;

(hereinafter called the "Subscriber")

OF THE FIRST PART

AND:

Regeena Resources Inc., a company incorporated pursuant to the laws of the Province of British Columbia and having an office at Suite 705 - 543 Granville Street, in the City of Vancouver, in the Province of British Columbia, V6C 1X8;

(hereinafter called the "Company")

OF THE SECOND PART

WHEREAS:

A. The Company has certain interests in mining resource properties situated in Canada (collectively the "Property");

B. The principal business of the Company is mining or exploring for minerals;

C. The Company intends to carry out an exploration program that may include geophysical surveys, seismic testing, underground and surface diamond drilling programs, metallurgical studies and underground drifting on the property to determine the existence, location, extent and quality of the mineral resources located thereon (the "Exploration Program") all as more fully described in the Company's Prospectus (as hereinafter defined);

D. The Company anticipates that the Expenses incurred in performing the Exploration Program (the "Exploration Expenditures") will constitute Canadian Exploration Expense ("CEE") within the meaning of

subparagraph 66.1(6)(a)(iii) of the Income Tax Act of Canada (the "Act");

E. The Subscriber has agreed to subscribe for the number of "flow through" common shares of the Company set out above his name on Page 10 of this Agreement in consideration for an amount of money equal to the product obtained when the number of such shares is multiplied by \$0.35 (the "Subscriber's Contribution") and the Company has agreed to apply the Subscriber's Contribution to carry out the Exploration Program and to renounce the expenditures associated therewith to the Subscriber in accordance with the terms of this Agreement;

F. This Agreement is the Flow Through Share Subscription Agreement referred to in the Prospectus of Regeena Resources Inc. and it sets out:

(a) the manner in which the Company shall renounce the Exploration Expenditures associated with the Exploration Program to the Subscriber;

(b) the manner in which the Exploration Expenditures will be incurred and the flow through shares will be issued;

(c) the manner in which the Company shall account for the Exploration Expenditures and certain other material provisions.

NOW THEREFORE in consideration of the premises and the covenants and agreements herein contained the parties hereto agree as follows:

1. Definitions

(a) Except as may be otherwise specifically provided herein, each word or phrase used herein shall have the same meaning as in the Company's Prospectus.

(b) "Prospectus" means the Prospectus of the Company, bearing an effective date of \_\_\_\_\_, 1990, prepared and filed by the Company at the offices of the Superintendent of Brokers for the Province of British Columbia and the Vancouver Stock Exchange in connection with the transactions contemplated in this Agreement.

2. Payment of Subscriber's Contribution

The Subscriber subscribes for and agrees to take

up and pay for the number of Flow-Through Shares set out above his name on page 10 of this Agreement at the price of \$0.35 per share, and the Company hereby acknowledges that the Subscriber has advanced the Subscriber's Contribution to the Company pursuant to the Company's Prospectus and pursuant to this Agreement prior to December 31, 1990, as his subscription for such shares.

3. Deposit of Subscriber's Contribution and Issuance of Shares

Upon receipt of the Subscriber's Contribution the Company undertakes with the Subscriber that:

(a) it will deposit the Subscriber's Contribution in a separate bank account (the "Exploration Account") established by the Company for the purpose of financing the Company's Exploration Program;

(b) the Company will issue share certificates to the Subscriber representing such number of shares as shall have been subscribed for.

4. Additional Investors to Participate in Exploration Program

The Subscriber acknowledges that he is aware that the Company is and will be entering into agreements similar to this Agreement with other Subscribers to the Company's Prospectus and that funds received by the Company pursuant to the terms of such agreements shall also be deposited in the Exploration Account. The Subscriber further acknowledges that any interest accruing on the Exploration Account shall accrue solely to the benefit of the Company.

5. Application of the Exploration Account

The Company agrees to apply all funds deposited in the Exploration Account exclusively for the purpose of performing the Exploration Program and the Company agrees to apply such funds to incur expenditures (the "Exploration Expenditures") which qualify as CEE, within the meaning of sub-paragraph 66.1(6)(a)(iii) of the Act, other than "Canada Exploration and Development Overhead Expenses" as defined in Regulation 1206 of the Act.

6. Schedule for Exploration Expenditures

The Company agrees to use its best efforts to expend the Exploration Account in the manner described in

Paragraph 5 on or before February 28, 1991 and, in the event that any balance remains in the Exploration Account at that date, such balance will be expended by the Company to fund Exploration Expenditures as soon as is practical in the circumstances, but in any event prior to the last day of the twenty-fourth month following the date of this Agreement (the "Termination Date").

7. Representations and Warranties of the Company

The Company represents and warrants to the Subscriber that:

(a) the Company is a reporting company duly organized, validly existing and in good standing under the laws of the Province of British Columbia and has full corporate power to conduct its business as such business is now being conducted;

(b) there are no claims, actions, suits, judgments, litigation or proceedings pending against or affecting the Company which will or may have a material adverse effect upon the Company, nor does it know or have any reasonable ground to know of any basis for any such claims, actions, suits, judgments, litigation or proceedings;

(c) the entering into of this Agreement by the Company has been duly authorized by the Board of Directors of the Company;

(d) it has the full power and authority to enter into and to perform this Agreement and to do all other acts which may be necessary to consummate the transactions contemplated in the Agreement;

(e) it has an authorized capital of 10,000,000 common shares without par value, of which 1,345,000 common shares are issued and outstanding as fully paid and non-assessable, prior to the Offering described in the Prospectus;

(f) the issue of shares will, at the time of their delivery, have been approved by all requisite corporate action and will, upon issue and delivery, be validly issued and outstanding as fully paid and non-assessable;

(g) the Company has no reason to believe that the Exploration Account will not be expended on Exploration Expenditures on or before February 28, 1991;

(h) subject to Paragraph 19, there will be no

consent, approval, authorization, order or agreement of any other person, including, without limiting the generality of the foregoing, any securities commission or similar authority in Canada, which may be required for the issuance of the shares and their delivery to the Subscriber, not obtained and not in effect on the date of delivery of the share certificates;

(i) it is a "principal-business corporation" within the meaning prescribed by paragraph 66(15)(h) of the Act;

(j) the shares issued under the terms of this Agreement will qualify as "flow-through shares" as described in paragraph 66(15)(d.1) of the Act; and

(k) the Company will at all times deal with each Subscriber at arm's length.

8. Company to File Copy of Agreement with Revenue Canada

The Company will file, together with a copy of the Prospectus, the prescribed form referred to in subsection 66(12.68) of the Act with the Minister of National Revenue on or before the last day of the month following the month in which the Prospectus is first delivered to the Subscriber or other potential investor of the Company.

9. Company to Renounce Exploration Expenditures in Favour of Subscriber

The Company agrees within the period set out below and in accordance with the provisions of subsection 66(12.6) of the Act, to renounce in favour of the Subscriber (together with the other parties who have made contributions to the Exploration Account) the amount of Exploration Expenses incurred by it under the Exploration Program during the period specified:

<u>Renunciation</u>	<u>Period of Renunciation</u>	<u>Effective Date of Renunciation</u>	<u>Exploration Expenses to be Renounced</u>
1.	January 1, 1991 to January 31, 1991	December 31, 1990	Any and all Exploration Expenditures incurred from the date

			hereof to December 31, 1990
2.	March 1, 1991 to March 31, 1991	December 31 1990	Any and all Exploration Expenditures incurred from December 31, 1990 to February 28, 1991
3.	January 1, 1992 to January 31, 1992	December 31 1991	Any and all Exploration Expenditures incurred from March 1, 1991 to December 31, 1991
4.	March 1, 1992 to March 30, 1992	December 31 1991	Any and all Exploration Expenditures incurred from January 1, 1992 to February 29, 1992
5.	The Termination Date as defined in paragraph 6 to 30 days after the Termination	Termination Date	Any and all Exploration Expenditures incurred from March 1, 1992 to the Termination Date

10. Company to File Prescribed Form in Respect of Renunciation

The Company will file in respect of each Renunciation specified in Paragraph 9 on or before the last day of the month following the date of such Renunciation, an information return with the Minister of National Revenue in the form prescribed by subsection 66(12.7) of the Act.

11. Allocation of Exploration Expenses

For purposes of determining the extent to which the Subscriber's Contribution has been the subject of a Renunciation described in Paragraph 9, the total amount expended out of the Exploration Account on Exploration Expenditures will be allocated between the Subscriber and those other persons who have contributed to the Exploration Account on a basis pro rata to the amounts of their respective Subscription Contributions.



12. No Renunciation to Third Parties

The Company agrees not to make any renunciation of CEE whereby its ability to renounce Exploration Expenses in respect of its Exploration Program in favour of any person other than the Subscriber and the other parties who have contributed to the Exploration Account would be impaired.

13. Company Not to Claim a Deduction In Respect of the Exploration Expenditures

The Company acknowledges that it has no right to claim any deduction for CEE or depletion of any sort in respect of the Exploration Expenditures and covenants not to claim any such deduction when preparing its tax returns from time to time.

14. Company Not to Receive Any Assistance In Respect of the Exploration Expenditures

The Company acknowledges that it is not entitled to receive any assistance, as defined in paragraph 66(15)(a.1) of the Act, in respect of the Exploration Program.

15. Company to Maintain Accounts

The Company will maintain proper accounting books and records relating to the Exploration Expenditures, and during the currency of this Agreement.

16. No Dissemination of Confidential Information

The Company will be entitled to hold confidential all exploration and production information relating to any program on which any portion of the Subscriber's Contribution is expended pursuant to this Agreement and it will not be obligated to make such information available to the Subscriber except in the manner and at such time as it makes any such information available to its shareholders.

17. Subscriber Not to Acquire any Interest in the Property

The Subscriber will not, as a result of the Company incurring any Exploration Expenditures associated with its Exploration Program or by reason of this Agreement, acquire any interest in or to the Property.

18. While it is the present intention of the Company to undertake the Exploration Program, the data and information acquired during the conduct of an exploration program may cause the Company to alter the initially proposed program of exploration and the Company expressly reserves the right to alter the Exploration Program on the advice of its technical staff or consultants and further reserves the right to substitute other exploration programs on which to expend part of the subscriber's Contribution provided such programs entail the incurrence of CEE as defined in subparagraph 66.1(6)(a)(iii) of the Act, should such change of program be deemed to be in the best interest of the Company by its Board of Directors.

19. Regulatory Approval

This Agreement is subject to the Company obtaining all approvals which it considers may be required for regulatory bodies or stock exchanges having jurisdiction in respect of the transaction described herein. In the event that the Company shall, for any reason whatsoever, fail to obtain regulatory approval of this Agreement prior to December 31, 1990, any funds advanced to the company shall be immediately repaid together with interest thereon at the prime rate of the Royal Bank of Canada plus one percent (1%) per annum, from the date of advancement of the fund to the Subscriber in proportion to his contribution to the fund advanced to the Company.

20. Execution of Additional Agreements

The Parties hereto each covenant and agree to execute and deliver such further agreements, documents and writings, and provide such further assurance as may be required by the parties to give effect to this Agreement, and without limiting the generality of the foregoing, to do all acts and things, execute and deliver all documents, agreements and writings, and provide such assurances, undertakings, information, pooling agreements and investment letters as may be required from time to time by all regulatory or governmental bodies or stock exchanges having jurisdiction over the Company's affairs or as may be required from time to time under the Act and the Regulations thereunder.

21. Notices

Any notice given under this Agreement shall be deemed to be well and sufficiently given if delivered when delivered or two days after it is deposited in a postal box in Canada as registered or certified mail, postage prepaid, addressed as follows:

If to a Subscriber:

To his address as stated to the Company by the Subscriber (or his fiscal agent, as the case may be) at the time of the issuance of Flow-Through Shares to the Subscriber;

If to the Company:

To the address of its registered and records office in British Columbia from time to time;

Provided That any Subscriber may, by notice so given to the Company from time to time, change his address for further notices hereunder.

22. Incorporation and Binding Effect

This Agreement sets out the terms and conditions which apply to the contracts of subscription made between the Subscribers and the Company for flow-through shares to be issued pursuant to the Company's Prospectus, and it is binding upon each Subscriber and upon the Company as of the day and year first above written.

23. Governing Law

This Agreement shall be deemed to have been made in the Province of British Columbia and shall be construed in accordance with the laws of that Province.

24. Time of the Essence

Time is of the essence in this Agreement.

25. Interpretation

Whenever the singular and neuter are used throughout this Agreement, the same shall be construed as meaning the plural or the feminine or masculine or a body corporate where the context of the parties so require.

26. Entire Agreement

This Agreement supersedes all prior negotiations between the parties with respect to the matters herein referred to and contains the entire agreement between the parties hereto and may be modified only by an instrument in writing signed by the party against whom modification is asserted.

27. This Agreement shall enure to the benefit of and

be binding upon the parties hereto and each of their heirs, executors, administrators, successors and assigns.

IN WITNESS WHEREOF the parties hereto have executed this Agreement as of the day and year first above written.

Number of Flow-Through Shares subscribed for: \_\_\_\_\_

SIGNED, SEALED and DELIVERED)  
by \_\_\_\_\_ )  
in the presence of: )

\_\_\_\_\_  
WITNESS )

\_\_\_\_\_ )

\_\_\_\_\_  
Social Insurance Number  
or

\_\_\_\_\_  
Revenue Canada Corporation  
Account Number

THE COMMON SEAL of REGEENA)  
RESOURCES INC., was hereunto)  
affixed in the presence of: )

\_\_\_\_\_  
AUTHORIZED SIGNATORY )

C/S

SCHEDULE "B"

POWER OF ATTORNEY FORM

TO: REGEENA RESOURCES INC.  
705 - 543 Granville Street  
Vancouver, B.C.  
V6C 1X8

(the "Company")

RE: Flow-Through share subscription agreement ("Flow Through Agreement") and participation in the flow through offering pursuant to the Company's Prospectus dated \_\_\_\_\_, (the "Prospectus")

The undersigned investor hereby irrevocably nominates, constitutes and appoints the President or the Secretary of the Company (the "Attorney"), with full power of subscription, as his agent and true and lawful Attorney to act on behalf of the undersigned with full power and authority in his name, place and stead to execute, acknowledge, date, deliver, file and record as and where the Attorney considers it appropriate, the Flow Through Agreement in the form which accompanies the Prospectus as Schedule "A" thereto, and any amendment, change or modification of that Agreement, subject to the terms of the Flow Through Agreement.

The undersigned agrees to be bound by any representation and action of the Attorney made or taken in conformity with this Power of Attorney. This Power of Attorney shall be irrevocable and shall bind the undersigned, his heirs, executors, administrators, successors and assigns, as the case may be, notwithstanding the death, incapacity or bankruptcy of the undersigned.

The Attorney shall have the power to execute the Flow Through Agreement in the name of the undersigned pursuant

to this Power of Attorney by affixing his signature thereto with the indication that the Attorney is acting on behalf of the undersigned.

DATED this \_\_\_\_\_ day of \_\_\_\_\_, 1990.

THIS POWER OF ATTORNEY MUST BE DULY EXECUTED AND RETURNED BY THE UNDERSIGNED TO THE AGENT OR SELLING PARTICIPANT BY THE END OF THE FIRST COMPLETE CALENDAR MONTH AFTER THE OFFERING DAY OR THE UNDERSIGNED WILL NOT BE ENTITLED TO RECEIVE ANY "FLOW THROUGH" TAX TREATMENT FOR HIS SUBSCRIPTION.

Number of Flow-Through Shares subscribed for: \_\_\_\_\_

If the undersigned is an individual:

SIGNED, SEALED AND DELIVERED)  
by the Undersigned in the  
presence of:

\_\_\_\_\_  
SIGNATURE

\_\_\_\_\_  
NAME OF WITNESS

\_\_\_\_\_  
ADDRESS

\_\_\_\_\_  
OCCUPATION

\_\_\_\_\_  
Signature of Undersigned

\_\_\_\_\_  
Name of Undersigned  
(Please Print)

\_\_\_\_\_  
Resident Address

\_\_\_\_\_  
City, Province

\_\_\_\_\_  
Postal Code

\_\_\_\_\_  
Social Insurance Number

If the undersigned is a corporation:

THE COMMON SEAL of \_\_\_\_\_ )  
\_\_\_\_\_ the Under- )  
signed was hereunto affixed )  
in the presence of: )

\_\_\_\_\_  
Authorized Signatory )

\_\_\_\_\_  
Name (Please Print) )

\_\_\_\_\_  
Office )

\_\_\_\_\_  
Name of Corporation

Per: \_\_\_\_\_

Title: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_  
City: \_\_\_\_\_

Province: \_\_\_\_\_

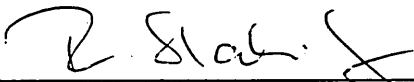
Postal Code: \_\_\_\_\_

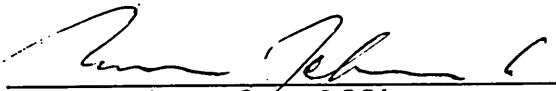
Revenue Canada Corporation  
Account Number \_\_\_\_\_

CERTIFICATE OF DIRECTORS & OFFICERS

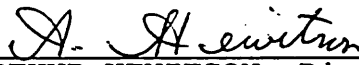
The foregoing constitutes full, true and plain disclosure of all material facts relating to the securities offered by this Prospectus as required by the Securities Act and its regulations.

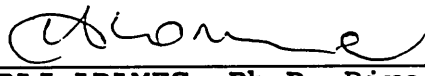
DATED: October 1st 1990

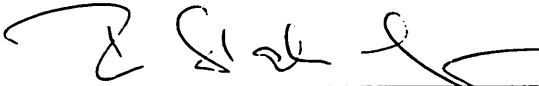
  
\_\_\_\_\_  
Chief Executive Officer  
REGINA SKALICKY

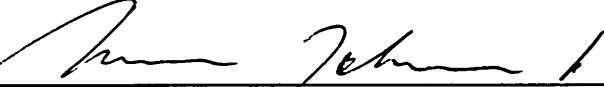
  
\_\_\_\_\_  
Chief Financial Officer  
MILAN JAKUBEC, SR.

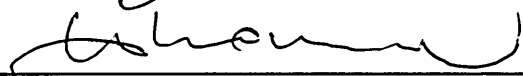
On behalf of the Directors of the Company:

  
\_\_\_\_\_  
ARTHUR HEWITSON, Director

  
\_\_\_\_\_  
JURAJ ADAMEC, Ph.D, Director

  
\_\_\_\_\_  
REGINA SKALICKY - Promoter

  
\_\_\_\_\_  
MILAN JAKUBEC SR. - Promoter

  
\_\_\_\_\_  
JURAJ ADAMEC, Ph.D. - Promoter

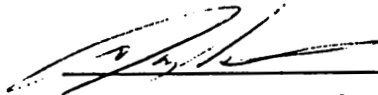
  
\_\_\_\_\_  
ARTHUR HEWITSON - Promoter



CERTIFICATE OF AGENT

To the best of our knowledge, information and belief, the foregoing constitutes full, true and plain disclosure of all material facts relating to the securities offered by this Prospectus as required by the Securities Act and its regulations.

HAYWOOD SECURITIES INC.



---

DAVID SHEPHERD

---

DATED this *1st* day of *October*, A.D. 1990.