

LLEN, LEM 75K/4W (30)K 3731

011979

PROSPECTUS

OCTOBER 26, 1971

This is Exhibit "B" referred to in

OFFERING OF 130,000 SHARES OF Affidavit of Ivan Greg

JETEX RESOURCES LTD. (N.P.V.) in before me at Vancouver, B.C.

this 23rd day of November 1971

DISTRIBUTION SPREAD

[Signature]
A Commissioner for taking Affidavits
British Columbia

	Price to Public	Commission	Net Proceeds to be Received by Issuer if all of the shares are sold
Per Unit	60 Cents	9 Cents	51 Cents
Total	\$78,000	\$11,700	\$66,300

THESE SECURITIES ARE SPECULATIVE AND SHOULD BE PURCHASED ONLY BY PERSONS AWARE OF THE RISKS INVOLVED. THE MINING BUSINESS IS BY NATURE SPECULATIVE AND THE TASK OF LOCATING COMMERCIALY PRODUCTIVE ORE BODIES PRESENTS MANY UNCERTAINTIES. IN FACT, THE COMPANY'S PROPERTIES ARE AT PRESENT WITHOUT A KNOWN BODY OF COMMERCIAL ORE AND THE PROPOSED PROGRAMS REFERRED TO HEREIN ARE EXPLORATORY SEARCHES FOR ORE, OIL AND NATURAL GAS. CONSEQUENTLY, A PURCHASE OF THE SECURITIES OFFERED BY THIS PROSPECTUS MUST BE CONSIDERED A SPECULATION.

NO SURVEY HAS BEEN MADE OF ANY OF THE COMPANY'S LOCATED MINERAL CLAIMS AND THEREFORE, IN ACCORDANCE WITH THE MINING LAWS OF THE APPROPRIATE JURISDICTIONS, THE EXISTENCE AND THE AREA OF SUCH PROPERTIES COULD BE IN DOUBT.

THE SHARES OF THE COMPANY HAVE NOT PREVIOUSLY BEEN OFFERED TO THE PUBLIC AND ARE NOT AT PRESENT TRADED ON ANY STOCK EXCHANGE OR OTHER RECOGNIZED SECURITY MARKET AND CONSEQUENTLY THERE IS NO KNOWN MARKET FOR THE SHARES OF THE COMPANY.

THE NUMBER OF SHARES ISSUED TO THE COMPANY'S PROMOTERS, DIRECTORS, OFFICERS AND CONTROLLING PERSONS FOR CASH, PROPERTY AND SERVICES EQUALS 74.2 PER CENT OF THE SHARES THAT WILL BE OUTSTANDING UPON COMPLETION OF THIS OFFERING WHEREAS 25.8 PER CENT OF THE SHARES OUTSTANDING UPON COMPLETION OF THIS OFFERING WILL HAVE BEEN ISSUED TO THE PUBLIC AND TO PERSONS OTHER THAN THE COMPANY'S PROMOTERS, DIRECTORS, OF

NO SECURITIES COMMISSION OR SIMILAR UPON THE MERITS OF THE SECURITIES C THE CONTRARY IS AN OFFENCE.

PROPERTY FILE

92K078-05

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INCORPORATION

The Company was incorporated as a specially limited private company under the laws of the Province of British Columbia, by Memorandum of Association on March 3, 1969. The Memorandum of Association of the Company was amended on March 18, 1969 to change its name to JETEX RESOURCES LTD. (N.P.L.) The Company was converted to a public company on July 3, 1970. The registered office of the Company is 4th Floor, 555 Burrard Street, Vancouver, British Columbia and the head office is Suite 430 - 1155 West Georgia Street, Vancouver, British Columbia.

DIRECTORS AND OFFICERS

<u>Name and Address</u>	<u>Office Held</u>	<u>Principal Occupations during past five years</u>
GARY ROBERT SCHELL 2601 - 2020 Haro Street Vancouver, B.C.	President and Director	Prospector, Professional Engineer - self-employed since July, 1968, before then engineer with various engineering companies. Now also President of Geoquest Resources Ltd. (N.P.L.)
IVAN GREG 802 - 2050 Nelson Street Vancouver, B.C.	Secretary- Treasurer and Director	Prospector, self-employed businessman since June, 1969, before then Securities Salesman and Research Analyst. Now also Director of Geoquest Resources Ltd. (N.P.L.)

REMUNERATION OF DIRECTORS & SENIOR OFFICERS

Save as disclosed under the heading "Promoters" no remuneration has been paid to any Director or Officer of the Company since incorporation nor is it contemplated that any such remuneration will be paid in the current fiscal year.

REGISTRAR AND TRANSFER AGENT

CROWN TRUST COMPANY
455 Howe Street
Vancouver 1, B.C.

AUDITORS

MESSRS. SMITH, FLYNN, STALEY
& CO.
Chartered Accountants
4857 Kingsway
Burnaby, B.C.

PROMOTERS

The two Directors of the Company, Ivan Greg and Gary Robert Schell may be considered promoters of the Company by virtue of the definition of "Promoter" in the B.C. Securities Act, 1967. They acquired a total of 200,000 shares of the Company at the price of 10 Cents per share. They also received the standard "Vendors' Consideration" of 750,000 shares (which are presently held in escrow) for the Lem 1 to 20 Mineral Claims which were previously acquired by them by locating, staking and recording at a cost to them of approximately \$700.00.

SHARE CAPITAL

All of the shares of the Company, including those offered hereby, are of one class known as "Common Shares". There are no special rights or restrictions of any nature attaching to any of the shares. All of the shares rank equally, one with the other, as to all benefits which might accrue to the holders of them.

(a)

Designation of Security	Amount Authorized	Amount outstanding as at date of last balance sheet.	Amount outstanding as at October 1, 1971.	Amount outstanding if all securities being issued are sold.
Common Shares	4,000,000	1,150,000	1,150,000	1,280,000

- (b) (i) Number of shares sold for cash is 400,000 at 10 Cents per share;
- (ii) The total cash received for the securities sold is \$40,000.00;
- (iii) No Commissions have been paid on any shares sold.

PLAN OF DISTRIBUTION

Jetex Resources Ltd. (N.P.L.) proposes and hereby offers from its treasury 130,000 shares at a price of 60¢ per share. The amount payable on application for allotment of such shares is 60¢ each. Commissions of 9 cents per share are payable by the Company. The Company will be offering each share through the facilities of persons or companies registered for trading in securities within the Province of British Columbia. No binding agreement has been made with any such registered broker for the distribution of shares and therefore sales to the public will be on a "best efforts" basis. There are no underwriting, sub-underwriting, option or sub-option agreements outstanding at the present time.

USE OF PROCEEDS

The estimated net proceeds to be derived from the sale of the securities offered of \$66,300 (after payment of commission) will be used by the Company as to \$17,400 to retire current liabilities and as to the balance for exploration and development work on its properties, greater particulars of which are given below, and for general operating and administrative expenses, (as well as the examination and prospecting of other properties brought to its attention).

In particular, it is expected that specific expenditures will be made by the Company as follows:

(a)	To retire current liabilities	\$ 17,400
(b)	To carry out part of the program of exploration and development work on the Lem-Ellen-Dot Claims as recommended by Edward M. Wilson, P. Eng., in his report dated January 7, 1970 as follows:	
(i)	Line cutting and incidental surveying	7,000
(ii)	Geological mapping, geochemical and magnetometer surveys	25,000
(iii)	Travel and living expenses	2,000
(iv)	Engineering and supervision	2,000
(v)	Contingency	6,000
(c)	Reserve for administrative and general expenses, legal and audit	3,900
(d)	General fund for contingencies	3,000
		<u>\$ 66,300</u>

If the actual proceeds from the sale of securities offered hereby proves to be insufficient to accomplish the purposes set out above, the Company will firstly use such proceeds towards the retirement of current liabilities and then endeavour to complete as much of the work as recommended by Edward M. Wilson, P.Eng. as is possible. If necessary, the Company will seek alternative methods of financing to complete all of the above items.

No part of the proceeds shall be used to invest in, underwrite or trade in, securities other than those that qualify as investments in which Trust Funds may be invested under the laws of the jurisdictions in which the securities offered by this Prospectus may lawfully be sold.

Should the Company propose to use the proceeds to acquire non-trustee type securities after the initial distribution of the securities offered by this Prospectus, approval by the shareholders must first be obtained and prior disclosure must be made to the regulatory securities bodies having jurisdiction over the sale of the securities offered by this Prospectus.

DESCRIPTION OF BUSINESS AND PROPERTY OF ISSUER

The Company is a mining Company engaged in the business of acquiring, exploring and developing mineral claims and properties and oil and natural gas properties and intends to carry on business as such.

PROPERTIES OF THE COMPANY:

1. LEM-ELLEN-DOT CLAIMS

The Company is the owner of the full title and interest that can be acquired under the British Columbia Mineral Act to 90 located Mineral Claims near the Salmon River Sayward area, Nanaimo Mining Division, Vancouver Island, British Columbia. The Claims cover approximately 4,500 acres and are:

<u>Claim Name</u>	<u>Record Number</u>	<u>Expiry Date</u>
Ellen 1 to 40 incl.	30314 to 30353	December 5, 1971
Dot 1 to 30 incl.	30354 to 30383	December 5, 1971
Lem 1 to 20 incl.	30607 to 30626	January 6, 1972

Access to the property is by a good logging road which leads off Highway 19 and follows the Salmon River for about 6 miles. Most of the area covered by the Claims is unlogged and access roads are limited. The Lem 1 to 20 Claims were acquired by the Company from Gary Robert Schell and Ivan Greg, Promoters, Directors and Insiders of the Company and in consideration therefor the Company issued 375,000 shares to Mr. Schell and 375,000 shares to Mr. Greg. The Ellen 1 to 40 and Dot 1 to 30 Claims were acquired by the Company from William R. Boyes of Sayward, B.C. for \$1,750.

Prior to the acquisition of this property by the Company it was prospected by William R. Boyes who located, staked and recorded the Lem 1 to 20 Claims for and on behalf of Ivan Greg and Gary Robert Schell. Subsequently the Company had work done consisting of geological mapping, geochemical survey, Magnetometer survey and surface sampling and some diamond drilling. The Company knows of no other previous prospecting, exploration and development work on the property.

There is no known mineral deposit on the property.

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

The following is summarized from the report of Edward M. Wilson, P. Eng. dated January 7, 1970, hereunto annexed and forming part of this Prospectus.

"The writer considers that results obtained from the limited program completed to date are sufficiently encouraging to warrant the completion of a full-scale exploration program over the remainder of the group. Several anomalous conditions indicated by geochemical and Magnetometer work should also be followed up by detailed Surveys."

2. HUDSON STRAIT BLOCK NO. 2

The Company has a 4.5% interest in Exploratory Permits W 6080 to W 6097 inclusive to do exploratory work, for oil and gas on 1,096,400 acres for a period of six years from the date of the said Permits, which is June 11, 1969. The cost to the Company for the interest in these Permits was \$2,966.00 composed of permit fees of \$225.00 and deposits of \$2,741.00. These amounts represent 5% of acquisition costs. The Company is responsible for 5% of future costs in relation to exploration and development of this property.

The participants in these Permits have appointed Duncan Oil Limited as operator. It is intended to do geological and/or geophysical and other exploratory work on the property up to the amount of deposits.

The Company knows of no previous work done on this property and has not itself done any.

There are no known reserves of crude oil or natural gas on the property.

PRELIMINARY EXPENSES

To June 30, 1971 the Company has incurred preliminary expenses for administrative work, the sum of \$14,382.33 and for development, the sum of \$33,923.16. It is estimated that there will not be any more expenses for development work which can be described preliminary.

ESCROWED SECURITIES

<u>Designation of Class</u>	<u>Number of Shares held in Escrow:</u>	<u>Percentage of Class:</u>
Common	750,000 escrowed.	65%
Common	400,000 pooled.	35%

The 750,000 first mentioned shares were issued to Ivan Greg and Gary Robert Schell, Promoters and Directors of the Company for the Lem 1 - 20 Claims. As of October 26, 1971, the said 750,000 shares are held in escrow by Crown Trust Company subject to the direction or determination of the British Columbia Securities Commission (Commission). The escrow restrictions provide that the shares may not be traded in, dealt with in any manner whatsoever, or released nor may the Company, its transfer agent or escrow holder make any transfer or record any trading of the shares without the consent of the Commission.

In the event the Company loses or abandons or fails to obtain title to all or part of the property or assets for which it allotted all or part of the escrow shares, the Company will declare any such event to the Commission by way of directors resolution and the holders of such shares, the trustee thereof and the Company, have agreed that such number of said shares, as the Commission determines shall have become subject to cancellation, shall be surrendered to the Company by way of gift for cancellation. The complete text of the escrow agreement is available for inspection at the Company's offices.

The said 400,000 pooled shares were previously issued for cash and have been voluntarily pooled with the Crown Trust Company until at least 30 days from the date of completion of the primary distribution of the shares offered under this Prospectus and their release is subject to the consent of the Superintendent of Brokers.

PRINCIPAL HOLDERS OF SECURITIES

- (a) To the knowledge of the Company the following persons hold more than 10% of the shares of the Company either beneficially or of record, directly or indirectly as at October 1, 1971.

Name and Address	Designation of Class	Type of Ownership	Number of Shares Owned	Percentage of Class
Ivan Greg, Suite 802, 2050 Nelson St., Vancouver, B.C.	Common	Direct of Record and Beneficial	475,000	41.3%
Gary Robert Schell, Suite 2601, 2020 Haro St., Vancouver, B.C.	Common	Direct of Record and Beneficial	475,000	41.3%

- (b) The Directors and Senior Officers of the Company beneficially own, directly or indirectly 83% of the shares of the Company.

STATUTORY RIGHTS OF RESCISSION AND WITHDRAWAL

Sections 61 and 62 of the Securities Act, 1967, (British Columbia) provide in effect, that where a security is offered to the public in the course of primary distribution,

- (a) A purchaser has a right to rescind a contract for the purchase of a security, while still the owner thereof, if a copy of the last Prospectus, together with financial statements and reports and summaries of reports relating to the securities as filed with the British Columbia Securities Commission, was not delivered to him or his agent prior to delivery to either of them of the written confirmation of the sale of the securities. Written notice of intention to commence an action for rescission must be served on the person who contracted to sell within 60 days of the date of delivery of the written confirmation, but no action shall be commenced after the expiration of three months from the date of service of such notice;
- (b) A purchaser has the right to rescind a contract for the purchase of such security, while still the owner thereof, if the Prospectus or any amended Prospectus offering such security contains an untrue statement of a material fact or omits to state a material fact necessary in order to make any statement therein not misleading in the light of the circumstances in which it was made, but no action to enforce this right can be commenced by a purchaser after expiration of 90 days from the later of the date of such contract or the date on which such Prospectus or amended Prospectus is received or is deemed to be received by him or his agent.

Reference is made to the said Act for the Complete text of the provisions under which the foregoing rights are conferred.

OTHER MATERIAL FACTS

By Agreement dated December 12, 1969, for a cash consideration of \$14,080 the Company acquired a 10% interest in sundry petroleum and natural gas properties in Saskatchewan and Manitoba which were known as the South Virden, Wildwood and Lyleton projects. The price paid entitled the Company to participate in the initial test well in each project. Thereafter the Company could earn a 10% interest in any subsequent wells drilled by paying 10% of the costs. During 1969 and 1970 one test well was drilled on each project and all three were abandoned as dry holes. Subsequently the leases and options with respect to all properties in the three projects were abandoned and surrendered.

There are no other material facts relating to the securities offered hereby that are not disclosed elsewhere in this Prospectus.

The foregoing constitutes full, true and plain disclosure of all material facts relating to the securities offered by this Prospectus as required by Part VII of the Securities Act, 1967, and the Regulations thereunder.

DATED the 26th day of October, 1971.

(Signed) GARY SCHELL
Director and Promoter

(Signed) IVAN GREG
Director and Promoter

X

GEOLOGICAL REPORT

on the LEM-ELLEN-DOT CLAIMS GROUP

Sayward Area, Vancouver Island
Nanaimo Mining Division, B.C.

of

JETEX RESOURCES LTD. (N.P.L.)

By E.M. Wilson, P. Eng., Consulting Geologist

January 7, 1970, North Vancouver, B.C.

References: G.S.C. Memoir 272 by J.W. Hoadley, Map — J.E. Muller, 1967

SUMMARY

Jetex Resources Ltd. (N.P.L.) is the owner, by right of purchase, of a group of 90 mineral claims known as the Lem-Ellen-Dot claims group, located on the Salmon River, Sayward area, Nanaimo Mining Division, Vancouver Island, B.C.

Geological, geochemical and magnetometer surveys were carried out over part of the group during an eight-day period in November 1969. Apart from road building and minor rock work on one small copper occurrence, there is no known mining work done on the property.

Geological mapping indicated many small occurrences of disseminated copper sulphide mineralization over several claim lengths. Continuous mineralization over this length is not indicated but the scattered occurrences serve to indicate the general well-mineralized nature of the area. Except for one seemingly isolated narrow "high grade" copper stringer, the usual type of mineralization consists of blebs and disseminations of chalcopyrite and bornite in amygdaloidal basaltic volcanic rock.

Two grab samples of selected mineral-bearing rock were sent for analysis. The composite sample of material from the disseminated type of occurrence assayed: Gold, .005 oz/ton; Silver, .40 oz/ton; Copper, 1.06%; Molybdenum, Trace. The sample of selected well-mineralized material from the narrow high-grade stringer assayed: Gold, .01 oz.; Silver, .50 oz.; Copper, 9.44%; Molybdenum, Trace.

RECOMMENDATIONS

The writer considers that results obtained from the limited program completed to date are sufficiently encouraging to warrant the completion of a full-scale exploration program over the remainder of the group. Several anomalous conditions indicated by geochemical and magnetometer work should also be followed up by detailed surveys.

It is therefore recommended that the exploration work outlined in this report be implemented, modified where required to suit local conditions.

It is further recommended that Jetex Resources Ltd. (N.P.L.) allocate the sum of \$150,000 to carry out the exploration program.

GEOLOGICAL REPORT
LEM-ELLEN-DOT CLAIMS GROUP
Sayward Area, Vancouver Island, B.C.

INTRODUCTION

The following report is prepared at the request of Mr. G. R. Schell, President of Jetex Resources Ltd. (N.P.L.), and is based on a study of the Company's copper properties located in the Sayward area, Vancouver Island, B.C. The work was carried out during the period November 6th to 13th, 1969.

Approximately half of the claims group was geologically mapped on a wide spacing, by the writer, before winter snow conditions caused a halt. A magnetometer profile was run by the writer, and an assistant collected soil samples during the mapping period. All available geological reports and maps were studied by the writer.

The following report summarizes the work done, the results obtained, and the recommendations for additional exploration.

PROPERTY

The Lem-Ellen-Dot group of claims consists of 90 staked mineral claims as follows:

<u>Claim Name</u>	<u>Record Number</u>	<u>Expiry Date</u>
Ellen 1 to 40 inclusive	30314 to 30353	December 5, 1970
Dot 1 to 30 inclusive	30354 to 30383	December 5, 1970
Lem 1 to 20 inclusive	30607 to 30626	January 6, 1971

The writer found the claims to be well staked, quite in accordance with the provisions of the Mineral Act.

LOCATION & ACCESS

The claims group is located about 10 miles from Sayward on the mountain ridge immediately southwest of the Salmon River.

The property is reached by a good logging road which leads off Highway 19 at the White River bridge and follows the Salmon River for about six miles. At this point a steep logging spur leaves the river road and doubles back to the northwest. This continues for several miles along the mountain flank, passing through the eastern part of the claims group. Most of the area is unlogged and access roads are limited.

The claims group is located approximately midway between the recent major copper discovery at Port Hardy and Western Mines on Buttle Lake about 60 miles south. Several mining companies were active in the Adams River area 10 miles or so to the northwest of the Ellen-Dot group.

HISTORY

The claims area has not been previously staked, so far as is known. Road building during logging operations uncovered scattered copper mineralization and subsequent copper coloration due to weathering caused initial interest.

A small pit on a narrow stringer well mineralized with copper minerals was found by the writer in a creek gully.

With the exception of an iron property near Sayward, there has been no production of mineral from the immediate area. The locality has not been mapped by any governmental agency.

TOPOGRAPHY & CLIMATE

The area is quite typical of Vancouver Island, being steep and rugged, and rising from near sea level to about 2700 feet in the claims area. Most of the area is unlogged and covered with dense forest growth.

Heavy precipitation throughout most of the year ensures an adequate supply of water for all purposes. During winter the snow cover is shallow. In normal years the snowfall attains a depth of three or four feet, though often moderated by rainfall.

GEOLOGY

The area is underlain largely by volcanic rocks considered as belonging to the Karmutsen group, Upper Triassic in age. This group consists largely of basaltic and andesitic flow rocks. Amygdaloidal basalts, breccias and tuffs are also found in the Karmutsen. Elsewhere on Vancouver Island the writer has observed calcareous basalts and limestone members but these were not observed in the area examined. Intrusive type rocks considered to be Jurassic in age are found in the area. Generally, granitic types predominate and range in color from pink to various shades of grey, the latter variety being more basic in composition.

The mapping done was on only part of the claims group and was largely reconnaissance in nature. Some claim lines were followed and accessible roads and spurs were mapped.

The partial mapping program outlined an intrusive body over part of the eastern section of the group with numerous small outliers of this intrusive in the adjacent volcanics. The remainder of the group mapped was underlain by dark green fine-grained dense basalt. Certain areas were amygdaloidal with abundant amygdules of quartz, epidote and occasionally calcite. Epidote amygdules frequently contained blebs of chalcopyrite.

Scattered copper showings were observed along a logging road cut over several claim lengths but mineralization was not continuous over its length. Disseminated chalcopyrite and bornite showed in the amygdaloidal basalt and epidote alteration usually accompanied the better mineralized areas.

The area has not been mapped by either the Geological Survey of Canada or the B.C. Department of Mines.

A composite sample of selected mineralized material from several of the disseminated type showings assayed: Gold, .005 oz/ton; Silver, .40 oz/ton; Copper, 1.06%; Molybdenum, Trace.

A narrow (2" - 3" wide) stringer, well mineralized with chalcopyrite and chalcocite, on which a small amount of trenching had been done, was found in a creek gully on the Ellen #15 claim. Selected samples of well-mineralized material assayed: Gold, .01 oz/ton; Silver, .50 oz/ton; Copper, 9.44%; Molybdenum, Trace.

WORK DONE & RESULTS

To date the property has been partially mapped, and 128 soil samples have been collected at 200 ft. intervals along the claim location lines. Magnetometer readings, with a G 100 Vertical Component Magnetometer, were taken at each sample location.

The data collected by the above work has been compiled on the map accompanying this report.

Widespread occurrences of copper mineralization, although not continuous, serve to indicate the well-mineralized nature of the district. Geochemical soil sampling results have indicated several areas that give readings higher than background in parts-per-million of copper and molybdenum. Magnetometer readings have indicated several anomalous highs.

It is clear that additional work is required, not only to investigate the anomalous areas indicated to date but to continue the work over the remainder of the claim block.

EXPLORATION PROGRAM

The following exploration program is recommended for this claims group:

1. Reconnaissance geological mapping. Initially this could be carried out along claim boundaries, and should include detail work where essential.
2. Geochemical soil sampling and magnetometer survey. The two could be carried out concurrently on the same initial spacing as the geochemical mapping. Provision should be made for extending this program if it is considered necessary.
3. Trenching and stripping. This should be done to investigate near-surface anomalous conditions outlined in (1) and (2).
4. Diamond drilling. A drill program should be laid out on completion of the above work. 5,000 feet of drilling is estimated for this purpose.

ESTIMATED COST OF EXPLORATION PROGRAM

The following estimates are based on a 4 month program.

Diamond drilling, 5,000 feet @ \$12/ft.	\$ 60,000
Geological mapping, Geochemical & Magnetometer surveys	25,000
Trenching, Stripping, Road building	20,000
Assaying & Core boxes	5,000
Line cutting, Incidental surveying	7,000
Travel & Living Expenses	5,000
Engineering & Supervision	10,000
Contingency Fund	18,000
	\$150,000

The results from this initial phase should indicate the advisability of further work.

"E.M. Wilson, P. Eng."
E.M. Wilson, P. Eng.
Consulting Geologist

January 7, 1970

CERTIFICATE

I, EDWARD M. WILSON, of the Municipality of North Vancouver, do hereby certify THAT:—

1. I am a Consulting Geological Engineer with offices at 1088 Marigold Avenue, North Vancouver, B.C.
2. I am a graduate of the University of British Columbia, 1952, with a B.A.Sc. in Geology, and have practised my profession since that time;
3. I am a member of the Association of Professional Engineers of British Columbia, and a member of the Association of Professional Engineers of Ontario;
4. This report is based on my examination of the property during the period November 6 to 13, 1969, inclusive, and a study of pertinent reports and maps;
5. I have no direct or indirect interest in the properties or securities of Jetex Resources Ltd. (N.P.L.).

“E.M. Wilson, P. Eng.”
E.M. Wilson, P. Eng.

January 7, 1970

Vancouver, B.C.

CERTIFICATE OF ANALYSIS

E.P. Sheppard & Associates Ltd.
318 - 402 West Pender St.
Vancouver 3, B.C.

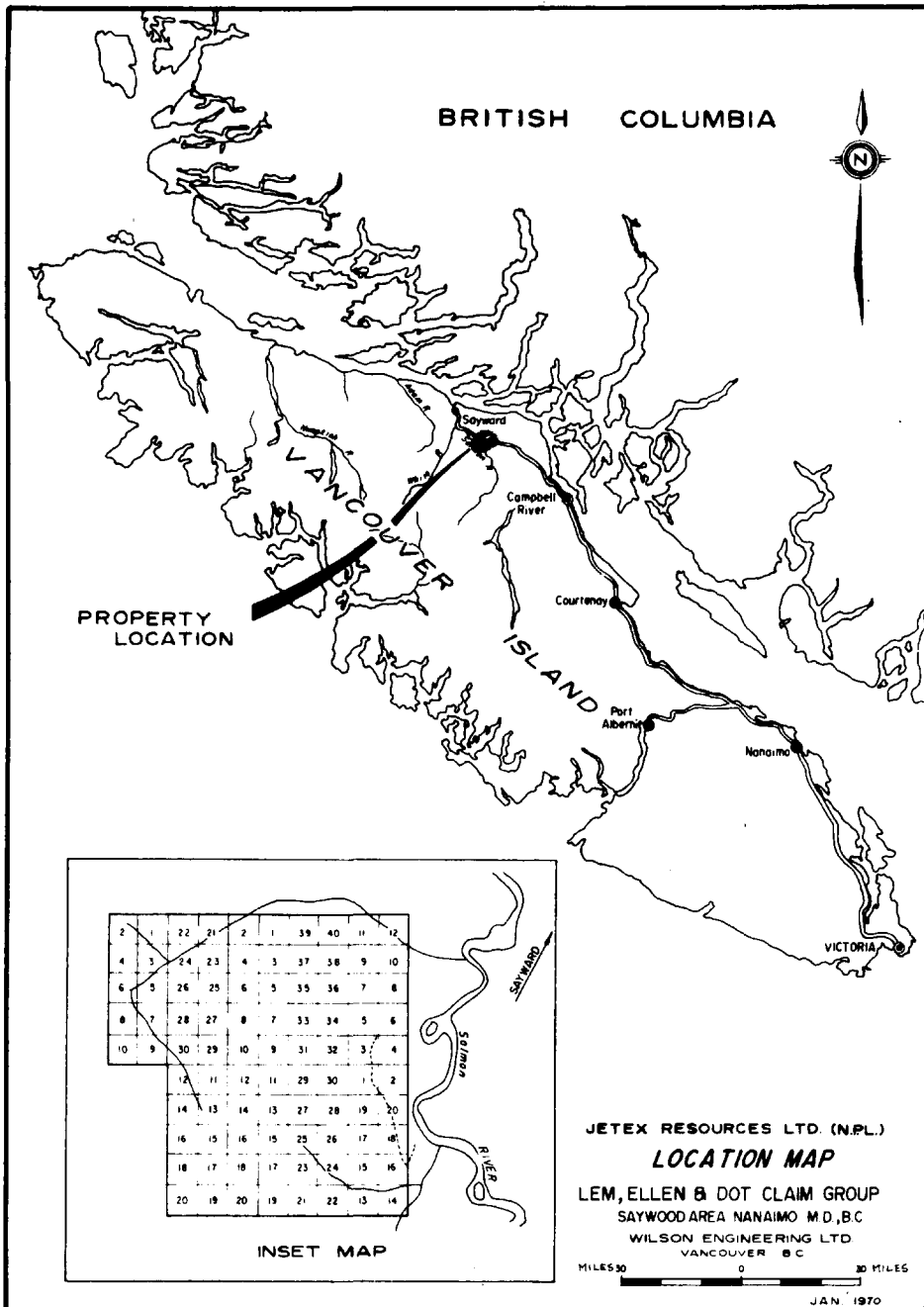
Type of Samples — Soil
No. of Samples — 128
File No. 683 Our Invoice 1525

<u>Cu</u> <u>PPM</u>	<u>Mo</u> <u>PPM</u>	<u>Sample</u> <u>No.</u>	<u>Cu</u> <u>PPM</u>	<u>Mo</u> <u>PPM</u>
272	2	SR-36	116	2
240	2	37	60	2
60	2	38	78	2
22	tr	39	78	tr
20	tr	40	46	tr
34	tr	41	90	5
24	tr	42	58	2
14	tr	43	112	5
86	tr	44	60	2
92	2	45	86	2
180	tr	46	84	2
50	2	47	102	5
90	2	48	104	tr
80	2	49	162	2
54	2	50	44	tr
106	2	51	52	tr
70	tr	52	24	tr
70	tr	53	18	2
70	2	54	60	2
110	2	55	26	tr
74	5	56	100	2
80	2	57	N.S.	N.S.
36	5	58	50	2
40	2	59	60	2
86	2	60	58	2
210	5	61	110	5
82	2	62	90	5
58	2	63	96	5
54	2	64	102	2
42	tr	65	190	2
70	tr	66	150	2
52	tr	67	84	2
74	5	68	60	tr

<u>Cu</u> <u>PPM</u>	<u>Mo</u> <u>PPM</u>	<u>Sample</u> <u>No.</u>	<u>Cu</u> <u>PPM</u>	<u>Mo</u> <u>PPM</u>
72	2	SR-69	60	tr
94	2	70	66	2
154	tr	107	22	tr
38	2	108	18	tr
46	2	110	50	tr
60	tr	111	10	tr
64	tr	112	18	tr
62	2	113	18	tr
88	2	114	36	tr
24	2	115	60	tr
44	2	117	30	2
68	2	118	60	2
138	5	119	32	2
76	2	120	44	2
70	2	121	44	2
66	2	122	38	2
94	tr	123	52	2
144	5	124	46	2
38	2	125	30	2
30	2	126	36	2
46	2	127	82	2
20	tr	128	40	2
32	2	129	56	2
60	tr	130	66	2
74	tr	131	65	tr
58	2			
28	tr			
50	tr			
84	2			
56	2			
14	2			
18	2			
28	tr			
36	tr			
14	tr			
14	tr			
30	5			

"J. Chatten", Provincial Assayer

Date November 28, 1969



WILSON ENGINEERING LTD.

Consulting Geologists

1088 Marigold Avenue, North Vancouver, B.C.

October 23, 1971

British Columbia Securities Commission,
Bank of British Columbia Building,
756 Fort Street,
Victoria, B.C.

Dear Sirs:

Re: Jetex Resources Limited (N.P.L.)

I submitted a qualifying report for Jetex Resources Limited (N.P.L.), dated January 7, 1970, recommending an exploration program totalling \$150,000.00. Apart from assessment work, nothing was done on the property during 1970, therefore I gave permission to include the report in any forthcoming new prospectus or for the information of the Securities Exchange or shareholders.

Jetex Resources wish to proceed with initial phases of the exploration program, which will involve linecutting, geological mapping, geochemical and magnetometer surveys and some diamond drilling.

Together with overhead, supervision, etc., the cost of this program will total \$48,900.00 and I have recommended that the company proceed with this initial phase.

Yours very truly,

"E. M. WILSON, P. Eng."

E. M. Wilson, P. Eng.

SMITH, FLYNN, STALEY & CO.

Chartered Accountants

#5 - 4857 Kingsway,
Burnaby 1, B.C.
Telephone: 434-1384

AUDITORS' REPORT

We have examined the balance sheet of Jetex Resources Ltd. (N.P.L.) as at March 31, 1971 and the statement of source and application of funds for the year then ended. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

In our opinion these financial statements, when read in conjunction with the notes and schedule thereto, present fairly the financial position of the company as at March 31, 1971 and the source and application of its funds for the year then ended, in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

"SMITH, FLYNN, STALEY & CO."
Chartered Accountants

August 19, 1971

JETEX RESOURCES LTD. (N.P.L.)
BALANCE SHEET AS AT MARCH 31, 1971
(with comparative figures as at March 31, 1970)

	<u>1971</u>	<u>1970</u>
ASSETS		
CURRENT ASSETS		
Cash	\$ 655.88	\$ 6,659.47
OFFICE FURNITURE, at cost	984.82	648.82
MINING CLAIMS, at cost (Note 1)	76,750.00	76,750.00
DEFERRED EXPLORATION, DEVELOPMENT AND ADMINISTRATIVE EXPENSES — Schedule 1 (Note 1)	47,726.90	24,905.21
OTHER ASSETS		
Deposit (Note 2)	2,741.00	2,741.00
Library	2,100.00	2,100.00
Incorporation costs	1,195.50	1,195.50
	<u>\$132,154.10</u>	<u>\$115,000.00</u>
	<u>\$132,154.10</u>	<u>\$115,000.00</u>
LIABILITIES		
CURRENT LIABILITIES		
Bank demand loan	\$ 5,000.00	
Accounts payable	12,154.10	
	<u>17,154.10</u>	
SHARE CAPITAL		
AUTHORIZED — 4,000,000 shares with a nominal or par value of 50¢ per share		
ISSUED (Notes 3 & 4)		
1,150,000 shares	115,000.00	115,000.00
Approved on behalf of the Board	_____	_____
“GARY SCHELL”, Director	_____	_____
“IVAN GREG”, Director	<u>\$132,154.10</u>	<u>\$115,000.00</u>
	<u>\$132,154.10</u>	<u>\$115,000.00</u>

JETEX RESOURCES LTD. (N.P.L.)
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 1971

1. The amounts shown for mining claims and deferred exploration, development and administrative expenses represent amounts expended to date and are not intended to reflect present or future values. They include expenses incurred on properties the rights to which have subsequently been allowed to lapse.
2. A deposit in the amount of \$2,741.00 has been made in connection with certain exploratory permits. The deposit is refundable if the company has expended at least that amount on the development of the permits prior to 11 June 1972.
3. Details of shares issued

	<u>For Properties</u>	<u>For Cash</u>	<u>Total</u>
Number of shares	<u>750,000</u>	<u>400,000</u>	<u>1,150,000</u>
Par value	\$375,000	\$200,000	\$575,000
Less — Discount	<u>300,000</u>	<u>160,000</u>	<u>460,000</u>
	<u>\$ 75,000</u>	<u>\$ 40,000</u>	<u>\$115,000</u>

4. 750,000 shares are held in escrow and 400,000 shares are pooled and are to be released only with the consent of the Superintendent of Brokers of British Columbia.

EXHIBIT B

JETEX RESOURCES LTD. (N.P.L.)
 SOURCE AND APPLICATION OF FUNDS STATEMENT
 FOR THE YEAR ENDED MARCH 31, 1971
 (with comparative figures for the year ended March 31, 1970)

	<u>1971</u>	<u>1970</u>
WORKING CAPITAL, beginning of period		
Current assets	\$ 6,659.47	
SOURCE OF FUNDS		
Sale of shares		
400,000 shares at 10¢ per share		\$40,000.00
	<u>6,659.47</u>	<u>40,000.00</u>
APPLICATION OF FUNDS		
Exploration, development and administrative expenses	\$22,821.69	\$24,905.21
Deposit re exploratory permits		2,741.00
Purchase of library		2,100.00
Purchase of mineral claims		1,750.00
Incorporation costs		1,195.50
Purchase of office furniture	<u>336.00</u>	<u>648.82</u>
	<u>23,157.69</u>	<u>33,340.53</u>
WORKING CAPITAL (DEFICIT) as at March 31		
Current assets	\$ 655.88	\$ 6,659.47
Current liabilities	<u>17,154.10</u>	<u>\$ 6,659.47</u>
	<u>\$ (16,498.22)</u>	

SCHEDULE 1

JETEX RESOURCES LTD. (N.P.L.)

SCHEDULE OF DEFERRED EXPLORATION,
DEVELOPMENT AND ADMINISTRATIVE EXPENSES

FOR THE YEAR ENDED MARCH 31, 1971

(with comparative figures for the year ended March 31, 1970)

EXPLORATION AND DEVELOPMENT	<u>1971</u>	<u>1970</u>
MINING CLAIMS		
Diamond drilling	\$ 9,000.00	
Geological Report	910.00	\$ 1,137.50
Licences and filing fees	658.00	210.00
Consultants' fees and expenses		3,354.50
Assaying	49.50	
	<u>10,617.50</u>	<u>4,702.00</u>
OIL AND GAS LEASES		
Drilling costs		14,080.00
Permit fees		225.00
		<u>14,305.00</u>
GENERAL		
Consultants' fees and expenses	1,595.45	2,703.21
ADMINISTRATIVE		
Legal fees	3,403.10	1,040.41
Travel	3,059.04	492.00
Office rent	1,031.00	515.50
Telephone	955.75	641.59
Office supplies and expense	820.02	500.00
Printing	472.28	
Accounting and audit fees	375.00	
Transfer agent's fees	352.17	
Interest and bank charges	140.38	5.50
	<u>10,608.74</u>	<u>3,195.00</u>
TOTAL	22,821.69	24,905.21
Balance at beginning of period	<u>24,905.21</u>	
BALANCE AS AT MARCH 31	<u>\$47,726.90</u>	<u>\$24,905.21</u>

SMITH, FLYNN, STALEY & CO.

Chartered Accountants

#5 - 4857 Kingsway,
Burnaby 1, B.C.
Telephone: 434-1384

AUDITORS' REPORT

We have examined the balance sheet of Jetex Resources Ltd. (N.P.L.) as at June 30, 1971 and the statement of source and application of funds for the period then ended. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

In our opinion these financial statements, when read in conjunction with the notes and schedule thereto, present fairly the financial position of the company as at June 30, 1971 and the source and application of its funds for the period then ended, in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceeding year.

"SMITH, FLYNN, STALEY & CO. "
Chartered Accountants

August 19, 1971

EXHIBIT A

JETEX RESOURCES LTD. (N.P.L.)
BALANCE SHEET AS AT JUNE 30, 1971

ASSETS

CURRENT ASSETS			
Cash		\$	263.41
OFFICE FURNITURE, at cost			984.82
MINING CLAIMS, at cost (Note 1)			76,750.00
DEFERRED EXPLORATION, DEVELOPMENT AND ADMINISTRATIVE EXPENSES — Schedule 1 (Note 1)			48,305.49
OTHER ASSETS			
Deposit (Note 2)	\$ 2,741.00		
Library	2,100.00		
Incorporation costs	1,195.50		6,036.50
			<u>\$132,340.22</u>

LIABILITIES

CURRENT LIABILITIES			
Bank demand loan	\$ 5,000.00		
Accounts payable	12,340.22		\$ 17,340.22

SHARE CAPITAL

AUTHORIZED — 4,000,000 shares with a nominal
or par value of 50¢ per share

ISSUED (Note 3)

	<u>FOR PROPERTIES</u>	<u>FOR CASH</u>	<u>TOTAL</u>	
Number of shares	750,000	400,000	1,150,000	
Par value	\$375,000.00	\$200,000.00	\$575,000.00	
Less — Discount	300,000.00	160,000.00	460,000.00	115,000.00
	<u>\$ 75,000.00</u>	<u>\$ 40,000.00</u>		

Approved on behalf of the Board
 "GARY SHELL", Director
 "IVAN GREG", Director

\$132,340.22

JETEX RESOURCES LTD. (N.P.L.)
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1971

1. The amounts shown for mining claims and deferred exploration, development and administrative expenses represent amounts expended to date and are not intended to reflect present or future values. They include expenses incurred on properties the rights to which have subsequently been allowed to lapse.
2. A deposit in the amount of \$2,741.00 has been made in connection with certain exploratory permits. The deposit is refundable if the company has expended at least that amount on the development of the permits prior to 11 June 1972.
3. 750,000 shares are held in escrow and 400,000 shares are pooled and are to be released only with the consent of the Superintendent of Brokers of British Columbia.

EXHIBIT B

JETEX RESOURCES LTD. N.P.L.)

SOURCE AND APPLICATION OF FUNDS STATEMENT
FOR THE THREE MONTH PERIOD ENDED JUNE 30, 1971

WORKING CAPITAL DEFICIT — MARCH 31, 1971		
Current liabilities	\$ 17,154.10	
Current assets	<u>655.88</u>	\$ 16,498.22
SOURCE OF FUNDS — nil		
APPLICATION OF FUNDS		
Administrative expenses — Schedule 1		<u>578.59</u>
WORKING CAPITAL DEFICIT — JUNE 30, 1971		
Current liabilities	\$ 17,340.22	
Current assets	<u>263.41</u>	<u>\$ 17,076.81</u>

SCHEDULE 1

SCHEDULE OF DEFERRED EXPLORATION, DEVELOPMENT
AND ADMINISTRATIVE EXPENSES

FOR THE THREE MONTH PERIOD ENDED JUNE 30, 1971

ADMINISTRATIVE		
Office rent	\$	257.75
Interest and bank charges		119.72
Transfer agent's fees		106.12
Legal fees		80.00
Telephone		<u>15.00</u>
TOTAL FOR THE PERIOD		578.59
Balance as at March 31, 1971		<u>47,726.90</u>
BALANCE AS AT JUNE 30, 1971		<u>\$ 48,305.49</u>

PROSPECTUS
JETEX RESOURCES LTD.
1997

JETEX ■ RESOURCES LTD. (N.P.L.)

prospectus

