

Robert Vancouver

012671

Steele Creek Property
092407

This prospectus constitutes a public offering of these securities only in those jurisdictions where they may be lawfully offered for sale and therein only by persons permitted to sell such securities.

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

PROSPECTUS

PROPERTY FILE

DATED: April 19, 1994

? 0924164

BRADDICK RESOURCES LTD.

JUL 27 1994
Geological Survey Branch
MEMPR

(the "Issuer")
629 - 510 West Hastings Street
Vancouver, B.C.
V6B 1L8

PUBLIC OFFERING: 800,000 UNITS

Each Unit consists of one common share and one Series A Warrant, two such Warrants being required to purchase one further common share of the Issuer. See "PLAN OF DISTRIBUTION".

	Price to Public ¹	Commission	Net Proceeds to be received by the Issuer ²
Per Unit.....	\$0.40	\$0.04	\$0.36
Total	\$320,000	\$32,000	\$288,000

- The price to the public was determined by negotiation between the Issuer and the Agent.
- Before deduction of the balance of the costs of the issue estimated to be \$20,000.

THE OFFERING HEREIN IS ON A "BEST EFFORTS" BASIS, SUBJECT TO THE SALE OF A MINIMUM OF 100% OF THE UNITS OFFERED ON THE OFFERING DAY. See "Minimum Subscription".

"Underwriters", as defined in Local Policy Statement 3-30 of the British Columbia Securities Commission, own 150,000 shares of the Issuer, purchased at \$0.25 per share.

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

AN INVESTMENT IN SECURITIES OF THE ISSUER MUST BE CONSIDERED SPECULATIVE. See "RISK FACTORS" for details of such matters as dilution, risks inherent in mining and percentages of shares held by promoters, directors, officers, substantial security holders and underwriters.

The Vancouver Stock Exchange (the "Exchange") has conditionally listed the securities being offered pursuant to this prospectus. Listing is subject to the Issuer fulfilling all the listing requirements of the Exchange on or before August 18, 1994, including prescribed distribution and financial requirements.

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

We, as Agents, conditionally offer these securities subject to prior sale, if, as and when issued by the Issuer and accepted by us in accordance with the conditions contained in the Agency Agreement referred to under "PLAN OF DISTRIBUTION" in this prospectus.

A minimum of 85% of the Units offered hereunder will be offered first to clients of the Agent. If there is sufficient demand therefor, the Agent, its employees and associates will be limited to acquiring 15% of the total number of Units being offered hereunder.

AGENT:
BRINK, HUDSON & LEFEVER LTD.
1200 - 595 Burrard Street
Vancouver, B.C.
688-0133

EFFECTIVE DATE: April 21, 1994

BRADDICK RESOURCES LTD.

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PROSPECTUS SUMMARY

The Issuer

Braddick Resources Ltd. (the "Issuer") was incorporated in the Province of British Columbia and has an authorized capital of 100,000,000 common shares of which 1,480,000 shares are issued and outstanding. The Issuer is engaged in the business of acquiring, exploring and developing mineral properties and owns the property described hereafter.

See NAME AND INCORPORATION, THE BUSINESS and DESCRIPTION OF SHARES.

Steele Creek Property, British Columbia

The Issuer acquired, by staking, the Bon and Bonz 1 and 2 mineral claims, located on northern Vancouver Island. The claims were staked to cover the main areas of interest located by previous operators, who obtained several significant gold assays from mineralized skarn.

In 1993, a program of line cutting, geological mapping, rock and soil sampling and induced polarization and resistivity surveying was conducted on the property. This program confirmed the presence of copper and local gold mineralization defined by previous work, and located new areas of possible mineralization.

Six mineralized zones, Zones A to F, were located and sampled. Zones A and B are developed in a northwesterly trending skarn zone in the Karmutsen volcanics. At Zone A, a five-metre chip sample contained 3.8 percent copper. Geophysical and geochemical data indicate that these two contiguous zones have a potential strike length of 750 metres.

Zones C, D and E are developed within an interbedded limestone and volcanic raft hosted within a dioritic intrusive. Zones C and D contain significant copper mineralization as well as locally very high gold grades. Two grab samples at Zone D contained 100.44 g/t gold and 30.82 g/t gold, respectively. Values of 3,021 ppb (3.0 g/t) gold and 5,681 ppb (5.6 g/t) gold were returned from chip samples at Zone C. Geophysical and geochemical surveys indicate that the skarn mineralization that hosts Zones C, D and E has a potential strike length greater than 1,500 metres.

At Zone F, significant gold mineralization is hosted in a magnetite-chalcopyrite-pyrrhotite horizon in the Karmutsen volcanics in a relatively unexplored part of the property. Gold values of 1,001 ppb (1.0 g/t), 1,672 ppb (1.7 g/t) and 1,478 ppb (1.5 g/t) gold were returned from this zone.

Significant gold mineralization also occurs in narrow chalcopyrite-filled shear zones on the property. One such shear zone contained 6,622 ppb (6.6 g/t) gold.

A \$130,000 program of geophysics, geochemistry, prospecting, geological mapping, trenching and follow-up diamond drilling is recommended to expand the zones of known copper-gold mineralization, and to test the areas of potential new mineralization indicated by the geophysical and geochemical surveys.

See THE BUSINESS.

The Offering

The Agent hereby offers 800,000 Units of the Issuer on a best efforts basis at a price of \$0.40 per Unit for distribution to the public through the facilities of the Vancouver Stock Exchange. Each Unit consists of one share and one Series A Warrant, two such warrants being required to purchase one further share of the Issuer, exercisable at the price of \$0.40 for one year from the day the shares of the Issuer are posted and called for trading on the Exchange. The Issuer will net \$0.36 per Unit for total proceeds of \$288,000 prior to deduction of offering expenses. The offering is subject to a minimum subscription of 100% of the 800,000 Units offered.

See PLAN OF DISTRIBUTION AND MINIMUM SUBSCRIPTION.

Use of Proceeds

The net proceeds to be derived by the Issuer from the sale of the 800,000 Units offered hereunder will be \$288,000 which, together with working capital as of the date of this prospectus of approximately \$3,000, will be used for the following purposes:

(a)	to pay the balance of estimated legal, audit, printing and other expenses of this Offering	\$ 20,000
(b)	to carry out the recommended Stage 1 exploration program on the Steele Creek property, British Columbia	130,000
(c)	to pay for management services rendered to the Issuer for a period of six months following the listing of the Issuer's shares on the Exchange ¹	15,000
(d)	to pay for investor relations services rendered to the Issuer for a period of six months following the listing of the Issuer's shares on the Exchange ¹	15,000
(e)	to provide working capital	<u>111,000</u>
	Total:	<u>\$291,000</u>

¹ payable to a director.

See USE OF PROCEEDS.

Risk Factors

An investment in Units of the Issuer must be considered speculative due to the nature of the Issuer's business and the present stage of development of its properties. Risk factors associated with an investment in Units of the Issuer include:

Dilution - Purchasers of Units hereunder will suffer an immediate book value dilution of approximately 52.5% of the \$0.40 per Unit offering price.

Risks Inherent in Mining - There are a number of risks associated with the exploration for economic deposits of minerals including the possible inability of the Issuer to obtain sufficient financing in the future, government regulation, fluctuations in the market for precious minerals and metals, competition from companies with greater resources and potential liability for significant uninsured risks. Few properties which are explored are ever developed into producing mines. If the Issuer's exploration programs are not successful, a purchaser of shares may lose his entire investment.

Property Defects - Title to the Issuer's mineral property may be affected by defects which have not been detected. The precise area and location of the Issuer's property may be in doubt.

Conflicts of Interest - Directors and officers of the Issuer may have conflicts of interest arising out of their involvement with other companies engaged in mineral exploration and development.

Shares Owned by Management - Upon completion of the Offering, the 800,000 shares comprised in the Units offered hereunder will represent 35.09% of the shares of the Issuer then outstanding as compared to 44.30% that will then be owned or controlled by promoters, directors, officers, substantial security holders and underwriters of the Issuer. A further 4.39% of the shares of the Issuer then outstanding will be owned by a company in which a director of the Issuer has a $\frac{1}{3}$ interest.

Likelihood of Profits - The Issuer's property is in the exploration stage only and is without a known body of commercial ore. Accordingly, there is little likelihood that the Issuer will realize profits in the short to medium term.

Marketability of Securities - There is currently no market through which the shares or Series A Warrants of the Issuer may be sold.

See RISK FACTORS.

THE FOREGOING IS A SUMMARY ONLY AND SHOULD BE READ IN CONJUNCTION WITH THE MORE DETAILED INFORMATION CONTAINED ELSEWHERE IN THIS PROSPECTUS.

NAME AND INCORPORATION

The Issuer was incorporated on October 14, 1993 under the Company Act (British Columbia) by the registration of its memorandum and articles. The address of the head office of the Issuer is Suite 629, 510 West Hastings Street, Vancouver, B.C. V6R 1L8 and the address of the registered office of the Issuer is 1600 - 777 Dunsmuir Street, Vancouver, B.C. V7Y 1K4.

THE BUSINESS

The Issuer is engaged in the acquisition, exploration and development of mineral properties and holds the property herein described.

Steele Creek Property, British Columbia

Acquisition

The Issuer acquired an unencumbered 100% interest in the three mineral claims comprising the Steele Creek property by staking, at a cost of \$4,828.

Geological Report

A report dated December 14, 1993, has been prepared on the Steele Creek property by J. Greg Dawson, P. Geo. and Harold M. Jones, P. Eng. of Harold M. Jones & Associates Inc. (the "Jones Report"). The Jones Report is summarized in the following.

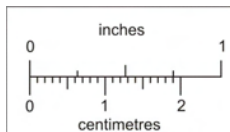
Description, Location and Access

The Steele Creek property consists of three mineral claims totalling 41 units, as follows:

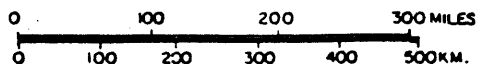
<u>Claim Name</u>	<u>Tenure No.</u>	<u>Units</u>	<u>Expiry Date</u>
Bon	320135	1	August 17, 1994
Bonz 1	321302	20	October 4, 1994
Bonz 2	321303	20	October 4, 1994

The property is located in the Nanaimo Mining Division of northern Vancouver Island, approximately 275 kilometres northwest of Vancouver and 70 kilometres southeast of Port Hardy. Locally, it is centred approximately 40 kilometres southeast of Port McNeill, 3 kilometres due south of Bonanza Lake, and immediately east of Steele Lake.

The property is very accessible from Nanaimo or Port Hardy via Highway 19 to the Steele Creek forest access road, a distance from each of respectively 305 and 83 kilometres, then approximately 8 kilometres northerly along the Steele Creek road, which passes through the property. Numerous good logging roads provide access throughout the claims.



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.



BRADDICK RESOURCES LTD.

H. M. JONES & ASSOCIATES INC.

VANCOUVER, B.C.

**STEELE CREEK PROPERTY
LOCATION MAP**

STEELE CREEK-NIMPKISH LAKE AREA

N.T.S. 92L-7

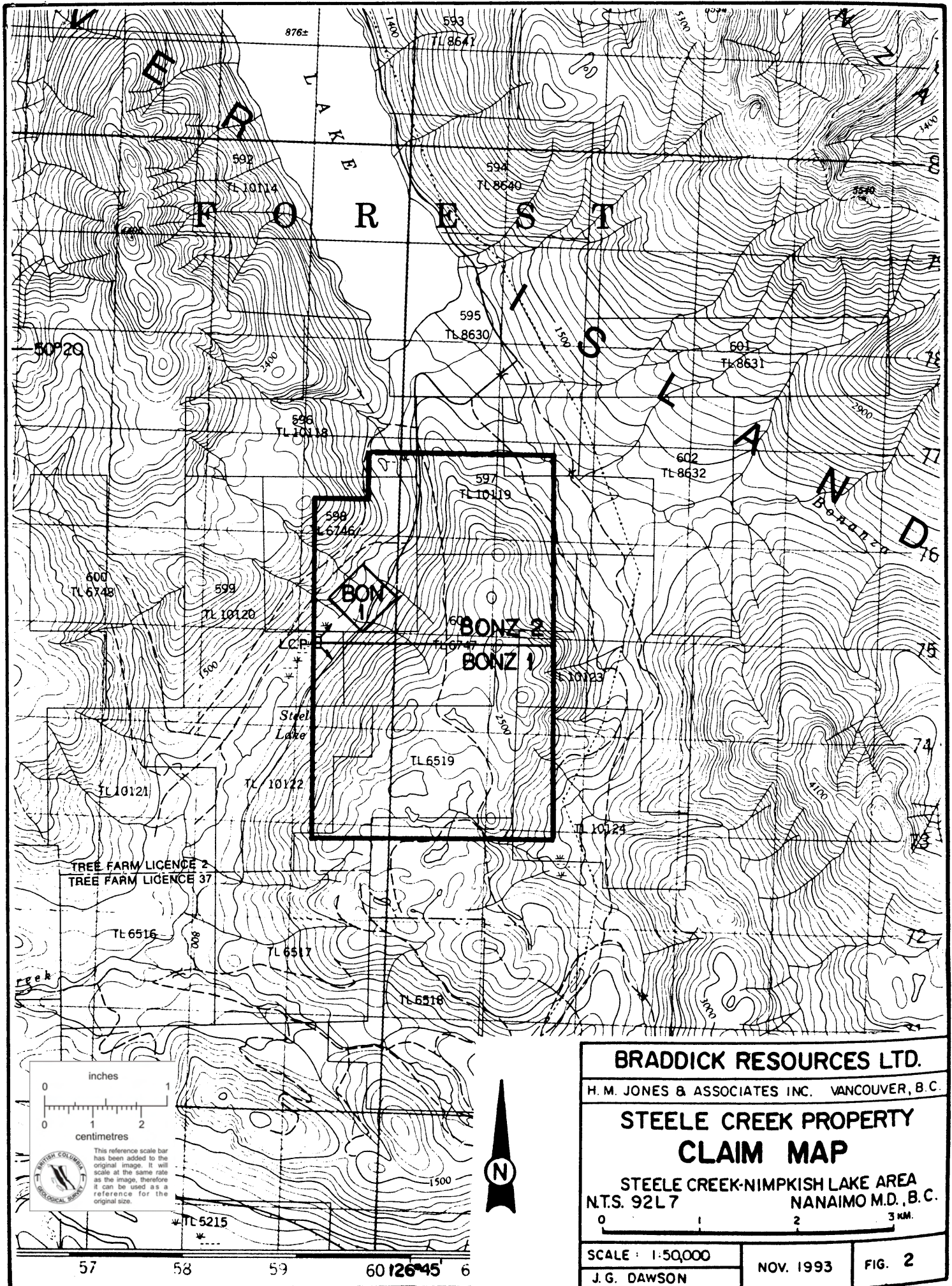
NANAIMO MD., B.C.

SCALE AS SHOWN

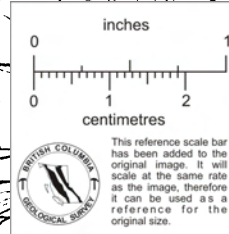
NOV. 1993

FIG. 1

J.G. DAWSON



TREE FARM LICENCE 2
 TREE FARM LICENCE 37



BRADDICK RESOURCES LTD.
 H. M. JONES & ASSOCIATES INC. VANCOUVER, B.C.
STEELE CREEK PROPERTY CLAIM MAP
 STEELE CREEK-NIMPKISH LAKE AREA
 N.T.S. 92L 7 NANAIMO M.D. B.C.

0 1 2 3 KM.
 SCALE: 1:50,000
 NOV. 1993
 J.G. DAWSON
 FIG. 2

57 58 59 60 126 45 6

Port Hardy is serviced by regular scheduled airlines, Highway 19, and is the main service centre for the north part of Vancouver Island. Port McNeill, approximately 52 kilometres from the property, is the closest town for accommodation and basic supplies.

Topography and Vegetation

The general area of the property is characterized by relatively high, steep-sided mountains separated by narrow valleys often occupied by lakes and/or rivers. Locally, the claims cover a large part of the north-trending ridge located immediately east of Steele Creek valley. In the southern part of the property the ridge top is broad and undulating but tapers to the north and pinches out about one kilometre from the north claim boundary. All slopes off the ridge are very steep. The northwest corner of the property covers the valley floor and the lower steep slopes west of Steele Creek.

Vegetation on the claims varies from young, small second growth conifers in recent clear-cut logging areas, to dense second growth in 25-30 year old clear-cuts, to stands of mature commercial-sized fir, hemlock and cedar. The latter forest cover is mostly on the eastern slopes of the ridge. Thick alder and berry bushes are common along creeks and in the logged areas in the Steele Creek valley.

History

The northern part of Vancouver Island has a long history of mineral exploration and mining. Commencing in 1849, attempts were made to mine coal in the Port Hardy area. This continued intermittently to 1920. Copper was discovered at Benson Lake in 1911 and mined intermittently by Coast Copper Mines from 1916 to 1967. Magnetite deposits were explored between 1950 and 1956 and mined until 1967. Island Copper Mine, a large tonnage, open pit copper mine which commenced operating in the early 1970's, is still in operation with possibly three years of reserves remaining. All of these mining areas are in the Port Hardy-Port McNeill area, not far from the Steele Creek property.

The first reported mineral discovery on what is now the Steele Creek property was made in 1959 when a surveyor, laying out a logging road location, noted a strong compass deflection. His prospecting led to the discovery of a magnetite occurrence on the ridge to the east of Steele Creek. About the same time, road construction along Steele Creek uprooted boulders of massive chalcopyrite. The surveyor staked the Bob claims to cover the showings, then gave Ventures Ltd. the right to conduct a preliminary examination program.

Ventures Ltd. optioned the property in 1960 and conducted detailed exploration which included dip needle and magnetometer surveys, prospecting, geological mapping, trenching, low level aeromagnetic surveying, and packsack and larger diameter diamond drilling. They located a number of chalcopyrite and chalcopyrite-magnetite showings in garnet skarn occurring intermittently within a northwest-trending zone over a strike length of approximately 1.5 kilometres. The zone closely follows a volcanic-intrusive contact. Granitic rocks occurred to

the west of the zone and outcropped erratically in the mineralized sections suggesting the skarn may, in part, be pendants of altered limestone or volcanic in the intrusive. Significant copper and magnetite were present in individual showings, but the work undertaken was insufficient to establish continuity between the showings. Chalcopyrite varied from disseminated to massive, consequently copper assays from surface and drill core samples ranged from very low to a high of 6.54 percent for one drill intersection. Gold was reported from three drill holes which tested the same skarn showing (D Zone on current survey). In hole BZ-7, a ten-foot section assayed 2.56 percent copper and 0.16 ounce per ton ("opt") gold and an eight-foot section assayed 1.06 percent copper and 0.08 opt gold; in hole BZ-8 a seven-foot section assayed 0.75 percent copper and 0.08 opt gold; in hole UB-3 a five-foot section assayed 3.12 percent copper and 0.08 opt gold. The program concluded that insufficient work had been completed to define any continuity between the mineralized showings, the mineralized zones as mapped were irregular lens-like replacements elongate in an east-west direction, and the mineralization appeared to be on the nose of easterly plunging anticlinal folds. The latter suggested that the zones had depth potential. Later drilling, in one zone, indicated that the mineralized zone flattens or is cut off at a relatively shallow depth. On surface, this zone was 160 feet long by 20 feet wide, while at depth drilling reduced its width to several feet.

The two main zones tested by Ventures Ltd. were the Upper Zone (between the present D and E zones) estimated to contain 15,000 to 25,000 tons averaging about three percent copper and 0.08 opt gold and a lower showing, the Road Showing (now A Zone), estimated to contain about 33,000 tons averaging approximately four percent copper with minor gold and silver values. Ventures Ltd. concluded that no single deposit appeared to be of sufficient size to warrant further exploration.

In 1967, C.F. Millar Ltd. optioned the Bob claims and mined approximately 4,718 tonnes from the Road Showing, shipping 2,163 tonnes to the mill at Britannia Beach for processing. A total of 117,244 kilograms of copper was recovered.

In 1971 Imperial Oil Limited located a number of high grade copper skarn occurrences immediately east of the Bob claims. They staked 38 one unit claims to cover this area, then optioned the Bob claims. Between 1972 and 1977 they conducted a program of geological mapping, soil sampling, magnetometer and induced polarization surveys, and diamond drilling. This work outlined a broad belt to the east of the intrusive-volcanic contact containing a number of magnetic anomalies and local areas of copper, lead and silver geochemical anomalies. This area lies mostly on top of the ridge and on the steep east slopes, east of the ground explored by Ventures Ltd. The Issuer's Bon and Bonz claims cover most of the above area.

Imperial Oil Limited diamond drilled approximately 16 holes, mostly testing mineralized skarn but also a weak I.P. anomaly and several magnetic anomalies. Drill results suggested that, in several cases, the skarn pinches or narrows with depth, the magnetic anomalies were underlain by skarn but not necessarily well mineralized with magnetite, and the I.P. anomaly was underlain by unmineralized quartz diorite and could not be explained.

In 1993 the Bon and Bonz claims were staked on behalf of the Issuer to cover the main areas of interest located by the previous operators. The purpose of acquiring the claims was to follow-up on the gold mineralization indicated by the previous work, and to find new areas of copper/gold mineralization on the property.

1993 Exploration Program

During the period October 15 to November 17, 1993, the Issuer conducted a preliminary exploration program of line cutting, geological mapping, soil and rock sampling, and magnetometer and I.P. surveying on part of the property, at a cost of approximately \$130,000. Results from the program indicate that a number of copper-magnetite-garnet skarn zones are present on or near the contact between the Karmutsen Volcanics and Island Intrusives and that significant gold values are present in some of these zones. The work conducted and results obtained are described in the following.

Geology

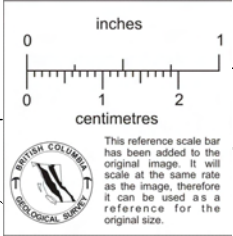
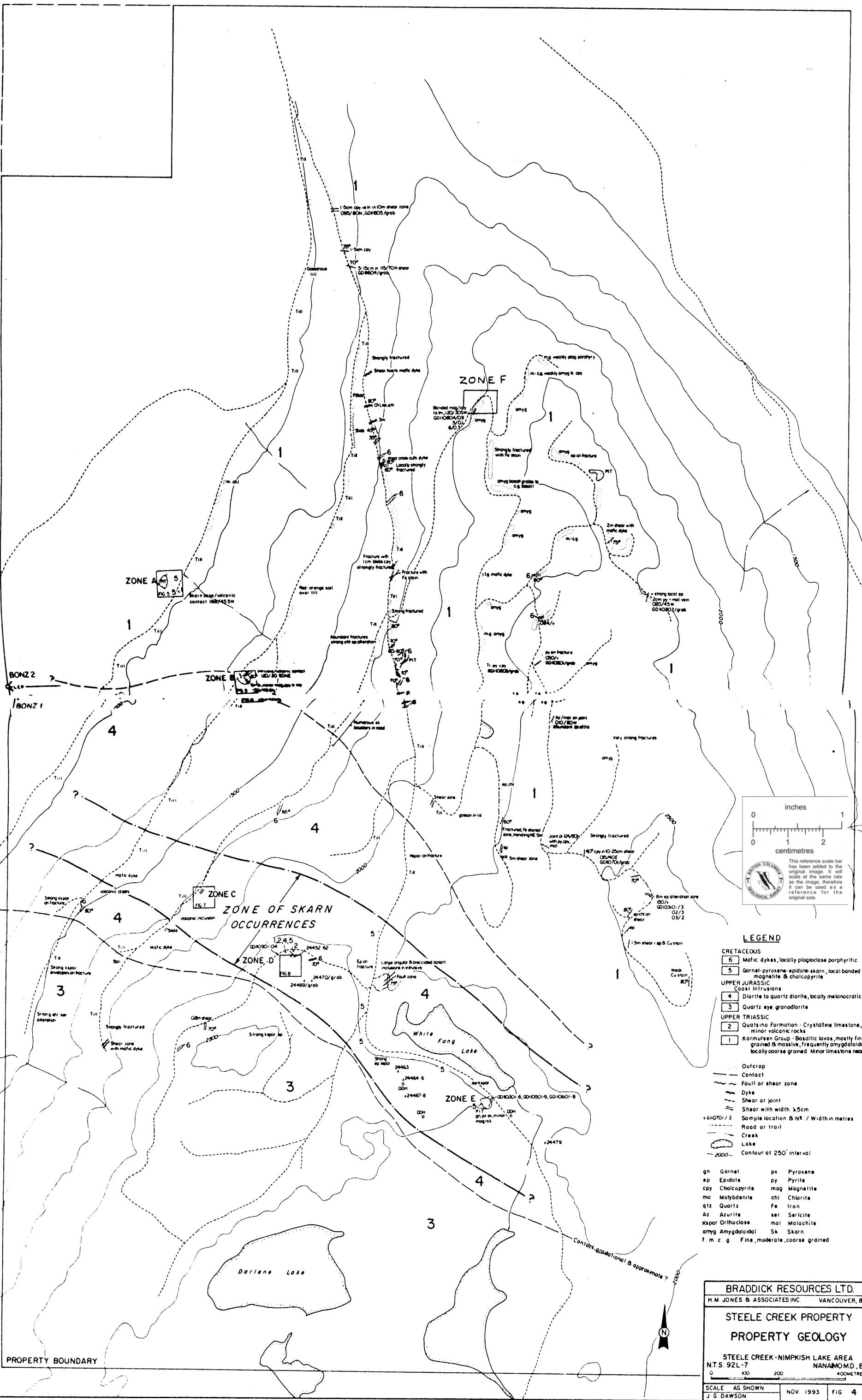
The Steele Creek property is underlain by volcanic rocks of the Karmutsen Formation and limestone. The limestone is either of the Quatsino Formation, or is interbedded in the volcanics at the top of the Karmutsen Formation. These formations have been intruded by the Coast Intrusions, which in turn have been intruded by plagioclase porphyry mafic dykes.

Karmutsen Formation

The Karmutsen Volcanics in the project area consist of a thick sequence of massive basalt (unit 1). During the 1993 field program the volcanics were mapped as one unit, but three variations of this unit, based on textural and mineralogical variations, were observed. The most common variation, occurring at stratigraphically lower levels on the property, consists of fine grained dark green basalt with few amygdales and a conchoidal fracture. Previous petrographic work (Alsen, 1975) indicates that this rock consists of up to 50 percent plagioclase crystals in a matrix of calcic plagioclase, augite, minor hornblende and devitrified glass.

The second most common variation of basalt, occurring stratigraphically higher than the fine grained basalt, is amygdaloidal basalt. This rock is of essentially the same composition as the previous basalt, but contains up to ten percent amygdales. These amygdales are up to 1 centimetre in irregular diameter and are commonly filled with varying mixtures of quartz, epidote, chlorite, calcite, laumontite, prehnite and pumpellyite.

The third variation, also occurring at stratigraphically higher levels on the property, consists of coarsely crystalline basalt. This rock consists mostly of subhedral augite and labradorite crystals of one to five millimetres in length. Trace amounts of chalcopyrite and pyrrhotite occur throughout the coarsely crystalline basalt.



- LEGEND**
- CRETACEOUS**
- 6 Mafic dykes, locally plagioclase porphyritic
 - 5 Garnet-pyroxene-epidote-skarn, local banded magnetite & chalcopyrite
- UPPER JURASSIC**
- 4 Diorite to quartz diorite, locally melanocratic
 - 3 Quartz eye granodiorite
- UPPER TRIASSIC**
- 2 Quatsino Formation - Crystalline limestone, minor volcanic rocks
 - 1 Karmutsen Group - Basaltic lavas, mostly fine grained & massive, frequently amygdaloidal, locally coarse grained. Minor limestone near top
- Outcrop
Contact
Fault or shear zone
Dyke
Shear or joint
Shear with width ≥ 5 cm
Sample location & NR / Width in metres
Road or trail
Creek
Lake
Contour at 250' interval
- | | | | |
|-------------|--------------------------------|-----|-----------|
| gn | Garnet | px | Pyroxene |
| ep | Epidote | py | Pyrite |
| cpy | Chalcopyrite | mag | Magnetite |
| mo | Molybdenite | chl | Chlorite |
| qtz | Quartz | Fe | Iron |
| Az | Azurite | ser | Sericite |
| Ksp | Orthoclase | mal | Malachite |
| amg | Amygdaloidal | sk | Skarn |
| f. m. c. g. | Fine, moderate, coarse grained | | |

BRADDICK RESOURCES LTD.
H.M. JONES & ASSOCIATES INC. VANCOUVER, B.C.

STEELE CREEK PROPERTY
PROPERTY GEOLOGY

STEELE CREEK - NIMPKISH LAKE AREA
N.T.S. 92L-7 NANAIMO M.D., B.C.

0 100 200 400 METRES

SCALE AS SHOWN NOV. 1993 FIG 4
J.G. DAWSON

All the volcanic rocks on the property are weakly to strongly magnetic. Fractures and veinlets filled with the same minerals as the amygdales are ubiquitous. When in contact with the intrusive, the rock has been hornfelsed to fine grained hornblende, which in turn is variably altered to chlorite.

Limestone

The limestone in the project area is banded white to grey, but locally black where the organic content is especially high. The rock is finely to coarsely recrystallized and locally stylonitic. Limestone in association with the skarn deposits is locally marbled. The limestone has been mapped as part of the Quatsino Formation (unit 2), but it is possible that it is an interbed within the upper part of the Karmutsen Formation.

Coast Intrusions

The project area is situated along the eastern margin of the Nimpkish Batholith. In this region the batholith ranges in composition from granodiorite through quartz diorite to diorite towards the contact with the volcanics. On the basis of textural and mineralogical observations made in the field, two phases of intrusive have been identified and mapped. The bulk of the intrusive, occurring on the southern part of the property, is a medium to coarse grained hypidiomorphic granodiorite. About 40 percent subhedral plagioclase occurs with 20 percent interstitial orthoclase, 30 percent quartz both interstitially and as quartz eyes, and ten percent biotite and hornblende. The rock is generally weakly magnetic.

The granodiorite grades into a border phase of medium grained quartz diorite to diorite. This rock contains about 60 percent subhedral plagioclase with up to 25 percent interstitial quartz and minor interstitial orthoclase. Generally there is about 10 to 15 percent biotite and minor hornblende but this can locally increase to 15 to 30 percent. This phase of intrusive is also weakly magnetic. Near the contact with the Karmutsen Volcanics, the intrusive commonly contains large angular blocks of hornfelsed volcanic and rounded inclusions of mafic rich material. Adjacent to skarn occurrences, the mafic minerals in the dioritic rock are commonly, but not consistently, moderately altered to epidote and chlorite, and one centimetre envelopes of potassium feldspar around fractures are ubiquitous.

The granodiorite and quartz diorite to diorite phases have been called units 3 and 4 respectively, but they likely do not represent different intrusive events.

Plagioclase Porphyry Dykes

These dykes, ranging in width from one half to five metres, cut all rock types on the property (unit 6). They are tan to buff weathering and consist of up to 20 percent one to two millimetre-plagioclase lathes in a fine grained matrix of augite plagioclase and minor hornblende.

Structure

Joints and fractures occur throughout the property, but are more abundant in the volcanics where they are probably the result of intrusive activity. These structures are multi-directional, but a northeast trend dominates. Numerous dominantly northeast trending shears, from five centimetres to several metres in width, are also found within the volcanics. These are typified by highly fractured chlorite and epidote altered rock with abundant veinlets of white to pink zeolite. Corresponding structures are rare in the intrusive, but one structure with an observable offset is exposed in a rock pit just northwest of White Fang Lake.

Mineralization

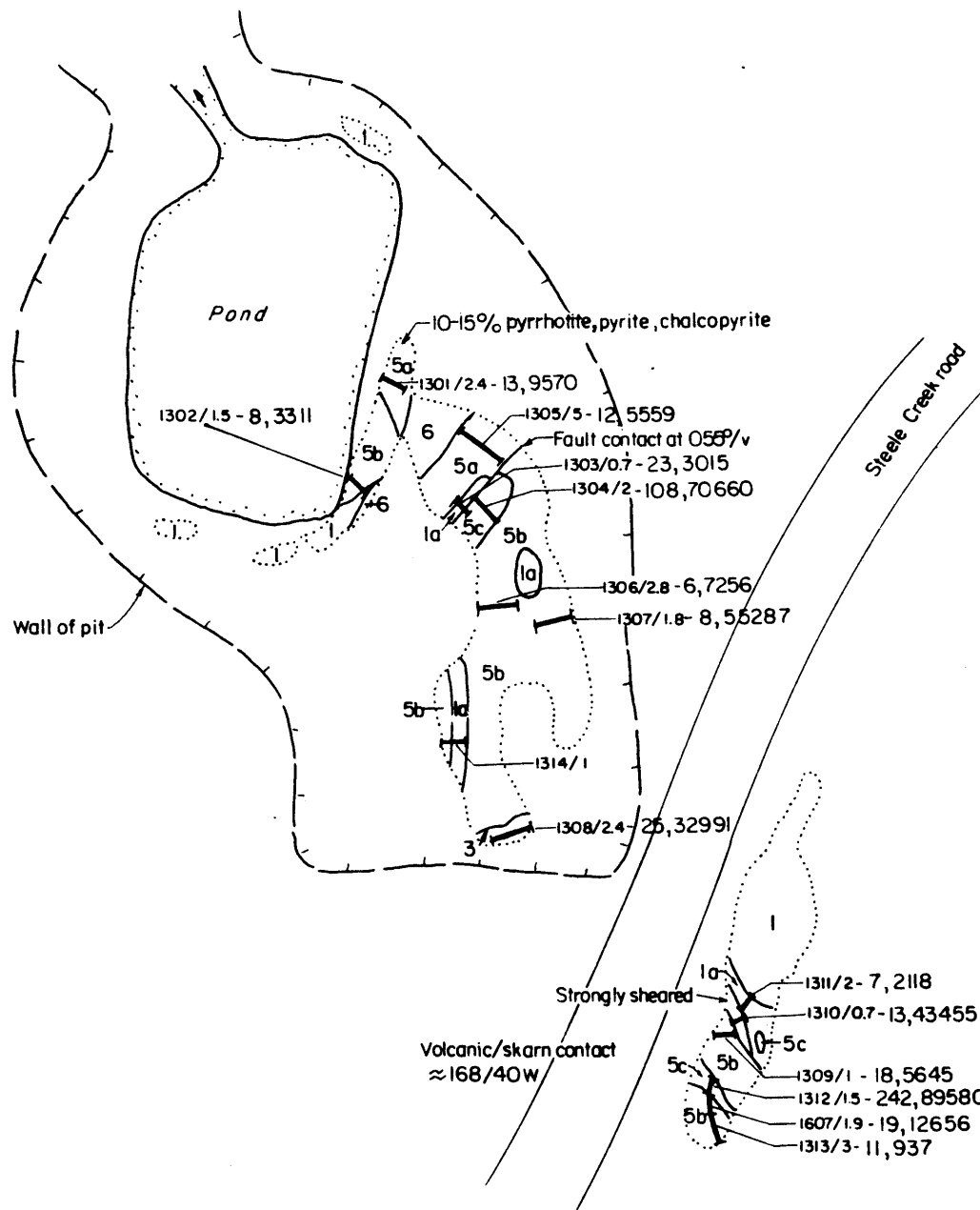
Three styles of mineralization occur on the Steele Creek property. In the first two styles, magnetite, chalcopyrite and variable gold mineralization is hosted in massive fine grained to locally coarse grained garnet skarn (unit 5). However, in the first style the skarn zones are developed entirely within the Karmutsen Volcanics. Zones A, B and F are of this type. In the second style of mineralization, the skarn zones replace volcanic horizons within a raft of interbedded volcanic and limestone rock hosted within the dioritic intrusive. Zones C, D and E are of this type. The third style of mineralization consists of narrow northeast-trending chalcopyrite and magnetite-filled shear zones in the Karmutsen Formation.

Skarn Hosted Mineralization

Mineralogically, the two styles of skarn hosted mineralization are essentially the same. They consist of dark reddish-brown to tan to locally green garnet, magnetite, minor pyroxene and epidote, and lesser amounts of chlorite, quartz and amphibole. The garnet is of the grossularite-andradite variety. When occurring by itself the garnet is often fine grained and massive, but when occurring with magnetite, the garnet can form euhedral crystals up to 1.5 centimetres in diameter. The skarn zones often display a distinct banding, defined either by alternating layers of dark green and reddish-brown garnet, or by alternating layers of garnet and magnetite. Chalcopyrite mineralization is always associated with magnetite, and elevated gold values are always associated with chalcopyrite.

Zone A

Zone A straddles the Steele Creek logging road between Bonanza Lake and Steele Lake. In 1967, 2,163 tonnes of ore grading approximately 5.4 percent copper were mined from this zone leaving a small water-filled pit and several exposures of garnet skarn. During the 1993 program, these zones were cleaned off and enlarged with an excavator. Beyond a later intruded mafic dyke, no intrusive or limestone rock is evident, so the skarn zone likely developed within a carbonate-rich horizon in the Karmutsen Volcanics in response to intrusive activity nearby but at depth. As seen in the exposure on the east side of the road, the skarn is distinctly banded with an attitude of 168/40 SW. From northeast to southwest the banding grades as follows: unaltered volcanic; chlorite-epidote altered volcanic; coarse grained garnet and magnetite skarn; magnetite



LEGEND

- 6 Mafic dyke
- 5a Massive, fine grained red garnet skarn
- 5b Coarse grained garnet magnetite skarn
- 5c Garnet-magnetite-chalcopyrite skarn
- 3 Andesitic lavas
- 1 Fine grained basalt
- 1a Chlorite-epidote-sericite and locally silicified basalt



1306/2-211, 1211 Sample N^o/width in metres - Au ppb, Cu ppm
(all samples preceded by GD11)

BRADDICK RESOURCES LTD.		
H. M. JONES & ASSOCIATES INC. VANCOUVER, B. C.		
STEELE CREEK PROPERTY ZONE A		
(GEOLOGY & SAMPLES WITH Au & Cu VALUES)		
STEELE CREEK-NIMPKISH LAKE AREA		
N.T.S. 92L7		NANAIMO M.D., B. C.
SCALE: 1:500	NOV. 1993	FIG. 5
J. G. DAWSON		

and chalcopyrite; and coarse grained garnet and magnetite skarn. The hanging wall contact is not observed. The true thickness of the skarn horizon is about eight to ten metres while the true thickness of the magnetite-chalcopyrite mineralization is about 1.5 metres. Two faults cut the zone; one is subparallel to the volcanic/skarn contact while the other is perpendicular to the trend of the skarn zone at 055 degrees. Although no offset is definable along these faults, the latter fault is bounded on the west by about five metres of highly fractured garnet skarn indicating that it post dates the skarn development. The skarn is intruded by a mafic dyke trending at 050 to 060 degrees.

Sample locations, together with copper and gold values, are shown on Figure 5. Samples GD111309, 10, 12 and GD111607 form a composite section and give an average grade of 3.8 percent copper over five metres. Within this section is a 1.4 metre-interval grading 8.9 percent copper and 242 ppb gold.

Geophysical work and diamond drilling conducted by Ventures Ltd. in 1961 and 1962 indicates that Zone A extends to the southeast at least 150 metres.

Zone B

Zone B, about 400 metres southeast of Zone A, is also a garnet skarn horizon developed entirely within the Karmutsen Volcanics. The zone trends at 150/45SW and is up to two metres wide with magnetite and associated chalcopyrite mineralization concentrated in a rough one metre band along the footwall. Above the magnetite-chalcopyrite zone the dark red brown garnet skarn is obliquely cross-cut by a five to ten-centimetre zone of strong epidote alteration. The epidote alteration hosts massive chalcopyrite, minor magnetite and one to two percent molybdenite. Sample GD111602 is a grab sample of this material.

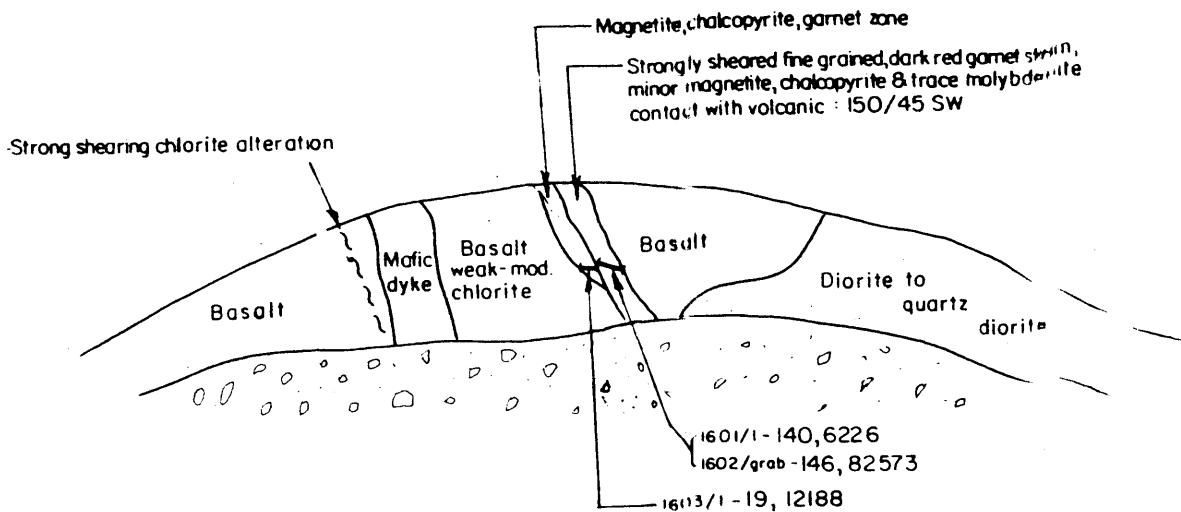
The skarn zone is strongly broken and sheared, indicating a significant amount of post skarnification tectonic disturbance. The skarn is developed within ten metres of the volcanic/intrusive contact, which locally trends at 125/20-30 NE. Samples GD111601, GD111602 and GD111603 were taken from this zone and are shown on Figure 6 together with gold and copper values.

Imperial Oil tested this zone in the 1970's and returned the following intersections:

Hole	Width (ft.)	Au (opt)	Cu (%)
DDH 74-2	13.0	<0.001	1.15
DDH 74-3	10.5	<0.001	2.64

Zone C

At Zone C, the main skarn zone, developed on a limestone/volcanic contact, is up to 5.5 metres wide and consists of roughly banded zones of clear to yellow garnet and magnetite with only

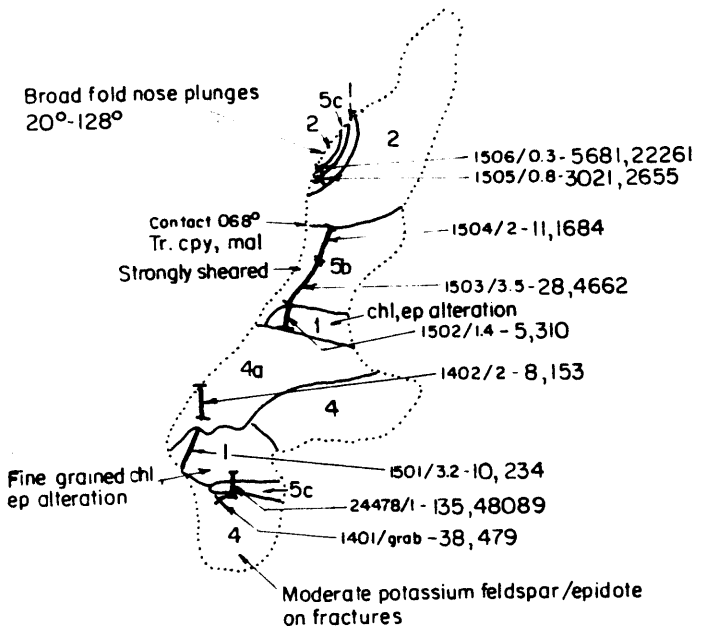


LOOKING 110°

BRADDICK RESOURCES LTD.	
H. M. JONES & ASSOCIATES INC. VANCOUVER, B.C.	
STEELE CREEK PROPERTY SKETCH OF ZONE B	
STEELE CREEK-N WPKISH LAKE AREA N.T.S. 92L7 NANAIMO M.D., B.C.	
SCALE: 1:500	NOV 1983
J. G. DAWSON	FIG 6

1306/2-211,1211 Sample N^o/Width in metres -Au ppb, Cu ppm
(all samples preceded by GD11)

5b
1507/



LEGEND

- 5b Magnetite garnet skarn
- 5c Magnetite chalcopyrite
- 4a Pink aplite dyke
- 4b Diorite to quartz diorite
- 2 Recrystallized limestone
- 1 Basaltic volcanic

- chl Chlorite
- ep Epidote
- cpy Chalcopyrite
- tr Trace



BRADDICK RESOURCES LTD.		
H. M. JONES & ASSOCIATES INC. VANCOUVER, B. C.		
STEELE CREEK PROPERTY		
ZONE C		
(GEOLOGY & SAMPLES WITH Au & Cu VALUES)		
STEELE CREEK-NIMPKISH LAKE AREA		
N.T.S. 92L7 NANAIMO M.D., B. C.		
SCALE: 1:500	NOV. 1993	FIG. 7
J. G. DAWSON		

1306/2-21,121 Sample N^o/width in metres -Au ppb, Cu ppm
(all samples preceded by GDII)

minor chalcopyrite. Twenty metres south of this zone a one metre band of massive chalcopyrite with magnetite trending at 100/80S is developed in a hornfelsed volcanic inclusion in the quartz diorite. Five metres north of the main skarn zone a 0.8 metre volcanic interbed in the recrystallized limestone defines a broad fold nose plunging at 20 degrees towards 128 degrees. A 0.3 metre horizon of massive magnetite with up to five percent chalcopyrite is developed on the footwall of the volcanic interbed. A chip sample of the volcanic rock (GD111505), which contained only trace amounts of chalcopyrite, pyrite and pyrrhotite, returned a value of 3,021 ppb gold and 2,655 ppm copper, while a chip sample of the magnetite-chalcopyrite material (GD111606) contained 5,681 ppb gold and 22,261 ppm copper.

In the 1970's Imperial Oil tested this zone with three diamond drill holes, but no geochemical results were reported.

Zone D

At Zone D, occurring at the northwest end of a 700-metre long zone of irregular but continuous skarn development, a well banded section of garnet-magnetite skarn has been mapped over a strike length of 55 metres. Banding is defined by alternating layers of dark red brown to light green and yellow euhedral crystalline to massive garnet with massive locally euhedral magnetite. The magnetite layers range in thickness from five centimetres to two metres. Chalcopyrite occurs in varying amounts throughout the magnetite, but is most strongly developed at the northeast end of the exposure where a two-metre pod of massive chalcopyrite occurs with minor quartz, garnet and very little magnetite. Samples GD111201 (2.5 metres of 53,657 ppm copper and 428 ppb gold) and 24477 (2.4 metres of 47,155 ppm copper and 115 ppb gold) were taken across this pod.

The highest gold values in the property occur in this area. Sample 24459 is a grab sample of a 1 metre zone of massive banded magnetite and chalcopyrite and contained 100.44 g/t gold and 36,218 ppm copper. Sample 24460 was a grab sample of oxidized chalcopyrite and contained 30.82 g/t gold and 23,167 ppm copper.

Diamond drilling in this area by Ventures Ltd. in 1960 and 1961 returned the following intersections:

<u>Hole</u>	<u>Width (ft.)</u>	<u>Au (opt)</u>	<u>Cu (%)</u>
UB 3	5	0.28	5.66
UB 3	5	0.08	3.12
BZ 7	10	0.16	2.56
BZ 7	8	0.08	3.09
BZ 8	7	0.08	0.75

Surface sampling by Ventures Ltd. included 7.0 metres of 0.09 opt gold with 2.42 percent copper and 3.0 metres of 0.08 opt gold with 0.75 percent copper.

The location and gold and copper values of all samples taken from the mapped area at Zone D are shown on Figure 8. Samples collected in the area of Zone D but not on Figure 8 are summarized in the following table.

Sample No.	Au (ppb)	Cu (ppm)	Description
24452	2,560	5,367	Magnetite with chalcopyrite.
24453	45	182	Garnet skarn, trace chalcopyrite.
24454	397	11,335	Garnet skarn with magnetite and chalcopyrite.
24469	33	98	Garnet-epidote-magnetite skarn.
24470	19	441	Epidote-magnetite-garnet skarn.

Zone D is bounded on the hanging wall (southwest) side by finely bedded volcanics and quartz diorite. Only a small exposure of limestone is observed on the footwall side. A road cut to the northwest of the exposure shows outcrop of limestone, quartz diorite and minor volcanic, but only very little skarn development and no magnetite or chalcopyrite.

Skarn development attenuates to the southeast, then thickens again near White Fang Lake where work by Ventures Ltd. and Imperial Oil indicates that the skarn development reaches widths of up to 25 metres with up to eight metres of interbedded magnetite and chalcopyrite mineralization.

The following samples were collected from this area during the 1993 program.

Sample No.	Au (ppb)	Cu (ppm)	Description
24463	304	1,362	Quartz with disseminated chalcopyrite.
24464	39	3,347	Quartz with minor chalcopyrite.
24465	42	18,032	1.6m chip across quartz and minor chalcopyrite.
24467	107	119	1.7m chip of garnet skarn with massive magnetite and trace chalcopyrite.
24468	28	23,975	Massive chalcopyrite with garnet skarn.

Time constraints during the 1993 program did not allow detailed mapping of the zone.

Zone E

At Zone E, occurring at the southeast end of the 700-metre skarn zone shared by Zone D, a pit excavated for road fill exposes garnet skarn in contact with quartz diorite. The skarn consists mostly of massive fine grained reddish-brown to dark green garnet with local patches of dark red to brown euhedral garnet crystals to 0.5 centimetres. Patches of chlorite and epidote are developed locally. Patches of striated calcite rhombs also occur, occasionally with euhedral quartz crystals up to two centimetres in length. The only magnetite-chalcopyrite noted occurred as small pods within the intrusive and was sampled as follows:

Sample No.	Au (ppb)	Cu (ppm)	Description
GD110604	15	2,431	1.2m chip of garnet-magnetite skarn with minor pyrite and trace chalcopyrite.
GD110607	2	2,897	2m chip of garnet-chlorite-epidote skarn with malachite stain and trace chalcopyrite.

Sample GD110605, containing 2,315 ppm copper, was taken from a vertical/southeast-trending fault with five centimetres of chlorite/calcite/quartz fault gouge.

Contact alteration in the quartz diorite includes pervasive epidote-chlorite alteration of the mafic minerals and fracture controlled potassium feldspar alteration of the plagioclase. The epidote-chlorite alteration extends only about one metre into the intrusive, while the potassium feldspar alteration can extend for many metres.

Twenty other samples were taken from this zone in order to investigate the chemical nature of the skarn close to the intrusive contact.

Zone F

At Zone F, massive banded magnetite - chalcopyrite - pyrrhotite mineralization occurs within the Karmutsen Volcanics. The banding is very irregular but appears to trend at 120 degrees with a dip of 30 degrees to the southwest. Gangue mineralogy consists of altered volcanic; no other skarn minerals are developed. The mineralization achieves a maximum width of one metre and is exposed over a strike length of about 10 metres. The following three samples were collected from this zone:

Sample No.	Au (ppb)	Cu (ppm)	Description
GD110804	1,001	51,006	1.0m chip of 80% chalcopyrite and 20% pyrrhotite with massive magnetite.
GD110805	1,672	32,308	1.0m chip of massive magnetite with up to 60% chalcopyrite.
GD110806	1,478	34,285	Magnetite with up to 50% chalcopyrite and minor quartz-chlorite altered volcanic.

Chalcopyrite in Shear Zones

Narrow irregular veinlets of massive chalcopyrite, pyrite and minor magnetite were identified at six locations on the property. The following samples, located on the main access road on the north end of the property, contained significant gold values.

<u>Sample No.</u>	<u>Au (ppb)</u>	<u>Cu (ppm)</u>	<u>Description</u>
GD111604	1,598	>99,999	5-15cm trending 115/75N with massive chalcopyrite and minor magnetite.
GD111605	6,622	>99,999	1-5cm veinlet of massive chalcopyrite in 10m shear zone trending 095/80N.

Soil Geochemistry

Soil geochemistry values succeeded in defining several zones of anomalous copper concentration on the property. These zones are outlined on Figure 9 with a contour of greater than 50 ppm. Due to the higher level of background copper in the volcanic rocks, the greater than 50 ppm copper has much more significance in the southwest portion of the claims where the property is underlain by intrusive rock. Gold values are generally low, with background levels of less than 5 ppb. Sporadic higher values in the range of 20 to 60 ppb occur throughout the property, with one high value of 338 ppb. Due to the masking effect of 0.5 to 3 metres of basal till which covers most of the property, these values are potentially significant.

A broad northwest trending belt of anomalous copper values can be seen to correspond with Zones A and B, indicating that these zones are on strike with each other. This anomaly is open to the northwest, indicating that similar mineralization probably continues in this direction.

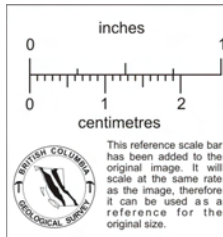
Another group of northwest-trending anomalies defines the band of skarnification that hosts Zones C, D and E. This trend of anomalies appears to close off to the southeast, but is open to the northwest. Elevated gold values are associated with the copper anomalies at Zones C and D, while three other elevated gold values occur west of Zone E in an area of no outcrop.

The broad zone trending northwest across the centre of the property likely reflects the higher copper content of the volcanic rocks in this area. Northeast of this broad zone is a narrower zone of anomalous copper values with associated local elevated gold values. This anomaly is open to the northwest and warrants further investigation.

Geophysics

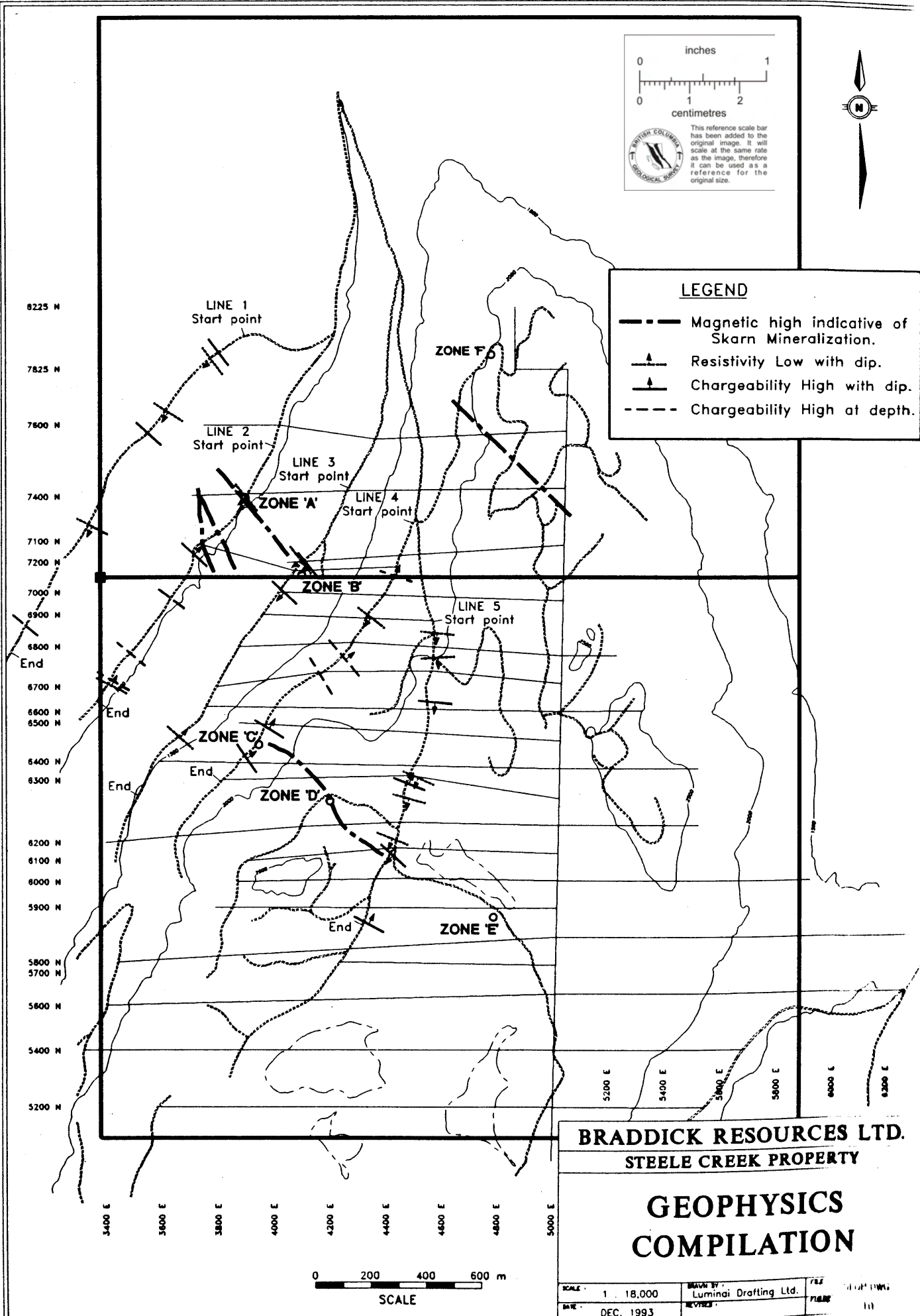
Magnetic, resistivity, and chargeability surveys were conducted over selected areas of the property.

Zones A and B are well defined by I.P. highs and resistivity lows, while a trend of magnetic highs indicates that these zones are on strike with each other. An I.P. high and resistivity low on Line Road 1 probably reflects the strike extension on the mineralization defined by Zones A and B and indicates that this mineralization has a possible strike length of 750 metres.



LEGEND

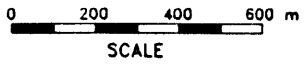
- Magnetic high indicative of Skarn Mineralization.
- ▲ Resistivity Low with dip.
- ▲ Chargeability High with dip.
- Chargeability High at depth.



BRADDICK RESOURCES LTD.
STEELE CREEK PROPERTY

**GEOPHYSICS
COMPILATION**

SCALE: 1 : 18,000	DRAWN BY: Luminai Drafting Ltd.	FILE: 10011001
DATE: DEC. 1993	REVISED:	PLANS: 111



To the southwest of Zone A is a 400-metre long geophysical feature consisting of a double magnetic high and an I.P. high partially correlating with a resistivity low. This feature could represent garnet-magnetite skarn mineralization parallel to Zones A and B.

Zone C is also reflected by an I.P. high, resistivity low, and a magnetic high. These surveys also appear to confirm that Zones C, D and E are on strike with each other and are skarn occurrences developed within the same interbedded limestone and volcanic raft in the dioritic intrusive. Chargeability (I.P.) and resistivity features occur on the projected strike of the mineralization defined by Zones C, D and E on all lines. This indicates a potential strike length of greater than 1,500 metres, most of it unexplored.

A number of other I.P. and magnetic highs similar to those of known garnet-magnetite-chalcopyrite mineralization occur throughout the property.

A northwest-trending magnetic high on the north end of the grid coincides with a similar trending copper and gold soil anomaly. These anomalies are open to the northwest. The magnetic survey also effectively defined the contact with the weakly magnetic intrusive and the strongly magnetic volcanic rocks.

Recommendations

The continuity of mineralization between zones A and B should be further defined with additional soil sampling and magnetometer surveying. This work should be extensive enough to test the potential for parallel zones of mineralization as defined by the soil geochemistry and geophysics. Based on the results of this work, several trenches should be excavated to expose and sample any indicated mineralization.

Further work at zones C, D, and E should include fill-in soil sampling, magnetometer surveying, detailed mapping and prospecting with follow-up trenching. The focus of this work should be to define what is controlling the high grade gold mineralization at zone D, and to define the strike extent of skarn development and mineralization defined by these zones. If possible, the collars of the holes drilled in 1962 by Ventures Ltd. that returned high gold values should be accurately located. Using this information and the results of the more detailed surface work, at least two diamond drill holes should be completed at zone D to test the down dip extension of the high grade gold mineralization.

Fill-in I.P. and resistivity lines should be run over Zones A-B and C-D-E, as well as to the northwest and southeast along the strike projection of these zones.

Fill-in soil sampling and magnetometer surveying as well as detailed mapping and prospecting should be done in the area of the gold enriched magnetite-chalcopyrite mineralization at Zone F. Based on the results from this work, the strike extent and width of this zone should be tested by trenching with an excavator. The down dip extent of this mineralization should be tested with at least one diamond drill hole.

All other interesting geophysical and geochemical anomalies should be mapped and prospected in detail. This work should concentrate especially on the coincident copper and gold soil anomaly and magnetic anomaly southwest of Zone F. If outcrop in this area is limited, at least three I.P. and resistivity lines should be run across this anomaly and Zone F.

On their own, the gold enriched northeast trending shear zones do not represent economic targets. However, they do indicate the presence of a fair amount of gold in the local geological system. The area around these shear zones should be mapped and prospected thoroughly to investigate the possibility that the mineralization is bleeding off along the shear zones from a larger body of copper and gold mineralization. The present grid should be extended to the north so that the shear zones can be covered by soil sampling and geochemical surveying. A simple EM geophysical method such as VLF might be useful in tracing these shears to their potential source.

Estimate of Costs

Stage I - Detailed Soil Sampling, Magnetometer Survey, Trenching, Diamond Drilling

Geochemical soil sampling, say 10,000 metres of fill-in and extension lines, including grid layout and 400 samples	\$15,000
Induced polarization survey - by contract	5,000
Magnetometer survey - 8 line km @ \$125/km	1,000
Trenching - excavation @ \$115/hr, say 100 hrs, included 100 rock samples @ \$15/sample, allow	15,000
Diamond drilling - 1,500 feet (457 m) @ \$35/ft. (\$114.84/m), all inclusive	52,500
Vehicle - rental, fuel, etc.	2,500
Room and board @ \$50/day	6,000
Geology, supervision	12,000
Report and map preparation	<u>6,000</u>
	115,000
Contingencies	<u>15,000</u>
Total Stage I	\$ <u>130,000</u>

Stage II - Contingent on Stage I

Diamond drilling, allow

\$ 500,000**Additional Information**

The Stage I exploration program, estimated to cost \$130,000, will be funded from the proceeds of the Offering herein. See "Use of Proceeds".

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

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

THE JONES REPORT IS AVAILABLE FOR INSPECTION AT THE REGISTERED OFFICE OF THE ISSUER, 1600 - 777 DUNSMUIR STREET, VANCOUVER, BRITISH COLUMBIA, DURING NORMAL BUSINESS HOURS WHILE THE DISTRIBUTION OF THE SHARES OFFERED HEREUNDER IS IN PROGRESS AND FOR 30 DAYS THEREAFTER.

PLAN OF DISTRIBUTION

The Issuer, by an agreement dated April 8, 1994 (the "Agency Agreement"), appointed Brink, Hudson & Lefever Ltd. as its agent (the "Agent") to offer on a "best efforts" basis through the facilities of the Vancouver Stock Exchange (the "Exchange") 800,000 Units of the Issuer (the "Units") at a price of \$0.40 per Unit (the "Offering").

The Offering will be made in accordance with the rules and policies of the Exchange and on a day (the "Offering Day") determined by the Agent and the Issuer, with the consent of the Exchange, within a period of 180 days from the date upon which the Issuer's shares are conditionally listed on the Exchange (the "Effective Date").

The Agent will receive a commission of \$0.04 per Unit.

Each Unit consists of one share and one Series A Warrant.

The Series A Warrants will be transferable and in bearer form and two Series A Warrants will entitle the holder thereof to purchase one common share of the Issuer at \$0.40 per share for a period of one year from the day the shares of the Issuer are posted and called for trading on the Exchange.

The Series A Warrants shall be posted for trading on the Exchange subject to evidence of satisfactory distribution of such Warrants as specified by the rules of the Exchange. The Series A Warrants will contain, among other things, provisions for the appropriate adjustment in the class, number and price of shares issuable under the Series A Warrants upon the occurrence of certain events, including any subdivision, consolidation or reclassification of the shares of the Issuer, the payment of stock dividends or the amalgamation of the Issuer.

The Agent reserves the right to offer selling group participation, in the normal course of the brokerage business, to selling groups of other licensed broker-dealers, brokers and investment dealers, who may or may not be offered part of the commissions derived from the Offering.

A minimum of 85% of the Units offered hereunder will be offered first to clients of the Agent. If there is sufficient demand therefor, the Agent, its employees and associates will be limited to acquiring 15% of the total number of Units being offered hereunder.

No Units are being offered under this prospectus for other than cash.

The obligations of the Agent under the Agency Agreement may be terminated at the Agent's discretion at any time before the day the shares of the Issuer are listed, posted and called for trading on the Exchange in the event of any adverse changes in the market conditions, or as a result of investigations relating to the Issuer by any regulatory authority. The Agent may also terminate its obligations at any time in the event of a cease trade order, or if the Issuer has made misrepresentations or is in breach of the Agency Agreement.

The Issuer has granted the Agent a right of first refusal to provide future public equity financing to the Issuer for a period of 12 months from the Effective Date.

There are no payments in cash, securities or other consideration being made, or to be made, to a promoter, finder or any other person or company in connection with the Offering.

The Exchange has conditionally listed the securities being offered pursuant to this prospectus. Listing is subject to the Issuer fulfilling all the listing requirements of the Exchange on or before August 18, 1994, including prescribed distribution and financial requirements.

MINIMUM SUBSCRIPTION

The Offering is subject to the sale on the Offering Day of 100% of the 800,000 Units offered hereunder.

USE OF PROCEEDS

The net proceeds to be derived by the Issuer from the sale of the 800,000 Units offered hereunder will be \$288,000 which, together with working capital as of the date of this prospectus of approximately \$3,000, will be used for the following purposes:

(a)	to pay the balance of estimated legal, audit, printing and other expenses of this Offering	\$ 20,000
(b)	to carry out the recommended Stage 1 exploration program on the Steele Creek property, British Columbia ¹	130,000
(c)	to pay for management services rendered to the Issuer for a period of six months following the listing of the Issuer's shares on the Exchange ²	15,000
(d)	to pay for investor relations services rendered to the Issuer for a period of six months following the listing of the Issuer's shares on the Exchange ²	15,000
(e)	to provide working capital	<u>111,000</u>
	Total:	<u>\$291,000</u>

¹ Subject to completion of the Offering herein, the Stage I program is expected to commence in May 1994 and be concluded in August 1994. Results of the program are expected to be available within four weeks of conclusion of the program. Stage II of the recommended program, if warranted, will be funded from future equity financing or such other sources of financing as may become available to the Issuer.

² payable to a director

If all the Series A Warrants are exercised the Issuer will receive a further \$160,000, which will be added to working capital.

No part of the proceeds shall be used to invest, 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 Issuer intend to use the proceeds to acquire other than trustee type securities after the distribution of the securities offered by this prospectus, approval of the Issuer's shareholders must first be obtained and notice of the intention filed with the regulatory securities bodies having jurisdiction over the sale of the securities offered by this prospectus.

The proceeds from the sale of Units offered by this prospectus are intended to be used for the purposes set forth above. The Issuer will not discontinue or materially depart from the recommended work program unless advised to do so in writing by an independent, qualified consulting engineer.

In the event of any such discontinuance or departure, which constitutes a material change in the affairs of the Issuer, during the distribution of the Units offered by this prospectus, an amendment to this prospectus will be filed in accordance with the requirements of the *Securities Act* (British

Columbia). Following completion of the distribution of the Units offered by this prospectus, shareholders will be notified of material changes in the affairs of the Issuer to the extent required by and in accordance with applicable legislation and the requirements of appropriate regulatory authorities.

RISK FACTORS

Dilution

On completion of the Offering there will be a total of 2,280,000 shares of the Issuer outstanding with an approximate total book value, based on the Issuer's financial statements as at December 31, 1993, of \$430,688, or approximately \$0.19 per share. If the shareholders' equity with respect to the 1,480,000 shares issued prior to the Offering has not changed between December 31, 1993 and the date of the completion of the Offering, the purchasers of the Units offered by this prospectus will suffer an immediate dilution of approximately \$0.21 in book value per share, equal to 52.5% of the \$0.40 per Unit Offering price.

Risks Inherent in Mining

Exploration for economic deposits of minerals is subject to a number of risk factors. While the rewards to an investor can be substantial if an economically viable discovery is made, few of the properties which are explored are ultimately developed into producing mines. If the Issuer's exploration programs are not successful, a purchaser of Units may lose his entire investment.

The Issuer's property is in the exploration and development stage only and is without a known body of commercial ore. There can be no assurance that the Issuer will establish discoveries on its property which may be commercial.

The Issuer's ability to continue exploration and development of its property will be dependent upon its ability to raise significant additional financing hereafter. Should the Issuer not be able to obtain such financing, a portion of its interest in its property may be lost to joint venture partners, or its property may be lost entirely.

The Issuer's mineral operations will be subject to government legislation, policies and controls relating to prospecting, development, production, environmental protection, mining taxes and labour standards. In addition, the profitability of a particular mining prospect will be affected by the market for precious minerals and metals, which entails the assessment of many factors, some of which include changing production costs, the supply and demand for precious minerals and metals, the rate of inflation, the inventory of precious and metal producing corporations, the political environment and changes in international investment patterns.

The mining industry has been subject to increasing government controls and regulation in recent years. The industry is highly competitive and the Issuer will be required to compete in the future directly with other corporations that may have greater resources.

The Issuer may become subject to liability for cave-ins and other hazards against which it cannot insure or against which it may elect not to insure because of high premium costs or other reasons. Payment of such liabilities would reduce funds available for acquisition of mineral prospects or exploration and development.

Property Defects

While the Issuer has obtained a title report with respect to its property, this cannot be construed as a guarantee of title. The property may be subject to prior unregistered agreements or transfers or native land claims, and title may be affected by undetected defects. The property consists of recorded mineral claims which have not been surveyed, and therefore the precise area and location of such claims may be in doubt.

Conflicts of Interest

There are potential conflicts of interest to which directors and officers of the Issuer will be subject in connection with the operations of the Issuer. Some of the directors and officers are engaged and will continue to be engaged in the search for mineral resource properties on their own behalf and on behalf of other corporations, and situations may arise where these directors and officers will be in direct competition with the Issuer. Conflicts, if any, will be dealt with in accordance with the relevant provisions of the *Company Act* (British Columbia).

Shares Owned by Management and Others

Upon completion of this Offering the 800,000 shares comprised in the Units offered hereby will represent 35.09% of the shares of the Issuer then outstanding as compared to 44.30% that will then be owned or controlled by promoters, directors, officers, substantial security holders and underwriters of the Issuer, excluding any shares that may be purchased from the Offering by such persons. A further 4.39% of the shares of the Issuer then outstanding will be owned by a company in which a director of the Issuer has a $\frac{1}{3}$ interest.

Likelihood of Profit

The Issuer is engaged in the business of exploring mineral properties in the hope of locating an economic deposit or deposits of minerals. The Issuer's property is in the exploration stage only and is without a known body of commercial ore. Accordingly, there is little likelihood that the Issuer will realize any profits in the short to medium term. Any profitability in the future from the Issuer's business will be dependent upon locating and developing economic deposits of minerals, which itself is subject to numerous risk factors.

Marketability of Securities

There is currently no market through which the shares or Series A Warrants of the Issuer may be sold.

DESCRIPTION OF SECURITIES

The authorized capital of the Issuer consists of 100,000,000 shares without par value of which 1,480,000 shares are issued as fully paid. All of the authorized shares of the Issuer are of the same class and, once issued, rank equally as to dividends, voting powers and participation in assets. No shares have been issued subject to call or assessment. There are no pre-emptive or conversion rights and no provisions for redemption or purchase for cancellation, surrender, or sinking or purchase funds. Provisions as to the modification, amendment or variation of such rights or provisions are contained in the *Company Act* (British Columbia).

Each of the 800,000 Units offered hereunder is comprised of one share, described in the foregoing, and one Series A Warrant. The Series A Warrants will be transferable and in bearer form and two Series A Warrants will entitle the holder thereof to purchase one common share of the Issuer at \$0.40 per share for a period of one year from the day the shares of the Issuer are posted and called for trading on the Exchange. The Series A Warrants will contain, among other things, provisions for the appropriate adjustment in the class, number and price of shares issuable under the Series A Warrants upon the occurrence of certain events, including any subdivision, consolidation or reclassification of the shares of the Issuer, the payment of stock dividends or the amalgamation of the Issuer.

SHARE AND LOAN CAPITAL STRUCTURE

Designation of Security	Amount Authorized	Amount Outstanding as of December 31, 1993	Amount Outstanding as of April 19, 1994	Amount Outstanding on Completion of Offering
Common Shares	100,000,000	1,480,000 (\$190,000)	1,480,000 (\$190,000)	2,280,000 (\$448,000) ¹

¹After deduction of estimated Offering expenses.

As at December 31, 1993 the Issuer had no retained earnings or contributed surplus and had a deficit of (\$17,312).

The number of shares subject to rights, options and warrants is 628,000 (see "Plan of Distribution", "Description of Securities" and "Options to Purchase Securities").

PRIOR SALES

Since incorporation the Issuer has sold the following shares for cash, all of which were sold within the past 12 months:

Numbers of Shares	Price Per Share	Total Commissions Paid	Cash Received
750,000	\$0.01	Nil	\$ 7,500
730,000	\$0.25	Nil	\$182,500

Of the 750,000 shares sold at \$0.01 per share, all were sold to insiders of the Issuer or their associates, as follows:

Purchaser	Number of Shares
Menace Capital Corp. ¹	300,000
J.D. Graham & Associates Ltd. ²	200,000
Peter G. Dasler	200,000
Frances Petryshen	50,000

¹Wholly owned by Dennis L. Higgs

²Wholly owned by J. Donald Graham

Reference is also made to "Escrowed Shares".

Of the 730,000 shares sold at \$0.25 per share, 250,000 were sold to insiders of the Issuer or their associates, as follows:

Purchaser	Number of Shares
Ubex Capital Inc. ¹	100,000
Peter G. Dasler	40,000
Frances Petryshen	40,000
Colleen L. Graham	40,000
J. Donald Graham	30,000

¹Owned by Dennis L. Higgs and his sisters, Arlana Anderson and Terri-Lyn Ker, each as to 33⅓%.

Of the 730,000 shares issued at \$0.25 per share, 486,000 shares were issued as flow-through shares whereby the subscribers received income tax write-offs by the Issuer renouncing to them Canadian Exploration Expense incurred by the Issuer. The Canadian Exploration Expense renounced to the subscribers will not be available to reduce future income tax payable by the Issuer, if any. Of the 250,000 shares issued at \$0.25 to insiders of the Issuer or their associates, as listed above, 160,000 shares were issued as "flow-through" shares.

The Issuer has granted options to purchase, in total, 228,000 shares at \$0.40 per share, exercisable on or before the date that is five years from the Effective Date of this prospectus, as follows:

Optionee	Number of Shares
Dennis L. Higgs	68,400
J. Donald Graham	68,400
Peter G. Dasler	45,600
Frances Petryshen	45,600

Reference is also made to "Options to Purchase Securities".

DIVIDEND RECORD

The Issuer has not paid any dividends on its common shares and has no present intention of paying dividends, as it anticipates that all available funds will be invested to finance the growth of its business.

DIRECTORS AND OFFICERS

The principal business or occupation in which each of the directors and officers of the Issuer has been engaged during the immediately preceding five years is as follows:

Name and Municipality of Residence	Position with Issuer	Occupation
JOHN DONALD GRAHAM Vancouver, B.C.	President, Chief Executive Officer and Director	President, J. D. Graham & Associates Ltd., a mining and geological consulting company; President, Taywin Resources Ltd., a mineral exploration company.

<p>PETER GEORGE DASLER¹ Delta, B.C.</p>	<p>Director</p>	<p>President, MBI Mining Brokers Inc., a mining property brokerage company, since October 1993; President, Kamaka Resources Ltd., a mineral exploration consulting and management company, since November 1992; previously President, Daiwan Engineering Ltd., a mineral exploration consulting and management company.</p>
<p>DENNIS LYLE HIGGS¹ Vancouver, B.C.</p>	<p>Director</p>	<p>President, Miranda Industries Inc., a mineral exploration company, since May 1993; President, First Choice Industries Ltd., a mineral exploration company, since October 1993; President, Specialty Medical Products Inc., a medical product development company, since July 1987; President, Biosource International Inc., a medical research and product development company, from May 1989 to April 1992; President, Wild Horse Industries Inc., a mineral exploration company, from February 1987 to March 1989.</p>
<p>FRANCES ANNE PETRYSHEN¹ Vancouver, B.C.</p>	<p>Chief Financial Officer, Secretary and Director</p>	<p>Administrator and Accountant of the Issuer since October 1993; Administrator and Bookkeeper, Southwestern Gold Corp., a mineral exploration company, since November 1991; Administrator and Accountant, West Pride Industries Corp., a mineral exploration company, from November 1991 to November 1992; Administrator and Accountant, Pacific Granistone Corp., a stone manufacturing company, from November 1991 to November 1992; Partner and Manager, Geminex Management Ltd., an administrative management company, from October 1987 to November 1991.</p>

¹Member of the Audit Committee

EXPERIENCE OF DIRECTORS, OFFICERS AND PROMOTERS

The following directors, officers or promoters of the Issuer have been involved as a director, officer or promoter of other reporting issuers within the past five years.

J. Donald Graham:

<u>Name of Reporting Issuer</u>	<u>Position</u>	<u>From/To</u>
Taywin Resources Ltd.	President, Director & Promoter	December 1985 to present

Peter G. Dasler:

<u>Name of Reporting Issuer</u>	<u>Position</u>	<u>From/To</u>
Relay Creek Resources Ltd.	Director	April 1987 to March 1988
MBI Mining Brokers Inc.	President, Director & Promoter	October 1993 to present

Dennis L. Higgs:

<u>Name of Reporting Issuer</u>	<u>Position</u>	<u>From/To</u>
First Choice Industries Ltd.	President, Director & Promoter	October 1993 to present
Specialty Medical Products Inc.	President, Director & Promoter	July 1987 to present
Biosource International Inc.	President, Director & Promoter	May 1989 to April 1992
Wild Horse Industries Inc.	President, Director & Promoter	February 1987 to March 1989

Frances Petryshen:

<u>Name of Reporting Issuer</u>	<u>Position</u>	<u>From/To</u>
Acheron Resources Ltd.	Director	February 1988 to October 1991
Consolidated Paytel Ltd.	Director	April 1987 to October 1991
Consolidated T.C. Resources Ltd.	President & Director	December 1988 to October 1991
Mishibishu Gold Corporation	Director	October 1989 to October 1991
Silver Spur Resources Ltd.	Director	February 1990 to October 1991

Universal Trident Industries Ltd.	Director	July 1987 to October 1991
Westward Explorations Ltd.	Director	December 1987 to October 1991
Windarra Minerals Ltd.	Director	March 1987 to October 1991

No director, officer or promoter of the Issuer is, or within the past five years has been, a director, officer or promoter of any other reporting issuer that, while he was acting in that capacity, was struck off the register of companies by the British Columbia Registrar of Companies or other similar authority or was the subject of a cease trade or suspension order for a period of more than 30 consecutive days.

No director, officer or promoter of the Issuer has been the subject of any penalties or sanctions by a court or securities regulatory authority relating to trading in securities, the promotion, formation or management of a public traded company or involving theft or fraud.

There is no control person of the Issuer who is not a director, officer or promoter of the Issuer.

EXECUTIVE COMPENSATION

A. Executive Officers of the Company

For the purposes of this prospectus, "executive officer" of the Issuer means the Chairman and any Vice-Chairman of the Board, where that person performs the function of such office on a full-time basis, the President and any Vice-President in charge of a principal business unit such as sales, finance or production, and any officer of the Issuer who performs a policy-making function in respect of the Issuer, whether or not such officer is also a director.

Based on the foregoing definition there are two executive officers of the Issuer.

B. Compensation to Executive Officers

From incorporation to the date of the audited financial statements contained herein (the "Compensation Period"), cash compensation, including salaries, fees, directors' fees, commissions and bonuses, was paid by the Issuer to the executive officers in the sum of \$4,500, pursuant to the management services agreement referred to under "Interest of Management and Others in Material Transactions".

C. Plans - Options to Purchase Securities

During the Compensation Period stock options were granted to the executive officers of the Issuer for the purchase of a total of 114,000 shares at \$0.40 per share, exercisable on or before the date that is five years from the Effective Date of this prospectus. See "Options to Purchase Securities".

No stock options were exercised by the executive officers during the Compensation Period.

D. Other Compensation to Executive Officers

Other than as set forth herein, no compensation has been paid or is payable by the Issuer, either directly or indirectly, to the executive officers of the Issuer during the Compensation Period.

See "Interest of Management and Others in Material Transactions" for details of monies paid to J.D. Graham & Associates Ltd., wholly owned by an executive officer of the Issuer, for geological consulting and exploration management services rendered to the Issuer.

E. Compensation of Directors

During the Compensation Period, no cash compensation, including salaries, fees, directors' fees, commissions and bonuses, was paid by the Issuer to directors who are not executive officers, in their capacity as directors.

During the Compensation Period, stock options were granted to directors of the Issuer who are not executive officers for the purchase of a total of 114,000 shares at \$0.40 per share, exercisable on or before the date that is five years from the Effective Date of this prospectus. See "Options to Purchase Securities".

No stock options were exercised by directors of the Issuer who are not executive officers during the Compensation Period.

No other compensation has been paid or is payable by the Issuer, either directly or indirectly, to directors of the Issuer who are not executive officers, in their capacity as directors, during the Compensation Period.

See "Interest of Management and Others in Material Transactions" for details of monies paid to Ubex Capital Inc., in which a director who is not an executive officer has an interest, for investor relations services rendered to the Issuer.

See "Interest of Management and Others in Material Transactions" for details of monies paid to Kamaka Resources Ltd., wholly owned by a director who is not an executive officer and his wife, for exploration consulting and management services rendered to the Issuer.

OPTIONS TO PURCHASE SECURITIES

As at the date of this prospectus the Issuer has granted non-transferable options to its directors and officers to purchase a total of 228,000 shares \$0.40, exercisable on or before the date that is five years from the Effective Date of this prospectus.

The options are held as follows:

	<u>Number of Shares</u>
Executive officers (2 persons)	114,000
Directors, excluding executive officers (2 persons)	114,000

INDEBTEDNESS OF DIRECTORS AND SENIOR OFFICERS

No director or senior officer of the Issuer or associate or affiliate of any director or senior officer of the Issuer is or has been indebted to the Issuer since incorporation of the Issuer.

PROMOTERS

The definition of "promoter" of an issuer contained in section 1 of the *Securities Act* (British Columbia) includes:

- (1) a person who, acting alone or in concert with others, takes the initiative in founding, organizing or substantially reorganizing the business of the issuer, or
- (2) a person who, in connection with the founding, organization or substantial reorganization of the business of the issuer, receives, in consideration of services, property or both, 10% or more of a class of the issuer's securities.

In accordance with the foregoing definition, J. Donald Graham ("Graham") and Peter G. Dasler ("Dasler") are the promoters of the Issuer.

Graham and Dasler received no consideration in the form of cash, shares or otherwise from the Issuer for acting as promoters.

Graham and Dasler purchased 30,000 shares and 40,000 shares, respectively, of the Issuer at \$0.25 per share. J.D. Graham & Associates Ltd., a private company wholly owned by Graham, and Dasler each purchased 200,000 shares of the Issuer at \$0.01 per share, all of which are held in escrow. Graham and Dasler have stock options for the purchase of 68,400 shares and 45,600 shares, respectively, of the Issuer at \$0.40 per share, exercisable for five years. See "Prior Sales", "Escrowed Shares" and "Options to Purchase Securities".

Reference is made to "Interest of Management and Others in Material Transactions" for details of monies paid by the Issuer for consulting and exploration management services rendered by private companies wholly owned by Graham and Dasler.

PRINCIPAL SHAREHOLDERS

Set forth hereunder are particulars of the principal shareholders of the Issuer as at the date of this prospectus who beneficially own 10% or more of the issued shares of the Issuer:

Name and Address	Designation of Class	Type of Ownership	Number of Shares Owned	Percentage of Class
Menace Capital Corp. ¹ 1100-800 West Pender St. Vancouver, B.C. V6C 2V6	common	of record and beneficially	300,000	20.27%
Peter G. Dasler 6074 45A Avenue Delta, B.C. V4K 1M7	common	of record and beneficially	240,000	16.22%
J. Donald Graham 3962 W. 37th Avenue Vancouver, B.C. V6N 2W5	common	of record and beneficially	30,000	2.03%
		beneficially only ²	200,000	13.51%

¹Wholly owned by Dennis L. Higgs

²Owned of record by J.D. Graham & Associates Ltd.

The number and percentage of the shares of the issuer beneficially owned, directly or indirectly, by all directors and senior officers of the Issuer as a group is as follows:

Designation of Class	Number of Shares	Percentage of Class
Common	860,000	58.11%

In addition, Ubex Capital Inc. owns 100,000 common shares of the Issuer representing 6.76% of the issued shares of the Issuer. Ubex Capital Inc. is owned by Dennis L. Higgs, a director of the Issuer, and his two sisters, each as to 33⅓%.

ESCROWED SHARES

Designation of Class	Number of Shares Escrowed	Percentage of Class
common	750,000	50.68%

As at the date of this prospectus, 750,000 shares are held in escrow by Pacific Corporate Trust Company.

The shares were escrowed pursuant to an agreement dated January 24, 1994. The escrow restrictions contained in the agreement provide that the shares may not be traded in, dealt with in any manner whatsoever, or released, nor may the Issuer, its transfer agent, or escrow holder make any transfer or record any trading of the shares without the consent of the Superintendent of Brokers for British Columbia (the "Superintendent") or, while the shares are listed on the Exchange, the consent of the Exchange.

The Superintendent or Exchange may permit the release of all or a portion of the escrow shares based, among other things, upon the future success of the Issuer. Any shares not released at the expiration of ten years from the Effective Date of this prospectus will be automatically cancelled. The complete text of the escrow agreement is available for inspection at the Issuer's registered office.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS*Management Services*

Pursuant to a management services agreement dated October 15, 1993, the Issuer retained Frances Petryshen ("Petryshen"), a director of the Issuer, to provide management services to the Issuer. Under the agreement, the Issuer has paid and will pay Petryshen \$1,500 per month from October 1, 1993 to the end of the month immediately prior to the month in which the shares of the Issuer are listed, posted and called for trading on the Vancouver Stock Exchange, and thereafter will pay Petryshen the sum of \$2,500 per month.

The management services to be provided include secretarial, clerical, accounting and budgetary functions, including the preparation of audit files and certain corporate and regulatory filings. Petryshen will also be involved in corporate development, including assisting in raising future financing. Petryshen is expected to devote approximately two days per week to the Issuer's affairs.

Investor Relations Services

Pursuant to an agreement dated October 15, 1993, Ubex Capital Inc. ("Ubex") provides the services of Dennis L. Higgs ("Higgs"), a director of the Issuer, to provide investor relations services to the Issuer. Under the agreement, the Issuer has paid and will pay Ubex \$1,500 per month from October 1, 1993 to the end of the month immediately prior to the month in which the shares of the Issuer are listed, posted and called for trading on the Vancouver Stock Exchange, and thereafter will pay Ubex the sum of \$2,500 per month. Ubex is owned by Higgs and his two sisters, each as to 33⅓%.

The term of the agreement is month to month and can be terminated by either party on 30 days notice.

The services to be provided include the preparation of corporate literature, acting as a contact person for investors and other interested parties, assisting the Issuer in the raising of equity capital, communicating with the brokerage community and generally providing services of an investor relations nature.

Ubex is not obligated under the agreement, for itself or as agent for any other person, to commit its funds to the purchase of the Issuer's securities.

Ubex operates from business premises located at 1100 - 800 West Pender Street, Vancouver, B.C. Incorporated in 1984, the company's business includes investment management, mineral property acquisition and disposition and the provision of management and investor relations services to public companies. Higgs has been involved as a director, officer and promoter of mineral exploration and other reporting companies since 1984, as more particularly detailed under "Directors and Officers" and "Experience of Directors, Officers and Promoters".

Reference is made to "Prior Sales" and "Options to Purchase Securities" for details of securities of the Issuer held by Ubex and Higgs.

Consulting Services

To the date of this prospectus, the Issuer has paid to J.D. Graham and Associates Ltd. ("JDG") the sum of \$2,449.47 for mining and geological consulting and exploration management services rendered. The services are contracted for on an as-needed basis at competitive rates and the Issuer will continue to retain JDG in this manner at the pleasure of the Board of Directors. JDG is wholly owned by J. Donald Graham, the President, Chief Executive Officer and a director of the Issuer.

All of the exploration carried out to date on the Issuer's Steele Creek property has been conducted by and under the direction of Kamaka Resources Ltd. ("KRL"). To the date of this prospectus, the Issuer has paid to KRL \$110,929 in respect of such services, which sum includes all monies paid by KRL to sub-contractors, employees, assayers and for other out-of-pocket

expenses. KRL's services are contracted for on an as-needed basis at competitive rates and the Issuer will continue to retain KRL in this manner at the pleasure of the Board of Directors. KRL is wholly owned by Peter G. Dasler and his wife Diane V. Dasler. Peter G. Dasler is a director of the Issuer.

LEGAL PROCEEDINGS

There are no legal proceedings material to the Issuer to which the Issuer is a party or to which its property is subject. The Issuer knows of no such legal proceedings which are contemplated.

PRELIMINARY EXPENSES

The expenses of the Issuer to December 31, 1993, the date of the audited financial statements included herein, have been as follows:

Administrative	\$ 17,457
Property acquisition, exploration and development	\$134,838

Since December 31, 1993, the Issuer has paid and accrued a further \$36,923 in administrative expenditures. It is not expected there will be any further expenses on preliminary matters.

MATERIAL CONTRACTS

The material contracts entered into by the Issuer since incorporation, and still in effect, are as follows:

- (1) Agency Agreement dated April 8, 1994. See "Plan of Distribution".
- (2) Incentive Stock Option Agreements dated December 21, 1993. See "Options to Purchase Securities".
- (3) Management Services Agreement dated October 15, 1993. See "Interest of Management and Others in Material Transactions".
- (4) Investor Relations Agreement dated October 15, 1993. See "Interest of Management and Others in Material Transactions".
- (5) Escrow Agreement dated January 24, 1994. See "Escrowed Shares".

Copies of the foregoing contracts may be inspected at the Issuer's registered office located at 1600 - 777 Dunsmuir Street, Vancouver, B. C. during normal business hours while primary distribution of the shares offered hereunder is in progress and for the period of 30 days thereafter.

AUDITOR

De Visser & Company
201-960 Richards Street
Vancouver, British Columbia
V6B 3C1

REGISTRAR AND TRANSFER AGENT

Pacific Corporate Trust Company
830-625 Howe Street
Vancouver, B.C.
V6C 3B8

OTHER MATERIAL FACTS

Clive V. Forth ("Forth") is the "responsible solicitor" to the Issuer as defined in Local Policy Statement 3-41 of the British Columbia Securities Commission. Forth owns 6,000 non "flow-through" and 14,000 "flow-through" shares of the Issuer purchased at \$0.25 per share.

PURCHASER'S STATUTORY RIGHT OF WITHDRAWAL AND RESCISSION

The *Securities Act* (British Columbia) provides a purchaser with a right to withdraw from an agreement to purchase securities within two business days after receipt or deemed receipt of a prospectus and further provides a purchaser with remedies for rescission or damages where the prospectus and any amendment contains a material misrepresentation or is not delivered to the purchaser prior to delivery of the written confirmation of sale or prior to midnight on the second business day after entering into the agreement, but such remedies must be exercised by the purchaser within the time limit prescribed. For further information concerning these rights and the time limits within which they must be exercised the purchaser should refer to Sections 66, 114, 118 and 124 of the *Securities Act* (British Columbia) or consult a lawyer.

BRADDICK RESOURCES LTD.

FINANCIAL STATEMENTS

DECEMBER 31, 1993

DE VISSER & COMPANY
CHARTERED ACCOUNTANTS

201 - 960 RICHARDS STREET
VANCOUVER B C CANADA
V6B 3C1

TEL: (604) 687-5447
FAX: (604) 687-6737

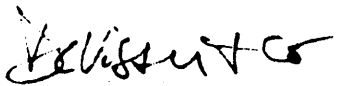
AUDITORS' REPORT

To the Directors of Braddick Resources Ltd.

We have audited the balance sheet of Braddick Resources Ltd. as at December 31, 1993 and the statements of loss and deficit and changes in financial position for the period from inception on October 14, 1993 to December 31, 1993. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 1993 and the results of its operations and the changes in its financial position for the period from inception on October 14, 1993 to December 31, 1993 in accordance with generally accepted accounting principles.


CHARTERED ACCOUNTANTS

Vancouver, B.C.
February 7, 1994

BRADDICK RESOURCES LTD.
BALANCE SHEET
AS AT DECEMBER 31, 1993

A S S E T S

CURRENT

Cash
Goods and services tax receivable
Funds in trust

RECLAMATION BOND
MINERAL PROPERTIES (note 3)

L I A B I L I T I E S

CURRENT

Accounts payable
Due to related party (note 5)

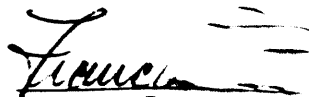
S H A R E H O L D E R S ' E Q U I T Y

SHARE CAPITAL (note 4)
DEFICIT

APPROVED BY THE DIRECTORS:



Peter G. Dasler



Frances

The accompanying notes are an integral part of these financial statements.

BRADDICK RESOURCES LTD.
STATEMENT OF LOSS AND DEFICIT
FOR THE PERIOD FROM INCEPTION ON OCTOBER 14, 1993 TO DECEMBER 31, 1993

	\$
REVENUE	
Interest income	145
	<hr/>
EXPENSES	
Accounting and audit	1,500
Bank charges and interest	95
Legal	5,112
Management fees	4,868
Office	782
Public relations	4,500
Rent	600
	<hr/>
	17,457
	<hr/>
NET LOSS FOR THE PERIOD	(17,312)
DEFICIT - BEGINNING OF PERIOD	-
	<hr/>
DEFICIT - END OF PERIOD	(17,312)
	<hr/> <hr/>

The accompanying notes are an integral part of these financial statements

BRADDICK RESOURCES LTD.
STATEMENT OF CHANGES IN FINANCIAL POSITION
FOR THE PERIOD FROM INCEPTION ON OCTOBER 14, 1993 TO DECEMBER 31, 1993

	\$
CASH PROVIDED BY (USED FOR):	
OPERATING ACTIVITIES	
Net loss for the period	(17,312)
Changes in non-cash working capital components:	
Goods and services tax receivable	(9,612)
Accounts payable	3,627
Funds in trust	(6,576)
Due to related party	393
	<hr/>
	(29,480)
	<hr/>
INVESTING ACTIVITIES	
Mineral property expenditures	(134,838)
Reclamation bond	(2,500)
	<hr/>
	(137,338)
	<hr/>
FINANCING ACTIVITIES	
Issue of common shares	190,000
	<hr/>
NET CASH PROVIDED DURING THE PERIOD	23,182
CASH - BEGINNING OF PERIOD	-
	<hr/>
CASH - END OF PERIOD	23,182
	<hr/> <hr/>

The accompanying notes are an integral part of these financial statements

BRADDICK RESOURCES LTD.
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 1993

1. NATURE OF OPERATIONS

The Company is involved in the acquisition, exploration and development of mineral properties and is currently in the exploratory stage of development of its mineral properties. The underlying value of these mineral properties and their related deferred costs is dependent upon confirmation of the Company's interest in the underlying claims and the discovery of economically recoverable mineral reserves.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Mineral Properties and Deferred Costs

The cost of mineral properties and related exploration costs are deferred until the properties are placed into production, sold or abandoned. These costs will be amortized over the estimated useful life of the properties following the commencement of production or written-off if the properties are sold, allowed to lapse, or abandoned.

Cost includes the cash consideration and the fair market value of shares as they are issued, if any, on the acquisition of mineral properties. Properties acquired under option agreements whereby payments are made at the sole discretion of the Company, are recorded in the accounts at such time as the payments are made. The proceeds from options granted are applied to the cost of the related property and any excess is included in earnings for the year.

Share Capital

The proceeds from common shares issued pursuant to flow-through share financing agreements are credited to share capital and the tax benefits of the exploration expenditures incurred pursuant to these agreements are transferred to the purchaser of the flow-through shares.

3. MINERAL PROPERTIES

	\$
Mineral property acquisition costs	4,828
Exploration and development costs:	
Assays	13,171
Consulting	4,832
Drafting and mapping	11,798
Equipment rental	3,974
Excavating	2,702
Field supplies	1,765
Geophysics	17,869
Linecutting	38,775
Meals and accommodation	11,231
Miscellaneous	5,561
Report writing	9,537
Transportation	8,795
	<hr/>
	130,010
	<hr/>
	134,838
	<hr/> <hr/>

3. **MINERAL PROPERTIES (continued)**

Steele Creek Property
Nanaimo Mining Division
British Columbia

The Company owns a 100% interest in 3 mineral claims in the Steele Creek region of Vancouver Island which were acquired by staking.

4. **SHARE CAPITAL**

Authorized share capital of the Company consists of 100,000,000 common shares with no par value.

	Price per Share \$	Number of Shares	\$
Issued during the period:			
Seed shares	.25	244,000	61,000
Flow-through shares	.25	486,000	121,500
Shares held in escrow	.01	750,000	7,500
Issued and outstanding at December 31, 1993		<hr/> 1,480,000 <hr/> <hr/>	<hr/> 190,000 <hr/> <hr/>

Stock options were granted to directors, subject to shareholder consent, for the purchase of 228,000 common shares at \$0.40 per share expiring five years from the date regulatory approval is received for the Company's Initial Public Offering.

5. **RELATED PARTY TRANSACTIONS**

A company controlled by a director was paid \$110,929 for mineral property exploration costs.

The President of the Company and a company controlled by the President were paid \$3,618 and \$2,257 respectively for claim staking and mineral property exploration costs. The company controlled by the President of the Company is owed \$393 for management services.

A director of the Company was paid \$4,500 for management and administration services.

A Company controlled by a director was paid \$4,500 for investor relation services.

6. **INCORPORATION**

The Company was incorporated under the Company Act of British Columbia on October 14, 1993.

7. **PROSPECTUS**

The Company is preparing to issue to the public in British Columbia by its initial public offering 800,000 units at a price of \$0.40 per unit, each unit comprising one common share and one share purchase warrant, each two warrants plus \$0.40 entitles the holder to purchase one common share within one year of the Company's shares commencing trading on the Vancouver Stock Exchange, to net the Company \$288,000 after brokerage commissions.

8. **COMMITMENTS**

The Company has entered into a management contract with a company controlled by a director for the payment of \$1,500 per month until the Company's shares are listed for trading on The Vancouver Stock Exchange and at \$2,500 per month thereafter, and has also entered into an investor relations agreement to pay \$1,500 per month prior to listing of the Company's shares on The Vancouver Stock Exchange and at \$2,500 per month thereafter.

CERTIFICATES


Dated: April 19, 1994

The Issuer

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* (British Columbia) and its Regulation.



J. DONALD GRAHAM
Chief Executive Officer



FRANCES PETRYSHEN
Chief Financial Officer

On Behalf of the Board



DENNIS L. HIGGS



PETER G. DASLER

The Promoters



J. DONALD GRAHAM



PETER G. DASLER

The 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* (British Columbia) and its Regulation.

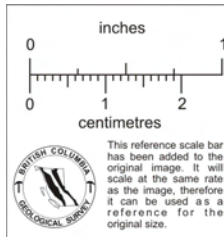
BRINK, HUDSON & LEEVER LTD.

Per: _____


JOHN MATHERS

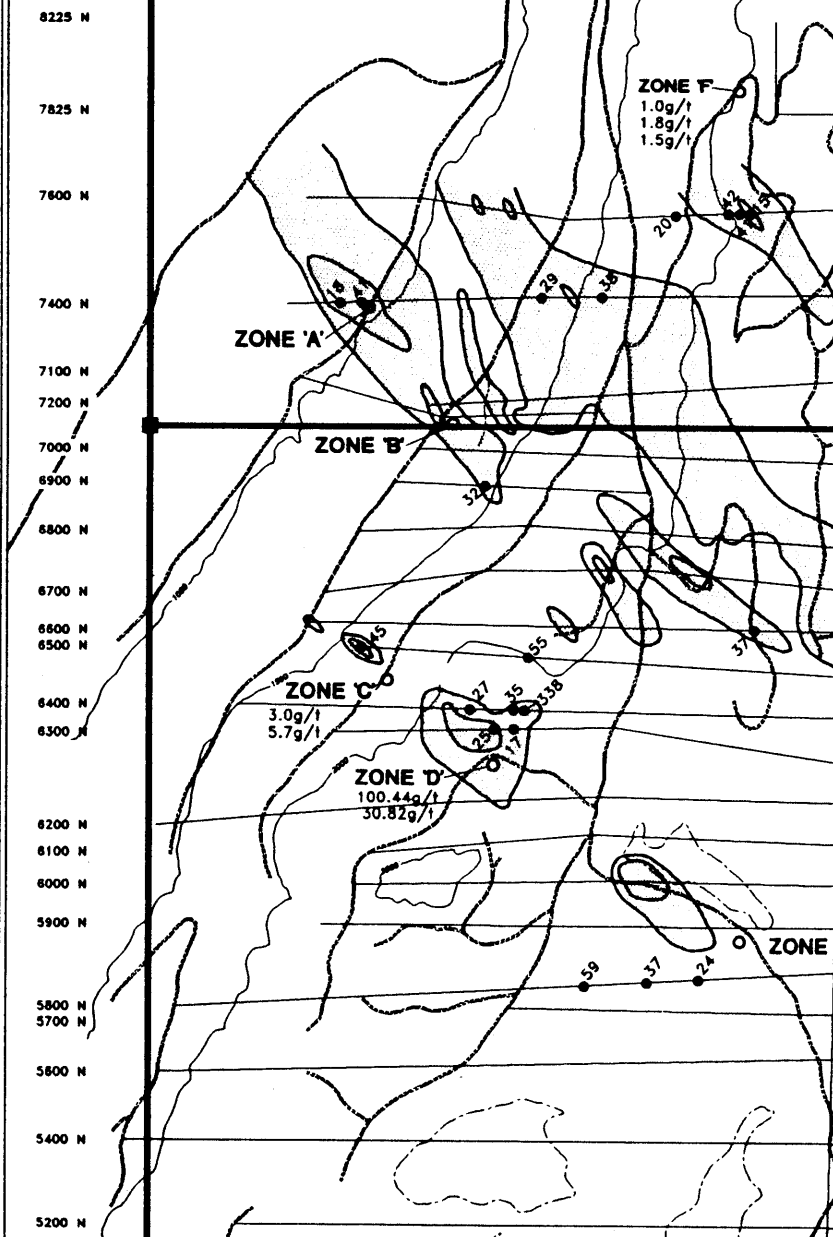


BRIAN D. GRAVES



LEGEND

- >150 ppm Cu in soils.
- >50 ppm Cu in soils.
- >15 ppb Au in soil.
- 1.5g/t Au in rock sample.



BRADDICK RESOURCES LTD.
STEELE CREEK PROPERTY

Cu / Au
SOIL GEOCHEMISTRY
COMPILATION

SCALE: 1 : 18,000	DRAWN BY: Luminai Drafting Ltd.	FILE: SLAUB.DWG
DATE: DEC. 1993	REVISED:	FIGURE: 9

