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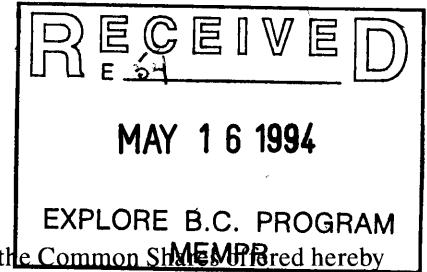
PROSPECTUS DATE: JUNE 24, 1993

EFFECTIVE DATE: JUNE 30, 1993

CANIM LAKE GOLD CORP.

1003 - 470 Granville Street
Vancouver, British Columbia V6C 1V5

NEW ISSUE
1,000,000 COMMON SHARES



There is currently no market through which these Common Shares may be sold. Investment in the Common Shares offered hereby must be considered to be speculative as the Company's properties are in the exploration stage and there is no known body of commercial ore thereon. Upon completion of this offering (but before giving effect to the Agent's Warrants and the options granted to directors, officers and employees of the Company), the Common Shares offered hereby will represent approximately 41.24% of the total issued Common Shares of the Company whereas the controlling persons, promoters, directors and senior officers of the Company as a group will own approximately 38.75%. See "Risk Factors".

PRICE: \$0.50 PER COMMON SHARE

	Price to Public	Agent's Commission ⁽²⁾	Net Proceeds to the Company ⁽³⁾
Per Common Share ⁽¹⁾	\$ 0.50	\$ 0.05	\$ 0.45
Total	\$500,000.00	\$50,000.00	\$450,000.00

- (1) The price of the common shares in the capital of the Company (the "Common Shares") was determined by negotiation between the Company and Pacific International Securities Inc. (the "Agent") as stipulated in the Agency Agreement. See "Plan of Distribution".
- (2) In addition to the commission to be paid to the Agent, the Company has agreed to allot and issue to the Agent 250,000 share purchase warrants (the "Agent's Warrants") to purchase an aggregate of 250,000 Common Shares at any time up to one year after the date on which the Common Shares are listed on the Vancouver Stock Exchange (the "VSE") at \$0.50 per share. The Agent's Warrants are granted in consideration of the Agent's Agreement to guarantee this offering as set out below. See "Plan of Distribution".
- (3) Before deducting expenses of this offering estimated at \$50,000 of which \$26,000 has been paid and an estimated balance of \$24,000 which will be paid by the Company from the proceeds of this offering.

No person is authorized to provide any information or to make any representation in connection with the issue and sale of the securities offered hereby other than as contained in this prospectus.

We, as agents, conditionally offer these Common Shares to the public, subject to prior sale, if, as and when issued by the Company and accepted by us in accordance with the conditions contained in the Agency Agreement referred to under "Plan of Distribution."

The Agent has agreed to purchase any of the common shares for which subscriptions have not been received at the conclusion of the offering, and as consideration for the Guarantee have been granted Agent's Warrants. The Agent's Warrants will be distributed to the Agent under this Prospectus. Any common shares acquired by the Agent under the Guarantee will also be distributed under this Prospectus through the facilities of the Vancouver Stock Exchange at the market price at the time of sale. See "Plan of Distribution". The Vancouver Stock Exchange has conditionally listed the securities being offered pursuant to this Prospectus. Listing is subject to the Company fulfilling all of the listing requirements of the Vancouver Stock Exchange, including prescribed distribution and financial requirements.

PACIFIC INTERNATIONAL SECURITIES INC.

P.O. Box 10015 Pacific Centre
1500 - 700 West Georgia Street, Vancouver, British Columbia V7Y 1G1

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PROSPECTUS SUMMARY

The following is a summary only and reference is made to the more detailed information appearing elsewhere in this prospectus.

The Offering

Issue: 1,000,000 Common Shares. A further 250,000 Common Shares are issuable pursuant to the Agent's Warrants.

Amount of Offering: . . . \$500,000.00

Price \$0.50

Use of Proceeds: The net proceeds of this offering will be used to pay for the Company's exploration program on the Lemon Lake and Bud Properties, to pay the balance of the offering expenses, provide a reserve for other exploration and for general working capital.

The Company

Canim Lake Gold Corp. (the "Company") was incorporated pursuant to the laws of the Province of British Columbia on April 13, 1992. The Company is engaged in the acquisition, exploration and development of mineral properties.

The Company's efforts are principally directed to the exploration and development of the Lemon Lake Property and Bud Property in the Cariboo Mining Division of Central British Columbia.

Risk Factors

The Common Shares offered hereby must be considered speculative as the Company's properties are in the exploration stage and there is no known body of commercial ore thereon. Upon completion of this offering (but before giving effect to the Agent's Warrants, and the options granted to directors, officers and employees of the Company), the Common Shares offered hereby will represent approximately 41.24% of the total issued Common Shares of the Company whereas the controlling persons, promoters, directors and senior officers of the Company as a group will own approximately 38.75% (see "Risk Factors").

Dilution

The purchase price of each common Share offered hereby exceeds the net tangible book value thereof as at February 28, 1993 by \$0.28 after giving effect to this issue, but before giving effect to the Agent's Warrants and the options granted to directors, officers and employees of the Company. The percentage of dilution per Common Share in relation to the offering price of \$0.50 is 56% (see "Dilution").

THE COMPANY

Canim Lake Gold Corp. (the "Company") was incorporated on April 13, 1992 under the *Company Act* of British Columbia under no. 424054.

The head office of the Company is located at Suite 1003, 470 Granville Street, Vancouver, British Columbia, V6C 1V5, and its registered and records office is located at 4729 East Hastings Street, Burnaby, British Columbia, V5C 2K8, c/o Harris Threlfall O'Neill, Barristers and Solicitors.

BUSINESS AND PROPERTIES OF THE COMPANY

Business

The Company is engaged in the acquisition, exploration and development of mineral properties.

The Company currently is focusing its efforts in the research and acquisition of grass-roots exploration properties for porphyry deposits in the Quesnel Trough area of central British Columbia.

The majority of the funds raised to date were used to acquire and explore five mineral properties in the south central portion of the Quesnel Trough as follows:

	<u>Acquisition</u>	<u>Exploration</u>	<u>Total</u>
Lemon Lake Property	\$ 2,655	\$40,800	\$ 43,455
Bud Property	6,495*	37,946	44,441
Hazel Property	9,726	14,571	24,297
Tea Property	12,609	8,610	21,219
Black Property	2,718	1,880	<u>4,598</u>
			\$138,010

(amounts shown above are as of February 28, 1993)

(* includes Option payment to vendor of claims, Mr. Steve Todoruk. All other claims were located for the Company by staking and are listed in Appendix C all of which are located in the Cariboo Mining Division).

After preliminary geological mapping and soil sampling the Lemon Lake, Bud and Hazel properties were selected for preliminary overburden drilling. The Results indicate the presence of a porphyry style mineralization on each of the Lemon Lake and Bud properties with the results on the Hazel property being relatively negative. Based on these results the Company intends to explore and if feasible develop the Lemon Lake and Bud Properties (see Use of Proceeds).

The Company's objectives are to continue research within the Quesnel Trough and assume ongoing property acquisition as new data and opportunities exist.

Properties of the Company

The following disclosure on the Company's Lemon Lake and Bud properties is paraphrased from an independent report (the "Report") which the Company commissioned from K.V. Campbell Ph.D., P. Geo. ("Campbell"). A summary of the Report dated March 20, 1993 is attached as Appendix "B" hereto. Reference should be made to the Report for a full discussion of the Company's properties. A copy of the full Report (including data appendices) is available for review at the registered office of the Company, 4729 East Hastings Street, Burnaby, B.C. during normal business hours.

In the Report, Campbell notes that the position of the claims making up both the Lemon Lake and Bud Properties are somewhat different than shown on the Ministry claim maps. Campbell has examined the location of the claims in the field and is satisfied the claims are as represented on figures 2 and 3 attached to Appendix "B" to this Prospectus.

A. Lemon Lake Property

Description and Acquisition

The Company, by staking, is the recorded current owner of the following claims:

<u>Claim Name</u>	<u>Tenure Number</u>	<u>Expiry Date</u>	<u>Units</u>
Melon-1	307830	25/02/96	18
Melon-2	307831	26/02/95	12
Melon-3	307832	26/02/95	4
Melon 4	307847	07/10/95	18
Melon 5	313848	08/10/95	<u>18</u>
		TOTAL	70

Location, Size, Access and Terrain

The Lemon Lake Property is located within the central part of the Quesnel Trough in central British Columbia approximately 9 km east of the village of Horsefly. The property covers an irregular shape block

of approximately 16.5 square kilometres. Access is by paved highway from 150 Mile House and then 13 km of secondary gravel road from Horsefly. The area lies on the eastern flank of the Fraser Plateau; flat and rolling country underlain in large part by flat-lying tertiary basalt flows and covered with glacial drift. Elevation ranges from 850 to 900 m. Many of the low-lying areas have swamps and organic soils. The western portion has been cleared as a hayfield.

History and Previous Work

There is scant information on previous work on the Melon claims. Historical porphyry copper exploration efforts focused on the Lem intrusive body, also known as the Lemon Lake Stock, mapped just north of the Melon-1 claim. This is the Pine occurrence, which has also been referred to as the Fly, GI and Lem occurrence. In the early 1970's, the Hudson's Bay Oil and Gas Co. held the Fly claims which extended onto the northern part of the Melon claims. Ground magnetics outlined the Lemon Lake Stock and two prominent east-west structures at the south end of Lemon Lake and extending east from the middle part of the same lake. In the mid to late 1980's, Orbex Industries Inc. explored the same area, known as the Gibbons Creek property. Geochemical soil sampling and 1,100 m of diamond drilling in seven holes was undertaken. None of the core samples analyzed returned with significant gold assay values. In 1992, the Company completed soil sampling followed up by a reverse circulation drill program. Twelve holes were drilled totalling 546m. All of the drilled soil samples were geochemically analyzed for copper and the rock-chips were analyzed for copper and gold.

Mineralization

A zone of copper and gold mineralization underlies the northeast portion of the Melon-1 claim. Prospect percussion drilling here has intersected 10 to over 20 m of alkalic intrusive with elevated copper values, 0.10 to 0.40 wt % Cu, with associated gold values to 960 ppb Au (nearly 1 gm/tonne or 0.028 oz/t). The copper mineralization is attended by pervasive alterations, represented by a variety of assemblages made up of K-feldspar, chlorite, epidote, silica, sericite and clays. The nature of the host intrusive, mineralization and related alteration on the Lemon Lake property classify this prospect as belonging to the same family of alkalic porphyry copper and gold occurrences elsewhere in the Quesnel Belt.

Recommendations

Campbell recommends a one phase, two-stage exploration and development program. Stage I is comprised of a combination of magnetometer and VLF-

EM16 ground geophysical surveys over the eastern part of the existing grid, with a line spacing of 100m. Campbell recommends a Stage II combination diamond and percussion drilling on a grid pattern with 150m spacing. The estimated cost of stages I and II is \$207,570. Additional exploration would be contingent upon a favourable evaluation of the stage I and II results.

B. Bud Properties

Description and Acquisition

By agreement dated May 14, 1992 as amended March 4, 1993 and June 14, 1993 (the "Option Agreement")*, the Company acquired an option (the "Option") to earn a 100% interest in the following mineral claims from Steve Todoruk:

<u>Claim Name</u>	<u>Tenure Number</u>	<u>Expiry Date</u>	<u>Units</u>
Bud #1	206952	28/05/95	8
Bud #2	206953	29/05/95	8
Bud #3	206954	27/05/95	20
Bud #4	206955	28/05/95	20
Bud #9	206980	01/06/94	20
(the "Option Claims")			
On March 9, 1993, the Company by staking added the following contiguous claim:			
More 1	314435	30/10/94	<u>20</u>
		TOTAL	96

The Option Claims and More #1 claim are collectively referred to as the "Bud Property".

* The Option agreement was entered into at arm's length with Mr. Todoruk subsequently becoming a shareholder of the Company.

To keep the Option in good standing, the Company must:

(a) make the following cash payments:

- (i) \$5,000 on or before October 1, 1992 (paid);
- (ii) \$5,000 within 5 days of the Offering Day and no later than October 1, 1993;
- (iii) \$25,000 on or before April 1, 1994;
- (iv) \$40,000 on or before April 1, 1995;
- (v) \$60,000 on or before April 1, 1996;
- (vi) \$80,000 on or before April 1, 1997.

Provided, that at the option of the Company, and subject to the Company's shares being listed on a stock exchange and subject to approval of the said stock exchange, up to one-half of any one cash payment (the "Payment") may be paid to Steve Todoruk in the form of the issuance of free-trading common shares in the capital of the Company based on the previous thirty day average trading price of the Company's shares, the Company has undertaken to ensure any share issuances conform to VSE policies; and

(b) expend \$308,000 on work on the Option Claims as follows:

	<u>Date</u>	<u>Annual Expenditures</u>
(i)	By May 25, 1992	\$ 8,000 (completed)
(ii)	By April 1, 1993	\$ 20,000 (completed)
(iii)	By April 1, 1994	\$ 30,000
(iv)	By April 1, 1995	\$ 50,000
(v)	By April 1, 1996	\$100,000
(vi)	By April 1, 1997	\$100,000

Provided that the company may make up any deficiency in Expenditures on any date by paying the amount of any such deficiency to Todoruk.

Steve Todoruk has retained a 2.5% net smelter return interest (the "Royalty") details of which are contained in the Option Agreement and include the following terms:

- (a) the Company has the right to acquire 60% of the Royalty, being a 1.5% net smelter return interest from Todoruk upon payment of \$500,000 and thereafter, the balance of 40% of the Royalty upon payment of \$1,500,000; and
- (b) if commercial production of the Option Claims is not achieved prior to April 1, 1998, the Company shall pay an annual advance royalty of \$50,000 until commercial production is achieved.

The Royalty does not extend to the More 1 claim staked by the Company.

Location, Size, Access and Terrain

The Bud Property is also located within the central part of the Quesnel Trough, on the eastern flank of the Fraser Plateau. This property covers a rectangular block of approximately 22 square kilometres. It

is somewhat more hilly than the Lemon Lake property with elevations ranging from about 900 to 1,200m. Like the Lemon Lake property, the Bud Property is poor in rock exposures and extensively covered with glacial till. Access is by paved highway 64 km from 150 Mile House on the Likely road, which crosses the Bud #1 and #3 claims. Additional access is provided to most of the property by gravel logging roads.

History and Previous Work

Historically, a great deal of exploration effort has been expended in the area of the Bud Property but most has been surface sampling or geophysical methods of indefinite benefit. In the mid 1960's anomalous copper values were reported in several areas and more work was generally recommended. Starting in 1981, with the release of B.C. government stream sediment data, intense exploration was performed by numerous companies. In 1990, the Option Claims were re-staked and held in 1991 by S. Todoruk of Sechelt, B.C. In a report for Pamicon Developments Ltd. in 1991, a work program described mapping, soil and rock chip sampling in a small grid in the southeast corner of Bud #9. The work confirmed the presence of copper mineralization; disseminated and fracture controlled chalcocite with malachite in basalt and as malachite along fractures in altered limestone. In 1992, the Company completed soil sampling followed up by a reverse circulation drill program. Ten holes were drilled totalling 463m.

Mineralization

A zone of copper mineralization was located by the 1992 drilling in the volcanic rocks adjacent to the contact with the alkalic ML stock. These rocks are variously chlorite and epidote altered and carry copper values of 200 to 676 ppm Cu, many times greater than their background value. The presence of native copper and cuprite in the drill cuttings substantiate these anomalous copper contents. The presence of felsic dykes and associated elevated copper values in the form of native copper indicates the presence of larger accumulations of copper mineralization related to late stage intrusive phases of the ML stock, similar to the mineralized hydro thermal breccias at the Mt. Polley deposit to the east.

Recommendations

Campbell recommends a one phase, two-stage exploration and development program. Stage I comprised of attendant geochemical and magnetometer surveys. Stage II is comprised of three angle diamond drill holes to depths of approximately 200m. The estimated total cost, of stages I and II is \$70,400. Additional exploration would be contingent upon a favourable evaluation of the stage I and II results.

C. Other Properties

The Company acquired by staking the Hazel Property, Tea Property and Black Property which are listed on Appendix C and are also located in the Cariboo mining division. The Company spent approximately \$25,000 to explore these properties and recorded the work, however, as a result of relatively negative results, compared to the Lemon Lake and Bud Properties, no further work on these other properties is contemplated at this time.

SHARE CAPITAL

The Company is authorized to issue 100,000,000 Common Shares without par value.

The holders of Common Shares are entitled to vote at all meetings of shareholders of the Company, to receive dividends as and when declared by the directors, and subject to the rights of holders of any shares ranking in priority to or on a parity with the Common Shares, to receive the remaining property and assets of the Company in the event of liquidation, dissolution or winding up of the Company. The Common Shares have no preemptive, redemption or conversion rights. As at the date of this prospectus there are 1,424,601 Common Shares issued and outstanding. A further 241,000 Common Shares are reserved for issuance upon the exercise of stock options to directors, officers and employees and a further 250,000 common shares are reserved for issuance upon the exercise of the Agent's Warrants. All the Common Shares currently outstanding are, and the Common Shares offered hereby will be, when issued, fully paid and non-assessable.

Of the 1,424,601 shares outstanding, 333,200 shares were designated as flow-through shares thereby reducing any future tax benefit to the Company associated with resource expenditures of \$83,300 by transferring the benefit to the holders of these shares.

PLAN OF DISTRIBUTION

Offering and Appointment of Agent

By an agreement dated for reference April 30, 1993 (the "Agency Agreement") the Company appointed Pacific International Securities Inc. (the "Agent") as its agent to offer for sale a total of 1,000,000 Common Shares. The offering (the "Offering") will be made on a day (the "Offering Day") within 180 days from the date upon which the final receipt is issued by the Superintendent of Brokers of British Columbia (the "Effective Date"), through the facilities of, and in accordance with the rules of the Vancouver Stock Exchange (the "VSE") at a price of

\$0.50 per share. The Agency Agreement also provides that the Agent will be paid a commission of \$0.05 per share, representing 10% of the offering price.

The Agent has agreed to purchase the balance of the Common Shares unsubscribed for at the conclusion of the Offering and, in consideration therefor, the Company has agreed to allot and issue to the Agent 250,000 warrants (the "Agent's Warrants") within 10 business days following the Offering Day.

The Agent's Warrants will be non-transferable and one Agent's Warrant will entitle the Agent to purchase one Common Share from the Company at any time up to one year after the date on which the Common Shares are listed on the VSE at \$0.50 per share.

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

Should the Company require further equity financing during the 12 months immediately following the Effective Date, the Agent has the right of first refusal to provide such financing.

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

The directors, officers and other insiders of the Company may purchase Common Shares from the Offering at no discount.

The Company intends to effect the distribution of the securities offered pursuant to this prospectus through the facilities of the VSE. The VSE has conditionally approved the listing of the Common Shares. Listing is subject to the Company fulfilling all the listing requirements of the VSE including prescribed distribution and financial requirements.

Rights of Termination

The obligations of the Agent under the Agency Agreement may be terminated at any time before the shares of the Company are listed, posted and called for trading on the Exchange at the Agent's discretion on the basis of its assessment of the state of the financial markets and may also be terminated at any time upon the occurrence of certain stated events.

Additional Offering

This prospectus also qualifies the issuance of 250,000 warrants as Agent's Warrants, each Agent's Warrant entitling the Agent to purchase, within one year after the date of listing of the Company's Common Shares on the VSE, one Common Share of the Company at a price of \$0.50 per share. Any common shares acquired by the Agent under the Guarantee will also be distributed under this Prospectus through the facilities of the Vancouver Stock Exchange at the market price at the time of sale.

USE OF PROCEEDS

The Company will receive net proceeds of \$450,000 from the Offering, which will be used as follows:

1. to eliminate the Company's working capital deficiency as at June 17, 1993 \$ 14,000 (est.)⁽¹⁾

2. to pay the balance of the estimated expenses of the Offering (\$50,000 less \$26,000 previously paid): \$ 24,000⁽¹⁾

3. to pay the option payment due within 5 days of completion of the Offering and no later than October 1, 1993 for the Bud #1 - #4 & #9 Claims \$ 5,000

4. to carry out the stage I & II exploration and drilling programs on the:
 - a) Lemon Lake Property at a cost of \$207,600; and
 - b) Bud Lake Property at a cost of \$70,400as recommended in the Report of K.V. Campbell⁽²⁾
Total cost: \$278,000

5. to pay the option payment due August 1, 1994 for the Bud #1 - #4 and #9 claims \$ 25,000

6. to provide a reserve for the acquisition of additional grass-roots exploration properties for porphyry deposits in British Columbia \$ 39,000

7. balance to be held as working capital	\$ 65,000
TOTAL:	<u>\$450,000</u>

⁽¹⁾Since the date of the financial statements included in the prospectus, the Company's working capital has been reduced by approximately \$15,000 as a result of partial payment for expenses related to the Offering.

⁽²⁾Performing the stage II work programs on the properties is not contingent upon the results from stage I, the company intends to complete both stages of recommendations on each property from the proceeds of the Offering.

The proceeds from the sale of the shares are intended to be used for the purposes set forth above. The Company will not discontinue or depart from the recommended programs of work unless advised in writing by its consulting engineer to do so. In such circumstances, or any other material change in the Company's affairs, an amendment to this prospectus will be filed if the Common Shares offered hereby are still in primary distribution and if not, the Company will issue a press release announcing any such change.

The net proceeds of the offering do not reflect any proceeds which may be received upon the exercise of the Agent's Warrants or options granted to directors, officers and employees of the Company.

No part of the proceeds will be used to invest, underwrite or trade in securities other than those that qualify as an investment in which trust funds may be invested under the laws of the jurisdiction in which the securities offered by this Prospectus, may be lawfully sold. Should the Company propose to use the proceeds to acquire other than trustee-type securities after the distribution of the shares offered by this Prospectus, the approval of the shareholders of the Company must first be obtained and notice of the intention must be filed with the Superintendent of Brokers for the Province of British Columbia.

The Company expects to begin the recommended work programs within two weeks of completion of the Offering and results should be available within two and one-half months of completion of the Offering.

RISK FACTORS

The purchase of Common Shares involves a number of risk factors. In addition to the factors set forth elsewhere in this prospectus, potential investors should consider the following factors:

1. The Common Shares offered hereby are susceptible to risk due to the nature of the Company's business which includes the exploration and development of mining properties.
2. There are no known bodies of commercial mineralization on the properties of the Company. The purpose of the Offering is to raise funds to carry out further exploration with the objective of establishing ore of commercial tonnage and grade. If the Company's exploration programs are successful, additional funds will be required for further exploration and for the development of an economic ore body and to place such an ore body into commercial production. In addition, in order to maintain certain of its agreements relating to its mineral properties in good standing, the Company will be required to make additional cash payments and work expenditures. There is no assurance that the Company will be able to obtain funds that may be required in the future.
3. Mineral exploration and development involves a high degree of risk and few properties which are explored are ultimately developed into producing mines. Although substantial benefits may be derived from the discovery of a major mineralized deposit, no assurance can be given that minerals will be discovered in sufficient quantities to justify commercial operations, nor that any property belonging to the Company will be brought into commercial production. The Company presently has no producing properties and neither of the Lemon Lake or Bud Properties contain a known body of commercial ore.
4. If the Company proceeds to production from the Lemon Lake or Bud Properties, or any property, commercial viability will be affected by several factors that are beyond the Company's control including the particular attributes of the deposit, the fluctuating metal prices, the proximity and capacity of mining and refining facilities, the availability of economic sources of energy, government regulations including regulations relating to prices, royalties, restrictions on production, as well as the protection of the environment. It is impossible to assess with certainty the impact of these factors.
5. In the course of exploration of mineral properties, several risks, and in particular unexpected or unusual geological conditions including rock bursts, cave-ins, fires and flooding may occur. The Company may also incur liability as a result of pollution. It is not always possible to fully insure against such risks and the Company may decide not to take out insurance against such risks as a result of high premiums or other reasons. Compensation for obligations resulting from such liability may entail significant losses for the Company.
6. While the Company has obtained the usual industry Standard Title Report with respect to its properties, this should not be construed

as a guarantee of title. The properties may be subject to prior unregistered agreements or transfers or native land claims, and title may be affected by undetected defects.

7. The Company's properties consist of recorded mineral claims which have not been surveyed and therefore the precise area and location of such claims may be in doubt.
8. There is currently no market for the Common Shares being offered and there is no assurance that an active public market for the Common Shares will develop.
9. Upon completion of the Offering (but before giving effect to the Agent's Warrants and the options granted to directors, officers and employees of the Company), this issue will represent approximately 41.24% of the Common Shares then outstanding whereas the controlling persons, promoters, directors and senior officers of the Company as a group will own approximately 38.75% of the outstanding shares (see "Principal Shareholders").
10. The issue price of the securities offered hereunder exceeds the tangible book value per common share calculated at May 5, 1993 (after giving effect to the Offering) by \$0.28, which represents a dilution of 56% (see "Dilution").
11. Certain of the directors and officers of the Company are also directors, officers and shareholders of other natural resource companies and certain directors are also principals of engineering and exploration companies hired by the Company. Such directors and officers have been advised of their fiduciary obligations to the Company and its shareholders. Conflicts may arise, however, because of the obligations of these directors and officers to the Company and to such other natural resource companies.

PRIOR SALES OF SHARES

The following table sets forth the particulars of the prior sales of the Common Shares of the Company:

<u>Number of Shares</u>	<u>Price Per Share</u>	<u>Consideration Received</u>
1	\$1.00	\$ 1
750,000 ⁽¹⁾	\$0.01	\$ 7,500
674,600 ⁽²⁾	\$0.25	\$168,650

⁽¹⁾These shares are held in escrow. See "Escrowed Shares" below.

⁽²⁾333,200 of these shares were designated as flow-through shares. See "Share Capital".

ESCROWED SHARES

Pursuant to an escrow agreement dated April 30, 1993 (the "Escrow Agreement"), there are 750,000 shares held in escrow by The R-M Trust Company, of Mall Level, 1177 West Hastings Street, Vancouver, British Columbia, V6C 2K3, subject to the direction or determination of the Superintendent of Brokers for British Columbia (the "Superintendent") prior to the listing of the Company's shares on the VSE and, following such listing, to the direction or determination of the VSE held by the following persons:

8907 Investments Ltd. (owned by John J. O'Neill)	187,500
John R. Kerr	187,500
Patrick R. Mooney	187,500
Malcolm Mooney ⁽¹⁾	93,750
Lorraine J. Travers	<u>93,750</u>
	750,000

⁽¹⁾Malcolm Mooney is an experienced geologist who provided key professional services to the Company without remuneration including assisting the Company in selecting properties, designing work programs and attending property sites.

The escrow restrictions provide that these shares may not be traded in, dealt with in any manner whatsoever, or released, nor may the Company, its transfer agent or escrow holders make any transfer or record any trading of these shares without the written consent of the Superintendent or the VSE, as the case may be.

The Escrow Agreement also provides that a portion of the consideration for the issuance of the shares is to encourage the holders thereof to

act in the best interests of the Company, and that if the Company becomes successful due in part to the efforts of the holders of these shares, they will be entitled to maintain their ownership of these shares, and to obtain periodic releases from escrow in accordance with general policies of the Superintendent or VSE. Any shares not so released within 10 years of the Effective Date of this prospectus shall be cancelled.

The escrow shares represent 52.65% of the Common Shares issued and outstanding at the date hereof and will represent 30.93% of the Common Shares to be outstanding on completion of the offering.

POOLED SHARES

As of the date of this Prospectus, none of the Common Shares of the Company are subject to a pooling agreement.

OPTIONS TO PURCHASE SECURITIES

In order to provide key individuals with effective incentives, the Company has granted options to purchase an aggregate of 241,000 Common Shares to directors and officers, all exercisable at a price equal to the price of the Common Shares offered by this prospectus, namely \$0.50 per share.

The options are held as follows:

<u>Position</u>	<u>Number of Optioned Shares</u>
Directors (4) 67,000 x 3 20,000 x 1	221,000
Officer (1) 10,000 x 1	10,000
Employee (1) 10,000 x 1	10,000

The options are evidenced by six option agreements and will become effective upon the issuance by the Superintendent of Brokers for British Columbia of a receipt for this prospectus. The options are exercisable at any time and from time to time within a five-year period ending April 30, 1998.

DILUTION

The purchase price of each Common Share offered hereby exceeds the net tangible book value thereof as at February 28, 1993 by \$0.28 after giving effect to this issue, but before giving effect to the Agent's Warrant and the options granted to directors and officers of the

Company. The dilution of each Common Share offered hereby is determined as follows:

Offering Price	\$0.50
Net tangible book value after giving effect to the Offering	\$0.22
Dilution to subscriber	\$0.28
Percentage of dilution in relation to the offering price	56%

DIVIDEND RECORD AND POLICY

To date the Company has not paid any dividends. It is the policy of the Company to pay dividends at such time as the earnings of the Company and its financial requirements permit, in the opinion of the Board of Directors, the payment of dividends. As the Company is presently in the business of acquiring and exploring mineral properties, it does not anticipate receiving any cash flow from operations in the near future. Accordingly, the Company does not anticipate the payment of dividends on the Common Shares in the near future.

EXECUTIVE COMPENSATION

The Company has one executive officer within the meaning of the *Securities Act* (British Columbia) and the regulations thereunder, namely John R. Kerr. John R. Kerr and John R. Green a director of the Company, will receive, according to contracts made with the Company dated April 30, 1993, \$1,000 and \$500 per month plus expenses respectively in respect of their services of jointly managing the affairs of the Company on a day-to-day basis and seeking out additional properties. Mr. Green will coordinate the Company's financial reporting which will take an estimated 5% to 10% of his working time and Mr. Kerr will perform all of the Company's other administrative functions which will take an estimated 15% of his working time. Compensation will commence on the first of the month following the Effective Date of the Prospectus. John R. Kerr & Associates Ltd. also provides professional geological services at 75% - 80% industry standard rates.

The Company has granted certain incentive stock options to the directors and officers of the Company. See "Options to Purchase Securities".

The Company has not entered into any other employment or management agreements and has made no plans for the future compensation of any of the directors or executive officers of the Company, other than as set out in the Prospectus. Reference should be made to the section titled "Interest of Management and Others In Material Transactions" in this

Prospectus for other arrangements between the Company, the Directors and Officers.

DIRECTORS AND OFFICERS OF THE COMPANY

The name, municipality of residence, positions with the Company and principal occupation of each of the directors and officers of the Company are as follows:

<u>Name and Municipality of Residence</u>	<u>Position with Company</u>	<u>Principal Occupation</u>
John Reynolds Kerr (1) Vancouver, BC	President, Chief Executive Officer, Chief Financial Officer and Director	Self-employed geologist & Professional Engineer; President of John R. Kerr & Assoc. Ltd. since 1972; Vice-President & Director of Eureka Resources Inc. 1984 - present.
Patrick Robert Mooney Westbank, BC	Vice-President Director	Self-employed; President of Northspan Explorations Ltd., drilling contractor, since 1981.
John Joseph O'Neill (1) West Vancouver, BC	Director	Chief Executive Officer of National Caterers Ltd. and associated companies since 1959; Officer and/or Director of reporting company Eureka Resources Inc. and non-reporting companies including National Leaseholds Ltd., Ad P.O.P. Inc. and 8907 Investments Ltd.
John Richard Green (1) Vancouver, BC	Director	Vice-President, Finance & Administration of National Caterers Ltd. since 1981; Secretary Eureka Resources Inc. since 1985
Lorraine Joy Travers West Vancouver, BC	Secretary	past experience as executive assistant to Vice-President Pemberton Securities Ltd. and executive assistant to Chairman of Yorkshire Financial

(1) Member of the Audit Committee

No director, officer or promoter of the Company was a director, officer or promoter of any reporting issuer during the past five years that 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 Company during the past ten years has been the subject of any penalties or sanctions by a court or securities regulatory authority related to the trading in securities, the promotion, formation or management of a publicly traded company or involving theft or fraud.

Certain directors are also directors of other companies engaged in the acquisition, exploration and development of resource properties and certain directors are also principals of engineering and exploration companies hired by the Company. Where such positions pose a potential conflict of interest with their positions as directors of the Company, such conflicts will be dealt with in accordance with the provisions of the *Company Act* (British Columbia).

CAPITALIZATION OF THE COMPANY

<u>Designation of Security</u>	<u>A m o u n t Authorized</u>	Amount Outstanding as at Feb. 28, 1993	Amount Outstanding as of the Prospectus Date	Amount to be Outstanding After Giving Effect to t h i s Offering ⁽¹⁾
C o m m o n Shares	100,000,000	\$176,151 (1,424,601 shares)	\$176,151 (1,424,601 shares)	\$626,151 (2,424,601 shares) ⁽²⁾

(1) Before deducting the expenses of this issue estimated at \$50,000.

(2) This does not include 250,000 shares to be issued upon the exercise of the Agent's Warrants (see "Plan of Distribution") or the 241,000 shares reserved for directors', officers' or employees' options (see "Options to Purchase Securities").

As at February 28, 1993, the Company has a deficit of \$36,865.

PRINCIPAL SHAREHOLDERS

The following table sets forth the shareholders of the Company who, to the knowledge of the Company, own beneficially, directly or indirectly, more than 10% of the issued and outstanding Common Shares of Company:

<u>Name and Address</u>	<u>Type of Ownership</u>	Number of C o m m o n Shares Owned	Percentage of Common Shares Outstanding	Percentage of Common Shares Outstanding
-------------------------	--------------------------	------------------------------------	---	---

				after giving effect to <u>this issue</u>
J o h n R e y n o l d s K e r r 7-1934 B a r c l a y S t r e e t , V a n c o u v e r , B C V 6 G 1 L 3	Direct	227,501	18.24%	10.72%
	Indirect	32,400		
P a t r i c k R o b e r t M o o n e y 2030 S h a n n o n L a k e R o a d , W e s t b a n k , B C V O H 2 A 0	Direct	279,900	19.65%	11.54%
	Indirect	279,900	19.65%	11.54%
J o h n J o s e p h O ' N e i l l 236 O n s l o w P l a c e , W e s t V a n c o u v e r , B C V 7 S 1 K 5	Direct			
	Indirect			

The directors and officers of the Company as a group own 939,650 shares or 65.96% of the total issued shares and upon completion of the offering will hold 38.75% of the shares.

PRELIMINARY EXPENSES

The Company incurred preliminary expenses to February 28, 1993 as follows:

Administrative, travel and other including incorporation	\$ 36,865.00
Investment in mineral properties	<u>138,010.00</u>
	<u>\$174,875.00</u>

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

John R. Kerr & Associates Ltd. of 1003 - 470 Granville Street, Vancouver, B.C. is a British Columbia non-reporting company, wholly owned by John Reynolds Kerr which performs professional services at approximately 75 - 80% industry standard rates and contracts with others to perform most of the exploration services of the Company. The Company has paid to John R. Kerr & Associates Ltd. to May 5, 1993, a total of \$65,206 of which \$8,838 was paid as professional fees for services provided, \$33,373 for re-imbusement of the cost of research and claims acquisition, \$21,848 direct costs related to exploration programs at

PURCHASERS STATUTORY RIGHTS

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* or consult a lawyer.

APPENDIX "A"

Financial Statements of

CANIM LAKE GOLD CORP.

Auditors' Report

Period ended February 28, 1993

Chartered Accountants

777 Dunsmuir Street
P.O. Box 10426, Pacific Centre
Vancouver, B.C., Canada
V7Y 1K3

Telephone: (604) 691-3000
Fax: (604) 691-3031

AUDITORS' REPORT

The Board of Directors
Canim Lake Gold Corp.

We have audited the balance sheet of Canim Lake Gold Corp. as at February 28, 1993 and the statements of operations and deficit and changes in financial position for the period from incorporation on April 13, 1992 to February 28, 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 the financial position of the company as at February 28, 1993 and the results of its operations and the changes in its financial position for the period from incorporation on April 13, 1992 to February 28, 1993 in accordance with generally accepted accounting principles.



Chartered Accountants

Vancouver, Canada

April 19, 1993, except as to
note 8 which is as of
April 30, 1993



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CANIM LAKE GOLD CORP.

Balance Sheet

February 28, 1993

1993

Assets

Current assets:

Cash and short-term investments (note 3)	\$ 9,016
Accounts receivable	605
	<hr/> 9,621

Mineral properties (note 4)	138,010
-----------------------------	---------

\$ 147,631

Liabilities and Shareholders' Equity

Current liabilities:

Accounts payable and accrued liabilities	\$ 8,345
--	----------

Shareholders' equity:

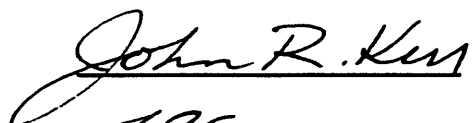

Capital stock (note 5):	
Authorized: 100,000,000 common shares without par value	
Issued: 1,424,601 shares	176,151
Deficit	(36,865)
	<hr/> 139,286

Commitments (note 4)	
Subsequent event (note 8)	

\$ 147,631

See accompanying notes to financial statements.

On behalf of the Board:

	John R. Kerr, Director
	John R. Green, Director

CANIM LAKE GOLD CORP.

Statement of Operations and Deficit

Period from incorporation on April 13, 1992 to February 28, 1993

	1993
Expenses:	
General and administration	\$ 15,260
Professional fees	12,229
Exploration costs	2,076
Travel	7,300
Loss for the period and deficit, end of period	\$ 36,865

Statement of Changes in Financial Position

Period from incorporation on April 13, 1992 to February 28, 1993

	1993
Cash provided by (used for):	
Operations:	
Loss for the period	\$ (36,865)
Changes in non-cash operating working capital:	
Accounts receivable	(605)
Accounts payable	8,345
	(29,125)
Financing activities:	
Issue of common shares for cash	176,151
Investing activities:	
Mineral properties	(138,010)
Increase in cash	9,016
Cash and short term investments, beginning of period	-
Cash and short term investments, end of period	\$ 9,016

See accompanying notes to financial statements.

CANIM LAKE GOLD CORP.

Notes to Financial Statements

Period from incorporation on April 13, 1992 to February 28, 1993

1. Nature of operations:

The Company was incorporated on April 13, 1992 under the Company Act of British Columbia.

The Company is in the process of exploring its mineral properties and has not yet determined whether these properties contain mineral reserves that are economically recoverable. The recoverability of amounts shown for mineral properties is dependent upon the discovery of economically recoverable reserves, confirmation of the Company's interest in the underlying mineral claims, the ability of the Company to obtain the necessary financing to complete the development, and future profitable production or proceeds from the disposition thereof.

2. Summary of significant accounting policies:

(a) Mineral properties:

Mineral properties are carried at cost and are comprised of mineral claims and related exploration and development expenditures. The cost of mineral properties will either be amortized by charges against income from future mining operations or written off if the properties are not put into production. The amounts shown for mineral properties represent costs to date and are not intended to reflect present or future values.

(b) Loss per share:

Loss per share figures have not been presented herein since they are not considered meaningful at this stage of the Company's development.

3. Cash and short-term investments:

Included in cash and short-term investments is a term deposit of \$1,000 pledged as security to the Chief Inspector of Mines of the Province of British Columbia pursuant to the Mining Regulations Act (B.C.).

CANIM LAKE GOLD CORP.

Notes to Financial Statements, page 2

Period from incorporation on April 13, 1992 to February 28, 1993

4. Mineral properties:

	Lemon Lake	Bud	Black	Hazel	Tea	Total
Exploration:						
Professional fees	\$ 3,150	\$ 3,325	\$ 175	\$ 700	\$ 875	\$ 8,225
Labour	9,826	9,330	740	3,745	3,700	27,341
Drilling	17,890	15,167	-	4,804	-	37,861
Assays	3,920	3,241	327	1,734	1,461	10,683
Travel	3,183	3,502	413	2,285	1,570	10,953
Supplies	951	1,281	25	313	304	2,874
Fees	1,880	2,100	200	990	700	5,870
Total expenditures	40,800	37,946	1,880	14,571	8,610	103,807
Acquisition	2,655	6,495	2,718	9,726	12,609	34,203
	\$ 43,455	\$ 44,441	\$ 4,598	\$ 24,297	\$ 21,219	\$ 138,010

The acquisition agreement for the Bud Project requires additional payments to the vendor and work programs as follows:

	Additional payments	Work programs
April 1, 1993	\$ -	\$ 20,000 (completed)
October 1, 1993	5,000	-
April 1, 1994	25,000	30,000
April 1, 1995	40,000	50,000
April 1, 1996	60,000	100,000
April 1, 1997	80,000	100,000
	\$ 210,000	\$ 300,000

The Company has the option of paying up to one-half of any required cash payment with the equivalent value of the common shares of the Company, subject to the shares being listed on a stock exchange. The properties are subject to a 2.5% net smelter return to the vendor, which may be purchased by the Company for a total of \$2,000,000.

CANIM LAKE GOLD CORP.

Notes to Financial Statements, page 3

Period from incorporation on April 13, 1992 to February 28, 1993

5. Capital stock:

(a) Authorized: 100,000,000 common shares without par value

(b) Issued:

	Shares	Amount
Original subscriber share	1	\$ 1
For cash at \$0.01 per share	750,000	7,500
For cash at \$0.25 per share	674,600	168,650
	1,424,601	\$ 176,151

(c) Flow-through shares:

During the period the Company issued 333,200 common shares designated as flow-through shares whereby the tax benefits associated with resource expenditures of \$83,300 were transferred to the holder of these shares.

(d) Escrow shares:

At February 28, 1993 750,000 common shares are held in escrow, their release being subject to regulatory approval. Any shares not released within ten years of the effective date of the public offering referred to in note 8 will be cancelled.

(e) Options:

The Company has granted to officers and directors options to purchase 241,000 common shares at \$0.50 per share until five years after the common shares of the Company are listed on the Vancouver Stock Exchange ("VSE").

6. Related party transactions:

Related parties consist of companies controlled by significant shareholders of the Company and include John R. Kerr & Associates Ltd., 8907 Investments Ltd., Northspan Explorations Ltd. and National Caterers (1989) Ltd.

Administrative, acquisition and exploration costs purchased from or performed by related parties for the period ending February 28, 1993 amounted to \$107,672. Included in this total is \$65,206 related to reimbursement of acquisition and exploration costs incurred by the President on behalf of the Company, where the claims had been held in trust on behalf of the Company and subsequently transferred to the Company.

Accounts payable to related parties at February 28, 1993 were \$8,345.

CANIM LAKE GOLD CORP.

Notes to Financial Statements, page 4

Period from incorporation on April 13, 1992 to February 28, 1993

7. Income taxes:

As a result of issuing flow-through shares the book value of investment in mineral properties exceeds its tax value by \$83,300.

8. Subsequent event:

Subsequent to February 28, 1993 the Company entered into an agency agreement to offer to the public 1,000,000 common shares to raise \$450,000, before costs of the offering which are estimated to be \$50,000. Under the agency agreement the agent is issued warrants to purchase 250,000 common shares at \$0.50 per share up to one year after the common shares of the Company are listed on the VSE.

CANIM LAKE GOLD CORPORATION

QUESNEL TROUGH PROJECT

Cariboo Mining Division B.C.

REVIEW OF GEOLOGY AND MINERAL EXPLORATION
ON THE LEMON LAKE AND BUD PROPERTIES
March, 1993



**QUESNEL TROUGH PROJECT:
REVIEW OF GEOLOGY AND MINERAL EXPLORATION
ON THE LEMON LAKE AND BUD PROPERTIES**

Horsefly and Morehead Lakes Area,
Cariboo Mining Division, British Columbia
N.T.S. Map Areas 93A/6W and 93A/12W

for

CANIM LAKE GOLD CORPORATION
#1003 - 470 Granville St.
Vancouver, B.C.
V6C 1V5

by

K.V. Campbell, Ph.D., P.Geo.

March 20, 1993

SUMMARY

In 1992 CANIM LAKE GOLD CORP. undertook a regional exploration program in the Quesnel Trough of central British Columbia for buried copper and gold porphyry deposits using very direct exploration techniques of geochemical sampling and follow-up percussion drilling. Some five properties were evaluated in the project. Two of these properties, Lemon Lake and Bud, are the subject of this review and qualification report.

The Lemon Lake and Bud properties are both located in the central volcanic axis of the Quesnel Trough or Belt, composed of Upper Triassic to Lower Jurassic alkalic volcanics, volcanoclastics and sedimentary rocks intruded by comagmatic, alkalic stocks. It is these alkalic intrusives that host or are directly related to the copper and gold porphyry deposits of the Belt such as the nearby Mt. Polley and QR deposits. The deposits at Mt. Milligan and those associated with the Kamloops porphyry copper camp are other examples of the same type.

The work done on the Lemon Lake and Bud properties, both of which are largely covered with overburden, significantly advanced the geological knowledge and potential of the alkalic intrusives on both properties to host copper mineralization. Drill intersected mineralization on the Lemon Lake property has the characteristics of copper and gold deposits in the Belt.

A zone of copper and gold mineralization underlies the northeast portion of the Melon-1 claim. Prospect percussion drilling here intersected 10 to over 20m of alkalic intrusive with elevated copper values (0.10 to 0.40 wt% Cu) with associated gold values to 960ppb Au (nearly 1 gm/tonne or 0.028 oz/t). The copper mineralization is attended by pervasive alterations, represented by a variety of assemblages made up of K-feldspar, chlorite, epidote, silica, sericite and clays. The areal extent of the alteration, based on the reconnaissance drilling, is on the order of 1km x 450m.

On the Bud property geochemical soil sampling and follow-up prospecting drilling was successful in locating a zone of copper mineralization in volcanic rocks adjacent to the contact with an alkalic stock. The stock is much larger than previously recognized, is variously chlorite and epidote altered and carries copper values of 200 to 676ppm Cu, many times greater than the background value.

A staged program of ground surveys and drilling is recommended for both properties at a total estimated cost of \$278,000.

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(not included in this volume)

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Appendix II	Lemon Lake Property; Drill Logs
Appendix III	Lemon Lake Property; Drill Plan and Sections
Appendix IV	Bud Property; Copper Soil Geochemistry, July, 1992
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Appendix VI	Bud Property; Drill Logs
Appendix VII	Bud Property; Drill Plan and Sections

1 INTRODUCTION

CANIM LAKE GOLD CORP. was incorporated in 1992 for the purpose of exploring for buried porphyry copper and gold deposits in the Quesnel Trough of central British Columbia. During that year it acquired five mineral properties in the Cariboo Mining Division of B.C. and performed exploration work. Two of these properties, Lemon Lake and Bud, are the subject of this report.

At the request of Mr. John R. Kerr, President of **CANIM LAKE GOLD CORP.**, K.V. Campbell & Associates Ltd. undertook a review of the geological setting, history of mineral exploration and recent work performed on the Lemon Lake and Bud mineral properties. In preparing this report the author made a site visit of the two properties on October 1 and 2, 1992, reviewed references, descriptions of previous work programs on the claims and examined the results of the 1992 work program. The findings of the 1992 work summarized herein are based on data and maps prepared by **CANIM LAKE GOLD CORP.**

1.1 Location, Access and Topography

Both mineral properties are located in the Cariboo Mining Division of central British Columbia, Figure 1.

1.1.1 Lemon Lake Property

The Lemon Lake property is centered approximately at 52° 20' North latitude and 121° 16' West longitude and situated within National Topographic Series map sheets 93A/6, about 9km east of the village of Horsefly, B.C. Access is by paved highway from 150 Mile House and then 13km of secondary gravel road from Horsefly.

The area lies on the eastern flank of the Fraser Plateau, a subdivision of the Interior Plateau; flat and rolling country underlain in large part by flat-lying Tertiary basalt flows and covered with glacial drift. Elevation on the property ranges from about 850 to 900m. Vegetation consists of spruce, fir, pine, birch and poplar. Many of the low-lying areas have swamps and organic soils. The western portion of the property has been cleared as a hay field.

1.1.2 Bud Property

The Bud property is centered approximately at 52° 35' North latitude and 121° 46' West longitude and situated within

National Topographic Series map sheet 93A/12, about 65km north-northeast of Williams Lake, B.C. Access is by paved highway 64km from 150 Mile House on the Likely road, which crosses the Bud #1 and #3 claims. Additional access is provided to most of the property by gravel logging roads.

This area also lies on the eastern flank of the Fraser Plateau, but is it somewhat more hilly than the Lemon Lake property. Elevations range from about 900 to 1,200m. The secondary forest cover includes spruce, balsam, cedar and fir. There are several logging clear cuts.

1.2 Claim Ownership and Status

All claims are located in the Cariboo Mining Division of British Columbia and are shown on B.C. Ministry of Energy, Mines and Petroleum Resources claim maps for NTS sheets 93A/6 and 93A/12. Claims of the Lemon Lake property are shown in Figure 2 and those of the Bud property in Figure 3. Table 1 summarizes the claim particulars. During the field visit in October, 1992 I examined the LCP's and CP's of the claims and I am satisfied the claims are as represented on Figures 2 and 3. The position of the claims making up both properties are somewhat different than shown on the Ministry claim maps, however, **CANIM LAKE GOLD CORP.** has notified the Ministry of these discrepancies.

Table 1. Summary of claim particulars

<u>Claim Name</u>	<u>Tenure Number</u>	<u>Expiry Date</u>	<u>Units</u>
Lemon Lake Property			
Melon-1	307830	February 25, 1996	18
Melon-2	307831	February 26, 1995	12
Melon-3	307832	February 26, 1995	4
Melon 4	313847	October 7, 1995	18
Melon 5	313848	October 8, 1995	<u>18</u>
			70
Bud Property			
Bud #1	206952	May 28, 1995	8
Bud #2	206953	May 29, 1995	8
Bud #3	206954	May 27, 1995	20
Bud #4	206955	May 28, 1995	20
Bud #9	206980	June 1, 1994	20
More 1	314435	October 30, 1994	<u>20</u>
			96

CANIM LAKE GOLD CORPORATION

QUESNEL TROUGH PROJECT

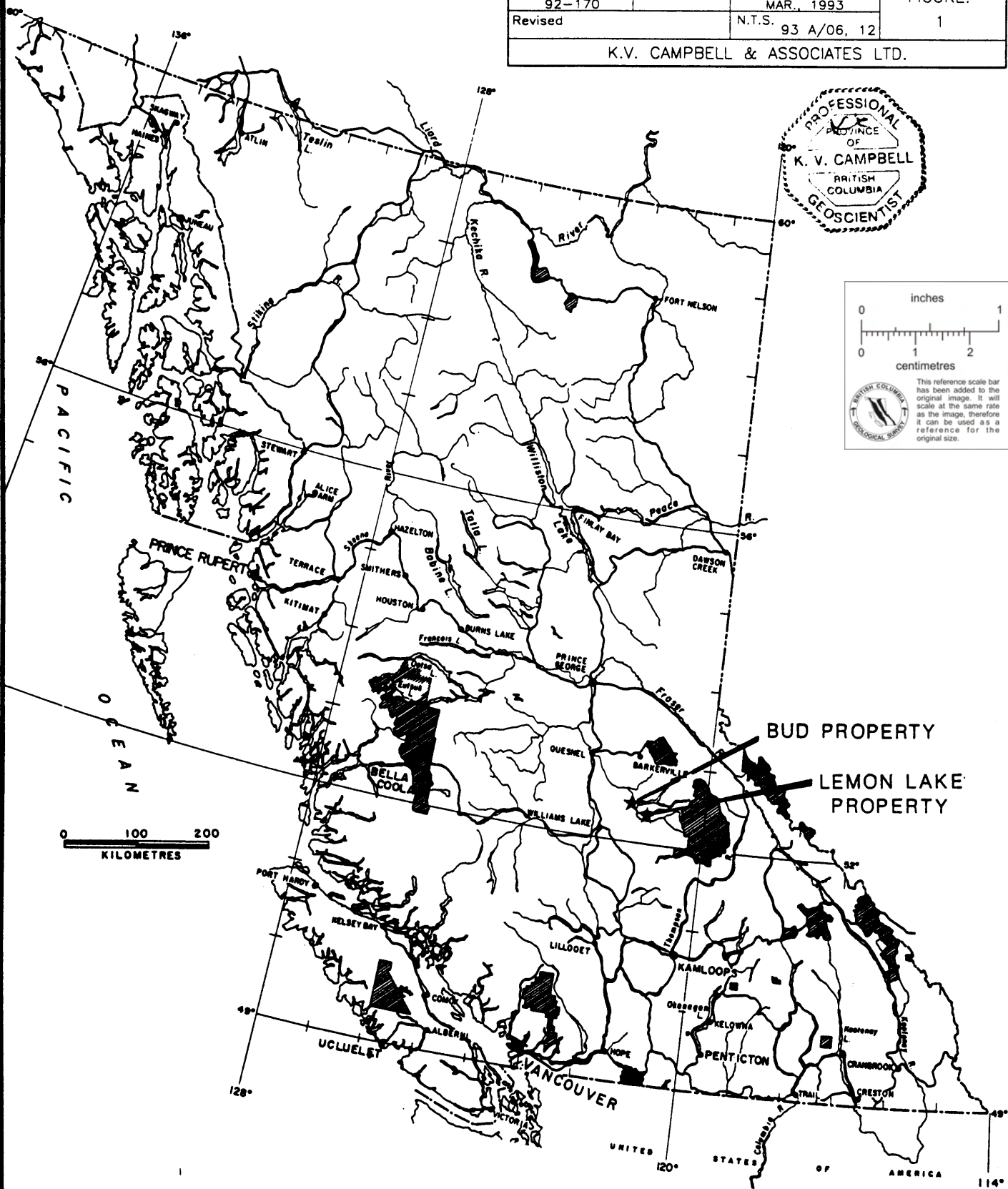
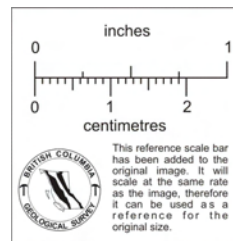
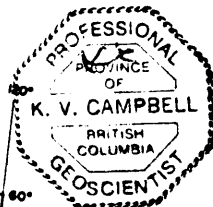
CARIBOO MINING DIVISION, B.C.

BUD and LEMON LAKE PROPERTY

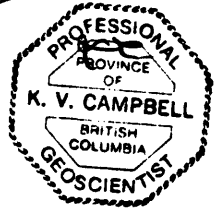
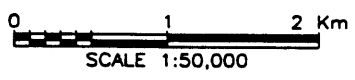
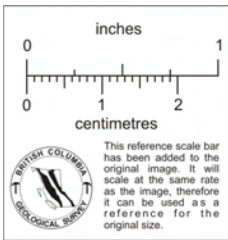
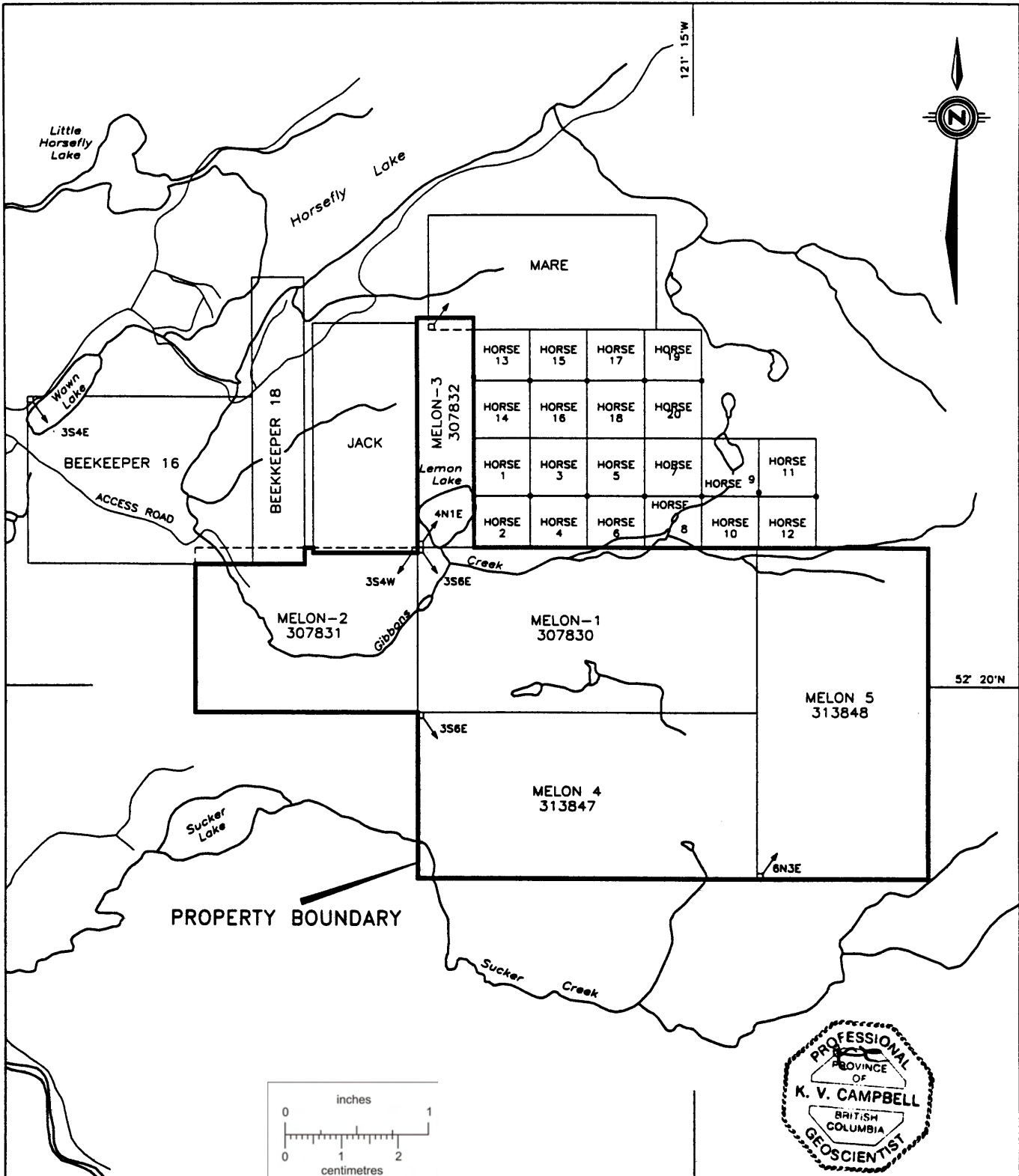
LOCATION MAP

PROJECT 92-170	DRAWN	DATE MAR., 1993	FIGURE: 1
Revised	N.T.S. 93 A/06, 12		

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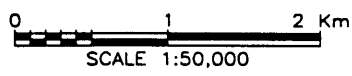
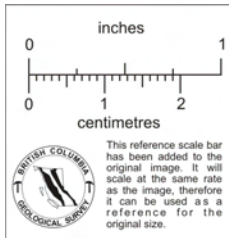
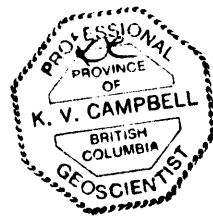
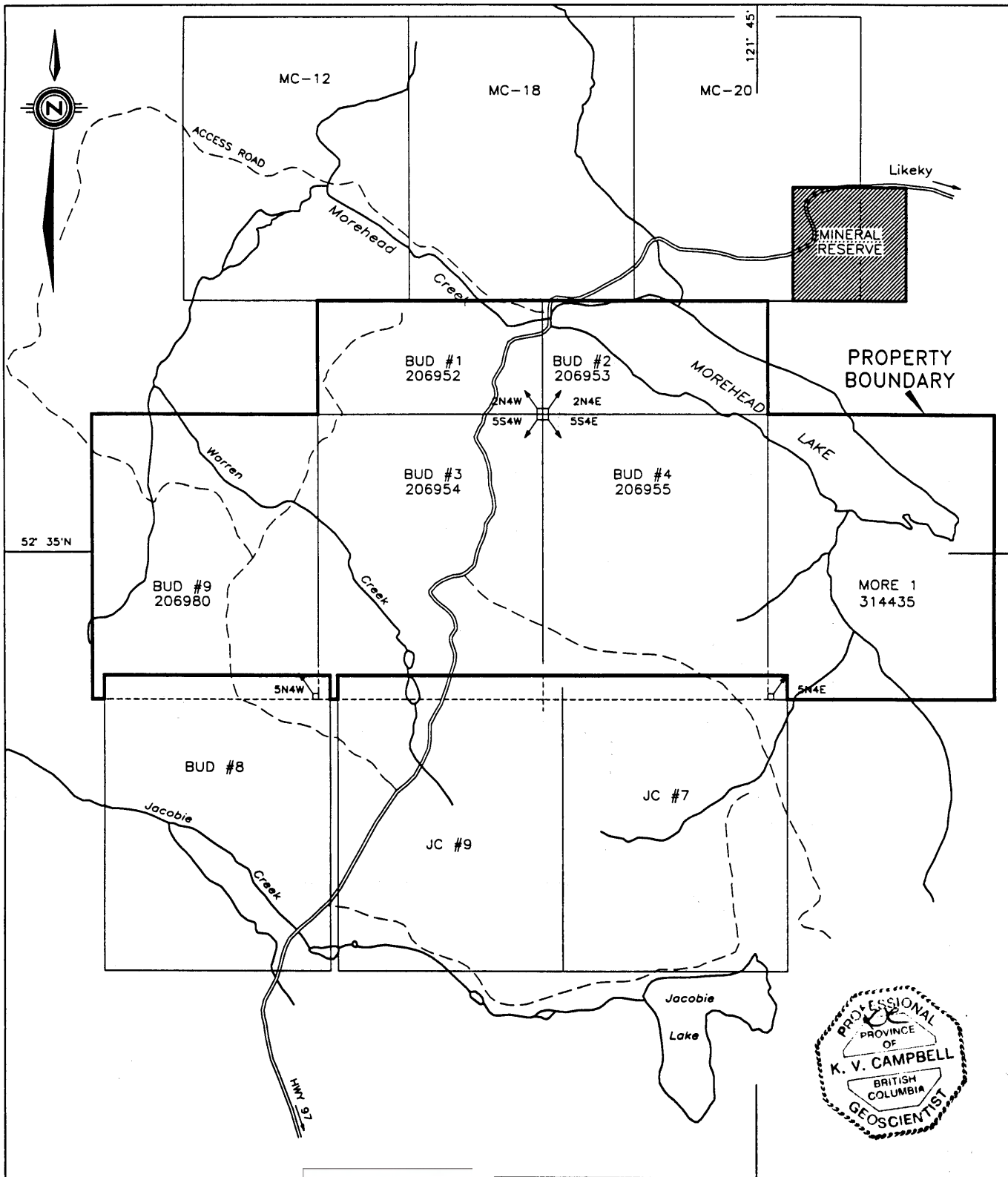


BUD PROPERTY
LEMON LAKE PROPERTY



CANIM LAKE GOLD CORPORATION			
QUESNEL TROUGH PROJECT CARIBOO MINING DIVISION, B.C.			
LEMON LAKE PROPERTY			
CLAIM PLAN			
PROJECT 92-170	DRAWN rwr	DATE MAR., 1993	FIGURE: 2
Revised		N.T.S. 93 A/06	
K.V. CAMPBELL & ASSOCIATES LTD.			

FROM B.C. MINERALS TITLES MAP 093A06E.W DATED JAN., 19, 1993
 DETAIL OF MELON 3, HORSE CLAIMS BASED ON FIELD POSITION OF
 THEIR CLAIM POSTS.



CANIM LAKE GOLD CORPORATION			
QUESNEL TROUGH PROJECT			
CARIBOO MINING DIVISION, B.C.			
BUD PROPERTY			
CLAIM PLAN			
PROJECT 92-170	DRAWN rwr	DATE MAR., 1993	FIGURE: 3
Revised		N.T.S. 93 A/12	
K.V. CAMPBELL & ASSOCIATES LTD.			

CANIM LAKE GOLD CORP. is the recorded current owner, as of March 9, 1993, of all the claims in both properties. The Bud claims are subject to an option agreement, currently in good standing, with Mr. Steve Todoruk.

1.3 Previous work

1.3.1 Lemon Lake Property

There is scant information of previous work on the Melon claims. Historical porphyry copper exploration efforts focused on the Lem intrusive body, also known as the Lemon Lake Stock, mapped just north of the Melon-1 claim. This is the Pine occurrence, Minfile 093A-002. It has also been referred to as the Fly, GI and Lem occurrence.

In the early 1970's Hudson's Bay Oil and Gas Co. Ltd. held the Fly claims, which extended onto the northern part of what is now the Melon claims. They completed geochemical soil surveys, ground magnetics, IP surveys, trenching, road building and percussion drilling of 11, 200ft deep holes (Hegge, 1974 and Olson, 1974). The results of the geochemical and IP surveys are not available. Drill samples were analyzed for molybdenum, copper, lead, zinc and silver but not for gold. Drill logs (Hegge, 1974) indicate that variously K-feldspar altered and propylitized monzonitic to dioritic rocks were encountered. The best intersection was 130ft of K-feldspar altered biotite monzonite with disseminations and fracture fillings of chalcopyrite which averaged 1,788ppm Cu (about 0.18 wt.%). Ground magnetics outlined the Lemon Lake Stock and two prominent east-west structures at the south end of Lemon Lake and extending east from the middle part of the same lake (Olson, 1974).

Orbex Industries Inc. explored the same area as the Fly claims in the mid to late 1980's when it was known as the Gibbons Creek property and made up of the Lem claims. Geochemical soil sampling and 1,100m of diamond drilling in 7 holes was undertaken (Payne, 1987a and 1987b). The soil samples were analyzed for gold in addition to 30 elements by ICP. The core samples were analyzed for gold only and none returned with significant gold assay values. The Northern Miner for April, 1984 reported (in B.C. Minfile) on trenching results; 0.25 % Cu over 21.3m, gold not assayed Presumably, this trenching was part of the Orbex work program.

It does not appear that the area now covered by the Melon claims has received geochemical, geophysical or drill

exploration, with the exception of Melon-3 and the northernmost portion of Melon-1.

1.3.2 Bud Property

In contrast to the Lemon Lake property the Bud property has borne the brunt of several exploration programs. The first record of work appears in assessment reports beginning in 1966 and describes copper porphyry exploration programs in areas now covered by the property. Companies active at that time included Chataway Explorations, Milestone Mining and Development Ltd., New Jersey Zinc Exploration Co., Mollusca Oils Limited and Burdos Mines. Ltd. Much of the early work consisted of reconnaissance style geochemical surveys using either the rubianic acid field determination or atomic absorption methods. Line spacings of 400ft (122m) with 200ft (61m) sample intervals were common. Anomalous copper values were reported in several areas and more work was generally recommended.

In the mid-1960's low-grade disseminated chalcopyrite and native copper was found in basic volcanic flows and monzonite intrusive rocks on the Milestone Mining and Development Ltd. claims south of Morehead Lake. This is now known as the ML occurrence, Minfile No. 093A-118. Between 1966 and 1968, Milestone Mines Ltd. conducted geochemical sampling, EM and IP surveys and 20,000ft of stripping around this occurrence.

The next period of intense exploration started in 1981 with the release of B.C. government stream sediment data. Companies active in the area of the Bud claims included E & B Explorations Inc., Gibraltar Mines Ltd., Asamera Inc., Prophecy Developments Ltd., Grand Canyon Resources Inc., Rockridge Mining Corporation, Teck Explorations Limited, Georgia Strait Resources Ltd, Golden Lake Explorations and Triumph Resources Corporation (Montgomery et al, 1991).

Geophysical surveys were performed over large areas and all of the Bud claims are believed to have been over-flown for total field magnetics and electro-magnetic conductors. Unfortunately, there is no compilation of this work.

In 1990 the Bud claims were restaked and held in 1991 by S. Todoruk of Sechelt, B.C. These claims included not only the Bud claims now held by **CANIM LAKE GOLD CORP.**, but also the Bud and JC claims to the south and east. In a report for Pamicon Developments Ltd. Montgomery et al (1991) describe the work program undertaken in that year. This consisted of geologic mapping, prospecting, rock chip and soil sampling. The work pertaining to the Bud property of **CANIM LAKE GOLD**

CORP. included a small grid, 150 x 350m, in the southeast corner of Bud 9, mapping, soil and rock chip sampling. The work confirmed the presence of copper mineralization; disseminated and fracture controlled chalcocite with malachite in basalt and as malachite along fractures in altered limestone.

A great deal of exploration effort has been expended on the claims but most of this has been surface sampling or geophysical methods of indefinite benefit. What has been lacking is an exploration model and an appropriate technique to test it.

2 GEOLOGY

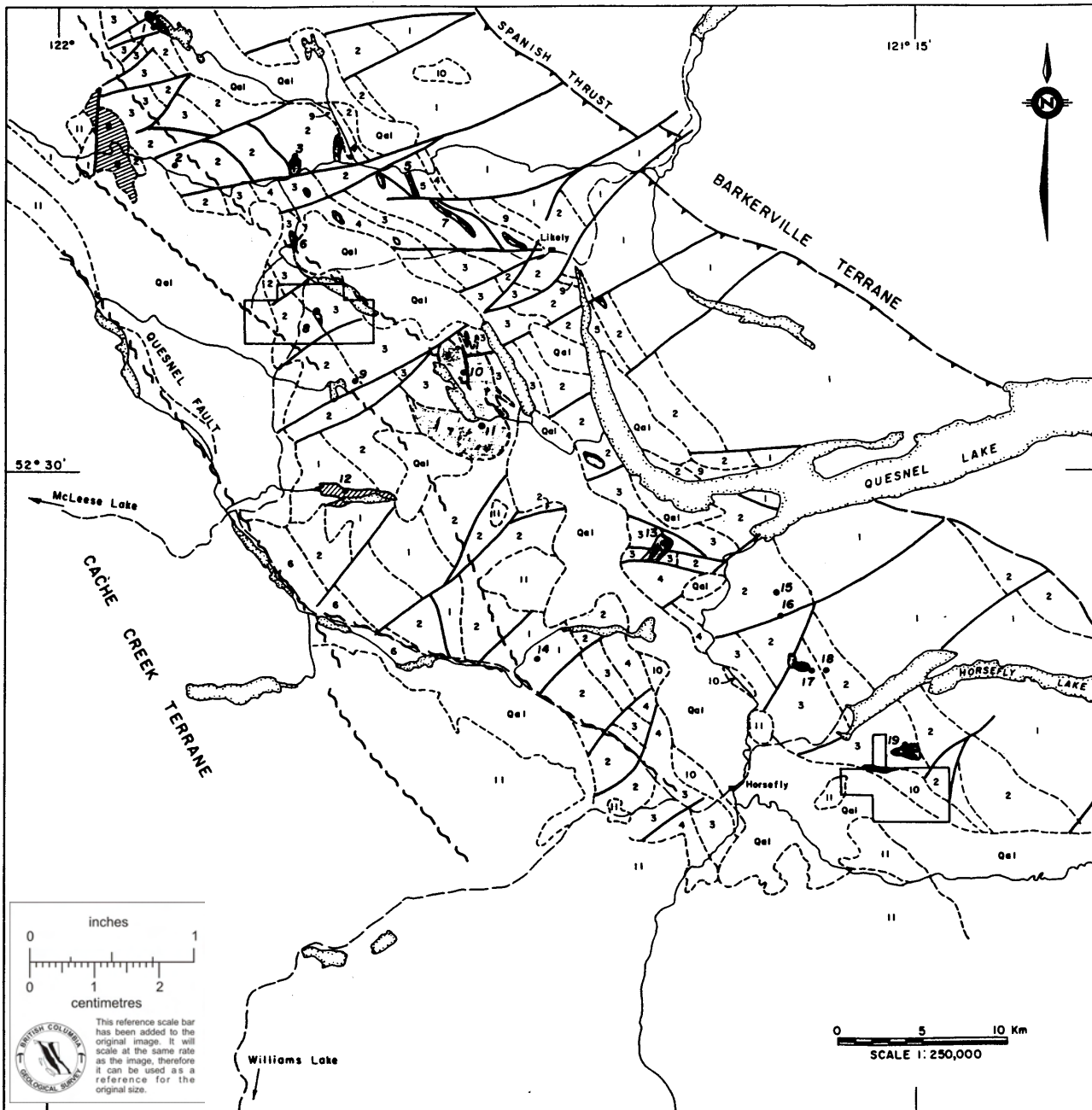
2.1 Regional Geology

The Lemon Lake and Bud properties are located within the central part of the Quesnel Terrane, or Quesnellia, also referred to as the Quesnel Trough or central Quesnel Belt. Together with the Cache Creek and Stikine terranes, this tectonostratigraphic province makes up the Intermontane Belt in central British Columbia, west of the Barkerville and Cariboo terranes of the Omineca Belt (Figure 4).

The Quesnel Terrane is a northwest trending belt of Mesozoic volcanic and sedimentary rocks of island arc affinity, equivalent to the Takla Group to the north and the Nicola Group to the south. The central Quesnel Belt in this region is composed of alkalic volcanics, volcanoclastics and sedimentary rocks intruded by comagmatic stocks and dike complexes (R.B. Campbell, 1978).

The basal unit of the belt or trough (Unit 1, Figure 4) is an Upper Triassic dark gray to black pelite, located along the margins of the trough. Possibly it represents a basinal, back-arc facies.

Above the pelite unit lie a succession of augite porphyry breccias and flows with subordinate interbedded clastics (Unit 2, Figure 4). These are in turn overlain by volcanic breccias, crystal and crystal-lithic tuff and volcanically derived sandstone and siltstone (Unit 3, Figure 4) of Lower Jurassic age. Several volcanic centers emerged in the Lower Jurassic. These are recognized by subaerial volcanic flows and composite lenses of sandstone, grit and conglomerate (Saleken and Simpson, 1984). Some of the conglomerates are considered to mark a series of northwest trending grabens along the volcanic axis of the belt.



LEGEND

Sedimentary and Volcanic Rocks Intrusive Rocks

PLEISTOCENE - RECENT
Qal glacial and alluvial deposits

TERTIARY

Miocene
11 olivine basalt

Eocene
10 trachyandesite, tuff breccia, sandstone, mudstone

CRETACEOUS

9 conglomerate, sandstone, mudstone

6 conglomerate, shale, siltstone

5 siltstone, sandstone

4 olivine basalt breccia and flows

3 siltstone, sandstone, crystal tuff, tuff breccia, volcanic breccia

JURASSIC

2 sandstone, siltstone, basalt breccia and flows

1 sandstone, siltstone and shale, phyllitic towards the east.

TRIASSIC

2 sandstone, siltstone, basalt breccia and flows

1 sandstone, siltstone and shale, phyllitic towards the east.

— Fault
 — Thrust

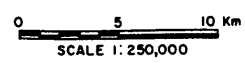
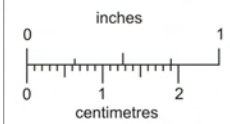
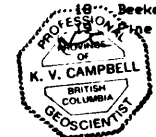
11 granodiorite, monzonite

7 syenite, gabbro, diorite

(Geology from Bailey, 1990; BCMEPR Open File 1990-31)

Mineral Occurrences (●)

- | | |
|-----------------------------------|-----------------|
| 1 Maud | 11 Bayshore |
| 2 Slide | 12 Wet, FS |
| 3 QR | 13 Shiko (Shik) |
| 4 ? (called Maud by Bailey, 1990) | 14 Daphne |
| 5 Bullion Lode | 15 Hook |
| 6 Morehead | 16 BM |
| 7 Likely Magnetite | 17 Kun |
| 8 ML | 18 Beekeeper |
| 9 B | 19 Pine |
| 10 Cariboo-Bell (Mt. Polley) | |



CANIM LAKE GOLD CORPORATION
QUESNEL TROUGH PROJECT
 CARIBOO MINING DIVISION, B.C.

GEOLOGY & MINERAL OCCURRENCES
OF CENTRAL QUESNEL BELT

PROJECT 92-170	DRAWN rwr	DATE MAR, 1993	FIGURE: 4
Revised		N.T.S.	

K.V. CAMPBELL & ASSOCIATES LTD.

Closely associated with the volcanic centers are Lower Jurassic subvolcanic intrusives (Unit 7, Figure 4). These are divided by Bailey (1990) into three subunits: pyroxene-bearing diorite, monzonite and syenite; megacrystic syenite; and fine grained syenite, monzonite and diorite. It is these rocks that commonly host the porphyry copper (+/- gold) deposits of the region.

Above Unit 3, which is dominated by volcaniclastics, lie subaerial maroon analcite and olivine-bearing basalt (Unit 4, Figure 4), representing the last volcanic event related to the Triassic - Jurassic arc of the belt.

Post-volcanic basin Jurassic rocks include epiclastic siltstone and sandstone (Unit 5, Figure 4) and gray and maroon polyolithic conglomerate (Unit 6, Figure 4). The conglomerate of Unit 6 unconformably overlies both the Cache Creek Group rocks to the west and Quesnellia; therefore it postdates the cessation of subduction under Quesnellia. Its Bajocian age (Late Early to early Late Jurassic) represents the youngest possible age of alkalic volcanism and alkalic porphyry ore deposition in the belt (Bailey, 1990).

Upper Jurassic or Cretaceous polyolithic conglomerate, mudstone and sandstone (Unit 9, Figure 4) occurs along the eastern part of the belt. Bailey (1990) considers it to represent an ancestral 'Quesnel River' formed after uplift of the Omineca and Cache Creek terranes.

Granodiorite, quartz monzonite and granite intrusive activity occurred in the Cretaceous (Unit 8, Figure 4).

Tertiary units include intermediate to felsic volcanics and sedimentary rocks of Eocene age (Unit 10, Figure 4) and subhorizontal alkali plateau basalt of Miocene age (Unit 11, Figure 4).

At least three periods of faulting have occurred in the region. The earliest faults are those that formed during accretion of Quesnellia with North America, such as the Spanish and Eureka thrusts along the eastern margin of the belt. Similar but smaller thrusts have been recognized within the belt, all with the same eastward vergence (Bailey, 1990). Northeasterly striking faults are interpreted from outcrop distribution and aeromagnetic patterns. These are believed to be high-angle extensional faults, postdating the thrusting and accretion process and of probable Cretaceous to Early Tertiary age. The third set of faults present are major strike-slip faults. The Quesnel Fault, shown in Figure 4, is considered to be a splay of the Pinchi Fault zone to the northwest.

2.2 Mineral Deposits of Central Quesnel Belt

Selected mineral deposits and occurrences are shown in Figure 4, drawn from B.C. Ministry of Energy, Mines and Petroleum Resources Mineral Inventory Map 93A. Included are occurrences related to alkalic felsic stocks and quartz-bearing calc-alkalic stocks.

Exploration for lode gold and copper-gold deposits has concentrated on intrusion-related alteration zones within and peripheral to the Early Jurassic alkalic intrusions. Exploration targets are auriferous porphyry copper mineralization such as the Mt. Polley deposit, formerly known as the Cariboo-Bell, and gold in propylite alteration zones in basalts such as the QR deposit.

2.2.1 Mt. Polley Deposit

The largest deposit in the area is the Mt. Polley, 10km southeast of the Bud property. Imperial Metals Corporation (Gorc et al, 1992) have estimated geological reserves at 48.8 million tonnes grading 0.383 % copper and 0.556 gram per tonne gold in the proposed open pit.

The Mt. Polley deposit lies within a diorite intrusive complex between Bootjack and Polley Lakes. It is hosted largely by intrusion and hydrothermal breccias and related intrusive phases. The breccias and mineralization are cut by post-mineral intrusions, the most prominent being a swarm of augite porphyry dikes. Veinlet copper-gold mineralization is concentrated within the breccias and the associated alteration zone.

Two distinct alteration suites are defined (Fraser et al, 1993); a copper-gold bearing calc-potassic alteration zone that is centered on intrusive and hydrothermal breccias and a peripheral propylitic zone with low levels of copper and gold. The calc-potassic alteration is dominated by chalcopyrite, pervasive potassium feldspar, biotite, diopside, albite and magnetite. The propylitic alteration is made up of pyrite, epidote and albite. It is believed that the emplacement of the monzonite, formation of the intrusion breccia and alteration represent a continuum of orthomagmatic processes.

2.2.2 QR Deposit

The QR deposit lies on the north side of the Quesnel River,

10km north of the Bud property. It has a mineral inventory variously reported to be 1.1 million tonnes grading 0.2 oz Au/ton (Fox et al, 1986), 990,000 tonnes grading 7.29 grams per tonne gold (P.E. Fox in Melling and Watkinson, 1988) and 1.3 million tons grading 0.17 oz Au/ton (The Northern Miner, March 11, 1991).

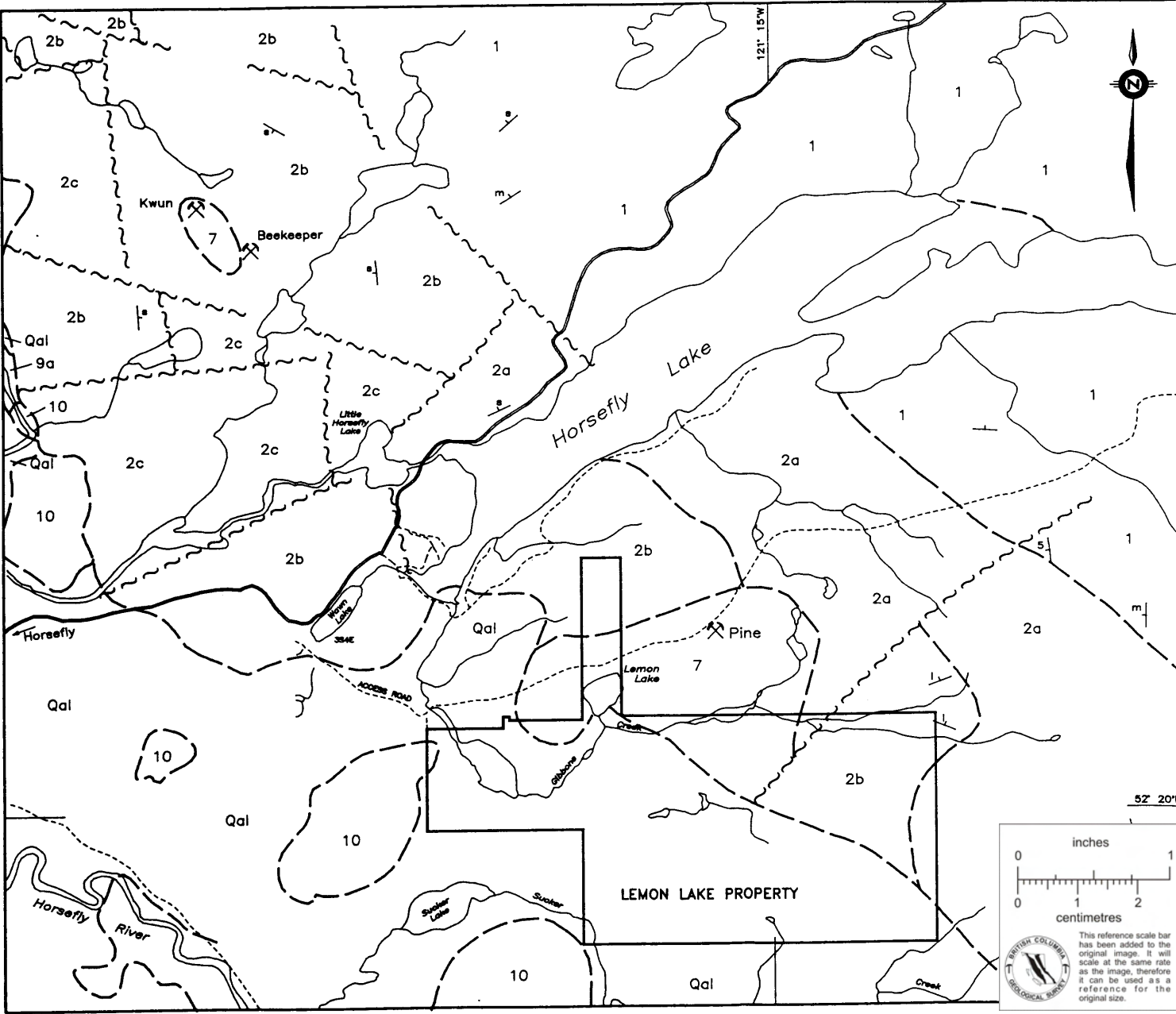
The country rocks at the QR deposit are Takla Group equivalents; fragmental basaltic rocks and fine grained sedimentary rocks. These have been intruded by the alkalic QR stock. Gold concentrations occur in an alteration halo of variable intensity which extends up to 300m into the fragmental basaltic rocks north of the QR stock (Melling and Watkinson, 1988). Four distinct types of alteration are present; weakly carbonatized, strongly carbonatized, weakly propylitized and strongly propylitized. Gold mineralization is restricted to the propylitically altered rocks and is closely associated with sulphides where it occurs as fracture infillings and inclusions in pyrite and chalcopyrite, attached to pyrite and chalcopyrite grain boundaries, and isolated grains in the silicate and carbonate gangue.

3 LEMON LAKE PROPERTY

3.1 Geology

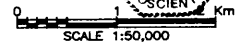
Figure 5 shows a representation of the geology, from Panteleyev and Hancock (1989). The Melon claims are situated in the central volcanic axis of the Quesnel Belt, lying on the south margin of the Early Jurassic Lemon Lake alkalic intrusive. The claims are almost entirely covered with glacial drift and recent alluvium. Panteleyev and Hancock's Unit 2b, Triassic dark green, maroon and gray pyroxene-phyric basalt breccia, lithic lapilli and ash tuff and mafic wack is mapped by Bailey (1990) as his Unit 3a; Lower Jurassic maroon and gray polyolithic volcanic breccia characterized by the presence of felsic clasts. Bailey shows this same unit surrounding the Mt. Polley stock.

Figure 6 shows a portion of the aeromagnetic map covering the Lemon Lake property (GSC Map 5239G, 1968). The Lemon Lake stock is manifested by an elliptical positive anomaly of about 2,000 gammas (nT) centered about 1½km east of Lemon Lake. On its southwest side it is bounded by a prominent northwest trending magnetic discontinuity, interpreted to be a fault zone. A similar structure trends north-northwest along the northeast shoulder of the anomaly. The location

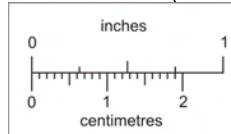


LEGEND

- PLEISTOCENE - RECENT
- Qal glacial and alluvial deposits
- TERTIARY
- Miocene
- 10 plateau olivine basalt
- Eocene
- 9a lacustrine sandstone, siltstone, minor conglomerate
- EARLY JURASSIC
- 7 syenite, gabbro, diorite
- TRIASSIC
- 2c polyolithic gray-green and purple mafic breccia, debris flows or lahar, minor volcanic source conglomerate
 - 2b dark green, maroon & gray pyroxene-phyric basalt breccia, lithic lapilli & ash tuff, mafic wacke
 - 2a green & dark gray pyroxene-phyric alkali olivine basalt and alkali basalt flows, pillow lavas and breccia
 - 1 gray to dark brown siltstone and sandstone, thin chert beds and limestone lenses
- ~ Fault
- m | Bedding attitude; s - steep, m - moderate, l - shallow
- X Mineral prospect
- (Geology from Panteleyev and Hancock, 1989)



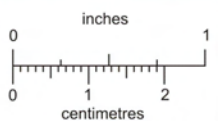
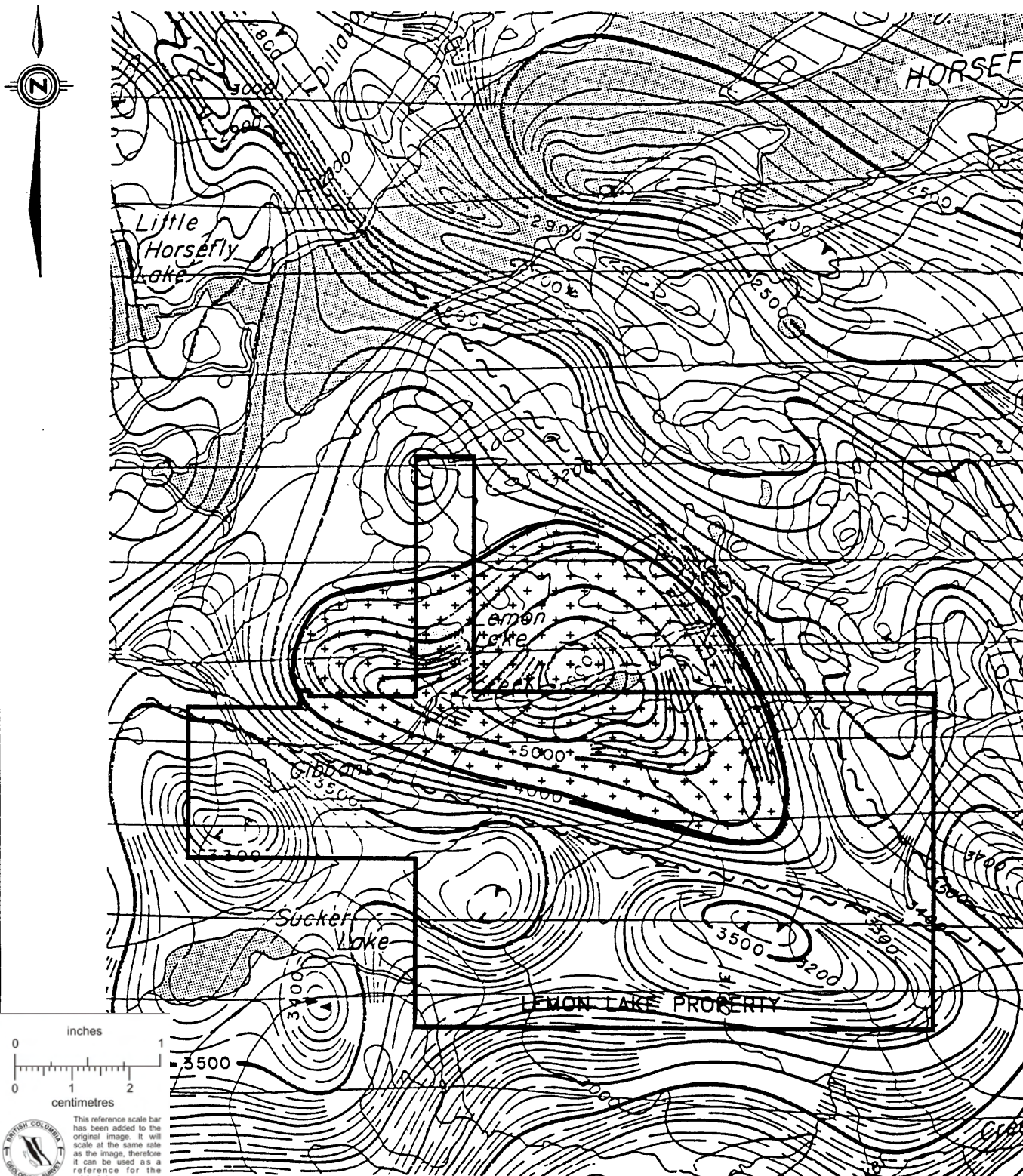
52° 20'N



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CANIM LAKE GOLD CORPORATION			
QUESNEL TROUGH PROJECT			
CARIBOO MINING DIVISION, B.C.			
LEMON LAKE PROPERTY			
PROPERTY GEOLOGY			
(after Panteleyev and Hancock, 1989)			
PROJECT 92-170	DRAWN rwt	DATE MAR. 1993	FIGURE: 5
Revised		N.T.S. 93 A/08	
K.V. CAMPBELL & ASSOCIATES LTD.			

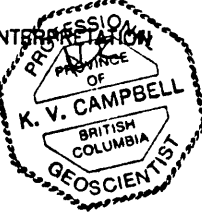
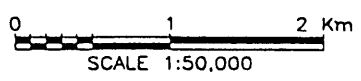


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OVERLAY FOR AEROMAGNETIC INTERPRETATION

INTRUSIVE 

FAULT 

CANIM LAKE GOLD CORPORATION
 QUESNEL TROUGH PROJECT
 CARIBOO MINING DIVISION, B.C.
 LEMON LAKE PROPERTY
AEROMAGNETICS

PROJECT 92-170	DRAWN r w f	DATE MAR., 1993	FIGURE: 6
Revised	N.T.S. 93 A/06		

K.V. CAMPBELL & ASSOCIATES LTD.

FROM GSC MAP 5239G

of the Lemon Lake stock as indicated by Panteleyev and Hancock's map (Figure 5) closely matches this aeromagnetic anomaly.

Payne (1987) describes the Lemon Lake stock as being concentrically zoned, ranging from alkali gabbro in the core out to diorite and monzonite. Coarse breccias of alkali basalt flank the stock on the east with felsic breccia and tuff to the north. Payne goes on to state that Eocene sandstone and coal beds lie immediately south (of the Lemon Lake stock ?) but no details are given in his report. Payne does state that central diorite and monzonite part of the stock are hydrothermally altered to K-feldspar, epidote and chlorite and commonly contain pyrite and lesser amounts of bornite. Stockworks and fracture coatings predominate.

In 1974 Hudson's Bay Oil and Gas Co. Ltd. percussion drilled the Lemon Lake mineral occurrence on what is now the Horse group of claims. Eleven 200ft deep holes were drilled near the occurrence. Cuttings were analyzed for Mo, Cu, Pb, Zn and Ag but not gold. The drill logs indicate both propylitic and K-feldspar alteration, with the best intersection (Hole 74 L-4) being 130ft averaging about 0.18% Cu. Mineralization here consisted of chalcopyrite disseminations and fracture fillings in K-feldspar altered zones.

Subsequent diamond drilling in 1986 by Orbex Industries Ltd. on the Lemon Lake stock, north of what is now the Melon-1 claim, failed to locate any significant gold mineralization. The core samples from this program were not analyzed for copper (Payne, 1987).

3.2 Summary of Previous Work

There are no descriptions available of any previous significant work done on what are now the Melon claims, with the possible exception of the Melon-3 and northern portion of the Melon-1 claim where Orbex conducted soil sampling. The ground-based magnetometer survey of Hudson's Bay Oil and Gas Co. Ltd. is believed to have extended onto what is now the Melon-1 claim. The results of the magnetometer survey led Payne (1974) to interpret an east-west fault zone along the depression marked by Long Lake and associated drainage. Both these geophysical and geochemical surveys have not been tied in with any certainty to the current exploration efforts.

3.3 1992 Work Program

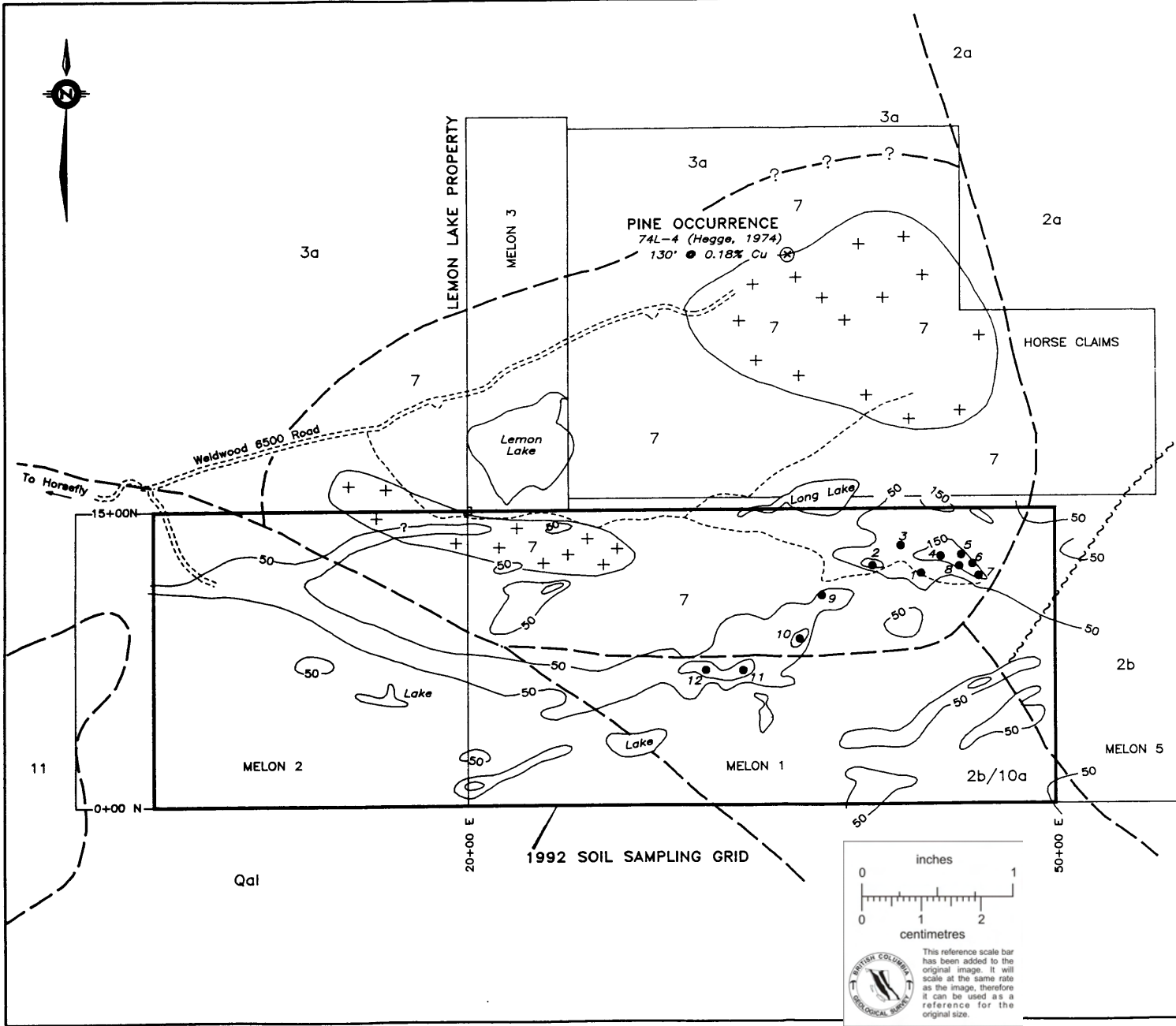
Soil sampling was completed on the Melon-1 and Melon-2 claims on a grid with 200m line spacing and 50m sample intervals. The soil sampling grid map prepared by **CANIM LAKE GOLD CORP.** in September, 1992 is given in Appendix I. The outline the sample grid is shown in Figure 7. Follow-up sampling in selected areas was done at 100m line spacing. Conventional soil sampling and analytical procedures were followed, with soils collected from the B horizon at depths of 15 to 30cm.

After the initial results of the geochemical survey were examined a percussion drill program was undertaken. Twelve 4½" diameter vertical holes, 15 to about 70m depth and totalling 546.4m, were drilled on the Melon-1 claim (Figure 7) with the mobile and compact Explorer Drill System developed by Northspan Explorations Ltd. of Kelowna. This is a track-mounted drill that required no road building. **CANIM LAKE GOLD CORP.** designed this prospecting drill program in order to achieve immediate and factual exploration data at a reasonable cost. It can not be compared to continuous overburden sampling or diamond drilling. The objectives of the drilling were to penetrate the overburden, collecting soil samples at 3m intervals, and drill 15 to 25m into the underlying bedrock, acquiring continuous rock-chip samples at every rod change (3.05m). All the drilled soil samples were geochemically analyzed for copper and the rock-chips were analyzed for copper and gold.

Geologists on site (J.Kerr and M. Schatten) logged drill cuttings and overburden soils, noting rock types, alteration, obvious mineralization and nature and type of overburden.

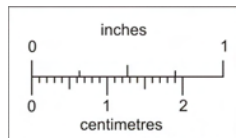
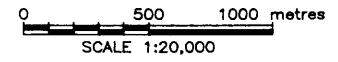
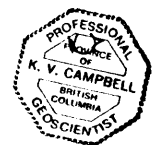
3.4 Results of 1992 Program

The results of the geochemical soil survey are given in Appendix I, 'Copper in Soils', dated September 1992, for the Lemon Lake property. The geochemical anomalies of copper in soils, as presented on the map in Appendix I, are indicated in Figure 7. Values ranged from less than 10ppm Cu to as high as 448ppm Cu. The background value is considered to be about 10 to 40ppm Cu. The most prominent band of anomalous soils, with more than 50ppm Cu, extends in an arc concave to the north through the central part of the Melon-1 and Melon-2 claims. The arcuate pattern of soils with an elevated copper content is interpreted as being spatially related to the southern contact of the Lemon Lake stock. The area of anomalous soils in the northeast corner of Melon-1 consists



LEGEND

- PLEISTOCENE - RECENT
 [Qal] glacial and alluvial deposits
- TERTIARY
 Miocene
 [11] purple and gray vesicular olivine basalt
 Eocene
 [10a] gray, mauve trachyandesite, trachyte, latite tuff breccia, minor flows
- EARLY JURASSIC
 [+7+] medium to fine grained syenite, nonzonite and diorite
- EARLY JURASSIC (Bailey, 1990) or UPPER TRIASSIC (Pantaleyev and Hancock, 1989)
 [3a] maroon and gray poly lithic volcanic breccia, characterized by presence of felsic clasts
- TRIASSIC
 [2b] maroon pyroxene-phyric alkali basalt flows and breccia, minor maroon sandstone and basaltic tuff
 [2a] green and gray pyroxene-phyric alkali olivine and alkali basalt pillow lava, breccia and autobrecciated flows
- ~ ~ Fault
 [6] 1992 Percussion drill site (hole numbers prefixed LRC92-)
 [] 1992 Soil sample grid
 [] 1992 Soil geochemistry contours for copper, contours at 50 and 150ppm Cu.
- (Geology and unit boundaries from Bailey, 1990; BCMEPR Open File 1990-31)



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.

CANIM LAKE GOLD CORPORATION			
QUESNEL TROUGH PROJECT CARIBOO MINING DIVISION, B.C.			
LEMON LAKE PROPERTY COMPILATION MAP			
PROJECT 92-170	DRAWN rwr	DATE MAR., 1993	FIGURE: 7
Revised		N.T.S. 03 A/8	
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of several contiguous anomalous sites. It was this area where the percussion drilling was done.

Drill sites are located in Figures 7 and 8 and are also included in Appendix III. Drill logs are given in Appendix II.

The overburden is a glacial till with depths ranging from 4m to over 30m. Shallow bedrock, at 3 to 10m depth, was encountered in the more northerly holes underlying the broader and stronger geochemical anomaly there. Overburden depths greater than 20m are reported to the south and west, from holes LRC92-9 to 12. This sudden increase in overburden depth, shown in Figure 8, approximately coincides with the southern shoulder of the 50ppm copper in soils anomaly.

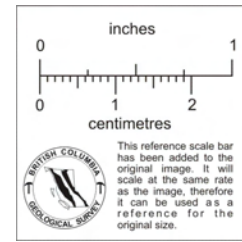
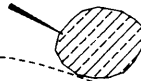
Drill sections, located on the collar plan (Figure AIII-1) are given in Appendix III.

Results of the drill prospecting are summarized as follows:

- 1) The Lemon Lake intrusive extends onto the Melon claims, substantiating the interpretation of aeromagnetics.
- 2) The southern contact of the intrusive is inferred to lie between holes LRC92-10 and -11. Hole 11 bottomed in dark green basaltic and andesitic material.
- 3) Background copper values in the overburden are slightly higher than those from the B horizon and are estimated at to range from 60 to 90ppm Cu. At least one band or blanket of overburden with elevated copper values is interpreted to extend south from the region of the surface soil anomaly in the northeast corner of the Melon-1 claim. It is indicated on the sections in Appendix III. Copper values in this blanket, arbitrarily defined as that material with more than 100ppm Cu, range up to over 500ppm Cu. It is possible this layer is a geochemical train, derived from bedrock by glacial processes and it may be traceable to its copper source.
- 4) The intrusive is represented by a variety of dioritic, syenitic and monzonitic material, variously altered. The alteration assemblage consists of K-feldspar, chlorite, epidote, silica, sericite and clay. The most intense alteration often coincides with elevated copper and gold values. The most intensely altered material occurred in the holes in the northeast corner of the Melon-1 claim.



K-feldspar and biotite altered syenodiorite,
monzonite with disseminated chalcopyrite



Legend

Rock Units

EARLY JURASSIC



Lemon Lake alkalic stock; syenite, syenodiorite, monzonite, diorite, gabbro

TRIASSIC



maroon pyroxene-phyric alkali basalt flows and breccia, minor maroon sandstone and basaltic tuff

Moderately to strongly altered intrusive rock. Alteration is predominantly K-feldspar, epidote and chlorite with lesser silica, sericite, clay and calcite.

Anomalous copper and gold in bedrock: 300 to 1000 ppm Cu, 25 to 100 ppb Au.

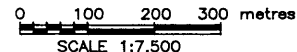
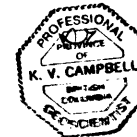
Geochemical soil anomaly, Copper. Contours at 50, 150 ppm.

Fault interpreted from 1974 ground magnetics

Abrupt change in depth of overburden

Roads

1992 drill hole collars (holes prefixed by LRD92-)



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LEMON LAKE PROPERTY
INTERPRETATION OF RESULTS

PROJECT 92-170	DRAWN rwr	DATE MAR., 1993	FIGURE: 8
Revised		N.T.S. 93 A/6	

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BASELINE 15+00 N

LONG LAKE FAULT

Long Lake

AREA PROPOSED FOR FURTHER EXPLORATION

O/B DEPTH 3-10m
O/B DEPTH 20-30m

DIRECTION OF GLACIAL TRANSPORT

2b

2b

2b

2b

2b

2b

50+00 E

- 5) The copper background values in the volcanics is quite low, 30 to 50ppm, lower than that in the anomalous blanket overlying the volcanics.
- 6) Copper values in relatively unaltered intrusive range from 10 to 50ppm Cu. Gold values in these same rocks is commonly <5ppb. Definitely anomalous copper occurs in holes LRC92-1 to 7 in close association with K-feldspar alteration. The results of the reconnaissance drilling suggest irregular envelopes of mineralization and alteration that extend almost to the bedrock surface, at depths of 10 to 30m.
- 7) The most encouraging results were found in hole LRC92-3, with anomalous gold and copper values over a length of 9m, averaging 1900ppm Cu (equivalent to 0.19%) and 570ppb Au (0.017 oz/t). The last 3m interval reported 4062ppm Cu (0.41%) and 960ppb Au (0.028 oz/t). Six other holes of the 11 holes drilled to completion reported anomalous copper and gold values; >300ppm Cu and >25ppb Au over lengths of 10 to 30m.
- 8) Copper minerals observed in drill cuttings are chalcopyrite, minor bornite and malachite in near surface samples. Small specks of native copper were identified while drilling but not substantiated by the analyses. Chalcocite is suspected to occur in some of the higher grade samples. The nature of the gold mineralization is unknown but is considered to be directly associated with copper-bearing minerals.
- 9) Seventy-nine samples reported more than the detection limit for gold, 5ppb Au, ranging from 6 to 960ppb with associated copper values from 15 to 4062ppm. The bulk of these form a "cloud" on an X-Y plot with less than 20ppb Au and 300ppm Cu. Away from this clustering near the detection limit of gold, samples show a relation of increasing gold with copper. At the lower range of the data the ratio is estimated to range from 1ppb Au:6ppm Cu up to 1ppb Au:11ppm Cu. The average ratio, of samples with 6 to 200ppb Au (77 of the 79 samples), is almost 1ppb Au to 10ppm Cu. If only the most mineralized samples are considered the ratio is about 1ppb Au to 4.5ppm Cu, more gold enriched than other copper porphyries in the Belt.

The gold to copper ratios of other deposits in the belt are Mt. Polley, 1ppb Au to 10ppm Cu; Mount Milligan, 1ppb Au to 8ppm Cu; and Afton, 1ppb Au to 12ppm Cu.

3.5 Discussion and Conclusions

A zone of copper and gold mineralization underlies the northeast portion of the Melon-1 claim. Prospect percussion drilling here has intersected 10 to over 20m of alkalic intrusive with elevated copper values, 0.10 to 0.40 wt% Cu, with associated gold values to 960ppb Au (nearly 1 gm/tonne or 0.028 oz/t). The copper mineralization is attended by pervasive alterations, represented by a variety of assemblages made up of K-feldspar, chlorite, epidote, silica, sericite and clays. The areal extent of the alteration, based on the reconnaissance drilling, is on the order of 1km x 450m. It is possible mineralization is controlled by faults or fracture zones crossing the Lemon Lake stock. These include the east-west trending Long Lake fault and the northwest fault interpreted from the aeromagnetics.

The nature of the host intrusive, mineralization and related alteration on the Lemon Lake property classify this prospect as belonging to the same family of alkalic porphyry copper and gold occurrences elsewhere in the Quesnel Belt.

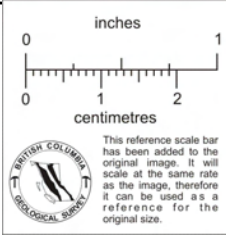
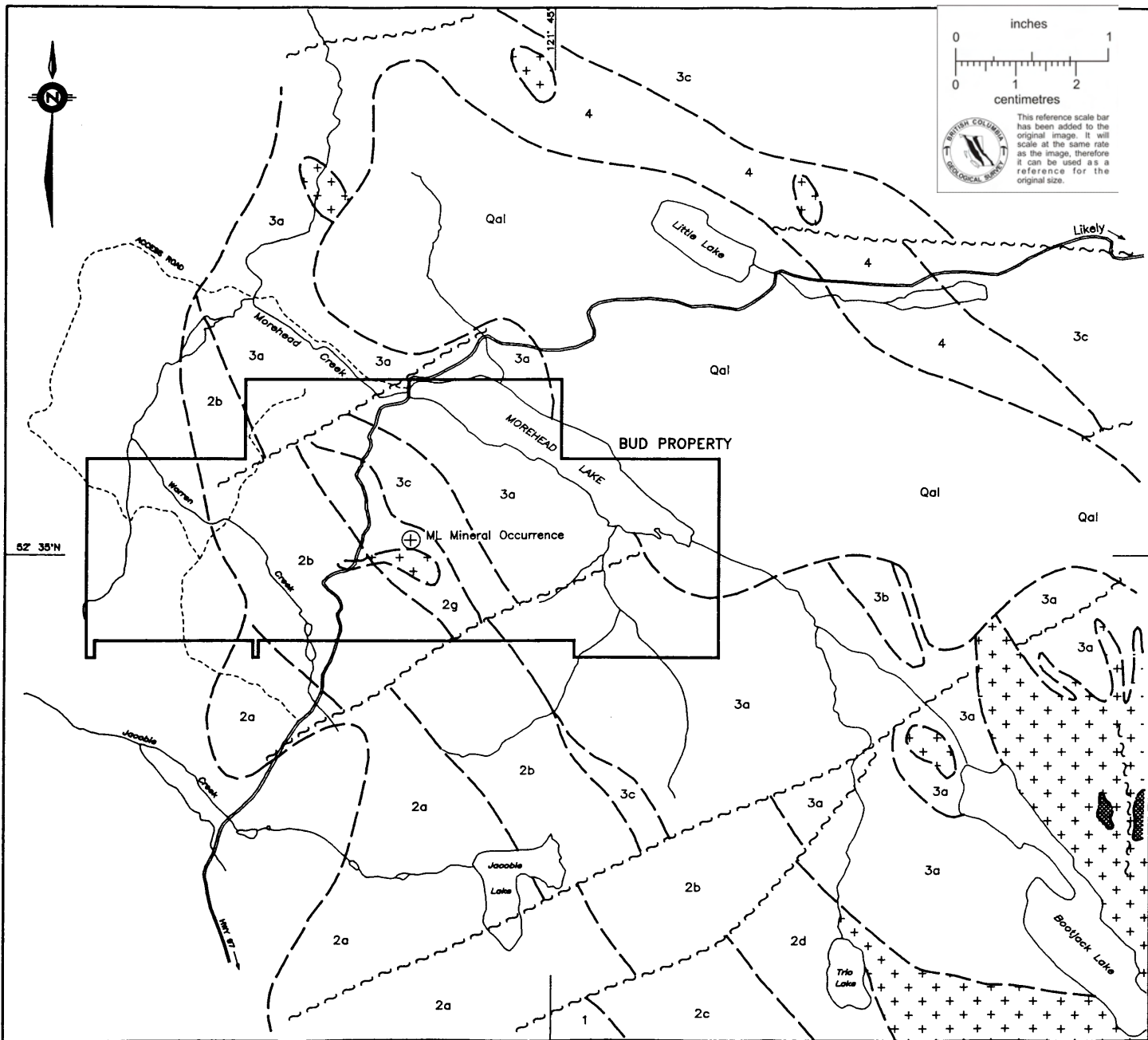
4 BUD PROPERTY

4.1 Geology

Figure 9 shows the bedrock geology of the Bud claims area, after Bailey, 1987. The property lies in the central part of the Quesnel belt, underlain by a northwest trending, northeast dipping, homoclinal sequence of Upper Triassic to Lower Jurassic intermediate volcanic products and sedimentary rocks intruded by coeval stocks and dykes of monzonitic to syenitic composition. The west side of the property is largely covered with Pleistocene glacial and glaciofluvial deposits.

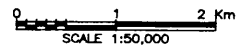
The most common rock type encountered on the property is a maroon to green colored pyroxene-phyric basalt (Unit 2b, Figure 9). This unit is characteristically very fine grained and massive, variably amygdaloidal with abundant dark green, glassy pyroxene and olivine (?) phenocrysts. Copper mineralization has been observed east of the property and on the property within Unit 2b as disseminated chalcocite and as rare native copper in amygdules (Montgomery et al, 1991).

Upper Triassic limestone (Unit 2g, Figure 9) extends in a band across the property, straddling the alkalic ML stock.



Legend

- PLEISTOCENE - RECENT**
- Qal glacial and alluvial deposits
- JURASSIC**
- ++ gray and pink, medium grained monzonite, monzodiorite, syenodiorite and syenite
 - 4 maroon vesicular alkali olivine basalt, commonly analcite-rich
 - 3c feldspathic tuffaceous siltstone, sandstone
 - 3b latitic crystal tuff, tuff breccia and tuffaceous sandstone
 - 3a maroon and gray polythitic breccia
- TRIASSIC**
- 2g massive gray limestone and calcareous sandstone
 - 2d hornblende-bearing pyroxene basalt
 - 2c polythitic, gray and maroon mafic breccia
 - 2b maroon, pyroxene-phyric alkali basalt
 - 2a green and gray pyroxene-phyric alkali olivine basalt and alkali basalt
- ~ ~ Fault
- Zone of copper mineralization at Mt. Polley deposit.
- (Geology from Bailey, 1987; BCMEPR Preliminary Map No.67)



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CARIBOO MINING DIVISION, B.C.			
BUD PROPERTY			
PROPERTY GEOLOGY			
PROJECT 82-170	DRAWN twr	DATE MAY, 1993	FIGURE: 9
Revised		N.T.S. 93 A/12	
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The limestone is light gray and massive to poorly bedded. Copper mineralization at the ML occurrence is hosted by this unit.

The ML stock cuts both limestone and basalts on the Bud #3 and #4 claims. This intrusive is medium grained, monzonitic to syenitic, equigranular to subporphyritic, moderately magnetic and weakly sericite-biotite (?) altered. Contact metamorphism has resulted in moderate to strong iron-carbonate and silica alteration.

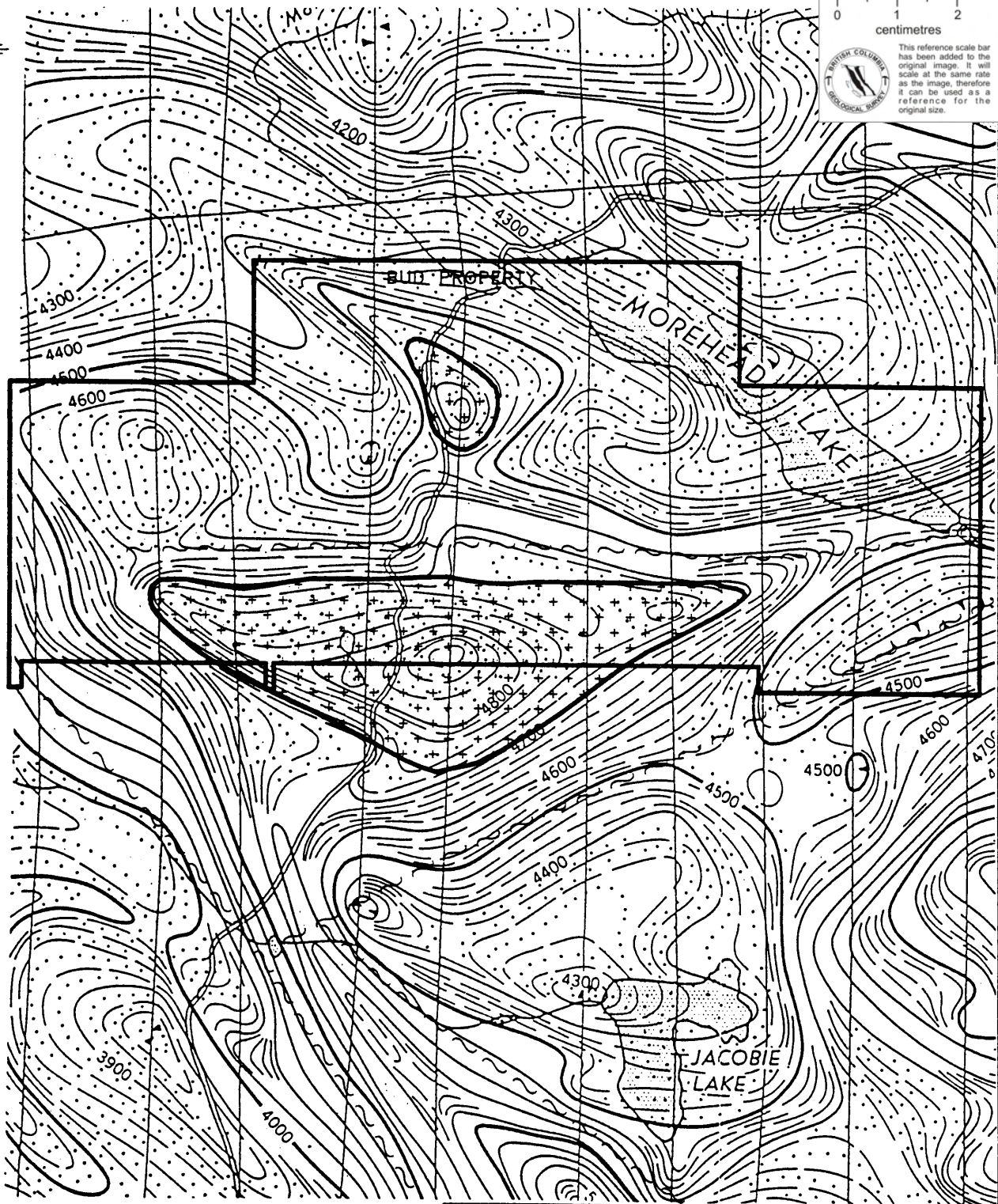
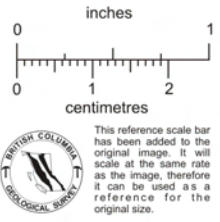
Montgomery et al (1991) report only local deformation on the property, consisting of localized brecciation, shearing and alteration. The latter has resulted in the development of iron-carbonate, quartz, sericite, limonite and hematite.

At the ML prospect area, on the Bud #3 and #4 claims, mineralization occurs as disseminated and fracture controlled chalcocite with malachite in basalt and as malachite along fractures in altered limestone. Sporadic occurrences of copper mineralization occur over an area of about 1km². Assay values to 1.36% Cu with weakly anomalous gold to 320ppb have been returned from selected samples (Montgomery et al, 1991).

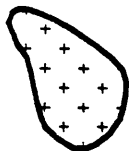
Figure 10 shows a portion of the aeromagnetic map covering the Bud property (GSC Map 1533G, 1961). From this two intrusive plugs or stocks are interpreted as shown on the Overlay for Figure 10; a smaller plug expressed by a 100 gamma (nT) anomaly just east of the Likely highway in the vicinity of the LCP for Bud #1 to #4 and a larger stock expressed by an anomaly of about 400 gammas (nT) in the southern part of the Bud# #3 claim. Major magnetic discontinuities in the vicinity of these positive anomalies are interpreted to represent faults or fracture zones, as shown on the Overlay to Figure 10.

4.2 Summary of Previous Work

Despite the amount of geophysics and geochemistry performed on the Bud property knowledge of its mineral potential has not advanced significantly. Many of the historical programs focused on geophysical techniques open to interpretation. In essence, previous work has determined the presence of minor copper mineralization related to the alkalic ML stock and hosted by the central volcanic and sedimentary axis of the Quesnel Belt.



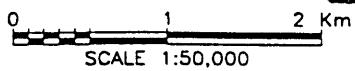
OVERLAY FOR AEROMAGNETIC INTERPRETATION



INTRUSIVE



FAULT



FROM GSC MAP 1533G - 1961

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BUD PROPERTY

AEROMAGNETICS

PROJECT 92-170	DRAWN rwr	DATE MAR., 1993	FIGURE: 10
Revised		N.T.S. 93 A/12	

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4.3 1992 Work Program

Figure 11 is a compilation map of the property, with the geology as shown by Bailey, 1987. Figure 12, which shows an interpretation of the drill results, indicates a slightly different arrangement of rock units based on drill results.

Reconnaissance soil sampling was completed on the property by Pamicon Developments Ltd. (Todoruk, 1992). Their geochemical map showing the locations and results is given in Appendix IV. The location of this grid is shown on the compilation map, Figure 11. Lines were spaced at nominal 400m intervals with a sample spacing of 100m. Infill sampling, at 50m intervals, was completed in selected areas. Samples were collected from the B soil horizon, 15 to 60cm depth. 363 soil samples were collected in the first phase of sampling. Follow-up sampling collected an additional 40 samples. These sample locations and results are given in Appendix V. All soils were analyzed for copper by atomic absorption.

Like the Lemon Lake property, the Bud claims are poor in rock exposures and extensively covered with glacial till. Accordingly, the geochemical anomalies were tested with the same mobile, prospecting percussion drill system used to the south. Ten holes, from 18 to 61m depth, totalling 463.4m were sited as shown in Figure 11. Appendix VI includes the drill logs from this program and the collar plan and drill sections are given in Appendix VII. The same drilling and sampling procedures were followed as at the Lemon Lake property; soil samples collected at 3m intervals to bedrock, then drilling 15 to 25m into bedrock collecting continuous chip samples at every rod change (3.05m). All soil and rock samples were geochemically analyzed for copper and selected anomalous rock samples analyzed for gold.

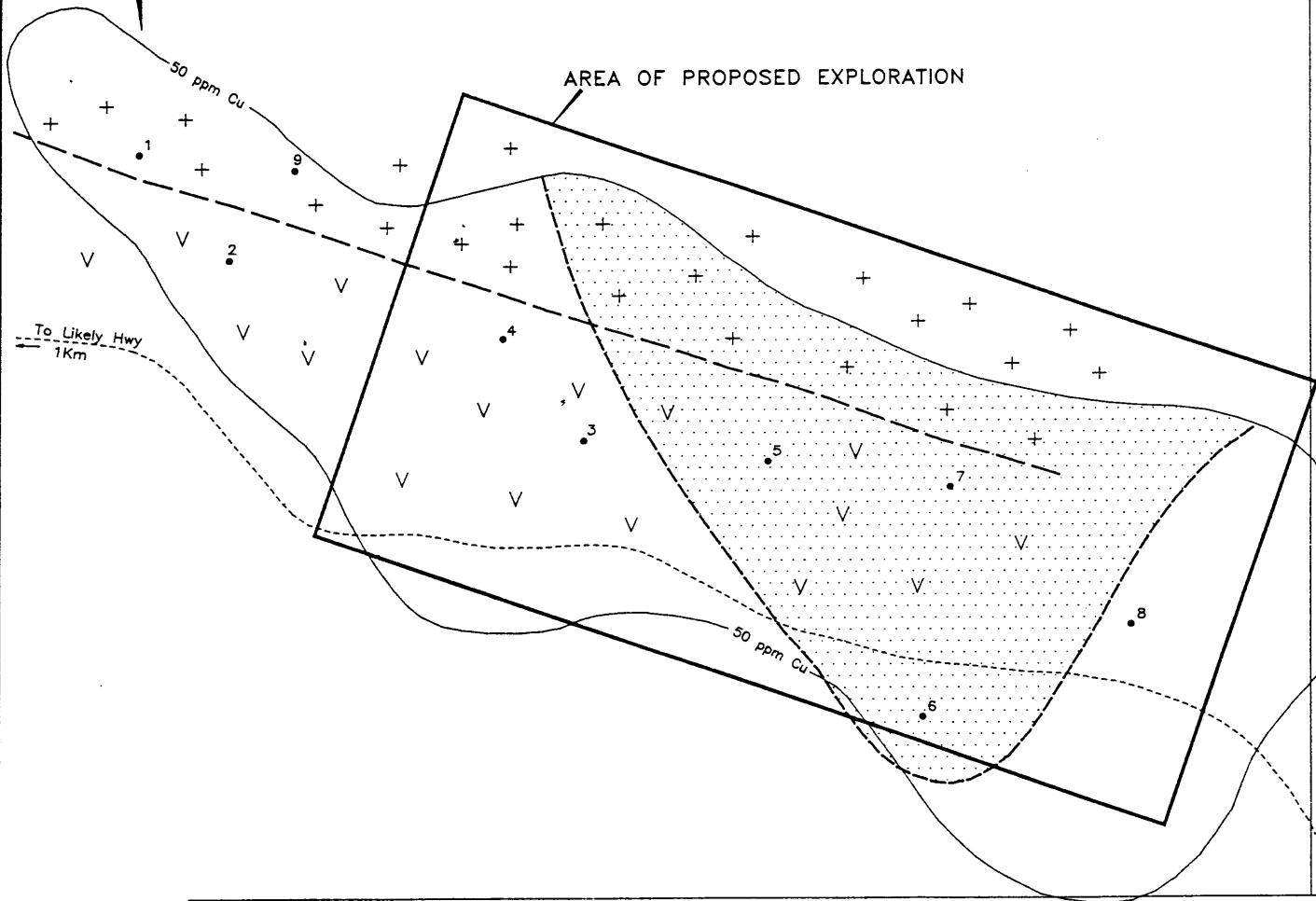
4.4 Results of 1992 Program

The initial soil sampling identified several single site copper anomalies and a northwest trending multi-site anomaly extending from Line 40E to Line 52E (shown in Appendix V). Background copper values in the B horizon soils are 15 to 40ppm Cu. Anomalous sites were those reporting 50 to 268ppm Cu. The follow-up sampling confirmed and gave more definition to the northwest trending anomaly in the southeast corner of the grid. From this work an elongate area, about 1km long and up to 500m wide, with more than 50ppm Cu in soil can be delineated as shown in Figures 11 and 12. This area or zone is interpreted from the drilling to straddle the contact between the ML stock and volcanics.



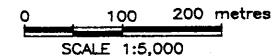
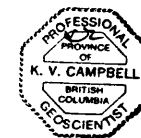
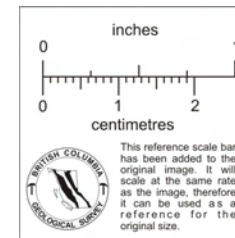
S 6+00E

AREA OF PROPOSED EXPLORATION



Legend:

- ML Stock; diorite, syenite, monzonite
- Upper Triassic to Lower Jurassic volcanics
- Geological contact
- Area interpreted as underlain by altered volcanic and intrusive rocks with associated copper mineralization
- Contour of 50ppm Copper; soil geochemical anomaly
- 1992 Drill sites (holes prefixed by BRC92-)



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 CARIBOO MINING DIVISION, B.C.

BUD PROPERTY
INTERPRETATION OF RESULTS

PROJECT 92-170	DRAWN Per	DATE MAR. 1993	FIGURE: 12
Revised		N.T.S. 93 A/12	

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Drill holes were sited along the northwest trending zone of geochemically anomalous soils, as shown in Figures 11 and 12. Overburden depths ranged from 10 to about 30m. Only one hole, BRC92-4 and 4A, failed to reach bedrock.

Background copper values in the overburden are 50 to 70ppm, slightly more than that of the surface samples. No blanket of anomalous values, analogous to that recognized on the Lemon Lake property, was identified.

Results of the drill prospecting are summarized below:

- 1) Drill holes BRC92-1 and 9 intersected the ML stock east of its location as shown on government maps. This agrees with the extension in this direction as indicated on the aeromagnetic map. Abundant fragments of syenite and monzonite in the overburden of holes BRC92-3,4 and 5, lead to an interpretation that the ML stock extends 1 to 1½km east of the location as shown in Figure 9. Alteration in BRC92-7 suggests this hole is proximal to the intrusive contact. Figure 12, the interpretation map, shows what is now considered to be a minimum southeasterly extent of the ML stock.
- 2) Hole BRC92-1 passed through the ML stock into the volcanic unit below, indicating that the contact dips northwards.
- 3) Volcanic rocks underlie this area, not limestone as indicated on published maps. These consist of gray to maroon andesitic and basaltic rock and light gray volcanoclastic rocks. Background copper values are up to 30ppm. The presence of several felsic dykes, some of which are spatially related to elevated copper values, was noted.
- 4) Copper mineralization includes cuprite and native copper. These secondary minerals are pathfinders for supergene enrichment at the copper-gold porphyries occurrences in the Quesnel Belt.
- 5) Alteration assemblages in the volcanic rocks included limonite, hematite, chlorite, epidote, silica and clays. Disseminated pyrite is reported from many of these altered rocks and it was these intersections in particular that reported anomalous copper values with analyses of up to 676ppm Cu (BRC92-7).
- 6) Holes BRC92-6 and -7 intersected 20 to 30m of altered volcanics with anomalous copper values ranging from 100 to 676ppm Cu.

- 7) The syenite intersected in hole BRC92-1 was not particularly altered and carried little copper and no gold.

4.5 Discussion and Conclusions

The geochemical soil sampling and follow-up prospecting drilling was successful in locating a zone of copper mineralization in the volcanic rocks adjacent to the contact with the alkalic ML stock. These rocks are variously chlorite and epidote altered and carry copper values of 200 to 676ppm Cu, many times greater than their background value. At present, these altered and copper mineralized volcanics are considered to be related to the intrusion of the ML stock, resulting in a northeast dipping, northwest trending contact zone.

The northwest trending geochemically anomalous zone is open to the southeast. The nature and density of the drill prospecting did not reveal the lateral extent and depth to which the alteration and mineralization occurs. The presence of felsic dykes and associated elevated copper values raises the possibility of other larger accumulations of copper mineralization related to late stage intrusive phases of the ML stock, such as the mineralized hydrothermal breccias at the Mt. Polley deposit to the east. Recognition of such material in drill cuttings would be difficult.

5 PROPOSAL FOR FURTHER DEVELOPMENT

5.1 Recommendations

5.1.1 Lemon Lake Property

The encouraging results from the 1992 program lead me to recommend a two stage exploration and development program for the Lemon Lake property, focused on the area indicated in Figure 8. Stage I is comprised of initial surveys and Stage II is a combination diamond and percussion drilling program.

Stage I would be ground geophysical surveys over the eastern part of the existing grid, with a line spacing of 100m. I recommend a combination of magnetometer and VLF-EM16 techniques because of their relatively low cost and speed and ability to outline rock contacts and structures in this

drift covered area.

After the initial results of the geophysics have been evaluated I recommend Stage II; drilling on a grid pattern with a 150m spacing. At this time I would focus the drill program on the northeast half of the target area shown in Figure 8, but this could be modified on the basis of the geophysical results. Twenty reverse circulation drill holes to depths of 100m should be done over the northeast half of the gridded target area. After these results have been evaluated three diamond drill holes should be sited. The purpose of this drilling is to gain information on the rock types, mineralization, alteration and structures present as well as testing the system to depth. They should be sited to straddle the zone of intense K-feldspar alteration and it is recommended they be drilled to depths of 300m so as to explore for mineralization at depth. Details of these three drill sites would depend on the results of the reverse circulation drilling.

I recommend all samples be analyzed for 30 elements by ICP, with gold by geochemical techniques in particular samples. The reason for this is to develop an idea of the geochemistry of the alteration packages. It is possible that geochemical zonation related to porphyry mineralization may be recognized and used as a guide to mineralization. Some petrographical investigation of the rock types, mineralization and alteration assemblages should be performed.

Additional exploration would be contingent upon a favorable evaluation of the Stage I and II results.

5.1.2 Bud Property

The 1992 exploration program on the Bud property was successful in locating an elongate zone of geochemically anomalous copper values in altered volcanics adjacent to the ML alkalic stock. A two stage program of further exploration is recommended. Stage I includes geophysical and geochemical surveys and Stage II is the exploratory diamond drilling through the zone recognized by the 1992 percussion drilling. Figure 12 shows the area selected for the proposed exploration on the Bud #4 claim.

As part of the initial work of Stage I it is recommended that new grid lines be established in the target area and existing lines be tied to them. It is recommended that Stage I include ground magnetometer surveys over the area covered by the existing grid from what is now Line 40E to Line 56E.

The purpose of the magnetic survey is to provide some idea of the underlying lithology. At the same general time as the geophysical survey is being performed a geochemical soil sampling program is recommended on a reconnaissance grid to be established on the More 1 claim, along the projected extent of the contact between the ML stock and the volcanics.

After the results of the geophysical survey have been evaluated I recommend diamond drilling three angled holes through what is currently perceived as being an envelope of mineralization and alteration near the geological contact between the alkalic intrusive and the volcanics. Drill depths to 200m are recommended. It is probable that the geophysical results will guide the drill site selections.

Additional exploration would be contingent upon a favorable evaluation of the Stage I and Stage II results.

5.2 Estimated Costs

5.2.1 Lemon Lake Property

Stage I Initial Surveys

Grid establishment, magnetometer and VLF-EM16 surveys; 20 line kilometers @ \$150/km	\$	3,000
Expendable materials	\$	300
Field support; vehicle rental, fuel, travel, accommodation; 7 days @ \$200/day	\$	1,400
Data compilation and analysis	\$	<u>2,500</u>
Total Stage I	\$	7,200

Stage II Drill Program

Diamond drilling, NQ size; three holes of 300m depth @ \$60/m	\$	54,000
Reverse circulation drilling; 20 holes of 100m depth @ \$35/m	\$	70,000
Analyses; 2000 samples @ \$12	\$	24,000
Program management and supervision	\$	15,000
Data compilation, analysis and reporting .	\$	8,000
Expendable materials	\$	500
Field support; vehicle rental, fuel, travel, accommodation; 25 days @ \$400 ..	\$	<u>10,000</u>
Total Stage II	\$	181,500
Total Lemon Lake Property Program ..	\$	188,700
Contingency (10%)	\$	<u>18,870</u>
Allow	\$	207,570

5.2.2 Bud PropertyStage 1 Ground Geophysics and
Reconnaissance Geochemistry

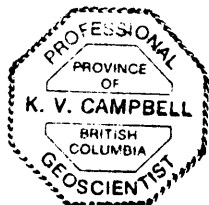
Grid establishment and magnetometer survey; 10 line kilometers @ \$125/km ..	\$	1,250
Reconnaissance geochemical soil survey; 10 line km @ \$100/km	\$	1,000
Geochemical analyses; 200 samples @ \$12 .	\$	2,400
Expendable materials	\$	350
Data compilation and analysis	\$	2,000
Field support; vehicle rental, fuel, travel, accommodation; 20 days @ \$200/day	\$	<u>4,000</u>
Total Stage I	\$	11,000

Stage II Diamond Drilling

Diamond drilling, NQ size; 3 holes of 200m @ \$60/m	\$	36,000
Analyses; 400 samples @ \$12	\$	4,800
Expendable materials	\$	200
Program management and supervision	\$	2,000
Data compilation, analysis and reporting	\$	8,000
Field support; vehicle rental, fuel, travel, accommodation; 5 days @ \$400/d	\$	<u>2,000</u>
Total Stage II	\$	53,000
Total Bud Property Program	\$	64,000
Contingency (10%)	\$	<u>6,400</u>
Allow	\$	70,400

Total Estimated Cost for Proposed Exploration Program on Lemon Lake and Bud Properties \$ 277,970

Allow \$ 278,000



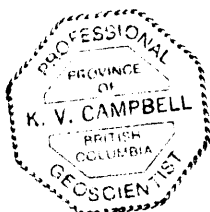
K. V. Campbell
 K.V. Campbell, Ph.D., P.Geo.
 March 20, 1993

6 CERTIFICATE

I, KENNETH VINCENT CAMPBELL, resident of Vancouver, Province of British Columbia, hereby certify as follows:

- 1) I am a geologist employed by K.V.Campbell & Associates Ltd., of #4 - 84 Lonsdale Ave., North Vancouver, British Columbia.
- 2) I graduated with a degree of Bachelor of Science, Honours Geology, from the University of British Columbia in 1966, a degree of Master of Science, Geology, from the University of Washington in 1969, and a degree of Doctor of Philosophy, Geology, from the University of Washington in 1971.
- 3) I have practised my profession for 27 years. I am a Fellow of the Geological Association of Canada (F0078) and a member of the Association of Professional Engineers and Geoscientists of British Columbia.
- 4) This report, dated March 20, 1993 is based on my knowledge of the Bud and Lemon Lake properties. In its preparation I have reviewed the recent mineral exploration work done by **CANIM LAKE GOLD CORP.** A site visit was made to the Bud and Lemon Lake properties on October 1 and 2, 1992.
- 5) I have reviewed the expenditures of **CANIM LAKE GOLD CORP.** on the Lemon Lake and Bud properties. These total \$43,455 and \$44,441, respectively.
- 6) I have no direct, indirect or contingent interest in shares or business of **CANIM LAKE GOLD CORP.** nor do I intend to have any such interest.
- 7) This report is made available both in printed and digital formats. Permission is required by the author to use this report, in all or in part, in any format in a Prospectus or Statement of Material Facts.

Dated at Vancouver, Province of British Columbia,
this 20th day of March, 1993.



K.V. Campbell
K.V. Campbell, Ph.D., P.Geo., F.G.A.C.

Geologist
March 20, 1993

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APPENDIX C

LIST OF PROPERTIES OF CANIM LAKE GOLD CORP.

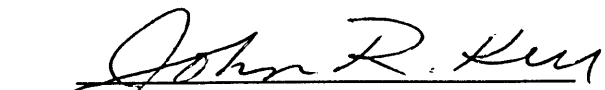
<u>Claim Name</u>	<u>Tenure Number</u>	<u>Expiry Date</u>	<u>Units</u>
Black-1	307833	27/02/94	20
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Tea-2	307835	02/03/94	20
Tea-4	307836	05/03/94	20
Tea-5	307837	03/03/94	20
Tea-6	307838	06/03/94	20
Hazel-1	307826	10/03/95	18
Hazel-2	307827	10/03/94	16
Hazel-3	307828	07/03/95	12
Hazel-4	307829	11/03/94	20
Melon-1	307830	25/02/96	18
Melon-2	307831	26/02/95	12
Melon-3	307832	26/02/95	4
Melon 4	313847	07/10/95	18
Melon 5	313848	08/10/95	18
More 1	314435	30/10/94	20
Bud#1	206952	28/05/95	8
Bud#2	206953	29/05/95	8
Bud#3	206954	27/05/95	20
Bud#4	206955	28/05/95	20
Bud#9	206980	01/06/94	20

CERTIFICATES

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

DATE: June 24, 1993

ON BEHALF OF THE COMPANY

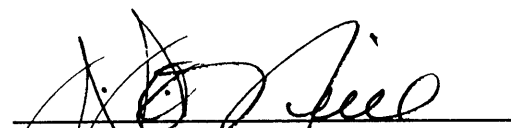


JOHN REYNOLDS KERR
President, Chief
Executive Officer and
Chief Financial Officer



PATRICK ROBERT MOONEY
Vice-President, Director

ON BEHALF OF THE BOARD OF DIRECTORS

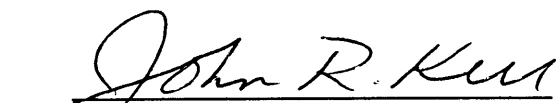


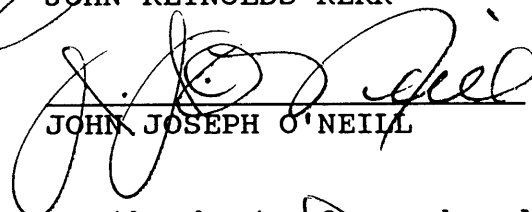
JOHN JOSEPH O'NEILL
Director




JOHN RICHARD GREEN
Director

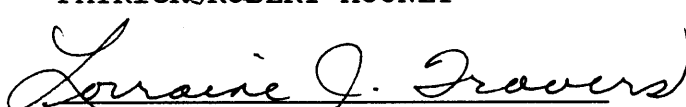
PROMOTERS



JOHN REYNOLDS KERR


JOHN JOSEPH O'NEILL



PATRICK ROBERT MOONEY


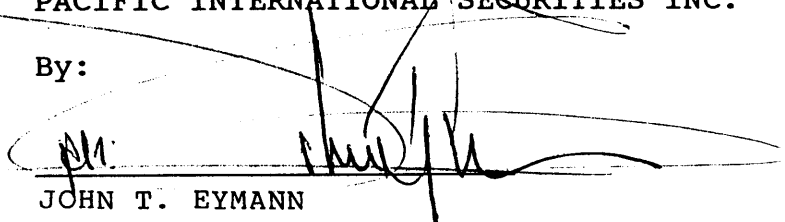
LORRAINE JOY TRAVERS

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 facts as required by the *Securities Act* (British Columbia) and its regulations thereunder.

DATE: June 24, 1993

PACIFIC INTERNATIONAL SECURITIES INC.

By:



JOHN T. EYMANN