

THIS PROSPECTUS CONSTITUTES A PUBLIC OFFERING OF THESE SECURITIES ONLY IN THOSE JURISDICTIONS WHERE THEY MAY BE OFFERED FOR SALE AND THEREIN ONLY BY PERSONS PERMITTED TO SELL SUCH SECURITIES.
NO SECURITIES COMMISSION OR SIMILAR AUTHORITY IN CANADA HAS IN ANY WAY PASSED UPON THE MERITS OF THE SECURITIES OFFERED HEREUNDER AND ANY REPRESENTATION TO THE CONTRARY IS AN OFFENCE.

017869

PROSPECTUS

DATED: JANUARY 31, 1989

DOROMIN RESOURCES LTD.

(hereinafter called the "Issuer")
Suite 615 - 837 West Hastings Street
Vancouver, British Columbia V6C 1B6

PUBLIC OFFERING: 575,000 Common Shares

	Price to Public ⁽¹⁾	Commission	Net Proceeds to be received by the Issuer ⁽²⁾
.....	\$0.40	\$0.05	\$0.35
.....	\$230,000.00	\$28,750.00	\$201,250.00

..... of the securities offered pursuant to this prospectus was determined by agreement between the Issuer and the Agent.
..... tion of the costs of the issue estimated to be \$15,000.

..... TO MARKET THROUGH WHICH THESE SECURITIES MAY BE SOLD.

..... OF THE SECURITIES OFFERED BY THIS PROSPECTUS MUST BE CONSIDERED AS SPECULATIVE. THE PROPERTIES IN WHICH THE ISSUER HAS AN INTEREST ARE IN THE EXPLORATION AND DEVELOPMENT STAGE ONLY AND ARE WITHOUT A KNOWN BODY OF COMMERCIAL ORE. NO PROSPECTING OR ANY PROPERTY OF THE ISSUER HAS BEEN MADE AND THEREFORE IN ACCORDANCE WITH THE LAWS OF THE JURISDICTION IN WHICH THE PROPERTIES ARE SITUATE, THEIR EXISTENCE AND VALUE COULD BE IN DOUBT. SEE ALSO PARAGRAPH "RISK FACTORS" HEREIN.

..... OVER STOCK EXCHANGE HAS CONDITIONALLY LISTED THE SECURITIES BEING OFFERED PURSUANT TO THIS PROSPECTUS. LISTING IS SUBJECT TO THE COMPANY FULFILLING THE LISTING REQUIREMENTS OF THE EXCHANGE ON OR BEFORE JULY 3, 1989, INCLUDING PRESCRIBED DISTRIBUTION AND FINANCIAL REQUIREMENTS.

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

THIS OFFERING IS SUBJECT TO A MINIMUM SUBSCRIPTION BEING RECEIVED BY THE ISSUER ON OR BEFORE JULY 3, 1989. FURTHER PARTICULARS OF THE MINIMUM SUBSCRIPTION ARE DISCLOSED UNDER THE CAPTION "SHARE OFFERING AND PLAN OF DISTRIBUTION" ON PAGE 9 HEREIN.

UPON COMPLETION OF THIS OFFERING THIS ISSUE WILL REPRESENT 28.84% OF THE SHARES THEN OUTSTANDING AS COMPARED TO 56.58% THAT WILL THEN BE OWNED BY THE CONTROLLING PERSONS, PROMOTERS, DIRECTORS AND SENIOR OFFICERS OF THE ISSUER. REFER TO THE HEADING "PRINCIPAL HOLDERS OF SECURITIES" HEREIN FOR DETAILS OF SHARES HELD BY DIRECTORS, PROMOTERS AND CONTROLLING PERSONS.

AFTER GIVING EFFECT TO THIS ISSUE, THE OFFERING PRICE PER SHARE EXCEEDS THE NET TANGIBLE BOOK VALUE AS AT SEPTEMBER 30, 1988, PER COMMON SHARE BY \$0.2267 REPRESENTING AN IMMEDIATE AND SUBSTANTIAL DILUTION FACTOR OF 56.68%.

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

WE, AS AGENT, CONDITIONALLY OFFER THESE SECURITIES SUBJECT TO PRIOR SALE, IF, AS AND WHEN ISSUED BY THE ISSUER AND ACCEPTED BY US IN ACCORDANCE WITH THE CONDITIONS CONTAINED IN THE AGENCY AGREEMENT REFERRED TO UNDER THE HEADING "PLAN OF DISTRIBUTION" IN THIS PROSPECTUS SUBJECT TO APPROVAL OF ALL LEGAL MATTERS ON BEHALF OF THE ISSUER BY CASEY, O'NEILL & BENICE.

AGENT:

CONTINENTAL SECURITIES
10th Floor, 1055 Dunsmuir Street
Vancouver, British Columbia V7X 1L4

EFFECTIVE DATE: FEBRUARY 10, 1989

P.W.
PROPERTY FILE
Cimadoro 103 F052

approximately 12 kilometres south of Port McNeil, British Columbia. Access to the Nimpkish Prospect is via a network of logging roads.

The Nimpkish Prospect was first prospected in 1982 by Efrem Specogna, the Issuer's President, on behalf of Canamin and later optioned to Falconbridge who, together with Chevron Canada Resources Ltd., carried out an exploration program consisting of geochemical and geophysical work in 1983. In 1984 Falconbridge carried out a three hole drill program totalling 366 metres to test a VLF anomaly. In 1984, the Nimpkish Prospect was returned to Canamin. Further details of previous work carried out on the Nimpkish Prospect and the results thereof are not pertinent to this Offering since the Issuer does not intend to expend any funds from the proceeds of this Offering on the Nimpkish Prospect.

There is no surface or underground plant or equipment on the Nimpkish Prospect. There is no known body of commercial ore on the Nimpkish Prospect.

Cimadoro Property, Skeena Mining Division, British Columbia

By acquisition agreement dated August 8, 1988 (the "Cimadoro Agreement") between the Issuer and Specogna Minerals Corporation ("Specogna Minerals") the Issuer acquired a 100% interest, subject to a 2-1/2% net smelter returns royalty, in four (4) mineral claims comprising 80 units in the Skeena Mining Division, Province of British Columbia (the "Cimadoro Property"), as follows:

<u>Claim Name</u>	<u>Number of Units</u>	<u>Record Number</u>	<u>Expiry Date</u>
Cimadoro #1	20	6835	Aug. 4, 1989
Cimadoro #2	20	6836	Aug. 4, 1989
Cimadoro #3	20	6837	Aug. 4, 1989
Cimadoro #4	20	6838	Aug. 4, 1989

Specogna Minerals is a non-reporting company incorporated pursuant to the laws of the Province of British Columbia. Efrem Specogna, the President and a director of the Issuer, is the President, a director and a principal shareholder of Specogna Minerals.

The Issuer acquired the Cimadoro Property from Specogna Minerals for \$30,332, being reimbursement of staking costs, out of pocket expenses and exploration and development expenditures incurred by Specogna Minerals on the Cimadoro Property, a 2-1/2% net smelter returns royalty on all gold, silver and other minerals produced from the Cimadoro Property and the allotment,

but not issuance of, 200,000 earn out shares in the capital stock of the Issuer (the "Earn Out Shares"). The Earn Out Shares will be issued to Specogna Minerals, subject to prior regulatory approval, at such time as the Cimadoro Property has been placed into commercial production and the Issuer has recovered its acquisition costs and pre-production expenses, including deferred exploration and development expenditures from cumulative net after tax cash flow. One Earn Out Share shall be issued for each \$0.40 of cumulative net after tax cash flow received by the Issuer from the Cimadoro Property as indicated by the Issuer's audited financial statements in accordance with the following formula:

$$\frac{\text{Cumulative net cash flow}^*}{\$0.40} = \text{The number of Earn Out Shares to be issued less the number of Earn Out Shares previously issued.}$$

* Cumulative net cash flow is defined as net profits after tax on a cumulative basis, adjusted for the following addbacks:

- (a) amortization;
- (b) depreciation;
- (c) depletion
- (d) deferred taxes; and
- (e) any other non-cash items allowed by the British Columbia Securities Commission or the Vancouver Stock Exchange.

Any Earn Out Shares not issued at the expiry of 6 years from the Effective Date of this Prospectus will be cancelled.

The Cimadoro Property is located in NTS area 103F/1 near the headwaters of Deena Creek on Moresby Island, the southern most island of the Queen Charlotte Islands, approximately 32 kilometres west southwest of Sandspit Airport. The centre of the Cimadoro Property is readily accessible by good gravel active logging roads. Access to the showings is presently by a one hour climb by foot to a point about 200 meters in elevation above the road. Road access to the showings can be constructed as part of a future exploration program.

The general geology of the Deena Creek area surrounding the Cimadoro Property consists of Triassic Karmutsen volcanic rocks, andesite and basalt, which contain interbeds of limestone, especially near the top of the sequence. The Cimadoro Property area lies close to the axis of a west northwest trending anticline running for 30 kilometres across northern Moresby Island. Syntectonic intrusions appear to follow the same trend as the western end of the major fold axis. Triassic-jurassic Kunga formation limestone overlies the Karmutsen volcanic rocks in the area.

The showings on the Cimadoro Property occur near the base of prominent cliffs in a small steep ravine at the headwaters of Deena Creek. The area is strongly fractured and being rapidly eroded with blocks of rock tending to move downslope on steep talus slopes.

The initial discovery on the Cimadoro Property was of mineralized boulders in a small creek bed quite far downhill northeast of the showings at an elevation of above 350 metres. Two one metre diameter boulders examined by the Issuer were composed of abundant fine grained pyrite and chalcopyrite with traces of galena and sphalerite replacing thin bedding laminations in a strongly silicified limestone. Sample 061301 consisting of random chips from both rocks assayed 0.62% Cu, 0.11% Pb, 1.34% Zn, 0.92 oz/ton Ag and 0.009 oz/ton Au.

At an elevation of about 500 metres, silicified limestone and chert mineralized with sulphides are exposed in outcrop on both the east and west sides of a north northwest trending steep ravine. On the west side of the ravine a one metre wide band of limestone lies in the hangingwall of a thin gouge-filled fault striking northwest and dipping 80° to vertical to the southwest. The footwall rock is a dark green andesite or gabbro dike or flowrock. Limestone grades westward and upward into a highly siliceous altered limestone and/or chert carrying disseminations fracture fillings of pyrite, chalcopyrite and sphalerite. A 0.3 meter vertical chip sample taken from a base of the silicified zone upwards, sample 061307, assayed 0.29% Cu, 0.07% Pb, 0.57% Zn, 0.18 oz/ton Ag and 0.003 oz/ton Au.

The main showing is located on the northeast side of the ravine where the rocks are strongly fractured, faulted and in places strongly oxidized. The host rock in the main showing appears to be silicified limestone, bands of which are heavily pyritized along bedding or fracture zones. Anomalous Ba. in geochemical amounts is present in assays, but not enough to suggest the presence of massive barite. Further assaying for Ba. will be required to prove or disprove its presence in significant amounts. Fracture trends in the showing are north northeast to eastwest and northwest. A steep-dipping prominent fault trending north 30-40 east cuts upward through the bluff. Along the eastside of the fault, a strong one meter wide zone of red clay fault gouge occurs. Sample 061304, a grab sample of this red oxidation product, assayed 1.212 oz/ton Au, 39.72 oz/ton Ag, 2.05% Pb and 0.27% Cu. Four other samples taken of weakly oxidized rocks on either side of the fault showed gold values ranging from 0.049 to 0.121 oz/ton Au.

To date the Issuer has expended a total of \$7,789 and reimbursed Specogna Minerals for an additional \$30,332 in exploration and

development costs on the Cimadoro Property and intends to expend a further \$75,000 to carry out Phase I of a two phase work program recommended by R. E. Gale, Phd, P.Eng. of R. E. Gale and Associates Inc. in his report dated September 18, 1988, a copy of which is reproduced in this Prospectus. Phase I consists of a preliminary work program designed to prepare the Cimadoro Property for exploration and development including detailed mapping, road building including some drilling/blasting and sampling to delineate the structural controls and approximate dimensions of the mineralized zone.

Upon completion of Phase I the Issuer intends to carry out Phase II of Mr. Gale's recommended work program consisting of 800 metres of diamond drilling at an estimated cost of \$180,000. The Issuer will not have sufficient funds from the proceeds of this Offering to carry out Phase II of the work program on the Cimadoro Property. Accordingly, the Issuer will require additional financing in order to carry out Phase II. The only source of future funds presently available to the Issuer is through the sale of equity capital.

There is no surface or underground plant or equipment on the Cimadoro Property. There is no known body of commercial ore on the Cimadoro Property and the proposed work program is an exploratory search for ore.

SHARE OFFERING AND PLAN OF DISTRIBUTION

The Issuer by its Agent hereby offers (the "Offering") to the public through the facilities of the Vancouver Stock Exchange (the "Exchange") 575,000 Common shares (the "Shares") of the Issuer at a price of \$0.40 per Share (the "Offering Price"). The Offering will be made in accordance with the rules and policies of the Vancouver Stock Exchange on a day (the "Offering Day") determined by the Agent and the Issuer, with the consent of the Exchange, on or before July 3, 1989.

APPOINTMENT OF AGENT

The Issuer, by an agreement dated January 18, 1989 (the "Agency Agreement"), appointed Continental Securities of 10th Floor, 1055 Dunsmuir Street, Vancouver, British Columbia, as its agent ("Agent") to offer the Shares through the facilities of the Exchange.

The Agent will receive a commission of \$0.05 per share.

R.E. GALE AND ASSOCIATES INC.

4338 RUTH CRESCENT
NORTH VANCOUVER, B.C. V7K 2M9
(604) 988-6542

PRELIMINARY REPORT-CIMADORO GOLD PROSPECT
MORESBY ISLAND-Q.C.I.
SKEENA M.D. 103F/1

BY R.E. GALE, PHD. P.ENG.
SEPTEMBER 18, 1988

INTRODUCTION

On September 29, 1988 in company with E. Specogna, M. Specogna and R. Tremblay, I examined and sampled a showing on the Cimadoro claims, Queen Charlotte Islands, covering a new gold discovery made by E. Specogna.

This was a brief examination to determine the type of rocks hosting the gold mineralization and confirm the general tenor of the gold values as found in Mr. Specogna's initial work.

The results of my initial look at the showing are encouraging and a serious program of exploration of the whole claim group is recommended.

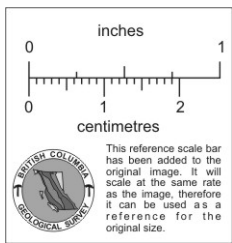
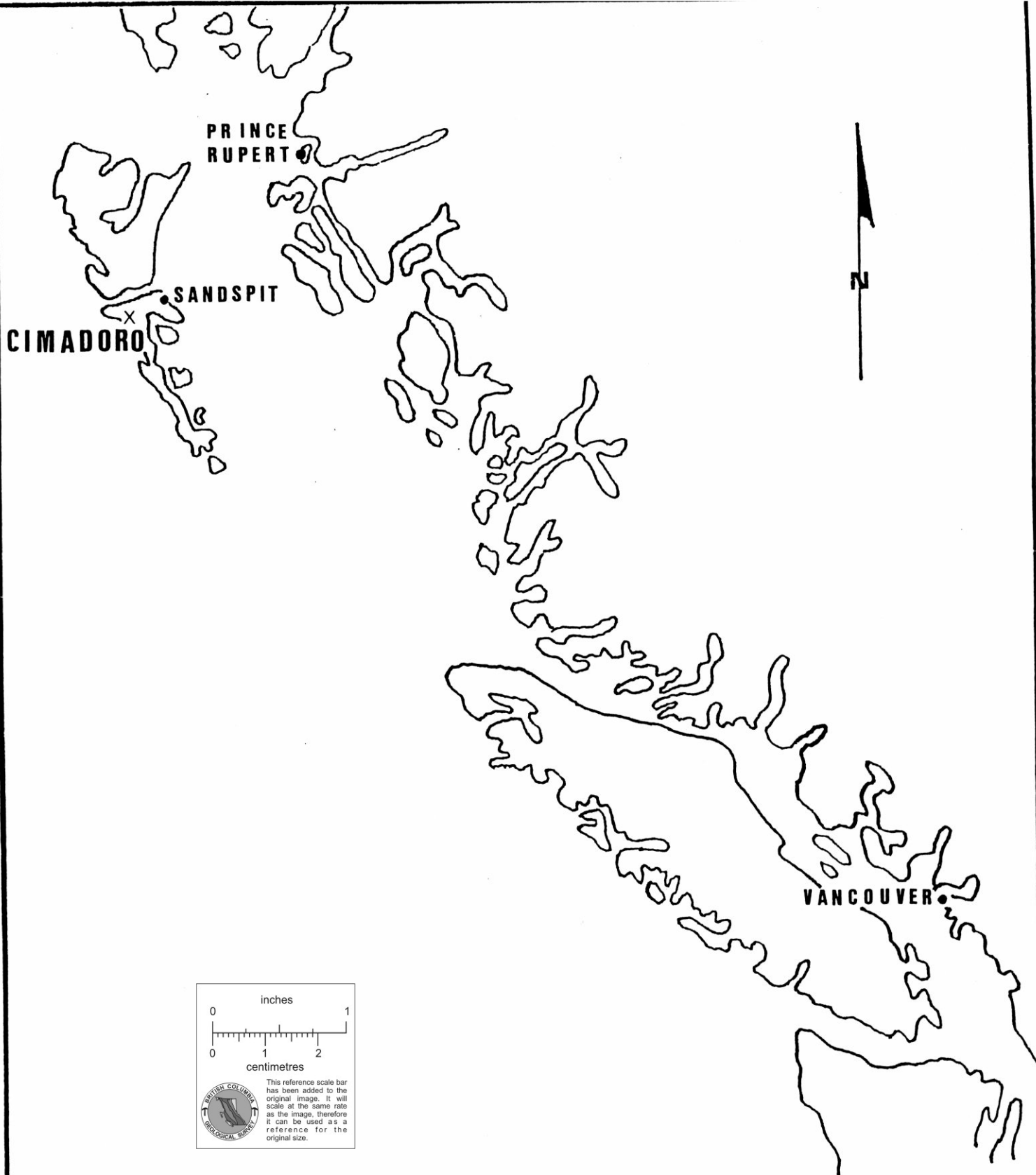
LOCATION AND ACCESSIBILITY

The location of the Cimadoro 1-4 claims is shown in Figures 1 and 2. The claims are located in NTS area 103F/1 near the headwaters of Deena Creek on Moresby Island, the southernmost island of the Queen Charlotte Islands, about 32 Kms. WSW of Sandspit airport.

The centre of the claims is readily accessible by good gravel active logging roads but to reach the showings, a one hour climb by foot to a point about 200 metres in elevation above the road is necessary at the present time. Road access to the showings can be constructed as part of a future exploration program.

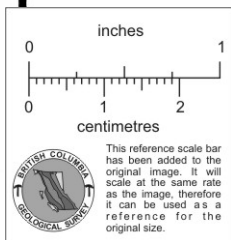
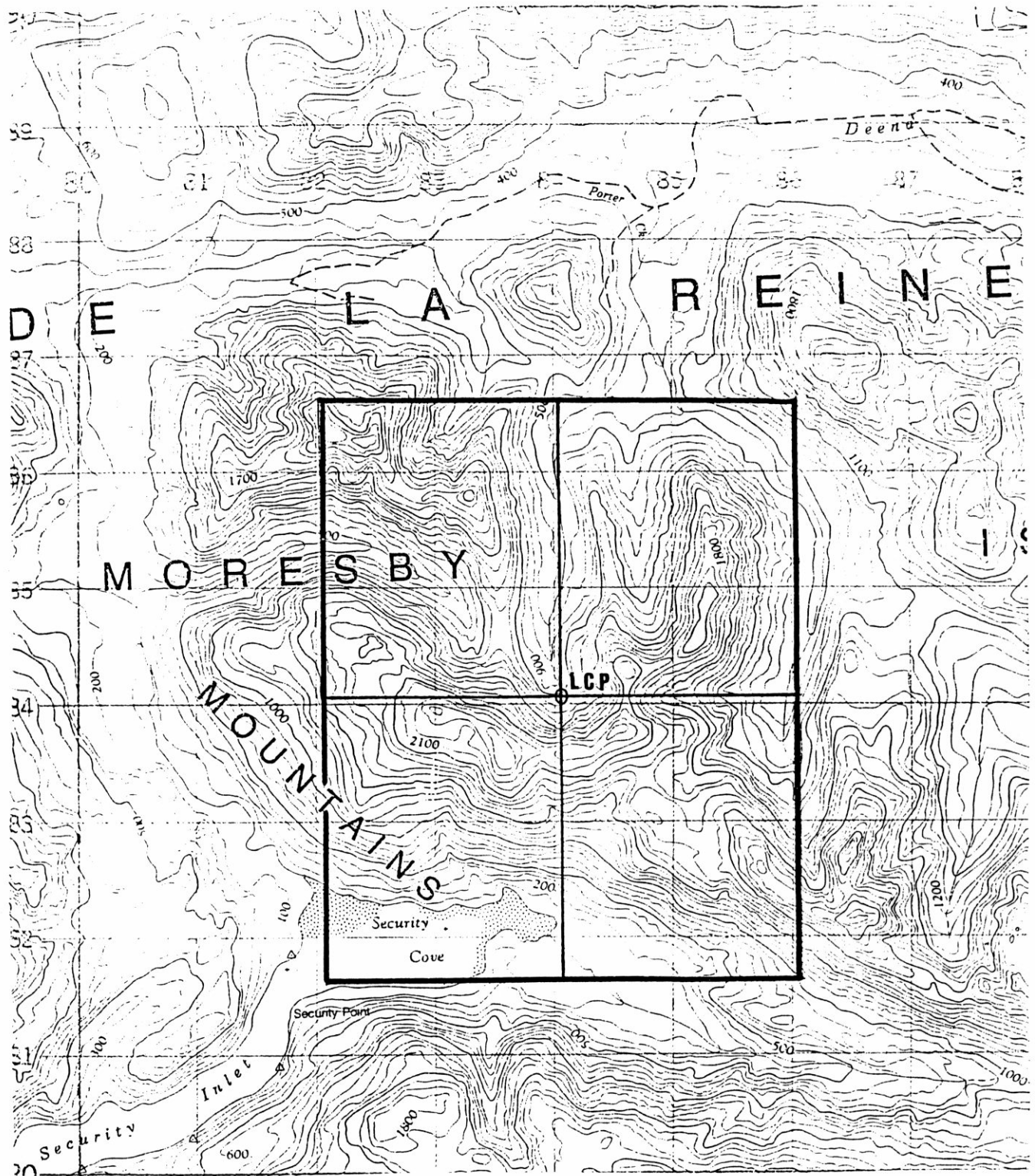
CLAIMS AND OWNERSHIP

The Cimadoro gold prospect is covered by a block of 4 claims comprising 80 units. The claims were recorded in the name of Specogna Minerals Corporation August 4, 1988 in the Skeena Mining Division. On September 6, 1988, ownership of the Cimadoro claims was transferred to Doromin Resources Ltd.



R.E. GALE AND ASSOCIATES INC.

DOROMIN RESOURCES			
SKEENA MD 103F/1		LOCATION CIMADORO GOLD	
Scale 1" = 64 MI.	Date 9-88	Approved	File No. FIG. 1



DOROMIN RESOURCES			
SKEENA MD 103F/1		CIMADORO CLAIMS	
Scale 1 : 50,000	Date 9/88	Approved	File No. FIG. 2

R. E. GALE AND ASSOCIATES INC.

Claim Name	Record Number	Units	Anniversary Date
Cimadoro 1	6835	20	August 4, 1989
Cimadoro 2	6836	20	"
Cimadoro 3	6837	20	"
Cimadoro 4	6838	20	"

The location of the Legal Corner Post for the 4 claims is as shown in Figure 2. The claims have not been surveyed so that the exact position of the claim boundaries is not known at present.

GENERAL GEOLOGY

Figure 3 shows the general geology of the Deena Creek area around the Cimadoro claims as taken from B.C. Department of Mines Bulletin 54, 1968.

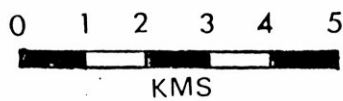
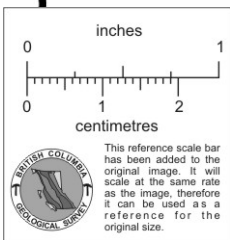
According to Bulletin 54, the country rocks in the claims area are Triassic Karmutsen volcanic rocks, andesite and basalt, which contain interbeds of limestone, especially near the top of the sequence. The trend of bedding is shown as WNW dipping steeply NE.

As shown in Figure 4, also taken from Bulletin 54, the claims area lies close to the axis of a WNW trending anticline running for 30 kilometres across northern Moresby Island. Syntectonic intrusions appear to follow the same trend as the western end of the major fold axis. The presence of float material of dioritic intrusive rock on the Cimadoro claims suggests that intrusive rocks may be present in the claims area.

Triassic-Jurassic Kunga Formation limestone overlies the Karmutsen volcanic rocks in the map area, and it is possible that these rocks could also occur on the Cimadoro claims as would be determined by detailed work.



FROM BCDM BULL 54



DOROMIN RESOURCES			
SKEENA MD 103F/1		GENERAL GEOLOGY CIMADORO GOLD	
Scale 1:125,000	Date 9/88	Approved	File No. FIG. 3

R.E. GALE AND ASSOCIATES INC.

LEGEND
BCDM BULL. 54
STRATIFIED ROCKS

QUATERNARY

- Q** Recent alluvium; Pleistocene till, marine drift, and outwash sands
Q-S Quaternary overlying Skonun Formation
Q-M Quaternary overlying Masset Formation

TERTIARY OR QUATERNARY

- TQT** TOW HILL SILLS: olivine basalt

TERTIARY

MIO-PLIOCENE

- TS** SKONUN FORMATION: sands, mudstone, sandstone, conglomerate, and lignite
PALEOCENE-EOCENE ?

- TM** MASSET FORMATION: subaerial basalt flows and breccias, rhyolite ash flows, lesser dacite
TM-Undivided Masset Formation

CRETACEOUS

QUEEN CHARLOTTE GROUP (KS, KH₀, KHA)

- KS** SKIDEGATE FORMATION: shaly siltstone, feldspathic sandstone, calcareous siltstone

- HONNA** FORMATION: conglomerate with granitic cobbles, arkosic grits, minor shale
ALBIAN-TURONIAN

- KHA** HAIDA FORMATION: green glauconitic and grey sandstone, grey silty shale and siltstone, buff calcareous siltstone

NEOCOMIAN

- LONGARM** FORMATION: dark grey calcareous siltstone and fine lithic greywacke, angular fine conglomerate, minor volcanic rocks

VANCOUVER GROUP (RKA, R_{KU}, JKU, JM, JY)

JURASSIC

BAJOCIAN-CALLOVIAN

- JY** YAKOUN FORMATION: porphyritic andesite agglomerate and flows, calcareous scoriaceous lapilli tuff, volcanic sandstone and conglomerate, minor tuffaceous shale, coal

PLIENSBACHIAN-TOARCIAN

- MAUDE** FORMATION: grey blocky argillite and shale, grey green lithic sandstone

JURASSIC AND TRIASSIC

KARNIAN-SINEMURIAN

- RJKU** KUNGA FORMATION: massive grey limestone, flaggy black limestone, flaggy black argillite-undivided

TRIASSIC

KARNIAN AND OLDER

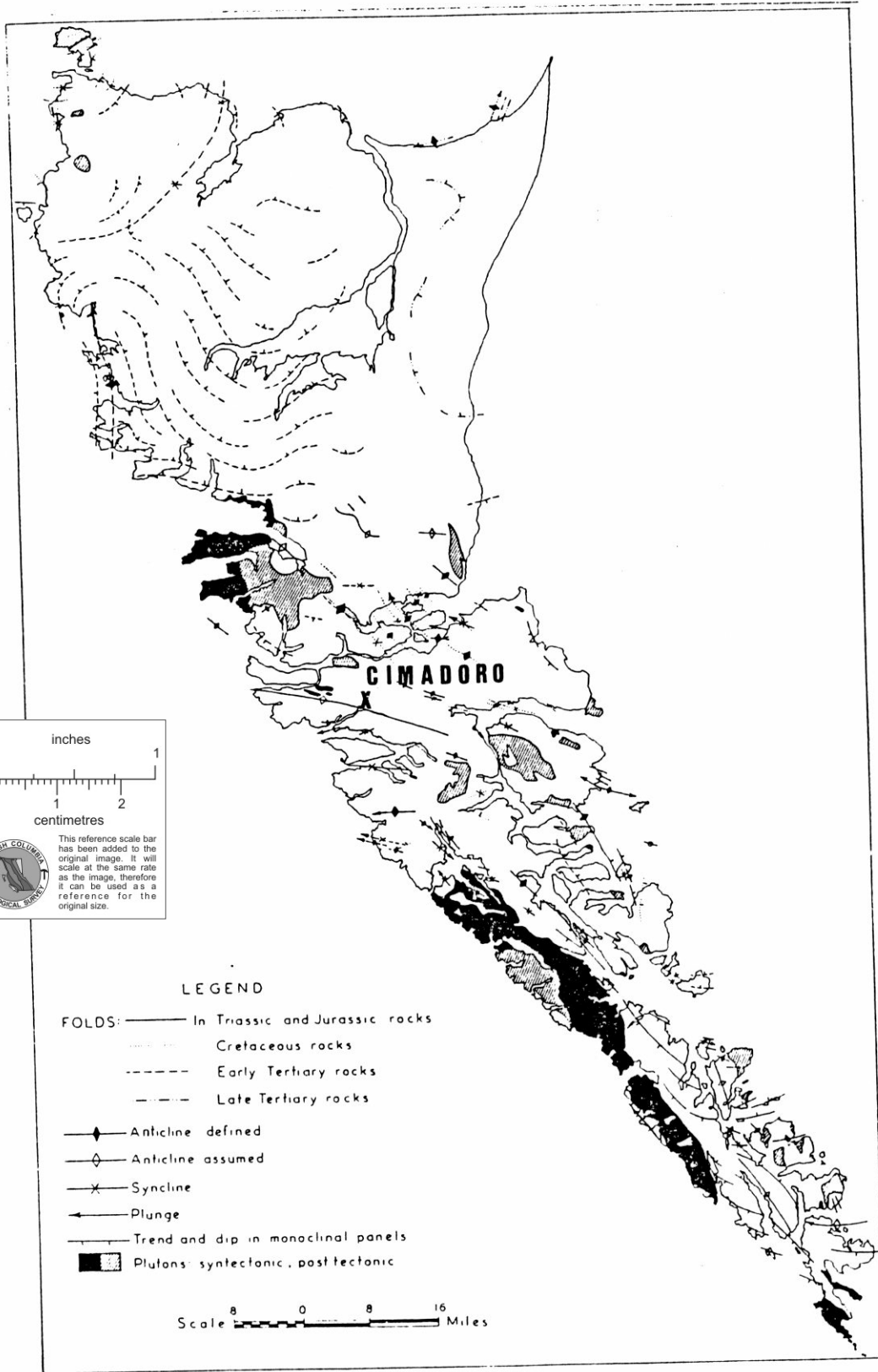
- RKA** KARMUTSEN FORMATION: basalt massive flows, pillow lavas, pillow breccia and tuff, related sills, minor interlava limestone, volcanic sandstone and shale, amphibolitized equivalents

PLUTONIC ROCKS

CRETACEOUS AND TERTIARY

- KTP** POST-TECTONIC PLUTONS: quartz monzonite, granite, granodiorite, quartz diorite
JURASSIC ?

- JS** SYNTECTONIC PLUTONS: hornblende diorite, quartz diorite



FROM BCDM BULL. 54

DOROMIN RESOURCES

Q.C.I.
SKEENA MD. STRUCTURAL GEOLOGY

Scale
1" = 10 MI.

Date
9 / 88

Approved

File No.
FIG. 4

R. E. GALE AND ASSOCIATES INC.

GEOLOGY-CIMADORO SHOWING

The showings on the Cimadoro claims occur near the base of prominent cliffs in a small steep ravine at the headwaters of Deena Creek. The area is strongly fractured and being rapidly eroded with blocks of rock tending to move downslope on steep talus slopes. Because of the presence of strong quartz replacement and oxidized pyrite, the structure and other geological relationships in the showings are not clear. Figure 5 shows the results of the preliminary study of the geology of the showings.

(1) INITIAL DISCOVERY AREA

The initial discovery was of mineralized boulders in a small creekbed quite far downhill to the northeast of the showings, at an elevation of about 350 metres. The boulders were found in a parallel but separate drainage from the ravine where the mineralization was later found in place by Specogna.

Two one-metre diameter boulders examined are composed of abundant fine grained pyrite and chalcopyrite with traces of galena and sphalerite replacing thin bedding laminations in a strongly silicified limestone. Lesser sulphides also occur as coatings along fractures cutting the replacement sulphides along the bedding. Sample 061301 consisting of random chips from both rocks assayed 0.62% Cu., 0.11% Pb., 1.34% Zn., 0.92 oz. Ag./ton and 0.009 oz. Au/ton. The bedrock source of the boulders was not seen, but it must lie to the NNE of the Main showing, and the type of alteration and mineralization noted in the boulders is similar to that seen in the Main showing.

(2) MAIN AND WEST SHOWINGS

At an elevation of about 500 metres, silicified limestone and chert mineralized with sulphides are exposed in outcrop on both the east and west sides of a NNW trending steep ravine. The floor of the

ravine is covered by talus, mainly derived from higher up the ravine. Some of the talus is dioritic suggesting the possibility that dioritic intrusive rocks may be present nearby, although these rocks could also be a phase of the volcanic rocks which are the main country rocks in the area.

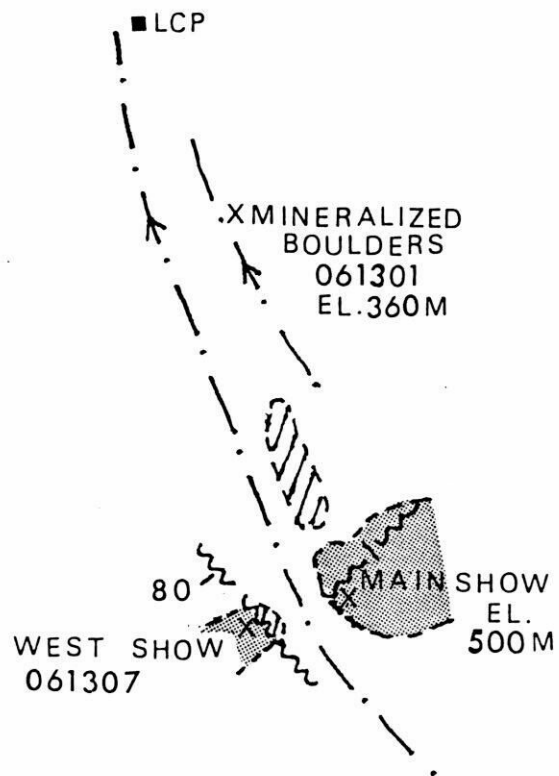
(2A)WEST SHOWING

In the West showing in the ravine a one metre wide band of limestone lies in the hangingwall of a thin gouge-filled fault striking NW and dipping 80 degrees to vertical to the southwest. The footwall rock is a dark green andesite or gabbro dike or flowrock. The limestone grades westward and upward into a highly siliceous altered limestone and/or chert carrying disseminations and fracture fillings of pyrite, chalcopyrite and sphalerite. A 0.3 metre vertical chip sample taken from the base of the silicified zone upwards, sample 061307, assayed 0.29% Cu., 0.07% Pb., 0.57% Zn., 0.18 oz./ton Ag. and 0.003 oz./ton Au. The vertical and horizontal extensions of this mineralization are obscured by overburden, but about 5 metres higher uphill, outcrops of chert carrying weak disseminated pyrite are exposed.

(2B)MAIN SHOWING

On the NE side of the ravine in the Main showing, the rocks are strongly fractured, faulted and in places strongly oxidized. Some large blocks of rock may have fallen out of position from the cliff above where some blocks of rock appear to be loose and somewhat unstable. Only the base of the cliff at the edge of talus was examined and sampled.

The host rock in the Main showing appears to be silicified limestone, bands of which are heavily pyritized along bedding or fracture zones. Some of the rock with only a little sulphide is very



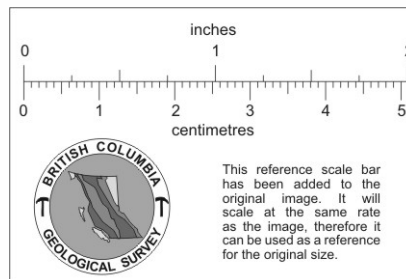
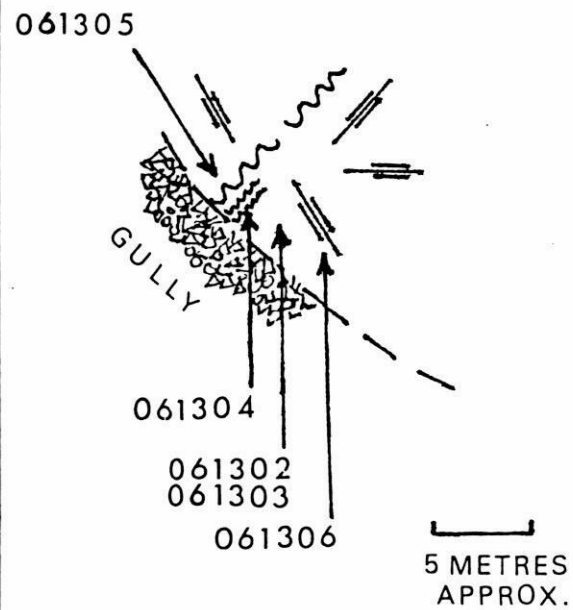
ANDESITE

LIMESTONE - CHERT

FAULT

GULLY

MAIN SHOW ENLARGED



R. E. GALE AND ASSOCIATES INC.

DOROMIN RESOURCES

SKEENA MD
103/F1

GEOLOGY
CIMADORO GOLD

Scale
1:4000

Date
9-88

Approved

File No.
FIG. 5

heavy and must be composed of either ankerite or barite. Anomalous Ba. in geochemical amounts is present in assays, but not enough to suggest the presence of massive barite. Further assaying for Ba. will be required to prove or disprove its presence in significant amounts.

Fracture trends in the showing are NNE to E-W and NW. A steep-dipping prominent fault trending N30-40 East cuts upward through the bluff. Along the east side of the fault, a strong 1 metre wide zone of red clay fault gouge occurs. Sample 061304, a grab sample of this red oxidation product assayed 1.212 oz./ton Au., 39.72 oz./ton Ag., 2.05 % Pb. and 0.27% Cu. Four other samples taken of weakly oxidized rocks on either side of the fault showed gold values ranging from 0.049 to 0.121 oz./ton Au.

It is evident that there has probably been some enrichment and accumulation of gold values in the strongly oxidized fault gouge material, but judging by the relatively high gold assay of the oxidized gouge, better gold values may be associated with mineralization along the NE fault than in the surrounding rocks. The gold values along the fault below the zone of oxidation can only be determined by drilling the fault structure below the outcrop because surface oxidation is probably deep here.

It appears from the initial examination that the best mineralization is associated with the NE fault and that the Main zone of mineralization trends northeast. On the southwest, this zone may be terminated or offset by faulting along the northwest trending ravine. Similarly, the mineralized zone may be offset or terminated in the cliff face to the northeast. The presence of the mineralized boulders in a branch ravine to the NNE suggests that the mineralized zone may continue some distance to the NE, but more detailed work is required to substantiate this impression.

SAMPLE RESULTS

Sample descriptions are shown below in Table One. Analytical results are included as Appendix One.

TABLE ONE-CIMADORO GOLD-DESCRIPTION OF SAMPLES

Sample Number	Type Sample	Location
061301	Chips from 2 boulders 1 metre in diameter-silicified banded limestone with strong pyrite and chalcopyrite.	Gully east of main gully
061302	Grab sample, silicified, heavily pyritized limestone.	Main showing
061303	Picked sample, heavily pyritized silicified limestone.	Main showing Same spot as 061302
061304	Red, clay-rich gouge zone along N 30 E. fault zone, approx. 1 metre wide. Grab sample.	Main showing
061305	Strong pyrite in limestone, west side of fault. Vertical chips across 0.7 metres.	Main showing
061306	Chip sample across 0.3 metre wide NW trending fracture zone-silicified, pyritized limestone.	Main showing
061307	Vertical chip sample across 0.3 metres- silicified, pyritized limestone with good sphalerite.	West showing

CONCLUSIONS AND RECOMMENDATIONS

The Cimadoro gold prospect is a new discovery of a type possibly not previously known in the Queen Charlotte Islands. Although base metal skarn deposits replacing limestone in the Karmutsen volcanics are known in the Queen Charlottes and also Vancouver Island, gold associated with base metals and pyrite replacing limestone is known in British Columbia mainly only in gold deposits in Cambrian limestone in the Barkerville area.

As a new completely untested property, Cimadoro is deserving of an immediate program of detailed mapping and sampling to be followed by diamond drilling, once the structural controls and approximate dimensions of the mineralized zone are determined.

In addition to road building in the first phase of work, some helicopter use will be required for access to the more rugged parts of the property, both of which will add substantially to the cost of the geological work to be done in the first phase. Helicopter use might also be required for drill moves in the second phase-drilling program.

ESTIMATED COST

(1) FIRST PHASE

Preparation of base map from airphotos 1:5000 scale	\$ 5,000
Mapping- Wages-2 men	5,000
Consulting Fees	4,000
Roadbuilding including some drilling-blasting	25,000
Room and board and travel expenses	5,000
Truck rentals and fuel	5,000
Helicopter charter 20 hours at \$550/hr.	11,000
Report and office costs	3,000

Assaying	2,000
Contingency	10,000

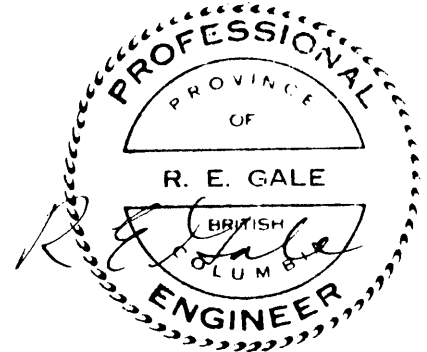
Total	\$ 75,000

(2) SECOND PHASE

Diamond drill 800 metres NQ drilling at all up

cost of \$150 / metre	\$ 120,000
Helicopter support- 40 hours at \$550/hr.	22,000
Consulting Fees	8,000
Assays	5,000
Report and office costs	5,000
Contingency	20,000

Total	\$ 180,000
Grand Total	\$ 255,000



R.E. Gale Ph.D., P.Eng.

R.E. Gale and Associates Inc.

September 18, 1988

GEOCHEMICAL/ASSAY CERTIFICATE

ICP - .500 GRAM SAMPLE IS DIGESTED WITH 3ML 3-1-2 HCL-HNO3-H2O AT 95 DEG.C FOR ONE HOUR AND IS DILUTED TO 10 ML WITH WATER.
 THIS LEACH IS PARTIAL FOR MN ZN SR CA P LA CR MG BA TI B V AND LIMITED FOR NA K AND AL. AU DETECTION LIMIT BY ICP IS 3 PPM.
 - SAMPLE TYPE: ROCK AG** + AU** BY FIRE ASSAY FROM 1/2 A.T.

DATE RECEIVED: AUG 31 1988 DATE REPORT MAILED: *Sept 7/88* ASSAYER: *C. Leong* D. TOYE OR C. LEONG, CERTIFIED B.C. ASSAYERS

SPECOGNA MINERALS CORP. File # 88-4102

SAMPLE#	Mo	Cu	Pb	Zn	Ag	Ni	Co	Mn	Fe	As	U	Au	Th	Sr	Cd	Sb	Bi	V	Ca	P	La	Cr	Mg	Ba	Ti	B	Al	Na	K	W	Ag**	Au**
	PPM	PPM	PPM	PPM	PPM	PPM	PPM	PPM	%	PPM	PPM	PPM	PPM	PPM	PPM	PPM	PPM	PPM	%	%	PPM	PPM	%	PPM	%	PPM	%	%	%	PPM	OZ/T	OZ/T
061301	7	6218	1162	13415	30.7	19	63	1084	12.01	208	5	ND	1	124	136	30	17	11	8.92	.003	5	13	.50	9	.01	5	.14	.01	.01	1	.92	.007
061302	18	450	12899	28704	105.0	29	6	207	6.87	172	5	3	1	21	141	57	2	57	.40	.046	2	63	.28	8	.05	8	.37	.01	.12	2	3.05	.049
061303	12	418	6173	5239	223.5	6	7	1239	1.24	108	5	5	1	111	21	67	2	3	5.88	.015	4	1	.05	33	.01	2	.29	.01	.01	1	7.01	.121
061304	73	2731	20544	4260	288.0	86	45	6675	16.55	590	13	34	1	34	9	52	2	97	.24	.145	9	85	1.70	117	.09	2	3.98	.01	.13	1	39.72	1.212
061305	28	343	2865	5423	111.5	34	7	1937	2.56	90	5	3	1	126	23	51	3	39	18.90	.039	7	33	.30	19	.04	2	.72	.01	.14	1	3.13	.102
061306	12	261	4361	3607	99.3	2	2	450	2.41	45	5	2	1	74	13	75	2	5	3.10	.005	2	3	.03	20	.01	2	.10	.01	.01	1	3.32	.078
061307	9	2932	733	56565	6.8	62	18	485	9.78	111	5	ND	1	5	194	6	19	56	.34	.016	4	101	1.49	6	.01	5	.91	.01	.01	3	.18	.003
STD C	19	61	38	131	7.2	72	31	1044	4.12	45	16	7	36	52	20	17	20	61	.48	.086	39	60	.92	180	.06	40	2.00	.06	.14	12	-	-

- ASSAY REQUIRED FOR CORRECT RESULT for Pb Zn > 10,000 ppm
 Ag > 35 ppm