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VANCOUVER STOCK EXCHANGE
BRITISH COLUMBIA, CANADA

FILING STATEMENT

(# 105/89)

AVATAR RESOURCE CORPORATION

NAME OF COMPANY

430 - 580 Hornby Street, Vancouver, B.C. V6C 3B6 (604) 687-4456

HEAD OFFICE ADDRESS AND TELEPHONE NUMBER OF COMPANY

CENTRAL GUARANTY TRUST COMPANY - 800 West Pender Street,
Vancouver, B.C. V6C 2V7

NAME AND ADDRESS OF COMPANY'S REGISTRAR AND TRANSFER AGENT

The Vancouver Stock Exchange has not in any way passed upon the merits of the securities or the Company. The information contained in this Filing Statement has been supplied to the Exchange by the Company, and the Exchange has relied upon this information in accepting the Filing Statement.

Sept. 19/89

1. STATEMENT OF MATERIAL CHANGE IN THE AFFAIRS OF THE COMPANY

1A. GEORGIA RIVER PROPERTY, SKEENA MINING DIVISION, PROVINCE OF BRITISH COLUMBIA

Agreement dated July 30th, 1987 - By an agreement dated July 30th, 1987 as amended on February 26th, 1988, Samson Gold Corporation ("Samson") granted to Avatar Resource Corporation ("Avatar") an option to acquire a further 40% interest in the Georgia River Property (Avatar previously earned a 40% interest in the Georgia River Property) which is described below in consideration for the issuance of 80,000 common shares and the carrying out of a work program of not less than \$100,000 on the property. This work program was recommended by E.R. Kruchkowski, P.Geol. Avatar's Consulting Geologist. This work program was to be carried out within 18 months of the date of the said agreement.

On or before December 31st, 1988, Avatar carried out a program at a cost of \$295,822.03 on the property. The results of this program are described in a report dated December 20th, 1988 prepared by E.R. Kruchkowski, P.Geol.

The shareholders of Samson approved the said agreements on February 26th, 1988. H. Barry Hemsworth, William E. Schmidt and David J. Kotula are principal shareholders, directors and/or officers of both Samson and Avatar. Their shareholdings, direct and indirect are as follows:

	<u>Avatar</u>	<u>Samson</u>
H. Barry Hemsworth	762,552	131,148
William E. Schmidt	385,035	45,833
David J. Kotula	173,313	134,761

Agreement dated August 15th, 1988 - On August 15th, 1988, Samson and Avatar entered into an agreement whereby Avatar was granted an option to acquire a further 20% interest in the Georgia River property in consideration for the sum of \$5,000.00 which was paid on the execution of the agreement and as a result of such payment, was granted an option to acquire the 20% interest for a further \$50,000.00 and the issue and allotment of 100,000 freely tradable shares of Avatar which Samson and Avatar have agreed will be set off against the consideration owed by Samson to Avatar in connection with the transactions described in Item 1. David J. Kotula became a director of Avatar (formerly Lynx Resources Ltd.) on June 6th, 1986. H. Barry Hemsworth became a director of Avatar on January 14th, 1975.

By an amending agreement dated December 20th, 1988 in consideration for a further \$5,000.00, Samson extended the

time period under which the option payment described in the agreement dated August 15th, 1988 may be exercised, until March 31st, 1989 or the date upon which Avatar receives the approval of the Securities Regulatory Authorities to the transaction, whichever is the sooner.

This agreement was approved by the shareholders of Avatar on November 16th, 1988 and of Samson on January 31st, 1989.

When this option is exercised, Avatar shall hold a 100% interest in the Georgia River property, provided the transaction described in Item 1 is completed. Samson will have been paid the sum of \$10,000 and will have received 160,000 shares of Avatar. Avatar had previously acquired a 40% interest in the Georgia River property from Samson. To date, Avatar has expended \$354,722.03 in development costs on the Georgia River Property. The report dated December 20th, 1988 prepared by E.R. Kruchkowski, P.Geol. describes the following reserves of ore on the Georgia River Property:

The Report prepared by E.R. Kruchkowski, P.Geol indicates three areas which contain reserves of ore.

In summary, the Southwest Vein Zone 1 mineral inventory is calculated at:

Indicated	76037.61
Drill Inferred	113916.39
Geologically Inferred	<u>58743.00</u>
	248697.00 tons of .627 opt Au and .656 opt Ag

The Southwest Vein Zone 2 mineral inventory is calculated at:

Indicated	32424.58
Drill Inferred	19972.62
Geologically Inferred	<u>19972.62</u>
	72369.82 tons of 1.567 opt Au and .656 opt Ag

Therefore, the weighted average between Zone 1 and Zone 2 of the Southwest veins, yield 321,067 tons of .839 opt Au and .656 opt Ag. Note that the gold values differ significantly between the Zone 1 and Zone 2 at .627 opt and 1.567 opt respectively yet the silver values were identical at .656 opt for both zones within the Southwest vein. Previous drilling conservatively indicate the Bullion vein yields 6195.2 tons of .122 opt Au and .30 opt Ag. Since this vein is considerably narrower and

therefore yields a lower grade, it was not included in the tonnage calculation with the Southwest zones.

The Georgia River Property is described as follows:

<u>Lot Number</u>	<u>Name</u>	<u>Record No.</u>	<u>Acres</u>	<u>Expiry Date</u>
L5150	Gem	Crown Grant	38.46	
L5151	Gem #1	Crown Grant	23.19	
L5165	Gem Fraction	1437(8)	48.80	Aug. 2, 1990
L5152	Goldfields	1434(8)	52.25	Aug. 2, 1990
L5153	Goldfields #1	1445(8)	43.68	Aug. 2, 1990
L5154	Goldfields #2	1429(8)	44.25	Aug. 2, 1990
L5155	Goldfields #3	Crown Grant	47.35	
L5156	Goldfields #4	1444(8)	44.90	Aug. 2, 1990
L5157	Goldfields #5	1435(8)	48.53	Aug. 2, 1990
L5158	Goldfields #6	1436(8)	51.15	Aug. 2, 1990
L1564	Top Fraction	Crown Grant	26.46	
L5166	Gold Fraction	Crown Grant	46.46	
L4437	Georgia	Crown Grant	49.39	
L4438	Georgia #1	Crown Grant	46.71	
L4439	Georgia #2	Crown Grant	48.58	
	Sun #1	1622(8)	1235.60 (20Units)	Aug. 15, 1989*
	Mike #1	1623(8)	1235.60 (20Units)	Aug. 15, 1990
	Mike #2	1721(9)	1235.60 (20Units)	Sept 18, 1989*
	Mike #3	1722(9)	1235.60 (20Units)	Sept 18, 1989*
L5159	Jitney	1429(8)	11.68	Aug. 2, 1990
L5084	September Fr.	1430(8)	19.85	Aug. 2, 1990
L5163	Danny Fraction	1431(8)	7.83	Aug. 2, 1990
L5178	June Fraction	1443(8)	41.00	Aug. 2, 1990
L5167	June	1438(8)	41.43	Aug. 2, 1990
L5168	June #1	1439(8)	25.80	Aug. 2, 1990
L5169	June #2	1440(8)	35.58	Aug. 2, 1990
L5170	June #3	1441(8)	39.03	Aug. 2, 1990
L5171	June #4	1442(8)	52.25	Aug. 2, 1990
L5172	June #5	1447(8)	34.84	Aug. 2, 1990
L5179	June #6	1448(8)	28.93	Aug. 2, 1990
L5174	June #7	1480(8)	37.78	Aug. 2, 1990
L5175	June #8	1432(8)	12.53	Aug. 2, 1990
L5176	June #9	1432(8)	39.08	Aug. 2, 1990
L5177	June #10	1432(8)	1.85	Aug. 2, 1990

L5173	Sovereign Fr.	1431(8)	8.50	Aug. 2, 1990
L5160	Sovereign	1446(8)	51.60	Aug. 2, 1990
L5161	Sovereign #1	1431(8)	36.28	Aug. 2, 1990
L5162	Sovereign #2	1445(8)	51.43	Aug. 2, 1990

The Sun #1, Mike #1, Mike #2 and Mike #3 overstate the other mineral claims.

* The Company has caused to be filed, assessment work to extend the expiry dates a further year, subject to the acceptance of an engineering report to be filed within the statutory period.

Gross Overriding Royalty - By an agreement dated October 28th, 1988, Avatar acquired a 1/2% gross overriding royalty on the eight crown granted mineral claims described in the Georgia River Property from Armadillo Oil & Gas Ltd. in consideration for \$3,000.00. W.B. Dinwoodie, a Director of Avatar, is an officer, director and principal shareholder of Armadillo Oil & Gas.

The Georgia River Property is located on the east side of the Portland Canal about 13 kilometers south of Stewart, B.C. The property consists of a series of high grade veins. Avatar is planning to carry out a further exploration program on this property in the period August-September 1989. This work will consist of drilling to increase the "proven probable" category of reserves as well as to identify additional reserves.

1B. KINGHORN RESOURCES LTD.

Acquisition of Interests

By an agreement dated August 17th, 1988 between Avatar Resource Corporation ("Avatar") and Kinghorn Resources Ltd. ("Kinghorn") of Site 5, Box 7, R.R. #12, Calgary, Alberta T3E 6W3 and Jeffrey L. Standen of 747 Coach Bluff Crescent S.W., Calgary, Alberta T3H 1A9, Avatar acquired from Kinghorn an option to acquire all of Kinghorn's interest in an agreement dated June 13th, 1988 with Southward Energy Ltd. which provided for a Joint Venture between Kinghorn and Southward to exploit a gas sale option from Dow Chemical Canada Inc. which included a provision for a prepayment to Southward which would be shared with Kinghorn (the "prepayment"). The option between Kinghorn and Avatar provided that Avatar might exercise that option on or before November 15th, 1988 to acquire all of Kinghorn's interest in the Southward Agreement in consideration for certain cash payments and the issue and allotment of freely tradable and

non-assessable shares of Avatar's common stock under this option. Avatar agreed to pay to Kinghorn the sum of \$9,000 per month for the months of September, October and November, 1988 (which were paid). These payments are in the form of a management fee pursuant to a management agreement whose terms are set out below.

Avatar exercised its option. By an agreement dated September 1989, Avatar agreed to pay an additional \$11,500 per month for each month commencing and including December, 1988 up to and including August, 1989. Upon Avatar receiving from its proportion of the prepayment from Southward of not less than \$2,000,000, Avatar was to issue and allot to Kinghorn 1,000,000 freely tradable and fully paid common shares of Avatar's common stock.

Assignment of Interests

Pursuant to an agreement dated for reference June 7th, 1989 between Samson Gold Corporation ("Samson") and Avatar Resource Corporation ("Avatar"), Avatar has agreed to transfer to Samson all its interest in an agreement (the "Kinghorn Agreement") between Avatar, Kinghorn Resources Ltd. ("Kinghorn") and Jeffrey L. Standen ("Standen"), and an agreement (the "Management Agreement") between Avatar and Kinghorn. In consideration therefor, Samson has agreed to assume all of Avatar's obligations under the Kinghorn Agreement and the Management Agreement and to reimburse Avatar for all of its out-of-pocket expenses incurred in connection with the Kinghorn Agreement and the Management Agreement up to the date of closing. Samson proposes to pay the estimated \$95,000 in out-of-pocket expenses by setting off \$50,000 in cash and 100,000 Avatar shares at \$0.45 per share, which is owed by Avatar to Samson in connection with the acquisition of the Georgia River property by Avatar from Samson as disclosed below.

There are two common directors between Avatar and Samson and the transfer is subject to shareholder approval, as well as the acceptance for filing by all necessary regulatory authorities both of which have occurred. Kinghorn is a private company owned by Jeffrey L. Standen and members of his immediate family. Kinghorn is at arms-length to both Samson and Avatar.

2. FINANCIAL INFORMATION

On June 30th, 1989, Avatar Resource Corporation (the "Company") had a working capital of approximately \$25,560.

3. MATERIAL NATURAL RESOURCE PROPERTIES

Georgia River Property, Skeena Mining Division, Province