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MAY 1982

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(GOLSKREISH)



ENFIELD RESOURCES INC.

1982

ANNUAL REPORT

MOLY MAY ~~103P028~~ 103P228
&
GOLSKREISH (103P027)

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FORM OF PROXY	Enclosed with text

Cover: oblique view over the South and West zones on the Moly May property with the old Anyox smelter in the distance

Dear Shareholder:



The intent of our activity in 1982 has been to diversify our exploration, to increase stability and develop profitability. Our theme of diversification has lead us to develop our Moly May molybdenum property and to expand into new projects. We are now engaged in gold, molybdenum and oil development; representing precious metals, industrial minerals and energy. Also, we have shifted our emphasis from frontier exploration to properties that are more developed and closer to production.

New projects undertaken in 1982 include participation in the Plainville East oil play and the Hunter gold mine. At Plainville East, we bought into a producing oil field. We used subsequent revenue from the field to expand production. At the Hunter property, the presence of a significant tonnage of high-grade gold ore has been well established. Our program will be designed to block out additional ore tonnage and to advance toward production.

Our ultimate goal remains to develop an enterprise of value. With our ongoing diversification we plan to participate in projects involving a wide spectrum of resources, to steadily increase the value of our company.

A handwritten signature in cursive script that reads "John Ostler".

John Ostler, M.Sc., P.Geol.
President, Enfield Resources Inc.

EXPLORATION REPORT

Moly May Property

Our 1982 exploration on the Moly May molybdenum prospect commenced in April when John Affleck, B.Sc. established a mapping and sampling camp on the property. From previous prospecting and geochemical survey, we knew that molybdenite showings were concentrated in two zones of highly altered and stained quartz monzonite at the north side of the Moly May stock; the East Zone and the West Zone. Affleck's assignment was to map the Moly May Stock to determine the extent and character of mineralization.

He discovered the showings of the South Zone and mapped an area of extensive alteration and molybdenite stain that was exposed in an arc around the whole northwestern margin of the Moly May Stock. The arc was about 8000 m (27000 ft) long and about 500 m (1650 ft) wide. Mapping revealed that the Moly May Stock may have cooled and solidified in two stages. This resulted in the formation of an outer shell that was veined, altered and mineralized with molybdenum, and an inner core of fresh quartz monzonite.

A drill camp was moved onto the Moly May property in June, 1982. The drill program was designed to answer several questions concerning mineralization on the property.

Since our earliest visits to the property, we found that gold was present in comparatively large quantities in veins and molybdenite showings in the East Zone. In summer, 1981, D. Javorsky obtained assays of grab samples that graded as high as 1.75 oz/ton gold and C. Graf, P.Eng. took a composite chip sample over 6 m (20 ft) on the E-4 showing that assayed 0.122 oz/ton gold.

Drilling was commenced in the East Zone to determine if we had a gold-bearing porphyry molybdenite system or a molybdenite porphyry with superimposed gold mineralization. It was found that gold mineralization was comparatively late and was localized near quartz veins and not distributed throughout the mass of the Moly May Stock.

The drill program was concluded prematurely. We did not test our best molybdenum targets near the West and South zones. In the East Zone, we found that near-surface weathering had been severe and that disseminated sulphide mineralization at depth was much more intense than had been previously assumed. Our expectations for the success of geophysical surveys over the property, particularly induced potential surveys, were greatly increased. We decided to suspend drilling until we could improve target delineation and cost effectiveness with geophysical exploration.

With a rapid rise in the price of gold and a decline in the price of molybdenum in 1982, our exploration emphasis shifted toward gold and our attention became focused on the May Mine.

GOLSKELSH (1039027)

The May Mine was a quartz flux mine from which ore was shipped to the Anyox smelter from 1920 until 1928. Ore shipments graded about 0.14 oz/ton gold and 0.5 oz/ton silver. The mine was located on the east shore of Granby Bay just south of the Beatrice-Moly May legal corner post.

Surface workings at the May Mine comprised two pits, one which was about 100 m (300 ft) long. Two vein systems; one near vertical and the other near horizontal, in the large pit were blown open by our prospectors. The vertical vein system was mineralized with pyrrhotite, chalcopyrite, pyrite and galena.

British Columbia Department of Mines records indicate that higher grade ore shoots were mined to a maximum pit depth in 1920. The operation subsequently moved underground, where ore shoots were stoped up from a level 30 m (90 ft) below surface.

Assays from the mined-out pit were low and the mine portal could not be entered due to caving. However our reconnaissance over Granby Peninsula encouraged us. The May Mine was possibly located on a north-northeast trending vein system that was responsible for gold mineralization at the Granby Point Gold Mine and at the Goldleaf property north of our claims. The Moly May 4 claim was staked to acquire all open ground remaining on Granby Peninsula.

Norland Property

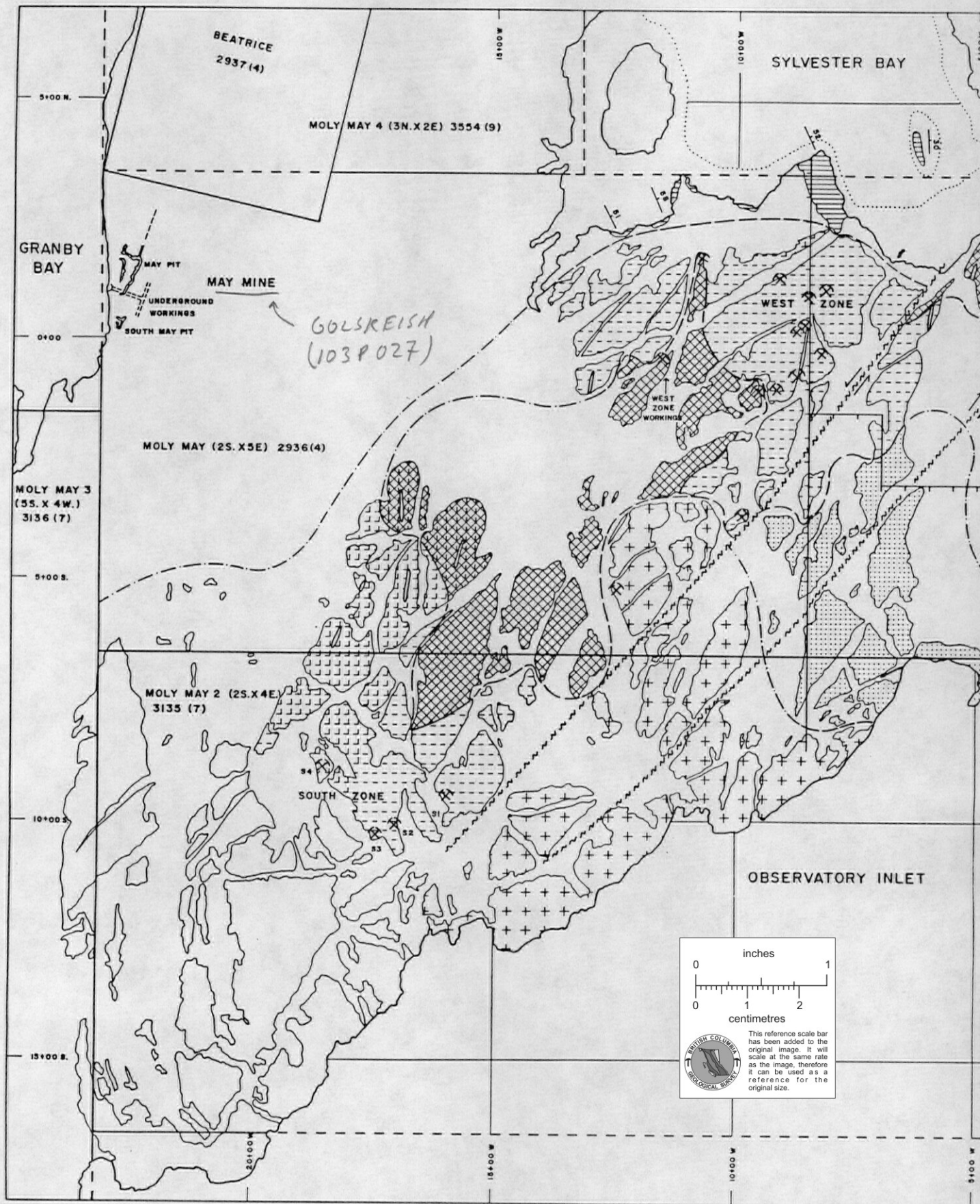
The Norland claim group was acquired by Enfield in October, 1982. No intensive exploration has been conducted on the property yet.

The Norland property is located on Hastings Arm about 19 km (12 mi) north of the Moly May property. It comprises 4 claims (36 claim units) covering a granitic stock similar to the Moly May Stock. Ferrimolybdenite stain is common near the contact of the stock with sedimentary rocks near the centre of the claims. This may indicate the presence of a significant amount of molybdenite mineralization, giving us a second molybdenite prospect in the Alice Arm camp.

Hunter Property

Last autumn, as the price of gold rose, we broadened our search for the yellow metal from the Moly May claims to the rest of the country. The result of our search was an option agreement to produce gold and silver from the Hunter Mine, located on the British Columbia coast south of Kitimat. Enfield and its partner Arnhem Resources Inc. have obtained the right to purchase 100% ownership of the property through a series of annual payments and net smelter returns.

The Hunter was staked in 1925 by the late C.W. Meldrum and A. Smith around gold-bearing quartz veins on the north fork of Khutze River. Subsequent prospecting



ENFIELD RESOURCES INC.

THE MOLY MAY STOCK

MOLY MAY CLAIM GROUP

55°21' N., 129° 48' W.

SKEENA MINING DIVISION

BRITISH COLUMBIA

1031028
GOLDSTAR

JOHN AFFLECK, B.Sc.

AUGUST, 1982

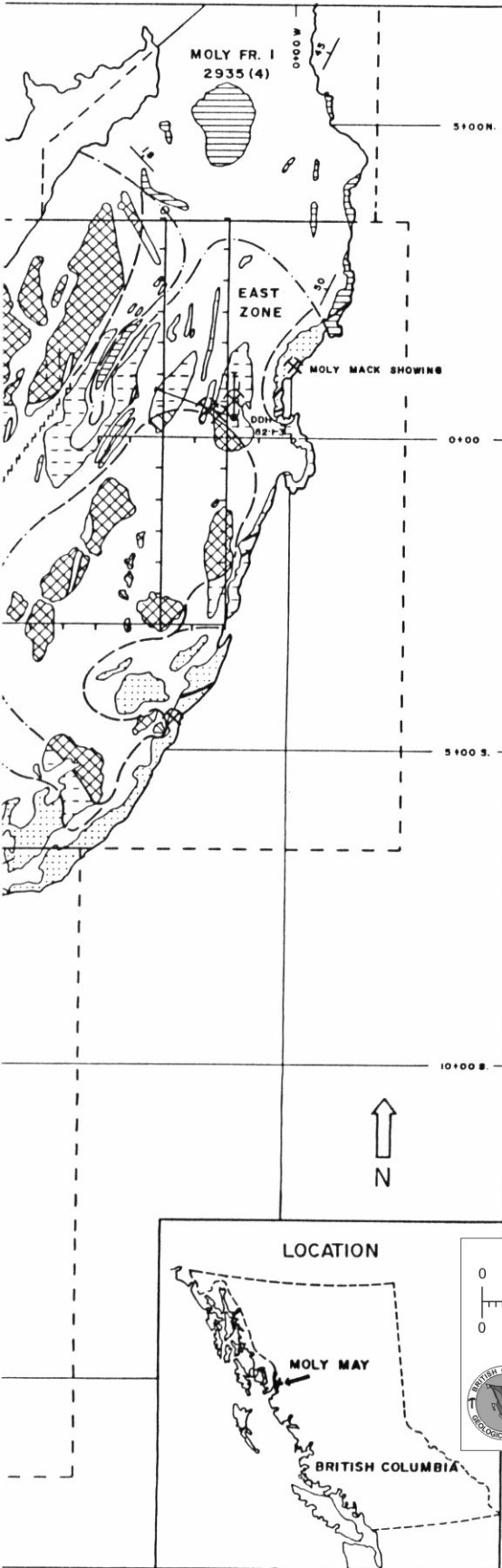


TABLE OF UNITS

MOLY MAY STOCK

HAZELTON GROUP

	Dykes: diabase / quartzofeldspathic pegmatite
	Fresh Quartz Monzonite
	Moderately Altered Quartz Monzonite: bleached, minor stockwork development, sparse Fe-Mo stain
	Coarse Biotite, abundant throughout units 2-3
	Intensive Vein Stockwork Development in highly altered Quartz Monzonite
	Highly Altered Quartz Monzonite; abundant Fe-Mo stain, highly fractured
	Greywacke, Argillite, Andesite

LEGEND

Geological contact or igneous phase boundary		Defined
		Approximate
		Assumed
Limit of outcrop		
Major molybdenite showing		
Major fault		
Sedimentary bedding, upright		
Limit of tidal flat		
Surveyed grid		
Diamond drill hole		

SCALE

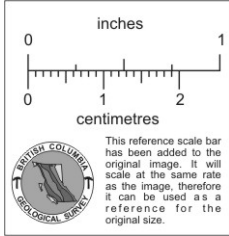


FIGURE 3

ENFIELD RESOURCES INC.CONSOLIDATED STATEMENT OF DEFERRED EXPLORATION EXPENDITURESFOR THE YEAR ENDED DECEMBER 31, 1982

	<u>1982</u>	<u>For the Period June 12, 1981 To December 31, 1981</u>
Mineral claims		
Moly May		
Assays	\$ 3,128	\$ 2,198
Consulting fees	17,861	-
Depreciation	48	60
Drafting and surveying	4,284	-
Drilling	66,837	-
Engineering	703	9,671
Equipment transportation	16,352	-
Licenses and fees	996	481
Site exploration	23,930	-
Supplies	2,873	-
Travel	21,234	6,211
Trenching and prospecting	9,124	-
Wages	-	3,075
Norland		
Site mapping and exploration	<u>1,053</u>	<u>-</u>
	<u>168,423</u>	<u>21,696</u>
Oil and gas interests		
Drilling	12,275	-
Licenses and fees	<u>37</u>	<u>-</u>
	12,312	-
Less		
Oil and gas revenue	<u>10,801</u>	<u>-</u>
	<u>1,511</u>	<u>-</u>
Total deferred exploration expenditures	169,934	21,696
Balance, beginning of year	<u>21,696</u>	<u>-</u>
Balance, end of year	<u>\$191,630</u>	<u>\$ 21,696</u>