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THIS PROSPECTUS CONSTITUTES A PUBLIC OFFERING OF THESE SECURITIES OFFERED FOR SALE AND ONLY BY PERSONS PERMITTED TO SELL SUCH SECURITIES IN CANADA HAS IN ANY WAY PASSED UPON THE MERITS OF THE SECURITIES OFFERED IS AN OFFENCE.

018858

WHERE THEY MAY BE LAWFULLY EXERCISED WITHOUT THE COMMISSION OR SIMILAR AUTHORITY OR REPRESENTATION TO THE CONTRARY

PROSPECTUS

Terminus Property

104 A 016 NEW ISSUE

EFFECTIVE DATE: April 4, 1989

PROPERTY FILE

GATROW RESOURCES INC.

10720 Seahaven Drive
Richmond, British Columbia V7A 4C9
(hereinafter called the "Issuer")

DATED: March 23, 1989

Rec'd July 21/89

500,000 Common Shares

	Price to the Public	Commission (1)	Net Proceeds to be Received by the Issuer (2)
Per Share	\$0.40 (3)	\$0.05	\$0.35
Total	\$200,000	\$25,000	\$175,000

- (1) The Agent has been granted warrants to acquire 125,000 shares of the Issuer at a price of \$0.40 per share for a period of one year following the date of listing and at a price of \$0.48 per share for the next twelve months. Further references should be made to the section titled "Options to Purchase Securities" in this Prospectus.
- (2) Before deduction of the costs of the Issue, including applicable Vancouver Stock Exchange and Regulatory fees, estimated to be \$20,000.00.
- (3) The price of the shares has been determined by the Issuer through negotiations with the Agent.

There is no market through which these securities may be sold.

This Prospectus also qualifies the Issuance of the Agent's Warrant and distribution at the market price prevailing at the time of the sale of any shares purchased by the Agent pursuant to the Guarantee. The Agent is entitled pursuant to the Securities Act and its Regulations to sell any shares acquired on exercise of the Agent's Warrant without further qualification. See "Plan of Distribution" on Page 1.

A purchase of the securities offered by this Prospectus must be considered as speculation. All of 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 survey of 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 area could be in doubt. See also the heading "Risk Factors" herein. With respect to the expenditure or the diversion of funds by the Issuer see the heading "Use of Proceeds".

The Vancouver Stock Exchange has conditionally listed the securities being offered pursuant to this Prospectus. Listing is subject to the Issuer fulfilling all the listing requirements of the Vancouver Stock Exchange on or before July 4, 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.

One or more of the Directors of the Issuer are Directors of other reporting companies and have potential conflicts of interest when serving in such capacities. Reference is made to the heading "Directors and Officers".

Upon completion of this Offering this Issue will represent 29.17% of the shares then outstanding as compared to 44.6% that will then be owned by the controlling persons, promoters, directors and senior officers of the Issuer and by the Agent and its associates. Refer to the heading "Principal Holders of the Securities" and associates of the agent. Additionally, upon completion of this Offering, the subscribers hereto will suffer an immediate dilution of \$0.245 per share, or 61.25% of the Offering price.

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 "Plan of Distribution" in this Prospectus.

AGENT

CONTINENTAL SECURITIES

10th Floor, 1055 Dunsmuir Street
Vancouver, British Columbia
V7X 1L4
682-4450

PROPERTY FILE

SUMMARY

The Issue

By this Prospectus, Gatrow Resources Ltd., the Issuer, is offering for sale to the public 500,000 common shares of the Issuer at a price of \$0.40 per share. The Issuer will net proceeds of \$175,000, prior to deduction of offering expenses associated with this issue estimated to be \$20,000.

The Agent has been granted warrants to purchase an additional 125,000 shares in the capital of the Issuer. These warrants are exercisable by the Agent at a price of \$0.40 per share at any time up to the close of business one year from the date of listing of the Issuer's shares on the Vancouver Stock Exchange and at a price of \$0.48 per share at any time during the twelve months immediately following thereafter. The Agent may sell any shares acquired on the exercise of the warrants pursuant to the Securities Act or Regulations without further qualification.

Upon completion of the Offering the Issuer will have 1,714,001 shares outstanding exclusive of any shares which may be issued at a later date pursuant to the Agent's warrants. Reference should be made to "Share Capital Structure" and "Options to Purchase Securities" for information respecting outstanding stock options and warrants.

Use of Proceeds

The proceeds of this distribution will be used to finance further exploration and development of the Issuer's Terminus mineral claim properties. Preliminary drilling and geotechnical analysis indicates that the properties feature encouraging gold and silver mineralization. For a detail description of the properties and the work to be undertaken in relation to them one should refer to the material appearing under the headings "Description of Business and Property of the Issuer" and the sections entitled "Report on the Terminus Property" included as Appendix B in this Prospectus.

Speculative Aspects

Investment in the shares of the Issuer must be considered speculative due to the nature of the Issuer's business, the present stage of the development of its properties, the lack of a market for the Issuer's securities and the fact that the Issuer has not paid any dividends and has no immediate plans to do so. Reference is made to the warnings on the cover of this Prospectus, the description of the Issuer's properties and the other relevant disclosures contained herein. See "Risk Factors" on Page 5 of this Prospectus.

Purchasers of any of the shares offered hereunder will suffer an immediate dilution of \$0.245 per share.

The foregoing is a summary only and should be read in conjunction with the more detailed information contained elsewhere in this Prospectus.

REPORT ON THE
TERMINUS PROPERTY

STEWART, B.C.

NTS 104 A 4

for

GATROW RESOURCES INC.



C. R. Harris, P.Eng.

April 15, 1988

C.R. Harris, P.Eng.,
2709 Wembley Drive
North Vancouver, B.C.
V7J 3B7

July 13, 1988

The Directors,
Gatrow Resources Inc.,
Vancouver, B. C.

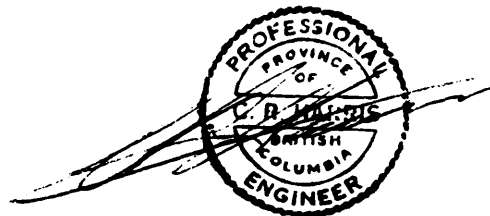
ADDENDUM to Report on the Terminus Property,
dated April 15, 1988

Gentlemen,

The following paragraph should be added to the INTRODUCTION
of the above report:

Since last visiting the property in 1981, there has been
no work done on the property or underground workings and
therefore no change in my conclusions or assessment regarding
the Terminus Property since my last Report of Sept. 30, 1981.

yours very truly,



C. R. Harris, P.Eng.

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INTRODUCTION

This report has been prepared at the request of Gatrow Resources Inc., and is based on work performed by the writer during the 1980 & 1981 field seasons. In 1981, the writer personally directed a small exploration crew on the property for a period of one month to open up and renovate the old workings and generally prospect the area.

The claim area covers old workings on the Terminus and Evans veins as well as several other showings which have been located but not prospected and others which are suspected but have not been located.

This report summarizes the results of work done on the property, describes the showings and makes recommendations for continued exploration.

SUMMARY

The Terminus property consists of two main vein-shear structures, the Terminus and Evans veins, as well as several other smaller vein outcrops which have not yet been traced.

The Terminus vein is a strong quartz-carbonate shear zone associated with dykes and faulting. Mineralization consists of base metal sulphides carrying appreciable to high-grade silver values. The Terminus workings, figures 3 & 4, consist of a 650 foot crosscut with short drifts, a raise to sub-level, sub-level, a winze from surface and two small stopes. Sampling indicates that considerable silver bearing material exists in the workings and geological evidence points to possible lateral extension and depth. Eighty feet of backs are present from the adit level to surface.

Underground sampling in the old stopes returned assays as

high as 222.5 oz/ton silver over an 8 inch width of high sulphide vein section and surface samples ran as high as 137.0 oz/ton silver over a 24 inch width. The vein has not been traced on surface due to snow and debris cover but the vein is present and still strong in the drift and sub-level faces. The vein system dips into the hillside at about 65° but there is some evidence of faulting which might produce a system with a more vertical en-echelon arrangement.

The Evans vein consists of two or more quartz-carbonate veins over a width up to 40 feet separated by dyke and country rock. Although low in sulphides and silver values, the width and persistence of the structure make this an important exploration target. Of particular interest is one sample, figure 4, which assayed 0.33 oz/ton silver and 0.142 oz/ton gold. The structure dips west with the hill and there is a possibility of its northern extension intersecting the Terminus structure at depth.

Numerous heavily pyritized zones also exist on the claims, such as the Terminus Shaft just south of the Terminus Winze, but gold and silver values are low. However, they may be indicative of a more deep seated mineralization and should be further studied.

Several other quartz-carbonate veins have been located but not seriously prospected as yet. Most show only low silver and sulphides but one, near the old Terminus Cabin, showed a 24 inch vein from which a 3 inch section of massive sulphides assayed 86.0 oz/ton silver, 9.80 % lead and 30.70 % zinc. There is also some suspicion that there may be old showings at lower elevations near American Creek but no work has been done in this area in recent years.

In summary, the Terminus and Evans veins are very worthwhile exploration targets which require additional surface prospecting, detailed geological study and diamond drilling. Also, the entire claim area should be further prospected and all showings opened and traced for sampling.

RECOMMENDATIONS

It is recommended that prospecting and geological mapping be continued on the claim group and that the Terminus and Evans veins be diamond drilled to test lateral and vertical continuity. Prospecting should include basic search techniques, including geochemistry, as well as stripping and trenching etc.

For convenience, the program is broken into two phases. Phase I to consist of prospecting, trenching, geological mapping and additional underground sampling, with Phase II to consist of moderate depth diamond drilling to trace and evaluate the Terminus and Evans veins.

PHASE I

This phase consists primarily of continued prospecting over the claim area, trenching or opening all veins or showings, (particularly the Evans and Terminus Cabin veins), detailed geological mapping of the Terminus and Evans areas, re-opening the Terminus underground and timbering and laddering for improved sampling. A tent camp suitable for 4 to five men will be required and the work is expected to take 3 weeks to complete.

The budget for this phase is estimated at;

Camp equipment, tents etc.	\$	3,000
Camp supplies, food, expendibles		2,500
Geologist, 2 weeks		3,000
Supervisor & 3 laborers, 3 weeks		12,000
Travel & local accommodation		2,500
Helicopter support		5,000
Drill rental, powder etc.		3,000
Tools, radio, engineering supplies		1,500
Assays, rock & geochem.		5,000
Consulting, reports etc.		3,000
	\$	<u>40,500</u>
Contingency		<u>4,500</u>
TOTAL PHASE I	\$	<u>45,000</u>

PHASE II

This phase is contingent upon the results of Phase I and is to consist of short to moderate depth diamond drilling using light drill equipment. Drill sites and targets should be determined during the course of phase I so that Phase II can follow without undue loss of time. The Terminus and Evans veins are the prime targets but any new finds should also be given consideration. Completion time is estimated at 2 weeks.

The budget for this phase is estimated at;

Camp expenses, fuel etc.	\$	2,500
Geologist & helper		6,000
Diamond Drilling, 1000 feet @ 30.00		30,000
Helicopter support		5,000
Travel & local accommodation ,.....		2,000
Assay, freight etc.		1,000
Consulting, reports etc.		3,000
		<hr/>
	\$	49,500
Contingency		5,500
		<hr/>
TOTAL PHASE II	\$	55,000
		<hr/> <hr/>
TOTAL BOTH PHASES	\$	100,000

Following the completion of Phase II it is possible that additional drilling will be required but as this would likely be deeper drilling with heavier equipment, no estimate of the extent or costs can be made at this time. The possibility of the need for additional expenditures should, however, be recognized.

LOCATION & ACCESS

The Terminus claims are located about 11 miles north of Stewart, B. C., to the east of American Creek between Champion and Basin Creeks as shown on figures 1 & 2. Elevations range from 200 feet in American Creek to 4400 feet at the top of the

claim group, with the main workings at about 4100 feet.

Access was once from Bear River along American Creek but the trail is now difficult to locate. At present, access is only by helicopter from Stewart.

Slopes on the claims vary from steep to trecherous along the main creeks, to moderate in the vicinity of the Terminus and Evans veins. Timber is scarce above 3000 feet. Water for drilling is available from melting snowfields, local creeks and ponds.

PROPERTY

A total of 14 Reverted Crown Granted claims and fractions make up the Terminus claim group. These are the;

Dix	Lot 4911	Rec. 960
Ouige	" 4826	" 961
Evans	" 3231	" 962
Ayrshire	" 3232	" 963
Oneda	" 3233	" 964
Glenora	" 3234	" 965
Edith M	" 3235	" 966
Cobalt Fr.	" 3236	" 967
Valley	" 4823	" 968
Snow	" 4824	" "
Ena	" 3528	" "
Vancouver	" 4907	" 969
Noonday 2	" 4909	" "
Noonday 3	" 4908	" "

The claims are owned by Gatrow Resources Inc., and are all in good standing to February 1989.

HISTORY & PRODUCTION

The original Terminus claims were located in 1910, followed by others in the early 1920s. All were brought to Crown Grant status shortly after location but were eventually allowed

to revert to the Crown.

The earliest mention of work is in 1911 when a 45 foot shaft, open cut and a short tunnel are noted. At this time, a shipment of 12 tons valued at \$ 200.00/ton was made. Until 1924 work was sporadic but in that year almost all of the Terminus underground workings had been completed. Work was also underway on other nearby properties. By 1928, permanent camp buildings had been erected, trails improved, and several high grade shipments made from the Terminus vein. One in 1925 of 6 tons assayed 260 oz/ton silver, 3 % lead and 23 % zinc.

Little is mentioned in old reports after 1928 but some evidence of later high-grading has been noted.

GEOLOGICAL SETTING

The claims are located on the eastern limb of the north-south trending American Creek Anticline in fragmental volcanics of the Hazelton assemblage. The rocks noted are predominantly green volcanic conglomerates and tuffs. Epidote and intense pyritization are common and a few carbonate pods have been located. Numerous NNW trending dykes of various composition occur over the area, particularly above 3000 feet elevation.

The Terminus and Evans veins are quartz-carbonate breccia veins associated with basic dykes. Both pre and post-mineral dykes have been noted and some small displacement post-mineral faulting is suggested. Pyrite, galena, sphalerite, chalcopyrite, tetrahedrite and oxidation products have been identified and silver sulphosalts are suspected.

DESCRIPTION OF WORKINGS

The main Terminus workings, at 4030' elevation, consist of a 650 foot crosscut adit with 200 feet of drift following the

main vein at 300' and a short drift on a narrow silicified shear at 540'. From surface, a winze was sunk on the vein to a sub-level 90 feet long which was subsequently connected to the level below. The workings therefore trace the vein for a 200 foot length and 80 foot depth. Figures 3 & 4 show the arrangement of old workings.

The geology and sampling is complicated by a dyke system which creates both hanging and footwall veins, as well as by minor faulting. The vein and dyke strike northerly and dip steeply to the east into the hillside. Mineralization varies from a few inches of massive sulphides to up to four foot widths of sulphide stringers, quartz, breccia and gouge.

Sampling of the Terminus vein in 1981 returned values over a wide range but ore grade material is present in both the main level stopes and in the sub-level. The best values were obtained from the northern stopes and sub-level. Two surface pits about 50 feet north of the winze showed excellent values even though highly oxidized and only partly open to sampling. No further surface exposures were found as the area is covered by debris and local snow patches. Figures 3 & 4 show the assay locations and values.

The silicified structures intersected near the end of the crosscut could correlate with the Evans vein as the dip and strike are similar. An interesting deep drilling target might be the intersection of these west dipping veins with the east dipping main vein.

The Evans vein outcrops in a deep gully at elevation 4096' some 1500 feet southeast of the Terminus adit. The showings consist of two quartz-carbonate breccia veins 4 to 10 feet wide separated by a basic dyke and fractured volcanics. The veins strike northerly and dip about 70° to the west. North of the gully the vein can be partially traced for about 100 feet but to the south the vein is either debris covered or offset. Figure 4 shows the outcrop area and sample locations.

Assays from the Evans vein were low in gold and silver except for one at the north end where a 3 foot section of vein with light sulphides gave 0.142 oz/ton gold and 0.33 oz/ton silver.

Several other quartz veins have been located on the upper claims but were generally found to be low in sulphide and metal values. An exception is a 24 inch vein outcrop just south of the old Terminus cabin where a 3 inch section of massive galena assayed 86 oz/ton silver. This outcrop has not been trenched or traced.

Numerous highly pyritized zones, apparently associated with tuffaceous rock units, occur on the claims. One, explored by a shaft of unknown depth some 150 feet southwest of the Terminus winze contains fair chalcopyrite mineralization but assayed only low values in gold and silver. The significance of these pyrite zones is unknown at present.

On the lower claims, some evidence of old workings has been noted while flying the area but no ground search has been made.


REFERENCES

- Hanson, G. (1929), Bear River & Stewart Map Areas.
G.S.C. Mem. 159
- Hanson, G. (1935), Portland Canal Area, B. C.,
G.S.C. Mem. 175
- Grove, E. W. (1971), Geology & Mineral Deposits of Stewart
Area., B.C.D.M. Bull. 58
- B. C. Minister of Mines Reports, various dates, 1911-1931
- Harris, C. R., 1981 Prospecting Report, Terminus Claims,
B.C.M.M. Assessment Report # 10124
- Harris, C. R., Review of 1981 Exploration, Vancouver-Terminus
Properties. for Gatrow Resources Inc.
- Green, P. W., Geological Report on Evans-Terminus-Vancouver,
for Gatrow Resources Inc., July 1981.

QUALIFICATION

I, Charles R. Harris, of 2709 Wembley Drive, North Vancouver, B. C., do hereby certify that;

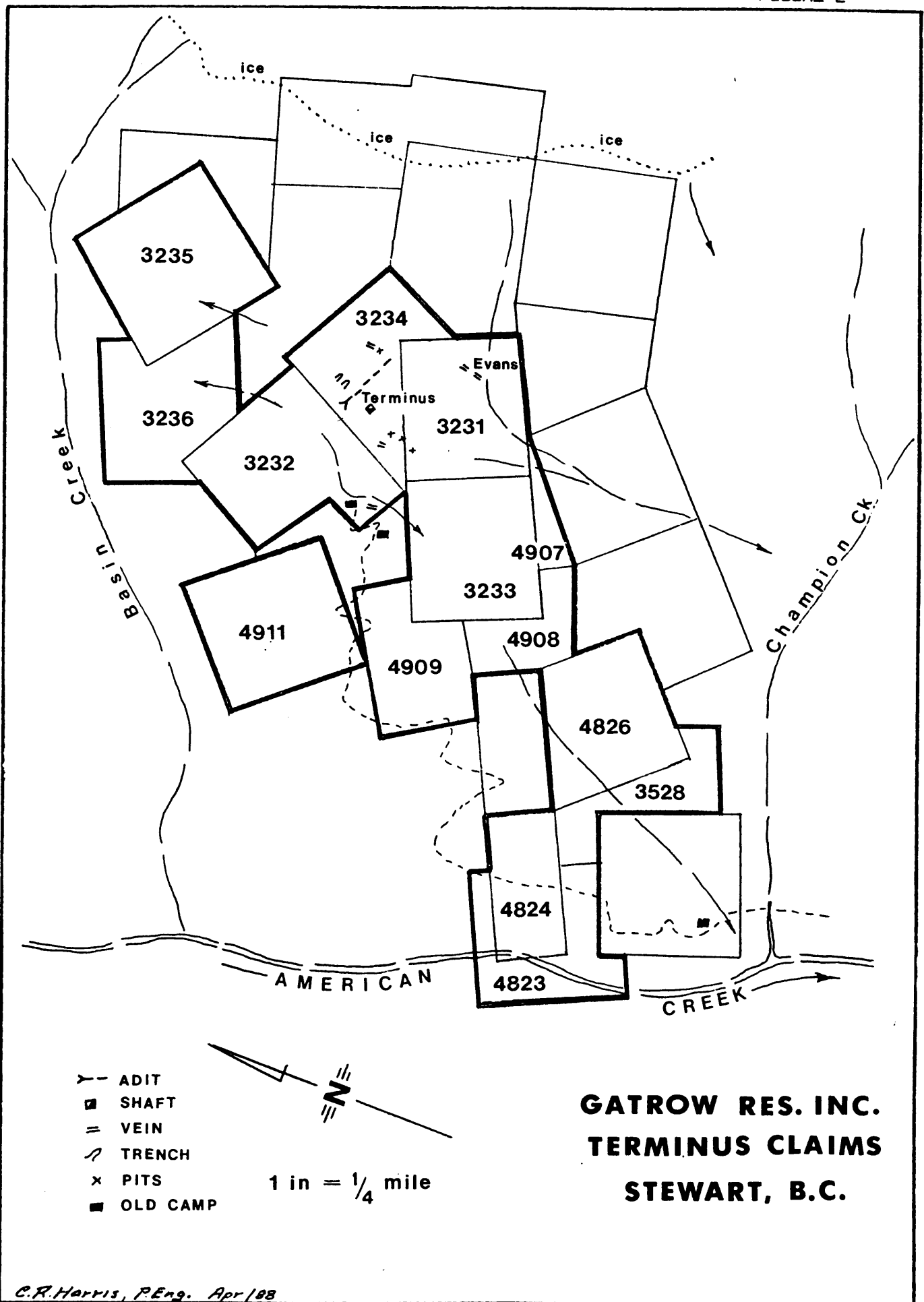
- 1. I am a graduate of the University of British Columbia with a degree of Bachelor of Applied Science in Mining Engineering.
- 2. I am a registered member, in good standing, of the Association of Professional Engineers of British Columbia and have practiced my profession continuously for the past twenty four years.
- 3. This report is based upon a study of the available literature and on an extensive examination in 1981.
- 4. I have not received any interest, directly or indirectly, in the properties or securities of Gatrow Resources Inc., nor do I expect to receive any. I presently hold no interest, direct or indirect, in the properties or securities of Gatrow Resources Inc.



[Handwritten Signature]

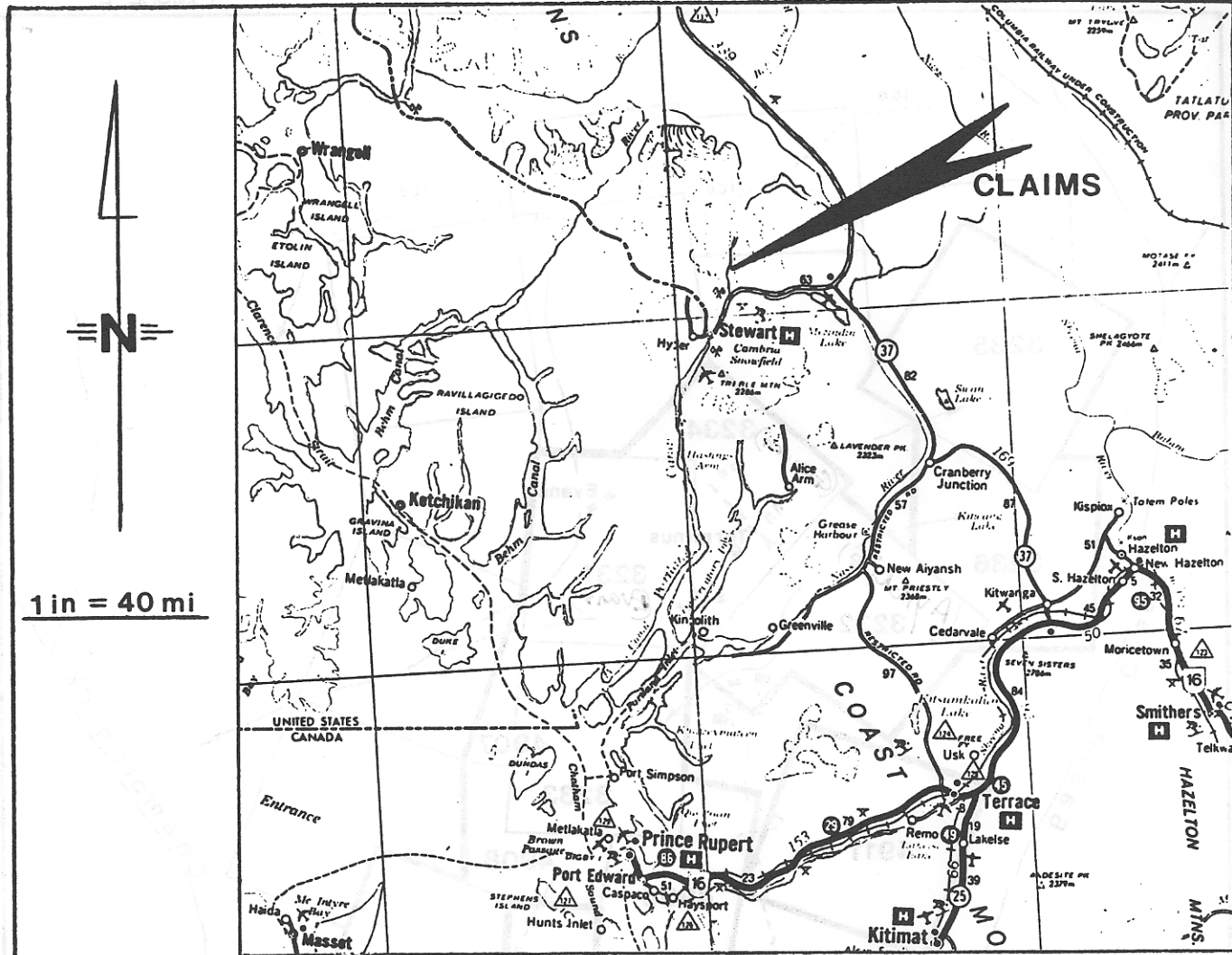
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C. R. Harris, P.Eng.
April 15, 1988



**GATROW RES. INC.
TERMINUS CLAIMS
STEWART, B.C.**

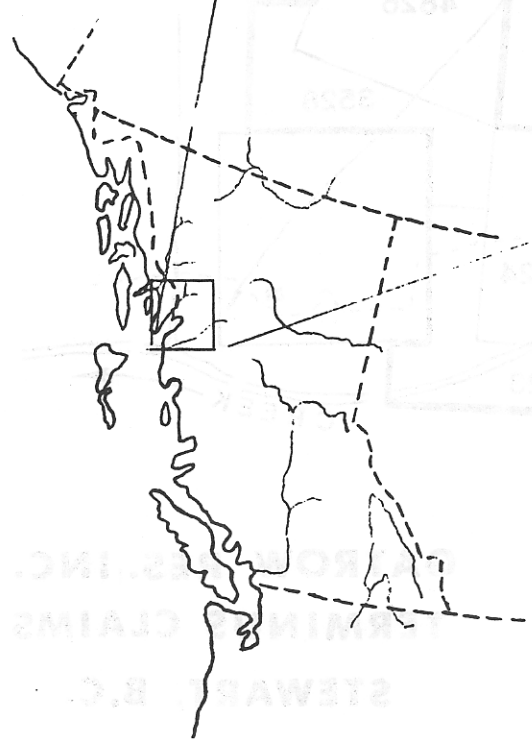
FIGURE 1

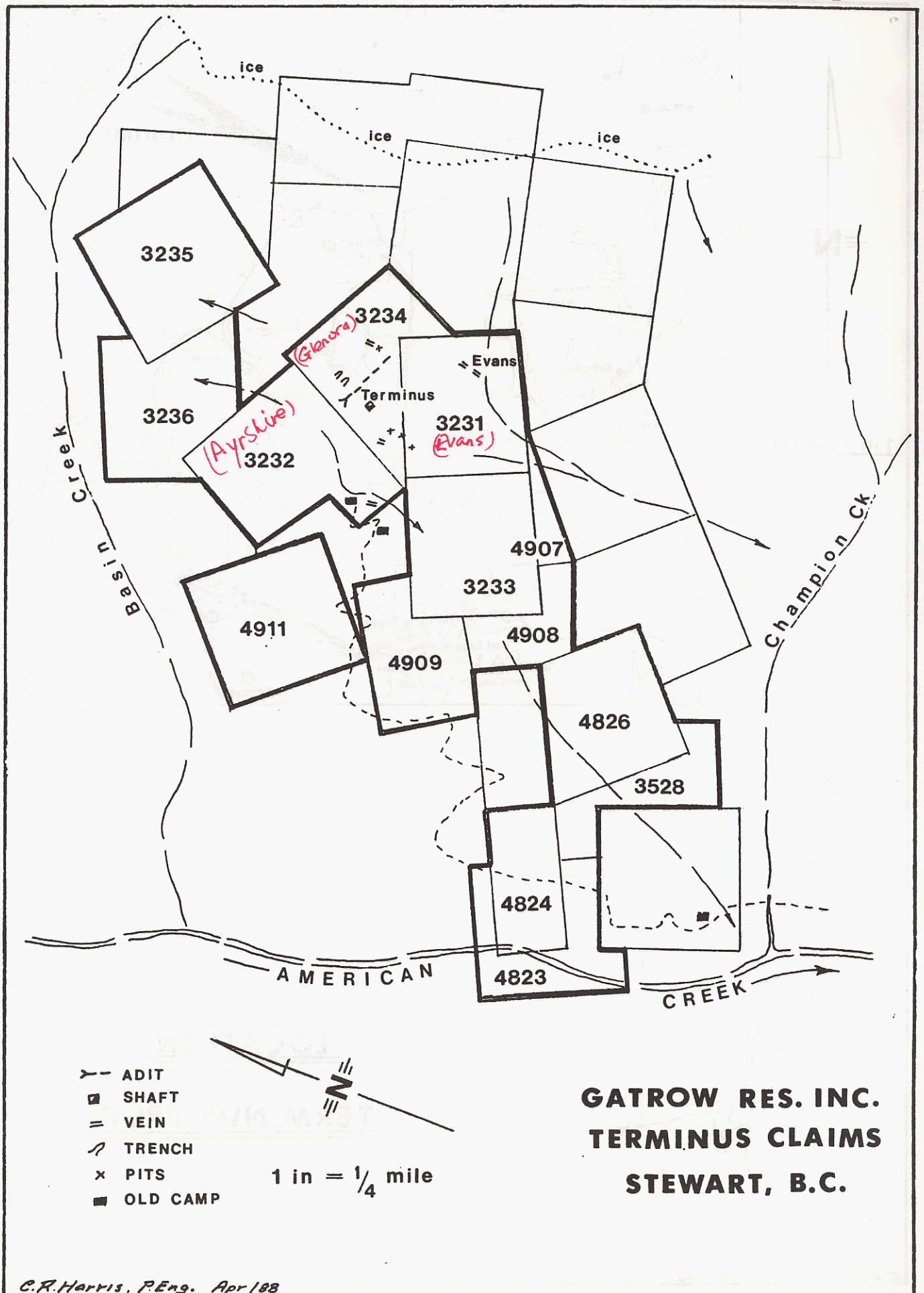


1 in = 40 mi

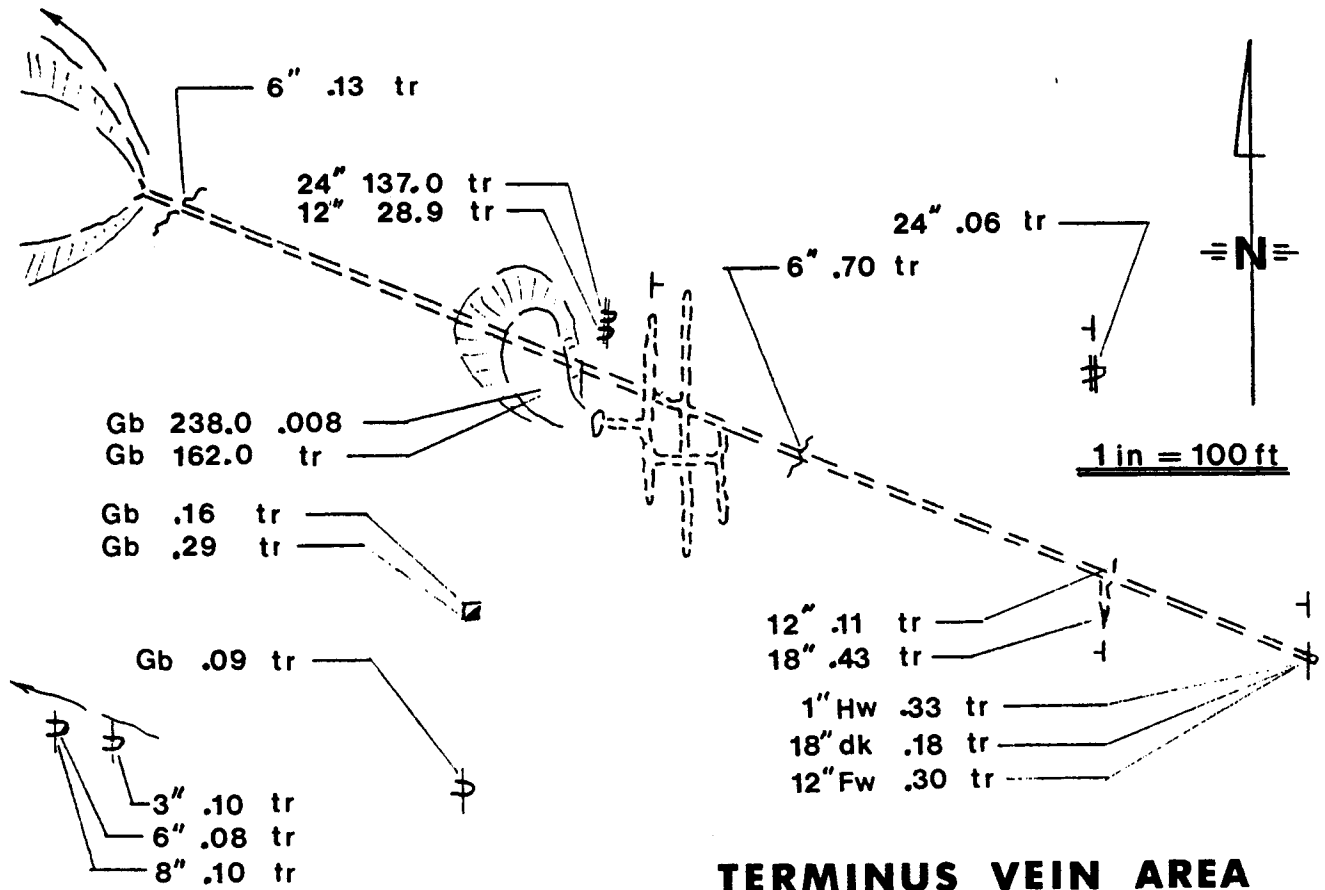


LOCATION
TERMINUS PROP.





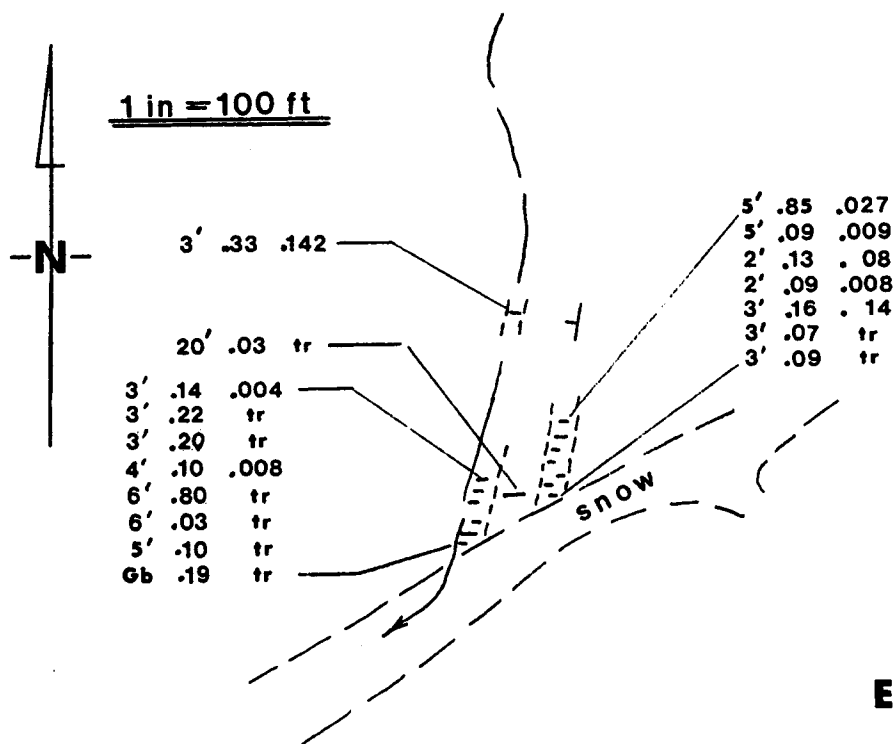
**GATROW RES. INC.
TERMINUS CLAIMS
STEWART, B.C.**



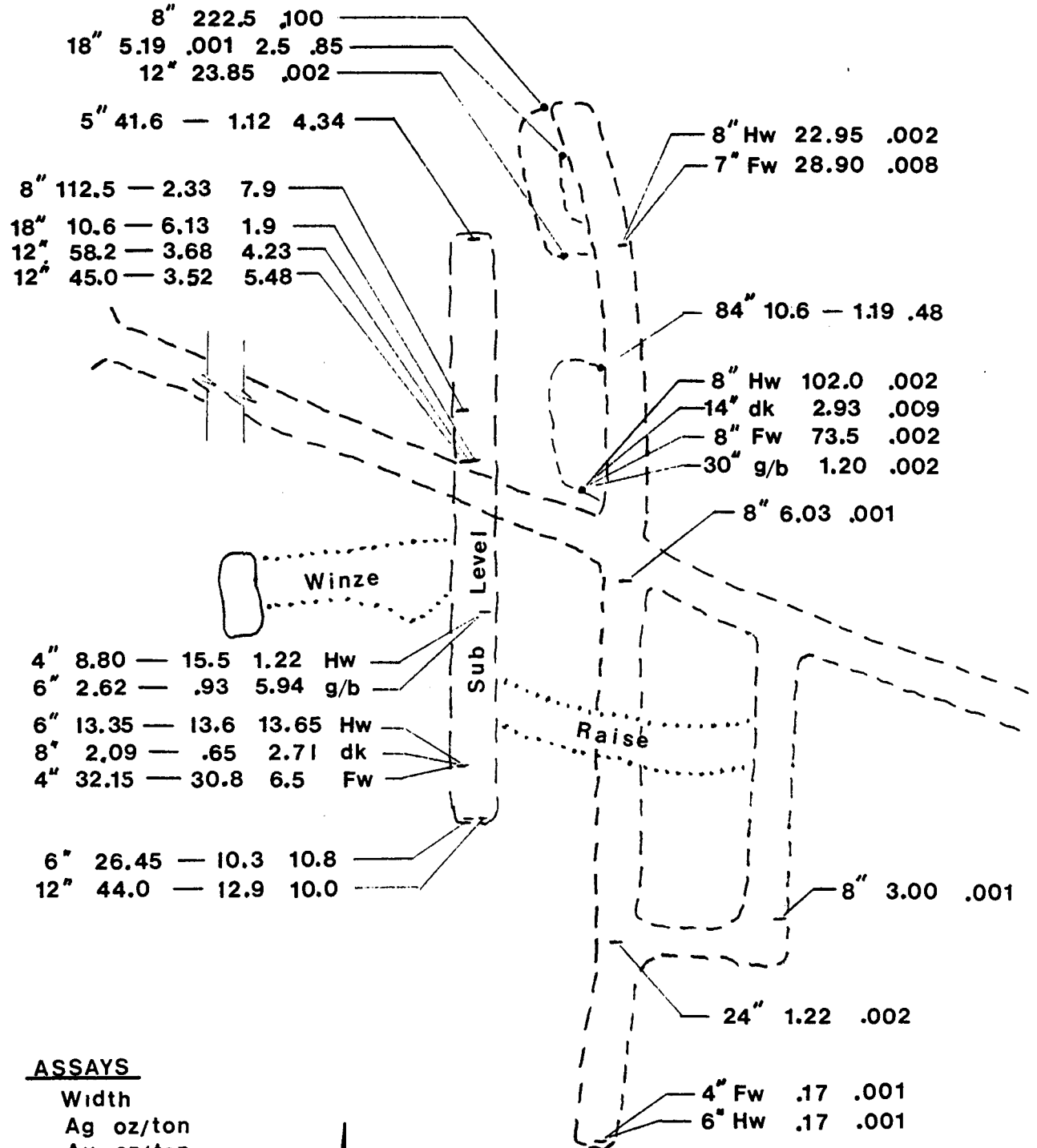
**TERMINUS VEIN AREA
MISC. SAMPLING**

ASSAYS

Ag oz/ton
Au oz/ton



EVANS VEIN



ASSAYS

Width
 Ag oz/ton
 Au oz/ton
 Zn %
 Pb %



SCALE
 1 in = 20 ft

**TERMINUS MAIN VEIN
 ASSAYS**

CERTIFICATES

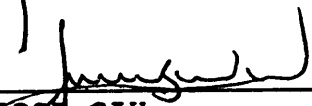
The foregoing constitutes full, true and plain disclosure of all material facts relating to the securities offered by this Prospectus as required by the Securities Act and its regulations.

DATED as of this 23 day of March, 1989.

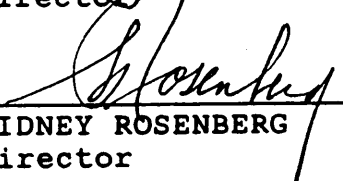
ISSUER


GURCHARN RATTAN
President, Chief Executive Officer,
Director, Promoter

ON BEHALF OF THE BOARD OF DIRECTORS


JUAN JOSE GIU
Director


MOHINDER SINGH JASSAL
Director


SIDNEY ROSENBERG
Director

AGENTS

To the best of our knowledge, information and belief, the foregoing constitutes full, true and plain disclosure of all material facts relating to the securities offered by this Prospectus as required by the Securities Act and its regulations.

DATED as of the 23 day of March, 1989.

CONTINENTAL SECURITIES LTD.

Per: 