Smithers

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SUPERINTENDENT OF BROKERS
AND
VANCOUVER STOCK EXCHANGE
(Resource Company)

104B New ? Bomagain Prop
104B 377 Rock + Roll Prop.
104B New ? Albino Lake Prop.

STATEMENT OF MATERIAL FACTS #44/93
EFFECTIVE DATE: JUNE 28, 1993

Return to GSB

EURUS RESOURCE CORP.
11th Floor, 808 West Hastings Street, Vancouver, B.C. V6C 2X4 Telephone: (604) 687-7463
NAME OF ISSUER, ADDRESS OF HEAD OFFICE AND TELEPHONE NUMBER

17th Floor, 1185 West Georgia Street, Vancouver, B.C. V6E 4E6
ADDRESS OF REGISTERED AND RECORDS OFFICES OF ISSUER

Montreal Trust Company of Canada, 510 Burrard Street, Vancouver, B.C., V6C 3B9
NAME AND ADDRESS OF REGISTRAR & TRANSFER AGENT FOR ISSUER'S SECURITIES IN BRITISH COLUMBIA

The securities offered hereunder are speculative in nature. Information concerning the risks involved may be obtained by reference to this document; further clarification, if required, may be sought from a broker.

OFFERING: 1,500,000 UNITS

The Offering may be increased by up to 225,000 Units (15% of Offering) to meet oversubscriptions. See "Plan of Distribution".

Each Unit consists of One Common Share and Two Series "A" Warrants, two such Warrants entitling the holder thereof who exercises such warrants to purchase one additional common share of the Issuer at the offering price, at any time up to the close of business six months from the Offering Day.

	Offering Price (estimated)*	Commission (estimated)	Estimated Net Proceeds to be Received by the Issuer
Per Unit	$1.50	$0.1125	$1.3875
Total (1,500,000)	$2,250,000	$168,750	$2,081,250

* To be calculated in accordance with the Rules of the Vancouver Stock Exchange.

ADDITIONAL OFFERING

The Agents have agreed to purchase (the "Guarantee") any of the Units offered hereby which are unsubscribed for on the Offering Day and, as consideration for the Guarantee, have been granted Agents' Warrants (see "Consideration to Agents"). Any Units acquired by the Agents under the Guarantee will be distributed under this Statement of Material Facts through the facilities of the Vancouver Stock Exchange at the market price at the time of sale.

SHAREHOLDER OFFERING

This Statement of Material Facts also qualifies for sale, at the market price for the shares of the Issuer at the time of sale, 2,900,000 common shares of the Issuer which the Issuer has previously issued to the shareholders described herein including shares to be issued on the exercise of warrants issued pursuant to private placements. (See "Shareholder Offering"). None of the proceeds from the Shareholder Offering will be received by the Issuer.

AGENTS

McDERMID ST. LAWRENCE CHISHOLM LIMITED
1000-601 W. Hastings Street
Vancouver, B.C. V6B 1N6

CANACCORD CAPITAL CORPORATION
2200-609 Granville Street
Vancouver, B.C. V7Y 1H2

YORKTON SECURITIES INC.
1000-1055 Dunsmuir Street
Vancouver, B.C. V7X 1L4

Neither the Superintendent of Brokers nor the Vancouver Stock Exchange has in any way passed upon the merits of the securities offered hereunder and any representation to the contrary is an offence.

1. PLAN OF DISTRIBUTION

A. THE OFFERING

By Agreement dated for reference March 29, 1993 (the "Agency Agreement"), Eurus Resource Corp. (the "Issuer") appointed the following as its agents (the "Agents") to offer through the facilities of the Vancouver Stock Exchange (the "Exchange") 1,500,000 Units of the Issuer at a fixed price in the amounts set opposite their respective names (the "Offering"):

Agents	No. of Units
McDermid St. Lawrence Chisholm Limited	600,000
Canaccord Capital Corporation	500,000
Yorkton Securities Inc.	400,000

The Offering will take place on the "Offering Day", determined by the Issuer and the Agents with the consent of the Exchange, which will be not more than one hundred eighty (180) calendar days after the date this Statement of Material Facts is accepted for filing by the Exchange and the Superintendent of Brokers (the "Effective Date").

The offering price of the Units (the "Offering Price") will be determined in accordance with the rules of the Exchange, at a premium over the average trading price of the Issuer's shares as determined by the Exchange, subject to the agreement of the Issuer and the Agents.

The Agents may overallot Units of the Issuer to cover oversubscriptions up to an amount equal to the lesser of the number oversubscribed or 15% of the Offering and, in such case, have an option for 60 days from the Offering Day to acquire Units from the Issuer at the Offering Price less commission to cover such overallotment (the "Greenshoe Option"). Alternatively, the Agents may cover such overallotment by making purchases of Shares and Warrants in the market through the facilities of the Exchange. The number of Units subject to the Greenshoe Option will be determined on the Offering Day. The Issuer has the right to terminate the Greenshoe Option at any time prior to 12:00 noon on the day prior to the Offering Day.

The Agents reserve the right to offer selling group participation in the normal course of the brokerage business to selling groups of other licenced dealers, brokers and investment dealers who may or may not be offered part of the commissions derived from the Offering.

The obligations of the Agents under the Agency Agreement may be terminated prior to opening of the market on the Offering Day at their discretion on the basis of their assessment of the state of the financial markets and may also be terminated upon the occurrence of certain stated events.

By an agreement dated April 29, 1991, the Issuer granted Teck Corporation ("Teck") the preferential right to participate in each financing (whether by way of an offering of its securities to the public or by private placement or otherwise) undertaken by the Issuer on or before December 31, 2010. The Issuer will therefore first give Teck notice of the terms of any further proposed financing, and Teck shall have the first right to provide all or any portion of the proposed financing. The Issuer will next notify the Agents of the terms of any further public equity financing that it requires or proposes to obtain during the twelve month period following the Effective Date and the Agents shall have the second right of refusal to provide such financing. Reference is made to Item 6 - "Teck Financing Agreement" for further particulars.

Except for the finder's fee as set out in Item 3.II of this Statement of Material Facts, there are no payments in cash, securities or other consideration being made, or to be made, to a promoter, finder or other person or company in connection with the Offering. The directors, officers and other insiders of the Issuer may purchase Units from the Offering. Other than the shares paid as a finder's fee to McDermid St. Lawrence Chisholm Limited, the Agents do not own nor have any shares of the Issuer under their control.

B. THE UNIT

Each Unit shall consist of one common share and two Series "A" Share Purchase Warrants (the "Series "A" Warrants"). The Series "A" Warrants will be transferable and in bearer form and two such Warrants will entitle the holder thereof to purchase one common share of the Issuer at the Offering Price at any time up to the close of business six months from the Offering Day.

The Series "A" Warrants shall be posted for trading on the Exchange subject to evidence of satisfactory distribution of such Warrants as specified by the rules of the Exchange.

C. CONSIDERATION TO AGENTS

The Agents will receive a commission at the time the Units are sold of 7.5% of the gross proceeds from the sale of the Units, including any Units sold pursuant to the Greenshoe Option. The purchasers of any Units under the Offering will be required to pay a commission at rates charged by their brokers.

The Agents have agreed to purchase (the "Guarantee") any Units unsubscribed for on the Offering Day, at the Offering Price, in consideration of which the Issuer has agreed to issue to the Agents, in proportion to their participation in the Offering, non-transferable share purchase warrants (the "Agents' Warrants") entitling them to purchase up to 375,000 common shares of the Issuer. Any Units acquired by the Agents under the Guarantee will be distributed under this Statement of Material Facts through the facilities of the Exchange at the market price at the time of sale.

The Agents' Warrants are exercisable, in whole or in part, at the Offering Price at any time up to six months following the Offering Day.

D. GENERAL PROVISIONS ATTACHING TO WARRANTS

The Series "A" Warrants and Agents' Warrants will contain provisions for the appropriate adjustment in the class, number and price of shares issuable upon the exercise thereof upon the occurrence of certain events, including any subdivision, consolidation or reclassification of the shares of the Issuer, the payment of stock dividends or the amalgamation of the Issuer.

E. SHAREHOLDER OFFERING

This Statement of Material Facts also qualifies for sale for a period of 60 days from the completion of the Offering, through the facilities of the Exchange, up to 2,900,000 common shares of the Issuer including shares to be issued on the exercise of the non-transferable share purchase warrants described below (the "Shareholder Offering") owned or to be acquired by the shareholders named below (the "Selling Shareholders").

Pursuant to the First Private Placement as more particularly described in Item 9 herein, the Issuer issued to the Selling Shareholders listed below, an aggregate 750,000 common shares and non-transferable share purchase warrants to purchase up to an additional 750,000 common shares.

Pursuant to the Second Private Placement more particularly described in Item 9 herein, the Issuer issued to the Selling Shareholders noted below, an aggregate 700,000 common shares and non-transferable share purchase warrants to purchase up to an additional 700,000 common shares.

The Shareholder Offering is to be made through the facilities of the Exchange at the market price of the Issuer's shares at the time of sale; however, no shares of the Selling Shareholders will be sold until the Offering has been completed. The Shareholder Offering may be made at any time following the completion of the Offering for a period of 60 days following the Offering Day, subject to the hold periods expiring as described herein. After the expiry dates of the applicable hold periods, all such shares may be sold in British Columbia without further qualification.

Particulars of the common shares of the Issuer owned by the Selling Shareholders are as follows:

Name and Address of Selling Shareholders	Number of Shares Beneficially held by the Selling Shareholder*	Shares being Qualified for Sale	Number of Shares held after the Shareholder Offering**
Murray Pezim 11th Floor 808 W. Hastings Street Vancouver, B.C. V6C 2X4	758,800	up to 750,000	8,800
Nell Dragovan 11th Floor 808 W. Hastings Street Vancouver, B.C. V6C 2X4	100,000	up to 100,000	Nil

MacLachlan Investment Corporation Ltd. Suite 2200 609 Granville Street Vancouver, B.C. V7Y 1H2	138,000	up to 100,000	38,000
Joe Cohen 1035 W. 4th Avenue Vancouver, B.C. V6M 2N4	133,800	up to 100,000	33,800
Santa Monica Investments Ltd. c/o 11th Floor 808 W. Hastings Street Vancouver, B.C. V6C 2X4	50,000	up to 50,000	Nil
Jack Caplan 4828 Headland Close West Vancouver, B.C. V7W 3C2	50,000	up to 50,000	Nil
Naren Majithia 2701 Daybreak Avenue Coquitlam, B.C. V3C 2E8	235,000	up to 220,000	15,000
Neil Katzman 353 Betty Ann Drive Willowdale, Ontario M2R 1B5	5,000	up to 5,000	Nil
Wayne Summerville 161 MacLean Avenue Toronto, Ontario M4E 3A5	20,000	up to 20,000	Nil
Alice Hartman 10 - 1182 Quebec Street Vancouver, B.C. V6A 4B2	5,000	up to 5,000	Nil
Louis Consky 12 Frontenac Avenue Toronto, Ontario M5N 1Z5	67,000	up to 40,000	27,000
David Neighbour 913 Finley Avenue Ajax, Ontario L1S 3B9	100,000	up to 30,000	70,000

King City Capital Ltd. 2992 Rosebery Avenue West Vancouver, B.C. V7V 3A7	218,500	up to 215,000	Nil
Helene Pezim 2992 Rosebery Avenue West Vancouver, B.C. V7V 3A7	25,000	up to 25,000	Nil
Larry Pezim 2992 Rosebery Avenue West Vancouver, B.C. V7V 3A7	25,000	up to 25,000	Nil
David Clifton 3 - 2186 Cornwall Avenue Vancouver, B.C. V6K 1B4	20,000	up to 20,000	Nil
Heather Birarda 10 - 1182 Quebec Street Vancouver, B.C. V6A 4B2	100,000	up to 100,000	Nil
Robert Shaw 4234 Gander Place Richmond, B.C. V7E 5R1	50,000	up to 40,000	10,000
Eugene Toffolo 302 - 1355 W. 14th Avenue Vancouver, B.C. V6H 1R2	10,000	up to 10,000	Nil
Greg Binning 515 W. 63rd Avenue Vancouver, B.C. V6P 2G7	15,000	up to 10,000	5,000
Cheryl Birarda 520 Tyee Court North Vancouver, B.C. V7P 3K3	20,000	up to 20,000	Nil
Don Risling 4778 Woodgreen Drive West Vancouver, B.C. V7S 2Z8	30,000	up to 30,000	Nil
Fred Hofman 6237 Summit Avenue West Vancouver, B.C. V7W 1Y3	30,000	up to 30,000	Nil

Katherine Keep 6592 Yew Street Vancouver, B.C. V6P 5V9	16,000	up to 16,000	Nil
Kim Galavan 7622 Lantzville Road Lantzville, B.C. VOR 2HO	4,000	up to 4,000	Nil
Radina DeLusignan-Guistra 3354 Radcliffe Avenue West Vancouver, B.C. V7V 1G6	4,000	up to 4,000	Nil
Angela Leigh 1554 Ross Road North Vancouver, B.C. V7J 1V4	4,000	up to 4,000	Nil
Paul Di Pasquale 6731 Juniper Drive Richmond, B.C. V7E 4Z5	12,000	up to 12,000	Nil
Dicen S.A. 25 De Mayo 4441 P.2 Montevideo, Uruguay	500,000	up to 500,000	Nil
Chet Idziszek 1750 Drummond Drive Vancouver, B.C. V6T 1B6	200,000	up to 200,000	Nil
Brad Birarda 10 - 1182 Quebec Street Vancouver, B.C. V6A 4B2	165,000	up to 165,000	Nil

* This number includes all the common shares that have been acquired by the Selling Shareholders pursuant to the First and Second Private Placements referred to in Item 9 herein together with any shares that may be acquired by the Selling Shareholders pursuant to the exercise of the non-transferable share purchase warrants issued thereunder, all of which are subject to a hold period in British Columbia expiring February 12, 1994 under the First Private Placement and March 8, 1994 under the Second Private Placement.

** Assuming the only shares sold by the Selling Shareholders are those shares qualified for sale under this Statement of Materials Facts.

As a condition of the Shareholder Offering, the Selling Shareholders will be required to execute an undertaking to the Exchange to sell all shares sold pursuant to the Shareholder Offering through the Agents through the facilities of the Exchange and that they will comply with all applicable securities laws with respect to the sale of such shares. None of the proceeds from the sale of shares under the Shareholder Offering will be received by the Issuer.

The purchasers of any shares sold under the Shareholder Offering will be required to pay a commission at the rates charged by their brokers. There are no payments in cash, securities or any other consideration being made, or to be made, to a promoter, finder or any other person in connection with the Shareholder Offering, other than commission rates charged by the Selling Shareholders' brokers. The directors, officers and other insiders of the Issuer may purchase shares from the Shareholder Offering.

2. HOW THE NET PROCEEDS OF THE ISSUE ARE TO BE SPENT

Although it is not possible to determine the actual net proceeds from the Offering, in the event that all of the 1,500,000 Units are sold at an estimated price of $1.50 per Unit, the proceeds would be $2,250,000, less commissions of $168,750, to net the Issuer $2,081,250, which, when added to the Issuer's working capital as at April 30, 1993 of approximately $1,257,441 would make $3,338,691 available to the Issuer on completion of the Offering.

The principal purposes for which the total available funds are to be allocated, in order of priority, are as follows:

(a)	To pay the estimated costs of this issue	$ 50,000
(b)	To pay the property payment on the Albino 1 Concession due September 23, 1993 ($500,000 US*)	635,000
(c)	To pay the property payment on the Albino 1 Concession due December 23, 1993 ($500,000 US*)	635,000
(d)	To pay interest expense on Albino 1 Concession property payments	92,372
(e)	To complete the Phase I costs of exploration and development of the Albino Concession, Venezuela ($200,000 US*)	254,000
(f)	Reserve for unallocated working capital	1,672,319
	TOTAL	**$ 3,338,691**

* All U.S. funds have been converted at the rate of $1.27 Canadian

All proceeds derived from the exercise of the Series "A" Warrants and the exercise of the non-transferable share purchase warrants issued with respect to the First and Second Private Placements will be added to working capital.

The Issuer proposes to use the net proceeds from this Offering and the proceeds of the aforesaid First and Second Private Placements to fund a program of exploration and development on the Albino Concession in Venezuela. Should the Issuer wish to spend all or part of the funds on the acquisition of new assets or resource properties, it will do so only with the prior approval of the Exchange where such approval is required.

J. MATERIAL NATURAL RESOURCE PROPERTIES

Summary of Material Mining Properties

Group I — Properties for which regulatory approval has been obtained under this Statement of Material Facts.

Group II — Presently held properties which are currently producing or being explored, or upon which exploration is planned within the next year.

Group III — Other presently held properties upon which the Issuer's acquisition and exploration costs to date exceed $100,000.

Group	Property Name	Issuer's Acquisition and Exploration Costs to Mar. 31, 1993	Shares Issued to Date	Planned Expenditures from Funds Available upon Completion of the Offering
I.	---N/A---			
II.	Albino 1 Concession Kilometre 88 District Bolivar State Venezuela	Acquisition: $ 712,227* Exploration: $ 480,845 Mine Development: $ 108,544	Nil	$ 254,000
III. A.	Bornagain Property Liard Mining Division, B.C.	Acquisition: $ 11,317 Exploration: $ 253,803	Nil	

B.	Rock and Roll Property, Liard Mining Division, B.C.	Acquisition: $ 5,165 Exploration: $2,516,807	3,808
C.	Albino Lake Property, Skeena Mining Division, B.C.	Acquisition: $ 26,978 Exploration: $ 266,002	Nil

* Vancouver Stock Exchange approval to the acquisition of the Albino 1 Concession, Venezuela was received December 23, 1992. This figure includes interest payments and deemed value of shares issued to date as a portion of the finder's fee payable in respect of the acquisition of the Albino 1 Concession, Venezuela.

<u>**GROUP I**</u> **Properties for which regulatory approval has been obtained under this Statement of Material Facts:**

None.

<u>**GROUP II**</u> **Presently held properties which are currently producing or being explored, or upon which exploration is planned within the next year:**

A. Venezuelan Property

By Memorandum of Agreement (the "Agreement") executed December 21, 1992 between the Issuer and Crystallex International Corporation ("Crystallex"), the Issuer was granted the option to acquire up to a 50% undivided interest in a property described as Albino 1 Concession, Kilometre 88, Gold District, Bolivar State, Venezuela, (the "Property"), being a concession granting exploitation rights to mine alluvial gold.

The 500 hectare Albino 1 Concession is located at approximately 6 degrees, 29 minutes, 30 seconds North Latitude and 61 degrees, 30 minutes, 30 seconds West Longitude in Bolivar State, Venezuela.

The project area is located 3.5 km west of the town of Las Claritas at Kilometre 85 of the paved international highway and is accessible by an all weather gravel road.

The rights to explore the Property were granted by the Ministry of Energy and Mines (Corporacion Venezuela de Guayana) to Mr. Albino Bonucci in 1988. At present, the title includes the exploitation rights to mine alluvial minerals; Crystallex/Eurus have applied for and are in the process of obtaining the vein or hardrock mineral rights to the Property ("Vein Rights"). Venezuelan counsel have advised that there can be no assurance of the grant of Vein Rights or, if granted, when such grant will be completed.

The Property is contiguous on its western and northern boundaries with Placer Dome's Cristina 4 and 5 concessions where a major Canadian brokerage firm has inferred potential saprolite reserves.

Water, power and labour force are readily available in the area thus these factors do not present an inherent obstacle toward any future production decisions.

The Property is in an area of low relief and tropical rainforest jungle where the rainy season is from May to October.

Surficial gold is reported to have been mined from the Property for more than 50 years. During the 1980's, the Bonucci family employed local miners to mine and recover gold by hydraulic and sluicing methods. In addition, small hammer mills were used to treat sluice tailings. Recorded production from 1988 to November 1992 is 225,000 grams of gold.

The mining of the Property initially focussed on large areas of ferralitic soil overlaying saprolitic bedrock. These operations subsequently uncovered high grade gold mineralization within oxidized quartz veins and shear zones in the saprolite. Since 1989, one of these shear zones known as La Conductora Shear has been the main producer of gold on the Property.

In 1989, the owners contracted an exploration group to conduct a grid program of auger drilling and sampling in the northwest portion of the Property. This work, though not verified, is reported to have outlined a reserve of 2.16 million tonnes averaging 6.16 grams/tonne gold.

Several other areas of surficial alluvial mining are known to exist on the Property, some of which contain auriferous quartz/shear systems requiring further evaluation.

To acquire and maintain its option rights, the Issuer is required to:

(a) pay the sum of $450,000 (US) (which amount has been paid);

(b) expend on the Property not less than $550,000 (US) on exploration and development work, of which 50% is to be for diamond drilling; and

(c) complete a feasibility study.

The obligations described in (b) and (c) are to be completed not later than 48 months from the grant of Vein Rights.

After a preliminary feasibility report has been prepared with respect to the Property, the Issuer will, if so required by Teck Corporation, ("Teck") enter into a financing agreement with Teck as more particularly set forth in Item 6 "Teck Financing Agreement") herein.

The 50% interest acquirable by the Issuer vests upon payment of the sum of $450,000 (US) as provided in (a) but is subject to divestment upon failure to perform (b) and (c) or upon notice of termination given by the Issuer.

During the currency and duration of the option rights, the Issuer is to be Operator and is obligated to advance to Crystallex all monies necessary to maintain the rights to continue operations on the Property, including payments to the Property holder ($9.5M (US) for a 100% interest and $6.5M (US) for a 50% interest).

In addition, payments of interest at Libor rate (being the rate of interest quoted and offered to leading banks in the London Interbank Market) on the outstanding balance of amounts payable to the Property holder are to be made every three months with a right to prepay at any time being granted to Crystallex.

Upon commencement of commercial production, the net proceeds or cash flow from operations will be distributed 80% to the Issuer and 20% to Crystallex until such time as the Issuer has recovered all of its costs and expenditures, including Property payments and interest thereon. Thereafter, the net proceeds will be divided between the Issuer and Crystallex on a 50-50 basis.

In addition to the Property rights as aforesaid, the Issuer has elected to exercise the option granted under its agreement with Crystallex executed December 21, 1992 to provide funds to install a 400 ton per day capacity mill on the Property and is in the process of reviewing and assessing engineering and construction data and recommendations for such mill. While it is not feasible at this time to provide an accurate estimate of cost of such mill, a preliminary estimate of $1,714,000 (US) has been received.

The decision to exercise the mill option was made by management relying on the availability of gold bearing material outlined by the drilling on the La Conductora area in addition to the tailings previously defined (see "Epp Report" below) and would be sufficient to supply the proposed 400 tpd mill for 1½ to 2 years. Subsequent millfeed would come from currently unquantified additional areas of tailings on the property and additional in situ ore defined by the planned Phase II diamond drilling and continued Phase I diamond drilling.

Upon the mill being commissioned at 400 tons per day, the Issuer shall be vested as to an undivided 50% interest therein and shall be Operator of the mill with respect to processing of surficial material and net proceeds or cash flow from the operation of the mill shall be divided 80% to the Issuer and 20% to Crystallex until such time as the Issuer shall have recouped all of its costs associated with the mill installation or rehabilitation. Thereafter, the net proceeds or cash flow shall be divided on the following basis:

Mill Throughput	Percentage of Cash Flow to the Issuer
the first 100,000 tons	20%
the next 100,000 tons up to 200,000 tons	25%
the next 100,000 tons up to 300,000 tons	30%

the next 100,000 tons up to 400,000 tons	35%
the next 100,000 tons up to 500,000 tons	40%
the next 100,000 tons up to 600,000 tons	45%
thereafter	50%

A Report on the Property prepared by W.R. Epp, P.Geo., dated January 7, 1993 ("the Epp Report"), as supplemented, a copy of which is included herein, recommends that an aggressive Phase 1 exploration program of establishing detailed survey control (i.e. gridding, topographic map generation), grid auger geochemical surveys, induced polarization and magnetometer surveys, geological mapping and sampling and drilling be conducted to trace the known systems along strike and at depth.

Vertical hole reverse circulation drilling to delineate the La Conductora system along strike and angle hole diamond drilling to determine the zones behaviour at depth is also recommended.

A Phase I budget of $550,000 US was recommended to conduct this work. A portion of this recommended program has been completed as appears in the Supplemental Report of W.R. Epp, P. Geo. dated April 28, 1993 included herein. Contingent upon positive results from the Phase I exploration, a Phase 2 diamond drilling program of 10,000 metres is recommended at a cost of $1,265,000 (US).

The Phase I drilling program commenced in early February, initially testing the high-grade La Conductora zone downdip and along strike from the exposures in the Aquao pit. The initial Phase I diamond drilling has outlined a geological resource of 78,300 tonnes grading 15.67 grams per tonne gold (Supplement to Epp Report).

A finder's fee is payable to McDermid St. Lawrence Chisholm Limited with respect to the acquisition of the Albino 1 Concession in Venezuela totalling 132,292 shares in stages based on Project Payments and Exploration Expenditures, of which 41,782 shares have been issued as of the date hereof.

GROUP III **Other presently held properties upon which the Issuer's acquisition and exploration costs to date exceed $100,000:**

A. Bornagain Property,
Liard Mining Division, British Columbia

The Issuer owns an undivided 37.5% interest in and to four mineral claims located in the Liard Mining Division, Province of British Columbia, which are in good standing until December 22, 1998 (the "Bornagain Property").

An undivided 37.5% interest is held by Thios Resources Inc. ("Thios") and the remaining undivided 25% interest is held by Consolidated Bel-Air Resources Ltd. (now Blue Sky Resources Ltd.) ("Blue Sky"). Both Thios and Blue Sky are British Columbia reporting companies whose shares are listed for trading on the Vancouver Stock Exchange. Murray Pezim, Harvey Gould and Elizabeth Eng, directors and/or officers the Issuer, are also directors/and or officers of Thios.

The Issuer, Thios and Blue Sky entered into a Joint Venture Agreement dated January 31, 1991 whereby they associated as a single purpose joint venture to further explore and develop the Bornagain Property. The Issuer was the initial operator of the joint venture. If any party fails to contribute its proportionate share of costs, its interest shall be diluted on a straight-line basis. In the event that any party's interest is diluted below 15%, its interest shall automatically convert to a 15% net profits royalty.

The Bornagain Property is located adjacent to the Rock and Roll Property (see Item 3.III.B. below).

Renewed interest in the claims area was created by the mid-1990 discovery on the adjacent Rock and Roll Property of possible Kuroko-style polymetallic volcanogenic massive sulphide mineralization. Deposits elsewhere of economic significance of this style of mineralization include the Tulsequah Chief, Western, Buttle Lake (HW, Lynx, Myra, Price) deposits, all in British Columbia, the Greens Creek deposit in Alaska, and the Rosebery and Hellyer deposit in Tasmania, Australia.

During November and December 1990, an exploration program consisting of cutline grid establishment, soil sampling, VLF-electromagnetics and magnetometer geophysical surveys coupled with geological mapping was carried out on the Bornagain Property. The 1990 exploration program on the Bornagain Property was the subject of a report prepared by Pamicon Developments Ltd. dated January, 1991 (the "Bornagain Report"). The authors of the Bornagain report concluded that the results of the 1990 exploration program suggested that similar geophysical and geochemical features known to host significant mineralization on the adjacent Rock and Roll Property might also exist on the Bornagain Property. They recommended a continued program of grid establishment followed by geophysical and geochemical surveying. Phase I of this program was estimated to cost $250,000 of which $100,000 was recommended to be allocated to drill test areas of interest for mineralization of economic significance. Phase II, which is contingent on the success of Phase I, will consist of further drilling at an estimated cost of $250,000.

Work in 1991 on the Bornagain Property concentrated on the interpreted strike extension of the Black Dog and SRV Zones from the adjoining Rock and Roll Property. Grids were established over approximately 50% of the Property. Ground geophysical surveys including induced polarization, magnetometer, VLF, and horizontal-loop electromagnetic were completed as well as a basal till/overburden geochemical survey. Late in 1991, a total of five diamond drill holes tested various geophysical-geochemical targets. No significant results were obtained from these holes. No further work is currently planned.

B. Rock and Roll Property,
Liard Mining Division, British Columbia

Pursuant to an agreement dated November 30, 1988, as amended, (the "Underlying Agreement"), between Thios Resources Inc. ("Thios") and Prime Equities International Corporation ("PQE"), (both of which companies are related to the Issuer by way of directors in common), PQE granted to Thios an option to acquire a 100% interest in the Rock and Roll mineral claims (the "Rock and Roll Property") consisting of 20 mineral claims located in the Liard Mining Division, Province of British Columbia which are in good standing until at least November 11, 1993.

In order to exercise the Option, Thios must:

(a) incur expenditures on exploration on the Rock and Roll Property of not less than an aggregate $1,000,000 (completed); and

(b) pay to PQE $500,000 on or before March 18, 1994.

Upon the exercise of the option, PQE shall retain a 1% net smelter return in respect of the Rock and Roll Property (the "NSR").

By agreement dated December 16, 1988, as amended, between the Issuer and Thios, Thios granted the Issuer an option to acquire a 51.23% interest in the Rock and Roll Property, subject to the NSR, exerciseable by the Issuer:

(a) paying 50% of all expenditures to be incurred on the Rock and Roll Property (the Issuer has paid in excess of $500,000 in expenditures to date);

(b) paying 50% of the $500,000 payment due to PQE on or before March 18, 1994 contemplated in the Underlying Agreement; and

(c) issuing to Thios 3,808 shares of the Issuer, which shares have been issued.

PQE and Thios are British Columbia reporting companies whose shares are listed for trading on the Vancouver Stock Exchange (reference is made to Item 6 for information respecting PQE). Murray Pezim and Elizabeth Eng, directors and/or officers of the Issuer, are also directors and/or officers of Thios and PQE.

Upon the Issuer having exercised its option to acquire a 51.23% interest in the Rock and Roll Property, as aforesaid, it associated with Thios as a single purpose joint venture to further explore and develop the Rock and Roll Property. the Issuer was chosen by the management committee forthwith after the formation of the joint venture to be the initial Operator. If either party fails to contribute its proportionate share of costs, its interest shall be diluted on a straight-line basis. In the event that either party's interest is diluted below 10%, its interest shall automatically convert to a 15% net profits royalty.

The Issuer entered into an Agreement dated April 29, 1991 with Teck Corporation ("Teck") pursuant to which the Issuer granted Teck with respect to the Rock and Roll Property, the sole, exclusive and irrevocable option to acquire one-half of the Issuer's interest, become a member of any joint venture which it wishes and become the Operator. For further particulars, see Item 6 "Teck Financing Agreement" herein.

The Rock and Roll Property is situated 100 kilometres north of Stewart, British Columbia, on the south side of the Iskut River, 7 kilometres west of Bronson Creek airstrip and Cominco/Prime Resources' Snip gold mine. The Eskay Creek massive sulphide deposit is 50 kilometres to the east.

Access to the Rock and Roll Property is via helicopter from the Bronson Creek gravel airstrip. Daily scheduled flights to the Bronson strip from Smithers, Terrace and Wrangell, Alaska were available during the field season using a variety of fixed wing aircraft.

The Province of British Columbia has constructed an access road from the Stewart-Cassiar Highway from Bob Quinn Lake down the Iskut Valley to Volcano Creek northwest of Eskay Creek.

During July through September, 1990 an exploration program of grid establishment, soil sampling, geological mapping, prospecting and geophysical surveying was undertaken on the Rock and Roll Property. This program led to the discovery of possible Kuroko-type polymetallic Cu-Pb-Zn-Ag-Au mineralization which was subsequently followed along strike in trenching for a distance of approximately 110 metres (the "Black Dog Zone"). At this point, a modest drill program was designed to test continuity and strength of the zone. Nine diamond drill holes were completed intersecting the zone along a strike length of 50 metres with values of copper, lead, zinc, silver and gold in all holes.

The Black Dog Zone is situated at an elevation of 75 metres above sea level and as such is one of the lowest mineral occurrences topographically in the region.

The 1990 exploration program on the Rock and Roll Property was the subject of a report prepared by Pamicon Developments Ltd. dated December, 1990 (the "Rock and Roll Report"). The authors of the Rock and Roll Report recommended an expanded and more comprehensive program on the Rock and Roll Property, consisting of expanded grid establishment, geochemical, geological and geophysical surveying, culminated by a thorough diamond drilling phase, at a total estimated cost of $1,520,300.

Drilling in 1991 tested the Black Dog Zone along strike and downdip of the discovery outcrops and earlier drilling. The Black Dog Zone is a west-dipping, northwest-trending mineralized stratigraphic horizon. Within the Zone, the Black Dog Deposit is an outcropping, northerly plunging body, at least 150 metres wide. A newly discovered zone, the SRV Zone, received limited drilling. Ground geophysics, including induced polarization, VLF, magnetometer and horizontal-loop electromagnetic, and a basal till/overburden geochemical survey were completed over the southeastern portion of the Rock and Roll Property. Both the Black Dog Zone and the separate SRV Zone were traced by ground geophysical methods over a strike length of 2,800 metres. A preliminary geological reserve was calculated by Prime Explorations for the Black Dog Deposit of some 640,000 tonnes grading 0.072 oz/ton gold, 9.8 oz/ton silver, 0.79% lead, 3.08% zinc, and 0.64% copper. However, continued drill testing of the zones on-strike returned only weakly mineralized graphite argillites. No further work is currently planned.

C. **Albino Lake Property,**
Liard and Skeena Mining Divisions, British Columbia

The Issuer owns an undivided 50% interest in and to nine mineral claims located in the Liard and Skeena Mining Divisions, Province of British Columbia (collectively the "Albino Lake Property").

The remaining undivided 50% interest is held jointly by Prime Resources Group Inc. ("PRG") and Consolidated Stikine Silver Ltd. (N.P.L.) ("Stikine"). PRG is a British Columbia reporting company, the shares of which are listed for trading on the Vancouver Stock Exchange. The major shareholders of Stikine are Homestake Mining and Placer Dome Inc.

The Albino Lake Property comprises the Alpha, Beta, Gamma, Rho, Delta, Epsilon, Pi, Phi and Omega claims. Complaints were filed against the claims pursuant to Section 35 of the Mineral Tenure Act of British Columbia by Ken McKenzie.

On March 5, 1991 the Chief Gold Commissioner issued an order cancelling the Alpha, Beta, Gamma, Epsilon, Omega and Rho claims and declaring all of them to be void ab initio. An appeal against the cancellation order was filed with the Supreme Court of British Columbia on April 5, 1991. On May 24, 1991, an Order was issued by the Supreme Court imposing restrictions on the removal of ore by Tagish Resources Ltd. from the overlying mineral claims pending the hearing of the appeal.

On May 15, 1991 the Chief Gold Commissioner issued orders upholding the Pi and Delta Claims but requiring that the Issuer relocate the claims once the current staking freeze was lifted. On May 31, 1991 a Notice of Appeal pursuant to these orders was filed in the Supreme Court of British Columbia by Ken McKenzie and Tagish Resources Ltd.

On May 13, 1991, the Chief Gold Commissioner issued an Order cancelling the Phi mineral claim. On June 12, 1991, a Notice of Appeal was filed with the Supreme Court of British Columbia on behalf of the Issuer. On June 27, 1991, the Court issued an Order restricting removal of ore from the overlying claims.

A limited amount of drilling (three holes totalling 1,135.4 metres) was carried out on the Pi Claim northeast on strike from the Eskay Creek deposits in 1990 to locate the Eskay Creek stratigraphy at depth. Two holes tested near surface geophysical anomalies associated with the younger sedimentary rocks; no significant results were returned. The deepest hole was abandoned at 879.7 metres in the younger sedimentary rocks, such that the underlying Eskay Creek stratigraphy has yet to be drill-tested on the Issuer's property. Additional drilling will be required to test the potential of the Pi and Delta Claims for Eskay-type mineralization below the sedimentary cover rocks.

The Issuer does not intend to do any further work on the Albino Lake Property at this time.

RISK FACTORS

The securities offered hereby must be considered speculative due to the nature of the Issuer's business. In particular:

1. The Concession granting the alluvial mining rights to the Venezuelan Property interest being acquired by the Issuer contains specific provisions which must be observed to ensure that title is maintained including provisions for payment of exploitation taxes of 4% for gold and 7% for diamonds and a requirement on the concessionaire, when ordered by the Venezuelan Ministry of Energy and Mines, to assign to the Autonomous Institute or state company up to 20% of the outstanding shares of the capital stock of a company incorporated to exploit the concession, such assignment to be at the shares' nominal value.

2. If the Issuer is not able to obtain the capital resources necessary to meet its property payments and exploration and development obligations relative to its Joint Venture with Crystallex in respect of the Venezuelan Property, its potential as a "going concern" could be seriously affected.

3. The exploration and development of the Venezuelan Property will require compliance with the laws of Venezuela and changes to laws relating to exploration activities and environmental considerations are a significant risk.

4. There are currently no restrictions on repatriation of funds invested in or on funds from operations in Venezuela. At present, companies incorporated in Venezuela and carrying on business in Venezuela will be subject to a 30% tax on the income earned in Venezuela. When these earnings are subsequently distributed to the non-resident shareholder by way of dividend, there is no withholding tax on the dividend. the Issuer has no assurance that these conditions will continue to prevail.

5. There is no assurance that vein rights will be granted on the Venezuelan Property. If such rights are not granted to or made available to the Issuer, it may seriously impact on operations proposed by the Issuer.

6. Save as disclosed under the heading "Venezuelan Property", to the knowledge of the Issuer, the properties described above (the "Properties") are without a known body of commercial ore and any program conducted on the Properties would be an exploratory search for commercial ore.

7. If the Issuer's exploration programs are successful in establishing ore of commercial tonnage and grade, additional funds will be required for the development of the ore body and to place it in commercial production. One source of future funds presently available to the Issuer is through the sale of equity capital. Another alternative for the financing of further exploration would be the offering by the Issuer of an interest in the Property to be earned by another party or parties carrying out further exploration or development thereof. See also, Item 6 - "Teck Financing Agreement".

B. Gold Hill Property
Nelson Mining Division, British Columbia

The Issuer owns a 100% interest in the property located approximately 5 kilometres west of Nelson, British Columbia comprises of six reverted crown granted claims which are in good standing until December 17, 1993 (the "Gold Hill Property").

In November of both 1991 and 1992, limited prospecting and soil geochemical sampling surveys were conducted in the west central portion of the Gold Hill Property, following the discovery of angular float containing disseminated and fracture controlled chalcopyrite mineralization that returned 0.56% copper, 0.16 oz/ton silver and 0.040 oz/ton gold. The programs were to evaluate the area for possible porphyry copper type targets. The work resulted in the discovery of a broad zone of weak to moderately anomalous copper-in-soil values approximately 500 by 500 metres. Within this zone are two sub-parallel northeast trending gold-in-soil anomalies approximately 100 by 300 metres in dimension. Values of up to 1450 ppm copper and 200 ppb gold and 101 ppm copper and 320 ppb gold were obtained in soil samples.

In the latter part of 1992, the Issuer conducted a limited program of in-fill soil geochemical sampling to follow up on results of the previous year's soil sampling program, and geological mapping and prospecting along a recently constructed logging road.

Soil samples obtained in 1992 returned up to 515 ppm copper and up to 320 ppb gold within a previously defined, broad zone of weakly to moderately anomalous copper-in-soil values approximately 500 metres by 500 metres. Within this zone are two, sub-parallel northeast trending gold-in-soil anomalies approximately 100 by 300 metres in dimension.

The newly constructed road lies immediately southeast of the geochemical anomalies. At one location the road uncovered a dioritic intrusion containing fracture controlled chalcopyrite and magnetite similar to that found as angular float elsewhere on the Gold Hill Property. The latter have returned up to 0.56% copper and 0.040 oz/ton gold.

Originally, the Gold Hill Property was considered a potential host to gold bearing quartz veins similar to those mined intermittently in the first half of the century at the Granite Poorman Mine property. The latter occurs on the western boundary of the Gold Hill Property claims. However, with the recent discovery of fracture controlled and disseminated copper mineralization in intrusive rocks, and the delineation of more broad zones of base and precious metal anomalies in soils, the Issuer is considering the potential of the Gold Hill Property to host porphyry copper-type targets and is considering follow-up work to further evaluate the soil geochemical anomalies.

The Issuer does not intend to do any further work on the Gold Hill Property at this time.

Other than as hereinbefore set forth, there are no other material facts concerning the Issuer which have not been disclosed.

All material contracts and technical reports of the Issuer referred to herein may be inspected at the registered office of the Issuer, 17th Floor, 1185 West Georgia Street, Vancouver, British Columbia, during normal business hours during the distribution of the securities offered hereunder and for a period of thirty (30) days thereafter.

10. STATUTORY RIGHTS OF RESCISSION

The British Columbia Securities Act provides purchasers with the right to rescind a contract for the purchase of securities where the Statement of Material Facts and any existing amendments thereto either contain a misrepresentation or are not delivered to the purchaser before delivery of the written confirmation of sale. For further information concerning these rights, and the time limits within which they must be exercised, refer to Sections 66, 114, 118 and 124 of the Securities Act or consult a lawyer.