

PROPERTY FILE

019587

THIS PROSPECTUS CONSTITUTES A PUBLIC OFFERING OF THESE SECURITIES ONLY IN THOSE JURISDICTIONS WHERE THEY MAY BE LAWFULLY 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.

PROSPECTUS

DATE: AUGUST 31, 1989

*647

LORICA RESOURCES LTD.
(the "Issuer")
1300 - 1100 Melville Street
Vancouver, British Columbia
V6E 4A6

TREK Project

104G/3W

How

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sphal 27

MINISTRY OF ENERGY, MINES
and PETROLEUM RESOURCES
Rec'd NOV 10 1989
SMITHERS, B.C.

PUBLIC OFFERING
635,000 Shares,
consisting of
290,000 flow-through common shares and
345,000 regular common shares

	Price To Public (1)	Commission (2)	Net Proceeds to Issuer (3)
Per Share.....	\$ 0.35	\$ 0.035	\$ 0.315
Total.....	\$222,250.00	\$22,225.00	\$200,025.00

- (1) The price of the securities has been determined by the Issuer in negotiation with the Agents.
- (2) The Agents have been granted warrants to acquire a total of 150,000 shares at \$0.40 per share. See "Plan of Distribution".
- (3) Before deduction of expenses of this issue estimated not to exceed \$25,000.

THE VANCOUVER STOCK EXCHANGE HAS CONDITIONALLY LISTED THE SECURITIES BEING OFFERED PURSUANT TO THIS PROSPECTUS. LISTING IS SUBJECT TO THE COMPANY FULFILLING ALL THE LISTING REQUIREMENTS OF THE VANCOUVER STOCK EXCHANGE ON OR BEFORE MARCH 14, 1990, INCLUDING PRESCRIBED DISTRIBUTION AND FINANCIAL REQUIREMENTS.

THERE IS NO MARKET THROUGH WHICH THESE SECURITIES MAY BE SOLD.

THIS PROSPECTUS ALSO QUALIFIES THE ISSUANCE OF THE AGENTS' WARRANTS. THE AGENTS MAY SELL ANY SHARES ACQUIRED ON THE EXERCISE OF THE WARRANTS PURSUANT TO THE SECURITIES ACT AND ITS REGULATIONS WITHOUT FURTHER QUALIFICATION. SEE "PLAN OF DISTRIBUTION".

THE SECURITIES OFFERED HEREBY MUST BE CONSIDERED SPECULATIVE SECURITIES AS THE ISSUER'S PROPERTIES ARE IN THE EXPLORATION AND DEVELOPMENT STAGE. THERE HAS BEEN NO SURVEY OF THE ISSUER'S MINING PROPERTIES AND UNTIL SUCH A SURVEY IS CONDUCTED THE AREA AND BOUNDARIES OF SUCH PROPERTIES COULD BE IN DOUBT. SEE ALSO "RISK FACTORS" FOR DETAILS OF SUCH MATTERS AS DILUTION, INHERENT RISKS, CONFLICTS OF INTEREST AND PERCENTAGES OF SHARES HELD BY PROMOTERS, DIRECTORS, OFFICERS AND SUBSTANTIAL SECURITY HOLDERS.

Oct
and 13/89

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 ALSO DIRECTORS OF OTHER COMPANIES ENGAGED IN THE ACQUISITION, EXPLORATION AND DEVELOPMENT OF RESOURCE PROPERTIES. SEE "DIRECTORS AND OFFICERS" FOR ADDITIONAL INFORMATION.

UPON COMPLETION OF THIS OFFERING AND PRIOR TO THE EXERCISE OF THE AGENT'S WARRANT, THIS ISSUE WILL REPRESENT 31.52% OF THE SHARES THEN OUTSTANDING AS COMPARED TO 51.63% THAT WILL THEN BE BENEFICIALLY OWNED BY PROMOTERS, DIRECTORS, AND OFFICERS OF THE ISSUER AND ASSOCIATES OF THE AGENTS. SEE "PRINCIPAL HOLDERS OF SECURITIES".

"UNDERWRITERS", AS DEFINED IN LOCAL POLICY STATEMENT 3-30 OF THE BRITISH COLUMBIA SECURITIES COMMISSION, OWN 90,000 SHARES OF THE COMPANY, PURCHASED AT \$0.25 PER SHARE.

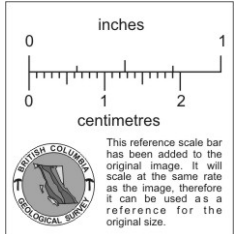
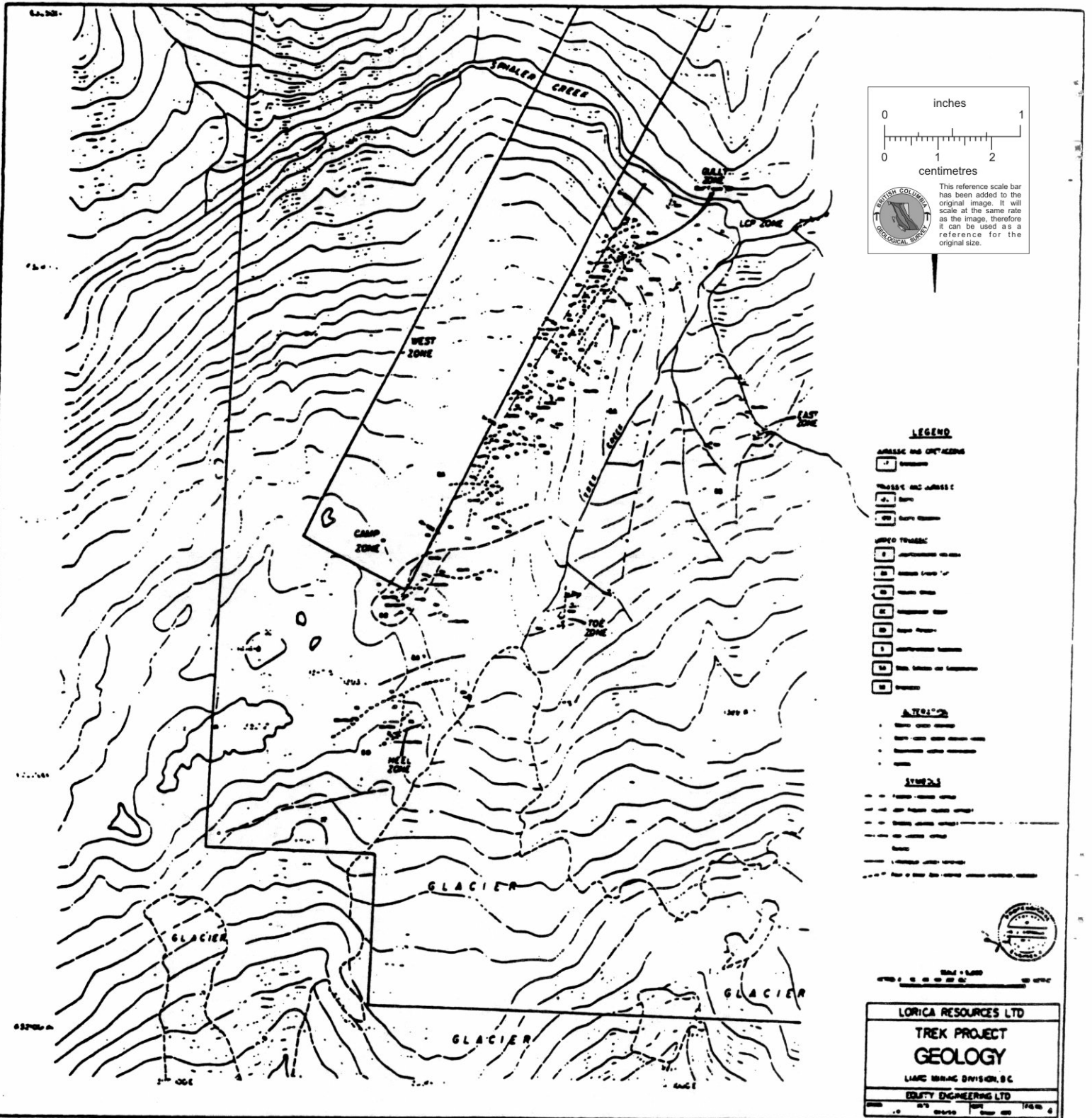
BASED ON THE OFFERING PRICE OF \$0.35 PER SHARE THE NET TANGIBLE ASSETS AFTER PAYMENT OF THE AGENT'S COMMISSION AND ESTIMATED COSTS OF THIS ISSUE FOR EACH OF THE 2,014,000 COMMON SHARES THEN OUTSTANDING WOULD BE APPROXIMATELY \$0.15 PER SHARE RESULTING IN AN IMMEDIATE DILUTION OF APPROXIMATELY \$0.20 PER SHARE, OR 57%. SEE THE DISCUSSION OF DILUTION UNDER THE HEADING "RISK FACTORS".

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" SUBJECT TO THE APPROVAL OF ALL LEGAL MATTERS ON BEHALF OF THE ISSUER BY SCOTT, BISSETT, VANCOUVER, BRITISH COLUMBIA.

AGENT

McDERMID ST. LAWRENCE LIMITED
Suite 1000, 601 West Hastings Street
Vancouver, British Columbia
V6B 5E2

EFFECTIVE DATE: SEPTEMBER 15, 1989



- LEGEND**
- ARABIC AND CHINESE
 - FRANCE AND ARABIC
 - INDO FINNIC
 - ATLANTIC
 - SYMBOLS



LORICA RESOURCES LTD
 TREK PROJECT
 GEOLOGY
 LIMAC MINING DIVISION, B.C.
 EDDY ENGINEERING LTD

Lake's interest in the Property. Equity is owned and controlled as to 50% by Caulfield and as to 50% by Mr. Henry J. Awmack, P.Eng. Equity and Caulfield have acknowledged and agreed that any and all Advance Royalty Payments, Royalties or Net Smelter Returns or any other payments or issuance of common shares in the capital stock of Pass Lake or the Issuer as provided for under the Pass Lake Option, the Option Agreement and the amending agreements thereto are to be made to Caulfield on behalf of Equity.

THE PROPERTY

The following is taken in part from and is based in reliance upon a summary report by Henry J. Awmack, P.Eng., and Brian K. Yamamura, Geologist (the "Summary Report") of Equity Engineering Ltd., dated November 1988. A review of the Summary Report was conducted by Gerald H. Rayner of G.H. Rayner & Associates dated January 27, 1989 (the "Review"). Both the Summary Report and Review are available for inspection at 1040 - 999 West Hastings Street, Vancouver, British Columbia, during normal business hours while distribution of the shares offered hereunder is in progress.

Location and Access

The Property is located approximately 160 km northwest of the town of Stewart, and 110 km south of Telegraph Creek, in northwestern British Columbia (see Figure 1). Access is provided by helicopter from the Scud River airstrip approximately 40 km to the northwest, or the Bronson Creek airstrip located approximately 40 km to the south of the Property.

The claims comprising the property were staked in 1988 and encompass approximately 2,500 hectares (see Figure 2):

<u>Claim Name</u>	<u>Units</u>	<u>Record Date</u>	<u>Record No.</u>	<u>Expiry Date</u>
Trek 1	20	March 22/88	4528	March 22/95
Trek 2	20	March 22/88	4529	March 22/95
Trek 3	20	March 22/88	4530	March 22/96
Trek 4	20	March 22/88	4531	March 22/95
Trek 5	15	June 13/88	4638	June 13/95
Trek 6	16	Sept. 22/88	5357	Sept. 22/89

History, Geochemistry and Geology

Kenneco first explored the Property following the discovery in 1955 of the Galore Creek copper-gold porphyry deposit lying 10 km to the northwest. Geological mapping, hand-trenching and copper stream geochemistry was conducted over most of what is now the Property and six mineralized zones associated with monzonitic stocks and plugs were identified.

In the early 1970's the Property was acquired by Consolidated Silver Standard Mines Limited and, through an option with Teck Corp., a magnetometer survey, soil geochemistry, further hand-trenching and geological mapping was conducted in 1980 and 1981; however, although the soil grid yielded 25 samples with greater than 100 parts per billion gold, only limited follow-up work was done, and Silver Standard allowed all but 8 of the claims to lapse.

In commenting on the geology of the property, the Summary Report states that

"The Trek Property is largely overlain by a sequence of Upper Triassic andesitic flows and volcanoclastics. Over the grid area... the lithologies are generally confined to a crystal-rich tuff and augite prophyry flow. At the south end of the grid, a volcanic breccia unit occurs, but andesitic flows become more prevalent again further to the south. The Upper Triassic volcanics and sediments have been intruded by synvolcanic diorite and quartz monzonite plugs and by Cretaceous granodiorite on the southern border of the property.

The most dominant unit in the southwestern quadrant of the (Trek) property, underlying much of the grid area, is a crystal tuff.In one locality, intrusive clasts of syenitic to monzonitic composition were noted.

The volcanic breccia is clearly distinctive from the crystal tuff and volcanic conglomerate and was mapped only in the southernmost part of the grid.... In the area of the Camp Zone, this breccia unit is not only mineralized but also hornfelsed. A similar breccia unit also hosts the East Zone sulphide mineralization.

Regional geology and Property geology maps are included as Figures 3 and 4, respectively.

Mineralization

During the 1988 field season several new precious metal occurrences were discovered south of Sphaler Creek, the most significant of which are named the Gully, Heel, Toe and East Zones.

The Gully Zone, in a steep northeasterly trending ravine located on the soil grid (see Figure 5), is a steeply-dipping body of massive pyrrhotite and chalcopyrite with lesser pyrite and magnetite. For the entire 75 meter inclined length of the gully, with an apparent width up to 3.5m (see Figure 5), the mineralization can be traced with rubble.

LORICA RESOURCES LTD.

PROSPECTUS SUMMARY

- THE ISSUER:** Lorica Resources Ltd. (the "Issuer"), is incorporated in the Province of British Columbia and is engaged in the business of exploring and developing mineral properties.
- BUSINESS OF THE ISSUER:** The Issuer currently holds an option to acquire a 51% interest in six (6) mineral claims held by Pass Lake Resources Ltd. known as the Trek Property, located in the Liard Mining Division, British Columbia.
- THE OFFERING:** The Issuer, through its agent, hereby offers to the public 635,000 shares at the price of \$0.35 per share. Of the shares offered, 290,000 will be "flow-through" shares and may entitle the holder to certain tax deductions.
- THE AGENT:** The Issuer's agent, McDermid St. Lawrence Limited, has agreed to purchase any shares not subscribed for, and will therefore be granted a non-transferable share purchase warrant which will entitle it to purchase up to 150,000 common shares at the price of \$0.40 per share at any time up to one year following the listing of the Issuer's shares on the Vancouver Stock Exchange.
- USE OF PROCEEDS:** Of the net amount of \$200,025 raised from this offering, an aggregate of \$101,500 plus \$24,350 of the Issuer's existing flow-through share funds available will be used to conduct the work program on the Trek Property recommended by Gerald H. Rayner P.Eng., of G.H. Rayner & Associates Limited. The balance of the funds will be used to pay accounts payable and to add to the Issuer's working capital.

II

CAPITALIZATION:

The Issuer has an authorized capital of 20,000,000 common shares, of which 1,379,000 are currently issued and outstanding. On completion of this offering, 2,014,000 shares will be issued. In addition, the Agents will hold warrants to purchase up to 150,000 shares at any time within one year following the listing of the Issuer's shares on the Vancouver Stock Exchange. The directors, senior officers and employees of the Issuer also hold options to purchase a total of 198,000 shares at any time within two years from the date that a receipt is issued for this prospectus.

SPECULATIVE ASPECTS:

Investment in the securities of the Issuer must be considered speculative due to the nature of the Issuer's business and the present stage of development of its business. Reference is made to the warnings on the cover of this prospectus, the description of the Issuer's business, the section headed "Risk Factors", the disclosure of conflict of interest under the heading "Directors and Officers" and other relevant disclosure contained herein.

THE FOREGOING IS A SUMMARY ONLY AND SHOULD BE READ IN CONJUNCTION WITH THE MORE DETAILED INFORMATION CONTAINED ELSEWHERE IN THIS PROSPECTUS.

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.....OF THE ISSUER	
.....OF THE AGENT	

ITEM 1. NAME AND INCORPORATION OF THE ISSUER

Lorica Resources Ltd. (the "Issuer") was incorporated on May 20, 1988 as 345667 B.C. Ltd. under the Company Act (British Columbia) by the registration of its memorandum and articles. On July 4, 1988, the name of the Issuer was changed to its present name. Upon the issuance of a receipt for this prospectus by the Superintendent of Brokers for British Columbia, the Issuer will be a reporting company.

The address of the head office of the Issuer is 1300 - 1100 Melville Street, Vancouver, British Columbia, V6E 4A6. The address of the registered and records offices of the Issuer is Suite 1040, 999 West Hastings Street, Vancouver, British Columbia, V6C 2W2.

ITEM 2. BUSINESS AND PROPERTY OF THE ISSUER

The Issuer is engaged in the acquisition, exploration and development of mineral properties. The Issuer holds the mineral properties described herein and intends to seek and acquire additional properties worthy of exploration and development.

TREK PROPERTY
LIARD MINING DIVISION, BRITISH COLUMBIA

Acquisition

Under the terms of an agreement dated July 4, 1988 (the "Option Agreement"), Pass Lake Resources Ltd. of 1105 - 1020 Howe Street, Vancouver, British Columbia ("Pass Lake"), granted the Issuer an exclusive option to acquire an undivided 51% right, title and interest in six mineral claims located in the Liard Mining Division, British Columbia, known as the Trek Property (the "Property").

Pass Lake is a reporting issuer in the Province of British Columbia and is listed on the Vancouver Stock Exchange. Dr. Gerald Cook, a director of the Issuer, is also a director of Pass Lake.

Consideration

Pass Lake was granted the right to acquire a 100% undivided interest in the Property pursuant to an agreement dated June 10, 1988 (the "Pass Lake Option") from Mr. David A. Caulfield of 406-675 West Hastings Street, Vancouver, British Columbia ("Caulfield"). In consideration for the option Pass Lake is required to expend funds on work programs as follows:

- (a) a minimum of \$80,000 by December 31, 1988;
- (b) an additional \$100,000 by December 31, 1989;
- (c) an additional \$120,000 by December 31, 1990; and
- (d) an additional \$200,000 by December 31, 1991.

In addition, the sum of \$25,000 was paid to Caulfield upon execution of the Pass Lake Option, and Caulfield is to receive common shares in the capital stock of Pass Lake as follows:

- (a) 50,000 upon execution of the Pass Lake Option;
- (b) 50,000 on or before June 10, 1989;
- (c) 50,000 on or before June 10, 1990; and
- (d) 50,000 on or before June 10, 1991.

The Pass Lake Option also provides for Caulfield retaining a royalty equal to 1 1/2% of net smelter returns, payable as follows:

\$10,000 if Pass Lake expended at least \$100,000 per year (in aggregate) in respect of exploration and development of the Property, subsequent to exercise of the Option and thereafter, the advance royalty payment amount shall be set at \$10,000 if the work program expenditures on the Property in the three prior years aggregates \$300,000; otherwise, the advance royalty payment amount shall be \$25,000

(the "Advance Royalty Payments").

The first advance royalty payment is due on or before June 10, 1992 in the amount as set out above and subsequent advance royalty payments are due on each successive anniversary date thereof, up to the earlier of the Date of Commencement of Commercial Production, as defined in Schedule "B" to the Pass Lake Option, and the date of purchase of the Royalty by the Optionee. Pursuant to the terms of the Pass Lake Option, Pass Lake may purchase the royalty from Caulfield by paying to Caulfield the sum of \$1,500,000, less all Advance Royalty Payments made as at the date of purchase.

The Issuer's Consideration

In order to earn its 51% undivided interest, the Issuer has agreed to undertake funding of \$500,000 of the exploration expenditures required to be made by Pass Lake under the Pass Lake Option as follows:

- (a) the sum of \$80,000 on or before December 31, 1988 (this amount has already been spent);
- (b) a further sum of \$100,000 on or before December 31, 1989 (approximately \$20,000 of this amount has already been spent);

- (c) a further sum of \$120,000 on or before December 31, 1990;
and
- (d) a further sum of \$200,000 on or before December 31, 1991.

Also, pursuant to the terms of the Option Agreement, the Issuer is required to issue to Caulfield an aggregate of 75,000 common shares in its capital stock, being its portion of the 200,000 shares to be issued to Caulfield pursuant to the Pass Lake Option, on the following basis:

- (a) 25,000 on or before June 10, 1989 (issued);
- (b) 25,000 on or before June 10, 1990, subject to the filing with the Vancouver Stock Exchange of an acceptable engineering report recommending further work on the Property; and
- (c) 25,000 on or before June 10, 1991, subject to the filing with the Vancouver Stock Exchange of an acceptable engineering report recommending further work on the Property.

After the Issuer has funded \$500,000 in exploration expenditures, it may notify Pass Lake that it does not wish to fund additional exploration expenditures.

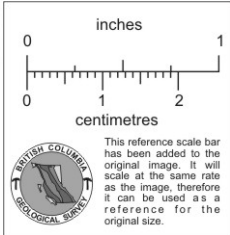
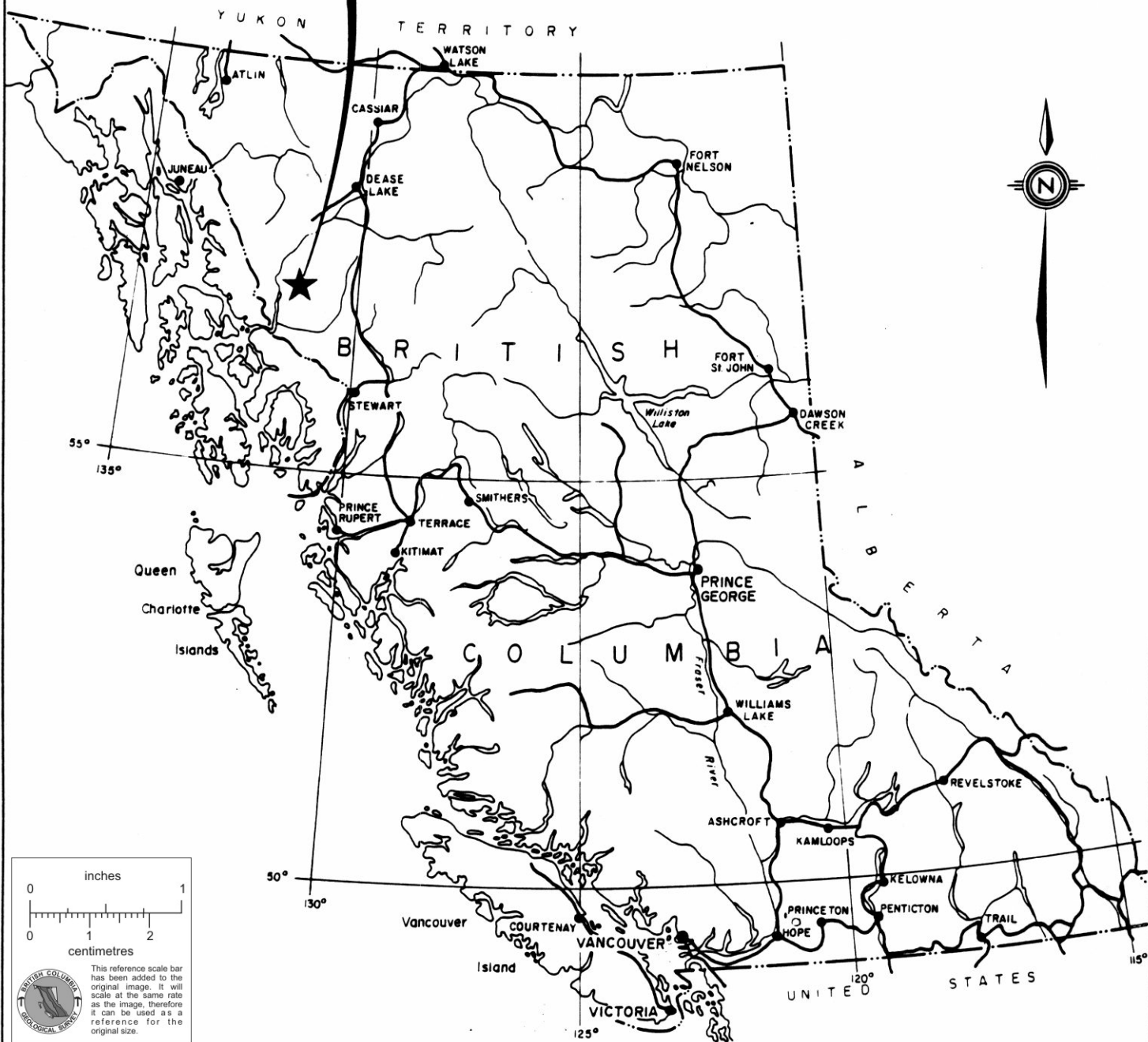
Once the Issuer has funded the \$500,000 in exploration expenditures, and issued the required share capital to Caulfield, it will become vested in a 51% undivided interest, and further exploration of the Property will be conducted on the share costs basis, e.g., a "joint venture".

The Issuer will retain its 51% interest provided that if the Issuer does not provide its share of costs as provided for in the Property Option Agreement, then for each \$75,000 of costs not contributed as required, the Issuer's interest will decrease by 1%. If the Issuer's interest is diluted to less than 15%, then the Issuer's remaining interest is forfeited to the other participant and the Issuer retains a 15% net profits royalty.

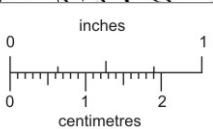
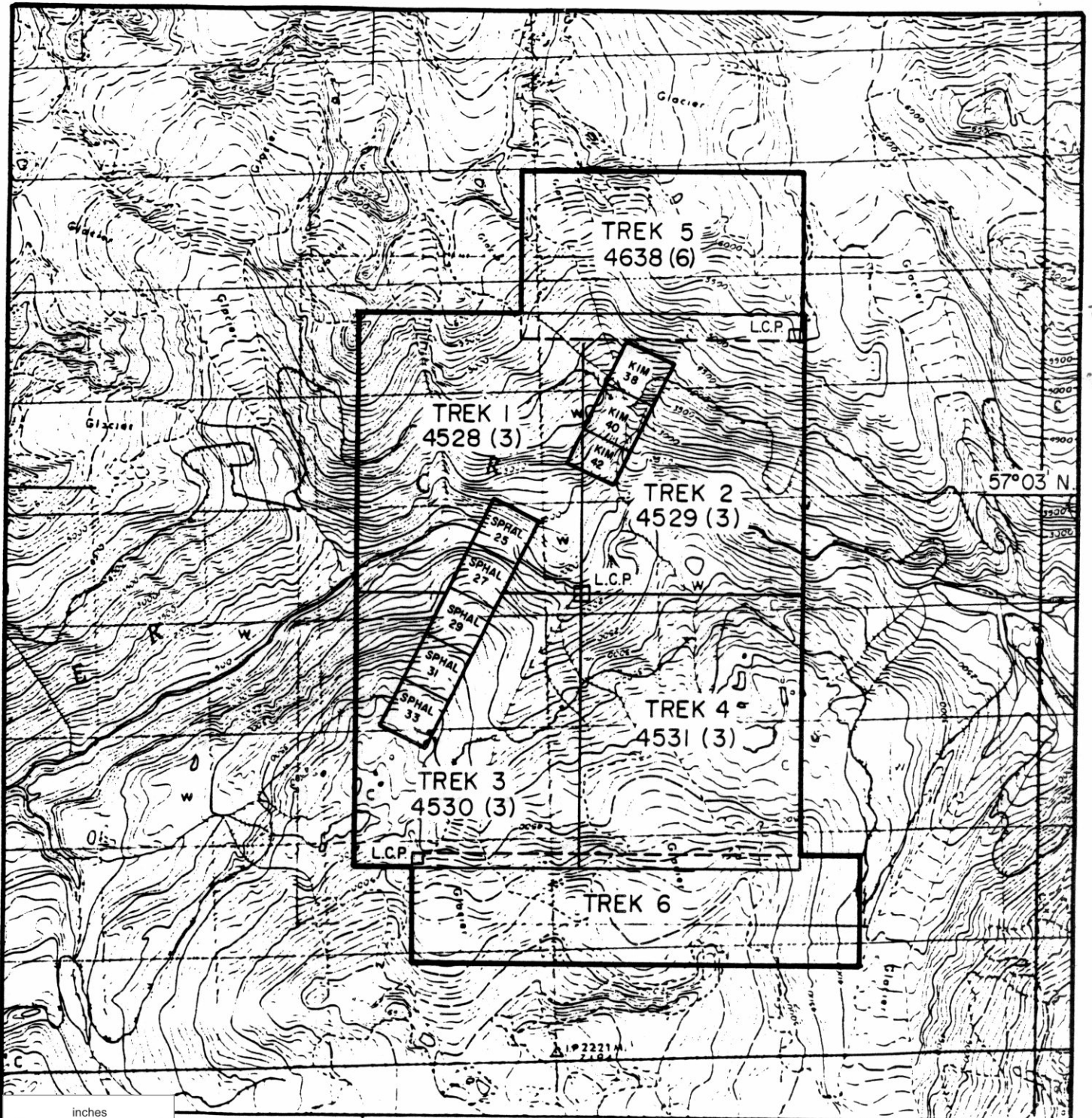
The exploration programs for the expenditure of the \$500,000 will be proposed by the Issuer and the Issuer will be the Operator.

An amendment agreement (the "Amendment to the Trek Property Agreement") has been entered into by Caulfield, Pass Lake, the Issuer and Equity Engineering Ltd. ("Equity") dated August 29, 1989. The Amendment to the Trek Property Agreement clarifies that Caulfield is the registered owner of the Property only and that Equity is the beneficial owner of the Property. Caulfield and Pass Lake entered into the Pass Lake Option agreement and Pass Lake subsequently entered into the Option Agreement with the Issuer, which agreement provides that the Issuer can earn 51% of Pass

PROPERTY LOCATION



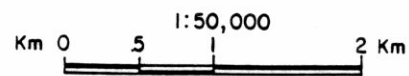
LORICA RESOURCES LTD.			
<u>TREK 1-6 CLAIMS</u>			
PROPERTY LOCATION MAP			
EQUITY ENGINEERING LTD.			
Drawn. J.W.	N.T.S. 104G/3W	Date. Oct. 1988	FIG. No. 1.



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57 131° 20' 59 00 01 02 63 15' 64



LORICA RESOURCES LTD.			
TREK 1-6 CLAIMS CLAIM MAP			
LIARD MINING DIVISION, B.C.			
EQUITY ENGINEERING LTD.			
DRAWN. J.W.	PROJECT.	DATE. October, 1988	FIGURE 2



Down Slope ↑

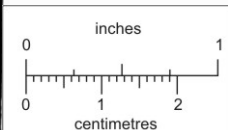
Agglomerate with lenses, blebs of pyrite, chalcopyrite

Sulfide Zone 10-20 cm wide

Limonitic pod of well altered material

Gully outline

Agglomerate: massive, locally rusty and well fractured, disseminated pyrrhotite, lesser chalcopyrite, strong chlorite alteration



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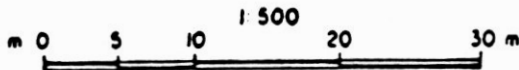


358162
531, 0 42, 0 256 (36 m)




358163
4 11, 0 36, 0 098 (20 m)

Gauge

Altered, fractured agglomerate well mineralized



LEGEND

-  Chip Sample
Cu %, Ag oz/t, Au oz/t (Sample length)
-  Sulfide Zone lensy to massive sulphides - pyrrhotite, chalcopyrite, pyrite, magnetite
-  Mineralized rubble

LORICA RESOURCES LTD.			
TREK PROJECT			
SKETCH MAP-GULLY ZONE			
INCLINED VIEW			
LIARD MINING DIVISION, B.C.			
EQUITY ENGINEERING LTD.			
Drawn.	N.T.S	Date.	FIG No.

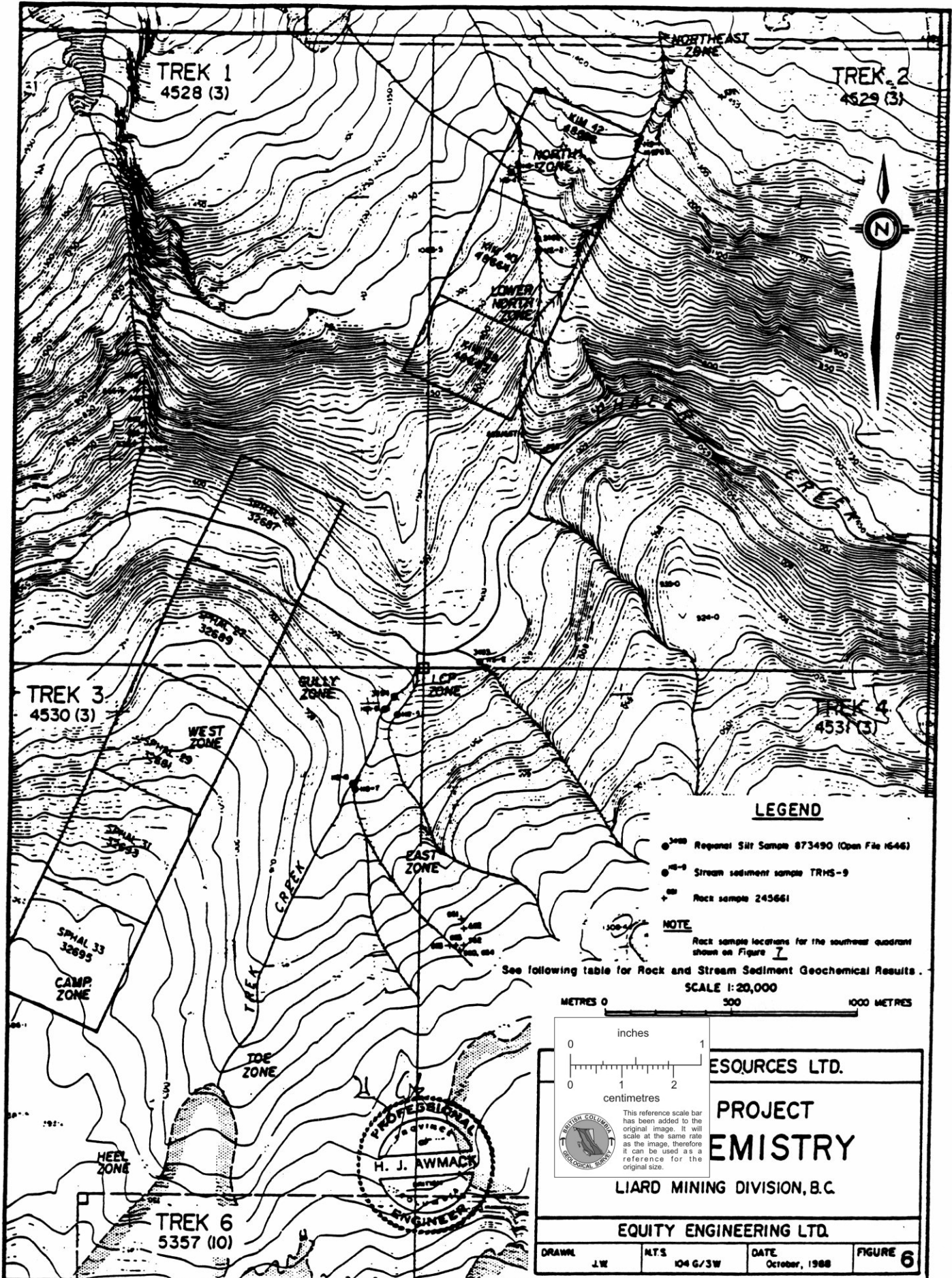
The East Zone, located on the southeast side of the Trek fault zone, is a well-mineralized, silver-rich vein system. The veins range from 10cm to 2m across, and have been traced along strike for 50m, possibly extending a further 250m west. The veins, which form a series of steeply dipping, subparallel quartz veins trending approximately 060°, are mineralized with pyrite, chalcopyrite, sphalerite, galena and arsenopyrite. Observed within the veins are small rounded clasts composed mainly of sphalerite.

Occuring at the southeastern toe of the Trek Glacier is the Toe Zone, which can be traced along strike for approximately 50m. A series of subparallel silver-rich veins, ranging from 5cm to 2m across are hosted by gossanous volcanics. Mineralization in this zone consists of semi-massive pyrite, chalcopyrite, galena, sphalerite and barite in a grey quartz-sericite gangue. The Toe and East Zones may be closely related in that the overall form and appearance of the mineralization and the orientation of the veins is similar. Approximately 400m south of the Toe Zone, east of the Trek Glacier, garnet skarn and sulphide-rich limestone talus occur. Samples taken from the sulphide-rich float assayed 49.1 oz/ton silver with 14.8% lead and 16.4% zinc. A bedrock source is thought to be nearby.

Adjacent to a small diorite plug west of the Trek Glacier is the Heel Zone, hosted by hornfelsed volcanics with disseminated pyrite and chalcopyrite. Assays from narrow quartz veins give up to 0.428 oz/ton gold, with high silver and copper values, and low lead and zinc values. A grab sample over a 5m radius from a poorly exposed zone of semi-massive to massive pyrite-chalcopyrite mineralization assayed 0.222 oz/ton gold with 3.42 oz/ton silver and 1.12% copper. Samples taken from some nearby float boulders with brecciated subangular silicified andesite fragments cemented by a chalcopyrite-molybdenite-magnetite matrix, similar to the copper mineralization, assayed 0.230 oz/ton gold, 9.73% copper, 4.73 oz/ton silver and greater than 1000 parts per million molybdenum.

1988 Work Program

A preliminary exploration program was carried out by the Issuer in the summer of 1988, which consisted of geological mapping, prospecting, stream sediment geochemistry, soil geochemistry, line-cutting and geophysical surveys. Nine stream sediment, 430 soil and 152 rock samples were taken during the course of this program (Figures 6 and 7). The stream sediment samples were taken from some of the major drainages of the property. Of these, four returned values greater than 100 parts per billion gold, inclusive of one taken from a stream on the north side of Sphaler Creek which returned a value of 2500 ppb gold. A further sample contained anomalous values of 1.0 ppm silver, 405 ppm copper and 96 ppm lead, along with 60 ppb gold.



LEGEND

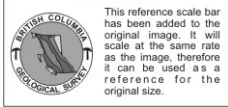
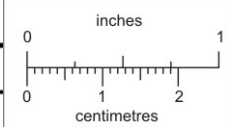
- Regional Silt Sample 873490 (Open File 1646)
- Stream sediment sample TRMS-9
- ✦ Rock sample 245661

NOTE
 Rock sample locations for the southwest quadrant shown on Figure 1

See following table for Rock and Stream Sediment Geochemical Results.

SCALE 1:20,000

METRES 0 500 1000 METRES



RESOURCES LTD.

**PROJECT
 EMISTRY**

LIARD MINING DIVISION, B.C.

EQUITY ENGINEERING LTD.



DRAWN JW	MTS 104 G/3W	DATE October, 1988	FIGURE 6
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FIGURE 6: REGIONAL SILT, STREAM SEDIMENT AND ROCK GEOCHEMICAL RESULTS

REGIONAL SILT SAMPLING RESULTS (Open File 1646)

<u>Sample</u>	<u>Au(ppb)</u>	<u>Ag(ppm)</u>	<u>Cu(ppm)</u>	<u>Pb(ppm)</u>	<u>Zn(ppm)</u>
3492	31	0.4	392	22	108
3493	9	0.1	63	8	65
3494	16	0.3	149	15	101
3495	1	0.1	98	6	65

STREAM SEDIMENT SAMPLING RESULTS

<u>Sample</u>	<u>Au(ppb)</u>	<u>Ag(ppm)</u>	<u>Cu(ppm)</u>	<u>Pb(ppm)</u>	<u>Zn(ppm)</u>
TRHS1	60	1.0	405	96	114
TRHS2	30	0.6	180	32	80
TRHS3	2500	0.4	150	24	74
TRHS4	5	0.2	100	20	70
TRHS5	10	0.4	102	16	81
TRHS6	25	0.8	143	20	101
TRHS7	155	0.2	77	18	67
TRHS8	275	0.8	123	8	135
TRHS9	195	0.2	105	6	61

ROCK GEOCHEMICAL RESULTS

<u>Sample</u>	<u>Au(ppb)</u>	<u>Ag(ppm)</u>	<u>Cu(ppm)</u>	<u>Pb(ppm)</u>	<u>Zn(ppm)</u>
149769	30	<0.2	140	6	381
245562	85	18.4	1025	494	1415
245563	20	3.0	258	86	378
245637	70	<0.2	28	4	55
245638	40	<0.2	86	14	93
245639	25	<0.2	94	38	69
245640	10	1.2	152	96	259
245641	15	<0.2	162	4	56
245642	5	0.4	17	56	400
245643	<5	<0.2	32	6	68
245644	345	<0.2	508	18	106
245660	15	0.4	200	18	144
245661	10	<0.2	167	14	70
245662	630	45.0	284	9870	>10000
245663	600	1.4	306	142	151
245664	65	2.8	138	278	1145
245665	15	<0.2	189	6	64
245666	35	0.6	839	<2	99
245667	25	0.6	553	<2	54



FIGURE 7 ROCK GEOCHEMICAL AND ASSAY RESULTS

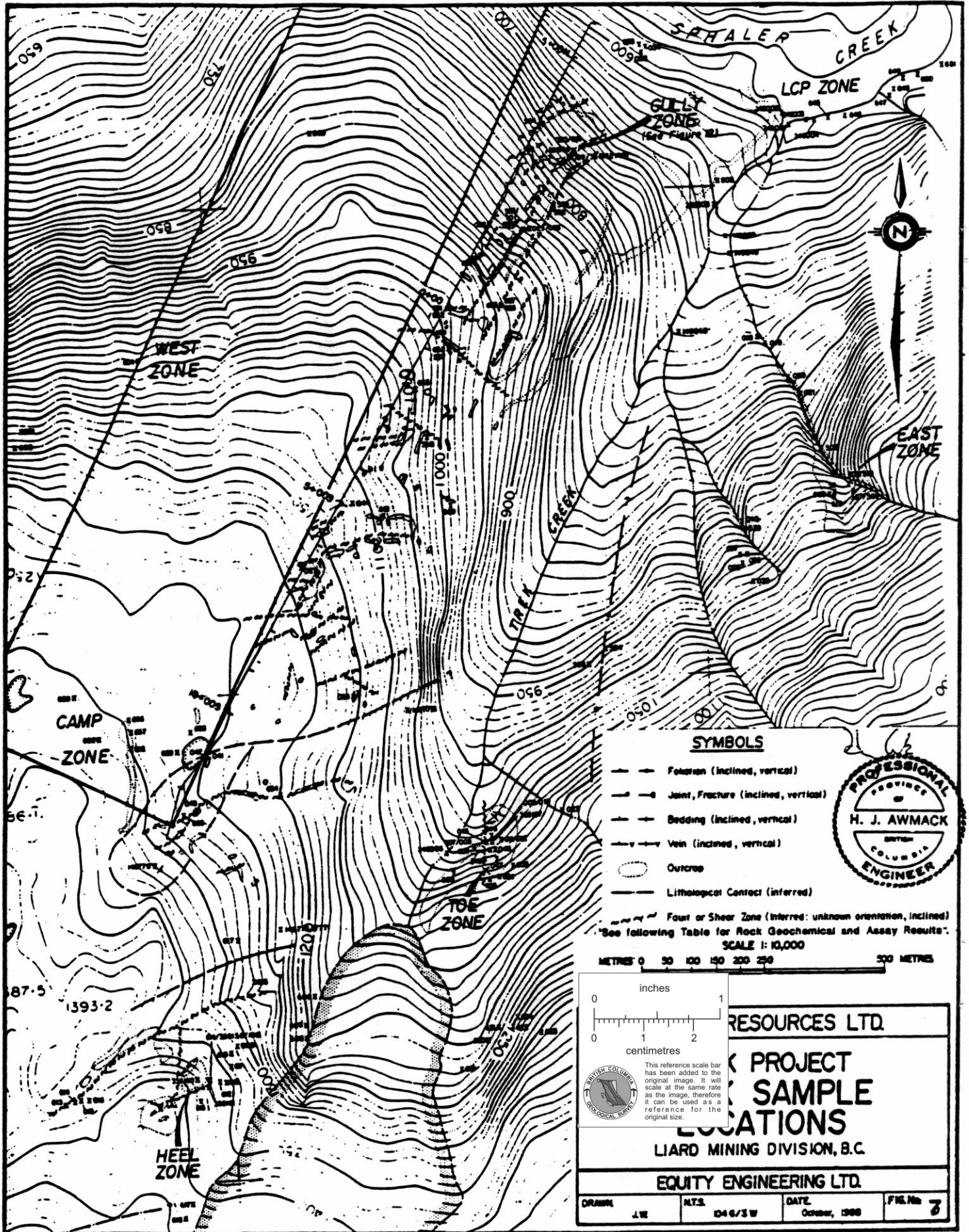
ROCK GEOCHEMICAL RESULTS

SAMPLE	AL(PPM)	SI(PPM)	CA(PPM)	FE(PPM)	ZN(PPM)	SAMPLE	AL(PPM)	SI(PPM)	CA(PPM)	FE(PPM)	ZN(PPM)
149773	10	0.2	116	18	41	249811	1000	167.3	1690	>10000	1940
149776	190	1.2	302	8	33	249812	1100	137.3	6430	2000	>10000
149777	160	1.4	56	8	6	249851	30	0.2	109	6	130
149778	2300	74.3	>10000	268	383	249852	30	0.2	203	20	61
149848	60	36.3	772	>10000	>10000	249853	10	0.2	112	<2	40
149849	23	1.3	499	100	172	249854	10	0.2	128	<2	30
149880	1180	12.2	200	690	7968	249855	1250	2.4	8900	<2	69
249801	20	0.2	23	12	164	249856	1330	2.6	9150	6	73
249802	13	0.4	389	24	116	249857	10	0.1	122	3	72
249803	498	0.4	89	464	1240	249858	<5	0.2	167	6	64
249804	100	3.4	15	334	240	249859	<5	0.1	267	3	110
249806	243	21.3	3720	228	923	249860	2300	49.3	>10000	8	193
249807	480	38.5	>10000	34	468	249861	130	1.1	1280	3	24
249808	1190	88.3	>10000	188	376	249862	500	>100.3	>10000	145	>10000
249809	648	30.3	3290	400	1623	249863	1630	42.3	6000	33	130
249810	1180	>200.3	>10000	4280	8820	249864	60	9.7	1220	17	1200
249811	930	68.0	6220	174	276	249865	3900	28.3	>10000	72	660
249812	70	3.3	708	28	38	249866	205	2.7	940	30	169
249813	23	0.8	697	16	93	249868	240	4.9	1230	88	223
249814	23	0.8	346	8	39	249867	40	0.3	368	6	39
249815	20	0.2	200	<2	29	249868	150	0.1	374	8	113
249816	20	0.2	187	6	23	249869	>10000	>100.3	>10000	2	166
249817	40	0.2	112	<2	109	249810	40	2.3	1210	4	37
249818	380	42.8	1600	820	698	249811	230	6.7	2280	3	62
249819	20	0.2	34	12	68	249812	1210	18.7	9680	3	158
249820	470	180.3	590	6230	339	249813	1140	8.9	7150	1	142
249821	2730	98.0	8700	916	2320	249814	>10000	>100.3	>10000	1	151
249822	208	3.8	297	124	133	249815	120	3.7	1230	21	289
249823	358	24.6	2220	86	281	249816	98	1.5	700	7	72
249824	23	0.8	388	2	38	249817	80	0.1	293	3	51
249825	3420	26.6	1000	1788	>10000	249818	70	0.1	189	1	63
249826	>10000	18.0	346	896	1573	249819	70	84.3	230	>10000	>10000
249827	80	0.2	163	10	38	249820	15	18.7	121	320	2390
249828	8000	21.4	>10000	18	373	249821	30	9.1	213	830	>10000
249829/30	4670	18.0	>10000	<2	212	249822	48	8.3	790	680	>10000
249831	2830	6.3	7320	<2	32	249823	40	>100.3	292	>10000	>10000
249832	46	1.6	3800	4	86	249824	120	82.3	370	9700	>10000
249833	340	3.8	512	36	2480	249825	60	1.4	103	128	630
249834	1960	4.8	430	182	1823	249826	170	2.4	3940	62	300
249835	158	12.0	382	113	300	249827	610	3.3	4440	24	200
249836	130	13.2	286	68	133	249828	1370	16.4	>10000	68	472
249837	30	1.4	99	147	336	249829	300	3.4	3900	32	180
249838	123	4.8	44	387	688	249830	130	2.6	2870	12	31
249839	730	>100.3	47	>10000	1820	249831	180	4.4	3970	6	123
249840	640	22.0	34	7300	270	249848	5	<0.2	10	14	176
249841	270	6.7	4720	238	66	249846	5	<0.2	84	<2	11
249842	30	1.1	630	183	133	249847	233	1.4	31	636	8040
249843	35	0.3	192	42	38	249848	10	<0.2	61	24	151
249844	40	0.2	193	43	41	249849	190	2.4	101	442	2380
249845	160	13.3	1960	132	610	249850	140	1.3	343	140	228
249846	730	>100.3	9300	4000	>10000	249851	448	4.3	68	612	>10000
249847	100	10.3	2310	122	372	249852	23	<0.2	299	2	389
249848	300	91.3	8960	232	2100	249853	100	<0.2	191	<2	192
249849	80	3.2	413	61	2260	249854	<5	1.0	5	6	26
249850	103	1.2	217	33	640	249855	340	8.3	2460	14	242
249851	100	0.2	1600	6	40	249856	183	7.2	4470	1	223
249852	25	0.2	109	4	33	249857	3830	4.6	>10000	<2	173
249853	13	1.3	174	48	197	249858	70	1.4	622	<2	33
249854	140	3.3	162	586	2200	249859	160	2.3	407	8	43
249855	23	3.8	399	224	7870	358137	220	1.2	2630	<2	72
249856	103	4.6	407	178	511	358138	1320	172.3	>10000	>10000	>10000
249857	1000	13.3	1360	1180	1683	358139	7440	81.3	>10000	236	1933
249858	1330	18.3	1330	722	4060	358140	2490	36.3	>10000	26	100
249859	1430	39.2	664	2360	882	358141	160	3.4	1023	28	58
249860	1920	>200.3	>10000	>10000	>10000	358161	6130	189.3	>10000	?	1023

ASSAY RESULTS

SAMPLE	AL(%)	SI(%)	CA(%)	FE(%)	ZN(%)
149778	0.076	2.09	1.32	-	-
249810	0.036	7.81	3.22	0.42	1.06
249821	0.086	2.68	0.48	-	-
249823	0.112	0.72	-	-	3.33
249826	0.328	-	-	-	-
249828	0.240	0.68	0.80	-	-
249829/30	0.146	0.28	3.71	-	-
249831	0.086	0.15	0.67	-	-
249839	0.026	6.31	-	6.71	-
249846	0.020	1.01	0.86	0.37	1.46
249850	0.044	23.60	1.80	9.13	20.30
249851	0.026	3.37	0.13	2.03	0.44
249852	0.034	4.61	0.79	0.23	1.26
249854	0.112	1.38	4.14	-	-
249861	0.016	1.40	0.60	-	0.03
249868	0.170	0.84	2.37	-	-
249869	0.230	4.73	9.73	-	-
249862	0.428	3.33	1.78	-	-
249822	<0.002	49.18	-	14.30	16.10
249833	0.132	1.30	7.20	-	-
249837	0.122	0.13	2.27	-	-
358137	0.034	3.47	4.73	2.23	1.29
358138	0.200	2.27	2.36	-	0.26
358139	0.068	0.47	1.24	-	-
358161	0.222	3.42	1.12	-	0.08
358162	0.236	0.42	3.31	<0.01	0.33
358163	0.098	0.36	4.11	<0.01	0.03





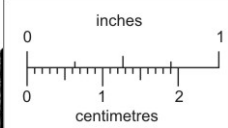
SYMBOLS

- Fault (inclined, vertical)
- Joint, Fracture (inclined, vertical)
- Bedding (inclined, vertical)
- Vein (inclined, vertical)
- Outcrop
- Lithological Contact (inferred)
- Fault or Shear Zone (inferred: unknown orientation, inclined)



*See following Table for Rock Geochemical and Assay Results:
SCALE 1:10,000

METRES 0 50 100 150 200 250 300 METRES



This reference scale bar has been added to the original image. It will scale at the same rate as the image, therefore it can be used as a reference for the original size.

RESOURCES LTD.
PROJECT
SAMPLE
LOCATIONS
LIARD MINING DIVISION, B.C.

EQUITY ENGINEERING LTD.

DRAWN	J.W.	NTS	046/3 W	DATE	October, 1988	FIG. No	7
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ITEM 3. PLAN OF DISTRIBUTION

THE OFFERING

The Issuer, through its Agent, hereby offers through the facilities of the Vancouver Stock Exchange (the "Exchange") 635,000 shares of the Issuer (the "Shares") at the price of \$0.35 per Share (the "Offering"). The Shares offered will consist of 345,000 ordinary common shares and 290,000 "flow-through" common shares (the "Flow-Through Shares").

The Offering will be made in accordance with the rules and policies of the Exchange and on a day (the "Offering Day") determined by the Agent and the Issuer, with the consent of the Exchange, within a period of 180 days from the date upon which a final receipt for this Prospectus is issued by the Superintendent of Brokers (the "Effective Date").

CONDITIONAL LISTING

The Vancouver Stock Exchange has conditionally listed the securities being offered pursuant to this Prospectus. Listing is subject to the Company fulfilling all the listing requirements of the Vancouver Stock Exchange on or before March 14, 1990, including prescribed distribution and financial requirements.

APPOINTMENT OF AGENT

The Issuer, by an agreement dated August 31, 1989 (the "Agency Agreement"), appointed McDermid St. Lawrence Limited, 1000 - 601 West Hastings Street, Vancouver, British Columbia, V6B 5E2, as its agent (the "Agent") to conduct the Offering.

The Agent will receive a commission of \$0.035 per Share.

The Agent has agreed to purchase any Shares not sold at the conclusion of the Offering. In consideration therefor, the Agent has been granted a non-transferable share purchase warrant (the "Agent's Warrant") entitling it to purchase up to 150,000 shares of the Issuer at the price of \$0.40 per share at any time up to the close of business twelve (12) months from listing of the Issuer's shares on the Exchange.

The Agent's Warrant will contain, among other things, anti-dilution provisions and provision for appropriate adjustment of the class, number and price of shares issuable pursuant to any exercise thereof upon the occurrence of certain events including any subdivision, consolidation or reclassification of the shares or the payment of stock dividends.

The Agent reserves the right to offer selling group participation, in the normal course of the brokerage business, to selling groups

There has been no underground exploration on the property and no surface plant or development other than that necessary to support on-site accommodations and facilities for the exploration crew.

The Summary Report concludes that

"The Iskut River, Sulphurets and Stewart gold camps... host economic gold-bearing mesothermal veins [which are] intimately associated with syenitic stocks intruding an Upper Triassic volcano-sedimentary sequence. The Trek Property... exemplifies this geological environment, with quartz monzonite bodies intruding a correlative Upper Triassic volcanic sequence.

The Gully Zone is exposed along fifty meters of strike length, with two chip samples averaging 0.177 oz/ton gold and 4.71% copper across 2.8 meters. Strong, coincident, multi-element soil geochemical anomalies and a well-defined, coincident VLF-EM conductor suggest that it may extend at least 200 meters north and 100 meters south of its discovery location. Its geophysical signature continues a further 400 meters to the south...

Several other promising zones of gold-silver-base metal mineralization... [will] require further investigation... to evaluate their potential.

A multi-element stream sediment geochemical anomaly indicates the Northeast Zone... [to be] worthy of reconnaissance exploration for base and precious metal mineralization."

Gerald H. Rayner, P.Eng., has proposed a program which will consist of grid-cutting, detailed geological mapping, soil geochemical sampling, hand-trenching and mapping and complete magnetometer and VLF-EM coverage. The estimated cost of the program is \$125,850.

THE PROPERTY IS WITHOUT A KNOWN BODY OF COMMERCIAL ORE, AND THE PROPOSED PROGRAM IS AN EXPLORATORY SEARCH FOR ORE.

Disclosure Of Possible Conflict of Interest

Henry J. Awmack, co-author of the Summary Report, and David Caulfield are each 50% shareholders in Equity Engineering Ltd. (Equity"), are shareholders of both Pass Lake and the Issuer, and are vendors of the Property. Caulfield is the registered owner only of the Property and holds the Property on behalf of Equity which is the beneficial owner of the 100% interest in the Property.

the Canadian Exploration Incentive Program Act (Canada) (the "CEIP Act"). It is the intention of the Issuer to elect under the CEIP Act to receive the amount of incentives available in respect of the Qualified Expenditures incurred by it, and that the amount of such incentives will be retained by the Issuer. Refer to "Income Tax Consequences Relating to Flow-Through Shares" for particulars of the Canadian income tax treatment of the disbursement of the Exploration Fund.

The form of subscription agreement which is attached to this Prospectus as Schedule "A" (the "Subscription Agreement"), provides that the Issuer agrees to renounce to the investors its claim to the CEE. The Qualified Expenditures will not be used to qualify for addition to the Mining Exploration Depletion Base as defined in section 1203 of the Regulations to the Act. The renunciation of the CEE by the Issuer to the investors will entitle the investors to claim in respect of CEE only.

It is the Issuer's intention to spend the Exploration Fund by February 28, 1990. Investors will be advised by the Issuer of the amount of the Exploration Fund expended by February 28, 1990. At the same time, the Issuer will advise investors of the amount of CEE that has been deemed to have been incurred. If the Issuer does not spend the entire Exploration Fund by February 28, 1990, the funds remaining will be used to incur CEE during the year ending February 28, 1991 (see "Risk Factors").

In order to purchase the Flow-Through Shares offered pursuant to this Prospectus, investors will have to enter into the Subscription Agreement with the Issuer. Each investor who wishes to purchase the Flow-Through Shares offered hereunder must provide the Issuer with one originally signed copy of the Subscription Agreement, together with full payment for the Flow-Through Shares subscribed for, within five business days of the Offering Day.

For each Flow-Through Share subscribed for, the Issuer will expend \$0.35 (the "Flow-Through Funds") on exploration of mining properties so as to constitute CEE. In consideration for these Flow-Through Funds, the Issuer will issue to each investor one common share without par value which may entitle the investor to certain tax deductions as described below. The Flow-Through Shares will be issued by the Issuer to the investor within five business days of the Offering Day, provided that the Issuer receives an originally signed copy of the Subscription Agreement and full payment for the Flow-Through Shares.

In the event of an oversubscription of flow-through common shares of the Issuer, subscriptions will be treated on a pro-rata basis.

of other licenced broker-dealers, brokers and investment dealers, who may or may not be offered part of the commissions or bonuses derived from the Offering.

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

The Issuer has granted the Agent a right of first refusal to provide future public equity financing to the Issuer for a period of 12 months from the Effective Date.

ADDITIONAL OFFERING

This prospectus also qualifies the issuance of the Agent's Warrant. The Agent may sell any shares acquired on the exercise of the Agent's Warrant pursuant to the Securities Act and its Regulations without further qualification. The Agent will receive the proceeds from the sale of such shares, and none of the proceeds will accrue to the Issuer.

MISCELLANEOUS

There are no payments in cash, securities or other consideration being made, or to be made, to a promoter, finder or any other person or company in connection with the Offering.

The directors, officers and other insiders of the Issuer may purchase shares from the Offering.

The funds to pay the costs of this offering and the commission paid to the Agent will be derived from the non-flow-through portion of the offering.

PROCEEDS OF FLOW-THROUGH SHARES

The funds received from the offering of the Flow-Through Shares will constitute an exploration fund (the "Exploration Fund") to be used by the Issuer as set out below. Until expended, the Issuer will hold the Exploration Fund in an interest-bearing account with a Canadian chartered bank, separate from the Issuer's other funds. Any interest accruing in this account will be solely for the benefit of the Issuer and will be added to working capital.

THE EXPLORATION FUND

The Issuer will use the Exploration Fund to incur expenditures ("Qualified Expenditures") which qualify as Canadian Exploration Expenses ("CEE") as defined in the Income Tax Act (Canada) (the "Act") and which also qualify for the incentive grant payable under