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GEDDES RESOURCES LIMITED

CONSOLIDATED BALANCE SHEET

	September 30 1991	December 31 1990
Assets		
Current Assets		
Cash and short term investments	\$ 984,961	\$ 1,204,987
CEIP grants receivable	-	300,000
Other assets	143,084	126,229
	1,128,045	1,631,216
Deferred exploration and development costs		
	45,113,609	43,272,054
Fixed and other assets, net	558,555	658,994
	\$ 46,800,209	\$ 45,562,264
Liabilities		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 354,570	\$ 595,011
Shareholders' Equity		
Capital stock	51,944,564	49,695,506
Deficit	(5,498,925)	(4,728,253)
	46,445,639	44,967,253
	\$ 46,800,209	\$ 45,562,264

CONSOLIDATED STATEMENT OF OPERATIONS
AND DEFICIT

	Nine months ended September 30	
	1991	1990
Interest & other income	\$ 42,211	\$ 635,223
Administrative expenses	773,851	1,122,224
Federal tax on large corporations	39,032	73,322
	812,883	1,195,546
Net loss for the period	770,672	560,323
Deficit at beginning of period	4,728,253	3,881,349
Deficit at end of period	\$ 5,498,925	\$ 4,441,672
Net loss per share	\$0.03	\$0.02

GEDDES RESOURCES LIMITED

CONSOLIDATED STATEMENT OF CHANGES
IN FINANCIAL POSITION

	Nine months ended September 30	
	1991	1990
Cash provided by (used for)		
operating activities:		
Net loss for the period	(\$770,672)	(\$560,323)
Add items not involving cash		
Depreciation and amortization	19,027	17,117
Net change in non-cash working capital items	62,704	1,122,967
	(688,941)	579,761
Cash provided by financing activities:		
Net proceeds of issue of capital stock	2,249,058	3,080,925
Cash provided by (used for)		
investment activities:		
Increase in fixed and other assets	-	(78,186)
Proceeds on disposal of fixed and other assets	14,747	-
Deferred exploration and development costs	(1,794,890)	(7,945,928)
	(1,780,143)	(8,024,114)
Increase (decrease) in cash during the period	(220,026)	(4,363,428)
Cash and short term investments at beginning of period	1,204,987	7,976,545
Cash and short term investments at end of period	\$984,961	\$3,613,117

GEDDES RESOURCES LIMITED

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GEDDES RESOURCES LIMITED

THIRD QUARTER REPORT

1991

TO THE SHAREHOLDERS:

Results from the diamond drilling, trenching and other sampling completed in 1990 have been incorporated into a new geostatistical reserve calculation which shows an increase of 110 million tonnes over the previous calculation of 186.5 million tonnes completed in early 1990. The reserve calculation by Montgomery Consultants Limited has tabulated reserves for a range of copper cutoff grades in the Windy Craggy deposit as follows:

Cutoff Grade (% Cu)	Total Reserve (Tonnes x 000's)	Average Grade (% Cu)
0.50	297,439	1.38
0.75	230,202	1.63
1.00	198,020	1.75
1.50	139,190	1.96

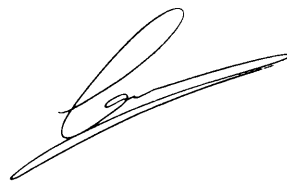
A detailed re-interpretation of the geology of the Windy Craggy deposit has distinguished the near surface oxidized portions of the massive sulphide North and South Zones and they are now named the North Oxide and South Oxide Zones. The Ridge and Gold Zones have also been distinguished.

The reserve calculation has segregated reserves by individual zone and by reserve category. Zinc values which are significant in the North and Ridge Zones have been incorporated in the reserves for the first time. The calculation includes almost 25 million tonnes grading in excess of 0.5% copper surrounding the massive sulphide zones which was previously not distinguished from the waste rock. The detail tabulation for 0.5% copper cutoff grade is shown on the following page.

Reevaluation of the mine plan will be required as the greatly increased reserve will accommodate a 20 year or longer mining schedule. The limits of the North, South and Ridge Zones have still not been found so that ultimate reserves may extend the mine life even more.

Geddes is waiting for a response to its Stage I Environmental and Socioeconomic Impact Reports which were submitted under the British Columbia Government's Mine Development Review Process. This response will summarize the comments from the reviewing agencies and will provide Terms of Reference for further studies and reports on those topics needing more detailed investigation. On September 17 the then Minister of Energy, Mines and Petroleum Resources announced that the British Columbia Government is to develop and evaluate within 12 months a multiple-use plan for the Windy Craggy area to ensure that resource development in the area does not detract from wilderness and recreational values. This represents a significant step forward in the environmental review process as it confirms the government's intent to encourage mineral development and recreation in the area and recognizes that study requirements beyond the direct impact of the mine and support facilities are a government responsibility.

During the three month period to September 30, 1991 expenditures on the Windy Craggy project and for administration were \$506,000. These were funded from working capital which increased by \$2,250,000 during the quarter as a result of the completion of the sale of 2,500,000 Special Warrants. Working capital at September 30, 1991 stood at \$773,000.



Gerald Harper
President and
Chief Executive Officer

Toronto, Ontario
November 18, 1991

Cut off grade: 0.50% Copper

Zone and Category	Tonnes x 000s	Cu %	Au g/t	Ag g/t	Co %	Zn %
NORTH						
Proven	9,750	1.74	0.31	4.88	0.075	0.30
Probable	84,040	1.67	0.25	4.50	0.075	0.29
Possible	44,510	0.95	0.15	2.86	0.046	0.17
Total	138,300	1.44	0.22	4.00	0.066	0.25
NORTH OXIDE						
Proven	900	2.06	0.24	4.65	0.091	0.29
Probable	4,150	1.87	0.25	4.68	0.087	0.29
Possible	4,900	0.92	0.47	8.25	0.038	0.17
Total	9,950	1.42	0.36	6.44	0.063	0.23
RIDGE						
Proven	100	2.40	0.36	6.80	0.075	0.38
Probable	2,620	1.82	0.32	6.30	0.060	0.36
Possible	3,070	0.88	0.10	2.17	0.030	0.08
Total	5,790	1.33	0.20	4.12	0.044	0.21
SOUTH						
Proven	12,080	1.61	0.16	2.95	0.078	
Probable	61,660	1.51	0.15	3.33	0.080	
Possible	23,310	1.23	0.13	3.41	0.066	
Total	97,050	1.46	0.15	3.30	0.076	
SOUTH OXIDE						
Proven	6,160	1.96	0.23	4.06	0.069	
Probable	9,530	1.25	0.17	2.79	0.080	
Possible	4,710	0.82	0.36	5.09	0.046	
Total	20,400	1.37	0.23	3.70	0.069	
GOLD						
Proven	440	2.16	0.58	8.42	0.046	
Probable	410	1.52	0.39	4.22	0.052	
Possible	150	1.32	0.34	3.40	0.053	
Total	1,000	1.77	0.47	5.95	0.050	
ALL ZONES						
Proven	29,430	1.75	0.23	3.97	0.075	
Probable	162,410	1.59	0.21	3.99	0.077	
Prov&Prob	191,840	1.62	0.21	3.99	0.077	
Possible	80,650	1.02	0.17	3.45	0.051	
Total	272,490	1.44	0.20	3.83	0.069	
Reserves not assigned to Zones						
	24,949	0.72				
TOTAL	297,439	1.38				