

THIS PROSPECTUS CONSTITUTES A PUBLIC OFFERING OF THESE SECURITIES ONLY IN THOSE JURISDICTIONS IN WHICH THIS PROSPECTUS HAS BEEN ACCEPTED FOR FILING 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.

NEW ISSUE
PROSPECTUS

DATED: OCTOBER 26TH, 1987

671506

DELLATERRA RESOURCES LTD.
(the "Company")
1013 - 837 West Hastings Street
Vancouver, B.C. V6C 1B6

PUBLIC OFFERING

350,000 Shares Without Par Value

	Price to Public	Commission	Net Proceeds to be Received by Company (1)
Per Share	\$0.35	\$0.05	\$0.30
Total	\$122,500.00	\$17,500.00	\$105,000.00

(1) Before deduction of the costs of the Issue, estimated at \$10,000.

A PURCHASE OF THE SECURITIES OFFERED BY THIS PROSPECTUS MUST BE CONSIDERED AS SPECULATION. ALL OF THE PROPERTIES IN WHICH THE COMPANY HAS AN INTEREST ARE IN THE EXPLORATION AND DEVELOPMENT STAGE ONLY AND ARE WITHOUT A KNOWN BODY OF COMMERCIAL ORE. SEE ALSO "RISK FACTORS" ON PAGE 7.

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

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 MAY 2, 1988, INCLUDING PRESCRIBED DISTRIBUTION AND FINANCIAL STATEMENTS.

NO PERSON IS AUTHORIZED BY THE COMPANY 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 COMPANY.

UPON COMPLETION OF THIS OFFERING, THIS ISSUE WILL REPRESENT 23.33% OF THE SHARES THEN OUTSTANDING AS COMPARED TO 60.66%

THAT WILL THEN BE OWNED BY THE CONTROLLING PERSONS, DIRECTORS, PROMOTERS AND SENIOR OFFICERS OF THE COMPANY AND ASSOCIATES OF THE AGENTS. REFER TO THE HEADING "PRINCIPAL HOLDERS OF SECURITIES" ON PAGE 14 HEREIN FOR DETAILS OF SHARES HELD BY DIRECTORS, PROMOTERS AND CONTROLLING PERSONS AND ASSOCIATES OF THE AGENTS.

ONE OR MORE OF THE DIRECTORS OF THE ISSUER HAS AN INTEREST, DIRECT OR INDIRECT IN OTHER NATURAL RESOURCE COMPANIES. REFERENCE SHOULD BE MADE TO THE ITEM "RISK FACTORS" ON PAGE 7 FOR A COMMENT AS TO THE RESOLUTION OF POSSIBLE CONFLICTS OF INTEREST.

THE SHARES OFFERED UNDER THIS PROSPECTUS WILL BE SUBJECT TO A DILUTION OF \$0.208 PER SHARE (59%).

THIS OFFERING IS SUBJECT TO A MINIMUM SUBSCRIPTION. SEE PAGE 7.

THE PRICE OF THIS OFFERING WAS DETERMINED BY NEGOTIATION BETWEEN THE COMPANY AND THE AGENT.

THIS PROSPECTUS ALSO QUALIFIES FOR SALE TO THE PUBLIC BY A DIRECTOR AND AN EMPLOYEE OF THE COMPANY, A TOTAL OF 150,000 COMMON SHARES OF THE COMPANY AT THE PRICES PREVAILING AT THE TIME OF THE SALE. SEE "ADDITIONAL OFFERING" FOR FULL DETAILS.

WE, AS AGENT, CONDITIONALLY OFFER THESE SECURITIES SUBJECT TO PRIOR SALE, IF, AS AND WHEN ISSUED BY THE COMPANY AND ACCEPTED BY US IN ACCORDANCE WITH THE CONDITIONS CONTAINED IN THE AGENCY AGREEMENT REFERRED TO UNDER "PLAN OF DISTRIBUTION" ON PAGE 6 OF THIS PROSPECTUS.

Name and Address of Agent

GEORGIA PACIFIC SECURITIES CORPORATION
1600 - 555 Burrard Street
Vancouver, B.C. V7X 1S6

EFFECTIVE DATE: NOVEMBER 4, 1987

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SUMMARY

THE OFFERING

Issue: 350,000 Shares
Price: \$0.35 Per Share

Use of Proceeds: The estimated net proceeds of \$105,000 to be received by the Company from the Issue, together with cash on hand of \$17,118 will be used as follows: \$10,000 for cost of this Issue; \$50,000 to carry out an exploration program on the Company's mineral property; and the remaining balance will be used for working capital.

The Company intends to carry out a program of geophysical survey, geochemical sampling, geological mapping and trenching on five mineral claims located in the Alberni Mining Division, Province of British Columbia. The previous development and the future development plans in respect to these mineral claims are set out herein under the heading "Business and Property" beginning on page 2.

There is no known body of ore on the Company's property. In the event that the Company's exploration program as described in this Prospectus is successful, the Company will require additional financing in order to further develop the Company's property. These funds may not be available. There is no existing market for the shares of the Company. Exploration for minerals is a speculative venture necessarily involving substantial risks in respect to discovering commercial quantities of ore, or if they are discovered, to funding exploration and development costs, or if put into production, to successfully market the materials produced. The Company's property include mineral claims which have not been surveyed and therefore, the precise location of these properties may be in doubt.

In addition, other "Risk Factors" are set out on pages 7, 8 and 9 of this Prospectus under that heading including dilution and methods to resolve possible conflicts of interest.

Upon completion of this Offering this issue will represent 23.33% of the share then outstanding as compared to 60.66% that will then be owned by the controlling persons, promoters, directors and senior officers of the Company.

NAME AND INCORPORATION

Dellaterra Resources Ltd. (the "Company") was incorporated on August 17th, 1983 under the Company Act of the Province of British Columbia by the registration of its Memorandum and Articles. By the provisions of the Company Act, R.S.B.C. 1979 as amended, the Company will be deemed to be a reporting company upon the issue of a receipt for this Prospectus.

The head office of the Company is 1013 - 837 West Hastings Street, Vancouver, B.C. V6C 1B6. The registered and records office of the Company is 101 - 744 West Hastings Street, Vancouver, B.C. V6C 1A5.

DESCRIPTION OF BUSINESS AND PROPERTY

Business

The Company is a natural resource company engaged in the acquisition, exploration and development of mining properties. The Company has interests in the properties described below and intends to seek and acquire additional properties worthy of exploration and development.

Property

PATERSON LAKE MINERAL CLAIMS
ALBERNI MINING DIVISION
PROVINCE OF BRITISH COLUMBIA

By an agreement dated February 15th, 1987 between the Company as Optionee and Doug Patterson of 2886 Sixth Avenue, Port Alberni, B.C., Herb McMaster of 309 Kingsway, Port Alberni, B.C. and Sy Tresierra of 3952 Fourth Avenue, Port Alberni, B.C. as Optionors, the Company has the right to acquire up to a 100% undivided interest subject to a royalty set out below, in the mineral claims described below, in consideration for:

- (a) Payment of \$5,000.00 (which was paid);
- (b) Within thirty (30) days after the completion of the work program described in sub-paragraph 1(f) herein, the Company shall pay the Optionors the sum of Twenty Thousand (\$20,000.00) Dollars;

(c) Within thirty (30) days after the completion of the work program described in sub-paragraph 1(g) herein, the Company shall pay the Optionors the sum of Twenty Thousand (\$20,000.00) Dollars;

(d) Within one (1) year after completion of the work program described in sub-paragraph 1(g) herein, the Company shall pay the Optionors the sum of Sixty Thousand (\$60,000.00) Dollars and issue and allot One Hundred Thousand (100,000) fully paid and non-assessable shares of the Optionee's common stock subject to the filing of an Engineering Report accepted by the Office of Superintendent of Brokers, or in the event that the Company's shares are listed on the Vancouver Stock Exchange, by the Vancouver Stock Exchange, describing the work programmes carried out on the property and recommending further work on the Property;

(e) Carrying out exploration work on the property and expending not less than \$60,000 within one year after the date of the agreement (which has been expended);

(f) Carrying out exploration work on the property and expending a further \$100,000 within two years after the date of the agreement;

(g) Carrying out exploration work on the property and expending a further \$100,000 within three years after the date of the agreement);

The Company shall have earned a 50% undivided interest by doing the work and expending the monies described in sub-paragraph (b), (e) and (f) above.

The Company shall have earned an additional 25% undivided interest by doing the work and expending the monies described in sub-paragraph (c) and (g) above.

The Company shall have earned a 100% interest by carrying out all of the work and issuing the shares and paying the monies described herein, subject to the royalty set out herein.

The consideration shall be divided 33 1/3% to Doug Patterson, 33 1/3% to Herb McMaster and 33 1/3% to Sy Tressierra.

Upon placing the property in commercial production, the Optionors shall receive a 2 1/2% net smelter return royalty from such commercial production.

The property consists of the following claims:

<u>Claim Name</u>	<u>Record No.</u>	<u>Expiry Date</u>
Paterson Lake #1	2000 (15 Units)	March 19th, 1988
Paterson Lake #2	1993 (20 Units)	March 9th, 1988
Paterson Lake #3	2207 (8 Units)	April 27th, 1988
Paterson Lake #4	2208 (8 Units)	April 17th, 1988
Paterson Lake #5	2216 (1 Unit)	April 27th, 1988
Paterson Lake #6	2209 (20 Units)	April 27th, 1988

The following excerpts have been quoted from the Engineering Report dated May 25th, 1987 prepared by Peter A. Christopher, Ph.D. P.Eng.

Location and Access

"The Paterson Lake Property, under option by Dellaterra Resources Ltd. is situated at Great Central Lake, Vancouver Island, British Columbia about 20 kilometers northwest of the town of Port Alberni. The claims are in NTS map sheets 92F-6E and 92F-7W at geographic coordinates 49°20'N. latitude and 125°00'W longitude."

Access to the property from Nanaimo is via Highway 19 and Highway 4 to Port Alberni and 13 kilometers west to the Great Central Lake Road. The Great Central Lake Road is paved for 5 kilometers before becoming McMillian-Bloedel's Ash Main logging road. A bridge crosses the Ash River at the start of the logging road and is near the southeastern corner of the claim group. Recent logging roads and access roads for a transmission line that traverses the claims provide ready access to most areas of the claims."

History

"The Paterson Lake Property was staked for Herbert McMaster in March and April of 1984 to cover two short adits and several known copper-gold occurrences. After recording of the Paterson Lake claims, one third interests were transferred by bills of sale to each of Douglas William Paterson and Sylvester E. Tresierra. No published record of the mineral occurrences is known to exist, but a private report dated February 6, 1986 was prepared by D.V. Lefebure for Corporation Falconbridge Copper.

Dellaterra Resources Ltd. entered into an option

agreement to earn up to 100% interest in the claims in March 1987. A work program was conducted by Main Explorations Ltd. in March and April, 1987 with one year assessment work filed to maintain the claims. The work program included grid construction, geological mapping at a scale of 1:5,000, rock sampling, and VLF-EM, magnetic and induced polarization surveys with a total cost of \$65,830."

The Company has carried out a program of grid construction, geological mapping, rock sampling, VLF-EM, magnetic and induced polarization survey on the property at a cost of \$66,330.

The Company intends to carry out Stage I of the program recommended in the report of Peter A. Christopher, Ph.D., P.Eng. dated May 25th, 1987. Stage I consists of trenching, geophysical surveys, geochemical sampling and geological mapping at an estimated cost of \$50,000. The report also recommends, contingent on the results of Stage I, as Stage II of the program diamond drilling at an estimated cost of \$50,000 and, contingent on the results of Stage I and Stage II, Stage III consisting of additional diamond drilling at an estimated cost of \$100,000.

There is no surface or underground plant or equipment on the property.

THERE IS NO KNOWN BODY OF COMMERCIAL ORE ON THIS PROPERTY.

The proposed program is an exploratory search for ore.

PLAN OF DISTRIBUTION

The Company, by an agreement (the "Agency Agreement") dated June 10th, 1987 as amended on October 21st, 1987 appointed Georgia Pacific Securities Corporation as its Agent ("Agent") to offer the Shares through the facilities of the Vancouver Stock Exchange (the "Exchange").

The Company by its Agent hereby offers (the "Offering") to the public through the facilities of the Exchange 350,000 shares (the "Shares") of the Company at a price of \$0.35 per share (the "Offering Price"). 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 (the "Effective Date") upon which the Shares of the Company are conditionally listed on the Exchange.

The Agent will receive a commission of \$0.05 per share on the sale of the shares and on any shares sold on over allotment.

The Agent reserves the right to offer selling group participation, in the normal course of the brokerage business to selling groups of other licensed broker dealers, brokers or investment dealers, who may or may not be offered part of the commissions or bonuses derived from this 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 its assessment of the state of the financial markets and may also be terminated at any time upon the occurrence of certain stated events.

The Company has granted the Agent a right of first refusal to provide future equity financing to the Company for a period of twelve (12) months from the Effective Date.

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 Company may purchase shares from this Offering.

Additional Offering

This Prospectus also qualifies for sale to the public by a Director of the Issuer, at the market price prevailing at the time of the sale, a total of 75,000 common shares of the Issuer (the "Director's Shares"), at any time up to 180 days from the date of the listing of the Issuer's shares on the Exchange but not more than one year from the date of this Prospectus.

This Prospectus further qualifies for sale to the public by an Employee of the Issuer, at the market price prevailing at the time of the sale, a total of 75,000 common shares of the Issuer (the "Employee's Shares"), at any time up to 180 days from the date of the listing of the Issuer's shares on the Exchange but not more than one year from the date of this Prospectus.

The Issuer will not receive any proceeds from the sale of any of the Director's Share or the Employee's Shares, all of which proceeds will in such event accrue to the Director and the Employee.

The Director's Shares and the Employee's Shares are to be acquired by the Director and Employee pursuant to Stock Option Agreements entered into between them and the Issuer. See "Options to Purchaser Securities" for details.

CONDITIONAL LISTING ON THE VANCOUVER STOCK EXCHANGE

The 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 Exchange on or before May 2, 1988, including prescribed distribution and financial requirements.

Minimum Subscription

In the opinion of the Directors of the Company, the proceeds of this Offering will be sufficient to carry out the recommended program of work and to maintain the Company's properties in good standing. In the opinion of the Company's Directors, it will be necessary to sell 350,000 shares offered by this Prospectus in order to raise sufficient funds to carry out the recommended program and to provide for administration and adequate working capital. All monies received from the sale of shares sold pursuant to this Prospectus in British Columbia during the 180 day period following the date of acceptance for filing of the Prospectus by the Superintendent, shall be held in trust by the Agent or the Company's Registrar or Transfer Agent until the minimum subscription has been sold, and if the minimum subscription of 350,000 shares have not been sold within 180 days of the acceptance, all monies will be returned in full to the subscribers.

MARKET FOR SECURITIES

The price to be paid to the Company for the shares offered for sale by the Prospectus was set by negotiations between the Company and the Agent.

RISK FACTORS

The shares offered by this Prospectus must be considered speculative, generally because of the nature of the Company's business. In particular:

1. There is no known body of ore on the Company's property. The purpose of the present offering is to raise funds to carry out further exploration with

the objective of establishing ore of commercial tonnage and grade. If the Company's exploration programs are successful, additional funds will be required for the development of an economic ore body and to place it in commercial production. The only source of future funds presently available to the Company is through the sale of equity capital. The only alternative for the financing of further exploration would be the offering by the Company of an interest in its property to be earned by another party or parties carrying out further exploration or development thereof, which is not presently contemplated.

2. There is no established market for the shares of the Company.

3. Exploration for minerals is a speculative venture necessarily involving some substantial risk. There is no certainty that the expenditure to be made by the Company in the acquisition and exploration of the interests described herein will result in discoveries of commercial quantities of ore.

4. The mining industry in general is intensely competitive and there is no assurance that even if commercial quantities of ore are discovered, a ready market will exist for the sale of same. Factors beyond the control of the Company may affect the marketability of any substances discovered.

5. The existence of title opinions should not be construed to suggest that the Company has good and marketable title to all of the property described in this Prospectus. The Company follows usual industry practice in obtaining title opinions with respect to its properties. The Company must expend monies to carry out further work on the property described in this Prospectus in order to keep in good standing the interests as described under the heading "Business and Property" on page 2 of this Prospectus.

6. The Company's property include mineral claims which have not been surveyed, and therefore, the precise location of this property may be in doubt.

Certain of the Directors may serve as director of other reporting companies or have significant shareholdings in other reporting companies and, to the extent that such other companies may participate in ventures in which the Company may participate, the Directors of the Company may have a conflict of interest in negotiating and concluding terms respecting the extent of such participation. In the event that such a conflict of interest arises at a Board of Directors meeting, a Director who has such a conflict will abstain from voting for or against the approval of such a participation or such terms. From time to time several companies may

participate in the acquisition, exploration and development of natural resource properties thereby allowing for their participation in larger programs, permitting involvement in a greater number of programs and reducing financial exposure in respect of any one program. It may also occur that a particular company will assign all or a portion of its interest in a particular program to another of these companies due to the financial position of the Company making the assignment.

In accordance with the laws of the Province of British Columbia, the Directors of the Company are required to act honestly, in good faith and in the best interests of the Company. In determining whether or not the Company will participate in a particular program and the interest therein to be acquired by it, the Directors will primarily consider the degree of risk to which the Company may be exposed and its financial position at that time.

The value of the net tangible assets of the company other than the value of its mineral property based on the Company's financial statements is \$17,118. The proposed expenditures from the Use of Proceeds raised by the Offering described in this Prospectus will not increase net tangible assets owned by the Company other than the value of its mineral property.

The shares offered under this Prospectus will be subject to a dilution of \$0.208 per share (59%).

Upon completion of this Offering this issue will represent 23.33% of the shares then outstanding as compared to 60.66% that will then be owned by the controlling persons, promoters, directors and senior officers of the Company.

USE OF PROCEEDS

The net proceeds to be derived by the Company from the Offering will be the sum of \$105,000 which together with cash on hand (as at May 31st, 1987) of \$17,118 shall be spent as follows:

1. To pay the costs of Issue, estimated at 10,000
2. To carry out Stage 1 of the program recommended by Peter A. Christopher, PhD. P.Eng., as set out in his report dated May 25th, 1987 on the Company's property; 50,000

3. To make property payment on Pater- son Lake property;	20,000
3. To reserve for working capital;	<u>42,118</u>
	\$122,118

No part of the proceeds will be used to invest, underwrite or trade in securities other than those that qualify as an investment in which trust funds may be invested under the laws of the jurisdiction in which the securities offered by this Prospectus may be lawfully sold. Should the Company intend to use the proceeds to acquire other than trustee type securities after the distribution of the securities offered by this Prospectus, approval by the members of the Company must first be obtained and notice of the intention must be filed with the Regulatory Securities bodies having jurisdiction over the sale of the securities offered by this Prospectus.

The proceeds from the sale of shares offered by this Prospectus are intended to be used for the purposes set forth above, and in carrying out the above program of work and the Company will not discontinue or depart from the recommended program of work unless advised in writing by its consulting engineer to do so. Should the Company contemplate any such change or departure, notice thereof will be given to all shareholders.

In the event of any material change in the affairs of the Company during the primary distribution of the shares offered by this Prospectus, an amendment to this Prospectus will be filed.

Following completion of the primary distribution of the shares offered by this Prospectus, shareholders will be notified of changes in the affairs of the Company in accordance with the requirements of the appropriate regulatory authorities.

DESCRIPTION OF SHARES AND SHARE CAPITAL STRUCTURE

The authorized capital of the Company consists of 10,000,000 common shares without par value. As of the date of this Proepectus, 1,150,000 common shares were issued and outstanding.

All common shares of the Company, both issued and unissued, rank equally as to dividends, voting powers and participation in assets. No shares have been issued

subject to call or assessment. There are no pre-emptive or conversion rights and no provision for redemption, purchase for cancellation, surrender or sinking or purchase funds. Provisions as to the modifications, amendments or variations of such rights or such provisions are contained in the Company Act of the Province of British Columbia.

As at May 31st, 1987, the Company had no contributed surplus or retained earnings. As at that date, the Company's Balance Sheet does not record a deficit.

There are 150,000 shares of the Company which are subject to directors and employees stock options. For particulars of these options, reference should be made to the term "Options to Purchase Securities" on page 13 of this Prospectus.

Designation	Amount of Security Authorized	Amount Issued & Outstanding as of May 31, 1987	Amount Outstanding as of October, 26, 1987	Amount Outstanding if all Securities are Sold
Common	10,000,000	1,150,000	1,150,000	1,500,000

PRIOR SALES

During the period from incorporation of the Company on August 17th, 1983 to the date of this Prospectus, the Company sold the following shares for cash:

<u>Number of Shares</u>	<u>Price per Share</u>	<u>Commissions Paid</u>	<u>Net Cash Received</u>
750,000 *	\$0.01	Nil	\$ 7,500
400,000 **	\$0.25	Nil	100,000
1,150,000			\$107,500

* These shares are held in escrow. Reference should be made to the item "Escrowed Shares" on page 14 of this Prospectus.

** 280,000 of these shares were sold on a flow through basis. The subscriptions were expended on Canadian mineral claims.

Since incorporation, no shares have been issued for a consideration other than cash.

DIRECTORS AND OFFICERS

The names, addresses and principal business or occupations of which each of the Directors and Officers of the Company have been engaged during the immediately preceding five years are as follows:

<u>Name and Address</u>	<u>Office Held</u>	<u>Principal Occupation For Past Five Years</u>
GURDEV SINGH JOHAL * 431 S.E. Marine Drive, Vancouver, B.C.	President and Director	Director, Cinnabar Resources Ltd.; Office Manager Metro Process Services Ltd. (1985); Security Guard Uni-Guard Security 1980-1984
BALBIR JOHAL * 1013 - 837 West Hastings Street Vancouver, B.C.	Director	President and Director of Cinnabar Resources Ltd.; President and Director of Goldenlode Resources Ltd.; Corporate Counsel (Barrister & Solicitor); TRM Engineering Ltd. 1985 - 1986; former partner Johal & Gangji, Law practice
LARRY ROBERT JAMES * 311 - 6420 Silver Avenue Burnaby, B.C.	Director	Secretary Cinnabar Resources Ltd.; Director of Goldenlode Resources Ltd.; Barrister and Solicitor, Sole Practitioner
WILLIAM EDWARD SCHMIDT 2920 West 20th Avenue Vancouver, B.C.	Secretary	Self-Employed Barrister & Solicitor, 1973 to Present

* member of the Audit Committee.

Peter A. Christopher, PhD. P.Eng. has agreed to act as the consultant to the Board of Directors of the Company in respect to property development. Dr. Christopher has practiced his profession for over 15 years. He is a consulting geological engineer registered

with the Association of Professional Engineers of British Columbia since 1976.

EXECUTIVE COMPENSATION

Neither of the executive officers of the Company are employed on a fulltime basis by the Company. The guidelines for determining the number of shares of the Company reserved for options are set out in Local Policy #3-31 of the B.C. Securities Commission. One of the executive officers has a directors stock option to purchase 75,000 shares of the Company's common stock at a price of \$0.35 per share for a period of two years from the effective date of this Prospectus. This number of shares is equal to 5% of the shares to be issued after the completion of the offering set out in this Prospectus. One other person who is a director but not an executive officer of the Company has an employee stock option to purchase 75,000 shares on the same terms and calculated in a similar manner. The executive officers and directors may receive payments from time to time for services rendered to the Company. Since incorporation, a company wholly owned by a director, has received \$16,000 in management fees (as at May 31st, 1987) and another company wholly owed by that director, has received \$65,830 for exploration work on the Company's property. Reference is made to the item "Promoters" on page 15 for additional details. A Company controlled by a Director has received and will receive \$2,000 per month for administrative services commencing September 1st, 1986. The Secretary of the Company is the solicitor who prepared this Prospectus. The law firm in which he is a partner has received or will receive \$3,500 for legal services to date and will receive additional monies for legal fees and disbursements.

OPTIONS TO PURCHASE SECURITIES

Pursuant to a Directors Stock Option agreement and an Employees Stock Option agreement dated May 31st, 1987 (the "Option Agreements"), the Company has granted options to the following directors and employees in such numbers of common shares as is set opposite the name of each director or employee:

Director:

Gurdev S. Johal - 75,000 Shares

Employee:

Balbir Johal - 75,000 Shares

The Option Agreements provide that the option price is \$0.35 per share and that the options are exercisable during that period of time commencing on the Effective Date of this Prospectus ending two years thereafter. There are no other options to purchase securities under this Prospectus.

ACQUISITIONS

During the past year, the Company acquired the following property interest located in Alberni, British Columbia:

By an option agreement dated February 15th, 1987, the Company may acquire up to a 100% interest subject to a 2 1/2% net smelter return royalty in six mineral claims located in Alberni Mining Division, British Columbia in consideration for the payment of \$100,000 and the issue and allotment of 100,000 shares of the Company's common stock to the Optionor as well as completion of exploration work on the property in the amount of not less than \$260,000.

Reference should be made to the item "Description of Business and Property" on page 2 of this Prospectus where the terms of the agreements are set out in more detail, together with a description of the properties.

PRINCIPAL HOLDERS OF SECURITIES

As of the date of this Prospectus, the following table sets forth the number of shares owned of record or beneficially, directly or indirectly, by each person who owns more than 10% of the Company's shares.

<u>Name and Address</u>	<u>Type of Ownership</u>	<u>Designation of Class</u>	<u>Number of Shares</u>	<u>Percentage of Shares Outstanding</u>
GURDEV SINGH JOHAL 431 S.E. Marine Drive Vancouver, B.C.	Direct, Beneficial	Common	750,000	65.21%

The percentage of common shares held by all directors, promoters, senior officers or their associates,

beneficially owned, directly or indirectly, of the Company are as follows:

<u>Designation of Class</u>	<u>Percentage of Class</u>
Common	79.13%

ESCROWED SHARES

As of the date of this Prospectus, 750,000 common shares are held in escrow by Pacific Corporate Services Limited, of 830 - 625 Howe Street, Vancouver, B.C. subject to the direction or determination of the Office of Superintendent of Brokers ("Superintendent"). The escrow restrictions provide that the shares may not be traded in, dealt with in any manner whatsoever or released, nor may the Company, its Transfer Agent or Escrow holder make any transfer or record any trading of shares without the consent of the Superintendent.

The complete text of the escrow agreement is available for inspection at the registered office of the Company at 101 - 744 West Hastings Street, Vancouver, B.C.

<u>Designation of Class</u>	<u>Number of Shares Held in Escrow</u>	<u>Percentage of Class</u>
Common	750,000	65.21%

POOLED SHARES

None.

DIVIDEND RECORD

The Company has not since the incorporation of the Company on August 17th, 1983 paid any dividends on any of its shares. The Company has no present intention to pay dividends, but, the future dividend policy will be determined by the Board of Directors on the basis of earnings, financial requirements and other relevant factors.

PROMOTERS

By virtue of the definition as set out in Section 1(1) of the Securities Act (British Columbia) the Directors of the Company are the Promoters of the Company.

The Promoters have acquired the following common shares in the capital of the Company:

<u>Name</u>	<u>No. of Shares</u>	<u>Price per Share</u>
Gurdev S. Johal	750,000	\$0.01 (cash paid)
Balbir Johal	120,000	\$0.25 (cash paid)
Larry R. James	40,000	\$0.25 (cash paid)

Under the headings "Options to Purchase Securities" and "Executive Compensation" there are set out further details in respect to the Promoters.

PENDING LEGAL PROCEEDINGS

The Company is not a party with respect to any legal proceedings.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

The Directors and Senior Officers of the Company have no interest in any material transactions in which the Company has participated or intends to participate at this time, save and except as disclosed in this Prospectus and, in particular, those matters disclosed under the heading "Description of Business and Property" describing the purchase of the Company's mineral properties and disclosed under the headings "Options to Purchase Securities" and "Executive Compensation".

MATERIAL CONTRACTS

There are no material contracts entered into by the Company other than as disclosed in this Prospectus.

The material contracts of the Company include the following:

1. The Agency Agreement dated June 10, 1987 discussed on Page 6.
2. The Property Option Agreement with respect to Paterson Mineral Claims discussed on Pages 2 & 3.
3. The Directors and Employees Stock Option Agreements discussed on Pages 13..
4. An Escrow Agreement in respect to 750,000 shares.
5. A Management Agreement described under the heading "Executive Compensation".

Material contracts may be inspected at the offices of Hemsworth, Schmidt, of 101 - 744 West Hastings Street, Vancouver, B.C. during normal business hours during the period of primary distribution of the securities being offered under this Prospectus.

OTHER MATERIAL FACTS

There are no other material facts relating to the offering of securities under this Prospectus other than as disclosed herein.

TRANSFER AGENTS AND REGISTRARS AND AUDITORS

The Registrar and Transfer Agent for the Company is Pacific Corporate Services Ltd., 830 - 475 Howe Street, Vancouver, B.C. The Auditor for the Company is Bishop & Wallace, Chartered Accountants, of 200 - 6300 No. 3 Road, Richmond, B.C.

PURCHASER'S STATUTORY RIGHT OF WITHDRAWAL AND RESCISSION

The Securities Act provides a purchaser with a right to withdraw from an agreement to purchase securities within two business days after receipt or deemed receipt of a prospectus and further provides a purchaser with remedies for rescission or damages where the prospectus and any amendment contains a material misrepresentation or is not delivered to the purchaser prior to delivery of the written confirmation of sale or prior to midnight on the second business day after entering into the agreement, but

such remedies must be exercised by the purchaser within the time limit prescribed. For further information concerning these rights and the time limits within which they must be exercised the purchaser should refer to Sections 66, 114, 118 and 124 of the Securities Act or consult a lawyer.

DELLATERRA RESOURCES LTD.

AUDITORS' REPORT

FINANCIAL STATEMENTS

MAY 31, 1987

AUDITORS' REPORT TO THE DIRECTORS

We have examined the balance sheet of Dellaterra Resources Ltd. as at May 31, 1987 and the statement of changes in financial position for the period then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the financial position of the Company as at May 31, 1987 and the changes in its financial position for the period then ended in accordance with generally accepted accounting principles.

Richmond, B.C.
June 9, 1987
(October 26, 1987 as to Note 7)

Bishop & Wallace
Chartered Accountants

DELLATERRA RESOURCES LTD.
Balance Sheet
As at May 31, 1987

ASSETS

CURRENT ASSETS

Cash \$ 20,118

MINERAL PROPERTIES AND RELATED DEFERRED COSTS
(Note 3) (Schedule 1)

90,382

\$ 110,500

LIABILITIES

CURRENT LIABILITIES

Accounts payable and accruals \$ 3,000

SHAREHOLDERS' EQUITY

CAPITAL STOCK (Note 4) 107,500

COMMITMENTS (Note 3 and Note 4)
SUBSEQUENT EVENT (Note 7)

\$ 110,500

APPROVED BY THE DIRECTORS

Gurdev Jopal

B. H. P. J.

See accompanying notes to financial statements.

DELLATERRA RESOURCES LTD.
Statement of Changes in Financial Position
For the nine month period from September 1, 1986
to May 31, 1987 (Note 1)

INVESTING ACTIVITIES	
Acquisition of mineral properties	\$ (5,000)
Exploration and development of mineral properties	(66,330)
Deferred administration costs	<u>(19,052)</u>
	(90,382)
FINANCING ACTIVITIES	
Capital stock issued for cash consideration	107,500
INCREASE IN NON-CASH CURRENT ITEMS	<u>3,000</u>
INCREASE IN CASH DURING THE PERIOD	20,118
CASH, BEGINNING OF PERIOD	<u>-</u>
CASH, END OF PERIOD	<u><u>\$ 20,118</u></u>

See accompanying notes to financial statements.

DELLATERRA RESOURCES LTD.
Schedule of Mineral Properties and Related Deferred Costs
For the nine month period from September 1, 1986
to May 31, 1987 (Note 1)

EXPLORATION AND DEVELOPMENT	
Assessment reports and filings	\$ 6,790
Engineering and consulting	8,586
Geophysical	18,525
Line cutting	9,378
Mapping	13,853
Property examination and sampling	9,198
Staking and acquisition	<u>5,000</u>
	71,330
 ADMINISTRATION COSTS	
Accounting and legal	1,000
Bank charges and interest income (net)	(546)
Management fees	18,000
Public relations and promotion	<u>598</u>
	<u>19,052</u>
 BALANCE - END OF PERIOD	 \$ <u>90,382</u>

See accompanying notes to financial statements.

DELLATERRA RESOURCES LTD.
Notes to Financial Statements
May 31, 1987

1. INCORPORATION AND NATURE OF OPERATIONS:

The Company was incorporated under the Company Act of the Province of British Columbia on August 17, 1983, and was inactive until September, 1986.

The Company is in the process of exploring its mineral properties and has not yet determined whether these properties contain reserves that are economically recoverable. The recoverability of the amounts shown for mineral properties and related deferred costs is dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain necessary financing to complete development, and upon future profitable production.

2. SIGNIFICANT ACCOUNTING POLICY:

The Company records its interest in mineral properties and areas of geological interest at cost less option payments received and other recoveries. Exploration, development, and administration costs relating to these interests and projects are capitalized on the basis of specific claim blocks or areas of geological interest until the properties to which they relate are placed into production, sold or allowed to lapse. Administration costs incurred are deferred and allocated to mineral properties and areas of geological interest. Deferred exploration and administration costs will be amortized over the useful life of the orebody following attainment of commercial production or will be written off if the property or project is abandoned.

3. MINERAL PROPERTIES AND RELATED DEFERRED COSTS.

PATERSON LAKE PROPERTY, ALBERNI MINING
DIVISION, BRITISH COLUMBIA.

Acquisition cost	\$ 5,000
Exploration and development costs	66,330
Administration costs	<u>19,052</u>
	<u>\$ 90,382</u>

Pursuant to an agreement dated February 10, 1987 the Company acquired an option to earn up to a 100% undivided interest in the Paterson Lake Property under the following terms and conditions:

DELLATERRA RESOURCES LTD.
Notes to Financial Statements
May 31, 1987

3. MINERAL PROPERTIES AND RELATED DEFERRED COSTS (Con't):

- initial cash payment to the optionor \$5,000.00 (paid).
- to earn a 50% interest in the property the Company must expend \$60,000 on exploration and development of the property by February 10, 1988; expend a further \$100,000 on the property by February 10, 1989 and pay to the optionors \$20,000 by March 12, 1989.
- to earn a further 25% interest in the property, the Company must expend a further \$100,000 on exploration and development of the property by February 10, 1990, and pay to the optionors a further \$20,000 by March 12, 1990.
- to earn a further 25% interest in the property, the Company must by February 10, 1991 pay to the optionors \$60,000 and issue to them 100,000 shares of the Company's common stock.

The Company has met the initial \$60,000 expenditure requirement. Should the Company fail to incur the other required expenditures or make the required payments to the optionors, its option to earn an interest in the property will cease.

4. CAPITAL STOCK:

Authorized

10,000,000 Common Shares
without par value

Issued and outstanding 1,150,000 \$107,500

750,000 of the issued shares are subject to escrow restrictions.

(a) Pursuant to agreements dated May 31, 1987 the Company has granted the following incentive stock options which are exercisable at any time up to October 26, 1989:

- to a director 75,000 common shares at \$0.35 per share
- to an employee 75,000 common share at \$0.35 per share

5. RELATED PARTY TRANSACTIONS:

One of the directors of the Company is also a shareholder

DELLATERRA RESOURCES LTD.
Notes to Financial Statements
May 31, 1987

5. RELATED PARTY TRANSACTIONS (cont.)

and director of the corporation retained by the Company to conduct exploration and development work on the Paterson Lake property. Terms under which the work was completed were the same as those offered to unrelated parties.

The company has entered into a management agreement with a corporation for a fee of \$2,000 per month. A director of the Company is also a director of that corporation.

6. INCOME TAXES:

Exploration expenditures of \$70,000 in connection with the issue of 280,000 common shares are not available to the Company in future as a deduction for income tax purposes.

7. SUBSEQUENT EVENT:

By prospectus dated October 26, 1987 the Company (subject to final regulatory approval) is offering to the public 350,000 common shares at a price of \$0.35 per share to net the Company, after commission, \$105,000 in aggregate.

REPORT ON THE PATERSON LAKE PROPERTY
ALBERNI MINING DIVISION,
GREAT CENTRAL LAKE AREA, BRITISH COLUMBIA

LOCATION:

N.T.S.: 92F-6E, 7W
LATITUDE: 49° 20' N.
LONGITUDE: 125° 00' W.

CLAIMS

PATERSON LAKE #1 THROUGH #6

REPORT FOR

DELLATERRA RESOURCES LTD.
1013-837 WEST HASTINGS STREET
VANCOUVER, BRITISH COLUMBIA V6C 1B6

PREPARED BY

Peter A. Christopher Ph.D., P.Eng.
PETER CHRISTOPHER AND ASSOCIATES INC.
3707 WEST 34TH AVENUE,
VANCOUVER, B.C. V6N 2K9



MAY 25, 1987

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FIGURE 5: RELATIONSHIP OF FORMATIONS	3
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SUMMARY

The Paterson Lake Property, consisting of 72 metric units is situated near Great Central Lake, Vancouver Island, British Columbia. The property has excellent road access with a number of logging roads passing through the property. The property was acquired by Dellaterra Resources Ltd. to check a favourable geological setting for precious metal enhanced massive sulphide or tabular lodes associated with known copper showings.

This report relies heavily on the results of an initial exploration program conducted for Dellaterra on the Paterson Lake Property (Lambert and Stephen, 1987; Howell and Stephen, 1987). The writer examined the geological setting of the property and obtained check analyses of known showings. Copper values obtained during the 1987 surveys range from background to 5.91% and gold values range from <1 ppb up to 1,500 ppb. Geological, geochemical and geophysical surveys have outlined four priority exploration targets that are summarized in Figure 4 of this report. The four main target zones are the Adit Zone, Road Zone, Round Lake Zone and Swamp Zone. The Adit, Road and Round Lake zones have known copper and gold occurrences and the Swamp Zone is a coincident magnetic and Fraser Filter VLF-EM anomaly. A zone of anomalous induced polarization is open to the west of the Round Lake Zone.

The writer has outlined a staged exploration program for further testing the mineral potential of the Paterson Lake Property. A recommended Stage I program of trenching, detailed mapping, geochemical sampling and geophysical follow-up is estimated to cost \$50,000. Contingent on successful completion of the Stage I program an initial diamond drill test will be warranted. A Stage II, 1000 foot (~300 meter) drill test is estimated to cost \$50,000 and a contingent Stage III, 2500 foot (~750 meter) drill test is estimated to cost \$100,000.

INTRODUCTION

The Paterson Lake Property, consisting of the Paterson Lake one to four and Paterson Lake 6 metric claims and Paterson Lake 5 two-post claim totaling 72 units or about 1800 hectares is situated at Great Central Lake on Vancouver Island, British Columbia. The prospect was located for Herber McMaster in 1984 to cover a number of copper and gold showings and two old adits. The writer was retained by management of Dellaterra Resources Ltd. to direct and supervise exploration of the Paterson Lake Property and to outline a program of further exploration, if warranted.

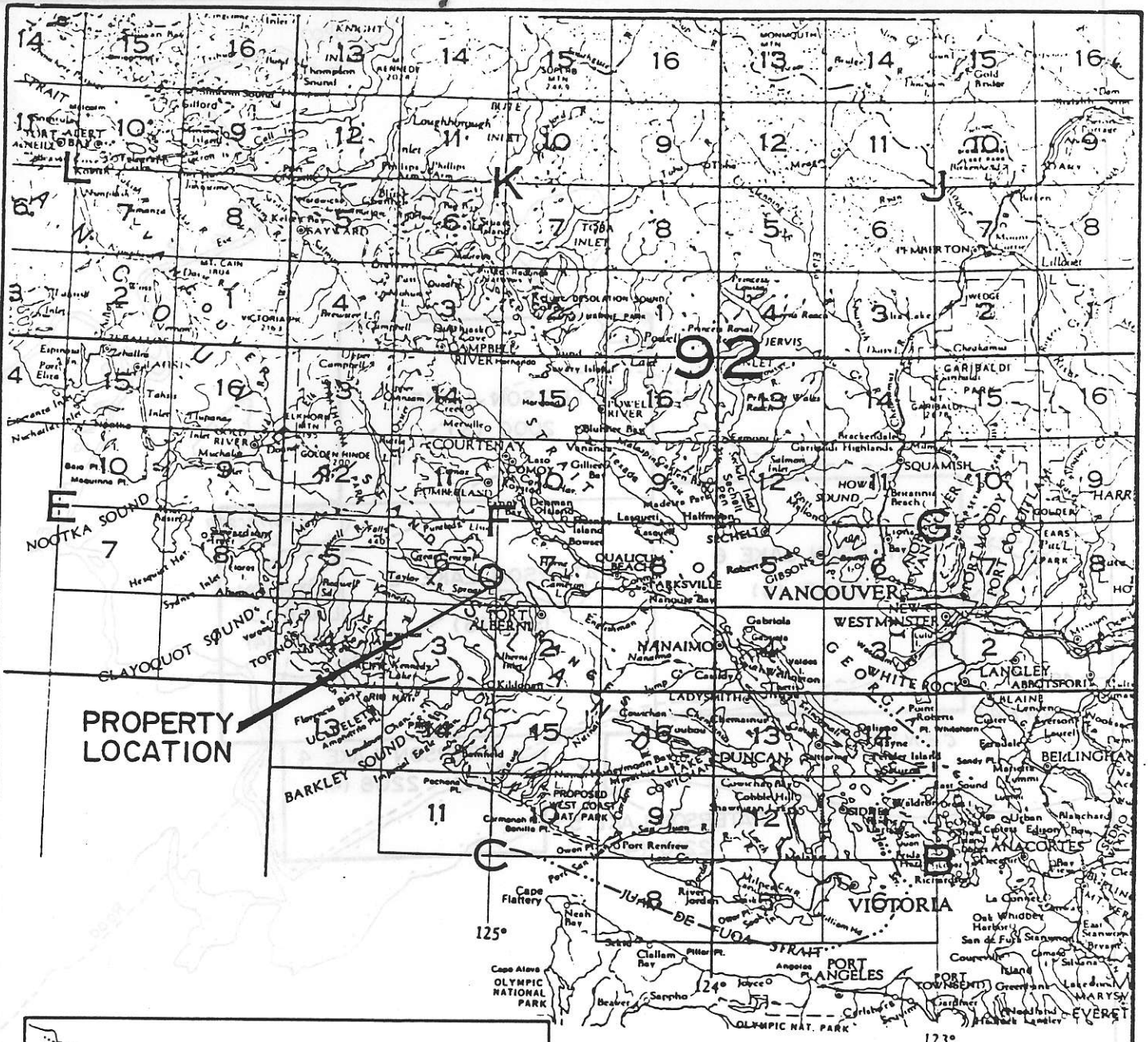
This report is based on a review of previous exploration conducted on the property and in the claim area, results of an initial exploration program conducted for Dellaterra Resources Ltd. in April and May, 1987, and a field examination of the property conducted by the writer on April 25, 1987. The writer has relied heavily on a geological and sampling report by W.A. Howell and J.C. Stephen (May 15, 1987) and a geological and geophysical report by Ellen E. Lambert and J.C. Stephen (May 15, 1987). Exploration results provide justification for further work and a staged exploration program for further development of the property is presented. A Stage I program of trenching, geochemical sampling and geophysical follow-up is warranted. Stage II and III diamond drill programs are contingent on the results of previous programs.

LOCATION AND ACCESS (Figures 1 & 2)

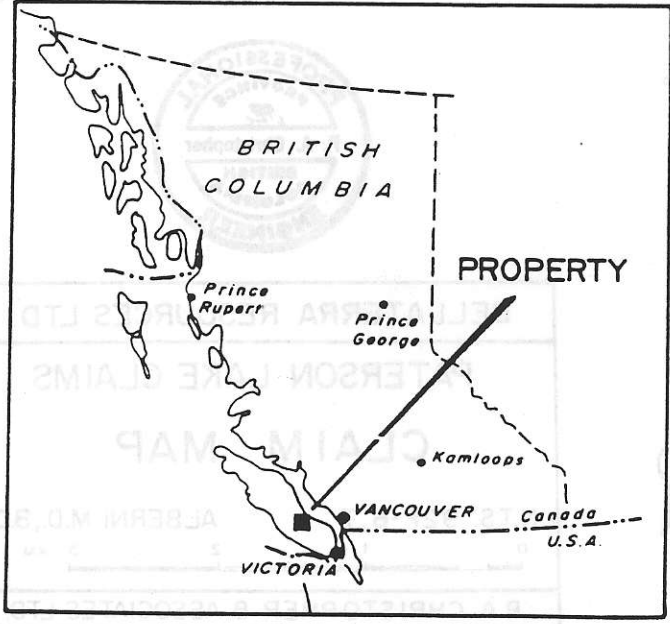
The Paterson Lake Property, under option by Dellaterra Resources Ltd. is situated at Great Central Lake, Vancouver Island, British Columbia about 20 kilometers northwest of the town of Port Alberni (Figures 1 & 2). The claims are in NTS map sheets 92F-6E and 92F-7W at geographic coordinates $49^{\circ} 20'N$. latitude and $125^{\circ} 00'W$. longitude. The Paterson Lake 1 through 6 claims are situated along the northeast shore of Great Central Lake and extend north of the lake for about 4 kilometers and west of Ash River for about 6 kilometers. Patterson Lake is covered by parts of the Paterson Lake 1, 2 and 3 claims and parts of Paterson Lake 2, 4, 5, and 6 claims extend into Great Central Lake.

Access to the property from Nanaimo is via Highway 19 and Highway 4 to Port Alberni and 13 kilometers west to the Great Central Lake Road. The Great Central Lake Road is paved for 5 kilometers before becoming McMillian-Bloedel's Ash Main logging road. A bridge crosses the Ash River at the start of the logging road and is near the southeastern corner of the claim group (Lambert and Stephen, 1987). Recent logging roads and access roads for a transmission line that traverses the claims provide ready access to most areas of the claims.

Elevations in the claim area range from 83 meters at Great Central Lake to approximately 480 meters in the western portion of the claim area. Elevations rise abruptly from the lake level to about the 400 meter level where moss covered topographic knobs with steep northeast sides occur. The knobs have cliff development with heights of 15 to 60 meters.



PROPERTY LOCATION



DELLATERRA RESOURCES LTD.

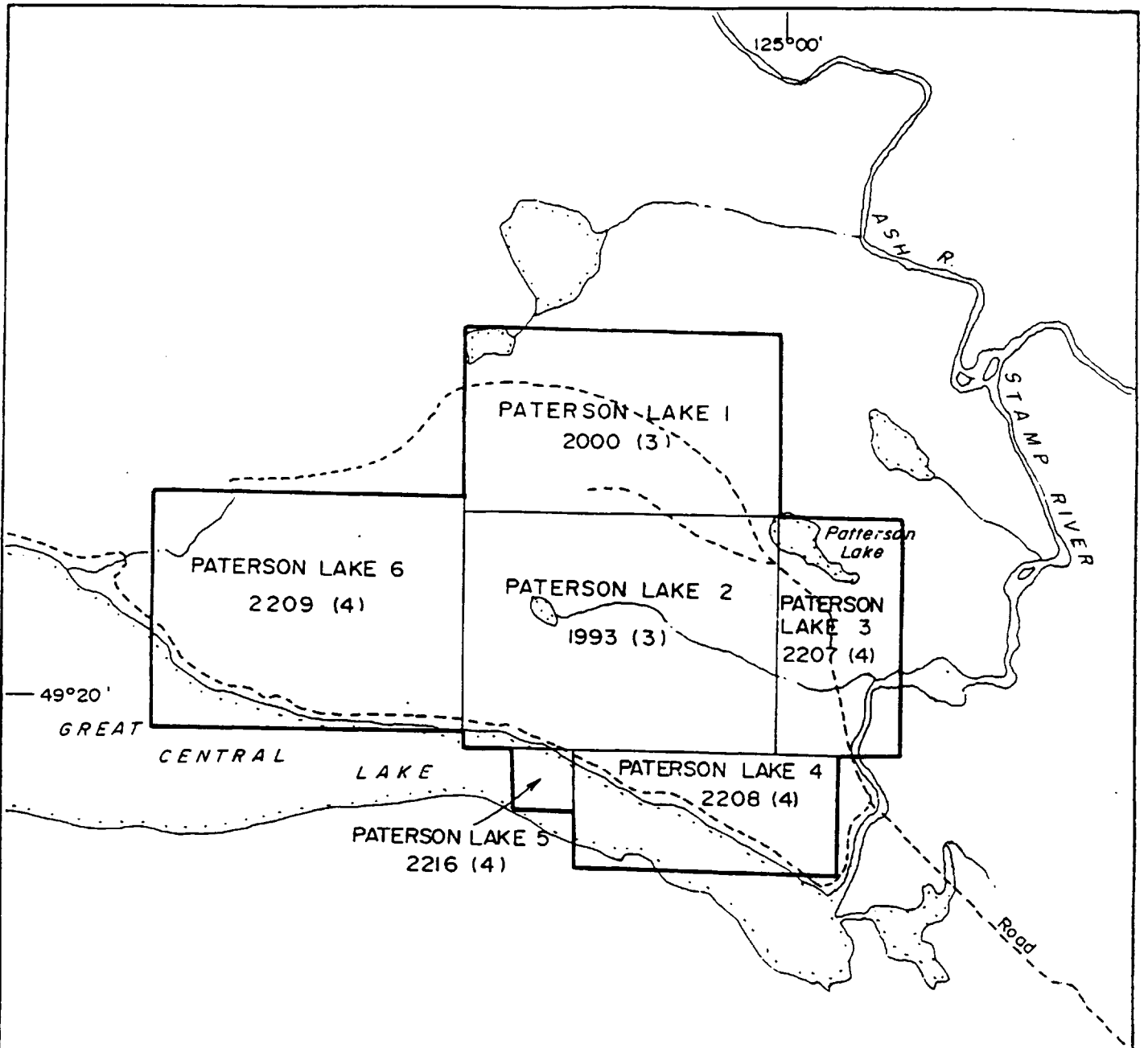
PATERSON LAKE CLAIMS
LOCATION MAP

NT.S. 92F-6,7 ALBERNI M.D., B.C.

0 50 100 KM

P.A. CHRISTOPHER & ASSOCIATES LTD.

SCALE 1:2,000,000 MAY 1987 FIGURE 1



CLAIM LOCATIONS ARE FROM GOVERNMENT CLAIM MAP



DELLATERRA RESOURCES LTD.		
PATERSON LAKE CLAIMS		
CLAIM MAP		
N.T.S. 92F-6,7	ALBERNI M.D., B.C.	
0 1 2 3 KM		
P.A. CHRISTOPHER & ASSOCIATES LTD.		
SCALE 1 50,000	MAY 1987	FIGURE 2

PROPERTY DEFINITION (Figure 2)

The Paterson Lake Property, consisting of the Paterson Lake 1 through 6 claims totaling 72 units is situated in the Alberni Mining Division. The Paterson Lake 1 through 4 and Paterson Lake 6 claims are metric claims that were staked using the modified grid system and the Paterson Lake 5 claim is a single unit two post claim. The claims were all recorded in the name of Herbert McMaster between April 27 and March 19, 1984 with one third interests transferred by bills of sale to each of Douglas William Paterson and Sylvester E. Tresierra. Dellaterra Resources Ltd. entered into an option agreement to earn up to 100% interest in the claims in February 1987.

The common legal corner post for Paterson Lake 1 through 3 claims, examined by the writer on April 25, 1987 is located 75 meters east of the Ash Main logging road and 25 meters north of a road running along the northeast edge of Patterson Lake. The common legal corner post for Paterson Lake 4 and initial corner post for Paterson Lake 5 was located by crews conducting exploration for Dellaterra Resources Ltd. but was not examined by the writer. The legal corner post for Paterson Lake 6 is shown on the government claim map to be located along the westerly boundary of Paterson Lake 1 but the location has not been field checked. The writer recommended the staking of an additional claim north of the Paterson Lake 4 and Paterson Lake 5 claims to insure that the claims overlap.

Pertinent claim data for the Paterson Lake Property is shown in Table 1 and claim locations after British Columbia government claim maps 92F-6E and 92F-7W are shown on Figure 2.

Table 1. Pertinent Claim Data For Paterson Lake Property.

<u>Name</u>	<u>Record #</u>	<u>Units/Shape</u>	<u>Expiry</u>	<u>Record Date</u>
Paterson Lake #1	2000	15/5Wx3N	1988	March 19, 1984
Paterson Lake #2	1993	20/5Wx4S	1988	March 9, 1984
Paterson Lake #3	2207	8/2Ex4S	1988	April 27, 1984
Paterson Lake #4	2208	8/4Ex2S	1988	April 27, 1984
Paterson Lake #5	2216	1/2 post	1988	April 27, 1984
Paterson Lake #6	2209	20/5Wx4S	1988	April 27, 1984

HISTORY

The Paterson Lake Property was staked for Herbert McMaster in March and April of 1984 to cover two short adits and several known copper-gold occurrences. After recording of the Paterson Lake claims, one third interests were transferred by bills of sale to each of Douglas William Paterson and Sylvester E. Tresierra. No published record of the mineral occurrences is known to exist, but a private report dated February 6, 1986 was prepared by D.V. Lefebure for Corporation Falconbridge Copper.

Dellaterra Resources Ltd. entered into an option agreement to earn up to 100% interest in the claims in March 1987. A work program was conducted by Main Explorations Ltd. in March and April, 1987 with one year assessment work filed to maintain the claims. The work program included grid construction, geological mapping at a scale of 1:5,000, rock sampling, and VLF-EM, magnetic and induced polarization surveys with a total cost of \$ 65,830. The writer examined the property and reviewed the work programs with Mr. J.C. Stephen on April 25, 1987.

REGIONAL GEOLOGY (Figures 3, 4 & 5)

The Paterson Lake Property is situated in the Insular Tectonic Belt of the Canadian Cordillera. The region around the Paterson Lake Property is shown by Muller (1977) to be underlain by Triassic Vancouver Group rocks and granodioritic rocks of the Island Intrusions. The claim area is shown to be underlain by Triassic Karmutsen volcanic. The Karmutsen Formation unconformably overlies the Pennsylvanian and/or older Sicker Group or is separated from the Sicker Group by a sediment-sill unit at the base of the Vancouver Group. The Sicker Group is known to contain precious metal enhanced massive sulphide deposits at Buttle Lake, Mt. Sicker and in the China Creek area.

The Triassic Karmutsen Formation which underlies a major portion of Vancouver Island is up to 6300 meters thick. The unit consists mainly of tholeiitic volcanic rocks which have been divided into a lower pillow lava member, a middle pillow breccia and aquagine tuff member and an upper massive flow member.

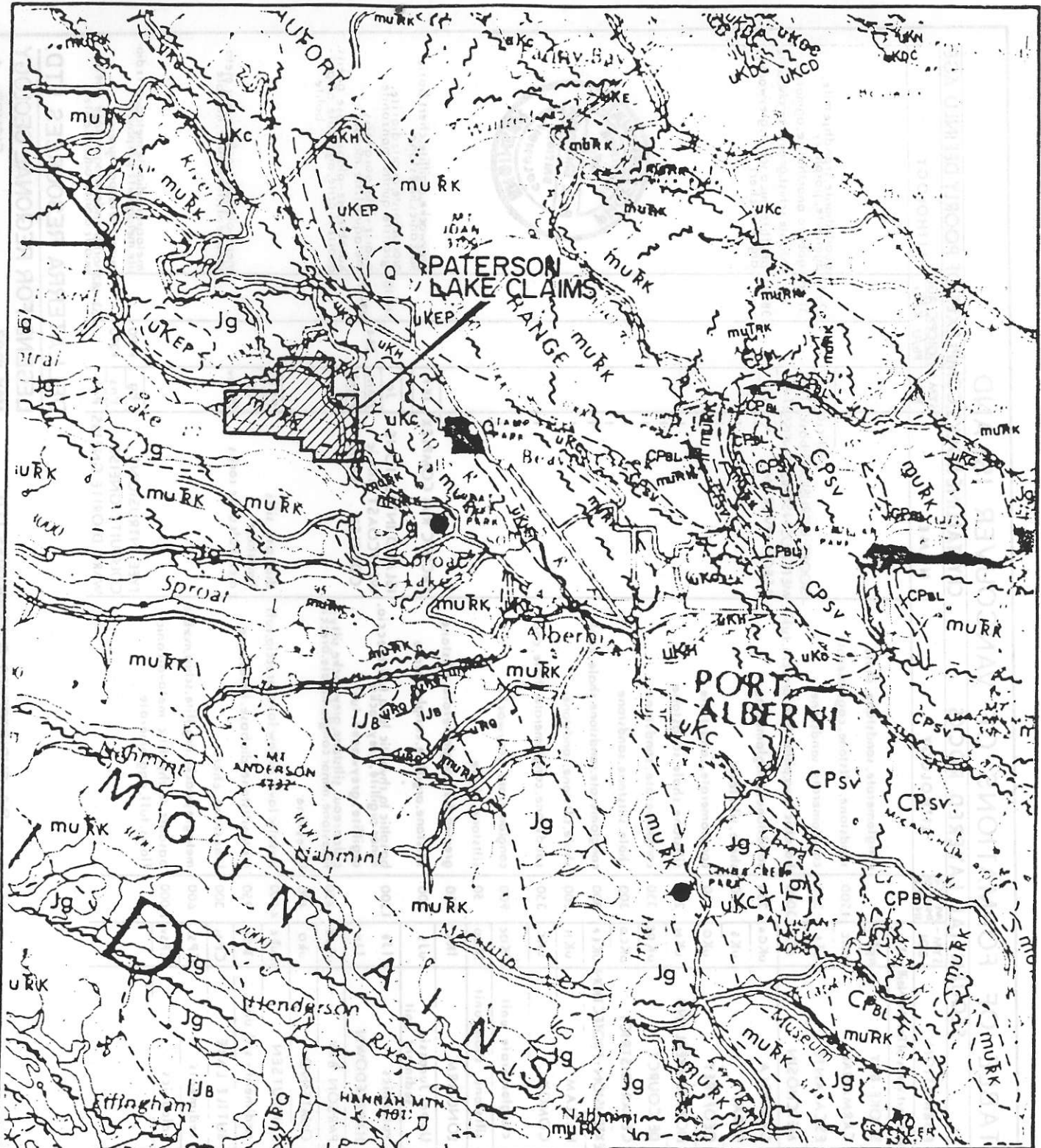
The Jurassic Island Intrusions are mainly granodioritic with lesser granite and quartz monzonite. The Island Intrusions cut both the Karmutsen volcanics and Sicker Group rocks.

The entire area has been glaciated which has resulted in outcrops with smooth surfaces and variable thickness of glacial till.

PROPERTY GEOLOGY (Figure 6)

The geology of the Paterson Lake Property has been mapped by Lambert and Stephen (1987) with a summary of their work shown on Figure 6. The Paterson Lake claims are mainly underlain by Karmutsen basaltic lavas with a granodiorite intrusion exposed along road cuts in the western portion of Paterson Lake 6 claim. The contact between the granodiorite body and the Karmutsen volcanics is obscured by a broad valley filled with Quaternary alluvium and glacial till. Hornblende porphyry and diorite dykes, probable offshoots of the granodiorite body cut the volcanics.

The Karmutsen volcanics, consisting of basaltic lava flows, pillow lavas, massive and porphyritic flows and associated tuffs are believed to be part of the middle and upper members of the Karmutsen volcanics. Weak evidence indicates north to northwest strikes and shallow dips for the flow units.



DELLATERRA RESOURCES LTD.

PATERSON LAKE CLAIMS

REGIONAL GEOLOGY

N.T.S. 92F-6,7 ALBERNI M.D., B.C.

0 5 10 15 KM

P.A. CHRISTOPHER & ASSOCIATES LTD.

SCALE 1:250,000 MAY 1987 FIGURE 3

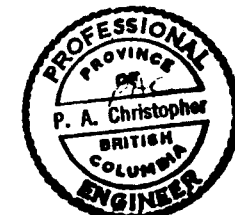
FROM G.S.C. O.F. 463

TABLE OF FORMATIONS OF VANCOUVER ISLAND

SEQUENTIAL LAYERED ROCKS

CRYSTALLINE ROCKS, COMPLEXES OF POORLY DEFINED AGE

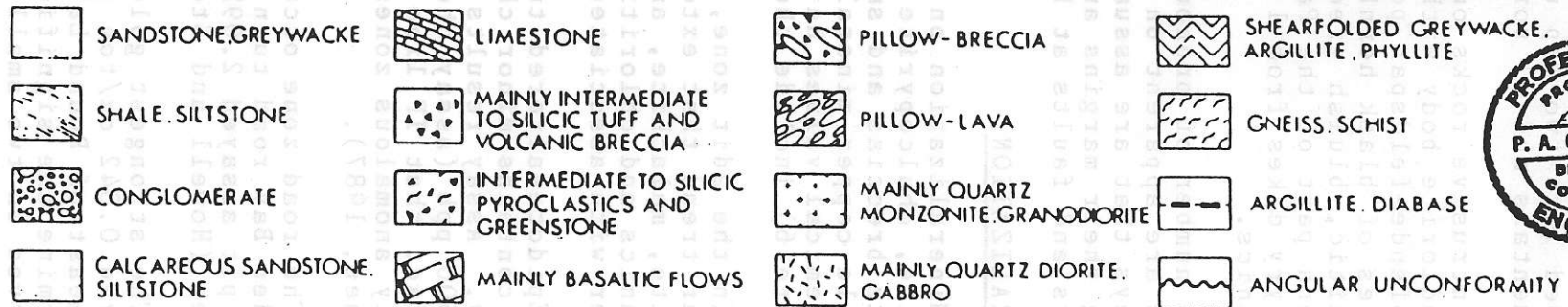
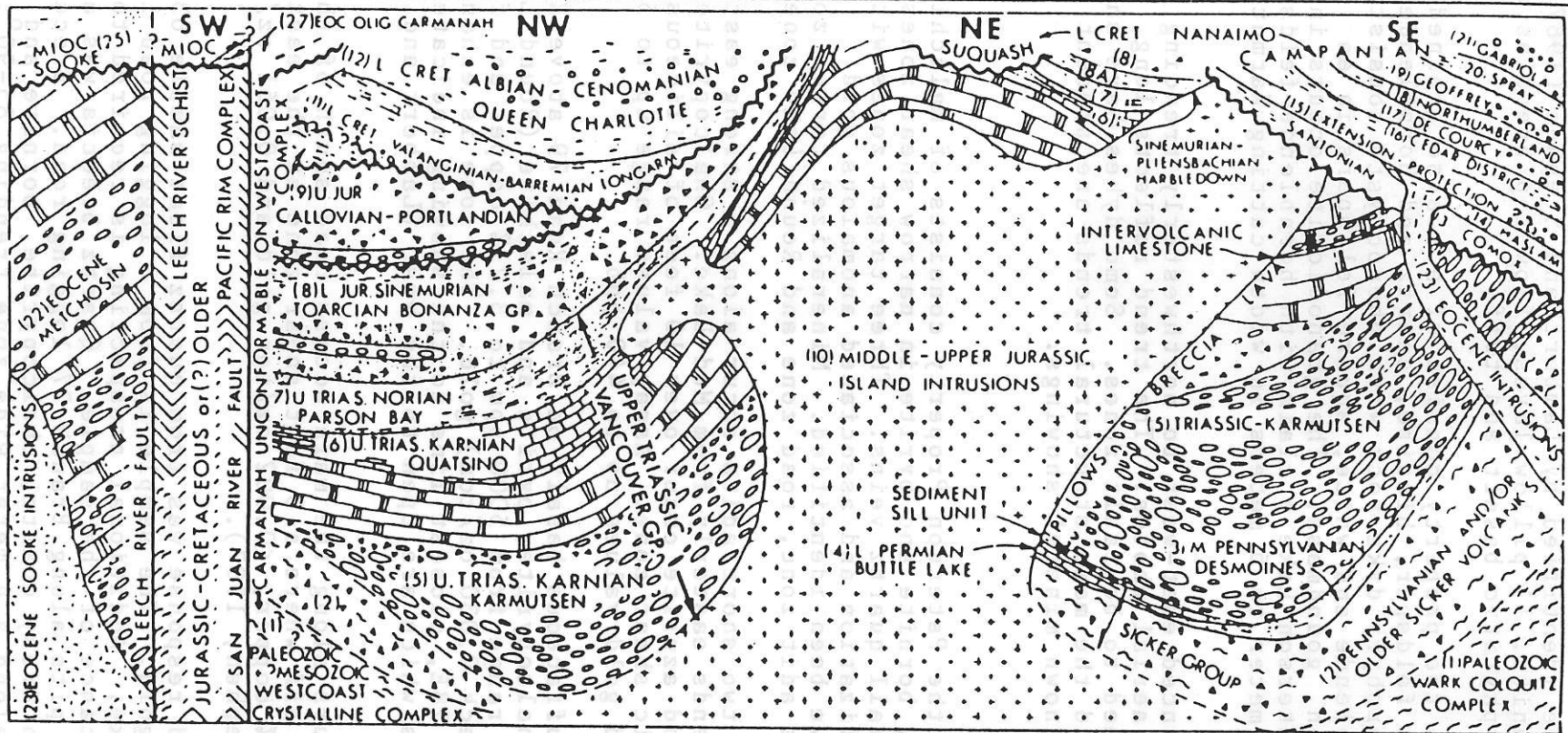
	PERIOD	STAGE	GROUP	FORMATION	SYM-BOL	AVERAGE THICKNESS IN M.	LITHOLOGY	NAME	SYM-BOL	ISOTOPIC AGE Pb/U, K/Ar	LITHOLOGY						
CENOZOIC		EOCENE to OLIGOCENE		late Tert. volc's of Port McNeill	Tvs												
				SOOKE BAY	mp/sb		conglomerate, sandstone, shale										
				CARMANAH	eo/c	1,200	sandstone, siltstone, conglomerate										
				ESCALANTE	e/e	300	conglomerate, sandstone										
				METCHOSIN	e/m	3,000	basaltic lava, pillow lava, breccia, tuff										
				MESOZOIC		LATE	NANAIMO	GABRIOLA	u/ga	350	sandstone, conglomerate	SOOKE INTRUSIONS basic METCHOSIN SCHIST, GNEISS LEECH RIVER FM.					
								SPRAY	u/s	200	shale, siltstone						
								GEOFFREY	u/g	150	conglomerate, sandstone						
								NORTHUMBERLAND	u/n	250	siltstone, shale, sandstone						
								DE COURCY	u/d	350	conglomerate, sandstone						
CEDAR DISTRICT	u/cd	300	shale, siltstone, sandstone														
EXTENSION-PROTECTION	u/ep	300	conglomerate, sandstone, shale, coal														
HASLAM	u/h	200	shale, siltstone, sandstone														
COMOX	u/c	350	sandstone, conglomerate, shale, coal														
PALEOZOIC		EARLY	QUEEN CHARLOTTE					conglomerate unit	IKoc	900	conglomerate, greywacke		PACIFIC RIM COMPLEX ISLAND INTRUSIONS WESTCOAST COMPLEX silicic basic				
				siltstone shale unit	IKop	50	siltstone, shale										
				LONGARM	IKL	250	greywacke, conglomerate, siltstone										
				Upper Jurassic sediment unit	UJS	500	siltstone, argillite, conglomerate										
				volcanics	IJB	1,500	basaltic to rhyolitic lava, tuff, breccia, minor argillite, greywacke										
				HARBLEDOWN	IJBH		argillite, greywacke, tuff										
				PARSON BAY	u/pb	450	calcareous siltstone, greywacke, silty limestone, minor conglomerate, breccia										
				QUATSINO	u/q	400	limestone										
				KARMUTSEN	mu/k	4,500	basaltic lava, pillow lava, breccia, tuff										
				sediment-silt unit	ks	750	metasiltstone, diabase, limestone										
PALEOZOIC		MID	VANCOUVER	BUTLE LAKE	CPbl	300	limestone, chert	TYEE INTRUSIONS COLQUITZ GNEISS WARK DIORITE GNEISS									
				sediments	CPss	600	metagreywacke, argillite, schist, marble										
				volcanics	CPsv	2,000	basaltic to rhyolitic metavolcanic flows, tuff, agglomerate										
				PALEOZOIC		LATE	SICKER										



DELLATERRA RESOURCES LTD.
LEGEND FOR REGIONAL GEOLOGY
MAY 1987 FIGURE 4

After G.S.C. O.F. 463

RELATIONSHIPS OF FORMATIONS OF VANCOUVER ISLAND



DELLATERRA RESOURCES LTD.

Six rock types were identified by Lambert and Stephen (1987) and grouped into two map units: 1) pillow lavas, flow top breccias and fragmentals and 2) porphyritic basalt and tuff.

Intrusive rocks on the property consist of a coarse grained granodiorite body with feldspar, biotite, quartz and hornblende, and a hornblende-feldspar porphyry dyke rock with phenocrysts consisting of needles of black hornblende and white, square feldspars in an aphanitic, bluish green, groundmass. The granodiorite occurs in the western part of the Paterson Lake 6 claim with hornblende-feldspar porphyry dykes from 1 meter to 5 meters in width cutting Karmutsen volcanics.

A number of pronounced east-west to northwesterly trending linear zones are apparent on aerial photos. The trend reflects long, narrow valleys that are assumed to be fault zones. Some dykes have shears along their margins and the main structural trends are present as shears and faults at known mineral showings.

MINERALIZATION

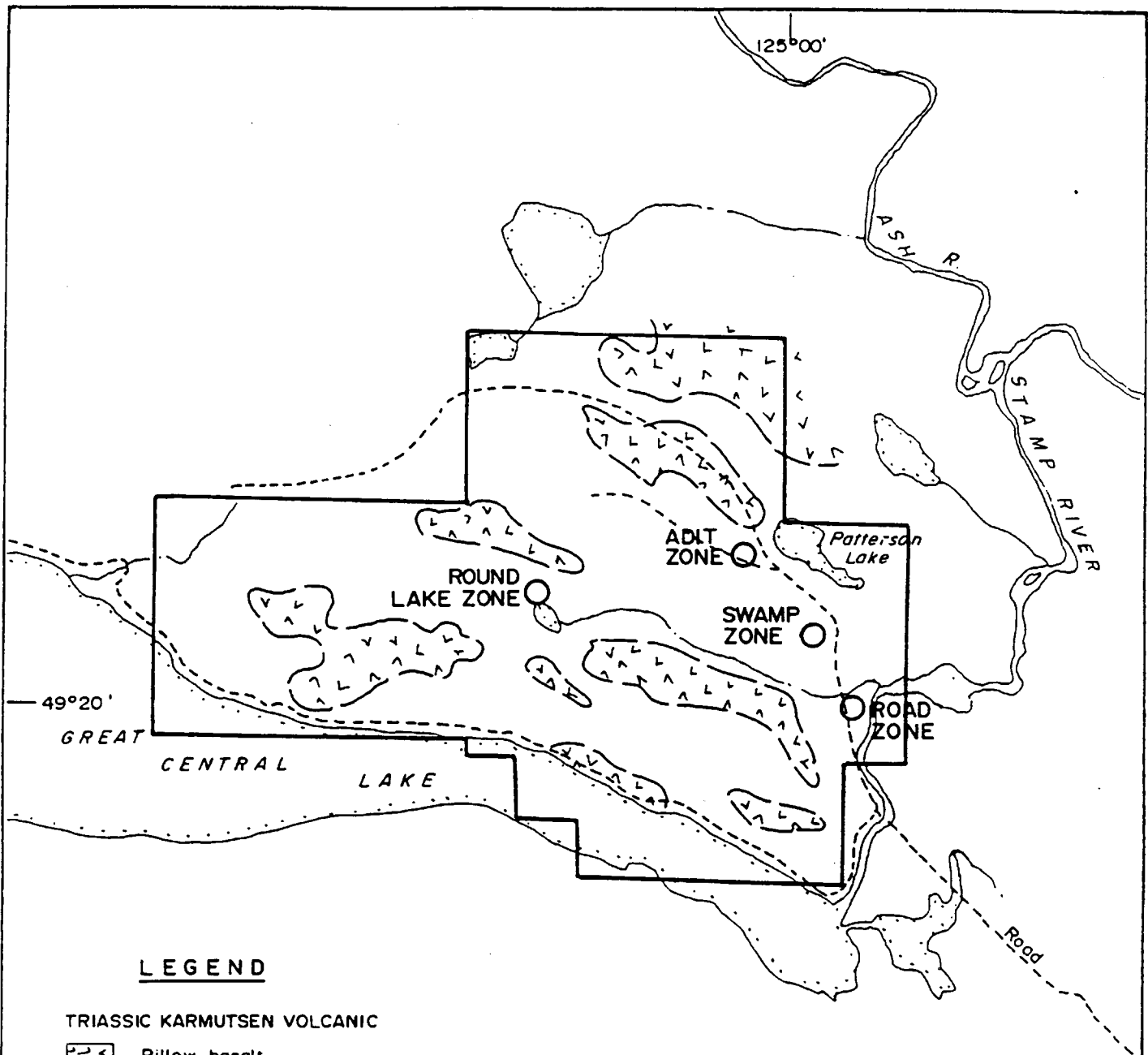
Mineralization on the Paterson Property consists of malachite, azurite, chalcopryrite, bornite and pyrite in narrow shear zones, quartz breccias and small quartz veins. Three target zones with visible copper mineralization and associated anomalous gold geochemical values have been identified. Mineralized target zones (Figure 6) include the adit zone, road zone and Round Lake zone.

In the adit zone, two short adits occur along a strong east-west linear trend that extends easterly from Mud Lake. Chalcopryrite, bornite, malachite, and azurite occur over 10 feet of siliceous volcanics and chloritic shear zone. Assay values range up to 5.91% copper with associated gold values up to 440 ppb.

Epidote-altered tuffaceous basalt on Branch Road 79 above Round Lake contains minor chalcopryrite, pyrite and malachite (Round Lake Zone). Assay results range from 5000 ppm to 3.21% copper and from 2 to 1500 ppb (assay check 0.030 oz/ton) gold. The zone is enhanced by the fact that IP line 28E, closest line to the showing indicated two weakly anomalous zones which are open to the west (Lambert and Stephen, 1987).




The road zone occurs along the main access road south of the Thunder Bay road turn off where a 3 foot shear zone at the east margin of a pit assayed 2.09% copper, <0.002 oz/ton gold and 0.051 oz/ton silver (Howell and Stephen, 1987).

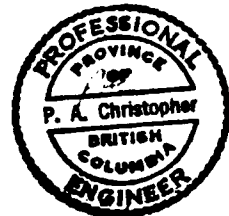
The strongest gold response was from quartz float sample 63 which assayed 0.042 oz/ton gold. The sample is from a logging road landing southeast of Round Lake. Additional prospecting is required to determine the significance of the sample. Quartz breccia was also observed in two small pits along Branch 77 logging road. Brecciated tuffaceous basalt with drusy quartz, chalcopryrite, bornite and malachite is exposed along a 4 meter wide zone trending 85-90°. Assay results range from 57 to 3900 copper, 2 to 61 ppb gold and 0.1 to 0.8 ppm silver (Lambert and Stephen, 1987).



LEGEND

TRIASSIC KAR MUTSEN VOLCANIC

-  Pillow basalt
-  Massive basalt
-  Target area



DELLATERRA RESOURCES LTD.

PATERSON LAKE CLAIMS

TARGET AREAS

N.T.S. 92F-6,7

ALBERNI M.D., B.C.



P.A. CHRISTOPHER & ASSOCIATES LTD.

SCALE 1: 50,000

MAY 1987

FIGURE 6

DISCUSSION

The initial geological, geochemical and geophysical evaluation of the Paterson Lake Property (Howell and Stephen, 1987; Lambert and Stephen, 1987) have been successful in defining four target zones (Figure 6). The Road Zone, Adit Zone, and Round Lake Zone have known copper and gold showings with the Round Lake Zone also supported by anomalous induced polarization results. The Swamp Zone is situated along a topographic linear which passes through the Adit Zone. The Swamp Zone is a combination of a VLF-EM Fraser Filter anomaly and a magnetic anomaly (low) with the coincident geophysical anomalies representing a priority exploration target.

Property geology indicates that east-west and northwesterly structural zones influence the location of mineralization on the Paterson Lake Property. The structure should pass through the underlying Sicker Group rocks which are known hosts for precious metal enhanced massive sulphide deposits (Twin J, Western Mines) and structurally controlled auriferous quartz-carbonate zones (Yellow Creek). Surface showings may be remobilized expressions of larger mineralized zones that occur at or below the unconformity between Vancouver Group rocks (Karmutsen volcanics) and the Sicker Group. Induced Polarization or pulse electromagnetic methods surveys might indicate stronger mineralized zones at depth.

CONCLUSIONS AND RECOMMENDATIONS

The initial exploration program conducted for Dellaterra Resources Ltd. on the Paterson Lake Property has been successful in defining four priority target zones for follow-up with detailed geological, geochemical, and geophysical surveys to define areas for trenching. The Stage I program has an excellent chance of locating initial drill targets in each of the target zones.

The writer has outlined a staged exploration program for further testing the mineral potential of the Paterson Lake Property. A recommended Stage I program of trenching, detailed mapping, geochemical sampling and geophysical follow-up is estimated to cost \$50,000. Contingent on successful completion of the Stage I program an initial diamond drill test will be warranted. A Stage II, 1000 foot (300 meter) drill test is estimated to cost \$50,000 and a contingent Stage III, 2500 foot (750 meter) drill test is estimated to cost \$100,000. Cost Estimates for the staged program follow:

COST ESTIMATES

Stage I. Geological, Geochemical, Geophysical Follow-up & Trenching.

Mobilization/Demobilization	\$ 1,000
Grid Preparation	5,000
Geophysical Follow-up (IP, VLF-EM, Magnetics)	20,000
Geochemical Sampling	5,000
Geological Mapping	10,000
Reporting	4,000
Contingency	<u>5,000</u>
Stage I total	<u>\$ 50,000</u>

Stage II. Diamond Drilling (Contingent)

Mobilization	\$ 2,000
Diamond Drilling 1,000 feet @ \$28/ft. all incl.	28,000
Logging, Splitting, Supervision	8,000
Geochemical analyses	2,000
Reporting and Engineering	5,000
Contingency	<u>5,000</u>

Stage II Total \$ 50,000

Stage III. Diamond Drilling (Contingent)

Mobilization	\$ 2,000
Road Building, Site Preparation	4,000
Diamond Drilling 2,500 feet @ \$25/ft. all incl.	62,500
Geochemical Analyses	4,000
Logging, Splitting, Supervision	12,000
Reporting and Engineering	5,500
Contingency	<u>10,000</u>

Stage III Total \$ 100,000

Stage I	\$ 50,000	Recommended
Stage II	50,000	Contingent
Stage III	<u>100,000</u>	Contingent

\$ 200,000 Stages I, II, & III Total

Peter A. Christopher
Peter A. Christopher, P.Eng.
May 25, 1987



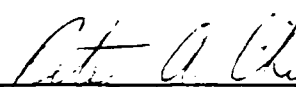
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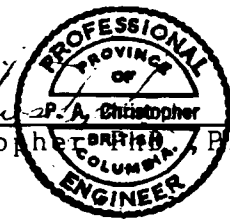
- Howell, W.A. and Stephen, J.C., 1987. Geological and Sampling Report on the Paterson Lake 1 - 6 Mineral Claims. for Dellaterra Resources Ltd. dated May 15, 1987.
- Lambert, Ellen E. and J.C. Stephen, 1977. Geological, Geophysical Report on the Paterson Lake 1 - 6 Mineral Claims for Dellaterra Resources Ltd. dated May 15, 1987.
- Muller, J.E., 1977. Geology of Vancouver Island. G.S.C. Open File 463.

CERTIFICATE

I, Peter A. Christopher, with business address at 3707 West 34th Avenue, Vancouver, British Columbia, do hereby certify that:

- 1) I am a consulting geological engineer registered with the Association of Professional Engineers of British Columbia since 1976.
- 2) I am a Fellow of the Geological Association of Canada and a member of the Society of Economic Geologists.
- 3) I hold a B.Sc. (1966) from the State University of New York at Fredonia, a M.A. (1968) from Dartmouth College and a Ph.D. (1973) from the University of British Columbia.
- 4) I have been practising my profession as a Geologist for over 20 years.
- 5) I have no direct or indirect interest, nor do I expect to receive any interest directly or indirectly in the property or securities of Dellaterra Resources Ltd.
- 6) I have based this report on previous exploration experience in the Port Alberni area, a review of government and company reports listed in the bibliography, a field examination conducted by me on April 25, 1987 and an exploration program conducted for Dellaterra Resources Ltd. in April and May, 1987.
- 7) I consent to the use of this report by Dellaterra Resources Ltd. for any Filing Statement, Statement of Material Facts, or Prospectus issued by the company.


Peter A. Christopher, P. Eng.
May 25, 1987



Peter Christopher & Associates Inc.
GEOLOGICAL & EXPLORATION SERVICES
3707 West 34th Ave., Vancouver, B.C. V6N 2K9

Office/Res: 263-6152

May 25, 1987

Dellaterra Resources Ltd.
1013-837 West Hastings Street
Vancouver, British Columbia V6C 1B6

Dear Sirs:

I, Peter A. Christopher, Ph.D., P.Eng., hereby consent to the use of my report dated May 25, 1987 on the Paterson Lake Property, Alberni Mining Division, British Columbia, in any Filing Statement, Statement of Material Facts, Prospects or for obtaining private financing.

Dated at Vancouver, British Columbia, this 25th day of May, 1987.


Peter A. Christopher,  Eng.

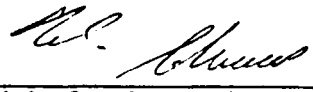
CERTIFICATE

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

DATED: October 26th, 1987



Chief Executive Officer
GURDEV S. JOHAL

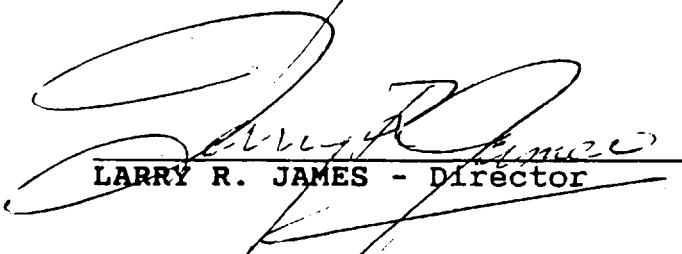


Chief Financial Officer
WILLIAM E. SCHMIDT

On behalf of the Directors of the Company:



BALBIR JOHAL - Director



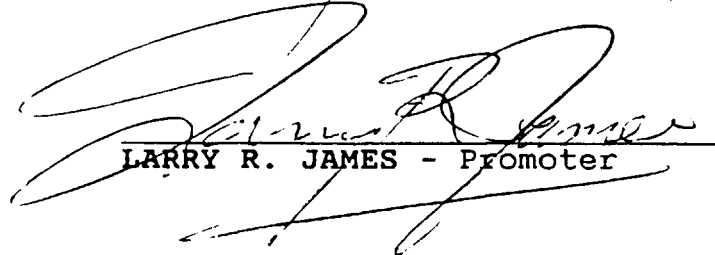
LARRY R. JAMES - Director



GURDEV S. JOHAL - Promoter



BALBIR JOHAL - Promoter



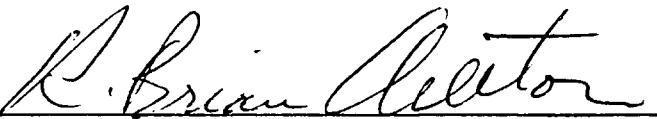
LARRY R. JAMES - Promoter

CERTIFICATE

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

GEORGIA PACIFIC SECURITIES CORPORATION

Per: 
KWONG C. KAM - SENIOR VICE-PRESIDENT

Per: 
R. BRIAN ASHTON - President

DATED this 26th day of October, A.D. 1987.