

SUPERINTENDENT OF BROKERS
AND
VANCOUVER STOCK EXCHANGE

674586

(A Venture Company)

STATEMENT OF MATERIAL FACTS (#95/90)

EFFECTIVE DATE: AUGUST 29, 1990

PAN OCEANIC VENTURES INC. (formerly Gazelle Resources Limited)
#1401 - 675 West Hastings Street, Vancouver, British Columbia, V6B 1N2, Telephone (604) 681-5720
NAME OF ISSUER, ADDRESS OF HEAD OFFICE AND TELEPHONE NUMBER

P.O. Box 10026, 700 West Georgia Street, Vancouver, British Columbia, V7Y 1B3
ADDRESS OF REGISTERED AND RECORDS OFFICE OF ISSUER

PACIFIC CORPORATE SERVICES LIMITED, Suite 830, 625 Howe Street, Vancouver, B.C., V6C 3B8
NAME AND ADDRESS OF REGISTRAR AND TRANSFER AGENT FOR ISSUER'S SECURITIES IN BRITISH COLUMBIA

OFFERING: 1,000,000 SHARES

	Price to Public	Commission	Net Proceeds to Issuer*
Per Share:	\$0.25	\$0.01875	\$0.23125
Total:	\$250,000	\$18,750	\$231,250

* Less costs of issue estimated to be \$18,000.

ADDITIONAL OFFERING

THE AGENTS HAVE AGREED TO PURCHASE (THE "GUARANTEE") ANY OF THE SHARES OFFERED HEREBY FOR WHICH SUBSCRIPTIONS HAVE NOT BEEN RECEIVED AT THE CONCLUSION OF THE OFFERING. ANY SHARES ACQUIRED BY THE AGENTS UNDER THE GUARANTEE WILL BE DISTRIBUTED UNDER THIS STATEMENT OF MATERIAL FACTS THROUGH THE FACILITIES OF THE VANCOUVER STOCK EXCHANGE AT THE MARKET PRICE AT THE TIME OF SALE.

THE SECURITIES OFFERED HEREUNDER ARE SPECULATIVE IN NATURE. INFORMATION CONCERNING THE RISKS INVOLVED MAY BE OBTAINED BY REFERENCE TO THIS DOCUMENT. FURTHER CLARIFICATION, IF REQUIRED, MAY BE SOUGHT FROM A BROKER.

AGENTS

YORKTON CONTINENTAL SECURITIES INC.
Suite 1000, Four Bentall Centre
1055 Dunsmuir Street
P.O. Box 49333
Vancouver, British Columbia
V7X 1L4

GEORGIA PACIFIC SECURITIES CORPORATION
16th Floor, Two Bentall Centre
555 Burrard Street
Vancouver, British Columbia
V7X 1S6

NEITHER THE SUPERINTENDENT OF BROKERS NOR THE VANCOUVER STOCK EXCHANGE HAS IN ANY WAY PASSED UPON THE MERITS OF THE SECURITIES OFFERED HEREUNDER AND ANY REPRESENTATION TO THE CONTRARY IS AN OFFENCE.

TABLE OF CONTENTS

	Page
PLAN OF DISTRIBUTION	1
Offering	1
Appointment of Agents	1
Agents' Warrants	2
Additional Offering	2
HOW THE NET PROCEEDS OF THE ISSUE ARE TO BE SPENT	2
MATERIAL NATURAL RESOURCE PROPERTIES	3
PARTICULARS OF NON-RESOURCE ASSETS	6
CORPORATE INFORMATION	6
DIRECTORS, OFFICERS, PROMOTERS AND PERSONS HOLDING MORE THAN 10% OF THE ISSUED EQUITY SHARES	6
OPTIONS TO PURCHASE SECURITIES OF THE ISSUER	8
SECURITIES OF THE ISSUER HELD IN ESCROW, IN POOL OR SUBJECT TO HOLD RESTRICTIONS	9
PARTICULARS OF ANY OTHER MATERIAL FACTS	9
STATUTORY RIGHTS OF RESCISSION	11
AUDITED FINANCIAL STATEMENTS AS AT APRIL 30, 1990	
ENGINEERING REPORT OF EQUITY ENGINEERING DATED SEPTEMBER, 1989	
CERTIFICATE OF THE DIRECTORS AND PROMOTERS OF THE ISSUER	
CERTIFICATE OF THE AGENT	

1. PLAN OF DISTRIBUTION

Offering

The Issuer by its Agents hereby offers (the "Offering") to the public through the facilities of the Vancouver Stock Exchange (the "Exchange") 1,000,000 common shares without par value (the "Shares"). The Offering will take place on a day (the "Offering Day") not more than 180 days after the date (the "Effective Date") this Statement of Material Facts is accepted for filing by the Exchange and the Superintendent of Brokers for British Columbia (the "Superintendent").

The price of the Shares (the "Offering Price") will be \$0.25 per share.

The purchaser of any Shares will be required to pay regular commission rates as specified in the rules and by-laws of the Exchange.

Appointment of Agents

The Issuer, by an agreement dated August 15, 1990 (the "Agency Agreement"), appointed Yorkton Continental Securities Inc. and Georgia Pacific Securities Corporation as its agents (the "Agents") to offer the Shares to the public as follows:

Name of Agent	Participation
Yorkton Continental Securities Inc.	500,000
Georgia Pacific Securities Corporation	500,000

The Issuer will pay the Agents a commission of 7.5% of the selling price of the Shares, which is equal to \$0.01875 per share.

The Agents have agreed to purchase any Shares for which subscriptions have not been received at the conclusion of the Offering and, in consideration therefor, the Agents have been granted non-transferable share purchase warrants (the "Agents' Warrants") entitling them to purchase up to 500,000 common shares of the Issuer. The Agents may exercise any of the Agents' Warrants within a period of two years from the Offering Day at a price of \$0.25 per share during the first year and \$0.30 per share during the second year.

The Issuer has granted the Agents a right of first refusal with respect to any future equity financing it may require during the 12 month period following the Effective Date.

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

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

Yorkton Continental Securities Inc., one of the Agents, holds 453,200 shares of the Issuer which were purchased but not paid for by Attila Investments Ltd., a company beneficially owned by Michael Mitton ("Mitton"), a former director of the Issuer who is indebted to Yorkton. By order of the Superintendent of Brokers dated December 19, 1988, Mitton has been denied access to statutory exemptions necessary to trade in securities. Yorkton has applied for a partial revocation of the order to allow it to sell the shares of the Issuer it holds in settlement of Mitton's outstanding indebtedness. Upon partial revocation of the order (if granted), Yorkton intends to sell the shares through the facilities of the Exchange at the market price at the time of sale and in compliance with the terms of the partial revocation order.

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

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.

Agents' Warrants

The Agents' Warrants will contain, among other things, anti-dilution provisions and provisions for appropriate adjustment in 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 of the Issuer, or the payment of stock dividends. The Agents' Warrants will be non-transferrable and exercisable on a one-for-one basis.

Additional Offering

The Agents have agreed to purchase (the "Guarantee") any of the Shares offered hereby which have not been sold at the conclusion of the Offering. Any Shares acquired by the Agents under the Guarantee will be distributed under this Statement of Material Facts through the facilities of the Exchange at the market price at the time of the sale.

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

The Issuer cannot estimate with certainty the price at which the Shares will be sold, but if all the Shares are sold at the estimated price of \$0.25 per Share the Issuer will receive net proceeds of \$231,250. As of the date hereof the Issuer has a working capital deficiency of approximately \$64,600*, accordingly the net proceeds of the Offering will be used as follows:

(a)	To pay the total estimated costs of this issue including legal, audit and printing, of which \$15,000 is included in the Issuer's accounts payable as set out in the audited financial statements for the period ended April 30, 1990:	\$ 18,000
(b)	To pay all other liabilities of the Issuer:	\$ 49,600
(c)	Option payment due on the Men Claims within 10 days of completion of the financing by way of this Statement of Material Facts or September 30, 1990, whichever is earlier:	\$ 20,000
(d)	Option payment on Men Claims due October 31, 1990:	\$ 10,000
(e)	Option payment on Men Claims due March 31, 1991:	\$ 20,000
(f)	To complete Phase I of the work program on the Men claims as recommended in the report dated September, 1989 by Equity Engineering Ltd.:	\$ 60,000
(g)	Working capital and general corporate purposes:	\$ 53,650
	TOTAL:	\$ 231,250

* The Issuer's working capital deficiency of approximately \$64,600 is net of a total of \$57,268.11 of outstanding indebtedness which is being settled by the issuance of 344,795 shares.

Proceeds derived, if any, from the exercise of the Agent's Warrants will be added to working capital.

None of the proceeds from the Offering will be used for the acquisition, exploration or development of any properties without obtaining (if required under the rules or regulations of the Exchange) the prior consent of the Exchange and filing, where necessary, engineering reports acceptable to the Exchange.

3. MATERIAL NATURAL RESOURCE PROPERTIES

SUMMARY OF MATERIAL MINING PROPERTIES

- Group I** Properties for which regulatory approval has been obtained under this Statement of Material Facts.
- Group II** Presently held properties which are currently producing or being explored, or upon which exploration is planned within the next year.
- Group III** Other presently held properties upon which the Issuer's acquisition and exploration costs to date exceed \$100,000.

Group	Property Name	Issuer's Acquisition and Exploration Costs to Date	Shares Issued to Date	Planned Expenditure From Funds Available Upon Completion of the Offering
I	Men Claims, Alberni Mining Division, B.C.	Acquisition: \$5,000 Exploration: \$1,255	Nil --	\$ 60,000 --
II	Nil	--	--	--
III	Nil	--	--	--

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

**Men Claims,
Alberni Mining Division,
British Columbia**

By agreement dated June 1, 1989 and amended June 15 and July 31, 1990, the Issuer acquired an option to earn a 100% interest in the Men mineral claims, located in the Alberni Mining Division, British Columbia (the "Property") from Area Explorations Ltd. ("Area"), of 2886 6th Avenue, Port Alberni, British Columbia. A description of the claims is as follows:

Claim Name	Record No.	Expiry Date
Men #1	3132	February 25, 1991
Men #2	4055	March 25, 1991
Men #3	4056	March 25, 1991

To exercise its option in full, the Issuer must make cash payments in the amount of \$160,000, issue 200,000 fully

paid and non-assessable shares, freely marketable through the facilities of the Vancouver Stock Exchange, and spend \$500,000 in exploration and development work on the Property, as follows:

- (a) Pay \$5,000 cash upon execution of the agreement (paid);
- (b) Pay \$20,000 and issue 50,000 shares on the earlier of 10 business days after completion of the financing pursuant to this Statement of Material Facts or September 30, 1990 at the latest;
- (c) Pay \$10,000 and issue a further 50,000 shares on or before October 31, 1990;
- (d) Pay \$20,000 and issue a further 50,000 shares on or before March 31, 1991;
- (e) Pay \$60,000 and issue a further 50,000 shares on or before November 30, 1991;
- (f) Pay \$45,000 on or before November 30, 1992;
- (g) Spend \$60,000 on a stage I exploration and development work program on the Property on or before October 31, 1990;
- (h) Spend \$75,000 on a stage II exploration and development work program on the Property on or before March 15, 1991;
- (i) Spend \$150,000 on a stage III exploration and development work program on the Property on or before October 15, 1991; and
- (j) Spend \$215,000 on a stage IV exploration and development work program on the Property on or before October 15, 1992;

Area is a non-reporting British Columbia company currently at arm's length with the Issuer. It should be noted that Robert Paterson, a director of the Issuer, was a director of Area from April 23, 1987 to September 15, 1987, which was prior to his becoming a director of the Issuer.

The Issuer will earn a 49% undivided interest in the Property upon completion of the obligations set out in items (a) through (e) and (g) through (i) above. In the event the balance of the option is not exercised, the Property will be developed on a joint venture basis by all parties holding an interest in it.

If Area continues to hold an interest in the Property after November 30, 1996 and the Property has not yet been placed in production, the interest of the Issuer in the Property, other than any royalty interest it may have earned, will revert back to Area.

Area has retained a net smelter return royalty on proceeds received from the Property. The royalty equals 3 1/2% until net profits equal pre-production and mine financing costs, after which it increases to 5%.

The Property covers the southern flank of Mount Porter, which is located along the northern shore of Sproat Lake approximately 30 kilometres west of Port Alberni on Vancouver Island. Topography is moderate to rugged, with outcrop exposure being excellent throughout the Property. Provincial highway #4 runs along the shore of Sproat Lake through the southern part of the Property with a network of old logging roads climbing northward from Highway #4 and providing good access to the eastern and western portions of the Property. Helicopter service based in Port Alberni provides access to the more inaccessible parts of the Property.

The ground currently covered by the existing claims and surrounding area has been the focus of sporadic exploration work since the early 1900's. Geological mapping, geochemistry, geophysics and diamond drilling have all taken place around several copper showings in the Sproat Lake area, including several on the Property. Interest in the

area has been renewed since the early 1980's when gold discoveries were made on adjoining properties. The best drill intersections reported from a diamond drilling program conducted in the early 1980's were 8.4 meters averaging 0.52% Cu and another intersection grading up to 24.1 grams per tonne Au.

The Sproat Lake district lies within the Insular Tectonic Belt of the Canadian Cordillera. Thick northwesterly trending sequences of Upper Triassic Karmutsen Formation oceanic basalts have been intruded by dioritic batholiths of the Lower Jurassic Island Intrusions, with attendant low-grade regional metamorphism.

Locally, the Karmutsen Formation is overlain by erosional remnants of Upper Triassic Quatsino Formation crystalline limestone and Lower Jurassic Bonanza Group volcanic flows and pyroclastics.

Lower Jurassic Island Intrusion batholiths are generally moderately-grained quartz diorites to granodiorites and may be cogenetic with the Bonanza volcanics. The Island Intrusions exhibit both intrusive and fault contacts with the older Karmutsen Formation basalts, and one of these batholiths extends a few kilometres north of the Property.

A number of important gold occurrences are found in the area surrounding the Property. All are quartz-sulphide veins hosted by Karmutsen volcanics near intrusive contacts with the Island Intrusions, which suggests a genetical relationship between gold mineralization and intrusive emplacement. Gold occurs with heavy pyrite and pyrrhotite, and with lesser galena, sphalerite and chalcopyrite mineralization. A quartz stockwork hosted by carbonate-altered Karmutsen volcanics has recently been discovered approximately 1300 meters north of the Property, and massive pyrites containing lesser chalcopyrite within the quartz stockwork assays up to 17.1 grams per tonne Au with 0.34% Cu and 0.23% As.

The Property itself is almost entirely underlain by Karmutsen Formation volcanics. The Karmutsen Formation has been categorized into four lithologies, including massive basaltic flows, amygdaloidal and porphyritic pillow basalts, a thick unit of basaltic matrix-supported agglomerate and a chert bed mineralized with pyrite and chalcopyrite along fractures and in quartz stringers.

The Property is cut by numerous northerly and northwesterly trending faults which offset lithologies and may be related to mineralization, as indicated by the recent discovery of three narrow gold-bearing quartz-sulphide veins on the Property.

To date, limited exploration work has been conducted over the Property. Results, however, indicate that a two phase exploration program is recommended, with the second phase being contingent upon the results obtained during the first phase. The first phase program consists of geological mapping and prospecting over the entire Property, using an orthophoto for topographical control. Special attention should be paid to the Men #1 claim, which hosts the three recently discovered gold showings and the northwesterly trending faults. Also recommended is geochemical sampling and trenching along one already exposed shear zone. The total estimated cost of Phase I is \$60,000.

The second phase will consist of further trenching and diamond drilling of the best mineralized zones, at an estimated cost of \$40,000.

A more detailed description of the Property and recommended work program is contained in the report on the Property by Equity Engineering Ltd. dated September, 1989, a copy of which is attached to and forms part of this Statement of Material Facts.

THERE IS NO SURFACE OR UNDERGROUND PLANT OR EQUIPMENT ON THE PROPERTY. THE PROPERTY IS WITHOUT A KNOWN BODY OF COMMERCIAL ORE AND THE PROPOSED PROGRAM IS AN EXPLORATORY SEARCH FOR ORE.

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

None

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

None

4. PARTICULARS OF NON-RESOURCE ASSETS

The Issuer does not engage in, nor does it propose to engage in, a business other than the exploration and development of natural resource properties.

5. CORPORATE INFORMATION

The Issuer was incorporated under the laws of the Province of British Columbia on April 15, 1983 as Gazelle Resources Limited. A special resolution changing its name to Pan Oceanic Ventures Inc. was passed on July 17, 1989, and will become effective upon acceptance for filing of this Statement of Material Facts.

The authorized capital of the Issuer consists of 100,000,000 common shares without par value, of which 7,608,600 shares are issued as fully paid and non-assessable. It is anticipated that 8,953,395 shares will be issued and outstanding after completion of the Offering and the issuance of shares in settlement of outstanding indebtedness as provided for in Item 9 herein, exclusive of any shares which may be issued upon exercise of the Agent's Warrants or the incentive stock options. There are no conversion rights, subscription rights or any special rights or restrictions attached to any of the shares of the Issuer, all of which rank equally with one another as to voting rights and any other benefits which may accrue to the holder thereof.

A cease trading order against the Issuer was issued under the Securities Act on February 23, 1988 for failure to file financial statements. The Issuer is now current in its filings and anticipates rescission of the order upon completion of the Offering pursuant to this Statement of Material Facts.

6. DIRECTORS, OFFICERS, PROMOTERS AND PERSONS HOLDING MORE THAN 10% OF THE ISSUED EQUITY SHARES

EVAN SLEEMAN*

250 West 10th Avenue

Vancouver, B.C.

V5Y 1S1

PRESIDENT, CHIEF EXECUTIVE OFFICER,

DIRECTOR AND PROMOTER

Number of Shares held in the Issuer: Nil free-trading, 1,000,000 escrow**

Mr. Sleeman was self-employed as a prospector from 1979 to 1987, since which time he has been employed as a director of Nevada Star Resources Corp. Mr. Sleeman is also a director of Kali Venture Corp and Ironhorse Resources Corp., both of which are Vancouver Stock Exchange listed companies.

ROBERT T. PATERSON*

#506 - 1660 Barclay Street
 Vancouver, B.C.
 V6G 1K2
 CHIEF FINANCIAL OFFICER, DIRECTOR
 AND PROMOTER

Number of Shares Held in the Issuer: Nil free-trading, 1,000,000 escrow**

Mr. Paterson was the president of Global Aviation Consultants Ltd., an aviation management consulting firm, from 1978 to 1987. Since 1986 he has been actively involved in the management of junior resources companies, and is currently a director of Snowfield Resources Ltd.

K. WARREN GEIGER*

#1107 - 2222 Bellevue Avenue
 West Vancouver, B.C.
 V7V 1C7
 DIRECTOR

Number of Shares Held in the Issuer: Nil free-trading, 1,000,000 escrow**

Dr. Geiger has been self-employed as a consulting geologist since 1969, having a Bachelor's degree in Mining Engineering and a doctorate in Economic Geology. He is the past president of Aquarius Resources Ltd. and the past president and director of Arizona Star Resources Ltd.

BRUCE E. RUTHERFORD

9511 Bates Road
 Richmond, B.C.
 V7A 1E3
 SECRETARY

Number of Shares Held in the Issuer: Nil

Mr. Rutherford is a chartered accountant, and has been the principal of Rutherford & Company, Chartered Accountants, since 1985. From 1978 to 1984, he was employed as a chartered accountant with Ernst & Whinney.

* *Members of Issuer's audit committee.*

** *Approval to the transfer of these shares to Messrs. Sleeman, Paterson and Geiger will be received upon completion of the Offering pursuant to this Statement of Material Facts.*

- (2) (a) The Issuer's directors, officers and promoters are also, or within the past five years have also been, directors, officers or promoters of the following other reporting issuers:

Name	Name of Reporting Issuer	Period
Evan Sleeman	Nevada Star Resources Corp.	1987 to present
	Iron Horse Resources Corp.	1986 to present
	Kali Venture Corp.	1987 to present
Robert T. Paterson	Snowfield Resources Ltd.	1987 to present
K. Warren Geiger	Nevada Star Resources Corp.	1987 to present

Bruce E. Rutherford

Nil

- (b) None of the current directors, officers or promoters were directors, officers or promoters of the Issuer at the time the outstanding cease trade order was issued, all having joined the board after the fact.

On July 4, 1988 Ironhorse Resources Corp., of which Evan Sleeman is a director, was the subject of a cease trade order for failure to file financial statements and quarterly reports and consequently suspended from trading on the Exchange. The cease trade order is still outstanding, however the Company has applied for reactivation pursuant to Local Policy Statement #3-35.

On October 13, 1989, Snowfield Resources Ltd., of which Robert T. Paterson is a director, was the subject of a cease trade order for failure to file financial statements and quarterly reports. The cease trade order is still outstanding.

None of the other directors, officers or current promoters of the Issuer is, or has been within the past five years, a director, officer or promoter of any reporting issuer which has been struck off the Register of Companies by the British Columbia Registrar of Companies or other similar authority, or whose securities were the subject of a cease trade or suspension order for a period of more than 30 consecutive days.

None of the directors, officers or promoters of the Issuer have, within the last 10 years, been the subject of any penalties or sanctions by a court or securities regulatory authority relating to trading in securities, the promotion, formation or management of a publicly traded company or involving theft or fraud.

- (3) (a) By Agreement dated September 1, 1988, the Issuer agreed to pay Market Management Consultants ("MMC"), a proprietorship whose principal is Christopher D. England, a former director of the Issuer, the sum of \$2,000 per month as remuneration for providing management services to the Issuer. This remuneration was increased to \$2,500 per month as of January 1, 1990. During the Issuer's financial year ended April 30, 1990, MMC was paid \$8,500 and accrued, but has not yet received, an additional \$17,500 pursuant to the above agreement. The Issuer's agreement with MMC terminated on June 30, 1990 as a result of Mr. England's resignation as a director of the Issuer, however from May 1, to June 30, 1990, MMC accrued, but has not yet received, \$5,000 pursuant to the agreement. Effective July 1, 1990, Devon Group Management Corp. ("Devon"), a British Columbia incorporated company whose principal is Robert T. Paterson, a director of the Issuer, will receive the sum of \$2,500 per month as remuneration for providing management services to the Issuer. As of July 31, 1990, Devon had accrued, but not yet received, \$2,500 pursuant to the above agreement.
- (b) No director, officer, promoter or insider of the Issuer has received anything of value from the Issuer within the past year which has not been disclosed elsewhere in this Statement of Material Facts.
- (4) To the best of the Issuer's directors' knowledge there are no other persons who own beneficially, directly or indirectly, more than 10% of the equity shares of the Issuer other than the persons disclosed in Item 6(1) herein.

7. OPTIONS TO PURCHASE SECURITIES OF THE ISSUER

Subject to rescission of the outstanding cease trade order, the Issuer has granted the following director and employee incentive stock options:

Name of Optionee	Number	Date Granted	Expiry Date	Exercise Price
Directors				
Evan Sleeman	200,000	June 30, 1990	June 29, 1995	\$0.25
Robert T. Paterson	200,000	June 30, 1990	June 29, 1995	\$0.25
K. Warren Geiger	200,000	June 30, 1990	June 29, 1995	\$0.25
Employee				
Bruce E. Rutherford	50,000	June 30, 1990	June 29, 1995	\$0.25

It is anticipated that the cease trade order will be rescinded upon completion of the Offering pursuant to this Statement of Material Facts.

8. SECURITIES OF THE ISSUER HELD IN ESCROW, IN POOL OR SUBJECT TO HOLD RESTRICTIONS

Pacific Corporate Services Limited holds 3,000,000 principals' shares in escrow pursuant to an agreement dated June 20, 1990, subject to the direction or determination of the Vancouver Stock Exchange. The escrow restrictions provide that the shares may not be traded, dealt with in any manner whatsoever, or released, nor may the Issuer, its transfer agent or escrow holder make any transfer or record any tradings of the shares without the prior consent of the Vancouver Stock Exchange.

The Exchange may permit the release of all or a portion of the shares based, among other things, upon the future success of the Issuer. Any shares not released before August 17, 1994 will be automatically cancelled. The complete text of the escrow agreement is available for inspection at the Issuer's registered office.

There are no other shares held in pool or subject to unexpired hold periods originally imposed by the Superintendent of Brokers.

9. PARTICULARS OF ANY OTHER MATERIAL FACTS

- (1) The Issuer is a defendant in a Vancouver County Court action brought by Hungerford Simon for the sum of \$10,280.45 with respect to unpaid legal fees, however Hungerford Simon has subsequently assigned the debt owed to it to Braniff Management Ltd. There is also a Small Claims Judgment against the Issuer for \$2,156.68 in favour of James R. Landsky and Shawland Building Systems Inc. with respect to unpaid fees for the preparation of a technical report on Matrix Medical Corp. The Issuer proposes to settle both of these matters through the issuance of shares. Please refer to Item 9 (4)(i) herein for further details.

The Issuer is not a party to any other legal proceedings, however it is contemplating commencing legal action against the various parties responsible for the funds and subscription proceeds unaccounted for as set out in Item 9(4)(i) herein.

- (2) There are no properties to be acquired for which regulatory approval is not being sought under this Statement of Material Facts.
- (3) The Issuer's liabilities have not significantly increased or altered subsequent to the date of the financial statements included in this Statement of Material Facts.
- (4) i) During the Issuer's fiscal year ended April 30, 1988 it was necessary that all of its existing assets either be written down or written-off. These assets included an investment in Matrix Medical Inc. ("Matrix"), the Lodegold mineral claim and \$387,671 in cash.

Matrix is a private California corporation headquartered in Boulder, Colorado, and is at arm's length to the Issuer. The investment in Matrix was made pursuant to an agreement between the Issuer and the shareholders of Matrix whereby Matrix would be acquired as a wholly-owned subsidiary of the Issuer. As consideration for the investment, the Issuer was to provide Matrix with working capital to further develop and market its products. Management subsequently abandoned the acquisition of Matrix and received shares in the capital of Matrix representing approximately 6% of the issued and outstanding capital. After discussions with the management of Matrix it has been determined that the shares of Matrix have a market value of \$4,720.00 at the present time, and they have been written down accordingly by the Issuer.

The previous management of the Issuer also allowed its Lodegold mineral claim, located in the Osoyoos Mining Division, British Columbia to lapse. As a result, the mineral claim and all acquisition and exploration costs related thereto were written-off during the fiscal year ended April 30, 1988.

With respect to the Issuer's funds, management of the Issuer at that time paid itself a total of \$261,671 for management fees, reimbursement of expenses and other disbursements during the fiscal year ended April 30, 1988. The Management responsible for these funds was unable to produce records or documentation with respect thereto, or account for it in any way. A thorough examination by existing management and the R.C.M.P. Commercial Crime Division produced results which were inconclusive, resulting in the funds being written-off during the fiscal year ended April 30, 1988.

On September 18, 1987 a total of 360,000 shares were issued at a price of \$0.35 per share as a result of the exercise of director and employee stock options. There is no record of the Issuer receiving payment for these shares, and the certificates themselves are untraceable. As recovery of the shares and subscription proceeds therefore is questionable, present management has written off the subscription proceeds in the amount of \$126,000.

It should be noted that none of the present management of the Issuer was involved in any way with the management of the Issuer during the fiscal year ended April 30, 1988. As at April 30, 1987 the directors of the Issuer were Richard J. Bowes, Donald Elliott and Earl King. On May 25, 1987, Michael Mitten and Noel Pelletier replaced Messrs. Bowes and Elliott as directors, and were themselves subsequently replaced on June 29, 1987 by Robert Robinson and Robert Morrison. On September 23, 1987 William Belton and David Whiteside replaced Messrs. Morrison and King as directors. Messrs. Belton and Whiteside subsequently resigned on April 25 and May 31, 1988 respectively, however no other directors were appointed in their place and stead. It should be noted that the existing directors were appointed on May 17, 1989.

- ii) The issuance of an aggregate of 344,795 common shares without par value in the capital stock of the Issuer in settlement of outstanding indebtedness of the Issuer will have been approved by the Exchange upon acceptance for filing of this Statement of Material Facts, however, the shares cannot be issued until the cease trade order currently outstanding against the Issuer is rescinded. The Issuer anticipates rescission of the order upon completion of the Offering pursuant to this Statement of Material Facts, whereupon the shares will be issued as follows:

Name of Creditor	Amount of Indebtedness	No. of Shares	Deemed Price Per Share
Braniff Management Ltd.	\$10,280.45	41,112	\$ 0.25
Jack Hnatuik	\$ 7,500.00	50,000	\$ 0.15
Speton Legge	\$ 3,750.00	25,000	\$ 0.15

James R. Landsky and Shawland Building Systems Ltd.	\$ 2,156.68	8,627	\$ 0.25
Pacific Corporate Services Limited	\$ 1,430.98	5,724	\$ 0.25
Ralph Emsland	\$ 1,000.00	6,667	\$ 0.15
Cynthia Avelino	\$ 1,000.00	6,667	\$ 0.15
Art Abrams	\$ 2,100.00	14,000	\$ 0.15
Jose Reyes Jr.	\$ 2,000.00	13,333	\$ 0.15
Barrie Bampton	\$ 2,000.00	13,333	\$ 0.15
Rand Weaver	\$ 1,500.00	10,000	\$ 0.15
Myrna Joy	\$ 3,000.00	20,000	\$ 0.15
Kam Nabavi	\$ 3,000.00	20,000	\$ 0.15
Edith Black	\$ 2,000.00	13,333	\$ 0.15
Roy Uzelac	\$ 1,500.00	10,000	\$ 0.15
Sharen Beselt	\$ 500.00	3,333	\$ 0.15
Walter Beselt	\$ 500.00	3,333	\$ 0.15
Doris Phillips	\$ 1,050.00	7,000	\$ 0.15
Canterbury Design	\$ 500.00	3,333	\$ 0.15
Tom Wardell	\$ 2,000.00	13,333	\$ 0.15
Pearl Prokosh	\$ 8,500.00	56,667	\$ 0.15
	\$57,268.11	344,795	

- iii) The 3,000,000 shares held in escrow are currently registered in the name of Robert Duncan, however the beneficial ownership of the escrowed shares has been transferred several times. From Mr. Duncan the beneficial ownership was transferred to Richard Bowes, who subsequently transferred beneficial ownership to Longcorp Investments Inc., the principal of which was Robert Robinson, who subsequently transferred beneficial ownership to Jack Hnatiuk who subsequently transferred beneficial ownership to Christopher D. England, a former president and director of the Issuer. After his resignation, Mr. England transferred the beneficial ownership of 1,000,000 shares to each of Messrs Geiger, Paterson and Sleeman, the current directors of the Issuer. Upon acceptance for filing of this Statement of Material Facts the following transfer within escrow will have been approved by the Exchange, however the shares cannot be transferred until the cease trade order currently outstanding against the Issuer is rescinded:

Transferor	Transferees	No. of Shares
Robert Duncan	K. Warren Geiger	1,000,000
	Robert T. Paterson	1,000,000
	Evan Sleeman	1,000,000

- iv) There are no other material facts not previously disclosed herein.

- (5) The contracts and technical report referred to herein may be inspected at 26th Floor, 700 West Georgia Street, Vancouver, British Columbia, during normal business hours during the primary distribution of the shares offered hereby, and for 30 days after completion of primary distribution.

10. STATUTORY RIGHTS OF RESCISSION

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

GAZELLE RESOURCES LIMITED
REPORT AND FINANCIAL STATEMENTS
April 30, 1990

CORCORAN & COMPANY

CORCORAN & COMPANY

CHARTERED ACCOUNTANTS

A LIMITED PARTNERSHIP

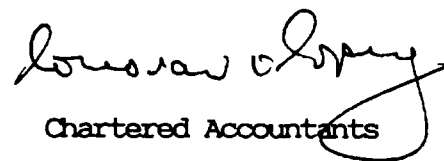
AUDITORS' REPORT

To the Shareholders,
Gazelle Resources Limited

We have examined the balance sheet of Gazelle Resources Limited as at April 30, 1990 and the statements of loss and deficit, resource properties and changes in financial position for the year 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 April 30, 1990 and the results of its operations and the changes in its financial position for the year then ended in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.


Vancouver, B.C.
June 28, 1990


Chartered Accountants

GAZELLE RESOURCES LIMITED
 Incorporated under the Company Act of British Columbia
BALANCE SHEET
as at April 30, 1990

	<u>1990</u>	<u>1989</u>
<u>ASSETS</u>		
Current		
Cash	\$ 100	\$ -
Investment in Matrix Medical Inc. - Note 3	4,720	4,720
Resource properties - Note 4	<u>6,755</u>	<u>-</u>
	<u>\$ 11,575</u>	<u>\$ 4,720</u>
<u>LIABILITIES</u>		
Current		
Accounts payable	\$ 83,432	\$ 51,268
Loans payable - Note 5	<u>32,820</u>	<u>1,348</u>
	<u>116,252</u>	<u>52,616</u>
<u>DEFICIENCY IN ASSETS</u>		
Capital stock - Note 6		
Authorized 100,000,000 common shares without par value		
Issued and fully paid 7,608,600 common shares	685,334	685,334
Deficit	(790,011)	(733,230)
	<u>(104,677)</u>	<u>(47,896)</u>
	<u>\$ 11,575</u>	<u>\$ 4,720</u>

APPROVED BY THE DIRECTORS

 Director
 Director

SEE ACCOMPANYING NOTES

CORCORAN & COMPANY

GAZELLE RESOURCES LIMITED
 STATEMENT OF LOSS AND DEFICIT
for the year ended April 30, 1990

	<u>1990</u>	<u>1989</u>
Expenses		
Administrative		
Filing fees	\$ 6,625	\$ 1,248
Management fees	26,000	20,000
Office	3,127	512
Printing	368	-
Professional fees	14,364	3,500
Promotion	307	-
Rent	3,000	-
Transfer agent fees	<u>3,277</u>	<u>803</u>
	57,068	26,063
Less: interest earned	<u>287</u>	<u>-</u>
Net loss for the year	56,781	26,063
Deficit, beginning of the year	<u>733,230</u>	<u>707,167</u>
Deficit, end of the year	\$ <u>790,011</u>	\$ <u>733,230</u>

SEE ACCOMPANYING NOTES

CORCORAN & COMPANY

GAZELLE RESOURCES LIMITED
 STATEMENT OF RESOURCE PROPERTIES
for the year ended April 30, 1990

	<u>1989</u>	<u>Additions</u> <u>(Write-off)</u>	<u>1990</u>
Men mineral claims			
Acquisition cost	\$ -	\$ 5,500	\$ 5,500
Geological work	<u>-</u>	<u>1,255</u>	<u>1,255</u>
	<u>\$ -</u>	<u>\$ 6,755</u>	<u>\$ 6,755</u>

SEE ACCOMPANYING NOTES

CORCORAN & COMPANY

GAZELLE RESOURCES LIMITED
 STATEMENT OF CHANGES IN FINANCIAL POSITION
for the year ended April 30, 1990

	<u>1990</u>	<u>1989</u>
Operations		
Net loss for the year	\$(56,781)	\$(26,063)
Adjustments resulting from operations		
Net changes in non-cash working capital accounts	<u>63,136</u>	<u>26,063</u>
	<u>6,355</u>	<u>-</u>
Investing		
Exploration expense for the year	(1,255)	-
Acquisition of resource properties - net of \$500 in unpaid accounts	(<u>5,000</u>)	<u>-</u>
	(<u>6,255</u>)	<u>-</u>
Net inflow of cash during the year	100	-
Cash, beginning of the year	<u>-</u>	<u>-</u>
Cash, end of the year	\$ <u>100</u>	\$ <u>-</u>

See also Note 8

SEE ACCOMPANYING NOTES

CORCORAN & COMPANY

GAZELLE RESOURCES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
April 30, 1990

Note 1 Nature of Operations

The company's principal business is to acquire interests in, explore and develop natural resource properties. The company is an exploratory stage company and has no known mineral deposits and no development of any mining facility.

Note 2 Summary of Significant Accounting Policies

(a) Resource Properties

The acquisition of resource properties are initially recorded at cost. Producing resource properties are depleted over their estimated useful lives based upon a method relating recoverable resource reserves to production. Non-producing resource properties that the company abandons interest in are written off in the year of abandonment.

(b) Deferred Exploration Expenses

The company capitalizes all exploration expenses that result in the acquisition and retention of resource properties or an interest therein. The accumulated costs including applicable exploration expenses relative to non-productive resource properties that the company abandons interest in are written off using the successful efforts method. Otherwise, the exploration expenses are depleted over the estimated useful lives of the producing resource properties based on a method relating recoverable reserves to production.

(c) Values

The amounts shown for resource properties and deferred exploration expenses represent costs to date and do not necessarily reflect present or future values.

(d) Investments

The company's investment in Matrix Medical Inc. is recorded at cost less a write down to its estimated net realizable value.

(e) Earnings Per Share

Net earnings per share figures are not provided as management considers this information to be not meaningful.

(f) Going Concern Assumption

Please see Note 8

Note 3 Investment in Matrix Medical Inc.

In a prior year the company received 40,000 shares (6%) of Matrix Medical Inc. for \$60,000 U.S. advanced. Matrix, believing Gazelle to be defunct, voted to return the shares to treasury. Upon learning of the company's reactivation, this decision was reversed and the company has been put back on the Matrix shareholders mailing list for financial statements. Discussions with Matrix management revealed the shares to be valued at \$0.10 U.S. per share and the company has written its cost down to reflect this information.

Cash advanced (\$60,000 U.S.)	\$ 79,057
Write-down	(74,337)
Balance	<u>\$ 4,720</u>

Note 4 Resource Properties

MEN Mineral Claims - option

The company acquired an option to purchase a 100% interest in 3 mineral claims located in the Alberni Mining Division of British Columbia for \$5,000, the future payment of \$155,000, future issuance of 200,000 common shares to the vendor and the future expenditures of up to \$500,000 on exploration. Two of the mineral claims expired during the year and have been restaked for costs of \$500. The mineral claims are subject to a 3.5% net smelter royalty, increasing to 5% once pre-production and financing costs are recovered (see also Note 1).

Note 5 Loans Payable

Loans are re-payable to directors of the company and to investors, are non-interest bearing and are payable on demand.

Note 6 Capital Stock

The company's common share transactions during the year are summarized as follows:

	<u>Number of Shares</u>	<u>Amount</u>
Balance, beginning and end of the year	<u>7,608,600</u>	<u>\$ 685,334</u>

Management Incentive Stock Options

The company has proposed to grant options to directors of the company for the purchase of up to 650,000 common shares at \$0.25 per share, expiring June 29, 1995. The granting of these options is subject to regulatory authority approval.

Note 7 Directors Remuneration and Related Party Transactions

During the year the company paid \$8,500 and accrued as payable \$17,500 to a company controlled by a director of the company for management fees. Comparatively in 1989 the company accrued as payable \$16,000 to that same director and \$4,000 to a previous director.

Note 8 Working Capital Deficiency

The ability of the company to continue as a going concern depends upon whether or not it can satisfy the regulatory authorities and remove a cease trade order against it to allow it to continue trading its shares on the Vancouver Stock Exchange and upon arranging adequate financing.

Note 9 Contingencies and Subsequent Events - see also Notes 6 and 8

Subsequent to April 30, 1990 the company is:

- a) proposing to change its name to Pan Oceanic Resources Inc. as approved by shareholders at their 1989 general meeting
- b) proposing to issue 1,000,000 common shares, for net proceeds of \$231,250 after commissions of \$18,750, through the facilities of the Vancouver Stock Exchange and subject to regulatory authority approval
- c) proposing to issue 500,000 agents share purchase warrants exercisable at \$0.25 per share during the first year and \$0.30 per share during the second year from the offering day with respect to (b) above
- d) proposing to settle accounts payable of \$57,268 by the issuance of 344,795 common shares
- e) continuing in its efforts to obtain proper documentation or alternatively to recover approximately \$121,671 in funds expended during prior years
- f) continuing in its efforts to collect \$140,000 disbursed to a related party in a prior year
- g) continuing in its efforts to collect \$126,000 owing to the company for the issuance of 360,000 common shares in a prior year

Results of actions referred to in (e),(f), and (g) above are at best uncertain and all dollar amounts referred to have been written off in prior years due to the doubtfulness of their collectibility.

**SUMMARY REPORT
ON THE
MEN #1-3 CLAIMS**

**Located in the Sproat Lake area of Vancouver Island
Alberni Mining Division
NTS 92F/6
49° 18' North Latitude
125° 14' West Longitude**

**-prepared for-
GAZELLE RESOURCES LIMITED**

**-prepared by-
Henry J. Awmack, P.Eng.**

September, 1989

SUMMARY REPORT ON THE MEN #1-3 CLAIMS

TABLE OF CONTENTS

		<u>Page</u>
1.0	INTRODUCTION	.1.
2.0	LIST OF CLAIMS	.1.
3.0	LOCATION, ACCESS AND GEOGRAPHY	.2.
4.0	PREVIOUS WORK	.3.
5.0	REGIONAL GEOLOGY	.4.
6.0	PROPERTY GEOLOGY AND GEOCHEMISTRY	
6.1	Geology	.7.
6.2	Geochemistry	.8.
7.0	MINERALIZATION	.9.
8.0	DISCUSSION	.10.
9.0	RECOMMENDATIONS	
9.1	Program	.11.
	9.1.1 Phase I	.11.
	9.1.2 Phase II	.12.
9.2	Budget	
	9.2.1 Phase I	.12.
	9.2.2 Phase II	.13.

APPENDICES

Appendix A	Bibliography
Appendix B	Certificate of Analysis
Appendix C	Engineer's Certificate

LIST OF FIGURES

		<u>Following Page</u>
Figure 1	Location Map	.1.
Figure 2	Claim Map	.2.
Figure 3	Regional Geology	.3.
Figure 4	Geology	.7.
Figure 5	Geochemistry	.8.

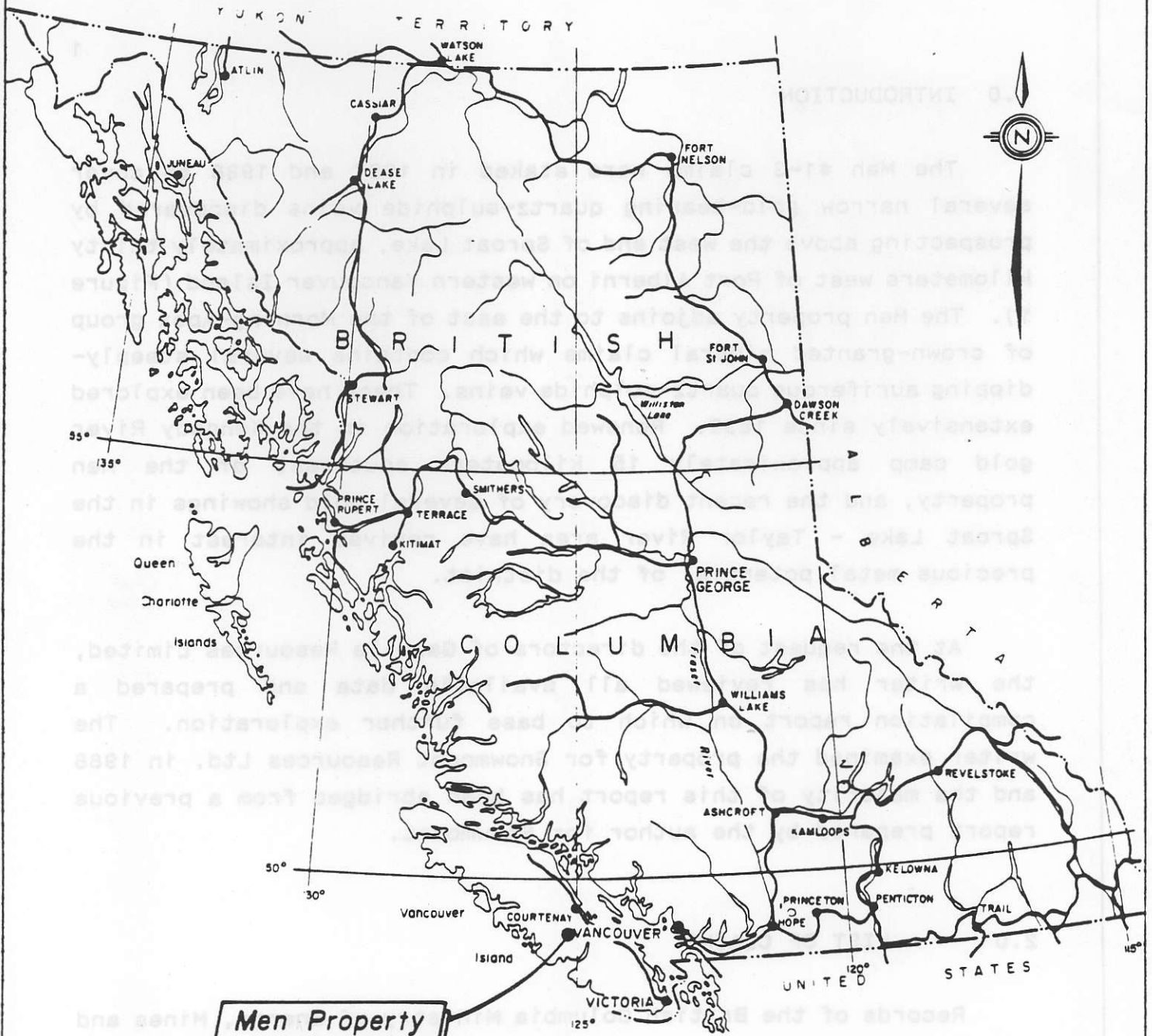
1.0 INTRODUCTION

The Men #1-3 claims were staked in 1987 and 1988 to cover several narrow gold-bearing quartz-sulphide veins discovered by prospecting above the west end of Sproat Lake, approximately thirty kilometers west of Port Alberni on western Vancouver Island (Figure 1). The Men property adjoins to the east of the Morning-Apex group of crown-granted mineral claims which contains several steeply-dipping auriferous quartz-sulphide veins. These have been explored extensively since 1899. Renewed exploration in the Kennedy River gold camp approximately 15 kilometers southwest of the Men property, and the recent discovery of several gold showings in the Sproat Lake - Taylor River area have revived interest in the precious metal potential of the district.

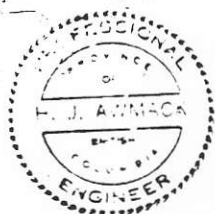
At the request of the directors of Gazelle Resources Limited, the writer has reviewed all available data and prepared a compilation report on which to base further exploration. The writer examined the property for Snowmount Resources Ltd. in 1988 and the majority of this report has been abridged from a previous report prepared by the author for Snowmount.

2.0 LIST OF CLAIMS

Records of the British Columbia Ministry of Energy, Mines and Petroleum Resources indicate that the following claims (Figure 2) are owned by Area Explorations Ltd. Separate documents indicate that the claims are under option to Gazelle Resources Limited.



Men Property



GAZELLE RESOURCES LIMITED			
Men Project			
PROPERTY LOCATION MAP			
EQUITY ENGINEERING LTD.			
DRAWN J.J.E.	PROJECT SMR88-01	DATE Sept., 1989	FIG. 1.

Claim Name	Record Number	No. of Units	Record Date	Expiry Year
Men #1	3132	9 (Mod. Grid)	Feb. 25, 1987	1990
Men #2	3532	18 (Mod. Grid)	Mar. 14, 1988	1990
Men #3	3533	<u>18 (Mod. Grid)</u>	Mar. 14, 1988	1990
		45		

The Men #1 claim overlaps the Morning-Apex group of crown-granted mineral claims to the west. The Men #2 and Men #3 claims overlap the pre-existing Sweet, Pea and DA claims. The net area corresponding to the Men property is approximately 39 units, covering 975 hectares (2410 acres).

The locations of the legal corner posts for the Men #1, Sweet and Pea claims have been verified by the author.

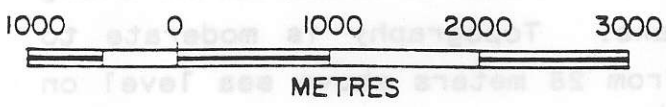
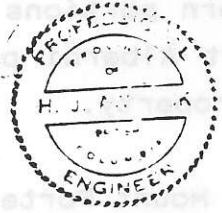
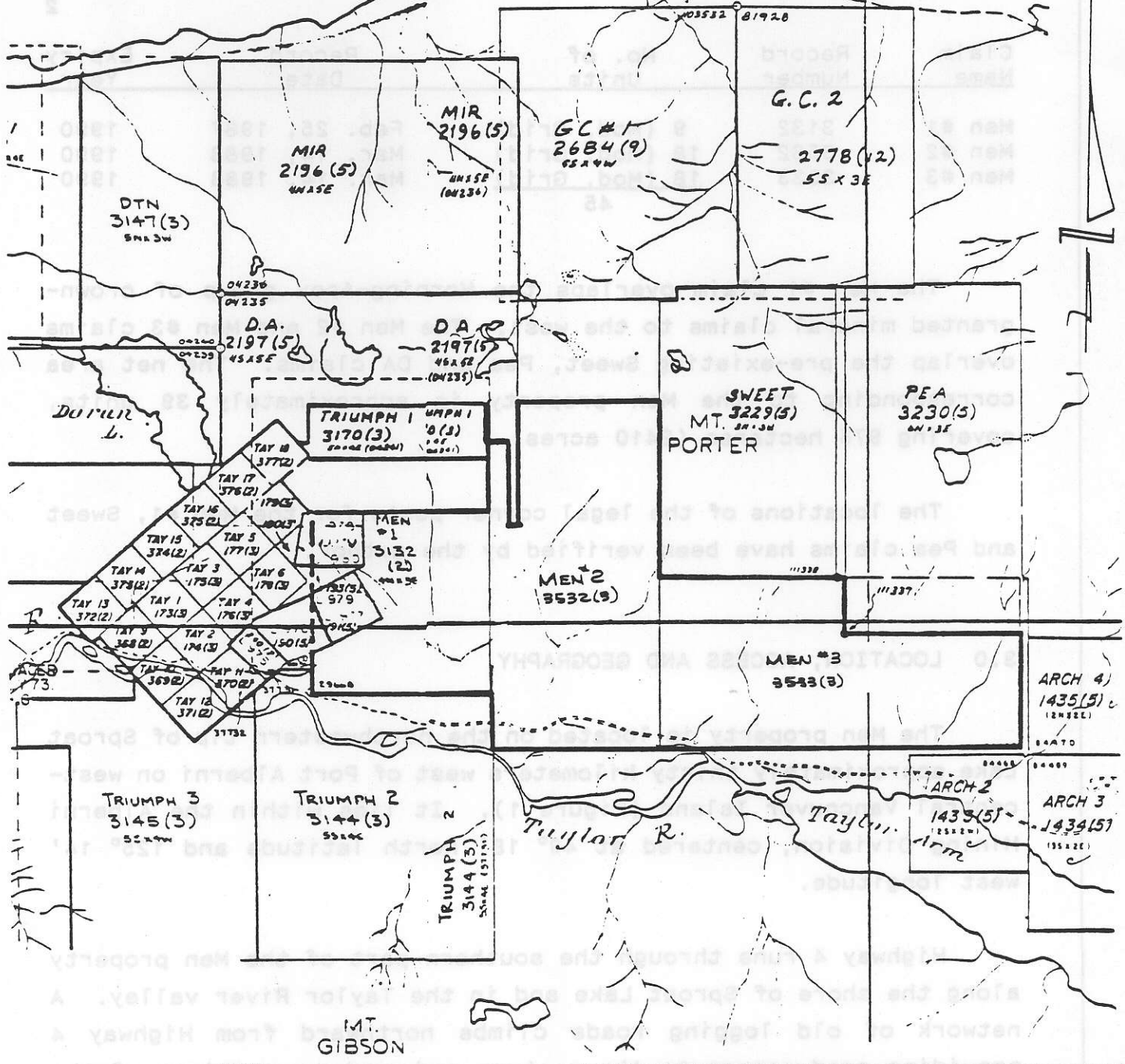
3.0 LOCATION, ACCESS AND GEOGRAPHY

The Men property is located on the northwestern tip of Sproat Lake approximately thirty kilometers west of Port Alberni on west-central Vancouver Island (Figure 1). It lies within the Alberni Mining Division, centered at 49° 18' north latitude and 125° 14' west longitude.

Highway 4 runs through the southern part of the Men property along the shore of Sproat Lake and in the Taylor River valley. A network of old logging roads climbs northward from Highway 4 providing good access to the eastern and western portions of the claim group. Helicopter service based in Port Alberni provides access to the more inaccessible parts of the property.

The Men claims cover the southern flank of Mount Porter along the northern shore of Sproat Lake. Topography is moderate to rugged with elevations ranging from 28 meters above sea level on

FLOODING RESERVE
 500' CONTOUR MIN. & PLNGER
 M.S. 2817, 6. DEC. 85
 NO STAKING



GAZELLE RESOURCES LIMITED			
Men Property			
ALBERNI MINING DIVISION N.T.S. 92F/3W, F/6			
EQUITY ENGINEERING LTD.			
DRAW J.J.E.	PROJECT SMR88-01	DATE Sept., 1989	FIGURE 2

Sproat Lake to over 1200 meters near the summit of Mount Porter. Outcrop exposure is excellent throughout.

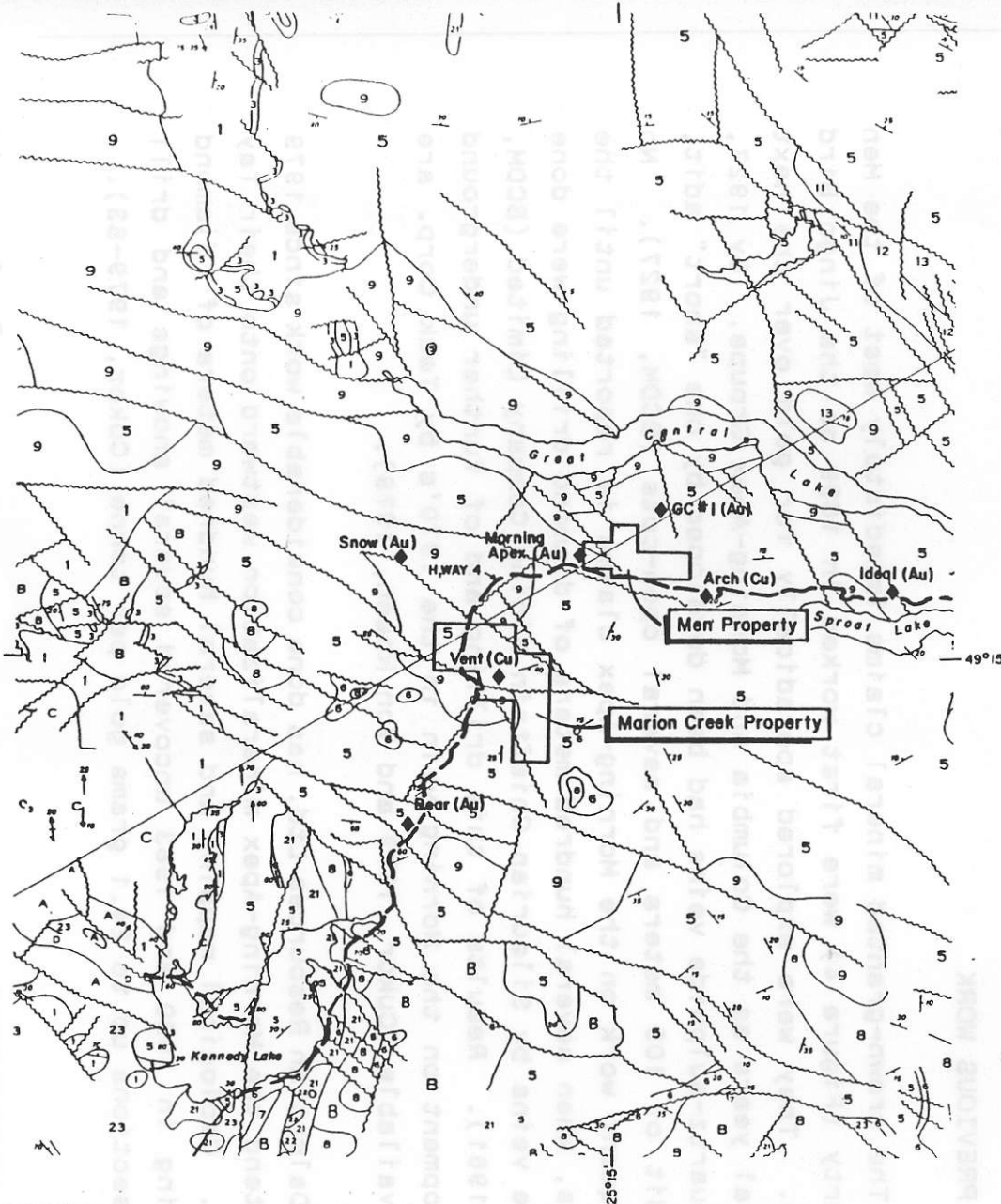
Mature forest covers most of the property with hemlock, red cedar, fir and a moderate undergrowth of salal, huckleberry and salmonberry. Lower elevations were logged more than twenty years ago and are covered by dense second-growth timber.

The Sproat Lake area receives approximately 500 centimeters of precipitation annually in a moderate climate, with cool temperatures year-round. Heavy snowfalls occur at higher elevations.

4.0 PREVIOUS WORK

The crown-granted mineral claims immediately west of the Men property (Figure 4) were first worked in 1899 as the Jingo Bird Group. They were explored sporadically for gold over the next several years as the Columbia and Morning-Apex Groups. By 1927, two quartz-sulphide veins had been developed by one "short" adit, an adit of 105 meters and several open-cuts (BCDM, 1927). No subsequent work on the Morning-Apex claims is reported until the 1960's, when several hundred meters of diamond drilling were done on the veins by Silurian Chieftain Mining Company Limited (BCDM, 1960-1961). Results of this drilling and of further underground development on the Morning vein in the 1970's by Teck Corp. are not available (Cukor, 1979 and Von Rosen, 1979).

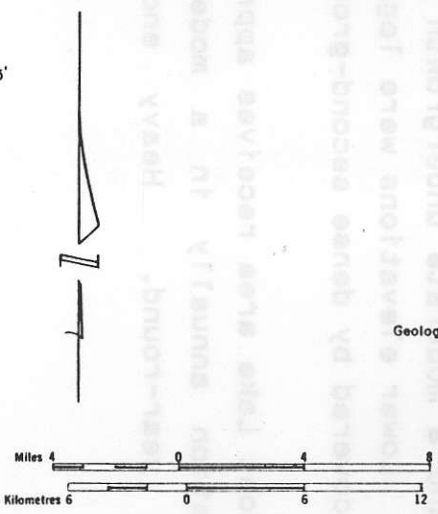
Dalmatian Resources Ltd. has done considerable work since 1979 to extend the Morning-Apex mineralization westward onto their Tay group. Geological mapping and several hundred meters of diamond drilling in 1980 and 1983 uncovered several showings and drill intersections up to 24.1 grams gold per tonne (Cukor, 1979-83).



LEGEND

- 'WESTCOAST CRYSTALLINE COMPLEX' (A-D)
'BASIC ROCKS'
 - D Gabbro, peridotite
 - 'TOFINO MLET PLUTON'
 - C Hornblende-biotite quartz diorite, granodiorite
 - 'WESTCOAST DIORITES'
 - B Hybrid hornblende diorite, quartz diorite, gabbro; includes masses of hornfelsic volcanic rocks
 - 'WESTCOAST GNEISS COMPLEX'
 - A Hornblende-plagioclase gneiss, amphibolite, hornfels
- Geological boundary (approximate)
 Bedding (inclined, vertical, overturned)
 Schistosity (inclined)
 Schistosity, foliation and minor fold axes (inclined, vertical, arrow indicates plunge)
 Lineation (axes of minor folds)
 Fault (approximate); lineament
- Mineral Occurrence ◆

- QUATERNARY
PLEISTOCENE AND RECENT
- 23 Glacial and alluvial deposits
- TERTIARY
- 22 Rhyolite, la. dacitic tuff, breccia, lignite
- 21 Hornblende quartz diorite, leuc quartz monzonite, porphyritic dacite, breccia
- UPPER CRETACEOUS
- 13 EXTENSION-PROTECTION FORMATION: sandstone, conglomerate, shale, coal
- 12 HASLAM FORMATION: shale, siltstone, fine sandstone
- 11 COMOX FORMATION: sandstone, conglomerate, shale, coal: 11a is BENSON MEMBER: mainly coarse conglomerate
- JURASSIC
MIDDLE TO UPPER JURASSIC
- 9 ISLAND INTRUSIONS: biotite-hornblende granodiorite, quartz diorite
- TRIASSIC AND JURASSIC
LOWER JURASSIC (?)
- VANCOUVER GROUP (5-8)
BONANZA SUBGROUP (7, 8)
- 8 VOLCANIC DIVISION: andesite to latite breccia, tuff and lava; minor greywacke, argillite and siltstone
- UPPER TRIASSIC
- 6 QUATSDO FORMATION: limestone, mainly massive to thick bedded, minor thin bedded limestone
- UPPER TRIASSIC AND OLDER
- 5 KARNUTSEN FORMATION: pillow-basalt and pillow-breccia, massive basalt flows; minor tuff volcanic breccia, Jasperoid tuff, breccia and conglomerate at base
- TRIASSIC OR PERMIAN
- 4 Gabbro, peridotite, diabase
- PENNSYLVANIAN, PERMIAN AND OLDER
LOWER PERMIAN
- SECKER GROUP (1-3)
- 3 BUTTE LAKE FORMATION: limestone, chert
- PENNSYLVANIAN AND OLDER
- 1 Volcanic breccia, tuff, argillite; greenstone, greenschist; dykes and sills of andesite-porphry



Geology after Muller & Carson (1969)

GAZELLE RESOURCES LIMITED

REGIONAL GEOLOGY

ALBERNI MINING DIVISION
NTS. 92F/3W, F/6

EQUITY ENGINEERING LTD.

DRAWN J.J.E.	PROJECT SMR88-01	DATE Sept, 1989	FIGURE 3
-----------------	---------------------	--------------------	-------------

Several copper showings in the Sproat Lake - Kennedy River area were explored in the 1960's and 1970's by geological mapping, geochemistry, geophysics and diamond drilling. One of these, the Arch showing, lies 200 meters south of the eastern boundary of the Men #3 claim. Several X-ray diamond drill holes were apparently drilled before 1972, but no reliable information is available for them. Soil geochemistry and geological mapping in 1972 (Singhai, 1972) were followed by 200 meters of diamond drilling (Sookochoff, 1974). The best drill intersection reported from this program was 8.4 meters averaging 0.52% Cu (Verley, 1983). The property was remapped and sampled by Lear Oil and Gas Corporation in 1983 (Verley, 1983), before lapsing once more.

Since the early 1980's, interest in the Sproat Lake area has been renewed by gold discoveries on the Ideal, G.C. #1 and Snow properties, by the extension of the Morning-Apex mineralization westward onto the Tay property and by the re-evaluation of several former producers and gold prospects clustered around the Bear property in the Kennedy River camp (Figure 3).

Limited geological mapping and prospecting were carried out over the Men #1 claim in early 1988, leading to the discovery of three gold-bearing quartz-pyrite veins (Sayer, 1988). Later that year, some hand trenching was completed on the Men property to fulfil assessment work requirements, but no samples were submitted for assay (Paterson, pers. com.). These trench locations have not been examined by the author, but apparently did not test any of the known mineral occurrences.

5.0 REGIONAL GEOLOGY

The Sproat Lake district lies within the Insular Tectonic Belt of the Canadian Cordillera. Thick northwesterly trending sequences

of Upper Triassic Karmutsen Formation oceanic basalts have been intruded by dioritic batholiths of the Lower Jurassic Island Intrusions, with attendant low-grade regional metamorphism (Figure 3).

The Karmutsen Formation consists of up to 6,000 meters of basaltic pillow lavas, pillow breccias, lava flows and basaltic pyroclastics with some intervolcanic sediments (Unit 5). Locally, the Karmutsen Formation is overlain by erosional remnants of Upper Triassic Quatsino Formation crystalline limestone (Unit 6) and Lower Jurassic Bonanza Group volcanic flows and pyroclastics (Unit 8).

Lower Jurassic Island Intrusion batholiths (Unit 9) are generally moderately-grained quartz diorites to granodiorites and may be cogenetic with the Bonanza volcanics (Muller, 1977). In the Sproat Lake - Kennedy River area, the Island Intrusions exhibit both intrusive and fault contacts with the older Karmutsen Formation basalts (Muller and Carson, 1968). One of these batholiths extends along the southern shore of Great Central Lake a few kilometers north of the Men property.

The Karmutsen basalts are relatively flat-lying, occupying large open folds which trend northwesterly. All rock units are disrupted and offset by numerous northwesterly and northeasterly faults of unmeasured displacement.

The Sproat Lake - Kennedy River area hosts a number of important gold occurrences (Figure 3). All are quartz-sulphide veins hosted by Karmutsen volcanics near intrusive contacts with the Island Intrusions. This suggests a genetical relationship between gold mineralization and intrusive emplacement. The Apex-Morning property, which adjoins the Men property to the west, has several parallel quartz veins which trend northeasterly and dip

steeply to the northwest. These structures may be conjugate shears related to the northwesterly trending Doran Lake Fault (Figure 4). Gold occurs with heavy pyrite and pyrrhotite, and with lesser galena, sphalerite and chalcopyrite mineralization. The Morning Vein varies from 0.3 to 1.8 meters in width with a reported average grade of 10 grams gold per tonne (BCDM, 1932). It has been explored underground along seventy-five meters of strike length. A second vein occurs nearby:

"About 200 feet west of the [Morning] tunnel another vein similar in every way has been opened up by an open-cut and short tunnel. Good gold values are reported in the heavy sulphides in this vein" (BCDM, 1932).

The Apex Vein, located approximately 800 meters north of the Morning Vein and parallel to it, has reported grades averaging 5.0 grams gold per tonne across 1.95 meters in surface trenches, and 3.9 grams gold per tonne across a true width of 2.4 meters in drill core (Von Rosen, 1979).

A quartz stockwork hosted by carbonate-altered Karmutsen volcanics has recently been discovered on the GC #1 claim approximately 1300 meters north of the Men #2 claim. Massive pyrite containing lesser chalcopyrite within the quartz stockwork assays up to 17.1 grams gold per tonne with 0.34% Cu and 0.23% As (Bilquist, 1987).

The Arch copper showings, located 200 meters south of the eastern boundary of the Men #3 claim, occur in two forms within the Karmutsen Formation volcanics. Chalcopyrite and bornite occur with quartz and calcite in the interstices between pillows in the areally restricted Zone A. Verley (1983) reports a grab sample grading 9.6% Cu with no significant gold or silver. Fractures and quartz stringers within a "chert" bed, which may in fact be intensely silicified argillite, contain pyrite and chalcopyrite in Zones B and C. Again, no significant gold or silver is reported

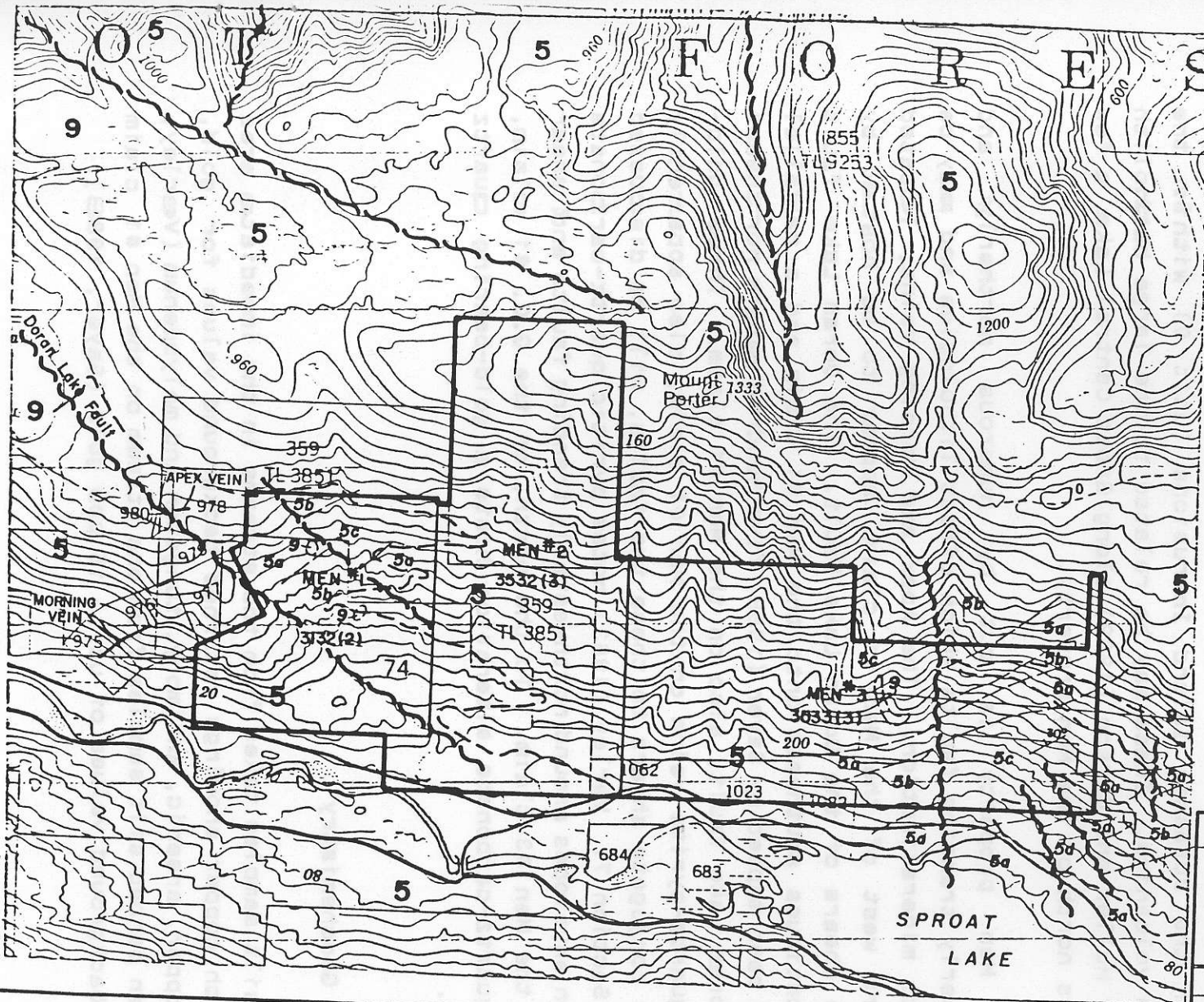
with copper mineralization which assays up to 1.34% Cu across 1.1 meters (Verley, 1983).

6.0 PROPERTY GEOLOGY AND GEOCHEMISTRY

6.1 Geology

Geological mapping over portions of the Men property (Figure 4) has been conducted by Sayer (1988) in the west and Verley (1983) to the southeast. Reconnaissance mapping by Caulfield and Awmack (1989) confirms Verley's work on the northern portion of the Men #3 claim. Regional mapping has been conducted at a scale of 1:250,000 by Muller and Carson (1969) and Muller (1977).

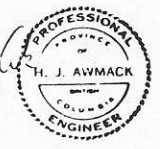
The Men property is almost entirely underlain by Karmutsen Formation volcanics (Unit 5). Verley (1983) subdivided the Karmutsen into four lithologies on the eastern part of the Men claims. Dark green, aphanitic, massive basaltic flows (Unit 5a) average one meter in thickness and form sequences roughly 150 meters thick, capped by thin lenses of intervolcanic limestone and siltstone which strike northeasterly and dip 14 - 41° to the northwest. Green, amygdaloidal and porphyritic pillow basalts (Unit 5b) form sequences in excess of 200 meters in thickness which pinch out laterally into massive flows. A thick unit of basaltic matrix-supported agglomerate (Unit 5c) is sandwiched between two pillow basalt/massive volcanic packages on the eastern part of the Men #3 claim. A chert bed (Unit 5d) from one to twelve meters in thickness, mineralized with pyrite and chalcopyrite along fractures and in quartz stringers, hosts the B and C zones of the Arch copper showing 200 meters south of the Men #3 claim. This "chert" may be an intensely silicified intervolcanic argillite bed (Verley, 1983). Units corresponding closely to Verley's massive flows, pillow basalts and basaltic pyroclastics have been described by Sayer



LEGEND

- JURASSIC**
- 9 Island Intrusions: granodiorite, quartz diorite
- UPPER TRIASSIC**
- 5 Karmutsen Formation (undifferentiated)
 - 5a Massive Basalt Flows
 - 5b Pillow Basalt
 - 5c Basalt Pyroclastics
 - 5d Chert
- FAULT
- - - CONTACT (Inferred, Defined)
- VEIN
- 30° BEDDING

Geology after Varley (1983), Sayer (1988) and Muller & Carson (1969)



GAZELLE RESOURCES LIMITED			
MEN Property			
GEOLOGY			
ALBERNI MINING DIVISION N.T.S. 92F/3W, F/6			
EQUITY ENGINEERING LTD.			
DWN. BY J.J.E.	PROJECT SMR88-01	DATE Sept, 1989	FIGURE 4

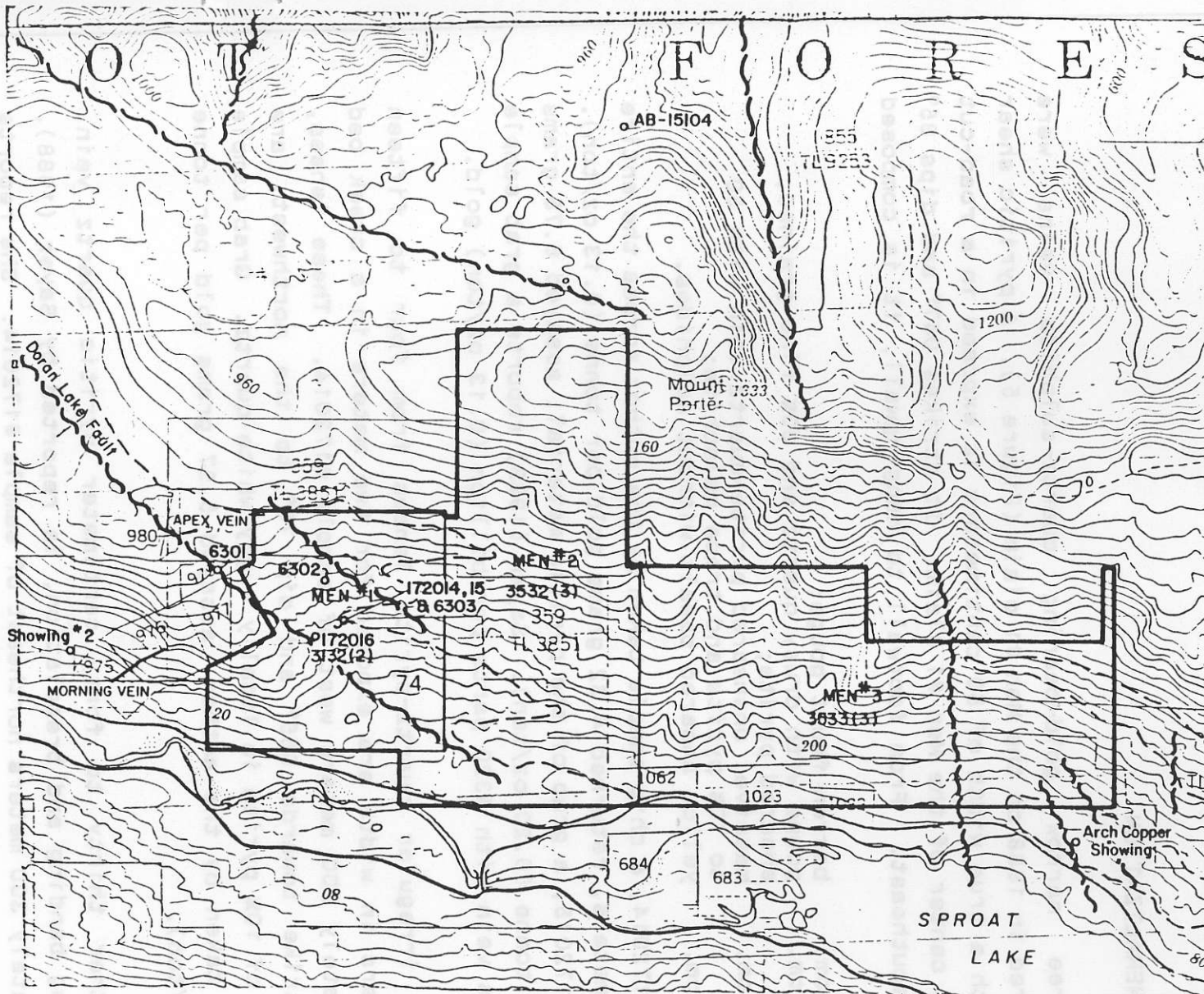
(1988) on the Men #1 claim, and can probably be traced across the entire Men property (Figure 4).

Both Verley and Sayer mapped dioritic dikes and irregular masses of the Jurassic Island Intrusions (Unit 9) within the Karmutsen volcanics. These may be related to the large batholith mapped by Muller and Carson (1969) along Great Central Lake a few kilometers north of the Men property.

The Men property is cut by numerous northerly and northwesterly trending faults which offset lithologies and may be related to mineralization. The Apex and Morning Veins, located 400 meters west of the Men #1 claim, appear to be hosted by conjugate shears of the Doran Lake Fault. The Doran Lake fault itself continues southeast onto the Men #1 claim and a parallel fault has been mapped by Sayer (1988) five hundred meters northeast of the Doran Lake fault, also on the Men #1 claim. Three gold-bearing quartz-pyrite veins on the Men #1 claim, also apparently hosted by conjugate shears to these two faults, will be discussed below in Section 7. Verley (1983) notes pyritic quartz-carbonate alteration envelopes around northwesterly trending faults and shear zones on the Men #3 claim. To the north, on the G.C. #1 claim, similar quartz-carbonate alteration hosts a gold-bearing quartz stockwork.

6.2 Geochemistry

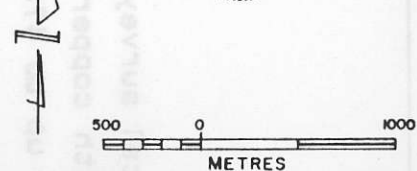
Six silt samples taken from the streams in the immediate area of the Arch copper showings returned background values for gold, silver, copper, arsenic, antimony, tungsten and molybdenum (Verley, 1983). Ten panned silt samples from one stream on the Men #1 claim returned background values of up to 15 ppb gold (Sayer, 1988).



SAMPLE NUMBER	Au (g/t)	Width (m)	REFERENCE
AB-15104	17.1	Grab	Blquist, 1986
Showing 2	7.7	Grab	Cukor, 1979
6301	4.67	0.10	Sayer, 1988
6302	2.02	0.30	" "
6303	4.32	0.10	" "
Apex Vein	5.04	1.95	Rosen, 1979
Morning Vein	11.66	Grab	BCDM, 1927
172014	4.32	0.50	Awmack, 1988
172015	6.75	Grab	" "
172016	5.97	Grab	" "
Arch - A Zone	9.6%Cu	Grab	Varley, 1983
- B Zone	0.33%Cu	Grab	" "
- C Zone	1.34%Cu	1.1	" "

LEGEND

~~~~~ FAULT  
 - - - - - VEIN



GAZELLE RESOURCES LIMITED

**MEN Property**  
**GEOCHEMISTRY**

ALBERNI MINING DIVISION  
 NTS 92F/3W, F/6

EQUITY ENGINEERING LTD.

| DWN BY | PROJECT  | DATE        | FIGURE |
|--------|----------|-------------|--------|
| J.J.E. | SMR88-01 | Sept., 1989 | 5      |

A soil geochemical survey was carried out over the Arch copper showings in 1972, with copper analysis only. Results were quite erratic, with values up to 4750 ppm Cu (Singhai, 1972).

## 7.0 MINERALIZATION

Three narrow gold-bearing quartz-sulphide veins were discovered in 1988 on the Men #1 claim (Figure 5). A pyritic shear zone with a true width of 50 centimeters is exposed in a road-cut near the center of the Men #1 claim. It strikes  $047^{\circ}$  and dips  $85^{\circ}$  to the southeast. From footwall to hangingwall, it is composed of:

- 10 cm. barren fault gouge;
- 15 cm. gouge with drusy quartz and 30% fine-grained, sheared pyrite;
- 15 cm. massive, unsheared pyrite-quartz vein with 50 to 70% pyrite and trace malachite;
- 10 cm. yellow sheared basalt without sulphides.

Sample #172014, a chip sample taken by the author across the entire 50 centimeters, returned 4.32 grams gold per tonne (0.13 oz/ton). Sample #172015, a grab of the pyritic material, assayed 6.75 grams gold per tonne (0.20 oz/ton). Sayer (1988) reports a grab sample from this vein with 4320 parts per billion (0.13 oz/ton) gold.

Two irregular quartz-pyrite lenses from four to fifteen centimeters in width are exposed for two meters in a creek bed approximately 200 meters west of sample #172014. These lenses, which strike towards  $055^{\circ}$  and dip  $70^{\circ}$  to the northwest, are composed of 10% pyrite in locally vuggy white quartz. Grab sample #172016, taken by the author, assayed 5.97 grams gold per tonne (0.17 oz/ton).

Another thirty to forty centimeter pyritic quartz vein, exhibiting banding and brecciation, is reported by Sayer (1988), approximately 300 meters northeast of sample #172014. She reports

a grab sample containing 2020 parts per billion (0.06 oz/ton) gold from this vein.

## 8.0 DISCUSSION

Three auriferous pyrite-quartz veins have been discovered on the Men property during the course of limited prospecting and geological mapping. Their northeasterly trend, steep dip and style of mineralization are similar to those of the Apex and Morning veins located immediately to the west of the Men property. All of these veins appear to be hosted by conjugate shears related to two major northwesterly trending faults which cross the Men #1 claim. The limited amount of prospecting carried out to date on the Men property indicates that similar mineralized shear zones, possibly of the significance of the Apex or Morning veins, remain to be discovered.

Quartz-carbonate alteration around northwesterly trending faults has been noted on the eastern part of the Men claim group by Verley (1983). A pyritic quartz stockwork hosted within similar alteration contains up to 17.1 grams gold per tonne on the G. C. #1 claim, 1300 meters north of the Men #2 claim. Again, no exploration for gold has been directed at these quartz-carbonate alteration zones on the Men property.

To date, only very limited geochemical sampling has been conducted over the Men property. Sayer (1888) and Bilquist (1987) note the correlation between high gold, copper and arsenic values in mineralized rock samples, and these may prove valuable geochemical pathfinder elements in the search for precious metals. Soil sampling results are expected to be erratic, due to local glacial till cover.

## 9.0 RECOMMENDATIONS

### 9.1 Program

A two phase exploration program is recommended for the Men property. Advancement to the second phase will proceed only if warranted by favorable results from Phase I.

#### 9.1.1 Phase I

Geological mapping and prospecting should be done over the entire property, using an orthophoto for topographical control. Special attention should be paid to the Men #1 claim, where the three newly-discovered gold showings are located and to quartz-carbonate alteration zones around northwesterly trending faults.

Heavy mineral samples should be taken from each major drainage at about 150 meters elevation and silt samples should be taken from all side drainages and smaller creeks. All samples should be analysed geochemically for gold and 32-element ICP, with special attention paid to anomalous gold, silver, copper and arsenic values.

Soil geochemistry should be conducted over an area of 1000 meters by 1200 meters on the Men #1 claim. Soil lines 100 meters apart should be run perpendicular to a cut 1000-meter baseline trending northeasterly, with samples taken every 25 meters. This orientation cuts across the strike of all known veins and lithology. Samples should be analysed geochemically for gold, silver, arsenic and copper.

The gold-bearing shear zone exposed in the road cut on Men #1 should be traced by trenching along strike to determine its width and grade potential. Other significant veins discovered during the



course of the Phase I exploration program should be trenched as well.

### 9.1.2. Phase II

Contingent upon favorable results from the first phase, the second phase of exploration will consist of further trenching and diamond drilling of the best mineralized zones.

## 9.2 Budget

### 9.2.1 Phase I

#### WAGES

|                         |    |              |
|-------------------------|----|--------------|
| Project Geologist       |    |              |
| 20 days @ \$350/day     | \$ | 7,000        |
| Prospector              |    |              |
| 20 days @ \$250/day     |    | 5,000        |
| Samplers                |    |              |
| 2 @ 20 days @ \$175/day |    | <u>7,000</u> |
|                         | \$ | 19,000       |

#### CHEMICAL ANALYSES

|                                 |    |            |
|---------------------------------|----|------------|
| Pan Concentrate Stream Sediment |    |            |
| 8 @ \$17.75                     | \$ | 142        |
| Silt                            |    |            |
| 40 @ \$14.75                    |    | 590        |
| Soil                            |    |            |
| 560 @ \$19.00                   |    | 10,640     |
| Rock Geochemical                |    |            |
| 140 @ \$17.50                   |    | 2,450      |
| Assay                           |    |            |
| 25 @ \$20.00                    |    | <u>500</u> |
|                                 |    | 14,322     |

ORTHOPHOTO 2,500

#### MATERIALS AND SUPPLIES

|                      |  |            |
|----------------------|--|------------|
| Geochemical Supplies |  | 100        |
| Explosives           |  | 500        |
| Expendables          |  | <u>250</u> |
|                      |  | 850        |

**SUPPORT**

|                       |            |
|-----------------------|------------|
| Communications        | 100        |
| Room and Board        |            |
| 80 mandays @ \$50/day | 4,000      |
| Helicopter and Travel | 2,500      |
| Truck Rental          |            |
| 20 days @ \$60/day    | 1,200      |
| Automotive            | 500        |
| Freight               | <u>300</u> |

8,600

**REPORT PREPARATION**5,000

\$ 50,272

**CONTINGENCY @ 10%**5,027

\$ 55,299

**MANAGEMENT FEE**

15% on expenses only

4,691

\$ 59,990

=====

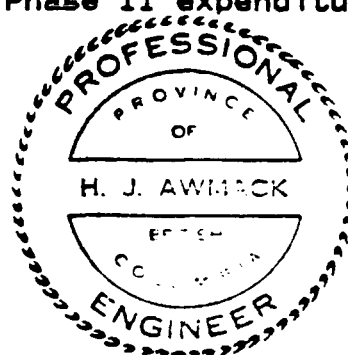
The recommended Phase I exploration program will cost approximately \$60,000 to implement.

**9.2.2 Phase II**

The second phase budget will depend upon the results of the Phase I exploration program. However, an additional \$40,000 should be made available to cover Phase II expenditures.

Respectfully submitted,  
EQUITY ENGINEERING LTD.

  
Henry J. Awmack, P.Eng.



Vancouver, British Columbia  
September, 1989

**APPENDIX A**

**BIBLIOGRAPHY**

## BIBLIOGRAPHY

- Bilquist, R.J. (1986): GC #1 Prospecting Report; British Columbia Ministry of Mines, Energy and Petroleum Resources Assessment Report No. 15,354.
- British Columbia Department of Mines: Annual Reports for 1816, 1922, 1923, 1927, 1960 and 1961.
- British Columbia Department of Mines (1932): Lode Gold Deposits of British Columbia; BCDM Bulletin #1, p. 133.
- Caulfield, D.A. and H.J. Awmack (1989): 1988 Summary Report on the Sweet and Pea Claims; Report submitted for assessment credits to the British Columbia Ministry of Mines, Energy and Petroleum Resources.
- Cukor, Victor (1979): Tay Group; British Columbia Ministry of Mines, Energy and Petroleum Resources Assessment Report No. 7,191.
- Cukor, Victor (1980): Tay Group; British Columbia Ministry of Mines, Energy and Petroleum Resources Assessment Report No. 9,596.
- Cukor, Victor (1983): Tay Group - 1983 Diamond Drilling Program; British Columbia Ministry of Mines, Energy and Petroleum Resources Assessment Report No. 11,726.
- Muller, J.E. (1977): Geology of Vancouver Island (East Half); GSC Open File 463.
- Muller, J.E. and D.J.T. Carson (1969): Geology and Mineral Deposits of Alberni Map-Area, B.C.; Geological Survey of Canada Paper 68-50.
- Sayer, C. (1988): Prospecting Report on the Men #1 Claim; Report submitted for assessment credit to the British Columbia Ministry of Mines, Energy and Petroleum Resources.
- Singhai, G.C. (1972): Report on Sproat Lake Copper Group; British Columbia Ministry of Mines, Energy and Petroleum Resources Assessment Report No. 3957.
- Sookchoff, L. (1974): Data on the Diamond Drilling Programme for Rich Mill Mines Ltd. (NPL) on the Sproat Lake Property; British Columbia Ministry of Mines, Energy and Petroleum Resources Assessment Report No. 4982.
- Verley, C.G. (1983): Geological and Geochemical Report on the Arch Mineral Claims; British Columbia Ministry of Mines, Energy and Petroleum Resources Assessment Report No. 11,284.

Von Rosen, G.E.A. (1979): Geophysical Report on Apex-Morning Group; British Columbia Ministry of Mines, Energy and Petroleum Resources Assessment Report No. 7,260.

APPENDIX B

CERTIFICATES OF ANALYSIS



# Chemex Labs Ltd.

Analytical Chemists • Geochemists • Registered Assayers  
111 BROOKSBANK AVE. NORTH VANCOUVER,  
BRITISH COLUMBIA, CANADA V7J-3C1  
PHONE (604) 984-0221

To: EQUITY ENGINEERING LTD.

406 - 673 W. HASTINGS ST.  
VANCOUVER, BC  
V6B 1N2

Project :

Comments: CC: SNOW MOUNTAIN RESOURCES

Page No. : 1  
Tot. Pages: 1  
Date : 7-AUG-88  
Invoice # : I-8811930  
P.O. # : SMR88-01

## CERTIFICATE OF ANALYSIS A8811930

| SAMPLE DESCRIPTION | PREP CODE | Cu % | Mb % | Pb % | Zn % | Ag g/tonne | Au g/tonne |  |  |  |  |
|--------------------|-----------|------|------|------|------|------------|------------|--|--|--|--|
| 172014             | 207       | ---  | ---  | ---  | ---  | 11.5       | 4.32       |  |  |  |  |
| 172015             | 207       | ---  | ---  | ---  | ---  | 15.0       | 6.75       |  |  |  |  |
| 172016             | 207       | ---  | ---  | ---  | ---  | 1.5        | 5.97       |  |  |  |  |

ALL ASSAY DETERMINATIONS ARE PERFORMED OR SUPERVISED BY B.C. CERTIFIED ASSAYERS

CERTIFICATION :

*W. Don Macmillan*

APPENDIX C

ENGINEER'S CERTIFICATE



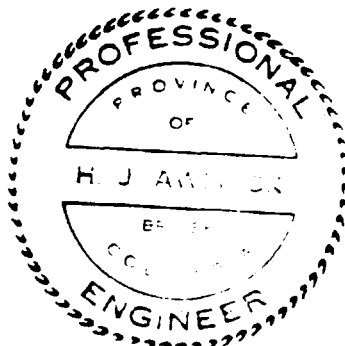
ENGINEER'S CERTIFICATE

I, HENRY J. AWMAK, of 12-1346 Nelson Street, Vancouver, in the Province of British Columbia, DO HEREBY CERTIFY:

1. THAT I am a Consulting Geological Engineer with offices at Suite 207, 675 West Hastings Street, Vancouver, British Columbia.
2. THAT I am a graduate of the University of British Columbia with an honors degree in Geological Engineering.
3. THAT I am a member in good standing of the Association of Professional Engineers of British Columbia.
4. THAT this report is based on property examinations in May 1987 and February 1988, on government publications and on assessment reports filed with the Province of British Columbia.
5. THAT I have no interest, nor do I expect to acquire any interest in the property or securities of Gazelle Resources Limited or any of its affiliates.
6. THAT I consent to the use by Gazelle Resources Limited of this report in a Prospectus, Statement of Material Facts or any other such document as may be required by the Vancouver Stock Exchange or the Office of the Superintendent of Brokers.

DATED at Vancouver, British Columbia, this 15<sup>th</sup> day of September, 1989.

  
Henry J. Awmack, P.Eng.



**CERTIFICATE OF THE DIRECTORS AND PROMOTERS OF THE ISSUER**

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

DATED: AUGUST 27, 1990

*(signed)* EVAN SLEEMAN  
Chief Executive Officer, President, Director and Promoter

*(signed)* ROBERT T. PATERSON  
Chief Financial Officer, Director and Promoter

*(signed)* K. WARREN GEIGER  
Director

**CERTIFICATE OF THE AGENT**

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 the Statement of Material Facts as required by the Securities Act and its regulations.

DATED: AUGUST 27, 1990

**YORKTON CONTINENTAL SECURITIES INC.**

**GEORGIA PACIFIC SECURITIES CORPORATION**

Per:  
*(signed)* D.A. Risling

Per:  
*(signed)* K.C. Kam    *(signed)* R. Brian Ashton