

NUSPAR RESOURCES LTD.

305 - 535 Thurlow Street
Vancouver, B.C. V6E 3L2

Telephone: (604) 687-7981
Telex: 04-54473

March 9, 1984.

REPORT TO SHAREHOLDERS/NEWS RELEASE

A Meeting of the Directors of Nuspar Resources Ltd. was held recently in Vancouver, B.C. to consider a number of matters relating to the Company's participation with Triangle Ventures Ltd. in the Sombrio Point Property, Vancouver Island. The Meeting commenced on Friday, February 24, 1984 and after an adjournment, was reconvened and concluded on Tuesday, February 28, 1984.

Sam Aikins, Alex Burton, Robert Card and John White, being all of the Company's Directors, were present at the meeting. Mr. C.A. Chapman, who was appointed an additional Director on February 8, 1984, had resigned on February 21, prior to the meeting.

At the Directors' Meeting, Mr. Aikins advised the Board that he was prepared to tender his resignation as he had previously indicated at a Press Conference held in Victoria, B.C. on February 16, 1984. Mr. Aikins' offer to resign was, however, not accepted by the Board of Directors. Accordingly, and at the request of the Board, Mr. Aikins will continue as a Director and the President of Nuspar Resources Ltd. and the Management of the Company remains unchanged.

The Directors' Meeting received and considered a Report entitled "Appraisal of the Sombrio Point Placer Property for Nuspar Resources Ltd." by J.R. Woodcock, P.Eng. dated February 23, 1984. This Report had been commissioned by Mr. Aikins as President of the Company in January of 1984 to review previous work carried out on the property and previous reports issued by Reimchen Ulrich Geological Engineering, and to carry out a systematic sampling program on the property. Mr. Woodcock was retained as an independent consultant to provide information which would assist Nuspar in making a decision as to whether to advance additional funds for the second phase of an exploration program on the Sombrio property, pursuant to the Option Agreement dated 21 September 1983 between the Company and Triangle Ventures Ltd. Under

.../2

this Option Agreement Nuspar was required to make the election to maintain the option or allow it to terminate, not later than 2:30 p.m. on Friday, February 17, 1984.

At the Directors' Meeting Mr. Woodcock's Report was received as presented. The Directors also resolved that a copy of the Report be provided to the Vancouver Stock Exchange and that its contents be made available to the public.

Shareholders are advised that copies of Mr. Woodcock's Report (together with the Triangle Ventures option agreement and other reports and data relating to the property) are available for their inspection at the Company's head office, 305-535 Thurlow Street, Vancouver, B.C. at any time during normal business hours.

In his Report of February 23, 1984, Mr. Woodcock concluded that further expenditures by Nuspar Resources Ltd. on the Sombrio property under the terms of the Option Agreement with Triangle Ventures Ltd. would not be warranted.

The Woodcock Report confirms verbal advice given by Mr. Woodcock based on data available to him on February 16, 1984, which was the basis on which the previously reported decision to terminate the Option Agreement with Triangle Ventures Ltd. was made.

The Directors of Nuspar reviewed the Option Agreement of September 21, 1983 between the Company and Triangle Ventures Ltd. in light of a reported offer apparently made by Triangle to extend the time limit provided for in the Agreement, and consideration was given to all the information available to the Directors, including the Woodcock Report and the Reports of Reimchen Urlich Geological Engineering. On the basis of all the information available to the Company, and having regard to the obligations that would be assumed by Nuspar in proceeding further with the Triangle Ventures Agreement, the Directors resolved that the decision to terminate the option, as announced by Mr. Aikins at the Press Conference held on February 16 in Victoria be ratified, confirmed and approved.

While the Directors concluded that it would not be in the best interests of the Company to advance additional funding for the Sombrio property under the original agreement with Triangle Ventures Ltd., it was at the same time agreed that if possible, the Company could maintain an interest in the Sombrio property on a basis that would not impose further commitments on the Company's behalf and that would be

acceptable both to the Company and to the Vancouver Stock Exchange. In particular, it was proposed that an approach be made to Triangle Ventures Ltd. to enter into a new agreement with respect to the Sombrio property on the basis that Nuspar would advance additional funds in an amount not to exceed \$140,000 in consideration for a non-assessable carried interest in the Sombrio Point property. The Directors unanimously approved this proposal and Messrs. Aikins and White were authorized and instructed to present this proposal to Triangle Ventures Ltd. and to endeavour to negotiate such an agreement with Triangle Ventures Ltd. It has not been possible, however, to reach a mutually acceptable agreement and accordingly it is confirmed that Nuspar no longer holds any interest in the Sombrio Point property.

It has been suggested that a Shareholders' Meeting be convened in order to review the Triangle Ventures Agreement and the Company's participation in the Sombrio Point property and matters related to the ongoing direction of corporate affairs. The Directors have given some consideration to this but as yet have made no decision as to convening such a Meeting. The Company Act includes provision by which Members of the Company may requisition a Meeting in certain circumstances and the Company would, of course, comply with a proper requisition presented to it.

It was indicated in certain News Reports that Nuspar's bank account had been "frozen" on February 16 following the announcement in Victoria that Nuspar would not renew its option on the Sombrio property. Shareholders should understand that this is not the case and that the Company's bank account is not now and has never been "frozen" in any way. The Company continues to carry on its operations in the ordinary course of business under its present Management.

Trading in the Company's shares will resume on the Vancouver Stock Exchange effective at the opening on Tuesday, March 13, 1984.

NUSPAR RESOURCES LTD.



H.S. Aikins,
President.

This release has been prepared by H.S. Aikins on behalf of the Board of Directors, who accepts responsibility for its content.

The Vancouver Stock Exchange has neither approved nor disapproved the information contained herein.