

The securities offered for sale through this Prospectus may only be lawfully offered for sale 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

FENWAY RESOURCES LTD.

(the "Company")

Second Floor, 6 - 10th Avenue South
Cranbrook, British Columbia
V1C 2M8

The Company by this Prospectus offers to sell 450,000 common shares without par value through registered securities dealers at the price of \$0.40 per share, subject to the payment of a commission of up to \$0.08 per share on a best efforts basis by

OFFERING OF 450,000 COMMON SHARES WITHOUT PAR VALUE

	Price to Public	Commission	Proceeds to Company
PER SHARE	40¢	8¢	32¢
TOTAL	\$180,000	\$36,000	\$144,000

THERE IS NO MARKET FOR THE COMPANY'S SECURITIES

THE SHARES OF THE COMPANY MUST BE CONSIDERED SPECULATIVE SECURITIES AS THE COMPANY'S MINERAL CLAIMS ARE IN THE EXPLORATION AND DEVELOPMENT STAGE AND ARE WITHOUT A KNOWN BODY OF COMMERCIAL ORE. REFERENCE IS MADE TO THE HEADING "RISK FACTORS" ON PAGE 4.

REFER TO THE HEADING "MINIMUM SUBSCRIPTION" ON PAGE 4 FOR PARTICULARS OF THE MINIMUM SUBSCRIPTION TO WHICH THIS ISSUE IS SUBJECT.

If all of the shares offered by this Prospectus are sold to the public, this issue will represent 24.95% of the shares then outstanding as compared to 47.02% which will then be owned by the directors, promoters, officers and controlling persons. REFERENCE SHOULD ALSO BE MADE TO THE HEADING "PRINCIPAL HOLDERS OF SHARES" ON PAGE 12.

NO SURVEY has been made of the company's located mineral claims and, therefore, in accordance with the mining laws of the respective jurisdictions in which such claims are situate, their existence and area could be in doubt.

THIS PROSPECTUS IS DATED THE 15th DAY OF JULY, 1984, AS AMMENDED ON THE 26th DAY OF SEPTEMBER, 1984.

THE EFFECTIVE DATE IS *September 18, 1984.*

Bob Thomas

NAME AND INCORPORATION OF COMPANY

The full name of the Company is FENWAY RESOURCES LTD. Its Registered and Records Office is Second Floor, 6 - 10th Avenue South, Cranbrook, British Columbia. Its head office is at Jorgensen, Beauchamp, 101-1687 West Broadway, Vancouver, British Columbia.

The Company was incorporated on the 12th day of March, 1980 under the Company Act of the Province of British Columbia by memorandum and articles. Upon the acceptance of this Prospectus for filing by the Superintendent of Brokers office and the issue of a receipt therefore, the Company shall be deemed to be a reporting company pursuant to the provisions of the Company Act, R.S.B.C. 1979, Chapter 59.

PLAN OF DISTRIBUTION

The Company, by this Prospectus, will offer to sell its shares through persons or companies registered under the Securities Act of the Province of British Columbia, and will pay a commission of \$0.08 per share (20%) to such person or companies for each such share sold. The Company reserves the right to accept applications for these shares in whole or in part, and to reject any application and close the subscription book at any time without notice.

SHARE AND LOAN CAPITAL STRUCTURE - PRIOR SALES - ISSUANCE OF SHARES

The authorized capital of the Company is 10,000,000 common shares without par value. There is only one class of shares and all rank equally as to dividends, voting rights and participation in assets. No shares have been issued subject to call or assessment. There are no pre-emptive or conversion rights and no provisions for redemption, purchase or cancellation, surrender or sinking or purchase funds.

Designation	Amount Authorized	Amount Outstanding as of February, 29, 1984	Amount Outstanding as of May 10, 1984	Amount Outstanding on Completion of offering
Common Shares	10,000,000	1,323,437	1,353,437	1,803,437

The Company has sold 603,437 shares for cash to date at the price of \$0.20 per share. Within the last twelve months prior to the date of this Prospectus the Company has sold 328,000 shares for cash at the price of \$0.20 per share. Particulars of the shares are as follows:

	<u>NUMBER OF SHARES</u>	<u>PRICE PER SHARE</u>	<u>NET CASH RECEIVED</u>	<u>COMMISSION PAID</u>
Total	603,437	20¢	\$114,693.40	nil
Within twelve months of prospectus	328,000	20¢	\$65,600.00	nil

USE OF PROCEEDS TO COMPANY

The Company presently has no working capital. The net proceeds to be derived by the Company from the sale of the securities offered hereunder will be \$144,000 which are intended to be used for the following purposes:

- [a] to pay the costs of this Offering 5,000
- [b] reserve for listing fee - Vancouver Stock Exchange 2,125
- [c] to carry out Phase I of the programme recommended for the Forth Steele Mining Division Mineral Claims by W.G. Hainsworth, P.Eng., in his report dated April 11, 1984, a copy of which is attached hereto and forms part of this Prospectus and which program is as follows:

1. Salaries

Geologist	14,400	
Assistants (2)	12,500	
Benefits (10%)	<u>2,200</u>	29,100

2. Machinery & Equipment Rental

Back hoe & operator	8,000	
Vehicle rental or charges	1,200	
EM 16 Unit	<u>1,000</u>	10,200

3. Miscellaneous

Laboratory sample analysis	4,500	
Sample freight	500	
Transportation, lodgings	2,800	
Report preparation, drafting	<u>2,500</u>	10,300
Contingency 10%		<u>4,900</u>
Total Phase I		<u>54,500</u>

1/2 to be paid by Company 27,250

(d) To place the sum of \$22,950 in trust with Guardian Estates & Agencies Ltd. pending a satisfactory engineering report recommending completion of Phase II of the program recommended for the Fort Steele Mining Division Mineral Claims by W.G. Hainsworth, P.Eng. The Phase II Program is as follows:

1. Air track rental	20,000	
2. Sample Analysis & freight	<u>5,000</u>	25,000
3. <u>Fees</u>		
Management	12,000	
Professional 12 days @ \$400/day	<u>4,800</u>	16,800
Contingency 10%		<u>4,100</u>
Total Phase II		<u>45,900</u>

1/2 to be paid by Company 22,950

[e] to payment of \$30,000 owing to Magstone Development Inc. for research and development work on developing Mica and related industrial minerals pursuant to a contract with Magstone Development Inc. dated September 16, 1983.		30,000
[f] to provide for payment of current liabilities		11,000
[g] to provide for general and corporate purposes for approximately 1 year		<u>\$45,675</u>
Total		<u>\$144,000</u>

The proceeds from the sale of shares offered by this Prospectus.. are intended to be used for the purposes set out above and in carrying out the above programs of work and the Company will not discontinue or depart from the recommended programs 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 and if the shares offered by this Prospectus are still in the course of primary distribution to the public, an amendment to this prospectus will be filed.

MINIMUM SUBSCRIPTION

The shares offered by this Prospectus will be sold pursuant to this Prospectus in British Columbia or in any other jurisdiction which the shares have been qualified for sale. The proceeds from the sale of the shares offered and sold hereunder will be deposited with and held in trust by Guardian Estates and Agencies Ltd., the Company's registrar and transfer agent, until the Company has received, after providing for commissions payable, the sum of \$144,000.00 and the Superintendent of Brokers has consented to the release of the funds. If the minimum amount of \$144,000.00 is not raised within 180 days from the date of acceptance for filing of this prospectus, then all subscriptions for shares held by Guardian Estates and Agencies Ltd. shall be returned to the subscribers in full. If the minimum amount is raised within the required period, \$2,155.00 will be held in trust by Guardian Estates and Agencies Ltd. for the purpose of paying the fees to apply for the listing of the shares of the Company on the Vancouver Stock Exchange. No part of the proceeds shall be used to invest, underwrite, or trade in securities other than those that qualify as investments in which trust funds may be invested under the laws of the jurisdictions in which the securities offered by this Prospectus may lawfully be 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 shareholders of the Company must first be obtained and notice of the intention filed with the regulatory securities bodies having jurisdiction over the sale of the securities offered by this Prospectus.

DESCRIPTION OF BUSINESS AND PROPERTY OF THE COMPANY - RISK FACTORS

The Company is engaged in the business of exploration and development of properties that possibly contain mineral bearing ore in particular gold and mica. The Company holds the mineral properties or interests herein described and intends to explore and develop these properties.

The Company holds interests in two separate sets of mineral properties situated in the Fort Steele and Cariboo Mining Divisions of British Columbia.

1. Fort Steele Mineral Claims and Placer Leases

The Company is the recorded owner of a one-half interest in the following mineral claims and the recorded owner of a one-half interest in a ten year lease of the following placer leases all situate in the Fort Steele Mining Division of the Province of British Columbia:

<u>NAME OF CLAIM</u>	<u>RECORD NO.</u>
Weaver #1	2076
Weaver #2	1411
Weaver #3	1412
Weaver #4	1413
Weaver #5	1414
Weaver #7	1456
Weaver #8	1457

(the "Kennelly Mineral Claims")

Ken #1	1144
Ken #2	1145
Ken #3	1146
Ken #4	1147
Ken #5	1148
Ken #6	1149
Ken #7	1150
Ken #8	1151
Prospectors Dream	581
Old Abe	582
Ben D'Or	583

(the "Frost Mineral Claims")

Placer Lease No. 2930
Placer Lease No. 1082

(the "Hill Placer Leases")
(collectively, the "Fort Steele Properties")

A one-half interest in the Frost Mineral Claims was acquired by the Company from William Inverarity of 201 - 6060 Balsam Street, Vancouver, British Columbia in consideration for the sum of \$1.00 pursuant to an agreement dated for reference September 16, 1983. William Inverarity is the President and a Director of the Company. The one-half interest in the Frost Mineral Claims which was acquired by the Company is a one-half interest in an option to acquire the Frost Mineral Claims free and clear of all charges. In order to exercise the option payments of \$2,500 on or before October 1, 1983, \$5,000 on or before October 1, 1984, \$5,000 on or before October 1, 1985 and \$10,000 on or before October 1, 1986 must be made to the vendor, Edward Joseph Frost ("Frost"). The October 1, 1983, payment has been made. In addition Edward Joseph Frost is to be paid a royalty of 5% of gross revenues up to a total of \$200,000. The responsibility

for making these payments is divided between the Company and a partnership carrying on business under the name Calgary Exploration Partners, as described below on page 8.

A one-half interest in the Kennelly Mineral Claims was acquired by the Company from William Inverarity in consideration of the sum of \$1.00 pursuant to an agreement dated September 16, 1983. The one-half interest acquired by the Company is a one-half interest in an option to acquire the Kennelly Mineral Claims free and clear of all charges and encumbrances. William Inverarity acquired the option from James Kennelly in consideration for 150,000 common shares of the Company to be transferred to James Kennelly if and when 150,000 shares of the Company owned by William Inverarity currently held in escrow by Guardian Estates & Agencies Ltd. are released from escrow. In addition, James Kennelly is to be paid a royalty of 10% of gross revenues received from the sale of ore from the property to a total royalty of \$500,000. The option is exercisable at any time up until December 31, 1990.

On January 31, 1984 the Company was informed by the Cranbrook Mining Recorder that the Weaver #1 Mineral Claim, record number 1410, was not in good standing because the Mineral Resources Branch had erred in recording a complete year's recording work, instead of the half-year which should have been recorded. That claim was restaked and recorded in the Fort Steele Mining Division on February 17, 1984, under record number 2076, in the name of William Inverarity. William Inverarity transferred one-half of his interest in the claim to the Company in consideration of the sum of \$1.00 pursuant to an agreement dated February 29, 1984.

A one-half interest in the Hill Placer Leases was acquired by the Company from William Inverarity of 201-6060 Balsam Street, Vancouver, British Columbia, in consideration for the sum of \$1.00, pursuant to an agreement dated for reference September 16, 1983. The interest acquired by the Company was a one-half interest in a ten year lease of the Hill Placer Leases from James Valance Hill and Ruby Alger Hill to William Inverarity. The consideration payable to James Valance Hill and Ruby Alger Hill is the greater of 20% of net smelter returns if any or 10% of gross smelter returns if any from ore, produced from the Hill Placer Leases.

The Hill Placer Leases are on Weaver Creek approximately 24 kilometers southwest of Cranbrook, British Columbia. Access to the property is by road.

The Hill Placer Leases have been placer mined since approximately 1868. In approximately the 1930s work was done with six shafts dug to a maximum depth of 90 feet.

Since 1969, James Valance Hill has carried on sporadic placer mining activity on the Hill Placer Leases.

William Inverarity has entered into an agreement dated August 15, 1983, with a partnership carrying on business under the name Calgary Exploration Partners whereby Inverarity has agreed to transfer to the Calgary Exploration Partners a 15% interest in the Fort Steele Properties in exchange for \$30,000 worth of mining exploration work to be performed on the Fort Steele Properties and an option to acquire a further 15% interest for a further \$30,000 worth of mining exploration work and an option to acquire a further 20% interest for a further \$40,000 worth of mining exploration work. The Calgary Exploration Partners have to date expended \$83,000 worth of mining exploration work and acquired a 30% interest.

The Calgary Exploration Partners consist of Frank G. Vetsch, A.M. Patterson Geologist Ltd., J.P. Strack, Robert Galeski and John Galeski. The address of Calgary Exploration Partners is c/o Tripet Resources Limited, Attention Frank Vetsch, 401 Fina Building, 736 - 8th Avenue S.W. Calgary, Alberta.

The Company and the Calgary Exploration Partners have entered into an Agreement dated May 1, 1984, under which the Calgary Exploration Partners have agreed to expend a further \$17,000.00 worth of mining exploration work to complete their acquisition of a fifty per cent interest in the Fort Steele Properties. The Company is required by that agreement to pay the \$5,000.00 option payment to Frost on or before October 1, 1984, pursuant to the Agreement as described above on page 6. The Company and the Calgary Exploration Partners will each pay one-half of the \$5,000.00 payment to Frost on or before October 1, 1985, and the \$10,000.00 to Frost on or before October 1, 1986 unless they agree to allow the option to lapse. The Agreement between the Company and Calgary Exploration Partners also provides that they will equally divide the total cost of \$100,400 for carrying out the program of work on the Kennelly Mineral Claims and the Frost Mineral Claims recommended by W.G. Hainsworth, P. Eng., in his report dated April 11, 1984, (that is, \$50,200 each). Each party may only withdraw from their commitment to fund \$50,200 worth of work if either the Company fails to raise the sum of \$144,000 pursuant to this public offering of shares or if W.G. Hainsworth, P.Eng., recommends that the second phase of the program not be carried out. If Calgary Exploration Partners breaches the May 1, 1984 Agreement and does not provide all or part of the money they are required to provide, then the Company will complete as much of the program of work recommended by W.G. Hainsworth, P.Eng., as is possible, which may be only one-half the entire program. The Company will in those circumstances pursue its legal remedies against Calgary Exploration Partners. Work on the Kennelly and Frost Mineral Claims is to be carried out and supervised by the Company. The work is to be carried out only on the Kennelly

Mineral Claims and the Frost Mineral Claims and no work is to be done on the Hill Placer Leases.

The Kennelly and Frost Mineral Claims form one contiguous area lying approximately twenty-four kilometers southwest of Cranbrook, British Columbia. Access to the property is by road.

The Prospectors Dream Claim has seen modest activity in the past, especially in the 1890's. Trenching and limited incline tunnel work was the extent of the operation. There is no record of production or shipment.

In 1983 the Company and the Calgary Exploration Partners cut approximately 11.5 miles of new road. Trenching with a back hoe was carried out and some 179 soil samples were taken. Fifty-six rock samples were also taken. A magnetometer survey was also run. To date there have been four showings and two mineralized shears of interest on the property.

The report of W.G. Hainsworth, P.Eng. deals only with the Frost and Kennelly Mineral Claims and not with the Hill Placer Leases. The program of work recommended by W.G. Hainsworth, P. Eng., is a three-phase program. The third phase is a major diamond drilling program, which is success contingent upon the results of the previous two phases. The report does not make specific recommendations concerning this phase. It is anticipated that the funds raised by this public offering of shares will be only used to fund the first two phases. The first phase involves surface investigation of those parts of the Frost and Kennelly Mineral Claims not yet investigated by a well organized soil and stream sediment program with analysis being run for gold, silver, lead and zinc, magnetometer testing and trench investigation. Phase II is a more investigative approach of target areas revealed by past exploration and Phase I. Phase II would involve shallow sub-surface analysis by means of an air track drill reaching below the weathering horizon, with samples collected from the full depths of the holes and not just specific areas. The entire program is an exploratory search for ore.

Other than as described above, there is no further surface or underground plant or equipment on the Fort Steele Properties.

2. Canoe I Property

The Company entered into an agreement dated for reference the 29th day of September, 1983 with Outland Resources Corp., a company duly incorporated under the laws of the Province of British Columbia, having its registered

office at 24th Floor, 1066 West Hastings Street, Vancouver, British Columbia, whereby the Company acquired a licence to mine the Canoe I Mineral Claim, record number 895 (1), Cariboo Mining Division. The Company must pay the sum of \$37,500 to Outland Resources Corp. on or before June 1, 1984 and must pay a further sum of \$37,500 to Outland Resources Corp. or allot 100,000 common shares in the capital stock of the Company to Outland Resources Corp. on or before September 1, 1984 and must pay a further sum of \$75,000 to Outland Resources Corp. on or before June 1, 1985 or the licence ceases. The Canoe I claim is located 10 kilometers southwest from Valemount, British Columbia. Access to the property is by road.

Outland Resources Corp. is the recorded owner of the Canoe I Mineral Claim.

The Company intends to allow the licence to acquire the Canoe I Mineral Claim to lapse and does not intend to pay any money to Outland Resources Corp.

PROMOTORS

William Inverarity of 201 - 6060 Balsam Street, Vancouver, British Columbia, Gordon Gaudet of 110 - 155 E. 18th Street, North Vancouver, British Columbia and David Clifford Parkes of #4, 2265 W. 41st Avenue, Vancouver, British Columbia being the three directors of the Company, may be considered the promoters of the Company in that they took the initiative in developing the current business of the Company.

The promoters have received no consideration in the form of shares or otherwise from the Company for acting as promoters. William Inverarity received the following shares from the Company in consideration for selling his interest in the Cariboo Claims to the Company.

NAME	SHARES
William Inverarity	750,000

In addition, the promoters have purchased the following shares of the Company for cash:

NAME	NUMBER OF SHARES	PRICE PER SHARE
Gordon Gaudet	5,000	20¢
David Parks	5,000	20¢
William Inverarity	88,000	20¢

DIRECTORS AND OFFICERS

The principal business or occupation in which each of the directors and officers of the Company has been engaged during the immediately preceding five years is as follows:

NAME, ADDRESS AND POSITION HELD WITH THE COMPANY	OCCUPATION
William Inverarity #201, 6060 Balsam Street Vancouver, B.C. V6M 4C1 DIRECTOR	Free miner and mining executive since 1978; Director of several mining companies including Minto Industries Ltd. Past director of Boville Resources Ltd.
Gordon Gaudet 110-155 East 18th Street North Vancouver, B.C. V7L 2X4 SECRETARY/DIRECTOR	Schoolteacher in North Vancouver District throughout the preceding five years

David Clifford Parks
#4, 2265 W. 41st Avenue
Vancouver, B.C.
DIRECTOR

Licensed Real Estate
Agent in Coquitlam and
Vancouver throughout the
preceding five years

REMUNERATION OF DIRECTORS AND SENIOR OFFICERS

Since incorporation of the Company on March 12, 1980 to date, no remuneration has been paid by the Company to its Directors or Senior Officers except for the payment of \$8,000.00 in management fees to William Inverarity from March 12, 1980 (the date of incorporation) to August 31, 1983. It is not anticipated that any remuneration will be paid to Directors or Senior Officers in the near future. The Company reserves the right to pay the Directors or Senior Officers remuneration in the future if financial considerations merit such payment.

ESCROWED SHARES

As of the date of this Prospectus 750,000 shares are held in escrow by Guardian Estates & Agencies Ltd., 404-470 Granville Street, Vancouver, British Columbia, subject to the determination of the Superintendent of Brokers or the Vancouver Stock Exchange. 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 the shares without the consent of the Superintendent of Brokers or the Vancouver Stock Exchange.

If the Company loses or abandons or fails to obtain title to all or part of the property or assets for which it allotted all or part of the escrow shares, or the Frost Mineral Claims or the Kannelly Mineral Claims, the Company will declare any such event to the Superintendent of Brokers or the Vancouver Stock Exchange by way of directors' resolution and the holders of such shares, the trustee thereof and the Company have agreed that such number of said shares, as the Superintendent of Brokers or the Vancouver Stock Exchange determines shall become subject to cancellation, shall be surrendered to the Company by way of gift or cancellation. The complete text of the Escrow Agreement is available for inspection at the Company's registered office at Second Floor, 6 - 10th Avenue South, Cranbrook, British Columbia.

As at the date of this Prospectus the following shares were held in escrow:

Designation of Class	Number of Shares Held in Escrow	Percentage of Class
Common Shares	750,000	55.41%

PRINCIPAL HOLDERS OF SHARES

As at the date of this Prospectus, the following hold of record or beneficially, directly or indirectly more than 10% of the issued shares of the Company:

Name & Address	Designation of Class	Type of Ownership	Number of Shares Owned	Percentage of Class
Inverarity, W. Balsam 201-6060 Vancouver, B.C.	common	direct and beneficial	838,000	61.92%

The following table shows the respective percentage holdings of the directors and senior officers of the Company as a group:

Designation of Class	Percentage of Class
Common Shares	62.66%

Based on 1,803,437 shares of the Company to be outstanding if the shares offered by this Prospectus are sold, 47.02% of the shares will have been issued to Directors, Promoters, and controlling persons for property and cash and 24.95% are being offered to the public.

INTEREST OF MANAGEMENT AND OTHERS
IN MATERIAL TRANSACTIONS

See the heading "Description of Business and Property of the Company" for shares issued by the Company to Directors and Promoters for property.

AUDITORS, TRANSFER AGENT AND REGISTRAR

The Auditors of the Company are Messrs. Jorgensen, Beauchamp, Chartered Accountants, of 101-1687 West Broadway, Vancouver, British Columbia. The Registrar and Transfer Agent for the Company is Guardian Estates & Agencies Ltd. 404-470 Granville Street, Vancouver, British Columbia.

MATERIAL CONTRACTS - OTHER MATERIAL FACTS

All Property Acquisition Agreements referred to in this Prospectus may be inspected during normal business hours at the Company's registered and records office at Second Floor, 6 - 10th Avenue South, Cranbrook, British Columbia.

The Company has in the past expended \$17,829.00 on exploration costs relating to a mineral claim which has been abandoned. The money was expended largely in diamond drilling and soil sampling during 1981 and 1982 on the Bar I mineral claim in the Cariboo Mining Division. Holes drilled to approximately 200 feet yielded poor results. No work has been done on the Bar I mineral claim since 1982. \$4900 remains owing to Ager, Barretta, Engineers for work done on that claim.

The Company has also in the past expended \$8,413.00 on a barite prospect situate in Langmuir and Fallon Townships in Ontario. The money was expended largely in soil sampling, yielding poor results. No work has been done on the claim since 1982.

The Company entered into a contract dated September 16, 1983, with Magstone Development Inc., Unit No. 5, Debert Industrial Park, P.O. 89, Debert, Nova Scotia, whereby Magstone Development Inc. agreed to conduct a research and development program for the purpose of developing a method of commercially processing mica bearing ore to produce a final commercially marketable product and to submit the final product sample to various industries to attempt to establish an initial market. In exchange, the Company has agreed to pay to Magstone Development Inc. \$30,000 and to allot Magstone Development Inc. 100,000 common shares at .20¢ per share. The \$30,000 debt to Magstone Development Inc. remains outstanding and it is proposed that part of the proceeds of this public issue of shares will be used to pay that indebtedness. Magstone Development Inc. is required to complete its research and development program. The Company may apply under the federal government's Industrial Research Assistance Program for further funding of mica related research and development if the initial research and development done by Magstone Development Inc. proves successful.

The responsible solicitor of the Company, as defined in Local Policy Statement #3-41, is a member of the firm of Rella Docking Mamen & Company. The partner's of Rella Docking Mamen & Company and persons related to those partners directly and beneficially hold an aggregate of 75,000 common shares in the Company.

Until September 3, 1984 the Company was the recorded and beneficial owner of the following mineral claims all situate in the Cariboo Mining Division of the Province of British Columbia:

<u>NAME OF CLAIM</u>	<u>RECORD NO.</u>
Minnie Smith	4440
Dreadnot	4441
Premier	4442
Bonanza	4443
Mammoth	4444
Adventure	4445
Boulder	4446

(the "Cariboo Claims")

Pursuant to an agreement dated for reference September 16, 1983 between William Inverarity of #201 - 6060 Balsam Street, Vancouver, British Columbia as Vendor and the Company as Purchaser, the Company acquired the above mineral claims in consideration for the allotment and issue of 750,000 shares in the capital stock of the issuer as fully paid and non-assessable and the sum of \$1.00. Inverarity is a director, officer and promoter of the Company. Inverarity acquired the claims as reverted Crown granted two post claims on September 3, 1982.

The Company allowed the claims to lapse on September 3, 1984.

There are no other material facts.

STATUTORY RIGHTS OF WITHDRAWAL AND RESCISSION

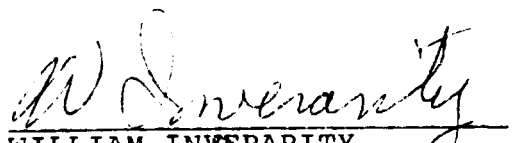
Sections 60 and 61 of the Securities Act, (British Columbia) provide in effect, that where a security is offered to the public in the course of primary distribution:

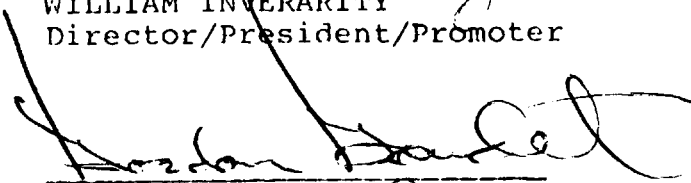
- (a) a Purchaser has a right to rescind a contract for the purchase of a security while still the owner thereof if a copy of the last Prospectus, together with Financial Statements and Reports and Summaries of Reports relating to the securities as filed with the Superintendent of brokers were not delivered to him or his Agent prior to delivery to either of them of the written confirmation of the sale of the securities. Written Notice of Intention to commence an action for rescission must be served on the person who contracted to sell within sixty (60) days of the date of delivery of the written confirmation, but no action shall be commenced after the expiration of three (3) months from the date of service of such notice;

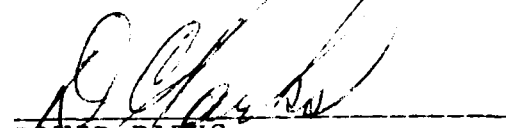
CERTIFICATE

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

DATED THE 26 day of September, 1984, at the City of Vancouver, British Columbia.


WILLIAM INVERARITY
Director/President/Promoter


GORDON GAUDET
Director/Secretary/Promoter


DAVID PARKS
Director/Promoter

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- (b) A purchaser has the right to rescind a contract for the purchase of such security while still the owner thereof if the Prospectus of any amended Prospectus offering such security contains an untrue statement of material fact or omits to state a material fact necessary in order to make any statement therein not misleading in the light of circumstances in which it was made, but no Purchaser after expiration of ninety (90) days from the later of the date of such contract or the date on which such Prospectus or amended Prospectus is received or is deemed to be received by him or his Agent.

Reference is made to the said Act for the complete text of the provisions under which the foregoing rights are conferred.

JORGENSEN BEAUCHAMP
Chartered Accountants

101-1687 West Broadway, Vancouver, B.C.; V6J 1X2
Telephone: (604) 734-7711

AUDITORS' REPORT

To the Shareholders of
Fenway Resources Ltd.

We have examined the balance sheet of Fenway Resources Ltd. as at 29th February, 1984 and the statements of deficit, deferred exploration costs and source and use of working capital 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 29th February, 1984 and the results of its operations and the source and use of its working capital for the period then ended, in accordance with generally accepted accounting principles applied on a consistent basis.

Vancouver, B.C.
18th April, 1984


Chartered Accountants.

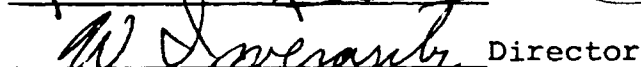
FENWAY RESOURCES LTD.

Balance Sheet
As at 29th February, 1984

Assets		
Current		
Cash		\$ 4,274
Mineral claim interests (notes 1 and 2)		
Acquisition costs	\$ 12,500	
Deferred exploration costs	<u>37,232</u>	49,732
Fixed, at cost (note 1)		
Milling equipment		10,000
Other		
Deposits	7,500	
Incorporation expense	<u>500</u>	<u>8,000</u>
		\$72,006
		=====
Liabilities		
Current		
Accounts payable		\$ 7,494
Commitment (note 4)		-
Shareholders' investment		
Capital stock (note 5)		
Authorized		
10,000,000 common shares of no par value		
Issued		
573,437 shares for cash	\$114,688	
750,000 shares for mineral claim		
interests	<u>7,500</u>	
<u>1,323,437</u>		122,188
=====		
Deficit	<u>57,676</u>	<u>64,512</u>
		\$72,006
		=====

APPROVED BY THE DIRECTORS:

 Director

 Director

See accompanying notes to the financial statements.

FENWAY RESOURCES LTD.

Statement of Deficit
 For the Period from 12th March, 1980 (Date of
Incorporation) to 29th February, 1984

	Six months ended 29th February <u>1984</u>	Year ended 31st August <u>1983</u>	Year ended 31st August <u>1982</u>	Period 12th March 1980 to 31st August <u>1981</u>
Expenditures written off				
Acquisition costs of mineral claim interests abandoned	\$ _____	\$ _____	\$ 8,500	\$ _____
Exploration costs relating to mineral claim interests abandoned	<u>2,710</u>	<u>-</u>	<u>22,189</u>	<u>-</u>
Administrative expenses				
Legal, accounting and audit	6,726	7,972	1,579	-
Office, rent and telephone	1,215	2,101	323	-
Travel	<u>1,024</u>	<u>2,209</u>	<u>1,128</u>	<u>-</u>
	<u>8,965</u>	<u>12,282</u>	<u>3,030</u>	<u>-</u>
	11,675	12,282	33,719	-
Deficit, beginning of period	<u>46,001</u>	<u>33,719</u>	<u>-</u>	<u>-</u>
Deficit, end of period	<u>\$57,676</u> =====	<u>\$46,001</u> =====	<u>\$33,719</u> =====	<u>\$ -</u> =====

FENWAY RESOURCES LTD.

Statement of Deferred Exploration Costs
For the Period from 12th March, 1980 (Date of
Incorporation) to 29th February, 1984

	Six months ended 29th February <u>1984</u>	Year ended 31st August <u>1983</u>	Year ended 31st August <u>1982</u>	Period 12th March 1980 to 31st August <u>1981</u>
Exploration expenditures Cariboo Mining Division, British Columbia				
Mica property and licence				
Engineering report	\$	\$ 2,710	\$	\$
Equipment removal and hauling		3,500		
Mica test program		7,084		
Management fees		5,000		
Recording fees and cash in lieu of work		910		
	<u>-</u>	<u>19,204</u>	<u>-</u>	<u>-</u>
Bar-I - Mineral Claim				
Test drilling			6,891	
Gravity survey and report				4,900
Sampling and assays				2,210
Travel			300	644
Engineering				1,246
Miscellaneous				85
	<u>-</u>	<u>-</u>	<u>7,191</u>	<u>9,085</u>
Fort Steele Mining Division, British Columbia				
Roadwork		12,000		
Travel		2,312		
Engineering		1,164		
Recording fees and licence	1,850	218		
Management fees		3,000		
Other		194		
	<u>1,850</u>	<u>18,888</u>	<u>-</u>	<u>-</u>
Langmuir and Fallon Townships, Ontario				
Engineering				1,787
Travel				1,126
Drilling deposit				3,00
	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,913</u>
Carried forward	1,850	38,092	7,191	14,998

2,

	Six months ended 29th February <u>1984</u>	Year ended 31st August <u>1983</u>	Year ended 31st August <u>1982</u>	Period 12th March 1980 to 31st August <u>1981</u>
Brought forward	\$ 1,850	\$38,092	\$ 7,191	\$14,998
Deferred costs, beginning of period	38,092	22,189	14,998	-
Expenditures written off to deficit	<u>(2,710)</u>	<u>(22,189)</u>	<u>-</u>	<u>-</u>
Deferred costs, end of period	<u>\$37,232</u> =====	<u>\$38,092</u> =====	<u>\$22,189</u> =====	<u>\$14,998</u> =====

FENWAY RESOURCES LTD.

Statement of Source and Use of Working Capital
 For the Period from 12th March, 1980 (Date of
Incorporation) to 29th February, 1984

	Six months ended 29th February <u>1984</u>	Year ended 31st August <u>1983</u>	Year ended 31st August <u>1982</u>	Period 12th March 1980 to 31st August <u>1981</u>
Source of working capital				
Proceeds from sale of shares for cash	\$ <u>-</u>	\$ <u>86,221</u>	\$ <u>15,167</u>	\$ <u>13,300</u>
Use of working capital				
Acquisition costs of mineral claim interests	2,500	10,000	-	8,500
Less: Non-cash consideration - issue of shares	<u>-</u>	<u>7,500</u>	<u>-</u>	<u>-</u>
	2,500	2,500	-	8,500
Exploration costs	1,850	38,092	7,191	14,900
Administrative expenses	8,965	12,282	3,030	-
Purchase of equipment	-	10,000	-	-
Deposits	-	7,500	-	-
Incorporation expense	<u>-</u>	<u>-</u>	<u>-</u>	<u>500</u>
	<u>13,315</u>	<u>70,374</u>	<u>10,221</u>	<u>23,998</u>
Increase (decrease) in working capital	(13,315)	15,847	4,946	(10,698)
Working capital (working capital deficiency) at beginning of period	<u>10,095</u>	<u>(5,752)</u>	<u>(10,698)</u>	<u>-</u>
Working capital (working capital deficiency, end of period	\$ <u>(3,220)</u> =====	\$ <u>10,095</u> =====	\$ <u>(5,752)</u> =====	\$ <u>(10,698)</u> =====

FENWAY RESOURCES LTD.

Notes to the Financial Statements
As at 29th February, 1984

1. Significant accounting policies

a) Resource properties

The acquisition costs and related exploration costs of mineral claim interests are capitalized until such time as the property to which they relate is placed into production or is abandoned. Upon commencement of production, costs will be amortized by the unit of production method. Costs relating to mineral claim interests abandoned will be written off to deficit in the year of abandonment.

b) Values

The values shown in the balance sheet for mineral claim interests represent costs to date and are not intended to reflect present or future values.

c) Depreciation

No charge for depreciation of equipment is recorded in these financial statements.

2. Mineral claim interests

At 29th February, 1984 mineral claim interests are comprised of the following:

- a) Beneficial owner of seven reverted crown-granted mineral claims situate in the Cariboo Mining Division, British Columbia. These mineral claims were acquired for 750,000 escrowed shares in the capital stock of the company at an ascribed amount of 1¢ per share.
- b) Option to purchase an undivided 50% interest in eleven mineral claims (Prospectors Dream group) situate in the Fort Steele Mining Division, Province of British Columbia. Under terms of the agreement, the company has paid the sum of \$5,000 to the optionor for the granting of the option. To exercise the option the company must deliver notice to the optionor of a commitment to cause commercial production from the claims. Prior to delivering the production commitment, the agreement shall terminate if the company has failed to make any of the following option payments:

2 Mineral claim interests cont'd

- b)
 - i. \$5,000 on or before 1st October, 1984
 - ii. \$5,000 on or before 1st October, 1985
 - iii. \$10,000 on or before 1st October, 1986

In the event that commercial production is commenced, the optionor is entitled to annual royalty of 5% of gross revenues (as defined) until a total royalty of \$200,000 has been paid.

- c) Option to purchase an undivided 50% interest in eight located mineral claims (Weaver group) situate in Fort Steele Mining Division, Province of British Columbia. Under terms of the agreement, a director of the company is obligated to transfer to the optionor 150,000 escrowed shares of the company which are presently held by the director. To exercise the option, the company must deliver a notice to the optionor of a commitment to cause commercial production from the claims. In the event that commercial production is commenced, the optionor is entitled to an annual royalty of 10% gross revenues (as defined) until a total royalty of \$500,000 has been paid.
- d) Undivided 50% interest in ten year mining lease on placer leases Nos. 2930 and 1082 situate in the Fort Steele Mining Division, British Columbia. Under the terms of the lease, the company shall either, at its sole discretion, process 5,000 cubic yards of ore per placer lease or pay \$1,000 per year to the lessors. In event of production resulting from the leases, the company must pay to the lessors a royalty of 20% of net smelter returns of 10% of gross smelter returns, whichever is greater.

The remaining 50% interest in the options to purchase the Prospectors Dream and Weaver groups of mineral claims and the remaining 50% interest in the mining lease on placer leases Nos. 2930 and 1082 is reserved in favour of a private exploration partnership. The partnership may earn the 50% interest in the agreements and lease by expending the sum of \$100,000 on the exploration and development of the claims and lease over a period of 31st December, 1984. In the event the partnership earns less than the 50% interest reserved in their favour, the difference between the interest actually earned and 50% will revert to the company. To 29th February, 1984 the partnership has expended the sum of \$83,000 on exploration and development and has earned a 41.5% interest in the properties.

The company acquired and abandoned interests in the Bar-I mineral claim situate in the Cariboo Mining Division, British Columbia, and a barite prospect situate in Langmuir and Fallon Townships, Ontario. Costs aggregating \$30,689 relating to the acquisition and exploration of these properties have been written off to deficit.

2. Mineral claim interests cont'd

In addition the company terminated an agreement to carry out mining operations on a certain mineral claim situate in the Cariboo Mining Division, British Columbia. Engineering costs of \$2,710 related to this property has been written off to deficit.

3. Related party transactions

- a) A director and officer of the company has been paid the sum of \$8,000 for management services.
- b) A director and officer of the company has received 750,000 shares in the capital stock of the company at an ascribed amount of 1¢ per share for the sale of mineral claims to the company. These shares are subject to escrow restrictions as imposed by regulatory bodies.

4. Commitment

The company has entered into a contract for the carrying out of a research and development program for purposes of developing a method of commercially processing mica concentrate to produce a marketable product. The estimated cost of the project is \$50,000 of which \$20,000 is to be satisfied by the allotment to the contractor of 100,000 shares in the capital stock of the company at a price of 20¢ per share.

5. Capital stock

During the period from 12th March, 1980 (date of incorporation) to 29th February, 1984, the company has issued the following shares:

For cash	<u>Shares</u>	<u>Amount</u>
Year ended 31st August, 1981	66,500	\$ 13,300
Year ended 31st August, 1982	75,835	15,167
Year ended 31st August, 1983	<u>431,102</u>	<u>86,221</u>
	573,437	114,688

5. Capital stock cont'd

Subsequent to 29th February, 1984, the company issued 30,000 shares resulting in net cash to the treasury of \$6,000.00.

REPORT ON THE
EAST KOOTENAY CLAIMS
FORT STEELE MINING DIVISION,
CRANBROOK, B.C.

FOR

FENWAY RESOURCES LTD.
6 - 10th Avenue South
Cranbrook, B.C.

by

W.G. Hainsworth, P. Eng.
W.G. Hainsworth & Associates Ltd.
905 - 837 West Hastings Street
Vancouver, B.C., V6C 1B6

Vancouver, B.C.

100
April 11, 1984

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Maps

- Figure 1 - Property Location Map . . following page 4
- Figure 2 - Claim Location Map . . . following page 5

Summary and Conclusions

Fenway Resources Ltd., has been working for the past nine months on an optioned claim group consisting of 123 units in the Old Baldy Mountain area, west of Cranbrook, British Columbia in the Fort Steele Mining Division. Past work on the property has consisted of driving two short adits and sinking two shallow winzes, or pits, on a vein structure located on the old Crown-granted Prospectors Dream claim. There are no written records of past sampling on this showing. There are no other areas known to have been worked in the past, nor is there evidence of prior prospecting.

The writer examined the property on April 5th, 1984 and had the disadvantage of a heavy snow blanket over the complete claims area. Structurally with the various quartz veins and mineralized shear zones uncovered by the company in its recent operation, the property has merit. It is primarily a precious metals possibility as evidenced by the numerous sample results taken by the company's field operators. To date with less than two-thirds of the property examined, there has been located six areas of major interest. No priority of the showings can be made until the remaining portion of the ground has been investigated.

It is the writer's contention that additional showings could exist on the unexplored portion of the claims as no apparent effort appears to have been made in the past to prospect the area. The initial recommended phase of this program is organized to explore the potential of this unexamined section. The second phase of the program tests the showings on a priority basis by means of shallow air track drill holes.

It is intended to fully explore by means of geochemical sampling of soils, sediments and rock chip the remaining portion of the property. In addition, geophysics in the form of an EM 16 program to delineate shears and faults coupled with routine prospecting and localized mapping should identify areas of further interest. As an extension to target identification the writer recommends trenching and thorough sampling. The follow-up phase would be air track drilling on a priority target basis of all zones discovered to date.

This two-phase success-contingent program is recommended for the East Kootenay claims of Fenway Resources Ltd. with the total cost being \$100,400 (say \$100,000) over a 4 month operational period.

Cost Estimates

Phase I 2½ months

Salaries

Geologist	4½ months @ \$3,200	14,400	
Assistants (2)	2½ months @ \$2,500	12,500	
	Benefits (10%)	<u>2,200</u>	29,100

Machinery & Equipment Rental

Back hoe & operator	8,000	
Vehicle rental or charges	1,200	
EM 16 Unit	<u>1,000</u>	10,200

Miscellaneous

Laboratory sample analysis	4,500	
Sample freight	500	
Transportation, lodgings	2,800	
Report preparation, drafting	<u>2,500</u>	10,300

Total Phase I	49,600
Contingency 10%	<u>4,900</u>
	54,500

Phase II 1½ months

Air track rental	20,000	
Sample Analysis & freight	<u>5,000</u>	25,000

Fees

Management	12,000	
Professional 12 days @ \$400/day	<u>4,800</u>	16,800

Total Phase II	41,800
Contingency 10%	<u>4,100</u>
	45,900

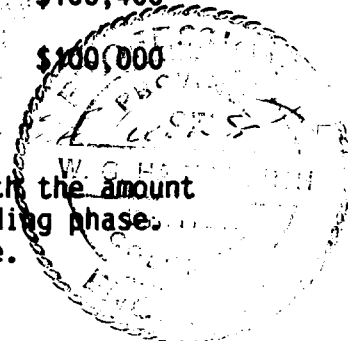
Total Phase I & II	\$100,400
--------------------	-----------

Say

\$100,000

Phase III

This would be a success-contingent phase with the amount of drilling required being dependant upon the proceeding phase. No cost estimate can be advanced at this present time.



Introduction

The East Kootenay property of Fenway Resources Limited consisting of 123 units is located approximately 24 kilometers (15 miles) southwest of the city of Cranbrook, B.C. Examination of the claims took place April 5, 1984 at the request of Mr. Wm. Inverarity, President of Fenway Resources Ltd. Deep snow covered the claims during the examination period with the result major points of interest could not be visited.

The topography is quite rugged within the area with the claims extending from a low of 1,400 meters (4,600 feet) to a high elevation of 2,395 meters (7,860 feet). Old logging roads allow access to specific areas whereas the company during 1983 cut in excess of 18,000 meters (11.5 miles) of new roadway.

Mineralization occurs as the normal type of fissure filling along previously weakened structures. Gold and silver values are the prime targets of the project but lead and zinc sulphides are occasionally evident.

There has been no major underground exploration efforts in the past although shallow winzes and trenches attest to historical interest in the area.

Location and Access

PAGE - 4

The claim group lies some 24 kilometers (15 miles) to the southwest of the city of Cranbrook, B.C. Access to the claims is south from Cranbrook on Highway #3 for 13 kilometers (8 miles) to a small village, Lumberton; a gravel road runs west from here to Negro Creek, at which point the road forks with the western portion continuing along the north side of the Moyie River to its junction with Weaver Creek. Here two old logging roads leave the Moyie River road with one carrying north to the Prospectors Dream showing while the other heads in a more north western direction into the claims. From Cranbrook to the central part of the claims is a distance of 30 kilometers (19 miles).

The Fenway Resources property is within the Fort Steele Mining Division with the claims centering on north 49°25' latitude and west 116°05' longitude. Its National Topographic System location is 82/F/8 East.

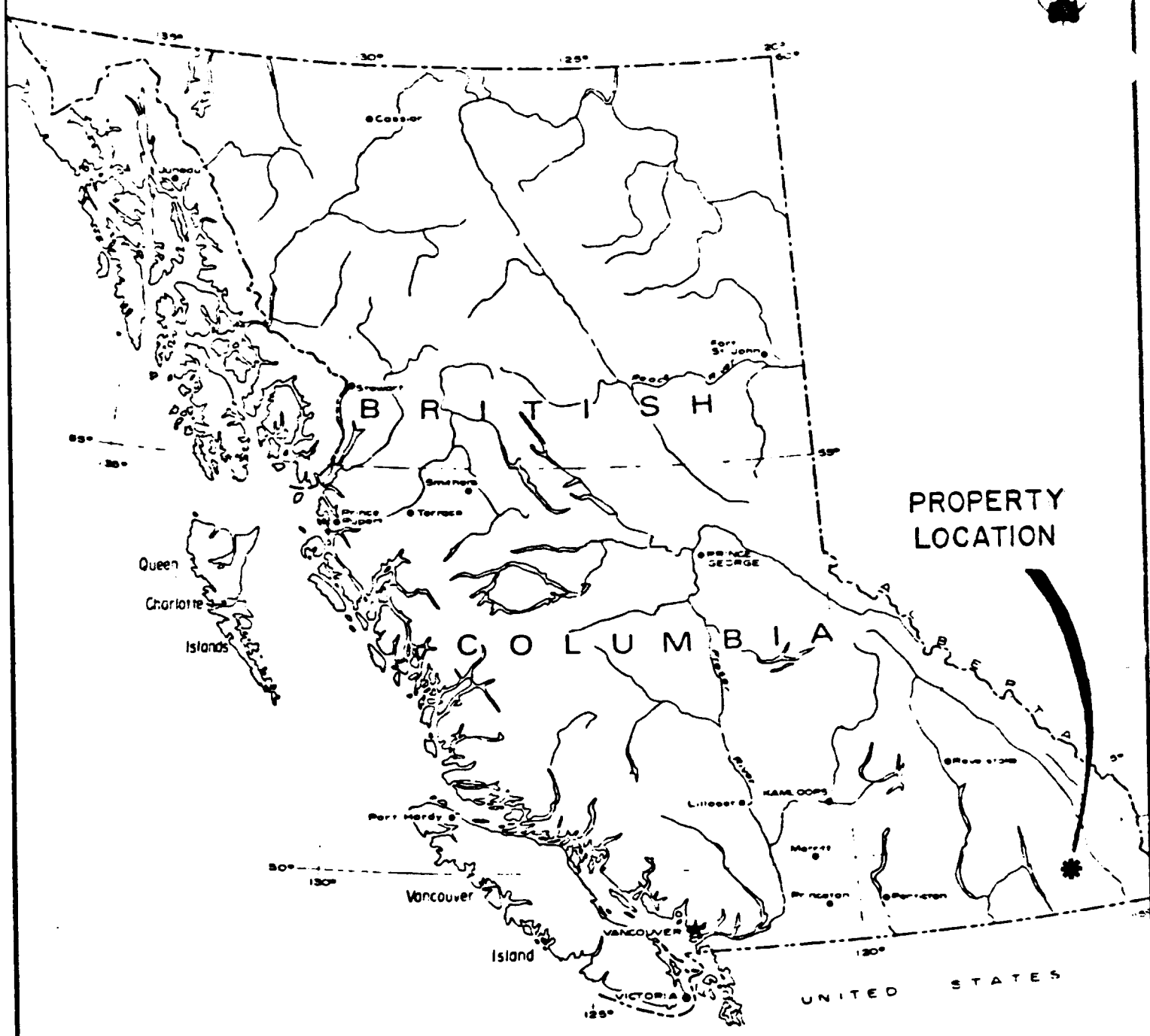
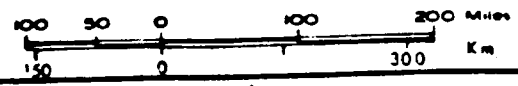


FIGURE 1
FENWAY RESOURCES LTD.
 LOCATION MAP



Property

The East Kootenay property of Fenway Resources Ltd. is within the Mining Division of Fort Steele, British Columbia.

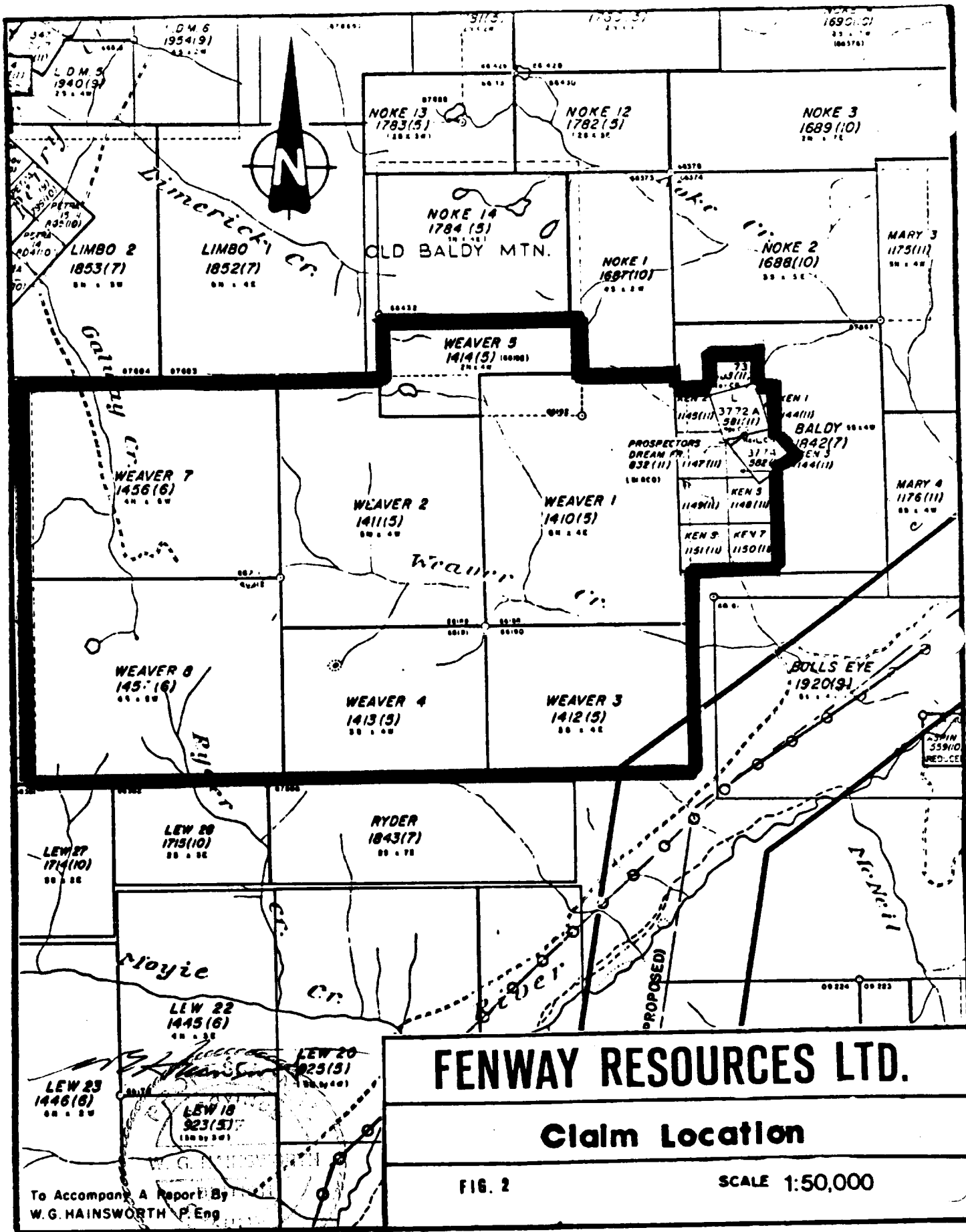
The property consists of 17 claims which total 123 units, with an east-west arrangement of some 7 kilometers (4.3 miles) and a north-south length of 4 kilometers (2.5 miles). In total the property occupies approximately 2,917 hecatres (7,200 acres) with the southeast corner post of the claim block being at an elevation of 1,400 meters (4,600 feet) rising to 2,200 meters (7,200 feet) along the north central boundary line.

The Claims

<u>Name</u>	<u>No. of Units</u>	<u>Record No.</u>	<u>Expiry Date</u>
Weaver #2	20	1411	May 12, 1984
Weaver #3	12	1412	May 12, 1985
Weaver #4	12	1413	May 12, 1984
Weaver #5	8 (4 overlap)	1414	May 12, 1985
Weaver #7	20	1456	June 9, 1984
Weaver #8	20	1457	June 9, 1984
Ken #1 to #8	1 each	1144 to 1151 incl.	Nov. 5, 1987
Prospectors Dream	1	581	Nov. 5, 1986
Old Abe	1	582	Nov. 5, 1986
Ben d'Or	1	583	Nov. 5, 1986
Weaver #1	20	2076	Feb. 1985

Weaver #1 was allowed to lapse with a restake completed and recorded at the Cranbrook Recorder's office in February 1984.

Assessment work was registered with the Mining Recorder in September 1983. As a result there is one assessment year pending, upon approval, to record numbers 1411, 1413, 1456 and 1457.



FENWAY RESOURCES LTD.

Claim Location

FIG. 2

SCALE 1:50,000

To Accompany A Report By
W.G. HAINSWORTH P. Eng

History

The area was first introduced to mining through placer operations on several large local creeks and rivers in the late 1880's. Lode mining gradually put in an appearance and took over from placer in the early 1900's. Placer mining is sporadic in operation and location today.

In the Old Baldy Mountain area where Fenway's present operation is located, one of the first mineral claims recorded was the Prospectors Dream. This particular section saw a modest spurt of activity on this and several of the surrounding claims in the mid 1890's. Trenching and limited inclined tunnel work was the extent of the operations. There is no record of production or shipment.

In April of 1983, Fenway under its president, Wm. Inverarity, completed a transaction to acquire a group including the Prospectors Dream claim, now a reverted Crown-grant, plus several contiguous claim blocks west of this claim all of which straddled the Old Baldy Mountain ridge. Forming a joint venture with a group of Calgary people, work was initiated on the ground in mid summer of 1983. The work was directed by Mr. Inverarity, working with a geological consultant, Mr. G. Mason of Kimberly, a well known and respected Cominco geologist.

Claims to the northeast and several kilometers south are held by Falconbridge Copper. Other large claims blocks in the vicinity belong to Cominco.

Previous Exploration

Until Fenway Resources acquired the property there has been no major exploration work recorded on the ground. Sporadic investigation, particularly on the Prospectors Dream claim, attests to past individual efforts. As reported this particular claim has 2 short adits while 2 shallow winzes or pits have been put down on the adjoining claim.

Logging operation on the hillside during 1970-1975 accounted for several open areas and numerous good access roads. Fenway and partners utilized these roads to extensively prospect the open areas along the east slope of the ridge. The roads were similarly used for soil sampling guidance wherever interesting areas were observed. A local contracting firm ran in some 18,500 meters (11.5 miles) of new road. Trenching with a backhoe was carried out on the Prospectors vein, the Hill vein, a fault paralleling the Hill vein and other isolated areas of mineralization-quartz interest.

Some 179 soil samples from the "B" horizon were taken from various locations adjoining the roadside. Of this number 114 were obtained along the road lying south of Weaver Creek while another 22 were gathered in the vicinity of the Hill vein.

A total of 56 rock samples were collected from the various showings with 30 of the samples being taken from the three Baldy Shear extension trenches while 7 were obtained from the Hill Vein, 5 from the Prospectors Dream and 2 from the Baldy Vein.

A magnetometer survey was run along the south Weaver Creek road resulting in an anomalously high section near the junction with the Moyie River road.

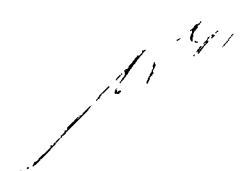
Geology

The area is underlain by late Precambrian sediments of Purcell age. The series is characterized by a great thickness of conformable sediments and has been subdivided into two sections - Upper and Lower. In addition various formations, particularly the Aldridge and Creston, have similarly been subdivided. The Helikian sediments of these formations have been classified into Upper, Middle and Lower groupings. On the Fenway property the predominating formations are the Middle to Upper Aldridge overlain by the lower Creston series, both formations demonstrating a northeasterly trend with the Aldridge having a flat easterly dip and the Creston a moderate westerly dip. The sediments are mainly composed of variable argillites with scattered beds of siltstone and fine-grained quartzites.

Intrusive into these formations are sills and dykes generally classified as Purcell or Moyie intrusives. The sills of this period are in greater number and of greater economic consequence than the dykes. The sills vary in thickness from thin sheets to tabular bodies exceeding 200 meters (650 feet) and often exhibit a multiple overlap arrangement. Mineralization is often associated with these sills.

The area displays two major north-easterly trending faults. The Perry Creek fault lies to the west of the Fenway property within the sculptured valley of Perry Creek. Trending through the claims on a north-northeast bearing is the Old Baldy Fault. This structure lying along the prominent ridge of the property has an apparent offset to the Aldridge formation of some 2 miles. Radiating from it are scattered tensional faults or shears of varying intensity and direction. Occurrences of this nature are the Weaver Shear and the Baldy Shear both associated with precious metal deposition.

Mineralization on the claims is normally auriferous pyrite, visible gold and occasionally sulphides of lead and zinc enclosed in a quartz matrix within a fissure vein or sheared stockwork structure.



Showings

To date there has been established four showings and two mineralized shears of interest on the property.

Prospectors Dream Vein

This is the original find of the Old Baldy Mountain area, going back into the early 1890's. The relatively flat-lying quartz vein conforming with the country rock trend lies within a diorite sill. On surface the five foot quartz-rubble thickness shows the effect of weathering but an early inclined adit exposed a more solid structure at depth but one which pinched with deeper penetration.

Fenway 1983 exploration work unearthed two adits in the southern portion of the property and two pits close to the north boundary. Vein deflections in dip were apparent as the structure was traced out of the sill into Aldridge sediments then back into the sill.

Five rock samples were taken from the Prospectors vein. At the south end a four foot chip from gossanous material by the adits yielded 3.6 ounces gold per ton and 2.94 ounces silver per ton. At the north end four grab samples were taken from the muck pile which averaged 0.156 ounces gold per ton and 0.87 ounces silver per ton.

Fenway located an old trench 60 meters (200 feet) east of the adits which contained sulphides within a quartz structure. However when a new trench was sunk there was no evidence of a vein possibly due to non-recognition of the weathering effect.

Hill Vein

This structure was opened by Fenway while driving a new road through the property.

This quartz fissure vein is somewhat similar structurally to the Prospectors Vein in that it has a weathered residual appearance, agrees with the formational strike, is hosted by both the Aldridge sediments and the gabbro sill and was traced for 450 meters (1,500 feet) of strike length.

Eight samples are recorded from this showing. At the north end, a one meter (3 foot) chip sample assayed 0.044 ounces gold per ton and 0.06 ounces silver per ton. Seven grab samples were taken wherever possible over the 450 meter length with five random grab samples running from a low of 0.024 ounces gold per ton to a high of 0.204 ounces gold per ton while two select grabs averaged 2.967 ounces gold per ton and 0.35 ounces silver per ton.

Showing - Cont'd.Galena Vein

This quartz vein structure was identified over a 15 meter (50 feet) surface exposure. Coincident with the Upper Aldridge formational trend the vein dipped steeply to the northwest. Two samples cut across the sulphide rich vein, assayed 0.079 and 0.410 ounces gold per ton across respective widths of one meter (3 feet) and a third of a meter (1 foot). Trenching along the road did not show a northern projection.

Baldy Shear

This is presumably the southern shear extension of the Galena vein. It is a shear structure traced over 1,220 meters (4,000 feet) which displayed either quartz veinlet stockworks or strong quartz saturations reaching widths of 7.5 meters (25 feet). The zone penetrates both the sediments and the sills. Two 7.5 meters (25 feet) grab samples along the strike ran 0.010 and 0.034 ounces gold per ton.

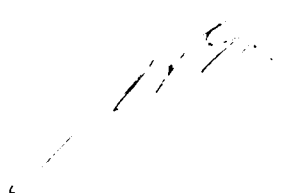
Baldy Vein Extension

This extension lies some 1,220 meters (4,000 feet) south of the Baldy Shear projection. The shear is observed with the Baldy Vein, composed of a massive 2 meter (6 foot) quartz vein buttressing 9 meters (30 feet) of quartz veinlets, lying to the north of the Baldy Shear.

No sampling was carried out.

Weaver Shear

This shear, traced over 240 meters (800 feet), is a tensional structure displaying minor mineralization in a quartz infiltrated zone. Three trenches aggregating 80 meters (270 feet) were excavated along the strike by the company. Sampling of the trenches revealed a 25 meters (80 feet) section assaying 0.023 ounces gold per ton and 0.026 ounces silver per ton.



Recommendations

There has been interest shown in the property in the past but presumably only in one location - Prospectors Dream claim. Past operations thought enough of the structure to run two adits and two winzes, or deep trenches, on the vein structure. Little information is available in past records to show the results of their efforts.

Fenway Resources Ltd. has spent one field season on the East Kootenay claims and has identified an additional five target areas. All the target areas have undergone preliminary examination. Sampling of the areas has shown gold with minor silver mineralization to be present.

The prime commodity of the claims is precious metals, principally gold, which has been demonstrated to be present in variable amounts within quartz veins, stockworks or shear structures. Lead, zinc and copper are of minor concern.

In the one field season approximately 65% of the claims were investigated.

It is recommended that the remaining claim area be investigated by a well organized soil and stream sediment program with the analysis being run for gold, silver, lead and zinc.

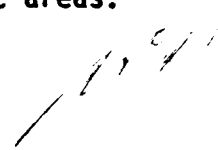
As the quartz veins are often associated with shear or fault zones, it is recommended that investigation for these structures be carried out utilizing a VLF electromagnetic system such as an EM 16 unit.

The remaining claims should also be thoroughly prospected.

New zones revealed by the above approaches should be opened up by trench excavation with mapping and sampling being carried out on this trench work.

All of the above recommendations are surface investigations of the remaining property claims and should add to the target inventory. This would constitute Phase I of the recommended program.

Phase II would be a more investigative approach of the targets revealed to this point. This phase would involve shallow sub-surface analysis by means of a air-track drill reaching below the weathering horizon. Samples should be collected from the full depth of the holes not just specific areas.



Drilling of the targets can be determined by the priority system which should have built up a good geological and surface sampling knowledge of the zones.

Phase III would be a major diamond drill program depending upon the results of the previous phase.

Respectfully submitted,

W.G. Hainsworth, P. Eng.



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B.C. Department of Mines Report: 1898, Page 1013

G.S.C. Map - Grassy Mountain Sheet, J.E. Reesor, 1981

Certificate

I, W.G. Hainsworth, P. Eng., of Vancouver, B.C. do hereby certify:

- 1) That I am a Consulting Geologist residing at #4-4100 Salish Drive, Vancouver, B.C.
- 2) That I am a graduate of the University of Western Ontario, Bachelor of Science Degree, Honours Geology.
- 3) That I have practiced my profession for some 30 years.
- 4) That I have been a continuous member of the Association of Professional Engineers of British Columbia since 1965 and am a Professional Geologist registered with the Association of Professional Engineers, Geologists and Geophysicists of Alberta since 1979.
- 5) That I have no financial interest, direct or indirect, in Fenway Resources Ltd., and do not expect to obtain any such interest.
- 6) That the information contained in this report is based on a visit to the East Kootenay property on April 5, 1984 and perusal of all pertinent information available.
- 7) That consent is herewith given to Fenway Resources Ltd. to use any or all material from this report in information circulars, offerings or shareholders' brochures.

W.G. Hainsworth, P. Eng. (B.C.)
P. Geol. (Alta.)

To accompany:
Report on the
East Kootenay Claims
Fort Steele Mining Division
Cranbrook, B.C.
for
Fenway Resources Ltd.
6 - 10th Avenue South
Cranbrook, B.C.

April 11, 1984

