

THIS PROSPECTUS CONSTITUTES A PUBLIC OFFERING OF SHARES FOR SALE IN THE PROVINCE OF BRITISH COLUMBIA
NO SECURITIES COMMISSION OR SIMILAR AUTHORITY IN CANADA HAS IN ANY WAY PASSED UPON THE MERIT OF
THE SECURITIES OFFERED HEREUNDER, AND ANY REPRESENTATION TO THE CONTRARY IS AN OFFENCE.

EXO
PROSPECTUS

EX - **TOTAL RESOURCES INC.**

1004 - 789 West Pender Street,
Vancouver, British Columbia V6C 1J8
(hereinafter called the "Company")

NEW ISSUE

300,000 shares at \$1.25 per share

	Price to Public	Underwriting Discount	Proceeds to the Company
Per Unit	\$1.25	15%	\$1.10
Total	\$375,000.00	\$45,000.00	\$330,000.00*

*Before deduction of legal, audit and printing expenses payable by the Company estimated not to exceed \$6,000.00.

THERE IS NO MARKET FOR THE SECURITIES OF THE COMPANY.

A PURCHASE OF THE SHARES OFFERED BY THIS PROSPECTUS MUST BE CONSIDERED A SPECULATION AS ALL OF THE PROPERTIES IN WHICH THE COMPANY HAS AN INTEREST ARE IN THE EXPLORATION AND DEVELOPMENT STAGE ONLY. THE COMPANY'S PROPERTIES ARE ALL WITHOUT KNOWN BODIES OF COMMERCIAL ORE.

NO SURVEY OF ANY PROPERTY OF THE COMPANY HAS BEEN MADE AND THEREFORE IN ACCORDANCE WITH THE LAWS OF THE APPROPRIATE JURISDICTION IN WHICH THE PROPERTIES ARE SITUATE, THEIR EXISTENCE AND AREA COULD BE IN DOUBT.

NO PERSON IS AUTHORIZED BY THE COMPANY TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATION OTHER THAN THOSE CONTAINED IN THIS PROSPECTUS IN CONNECTION WITH THE ISSUE AND SALE OF THE SECURITIES OFFERED BY THE COMPANY.

REFERENCE IS MADE TO THE HEADING "PRINCIPAL SHAREHOLDERS" ON PAGE "12" HEREOF AND THE COMPARISON OF THE PERCENTAGE OF SHARES BEING OFFERED TO THE PUBLIC FOR CASH AND ALREADY ISSUED BY THE COMPANY TO PROMOTERS, DIRECTORS, OFFICERS AND CONTROLLING PERSONS AND UNDERWRITERS.

ASSOCIATES OF THE UNDERWRITERS OWN SHARES OF THE COMPANY. SEE "OTHER MATERIAL FACTS" ON PAGE 15.

We, as principals, conditionally offer these shares, subject to prior sale, if, as and when issued by the Company and accepted by us in accordance with the conditions contained in the Underwriting Agreement referred to under "Plan of Distribution" on page "2" hereof and subject to approval of all legal matters on our behalf by Swinton & Company, Barristers and Solicitors, of Vancouver, British Columbia, and on behalf of the Company by Sikula, Yager, Werbes & Longpre, Barristers and Solicitors, of Vancouver, British Columbia.

Canarim Investment Corporation Ltd.
West Coast Securities Ltd.

DATE: AUGUST 11, 1980

PLAN OF DISTRIBUTION

Under an Agreement dated for reference May 27, 1980 between the Company and Canarim Investment Corporation Ltd. (as to 200,000 shares) and West Coast Securities Ltd. (as to 100,000 shares) (hereinafter called the "Underwriters"), the Company has agreed to sell to the Underwriters and the Underwriters have agreed to purchase within seven (7) days of the date of acceptance of this Prospectus for filing with the Superintendent of Brokers 300,000 common shares of the Company's capital stock at a price of \$1.10 per share payable in cash to the Company against delivery of the shares. The obligations of the Underwriters under the Agreement may be terminated at their discretion on the basis of their assessment of the state of the financial market and may also be terminated on the occurrence of certain stated events. The Underwriters are, however, obliged to pay for all of the common shares purchased under the Agreement.

The shares being offered by this Prospectus are to be offered to the public in the Province of British Columbia by the Underwriters as principals. The Underwriters will purchase the underwritten shares at a discount of 15¢ per share and the shares will be offered to the public at a price of \$1.25 per share.

NAME AND INCORPORATION OF COMPANY

The full name of the Company is Total Resources Inc. Its head office address is 1004 - 789 West Pender Street, Vancouver, British Columbia, V6C 1J8. Its registered office is situate at 9th Floor, 1199 West Pender Street, Vancouver, British Columbia.

The Company was incorporated on November 29, 1979 by registration of its Memorandum and Articles under the Companies Act of the Province of British Columbia. The Company is a reporting company as defined by the Companies Act of the Province of British Columbia upon the filing of this Prospectus.

THE BUSINESS

The Company is a natural resource company engaged in the acquisition, exploration and development of mining and petroleum and natural gas properties. The Company owns or has an interest in the properties described under the heading "The Properties" and intends to seek and acquire additional properties worthy of exploration and development.

THE PROPERTIES

The following represents a summary of each of the Company's properties:

- A. Flores Island,
Alberni Mining Division,
British Columbia

The Company is the beneficial owner of two (2) mineral claims consisting of twenty (20) mineral units each located in the Alberni Mining Division, in the Province of British Columbia, particulars of which are as follows:

<u>Name of Claim</u>	<u>Record Number</u>	<u>Expiry Date</u>
Moly (20 mineral units)	429	March, 1981
Lead (20 mineral units)	431	March, 1981

(hereinafter called the "Flores Island claims")

The Flores Island claims were acquired by the Company under an Agreement dated April 30, 1980 entered into with Alvin Russell Babchuk, of 702 - 6611 Minoru Boulevard, Richmond, British Columbia, a Promoter of the Company, for and in consideration of the sum of \$40,000.00.

Prior to the date of incorporation of the Company, James Wayne McLeod staked the Flores Island claims then consisting of a total of 100 mineral units for and on behalf of Alvin Russell Babchuk, the vendor of the claims.

Subsequent to the date of staking of the 100 mineral units, Clear Mines Ltd., an associated company by virtue of having a common Board of Directors purchased a 100% interest in and to 40 of the mineral units (subject to a royalty in favour of the vendor of 3% net smelter returns) for and in consideration of the sum of \$25,000.00, an agreement by Clear Mines Ltd. to stake an additional 60 mineral units within a six mile radius of the claims being acquired by it and a further agreement by Clear Mines Ltd. to conclude an airborne survey on the property requiring a minimum expenditure of \$10,000.00 within sixty days of the date of execution of the Agreement.

The claims acquired by the Company are contiguous to the claims owned by Clear Mines Ltd., which did not purchase the claims acquired by the Company due to the fact that it did not have funds on hand allocated towards the purchase of additional property in the area.

Clear Mines Ltd. is proposing a program on its portion of the claims requiring an expenditure of approximately \$70,000.00, consisting of a reconnaissance-type ground control grid, a ground magnetometer and self-potential survey, geochemical orientation work followed by a geochemical survey over the grid area and geological mapping and sampling.

No person has received or is to receive a greater than 5% interest in and to the consideration paid to Alvin Russell Babchuk.

The claims were acquired by Alvin Russell Babchuk for the cost of staking.

Access to the Flores Island claims is via Highway #4 from Port Alberni to Tofino and thereafter by boat or fixed or rotary winged aircraft northerly to the Island, a distance of approximately twenty (20) kilometers.

D.R. Cochrane, P. Eng., in his Report to the Company dated March 1, 1980, a copy of which is hereunto annexed reports that late in the sixties and early seventies Falconbridge Nickel Mines Ltd. conducted work on the Flores Island claims, which work consisted of geochemical and geological surveys.

There is no surface or underground plant or equipment on the Flores Island claims.

The Flores Island claims are without a known body of commercial ore and the proposed exploration program on the property is an exploratory search for ore.

B. Aspen Claims,
Nelson Mining Division,
British Columbia

The Company is the beneficial owner of a 100% interest (subject to a 3% net smelter return royalty) in and to nine (9) reverted crown granted mineral claims situate in the Nelson Mining Division, in the Province of British Columbia, particulars of which are as follows:

<u>Name of Claim</u>	<u>Lot Number</u>	<u>Record Number</u>
Caroline	12468	944
Silverton Fraction	12469	944
Emma	12470	948
Aspen	12471	945
Mohawk	12472	946
International	12473	947
Salmo Malartic No.2	14459	950
Salmo Malartic No.3	14460	951
Salmo Malartic No.1	14461	949

(hereinafter called the "Aspen claims")

An additional two (2) mineral claims consisting of eighteen (18) mineral units each have been staked by the Company in order to blanket stake the area, particulars of which claims are as follows:

<u>Name of Claim</u>	<u>Tag Number</u>
"The Crunch"	59206
"The Rock"	59205

The Company's interest in and to these claims was acquired under the terms of an Agreement dated February 2, 1980 entered into with John Mirko, Prospector, of 2249 West 34th Avenue, Vancouver, British Columbia for and in consideration of the following:

- (a) \$36,000.00 on execution (which amount has been paid);
- (b) 700,000 fully paid and non-assessable shares in the capital stock of the Company;
- (c) 3% net smelter return royalty due and payable to the vendor.

The following parties received more than a 5% interest in the consideration paid to John Mirko:

<u>Name</u>	<u>Number of Shares</u>
James Wayne McLeod	320,000 escrowed
Ernest Sturrock Peters	160,000 escrowed
John Mirko	100,000 escrowed
William Lionel Clarence Newsom	40,000 escrowed
Norman Anthony Pearson	40,000 escrowed
Norman Newsom	40,000 escrowed

The Company has the absolute right, privilege and option to purchase the retained royalty interest reserved by the vendor for and in consideration of the sum of \$2,000,000.00.

No Director, Officer, Insider or Promoter of the Company participated in the cash or royalty consideration due and payable to the vendor under the terms of the aforementioned Agreement.

A.M. deQuadros, Ph.D.(Geol.), in his Report to the Company dated March, 1980, a copy of which is hereunto annexed and forms part of this Prospectus, advises that access to the property is an excellent mining road through the H.B. Mine at Sheep Creek. A motorable track, approximately four (4) kilometers, joins the H.B. road to the Aspen mine. Permission has been obtained from Cominco for use of the road through the H.B. mill.

Prior exploration on the Aspen claims dates back to 1896. A shipment of eighteen (18) tons in 1934 is reported to have carried a total of sixty (60) oz/Ag, 951 lb/Pb and 804 lb/Zn.

In 1951 Salmo Malartic Mines optioned the property for a year to Sheep Creek Gold Mines which drilled a total of 3,019 feet in seven (7) underground and four (4) surface holes. Cominco optioned the property in 1952 and 1959; in the earlier option, work was restricted to mapping and in the later option, some surface and underground drilling to test out the sphalerite-galena mineralization in dolomite was carried out.

The crown granted mineral claims reverted to the Crown in 1979 and shortly thereafter the Aspen claims were acquired by John Mirko.

The property is without a known body of commercial ore and the proposed exploration program on the property is an exploratory search for ore.

USE OF PROCEEDS

The estimated net proceeds to be derived by the Company from the sale of the 300,000 shares offered by this Prospectus, namely \$330,000.00 together with working capital of \$28,538.34 will be used for the following purposes:

1. To pay the listing fee payable to the Vancouver Curb Exchange on an application for listing: \$ 2,000.00
2. To pay the legal, audit and printing expenses of this Prospectus: 6,000.00
3. To commence the exploration program recommended by D.R. Cochrane, P. Eng. on the Company's Flores Island claims situate in the Alberni Mining Division, British Columbia, particulars of which are as follows:
 - (a) Establish camp and radio communications \$ 5,000.00
 - (b) Reconnaissance type ground control grid over claims under consideration (blazed, flagged, chain and compass lines): 55 line km at \$100/km 5,500.00
 - (c) Ground magnetometer and self-potential survey over grid area: 55 line km at \$110/km 6,050.00
 - (d) Geochemical orientation work followed by geochemical survey over grid area 12,500.00
 - (e) Geological mapping and sampling \$ 7,000.00

(f)	Transportation and communications	4,000.00	
(g)	Supervision	5,000.00	
(h)	Contingencies at 10% of sub-total of \$45,050.00	<u>4,505.00</u>	
	Total	\$49,555.00	
	Say	\$50,000.00	\$50,000.00

4. To commence the exploration program recommended by A.M. deQuadros on the Company's Aspen group of mineral claims situate in the Nelson Mining Division, British Columbia, particulars of which recommended exploration program are as follows:

(a)	Underground diamond drilling 7,000 feet @ \$10./foot	\$70,000.00	
(b)	Trenching and blasting	4,000.00	
(c)	Equipment mobilization	3,000.00	
(d)	Surface diamond drilling @ \$20./foot	40,000.00	
(e)	Assaying	3,000.00	
(f)	Line cutting - 25 line miles	5,000.00	
(g)	Magnetometer Survey	6,000.00	
(h)	Geochemical Survey	6,000.00	
(i)	Equipment rental and repair compressor, saws, etc.	10,000.00	
(j)	Management - geologist, manager and assistant	24,000.00	
(k)	Contingencies @ 10%	<u>17,100.00</u>	188,100.00

5.	To deposit in trust:	60,000.00*
6.	For general corporate purposes and working capital:	<u>\$ 52,438.34</u>
	Total:	<u>\$358,538.34</u>

*The \$60,000.00 to be deposited in trust will be deposited with Guardian Estates & Agencies Ltd., 404-470 Granville Street, Vancouver, British Columbia in an interest bearing account subject to release only with the consent of the Superintendent of Brokers of the Province of British Columbia or his designee upon either a recommendation from a qualified independent engineer to proceed with further exploration on the Company's properties or upon the Company acquiring a new property together with an acceptable engineers report and recommendations with respect to such property.

The Company may, pursuant to the recommendations of a qualified engineer, abandon in whole or in part any of its properties or may alter as work progresses a work program recommended or may make such arrangements for the performance of all or any portion of such work by other persons or companies and may use any monies so diverted for the purpose of conducting work or examining other properties acquired by the Company after the date of this Prospectus, although the Company has no present plans in this regard. If any such event occurs during the primary distribution of the shares referred to in this Prospectus an amendment to this Prospectus will be filed. If any such event occurs after primary distribution of the shares the shareholders will be notified.

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

DESCRIPTION OF SHARES

The authorized capital of the Company consists of 10,000,000 common shares without par value of which 1,717,501 shares are issued as fully paid and non-assessable shares. All of the shares of the Company, both issued and unissued rank equally as to dividends, voting powers and participation in assets. No shares have been issued subject to call or assessment. There are no pre-emptive rights or conversion rights and no provision for redemption, purchase for cancellation, surrender or sinking fund or purchase funds have been made. Provisions as to the modifications, amendments or variations of such rights or such provisions are contained in the Companies Act of the Province of British Columbia.

SHARE AND LOAN CAPITAL STRUCTURE

Designation of Security	Amount Authorized	Amount standing at April 30, 1980	Out- standing as at date of Prospectus	Amount to be Outstanding on Completion of Offering
Common Shares Without Par Value	10,000,000	1,717,501	1,717,501	2,017,501

PRIOR SALES

Number of Securities Sold	Price	Total Cash Received	Commissions Paid
810,000	10¢	\$81,000.00	nil
80,000	25¢	20,000.00	nil
127,500	40¢	51,000.00	nil
1	\$1.00	1.00	nil

All of the foregoing shares sold for cash prior to the date of this Prospectus were pooled with Guardian Estates

& Agencies Ltd., of 404 - 470 Granville Street, Vancouver, British Columbia, subject to release thirty (30) days after completion of the offering of shares made hereunder.

DIRECTORS AND OFFICERS

The names, addresses and principal occupations in which each of the Directors and Officers of the Company have been engaged during the immediately preceding five (5) years are as follows:

<u>Name and Address</u>	<u>Position with Company</u>	<u>Principal Occupation</u>
JAMES WAYNE McLEOD, 4086 West 17th Avenue, Vancouver, B.C.	President and Director	Self-employed Geologist; President and Director of T. & S. Enterprises Ltd., Clear Mines Ltd., Crescent Mines Ltd., Raleigh Energy Corp. and Bry Petroleum Ltd.; Director of Sundance Gold Ltd.
NORMAN ANTHONY PEARSON, 4862 Bessborough Dr., Burnaby, B.C.	Secretary and Director	Estimator, Pearson Iron Works Ltd. (March, 1974 to March, 1977); President and Director of Pearson Iron Works Ltd. (March, 1977 to present) and Pearson Distributors Ltd. (April, 1980 to present); Director of Clear Mines Ltd. and Crescent Mines Ltd.; Secretary and Director of Sundance Gold Ltd.; Secretary- Treasurer and Director of Raleigh Energy Corp.

WILLIAM LIONEL Director
CLARENCE NEWSOM,
104-1450 Laburnum St.,
Vancouver, B.C.

Administrator, W.R.
Financial Consultants Ltd.
(September, 1977 to date);
Mine Manager, C.T.
Exploranda Ltd. (early
1976 to July, 1976);
Self-Employed Prospector
(March, 1975 to early
1976); Director of Clear
Mines Ltd. (1979 to date);
President and Director of
Benson Mines Ltd.
(N.P.L.)

REMUNERATION OF DIRECTORS AND SENIOR OFFICERS

No remuneration has been paid to Directors and Senior Officers of the Company since incorporation nor is any remuneration expected to be paid to the Directors and Senior Officers of the Company in their capacities as such during the ensuing year.

PRINCIPAL SHAREHOLDERS

Set forth hereunder are the particulars of shareholders of the Company as of the date of this Prospectus who own 10% or more of the issued shares of the Company:

<u>Name and Address</u>	<u>Class, Type of Ownership</u>	<u>Number of Shares Owned</u>	<u>Percentage</u>
James Wayne McLeod, 4086 W. 17th Ave., Vancouver, B.C.	common, of record and beneficial	440,000	25.61%
Ernest Sturrock Peters, 1101-2240 Bellevue Ave., West Vancouver, B.C.	common, of record and beneficial common, of record and indirect	260,000 50,000	18.05%

The percentage of shares of the Company being offered to the public for cash will represent 14.87% of the shares issued and outstanding upon completion of the offering and the number of shares held by Promoters and Directors of the Company upon completion of the offering will be 34.20% of the shares then issued and outstanding.

The number and percentage of shares in the Company beneficially owned, directly and indirectly by all Promoters, Directors, Officers, controlling persons and Underwriters of the Company as a group is as follows:

<u>Designation of Class</u>	<u>Number of Shares Beneficially Owned</u>	<u>Percentage of Class</u>
Common	1,037,500	60.40%

PROMOTERS

The Directors of the Company are the Promoters of the Company. Alvin Russell Babchuk may also be considered a Promoter of the Company in accordance with Section 1(1) of the Securities Act. Reference is made to the caption "The Properties" wherein the interests of the Directors and the Promoters in the property acquired by the Company and the consideration received by them therefor is disclosed.

ESCROWED SHARES

As of May 31, 1980 700,000 shares are held in escrow by Guardian Estates & Agencies Ltd., of 404 - 470 Granville Street, Vancouver, British Columbia, subject to the direction or determination of the Superintendent of Brokers. The escrow restrictions provide that the shares may not be traded in or 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.

In the event 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 escrowed shares, the Company will declare any such event to the Superintendent of Brokers 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 determines shall have become subject to cancellation shall be surrendered to the Company by way of gift for cancellation. The complete text of the Escrow Agreement is available for inspection at the Company's registered office, 9th Floor, 1199 West Pender Street, Vancouver, British Columbia.

<u>Designation of Class</u>	<u>Number of Shares Held in Escrow</u>	<u>Percentage of Class</u>
Common	700,000	40.76%

DIVIDEND RECORD

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

PRINCIPAL SHAREHOLDERS OF THE UNDERWRITER

The persons having an interest, directly or indirectly, to the extent of 5% or more in the capital of Canarim Investment Corporation Ltd. are Alfred E. Turton, of 3rd Floor, Canarim Place, 52 Donald Street, Winnipeg, Manitoba, and Peter M. Brown, Brian D. Harwood and Charles Channing Buckland, all of 1350 - 409 Granville Street, Vancouver, British Columbia.

The persons having an interest, directly or indirectly, to the extent of 5% or more in the capital of West Coast Securities Ltd. are J.D. Thomas and Robert Devente, both of 511 - 837 West Hastings Street, Vancouver, British Columbia.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Reference is made to the caption "The Properties" for shares issued by the Company to Directors for property.

AUDITORS, TRANSFER AGENTS AND REGISTRARS

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

PRELIMINARY EXPENSES

The Company was incorporated on November 29, 1979. From the date of incorporation to April 30, 1980 the Company incurred preliminary expenses in the amount of \$34,592.39, of which \$4,364.67 was incurred as administrative expenses and \$30,227.72 was incurred as exploration expenditures.

OTHER MATERIAL FACTS

Associates of the Underwriters have purchased in the aggregate 20,000 shares of the Company at 10¢ per share and 60,000 shares of the Company at 40¢ per share.

There are no other material facts.

PURCHASER'S STATUTORY RIGHT OF WITHDRAWAL AND RESCISSION

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

1. 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, was not delivered to him or his agent prior to 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 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.
2. A purchaser has the right to rescind a contract for the purchase of such security, while still the owner thereof, if the Prospectus or 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 the circumstances in which it was made, but no action to enforce this right can be commenced by a purchaser after the 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
Total Resources Inc.

We have examined the balance sheet of Total Resources Inc. as at 30th April, 1980 and the statements of deferred exploration, development and administrative expenses 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 30th April, 1980 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.
21st May, 1980

Jorgensen Beauchamp
Chartered Accountants

TOTAL RESOURCES INC.

Balance Sheet
As at 30th April, 1980

Assets		
Current		
Cash		\$ 30,424.84
Account receivable		<u>5,000.00</u>
		35,424.84
Mining properties, at cost		83,000.00
Deferred exploration and administrative expenses		34,592.39
Automotive equipment, at cost		11,522.16
Other		
Performance deposit	\$798.11	
Incorporation expense	<u>550.00</u>	<u>1,348.11</u>
		<u>\$165,887.50</u>
Liabilities		
Current		
Accounts payable		\$ 6,886.50
Shareholders' investment		
Capital stock		
Authorized		
10,000,000 common shares of		
no par value		
Issued		
1,017,501 shares for cash	\$152,001.00	
700,000 shares for mineral		
claims	<u>7,000.00</u>	<u>159,001.00</u>
		<u>\$165,887.50</u>

APPROVED BY THE DIRECTORS:

Director



Director

See accompanying notes to the financial statements.

TOTAL RESOURCES INC.

Statement of Deferred Exploration, Development and
Administrative Expenses
For the Period from 29th November, 1979 (Date of Incorporation)
To 30th April, 1980

Expenditures during the period		
Exploration and development expenses		
Aspen property		
Roadwork and mine rehabilitation	\$21,251.00	
Field materials and supplies	6,842.23	
Engineering and assays	<u>2,134.49</u>	\$30,227.72
Other exploration		
Licence and recording fees		900.00
Administrative expenses		
Office, rent and telephone	1,636.57	
Insurance	292.00	
Travel and promotion	1,274.44	
Truck repairs	<u>261.66</u>	<u>3,464.67</u>
Deferred exploration, development and administrative expenses at 30th April, 1980		<u><u>\$34,592.39</u></u>

TOTAL RESOURCES INC.

Statement of Source and Use of Working Capital
For the Period from 29th November, 1979 (Date of Incorporation)
To 30th April, 1980

Source of working capital		
Cash proceeds from sale of shares		<u>\$152,001.00</u>
Use of working capital		
Purchase of mining properties	\$83,000.00	
Less: Non-cash consideration - issue of shares	<u>7,000.00</u>	76,000.00
Deferred exploration, development and administrative expenses		34,592.39
Purchase of automotive equipment		11,522.16
Performance deposit		798.11
Incorporation expense		<u>550.00</u>
		<u>123,462.66</u>
Working capital at 30th April, 1980		<u><u>\$ 28,538.34</u></u>
Represented by:		
Current assets		\$ 35,424.84
Current liabilities		<u>6,886.50</u>
		<u><u>\$ 28,538.34</u></u>

TOTAL RESOURCES INC.

Notes to the Financial Statements
As at 30th April, 1980

1. Significant accounting policies

a) Mining properties

The company capitalizes the acquisition cost of mining properties and related exploration, development and administrative expenses until such time as the property to which they relate is brought into production or is abandoned. The costs will be amortized on a unit of production basis following commencement of production or written off to deficit if the property is abandoned.

b) Values

Under the above policy, costs totalling \$117,592.39 are shown as assets in the balance sheet. These costs are not intended to reflect present or future values.

c) Depreciation

No depreciation of automotive equipment is provided for in these financial statements. In future periods, depreciation will be provided for at the rate of 33 1/3% per annum on a straight-line basis.

2. Mining properties

At 30th April, 1980 the company's mining properties are comprised of the following:

a) Flores Island, British Columbia

Beneficial owner of two mineral claims (40 units) acquired for the sum of \$40,000.00.

b) Salmo area, British Columbia

Beneficial owner of the Aspen group of nine reverted crown grants, subject to a 3% royalty on net smelter returns in favour of the vendor.

These mineral claims were acquired for the sum of \$36,000.00 and the issuance of 700,000 shares in the capital stock of the company at an ascribed amount of 1¢ per share.

Under terms of the agreement the company has the right to purchase the retained royalty interest for the aggregate sum of \$2,000,000.00.

Report

on the

Moly and Lead Mineral Claims

(a total of 40 units)

Situated on

Flores Island

20 air km northwest of

TOFINO

off the West Coast of Vancouver Island

Alberni Mining Division

British Columbia

on behalf of

TOTAL RESOURCES LTD.

Vancouver, B. C.

Report by —

D. R. Cochrane, P. Eng.,

March 1, 1980,

Delta, B. C.



Cochrane Consultants Limited
4882 Delta St., Delta, B.C. V4K 2T8 946-9221
Geotechnical Consulting / Exploration Services

geology
geophysics
geochemistry

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2.	Claims Map	" "

Appendices

I	Certificate
II	Bibliography



A. INTRODUCTION

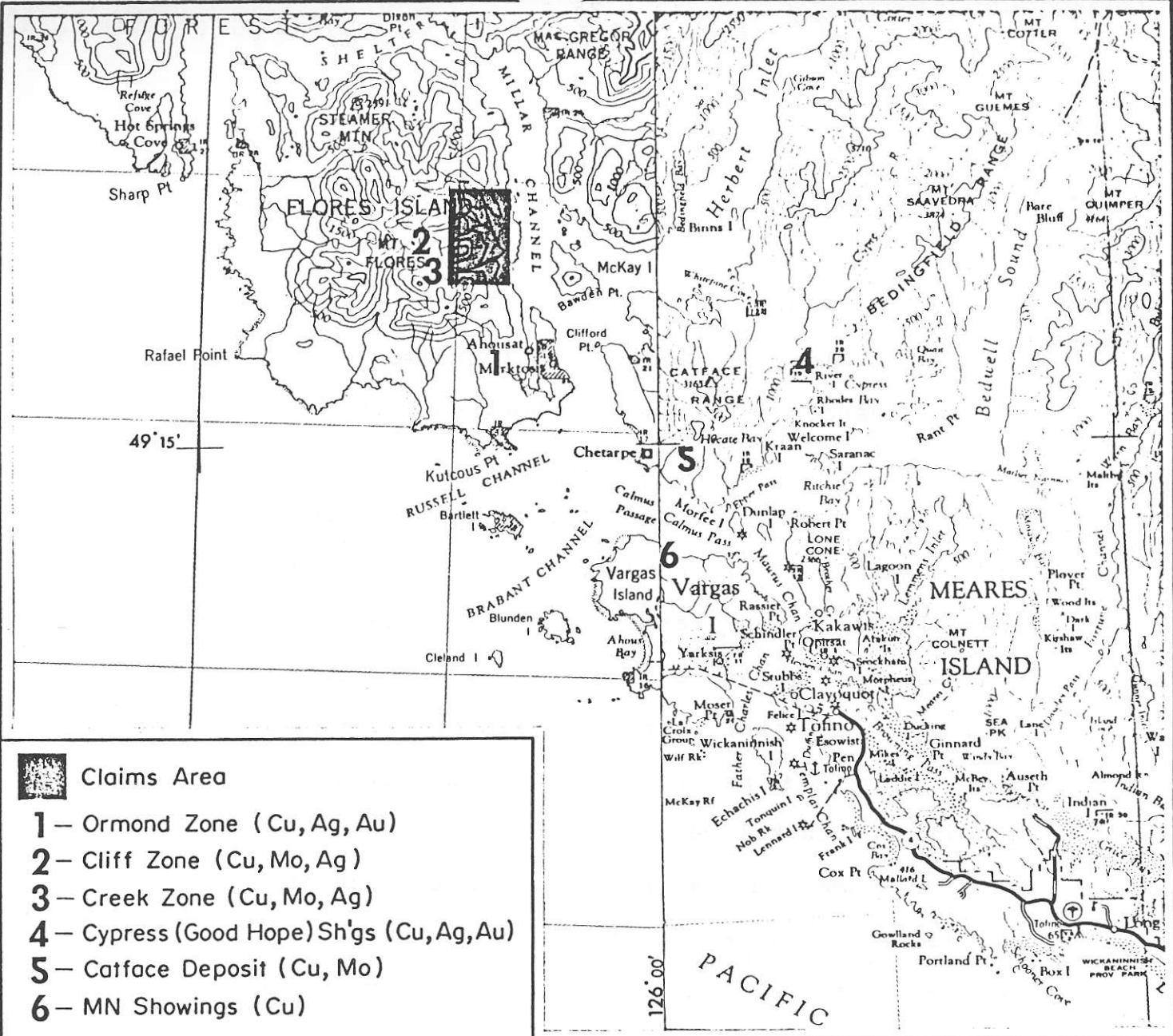
On April 2, 1979, the author inspected mineral showings on Flores Island, located just north of Tofino, off the west coast of Vancouver Island. Subsequent to the field examination a report was prepared and dated April 30, 1979.

Early this year the author was engaged by Total Resources Ltd., to review available information on claims adjacent to the showings.

This report describes the setting and previous work done and contains recommendations for additional exploration work and an estimate of the cost of same.

The author's certificate is appended.





Claims Area

- 1 — Ormond Zone (Cu, Ag, Au)
- 2 — Cliff Zone (Cu, Mo, Ag)
- 3 — Creek Zone (Cu, Mo, Ag)
- 4 — Cypress (Good Hope) Sh'gs (Cu, Ag, Au)
- 5 — Catface Deposit (Cu, Mo)
- 6 — MN Showings (Cu)

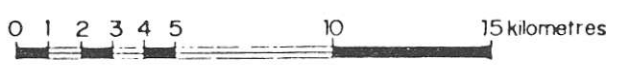
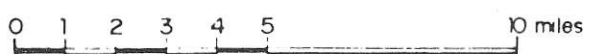


TOTAL RESOURCES LTD.

Moly & Lead Claims Flores Island
 near Tofino, British Columbia. 92E/8E.

Figure 1
 Location Map

Scale : 1 to 250,000 or 1 inch equals approx. 4 miles.

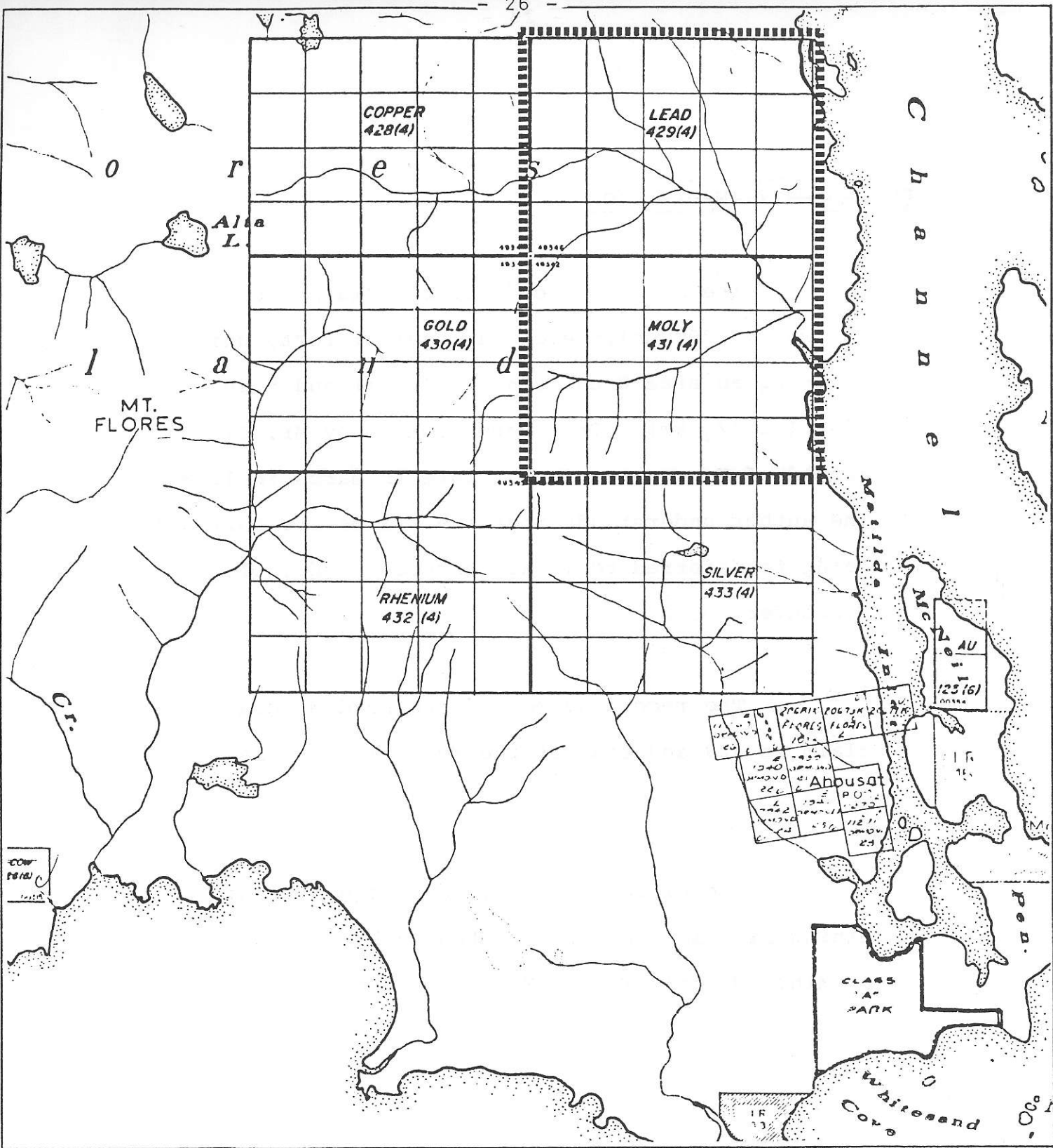


B. LOCATION AND ACCESS

The Moly and Lead mineral claims are located on Flores Island just off the west coast of Vancouver Island, in Southwestern British Columbia. Normal access is via highway No. 4 from Port Alberni to Tofino, a distance of approximately 120 road km. Tofino is a small coastal fishing and resort town with food stores, restaurants, a hotel and motel. Access from Tofino is by either boat, or fixed or rotary winged aircraft northerly to the Island, a distance of 20 kilometres. The claims are centered some four (4) kilometres northwest of the native settlement of Marktosis, (Ahousat) located on the southeast corner of Flores Island.

The N.T.S. code for the area is 92E/8 (east half).





TOTAL RESOURCES LTD.

Moly & Lead Claims Flores Island
 near Tofino, British Columbia 92E/8E.

Figure 2

Claims Map

Scale 1:50,000



B.A.C. Feb.'80

C. PROPERTY INFORMATION

The Moly and Lead mineral claims consist of twenty (20) units each (a total of forty units) covering an area 8 units north (4 km) and 5 units west (2 ¹/₂ km). They were located by Mr. Jim McLeod of Vancouver, B. C., late in March in 1979. The author understands that the claims are currently being transferred to Total Resources Ltd., of Vancouver, B. C.

The record number of the Lead Mineral claim is 429 and that of the Moly Mineral claim is 431.

The claims are located in the Alberni Mining Division and are plotted on B. C. Dept. of Mines Mineral Titles Map 92E/8E.



D. HISTORY

The B. C. Minister of Mines Annual Report for 1916 contains a rather lengthy description of exploration on Flores Island. Apparently work dates back to 1902 when a prospector named James Beck discovered gossan outcrops on the beach near the south-east corner of the island. Additional prospecting over the years led to the discovery of iron and copper occurrences on the island with associated gold and silver values. Eventually sufficient work was completed by 1910, to allow the crown granting of the Ormond Group. (Minister of Mines reports for 1910, 1917, 1919, 1928 and 1930). The Ormond property lies a few kilometres south of the claims under consideration. Exploration activity in the area increased substantially in the late 1950's and early 1960's and was aimed predominantly at iron and iron-copper skarn types of deposits. This eventually led to developments such as Brynor Mine, and the further development of CATFACE, located a few kilometres south-east of Flores Island. Late in the 60's and



early 70's Falconbridge Nickel Mines Ltd., conducted work on the mineral claims under consideration and work included geochemical and geological surveys. The claims came open in January, 1979, and were staked by Mr. McLeod.



E. GENERAL SETTING

Flores Island lies immediately east of Vancouver Island and the Island Mountain Range. The Island is approximately 12 km in diameter and the highest peak is Steamer Mountain, with an elevation of close to 790 metres above sea level.

The local relief is somewhat varied and ranges from flat sandy beaches to sheer rock cliffs such as those on the adjacent Gold Claim to the east. Topography on the claims, however, is moderate.

The climate is wet coastal and the vegetation lush and in places quite thick.

The 1916 Minister of Mines Report contains a good description of the island and excerpts from this report are reproduced below.

"On the north-east and north-west sides of



Flores Island, including Steamer Cove and Rocky Passage and south to within two miles and a half from the mouth of Matilda Creek, fine grained granites are met with. Thence southward, including Matilda Creek and the shore past Ahousat Village, on to White Sand bay, only greenstones of the Vancouver series are exposed."

"Flores Island has an area of about thirty-six square miles and is on the west coast of Vancouver Island, on the north side of Clayoquot sound. It is separated from Vancouver Island by the fiord called Sidney inlet. The west side of Flores Island is open to the Pacific ocean and has no harbours: but on the south-east side Matilda Creek affords a safe deep-water shelter and good anchorage."

"Flores Island is mountainous and thickly wooded, the shores are steep, rugged cliffs, except for a short distance in front of the Indian village of Ahousat, where there is a white sandy beach."



F. DISCUSSION

The Moly and Lead claims lie between the Ormond Group (to the south) and the Gold claim (to the west). The Ormond group is described in the 1928 Minister of Mines Report (pg 294):

"The prevailing country-rocks are the volcanics of the Vancouver series, the mineralization occurring in a shear-zone apparently about 25 feet wide, in which are bands of light-coloured feldspathic rock and parallel hornblende dykes. The shear has had a number of open-cuts put across it at various intervals for a few hundred feet, showing, in general, bands of associated pyrite, chalcopyrite, and pyrrhotite; and disseminated pyrite through the hornblende dykes. The pyrite-chalcopyrite veins are up to 6 feet in width and certainly warrant some deeper development. A sample of ore taken to ascertain the gold and silver contents, and not as an average sample, assayed: * Gold, \$1.60 to the ton; copper, 8.8 per cent." (* Gold at \$20.67 per oz.)



"On the south side of the hill there is an excellent opportunity for gaining depth by drifting on the vein. The property is ideally situated and altogether has favourable possibilities."

To the west of the claims, two mineralized zones are present, the "Cliff" zone and the "Creek" zone.

The Cliff zone lies close to the common boundary of the Gold and Copper claims and mineralization is exposed along a series of rock bluffs close to the 600 metre level. Metallic mineralization consists of chalcopyrite, magnetite, pyrite, pyrrhotite, bornite, native copper and minor molybdenite in an altered, brecciated monzonite. The best section which is presently exposed is approximately 30 metres wide along the base of a cliff some 25 metres in height. The best grab sample collected by the author ran 2.84% copper, 0.17 troy ounces of silver, and 0.008 ounces of gold per ton.



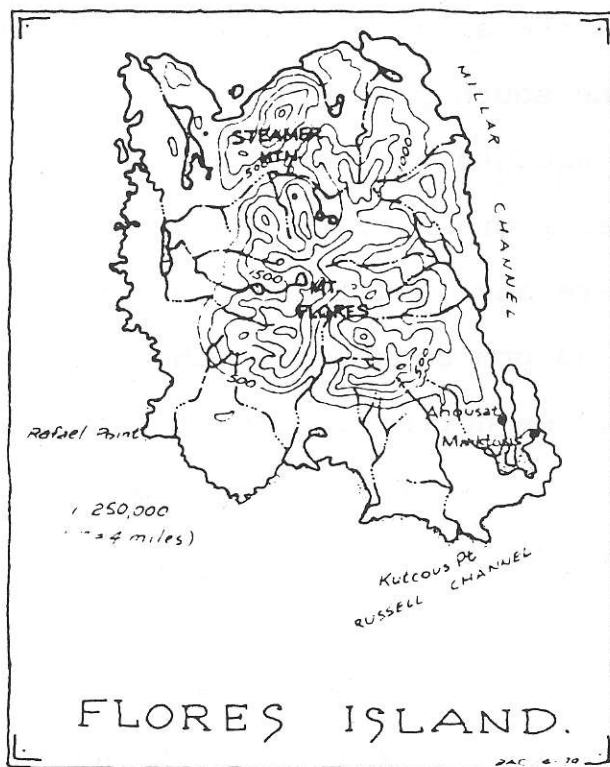
The Creek zone on the Gold claim is not well exposed, however mineralized float similar to the Cliff zone is observable in the creek bed.

In 1969 Falconbridge Nickel Mines conducted a reconnaissance type geochemical program in the area, in general, and work covered the south portion of the Moly claim. Anomalous amounts of copper were found in several small streams draining the Moly claim. The samples were analyzed for copper and values ranged to 93 ppm copper. To the author's knowledge, the north section of the Moly claim, and most sections of the Lead claim have not been investigated to date.

The Moly and Lead claims are covered with an extensive cover of drift and therefore indirect methods of exploration, such as geophysical and geochemical surveys will have to be heavily relied upon to locate mineralized zones. However, the author believes the claims should be explored by these methods, in view of the



geological setting, anomalous values encountered by previous workers, and in view of the current price of gold, silver, copper, and molybdenum.



G. RECOMMENDATIONS AND COST ESTIMATE

In veiw of the foregoing, the author recommends a reconnaissance type, integrated exploration program on the Moly and Lead claims.

The following lists recommended work and estimates the cost of same:

1. Establish camp and radio communications \$ 5,000.00

2. Reconnaissance type ground control grid over claims under consideration (blazed, flagged, chain and compass lines):
55 line km at \$100/km \$ 5,500.00

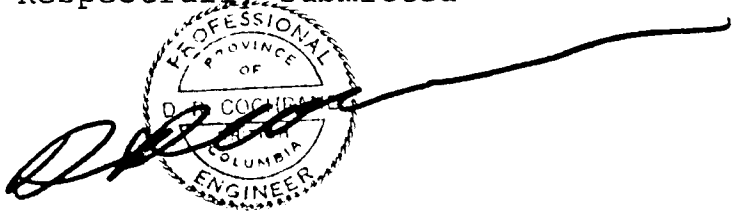
3. Ground magnetometer and self-potential survey over grid area:
55 line km at \$110/km \$ 6,050.00

Cont'd...



4.	Geochemical orientation work followed by geochemical survey over grid area	\$ 12,500.00
5.	Geological mapping and sampling	\$ 7,000.00
6.	Transportation and communications	\$ 4,000.00
7.	Supervision	\$ 5,000.00
8.	Contingencies at 10% of sub- total of \$45,050.00.....	\$ <u>4,505.00</u>
	Total	\$ 49,555.00
	Say	\$ 50,000.00

Respectfully submitted




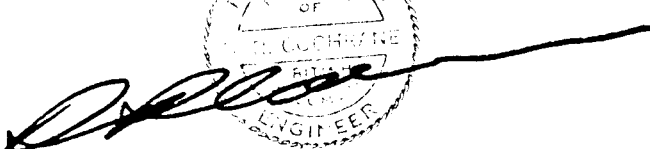
D. R. Cochrane, P. Eng.,
March 1, 1980,
Delta, B. C.



CERTIFICATE

I, Donald Robert Cochrane, of the Municipality of Delta, British Columbia, do hereby certify that:

1. I am a consulting geological engineer with an office at 4882 Delta Street, Delta, B. C.
2. I am a graduate of the University of Toronto (1962) with a degree in Applied Geology (B.A.Sc.) and a graduate of Queen's University (1965) with a Master of Science Degree in Geological Sciences (Engineering).
3. I have practiced my profession continuously since graduation while being employed by such companies as Noranda Exploration Co. Ltd., Quebec Cartier Mines, and Meridian Explorations Syndicate. I have been in private independent practice since 1969.
4. I have no interest, either direct or indirect in the properties or securities of Total Resources Ltd., nor do I expect to acquire any such interest.
5. I am a member in good standing of the Association of Professional Engineers (A.P.E.) of the Province of British Columbia, and also a member of the A.P.E. in the Province of Ontario, Saskatchewan, Alberta and the Yukon Territories.



D. R. Cochrane, P. Eng.,
March 1, 1980,
Delta, B. C.



APPENDIX II

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April 30, 1979.



REPORT
ON THE
ASPEN REVERTED CROWN GRANTS
CONSISTING
of
EIGHT CONTIGUOUS CLAIMS

Caroline	Lot No. 12468	Record No. 944
Silverton Fr.	Lot No. 12469	Record No. 944
Emma	Lot No. 12470	Record No. 948
Aspen	Lot No. 12471	Record No. 945
Mohawk	Lot No. 12472	Record No. 946
International	Lot No. 12473	Record No. 947
Salmo Malartic No.2	Lot No. 14459	Record No. 950
Salmo Malartic No.3	Lot No. 14460	Record No. 951
Salmo Malartic No.1	Lot No. 14461	Record No. 949

SITUATED ON
ASPEN CREEK, B. C.

5 kms. North of the H.B. Mine,
6 kms. East of Salmo, B.C.
in the Nelson Mining District,
N.T.S. 82F/3E
Latitude $49^{\circ} 10' N$; Longitude $171^{\circ} 1' N$

on behalf of
TOTAL RESOURCES LTD.,
1004-789 West Pender Street,
Vancouver, B.C. V6C 1J2

BY:

A.M. deQuadros, Ph.D.
March 1980
North Vancouver, B.C.

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INTRODUCTION

The author was engaged by Total Resources Ltd. of Vancouver, British Columbia to examine the mineral showings exposed on surface and in extensive underground workings at the Aspen Mine, and in particular the reported argentiferous ore zone in the underground workings.

The argentiferous zone was located during a property visit on November 17-18th, 1979 in the company of the owner, Mr. John Mirko. A second visit to the property was made during February 17th to 22nd, 1980, again in company of Mr. Mirko, to examine further the tunnels and obtain composite samples of the argentiferous zone.

The following report discusses the general setting, the results obtained and contains recommendations and cost estimates for further work needed to obtain grade and tonnages at the property.

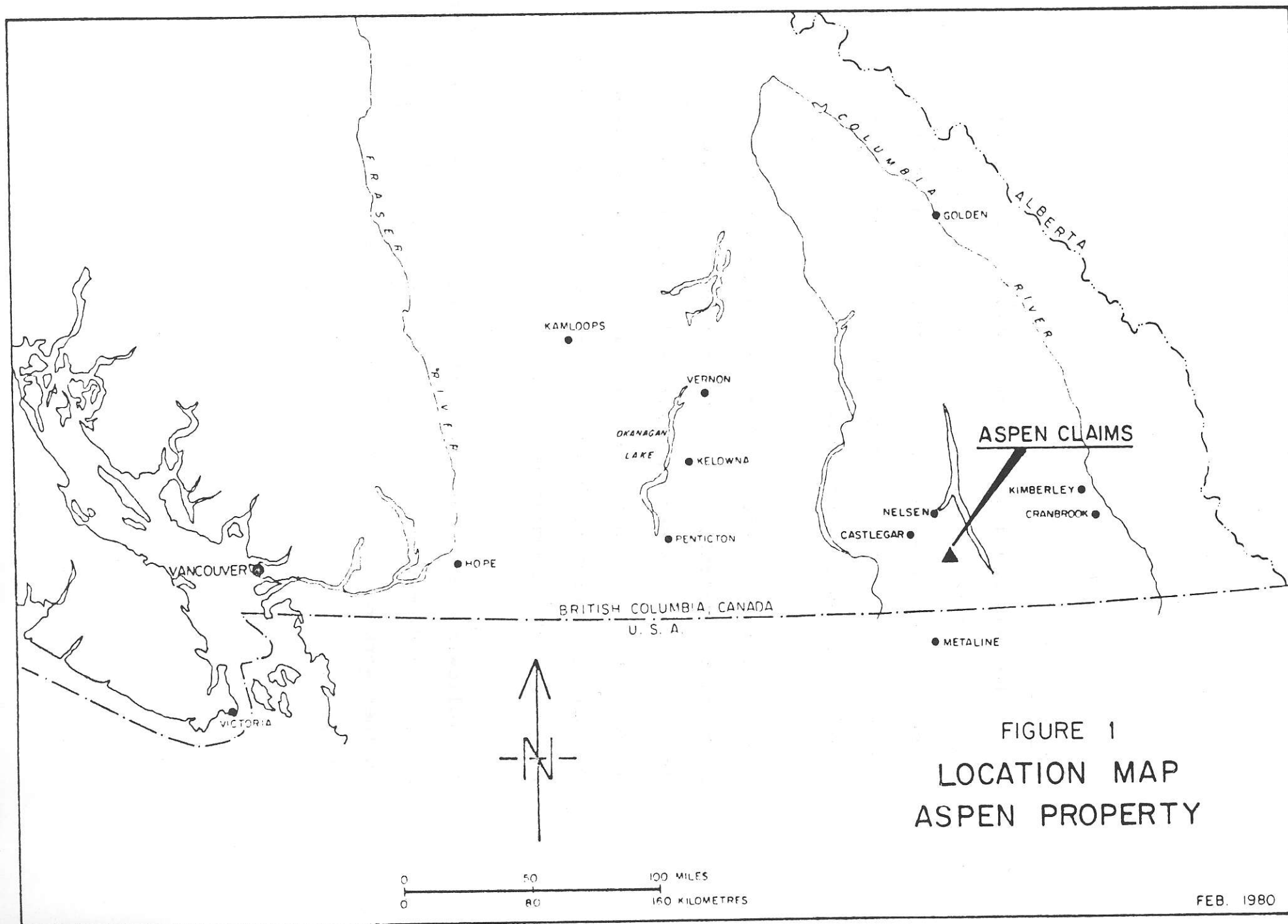


FIGURE 1
 LOCATION MAP
 ASPEN PROPERTY

FEB. 1980

LOCATION AND ACCESS

The property is located in N.T.S. 82F/3E in the Nelson Mining District. The general area is served by the old mining, logging and farming township of Salmo, British Columbia, at the intersection of Highway No. 3 and No. 6. The cities of Nelson, Castlegar and Trail are 42 kms, 36 kms and 50 kms respectively from Salmo. Castlegar is served by jet liners from Vancouver.

Access to the property is the excellent mining road through the H.B. Mine at Sheep Creek. A motorable track, approximately 4 kms, joins the H.B. road to the Aspen Mine. Permission has been obtained from Cominco for use of the road through the H.B. Mill.

Salmo provides all amenities needed including motels, restaurants, garages and stores. Bulldozers and other earth-moving equipment may be rented locally and a small but well-respected surface and underground drilling company is based at Salmo, B.C.

PROPERTY INFORMATION

The Aspen Property consists of 9 reverted crown grants acquired by Mr. John Mirko of Vancouver, B.C. on February 14th, 1979; these claims are presently being optioned to Total Resources Ltd. The claims details are as follows:

<u>Claim Name</u>	<u>Lot Number</u>	<u>Record Number</u>
Caroline	12468	944
Silverton Fraction	12469	944
Emma	12470	948
Aspen	12471	945
Mohawk	12472	946
International	12473	947
Salmo Malartic No.2	14459	950
Salmo Malartic No.3	14460	951
Salmo Malartic No.1	14461	949

On February 20th, 1980, Mr. Mirko staked two additional claims consisting of 18 units each to overlap the above claims as an agent for Total Resources Ltd. They are:

"The Crunch" Tag No. 59206

"The Rock" Tag No. 59205

These claims have been recorded but the titles and registration numbers have not yet been received.

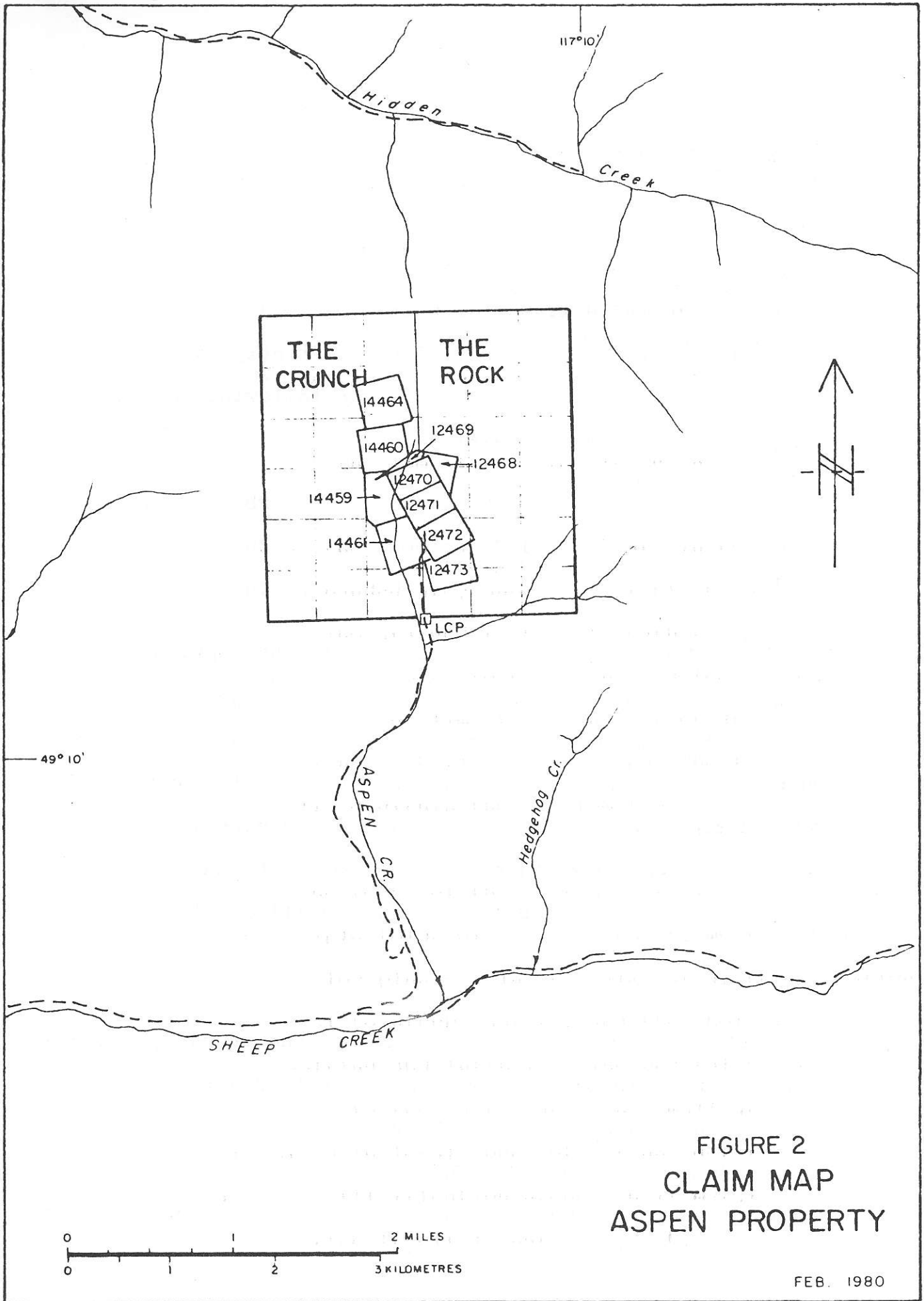


FIGURE 2
CLAIM MAP
ASPEN PROPERTY

HISTORY

Though references to the Aspen Property go back to 1896 in the Annual Reports of the B.C. Department of Mines, the first underground development appears to have been carried out by P. F. Horton and H.M. Billings in 1912. In the years following, several high silver shipments were apparently made; a settlement sheet from Trail gives the following values for a shipment of 7½ tons in 1918:

Au	0.18 oz/ton	Pb	Trace
Ag	61.70 oz/ton	Zn	2.3%
		Cu	0.2%

In 1927, Salmo-Malartic Mines Ltd of Toronto optioned the property, and work progressed under the management of P.F. Horton, totalling over 2,000 feet of diamond drilling and 2,000 feet of tunnelling. A shipment of 18 tons in 1934 is reported to have carried a total of 60 oz/Ag, 951 lb/Pb and 804 lb/Zn. This stage of work appears to have stopped around 1936. In 1937 Salmo-Malartic drilled a further 1700 feet underground.

In 1951, Salmo Malartic Mines optioned the property for a year to Sheep Creek Gold Mines, who drilled a total of 3,019 feet in seven underground and four surface holes. Cominco optioned the property in 1952 and 1959; in the earlier option, work was restricted to mapping and in the later option, some

surface and underground drilling to test out the sphalerite-galena mineralization in dolomite was carried out.

By 1954, the mine appears largely abandoned, and Green (1954) reported the tunnels to the silver zone were inaccessible. Fyles & Hewlett (1959) described the Aspen Property in Bulletin 41, Like Green (1954), they emphasized the occurrence of sphalerite and galena in the dolomites, generally with very low silver values (0.3 to 0.4 oz/ton). They did not visit the argentiferous zone, though they reported a sample from the shaft above this zone to have assayed 26.3 oz/ton Ag, 0.69% Pb and 0.09% Zn. This sample, they reported, contained galena, tetrahedrite, pyrite and pyrrhotite.

The property then reverted to the Crown and in 1979 it was acquired by Mr. John Mirko. The discovery of the unpublished 1936 report by Hartley Sargeant of the B.C. Department of Mines led to re-examination and confirmation of the argentiferous zone. In February, 1980, the property was optioned by Total Resources Ltd.

REGIONAL GEOLOGY

Southeastern British Columbia, together with northeastern Washington adjoining parts of Idaho and northwestern Montana, is one of the largest lead-zinc-silver provinces in the world, with diverse deposits ranging from the massive ores at Sullivan, B.C. to the rich veins of the Coeur d'Alene District, as well as lesser deposits in the Metaline District, Washington and Salmo District, B.C.

The deposits of the Metaline and Salmo Districts may be classified as dolomite-hosted strata-bound deposits of the Mississippian Valley-type. In general, the degree of deformation of these deposits appear to increase northwest, and the silver values, except for a very few occurrences, generally low (0.2 to 0.6 oz/ton).

The Kootenay Arc, a curving belt of complexly-folded rocks with a total length of about 250 miles, lies between the Purcell anticlinorium to the east and the Shushwap metamorphic complex to the west, and contains a succession of sedimentary and volcanic rocks ranging in age from Early Cambrian to late Mesozoic. It is considered to be an essentially conformable sequence, with a significant carbonate marker, the Badshot Limestone of the Lardeau area and its equivalent to the south, the Reeves Limestone of the Laib Formation. Fyles (1970) gives the succession of the Kootenay Arc around Salmo as:

"the lower part of the succession (Quartzite Range and Reno Formations) is quartzitic and the overlying Laib has a lower calcareous part containing the Reeves Limestone Member, beneath a thick succession of schists and minor quartzites. The overlying Nelway (Metaline) which is Middle Cambrian limestone and dolomite, and the Active (Ledbetter) Formation of Ordovician dark slates and argillites occur wide..."

The distribution of the limestone bands is shown in Figure 3.

In the Salmo area, the lead-zinc deposits are in the Reeves Limestone. It is a banded grey and white or black and white fine-grained to medium-grained rock that weathers blue-grey. It contains zones of dolomite rocks and pure dolomite that are finer-grained than the limestones and either grey, creamy white or mottled with black flecks and wisps. The lead-zinc deposits are localized within these dolomites.

The structure of the rocks of the Kootenay Arc is complex, consisting of multiple folds of several phases, mostly about parallel axes with low plunges. In the Salmo area, the foliation ranges from vertical to steep easterly and the whole is complicated by faulting and intrusion. The several strike faults appear to dip to the east; numerous small granitic stocks have resulted in local zones of intense deformation, skarnification and silicification around their margins. The Hidden Creek batholith itself is surrounded by a zone in

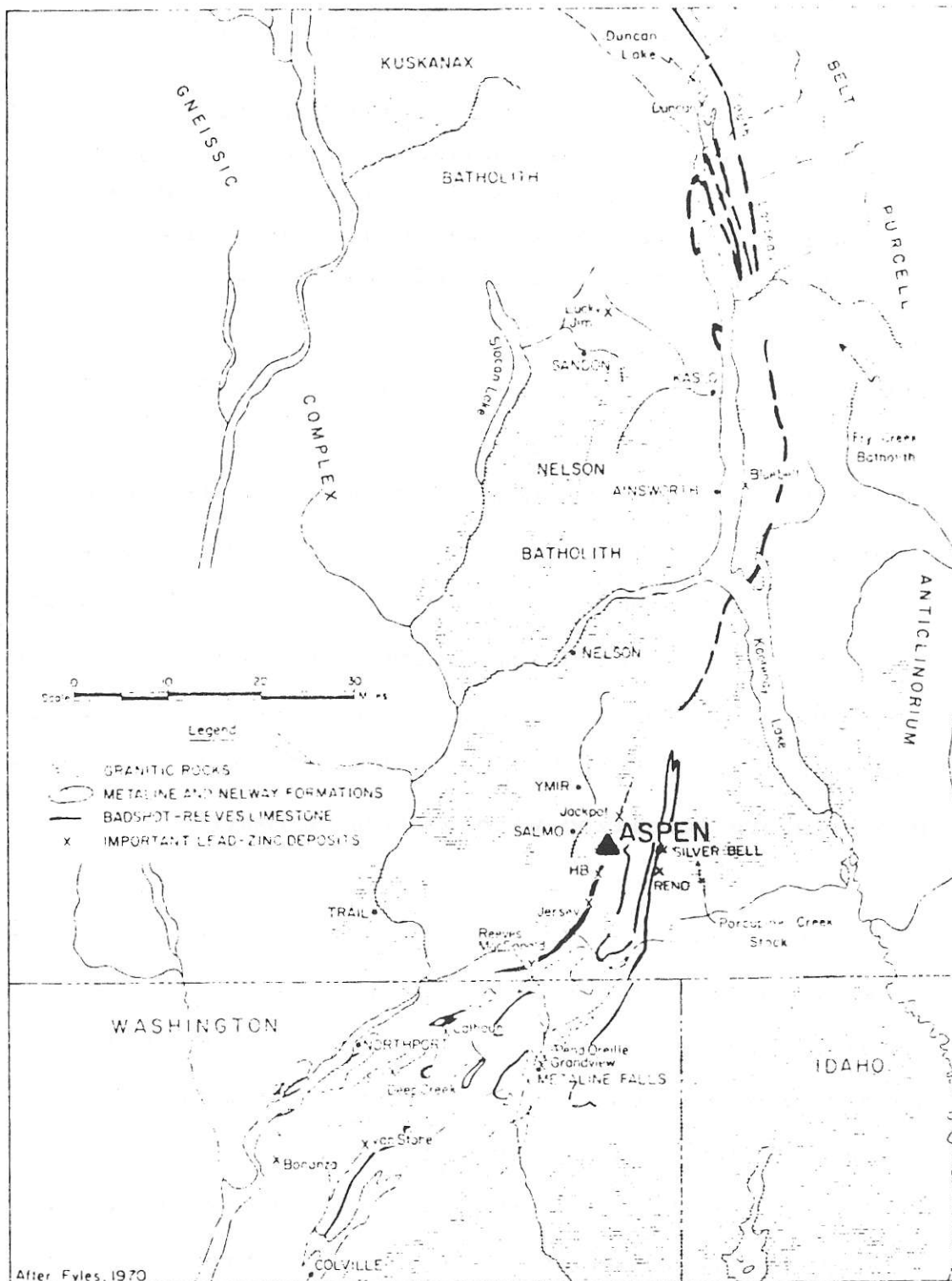


FIGURE 3.—Geologic map of the southern part of the Kootenay Arc.

which the regional foliation has been deflected into near-parallelism to the margins of the stock.

PROPERTY GEOLOGY

The sedimentary rocks of the Laib Formation at Aspen have been intruded by irregular masses of granitic rocks and lamprophyre dykes (Figures 4 and 5). The property is at the southern edge of the Hidden Creek Batholith, and the rocks have been metamorphosed, recrystallized and contorted. These sedimentary rocks are the brown argillaceous rocks of the Truman Formation, black argillites of the Emerald member and the Reeves Limestone. They are well exposed east of Aspen Creek.

The Reeves Limestone is typically a grey and white banded rock that is locally skarnified and siliceous (or silicified) around intrusive margins. The Truman argillite is mostly rust-coloured, though fresh surfaces may be brown or grey and locally greenish. Grey quartzitic rocks within this argillite may be parts of the Reno Quartzite. Black argillite underlies the Reeves Limestone and is exposed west and south of the workings and on the ridge east of the large limestone outcrop.

The structure appears complex - for example the area shown as the Truman member includes as many as four bands of argillite interlayed with white and grey limestones believed to be isoclinal limbs of the Reeves Limestone. The major structure is a fold with the Truman argillite at the core and the Reeves

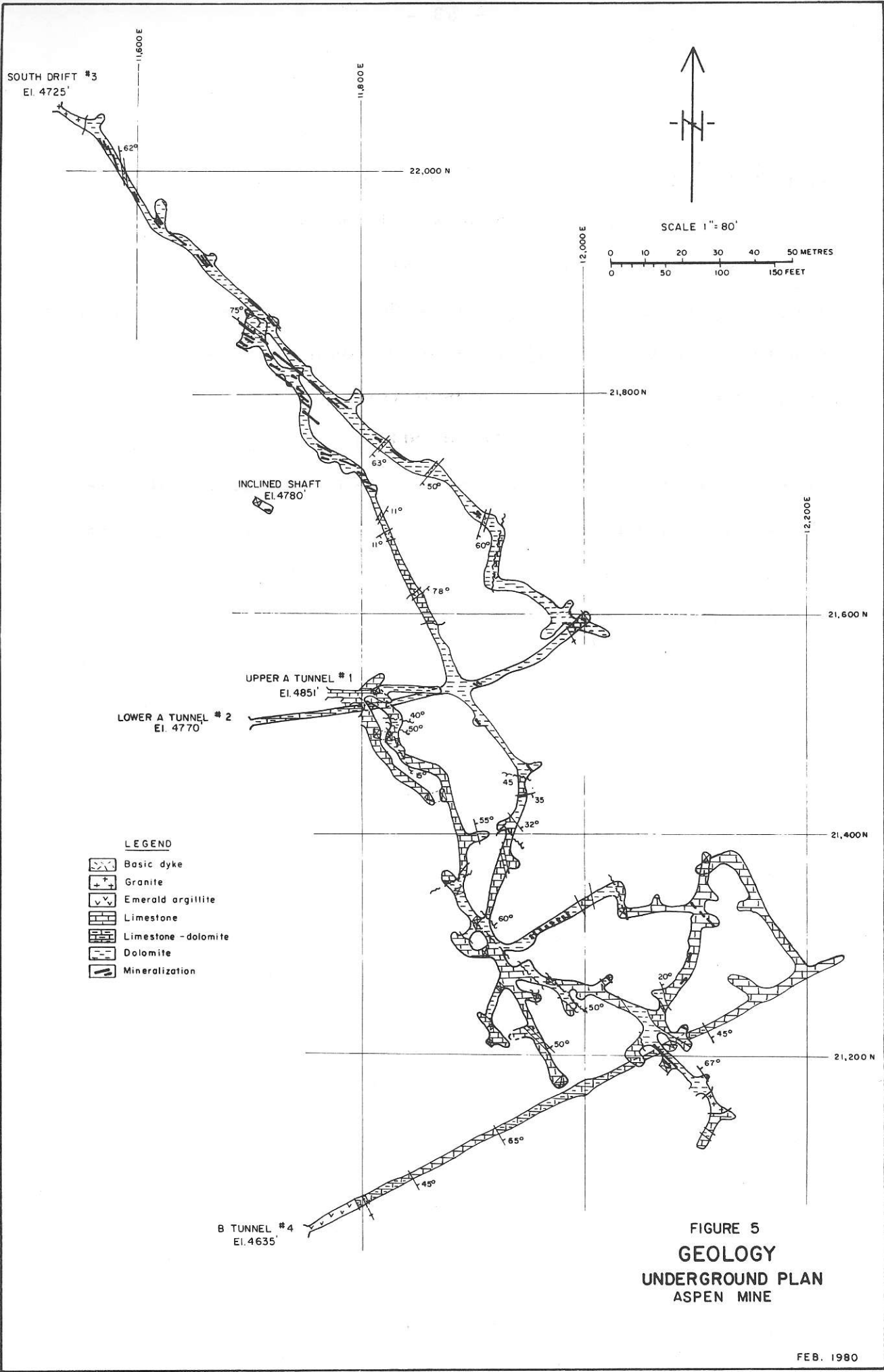


FIGURE 5
GEOLOGY
UNDERGROUND PLAN
ASPEN MINE

Limestone and Emerald argilite on the limbs. The whole structure appears overturned and Fyles and Hewlett (1959) refer to the structure as an overturned syncline. Complex minor folds occur through the succession, generally plunging northwest between 5 and 35 degrees. The exact shape and complexity of the fold is not known.

Several minor faults have been observed underground. The major fault runs parallel to the Aspen Creek and appears to offset the Reeves Limestones at the northern end of the property.

MINERALIZATION

Two types of mineralization occur on the Aspen property. The first is the typical sphalerite-galena-pyrite ore with minor pyrrhotite that is best exposed in the dolomites of the No. 3 adit, maintaining a width of 50 feet for over 700 feet south of the portal. In these orebodies, Zn ranges from 5 to 9%, with minor Pb and about 0.3 oz/ton Ag. This area was extensively drilled by Cominco in 1959.

The second type of mineralization consists of sparsely mineralized siliceous or silicified limestones and dolomites that occur in the underground workings between the A tunnels and the B tunnel. The sulphides consist of galena, tetrahedrite, pyrite, pyrrhotite and sphalerite. Fyles reports a grab sample from the collar of a shaft in this area that assayed 26.3 oz Ag/ton. It is this zone that is of most interest and hence twelve chip samples were taken from this zone. The assays (Appendix have been plotted on the underground geological plan (Figure 6). This area was assayed by Sargent (1936) and present results confirm the occurrence of a long and wide zone of disseminated silver mineralization that apparently lies below the sphalerite zone.

The assays are very encouraging. Samples No. 1 (0.010 oz Au/ton, 0.10 oz Ag/ton) and Sample No. 12 (0.002 oz Au/ton, trace Ag)

SOUTH DRIFT #3
El. 4725'

UPPER A TUNNEL #1
El. 485'

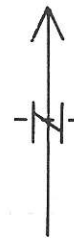
LOWER A TUNNEL #2
El. 4770'

B TUNNEL #4
El. 4635'

LEGEND

● SAMPLE LOCATION & NUMBER

$\frac{0.010, 0.10}{1.8}$ oz/ton Au, oz/ton Ag
Metres



SCALE 1" = 80'

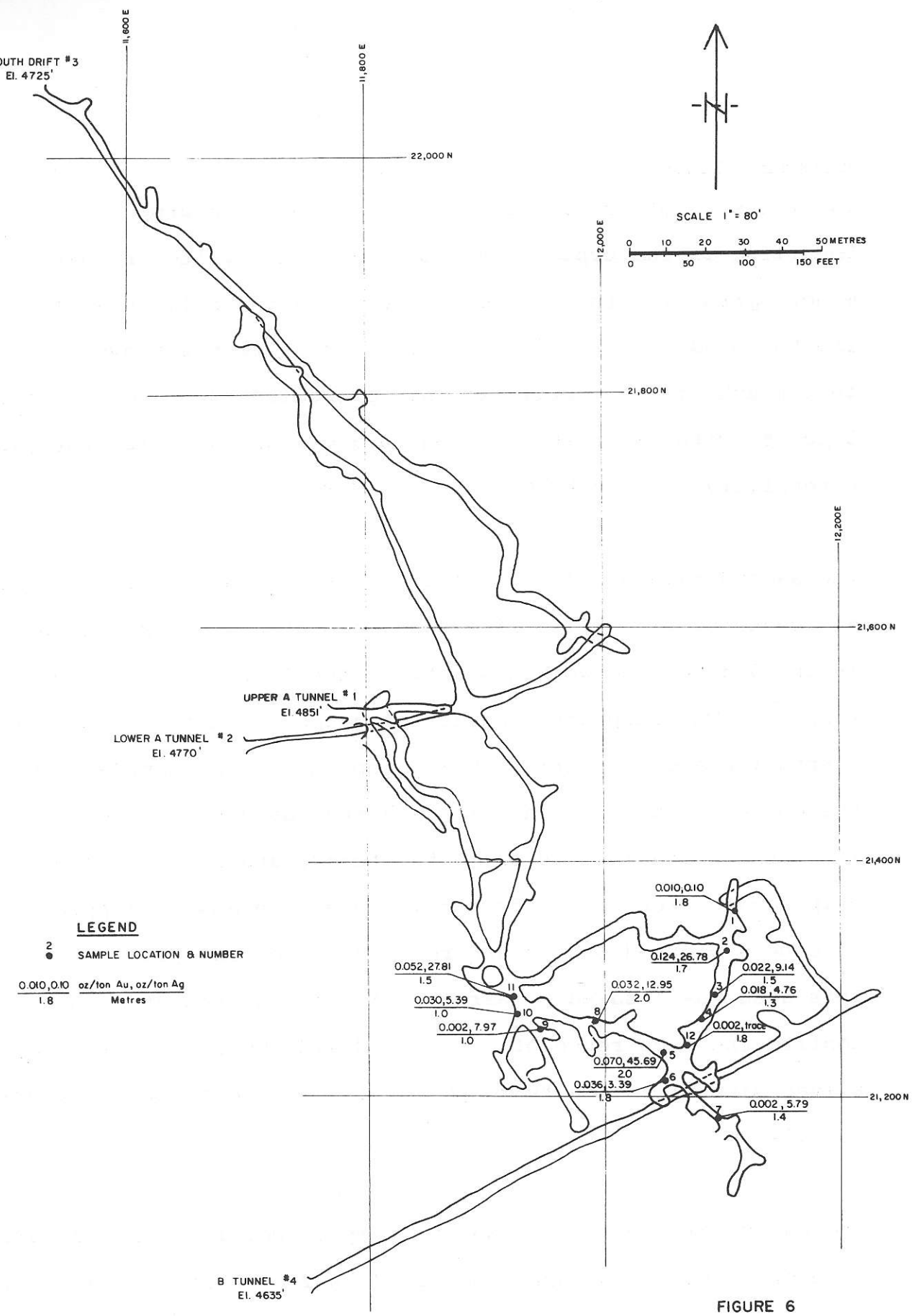
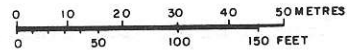


FIGURE 6
SAMPLE LOCATION
UNDERGROUND PLAN
ASPEN MINE

were the lowest; other samples assayed from a low of 3.39 oz Ag/ton to a high of 45.69 oz Ag/ton over widths ranging from 1.3 to 2.0 meters. Two samples, No. 2 and No. 5 showed 0.124 oz Au/ton and 0.070 oz Au/ton respectively. The values obtained for Ag appear to show no correlation with the Pb or Zn content; they can, however, be correlated with Cu values, suggesting that the silver may occur in tetrahedrite.

DISCUSSION

The typical Mississippian Valley-type Zn-Pb ore at Aspen appears to be barely economic at present prices and, therefore, of lesser interest. The argentiferous zone ranges well above economic grades over an area of about 40 meters by 40 meters in underground workings. Due to the limitations of the geometry and sizes of the tunnels, no definite impression of width or thickness of the zone can be presently obtained. The sample widths of 1.3 to 2.0 meters do approach mining width and an extensive underground diamond drill project is indicated.


The possible areal extent of the argentiferous zone is also unknown; a similar argentiferous zone is reported approximately 700 meters to the north-northwest on the west side of Aspen Creek. Similar zones of siliceous (or silicified) limestone with disseminated sulphides are reported in the logs of the holes drilled in the limestone unit east of the workings; none of these zones were assayed for silver. An extensive surface exploration and mapping program is also indicated, and some surface diamond drill holes will be necessary.

RECOMMENDATIONS AND COST ESTIMATES

In view of the foregoing, the author recommends an extensive integrated exploration programme on the Aspen Property as follows:

1.	a) Roads	12,000.00
	b) Camp	9,000.00
	c) Transportation	8,000.00
2.	a) Underground rehabilitation	15,000.00
	b) Underground diamond drilling 7,000 feet @ \$10./foot	70,000.00
	c) Trenching and blasting	4,000.00
	d) Equipment mobilization	3,000.00
	e) Surface diamond drilling @ \$20./foot	40,000.00
	f) Assaying	3,000.00
3.	a) Line cutting 25 line miles	5,000.00
	b) Magnetometer Survey	6,000.00
	c) Geochemical Survey	6,000.00
4.	Equipment rental and repair compressor, saws, etc.	10,000.00
5.	Management Geologist, Manager and Assistant	24,000.00
6.	Contingencies @ 10%	21,500.00
	<u>Total Cost</u>	236,500.00

Respectfully submitted,



A. M. de Quadros, Ph. D.
Geologist

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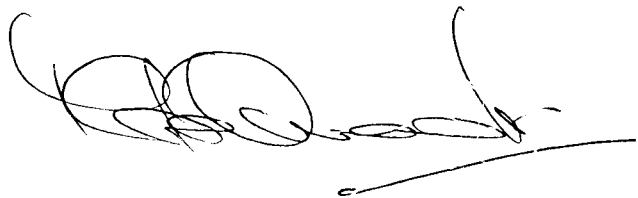
1896-73	1920-133
1901-1222	1926-278
1912-155	1927-308
1913-131	1928-348
1914-329	1933-232
1915-162	1937-E53
1917-170, 195,452	
1918-173-198	1951-139
	1959-62

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CERTIFICATE

I, Antonio M. de Quadros, of 2741 Chesterfield Avenue, North Vancouver, B. C. do hereby certify that:

1. I am a consulting geologist with an office at 2741 Chesterfield Avenue, North Vancouver, B. C.
2. I hold the following degrees in geology:
 - a) B.Sc. Hons. 1st Class
University of London, 1964
 - b) M.S. U.C.L.A., 1968
 - c) Ph.D. University of Nairobi, 1972
3. I have practised my profession continuously since 1964 while being employed by Union Carbide Exploration, Kerr Addison Mines, Dolmage, Campbell and Associates, and Chinook Construction and Engineering Ltd. I have been working independently since 1978.
4. I have no interest, direct or indirect, in the properties or securities of Total Resources Ltd.
5. I am a Fellow of the Geological Association of Canada.



A. M. de Quadros
March 14, 1980
North Vancouver, B. C.

APPENDIX

1. ASSAYS BY H. SARGEANT, B.C. DEPT. MINES, 1936
2. ASSAYS BY COMINCO, JANUARY, 1980
3. ASSAYS, FEBRUARY 21st-22nd, 1980

1. ASSAYS BY H. SARGEANT, B.C. DEPT. MINES, 1936

<u>Sample No.</u>	<u>Width feet</u>	<u>Au oz/ton</u>	<u>Ag —</u>	<u>Pb %</u>	<u>Zn %</u>
1	4.0	tr	tr	-	-
2	5.2	tr	0.6	nil	nil
	1.2	tr	2.6	nil	1.0
3	4.0	tr	1.2	-	-
	7.0	tr	0.2	-	-
4	3.5	tr	3.0	nil	1.5
5	3.0	0.02	12.4	nil	0.5
6	3.7	tr	4.6	-	-
7	3.0	0.01	7.5	nil	3.0
	2.5	0.07	23.7	nil	0.5
8	grab	0.04	20.5	nil	2.5
9	0.7	tr	0.8	nil	nil
10	grab	tr	0.8	-	-
11	6.0	tr	3.0	nil	tr
	4.5	tr	6.0	nil	0.5
12	4.2	0.02	7.6	nil	1.0
13	4.0	tr	tr	nil	nil
14	4.0	tr	2.5	-	-
	4.0	0.01	3.5	nil	5.0
	7.5	0.03	6.5	-	-
	5.0	tr	2.0	-	-
15	5.0	tr	1.5	nil	1.0
16	1.8	tr	tr	nil	nil
	4.2	tr	6.0	nil	1.0
	4.5	tr	1.6	nil	nil
17	1.5	0.04	12.6	nil	5.0
	3.0	tr	4.0	nil	1.5

2. ASSAYS BY COMINCO, JANUARY 1980

<u>Chip Sample</u>	<u>Width meters</u>	<u>Au oz/ton</u>	<u>Ag oz/ton</u>	<u>Pb %</u>	<u>Zn %</u>	<u>Cu —</u>
A	1.5	0.013	4.32	0.22	1.58	0.05
B	2.0	0.003	2.09	0.06	2.05	0.07
C	1.9	0.002	1.80	0.07	0.37	0.03
D	1.5	0.038	11.05	0.25	0.34	0.04
E	1.6	0.400	44.96	0.78	8.05	0.22
F	2.0	0.037	13.46	0.43	1.30	0.13
G	1.3	0.005	1.16	0.16	1.57	0.01
H	2.0	0.025	12.05	0.76	2.80	0.14
I	1.4	0.022	32.78	0.32	1.58	0.23
J	1.7	0.002	9.16	0.01	0.02	0.01
K	-	0.002	0.75	0.12	0.07	0.01
L	-	0.002	0.21	0.01	0.02	0.01

3. ASSAYS - February 21st-22nd, 1980 (A.M. DeQuadros)

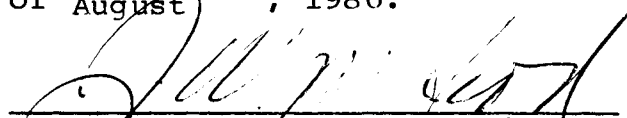
<u>Chip Sample No.</u>	<u>Width Meters</u>	<u>Au oz/ton</u>	<u>Ag oz/ton</u>	<u>Cu %</u>	<u>Pb %</u>	<u>Zn %</u>
1	1.8	0.010	0.10	0.004	0.022	0.02
2	1.7	0.124	26.78	0.213	1.495	4.095
3	1.5	0.022	9.14	0.038	0.716	0.716
4	1.3	0.018	4.76	0.089	1.087	1.087
5	2.0	0.070	45.69	0.0168	0.288	0.288
6	1.8	0.036	3.39	0.063	1.170	1.170
7	1.4	0.002	5.79	0.071	0.926	0.926
8	2.0	0.032	12.95	0.080	1.367	0.367
9	1.0	0.002	7.97	0.126	1.614	1.614
10	1.0	0.030	5.39	0.096	0.990	0.990
11	1.5	0.052	27.81	0.122	0.682	0.682
12	1.8	0.002	trace	0.036	0.737	0.732


The map referred to in the attached Report has not been reproduced due to its size. This map may be inspected at the Company's Registered Office, 901 - 1199 West Pender Street, Vancouver, British Columbia, during the period of primary distribution of the shares offered by this Prospectus and for a period of thirty (30) days thereafter.

CERTIFICATE OF THE COMPANY

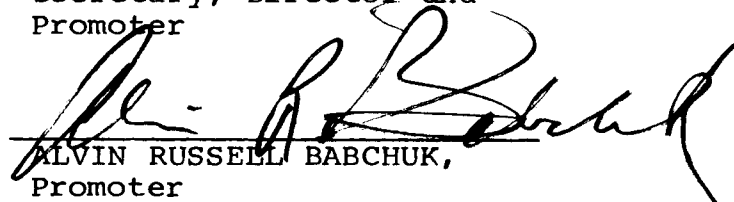
The foregoing constitutes full, true and plain disclosure of all material facts relating to the securities offered by this Prospectus as required by Part VII of the Securities Act, and the regulations thereunder.

DATED at Vancouver, British Columbia, this 11th day of August, 1980.


JAMES WAYNE McLEOD, President,
Director and Promoter


NORMAN ANTHONY PEARSON,
Secretary, Director and
Promoter


WILLIAM LIONEL CLARENCE
NEWSOM, Director and Promoter

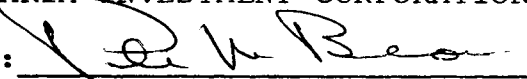

ALVIN RUSSELL BABCHUK,
Promoter

CERTIFICATE OF THE UNDERWRITER

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

DATED at Vancouver, British Columbia, this 11th day of August, 1980.

CANARIM INVESTMENT CORPORATION LTD.

Per: 

WEST COAST SECURITIES LTD.

Per: 