

822827

THE ALBERTA STOCK EXCHANGE

APPLICATION FOR LISTING

REYMONT GOLD MINES LTD.

NATURE OF BUSINESS

The principal business of the Company is currently the acquisition, exploration and development of resource properties.

HEAD OFFICE ADDRESS AND PHONE NUMBER

530, 355 Burrard Street  
Vancouver, British Columbia  
V6C 2G8

Telephone: (604) 687-5257

CONTACT FOR ADDITIONAL INFORMATION

850, 11012 Macleod Trail South  
Calgary, Alberta  
T2J 6A5

Telephone: (403) 271-6360  
Contact: Mr. James R. Brown

HISTORY OF INCORPORATION

Baden Explorations Limited was incorporated under the laws of the Province of British Columbia by registration of its Memorandum and Articles with the British Columbia Registrar of Companies on July 21, 1980. The Company, on June 29, 1988, filed Articles of Continuance with the Director of Corporations, pursuant to the provisions of the Canada Business Corporations Act, continuing the Company from its incorporating jurisdiction of British Columbia to the federal jurisdiction and changing the name of the Company from "Baden Explorations Limited" to "Reymont Gold Mines Ltd."

Reymont Resources Ltd. was incorporated under the laws of the Province of British Columbia by registration of its Memorandum and Articles with the British Columbia Registrar of Companies on August 3, 1984. On June 29, 1988, Reymont Resources Ltd. was amalgamated with 348345 B.C. Ltd., with the amalgamated corporation retaining the name "Reymont Resources Ltd."

348345 B.C. Ltd. was incorporated under the laws of the Province of British Columbia by registration of its Memorandum and Articles with the British Columbia Registrar of Companies on May 13, 1988.

CAPITALIZATION

COMMON SHARES	-	no par value
Authorized	-	unlimited number without nominal or par value
Issued	-	6,447,680

There is issued and outstanding 750,000 one year share purchase warrants pursuant to the terms and conditions of which the holders of such warrants have the right to purchase, 750,000 shares at a price of \$0.40 per share. These warrants expire on May 26, 1989. See "Subsidiary Companies" below.

At that extra-ordinary meeting of the shareholders held on June 28, 1988, the shareholders of the Company approved, among other things, a special resolution to consolidate all of the Shares of the Company on a basis of one new share for ten old shares. Prior to such consolidation, the Company's authorized share capital consisted of 10,000,000 common shares, of which 4,366,795 were issued and outstanding. Following such consolidation and prior to the amalgamation and continuation of the Company under the Canada Business Corporations Act, the share capital of the Company consisted of authorized share capital of 1,000,000 common shares of which 436,680 were issued and outstanding.

At the time of the Company's federal continuation, the authorized share capital was amended to an unlimited number of common shares without nominal or par value.

**FOR THE PURPOSES OF THIS APPLICATION, EVERY REFERENCE TO ISSUED SHARES OF THE COMPANY SHALL BE A REFERENCE TO SUCH SHARES AFTER GIVING EFFECT TO THE SHARE CONSOLIDATION DESCRIBED ABOVE.**

FULL DETAILS OF ISSUED CAPITAL

Shares Issued for Assets:

<u>Date of Issue</u>	<u>No. of Shares</u>	<u>Brief Description of Properties or Assets</u>
February 17, 1981	60,000	The Company entered into that Agreement dated July 31, 1980, pursuant to the terms and conditions of which the Company acquired an interest in and to 30 mining claims located in Tiblemont Township in the Province of Quebec. The mining claims for this property were subsequently allowed to expire.
February 17, 1981	15,000	The Company entered into that Agreement dated July 31, 1980, pursuant to the terms and conditions of which the Company acquired an undivided 100% interest in and to 18 contiguous mining claims situated in Baden Township, Larder Lake Mining Division, in the Province of Ontario.
December 27, 1985	15,000	The Company entered into that Agreement dated December 27, 1985, pursuant to the terms and conditions of which the Company acquired an undivided 100% interest in and to 60 unpatented mining claims in Orvilliers and Montgolfier Townships, Casa Berardi, in the Province of Quebec.
June 29, 1988	6,011,000	The Company entered into that Agreement dated June 29, 1988 with the shareholders of Reymont Resources Ltd. (post-amalgamation) pursuant to the terms and conditions of which the shareholders of Reymont Resources Ltd. agreed to sell and exchange their shares of

Reymont Resources Ltd. on the basis of one such share for one common share of the Company.

Shares Issued for Cash:

<u>Date of Issue</u>	<u>No. of Shares</u>	<u>Price Per Share</u>	<u>Amount Realized for Company</u>
February 17, 1981	50,000	\$2.00	\$100,000.00
July 3, 1981	50,000	\$5.00	\$187,500.00
November 24, 1984	87,500	\$2.00	\$157,560.00
March 28, 1985	2,187	\$1.60	\$ 3,500.00
May 22, 1985	2,188	\$1.60	\$ 3,500.00
May 27, 1985	10,400	\$2.50	\$ 26,000.00
May 27, 1985	5,000	\$2.50	\$ 12,500.00
August 31, 1985	1,000	\$1.60	\$ 1,600.00
September 25, 1986	1,187	\$1.60	\$ 1,900.00
July 31, 1987	96,000	\$2.00	\$192,000.00
October 15, 1987	27,788	\$4.00	\$110,569.84
December 23, 1987	<u>13,428</u>	<u>\$4.00</u>	<u>\$ 53,430.16</u>
	346,680		\$850,061.00

DETAILS OF UNDERWRITER OPTIONS

There are currently no outstanding underwriters options.

STOCK PROVISIONS AND VOTING POWERS

The authorized capital of the Company consists of an unlimited number of common shares without nominal or par value.

Each of the common shares carries one vote at all meetings of shareholders, is entitled to dividends as and when declared by the directors and is entitled upon liquidation to a pro rata share of the assets of the Company distributable to holders of common shares.

There is only one class of shares and all shares rank equally as to dividends, voting rights and as to any distribution of assets on winding-up or liquidation. There are no indentures or agreements limiting the payment of dividends and the common

shares have no conversion rights, no special liquidation rights, no pre-emptive rights, and no subscription rights.

#### ESCROW OR POOLED SHARES

There are presently 41,250 shares of the Company held in escrow by National Trust Company Limited, 510 Burrard Street, Vancouver, B.C., V6C 2J7, subject to the direction or determination of the British Columbia Superintendent of Brokers ("Superintendent"). The escrow restrictions provide that the shares may not be traded in, dealt with in any manner whatsoever, or released, nor may the Company, its transfer agent or escrow holders make any transfer or record any trading of the shares without the consent of the Superintendent.

The escrowed shares are owned as follows:

Ivan C. Christopher	33,000 shares
Jack C. Honsberger	<u>8,250 shares</u>
	<u>41,250 shares</u>

Pursuant to that Agreement dated June 29, 1988 wherein the Company purchased all of the issued and outstanding shares of Reymont Resources Ltd., it was agreed that 75% of the then issued and outstanding common shares of the Company and 100% of the then issued and outstanding share purchase warrants would be held by National Trust Company Limited until the earlier of one year from the date of the listing of the shares of the Company for trading on the facilities of the Alberta Stock Exchange or eighteen months from the date of this Agreement, or such earlier time as may be determined by the Company. On June 29, 1988 there were issued and outstanding 6,011,000 common shares and 750,000 share purchase warrants of Reymont Resources Ltd., resulting in 4,508,250 common shares and 750,000 share purchase warrants being subject to the Pooling Agreement.

#### LONG TERM DEBT

The Company has no long term debt.

#### SUBSIDIARY COMPANIES

The Company, pursuant to that Agreement dated June 29, 1988, acquired all of the issued and outstanding shares and share purchase warrants of Reymont Resources Ltd. by way of a share for share and share purchase warrant for share purchase warrant

exchange on the basis of one new share and share purchase warrant for each outstanding share and share purchase warrant.

As of June 29, 1988, Reymont Resources Ltd. had issued and outstanding 6,011,000 common shares and 750,000 share purchase warrants. Of these 6,011,000 common shares, Reymont Resources Ltd. issued 5,000,000 common shares pursuant to that Option Agreement dated June 2, 1988 with The Brown/Ford Syndicate, which Option Agreement entitled Reymont Resources Ltd. to acquire up to an undivided 24-1/2% working interest in those mining claims located in the Takla Rainbow Gold Property in Central British Columbia. For a more detailed description see "Property Interests" below.

Prior to June 29, 1988, and prior to the amalgamation of Reymont Resources Ltd. with 348345 B.C. Ltd., there were 522,000 common shares issued and outstanding. Upon giving effect to the amalgamation between Reymont Resources Ltd. and 348345 B.C. Ltd., there were 12,022,000 common shares and 1,500,000 share purchase warrants issued and outstanding. Subsequent to said amalgamation, the amalgamated Reymont Resources Ltd. consolidated its share capital on the basis of one new share and one new share purchase warrant for two old shares and two old share purchase warrants, thereby resulting in a consolidated issued and outstanding share capital consisting of 6,011,000 common shares and 750,000 share purchase warrants.

On May 27, 1988, 348345 B.C. Ltd. entered into various private placement subscription agreements pursuant to which subscribers subscribed for 1,500,000 units of 348345 B.C. Ltd., each unit consisting of one common share and one share purchase warrant of 348345 B.C. Ltd. at a cost of \$0.10 per unit. Each share purchase warrant entitled the warrant holder to purchase one additional share of 348345 B.C. Ltd. at a price of \$0.20 per share, said warrant to expire on or before May 26, 1989. As a result of the amalgamation of Reymont Resources Ltd. and 348345 B.C. Ltd., the subsequent consolidation and purchase by the Company, these warrants now entitle the warrant holder to purchase one common share of the Company (for each outstanding share purchase warrant) at a price of \$0.40 per share, said warrant to expire on or before May 26, 1989.

OFFICERS AND DIRECTORS

<u>Name and Municipality of Residence</u>	<u>Position with Company</u>	<u>Principal Occupation</u>
Stanley R. Ford Delta, British Columbia	President & Director	Self-employed businessman since May, 1984; Director of Saturn Energy & Resources Ltd. from May, 1984 to present; Director of Lectus Developments Ltd. from November, 1985 to present; President of Reymont Resources Ltd. from 1986 to present.
R. Clive Brown Calgary, Alberta	Chairman of the Board & Director	Self employed businessman since January, 1986; Director of Gunnar Gold Inc. from April 1986 to present; President of Mill City Gold Inc. from July 7, 1986 to present; Director of Baden Explorations Limited from June, 1986 to present; President and Chief Executive Officer of Belmoral Mines Ltd. 1972 to 1986
James R. Brown Calgary, Alberta	Director	President of Gunnar Gold Inc. from April, 1986 to Present; Secretary of Mill City Gold Inc. from July 7, 1986 to present; Director of Baden Explorations Limited from June, 1986 to present; President of Futurtek Communications Inc. from 1982 to 1985.

Roy W. Robinson  
North Vancouver,  
British Columbia

Secretary  
& Director

Director of Pacific Asia Technologies Inc. from July, 1986 to present; President and Managing Director of Saturn Energy and Resources Ltd. from August, 1987 to present; President of Lectus Developments Ltd. from April, 1985 to present.

Ivan Chester  
Christopher  
Toronto, Ontario

Director

Professional Engineer; self-employed consulting geologist; President and Director of Rado Reef Resources Inc.; President and Director of Baden Explorations Limited.

R. Gordon Hicks  
Burnaby,  
British Columbia

Chief  
Financial  
Officer

General Accountant; Corporate Secretary and Chief Financial Officer of Roddy Resources Inc. from November, 1986 to present; Corporate Secretary and Chief Financial Officer and Director of Carissa Gold Inc. from April 29, 1988 to present; Corporate Secretary and Chief Financial Officer of Butler Mountain Minerals Corp. from February, 1983 to November, 1986; Partner Inkster Nix and Co., Certified General Accountants from Sept. 1980 to May, 1982.

INVESTMENTS

None



PROPERTY INTERESTS

Mining Interests:

1. TAKLA RAINBOW PROPERTY

The Takla Rainbow Property is located 156 kilometers north east of the Township of Smithers in the Province of British Columbia. The property consists of six 2 post claims and 9 grid claims totalling 155 units and numbered as follows:

MINERAL CLAIMS

<u>Name</u>	<u>Record No.</u>	<u>Record Date</u>	<u>Expiry Date</u>
Takla	5964	November 14, 1983	November 14, 1997
Rainbow	5965	November 14, 1983	November 14, 1997
T.R.A.	6293	June 22, 1984	June 22, 1988
Twin 1	3956	July 22, 1981	July 22, 1998
Twin 2	3957	July 22, 1991	July 22, 1998
Twin 3	3958	July 22, 1981	July 22, 1998
Twin 4	3959	July 22, 1981	July 22, 1998
Twin 5	3960	July 22, 1981	July 22, 1998
Twin 6	3961	July 22, 1981	July 22, 1998
T.R.C.	7113	July 4, 1985	July 4, 1998
T.R.B.	7284	September 9, 1985	September 9, 1991
T.R.E.	7378	November 1, 1985	November 1, 1991
T.R.F.	7377	November 1, 1985	November, 1991
T.R.D.	7396	October 31, 1985	October 31, 1991
T.R.G.	7524	March 7, 1986	March 7, 1992

The Company entered into an Agreement dated June 2, 1988 with the Brown Ford Syndicate pursuant to the terms and conditions of which the Company was granted the option to earn up to an undivided 24.5% working interest in the property in return for the Company issuing 5,000,000 shares and incurring certain expenditures as described hereunder.

The Company is required to prepare a positive feasibility study. If after spending \$3,000,000.00 one has not been prepared, the Company will have earned an undivided a 20% interest in the property. The Company can elect to carry on funding to earn the remaining 4.5% interest or evoke the joint venture provision with Cathedral Gold Corporation.

2. STAR PROPERTY

The Star Gold Property was assembled by Ryan Resources Ltd. ("Ryan"), a wholly owned subsidiary of U.S. Borax and

Chemical Corporation of Los Angeles, California. The property is located approximately five miles to the southwest of Nelson, British Columbia. It is centered on a ridge between Sandy and Eagle Creeks, at latitude 49°27'N and 117°22'E longitude.

The Star Property land holding, as at May 22, 1988, was 67 units, part units and fractions assembled from crown grants, reverted crown grants, and modified grid staking. The claims forming the Star Property are as follows:

<u>Claim</u>	<u>Units</u>	<u>Record No.</u>	<u>Record Date</u>	<u>Expiry</u>
--------------	--------------	-------------------	--------------------	---------------

FINLEY COMPANY

Champion CG	1	4648	-	-
Vicking Fr. CG	1	4649	-	-
Gold Leaf Fr. CG	1	12458	-	-
Gold Leaf #2 CG	1	12457	-	-
Toronto CG	1	4646	-	-
Alhambra Fr. CG	1	4651	-	-
Imperial CG	1	3686	-	-
Eureka CG	1	5552	-	-
Bellerophon CG	1	3680	-	-
Florence CG	1	3676	-	-
Star CG	1	3687	-	-
Gerald F. Fr. CG	1	3683	-	-
Elkhorn CG	1	9175	-	-
Bob CG	1	14632	-	-
Alma N CG	1	9174	-	-
Dot CG	1	14631	-	-
Mayflower CG	1	3684	-	-
Elk CG	1	3677	-	-
Silverstone CG	1	10640	-	-
Bee CG	1	14630	-	-
Gem CG	1	14629	-	-
Trumpet CG	1	3678	-	-
Toronto Fr. CG	1	4301	-	-
Duildee CG*	1	7241	-	-
M S CG*	1	7243	-	-

ADDIE

Royal Aruthur	1	3684	01/03/84	1994
Josie **	1	4281	10/29/86	1990

RYAN EXPLORATION COMPANY LTD.

Star #1 Fr.	1	3306	07/08/83	1995
Star #2 Fr.	1	3307	07/08/83	1995
Star #3 Fr.	1	3768	07/11/84	1995

Star #4 Fr.	1	3789	07/20/84	1995
ST 1	6	3769	07/11/84	1995
ST 2	2	3835	08/23/84	1995
ST #3***	2	4861	10/14/87	-
ST *6 Fr.***	1	4862	10/14/87	-

DENNY

Muldoon CG	1	976	-	-
Majestic RCG	1	1398	01/10/80	1990
Invincible RCG	1	1403	01/10/80	1990
Vernamo RCG	1	1404	01/10/80	1990
Republic Fr. RCG	1	1424	01/17/80	1990
Mika Chahko RCG	1	1425	01/17/80	1990
Moken Bird Fr. RCG	1	1426	01/17/80	1990
Ron #1 Fr.	1	1438	01/24/80	1991
Ron #2 Fr.	1	1439	01/24/80	1991
Ron #3 Fr.	1	1535	03/10/80	1990
Ron #4	1	1440	01/24/80	1991
Ron #5	1	1441	01/24/80	1990
Ron #6	1	1442	01/24/80	1990
Ron #7	1	1443	01/24/80	1990
Ron #8	1	1444	01/24/80	1990
Ron #9	1	3716	05/14/84	1990
Ron #10	1	1537	03/10/80	1990
Ron #11	1	1538	03/10/80	1990
Ron #12	1	1539	03/10/80	1990
Ron #13	1	3717	05/14/84	1990
Ron #15	1	3719	05/14/84	1990
Ron #16	1	3720	05/14/84	1990
Ron #17 Fr.	1	3840	08/28/84	1990
Majestic Fr.	1	3721	05/14/84	1990
Muldoon Fr.	1	3722	08/28/848	1990

LECTUS DEVELOPMENTS LTD.

Gold Eagle #3	9	1533	03/05/80	1988
---------------	---	------	----------	------

\* Extraneous claims; not part of the Star Group.

\*\* Within 1 mile, under perimeter clause.

\*\*\* These two claims wholly, or partially overlap Gold Eagle #3.

CG = Crown Granted Claim, held by payment of annual taxes.

RCG = Reverted Crown Grant.

Pursuant to that Agreement dated May 30, 1988 with Lectus Developments Ltd. ("Lectus"), the Company acquired a 100% interest in and to the Gold Eagle #3 claim (subject to a 3% Gross Proceeds Royalty in favour of Asarco Exploration Company of Canada Ltd.) together with an option in favour of the Company to

acquire up to a 50% interest in and to the other claims forming part of this Star Property.

The interest acquired by the Company is subject to an existing letter of intent between Lectus and Ryan (to be followed by a formal agreement at the time that the Finley Company executes an assignment of a group of claims which form part of the Star Property Claims), which letter of intent requires Lectus (and therefore now the Company) to spend \$400,000.00 on exploration expenses on the Star Property claims to earn an undivided 50% interest in same. The letter of intent goes on to provide that Ryan, upon expending \$400,000.00 on the Star Property claims, can earn a 50% interest in the Gold Eagle #3 claim. At the time of either party having expended \$400,000.00, it is contemplated that a joint venture agreement shall be instituted.

The interest of the Company in and to the Star Property claims is further subject to the right of Lectus (to be exercised within 60 days following the completion of a feasibility study) to back into 50% of the Company's interest in the Star Property claims by reimbursing the Company for 25% of the expenditures incurred by the Company to that time. If Lectus exercises this right, the Company shall be granted various options entitling the Company to purchase shares of Lectus on the basis of 1,000,000 common shares at \$1.50, 1,000,000 common shares at \$2.50 and a further 1,000,000 common shares at \$3.50.

The Star Group of claims are subject to various royalties. Knox Kaufman has an overriding 4% Net Profits Interest on all the Star properties. The Addie property has a 2% Net Smelter Return, the Finley property has a 10% Net Profits Royalty, and the Denny property has a 5% Net Smelter Return Royalty.

### 3. CAVE CREEK PROPERTY

The Cave Creek property is located in central Arizona south of the New River Mountains in Sections 4 and 9, T6N and R4E of the Gila and Salt River Base and Meridian, Maricopa County, Arizona. The property is located at 33° 54' 36" north latitude and 111° 57' 30" west longitude.

The Cave Creek property consists of the following patented lode claims and mill sites:

Lode Claims	Mineral Survey #	Mill Sites	Mineral Survey #
Phoenix	2727 A	Phoenix Mill Site	2727 B
West Side	2727 A	West Side Mill Site	2727 B

The two lode claims and two millsites cover a total area of 47.227 acres.

The property is owned by the Phoenix Minesite Joint Venture Partnership. An option on the property was acquired December 10, 1986 by E.D. Black Consulting Inc. ("Black"), a Colorado based corporation. On January 15, 1987 Keld'or Resources Inc. ("Keld'or"), a British Columbia corporation, acquired Black's interest to the property subject to a 1.0% Net Smelter Royalty.

The Company has entered into an agreement with the Cave Creek Joint Venture to acquire a 24.5% interest in the property. The regulatory authorities have not yet approved this transaction. Once the transaction has been approved, the Company is then required to spend up to \$350,000.00 US to place the property back into production and issue 200,000 shares to the Carefree Syndicate, beneficially owned by James J. Badia of Vancouver, British Columbia.

4. SOLSTICE PROPERTY

The Solstice claims are located in the Omineca Mining Division, near 55° 40' north latitude, 125° 33' west longitude and can be found on the NTS map sheet 93 N/12. The property is situated east of Takla Lake in the Vital Range and lies approximately 260 km northwest of Prince George, British Columbia.

The Solstice property consists of the following four modified grid mineral claims, comprising 64 units.

<u>Claim</u>	<u>Units</u>	<u>Record Number</u>	<u>Expiry Date</u>
Sol 1	16	7650	25 June 1987
Sol 2	16	7651	25 June 1987
Sol 3	16	7652	25 June 1987
Sol 4	16	7653	25 June 1987

The claims have been grouped under the name Solstice for assessment purposes.

Pursuant to an Agreement dated for reference June 2, 1988 with the Brown Ford Syndicate, the Company was granted the right to earn an undivided 50% working interest in the mining claims in return for the Company issuing those shares and incurring expenditures as follows:

- (a) Issue 5,000,000 common shares of the Company to the Brown Ford Syndicate; and
- (b) Carry out 50% of the following obligations described in the Golden Porphyrite Ltd. ("Golden") and Stanley R. Ford Agreement dated for reference May 9, 1988:
  - (i) the sum of \$2,500.00 to be paid to Golden on or before June 1, 1989;
  - (ii) the additional sum of \$5,000.00 to be paid to Golden on or before June 1, 1990;
  - (iii) the additional sum of \$5,000.00 to be paid to Golden on or before June 1, 1991;
  - (iv) the additional sum of \$12,500.00 to be paid to Golden on or before June 1, 1992;
  - (v) cumulative Exploration Expenditures of not less than \$500,000.00 to be incurred on or before June 1, 1992; and

Upon full payment and the Company therefore having earned its interest, Golden will be entitled to a 10% Net Operating Profits Royalty on the Company's share of the profits.

5. BADEN TOWNSHIP PROPERTY

The Baden Township claims are located twelve miles north-northwest of Matachewan, Ontario.

The property consists of 18 contiguous mining claims numbered as follows:

<u>Parcel Number</u>	<u>Mining Claim Number</u>	<u>Acreage</u>
3437	M.R. 6543	41.8
3438	6544	53.6
3439	7914	27.4
3440	7915	40.8
3441	8155	37.5
3442	8156	35.9
3443	8157	32.4
3444	8428	39.5
3445	9564	24.7
3446	9565	32.0
4171	9600	34.1
4172	9680	47.7
4173	9545	46.4
4174	8796	56.3
4175	7085	52.1
4176	8663	48.5
4177	8664	58.1
4178	8665	51.2

All claims are in Baden Township.

The total area of the claims is 720 acres.

Pursuant to an Agreement dated July 31, 1980, Jack C. Honsberger transferrrd to Baden Explorations Limited ("Baden") an undivided 100% interest in and to 18 contiguous mining claims situated in Baden Township, Larder Lake Mining Division, Ontario, for \$30,000.00 and 15,000 shares.

Pursuant to an Agreement dated October 1, 1987, Baden granted an option to Gunnar Gold Inc. ("Gunnar") and Mill City Gold Inc. ("Mill City") wherein Gunnar and Mill City can earn up to an undivided 80% interest in and to the 18 mining claims; provided Gunnar and Mill City incur costs for development and exploration work on the claims totalling \$1,000,000.00, such monies to be expended within two years from the date of the Agreement. Gunnar and Mill City shall earn an undivided 20% interest in and to the claims for every \$250,000.00 in expenditures incurred for such development and exploration work. To date, Gunnar and Mill City have incurred development and exploration expenditures totalling \$160,000.00 on the claims. No further work is recommended for this property.

6. CASA BERARDI PROPERTY

The Company has entered into an Agreement dated December 27, 1985, with Ross Thoms pursuant to which the Company

was granted an option to purchase an undivided 100% interest in 60 contiguous unpatented mining claims covering approximately 2400 acres, located in the extreme east-central part of Orvilliers Township and the adjoining west-central part of Montgolfier Township, Abitibi District, in the Province of Quebec (the "Casa Berardi Area Property"). (See list of Mineral Claims below.)

<u>(A) Development Licenses</u>	<u>Claim Numbers</u>
444738	1 to 5, inclusive
444739	1 to 5, inclusive
444740	1 to 5, inclusive
444741	1 and 2
444770	1 to 5, inclusive
444771	1
444772	1 to 5, inclusive
450729	4 and 5

<u>(B) Development Licenses</u>	<u>Claim Numbers</u>
450725	1 to 5, inclusive
450726	1 to 5, inclusive
450727	1 to 5, inclusive
450728	1 to 5, inclusive
450729	1, 2 and 3
450730	1, 2 and 3
450731	2 to 5, inclusive

The Agreement provides that the Company may acquire an undivided 100% interest in the property in consideration for the payment of \$10,000.00 and 200,000 shares payable as follows:

- \$10,000.00 and 50,000 shares upon the later of the date of the receipts by the Company of the acceptance of this Agreement by the Exchange and a favourable determination by the Superintendent of Brokers (hereinafter the "Superintendent") as to the allotment and issuance of shares under this Agreement; if such receipts have not been obtained by January 31, 1986, this Agreement shall terminate;
- 50,000 shares upon the acceptance by the Exchange of an Engineering Report disclosing expenditures on exploration and development of the property of not less than \$30,000.00, to be carried out within 120 days from the later of the above mentioned receipts;



- 50,000 shares upon the acceptance by the Exchange of a further Engineering Report disclosing expenditures on exploration and development of the property, inclusive of expenditures on the first work program, aggregating not less than \$80,000.00, to be carried out within 240 days from the date of the later of the above mentioned receipts;
- 50,000 shares upon the acceptance by the Exchange of a further Engineering Report disclosing expenditures on exploration and development of the property, inclusive of expenditures on the first and second work programs, aggregating not less than \$130,000.00, to be carried out within 360 days of the later date of receipt of the above mentioned receipts.

The Company has entered into an Agreement dated January 10, 1986, with Honcho Gold Mines Inc. ("Honcho") pursuant to which Honcho acquired an undivided one-half interest in the Company's right to purchase a 100% interest in 60 contiguous unpatented mining claims covering approximately 2400 acres, located in the extreme east central part of Orvilliers Township and the adjoining west central part of Montgolfier Township, Abitibi District, in the Province of Quebec (the "Casa Berardi Area Property").

The Agreement provides that Honcho may acquire an undivided 50% interest in any interest that the Company may now have or hereafter acquire in consideration for receiving \$10,000.00 and the issuance of 30,000 shares of Honcho as follows:

- \$10,000.00 and 5,000 shares upon acceptance of the Option Agreement by regulatory authorities;
- 5,000 shares upon regulatory approval of an Engineering Report confirming expenditure of \$30,000.00 on exploration and development within the allotted 120 day time period;
- 10,000 shares upon regulatory approval of an Engineering Report confirming expenditure of \$80,000.00 on exploration and development within the allotted 240 day time period;
- 10,000 shares upon regulatory approval of an Engineering Report confirming expenditure of

\$130,000.00 on exploration and development within the allotted 360 day time period;

- Non-participation in a program (reduction by 10% for every \$100,000.00 spent - interest of non-participating party will not be reduced below 10%).

A total of 5,000 shares have been issued pursuant to the above noted Agreement.

The Company then entered into an Agreement dated January 21, 1987 with Honcho and Beaufield Resources Inc. ("Beaufield"), pursuant to which Beaufield was granted an option to earn up to a 50% interest in 30 of these 60 mining claims (identified in Group A in the listing above).

The Agreement provides that Beaufield will acquire up to a 50% interest in the property in various stages as follows:

- A 20% interest in the claim group by incurring expenditures of \$125,000.00 on or before March 1, 1987;
- An additional 30% interest in the claim group by incurr additional expenditures of \$250,000.00 on or before December 31, 1987;
- Non-participation in a program (interest in property will be reduced by 1% for each \$7,500.00 contributed by the other party on behalf of the non-electing party. When interest is diluted to 5%, then that interest will be converted to a 5% Net Profits Interest).

To date Beaufield has earned a 20% interest in the Property.

The Company has entered into an Agreement dated January 26, 1987, with Honcho and Gunnar Gold Inc. ("Gunnar"), pursuant to which Gunnar was granted an option to earn a 40% interest in and to 30 of the 60 mining claims (identified in Group "B" in the listing above). This Agreement provides that Gunnar may acquire up to a 40% interest in the property by incurring costs for development and exploration work totalling \$250,000.00 within two years from the date of the Agreement, provided further that \$112,500.00 of such expenditure be incurred on or before February 28, 1987. Upon such expenditure, Gunnar shall have earned an undivided eighteen per cent (18%) interest in and to the claims. To date Gunnar has earned an 18% interest in the property. No additional exploration work is recommended for this property.

## DEVELOPMENT

### 1. TAKLA RAINBOW PROPERTY

#### Previous Work

The general area of the Takla Rainbow Property has been explored since the 1860's when placer gold was discovered in the Omineca District. Subsequent efforts to locate the source of the gold led to the discovery of many mineral occurrences in the Hogem Batholith area. It is not known when the mineralization on the property was first discovered, however, exploration was carried out in the early 1970's and 1980's.

No further gold exploration was undertaken until 1981, when Newmont Mines Ltd. located a geochemical gold anomaly. Later that year, a property examination by Mattagami Lake Exploration located anomalous gold values in volcanic rocks.

Prospecting and rock sampling carried out by Amir Mines Ltd. on the Twin 1-6 claims in 1983 returned analyses of up to 620 parts per billion gold and up to 3,600 parts per million of copper.

In 1983, a regional silt sampling program by Imperial located a gold-copper-zinc anomaly which led to the staking of the Takla and Rainbow claims. These series of claims were staked in 1984 to 1986 as exploration of the property proceeded.

Soil sampling in 1984 located widespread anomalous gold values. The follow-up work in 1985 included geophysical surveying, additional soil sampling and diamond drilling. Mineralization exposed at surface in the area was found to consist of disseminated and veinlet pyrite in altered Takla volcanics and ran up to 4.03 ounces per ton of gold and 1.75 ounces per ton of silver. Drilling totalling 1,023 feet in 4 holes intersected mineralization over a 1,800 feet strike length and across widths of 3.0 to 29 feet with assays between 0.05-0.53 ounces per ton of gold, 0.07-1.00 ounces per ton of silver, and 0.03-6.92% copper.

Work in 1986 included 7,736 feet of additional diamond drilling as well as mapping and soil sampling of the areas north and south of the 1985 zone.

To the south of the zone, several gold soil anomalies were located along strike up to 1,600 feet by 250 feet and 1,500

feet by 500 feet in size. As well, numerous other small isolated gold, copper and silver anomalies were identified.

### Geology

The Takla Rainbow property area is underlain by a mixture of volcanic and intrusive rocks within the Quesnel Trough, a major structure in central British Columbia. The Claim group is traversed by the contact of the Hogem Batholith, a major regional pluton, which intrudes the volcanic sequence in much of the area. Mineralization is spatially and genetically related to intrusive porphyries and adjacent and parallel to this contact. Gold is concentrated in veinlets and heavy disseminations of quartz and pyrite, between the three major parallel faults. The structures are marked by microshearing, fracturing and hydrothermal alteration, including sericitization, carbonization and silicification.

### Mineralization

The mineralization has been tested over 2,300 feet of strike by shallow diamond drill holes spaced at 330 feet apart. 18 holes totalling 6,758 feet were completed on the property in 1985 and 1986. Gold bearing structures were cut in 14 of the holes. The best intersections graded to 0.69 ounces gold per ton across 4.9 feet and 1.08 ounces gold per ton across 4.2 feet. Extension of the zone for a further 5,000 feet is inferred from a strong geochemical anomaly which lies on the projection of the trend. Abundant quartz vein float found in one part of this area returned results of up to 1.84 ounces gold per ton.

### Planned Exploration Program

MPH Consulting Limited has recommended a comprehensive program to detail and extend known gold mineralization. The program will comprise an accelerated drilling program designed to test the extension of the mineralization along the strike to the east as well as fill-in drilling to test the continuity and downdip extension. The Company also plans to test drill targets in the newly found area south of the present drilling. The proposed budget for the exploration program will be allocated as follows:

Budget

Drilling - 5,500 meters	\$ 467,500.00
Geophysics & Geochemical	15,000.00
Personnel	363,065.00
Contingency	67,435.00
Overhead	<u>\$ 87,000.00</u>
	<u>\$1,000,000.00</u>

Drilling includes camp costs.

The Company has been notified by the Ministry of Energy, Mines and Petroleum Resources of British Columbia that it is eligible to receive a grant for a maximum of \$60,000.00 under the FAME program.

2. STAR PROPERTY

Previous Work

The property is within the Nelson mining camp, and has been prospected since before the turn of the century. This camp has been known for a variety of mineral deposits; gold/quartz fissure veins; silver-copper-lead lodes and veins; copper and copper-gold-silver replacements in limestone; and scheelite veining.

The property hosts a number of former workings, which date back to the turn of the century. The first producing mine in this immediate area was the Granite Poorman situated on Eagle Creek. This mine is just over one mile to the north of the Eureka Mine. It was the largest quartz vein gold producer in the area. Production from this mine was 174,300 tons for 65,081 oz. gold (0.37 opt).

The Granite Poorman was developed upon a series of five quartz veins which trend northwest within a "pseudodiorite" intrusive. Recently those workings have been rehabilitated by a Nelson Syndicate in association with Algoma Mines.

The Eureka property was similarly developed upon a northwesterly trending vein system which was associated with a significant amount of copper and gold mineralization. This replacement style mineralization was found within limestone lenses which had been assimilated within the diorite intrusive.

Production from the Eureka was 9900 tons of copper ore, but it also contained significant precious metals, (617 oz. gold, 36,160 oz. silver).

In 1954 an attempt was made to mine copper-gold-silver mineralization from the workings (Champion claim). In 1969 Cannon exploration drilled two diamond drill holes to the East of the workings.

To the south of the Eureka, the Star and Alma N workings develop similar vein systems. The Alma N is near the contact of the Beaver Mountain formation flows and metasediments, and apparently shows disseminated gold mineralization within wider, (silicified), shear zones. In 1937, 5000 feet (1,500 metres) of diamond drilling was done on this property.

The Royal Canadian and Nevada workings are developed upon two vein systems on the ridge west of Eagle Creek. The adjacent Nevada vein was reported to have shipped 28 tons.

All of the properties have had desultory activity since the 1930's, until 1982, when US Borax commissioned Knox Kaufman to investigate the mineral potential of the area.

In 1984, a group of 25 crown grants were optioned from Finley Company. Further staking of the claims known as the Star group enlarged the property holding. In the period 1984 to 1986 Knox Kaufman explored the old workings, soil sampled for gold, silver, and copper, and conducted a reverse circulation drill programme in the area of the Star and Alma N workings. The drill samples from this programme indicated extensions of the Eureka vein system to the south, and significant gold mineralization in veining directly under the Alma N workings.

The results of this programme, coupled with a large geochemical anomaly trending southeast from the Alma N workings onto the Gold Eagle #3 claim, prompted a joint venture agreement.

Lectus had already independently followed up similar high grade vein style mineralization, and disseminated low grade mineralization, in the Giveout Creek drainage adjacent to Eagle Creek, and were following up on gold in soil anomalies defined by ASARCO during their 1984 exploration on the Gold Eagle claim.

### Geology

The area near Morning Mountain consists of rock of the Lower Jurassic Rosslund Group. This is a series of andesite flows, agglomerates and tuffs with minor shales. These are intruded by the Silver King Stock, a porphyritic syentie of Jurassic-Cretaceous age. To the north and northeast the geology is dominated by the granitic rocks of the Nelson Batholith.

Mulligan in GSC paper 52-13 identified the Elise and Beaver Mountain Formations within the area. They are both subdivisions within the Rossland Volcanic Group. These Formations are dominantly volcanic with aphanitic to porphyritic andesite flows and pyroclastic rocks predominating in the Elise Formation. The Beaver Mountain Formation, which overlies the Elise Formation, consists mainly of dark green augite porphyry flows and intrusions.

The combination of historical mine records, and recent confirmation of the continuation of the mine mineralization by drilling, both within the area of the Eureka mine, and the Alma N mine provides an exploration target of gold mineralization in multiple vein systems.

Further large surface areas, with anomalous gold values, in soil and rock, are associated with highly contrasting geophysical response. The areas southeast of Nelson is noted for low grade gold mineralization within schistose rocks. The recent drilling on the property has highlighted this style of mineralization. The potential for large tonnages of low grade gold mineralization is significant.

Planned Exploration Programme

Searchlight Resources Inc. and Knox Kaufman have recommended a programme to detail and extend known gold mineralization. The programme calls for close spaced induced polarization survey, rehabilitation of the underground, trenching, and reverse circulation and diamond core drilling. The proposed budget for the exploration programme will be allocated as follows:

**BUDGET**

Phase I	
Drilling	\$107,500.00
Geophysical	15,000.00
Rehabilitation of underground	60,000.00
Trenching	40,000.00
Personnel	66,000.00
Contingencies	<u>11,500.00</u>
	\$300,000.00

Phase II

If Phase I is successful, this programme should involve primarily diamond drill testing and underground development. A minimum expenditure in this phase is \$100,000.00.

3. CAVE CREEK PROPERTY

See Engineering Reports attached as no exploration work is currently planned.

4. SOLSTICE PROPERTY

See Engineering Reports attached as no exploration work is currently planned.

5. BADEN TOWNSHIP PROPERTY

See Engineering Reports attached as no further exploration work is recommended.

6. CASA BERARDI PROPERTY

See Engineering Reports attached as no further exploration work is recommended.

PRODUCTION

None of the Company's properties are or have been in production.

ENGINEERING REPORTS

1. TAKLA RAINBOW PROPERTY

Report by MPH Consulting Limited dated May 26, 1988 entitled "Report on Takla-Rainbow Property"

2. STAR PROPERTY

Report by Peter G. Dasler, M.Sc. F.G.A.C. dated March 25, 1988 entitled "Summary Report on the Star Property".

3. CAVE CREEK PROPERTY

Report by David Saint Claire Dunn, F.G.A.C. dated June 8, 1987 entitled "Report on the Phoenix Mine, Maricopa County, Arizona" and Report by M. Ross, B.Sc., P.Eng. dated June 12, 1987 entitled "Report on Phoenix Mine, Carefree Arizona."



4. SOLSTICE PROPERTY

Report by H.S. MacFarlane of MSC entitled "Geochemical Assessment Report on the Solstice Property".

5. BADEN TOWNSHIP PROPERTY

Report by R. MacFie, B.Sc. and P.A. Sobie, B.Sc., dated May, 1988 entitled "Report on a Program of Induced Polarization Surveying and Diamond Drilling, Baden Township Property".

6. CASA BERARDI PROPERTY

Reports by W.M. Atkins dated February 17, 1987 and entitled "Gunnar Gold Inc., Honcho-Baden Option, Orvilliers-Montgolfier Townships, Quebec" and by H.D. McLeod dated April, 1987 entitled "Report on the Montgolfier Township Property, Quebec for Baden Explorations Limited and Honcho Gold Mines Limited".

PROPOSED PROPERTY OR ASSET ACQUISITION

The Company is continually reviewing properties for acquisition. No specific property acquisitions are presently contemplated.

DIVIDENDS

No dividends have been paid to date by the Company.

NAME AND ADDRESS OF TRANSFER AGENTS AND REGISTRARS  
AND PARTICULARS OF ANY FEE CHARGED UPON TRANSFER

National Trust Company Limited  
510 Burrard Street  
Vancouver, British Columbia  
V6C 2J7

A fee of \$1.00 is charged for transfer.

LISTING ON OTHER STOCK EXCHANGE

The Common shares of the Company were listed for trading on the Vancouver Stock Exchange effective July 28, 1981. The Company will voluntarily delist from the Vancouver Stock Exchange upon listing on the Alberta Stock Exchange.

STATUS UNDER THE SECURITIES ACT

The Statement of Material Facts dated November 27, 1984 has been approved by the Superintendent of Brokers in the Province of British Columbia. The Company has been a reporting issuer under the Securities Act (B.C.) since November 27, 1984. The Company has applied to the Alberta Securities Commission for an order deeming the company to be a reporting issuer under the Securities Act (Alberta) effective twelve months prior to the date of the order.

FISCAL YEAR END

June 30

DATE OF LAST ANNUAL MEETING AND DATE OF MOST RECENT REPORT TO SHAREHOLDERS

The last annual meeting was held on December 11, 1987, and the most recent report to shareholders was delivered to the shareholders on or about November 20, 1987.

The latest extra-ordinary meeting of the shareholders was held on June 28, 1988 and the shareholders were provided with that Information Circular, Instrument of Proxy and Notice of Meeting, all dated June 3, 1988.

AUDITORS

Thorne, Ernst & Winney  
2500 Board of Trade Tower  
1177 West Hastings Street  
Vancouver, British Columbia  
V6E 2L9

LEGAL COUNSEL

MR. BRIAN EDGAR  
Rand & Edgar  
Barristers & Solicitors  
2200 Hongkong Bank of Canada Bld.  
885 West Georgia Street  
Vancouver, British Columbia  
V6C 3E8

MR. LARRY D. REVITT  
McLeod & Company  
Barristers & Solicitors  
800, 11012 Macleod Trail S.  
Calgary, Alberta  
T2J 6A5

LITIGATION

none

SIX LARGEST SHAREHOLDERS

<u>Name and Address</u>	<u>Free Trading Shares</u>	<u>Pooled or Escrowed Shares</u>
R. Clive Brown 1832 Cayuga Drive N.W. Calgary, Alberlta T2L 0N3	343,750	1,031,250
James R. Brown Box 6, Site 13, RR. #9 Calgary, Alberta T2J 5G5	343,750	1,031,250
Patricia D. Marshall 3392 West 34th Avenue Vancouver, British Columbia V6N 2K6	233,375	700,125
Ivan Christopher Apt. 125, 60 Southport Street Toronto, Ontario M6S 3M4	191,137	375,000
Stanley R. Ford 5064 Wallace Avenue Delta, British Columbia V4M 1A1	122,625	367,875
Roy W. Robinson 4217 Prospect Road North Vancouver, B.C. V7N 3L6	122,500	367,500

CONTROLLING SHAREHOLDERS

<u>Name and Address</u>	<u>Number of Shares Owned</u>
R. Clive Brown 1832 Cayuga Drive N.W. Calgary, Alberlta T2L 0N3	1,375,000
James R. Brown Box 6, Site 13, RR. #9 Calgary, Alberta T2J 5G5	1,375,000
Patricia D. Marshall 3392 West 34th Avenue Vancouver, British Columbia V6N 2K6	933,500
Ivan Christopher Apt. 125, 60 Southport Street Toronto, Ontario M6S 3M4	566,137
Stanley R. Ford 5064 Wallace Avenue Delta, British Columbia V4M 1A1	490,500
Roy W. Robinson 4217 Prospect Road North Vancouver, British Columbia V7N 3L6	490,000

OTHER MATERIAL FACTS NOT DISCLOSED IN FOREGOING

none

REYMONT GOLD MINES LTD.

Per: \_\_\_\_\_  
JAMES R. BROWN, Director

STATEMENT SHOWING DISTRIBUTION  
OF ISSUED CAPITAL TO BE LISTED

As of \_\_\_\_\_, 19\_\_

Free Stock

Shares

a. Distributed and in the hands of the public  
(exclusive of the promoters, officers and  
directors of the Company and their agents  
or trustees).

\_\_\_\_\_

b. Distributed and in the hands of the  
promoters, officers and directors of the  
Company and their agents or trustees

\_\_\_\_\_

Total Free Stock

\_\_\_\_\_

Escrowed or Pool Stock

c. Held in Escrow or pool

\_\_\_\_\_

Record of Shareholders

Number of registered shareholders holding  
shares in class (a) above.

\_\_\_\_\_

Number of registered shareholders holding  
shares in class (b) above.

\_\_\_\_\_

Number of registered shareholders holding  
shares in class (c) above.

\_\_\_\_\_

STATEMENT SHOWING NUMBER OF SHAREHOLDERS

As of \_\_\_\_\_, 19\_\_

<u>Number</u>		<u>Shares</u>
_____	Holders of 1 - 99 Shares	_____
_____	Holders of 100 - 499 Shares	_____
_____	Holders of 500 - 999 Shares	_____
_____	Holders of 1000 - 1999 Shares	_____
_____	Holders of 2000 - 2999 Shares	_____
_____	Holders of 3000 - 3999 Shares	_____
_____	Holders of 4000 - 4999 Shares	_____
_____	Holders of 5000 - 5999 Shares	_____
_____	Holders of 6000 shares and over	_____
_____	<b>SHAREHOLDERS</b>	<b>TOTAL</b>

STATUTORY DECLARATIONS BY  
APPLICANT COMPANY'S OFFICERS

Dominion of Canada            )    In the Matter of an application of  
                                  )    listing the shares of  
Province of Alberta           )    REYMONT GOLD MINES LTD.  
                                  )    on the Alberta Stock Exchange

I, \_\_\_\_\_, of the City  
of \_\_\_\_\_, in the Province of \_\_\_\_\_,  
DO SOLEMNLY DECLARE THAT:

1. I am the \_\_\_\_\_ of REYMONT GOLD MINES LTD., the applicant Company, and as such have knowledge of the facts herein deposed to.

2. All of the information contained in the listing application hereto attached and in the documents filed in connection therewith are true and correct to the best of my knowledge, information and belief.

3. The list of shareholders filed in connection with this application is a true and correct list and the shareholders whose names appear thereon (except the registered holders of street certificates) are all bona fide shareholders beneficially entitled to the number of shares set opposite their respective names, to the best of my knowledge, information and belief.

And I make this solemn declaration conscientiously believing it to be true and knowing that it is of the same force and effect as if made under oath and by virtue of the Canada Evidence Act.

DECLARED BEFORE ME at the            )  
City of \_\_\_\_\_, in the            )  
Province of \_\_\_\_\_,            )  
this \_\_\_\_\_ day of \_\_\_\_\_,    )  
1988.                                    )  
  )  
\_\_\_\_\_  
A Commissioner for Oaths            )  
in and for the Province            )  
of Alberta                            )