

THIS PROSPECTUS CONSTITUTES A PUBLIC OFFERING OF THESE SECURITIES ONLY IN THOSE JURISDICTIONS WHERE THEY MAY BE LAWFULLY OFFERED FOR SALE AND THEREIN ONLY BY PERSONS PERMITTED TO SELL SUCH SECURITIES.

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NO SECURITIES COMMISSION OR SIMILAR AUTHORITY IN CANADA HAS IN ANY WAY PASSED UPON THE MERITS OF THE SECURITIES OFFERED BY THIS PROSPECTUS AND ANY REPRESENTATION TO THE CONTRARY IS AN OFFENCE.

NEW ISSUE

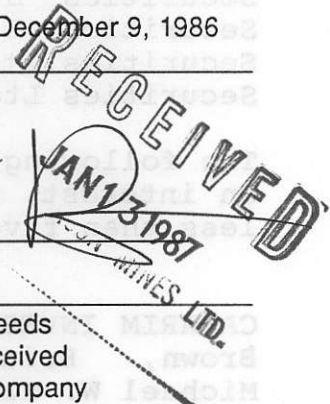
PROSPECTUS

December 9, 1986

IGF METALS INC.

1420 - 625 Howe Street
Vancouver, B.C. V6C 2T6

500,000 Common Shares Without Par Value



	Price to Public	Commission	Net Proceeds to be Received by the Company
Per Share	\$ 0.35	\$ 0.035	\$ 0.315
Total	\$ 175,000	\$ 17,500	\$ 157,500*

* Before deduction of expenses of this issue estimated to be \$ 12,000.

THE SECURITIES OF THE COMPANY MUST BE CONSIDERED SPECULATIVE AS THE COMPANY'S MINING PROPERTIES ARE IN THE EXPLORATION AND DEVELOPMENT STAGE AND THERE IS NO KNOWN BODY OF COMMERCIAL ORE THEREON. THERE IS NO LAND SURVEY OF THE COMPANY'S LOCATED MINERAL CLAIMS AND UNTIL SUCH LAND SURVEY IS COMPLETED, THE BOUNDARIES OF THESE CLAIMS COULD BE IN DOUBT.

THERE IS NO MARKET FOR THE SHARES OF THE COMPANY.

THE VANCOUVER STOCK EXCHANGE HAS CONDITIONALLY LISTED THE SECURITIES BEING OFFERED PURSUANT TO THIS PROSPECTUS. LISTING IS SUBJECT TO THE COMPANY FULFILLING ALL THE LISTING REQUIREMENTS OF THE VANCOUVER STOCK EXCHANGE ON OR BEFORE JUNE 22, 1987 INCLUDING PRESCRIBED DISTRIBUTION AND FINANCIAL REQUIREMENTS.

NO PERSON IS AUTHORIZED BY THE ISSUER TO PROVIDE 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 HOLDERS OF SHARES" HEREIN FOR A COMPARISON OF THE NUMBER OF SHARES OFFERED TO THE PUBLIC BY THIS PROSPECTUS WITH THE NUMBER OF SHARES HELD BY INSIDERS OF THE COMPANY. REFERENCE IS ALSO MADE TO THE HEADING "PLAN OF DISTRIBUTION" HEREIN FOR DETAILS OF THE SHARES OWNED, DIRECTLY OR INDIRECTLY, BY THE AGENT.

We, as Agents, conditionally offer these securities, subject to prior sale, if, as and when issued by the Company and accepted by us in accordance with the conditions contained in the Agency Agreement referred to under the heading "Plan of Distribution" herein.

AGENTS

Continental Carlisle Douglas

Canarim Investment Corporation Ltd.

Georgia Pacific Securities Corporation

West Coast Securities Ltd.

EFFECTIVE DATE: DECEMBER 24, 1986

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CONTINENTAL CARLISLE DOUGLAS is a corporate partnership. The partners are MacPhail Securities Ltd. (controlled by Angus I. MacPhail), Fay Securities Ltd. (controlled by G. Robert Fay), DGM Securities Ltd. (controlled by D. Grant MacDonald), Scammell Securities Ltd. (controlled by Douglas A. Scammell), Gahala Securities Ltd. (controlled by Thomas A. Taylor) and Charpentier Securities Ltd. (controlled by J. Arthur Charpentier).

The following includes the name of every person or company having an interest, either directly or indirectly, to the extent of not less than five per cent in the capital of:

CANARIM INVESTMENT CORPORATION LTD.: Alfred E. Turton, Peter M. Brown, Brian B. Harwood, C. Channing Buckland, and Michael W. Murphy.

GEORGIA PACIFIC SECURITIES CORPORATION: R.B.A. Investments Ltd., (wholly owned by R. Brian Ashton), KWS Investment Co. Ltd. (wholly owned by K.C. Kam), Duggan Securities Ltd. (controlled by Dean Duggan), Pacific High Management Inc. (wholly owned by Larry A. Martin), and Jusco Investments Ltd. (wholly owned by Colin Chow).

WEST COAST SECURITIES LTD.: James D. Thomas, Maurice D. Lee, Douglas Corrigan, Garry Henry, Earl Hope, Surjeit Johl, Ruth Wade, and James H. Thomas.

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THE COMPANY

IGF METALS INC. (the "Company") was incorporated as a public company under the name Silver Bounty Mines Ltd. (NPL), on January 29, 1947 by registration of its Memorandum of Association under the Companies Act (British Columbia). On April 2, 1947 the Company filed a prospectus with the Registrar of Companies for British Columbia and as a result, is a reporting company within the meaning of the Securities Act (British Columbia).

The Company changed its name to Copper Bounty Mines Ltd. (NPL) on July 7, 1971, at which time the Company's shares were consolidated on a one for five basis. On June 7, 1983, the Company was continued under the Canada Business Corporations Act, its name was changed to Walmont Precious Metals Corp. and its shares were consolidated on a one for four basis.

At a special meeting of shareholders held on August 1, 1986, the Company changed its name to IGF Metals Inc., and effected a further consolidation of its share capital on a one for ten basis. In addition, all restrictions upon the number of shares which the Company is authorized to issue were removed, and a new class of Preferred Shares, unlimited in number, was authorized. Reference is made to "Share Capital".

The head office of the Company is located at 1420 - 625 Howe Street, Vancouver, British Columbia, V6C 2T6. The registered and records office of the Company is located at 16th Floor, 1030 West Georgia Street, Vancouver, British Columbia, V6E 3C4.

PLAN OF DISTRIBUTION

By an agreement dated as of the 9th day of December, 1986 (the "Agency Agreement"), the Company appointed the following as its agents ("Agents") to offer to the public through the facilities of the Vancouver Stock Exchange (the "Exchange") 500,000 Common Shares of the Company (the "Shares") at a price of \$0.35 per Share (the "Offering") as follows:

<u>Name of Agents</u>	<u>Participation</u>
Continental Carlisle Douglas	225,000 Shares
Canarim Investment Corporation Ltd.	125,000 Shares
West Coast Securities Ltd.	100,000 Shares
Georgia Pacific Securities Corporation	50,000 Shares

The Agents will be entitled to receive a commission of \$0.035 per Share.

The Offering will be made in accordance with the rules and policies of the Exchange on a day (the "Offering Date") determined by the Agents and the Company, with the consent of the Exchange, within a period of 180 days from the date upon which the Shares are conditionally listed on the Exchange.

The Exchange has conditionally listed the securities being offered pursuant to this prospectus. Listing is subject to the Company fulfilling all of the listing requirements of the Exchange on or before June 22, 1987, including prescribed distribution and financial requirements.

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

The obligations of the Agents under the Agency Agreement may be terminated at any time up to the Offering Day, and on the Offering Day prior to the confirmation of the first sale of Shares, at the Agents' discretion on the basis of their assessment of the state of the financial markets and upon the occurrence of certain stated events.

Other than the commission payable to the Agents, there are no payments in cash, securities or other consideration being made, or to be made, to a promoter, finder or any other person or company in connection with the Offering.

The directors, officers and other insiders of the Company may purchase shares from the Offering.

Minimum Subscription

This Offering is subject to a minimum of 500,000 Shares being sold on the Offering Day. All subscription funds will be held by the Company's registrar and transfer agent, Guardian Estates & Agencies Ltd., until the minimum subscription of 500,000 Shares is sold. If the minimum subscription is not reached then all funds will be returned to subscribers without deduction.

DESCRIPTION OF BUSINESS AND PROPERTY OF THE COMPANY

Business

The Company is engaged in the business of acquiring, exploring and developing mineral properties. The Company owns or has interests in the mineral properties described under the heading "Property of the Company" and intends to explore and develop such properties and, as funds permit, to seek out and acquire additional properties worthy of exploration and development.

PROPERTY OF THE COMPANY

A. Wallace Mountain Property, Greenwood Mining Division, British Columbia

The Company is the beneficial owner of an undivided 100% interest in the following Crown granted mineral claims located in the Greenwood Mining Division, Kettle River Assessment District, British Columbia:

<u>Name</u>	<u>Lot No.</u>
Black Diamond	1098S
Mount Pleasant Fraction	1091S
Standard	1099S
Golden	1433S
Tiger	2097
Bounty	2348
Wellington	2621
Logan	2793
Black Bess	2914
Bounty Fraction	2962
KoKomo Fraction	3067S
Billy	3086S
Reco	3288S
Golden Fraction	3289S
Byway	3830S
Highway	3831S
Cuba Fraction	3832S
Invasion Fraction	3833S
Advance Fraction	3834S
Zora May	3835S
Silver Hoard	3836S
Bellaclava	3837S
Logan Fraction	3838S
Reco Fraction	3839S
Hidden Treasure	3840S
White Boy Fraction	3843S

The Company also owns an undivided 50% interest in Crown granted minerals claim Duncan, Lot No. 2605, which is contiguous with the above-listed claims. All of the claims listed above are in good standing until July 2, 1987.

In addition, the Company has an undivided 100% interest in three located mineral claims situated in the Greenwood Mining Division:

<u>Name of Claim</u>	<u>Record No.</u>	<u>Expiry Date</u>
Mill 1	389	June 21, 1987
Mill 2	390	June 21, 1987
Naylor	939	December 30, 1986

The Mill 1 and Mill 2 claims are located immediately west of the Crown granted mineral claims listed above. The Company's mill is located on these two claims. The Naylor claim is located adjacent to the Wellington claim on the west side. All such Crown granted and located mineral claims are referred to herein as the "Wallace Mountain Property".

The Wallace Mountain Property is located in southern British Columbia on the west flank of Wallace Mountain, approximately

56 kilometers southeast of the City of Kelowna and approximately 48 kilometers north of the U.S. border. The approximate geographic center of the property is at 49 degrees, 25 minutes north and 119 degrees, 4 minutes west. The property lies immediately south and east of the Village of Beaverdell, British Columbia. Most of the property is easily reached by local roads servicing adjacent property owned by the Teck Corporation. Beaverdell is connected by provincial Highway 33 to Kelowna, approximately 80 kilometers to the north, and to Highway No. 3 at Rock Creek some 48 kilometers to the south.

Active mining and exploration has been carried out in the Beaverdell district since the late 1880's and all of the important claims on Wallace Mountain were located in 1896 and 1897. The Wallace Mountain Property is situated in close proximity to Teck Corporation's Beaverdell Division mining operation, which has been operating continuously since 1936. Information from Teck Corporation's annual reports show that for the 11 years from 1971 to 1981, 4,348,688 ounces of silver were produced from 402,076 tons of ore, giving an average grade of 10.8 oz./ton silver. With Teck Corporation's present mill, high grade vein material is being supplemented by lower grade adjacent ore. James M. Dawson, P. Eng., Consulting Geologist, in his report dated April 2, 1986, a copy of which is appended hereto, states that total production from the Beaverdell district is "estimated to be more than 30,000,000 oz. silver, with minor gold and substantial lead and zinc".

The first work done on the Company's Wallace Mountain Property was in 1901, when exploration commenced on the Wellington mineral claim. In the period from 1901 to 1953, exploration and production continued on the Wallace Mountain Property and the total production from the property during that period is reported by Mr. Dawson as follows:

Mineral Claim	Tons	0.0457 OPT				Average
		Au Oz.	Ag Oz.	Pb Lbs.	Zn Lbs.	Oz Ag/Ton
Wellington	7,765	355	1,481,156	1,029,078	1,555,039	191
Bounty						
Fraction	760	16	103,431	93,064	74,696	136
Tiger	260	4	41,154	38,045	54,155	158
	8,785	375	1,625,741	1,160,187	1,684,163	185
	=====	====	=====	=====	=====	====

After 1953, intermittent exploration and small ore shipments (volume unrecorded) continued until 1958. In 1958, the property came under the control of Sheritt Lee Mines. Some underground development and diamond drilling took place from 1958 onwards, mostly on the Wellington claim.

In 1971, the Company gained control of the property. In 1981, the Company began construction of a 100 ton per day flotation

mill located on the Mill 1 and Mill 2 mineral claims. In a Report and Feasibility Study prepared for the Company by Marston & Marston, Inc., Vancouver, B.C., and dated January 17, 1983, it was estimated that the cost of completing the mill would be approximately \$565,000, and that a further \$175,000 would be required before the mill could be put into operation. The actual costs, however, incurred to date to build the mill have been approximately \$1,589,000.

The Company expended approximately \$60,153 on engineering and exploration work on the Wallace Mountain Property as well as an additional \$15,664 on underground rehabilitation in the last five fiscal years. The Company also acquired certain mining and other equipment which is located on the property that was appraised in June, 1986 at \$253,842 by Nelson Machinery Company Ltd.

Three water wells have been drilled on the mill site and tests indicate that an adequate water supply is available to meet milling and potable water requirements. In addition, application could be made for usage of water from the Kettle River adjoining the mill site, if necessary.

Mr. Dawson reports that there are no currently proven ore reserves on the property, but that there are a large number of poorly explored surface showings, which could eventually provide sufficient tonnage to warrant completion of the Company's mill and placing the property into production. Mr. Dawson recommends a two-phase program of exploration on the Wallace Mountain Property. Mr. Dawson's Phase I exploration recommendations entail a program of detailed geological mapping and surveying, sampling of the main dumps on the property, and extensive stripping, sampling and mapping of veins on the property. The estimated cost of the Phase I program is \$148,000. The Company intends to carry out Mr. Dawson's Phase I exploration recommendations using proceeds from the offering described hereunder.

Provided that the results of the Phase I program are satisfactory, Mr. Dawson recommends that a program of diamond drilling be undertaken to further test and delineate zones of ore potential. The estimated cost of this Phase II program is \$160,000. The Company intends to proceed with Mr. Dawson's Phase II work recommendations subject to results of Phase I and the availability of funds.

No body of commercial ore is known to exist on the Wallace Mountain Property and Mr. Dawson's recommended program is an exploratory search for ore only.

B. Island Mineral Claims, Alberni Assessment District

The Company is the owner of an undivided 100% interest in the following Crown granted mineral claims located in the Alberni Assessment District on Vancouver Island, British Columbia:

<u>Name</u>	<u>Lot No.</u>
Pheasant	345
Mountain Treasure	346
Marmot	599
Mountain Bear	600

(the "Island Claims")

The Island Claims comprise approximately 240 acres. No material exploration or development has been undertaken or is presently planned on the Island Claims.

USE OF PROCEEDS

As at October 31, 1986, the Company had cash on hand of approximately \$165,747. The Company intends to apply those funds, together with the net proceeds from this offering of \$157,500 as follows:

1. To pay legal, auditing, geological and engineering fees, and printing expenses of this Prospectus, estimated to be approximately	\$ 12,000
2. To pay the costs of the Phase I exploration program on the Wallace Mountain property as recommended in the Geological Report of James M. Dawson, P. Eng. dated May 22, 1985	\$148,000
3. To pay existing accounts payable	\$ 95,195
4. To repay subscribers who oversubscribed for shares pursuant to the Rights Offering (see below)	\$ 19,823
5. To maintain as a reserve to cover a loan liability (1)	\$ 23,909
6. To add to the working capital of the Company and to be used for general corporate purposes (see Rights Offering below)	\$ 26,820
Total	\$325,747 =====

(1) Reference is made to "Pending Legal Proceedings" with respect to a loan in the

sum of \$20,617.53 being claimed by a former senior officer of the Company. Although this amount is slightly lesser than the \$23,909 reserved by the Company, the Company is reserving the greater amount as this has been represented to the Company to be the correct amount. The Company is disputing the payment of the loan outstanding as not being due and payable prior to January 1, 1988.

No part of the proceeds of the Offering 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 securities bodies having jurisdiction over the sale of the securities offered by this Prospectus.

The Company may, pursuant to the recommendation of a qualified engineer, abandon in whole or in part any of its properties or may alter as work progresses any work program recommended or may make arrangements for the performance of all or any portion of such work by other persons or companies, and may use any moneys so diverted for the purposes 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, an amendment to this Prospectus will be filed. If the Company deems it advisable to diverge from the recommended work program as aforesaid, all shareholders of the Company will be notified accordingly.

*Rights Offering

The Company made an offer (the "Rights Offering") to its shareholders of record on September 23, 1986, of rights (the "Rights") to acquire up to 725,850 Common Shares on the basis of one Right plus \$0.20 for one common share. The Rights Offering expired on October 31, 1986 and was fully subscribed. ALL COMMON SHARES ISSUED ON THE EXERCISE OF RIGHTS ARE RESTRICTED AS TO RESALE FOR A PERIOD OF ONE YEAR FROM OCTOBER 15, 1986 AND THE CERTIFICATES HAVE BEEN LEGENDED ACCORDINGLY. In connection with the Rights Offering, the Company entered into an agreement dated August 20, 1986, with Steven Simonyi-Gindele, and KT Capital Corp., previously known as Petrohunter Energy Ltd. (collectively the "Guarantors"), both of 1420 - 625 Howe Street, Vancouver, British Columbia, pursuant to which the Guarantors agreed that they would, within seven days after the expiration of the Rights Offering on October 31, 1986, take up and exercise, as to 50% each, all such Rights as may remain unexercised as at that date,

at an exercise price of \$0.20 per share. In the result, the Company received gross proceeds from the Rights Offering of \$145,170.00.

In consideration for the Guarantors agreeing to acquire and exercise all unsubscribed Rights, the Company has granted to them a non-transferable warrant (the "Guarantors' Warrants") entitling each of them to purchase a total of 145,170 shares at a price of \$0.25 per share, exercisable up to the close of business on April 16, 1987. Any monies received by the Company from the exercise of the Guarantors' Warrants will be added to the working capital of the Company to be used for general corporate purposes.

The Guarantors have placed the sum of \$7,000 in trust with the Company's solicitors in order that this sum be utilized to exercise certain of the Guarantors' Warrants, if necessary, to satisfy the working capital requirements for listing on the Vancouver Stock Exchange.

RISK FACTORS

The Shares offered by this Prospectus must be considered speculative, generally because of the nature of the Company's business. In particular:

1. There is no known body of ore on the Company's mineral properties. The purpose of the present offering is to raise funds to carry out further exploration with the objective of establishing ore of commercial tonnage and grade. If the Company's exploration programs are successful, additional funds will be required for the development of an economic ore body and to place it in commercial production. The only source of future funds presently available to the Company is through the sale of equity capital. The only alternative for the financing of further exploration would be the offering by the Company of an interest in its property to be earned by another party or parties carrying out further exploration or development thereof, which is not presently contemplated.
2. There is no established market for the shares of the Company.
3. Exploration for minerals is a speculative venture necessarily involving some substantial risk. There is no certainty that the expenditures to be made by the Company in the acquisition of the interests described herein will result in discoveries of commercial quantities of ore.
4. The mining industry, in general, is intensely competitive and there is no assurance that even if commercial quantities of ore are discovered, a ready market will exist for sale of same. Factors beyond the control of the Company may affect the marketability of any substances discovered.

5. The existence of title opinions should not be construed to assure that the Company has good and marketable title to the properties described in this Prospectus.
6. Portions of the Company's properties have not been surveyed, and therefore, the precise location of the property may be in doubt.

CAPITALIZATION

<u>Designation of Security</u>	<u>Amount Authorized</u>	<u>Amount Outstanding as at October 31/86</u>	<u>Amount Outstanding as of date of Prospectus</u>	<u>Amount Outstanding if all shares Sold</u>
Common Shares without par value	Unlimited	967,800	967,800 ⁽¹⁾	1,467,800 ⁽¹⁾
Guarantor's Warrants	290,340	290,340	290,340	290,340
Preferred Shares without par value	Unlimited	Nil	Nil	Nil

(1) After taking account of shares issued pursuant to the exercise of Rights, but excluding any shares issued on exercise of Guarantors' Warrants - See "Rights Offering", under USE OF PROCEEDS.

PRIOR SALES

Pursuant to the Company's Rights Offering to its shareholders of record on September 23, 1986. (See "Rights Offering", under USE OF PROCEEDS), the Company issued an aggregate of 725,850 Common Shares, at a price per share of \$0.20, which yielded gross proceeds to the Company of \$145,170.

ISSUANCE OF SHARES

The authorized capital of the Company consists of an unlimited number of Common Shares without par value, of which 967,800 shares are issued and outstanding as fully paid and non-assessable as at the date of this Prospectus and an unlimited number of Preferred Shares, none of which have been issued or are outstanding.

All Common Shares, both issued and unissued, rank equally as to dividends, voting rights and participation in assets. No shares have been issued subject to call or assessment. There are no pre-emptive or conversion rights and no provision for redemption, purchase for cancellation, surrender or sinking or purchase funds. Provisions as to the modification, amendment or variation

of such rights or such provisions are contained in the Company Act of the Province of British Columbia.

The Articles of the Company contain provisions authorizing the issuance of preferred shares having priority over the Common Shares in respect of dividends, and upon a winding up, dissolution or other distribution of assets. These preferred shares are issuable in one or more series, the precise rights attaching to each such series to be determined by the directors prior to issue.

ESCROWED AND POOLED SHARES AND OTHER RESTRICTED SHARES

Escrowed Shares

As at the date of this Prospectus the following shares are held in escrow by Guardian Estates & Agencies Ltd. ("Guardian Estates"), 404 - 470 Granville Street, Vancouver, British Columbia:

<u>Designation of Class</u>	<u>Number of Shares Held in Escrow</u>
Common	14,500*

* After taking into account the various share consolidations referred to under THE COMPANY.

13,942 of such shares are held pursuant to agreements dated November 8, 1971 (10,000 shares) and May 16, 1972 (3,942 shares) which provide that the shares held in escrow may not be traded in, dealt with in any manner whatsoever, or released, nor may the Company, Guardian Estates or any of the escrow shareholders make any transfer or record any trades in such shares without the prior consent of the Superintendent of Brokers for British Columbia (the "Superintendent").

If the Company loses or abandons or fails to obtain title to all or any part of the property or assets for which were allotted all or part of the escrowed shares, the Company will declare any such event to the Superintendent by way of directors resolution and the holders of such shares and the trustees thereof and the Company have agreed that such number of the said shares as the Superintendent determines shall become subject to cancellation and shall be surrendered to the Company by way of gift for cancellation. The complete text of the two escrow agreements are available for inspection at the Company's registered office.

The remaining 558 shares are held pursuant to orders of the Superintendent of Brokers dating back to 1947 pursuant to which such shares may not be traded or dealt with in any manner without the written consent of the Superintendent of Brokers.

Pooled Shares

As of the date of this Prospectus the following shares are held in pool by Guardian Estates & Agencies Ltd., 404 - 470 Granville Street, Vancouver, British Columbia:

<u>Date of Pooling Agreement</u>	<u>Designation of Class</u>	<u>Number of Shares Held in Pool</u>
Feb. 13/84	Common	2,551*
Mar. 20/72	Common	795*

* After taking account of the various share consolidations referred to under THE COMPANY.

The pooling agreement dated February 13, 1984, provides that the pooled shares held thereunder will be released on the basis of 25% of such shares on the date of listing of the Company's shares on the Vancouver Stock Exchange and 25% every three months thereafter. The pooling agreement, dated March 20, 1972, provides that the pooled shares held thereunder may only be released with the consent of the Superintendent.

Restricted Shares Issued Pursuant to Rights Offering

All shares issued pursuant to the exercise of Rights issued to shareholders (the "Rights Offering" under USE OF PROCEEDS) will be restricted as to resale until October 15, 1987 and certificates in respect of such shares will be legended accordingly.

PRINCIPAL HOLDERS OF SHARES

The following table lists each shareholder owning of record or known to the Company to own beneficially, either directly or indirectly, at least 10% of the Common Shares of the Company as at the date of this Prospectus:

<u>Name and Address</u>	<u>Type of Ownership</u>	<u>Number of Shares Owned</u> (1)	<u>Percentage of Class</u>
KT Capital Corp. 1420-625 Howe Street Vancouver, B.C.	Indirect Beneficial	136,739	14.1%

John R. Galer 2350 Whyte Avenue Port Coquitlam, B.C. V3C 2A4	Direct	173,297	17.9%
Port Coquitlam Building Supplies Ltd. (2) 2650 Mary Hill Road Port Coquitlam, B.C.	Direct	161,577	16.7%
George D. Galer 1450 Dayton Street Port Coquitlam, B.C. V3C 3V4	Direct Beneficial	134,685	13.9%
Robert J. Galer 19158 - 114B Avenue Pitt Meadows, B.C. V0M 1P0	Direct Beneficial	134,685	13.9%

- (1) KT Capital Corp., previously known as Petrohunter Energy Ltd., is a reporting company the shares of which are listed and traded on the Alberta Stock Exchange. Steven Simonyi-Gindele is an officer and a director of KT Capital Corporation.
- (2) Approximately 61% of the issued and outstanding shares of Port Coquitlam Building Supplies Ltd., a non-reporting company, are beneficially owned by John R. Galer, George D. Galer and Robert J. Galer.

As of the date hereof, the directors, senior officers, promoters and controlling shareholders of the Company as a group, beneficially own, directly or indirectly, 810,672 shares or 83.76% of the shares of the Company. Assuming that none of those listed purchase any shares offered by this Prospectus, (see PLAN OF DISTRIBUTION), that percentage will be reduced to 55.23%.

DIRECTORS AND OFFICERS

The names and home addresses of the directors and officers of the Company, the offices held by them in the Company and their principal occupations within the five preceding years are as follows:

<u>Name, Address and Office Held</u>	<u>Principal Occupation or Employment</u>	<u>Director or Officer Since</u>
Paul Gould (1) 1150-10665 Jasper Avenue Edmonton, Alberta T5K 0N6 Director	Insurance Agent	June 11, 1986
John Robert Galer (1) 2350 Whyte Avenue Port Coquitlam, B.C. V3C 2A4 Director	President, Port Coquitlam Building Supplies Ltd., a private company	Jan. 31, 1983
George Douglas Galer 1450 Dayton Street Port Coquitlam, B.C. V3C 3V4 Secretary and a Director	Accountant for and director of Port Coquitlam Building Supplies Ltd.	June 29, 1984
Robert James Galer (1) 19518-114B Avenue Pitt Meadows, B.C. V0M 1P0 Director	Director and employee of Port Coquitlam Building Supplies Ltd.	June 29, 1984
Luard Joseph Manning 945 Belvedere Drive Vancouver, B.C. V7R 2C2 President and a Director	Mining Engineer, President, L.J. Manning & Associates Ltd.	Feb. 4, 1986

(1) Member of Audit Committee.

Luard J. Manning, the President of the Company, is a mining engineer with more than forty years experience in the mining industry. He has worked throughout Canada, in Alaska, and in Australia and Mr. Manning has worked at various times as a mine manager, a project manager on start-up mining operations, and as a "trouble shooter". Mr. Manning has also acted as a consultant for a major chartered bank in reviewing and evaluating mining investments.

John R. Galer is the President of a retail building supply company and an affiliated general cartage company which between them employ thirty-five persons and have combined annual sales exceeding \$10,000,000.00.

George D. Galer graduated from the British Columbia Institute of Technology in 1968 with a diploma in business administration and a director and Secretary-Treasurer in his family business.

Robert J. Galer has been engaged in his successful family business since 1962.

Paul Gould was at one time employed in the Edmonton office of a United States based brokerage firm. Since 1984, he has been an insurance agent. Prior to 1984 he was employed by Canada Safeway.

REMUNERATION OF DIRECTORS AND SENIOR OFFICERS

From the commencement of the Company's last completed fiscal year on January 1, 1986 to August 31, 1986, the Company paid an aggregate of \$14,000 in direct or indirect remuneration to one of its directors and senior officers.

INTEREST OF MANAGEMENT OR OTHERS IN MATERIAL TRANSACTIONS

As at June 30, 1986, the Company had outstanding an aggregate of \$117,993 in loans payable to directors of the Company or companies controlled by such directors. These loans do not bear interest and will not be repaid before July 1, 1987.

SPECULATIVE NATURE OF SECURITIES

Because of the stage of development of the Company and its properties, and the proposed use of the net proceeds derived from this offering, this offering must be considered speculative.

The mineral properties upon which part of the proceeds of this offering will be spent are without a known body of commercial ore and the proposed programs are an exploratory search for ore.

DIVIDEND RECORD

No dividends have been paid on the shares of the Company since the date of its incorporation. Since the Company expects to use its available funds in the financing, development and expansion of its business, it does not currently anticipate paying out dividends on its shares in the near future.

PROMOTERS

In accordance with the definition of "promoter" contained in Section 1 of the Securities Act (British Columbia), Luard J. Manning, John R. Galer, Robert G. Galer, George D. Galer, KT Capital Corp. and Steven Simonyi-Gindele are the promoters of the Company in that they have taken the initiative in substantially reorganizing the business of the Company.

None of these individuals, companies or companies associated with them have received or are to receive anything of value from the Company except that as of February 2, 1984, the Company issued a total of 1,744,499 pre-consolidation shares at a deemed price of

\$1.00 per share to settle outstanding loans of \$1,744,501 in which certain of the above-named promoters participated, on a post consolidation basis, as follows:

<u>Name</u>	<u>Number of Shares Received</u>	<u>Cost per Share</u>	<u>Amount of Debt Settled</u>
John R. Galer	19,965	\$10.00	\$199,650
George D. Galer	14,225	\$10.00	\$142,252
Robert J. Galer	14,225	\$10.00	\$142,252
Steven Simonyi-Gindele	14,005	\$10.00	\$140,053
KT Capital Corp.	32,204	\$10.00	\$322,040
Port Coquitlam Building Supplies Ltd.	30,800	\$10.00	\$308,000

In addition, KT Capital Corp. receives \$2,500 per month for rent, secretarial and accounting services and has received a total of \$22,500 to November 30, 1986. KT Capital Corp. and Steven Simonyi-Gindele also guaranteed the Company's recent Rights Offering and received an aggregate 290,340 Warrants (See "Use of Proceeds - Rights Offering").

PENDING LEGAL PROCEEDINGS

An action was commenced on June 18, 1986 against the Company in the Supreme Court of British Columbia by a former director and senior officer, for recovery of sums advanced by way of loan to the Company in the amount of \$20,617.53, office rent in a total amount of \$7,000, and management and accounting fees aggregating \$280,000. The Company is vigorously defending the action and is currently seeking the advice of counsel whether a counterclaim should be filed. It is management's opinion that it is not possible at this time to forecast the outcome of this matter.

MATERIAL CONTRACTS

There are no material contracts entered into by the Company other than as disclosed elsewhere in this Prospectus. All material contracts of the Company may be inspected at the registered office of the Company, 16th Floor, 1030 West Georgia Street, Vancouver, B.C., during normal working hours while primary distribution of the securities offered by this Prospectus is in progress and for a period of thirty days thereafter.

SOLICITORS

The solicitors for the Company are Freeman & Company, Barristers and Solicitors, 16th Floor, 1030 West Georgia Street, Vancouver, British Columbia, V6E 3C4.

AUDITORS, TRANSFER AGENT AND REGISTRAR

The auditors for the Company are Touche Ross & Co., Chartered Accountants, 1700 Park Place, 666 Burrard Street, Vancouver, British Columbia, V6C 3B3.

The Registrar and Transfer Agent for the Company is Guardian Estates & Agencies Ltd., 404 - 470 Granville Street, Vancouver, British Columbia, V6C 1V8.

OTHER MATERIAL FACTS

There are no material facts relating to the offering of securities under this Prospectus other than those disclosed herein.

PURCHASERS' STATUTORY RIGHTS OF WITHDRAWAL AND RESCISSION

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

- (a) a purchaser has the right to rescind a contract for the purchase of the securities, 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 delivery to either of them of the written confirmation of the sale of the securities. Written notice of intention to commence an action for rescission must be served on the person who contracted to sell within sixty days of the date of the delivery of the written confirmation, but no action shall be commenced after the expiration of three months from the date of service of such notice; and
- (b) 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 a 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 days from the later of the date of such contract or the date on which such a 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 confirmed.

Touche Ross & Co.

IGF METALS INC.

(formerly Walmont Precious Metals Corp.)

REPORT AND FINANCIAL STATEMENTS

OCTOBER 31, 1986

AUDITORS' REPORT

The Directors,
IGF Metals Inc. (formerly
Walmart Precious Metals Corp.)

We have examined the balance sheets of IGF Metals Inc. (formerly Walmart Precious Metals Corp.) as at October 31, 1986 and December 31, 1985 and 1984 and the statements of loss and deficit, deferred exploration and development costs and changes in financial position for the ten months ended October 31, 1986 and for each of the years ended December 31, 1983 through 1985. 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 October 31, 1986 and as at December 31, 1985 and 1984 and the results of its operations and the changes in its financial position for the ten months ended October 31, 1986 and each of the years ended December 31, 1983 through 1985 in accordance with generally accepted accounting principles applied, after giving retroactive effect to the change in accounting policy described in Note 2 to the financial statements, on a consistent basis.

The financial statements for the years ended December 31, 1981 and 1982 are reported on by another auditor.

Touche Ross Inc

Vancouver, B.C.,
December 9, 1986.

Chartered Accountants

MEYER & COMPANY

Chartered Accountants

Henry J. Meyer, C.A.
Donald B. Ellison, B.A. (Comm.), C.A.

Metrotown Place
#901 - 4330 Kingsway
Burnaby, B.C.
V5H 4G7
(604) 434-4955

AUDITORS' REPORT

The Directors,
IGF Metals Inc. (formerly
Walmart Precious Metals Corp.)

We have examined the statements of loss and deficit, deferred exploration and development costs and changes in financial position for IGF Metals Inc. (formerly Walmart Precious Metals Corp.) for the years ended December 31, 1982 and December 31, 1981. 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 results of the Company's operations and the changes in its financial position for the years ended December 31, 1982 and December 31, 1981 in accordance with generally accepted accounting principles applied, after giving retroactive effect to the change in accounting policy described in Note 2 to the financial statements, on a consistent basis.



MEYER & COMPANY
Chartered Accountants

Burnaby, B.C.
October 31, 1986

IGF METALS INC.

(formerly Walmont Precious Metals Corp.)

(Continued under the Canada Business Corporations Act)

BALANCE SHEETS

	<u>October 31</u> 1986	<u>December 31</u> 1985	<u>December 31</u> 1984
<u>ASSETS</u>			
Current			
Cash	\$ 165,747	\$ 551	\$ 477
Accounts receivable	1,285	1,285	2,691
Inventory of equipment for resale	-	-	98,325
	<u>167,032</u>	<u>1,836</u>	<u>101,493</u>
Resource properties (Note 3)			
Property costs	264,423	264,423	264,423
Plant and equipment (Note 5)	299,542	1,775,557	1,739,224
Deferred exploration and development costs	<u>386,249</u>	<u>364,091</u>	<u>323,850</u>
	<u>950,214</u>	<u>2,404,071</u>	<u>2,327,497</u>
	<u>\$1,117,246</u>	<u>\$2,405,907</u>	<u>\$2,428,990</u>
<u>LIABILITIES</u>			
Current			
Accounts payable	\$ 95,195	\$ 79,921	\$ 56,878
Share subscriptions refundable	19,823	-	-
Current portion of loans payable (Note 4)	<u>23,909</u>	<u>-</u>	<u>-</u>
	138,927	79,921	56,878
Loans payable (Note 4)	<u>114,281</u>	<u>85,993</u>	<u>80,381</u>
	<u>253,208</u>	<u>165,914</u>	<u>137,259</u>
<u>SHAREHOLDERS' EQUITY</u>			
Capital stock (Note 9)			
Authorized			
Unlimited common shares, no par value			
Unlimited preferred shares, no par value			
Issued and fully paid			
967,800 common shares (1985 and 1984 - 241,950 common shares)	2,671,186	2,526,016	2,526,016
Deficit	<u>(1,807,148)</u>	<u>(286,023)</u>	<u>(234,285)</u>
	<u>864,038</u>	<u>2,239,993</u>	<u>2,291,731</u>
	<u>\$1,117,246</u>	<u>\$2,405,907</u>	<u>\$2,428,990</u>
Approved by the Directors			
.....Director			
.....Director			

See accompanying notes to financial statements.

IGF METALS INC.

(formerly Walmont Precious Metals Corp.)

STATEMENTS OF LOSS AND DEFICIT

	Ten months ended <u>October 31</u>
	<u>1986</u>
Expenses	
Management fee	\$ 18,000
Office	3,677
Legal and audit	20,833
Transfer fees	1,729
Bank charges and interest	988
Capital tax	611
Rent and interest income	(728)
Interest on loans	-
Filing fees	-
	<hr/>
	45,110
Write-down of plant and equipment	1,476,015
Loss on sale of equipment	<hr/> -
Net loss for the period	1,521,125
Deficit at beginning of period	<hr/> 286,023
Deficit at end of period	\$1,807,148
	<hr/> <hr/>
Loss per common share	\$ 6.28
	<hr/> <hr/>

Years ended December 31

<u>1985</u>	<u>1984</u>	<u>1983</u>	<u>1982</u>	<u>1981</u>
\$ -	\$ -	\$ (60,000)	\$ 60,000	\$ -
1,584	4,414	3,393	2,739	3,522
11,733	17,560	3,056	6,800	300
3,904	5,499	2,311	626	2,126
814	127	439	1,621	-
1,222	12,000	1,000	4,000	1,629
(519)	(1,942)	(720)	(540)	(420)
-	-	60,385	-	-
-	-	3,025	-	-
18,738	37,658	12,889	75,246	7,157
-	-	-	-	-
33,000	-	22,096	-	-
51,738	37,658	34,985	75,246	7,157
234,285	196,627	161,642	86,396	79,239
\$ 286,023	\$ 234,285	\$ 196,627	\$ 161,642	\$ 86,396
\$.21	\$.15	\$.14	\$.30	\$.03

See accompanying notes to financial statements.

IGF METALS INC.

(formerly Walmont Precious Metals Corp.)

STATEMENTS OF DEFERRED EXPLORATION AND DEVELOPMENT COSTS

	Ten months ended <u>October 31</u>
	<u>1986</u>
Deferred exploration and development costs	
Expenditures during the period	
Engineering	\$ -
Taxes	2,961
Travel	943
Insurance	-
Lease	1,163
Consulting fee	250
Utilities	1,431
Underground rehabilitation	-
Equipment repairs and maintenance	-
Contract labour	<u>15,410</u>
	22,158
Balance at beginning of period	<u>364,091</u>
Balance at end of period	<u>\$ 386,249</u>

Years ended December 31

<u>1985</u>	<u>1984</u>	<u>1983</u>	<u>1982</u>	<u>1981</u>
\$ 13,230	\$ -	\$ 37,983	\$ 5,979	\$ -
6,446	8,174	11,078	14,479	-
600	9,081	13,137	6,208	-
-	2,262	-	5,604	-
4,410	4,584	4,600	4,416	-
-	-	50,000	-	-
2,055	2,210	1,639	-	-
-	15,664	-	-	-
-	5,442	-	-	-
14,500	-	-	-	-
40,241	47,417	118,437	36,686	-
323,850	276,433	157,996	121,310	121,310
\$ 364,091	\$ 323,850	\$ 276,433	\$ 157,996	\$ 121,310

See accompanying notes to financial statements.

IGF METALS INC.

(formerly Walmont Precious Metals Corp.)

STATEMENTS OF CHANGES IN FINANCIAL POSITION

	Ten months ended <u>October 31</u>
	<u>1986</u>
Operating activities	
Net loss for the period	(\$1,521,125)
Less non-cash items	
Write-down of plant and equipment	1,476,015
Loss on sale of equipment	-
Write-off of incorporation costs	-
	<u>(45,110)</u>
Net decrease (increase) in non-cash operating working capital	<u>18,860</u>
	<u>(26,250)</u>
Financing activities	
Loans payable (repaid)	52,197
Issue of shares for cash	145,170
Share subscriptions refundable	19,823
Issue of shares in payment of loans and accrued interest	-
	<u>217,190</u>
Investing activities	
Deferred exploration and development costs	(25,744)
Purchase of plant and equipment	-
Proceeds from disposal of equipment	-
	<u>(25,744)</u>
Increase (decrease) in cash during the period	165,196
Cash at beginning of period	<u>551</u>
Cash at end of period	<u>\$ 165,747</u>

Years ended December 31

<u>1985</u>	<u>1984</u>	<u>1983</u>	<u>1982</u>	<u>1981</u>
(\$ 51,738)	(\$ 37,658)	(\$ 34,985)	(\$ 75,246)	(\$ 7,157)
-	-	-	-	-
33,000	-	22,096	-	-
<u>-</u>	<u>-</u>	<u>1,262</u>	<u>-</u>	<u>-</u>
(18,738)	(37,658)	(11,627)	(75,246)	(7,157)
<u>4,427</u>	<u>26,110</u>	<u>(6,617)</u>	<u>64,305</u>	<u>4,500</u>
(14,311)	(11,548)	(18,244)	(10,941)	(2,657)
5,612	(1,707,822)	467,875	561,621	440,371
-	-	-	-	110,000
-	-	-	-	-
<u>-</u>	<u>1,744,501</u>	<u>-</u>	<u>-</u>	<u>-</u>
5,612	36,679	467,875	561,621	550,371
(20,219)	(40,760)	188,255	(36,686)	-
(2,008)	(16,196)	(272,137)	(542,456)	(518,958)
31,000	-	42,000	-	-
<u>8,773</u>	<u>(56,956)</u>	<u>(41,882)</u>	<u>(579,142)</u>	<u>(518,958)</u>
74	(31,825)	31,239	(28,462)	28,756
<u>477</u>	<u>32,302</u>	<u>1,063</u>	<u>29,525</u>	<u>769</u>
\$ 551	\$ 477	\$ 32,302	\$ 1,063	\$ 29,525

See accompanying notes to financial statements.

IGF METALS INC.

(formerly Walmart Precious Metals Corp.)

NOTES TO FINANCIAL STATEMENTS
OCTOBER 31, 1986 AND DECEMBER 31, 1985 TO DECEMBER 31, 1981

1. Summary of significant accounting policies

a. Resource properties

Acquisition costs of mineral claims together with plant and equipment direct exploration and development expenditures thereon are deferred in the accounts. When production is attained depletion will be provided based upon estimated proven recoverable reserves. When deferred costs of individual properties exceed the estimated net realizable value, if determinable, the properties are written down to the estimated value. Costs relating to properties abandoned are written off when the decision to abandon is made.

b. Depreciation

Depreciation of the plant and equipment will commence in the year the mill is brought into commercial production.

2. Change in accounting policy

For the ten month period ended October 31, 1986 the Company has adopted the policy of expensing administrative costs when incurred. Previously, administrative costs had been included in deferred exploration and development costs. The policy adopted has been applied retroactively, with the effect of increasing previously reported net losses and accumulated deficit, as follows:

Years ended December 31	<u>Net loss increase</u>	<u>Accumulated deficit increase</u>
1985	\$ 18,738	\$180,465
1984	\$ 37,658	\$161,727
1983	\$ 12,889	\$124,069
1982	\$ 75,246	\$112,442
1981	\$ 7,157	\$ 37,196

The financial statements for all years have been restated accordingly.

3. Resource properties

The Company's main property is in the Greenwood Mining Division of the Province of British Columbia. A secondary property is in the Port Alberni Mining Division of the Province of British Columbia.

The realization of the resource properties costs is dependent upon the future commercial success of the properties or proceeds from their disposition.

The surface lease on which the mill facilities are located has expired and the Company has made application for renewal.

4. Loans payable

The loans payable at October 31, 1986, and December 31, 1985 and 1984 are unsecured and non-interest bearing. The long-term portion of these loans are not payable before January 1, 1988.

5. Write down of plant and equipment

The Company has written down the carrying value of its plant and equipment to net realizable value based on an appraisal carried out during the period ended October 31, 1986.

6. Related party transactions

a. As at October 31, 1986 \$131,317 (December 31, 1985 - \$81,276 and December 31, 1984 - \$75,664) of the loans payable are with shareholders or directors or companies controlled by directors.

b. During the period ended October 31, 1986 \$18,000 in management fees were paid to a director of the Company.

c. Interest of \$60,385 was accrued on loans from directors or companies controlled by directors in 1983.

d. Management fees of \$60,000 accrued to directors during 1982 were cancelled in 1983.

7. Contingency

A claim was made against the Company in 1985 by the former president of the Company for past office rent, wages for management and accounting services aggregating \$287,000 (not provided for in the accounts). The possible outcome of this claim cannot be determined at this time. Any possible loss resulting from this claim will be accounted for as a prior period adjustment.

8. Change of name

During the period ended October 31, 1986, the Company changed its name from Walmont Precious Metals Corp. to IGF Metals Inc. and in 1982 had changed its name from Copper Bounty Mines Ltd. to Walmont Precious Metals Corp.

9. Capital stock

During the period ended October 31, 1986, the Company created a class of non-voting preferred shares without par value and authorized an unlimited number of these shares, increased its authorized capital stock from 10,000,000 common shares to an unlimited number of common shares, and consolidated the issued and outstanding common shares on a basis of ten for one resulting in a reduction of issued common shares from 2,419,501 to 241,950. All numbers of shares in these financial statements are shown on the post-consolidation basis.

The Company has issued 725,850 common shares for \$0.20 per share pursuant to a rights offering to current shareholders. In consideration for the guarantee to exercise all unsubscribed rights for these common shares, the Company granted warrants to purchase a total of 290,340 common shares at a price of \$0.25 per share, exercisable to April 16, 1987.

10. Subsequent events

The Company proposes to issue 500,000 common shares under a prospectus.

REPORT

on the

WALLACE MOUNTAIN PROPERTY

Greenwood Mining Division

British Columbia

- for -

WALMONT PRECIOUS METALS CORP.

1420 - 625 HOWE STREET

VANCOUVER, B. C.

V6C 2T6

- prepared by -

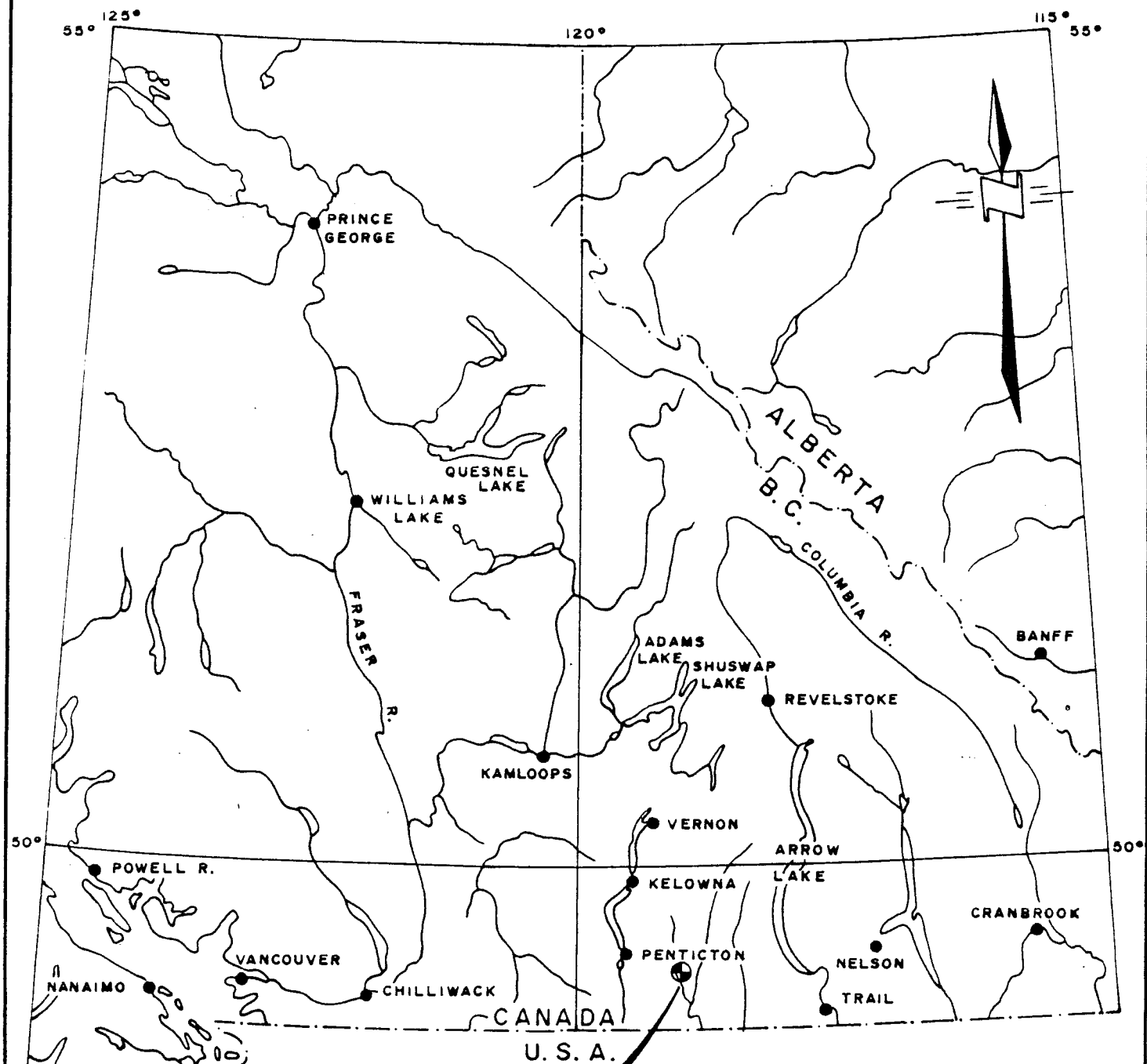
Dawson Geological Consultants Ltd.

102 - 310 Nicola Street

Kamloops, B. C. V2C 2P5

James M. Dawson, P. Eng.

April 2, 1986



WALLACE MOUNTAIN
PROPERTY

WALMONT PRECIOUS METALS CORP.	
LOCATION MAP	
WALLACE MOUNTAIN PROPERTY	
GREENWOOD MINING DIVISION BRITISH COLUMBIA	
Date: May 17, 1985.	Scale: 1" = 64 Miles
Dwn by: W.G.	Dwg no. 363-1

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GEOLOGY AND MINERALIZATION	10
ORE POTENTIAL	12
ECONOMIC POTENTIAL	17
RECOMMENDATIONS	18

* * * * *

APPENDIX A: Estimated Cost of Recommended Programme

APPENDIX B: References

APPENDIX C: Writer's Certificate

APPENDIX D: List of Maps

Figure 363-1 Location Map

Figure 363-2 Claim Map

Figure 363-3 Geology Map

* * * * *

INTRODUCTION:

This report has been prepared at the request of the directors of Walmont Precious Metals Corp. It reviews the history, geology, mineralization and exploration potential of the subject property and its relationship to the district metallogeny of the Beaverdell area. It recommends a phased exploration programme which it is hoped will outline sufficient ore reserves to justify completion of the existing milling facility and an ongoing programme of mining and exploration.

Maps showing location, claim holdings and significant features of the geology and mineral occurrences are included in the text of this report.

SUMMARY AND CONCLUSIONS:

- (1) The Wallace Mountain property consists of 30 single unit, crown granted and located claims in a very irregular block adjacent and partly surrounded by property controlled by Teck Corporation. It is located immediately east and south of the village of Beaverdell in the interior of British Columbia, on moderate to steeply sloping terrain and is road accessible.

- (2) High grade silver mineralization was discovered in the Beaverdell District in the late 1800's and the first ore was shipped in 1900. The adjacent property of Teck Corporation, formerly Highland Bell Mines Ltd. has produced continuously since 1913. To date it is estimated that the district has produced more than 30,000,000 ounces of silver, with minor gold and substantial amounts of lead and zinc. The first work commenced on what is now the Walmart property in 1901 when development started on the Wellington claim. This claim has been worked on extensively and to 1949 produced some 7,765 tons of direct shipping ore containing .355 oz. gold, 1,481,156 oz. silver, 1,029,078 lbs. lead and 1,555,039 lbs. of zinc. Commencing in the late 1940's the present Walmart ground was consolidated and has since gone through a succession of ownerships. For the most part work has been sporadic and piecemeal with only incomplete records presently available. Two relatively detailed exploration programmes were begun in the late 1960's by McDonald Consultants and MPH Consulting Ltd. This work will form a good base for more detailed evaluation and delineation of potential ore reserves. In 1982, Copper Bounty Mines, the predecessor company to Walmart, began construction of a 100 ton per day flotation mill. This facility is essentially complete except for electrical and plumbing installations. In 1983 Marston and Marston Inc. prepared a feasibility study on the cost of completing the mill and bringing the property into production.

- (3) The Beaverdell district is underlain primarily by a granodiorite batholith which intrudes late Paleozoic metavolcanics and meta-sediments and is itself intruded by a younger quartz monzonite stock. A number of easterly to northeasterly trending fissures are the loci for narrow but high grade silver veins. These veins locally pinch and swell, have erratic ore shoots and are extensively faulted.
- (4) - There are no currently proven ore reserves on the property, however there are numerous sources, i.e. waste dumps, backfilled stopes, lower grade portions of old workings as well as a large number of poorly explored surface showings which could provide sufficient tonnage to warrant completion of the mill and placing the property into production. An exploration programme is recommended to fully test this potential.

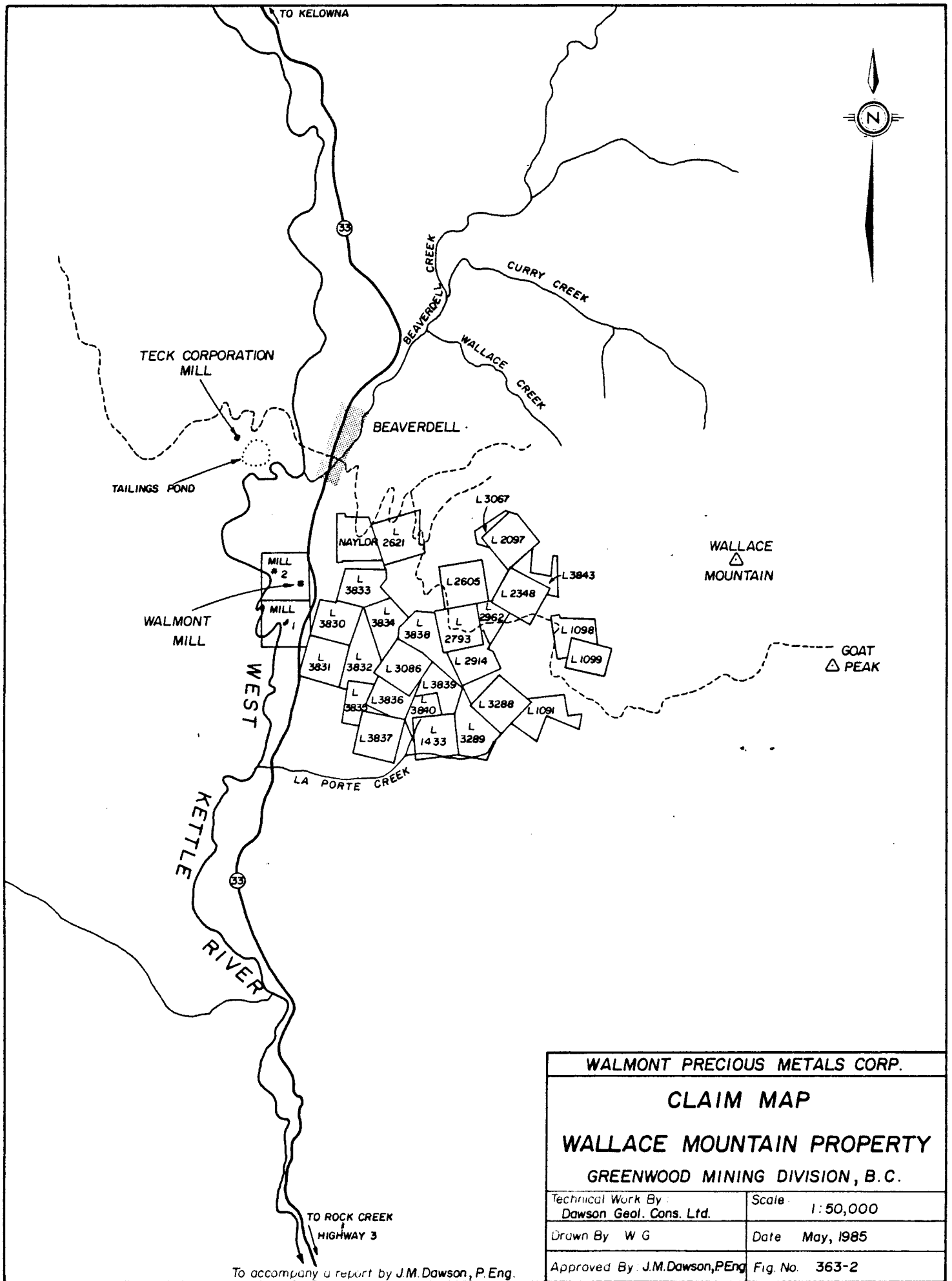
PROPERTY:

The Wallace Mountain Property consists of a highly irregular group of claims which adjoin and in some cases are surrounded by property owned by Teck Corporation (originally Highland Bell Mines).

There are 30 single unit claims in the package and all except the Duncan are 100% owned by Walmont. The company has an undivided 50% interest in the Duncan claim.

Pertinent claim data is as follows:

<u>Claim Name</u>	<u>Status</u>	<u>Record No.</u>	<u>Expiry Date</u>
Mount Pleasant Fr.	Crown Grant	1091.S	July 2, 1986
Black Diamond	Crown Grant	1098	July 2, 1986
Standard	Crown Grant	1099	July 2, 1986
Golden	Crown Grant	1433	July 2, 1986
Tiger	Crown Grant	2097	July 2, 1986
Bounty	Crown Grant	2348	July 2, 1986
Duncan (1/2 interest)	Crown Grant	2605	July 2, 1986
Wellington	Crown Grant	2621	July 2, 1986
Logan	Crown Grant	2793	July 2, 1986
Black Bess	Crown Grant	2914	July 2, 1986
Bounty Fraction	Crown Grant	2962	July 2, 1986
Kokomo Fraction	Crown Grant	3067	July 2, 1986
Billy	Crown Grant	3086	July 2, 1986
Reco	Crown Grant	3288	July 2, 1986
Golden Fraction	Crown Grant	3289	July 2, 1986
Byway	Crown Grant	3830	July 2, 1986
Highway	Crown Grant	3831	July 2, 1986
Cuba Fraction	Crown Grant	3832	July 2, 1986
Invasion Fraction	Crown Grant	3833	July 2, 1986
Advance Fraction	Crown Grant	3834	July 2, 1986



TECK CORPORATION
MILL

TAILINGS FOND

WALMONT
MILL

BEAVERDELL

WALLACE
MOUNTAIN

GOAT
PEAK

WEST
KETTLE
RIVER

LA PORTE CREEK

BEAVERDELLY CREEK

CURRY CREEK

WALLACE CREEK

TO KELOWNA

33

33

TO ROCK CREEK
HIGHWAY 3

To accompany a report by J.M. Dawson, P. Eng.

WALMONT PRECIOUS METALS CORP.	
CLAIM MAP	
WALLACE MOUNTAIN PROPERTY	
GREENWOOD MINING DIVISION, B.C.	
Technical Work By: Dawson Geol. Cons. Ltd.	Scale: 1:50,000
Drawn By W G	Date May, 1985
Approved By J.M. Dawson, P. Eng.	Fig. No. 363-2

<u>Claim Name</u>	<u>Status</u>	<u>Record No.</u>	<u>Expiry Date</u>
Zora May	Crown Grant	3835	July 2, 1986
Silver Hoard	Crown Grant	3836	July 2, 1986
Bellaclava	Crown Grant	3837	July 2, 1986
Logan Fraction	Crown Grant	3838	July 2, 1986
Reco Fraction	Crown Grant	3839	July 2, 1986
Hidden Treasure	Crown Grant	3840	July 2, 1986
White Boy Fraction	Crown Grant	3843	July 2, 1986
Mill #1	Located	389	June 21, 1986
Mill #2	Located	390	June 21, 1986
Naylor	Located	939	Dec. 30, 1986

The company also has a lease of 102 acres of surface rights covering most of Mill #1 and #2 claims.

Disposition of claims is shown on Figure 363-2.

LOCATION AND ACCESS:

The subject property is located in southern British Columbia about 35 miles southeast of the City of Kelowna and approximately 30 miles north of the U.S. border. The approximate geographic center of the claims is at 49° 25' north and 119° 04' west.

The claims lie immediately south and east of the village of Beaverdell. Most of the property can be easily reached by local roads servicing the adjacent Teck Corporation property. Beaverdell is connected by provincial highway 33 to Kelowna, approximately 50 miles to the north and to the southern trans-provincial highway No. 3 at Rock Creek some 30 miles to the south.

PHYSIOGRAPHY AND VEGETATION:

The bulk of the property lies on the west facing slope of Wallace Mountain. Terrain is moderate to steep and elevations vary from 2,500 to 5,000 feet a.s.l. The Mill #1 and Mill #2 claims are located on essentially flat ground in the valley of West Kettle River.

The ground is well forested with mature spruce, pine and fir except for those areas cleared for mining or exploration activity.

HISTORY:

Initial prospecting began in the Beaverdell District in the late 1880's and all the important claims on Wallace Mountain were located in 1896 and 1897. The first ore was shipped from the district in 1900 and intermittent production continued until 1913. The property now controlled by Teck Corporation, essentially the northern half of the camp, has produced continuously since 1913.

In the early days most claims produced direct shipping ore independently, but in 1936 most of the north half of the district was consolidated under Highland Bell Mines Ltd. Direct shipping of ore continued until 1950 when a 50 ton per day mill was built. As production increased, the mill capacity was gradually increased to its current rate of 110 tons per day.

Production figures from the Highland Bell operation show that from 1936 to 1950 (direct shipping) the average grade of ore produced was 133.8 oz. silver/ton; from 1951 to 1968 the grade averaged 38.1 oz. silver/ton and from 1971 to 1981 the average ore grade was 10.8 oz. silver/ton. Total production from this operation is estimated to be more than 30,000,000 oz. silver, with minor gold and substantial lead and zinc.

The first reference to work done on the Walmont property was in 1901 when exploration commenced on the Wellington claim. Independent exploration and production continued on the separate claims in the southern half of the Beaverdell camp until 1946 when most of the ground now held by Walmont was consolidated as the Silver Bell Mining Synicate.

During this early period, numerous tunnels, pits and shafts were driven on a number of the present Walmont claims including the Wellington, Tiger, Kokomo Fraction, Bounty, Bounty Fraction and Balaclava (see Figure 363-3).

By far the greatest amount of work was done on the Wellington claim. The main vein was developed on eight levels by 4 adits and several winzes. Total production over the period 1901 to 1953 is reported as 7,765 tons from which the following amounts of metals were produced: 355 oz. gold, 1,481,156 oz. silver, 1,029,078 lbs. of lead and 1,555,039 lbs. of zinc. The average silver grade was 191 oz./ton. The only other recorded production is from the Bounty-Bounty Fraction claims and the Tiger claim. The Bounty-Bounty Fraction produced a total of 760 tons containing 16 oz. gold, 103,431 oz. silver, 93,064 lbs. lead and 74,696 lbs. zinc. Average silver grade of this ore was 136 oz./ton. Recorded production from the Tiger claim is 260 tons containing 4 oz. gold, 41,154 oz. silver, 38,045 lbs. lead and 54,155 lbs. zinc. Average silver grade was 158 oz./ton.

In 1947, Silver Bounty Mines Ltd. was formed from the holdings of the Silver Bell Syndicate and intermittent exploration and small ore shipments (volume unrecorded) continued until 1958. The property was optioned by Mr. Karl Wickstrom in 1958 and Sheritt Lee Mines was incorporated. Some underground development and diamond drilling took place during this period, mostly on the Wellington claim.

In 1963 the property came under the control of Ruby Silver Mines Ltd. which was renamed Silver Lee Mines Ltd. in 1966. During the period 1960-1969 a number of evaluation reports were written by various consultants and several programmes of surface and underground geological mapping and sampling, soil geochemistry and various types of geophysics were completed. Unfortunately substantial parts of this data have been lost. The most detailed programmes were carried out by McDonald Consultants Ltd. in 1967-68 and by MPH Consulting Ltd. in 1969. Efforts are currently underway to obtain complete copies of these reports.

In 1971 Copper Bounty Mines Ltd. gained control of the property and at least three engineering reports were written during the 1970's. In 1981 Copper Bounty Mines Ltd. began construction of a 100 ton per day floatation mill which is now essentially complete except for electrical and plumbing installations.

In 1983 Copper Bounty Mines Ltd. was consolidated and renamed Walmont Precious Metals Corporation. In 1982-83 Marston and Marston Inc. prepared a feasibility study on the cost of completing the mill and bringing the property into production. This study stated that there was no proven ore reserve but that sufficient reserves might be developed from waste dumps, old back-filled stopes, pillars and unmined lower grade sections of the Wellington workings to provide a viable operation. To date, no work has been done towards proving up these reserves.

GEOLOGY AND MINERALIZATION:

The Beaverdell district is underlain primarily by the Westkettle batholith of Jurassic age. This large intrusive body contains screens and roof pendants of the Permian Wallace Formation and has been intruded by the early Tertiary Beaverdell stock (see Figure 363-3).

The Westkettle batholith ranges in composition from granodiorite to quartz diorite. It is generally a medium grained, massive rock containing both biotite and hornblende, although mafic minerals are usually highly chloritized in the vicinity of the mineralized areas.

The Wallace Formation, now correlated with part of the Anarchist Group consists of metamorphosed andesitic tuffs and lavas, basic intrusions, hornfels and minor limestone. The contact between the Wallace rocks and the Westkettle batholith lies at the eastern edge of the Beaverdell district. In general it is northerly striking with gentle dips to the east.

The Beaverdell stock occupies an area of about 1.5 square miles centered about the village of Beaverdell. It is a highly chloritized, unfoliated, porphyritic quartz monzonite. It is characterized by large, pink orthoclase phenocrysts up to 8 centimeters in length. This stock has been dated at approximately 50 Ma, the same age as the bulk of the mineralization and is considered to be genetically related to it.

In the district, two types of dikes are known: (1) fine grained, dark brown andesite dikes "Wellington type" are considered to be pre mineralization and (2) quartz latite dikes which are thought to be syn or post mineralization and genetically related to the Beaverdell stock.

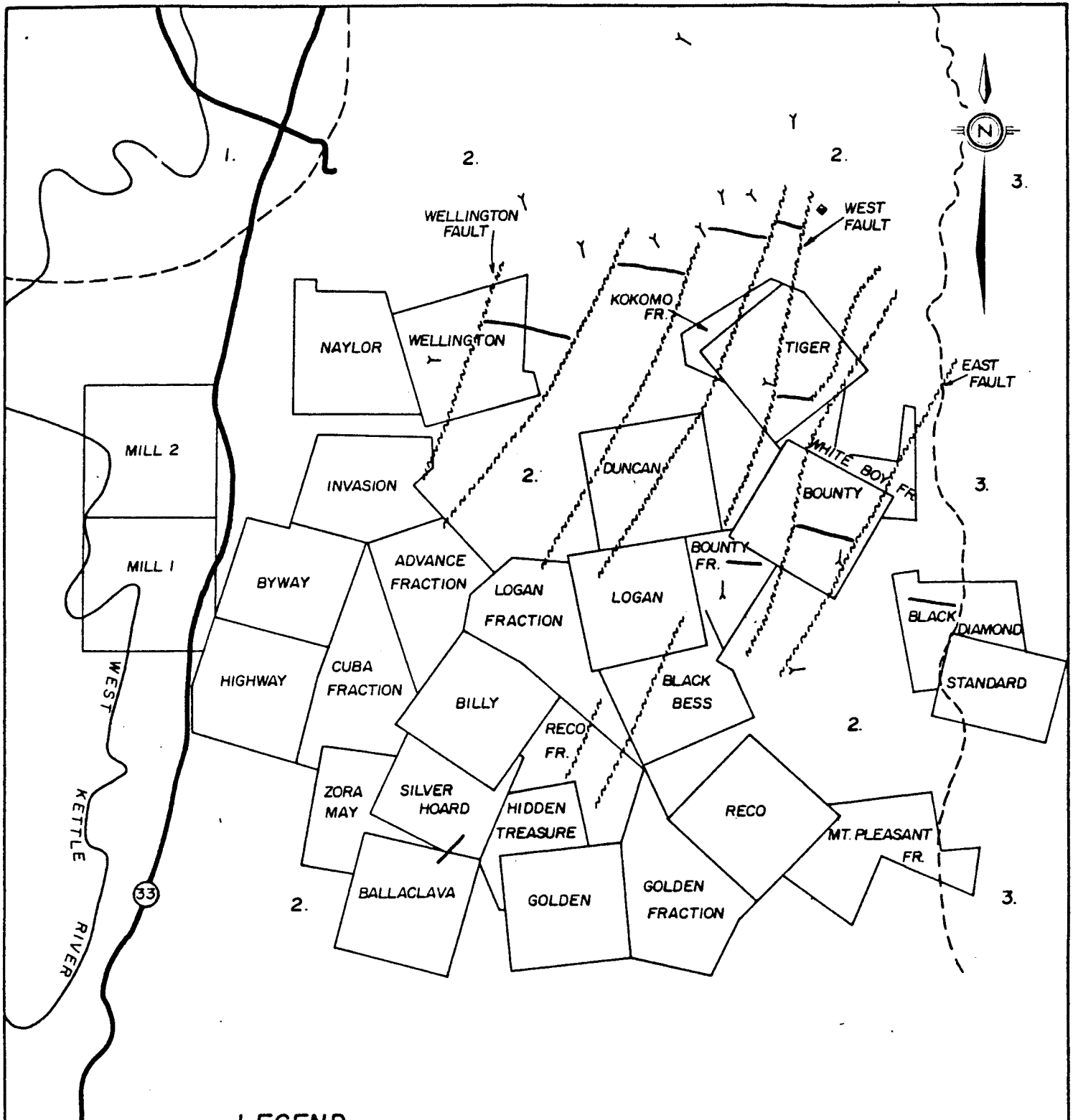
The veins are mineralized fissures which on the Teck ground trend easterly in the western part of the camp and change direction to north-easterly as the contact with the Wallace Formation is approached. Dips are steep to moderate to the south or southeast. Mineralization locally extends into the Wallace Formation but these veins rapidly narrow and pinch out.

Most of the veins are consistent in appearance and mineralogy. The main metallic minerals are galena, sphalerite and pyrite in a gangue of quartz and lesser calcite. Other metallic minerals encountered are arsenophyrite, tetrahedrite, pyrargyrite, chalcopyrite, pyrrhotite, polybasite, acanthite and native silver.

A number of the larger veins, i.e. Wellington, Rob Roy and Sally split into two or three separate veins in places and have been referred to in the past as vein systems. Branches and horsetails are also encountered.

In general the major veins increase in width from west to east. Thus the Wellington and Sally average 2.5 feet in width, while the Bell and Lass veins are in the order of 3 and 5 feet wide. While 2.5 to 5 feet are averages for the major veins, actual widths vary from a few inches to swells as much as 15 feet wide. This is further complicated by the erratic nature of higher and lower grade shoots.

Wall rock alteration in the form of chlorite, sericite and epidote is common as an envelope around the large veins. In places it may extend outward from each vein wall for as much as 20 feet. This alteration has been referred to as ore ground as was an important prospecting aid in the early days.



LEGEND

- 1 BEAVERDELL STOCK
PORPHYRITIC QUARTZ MONZONITE
- 2 WESTKETTLE BATHOLITH
GRANODIORITE TO QUARTZ DIORITE
- 3 WALLACE FORMATION
INTERMEDIATE METAVOLCANICS, HORNFELS
AND MINOR LIMESTONE.
- ~~~~~ FAULT ——— MAJOR VEIN ZONES
- - - - - GEOLOGICAL CONTACT ■ SHAFT
- └─┬─ ADIT

WALMONT PRECIOUS METALS CORP.	
GENERALIZED GEOLOGY MAP	
WALLACE MOUNTAIN PROPERTY	
GREENWOOD MINING DIVISION, B.C.	
Technical Work By: Dawson Geol. Cons. Ltd.	Scale: 1:20,000
Drawn By: W.G.	Date: May, 1985.
Approved By: J.M. Dawson, P.Eng.	Fig. No. 363-3

To accompany a report by J.M. Dawson, P.Eng.

Five sets of faults have been noted in the Beaverdell area by previous workers. Of the five sets, two are most important in their effect on the vein systems. The Wellington fault and the East and West Terminal faults (see Figure 363-3) belong to a set of northerly striking and steeply east dipping normal faults. The East terminal fault has displaced downwards the eastern half of the Lass vein by 700 feet. The amount of vertical and lateral displacement on the other faults of this set is not known, and thus the western extension of the Wellington vein may be a substantial exploration target as yet undiscovered.

The other important fault-set strikes northeasterly, dips moderately west and chops most of the veins into numerous short segments. Displacements on these faults range from a few inches to several tens of feet.

ORE POTENTIAL:

Previous workers have estimated that there is approximately 61,300 tons of material on various waste dumps on the Walmont ground which is said to average about 5 oz. silver per ton. Marston and Marston Inc. performed detailed sampling on the Wellington 500 level and 300 level dumps and now consider this material as an ore reserve of 35,510 tons grading 4.85 oz. silver/ton. Metallurgical tests indicate an average recovery of 83.6% from the milling of this material.

Teck Corporation has, in the past few years, obtained considerable mill feed from old back-filled stopes. These stopes were filled with "lower grade" material in the days of selected mining of high grade, direct-shipping ore. The Wellington Mine is the only source of extensive old workings on the Walmont ground and muck samples taken by personnel of McDonald Consultants (McLeod, 1968) from two separate stopes on the 300 level assayed 27.60 and 32.70 oz. silver/ton respectively. It is reasonable to assume that similar grade material would be found in other back-filled workings above 500 level.

The workings below 500 level are connected by several winzes and are assumed to be flooded. Rehabilitation of these workings would be expensive and in the opinion of Mr. B. Goetting of Teck Corporation economically unattractive. He states that the ore on these levels averaged about 100 oz. silver/ton over approximately one foot widths. It is now largely mined out between the Wellington Fault and the east edge of the claim. Furthermore at least 20 drill holes were put down from 800 level to test the down dip extension of the Wellington vein. Values were generally low grade over narrow widths. It can be seen from the Teck three-dimensional model that generally economic values bottom at about this depth throughout the Beaverdell camp (except for downfaulted blocks such as the Lower Lass vein).

An important new source of ore on the Wellington claim could be the extension of the main vein west of the Wellington fault. This vein segment has never been found and although McDonald Consultants had located a worthwhile target for drilling, it was never tested.

An additional potential source of new ore is the so called "footwall vein" located in the northeast corner of the Wellington claim. No information is given concerning its width, strike length or recorded assays.

Extensive surface work by MPH Consulting Ltd. in 1969 outlined eleven additional veins, vein sets and mineralized zones on the remainder of the property. These have been explored and/or developed by numerous adits, shafts and pits which were mapped by MPH personnel at 100 feet to the inch. A summary of their results on the various veins is largely quoted below:

- (1) Kokomo-Tiger North Vein: strikes east, dips from 55° to 85° north; has an apparent width of from 3 to 30 inches; interpreted length 400 feet; recorded assays are 11.7 oz. silver over 0.2 feet to 63.25 oz. over 2.5 feet; developed by surface workings and short underground tunnels.

(2) Kokomo-Tiger Central Vein Set:

A Vein: strikes southeast, dips 52° to 82° south; has an apparent width of from 0.5 to 18 inches and an interpreted length of 1,000 feet; recorded assays vary from 0.9 oz. silver over 1.6 feet to 10.05 oz. silver over 0.5 feet; developed by surface trenches only.

B Vein: strikes easterly, dips from 75° north to 87° south; has an apparent width of between 9 and 36 inches and an interpreted length of 700 feet; recorded assays vary from 1.6 oz. silver over 0.7 feet to 39.0 oz. silver over 0.7 feet; exposed in surface trenches and outcrops.

(3) Kokomo-Tiger South Vein Set:

A Vein: strikes east, dips from 40° south to 78° north; varies from 2 to 8 inches in width and has an interpreted length of 500 feet; recorded assays vary from 1.65 oz. silver over 0.5 feet to 19.85 oz. silver over 0.8 feet; a grab sample from one dump assayed 93.85 oz. silver/ton; developed by surface trenches, adits and small shafts.

B Vein: strikes easterly, dips from 83° south to vertical; has an apparent width of 18 inches and an interpreted length of 1,500 feet; recorded assays vary from 2.35 oz. silver to 17.9 oz. silver over 1.6 feet; developed by surface trenches, adits and small pits.

C Vein: strikes easterly, dips from 70° north to vertical; has an apparent width of 24 inches and an interpreted length of 1,500 feet; recorded assay of 52.2 oz. silver over 2.0 feet; McDonald Consultants estimated main dump contained 4,400 tons averaging 5.8 oz. silver/ton; developed by adits and surface trenches.

- (4) Duncan Central Vein: strikes easterly, dips vertical, no record of apparent width or any recorded assays; has an interpreted length of 900 feet; has been outlined by outcrop plus geochemical and geophysical surveys.
- (5) Duncan South-Bounty Fraction-Bounty South Vein: strikes easterly, dips vertical; has an apparent width of from 6 to 24 inches and an interpreted length of 1,000 feet; there are no recorded assays; the vein is exposed in trenches, pits, adits and veined outcrops.
- (6) Logan North-Bounty Fraction-Bounty South Vein: strikes easterly, dips 63° south to 83° south; has an apparent width of 12 inches and an interpreted length of 1,900 feet; an underground sample by personnel of MPH Consulting assayed 376.1 oz. silver and 10.76% lead per ton; vein is outlined by trenches, pits, outcrops and underground workings.
- (7) Black Diamond Vein: strikes easterly, dips vertical; there is no record of apparent width or any recorded assays; it has an interpreted strike length of 250 feet; exposed by trenches and surface pits.
- (8) Logan Fraction-Black Bess Mineralized Zone: this zone is recorded only as "an extensive area of high geochemical and geophysical anomalies."
- (9) Reco Fraction-Golden Fraction North Vein: strikes easterly and dips vertically; has an apparent width of from 6 to 12 inches and an interpreted length of 400 feet; the only recorded assay is a grab sample by MPH Consulting personnel which assayed 10.3 oz. silver/ton; exposed by some surface workings.

- (10) Silver Hoard-Hidden Treasure-Golden Vein: strikes easterly, dips vertically; varies from 6 to 24 inches in width; has an interpreted strike length of 1,200 feet; the only recorded assay is a grab sample by personnel of MPH Consulting which assayed 0.4 oz. gold and 104.6 oz. silver per ton; vein has been exposed by surface trenches, pits and adits.
- (11) Ballaclava Vein: strikes northeasterly and dips shallowly (30°) northwest; has an apparent width of between 12 and 48 inches and an interpreted length of 800 feet; recorded assays vary from 0.05 oz. gold and 0.15 oz. silver over 0.2 feet to 0.96 oz. gold and 3.05 oz. silver over 2.8 feet.

Little is known in detail about length and continuity of ore shoots on most of these veins. However with such an abundance of surface targets, it seems reasonable to assume that a number of zones with modest ore making potential should emerge from an extensive programme of stripping, mapping and sampling.

ECONOMIC POTENTIAL:

The history of the Beavercamp has been one of piecemeal development of ore from many small sources. Because of the complex faulting and irregular nature of the ore shoots, there has rarely been a significant proven reserve ahead of the main operator (Teck Corporation). By a blend of good management and low operating costs this company has sustained itself through many years, although a perusal of the records shows millheads steadily declining.

On the Walmart ground there have been numerous evaluations and preliminary exploration programmes, however none of them have progressed to the stage of delineating areas of modest tonnage potential from the many narrow but potentially high grade vein systems found outside the Wellington and Main Tiger-Kokomo workings. If reserves of say 100,000 to 200,000 tons in the range of 10 to 25 oz. silver per ton could be delineated from a variety of low cost, i.e. surface and near surface sources, then a viable operation could be sustained here.

Given the existing infrastructure, presence of a partially completed mill and potentially low operating costs, in the writer's opinion there is a good possibility of developing sufficient "indicated or inferred" reserves from the many sources mentioned above to justify an exploration programme to accomplish this end.

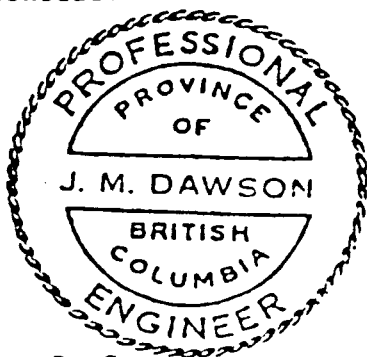
RECOMMENDATIONS:

PHASE I

- (1) Acquire as much as possible of the old data on past operations from both exploration and production and integrate it with the existing records.
- (2) Produce a detailed orthophotographic base map with contours at a scale of 1:2000 or better.
- (3) Grid the property in sufficient detail so that all the main target areas have sufficient control for mapping.
- (4) Sample the main dumps so that reliable figures for tonnage and grade can be arrived at.
- (5) Investigate the potential and viability of recovering mineralized backfill from old stopes in the Wellington mine.
- (6) Investigate the potential of developing small tonnages of surface and near surface ore from the many outside veins by means of extensive stripping, sampling and mapping.

PHASE II

Contingent upon the success of Phase I, a programme of diamond drilling should be undertaken to further test and delineate zones of ore potential.



respectfully submitted,

DAWSON GEOLOGICAL CONSULTANTS LTD.,

A handwritten signature in cursive script that reads "James M. Dawson".

James M. Dawson, P. Eng.

Geologist.

Kamloops, B. C.

April 2, 1986.

PROGRAMME COSTSPHASE I:

(1)	Data collection, integration and planning	\$ 4,000.00
(2)	Base map preparation	3,000.00
(3)	Grid layout and surveying	8,000.00
(4)	Sampling of old dumps	10,000.00
(5)	Rehabilitation and sampling of portions of the upper part of Wellington workings Re: Mill feed from old stopes	25,000.00
(6)	Stripping, sampling and mapping of selected targets on the "outside" veins	75,000.00
(7)	Preparation of maps and reports	10,000.00
		<u>\$ 135,000.00</u>
	Contingency @ 10%	<u>13,000.00</u>
		<u>\$ 148,000.00</u>

PHASE II:

Diamond Drilling		
	4,000 feet of NQ wire line @ \$40/foot all in	<u>160,000.00</u>
<u>TOTAL COST OF PHASES I & II</u>		<u><u>\$ 308,000.00</u></u>

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-

JAMES M. DAWSON, P. ENG.
Geological Engineer

#102- 310 NICOLA STREET • KAMLOOPS, B.C. V2C 2P5 • TELEPHONE (604) 374-0544

C E R T I F I C A T E

I, JAMES M. DAWSON, of Kamloops, British Columbia, do hereby certify that:

- (1) I am a geologist employed by Dawson Geological Consultants Ltd. of 102 - 310 Nicola Street, Kamloops, B. C.
- (2) I am a graduate of the Memorial University of Newfoundland, B. Sc. (1960), M. Sc. (1963), a fellow of the Geological Association of Canada and a Member of the Association of Professional Engineers of British Columbia. I have practised my profession for 22 years.
- (3) I am the author of this report which is based on an examination of the subject property as well as a study of numerous reports, maps and files on this property and the Beaverdell district.
- (4) I have no direct or indirect interest in the property discussed in this report or in the securities of Walmont Precious Metals Corp., nor do I expect to receive any.
- (5) Permission is hereby granted to use this report in a statement of material facts or prospectus to be filed with the Vancouver Stock Exchange and the B. C. Securities Commission.

DAWSON GEOLOGICAL CONSULTANTS LTD.,



James M. Dawson, P. Eng.
Geologist.

Kamloops, B. C.

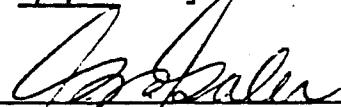
April 2, 1986.

CERTIFICATE OF THE COMPANY

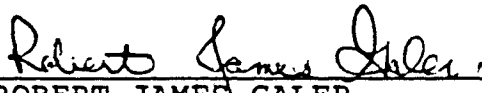
The foregoing constitutes full, true and plain disclosure of all material facts relating to the securities offered by this Prospectus as required by Part 7 of the Securities Act (British Columbia) and the Regulations thereunder.


DATED at Vancouver, British Columbia the 19th day of December, 1986.


LUARD J. MANNING
Director & Promoter

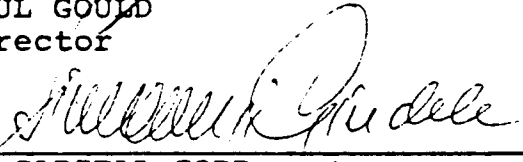

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Secretary, Director & Promoter


JOHN ROBERT GALER
Director & Promoter


ROBERT JAMES GALER
Chairman, Director & Promoter


PAUL GOULD
Director


STEVEN SIMONYI-GINDELE
Promoter


KT CAPITAL CORP.
Promoter

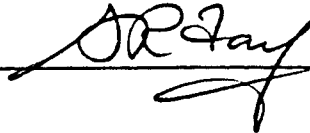
CERTIFICATE OF THE AGENTS

To be 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 7 of the Securities Act (British Columbia) and the Regulations thereunder.

DATED at Vancouver, British Columbia the 19th day of December, 1986.

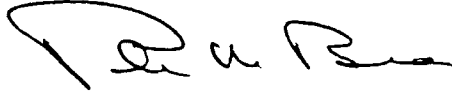
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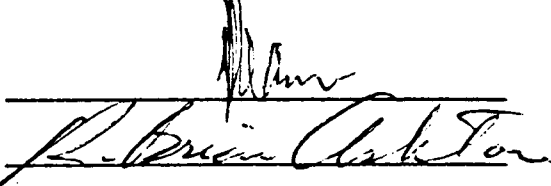
CANARIM INVESTMENT CORPORATION LTD.

Per:



GEORGIA PACIFIC SECURITIES CORPORATION

Per:



WESTCOAST SECURITIES LTD.

Per:

