

July 31, 1985

SUPERINTENDENT OF BROKERS
AND
VANCOUVER STOCK EXCHANGE
(Development Section)

830713

STATEMENT OF MATERIAL FACTS (#103/85)

EFFECTIVE DATE: August 6, 1985

NORMINE RESOURCES LTD.

#320 - 475 Howe Street, Vancouver, B.C., V6C 2B3 TELEPHONE: (604) 681-8371

NAME OF ISSUER, ADDRESS OF HEAD OFFICE AND TELEPHONE NUMBER

2500 - 595 Burrard Street, Vancouver, B.C. V7X 1L1

ADDRESS OF REGISTERED AND RECORDS OFFICE OF ISSUER

THE YORKSHIRE TRUST COMPANY

#300 - 1100 Melville Street, Vancouver, B.C., V6E 4A6

NAME AND ADDRESS OF REGISTRAR & TRANSFER AGENT FOR ISSUER'S
SECURITIES IN BRITISH COLUMBIA

OFFERING: 350,000 Common Shares

	<u>Estimated Price to Public</u>	<u>Estimated Brokers' Commission</u>	<u>Estimated Net Proceeds to Issuer</u>
Per Share:	\$1.00	\$0.075	\$92.5
Total:	\$350,000	\$26,250	\$323,750

The securities offered hereunder are speculative in nature. Information concerning the risks involved may be obtained by reference to this document; further clarification, if required, may be sought from a broker.

Agents will receive warrants to buy shares and any shares so acquired are hereby qualified for sale at the market price prevailing at the time of the sale. For further details see Item 1.

AGENTS

CANARIM INVESTMENT CORPORATION
LTD.
#2200 - 609 Granville Street
Vancouver, B.C.
V6E 2K3

CONTINENTAL CARLISLE DOUGLAS
10th Floor, 1055 Dunsmuir Street
Four Bentall Centre
Vancouver, B.C. V7X 1L4

McDERMID ST. LAWRENCE LIMITED
1000 - 675 West Hastings Street,
Vancouver, B.C. V6B 1N6

Neither the Superintendent of Brokers nor the Vancouver Stock Exchange has in any way passed upon the merits of the securities offered hereunder and any representation to the contrary is an offence.

1. PLAN OF DISTRIBUTION

Offering

The Issuer by its Agents hereby offers (the "Offering") to the public through the facilities of the Vancouver Stock Exchange (the "Exchange"), 350,000 common shares (the "Shares").

The Shares will be sold at a fixed price (the "Fixed Price") to be agreed upon by the Issuer and the Agents, provided that such offering price shall not be fixed at a discount of more than 10% below the average market price determined by the Exchange in accordance with its rules.

The Offering shall be made on a day (the "Offering Day") within the period of thirty business days following the Effective Date of this Statement (the Effective Date being the date of acceptance of this Statement by the Exchange and the Superintendent as noted on the cover page of this Statement) at the Fixed Price.

The purchaser of any Shares will be required to pay regular commission rates as specified in the rules and by-laws of the Exchange.

Appointment of Agents

The Issuer, by an agreement (the "Agency Agreement") dated June 27th, 1985, and amended, appointed the following as its agents ("Agents") to offer the Shares to the public as follows:

<u>Name of Agents</u>	<u>Participation</u>
Canarim Investment Corporation Ltd.	200,000 Shares
Continental Carlisle Douglas	100,000 Shares
McDermid St. Lawrence Limited	50,000 Shares

The Issuer will pay the Agents a fee of \$500.00 on the execution of the Agency Agreement and 6% of the selling price of the Shares sold provided that if the Agents sell all of the Shares offered by this Statement of Material Facts, the Agents will be paid a further fee of 1 1/2% of the selling price of the Shares less the sum of \$500.00.

The Issuer has granted the Agents a right of first refusal with respect to any future equity financings it may require during the twelve (12) month period following the Effective Date.

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 commissions or bonuses derived from the Offering.

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

The Directors, Officers and other Insiders of the Issuer may purchase shares from this Offering.

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 Agents have agreed to purchase from their respective portions of the Offering any shares not sold at the conclusion of the Offering. In consideration therefor, the Agents have been granted non-transferable share purchase warrants ("Agents' Warrants") in proportion to their participation in the Offering, entitling them to purchase up to 175,000 Shares of the Issuer at a price which is determined in accordance with the rules and policies of the Exchange, at any time up to the close of business one hundred and eighty (180) days following the conclusion of the Offering. The Agents' Warrants will contain, among other things, anti-dilution provision and provisions for appropriate adjustment of the class, number and price of shares issuable pursuant to any exercise thereof upon the occurrence of certain events including any subdivision, consolidation or reclassification of the Share or the payment of stock dividends.

There are no shares beneficially owned, directly or indirectly by the Agents.

Additional Offering

This Statement of Material Facts also qualifies for sale to the public through the facilities of the Exchange at the market price for the Shares at the time of the sale, for a period of one hundred and eighty (180) days from the conclusion of the Offering, any Share purchased by the Agents and any shares acquired upon the exercise of the Agents' Warrants. The Issuer will not receive any proceeds from the sale of any such shares by the Agents, all of which proceeds will in such event accrue to the Agents.

2. HOW THE NET PROCEEDS OF THE ISSUE ARE TO BE SPENT

As at July 24th, 1985 the Issuer had working capital of approximately \$10,274. The Issuer will realize \$323,750 after payment of commissions from the sale of the Shares if they are sold at the estimated price of \$1.00 per share. These funds will be spent, in the order of priority as follows:

- | | |
|--|----------|
| (a) To pay the cost of this offering (estimated) | \$ 6,000 |
| (b) To pay the costs of the Phase II Exploration Program to be carried out on the Goosly Property as recommended in the attached engineering report by N.C. Carter, Ph.D., P. Eng., dated February 12, 1985 and as recommended in amendment attached thereto and letter dated June 14th, 1985 and letter dated July 29, 1985 | 100,000 |
| (c) To pay property payments due within the next 12 months | |
| (i) Pacific Eastern Property payment due April 30th, 1986 of \$200,000 (Normine portion) | 100,000 |

(ii) Goosly Lake property payments of \$22,500 (Normine portion)	11,250
(d) Working Capital (including existing working capital of \$10,274)	<u>\$116,774</u>
TOTAL	<u>\$334,024</u>

Any proceeds received by the Issuer from the exercise of the Agents' Warrants shall be added to the working capital of the Issuer.

3. MATERIAL NATURAL RESOURCE PROPERTIES

(1) Summary of Material Mining Properties

- Group I Properties for which regulatory approval has been obtained under this Statement of Material Facts.
- Group II Presently held properties which are currently producing or being explored, or upon which exploration is planned within the next year.
- Group III Other presently held properties upon which the Issuer's acquisition and exploration costs to date exceed \$100,000.

Group	Property Name	Issuer's Acquisition and Exploration Costs to Date (in \$)	Shares Issued to Date	Planned Expenditure from Funds Available upon Completion of the Offering
I	NIL	NIL	NIL	NIL
II(a)	Goosly Lake Property	\$38,460.00	55,000.00	\$111,250.00
(b)	Pacific Eastern	\$117,342.00	NIL	\$100,000.00 (Normine's portion of \$200,000 payment)
(c)	The Pin Money and King Fraction Property	NIL	750,000 Vendor Shares	NIL
III	NIL	NIL	NIL	NIL

GROUP II - PRESENTLY HELD PROPERTIES WHICH ARE CURRENTLY PRODUCING OR BEING EXPLORED, OR UPON WHICH EXPLORATION IS PLANNED WITHIN THE NEXT YEAR

(i) THE GOOSLY LAKE PROPERTY

INTEREST OWNED BY THE ISSUER

The Issuer has acquired the option to purchase 12 mineral claims in the Omineca Mining Division of the Province of British Columbia for \$45,000 and 300,000 shares to be issued over the development of the property. The Issuer has agreed to pay a 2 1/2% net smelter return royalty. Pursuant to the option agreement \$22,500 has been paid and 55,000 shares of the Issuer have been issued. A final cash payment is due on October 18, 1985 in the amount of \$22,500 and the shares are to be issued as follows:

- (a) 55,000 shares of the Issuer on the completion of Phase I of an exploration program as recommended by the company's engineer of the expenditure of a minimum \$80,000 on the Property provided that the shares must be allotted and issued within 1 year of the necessary regulatory approval. (April 18, 1986)
- (b) 55,000 shares of the Issuer on the completion of Phase II of an exploration program as recommended by the company's engineer of the expenditure of \$125,000 on the Property provided that the shares must be allotted and issued within 2 years of the necessary regulatory approval. (April 18, 1987)
- (c) 55,000 shares of the Issuer on the completion of Phase III of an exploration program as recommended by the company's engineer of the expenditure of \$175,000 on the Property provided that the shares must be allotted and issued within 2 years of the necessary regulatory approval. (April 18, 1988)

The Issuer has formed a joint venture agreement with Amir Mines Ltd. ("Amir"). Amir and the Issuer have agreed to contribute equally to all costs related to the joint venture, subject to the provisions contained in the agreement.

Amir has agreed to reimburse the Issuer for its share of expenses incurred in the acquisition of the Goosly Lake Property. Amir has agreed to reimburse the Issuer for its portion of share issuances of the Issuer by paying one-half of the value of such shares issued for the acquisition of the property at a deemed price of \$1.00 per share.

Amir Mines Ltd. is a publicly held reporting corporation whose shares are listed on The Vancouver Stock Exchange and Amir has a common board of directors with the Issuer.

Description:

The Goosly Lake Property consists of modified grid and 4-2-post mineral claims comprising the equivalent of 142 units in the Omineca Mining Division of British Columbia.

<u>Claim Name</u>	<u>Units</u>	<u>Record Number</u>	<u>Expiry Date</u>
Tet 1	1	6073	March 6, 1986
Tet 2	1	6074	March 6, 1986
Tet 3	1	6075	March 6, 1986
Tet 4	1	6076	March 6, 1986
Colin	18	6635	September 19, 1985
Dave	18	6636	September 19, 1985
Bob	15	6637	September 19, 1985
Ken	15	6638	September 19, 1985
Gold	18	6639	September 19, 1985
Morning	18	6640	September 19, 1985
Sept 1	18	6662	September 19, 1985
Sept	18	6663	September 19, 1985

Locations, Access and History:

The property is located 30 kilometers southeast of Houston in west-central British Columbia. The geographic center of the claims is at latitude 54 12' North and longitude 126 23' West.

Houston is on Provincial Highway 16 and daily scheduled airline service from Vancouver can be found at the Town of Smithers, 64km northwest of Houston.

The claims lie adjacent to the Sam Goosly silver-copper deposit (now Equity Mine) which was discovered in early 1968. In 1978 Placer Development undertook a joint venture with Equity Mining Capital and production began in 1980. The area of Goosly Lake claims was held in 1969 by several companies and various surveys and physical work were performed over a five year period.

The Sam Claim, (Faraway Gold Ltd.), lies between the Goosly Lake claims and the Equity property and is part of ground first held by Dorita Silver Mines and subsequently by Payette River Mines Ltd. who carried out geophysical surveys and four percussion holes between 1971 and 1974. The present Sam claim was staked by a local prospector and in 1980 optioned to Carpenter Lake Resources Ltd. who conducted a soil geochemical survey. In 1983 J.P. Elwell, P. Eng. recommended a vertical diamond drill hole to test the I.P. anomaly defined by Payette River Mines but this was not done and the option lapsed. Faraway Gold Ltd., a private company, acquired an option on the claim and drilled 40 percussion holes in 1984 and 1985. Drill cuttings from some of these holes was made available to Normine Resources Ltd. for examination and analysis. In late 1984 Normine Resources Ltd. optioned the Goosly Lake claims from Mr. Lorne Warren of Smithers, B.C. Subsequently Normine Resources Ltd. entered into a joint venture with Amir Mines Ltd. to develop the property on a 50/50 basis.

Geology and Mineralization:

The Goosly Lake property claims adjoins the Equity Silver Mine property on the west. The Equity silver-copper antimony-gold deposit (current reserves - 21.6 million tons grading 109 g/t silver, 0.85 g/t gold, 0.35% copper and 0.08% antimony)

is a tabular zone conformable with host felsic pyroclastic rocks of late Mesozoic age. These are exposed in an erosion/window window within an extensive area of Tertiary volcanic rocks and are intruded by a quartz monzonite stock and a gabbroic plug which bracket the mineral deposit.

The Goosly Lake mineral claims have geological and geochemical features similar to those at the Equity property. Mesozoic volcanic rocks are exposed in several areas of the property and were noted in percussion holes on an adjacent claim. This limited drilling on the Sam Claim adjacent to the Goosly Lake claims, indicates an intensely altered zone with abundant pyrite mineralization trending onto the eastern portion of the Goosly Lake claims. A broad area in the central claims is anomalous in arsenic and mercury and values are similar to those found adjacent to the Equity Deposit.

Proposed Development and Exploration Program:

A two stage program is recommended by N.C. Carter, Ph.D., P.Eng., in his report dated February 12, 1985 to assess the potential of the Goosly Lake Claims Stage 1 at an estimated cost of \$42,400 would consist of line cutting and geophysical surveys. A second stage of percussion and diamond drilling is recommended with an estimated cost of \$200,000 of which the Issuer's portion is \$100,000.

The first phase of the recommended program was initiated on June 5, 1985 and consists of linecutting, I.P., VLF-EM, and a magnetometer survey. The Issuer completed the first phase of the recommended program at an approximate cost of \$44,000 by July 6th, 1985. The Issuer's consultant has recommended proceeding to the second phase of the program in his letter dated July 29th, 1985. In addition, a program of heavy mineral geochemical sampling is to be carried out in the creeks draining the Goosly Lake claims. Up to May 31, 1985 \$15,960 had been expended on the Goosly Lake project for assaying, petrographic studies and geological compilation in addition to the approximately \$44,000 spent subsequent to May 31st, 1985 on the first phase.

(ii) THE PACIFIC EASTERN PROPERTY

INTEREST OWNED BY THE ISSUER

By an arms length agreement made as of the 10th day of May, 1983, between the Issuer, J.T.M. Enterprises Ltd. and B.R.H. Investments Ltd., both non-reporting British Columbia corporations, the Company obtained, for the consideration of FIFTEEN THOUSAND (\$15,000.00) DOLLARS, the sole and exclusive right and option to purchase a 100% interest in 81 mineral claims hereinafter set out. J.T.M. Enterprises Ltd. is wholly owned by Tom Martin, of Langley, British Columbia, and B.R.H. Investments is wholly owned by Barry Howse, of Surrey, British Columbia. B.R.H. Investments subsequently assigned its interest in the property to Urban West Developments Ltd., a non-reporting company owned by Tom Martin of Langley, British Columbia. The payments schedule for the above-noted agreement is as follows:

Payments Schedule

On or before	April 30, 1984	the sum of \$ 35,000 (paid)
On or before	April 30, 1985	the sum of \$ 75,000 (paid)
On or before	April 30, 1986	the sum of \$ 200,000
On or before	April 30, 1987	the sum of \$ 200,000
On or before	April 30, 1988	the sum of \$ 200,000
On or before	April 30, 1989	the sum of \$ 200,000
On or before	April 30, 1990	the sum of \$ 400,000
On or before	April 30, 1991	the sum of \$ 400,000
On or before	April 30, 1992	the sum of \$ 400,000
On or before	April 30, 1993	the sum of \$ 400,000
On or before	April 30, 1994	the sum of \$3,000,000
On or before	April 30, 1995	the sum of \$3,000,000

Description:

The Pacific Eastern Property comprises eighty-one (81) Crown granted mineral claims and fractions located in the Lillooet Mining Division of British Columbia. They are in good standing until July 1st, 1986.

Location, Access and History:

The property is located 160 kilometres north of Vancouver, approximately 5-1/2 kilometres southeast of the Bralorne Townsite. The property adjoins and is immediately east of the Bralorne Pioneer Mines. Access can be gained by hard surface roads which extend 112 kilometres northwest from Lillooet, then 5-1/2 kilometres of rough gravel road up Cadwallader Creek to the west edge of the claim block.

The area was originally staked in the 1920's and during the period from 1935 to 1937, drilling, sinking a shaft, crosscuts, drifts and winzes were driven in excess of 2,000 metres by Pacific Eastern Gold Mines Ltd., a subsidiary of Noranda Mines.

The property was then inactive until 1944 when the old workings were rehabilitated, the crosscuts and drifts extended, and a program of surface and underground drilling accomplished. In 1973 Richard Barclay acquired the property and he subsequently sold the property to J.T.M. Enterprises Ltd. and B.R.H. Investments Ltd., who subsequently optioned the property to Richard Barclay on behalf of Normine on May 10th, 1983.

Geology and Mineralization:

The geology is extremely complex and reference is made to the report of W.G. Stevenson, P.Eng., dated December 16th, 1983 attached hereto.

The mineralization consists of gold in quartz veins. The most persistent vein trends east-west and dips northerly. This vein was followed downward and drifted on for 150 metres.

This information is given in reliance upon the report of the property of W.G. Stevenson, P.Eng., dated December 16th, 1983.

The Pacific Eastern claims adjoin the Pioneer and Bralorne Mine which produced 4.15 million ounces of gold from 7.9 million tons mined between 1900 and 1971 to a depth of 1.6 kilometers, making it the largest gold camp in British Columbia's history. Mineralization occurred within quartz veins narrow at surface and widening considerably at depth.

Extensive work on the Pacific Eastern Property was carried out by a Noranda controlled company during the mid 1930's. During the period 1935 to 1937 a program of drilling was initiated, a shaft was put down to a depth of 170 metres and crosscuts, drifts and winzes driven to distances in excess of 2,000 metres. Drilling from this location intersected several narrow quartz veins containing free gold with an average grade identical to the upper section of the Bralorne-Pioneer Mine. Attempted additional work in 1947 resulted in a methane explosion which killed three miners and suspended all additional work. Recent geological interpretation suggests that the Pacific Eastern property is significantly higher in the geological structure than the Bralorne-Pioneer Mines. Therefore the most significant potential for discovering mineable gold bearing quartz veins on the Pacific Eastern property exists below the previously discovered narrow high grade veins at the 600 foot level.

Underground and Surface Exploration and Equipment:

No buildings, plant or equipment exist on the property. There are 36 drill holes on the property and a 200 metre tunnel, a 200 metre shaft and 1,300 metres of crosscutting. The underground workings are inaccessible at this time.

The Issuer has spent a total of \$117,342 on the property since it was optioned. This figure included option payments in the amount of \$87,500 paid to the Owners. The sum of \$29,842 was spent on property examinations, data compilation, assaying, engineering reports and property taxes.

Future Exploration:

The Issuer is presently carrying out a deep diamond drilling program to a depth of approximately 800 metres to test the potential for gold bearing veins in the Bralorne-Pioneer ore structure that extends on to the Pacific Eastern property. The first diamond drill hole commenced on June 10, 1985 and it had to be abandoned on June 22, 1985 at a depth of 282 metres due to ground caving due to faulting. A second diamond drill hole commenced on June 24th and as at July 26th, 1985 was at a depth of 853 metres and drilling continues to a probable depth of 860 metres. Assays are pending when the hole is completed. Additional exploration work carried out prior to drilling includes geological mapping, prospecting, geochemical heavy mineral sampling, surveying, grid preparation, site and access construction. The drill program will consist of 4 to 5 diamond drill holes and is estimated to cost \$250,000. The present program is being funded by Canada Tungsten Mining Corporation in joint venture with Normine Resources Ltd.

Canada Tungsten Mining Corporation, by terms of the joint venture agreement, dated as at April 30, 1985 can earn a 50% interest in the Pacific Eastern property by expending one million dollars (\$1,000,000) on an exploration program. A minimum of \$250,000 will be spent in 1985 with the remaining \$750,00 to be spent by the end of 1986. Canada Tungsten can earn an additional 20% interest by spending three million dollars (\$3,000,000) and by completing a feasibility study by December 31, 1989. Normine Resources Ltd. will be the operator on the property until Canada Tungsten has earned its 50% interest.

Reference should also be made to the letter from N.C. Carter, Ph.D., P. Eng. dated July 29, 1985 and the report of W.G. Stevenson, P.Eng. dated December 16, 1983 both of which are attached hereto.

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

(iii) THE PIN MONEY AND KING FRACTION PROPERTY

INTEREST OWNED BY THE ISSUER

By an agreement made as of the 19th day of August, 1983, the Issuer took an assignment from Richard J. Barclay, as Trustee for himself, Michael J. Beley, Clive Johnson, Ian Johnson, Gary Nordin and Barbara Millar (the "Vendors") of the Vendors' interest in the Pin Money and King Fraction Property located in the Cariboo Mining Division of British Columbia.

The Issuer holds a 100% interest in this property.

Sufficient assessment work has been carried out on the property to keep it in good standing until March 16th, 1987.

The consideration paid for the property was Seven Hundred and Fifty Thousand (750,000) shares of the Company. The deemed value of these shares upon issuance was 1¢ per share.

Description:

The Pin Money Property is a single reverted crown granted mineral claim located in the Cariboo Mining Division, having Record No. 619.

The King Fraction Property is a single reverted crown granted mineral claim located in the Cariboo Mining Division, having Record No. 617.

Both claims are in good standing until March 16th, 1987.

Location, Access and History:

The property is located 3 kilometres south of Barkerville, which is approximately 50 kilometres east of Quesnel.

Geology and Mineralization:

The area is underlain by a deformed sedimentary sequence known as the Cariboo Group consisting of quartzites, siltstones, phyllites, limestone and minor tuff.

Major folds are overturned towards the southwest with moderate dips to the northeast. Minor drag folds developed on the limbs reflect the regional trend of major folds and plunge northwesterly at shallow angles.

Gold mineralization is found in a number of deposits within the same stratigraphic setting over a strike length of 45 kilometres.

Two principal types of deposits are known, quartz pyrite veins and strata bound replacement bodies of massive pyrite.

The claims are underlain by phyllites, quartzites and siltstones, part of the Baker Member of The Snowshoe Formation.

A sample of dump material collected by Normine near a caved adit on the King Fraction assayed .224 oz/gold per ton. A quartz vein containing galena returned fair lead assays but only low gold values.

Numerous parallel quartz veins and stringers are exposed in a number of trenches on the Pin Money claim. Most quartz veins seen rarely exceed several centimetres in width but in places they are fairly closely spaced. Pyrite is the main sulfide mineral. Most samples taken by Normine returned only low gold values, but a quartz galena vein assayed 6.05% lead and 5.70 ounces per ton silver.

Normine carried out a geological evaluation of the claims in 1984 which included geological mapping and sampling of a number of exposures and trenches previously excavated on the Pin Money claim. Further work will consist of cat trenching and detailed geological mapping. The recommended geological program has not as yet been carried out but funds remain allocated for the program. The Issuer has been carrying out joint venture negotiations with a view to a more extensive geological program.

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

(2) SUMMARY OF MATERIAL OIL AND GAS PROPERTIES

- GROUP I Properties for which regulatory approval has been obtained under this Statement of Material Facts.
- GROUP II Presently held properties which are currently producing or being explored, upon which exploration is planned within the next year or which have undiscounted reserves in excess of \$50,000 or current revenue in excess of \$1,000 a month.
- GROUP III Other presently held properties upon which the issuer's acquisition and exploration costs to date exceed \$100,000.
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Group	Description	Undiscounted Value of Existing Reserves, Net to the Issuer's Interest, as of Date of Report	Present Value of Existing reserves (15% Discount Rate), Net to the Issuer's Interest, as of Date of Report	Issuer's Acquisition and Exploration Costs to Date (in \$)
I	Not applicable			
II	Boundary Lake	NIL	NIL	\$3,869.00
III	NIL	NIL	NIL	NIL

Group	Description	Shares Issued to Date	Issuer's Revenue to Date (in \$)	Planned Expenditure Funds Available Upon Completion of the Offering
I	Not applicable			
II	Boundary Lake	NIL	NIL	NIL
III	NIL	NIL	NIL	NIL

BOUNDARY LAKE PROPERTY

INTEREST OWNED BY THE ISSUER

By an agreement dated November 21, 1984, the Issuer acquired a 37.5% interest in a Petroleum and Natural Gas Lease Number 13805 for a period of five years from the Ministry of Energy, Mines and Petroleum Resources of British Columbia. Normines cost was \$7,460.32 and it subsequently transferred one-half its interest to Amir Mines Ltd., a publicly held corporation trading on the Vancouver Stock Exchange for \$3,730.16.

Description, Location, Access and History:

The prospect consists of a single petroleum and natural gas lease comprising 66 hectares located in Township 86, Range 14, West 6 Meridian, 34 kilometres northeast of Foret St. John in British Columbia. There is no history of production from the lease.

Future Exploration

The operators are presently assembling the necessary funds to drill the prospect possibly in 1985 on a farm-in basis. No additional funding by the Issuer will be required in order to maintain its interest in the lease.

4. PARTICULARS OF NON-RESOURCE ASSETS

None.

5. CORPORATE INFORMATION

- (1) The Issuer was incorporated by Memorandum and Articles under the Company Act of British Columbia on November 4, 1982 under the name Normine Resources Ltd.
- (2) The authorized capital of the Issuer consists of 10,000,000 common shares without par value. There are 2,636,600 common shares issued and outstanding as at the date hereof.

All the Issuer's shares, including those offered by this Statement, are common shares. Such shares are not subject to any future call or assessment and they all have equal voting rights. There are no special rights or restrictions of any nature attached to any of the shares and they all rank pari passu, each with the other, as to all benefits that might accrue to the holder thereof.

- (3) The Issuer has not issued any shares since the date of the latest financial statements, being unaudited financials for the five-month period ended May 31, 1985, included in this Statement.

6. DIRECTORS, OFFICERS, PROMOTERS AND PERSONS HOLDING MORE THAN 10% OF THE ISSUED EQUITY SHARES

(1) Directors, Officers and Promoters

<u>Name, Address and Position</u>	<u>Chief Occupation and Employer for Previous Five Years</u>	<u>Shares Beneficially Owned</u>
MICHAEL JOHN BELEY 7255 - 198B Street Langley, B.C. V3A 3V2 PRESIDENT and DIRECTOR	Geologist and President of BEMA Industries Ltd., consulting geologists and technicians; President and director of Amir Mines Ltd., a British Columbia reporting company	137,000 escrowed 57,666 free
RICHARD JOHN HARGRAVE BARCLAY 19538 63rd Avenue Surrey, B.C. V3S 5M8 SECRETARY-TREASURER and DIRECTOR	Secretary-Treasurer, director and General Manager of BEMA Industries Ltd., consulting geologists and technicians, and Secretary-Treasurer and director of Amir Mines Ltd., a British Columbia reporting company	152,000 escrowed 53,367 free
GARY DALE NORDIN 303 - 130 West 12th Ave., Vancouver, B.C. V7M 1N3 VICE-PRESIDENT and DIRECTOR	Exploration geologist and Senior geologist with BEMA Industries Ltd. and Vice-President and Director of Amir Mines Ltd., a British Columbia reporting company	137,000 escrowed 22,833 free
IAN DEREK JOHNSON #212 - 1615 Trafalgar Vancouver, B.C. V6K 3R6 VICE-PRESIDENT and DIRECTOR	General Manager of BEMA Industries (U.S.) Inc., and prior to that, Exploration Services Manager with BEMA Industries Ltd. and Vice-President and director of Amir Mines Ltd., a British Columbia reporting company	137,000 escrowed 19,300 free
CLIVE THOMAS JOHNSON 3521 West 29th Avenue Vancouver, B.C. V6S 1T2 VICE-PRESIDENT and DIRECTOR	Vice-President of Amir Mines Ltd., a British Columbia reporting company; Exploration Services Manager with BEMA Industries Ltd. and prior to that Yukon Operations Manager with BEMA Industries Ltd.	137,000 escrowed 84,500 free

Members of the Audit Committee of the Issuer are: Michael J. Beley, Richard J.H. Barclay and Clive T. Johnson.

(2) Relationship of Directors, Officers or Promoters of the Issuer to other Reporting Companies

<u>Name of Director/Officer/Promoter</u>	<u>No. of Other Public Companies* of which (s)he is currently a director/officer/promoter</u>
Michael Beley	1
Richard Barclay	1
Gary Nordin	1
Ian Johnson	1
Clive Johnson	1

*A list of the names of such public companies is available for inspection at the location and during the times specified in Item 9(5).

None of the companies referred to above were struck off the Register of Companies by the British Columbia Registrar of Companies or other similar authority during the periods that the directors/officers/promoters were directors, officers or promoters of same.

(3) Remuneration of Directors, Officers, Promoters or Insiders of the Issuer within Within the Past Year

From the period June 1, 1984 to May 31, 1985 \$6,125.00 was paid to Ian D. Johnson, Vice-President of the Issuer as an employee salary. Bema Industries Ltd., a B.C. non-reporting company owned by Michael J. Beley and Richard J.H. Barclay received \$12,942 for administration and management services, \$7,337 for evaluation and assessment work on resources properties and \$3,561.00 for general exploration.

(4) Other Holders of more than 10% of the Issued Equity Shares of the Issuer

Other than those individuals listed in Item 6(1), to the knowledge of the directors and senior officers of the Issuer, there are no persons who or corporations which beneficially own, directly or indirectly, shares carrying more than 10% of the voting rights attached to all outstanding shares of the Issuer.

7. OPTIONS TO PURCHASE SECURITIES OF THE ISSUER

(1) Directors' Options

The Issuer has the following Directors' Stock Options outstanding pursuant to Option Agreements entered into between the Issuer and each of the Directors dated February 22, 1985 and expiring on February 22, 1990:

<u>DIRECTOR</u>	<u>NUMBER OF SHARES</u>	<u>PRICE PER SHARE</u>
M.J. Beley	35,000	\$0.45
I.D. Johnson	35,000	\$0.45
G.D. Nordin	35,000	\$0.45

(2) The Issuer has the following Employee Stock Options outstanding pursuant to Option Agreements entered into between the Issuer and each of the employees, dated February 22, 1985 and expiring on February 22, 1990:

<u>EMPLOYEE</u>	<u>NUMBER OF SHARES</u>	<u>PRICE PER SHARE</u>
Clive T. Johnson	55,000	\$0.45
Richard J. Barclay	55,000	\$0.45
Wilf Struck	10,000	\$0.45

(3) The Issuer granted options to purchase 168,000 shares at 65 cents per share prior to February 8, 1986 to private placees pursuant to a private placement agreement.

8. SECURITIES OF THE ISSUER HELD IN ESCROW, IN POOL OR SUBJECT TO HOLD RESTRICTIONS

(1) Escrow Shares

There are 750,000 shares of the Issuer held in escrow by The Yorkshire Trust Company pursuant to an Escrow Agreement dated August 19, 1983. The escrow restrictions provide that the shares may not be traded in, dealt with in any manner whatsoever, or released, nor may the Issuer, its transfer agent or escrow holder make any transfer or record any tradings of the shares without the prior consent of the Superintendent of Brokers or the Vancouver Stock Exchange.

In the event the Issuer loses, abandons or fails to obtain title to all or part of the property for which it allotted the shares, the Issuer shall declare any such event to the Superintendent of Brokers and the Vancouver Stock Exchange by way of a Directors' resolution, and the holders of the shares, the trustee thereof and the Issuer have agreed that such number of the shares as the Superintendent of Brokers stipulates shall become subject to cancellation and shall be surrendered to the Issuer by way of gift for cancellation.

(2) Pooled Shares

There are no shares of the Issuer in pool.

(3) Other Securities

By an agreement entered into on February 8, 1985, with 14 placees, the Issuer sold by private placement 168,000 shares at a price of 55¢ per share, with non-transferable share purchase warrants entitling the placees to purchase up to

168,000 shares at 65¢ per share for a one year period. These shares are subject to a restriction on selling which expires February 8, 1986.

9. PARTICULARS OF ANY OTHER MATERIAL FACTS

(1) Legal Proceedings

There are no legal proceedings to which the Issuer or its properties are a party nor are there pending any such legal proceedings.

(2) Proposed Property Acquisition

There are no properties proposed to be acquired for which regulatory approval is being sought under this Statement save and except for the Elkhorn property as set out below:

ELKHORN PROPERTY

The Issuer has acquired the option to purchase 44 mineral claims in the State of Montana, U.S.A. for \$150,000 (U.S.) and 400,000 shares to be issued over the period of development of the property. The agreement is subject to regulatory approval. The Issuer has paid \$6,668 (\$5,000 U.S.) pursuant to the terms of the option agreement.

The claim ownership is complex and the Issuer does not intend to expend further funds on option payments or development until such time as tenure has been assured. The Issuer does not intend to use any of the proceeds on the Elkhorn Property and does not intend to seek regulatory approval at this time.

(3) Changes in Liabilities

The liabilities of the Issuer have not significantly increased or altered subsequent to the date of the financial statements included in this Statement.

(4) Other Material Facts

There are no other material facts not previously disclosed herein.

(5) Inspection of Documents

All contracts, technical reports and lists of reporting companies referred to in this Statement may be inspected at the Issuer's registered office, #2500 - 595 Burrard Street, Vancouver, British Columbia, during normal business hours during the period of primary distribution of the securities offered hereby and for the period of thirty days thereafter.

11. STATUTORY RIGHTS OF RESCISSION

The British Columbia Securities Act provides purchasers with the right to rescind a contract for the purchase of securities where the statement of material facts and any existing amendments thereto either contain a misrepresentation or are not delivered to the purchaser before delivery of the written confirmation of sale. For further information concerning these rights, and the time limits within which they must be exercised, refer to Sections 60 and 61 of the Securities Act or consult a lawyer.

5715f(12j)

Touche Ross & Co.

NORMINE RESOURCES LTD.

REPORT AND FINANCIAL STATEMENTS

DECEMBER 31, 1984

AUDITORS' REPORT

The Shareholders,
Normine Resources Ltd.

We have examined the balance sheet of Normine Resources Ltd. as at December 31, 1984 and the statements of loss and deficit and changes in financial position for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the financial position of the Company as at December 31, 1984 and the results of its operations and the changes in its financial position for the year then ended, in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding period.

Touche Ross & Co.

Vancouver, B.C.,
January 24, 1985.

Chartered Accountants

(Incorporated under the Company Act of British Columbia)

BALANCE SHEET AS AT DECEMBER 31, 1984

	<u>ASSETS</u>	<u>1984</u>	<u>1983</u>
Current			
Cash and term deposits		\$113,071	\$ 943
Accounts receivable		2,043	-
Prepaid expenses		<u>3,550</u>	<u>500</u>
		118,664	1,443
Resource properties (Note 2)		<u>108,892</u>	<u>45,142</u>
		<u>\$227,556</u>	<u>\$ 46,585</u>
 <u>LIABILITIES</u> 			
Current			
Accounts payable and accrued liabilities		<u>\$ 11,595</u>	<u>\$ 34,935</u>
 <u>SHAREHOLDERS' EQUITY</u> 			
Capital stock (Note 3)			
Authorized			
10,000,000 common shares without par value			
Issued			
2,413,600 shares (1983 - 1,562,967 shares)		531,723	186,745
Deficit		<u>(315,762)</u>	<u>(175,095)</u>
		<u>215,961</u>	<u>11,650</u>
		<u>\$227,556</u>	<u>\$ 46,585</u>

Approved by the Directors

.....Director

.....Director

See accompanying notes to financial statements.

STATEMENT OF LOSS AND DEFICIT
FOR THE YEAR ENDED DECEMBER 31, 1984

	<u>1984</u>	<u>1983</u>
Revenue		(Note 5)
Interest income	<u>\$ 7,773</u>	<u>\$ -</u>
Expenses		
Accounting and audit	3,450	3,500
Contract labour	9,318	1,650
General exploration	16,228	35,730
Legal	28,579	1,494
Management fees	5,750	18,000
Miscellaneous	1,828	747
Office	27,412	1,974
Public relations and shareholder information	30,332	-
Rent	16,237	4,375
Transfer agent and filing fees	7,471	543
Wages and benefits	1,835	-
	<u>148,440</u>	<u>68,013</u>
Loss before write-off of resource properties	140,667	68,013
Write-off of resource properties	<u>-</u>	<u>107,082</u>
Net loss for the year	140,667	175,095
Deficit at beginning of year	<u>175,095</u>	<u>-</u>
Deficit at end of year	<u>\$315,762</u>	<u>\$175,095</u>
Loss per share	<u>\$ 0.07</u>	<u>\$ 0.11</u>

See accompanying notes to financial statements.

STATEMENT OF CHANGES IN FINANCIAL POSITION
FOR THE YEAR ENDED DECEMBER 31, 1984

	<u>1984</u>	<u>1983</u>
		(Note 5)
Working capital derived from		
Issuance of shares for		
Cash	\$344,978	\$179,245
Resource properties	<u>-</u>	<u>7,500</u>
	<u>344,978</u>	<u>186,745</u>
Working capital applied to		
Operations		
Net loss for the year	140,667	175,095
Item not requiring working capital		
Write-off of resource properties	<u>-</u>	<u>107,082</u>
	140,667	68,013
Resource property expenditures	<u>63,750</u>	<u>152,224</u>
	<u>204,417</u>	<u>220,237</u>
Increase (decrease) in working capital	140,561	(33,492)
Working capital (deficiency) at beginning of year	<u>(33,492)</u>	<u>-</u>
Working capital (deficiency) at end of year	<u>\$107,069</u>	<u>(\$ 33,492)</u>

See accompanying notes to financial statements.

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 1984

1. Significant accounting policy

Resource properties

Acquisition costs of resource properties together with direct exploration and development expenditures thereon are deferred in the accounts. When production is attained these costs are amortized using the unit of production method. Costs relating to properties abandoned are written off when the decision to abandon is made.

2. Resource properties

Resource properties consist of:

a. Pin Money and King Fraction property

The Pin Money and King Fraction property, located in the Cariboo Mining Division of the Province of British Columbia, was acquired for 750,000 shares of the Company at a deemed price of \$0.01 per share.

b. Pacific Eastern property

The Company has acquired the option to purchase 81 mineral claims in the Lillooet Mining Division of the Province of British Columbia for a total consideration of \$8,525,000. Pursuant to the option agreement, \$50,000 has been paid and the balance is payable as follows:

\$75,000 on or before April 30, 1985;
\$200,000 payable annually, April 30, 1986 to 1989;
\$400,000 payable annually, April 30, 1990 to 1993;
\$3,000,000 payable annually, April 30, 1994 to 1995.

c. Goosley Lake property

The Company has acquired the option to purchase 12 mineral claims in the Omenica Mining Division of the Province of British Columbia for \$45,000 and 300,000 shares to be issued over the period of development of the property. The agreement is subject to regulatory approval. The Company has agreed to pay a 2-1/2% net smelter return royalty.

During the year, the Company paid \$10,000 pursuant to the terms of the option agreement.

d. Boundary Lake prospect

The Company acquired an 18-3/4% working interest in an oil and gas lease near Fort St. John, British Columbia.

2. Resource properties (Continued)

e. Elk Horn property

The Company has acquired the option to purchase 44 mineral claims in the State of Montana, U.S.A., for \$150,000 (U.S.) and 400,000 shares to be issued over the period of development of the property. The agreement is subject to regulatory approval.

During the year, the Company paid \$6,668 (\$5,000 (U.S.)) pursuant to the terms of the option agreement.

f. Acquisition costs of and expenditures on resource properties held at December 31, 1984, are:

Pin Money and King Fraction property, British Columbia	\$ 12,148
Pacific Eastern property, British Columbia	73,531
Goosley Lake property, British Columbia	10,331
Boundary Lake prospect, British Columbia	3,730
Elkhorn property, Montana, U.S.A.	<u>9,152</u>
	<u>\$108,892</u>

g. The Company has not yet commenced commercial operations. Accordingly, realization of resource property costs is dependent upon the future commercial success of the properties or the proceeds from disposition.

3. Capital stock

During the year, the Company:

- a. Issued 220,033 shares for \$39,006 cash.
- b. Issued 500,000 shares, pursuant to a public offering, for \$225,000 cash (net of commissions of \$35,000).

The selling agents were granted an option to purchase up to 200,000 shares at \$0.62 per share to December 31, 1984. The Company issued 130,600 shares for \$80,972 cash upon exercise of the option and the balance expired unexercised.

- c. Granted stock options to the directors exercisable to January 26, 1986, for the purchase of 114,150 shares at \$0.52 per share.

4. Related party transactions

During the year, the Company entered into transactions and had balances outstanding with related parties as follows:

a. Advances of \$81,096 were made to a Company with common directors and repaid during the year. The Company earned interest of \$2,000 on the advances.

b. Incurred the following costs with a company with common directors:

	<u>1984</u>	<u>1983</u>
i. Administration and management services	\$ 48,193	\$ 22,375
ii. Evaluation and assessment work on resource properties	\$ 3,651	\$108,673
iii. General exploration costs	\$ 14,804	\$ 37,380

c. Accounts payable include \$1,823 (1983 - \$25,794) due to companies with common directors.

d. Accounts receivable include \$1,511 due from a company with common directors.

5. Comparative figures

The comparative figures are for the period from date of incorporation, November 4, 1982, to December 31, 1983.

Comparative figures for the prior period have been re-classified to conform with the current year's presentation.

6. Directors' and senior officers' remuneration

During the year, the Company paid \$1,750 as remuneration to a director and officer of the Company.

NORMINE RESOURCES LTD.

(Incorporated under the Company Act of British Columbia)

BALANCE SHEET AS AT MAY 31, 1985

ASSETS

Current	
Cash and term deposits	\$ 81,998
Accounts receivable	42,553
Prepaid expenses	<u>3,188</u>
	127,739
Resource Properties (Note 2)	<u>180,972</u>
	<u>\$308,711</u>

LIABILITIES

Current	
Accounts payable and accrued liabilities	\$ <u>5,494</u>

SHAREHOLDERS' EQUITY

Capital stock (Note 3)	
Authorized	
10,000,000 common shares without par value	
Issued	
2,636,600 shares	669,883
Deficit	(<u>366,666</u>)
	<u>303,217</u>
	<u>\$308,711</u>

Approved by the Directors

.....Director

.....Director

See accompanying notes to financial statements.

NORMINE RESOURCES LTD.

STATEMENT OF LOSS AND DEFICIT
FOR THE FIVE MONTHS ENDED MAY 31, 1985

Revenue	
Interest income	<u>\$ 4,706</u>
Expenses	
Accounting and audit	2,090
General exploration	3,596
Licensing fees	546
Management fees	7,250
Miscellaneous Expenses	542
Office	8,669
Public relations and shareholder information	9,946
Rent	8,783
Telephone	1,510
Transfer agent and filing fees	6,920
Wages and benefits	<u>5,758</u>
	<u>55,610</u>
Net loss for the period	50,904
Deficit at beginning of the period	<u>315,762</u>
Deficit at end of period	<u><u>\$366,666</u></u>

See accompanying notes to financial statements.

NORMINE RESOURCES LTD.

STATEMENT OF CHANGES IN FINANCIAL POSITION
FOR THE FIVE MONTHS ENDED MAY 31, 1985

Working capital derived from	
Issuance of shares for	
Cash	\$ 83,160
Resource properties	<u>55,000</u>
	138,160
Working capital applied to	
Operations	
Net loss for the period	50,904
Resource property expenditures	<u>72,080</u>
	<u>122,984</u>
Increase (decrease) in working capital	15,176
Working capital (deficiency) at beginning of period	<u>107,069</u>
Working capital (deficiency) at end of period	<u><u>\$122,245</u></u>

See accompanying notes to financial statements.

NORMINES RESOURCES LTD.

NOTES TO FINANCIAL STATEMENTS

May 31, 1985

1. Significant accounting policy

Resource properties

Acquisition costs of resource properties together with direct exploration expenditures thereon are deferred in the accounts. When production is attained these costs are amortized using the unit of production method. Costs relating to properties abandoned are written off when the decision to abandon is made.

2. Resource properties

Resource properties consist of:

a. Pin Money and King Fraction property

The Pin Money and King Fraction property, located in the Cariboo Mining Division of the Province of British Columbia, was acquired for 750,000 shares of the Company at a deemed price of \$0.01 per share.

b. Pacific Eastern property

The Company has acquired the option to purchase 81 mineral claims in the Lillooet Mining Division of the Province of British Columbia for a total consideration of \$8,525,000. Pursuant to the option agreement, \$125,000 has been paid and the balance is payable as follows:

\$200,000 payable annually, April 30, 1986 to 1989;
\$400,000 payable annually, April 30, 1990 to 1993;
\$3,000,000 payable annually, April 30, 1994 to 1995.

c. Goosly Lake property

The Company has acquired the option to purchase 12 mineral claims in the Omenica Mining Division of the Province of British Columbia for \$45,000 and 300,000 shares to be issued over the development of the property. The Company has agreed to pay a 2-1/2% net smelter return royalty. Pursuant to the option agreement, \$22,500 has been paid and 55,000 shares have been issued.

2. Resource properties (Continued)

c. Goosly Lake property (Continued)

The Company has entered into a joint venture agreement with a related company. The joint venture companies have agreed to contribute equally to all costs related to the joint venture, subject to the provision contained in the agreement. The joint venture partner has agreed to reimburse the Company for its share of expenses incurred. Total expenses to date are \$79,419. The joint venture partner has paid \$2,500, leaving a balance owing of \$38,460. (Note 4.c.)

d. Boundary Lake prospect

The Company acquired an 18-3/4% working interest in an oil and gas lease near Fort St. John, British Columbia.

e. Elk Horn Property

The Company has acquired the option to purchase 44 mineral shares in the state of Montana, U.S.A., for \$150,000 (U.S.) and 400,000 shares to be issued over the period of development of the property. The agreement is subject to regulatory approval. Pursuant to the agreement, \$6,668 (U.S.) has been paid.

f. Acquisition costs and expenditures on resource properties held at May 31, 1985, are:

Pin Money and King Fraction, British Columbia	\$ 12,148
Pacific Eastern property, British Columbia	117,342
Goosly Lake property, British Columbia	38,460
Boundary Lake prospect, British Columbia	3,869
Elkhorn property, Montana, U.S.A.	<u>9,153</u>
	<u>\$180,972</u>

g. The Company has not yet commenced commercial operations. Accordingly, realization of resource property costs is dependent upon the future commercial success of the properties or the proceeds from disposition.

3. Capital stock

During the period, the Company:

a. Issued 168,000 shares, pursuant to a private placement for \$92,400 cash.

3. Capital stock (Continued)

a. (Continued)

The Company granted share purchase warrants to the Investors for 168,000 shares at \$0.65 per share exercisable on or before February 7, 1986.

All shares are to be held unconditionally for a period of 12 months from the date of advancement of funds for the initial shares.

The Company paid a finder's fee of 10% on the initial placement.

- b. Issued 55,000 shares at a deemed price of \$1.00 for a resource property. (Note 2.c.)
- c. Granted share purchase options to directors for 105,000 shares and to employees for 120,000 shares, all at an exercisable price of \$0.45 per share to February 21, 1990.

The Company has cancelled all previous share purchase options.

4. Related party transactions

During the year, the Company entered into transactions with related parties:

- a. Incurred costs with a company with common directors
- | | |
|---|-----------|
| i. administration and management services | \$ 12,942 |
| ii. evaluation and assessment work on resource properties | 7,337 |
| iii. general exploration | 3,561 |
- b. Balance due company with common directors
\$5,494 - accounts payable
- c. Accounts receivable include \$38,460 joint venture expenses from a company with common directors.

5. Directors' and senior officers remuneration

During the period the Company paid \$5,250 as remuneration to directors and officers of the Company.

6. Subsequent events

The Company has entered into a joint venture agreement on the Pacific Eastern Property, Lillooet Mining Division, British Columbia.

By terms of the agreement, the joint venture partner shall have the right to earn a 50% working interest in the property by paying 50% of the annual vendor payments, expending \$1,000,000 on exploration costs before the end of 1986, of which at least \$250,000 shall be expended during 1985.

The joint venture partner has the right to earn an additional 20% working interest in the property by electing on or before March 31, 1987 to make 70% of the annual vendor payments and expending a minimum of \$1,000,000 per year for three years commencing with the 1987 calendar year and completing a feasibility study on or before December, 1989. The joint venture parties would then contribute to all costs and expenses as their interests appear.

GEOLOGICAL REPORT
ON THE
GOOSLY LAKE PROPERTY
Omineca Mining Division
British Columbia

for
NORMINE REOURCES LTD.
and
AMIR MINES LTD.

by
N.C. CARTER, Ph.D. P.Eng.

Victoria, B.C.

February 12, 1985

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SUMMARY

Normine Resources Ltd. holds an option to purchase 12 mineral claims comprising 142 units at Goosly Lake south of Houston in west-central British Columbia. Normine plans to enter into a joint venture agreement with Amir Mines Ltd. to conduct an exploration program on the property.

The Goosly Lake mineral claims adjoin the Equity Silver mine property on the west. Much of the claims area is accessible by old logging roads. The property features relatively gentle relief and overburden is extensive over much of the claims area.

The Equity silver-copper-antimony-gold deposit (current reserves - 21.6 million tonnes grading 109 g/t silver, 0.85 g/t gold, 0.35% copper and 0.08% antimony) is a tabular zone conformable with host felsic pyroclastic rocks of late Mesozoic age. These are exposed in an erosional window within an extensive area of Tertiary volcanic rocks and are intruded by a quartz monzonite stock and a gabbroic plug which bracket the mineral deposit. The Equity deposit has a distinctive mineralogy and alteration mineral assemblage and a marked litho-geochemical signature for most elements.

The Goosly Lake mineral claims have geological and geochemical features similar to those at the Equity property. Mesozoic volcanic rocks are exposed in several

areas of the property and were noted in percussion drill holes on an adjacent claim. This limited drilling indicated an intensely altered zone with abundant pyrite mineralization trending onto the eastern part of the Goosly Lake property. A broad area in the central claims is anomalous in arsenic and mercury and values are similar to those found adjacent to the Equity deposit.

These features render the Goosly Lake property an attractive prospect which warrants a thorough exploration program.

A staged program is recommended with the first phase to include geophysical surveys and overburden drilling estimated to cost \$42,400. Pending encouraging results, a percussion drilling program with estimated costs of \$95,000 is recommended.

INTRODUCTION

Normine Resources Ltd. has an option on 142 mineral claim units adjacent to the Equity Silver mine in west-central British Columbia. Normine plans to enter into a joint venture agreement with Amir Mines Ltd. to carry out exploratory work on the property.

This report, prepared at the request of Normine Resources Ltd. and Amir Mines Ltd., is based on a brief visit to the claims area by the writer on September 19, 1984, and on the writer's background knowledge of the area which includes numerous examinations of the Equity (Sam Goosly) property between 1969 and 1983.

Extensive published and unpublished information pertaining to the Equity deposit and the general area is available. References to much of this information are listed at the end of this report. Mr. G.D. Nordin, of Bema Industries Ltd., has prepared a report on the claims area for Amir Mines Ltd. and the writer has benefitted from access to this report and discussions with Mr. Nordin.

LOCATION AND ACCESS

The Goosly Lake property is situated 30 km southeast of the municipality of Houston in west-central British Columbia (Figure 1). The geographic centre of the claims is at latitude 54 12' North and longitude 126 23' West.

Houston is on Provincial highway 16 and the northern CN



Goosly Lake Property
Normine Resources Ltd.

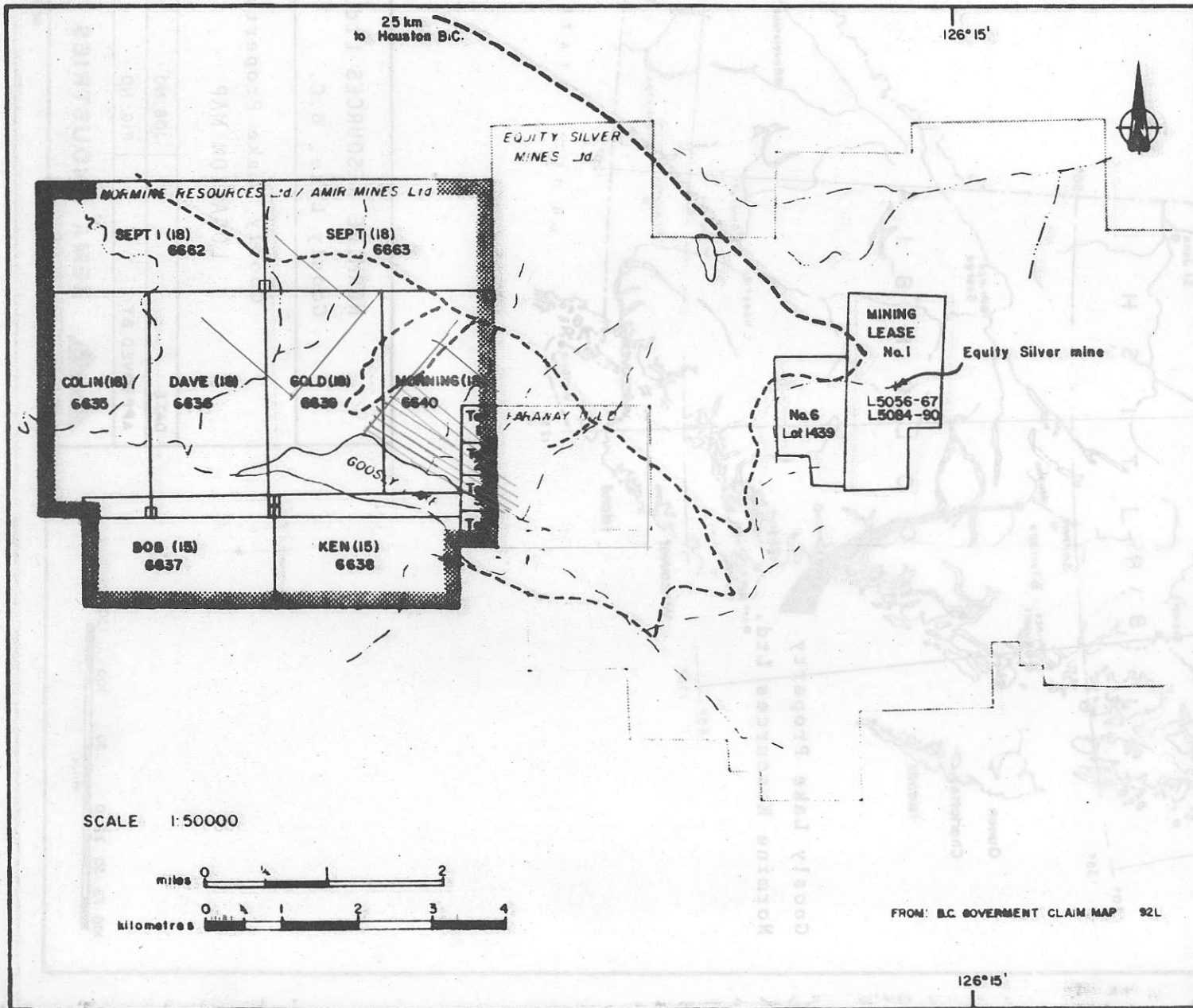
NORMINE RESOURCES Ltd.
Goosly Lake, B.C.

Goosly Lake Property
LOCATION MAP

DATE:	JOB NO.:
APPROVED BY:	FIG. NO.:



BEMA INDUSTRIES LTD.



LEGEND

- STREAM
- CLAIM BOUNDARY
- CLAIM OUTLINE
- LEGAL CORNER POST
- DAVE (18) 6636 CLAIM NAME (no. of units) RECORD No.
- IMPROVED GRAVEL ROAD
- GRAVEL ROAD

NORMINE RESOURCES Ltd.
GOOSLY LAKE, B.C.

CLAIM LOCATION MAP

DATE 30/1/86	JOB NO
REVISED BY	FIG NO 2

BEMA INDUSTRIES LTD.

rail line. The town of Smithers, 64 km northwest of Houston, has daily scheduled airline service from Vancouver.

Access to the property is by 38 km of good surface gravel road linking Houston with Equity mine. Old logging roads, some of which require 4 wheel drive vehicles, provide access to the north and east parts of the property (Figure 2) and the southern claims are off the Buck Creek road which also affords access to Houston.

MINERAL PROPERTY

The Goosly Lake property consists of 8 modified grid and 4 2-post mineral claims comprising the equivalent of 142 units (Figure 2) in the Omineca Mining Division.

These claims are believed to have been located in accordance with procedures specified in the Mineral Act Regulations for the Province of British Columbia. The writer did not examine claim posts or lines during the visit to the property.

Details of mineral claims are as follows:

Name of Claim	Units	Record Number	Expiry Date
Tet 1	1	6073	March 6, 1985
Tet 2	1	6074	" "
Tet 3	1	6075	" "
Tet 4	1	6076	" "
Colin	18	6635	September 19, 1985
Dave	18	6636	" "
Bob	15	6637	" "
Ken	15	6638	" "
Gold	18	6639	" "
Morning	18	6640	" "
Sept 1	18	6662	" "
Sept	18	6663	" "

PHYSICAL FEATURES

The Goosly Lake claims are situated in an upland plateau of relatively moderate relief. Elevations range from about 900 metres at Goosly Lake to 1400 metres in the northeast corner of the claim block (Figure 2).

Most prominent relief is along the northern boundary of the claims where rocky ridges display poorly developed columnar jointing at higher elevations. The former logging road into this part of the claims area (Figure 2) is along the break in slope below which the topographic gradient decreases and overburden is extensive.

Much of the original forest cover of jackpine and spruce has been removed by forest fire and recent logging. Small second growth jackpine is extensive in old burn areas.

HISTORY

The discovery of the Sam Goosly silver-copper deposit (now Equity mine) in 1968 was the result of a persistent exploration effort in the area by Kennco Explorations (Western) Ltd. A window of Mesozoic rocks within an extensive area of Tertiary volcanic rocks, originally mapped by Lang (1942) in the Goosly Lake area, was selected by Kennco in the early 1960's for a regional geochemical survey.

Stream sediments in drainages northeast of Goosly Lake were found to be slightly anomalous in copper, zinc and fluorine (Ney et al, 1972). More detailed work in 1967

disclosed the presence of a small quartz monzonite stock containing weak copper-molybdenum mineralization, with an enveloping pyrite shell developed in volcanic rocks marginal to the intrusion. Soil sampling showed areas anomalous in silver, partly coincident with copper and molybdenum anomalies, but best developed over an area east of the quartz monzonite stock where tetrahedrite had been noted in volcanic rocks. Subsequent drilling outlined the mineralized zone which was later to become the Sam Goosly or Equity ore body.

Equity Mining Capital, a private company, acquired an option on the property in 1972 and carried out an underground bulk testing program on the Main Zone and drilling which delineated the Southern Tail Zone. Further drilling was done in participation with Placer Development, and later with Granby Mining in 1977. In late 1978, Placer Development undertook a joint venture with Equity and a production decision was announced in early 1979. Mining of the Southern Tail Zone began in late 1980 at a milling rate of 5000 tonnes per day.

News of the Sam Goosly discovery in late 1968 - early 1969 resulted in the staking of claims by companies and individuals throughout the general area. The area of the present Goosly Lake claims was held in 1969 by several companies and various surveys and physical work were performed over the subsequent five years.

The south part of the present claims area, south and east

of Goosly Lake, was held by Mark V Mines who undertook geochemical surveys. Dorita Silver Mines, a subsidiary of Silver Standard, collected stream sediment and soil samples in the southern and eastern parts of the present claims. Orequest Exploration Syndicate conducted soil geochemical surveys, bulldozer trenching and limited percussion drilling in the northern part of the present property.

The Sam claim, shown as Faraway Gold on Figure 2, and between the Goosly Lake claims and the Equity property, is part of ground first held by Dorita Silver Mines and subsequently by Payette River Mines Ltd. This company carried out an IP survey in 1971 and a four hole percussion drilling program in 1974. The present Sam claim was staked by a local prospector in 1980 and optioned to Carpenter Lake Resources Ltd. who conducted a limited amount of soil geochemistry. In 1983, J.P. Elwell, P.Eng., recommended a vertical diamond drill hole to test the IP anomaly defined by Payette River Mines, but this was not done and the option lapsed. Faraway Gold, a private company, acquired an option on the claim and drilled 15 percussion holes in early 1984. Drill cuttings from some of these holes were made available to Normine Resources Ltd. for examination and analysis.

REGIONAL GEOLOGICAL SETTING AND MINERAL DEPOSITS

The Goosly Lake area is within the Intermontane tectonic belt, comprised principally of Mesozoic volcanic and sedimentary rocks cut by intrusive rocks ranging in age from early Jurassic

to mid-Tertiary. More specifically, the area is in the northern part of the Nechako Trough, a subdivision of the Intermontane belt, in which the Mesozoic sequences are overlain by extensive areas of Tertiary volcanic rocks.

This is particularly evident in the region south of Houston where much of the area is underlain by a gently dipping sequence of Tertiary volcanic rocks and related intrusive centres. According to Church (1973, 1985) these are contained within the Buck Creek basin or caldera structure and are comprised of two major Eocene sequences, the Goosly Lake trachytic andesite flows and pyroclastic rocks and the slightly younger Buck Creek basaltic andesite flows and breccias.

Feeders for the Goosly Lake volcanics are gabbroic plugs and stocks aligned in an east-northeast direction with the central feeder or intrusive complex marginal to the Equity deposit (Church, 1971, 1973, 1985). Buck Creek volcanic centres occupy the outer edge of the Tertiary basin postulated by Church (1985).

Mesozoic layered rocks are exposed within and adjacent to the broad area of Tertiary rocks. These range in age from mid-Jurassic to late Cretaceous and are intruded by late Jurassic to early Tertiary granitic and gabbroic stocks and plugs. Jurassic to early Cretaceous volcanic and lesser sedimentary rocks (Hazelton and Skeena Groups) are found south of Houston, in the Burns Lake area and in erosional windows within the Tertiary cover rocks. One of these erosional

windows northeast of Goosly Lake exposes rocks which host the Equity deposit. Late Cretaceous rocks, referred to as the Tip Top Hill Volcanic Rocks (Church, 1971, 1973), and occurring in the Owen Lake area and north of Goosly Lake, are porphyritic andesites and pyroclastic rocks with some rhyolites.

The area south of Houston is noted for a variety of mineral deposit types including porphyry copper and molybdenum associated with small granitic intrusions and polymetallic precious and base metal vein and replacement deposits developed in Jurassic and Cretaceous volcanic rocks.

To date, the most significant mineral deposit in this area is that currently being mined by Equity Silver. This silver-copper deposit is hosted by a Mesozoic homoclinal north-striking, west-dipping sequence comprised of four principal divisions (Cyr et al, 1984). From oldest to youngest these are a basal clastic division of conglomerate, sandstone and siltstone, a felsic pyroclastic division of lapilli tuffs, breccia and dust tuff, a sedimentary-volcanic division of epiclastic volcanic rocks and chert pebble conglomerates and a volcanic flow division of andesite and dacite flows. This sequence is from 2400 to 4300 metres thick (Cyr et al, 1984) and is believed to be of early Cretaceous (Skeena Group) age, based on fossil evidence from lithologically similar sequences elsewhere in the region.

Intruding this sequence are an Eocene (57 m.y.) quartz

monzonite stock with weak copper-molybdenum mineralization on the west, a slightly younger (49 m.y.) gabbro-monzonite intrusive complex on the east and a series of dykes between the two.

The Equity deposit is a tabular zone conformable with host rocks of the pyroclastic division. Iron-copper-silver-antimony sulfides (pyrite, pyrrhotite, chalcopyrite, tetrahedrite) and lesser galena and sphalerite occur as disseminations, fracture and breccia fillings and veins over a strike length of 1500 metres. Three principal zones have been defined of which one, the Southern Tail Zone, is mined out. Current reserves of the Main Zone are 21.6 million tonnes of 109 g/t silver, 0.85 g/t gold, 0.35% copper and 0.08% antimony. A distinctive clay alteration zone surrounds the deposit and includes quartz, sericite, andalusite, tourmaline, scorzalite, corundum and some dumortierite (Wojdak and Sinclair, 1984).

The deposits are spatially between the quartz monzonite and gabbroic intrusions and the sulfide zones are cut by three types of post-mineral dykes and sills (Cyr et al, 1984) which are apparently related to the gabbro intrusive complex.

Three hypotheses have been advanced for the origin of the Equity deposit. Church (1971, 1985) believes the ore minerals were deposited by hydrothermal solutions related to the gabbro-monzonite intrusive complex, while Ney et al (1972) propose a volcanogenic origin associated with processes involved in the evolution of the felsic volcanic division

with subsequent remobilization of sulfides by the two later intrusive events. Current thought (Cyr et al,1984;Wojdak and Sinclair,1984) is that the deposits are related to the intrusion of the quartz monzonite, based partly on similar radiometric ages for alteration minerals associated with mineralization.

An appreciation of all three proposals for the origin of the Equity deposits is necessary for planning a program to search for similar deposits.

PROPERTY GEOLOGY AND MINERALIZATION

Much of the Goosly Lake property area is drift covered, with bedrock exposures restricted to higher elevations in the northern claims area and to isolated areas around Goosly Lake.

Oldest rocks exposed are andesitic lavas and breccias, believed to be part of the Tip Top Hill volcanic rocks (Church,1971). These occur north and south of Goosly Lake and in the northwest part of the present claims adjacent to Klo Creek. Recent percussion drilling on the adjacent Faraway Gold claim intersected rocks of apparent andesite-dacite composition which may be equivalent to the host rocks at the Equity deposit.

Tertiary volcanic rocks, part of the Goosly Lake and Buck Creek sequences (Church,1971) are exposed in road cuts and ridges in the northern part of the property. Exposures

seen by the writer were uniform grey trachytic textured flows with prominent aligned 4 mm feldspar phenocrysts. These are overlain by crudely columnar jointed Buck Creek volcanics at higher elevations. Goosly Lake rocks were intersected in previous trenching and percussion drilling programs on the property (Cochran, 1970).





There is no record of economic mineralization on the present claims. However, two percussion drilling programs have been carried out on ground adjacent to the present property. The first of these was a four hole program (MacDonald, 1974) which intersected sericite and clay altered dacites with 5-10% pyrite below barren Goosly Lake volcanic rocks. Geochemical analysis of samples showed anomalous copper, zinc, silver, antimony, arsenic and gold values which increased with depth. Faraway Gold's 1984 program covered a broader area and intersected generally higher pyrite (15-40%) content associated with intense quartz-sericite alteration. Limited geochemical analysis of samples yielded zinc values of up to 1000 ppm, arsenic to 400 ppm, antimony to 6 ppm, gold to 100 ppb and silver to 4,8 ppm.

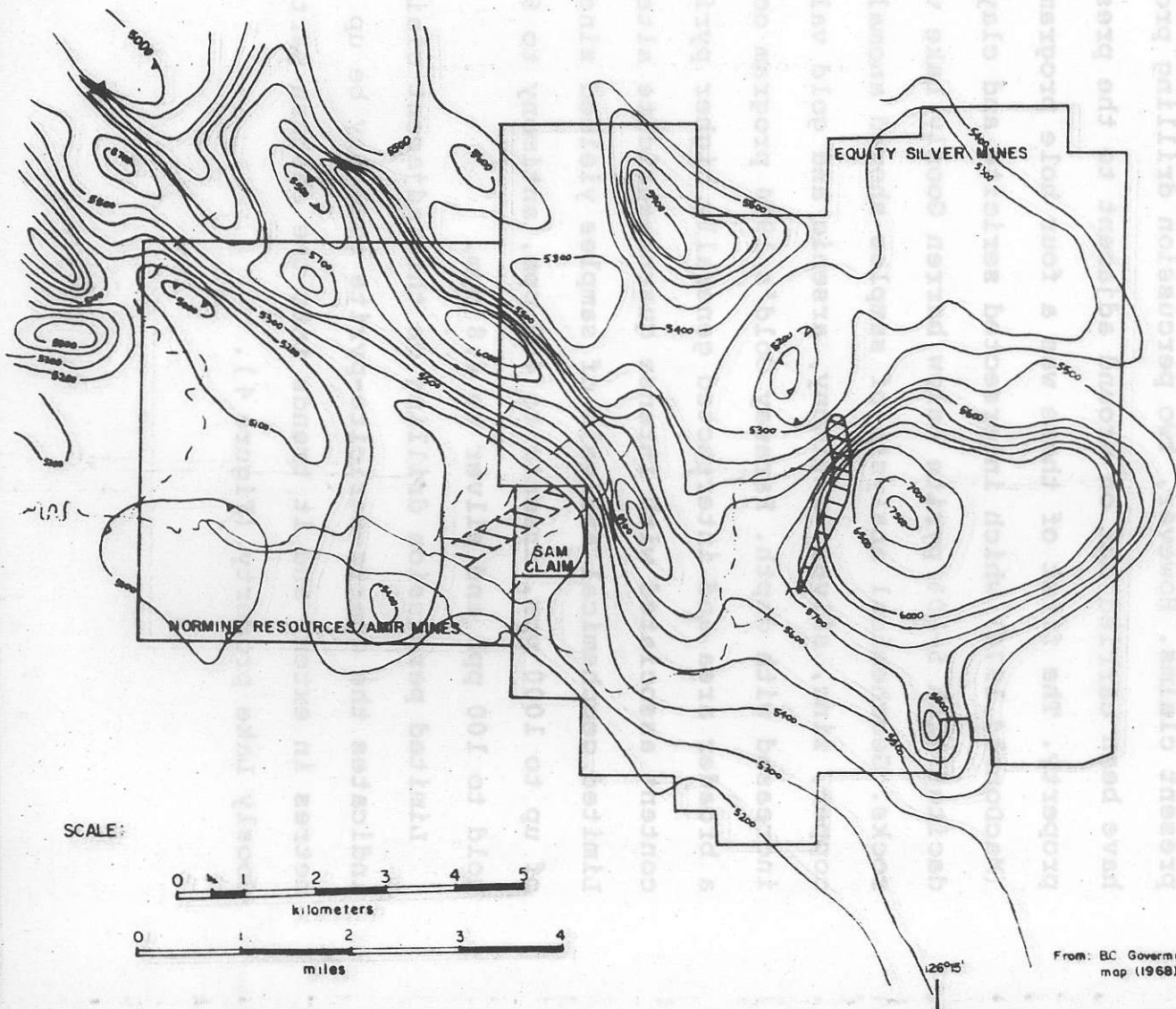
Limited percussion drilling on this adjacent claim indicates the quartz-sericite-pyrite zone may be up to 700 metres in extent and it trends into the eastern part of the Goosly Lake property (Figure 4).

126°15'

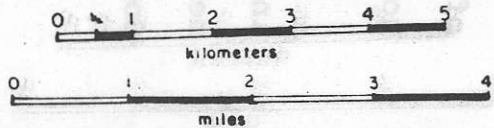


LEGEND

-  STREAM
-  CLAIM BOUNDARY
-  SULPHIDE MINERALIZATION
-  ISOMAGNETIC LINES




SCALE:

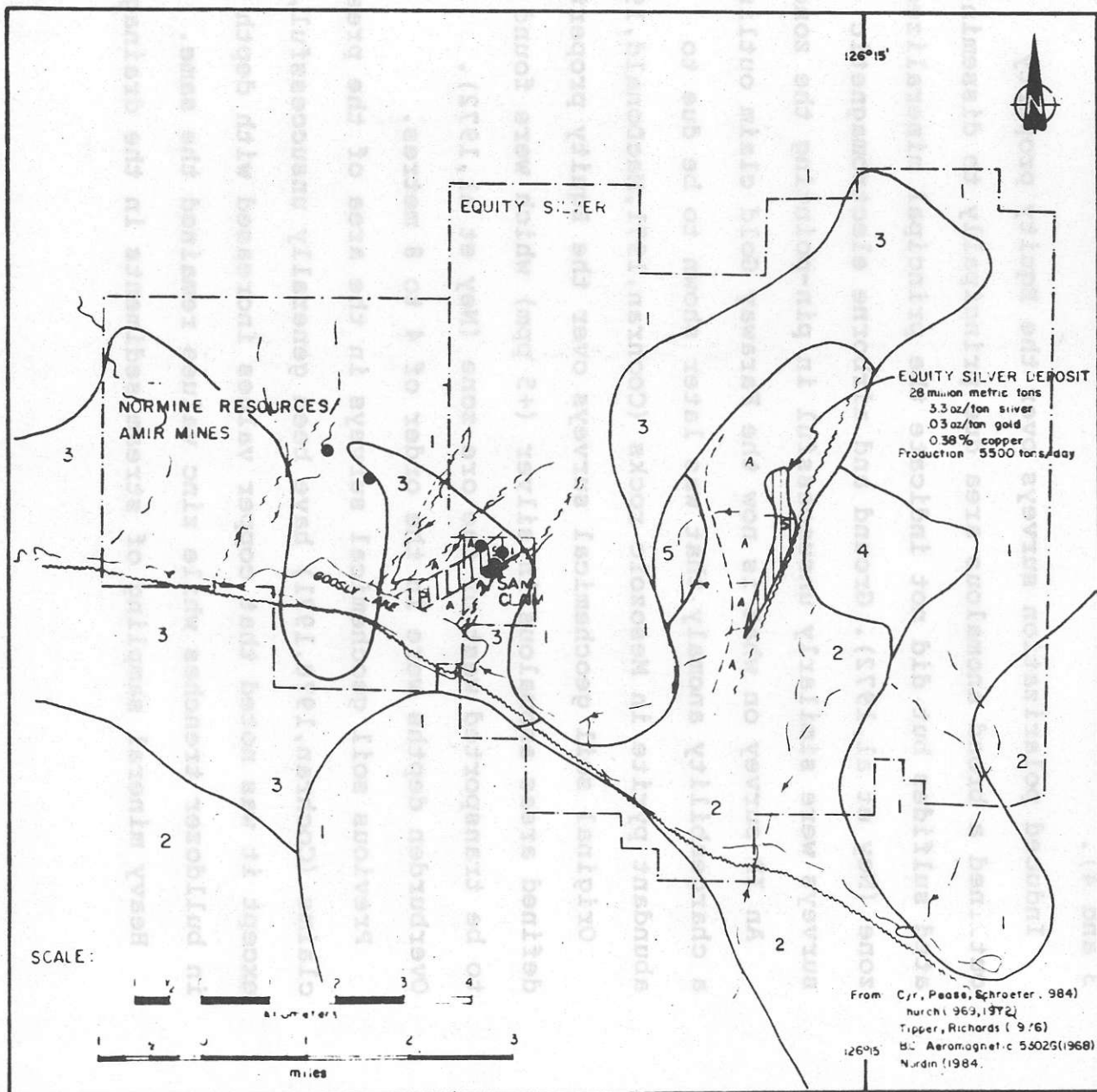


From: BC Government Aeromagnetic map (1968) No. 5302G Colliemount

NORMINE RESOURCES Ltd.
GOOSLY LAKE, B.C.

AEROMAGNETIC CONTOUR MAP

DATE:	JOB NO
APPROVED BY	FIG NO 3
 BEMA INDUSTRIES LTD.	



LEGEND

Tertiary - Cretaceous

Highly magnetic
5400-7500γ

1

Ootsa Lake Group, Sustet Group, Skeena Group
volcanic and volcanoclastic rocks

Jurassic

Low magnetic
5000-5400γ

2

Hazelton Group Outcrop
volcanic and volcanoclastic rocks

Low magnetic
5000-5400γ

3

Hazelton Group rock subcrop under thin overburden
or thin nonmagnetic Tertiary volcanic cover

Tertiary

Highly magnetic
5400-7500γ

4

Goosly Lake intrusive
gabbro, syenomonzonite

Upper Cretaceous

Low magnetic
5000-5400γ

5

Bulkley Intrusive - quartz monzonite

--- FAULT

--- INTENSE quartz-sericite - pyrite ALTERATION ZONE

--- SULPHIDE MINERALIZATION ZONE

--- C.L.A.M. BOUNDARY

● PERCUSSION DRILLHOLE

NORMINE RESOURCES

EQUITY WEST PROPERTY
Goosly Lake, British Columbia

BEDROCK - AEROMAGNETIC

GEOLOGICAL INTERPRETATION MAP

DATE NOV. 24, 84

JOB NO.

FIG NO.

4

DRAWN BY WILF

REVISED BY

SCALE 1:63360

From Cjr. Pease, Schroeter, 984)
hurchi 963, 1972)
Tipper, Richards (976)
B.C. Aeromagnetic 55025(1968)
Nordin (1984).



BEMA INDUSTRIES LTD.

GEOPHYSICAL AND GEOCHEMICAL SIGNATURES

Aeromagnetic maps for the Goosly Lake area (Figure 3) show higher magnetic susceptibilities over areas underlain by Tertiary volcanic rocks and the gabbro intrusive complex, a volcanic centre for the lower part of the Tertiary sequence.

Areas of lower magnetic response are underlain by Mesozoic rocks and these include rocks in the vicinity of the Equity deposit and those areas north and south of Goosly Lake (Figures 3 and 4).

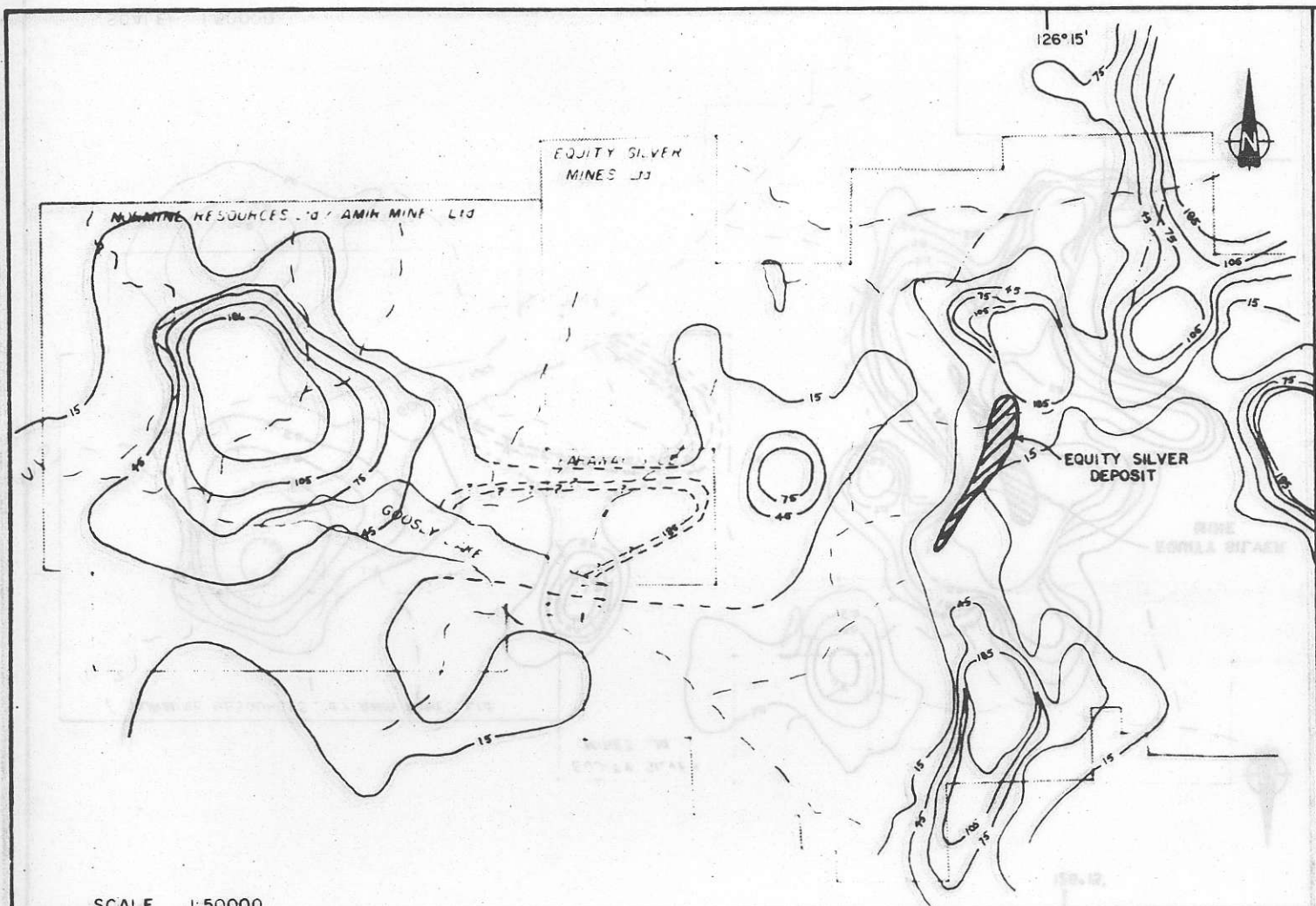
Induced polarization surveys over the Equity property outlined a broad anomalous area due principally to disseminated sulfides but did not indicate the principal mineralized zone (Ney et al, 1972). Ground and airborne electromagnetic surveys were similarly unsuccessful in pin-pointing the zone.

An IP survey on what is now the Faraway Gold claim outlined a chargeability anomaly that was later shown to be due to abundant pyrite in Mesozoic rocks (Cochran, 1971, MacDonald, 1974).

Original soil geochemical surveys over the Equity property defined areas anomalous in silver (+5 ppm) which were found to be transported west of the ore zone (Ney et al, 1972). Overburden depths were in the order of 4 to 8 metres.

Previous soil geochemical surveys in the area of the present claims (Cochran, 1970, 1971) have been generally unsuccessful, except it was noted that copper values increased with depth in bulldozer trenches while zinc values remained the same.

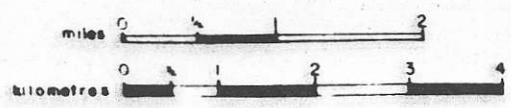
Heavy mineral sampling of stream sediments in the drainage



LEGEND

- STREAM
- CLAIM BOUNDARY
- MERCURY VALUE (ppb)

SCALE 1:50000



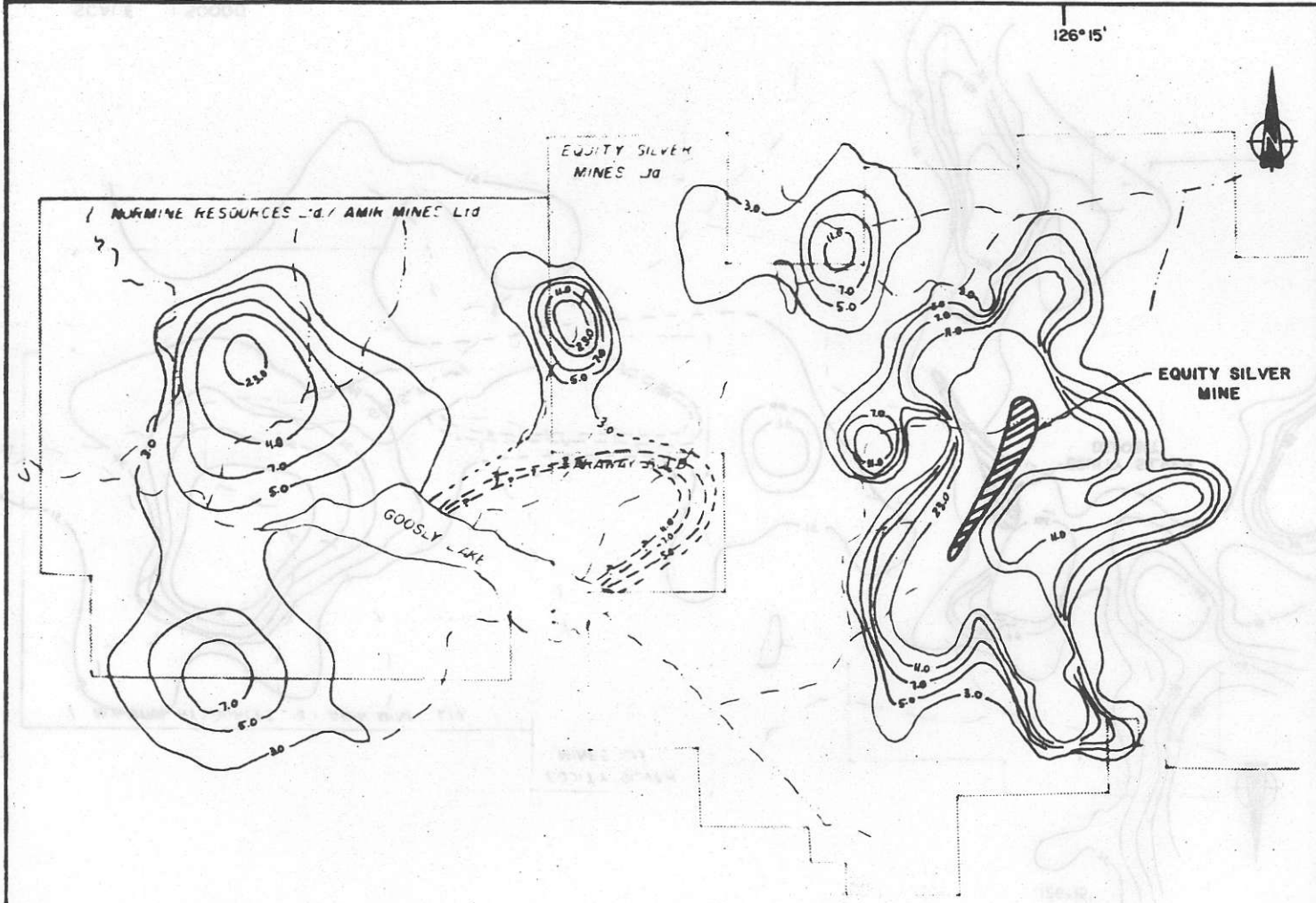
From Church, Bevaseo, Bowman (1976)
 Cochran (1971)
 Nord (1984)

NORMINE RESOURCES Ltd.
 GOOSLY LAKE, B.C.

ROCK GEOCHEMISTRY
MERCURY CONTOUR MAP

DATE 30/01/85	JOB NO
REVISED BY	FIG NO 5a

BEMA INDUSTRIES LTD.
 REPORT NO. 140 MC 27
 DATE 30/01/85
 PROJECT NO. 106-10
 NORTHERN COASTAL DISTRICT
 ROCK GEOCHEMISTRY



LEGEND

- STREAM
- CLAIM BOUNDARY
- ARSENIC VALUE (ppm)

SCALE 1:50000



From: Church, Bavakso, Bowman (1976)
 Cochran (1971)
 Nordin (1984)

NORMINE RESOURCES Ltd.
 GOOSLY LAKE, B.C.

ROCK GEOCHEMISTRY
ARSENIC CONTOUR MAP

DATE 30/01/85	JOB NO
REVISED BY	FIG NO 5

BEMA INDUSTRIES LTD.

126°15'

emanating from the Equity deposit yielded strong arsenic, gold and silver anomalies (Barakso and Tegart, 1982).

Lithogeochemistry has been the most useful geochemical tool in the Goosly Lake area. Published results of these data (Church and Barakso, 1973; Church et al, 1976; Kowalchuk et al, 1984) show concentric high values for most base metals and silver and gold over the Equity deposit. Pathfinder elements, including arsenic and mercury, were also found to be good indicators and dispersal of arsenic may be used to delineate areas underlain by Mesozoic rocks (Church, et al, 1976).

Figures 5 and 5a show contoured values for arsenic and mercury for rock samples collected from the Equity property, the present Goosly Lake claims and the Faraway Gold claim and are based on published results referred to above and geochemical analyses of drill cuttings from some of the recent percussion drill holes on the Faraway Gold property.

Arsenic shows a good dispersal pattern outward from the Equity ore body with highest values above 23 ppm. (Figure 5). A zone with similar values is present in the central part of the Goosly Lake property with a slightly weaker zone, based on partial results, indicated on the Faraway Gold claim which appears to trend into the Goosly Lake property.

Higher mercury values (Figure 5a) are not centred on the Equity deposit and may have been dispersed outward from it by later intrusive activity. Anomalous zones, coincident with those for arsenic, are centred on the Faraway Gold claim

and in the central part of the Goosly Lake property.

CONCLUSIONS

The Goosly Lake claims area is known to include areas of Mesozoic rocks believed to be similar to the host rocks at the nearby Equity silver-copper mine.

Limited percussion drill programs on an adjacent claim have intersected Mesozoic volcanic rocks which display intense quartz-sericite alteration with pyrite contents ranging from 10 to 40%. Analysis of some drill cuttings has yielded anomalous values for zinc, arsenic and mercury, and to a lesser degree, gold and silver. This zone, which extends over 700 metres, apparently trends into the eastern part of the Goosly Lake property.

Lithogeochemical studies in the area show distinctive dispersion haloes for many elements over the Equity ore body. Arsenic and mercury anomalies of similar magnitude to those at the Equity deposit are present in the central part of the Goosly Lake property and are coincident with areas underlain by Mesozoic volcanic rocks.

The genesis of the Equity deposit is imperfectly known. In this writer's opinion, it was probably formed by volcanic processes related to the evolution of the Mesozoic host rocks, with modification by later intrusive events.

Regardless of origin, the style, nature and setting of this type of deposit has apparently been due to specific sequences

of geological events which may be difficult to duplicate elsewhere than in the general Goosly Lake area.

For this and other reasons as outlined above, the Goosly Lake property is an attractive prospect which warrants a thorough exploration program to assess its potential for hosting Equity type mineralization.

RECOMMENDED PROGRAM

A staged exploration program is recommended to evaluate the two target areas defined to date on the property.

The first phase would involve the establishment of control grids over the coincident arsenic - mercury anomalous area and the altered zone trending into the eastern part of the property from the adjacent claim. Widely spaced Induced Polarization, VLF electromagnetic and magnetometer should assist in better definition of bedrock geology and potential sulfide mineralization. Because of the inherent problems in this area with conventional soil geochemistry, due to largely unknown depths of overburden consisting mainly of boulder clay, it is recommended that overburden drilling be utilized in selected areas to facilitate collection of proper samples. Samples collected should be analyzed for copper, zinc, silver and arsenic. Rock samples should be collected from available outcrop areas and analyzed for the above elements plus mercury.

Areas of interest defined by phase one work should be further tested by a percussion drilling program.

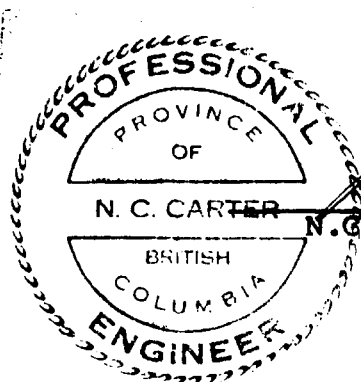
COST ESTIMATE

Phase I

Line cutting - 15 km @ \$275/km	\$4125
IP survey - 15 km @ \$750/km	\$11250
VLF-EM and Magnetometer survey- 15 km @ \$200/km	\$3000
Overburden drilling	\$5000
Sample analysis	\$2000
Support costs - travel, accomodation	\$7500
Engineering, supervision	\$4000
Contingencies	<u>\$5525</u>
Total, Phase I	\$42400

Phase II

Percussion drilling - 1200 metres @ \$50/metre	\$60000
Analytical costs	\$10000
Support costs	\$7500
Engineering, supervision	\$5000
Contingencies	<u>\$12500</u>
Total, Phase II	\$95000



N.C. Carter Ph.D. P.Eng.
N.C. Carter, Ph.D. P.Eng.

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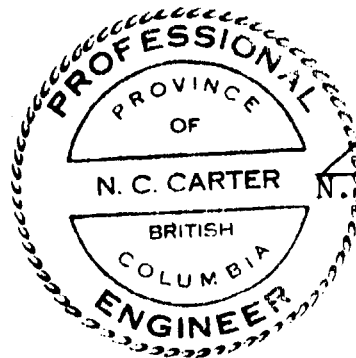
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CERTIFICATE

I, NICHOLAS C. CARTER, do hereby certify that:

1. I am a Consulting Geologist resident at 1410 Wende Road, Victoria, British Columbia.
2. I am a graduate of the University of New Brunswick with B.Sc.(1960), Michigan Technological University with M.S. (1962), and the University of British Columbia with Ph.D. (1974).
3. I am a registered Professional Engineer in the Association of Professional Engineers of British Columbia.
4. I have practised my profession in eastern and western Canada and in parts of the United States over the past 24 years.
5. This report is based on a personal examination of the Goosly Lake property on September 19, 1984, on published and unpublished reports and maps, and on my background knowledge of the general area.
6. I have no direct or indirect interest in the Goosly Lake mineral claims described in this report, or in either of Amir Mines Ltd. or Normine Resources Ltd.
7. permission is hereby granted to Amir Mines Ltd. and Normine Resources Ltd. to use this report in support of any Statement of Material Fact, Filing Statement or any other document to be submitted to the Superintendent of Brokers and the Vancouver Stock Exchange.



N. C. Carter Ph.D. P.Eng.
N. C. Carter, Ph.D., P.Eng.

Victoria, B.C.
February 12, 1985

N.C. CARTER, Ph.D., P.Eng.

Consulting Geologist

1410 Wende Road
Victoria, B.C. V8P 3T5
(604) 477-0419

June 14, 1985

The Directors
Normine Resources Ltd.
320 - 475 Howe Street
Vancouver, B.C. V6C 2B3

Dear Sirs:

Re: Geological Report on the
Goosly Lake Property
Omenica Mining Division
British Columbia

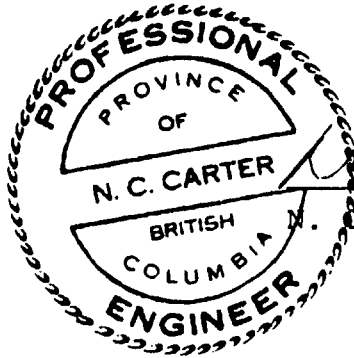
With reference to the above report, prepared by the undersigned and dated February 12, 1985, a Phase II program of percussion drilling, estimated to cost \$95,000 was recommended.

Since the preparation of this report, the writer has been made aware of a report by J.P. Elwell, P. Eng. dealing with recent exploratory work on the Sam mineral claim, which adjoins the Normine claims on the east. Some forty percussion drill holes have been drilled in the central part of the Sam claim, many of which contain significant sulfide mineral content. Several of these holes are reported to have yielded anomalous values in zinc and silver. These latter holes suggest a northeast-southwest structure which may extend onto the Normine claims.

Limited results, as discussed in the Elwell report, indicate that percussion drilling, while of great value in outlining zones, may not yield definitive samples. For this reason, the percussion drilling program, as recommended by the writer for Normine claims, should be complemented by diamond drilling.

Accordingly, the writer recommends a revised Phase II program for the Normine Goosly Lake Property to consist of both percussion and diamond drilling at an estimated cost of \$200,000.00.

Permission is hereby granted to Normine Resources Ltd. to use this letter in support of any Statement of Material Facts, Filing Statement or other document to be submitted to the Office of the Superintendent of Brokers and the Vancouver Stock Exchange.



N.C. Carter Ph.D. P.Eng.
N. C. Carter, Ph.D., P.Eng.

The seal is circular with a double-line border. The text 'PROFESSIONAL' is at the top, 'ENGINEER' is at the bottom, and 'PROVINCE OF BRITISH COLUMBIA' is in the center. The name 'N.C. CARTER' is written across the middle of the seal.

Victoria, B. C.
June 14, 1985

N.C. CARTER, Ph.D., P.Eng.

Consulting Geologist

1410 Wende Road
Victoria, B.C. V8P 3T5
(604) 477-0419

July 29, 1985

The Directors
Normine Resources Ltd.
320-475 Howe Street
Vancouver, B.C.
V6C 2B3

Dear Sirs:

Re: Addendum to Geological Report on the
Goosly Lake Property, Omineca Mining
Division, British Columbia, Dated
February 12, 1985

A report was submitted February 12, 1985, recommending a two phase program of exploratory work on the Goosly Lake property 30 km southeast of Houston, British Columbia. Phase I expenditures were estimated to be \$42,400 and Phase II \$95,000. The Phase II recommended program was subsequently revised to include both percussion and diamond drilling at an estimated cost of \$200,000 by way of a letter by the undersigned dated June 14, 1985.

As of this date, the Phase I program is essentially complete. Estimated costs are \$44,000, only slightly in excess of the writer's original estimate.

Work to date has included 29 km of line cutting in two grids; one in the western part of the property and one to the east, adjacent to the boundary of the Sam mineral claim owned by Faraway Gold Mines Ltd. The western grid consists of a northeast baseline with stations at 50 metre intervals along west-northwest cross lines at 200 metre spacings. The eastern grid includes 200 metre spaced southeast cross lines off a northeast baseline with stations at 25 metre intervals.

Geophysical surveys, including Induced Polarization, magnetometer and VLF-EM, were completed over the two grid areas. Soil and rock samples were also collected for geochemical analysis.

Preliminary results of IP surveys were inspected by the writer. Two chargeability anomalies with values of 7-9 msec. are contained within a northeast-trending zone of lower values measuring 1200 by 500 metres in the central part of the western grid.

A northeast-trending chargeability high with similar values and over a 500 by 300 metre area was outlined in the southern part of the eastern grid and a broad zone with 4-5 msec. readings was found along the property boundary adjacent to the Sam mineral claim.

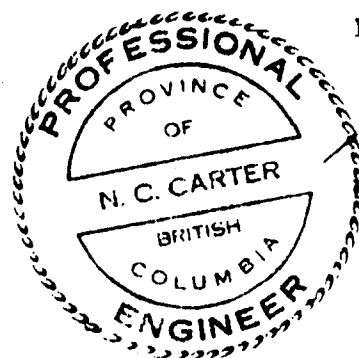
All chargeability anomalies are within areas of anomalous mercury and arsenic values detected by previous rock geochemical sampling.

Results to date are considered encouraging and a second phase of percussion and diamond drilling is warranted to test the IP anomalies outlined to date and possible southeast extensions of sulfide zones with significant geochemical concentrations of zinc and silver indicated by previous percussion drilling on the adjacent Sam mineral claim.

Estimated cost of the Phase II program, recommended to include 1200 metres of percussion drilling and 600 metres of diamond drilling, is \$200,000.

Permission is hereby granted to Normine Resources Ltd. to use this letter in support of any Statement of Material Fact, Filing Statement or other document to be submitted to the Office of the Superintendent of Brokers and the Vancouver Stock Exchange.

Respectfully submitted,



N.C. Carter, Ph.D. P.Eng.

N.C. Carter, Ph.D. P.Eng.

GEOLOGICAL REPORT
ON THE
PACIFIC EASTERN PROPERTY
IN THE
LILLOOET MINING DIVISION
BRITISH COLUMBIA

50°45' North Latitude
122°45' West Longitude

FOR
NORMINE RESOURCES LTD.

DECEMBER 16, 1983

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APPENDIX "C"	Claim Map
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INTRODUCTION

In July 1983 Normine Resources Ltd. commissioned W. G. Stevenson & Associates Ltd. to make an examination, assess the mineral potential and recommend a program of exploration to test the potential within a block of mineral claims in the Bridge River District of central British Columbia.

To accomplish this assignment, I made an examination of the property and collected samples for assay on August 3, 1983 in company with Mr. Gary Nordin, F.G.A.C., senior geologist, Bema Industries Ltd.

Under date of August 10, 1983, Mr. Nordin completed a detailed geological report pertaining to the property. The report by Mr. Nordin, and the substance of my subsequent discussions with him, have been used extensively in the compilation of my report on the property. The very valuable assistance and information provided by Mr. Nordin is gratefully acknowledged.

PROPERTY AND TITLE

In May 1983 Normine Resources Ltd. obtained a lease and option to the Pacific Eastern Property, made up of a block of 81 Crown-granted mineral claims and fractions in the Bridge River Mining District. The attachment marked Appendix "A" is a tabulation of data pertinent to the claims; the attached map marked Appendix "C" shows the outline of the claim block and the individual mineral claims.

I have not investigated title to these claims nor reviewed the option agreement as this was beyond the terms of my assignment.

LOCATION AND ACCESS

The Normine property is located 160 kilometres north of Vancouver, approximately 5½ kilometres southeast of the

Bralorne Townsite: The property adjoins and is immediately east of the Bralorne Pioneer Mines. More precisely the claims are centered at 50°45' North Latitude and 122°45' West Longitude.

Access can be gained by hard surface roads which extend 112 kilometres northwest from Lillooet, then 5½ kilometres of rough gravel road up Cadwallader Creek to the west edge of the claim block. Appendix "B" shows the location of the claims.

HISTORY

Placer gold was discovered on the Bridge River in 1863, and lode gold showings were discovered in 1897. Production commenced from the Bralorne-Pioneer Mines in about 1900, and during the next 71 years over 4 million ounces of gold and 950,000 ounces of silver were produced from these two mines.

Claims which are within the Normine holdings were not staked until 1928. These claims were subsequently acquired by Pacific Eastern Gold Mines Ltd., a subsidiary of Noranda Mines.

During the period 1935 to 1937 a program of drilling was initiated, a shaft was put down to a depth of about 170 metres, and crosscuts, drifts and winzes driven for distances in excess of 2,000 metres.

The property was inactive from 1937 to 1944. In 1944 the old workings were rehabilitated, the crosscuts and drifts extended, and a program of surface and underground drilling accomplished. In August 1947 an explosion of methane gas in the underground workings killed 3 men. This resulted in the suspension of all operations and the disposal of all equipment. In 1973 these claims were acquired by Mr. Rick Barclay. One year later Mr. Barclay sold the claims to J.T.M. Enterprises and B.R.H. Investments.

In 1985 Mr. Rick Barclay acquired a lease and option to these claims on behalf of Normine Resources Ltd.

GEOLOGY

The geology within the (Bralorne Pioneer) Bridge River Mining District is extremely complex and I will provide only a brief synthesis, based in large part on the report dated August 10, 1983 by Mr. Nordin.

The district is underlain by thin bedded cherts, argillites and volcanics of Permian Age, which were in turn overlain by dark thin bedded argillites and siltstones with conglomerates, lime beds and some pyroclastics of Triassic or Jurassic age. These formations have been intensely structurally deformed into a series of isoclinal folds whose axis trends northwest-southeast. This folding coincides with the direction of two northwesterly-southeasterly-trending faults which cross the district. One of these, named the Cadwallader Fault is one to two hundred metres south of both the Bralorne and Pioneer Mines. This fault is on and near the contact of intrusive augite, diorite, soda granite, serpentine and greenstone, and dips toward the southwest. Approximately 300 to 700 metres northeast of the Cadwallader Fault, a sub-parallel structure named the Ferguson Overthrust Fault, is exposed which forms the northeastern boundary of the district. This fault dips toward the northeast.

Two geological interpretations have been put forward showing the projection of the Cadwallader Fault southeasterly from the Bralorne Pioneer property to the Pacific Eastern property.

Mr. F. R. Jubin's 1948 paper places the Cadwallader Fault approximately 300 metres southerly from the Pacific Eastern shaft.

Mr. J. S. Stevenson's unpublished Bulletin, 1953, places the Cadwallader Fault approximately 400 metres southerly from the Pacific Eastern shaft, following a prominent band of serpentine that extends southeasterly from the Bralorne Pioneer Mine.

The attached maps marked Appendix "D" and "E" show the relative position of these two faults and the lithologic units with Stevenson's interpretation. The attachments marked Appendix "G" and "H" provide geological section across two parts of the district. Appendix "H" relies on the J. S. Stevenson interpretation.

MINERALIZATION

Within the Bralorne-Pioneer property a fissure vein system developed between the Cadwallader and Ferguson Faults. These fissure veins trend for the most part east-westerly and dip toward the north. During the life of the Bralorne-Pioneer Mine, 52 veins have been recognized and production attained from 19 of these. This production has come from shoots within these veins which average 2 metres in width. The most productive and richest vein, the "77", had a length of 1,000 metres on the surface and 1,500 metres on the 26th level. This vein was developed and mined to a depth of 1,600 metres below surface.

The attached map marked Appendix "E", and the cross section marked Appendix "G", shows the location and relative position of some of the veins within the Bralorne Pioneer Mine.

Approximately one mile southeast of the mineralization in the Pioneer mine, gold mineralization was discovered in the underground workings in what is now the Normine property. This property has been subjected to a major exploration program of underground development, and both surface and underground diamond drilling. Officers of Bema Industries Ltd. and Normine Resources Ltd. have made an exhaustive but unsuccessful attempt to obtain information pertaining to this drilling. The attached map marked Appendix "F" which was provided by the owners is the only available information relative to the past drilling. This map shows the underground workings on the Normine property and the location of the collars and the plan view of 36 drill holes.

Access to the underground was gained by driving a tunnel northeasterly, a distance of approximately 200 metres, sinking a shaft from this tunnel to a depth of approximately 200 metres, then driving a crosscut southerly from this shaft for a distance of approximately 1,300 metres. From this crosscut a drift was extended easterly for a distance of 750 metres. The B.C. Ministry of Mines and Petroleum Resources information file states that several quartz veins were discovered by the diamond drilling and the underground gold was found in some of these veins. The most persistent vein trends east-west and dips northerly. This vein, as shown on the attachment marked Appendix "F", was followed downward for about 60 metres and drifted on for 150 metres.

Mineralization in the underground development at the Normine property is between the Cadwallader and Ferguson overthrust faults which form the boundary of mineralization at the Bralorne Pioneer Mine. Most of the workings and all of the mineralization which has been developed in the Normine property is adjacent to the Cadwallader Fault, in lithologic units which are the host rocks for the ore at the Bralorne Pioneer Mine. The mineralization at the Pacific Eastern (Normine) property trends east-west and dips northerly, similar with the pattern of mineralization at the Bralorne Pioneer. The vein pattern in the west drift is similar to the productive veins in the Bralorne Pioneer system.

The underground workings are inaccessible and it would seem that an inordinate cost would be required to gain access to the workings for drilling. In my judgement a test of the downward continuation of the mineralization exposed in the underground working at the Normine property would best be accomplished by surface drilling.

I have shown on the attached section marked Appendix "H" the proposed position of the holes to be put down from surface to test the projection of mineralization at depth on the Normine property.

CONCLUSIONS

1. The Normine property is adjacent to and southeast of the Bralorne Pioneer Mine where approximately four million ounces of gold and one million ounces of silver have been produced.
2. The Normine property is on the southeastern projection of the lithologic, structural and mineralogical trend and in similar geological environment with that of the Bralorne and Pioneer Mines.
3. A major program of underground work including a 200 metre shaft, 1,300 metres of crosscutting, and 750 metres of drifting and 170 metres of decline, plus several thousand metres of diamond drilling has been accomplished on the Normine property.

4. Most of this underground work is within a lithologic and structural setting similar to the mineralized zone in the Bralorne-Pioneer Mine where gold bearing quartz veins were mined.
5. As the underground workings are not now accessible and the cost of gaining access is estimated to be in excess of \$500,000, diamond drilling from surface would seem to offer the most advantageous means of exploring this property.
6. While the chance of penetrating concealed gold-bearing quartz veins with a blind drilling program are remote, the rewards from an exploration success in this district are such that a drilling program is justified.

RECOMMENDATION

1. Initiate a program of diamond drilling to search for concealed gold veins in the Bralorne-Pioneer Environment within the Normine property.
2. Put down one diamond drill hole from surface as a first phase.
3. Contingent on the results of this drilling, holes can be wedged out from this hole to test other parts of the property.

COST ESTIMATE FOR THE PROPOSED PROGRAM

PHASE 1

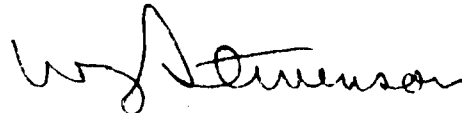
1.	Diamond drilling 1 hole 600 metres deep: 600 metres of drilling at \$100.00/metre	\$ 60,000
2.	Mobilization-Demobilization Support costs and supervision	30,000
3.	Contingencies at 20%	18,000
	TOTAL PHASE 1	<u>\$108,000</u>

PHASE 2

Contingent on the results of the first phase of this program, additional diamond drilling may be warranted.

Respectfully submitted,

W. G. STEVENSON & ASSOCIATES LTD.



W. G. Stevenson, P.Eng.

Vancouver, B. C.

December 16, 1983

APPENDIX "A"

TO ACCOMPANY GEOLOGICAL REPORT DATED DECEMBER 16, 1983
BY W. G. STEVENSON & ASSOCIATES LTD. ON THE PACIFIC
EASTERN PROPERTY, LILLOET MINING DIVISION, BRITISH COLUMBIA

TABULATION OF CLAIM DATA

APPENDIX "A"

TABULATION OF CLAIM DATA

<u>Mining Division and Land District</u>	<u>Folio</u>	<u>Lot No.</u>	<u>Claim Description</u>	<u>Kamloops L.R.O. C. of T.</u>
Lillooet	32395	5659	Besance	68605F
Lillooet	32395	5658	Mac Fraction	68606F
Lillooet	32328	6169	Diorite	68619F
Lillooet	32328	6174	Jackson Fraction	68593F
Lillooet	32328	6170	Augite	68596F
Lillooet	32328	6167	Last Fraction	68597F
Lillooet	32328	5652	Six Eight Fraction	68391F
Lillooet	32328	5651	Foursix Fraction	68855F
Lillooet	32131	5569	Twofour Fraction	68856F
Lillooet	32131	5565	Justrite	66354F
Lillooet	32131	5566	Docrite	66355F
Lillooet	32131	5567	Jackrite	66356F
Lillooet	32131	5663	Pioneer Extension No. 2	68615F
Lillooet	32131	5551	Hoover Fraction	67671F
Lillooet	32131	5590	Plutus No. 8	68390F
Lillooet	32069	5589	Plutus No. 7	68843F
Lillooet	32069	5584	Plutus No. 2	68839F
Lillooet	32069	5586	Plutus No. 4	68841F
Lillooet	32069	5587	Plutus No. 5	68607F
Lillooet	32069	5585	Plutus No. 3	68608F
Lillooet	32069	5583	Plutus No. 1	68609F
Lillooet	31992	5578	Undershot No. 3	68610F
Lillooet	31992	5577	Undershot No. 2	68611F
Lillooet	31992	5576	Undershot No. 1	68612F
Lillooet	31992	5575	Full Measure Fr.	68613F
Lillooet	31909	5554	Jefferson	67669F

<u>Mining Division and Land District</u>	<u>Folio</u>	<u>Lot No.</u>	<u>Claim Description</u>	<u>Kamloops L.R.O. C. of T.</u>
Lillooet	31992	5572	Adams Fraction	67666F
Lillooet	31992	5574	Overdraft Fraction	66357F
Lillooet	31992	5552	Roosevelt	67672F
Lillooet	31950	5568	Pioneer Extension No. 1	68614F
Lillooet	31909	5560	Pioneer Extension	66353F
Lillooet	31909	5559	Bess	61693F
Lillooet	31909	5570	Pioneer Extension No. 3	61693F
Lillooet	31909	5557	Lincoln	68618F
Lillooet	31909	5558	Bryan	68617F
Lillooet	31909	5556	Cleveland	67667F
Lillooet	31909	5553	Garfield	67670F
Lillooet	31909	5555	Washington	67668F
Lillooet	31909	5561	Pioneer Extension Fraction	68616F
Lillooet	32328	6165	Mix No. 1	70946F
Lillooet	32069	5588	Plutus No. 6	68842F
Lillooet	32700	5807	Dan Tucker No. 7	68398F
Lillooet	32735	5845	East	68598F
Lillooet	33359	6172	Alta	68595F
Lillooet	33359	6173	Zenith	68594F
Lillooet	33359	6202	Chism A Fraction	68850F
Lillooet	33359	2162	Al Fraction	68857F
Lillooet	32735	5837	EPU No. 4	68849F
Lillooet	32700	5836	EUP No. 3 Fraction	68848F
Lillooet	32603	5801	Dan Tucker No. 3	68847F
Lillooet	33359	2164	Don Fraction	68840F
Lillooet	33359	2163	Hyatt Fraction	68838F

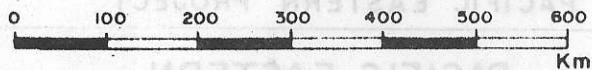
<u>Mining Division and Land District</u>	<u>Folio</u>	<u>Lot No.</u>	<u>Claim Description</u>	<u>Kamloops L.R.O. C. of T.</u>
Lillooet	33359	648	McKinley	60587F
Lillooet	32735	5835	EPU No. 2	68403F
Lillooet	32735	5838	EPU No. 5	68404F
Lillooet	32735	5840	Rex	68405F
Lillooet	32735	5839	EPU No. 6	68406F
Lillooet	32735	5841	EPU No. 7	68407F
Lillooet	32700	5662	Undershot Fraction	68603F
Lillooet	32700	5663	Mix Fraction	68602F
Lillooet	32700	5664	Odd Fraction	67601F
Lillooet	32700	5833	EPU	68600F
Lillooet	32700	5834	EPU No. 1	68599F
Lillooet	32638	5806	Dan Tucker No.6	68397F
Lillooet	32638	5808	Dan Tucker No. 8	68399F
Lillooet	32638	5809	Dan Tucker Fraction	68400F
Lillooet	32638	5811	Close Fraction	68401F
Lillooet	32638	5812	Close A Fraction	68402F
Lillooet	32638	5802	Dan Tucker No. 4	68395F
Lillooet	32638	5803	Dan Tucker No. 5	68396F
Lillooet	32603	5800	Chism Fraction	68846F
Lillooet	32603	7069	Extra Fraction	68851F
Lillooet	32603	7070	PEG No.1 Fraction	68852F
Lillooet	32603	7071	PEG Fraction	68853F
Lillooet	32603	5661	Gold Field Deep No. 2A	68854F
Lillooet	32395	5654	Skull	68392F
Lillooet	32395	5655	Cross Bones	68393F
Lillooet	32395	5657	Dan Tucker No. 2	68394F
Lillooet	32395	5653	Plutus Fraction	68844F
Lillooet	32395	5656	Dan Tucker No. 1	68845F
Lillooet	32603	5600	Nomad No. 5	68604F
		(exc. Pl. B 4703 17.59 acr)		



APPENDIX 'B'

NORMINE RESOURCES LTD.
 PACIFIC EASTERN PROJECT

**PACIFIC EASTERN
 LOCATION MAP**



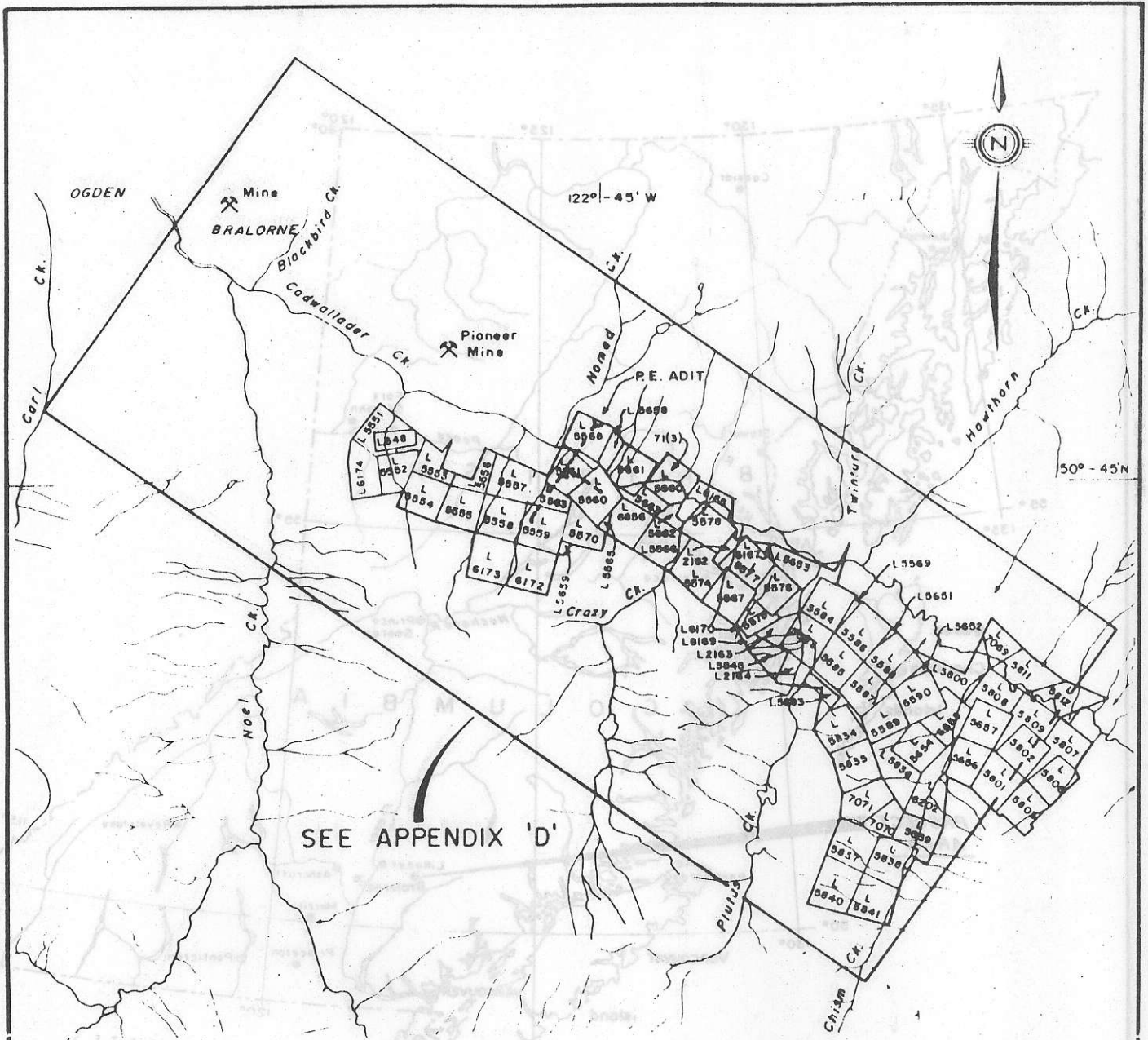
SCALE

FROM: B. C. GOVERNMENT ROAD MAP

DATE: 83-06-02 JOB NO.: 83-16

APPROVED BY: FIG. NO.: 1

W. G. STEVENSON AND ASSOCIATES LTD.
 CONSULTING GEOLOGISTS



SEE APPENDIX 'D'

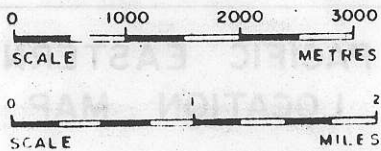
APPENDIX 'C'

NORMINE RESOURCES LTD.
PACIFIC EASTERN PROJECT

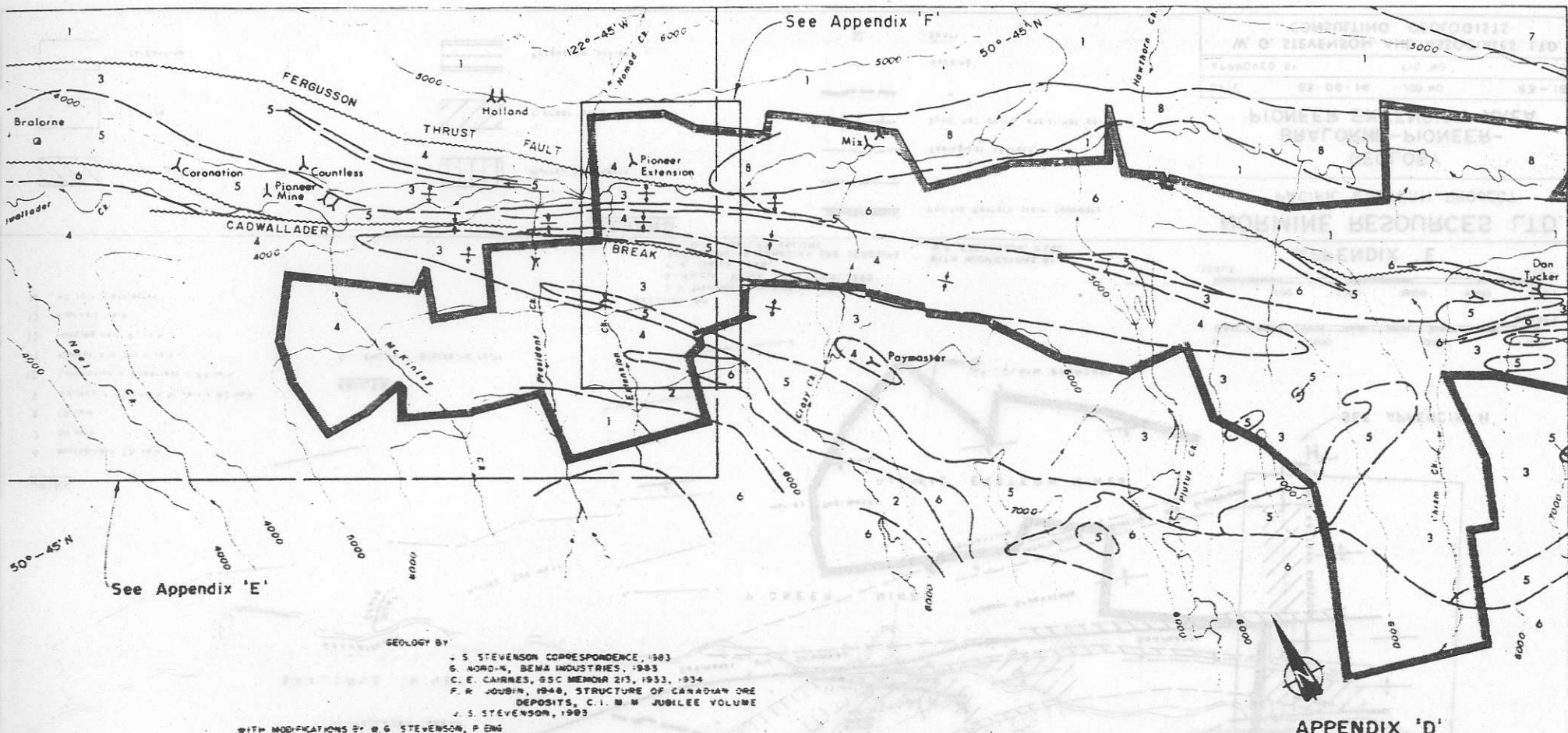
**PACIFIC EASTERN
CROWN GRANTS**

DATE 83-05-25 JOB NO 83-16
APPROVED BY FIG NO 3

W. G. STEVENSON AND ASSOCIATES LTD.
CONSULTING GEOLOGISTS

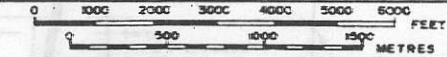


SOURCE NTS: 1:250,000
92 / J / 10
92 / J / 15



GEOLOGY BY:
 J. S. STEVENSON CORRESPONDENCE, 1983
 G. NORDIN, BEMA INDUSTRIES, 1983
 C. E. CAIRNS, SSC MEMOIR 213, 1933, 1934
 F. R. JOUBIN, 1948, STRUCTURE OF CANADIAN ORE DEPOSITS, C.I.M. JUBILEE VOLUME
 J. S. STEVENSON, 1983
 WITH MODIFICATIONS BY W. G. STEVENSON, P. ENG.

APPENDIX 'D'



LEGEND

- ANTICLINE AXIS
- SYNCLINE AXIS
- ADIT
- GEOLOGICAL CONTACT
- CREEK
- CLAIM BOUNDARY
- CONTOUR IN FEET

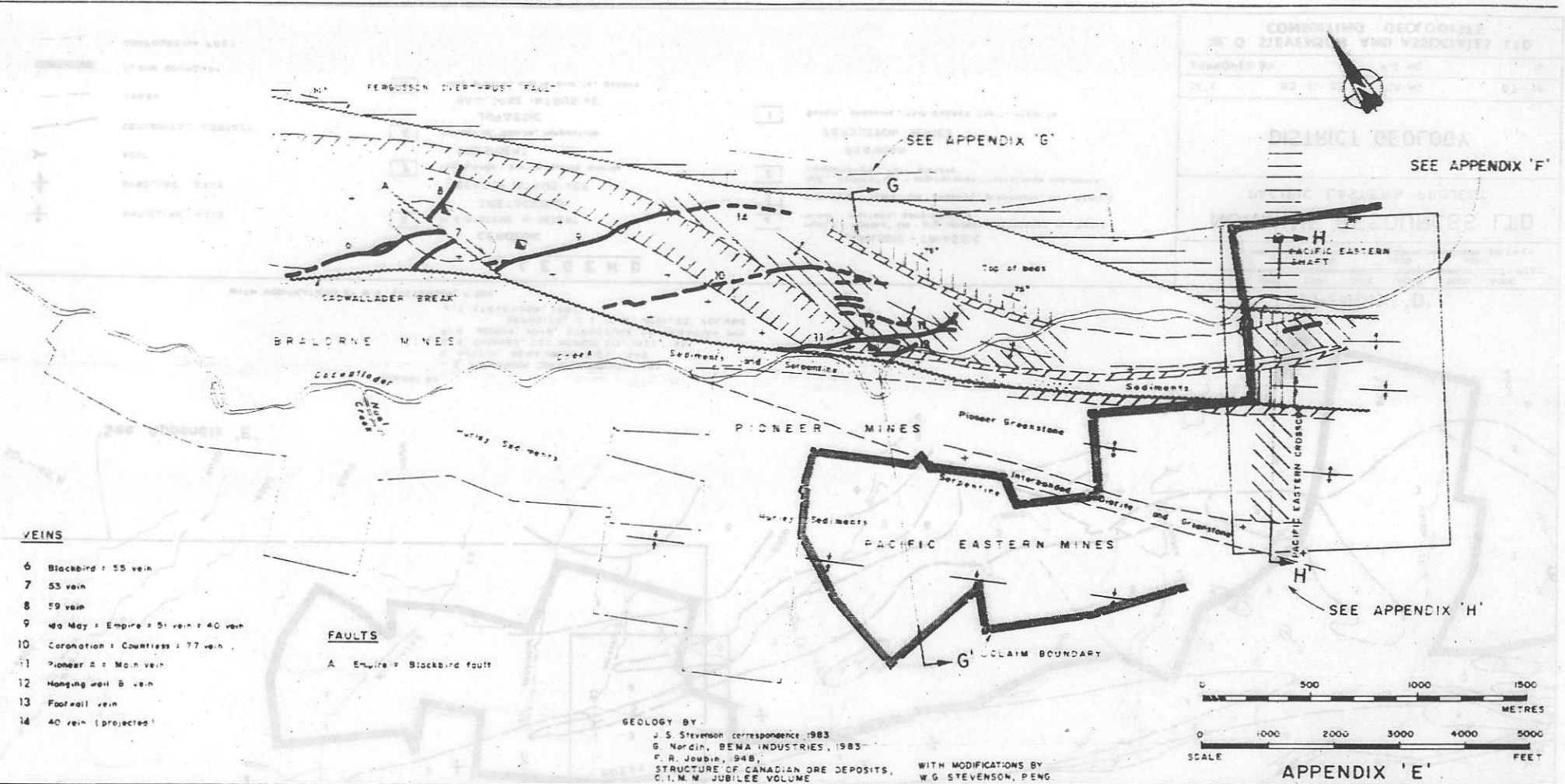
- CENOZOIC**
- 8** PLEISTOCENE TO RECENT
- 7** CRETACEOUS
- 7** BENDOR INTRUSIVES
- 7** Hornblende - diorite quartz diorite
- 6** PRESIDENT
- 6** Peridotite, gabbro, serpentine
- 5** JURASSIC
- 5** BRALORNE INTRUSIVE
- 5** Soap granite, diorite, gabbro

- JURASSIC - TRIASSIC**
- 4** MULTIPLE FORMATION (M.F.) - argillaceous - tuffaceous sandstone, shale, limestone, conglomerate
- 3** PIONEER FORMATION - andesite, greenstone, tuff, breccia
- 2** NOEL FORMATION - argillaceous - tuffaceous sediments, conglomerate, tuff breccia
- PERMIAN**
- 1** FERGUSSON SERIES
- 1** Basalt, andesite, thin bedded chert, argillite

NORMINE RESOURCES LTD.
 PACIFIC EASTERN PROJECT

DISTRICT GEOLOGY

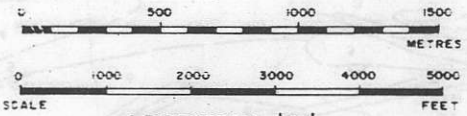
DATE: 83-11-03 JOB NO: 82-16
 APPROVED BY: FIG NO: 4
 W. G. STEVENSON AND ASSOCIATES LTD.
 CONSULTING GEOLOGISTS



- VEINS**
- 6 Blackbird = 55 vein
 - 7 55 vein
 - 8 59 vein
 - 9 40 May = Empire = 51 vein = 40 vein
 - 10 Coronation = Countess = 77 vein
 - 11 Pioneer A = Main vein
 - 12 Hanging wall B vein
 - 13 Footwall vein
 - 14 40 vein (projected)
- FAULTS**
- A Empire = Blackbird fault

GEOLOGY BY:
 J. S. Stevenson correspondence, 1983
 G. Nordin, BEMA INDUSTRIES, 1983
 F. R. Joubin, 948,
 STRUCTURE OF CANADIAN ORE DEPOSITS,
 C.I.M. JUBILEE VOLUME

WITH MODIFICATIONS BY
 W. G. STEVENSON, PENG.



APPENDIX 'E'

LEGEND

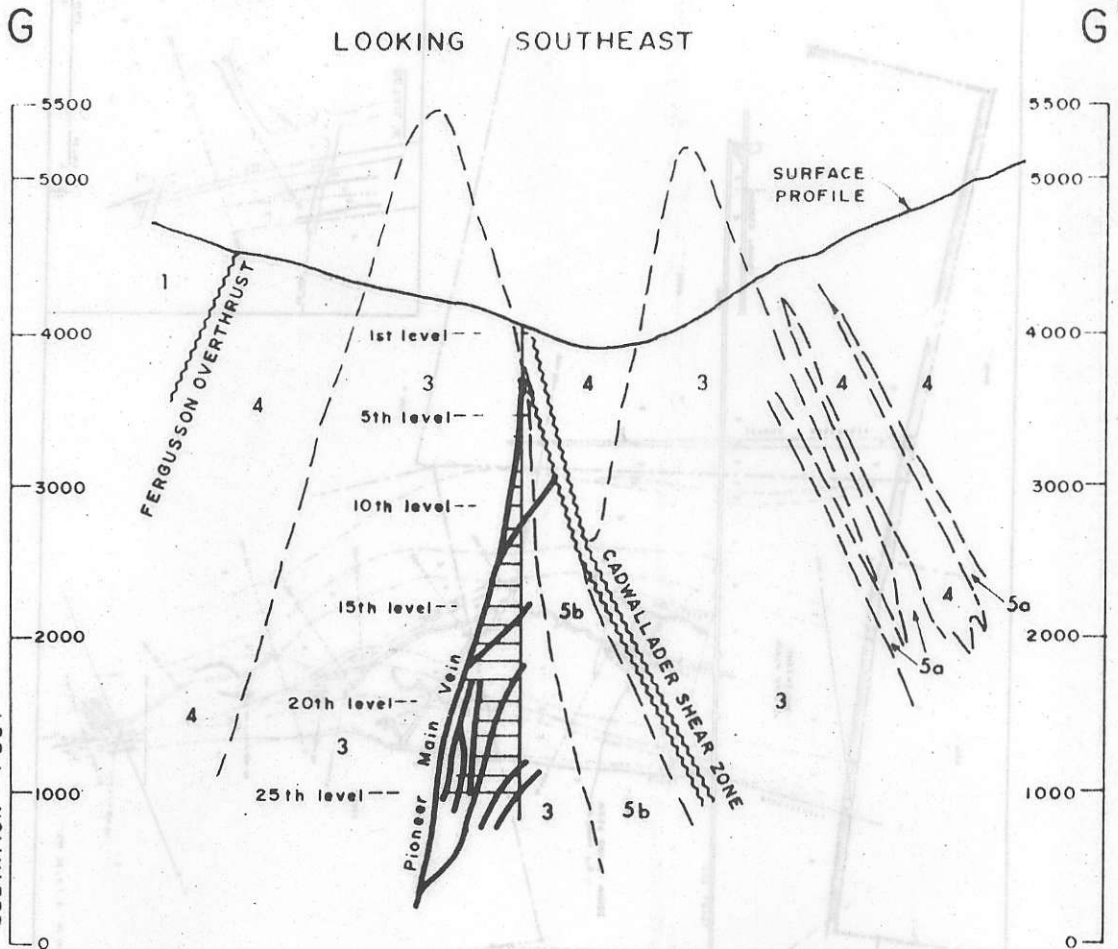
- | | | | | | |
|--|--------------|--|--------------------|--|---------------------------------|
| | Soda granite | | Hurley sediments | | Pacific Eastern claim boundary |
| | Diorite | | Pioneer greenstone | | Fault |
| | Serpentine | | Ferguson series | | Geological contact |
| | | | | | Synclinal axis, anticlinal axis |
| | | | | | bedding |
| | | | | | Shaft |

NORMINE RESOURCES LTD.
 PACIFIC EASTERN PROJECT


GEOLOGY
BRALORNE-PIONEER-
PIONEER EXTENSION AREA

DATE 83-06-14 JOB NO 83-16
 APPROVED BY FIG NO 5

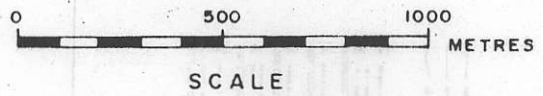
W. G. STEVENSON AND ASSOCIATES LTD.
 CONSULTING GEOLOGISTS



LEGEND

- | | |
|--|---|
| <p>CRETACEOUS</p> <p>6 Serpentine</p> <p>JURASSIC</p> <p>BRALORNE INTRUSIVES</p> <p>5b Soda granite</p> <p>5a Augite diorite</p> | <p>JURASSIC - TRIASSIC</p> <p>4 HURLEY FORMATION - sediments</p> <p>3 PIONEER FORMATION - greenstone</p> <p>PERMIAN</p> <p>1 FERGUSSON SERIES - greenstone, sediments</p> |
|--|---|
- 
GOLD VEINS

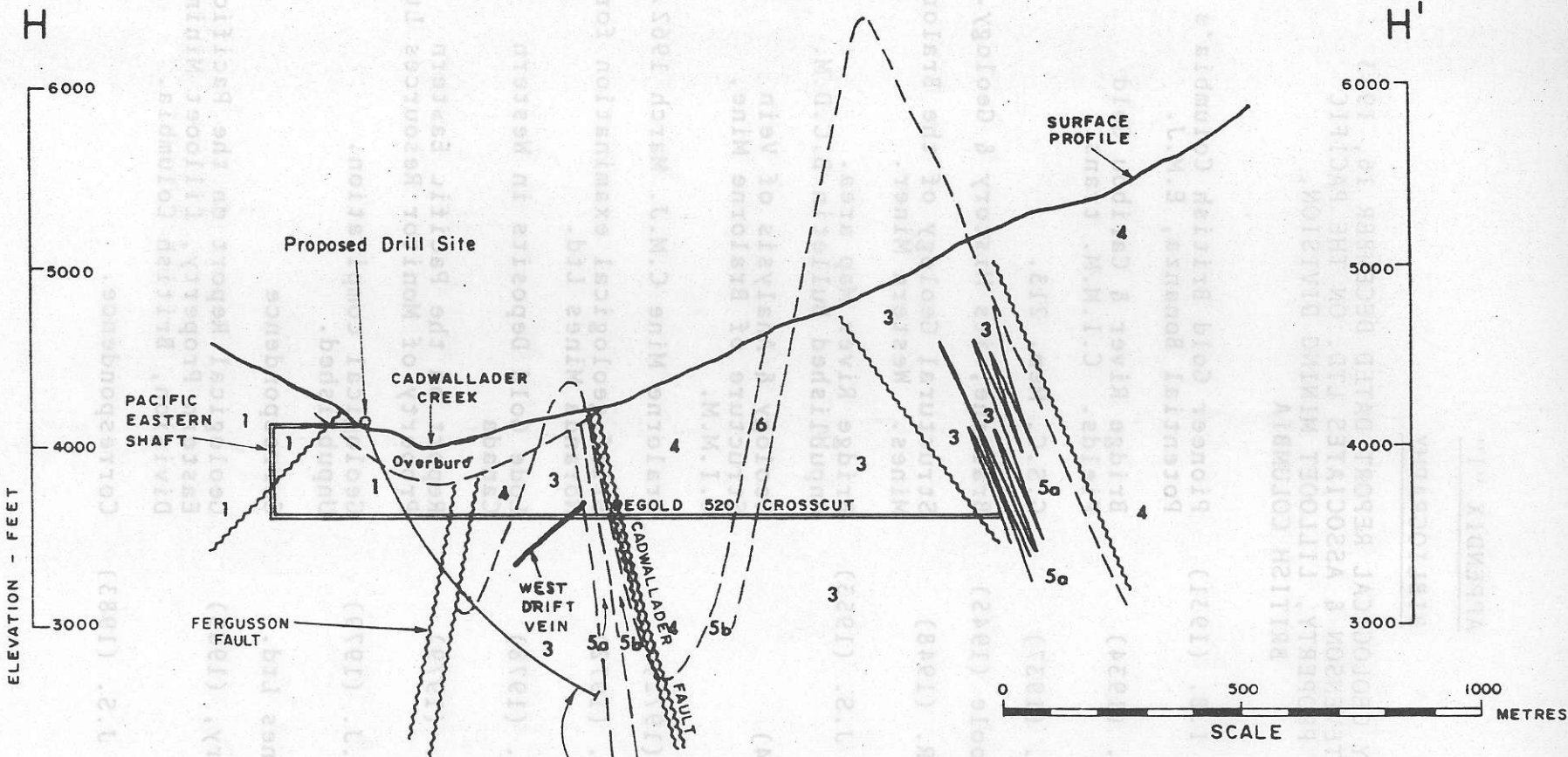
APPENDIX 'G'




NORMINE RESOURCES LTD.	
PACIFIC EASTERN PROJECT	
SECTION A - B	
GEOLOGICAL CROSS-SECTION OF	
PIONEER MINE	
DATE	83 · 11 · 03
JOB NO	83 - 16
APPROVED BY	FIG. NO
	6
W. G. STEVENSON AND ASSOCIATES LTD.	
CONSULTING GEOLOGISTS	

GEOLOGY BY:
 G. NORDIN, BEMA INDUSTRIES, 1983
 F. R. JOUBIN, 1948
 STRUCTURE OF CANADIAN ORE DEPOSITS,
 C. I. M. M. JUBILEE VOLUME

LOOKING SOUTHEAST



LEGEND

- | | |
|---|--|
| <p>CRETACEOUS</p> <p>6 Serpentine</p> <p>JURASSIC BRALORNE INTRUSIVES</p> <p>5b Soda granite</p> <p>5a Augite diorite</p> | <p>JURASSIC-TRIASSIC</p> <p>4 HURLEY FORMATION - sediments</p> <p>3 PIONEER FORMATION - greenstone</p> <p>PERMIAN</p> <p>1 FERGUSON SERIES - greenstone, sediments</p> |
|---|--|
- 
GOLD VEIN

GEOLOGY BY:
 J. S. STEVENSON CORRESPONDENCE, 1983
 G. NORDIN, BEMA INDUSTRIES, 1983
 F. R. JOUBIN, 1948, STRUCTURE OF CANADIAN ORE DEPOSITS,
 C. I. M. M. JUBILEE VOLUME

WITH MODIFICATIONS BY W.G. STEVENSON,
 P. ENG.

APPENDIX 'H'

NORMINE RESOURCES LTD.	
PACIFIC EASTERN PROJECT	
SECTION C - D	
GEOLOGICAL CROSS SECTION OF PACIFIC EASTERN WORKINGS	
DATE: 83-11-03	JOB NO.: 83-16
APPROVED BY:	FIG. NO.: 8
W. G. STEVENSON AND ASSOCIATES LTD. CONSULTING GEOLOGISTS	

APPENDIX "I"

BIBLIOGRAPHY

TO ACCOMPANY GEOLOGICAL REPORT DATED DECEMBER 16, 1983
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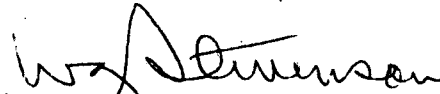
CERTIFICATE

I, WILLIAM G. STEVENSON, do hereby certify:

1. That I am a Consulting Geological Engineer with offices at Suite 609, Crown Trust Building, 475 Howe Street, Vancouver, B. C.
2. That I am a graduate of the University of Utah, 1946, with a Bachelor of Science Degree.
3. That I am a registered Professional Engineer in the Association in British Columbia.
4. That I have practiced my profession for more than 27 years.
5. That I have no direct, indirect, or contingent interest in claims in the Lillooet Mining Division which are held by Normine Resources Ltd., nor in the securities of Normine Resources Ltd., nor do I intend to receive any interest.
6. That this report dated December 16, 1983 is based on an examination of the property I conducted on August 3, 1983, on a study of published and unpublished maps and reports, and on discussions with the principals of Normine Resources Ltd.
7. That I consent to the use of this report in a prospectus, Statement of Material Facts, or other document for submittal to any regulatory securities body.

DATED at Vancouver, British Columbia, this 16th day of December, 1983.

W. G. STEVENSON & ASSOCIATES LTD.



W. G. Stevenson, P. Eng.

APPENDIX "J"

N.C. CARTER, Ph.D., P.Eng.

Consulting Geologist

1410 Wende Road
Victoria, B.C. V8P 3T5
(604) 477-0419

July 29, 1985

The Directors
Normine Resources Ltd.
320-475 Howe Street
Vancouver, B.C.

Dear Sirs:

Re: Pacific Eastern Gold Prospect
Bralorne Gold Camp
Lilloet Mining Division, British Columbia

I have reviewed recent diamond drilling data regarding the current program at the Pacific Eastern gold property southeast of Bralorne, British Columbia.

W. G. Stevenson, P. Eng., in a report date December 16, 1983, recommended a limited drilling program estimated to cost \$126,000.00. Recent geological interpretation suggests that best potential for significant gold deposits would be at depth or down plunge adjacent to the soda granite, in a similar geological environment hosting Bralorne and Pioneer deposits.

To assess this potential, deep drill holes of 800 to 1,000 meters are required. Recent experience indicates holes of these depths involve expenditures of \$80,000.00 - \$90,000.00 per hole.

In the writer's opinion, your company advisedly sought outside participation to ensure an adequate exploration program. Canada Tungsten Mining Corporation is committed to spend \$250,000.00 in 1985 as part of a two year commitment of \$1,000,000.00 to earn a 50% interest in the property.

Canada Tungsten's 1985 expenditures will result in three holes being drilled to test potentially favorable areas.

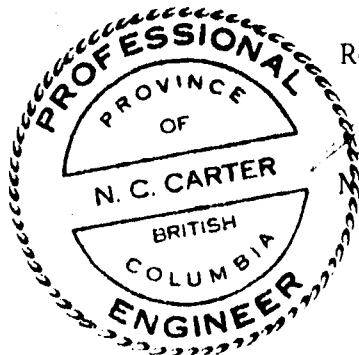
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The first hole was abandoned at a depth of 256 meters in serpentine adjacent to the Fergusson Fault. Hole 2, recently completed at a depth of 854 meters, was a steeply inclined hole to the southwest. This hole passed through the Fergusson Fault and into Pioneer greenstones which are variably altered and bleached. Three narrow quartz vein zones, containing pyrite, arsenopyrite and low gold values (0.03 ounces/ton gold) were intersected at 303.3, 389 and 399 meters.

The presence of quartz veins, porphyry dykes and bleached greenstones in the last part of the hole suggests a significant hydrothermal system adjacent to the soda granite.

This environment will be further tested by an additional two holes.

Permission is hereby granted to Normine Resources Ltd. to use this letter in support of any Statement of Material Fact, Filing Statement or other document submitted to the Office of the Superintendent of Brokers and the Vancouver Stock Exchange.



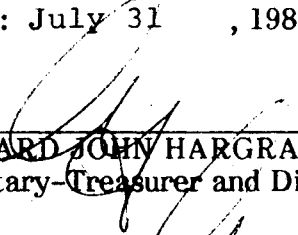
Respectfully submitted,

N.C. Carter, Ph.D. P. Eng.
N.C. Carter, Ph.D. P. Eng.


CERTIFICATE OF THE DIRECTORS AND PROMOTERS OF THE ISSUER

The foregoing constitutes full, true and plain disclosure of all material facts relating to the securities offered by this Statement of Material Facts.

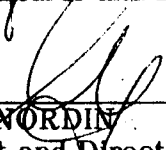
Dated: July 31, 1985



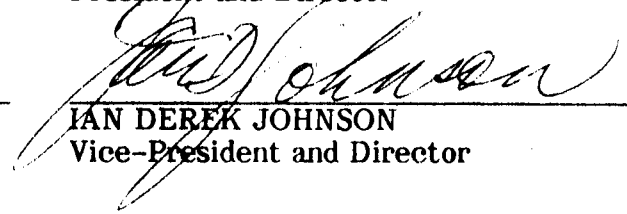
RICHARD JOHN HARGRAVE BARCLAY
Secretary-Treasurer and Director



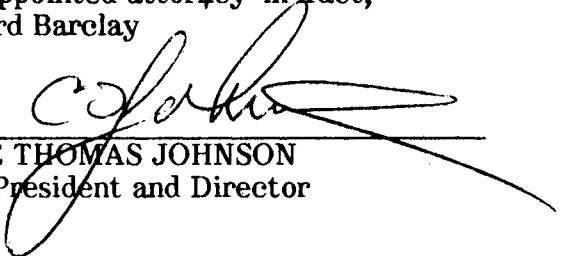
MICHAEL JOHN BELEY
President and Director



GARY DALE NORDIN
Vice-President and Director by his
duly appointed attorney-in-fact,
Richard Barclay



IAN DEREK JOHNSON
Vice-President and Director



CLIVE THOMAS JOHNSON
Vice-President and Director

CERTIFICATE OF THE AGENTS

To the best of our knowledge, information and belief, the foregoing constitutes full, true and plain disclosure of all material facts relating to the securities offered by this Statement of Material Facts.

Dated: July 31, 1985

CANARIM INVESTMENT CORPORATION
LTD.

CONTINENTAL CARLISLE DOUGLAS

Per: 

Per: 

McDERMID ST. LAWRENCE LIMITED

Per: 

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