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GERLE GOLD LTD.

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R E P O R T

Report to Shareholders
Financial Statements as at
November 30, 1991

The 11th Annual
Report to Shareholders
For the year ended
November 30, 1991

LOG NO: APR 22 1992	VAN 7
ACTION:	
FILE NO:	

PROPERTY SUMMARY

British Columbia

McConnell Creek Property, Omineca Mining Division

On February 1, 1991, Placer Dome terminated its Option Agreement after concluding that the gold potential on the claims was not of sufficient size for a Placer Dome type operation.

Gerle Gold Ltd. then engaged Prime Geochemical Methods Ltd. to review all of the geochemical data on the Property consisting of over 4,000 sample sites.

The review stated: "The geochemical surveys have been effective in acting in a prospecting mode to suggest at least eleven large zones of Cu and/or Au and/or Pb enrichment worthy of follow up". These include seven major anomalies as defined by Cu geochemistry; the largest have dimensions of 700 m x 400 m and 1300 m x 300 m, and as anomalous values extend to the limits of the grid, both are open to extension.

This new interpretation has extremely important implications for the economic potential of the Property, for in addition to the significant gold occurrences the new dimension for open-pit copper-gold deposits has been added.

The review recommends additional evaluation of existing geochemistry and the extension of the present grid system.

Subsequent to the above Review

Gerle Gold Ltd. acquired, by staking, a porphyry copper-gold prospect adjacent to the McConnell Creek property. During the 1960's and 1970's, the area was explored for its high-grade copper occurrences exposed by trenching within an area of 1,000 feet by 500 feet. Some of the values reported in assessment reports are as follows:

Sample Width in Feet	% Cu	Au opt	Ag opt
20	0.68	0.01	1.00
6	1.98	0.01	0.10
12	1.95	0.01	0.20
12	10.97	0.136	2.12
15	14.02	0.052	1.36
8	1.84	0.01	0.10
20	2.12	Not Assayed	

The examination by Gerle Gold Ltd. found that there is extensive copper mineralization occurring in a quartz-monzonite intrusion with the typical potassic alteration associated with porphyry copper deposits.

This showing together with the previously reported large, soil copper anomalies located on the McConnell Creek gold property indicate the potential for several copper-gold porphyry deposits within the claim area which is 100% owned by Gerle Gold Ltd.

The claims are within the "Quesnel Trough" porphyry copper-gold belt and are 15 km from the Kemess South deposit of El Condor Resources Ltd. and St. Philips Resources, who are proceeding with the development of the project and have filed the first documents leading to approval of mine development. Rio Algom has an equity interest in the companies and holds mineral claims in the area.

Sugar Lake Property, Vernon Mining Division

No work was done in 1991. The Company owns the claims covering a massive sulphide occurrence and plans additional work as finances permit.

U.S.A.

Happy Creek Property, Humboldt County, Nevada

In March 1992 Gerle Gold Ltd. and its wholly-owned subsidiary, Gerle Gold (U.S.) Inc., signed an agreement with Great Basin Exploration and Mining Company of Reno, Nevada. Under the terms of the Agreement, Gerle is to receive payments of \$10,000 on signing, \$15,000 by May 1, 1992 and either \$30,000 or \$50,000 by October 1, 1992. Great Basin will have the option to earn either a 50% interest by completing \$1.5 million of expenditures or a 60% interest by completing \$2.0 million of expenditures by October 1, 1995.

Exploration by Gerle Gold has located a number of gold occurrences and geochemical anomalies on the Happy Creek property. Great Basin plans to complete the geochemical surveys and initiate geophysical surveys prior to selecting targets for drilling.

B.P. Property, Bernalillo County, New Mexico

A deep level E.M. survey was completed on the property with inconclusive results. The option on the property will be relinquished as of April 1, 1992.

Mexico

Gerle Gold Ltd. has sold part of its holdings in Rio Sonora Resources Ltd., a private corporation which, through its wholly owned Mexican subsidiary holds a mineral interest in Mexico. As a result Gerle holds a 18.6% interest in Rio Sonora Resources Ltd.