

DL

MINISTRY OF ENERGY, MINES  
and PETROLEUM RESOURCES  
SUPERINTENDENT OF BROKERS  
AND

019322

McLymont 104B 126, 281, 332  
Inel 104B 113,  
255-259,  
320-322

JUL 10 1990 VANCOUVER STOCK EXCHANGE

STATEMENT OF MATERIAL FACTS (#41/90)  
EFFECTIVE DATE: JUNE 25, 1990

**GULF INTERNATIONAL MINERALS LTD.**

200 - 675 West Hastings Street, Vancouver, B. C. V6B 1N2 (604) 683-9630  
NAME OF ISSUER, ADDRESS OF HEAD OFFICE AND TELEPHONE NUMBER

1600 - 609 Granville Street, Vancouver, British Columbia V7Y 1C3  
ADDRESS OF REGISTERED AND RECORDS OFFICE FOR ISSUER'S SECURITIES IN BRITISH COLUMBIA

**CENTRAL GUARANTY TRUST COMPANY**

800 West Pender Street, Vancouver, British Columbia V6C 2V7  
NAME AND ADDRESS OF REGISTRAR & TRANSFER AGENT FOR ISSUER'S SECURITIES IN BRITISH COLUMBIA

**OFFERING: 1,900,000 Units\***

	<u>Estimated Price to Public**</u>	<u>Estimated Agent's Commission</u>	<u>Net Proceeds to Issuer</u>
Per Unit	\$ 1.50	\$ 0.1125	\$ 1.3875
Total:	\$2,850,000	\$ 213,750	\$ 2,636,250***

\*Each Unit will consist of one share and one share purchase warrant.

\*\*The price of the 1,900,000 Units will be determined by the Vancouver Stock Exchange based on a premium over the average trading price of the shares of the Issuer as determined by the Vancouver Stock Exchange.

\*\*\*Before deduction of the costs of this Offering estimated to be \$25,000.

**ADDITIONAL OFFERING**

The Agents have agreed to purchase (the "Guarantee") any of the Units offered hereby which have not been sold at the conclusion of the Offering (see "Consideration to Agents"). Any Units acquired by the Agents under the Guarantee will be distributed under this Statement of Material Facts through the facilities of the Vancouver Stock Exchange at the market price at the time of sale.

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**

L.O.M. WESTERN SECURITIES LTD.  
2200 - 609 Granville Street  
Vancouver, B.C.  
V7Y 1H2

YORKTON CONTINENTAL SECURITIES INC.  
Suite 1000 - 1055 Dunsmuir Street  
Vancouver, B.C.  
V7X 1L4

McDERMID ST. LAWRENCE LIMITED  
1000 - 601 West Hastings Street  
Vancouver, B.C.  
V6B 5E2

JONES, GABLE & COMPANY LIMITED  
400 - 700 West Pender Street  
Vancouver, B.C.  
V6C 1C1

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.

July 4/90

## 1. PLAN OF DISTRIBUTION

### A. Offering

The Issuer, by an Agency Agreement dated June 14, 1990 (the "Agency Agreement") appointed L.O.M. WESTERN SECURITIES LTD., YORKTON CONTINENTAL SECURITIES INC., MCDERMID ST. LAWRENCE LIMITED and JONES, GABLE & COMPANY LIMITED (the "Agents") to offer (the "Offering") to the public through the facilities of the Vancouver Stock Exchange (the "Exchange") 1,900,000 units (the "Units"), each Unit consisting of one (1) common share and one (1) Series "A" share purchase warrant. The Offering will take place on a day (the "Offering Day") not more than one hundred eighty (180) calendar days after the date (the "Effective Date") this Statement of Material Facts is accepted for filing by the Exchange and the Superintendent of Brokers for British Columbia (the "Superintendent").

The price of the Units (the "Offering Price") will be determined by the Exchange in accordance with its rules and policies, at a premium over the average trading price (the "Average Trading Price") of the Issuer's common shares as traded on the Exchange and as determined by the Exchange.

The purchasers of any Units under the Offering will be required to pay commission rates as charged by their brokers.

The Agents shall participate in the offering as follows:

L.O.M. Western Securities Ltd.	800,000 Units
Yorkton Continental Securities Inc.	600,000 Units
McDermid St. Lawrence Limited	250,000 Units
Jones, Gable & Company Limited	250,000 Units

The rights and obligations of the Agents will be divided in the proportions in which the Agents participate in the Offering. The rights and obligations of the Agents, including but not limited to the selling of the Units and the entitlement of commission and the Agents' Warrants, are several, as distinguished from joint obligations.

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

The obligations of the Agents under the Agency Agreement may be terminated prior to the opening of the market on the Offering Day at their 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.

### 3. MATERIAL NATURAL RESOURCE PROPERTIES

#### 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.

<u>Group</u>	<u>Property Name</u>	<u>Issuer's Acquisition &amp; Exploration Costs to Date (in \$)</u>	<u>Shares Issued to Date</u>	<u>Planned Expenditure from Funds Available Upon Completion of Offering</u>
I	nil	n/a	nil	nil
II	McLymont	\$ 1,000* \$ 2,811,656**	nil	\$ 500,000
	Inel	\$ 5,300* \$ 5,020,151**	nil	nil***
III	nil	n/a	nil	nil

\* Acquisition Costs

\*\* Exploration Costs

\*\*\* The Issuer may expend \$700,000 on exploration of the Inel Property. Refer to the headings "Use of Proceeds" and "Material Natural Resource Properties".

- Group II Presently held properties which are currently producing or being explored, or upon which exploration is planned within the next year.

#### McLymont Claim Group, Liard Mining Division, British Columbia

The Issuer acquired by staking in 1986 at a cost of \$1,000 and owns outright the McLymont 1 to 4 mineral claims (the "McLymont property" or the "property"), record numbers 3597 to 3600, each consisting of 20 Units in the Liard Mining Division, British Columbia.

The claims are contiguous and cover approximately 20 sq. km. The property is located in North-Western British Columbia north of the Iskut River between Newmont Lake and the headwaters of the Verrett River along the upper reaches of McLymont Creek. Access is by helicopter from the Bronson Creek airstrip located approximately fifteen (15) km southwest of the property.

The property is the subject of a report prepared in two volumes by DMBW and dated March 23, 1990. A copy of the report will be available for inspection at the time and place set forth in Item 9 hereof. The following is a summary prepared by DMBW of information contained in the report.

### Geology and Prior Work

In the opinion of DMBW, the exploration potential of the McLymont property is excellent; based on favourable geology and existence of economically encouraging mineralization on the property.

The property is underlain in part by a thick succession of relatively flat lying, finely banded, indurated siltstone, chert, sandstone, marble and minor agglomerate which are overlain to the north, by thinly bedded, purple weathering, mixed volcanoclastic sediments which in turn is overlain by a lens of crinoidal marble. The entire volcanosedimentary sequence has been intruded by elements of the Coast Plutonic Complex. The Newmont Lake Graben and the Newmont Lake Syncline has been geologically inferred to transect the northwestern and northeastern corner of the property, respectively, and abut a regionally large pluton occupying in part the southwestern corner of the property.

Economically encouraging gold and base metal mineralization has been identified on the property notably the Camp Zone and the Northwest Zone.

The Camp Zone mineralization consisting of auriferous quartz-pyrite-chalcopyrite veins localized along a northwest trending shear zone at the contact of a fine-grained, green-grey felsite and a leucocratic quartz porphyry, has been tested by 20 short diamond drill holes along a strike length of about 150 m. The weighted average grade of zone is 9.87 g Au/ton (0.288 oz Au/ton) over an average core length of about 1 m and range from 1.37 g Au/t (0.04 oz. Au/ton) over 1.5 m to 82.29 g Au/t (2.40 oz. Au/ton) over 0.6 m. At the present time this particular area has limited potential because work to date has indicated the vein systems are quite narrow. Nonetheless, the presence of gold in the Camp Zone suggests that further investigations are justified in peripheral areas not prospected or geochemically surveyed to date.

The Northwest Zone mineralization consists of variable amounts of magnetite, hematite, pyrite, chalcopyrite, galena, sphalerite and



visible gold which occurs as veins and vein breccias within the volcanosedimentary sequence, and replacement along steep fissures in chert and sandstone, as well as along shallow marble and chert units. Economically encouraging mineralization is more consistent within the limey horizons than within the volcanosedimentary sequence where correlation is difficult. A total of 111 holes totalling 13,242.5 m has tested the Northwest Zone mineralization along a currently definable strike length about 300 m and to a depth of about 200 m. The weighted average grade of all auriferous intersections greater than 13.71 g-m (0.4 oz.-m) is 20.09 g Au/t (0.586 oz. Au/ton) over an average core width of 2.67 m with the best interval being 277.37 g Au/t (8.09 oz. Au/ton), 191.31 g Ag/t (5.58 oz. Ag/ton) and 2.13% Cu over a core length of 1.9 m from 66.7 m to 68.6 m in hole 87-29. The weighted average grade of the mineralization outlining the vein/zone in the longitudinal is 10.63 g Au/t (0.31 oz Au/ton) over an average core length of 4.8 m. The gold values are concentrated within a complex vein system hosted by a much wider alteration zone thought to be controlled by a regional fault structure. The veins strike north-northeast and dip near vertical. Initial results suggest the mineralization may have ribbon-like geometry and may be controlled by an orthogonal set of vein structures. The mineralization geometry is currently not fully understood and greatly hampers any attempt to determine an acceptable reserve. It is the opinion of DMBW that underground exploration on the Northwest Zone will greatly assist the understanding of the mineralization geometry.

Currently only 15% of the property has been explored and further work is warranted to test the balance of the property.

#### Proposed Exploration Program and Budget

The McLymont property exhibits grassroots and advanced exploration targets. To address this exploration diversity, the Issuer has recommended and DMBW concurs, that a multi-tiered exploration program consisting of two non-contingent stages be carried out. Stage I would continue the surface exploration on the remaining 85% of the property and will include prospecting, geological mapping, soil geochemical sampling and 1,000 m of diamond drilling. Stage II will be directed towards the underground exploration of the Northwest Zone and will include the establishment of a 25 man winterized camp, the driving of a 6 ft. x 7 ft. adit in the zone with crosscuts to drill stations and 5,000 m of diamond drilling to test the zone at depth and along strike.

The cost of the Stage I and Stage II programs have been estimated at \$500,000 and \$2,700,000, respectively, for an aggregate total of \$3,200,000 as detailed below.

## STAGE I

PROPOSED EXPLORATION PROGRAM  
McLYMONT PROPERTY

Planning and Expediting		\$ 8,050
Field Program		
Personnel	\$ 80,100	
Field Support	60,000	
Helicopter	112,500	
Diamond Drilling	82,000	
Assaying	32,000	
Satellite Communication	<u>30,000</u>	396,600
Reporting		22,500
Management and Supervision		<u>25,000</u>
Sub-Total		\$ 452,150
Contingency		<u>47,850</u>
TOTAL		\$ 500,000

## STAGE II

PROPOSED EXPLORATION PROGRAM  
McLYMONT PROPERTY

Camp Construction	\$ 243,784
Adit Excavating	626,431
Diamond Drilling	538,436
Site Labour	166,500
Camp Support	176,250
Site Services	50,000
Assaying	65,000
Transportation	250,750
Permitting	5,000
Reporting	<u>100,000</u>
Sub-Total	\$ 2,222,151
Management and Supervision	<u>222,215</u>
Sub-Total	\$ 2,444,366
Contingency	<u>255,634</u>
TOTAL	\$ 2,700,000

GULF INTERNATIONAL MINERALS LTD.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

JULY 31, 1989

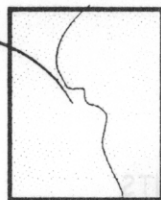
9. SUBSEQUENT EVENTS

Subsequent to July 31, 1989 the Company:

- (a) agreed to issue 357,140 shares with warrants to purchase a further 178,570 shares for cash of \$500,000 by way of a private placement, subject to regulatory approval.
- (b) agreed to issue 2,500,000 units consisting of one share and two share purchase warrants for a not yet determined price by way of a guaranteed public offering, subject to regulatory approval. Two warrants would grant the holder the right to purchase one treasury share at the offering price for one year. The agents for the offering would be issued warrants granting them the right to purchase 500,000 treasury shares at the offering price for one year.
- (c) agreed to grant up to 150,000 incentive share options to a newly appointed director.



Gulf  
MCLYMONT  
Property

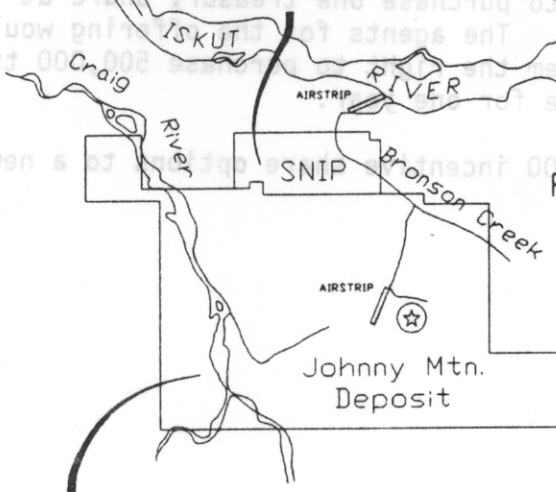


130°45' W

56°45' N

McLymont Creek

Delaware/Cominco Deposit



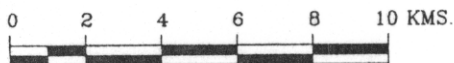
Gulf  
GIM  
Property

Snippaker Creek

Gulf  
JOSH  
Property

Gulf INEL Property

SCALE



1:200,000

GULF INTERNATIONAL MINERALS LTD.

ISKUT RIVER AREA

LIARD MINING DIVISION

Property  
Locations  
Map

REVISION

REVISION

FILE

DRAWING NO.

DRAWN BY:  
TEH

APPROVED BY:

NTS/  
104B

DATE:  
FEB. 28, 1990

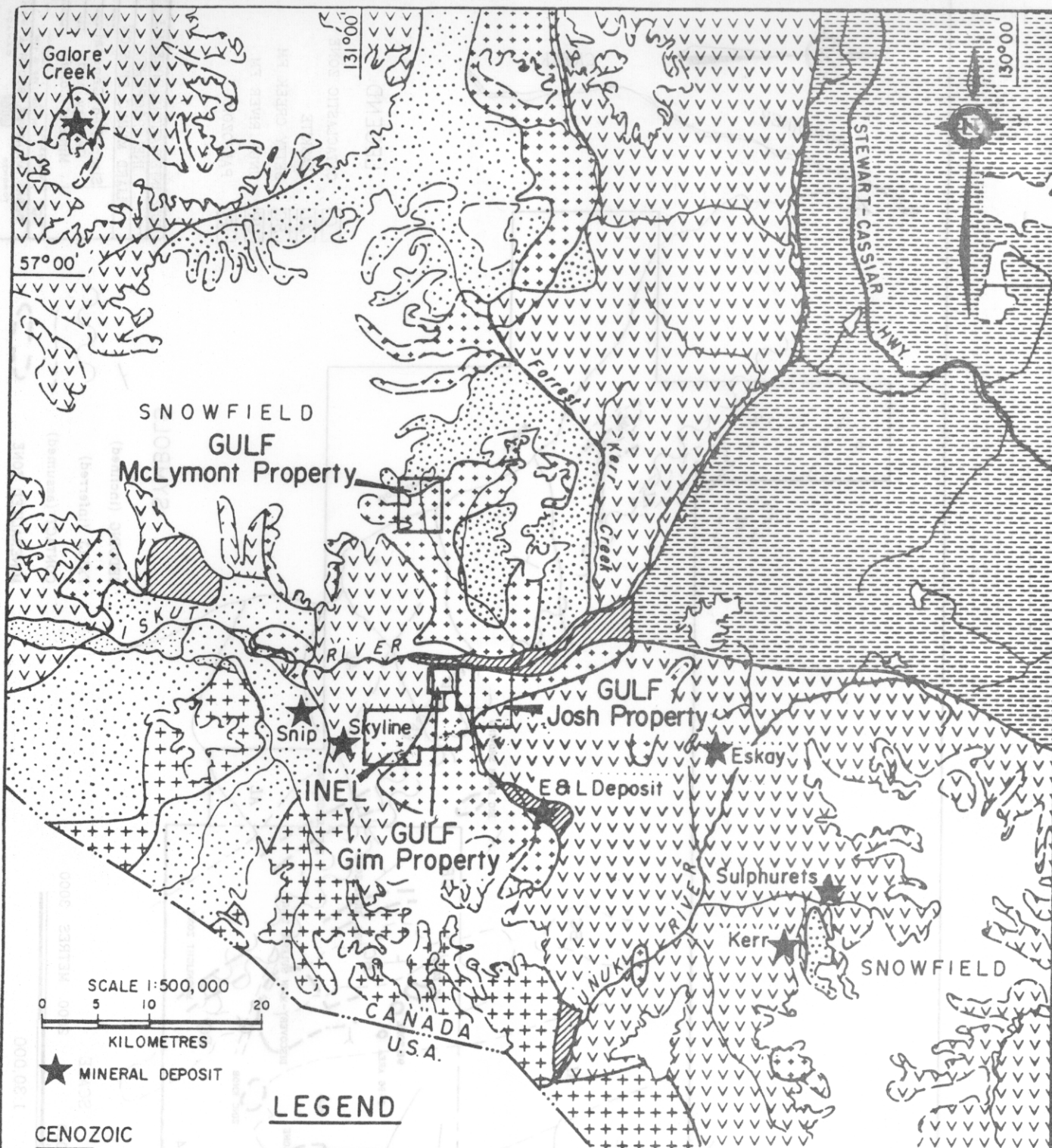
DERRY, MICHENER, BOOTH & WAHL

TORONTO



CANADA

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SCALE 1:500,000  
0 5 10 20  
KILOMETRES

★ MINERAL DEPOSIT

### LEGEND

#### CENOZOIC

Recent basalt flows

Early Tertiary felsic intrusives, primarily quartz monzonite

#### MESOZOIC

Cretaceous and Tertiary intrusives, felsic to intermediate

Middle to Upper Jurassic Bowser Lake Group clastic sediments

Upper Triassic to Upper Jurassic volcanics and sediments, Hazelton and Stuhini Groups

#### PALEOZOIC

Permian and older clastic, limestone and volcanic rocks and metamorphic equivalents; includes metamorphic rocks of unknown age.

GULF INTERNATIONAL MINERALS LTD.

## SIMPLIFIED REGIONAL GEOLOGY

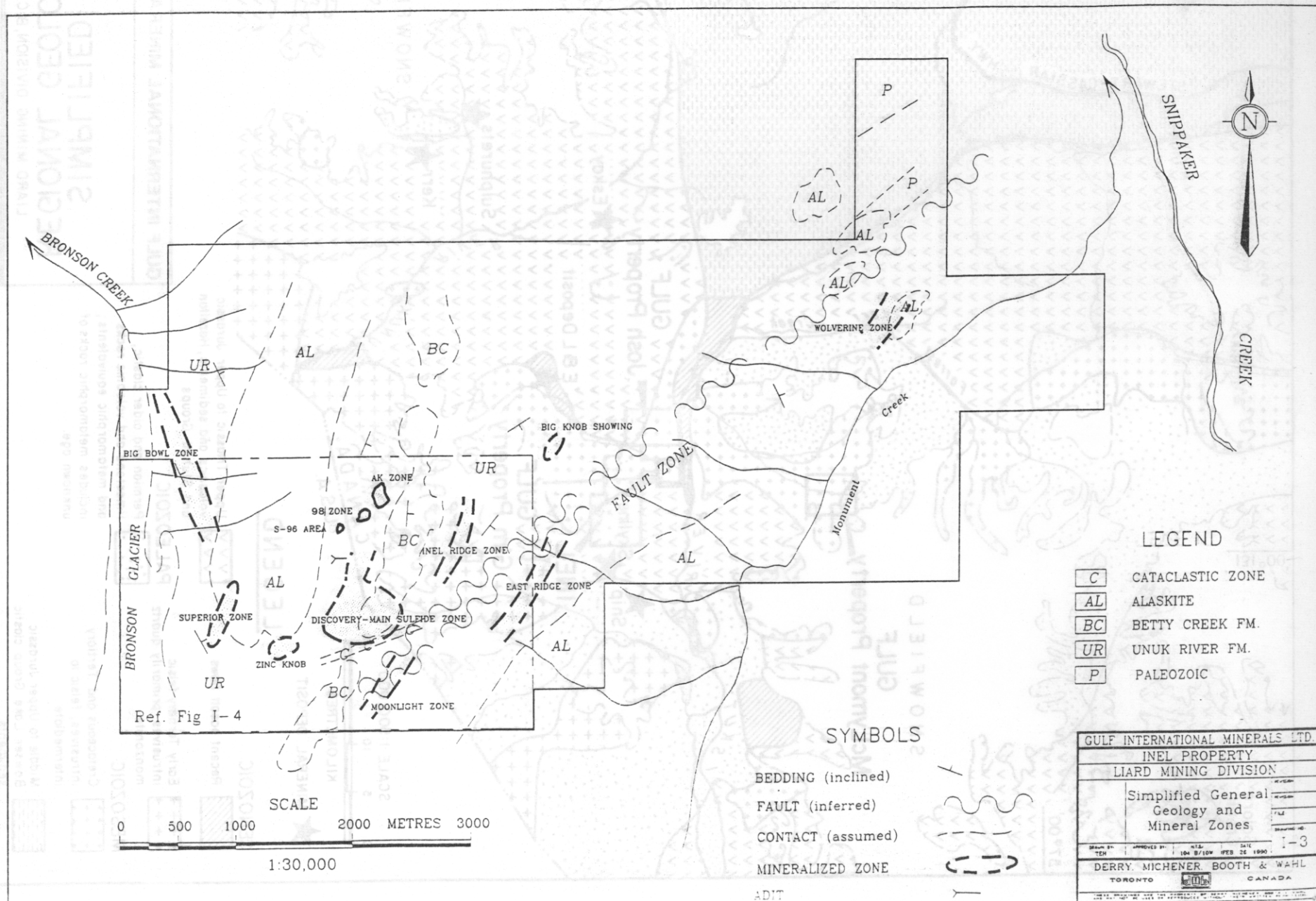
LIARD MINING DIVISION, B.C.

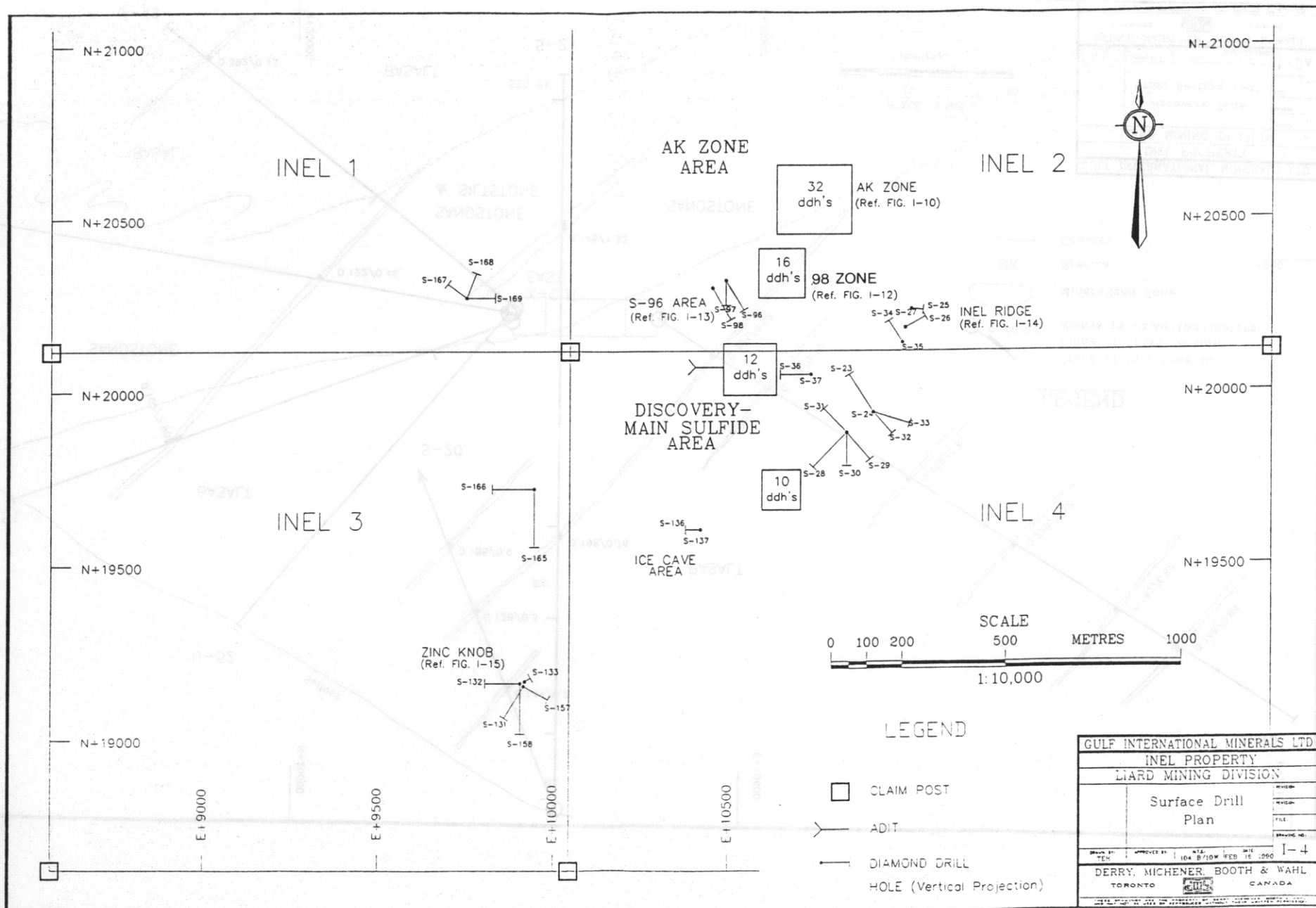
PAMICON DEVELOPMENTS LTD.

Drawn. J.W. N.T.S. 103,104 Date Jan.1990 FIG. 4

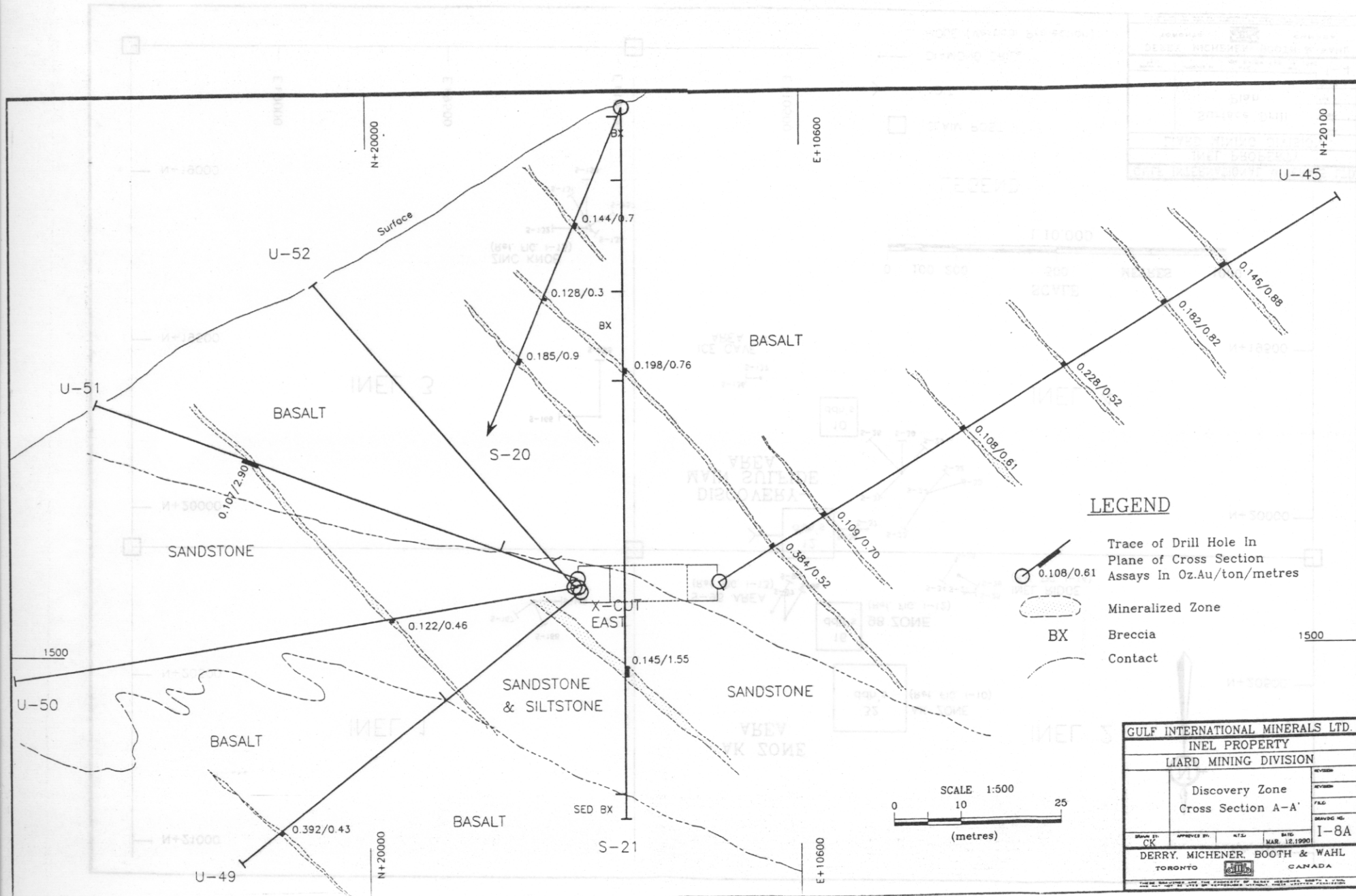
Geology interpreted from G.S.C. Map II-1971, Telegraph Creek; Equity Preservation Corp., Stewart-Sulphurets-Iskut Map 1988; and from Pamicon Developments Ltd. field maps



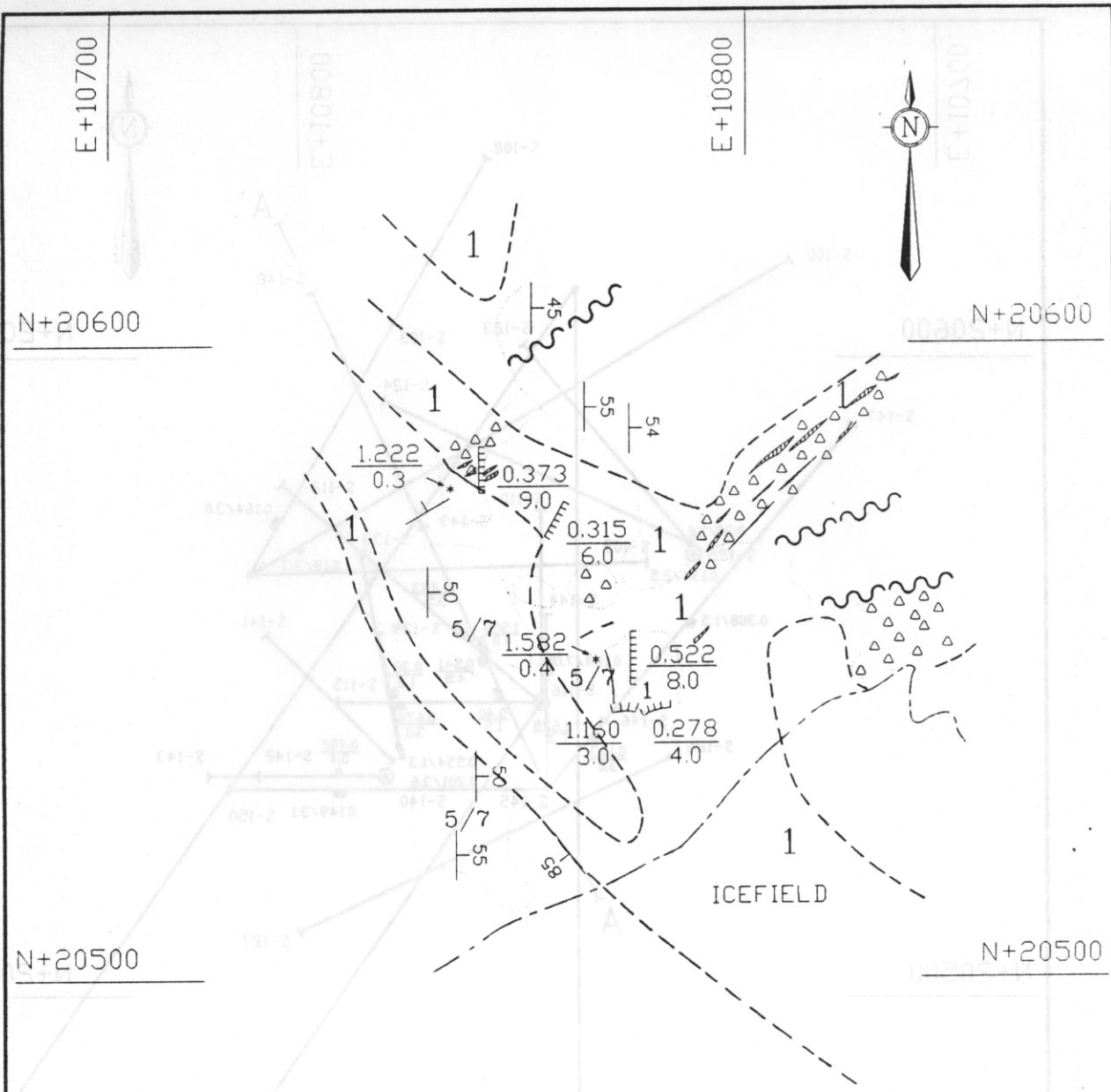




GULF INTERNATIONAL MINERALS LTD.			
INEL PROPERTY			
LIARD MINING DIVISION			
Surface Drill Plan		REVISION	
		FILE	
		DRAWING NO.	I-4
DRAWN BY: TEN	APPROVED BY: MTA	DATE: 104 8/10W FEB 15 1960	
DERRY, MICHENER, BOOTH & WAHL			
TORONTO CANADA			

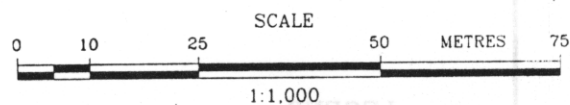






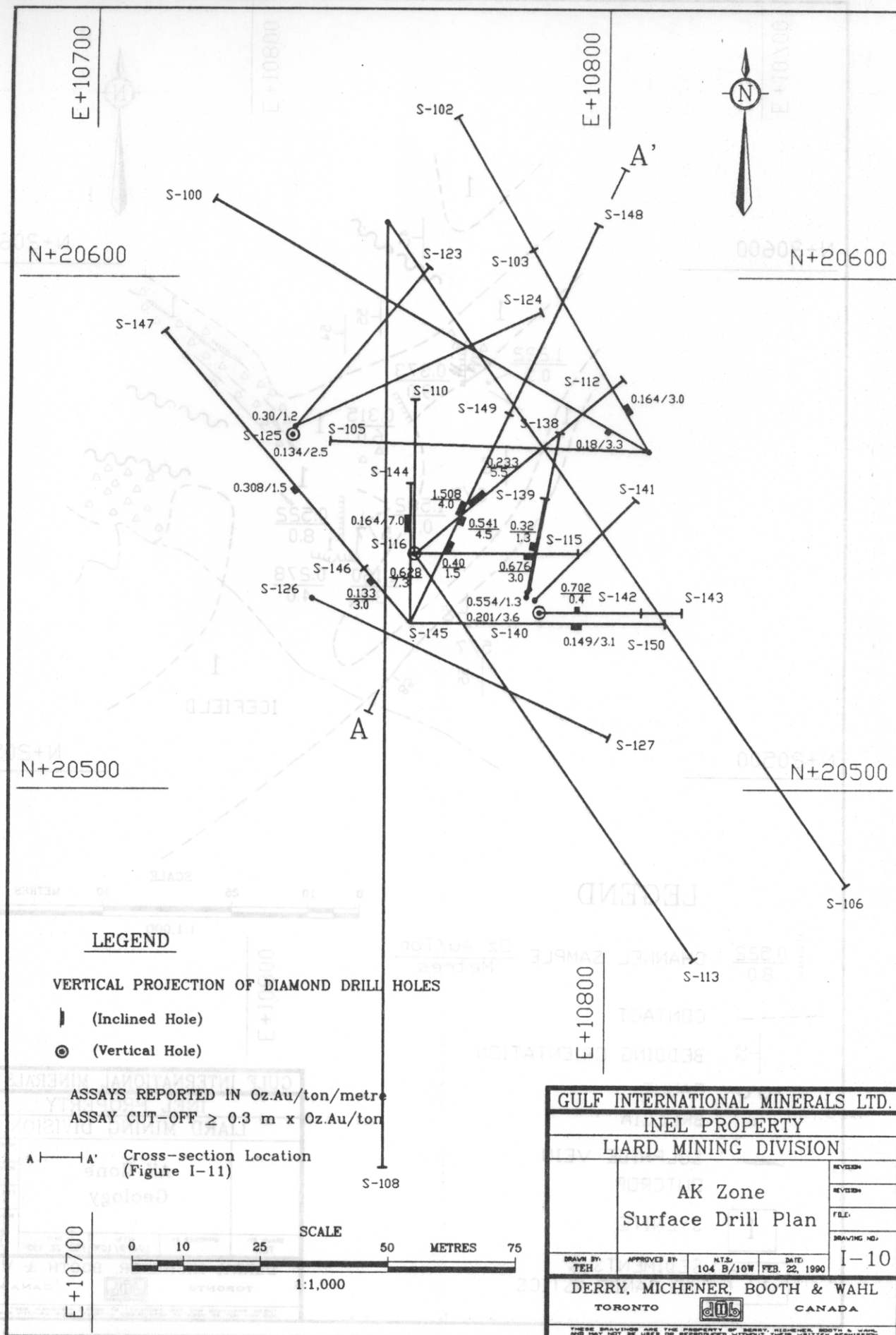
## LEGEND

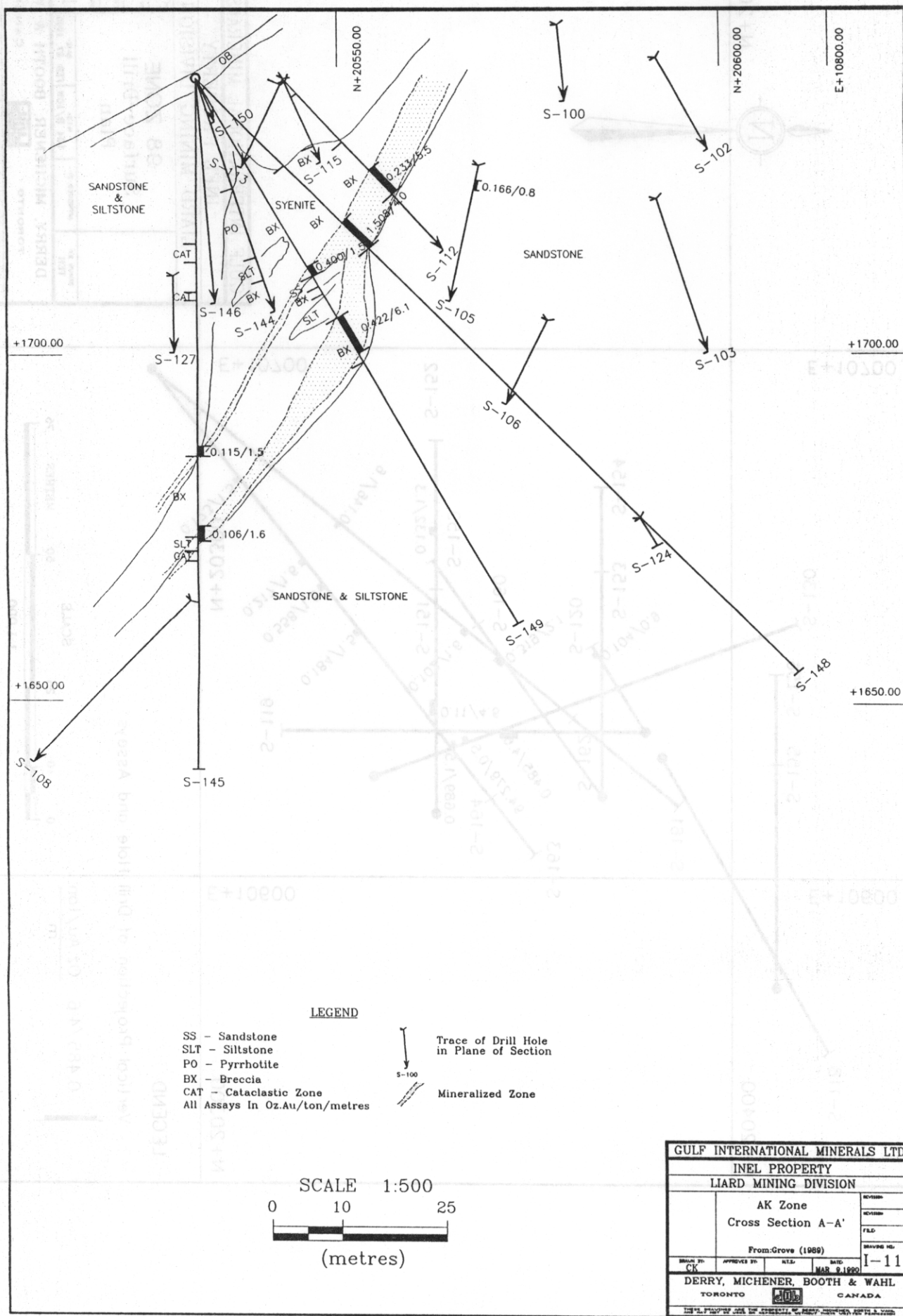
- 0.522  
8.0 CHANNEL SAMPLE  $\frac{\text{Oz Au/Ton}}{\text{Metres}}$
- CONTACT
- 5 BEDDING ORIENTATION
- FAULT
- BRECCIA
- SULPHIDE VEIN
- OUTCROP
- 1 SYENITE
- 5/7 SEDIMENTS & VOLCANICLASTICS

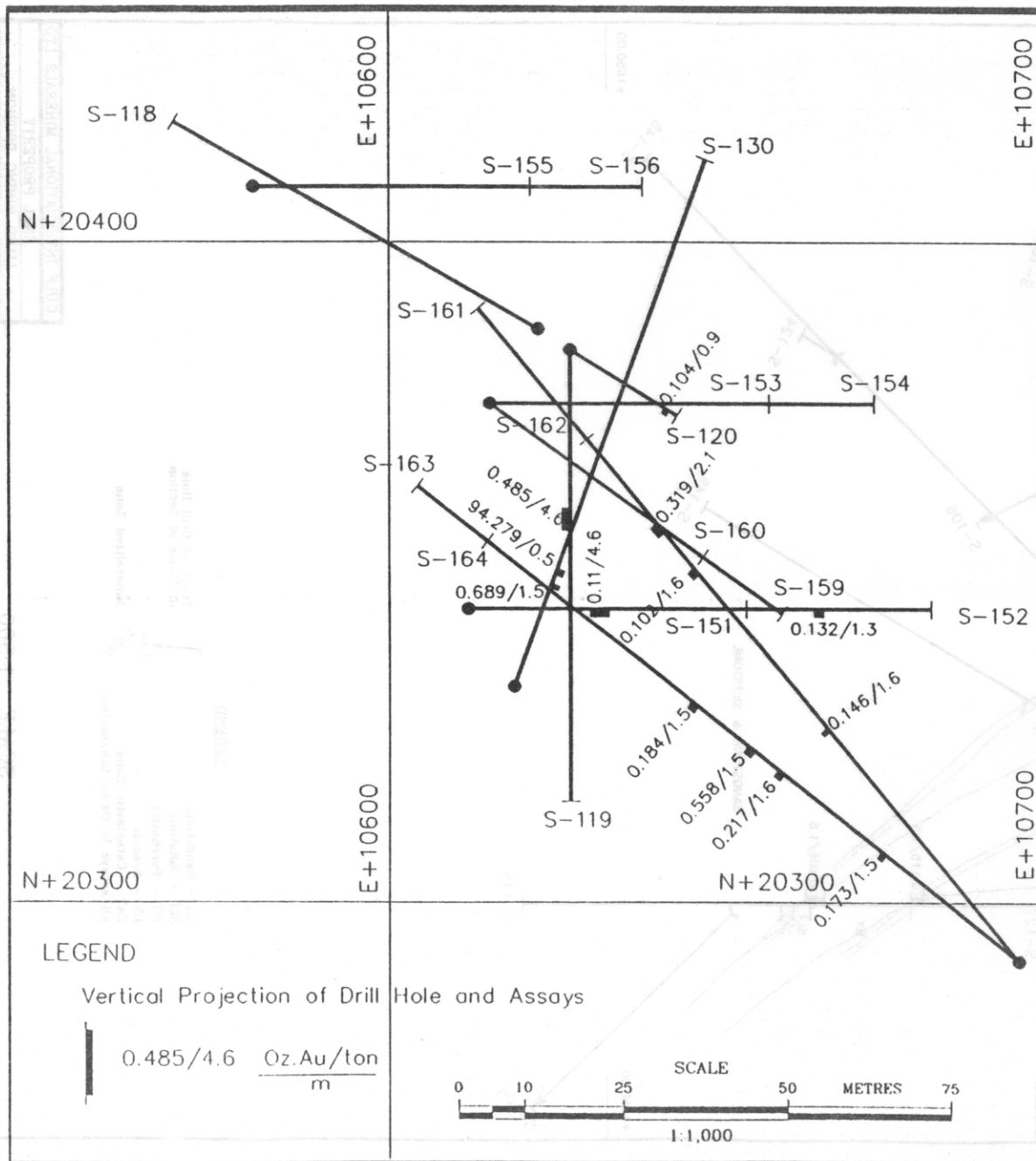


GULF INTERNATIONAL MINERALS LTD.			
INEL PROPERTY			
LIARD MINING DIVISION			
AK Zone Geology		REVISION	
		REVISION	
		FILE	
		DRAWING NO.	I-9
DRAWN BY: TEH	APPROVED BY:	NTS: 104 B/10W	DATE: FEB. 22, 1990
DERRY, MICHENER, BOOTH & WAHL TORONTO		CANADA	

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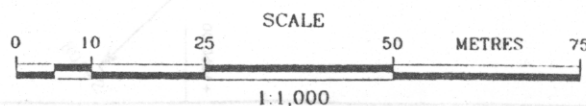




# LEGEND

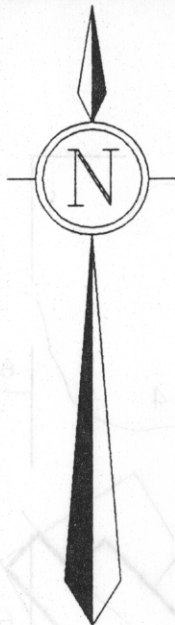
Vertical Projection of Drill Hole and Assays

0.485/4.6 Oz.Au/ton  
m



GULF INTERNATIONAL MINERALS LTD.			
INEL PROPERTY			
LIARD MINING DIVISION			
98 ZONE		REVISION	
Surface Drill		REVISION	
Plan		FILE:	
DRAWN BY: TEH		DRAWING NO: 1-12	
APPROVED BY:		DATE: FEB. 27, 1990	
MIS: 104 B/10W		DATE: FEB. 27, 1990	
DERRY, MICHENER, BOOTH & WAHL			
TORONTO		CANADA	





130° 55'  
W. Longitude

△ 6695'

Newmont Lake

56° 50'  
N. Latitude

McLymont 3

McLymont 4

3599

3600

ICEFIELD

McLymont 2

McLymont 1

3598

3597

ICEFIELD

McLYMONT CREEK

SCALE

0 1000 2000 3000 METRES

1:50,000

GULF INTERNATIONAL MINERALS LTD.

McLYMONT CLAIMS 1-4

LIARD MINING DIVISION

Claim Map

REVISION

REVISION

FILE

DRAWING NO.

M-2

DRAWN BY:  
TEH

APPROVED BY:

N.T.S./  
104 B/15

DATE:  
FEB. 14, 1990

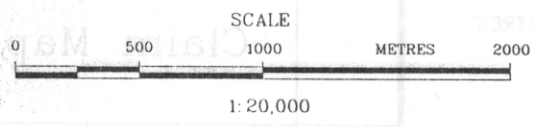
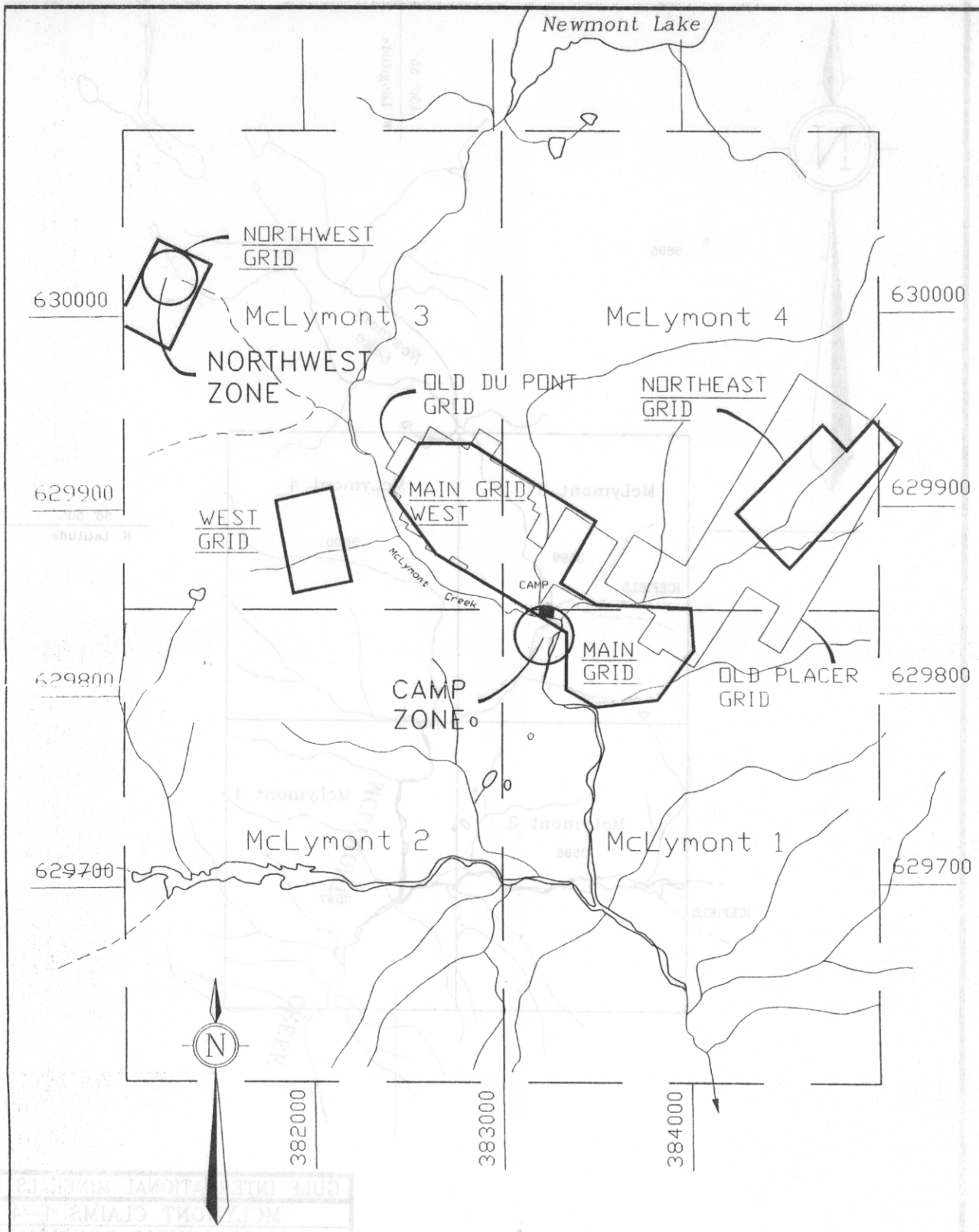
DERRY, MICHENER, BOOTH & WAHL

TORONTO



CANADA

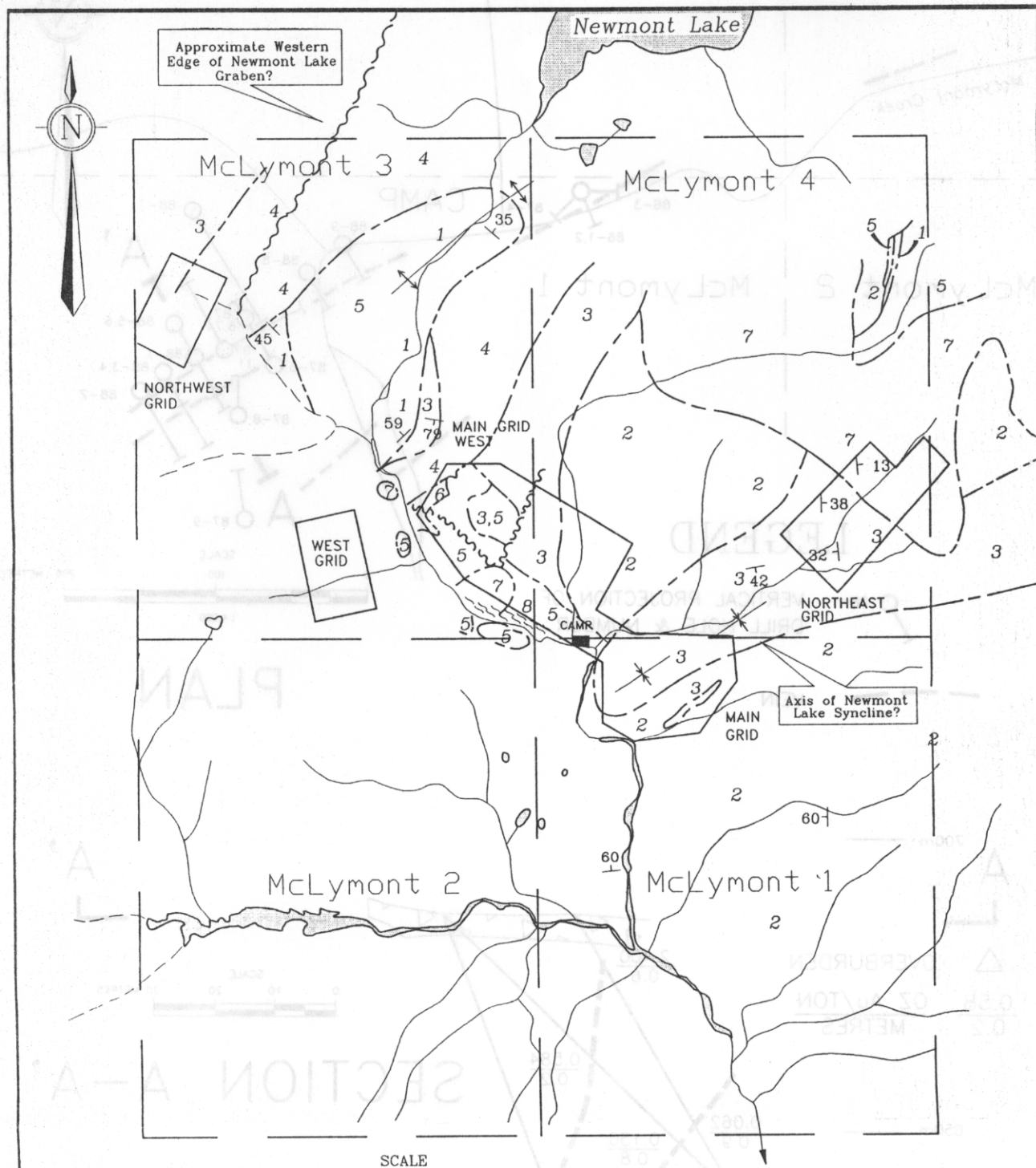
THERE SHOWN ARE THE PROPERTY OF DERRY, MICHENER, BOOTH & WAHL, AND MAY NOT BE USED OR REPRODUCED WITHOUT THEIR WRITTEN PERMISSION.



LEGEND

- PRE 1986 GRID AREAS
- GULF GRID AREAS
- 629700 UTM GRID
- CLAIM BOUNDARY

GULF INTERNATIONAL MINERALS LTD.					
MCLYMONT CLAIMS 1-4					
LIARD MINING DIVISION					
Property Exploration Compilation				REVIEWED BY DATE	
DRAWN BY TSH	APPROVED BY JGA 8/15	DATE FEB 27, 1990	M-3		
DERRY, MICHENER, BOOTH & WAHL, TORONTO CANADA					



SCALE  
0 500 1000 2000  
METRES  
1:20,000

( AFTER DU PONT CANADA EXPLORATION, 1981  
AND YEAGER ET AL. )

- LITHOLOGY**
- CRETACEOUS & TERTIARY
- 8 FELSITE
  - 7 GRANITE-QUARTZ MONZONITE
  - 6 DIORITE
  - 5 QUARTZ PORPHYRY
- PERMIAN &/OR TRIASSIC
- 4 PURPLE ANDESITIC AGGLOMERATE
  - 2/3 INTERBEDDED VOLCANICS AND SEDIMENTS
- MISSISSIPPIAN
- 1 LIMESTONE

- LEGEND**
- CONTACT ASSUMED
  - 38 BEDDING ATTITUDE
  - ↕ ANTICLINE
  - ↘ SYNCLINE
  - ~ FAULT
  - SHEAR ZONE
  - CLAIM BOUNDARY
  - GRID BOUNDARY

GULF INTERNATIONAL MINERALS LTD.			
MCLYMONT CLAIMS 1-4			
LIARD MINING DIVISION			
Property		Geology	
Drawn by TCH	APPROVED BY 104 8/15	DATE FEB. 27, 1980	REVISION M-4
DERRY, MICHENER, BOOTH & WAHL			
TORONTO		CANADA	

McLymont 3 | McLymont 4

McLymont Creek

McLymont 2 | McLymont 1

86-3  
86-1,2

87-4

CAMP

88-9

88-8

88-7

88-5.6

88-1

88-3.4

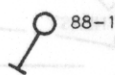
88-2

87-5

87-8

87-9

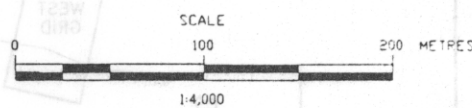
## LEGEND



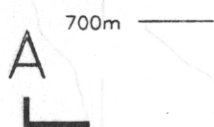
88-1 VERTICAL PROJECTION OF  
DRILL HOLE & NUMBER



VEIN



## PLAN



△ OVERBURDEN  
0.58 OZ Au/TON  
0.2 METRES

650m

0.062  
0.9

2.400  
0.6

0.584  
0.2

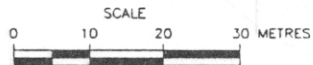
0.130  
0.8

0.202  
1.5

88-5

88-1

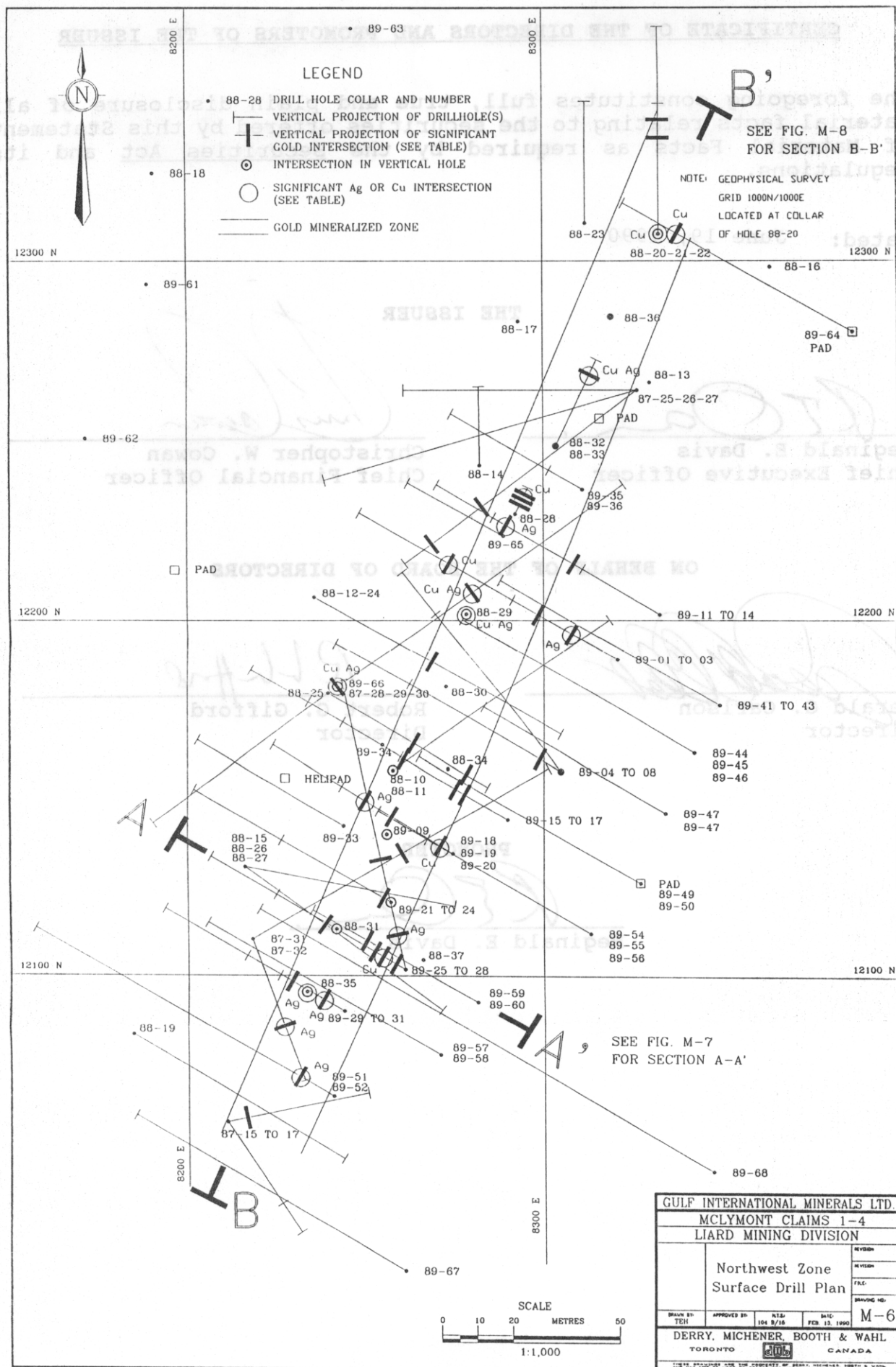
88-6



## SECTION A-A'

GULF INTERNATIONAL MINERALS LTD.			
MCLYMONT CLAIMS 1-4			
LIARD MINING DIVISION			
Camp Zone Surface Drill Plan And Cross Section		REVISION	
		REVISION	
		FILE	
		DRAWING NO.	M-5
DRAWN BY: TEH	APPROVED BY:	NTS: 104 B/15	DATE: FEB. 27, 1990
DERRY, MICHENER, BOOTH & WAHL			
TORONTO		CANADA	
<small>THESE DRAWINGS ARE THE PROPERTY OF DERRY, MICHENER, BOOTH &amp; WAHL AND MAY NOT BE USED OR REPRODUCED WITHOUT THEIR WRITTEN PERMISSION.</small>			



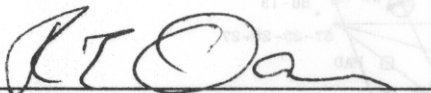


**CERTIFICATE OF THE DIRECTORS AND PROMOTERS OF THE ISSUER**

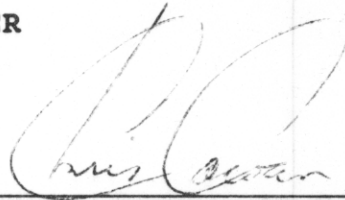
The foregoing constitutes full, true and plain disclosure of all material facts relating to the securities offered by this Statement of Material Facts as required by the Securities Act and its regulations.

Dated: June 19, 1990

**THE ISSUER**

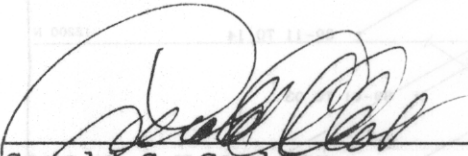


Reginald E. Davis  
Chief Executive Officer

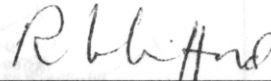


Christopher W. Cowan  
Chief Financial Officer

**ON BEHALF OF THE BOARD OF DIRECTORS**



Gerald G. Carlson  
Director



Robert G. Gifford  
Director

**PROMOTER**



Reginald E. Davis

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 as required by the Securities Act and its regulations.

Dated:

June 19, 1990

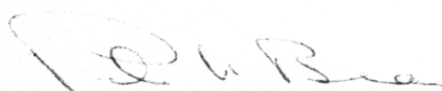
YORKTON CONTINENTAL SECURITIES INC.

Per:



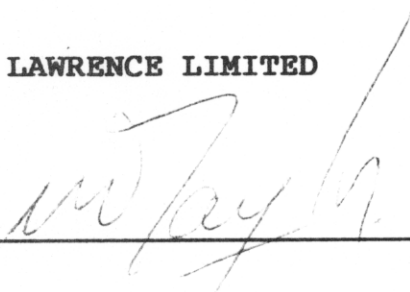
L.O.M. WESTERN SECURITIES LTD.

Per:



McDERMID ST. LAWRENCE LIMITED

Per:



JONES, GABLE & COMPANY LIMITED

Per:

