This is a preliminary prospectus relating to these securities, a copy of which has been filed with the securities commission or similar regulatory authority in each of the provinces of Ontario, Alberta, Prince Edward Island, Nova Scotia and New Brunswick, but which has not yet become final for the purpose of distribution to the public. Information contained herein is subject to completion or amendment. These securities may not be sold nor may offers to buy be accepted prior to the time a receipt is obtained for the final prospectus from the securities commission or similar regulatory authority in each such province.

PRELIMINARY PROSPECTUS DATED SEPTEMBER 26, 2000

This prospectus constitutes a public offering of these securities only in those jurisdictions where they may be lawfully offered for sale and therein only by persons permitted to sell such securities. No securities commission or similar authority in Canada has in any way passed upon the merits of the securities offered hereunder and any representation to the contrary is an offence.

New Issue •, 2000

DOUBLE DOWN RESOURCES LTD.

(to be renamed Meteor Creek Resources Inc.)

Maximum Offering: $4,500,000
Minimum Offering: $2,500,000
Up to 7,500,000 "A" Units and Up to 3,000,000 "B" Units
Prices: $0.60 per "A" Unit and $0.70 per "B" Unit

- and -

5,344,665 Common Shares to be Issued as the Consideration for the Purchase of all of the Outstanding Shares of Meteor Creek Resources Inc.

Double Down Resources Ltd. ("Double Down") is hereby qualifying for distribution up to 7,500,000 "A" units at a price of $0.60 per "A" unit and up to 3,000,000 "B" units at a price of $0.70 per "B" unit for gross aggregate proceeds of a minimum of $2,500,000 and a maximum of $4,500,000. Such "A" units and "B" units shall sometimes be referred to herein as the "Units". Each such "A" unit consists of one common share of Double Down (a "Double Down Common Share") and one warrant of Double Down (a "Double Down Warrant"), each Double Down Warrant entitling the holder thereof to purchase one Double Down Common Share at a price of $0.80 for a period of three months from the date of the initial closing of this offering of Units (the "Unit Offering"), and thereafter at a price of $1.00 for an additional six months. Each such "B" unit consists of one Double Down Common Share issued as a "flow-through share" within the meaning of the *Income Tax Act* (Canada) and one Double Down Warrant. Investors may purchase all "A" units, all "B" units (up to the maximum of 3,000,000 "B" units being offered) or any combination thereof, provided, however, there is a minimum subscription of 1,000 "A" units ($600 in total) if "A" units are subscribed for and 1,000 "B" units ($700 in total) if "B" units are subscribed for.

	Price to Investor	Agent's Fee(1)	Net Proceeds to Double Down(2)
Per "A" Unit	$0.60	$0.06	$0.54
Per "B" Unit	$0.70	$0.07	$0.63
Maximum Offering	$4,500,000	$450,000	$4,050,000
Minimum Offering(3)	$2,500,000	$250,000	$2,250,000

(1) As additional compensation, Double Down will grant to the Agent, upon closing the Unit Offering, 0.05 of a non-transferable broker's warrant (a "Broker's Warrant") per Unit sold. Each whole Broker's Warrant will entitle the holder thereof to purchase one Double Down Common Share at a price of $0.60 for a period of twelve months from the date of the initial closing of the Unit Offering. This prospectus qualifies the distribution of the Broker's Warrants. The Agent will also be reimbursed for certain expenses. No additional commission or fee will be payable by Double Down in connection with the distribution of Double Down Common Shares upon the exercise of the Double Down Warrants or the Broker's Warrants.

(2) Before deducting expenses of the Unit Offering and the "RTO Transaction" (as defined below) estimated at Cdn$250,000 to be paid by Double Down out of the proceeds from the Unit Offering.

(3) The Unit Offering is subject to there being acceptable subscriptions for a minimum of $2,500,000 in the aggregate. Subscription proceeds for the Units will be deposited with Computershare Investor Services, Inc., formerly Montreal Trust Company of Canada, to be held in trust pending closing of the Unit Offering. If $2,500,000 in subscription funds have not been received by December 31,, 2000, any subscription funds will be returned to the subscribers without interest or deduction. See "Plan of Distribution".

The respective prices of the “A” units and “B” units were determined by negotiation between Double Down and Brawley Cathers Limited (the “Agent”). The outstanding Double Down Common Shares are listed on the Canadian Venture Exchange (“CDNX”). When the proposed RTO Transaction (as defined below) was announced by Double Down on June 22, 2000, trading in such shares was halted pending CDNX’s approval of the RTO Transaction. The halt is still in effect. The closing price of Double Down Common Shares (as reported by CDNX) on June 22, 2000 was $0.13 per share, or $0.52 per share taking into account the proposed Consolidation of the outstanding Double Down Common Shares (see “The RTO Transaction - Share Consolidation”).

Double Down is also hereby qualifying for distribution 5,344,665 post-Consolidation Double Down Common Shares to be issued by Double Down to the shareholders of Meteor Creek Resources Inc. (“Meteor Creek”) at a price of $0.52 per share as the consideration for the purchase of all of the outstanding shares of Meteor Creek (the “RTO Transaction”). See the “RTO Transaction”. Certificates for such Double Down Common Shares will be available for delivery upon the closing of the RTO Transaction. It is expected that the RTO Transaction will close immediately prior to the closing of the Unit Offering. The next proceeds from the Unit Offering will be used in part to pay Meteor Creek’s share of the cost of the test well proposed to be drilled on the Bear River Prospect in Prince Edward Island. See “Use of Proceeds”. The Unit Offering is subject to, among other things, completion of the RTO Transaction to the satisfaction of the Agent.

Double Down will renounce an amount equal to the gross proceeds from the “B” units purchased under the Unit Offering as “CEE” (as defined in the Glossary of Terms) in favour of the subscribers of “B” units on or before December 31, 2000, entitling eligible subscribers of “B” units to deductions for income tax purposes, and will use such gross proceeds to incur “Qualifying Expenditures” (as defined in the Glossary of Terms).

The Agent has agreed to act as agent for Double Down for the purposes of the Unit Offering, on a best efforts basis, subject to prior sale and if, as and when issued and delivered by Double Down, and accepted by the Agent in accordance with the conditions contained in the Agency Agreement referred to under “Plan of Distribution” and subject to the approval of certain legal matters on behalf of Double Down and the Agent by Macleod Dixon, Toronto, Ontario.

Subscriptions for Units will be received subject to rejection or allotment in whole or in part and the right is reserved to close the subscription books at any time without notice. It is expected that the initial closing of the Unit Offering will occur on or about •, 2000, or such other date as may be agreed upon by the Agent and Double Down. Additional closings may occur from time to time as agreed upon by the Agent and Double Down, provided that the final closing will occur no later than December 31, 2000. Certificates evidencing the Double Down Common Shares and Double Down Warrants comprising the Units subscribed for will be available for delivery at closing.

After giving effect to the RTO Transaction, including the Consolidation, and the Unit Offering on the basis that no part of the respective offering prices of the Units has been allocated to the Double Down Warrants, (a) the offering price of the Double Down Common Shares that form part of the “A” units exceeds the pro forma consolidated net tangible book value per Double Down Common Share as at June 30, 2000 by $0.35 (which represents a dilution to subscribers for “A” units of 58%) in the case of the minimum Unit Offering, or $0.28 (which represents a dilution to subscribers for “A” units of 47%) in the case of the maximum Unit Offering, and (b) the offering price of the Double Down Common Shares that form part of the “B” units exceeds the pro forma consolidated net tangible book value per Double Down Common Share as at June 30, 2000 by $0.45 (which represents a dilution to subscribers for “B” units of 64%) in the case of the minimum Unit Offering, or $0.38 (which represents a dilution to subscribers for “B” units of 54%) in the case of the maximum Unit Offering. The foregoing calculations assume that, in the case of the minimum Unit Offering, the aggregate gross proceeds therefrom are equally split between “A” units and “B” units and, in the case of the maximum Unit Offering, the maximum number of “B” units offered (being 3,000,000 “B” units) are sold. See “Dilution”.

An investment in the Units is highly speculative due to the nature of Meteor Creek’s business and the very early stage of its development. Meteor Creek is a start-up oil and natural gas exploration company with no history of operations. Meteor Creek’s focus is the proposed drilling of a test well on the natural gas prospect known as the Bear River Prospect located on Prince Edward Island. See “Risk Factors”.

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GLOSSARY OF TERMS

In this prospectus, the following terms have the meanings set forth below:

“A” units means the “A” units offered for sale hereunder, each “A” unit consisting of one Double Down Common Share and one Double Down Warrant;

“Agency Agreement” means the agency agreement dated as of •, 2000 entered into among Double Down, Meteor Creek and the Agent, as described herein under “Plan of Distribution”;

“Agent” means Brawley Cathers Limited;

“A.G.R.E.N.” means Consultants A.G.R.E.N. Canada Inc., a Canadian corporation;

“Amalco” means the Ontario corporation resulting from the Amalgamation;

“Amalgamation” means the proposed amalgamation of Double Down and Meteor Creek under the name “Meteor Creek Resources Inc.” in accordance with the provisions of the OBCA, expected to be effected immediately following the closing of the Unit Offering;

“Amalco Common Shares” means common shares of Amalco;

“B” units means the “B” units offered for sale hereunder, each “B” unit consisting of one Flow-through Share and one Double Down Warrant;

“Bear River Prospect” means the natural gas prospect located within the Souris Permit proposed to be drilled by Meteor Creek pursuant to the terms of the Farmout Agreement and the Participation Agreement;

“Broker’s Warrants” means the non-transferable warrants of Double Down to be granted by Double Down to the Agent upon closing the Unit Offering on the basis of 0.05 of a Broker’s Warrant per Unit sold, each whole Broker’s Warrant entitling the holder thereof to purchase one Double Down Common Share at a price of $0.60 for a period of twelve months from the date of the initial closing of the Unit Offering;

“CCEE” means Cumulative Canadian Exploration Expense as defined in the Tax Act;

“CDE” means Canadian Development Expenses as defined in the Tax Act;

“CDNX” means the Canadian Venture Exchange;

“CEE” means Canadian Exploration Expenses as defined in the Tax Act;

“Consolidation” means the proposed consolidation of Double Down’s authorized capital of 20,000,000 common shares on the basis of one new common share for every four common shares, expected to be effected immediately prior to the Continuance becoming effective;

“Continuance” means the proposed continuance of Double Down under the OBCA as if it had been incorporated under the OBCA, expected to be effected immediately prior to the closing of the RTO Transaction;

“Double Down” means Double Down Resources Ltd., a company incorporated and existing under the laws of the Province of British Columbia;

“Double Down Common Shares” means common shares of Double Down;

“Double Down Shareholder” means a member of Double Down;

“Double Down Shareholders’ Meeting” means the extraordinary general meeting of Double Down Shareholders to be held on October 24, 2000;

“Double Down Warrants” means the warrants of Double Down comprising part of the Units, each such warrant entitling the holder thereof to purchase one Double Down Common Share at a price of $0.80 for a period of three months from the date of the initial closing of the Unit Offering, and thereafter at a price of $1.00 for an additional six months;

“Farmout Agreement” means the farmout agreement dated July 14, 2000 entered into between Meteor Creek and A.G.R.E.N., as described herein under “Meteor Creek Resources Inc. – Farmout Agreement and Participation Agreement”;

“Flow-through Share” means the Double Down Common Share comprising part of a “B” unit, such Double Down Common Share to be issued as a “flow-through share” within the meaning of the Tax Act;

“Meteor Creek” means Meteor Creek Resources Inc., a corporation incorporated and existing under the laws of the Province of Ontario;

“Meteor Creek Common Shares” means common shares of Meteor Creek;

“OBCA” means the *Business Corporations Act* (Ontario), as amended;

“Participation Agreement” means the participation agreement dated July 14, 2000 entered into among Meteor Creek, A.G.R.E.N. and the Bear River (Prince Edward Island) Joint Venture, as described herein under “Meteor Creek Resources Inc. – Farmout Agreement and Participation Agreement”;

“P.E.I.” means Prince Edward Island;

“Qualifying Expenditures” means expenses which are (i) CEE, which may be renounced by Double Down to subscribers for “B” units pursuant to subsection 66(12.6) of the Tax Act with an effective date not later than December 31, 2000, or (ii) CDE, which may be renounced by Double Down to subscribers for “B” units as CEE pursuant to subsection 66(12.601) of the Tax Act, with an effective date not later than December 31, 2000;

“Revenue Canada” means the Department of National Revenue, Customs, Excise and Taxation, and its successor, the Canada Customs and Revenue Agency;

“RTO Transaction” means the proposed acquisition by Double Down of all of the outstanding Meteor Creek Common Shares;

“Share Exchange Agreements” means the share exchange agreements to be entered into among Double Down, Meteor Creek and each shareholder of Meteor Creek setting out the terms and conditions of the RTO Transaction;

“Souris Permit” means the onshore oil and natural gas exploration permit held by A.G.R.E.N. which covers most of the easternmost tip of P.E.I.;

“Tax Act” means the *Income Tax Act* (Canada), as amended from time to time;

“Test Well” means the test well proposed to be drilled by Meteor Creek on the Bear River Prospect;

“Unit Offering” means the public offering and sale of Units hereunder, expected to be completed immediately following the closing of the RTO Transaction; and

“Units” means the “A” units and “B” units.

CURRENCY

Unless otherwise specified, in this prospectus all dollar amounts are expressed in Canadian dollars.

PROSPECTUS SUMMARY

The following is a summary only and is qualified in its entirety by the more detailed information contained elsewhere in this prospectus. Capitalized terms used in this summary and not otherwise defined are defined in the Glossary of Terms.

The RTO Transaction

Details of the RTO Transaction

Double Down is proposing to purchase all of the outstanding Meteor Creek Common Shares (which total 5,344,665) for a purchase price of $0.52 per Meteor Creek Common Share. The said purchase price will be satisfied by the issuance by Double Down to the Meteor Creek shareholders of one (1) post-Consolidation Double Down Common Share for each outstanding Meteor Creek Common Share (or 5,344,665 post-Consolidation Double Down Common Shares in the aggregate). This prospectus qualifies the distribution of the said Double Down Common Shares to the shareholders of Meteor Creek. The RTO Transaction, if completed, will constitute a reverse take-over of Double Down by the shareholders of Meteor Creek. Double Down has called an extraordinary general meeting of Double Down Shareholders to be held on October 24, 2000 (the "Double Down Shareholders' Meeting") for the purpose of seeking shareholder approval for the RTO Transaction and various ancillary matters necessary to complete the RTO Transaction.

If the RTO Transaction and related ancillary matters are approved at the Double Down Shareholders' Meeting, it is anticipated that the RTO Transaction will close shortly after the Double Down Shareholders' Meeting. The Unit Offering is subject to, among other things, completion of the RTO Transaction to the satisfaction of the Agent.

Background to the RTO Transaction

In January 1999, Double Down secured an option on the natural gas exploration prospect known as the Bear River Prospect, which is located in Prince Edward Island. Despite favorable responses from several quarters, management of Double Down was unable to secure financing for the project and the option expired in December of 1999.

Meteor Creek acquired an option on the Bear River Prospect during spring 2000 (this option was acquired pursuant to a letter agreement dated May 1, 2000 which was subsequently superceded by the Farmout Agreement and the Participation Agreement; see "Meteor Creek Resources Inc. – Farmout Agreement and Participation Agreement") and subsequently began raising venture capital for the project. Due to Meteor Creek's desire to obtain a public vehicle for financing the project and the intimate knowledge of Double Down's management concerning the project, the two sides held a series of meetings and were able to enter into a letter of intent dated June 20, 2000 setting out the basic terms of the RTO Transaction. This letter of intent will be superceded by the Share Exchange Agreements.

Description of Amalco

General

Upon the completion of the RTO Transaction, Double Down Common Shares will have been consolidated on a four for one basis, Double Down will have been continued from British Columbia to Ontario as if it had been incorporated under the OBCA and Meteor Creek will be a wholly-owned subsidiary of Double Down. It is expected that the Unit Offering will be completed immediately following the closing of the RTO Transaction and, immediately following the completion of the Unit Offering, Double Down and Meteor Creek will be amalgamated under the name "Meteor Creek Resources Inc." in accordance with the provisions of the OBCA.

Business Strategy of Amalco

It is anticipated that Amalco will drill a Test Well on the Bear River Prospect, which is located within an onshore permit known as the "Souris Permit" held by A.G.R.E.N, shortly following the completion of the Unit Offering. The Souris Permit is an oil and natural gas exploration permit granted by the P.E.I. government which covers most of the easternmost tip of P.E.I. and encompasses a total area of 77,226 hectares (175,984 acres). The estimated cost of the Test Well is $2,500,000. Amalco will be responsible for 71.43% of this cost. See "Meteor Creek Resources Inc. – Farmout Agreement and Participation Agreement" and "Use of Proceeds".

In the event the Test Well results in "Significant Discovery" status, it is expected that Amalco would define and drill off the field to develop maximum recoverable reserves of natural gas. Meteor Creek estimates that 25 to 30 development wells would be required on 640 acre spacing units to define the field limits. These wells would be drilled over a period of three years at a total estimated cost of $60 million. Amalco's ability to complete and exploit such development wells would be subject to obtaining the necessary approvals from the government of P.E.I., entering into appropriate arrangements with the relevant landowners and raising the required financing. See "Risk Factors".

The government of P.E.I. is considering requests by Meteor Creek to grant a five year royalty holiday should natural gas be found (the regime in P.E.I. presently provides for a 10% royalty on natural gas being payable to the government), and to guarantee access to any pipeline that would be constructed on P.E.I. (there is currently no pipeline on P.E.I. for transporting natural gas).

In the event the Test Well is unsuccessful, Amalco would evaluate other targets known to exist on the Bear River Prospect.

Double Down Resources Ltd.

Double Down was incorporated under the laws of the Province of British Columbia by Certificate of Incorporation issued November 6, 1978. Double Down's office is located at Suite 632, 604 – 1st Street S.W., Calgary, Alberta, T2P 1M7. Double Down is a reporting issuer in British Columbia and Alberta and is engaged in the exploration of oil and natural gas properties. Double Down does not have any subsidiaries.

Meteor Creek Resources Inc.

Meteor Creek is a private corporation incorporated under the laws of the Province of Ontario by articles of incorporation effective on March 8, 1999. Meteor Creek's office is located at Suite 1705, 8 King Street East, Toronto, Ontario, M5C 1B5. Meteor Creek does not have any subsidiaries. Meteor Creek is engaged in the acquisition and exploration of oil and natural gas properties. The focus of Meteor Creek is the proposed drilling of a Test Well on the Bear River Prospect.

Meteor Creek has entered into a Farmout Agreement with A.G.R.E.N. and a Participation Agreement with A.G.R.E.N. and the Bear River JV in respect of the earning of an interest in the Souris Permit by Meteor Creek and the operation of the Souris Permit lands after the earning of an interest by Meteor Creek. Under the terms of the foregoing agreements, Meteor Creek will drill a Test Well on the Souris Permit lands. Drilling is expected to commence shortly following the completion of the Unit Offering and is estimated to take 40 days. Meteor Creek will pay 71.43% of the costs of the Test Well and the Bear River JV will pay 28.57% of the costs of the Test Well. Upon completion of the Test Well, Meteor Creek will have earned a 50% working interest in the Souris Permit and the Bear River JV will have earned a 20% working interest.

The Unit Offering

The Unit Offering consists of up to 7,500,000 "A" units of Double Down offered at a price of $0.60 per "A" unit and up to 3,000,000 "B" units of Double Down offered at a price of $0.70 per "A" unit for gross aggregate proceeds of a minimum of $2,500,000 and a maximum of $4,500,000. Each "A" unit consists of one Double Down Common Share and one Double Down Warrant, each Double Down Warrant entitling the holder thereof to purchase one Double Down Common Share at a price of $0.80 for a period of three months from the date of the initial closing of the Unit Offering, and thereafter at a price of $1.00 for an additional six months. Each "B" unit consists of one Flow-through Share and one Double Down Warrant. Investors may purchase all "A" units, all "B" units (up to the maximum of 3,000,000 "B" units being offered) or any combination thereof provided, however, that there is a minimum subscription of 1,000 "A" units ($600 in total) if ""A" units are subscribed for and 1,000 "B" units ($700 in total) if "B" units are subscribed for.

Closing of the Unit Offering is conditional upon there being acceptable subscriptions for a minimum of $2,500,000 in the aggregate. Subscription proceeds for the Units will be deposited with the Trustee, as custodian, in accordance with the Custodian Agreement, and provided that $2,500,000 in subscriptions are obtained, will be delivered to Double Down at the closing of the Unit Offering. In the event $2,500,000 in subscriptions are not obtained by December 31, 2000, any subscription funds will be returned to the subscribers without interest or deduction. It is expected that the initial closing of the Unit Offering will take place on or about •, 2000, or such other date as may be agreed upon by the Agent and Double Down. Additional closings may occur from time to time as agreed upon by Double Down and the Agent, provided that the final closing will occur no later than December 31, 2000.

See "Plan of Distribution".

Use of Proceeds

The net proceeds from the Unit Offering, after deducting the expenses of the Unit Offering and the RTO Transaction estimated to be $250,000 and the Agent's commission ($450,000 assuming the maximum Unit Offering and $250,000 assuming the minimum Unit Offering), and assuming no exercise of the Double Down Warrants or Broker's Warrants, are estimated to be $3,800,000 assuming the maximum Unit Offering is achieved, or $2,000,000 assuming the minimum Unit Offering is achieved. It is anticipated that approximately $1,785,750 of such proceeds will be used by Amalco to pay Amalco's 71.43% share of the estimated $2,500,000 cost of the Test Well, while the balance ($2,014,250 assuming the maximum Unit Offering and $214,250 assuming the minimum Unit Offering) will be added to Amalco's working capital.

Canadian Federal Income Tax Considerations

A subscriber for a Unit will be required to allocate the subscription price paid for such Unit (together with any reasonable acquisition costs) on a reasonable basis among, in the case of an "A" unit, the Double Down Common Share and the Double Down Warrant, and, in the case of a "B" unit, the Flow-through Share and the Double Down Warrant, received by the subscriber for purposes of determining the cost of each for income tax purposes. Management of Double Down believes that it is reasonable to allocate the entire subscription price for a Unit to the Double Down Common Share or Flow-through Share, as the case may be, acquired by a subscriber. This allocation is not binding on either a subscriber or Revenue Canada.

The cost of the Flow-through Shares acquired by a subscriber of "B" units is deemed to be nil for purposes of the Tax Act.

Double Down will renounce to subscribers of "B" units Qualifying Expenditures equal to the full subscription price per "B" unit effective on or before December 31, 2000. All renounced Qualifying Expenditures will qualify for 100% deduction by subscribers for "B" units (other than a subscriber that is a "principal-business corporation", as defined in the Tax Act) in computing their income for tax purposes.

See "Canadian Federal Income Tax Considerations".

Risk Factors

An investment in the securities offered hereunder should be considered highly speculative due to the nature of Meteor Creek's business and the very early stage of its development. Prospective investors should carefully consider, in particular, the following risks in addition to the other information set forth in this prospectus: oil and natural gas exploration and development involves a high degree of risk, which even a combination of experience, knowledge and careful evaluation might not be able to overcome; there is no assurance that commercial quantities of natural gas will be discovered on the Bear River Prospect; Meteor Creek is a start-up corporation with no history of operations; Meteor Creek has not yet drilled a test well on the Bear River Prospect;. if the Test Well is successful, the drilling of additional development wells and the building of other infrastructure required to exploit the Bear River Prospect will require significant funds, and there is no assurance that such funding will be available as and when required by Amalco; the Souris Permit held by A.G.R.E.N. is an exploration permit only and commercial development of the Bear River Prospect will require that Amalco and its joint venture partners obtain a lease from the government of P.E.I., and there is no assurance that such a lease will be issued or that it will be issued on terms favourable to Amalco; Meteor Creek is currently negotiating a surface lease agreement with the owner of the lands on which the Test Well will be located, and although Meteor Creek fully expects to successfully negotiate this agreement, no assurance can be given that such an agreement will be obtained in a timely manner or on terms advantageous to Amalco; moreover, the further development of the Bear River Prospect will also require that

Amalco obtain additional permits from the government of P.E.I. and enter into satisfactory arrangements with other owners of the surface lands on which the Bear River Prospect is located; oil and natural gas exploration operations are subject to all the risks and hazards typically associated with such operations, including hazards such as fire, explosion, blowouts, cratering and oil spills, each of which could result in substantial damage to oil and natural gas wells, producing facilities, other property and the environment or in personal injury; in the event Amalco discovers commercial quantities of oil and natural gas, the profitability of Amalco's operations will be dependent upon the market price of oil and natural gas commodities which have fluctuated widely and are affected by numerous factors that will be beyond the control of Amalco; and subscribers for Units will suffer immediate dilution.

See "Risk Factors" and "Dilution".

Unaudited Pro Forma Consolidated Balance Sheet of Double Down as at June 30, 2000(1)

	Double Down Resources Ltd.	Meteor Creek Resources Inc.	Minimum Financing Adjustments	Maximum Financing Adjustments	Minimum Financing Pro Forma Consolidated	Maximum Financing Pro Forma Consolidated
ASSETS	**$**	**$**	**$**	**$**	**$**	**$**
Current						
Cash	2,477	238,616	2,000,000	3,800,000	2,593,593	4,393,593
			352,500	352,500		
Accounts receivable	1,719	1,124	-	-	2,843	2,843
Loan receivable	-	14,100	-	-	14,100	14,100
Prepaids	992	-	-	-	992	992
	5,188	253,840	2,352,500	4,152,500	2,611,528	4,411,528
Deferred Development Expenses	-	23,673	-	-	23,673	23,673
Resource Properties	1	-	-	-	1	1
Capital	2,230	-	-	-	2,230	2,230
	7,419	277,513	2,352,500	4,152,500	2,637,432	4,437,432
LIABILITIES						
Current						
Accounts payable	70,588	1,500	(63,000)	(63,000)	9,088	9,088
Loans Payable	30,000	-	-	-	30,000	30,000
	100,588	1,500	(63,000)	(63,000)	39,088	39,088
SHAREHOLDERS' EQUITY						
Share Capital	6,325,350	356,150	(6,325,350)	(6,325,350)	2,771,650	4,571,650
			415,500	415,500		
			2,000,000	3,800,000		
Deficit	(6,418,519)	(80,137)	6,418,519	6,418,519	(173,306)	(173,306)
			(93,169)	(93,169)		
	(93,169)	276,013	2,415,500	4,215,500	2,598,344	4,398,344
	7,419	277,513	2,352,500	4,152,500	2,637,432	4,437,432

(1) See the accompanying notes to the pro forma consolidated financial statements of Double Down included elsewhere in this prospectus.

THE RTO TRANSACTION

Details of the RTO Transaction

Double Down is proposing to purchase all of the outstanding Meteor Creek Common Shares (which total 5,344,665) for a purchase price of $0.52 per Meteor Creek Common Share (the "RTO Transaction"). The said purchase price will be satisfied by the issuance by Double Down to the Meteor Creek shareholders of one (1) post-Consolidation Double Down Common Share for each outstanding Meteor Creek Common Share (or 5,344,665 post-Consolidation Double Down Common Shares in the aggregate). This prospectus qualifies the distribution of the said Double Down Common Shares to the shareholders of Meteor Creek. The board of directors of Double Down following the RTO Transaction will be constituted to initially consist of two nominees of Double Down and four nominees of Meteor Creek (see the table under "Description of Amalco – Management of Amalco" which sets out the names of and certain other information relating to these nominees). Prior to the initial closing of the Unit Offering, Double Down will enter into share exchange agreements with Meteor Creek and each of the shareholders of Meteor Creek (the "Share Exchange Agreements") setting out the terms and conditions of the RTO Transaction. Double Down has called an extraordinary general meeting of Double Down Shareholders to be held on October 24, 2000 (the "Double Down Shareholders' Meeting") for the purpose of seeking shareholder approval for the RTO Transaction and various ancillary matters necessary to complete the RTO Transaction.

The closing of the RTO Transaction will be subject to certain conditions, including the following:

(a) all, but not less than all, of the outstanding Meteor Creek Common Shares shall have been properly tendered to Double Down;

(b) any and all regulatory approvals or consents, including, without limitation, that of CDNX, and any and all third party consents or waivers required to complete the RTO Transaction, shall have been obtained on terms satisfactory to Double Down;

(c) the Double Down Shareholders shall have approved, by the requisite majority of the shares entitled to vote thereon, all of the matters to be voted on at the Double Down Shareholders' Meeting;

(d) Meteor Creek shall be satisfied, in its sole and absolute discretion, that all interests of Double Down relating to its prior businesses including, without limitation, any resource assets, shall have been transferred out of Double Down such that following the completion of the RTO Transaction, Double Down shall have no liability or obligation of any nature or kind whatsoever, contingent or otherwise, in connection with same and Double Down shall have received an indemnity from the purchaser of said assets for any potential liabilities associated with the assets;

(e) all of the outstanding stock options and warrants of Double Down shall have been cancelled;

(f) at closing, Double Down shall have no material liabilities;

(g) no material adverse change in the business, legal or financial condition, results of operations or business prospects of Double Down or Meteor Creek shall have occurred from that shown in their respective unaudited financial statements as at and for the six month period ended June 30, 2000, except to the extent contemplated by the Share Exchange Agreements;

(h) Double Down shall have entered into a management contract with each of Hughes P. Salat, the current President of Double Down, and David M. Rutt, the current Chief Financial Officer of Double Down (see "Description of Amalco - Management of Amalco"), each such contract to be for a period of one year and provide for compensation of $5,000 plus GST per month; and

(i) completion to the satisfaction of each of Double Down and Meteor Creek of their respective due diligence investigations of the other party.

CDNX has approved the listing of the Double Down Common Shares to be issued to the shareholders of Meteor Creek pursuant to the RTO Transaction, subject to usual conditions including, without limitation, closing of the RTO Transaction and compliance with applicable CDNX policies.

If the RTO Transaction and related ancillary matters are approved at the Double Down Shareholders' Meeting, it is anticipated that the RTO Transaction will close shortly after the Double Down Shareholders' Meeting. The Unit Offering is subject to, among other things, completion of the RTO Transaction to the satisfaction of the Agent.

Upon the completion of the RTO Transaction (including the Consolidation) and without giving effect to the Unit Offering, there will be approximately 6,537,146 Double Down Common Shares outstanding (subject to the rounding of fractional shares pursuant to the Consolidation), 81.76% of which will be held by former Meteor Creek shareholders and 18.24% of which will be held by the current Double Down Shareholders. Accordingly, the RTO Transaction, if completed, will constitute a reverse take-over of Double Down by the shareholders of Meteor Creek. After giving effect to the RTO Transaction, no person or company will beneficially own, or exercise control or direction over, more than 10% of the outstanding Double Down Common Shares.

Share Consolidation

In connection with the RTO Transaction, Double Down Shareholders will also be asked at the Double Down Shareholders' Meeting to approve the consolidation of the authorized Double Down Common Shares on the basis that every four Double Down Common Shares will be converted into one Double Down Common Share immediately prior to the Continuance becoming effective but prior to the completion of the RTO Transaction. The Consolidation is being undertaken to rationalize the capital structure of Double Down to facilitate the RTO Transaction. No fractional shares will be issued as a result of the Consolidation. Any fraction of a share will be disregarded and a Double Down Shareholder will only be entitled to receive a whole number of shares.

Continuance of Double Down

Double Down is currently governed by the provisions of the *Company Act* (British Columbia). Double Down Shareholders will be asked at the Double Down Shareholders' Meeting to authorize Double Down to apply for a certificate of continuance under the Ontario *Business Corporations Act* (the "OBCA") continuing Double Down as if it had been incorporated under the OBCA. The articles of continuance will provide for, among other things, an authorized share capital consisting of an unlimited number of common shares and an unlimited number of preferred shares, issuable in series (see "Description of Amalco – Share Capital"), a board of directors consisting of a minimum of three and a maximum of twelve directors, and six initial directors. See the table under "Description of Amalco – Management of Amalco" which sets out the names of and certain other information relating to these six proposed directors.

Background to the RTO Transaction

In January 1999, Double Down secured an option on the natural gas exploration prospect known as the Bear River Prospect, which is located on Prince Edward Island (see "Double Down Resources Ltd. – Management's Discussion and Analysis of Financial Condition and Results of Operations"). Despite favorable responses from several quarters, management of Double Down was unable to secure financing for the project and the option expired in December of 1999.

Meteor Creek acquired an option on the Bear River Prospect during spring 2000 (this option was acquired pursuant to a letter agreement dated May 1, 2000 which was subsequently superceded by the Farmout

Agreement and the Participation Agreement; see "Meteor Creek Resources Inc. – Farmout Agreement and Participation Agreement") and subsequently began raising venture capital for the project. Due to Meteor Creek's desire to obtain a public vehicle for financing the project and the intimate knowledge of Double Down's management concerning the project, the two sides held a series of meetings and were able to enter into a letter of intent dated June 20, 2000 setting out the basic terms of the RTO Transaction. This letter of intent will be superceded by the Share Exchange Agreements.

DESCRIPTION OF AMALCO

General

Upon the completion of the RTO Transaction, Double Down Common Shares will have been consolidated on a four for one basis, Double Down will have been continued from British Columbia to Ontario as if it had been incorporated under the OBCA and Meteor Creek will be a wholly-owned subsidiary of Double Down. It is expected that the Unit Offering will be completed immediately following the closing of the RTO Transaction and, immediately following the completion of the Unit Offering, Double Down and Meteor Creek will be amalgamated under the name "Meteor Creek Resources Inc." in accordance with the provisions of the OBCA. Amalco's head office will be located in Toronto at Meteor Creek's current office (see "Meteor Creek Resources Inc. - General"). Amalco will also maintain Double Down's current office in Calgary (see "Double Down Resources Ltd - General").

Business Strategy of Amalco

It is anticipated that Amalco will drill a test well (the "Test Well") on the natural gas prospect known as the Bear River Prospect, which is located on Prince Edward Island ("P.E.I."), shortly following the completion of the Unit Offering. The estimated cost of the Test Well is $2,500,000. Amalco will be responsible for 71.43% of this cost. See "Meteor Creek Resources Inc. – Farmout Agreement and Participation Agreement" and "Use of Proceeds".

In the event the Test Well results in "Significant Discovery" status, it is expected that Amalco would define and drill off the field to develop maximum recoverable reserves of natural gas. Meteor Creek estimates that 25 to 30 development wells would be required on 640 acre spacing units to define the field limits. These wells would be drilled over a period of three years at a total estimated cost of $60 million. Amalco's ability to complete and exploit such development wells would be subject to obtaining the necessary approvals from the government of P.E.I., entering into appropriate arrangements with the relevant landowners and raising the required financing. See "Risk Factors".

The government of P.E.I. is considering requests by Meteor Creek to grant a five year royalty holiday should natural gas be found (the regime in P.E.I. presently provides for a 10% royalty on natural gas being payable to the government), and to guarantee access to any pipeline that would be constructed on P.E.I. (there is currently no pipeline on P.E.I. for transporting natural gas; see "Risk Factors").

In the event the Test Well is unsuccessful, Amalco would evaluate other targets known to exist on the Bear River Prospect.

Management of Amalco

The following table sets forth the name, municipality of residence, position(s) to be held with Amalco and principal occupations during the past five years of each of the proposed directors and officers of Amalco. The following table also sets forth the number of Amalco Common Shares to be owned beneficially, directly or indirectly, or over which control or direction will be exercised by each such individual immediately following the Amalgamation.

Name, Municipality of Residence and Position(s) to be Held with Amalco[(1)]	Principal Occupations During the Past Five Years	Number of Amalco Shares to be Held[(2)]
John L. Tindale Toronto, Ontario Chief Executive Officer, President and a director	President of Meteor Creek since its incorporation in March 1999; self-employed geologist and professional engineer with J. L. Tindale & Associates Inc. (a geological consulting company); President of Asquith Resources Inc. (a mineral resource exploration company) until December 1995.	349,999
David G. Fisher Toronto, Ontario Executive Vice President and a director	Vice President of Meteor Creek since May 2000; President of Medical Pathways International Inc. (developed an internet web-site relating to women's health issues) from June 1998 to present; prior to June 1998, employed with Cobatec Inc. (a cobalt compound producer).	300,000
David M. Rutt Calgary, Alberta Chief Financial Officer and a director	Senior officer of Double Down since October 1998; Vice President, Corporate Development of Winslow Gold Corp. (a natural resource exploration company) from October 1997 to August 1998; Senior Financial/Treasury Analyst for Northern Telecom Canada Ltd. from August 1990 to September 1997.	63,173
Stacey L. Wenger[(3)] Toronto, Ontario Secretary and a director	Secretary-Treasurer of Meteor Creek since its incorporation in March 1999; Secretary-Treasurer of Medical Pathways International Inc. (developed an internet web-site relating to women's health issues) from June 1998 to present; an independent business consultant providing financial and administrative-related services.	100,000
Donald A. Young[(3)] North Bay, Ontario Director	Self-employed real estate broker.	200,000
Hughes P. Salat[(3)] Calgary, Alberta Director	President of Double Down since October 1998; President of Joranex Resources Inc. (a geological consulting company); international geological engineer for the United Nations, Saudi Arabian government and Alberta government.	64,250

(1) In accordance with the terms of the RTO Transaction, Mr. Rutt and Mr. Salat are nominees of Double Down while the other four individuals are nominees of Meteor Creek. Each director will hold office until the first annual meeting of shareholders of Amalco and until their successors are elected.

(2) Immediately following the Amalgamation, taking into account both the RTO Transaction (including the Consolidation) and the Unit Offering, there will be outstanding approximately 10,406,194 Amalco Common Shares assuming the minimum Unit Offering is achieved and the gross proceeds therefrom are equally split between "A" units and "B" units, or approximately 13,537,146 Amalco Common Shares assuming the maximum

Unit Offering is achieved and the maximum number of "B" units offered hereunder (being 3,000,00 "B" units) are sold. Immediately following the Amalgamation, the proposed officers and directors of Amalco will hold an aggregate of 1,077,422 Amalco Common Shares, representing 10.35% of the outstanding Amalco Common Shares assuming the minimum Unit Offering is achieved or 7.96% of the outstanding Amalco Common Shares assuming the maximum Unit Offering is achieved.

(3) Proposed member of the audit committee of the board of directors of Amalco.

The following sets out additional biographical information for each of the above individuals:

John L. Tindale - Mr. Tindale has over 35 years of resource exploration experience. He is a geologist and a Professional Engineer with a wide range of practical experience in both oil and gas and industrial minerals exploration, as well as precious and base metal exploration and exploitation. Mr. Tindale is a member of the Association of Professional Engineers of Ontario.

David G. Fisher - Mr. Fisher is an experienced business executive, with broad experience in sales, marketing, commodities and import/export. He built and operated a chain of retail outlets across Canada. Mr. Fisher has also been involved in arranging a number of private placement financings for various public companies. With Cobatec Inc., Mr. Fisher was in charge of procurement for the company.

David M. Rutt - Mr. Rutt is a member of the Society of Management Accountants of Alberta. He has 10 years of financial experience with roles ranging from strategic planning and treasury at Nortel Networks to his current position of Treasurer of Double Down. Mr. Rutt holds a Bachelor of Commerce from the University of Windsor.

Stacey L. Wenger - Ms. Wenger has over the past seven years provided financial and administrative-related consulting services to several corporations engaged in the financial and service industries.

Donald A. Young - Mr. Young has been a self-employed real estate broker in North Bay for 31 years. He is a commercial, industrial and investment specialist. Mr. Young is a director of the North Bay Real Estate Board and Ontario Place Corporation.

Hughes P. Salat - Mr. Salat has over 30 years of experience in the oil and gas and mineral exploration business. He has gained his extensive experience around the world with employers such as Aquitaine, Elf-Aquitaine, Watts Griffis McOuat, the United Nations and the Alberta Geological Society. Mr. Salat is a Professional Geologist and a Professional Engineer. He is a member of a number of professional associations including the Association of Professional Engineers, Geologists and Geophysicists of Alberta, the Association of Professional Engineers and Geoscientists of British Columbia, and the Canadian Society of Petroleum Geologists. Mr. Salat is also a Fellow of the Geological Association of Canada.

During the past five years, the above individuals have served the following public companies for the periods and in the capacities noted below:

Name	**Public Company**[(1)]	**Capacity**	**Period**
John L. Tindale	Asquith Resources Inc. (quoted by CDN)	Director and/or officer	Sept. 1986 to present
	Ram Petroleums Limited (listed on the TSE)	Director	June 1996 to Aug. 2000
	Wollasco Minerals Inc. (quoted by CDN)	Director	June 1997 to Aug. 2000
	Lakota Resources Inc. (quoted by CDN)	Director and officer	April 1997 to present
	Caussa Capital Corporation (listed on the TSE)	Director	May 2000 to present
	Cobatec Inc. (listed on the TSE)	Director	May 1993 to June 1998
David G. Fisher	Medical Pathways International Inc (quoted by CDN)	Director and officer	June 1998 to present

Name	Public Company[1]	Capacity	Period
David M. Rutt	Double Down (listed on CDNX) Winslow Gold Corp. (listed on the VSE)	Director and officer Officer	Oct. 1998 to present Oct. 1997 to Aug. 1998
Stacey L. Wenger	Medical Pathways International Inc. (quoted by CDN)	Officer	June 1998 to present
Donald A. Young	Medical Pathways International Inc. (quoted by CDN)	Director	June 1998 to present
Hughes P. Salat	Double Down (listed on CDNX) Winslow Gold Corp. (listed on CDNX) Northwind Ventures Ltd. (listed on the VSE)	Director and officer Director Director	Oct. 1998 to present Oct. 1994 to present Oct. 1994 to June 1998

(1) "CDN" refers to the Canadian Dealing Network Inc., "VSE" refers to the Vancouver Stock Exchange and "TSE" refers to The Toronto Stock Exchange.

Pro Forma Capitalization

For accounting purposes, the business combination resulting from the RTO Transaction will be treated as a reverse take-over of Double Down by Meteor Creek. The following table sets forth the capitalization of Double Down as at June 30, 2000 and August 31, 2000, and the pro forma consolidated capitalization of Amalco as at August 31, 2000 after giving effect to the RTO Transaction and the Unit Offering. This table should be read in conjunction with the pro forma consolidated financial statements of Double Down and the financial statements of Meteor Creek included elsewhere in this prospectus.

	June 30, 2000 (unaudited)	August 31, 2000 (unaudited)	August 31, 2000 after giving effect to the RTO Transaction and Minimum Offering[3] (unaudited)	August 31, 2000 after giving effect to the RTO Transaction and Maximum Offering[4] (unaudited)
Common Shares [1][2]	$6,325,350 (4,769,927 shares)	$6,325,350 (4,769,927 shares)	$2,771,650[5] (10,406,194 shares)[6]	$4,571,650[5] (13,537,146 shares)[6]
Deficit	($6,418,519)	($6,418,519)[7]	($173,306)	($173,306)

(1) The authorized share capital of Double Down prior to giving effect to the RTO Transaction is 20,000,000 common shares. The authorized share capital of Amalco after giving effect to the RTO Transaction and Amalgamation will be an unlimited number of common shares, and an unlimited number of preferred shares issuable in series (see "Description of Amalco – Description of Share Capital").

(2) All of the currently outstanding stock options and warrants of Double Down will be cancelled prior to the closing of the RTO Transaction in accordance with the terms of the RTO Transaction.

(3) The "Minimum Offering" reflects net proceeds from the Unit Offering of $2,000,000 after deducting the Agent's commission of $250,000 and the estimated expenses of the RTO Transaction and Unit Offering of $250,000.

(4) The "Maximum Offering' reflects net proceeds from the Unit Offering of $3,800,000 after deducting the Agent's commission of $450,000 and the estimated expenses of the RTO Transaction and Unit Offering of $250,000.

(5) This amount does not give effect to the exercise of any of the Double Down Warrants or the Broker's Warrants.

(6) For the purpose of calculating the pro forma number of shares issued pursuant to the Unit Offering, it was assumed that, in the case of the minimum Unit Offering, the gross proceeds therefrom are equally split between "A" units and

"B" units and, in the case of the maximum Unit Offering, the maximum number of "B" units offered hereunder (being 3,000,000 "B" units) are sold. See also the table under "Description of Amalco - Fully Diluted Share Capital Table" which sets out the number of Amalco Common Shares to be outstanding on a fully diluted basis. See "Plan of Distribution" for a summary of the terms of the Unit Offering.

(7) As at June 30, 2000.

Description of Share Capital

The authorized share capital of Amalco will consist of an unlimited number of common shares and an unlimited number of preferred shares, issuable in series.

The holders of Amalco Common Shares will be entitled to one vote at meetings of shareholders for each share held and to receive dividends as and when declared by the board of directors. In the event of voluntary or involuntary liquidation, dissolution or winding-up of Amalco, after payment of all outstanding debts, the remaining assets of Amalco available for distribution will be distributed to the holders of the Amalco Common Shares. The holders of the Amalco Common Shares will have no pre-emptive, redemption or conversion rights.

The preferred shares, issuable in series, will rank on a parity with all other preferred shares with respect to dividends and any return of capital in the event of the liquidation, dissolution or winding up of Amalco. Holders of preferred shares will not be entitled to receive notice of or vote at meetings of shareholders, except where required under applicable law. The board of directors of Amalco will be authorized to issue the preferred shares in one or more series and to fix the number of shares in, and determine the designation, rights, privileges, restrictions and conditions attaching to, the shares of each series, including, but not limited to, the rate or amount of dividends or the method of calculating dividends, the date of payment of dividends, the redemption, purchase or conversion prices and terms and conditions of redemption, purchase or conversion and any sinking fund or other provisions.

Fully Diluted Share Capital Table

The following table sets out the number of Amalco Common Shares proposed to be outstanding on a fully diluted basis immediately following the Amalgamation. References below to the "Minimum Offering" assume that gross proceeds of $2,500,000 are raised pursuant to the Unit Offering and that such proceeds are equally split between "A" units and "B" units. References below to the "Maximum Offering" assume that gross proceeds of $4,500,000 are raised pursuant to the Unit Offering and that the maximum number of "B" units offered hereunder (being 3,000,000 "B" units) are sold. See "Plan of Distribution" for a summary of the terms of the Unit Offering.

	Number of Shares Assuming the Minimum Offering	Percentage of Total	Number of Shares Assuming the Maximum Offering	Percentage of Total
Outstanding Double Down Common Shares as at August 31, 2000 (assuming implementation of the Consolidation)	1,192,481[(1)]	8.24%	1,192,481[(1)]	5.71%
Double Down Common Shares to be issued pursuant to the RTO Transaction	5,344,665	36.94%	5,344,665	25.59%
Double Down Common Shares to be issued pursuant to the Unit Offering	3,869,048	26.74%	7,000,000	33.51%

	Number of Shares Assuming the Minimum Offering	Percentage of Total	Number of Shares Assuming the Maximum Offering	Percentage of Total
Double Down/Amalco Common Shares to be reserved for issuance pursuant to the Double Down Warrants and Broker's Warrants to be issued under the Unit Offering	4,062,500	28.08%	7,350,000	35.19%
TOTAL	14,468,694	100%	20,887,146	100%

(1) All of the currently outstanding stock options and warrants of Double Down will be cancelled prior to the completion of the RTO Transaction in accordance with the terms of the RTO Transaction.

Stock Option Plan

Double Down Shareholders will be asked at the Double Down Shareholders' Meeting to approve the establishment of a stock option plan (the "Plan") for Amalco. Double Down does not currently have a stock option plan. The salient features of the Plan are as follows:

(a) stock options may be granted by Amalco's board of directors (the "Board") to directors, officers and employees of Amalco and persons or corporations who provide consulting services to Amalco on an on-going basis;

(b) the number of Amalco Common Shares reserved from time to time for issuance to optionees pursuant to stock options under the Plan shall not exceed that number which is equal to 10% of the number of Amalco Common Shares to be outstanding immediately following the Amalgamation;

(c) the exercise price of each stock option shall be determined in the discretion of the Board at the time of the granting of the stock option, provided that the exercise price shall not be lower than the "Market Price". "Market Price" shall mean the last closing price of the Amalco Common Shares on CDNX prior to the date the stock option is granted; provided that in the event the Amalco Common Shares are not listed on CDNX but are listed on another stock exchange or stock exchanges, the foregoing reference to CDNX shall be deemed to be a reference to such other stock exchange, or if more than one, to such one as shall be designated by the Board, and to the extent that the Amalco Common Shares are not listed on any exchange, the Market Price shall be such price as is determined by the Board, in good faith;

(d) at no time shall (i) the number of Amalco Common Shares reserved for issuance pursuant to stock options granted to any one optionee exceed 5% of the outstanding Amalco Common Shares, or (ii) the number of Amalco Common Shares issued pursuant to stock options to any one optionee, within a one-year period, exceed 5% of the outstanding Amalco Common Shares;

(e) all stock options shall be for a term and exercisable from time to time as determined in the discretion of the Board at the time of the granting of the stock options, provided that no stock option shall have a term exceeding five years and, unless the Board at any time makes a specific determination otherwise, a stock option and all rights to purchase Amalco Common Shares pursuant thereto shall expire and terminate immediately upon the optionee who holds such stock option ceasing to be at least one of a director, officer or employee of or consultant to Amalco, as the case may be; and

(f) stock options shall not be assignable or transferable.

Escrowed Shares

Listing of the Amalco Common Shares on CDNX is subject to, among other things, compliance with CDNX's escrow regime under which a portion of the Amalco Common Shares beneficially owned by certain principals of Amalco will be escrowed. The terms of the escrow and the parties subject thereto have not yet been definitively determined.

Dividend Policy

The payment of dividends by Amalco will be a matter to be determined from time to time by the board of directors of Amalco. It is anticipated that earnings, if any, will initially be retained to finance further exploration, development and acquisitions.

Auditors and Registrar and Transfer Agent

The auditors of Amalco will be Kraft, Berger, Grill, Schwartz, Cohen & March LLP, Chartered Accountants, Markham, Ontario, which are currently the auditors of Meteor Creek. See "Double Down Resources Ltd. – Auditors."

The registrar and transfer agent for Amalco Common Shares will be Computershare Investor Services, Inc., formerly Montreal Trust Company of Canada, at its principal offices in Vancouver, British Columbia and Toronto, Ontario. Computershare Investor Services, Inc. is currently the registrar and transfer agent for Double Down Common Shares.

DOUBLE DOWN RESOURCES LTD.

General

Double Down was incorporated under the laws of the Province of British Columbia by Certificate of Incorporation issued November 6, 1978. Double Down's office is located at Suite 632, 604 – 1st Street S.W., Calgary, Alberta, T2P 1M7. Double Down is a reporting issuer in British Columbia and Alberta and is engaged in the exploration of oil and natural gas properties. Double Down does not have any subsidiaries.

Management

The following table sets forth the name, municipality of residence, position(s) held with Double Down and principal occupations within the five preceding years of each of the directors and officers of Double Down.

Name and Municipality of Residence	Position(s) Held with Double Down	Principal Occupations During the Past Five Years
Hughes P. Salat Calgary, Alberta	Chief Executive Officer, President and a director	President of Double Down since October 1998; President of Joranex Resources Inc. (a geological consulting company); international geological engineer for the United Nations, Saudi Arabian government and Alberta government.

Name and Municipality of Residence	Position(s) Held with Double Down	Principal Occupations During the Past Five Years
David M. Rutt Calgary, Alberta	Chief Financial Officer, Secretary and a director	Senior officer of Double Down since October 1998; Vice President, Corporate Development of Winslow Gold Corp. (a natural resource exploration company) from October 1997 to August 1998; Senior Financial/Treasury Analyst for Northern Telecom Canada Ltd. from August 1990 to September 1997.
Michael Williams Vancouver, British Columbia	Director	Manager of Investor Relations for Atna Resources Ltd. (a natural resource exploration company) from August 1996 to present; communications consultant from September 1987 to July 1996.

Executive Compensation

Applicable securities laws set out very specific disclosure requirements with respect to the compensation of an issuer's officers and directors. The following is presented in accordance with these requirements.

Summary Compensation Table

The following table sets forth certain information with respect to the compensation of the President of Double Down for the three most recently completed financial years of Double Down[(1)].

		Annual Compensation			Long Term Compensation	
Name and Position(s)	Year	Salary	Bonus	Other Annual Compensation	Securities under Options Granted (#)	All other Compensation
Hughes P. Salat[(2)] President	1999	Nil	Nil	Nil	45,000	$45,000[(3)]
	1998	Nil	Nil	Nil	132,000	$9,000[(3)]
Michael Pezim[(2)] President	1998	Nil	Nil	Nil	Nil	Nil
	1997	Nil	Nil	Nil	65,000	Nil

(1) During each of the last three financial years of Double Down, no officer of Double Down earned over $100,000 in total salary and bonus.

(2) Mr. Salat succeeded Mr. Pezim as President of Double Down in October 1998.

(3) These amounts were paid to Joranex Resources Inc., a private company in which Mr. Salat is the President and controlling shareholder. See "Double Down Resources Ltd. - Interest of Management and Others in Material Transactions".

Stock Options

During the financial year ended December 31, 1999, stock options of Double Down were granted to the President of Double Down as set forth below:

Name	Shares Under Options Granted (#)	% of Total Options Granted in the Financial Year	Exercise Price ($/Share)	Market Value of Shares Underlying Options on the Date of Grant ($/Share)	Expiration Date
Hughes P. Salat	45,000	32%	$0.18	$0.18	May 3, 2004

No stock options of Double Down were exercised by the President of Double Down during the financial year ended December 31, 1999. The following table sets forth the value of the stock options of Double Down held by the President of Double Down as at December 31, 1999, all of which options were exercisable at such date:

Name	Unexercised Options at Dec. 31, 1999	Value of Unexercised in-the-Money Options at Dec. 31, 1999
Hughes P. Salat	177,000	Nil

Termination of Employment, Change in Responsibilities and Employment Contracts

Double Down does not have an employment contract with the President of Double Down, Hughes P. Salat. Double Down has no compensatory plan or arrangement in respect of compensation received or that may be received by Mr. Salat to compensate Mr. Salat in the event of a termination of employment or a change of control of Double Down or in the event of a change in responsibilities following a change in control.

Compensation of Directors

During the financial year ended December 31, 1999, Double Down had no arrangements, standard or otherwise, pursuant to which directors were compensated by Double Down for their services in their capacity as directors (other than through the granting of stock options as set forth below) or for committee participation, involvement in special assignments or for services as consultants or experts.

The following table sets forth stock options granted to the directors of Double Down during the financial year ended December 31, 1999, other than the stock options granted to Mr. Salat which are set forth above under “Stock Options”:

Name	Shares Under Options Granted (#)	% of Total Options Granted in the Financial Year	Exercise Price ($/Share)	Market Value of Shares Underlying Options on the Date of Grant ($/Share)	Expiration Date
David M. Rutt	45,400	32%	$0.18	$0.18	May 3, 2004
Michael Williams	25,000	18%	$0.18	$0.18	May 3, 2004

Indebtedness of Directors and Officers

No director or officer of Double Down or associate or affiliate of any such director or officer is, or at any time during Double Down’s financial year ended December 31, 1999 has been indebted to Double Down. As well, no such director, officer or associate or affiliate thereof has any indebtedness to another entity that is, or at any time during the said financial year has been, the subject of a guarantee, support agreement, letter of credit or similar arrangement or understanding provided by Double Down.

Interest of Management and Others in Material Transactions

Other than as discussed below or disclosed elsewhere in this prospectus, no director or officer of Double Down or any shareholder holding of record or beneficially, directly or indirectly, more than 10% of the outstanding Double Down Common Shares, or any of their respective associates or affiliates, had or has any material interest, directly or indirectly, in any transaction completed within the last three years or in any proposed transaction that has materially affected or would materially affect Double Down.

Double Down and Joranex Resources Inc. ("Joranex") entered into a management agreement (the "Joranex Agreement") dated July 1, 1999 (which superceded a previous management agreement dated November 7, 1998) pursuant to which Joranex agreed to manage the business operations of Double Down, including administration, at a monthly fee of $5,000. Joranex is a private corporation in which Hughes P. Salat (Chief Executive Officer, President and a director of Double Down) is the President and controlling shareholder. Double Down and Joranex have agreed to terminate the Joranex Agreement in accordance with the terms of the RTO Transaction. One of the conditions to the completion of the RTO Transaction is that Double Down shall have entered into a new one year management contract with each of Hughes P. Salat and David M. Rutt (see "The RTO Transaction – Details of the RTO Transaction").

On February 10, 2000 Double Down completed a financing involving the issue and sale of 350,000 units at a price of $0.15 per unit or $52,500 in the aggregate. Each such unit consisted of one Double Down Common Share and one warrant (a "Warrant"), each Warrant entitling the holder to purchase one Double Down Common Share at a price of $0.25 until February 10, 2001. The purchasers of the said units were David M. Rutt (Chief Financial Officer, Secretary and a director of Double Down), who purchased 210,000 units, and Hughes P. Salat (Chief Executive Officer, President and a director of Double Down), who purchased 140,000 units. Mr. Rutt and Mr. Salat have agreed to surrender their Warrants to Double Down for cancellation prior to closing the RTO Transaction in accordance with the terms of the RTO Transaction.

Principal Shareholder

As at the date of this prospectus, the only person or company who, to the knowledge of the directors and officers of Double Down, beneficially owns, directly or indirectly, or exercises control or direction over, more than 10% of the outstanding Double Down Common Shares is as follows:

Name	No. of Common Shares	Percentage of Total Common Shares
Francois Calando[(1)]	790,000	16.56%[(2)]

(1) Mr. Calando holds these shares through 100157 P.E.I. Inc. which is wholly-owned by Mr. Calando.

(2) Following the completion of the RTO Transaction and the Unit Offering, Mr. Calando's shares, which will total 197,500 shares as a result of the Consolidation, will represent approximately 1.9% of the outstanding Double Down Common Shares assuming the minimum Unit Offering is achieved and the proceeds therefrom are equally split between "A" units and "B" units, or approximately 1.46% of the outstanding Double Down Common Shares assuming the maximum Unit Offering is achieved and the maximum number of "B" units offered hereunder (being 3,000,000 "B" units) are sold.

As at the date of this prospectus, the directors and officers of Double Down as a group beneficially own, directly or indirectly, or exercise control or direction over 509,692 Double Down Common Shares, representing 10.69% of the issued and outstanding Double Down Common Shares.

Price Range and Trading Volume

The Double Down Common Shares are listed and posted for trading on CDNX. The following table sets forth the reported high and low sale prices and volume of trading of the Double Down Common Shares for the calendar periods indicated.

	High ($)	Low ($)	Volume
1998			
First quarter	0.24	0.15	70,000
Second quarter	0.20	0.12	52,900
Third quarter	0.13	0.10	91,200
Fourth quarter	0.30	0.10	631,300
1999			
First quarter	0.23	0.16	54,029
Second quarter	0.22	0.16	51,598
Third quarter	0.28	0.18	132,342
Fourth quarter	0.35	0.11	266,510
2000			
January	0.16	0.15	22,550
February	0.20	0.12	86,857
March	0.29	0.18	137,513
April	0.33	0.15	135,071
May	0.13	0.08	4,688
June (to June 22)	0.13	0.10	31,429

When the RTO Transaction was first announced by Double Down on June 22, 2000, trading in Double Down Common Shares was halted in accordance with CDNX's policies pending CDNX's approval of the RTO Transaction. The halt is still in effect. The closing price of Double Down Common Shares on June 22, 2000 was $0.13 per share, or $0.52 per share on a post-Consolidation basis.

Share Issuances

No Double Down Common Shares have been issued or sold by Double Down during the past twelve months other than as set out in the following table:

Date	Number of Shares Issued	Price per Share	Total Consideration
April 11, 2000	90,400[(1)]	$0.18	$16,272
Feb. 10, 2000	350,000[(2)]	$0.15	$52,500

(1) 45,400 of these shares were issued to David M. Rutt (Chief Financial Officer, Secretary and a director of Double Down) and the other 45,000 shares were issued to Hughes P. Salat (Chief Executive Officer, President and a director of Double Down). These shares were so issued pursuant to the exercise of stock options.

(2) These shares were issued to Mr. Rutt and Mr. Salat. See "Double Down Resources Ltd. – Interest of Management and Others in Material Transactions."

Management's Discussion and Analysis of Financial Condition and Results of Operations

The following discussion should be read in conjunction with the financial statements of Double Down included elsewhere in this prospectus.

Results of Operations

Six month period ended June 30, 2000 compared to the six month period ended June 30, 1999

During the six month period ended June 30, 2000, Double Down entered into an agreement to amalgamate with Meteor Creek, an arm's length, private Ontario company. As a condition of the amalgamation, Double Down agreed to consolidate its share capital on a one for four basis and cancel all of its outstanding stock options and share purchase warrants. See "The RTO Transaction" and "Meteor Creek Resources Inc.". Most of the said six month period was spent looking for a project of merit until the letter of intent with Meteor Creek was signed on June 20, 2000. During the corresponding six month period in 1999, Double Down entered into an agreement to acquire from A.G.R.E.N. a 50% working interest (subsequently amended after June 30, 1999 to a 42% working interest) in the Bear River Prospect in P.E.I. by way of funding 70% (subsequently amended after June 30, 1999 to 60%) of the cost of the initial test well, paying to A.G.R.E.N. $4,000 cash and issuing to A.G.R.E.N. up to 200,000 Double Down Common Shares. Double Down's option on the property lapsed at year end due to Double Down being unable to raise financing for the project.

Operating losses for the six month period ended June 30, 2000 were $42,790 compared to operating losses of $48,340 in the corresponding period in 1999. General and administrative expenses decreased slightly to $37,329 for the six month period ended June 30, 2000 compared to $40,810 in the corresponding period in 1999. During the six-month period ended June 30, 2000, professional fees and bank charges declined to $5,459 from $7,543 in the previous year's corresponding period.

Year ended December 31, 1999 compared to year ended December 31, 1998

During 1999 Double Down entered into an agreement to acquire from A.G.R.E.N. a 42% working interest in the Bear River Prospect in exchange for funding 60% of the cost of the initial test well, paying to A.G.R.E.N. $4,000 cash and issuing to A.G.R.E.N. up to 200,000 Double Down Common Shares. Double Down was unable to obtain funding for the project and, as a result, Double Down's option on the Bear River Prospect expired on December 31, 1999. Operating losses for 1999 totalled $89,917 of which $78,776 was related to general and administrative expenses.

During 1998 Double Down's management changed hands with the current management team taking control in October 1998. A private placement for gross proceeds of $120,000 was completed at $0.15 per Double Down Common Share and the new management team began looking for projects of merit. Operating losses for 1998 totalled $130,250 of which $64,330 related to general and administrative expenses, $34,500 related to the write-down and abandonment of the Egan property, which was partially offset by a $2,500 recovery from the government relating to another property from 1996, and $15,387 related to a loss on the sale of an investment.

Year ended December 31, 1998 compared to year ended December 31, 1997

During 1998 a private placement for gross proceeds of $120,000 was completed at $0.15 per Double Down Common Share and a new management team installed in October began looking for projects of merit. Operating losses for 1998 totalled $130,250 of which $64,330 related to general and administrative expenses, $32,000 related to the net write-down of mining properties and $15,387 related to a loss on the sale of an investment.

During 1997 Double Down entered into an option agreement to acquire a 100% interest in certain mineral claims located in Egan Township, Ontario. To acquire this interest, Double Down paid $30,000, issued 25,000 Double Down Common Shares at an aggregate deemed value of $4,500 and was to pay a further $150,000 in cash and issue an additional 75,000 Double Down Common Shares beginning in 1998. Operating losses for 1997 totaled $109,318 of which $65,042 represented general and administrative expenses and $22,400 was the result of a write-down in value of an investment.

Liquidity and Capital Resources

As at June 30, 2000, Double Down had cash and cash equivalents of $5,188. There was a deficit of working capital (defined as the difference between current assets and current liabilities) of $95,400. The net proceeds from the Unit Offering will be used to fund exploration on the Bear River Prospect and for general corporate purposes. See "Use of Proceeds". By the end of December 2000, Double Down expects that it will have earned a 50% working interest in the Bear River Prospect. See "Meteor Creek Resources Inc. – Farmout Agreement and Participation Agreement".

As at June 30, 2000, Double Down had outstanding options to purchase an aggregate of 317,500 Double Down Common Shares and warrants to purchase an aggregate of 350,000 Double Down Common Shares. All of these options and warrants will be cancelled prior to the closing of the RTO Transaction in accordance with the terms of the RTO Transaction. See "The RTO Transaction – Details of the RTO Transaction".

Material Contracts

Except for contracts entered into in the ordinary course of business, there are no contracts entered into by Double Down within two years prior to the date hereof or to be entered into by Double Down prior to the closing of the Unit Offering which may reasonably be regarded as presently material to an investor in the securities offered hereunder, other than the following:

1. the Share Exchange Agreements referred to under "The RTO Transaction - Details of the RTO Transaction";
2. the Agency Agreement referred to under "Plan of Distribution - The Unit Offering";
3. the Warrant Indenture referred to under "Plan of Distribution - The Unit Offering";
4. the Custodial Agreement referred to under "Plan of Distribution - The Unit Offering"; and
5. the Subscription Agreements referred to under "Plan of Distribution – Renunciation of Qualifying Expenditures".

Copies of the foregoing contracts will be available for inspection at the offices of Macleod Dixon, Barristers & Solicitors, BCE Place, Canada Trust Tower, Suite 3900, 161 Bay Street, Toronto, Ontario, M5J 2S1, during normal business hours while the securities offered by this prospectus are in the course of distribution and for a period of 30 days thereafter.

Legal Proceedings

Double Down knows of no actual, threatened or pending legal proceedings to which Double Down is or is likely to be a party or of which any of its properties are or are likely to be the subject.

Auditors

The auditors of Double Down are Deloitte & Touche LLP ("Deloitte"), Chartered Accountants, Suite 2400, Scotia Centre, 700 Second Street S.W., Calgary, Alberta, T2P 0S7. Deloitte were asked and have agreed to tender their resignation as auditors of Double Down effective upon completion of the RTO Transaction. Upon such resignation, the board of directors of Double Down proposes to fill the vacancy so created with Kraft, Berger, Grill, Schwartz, Cohen & March LLP ("Kraft, Berger"), Chartered Accountants, Markham, Ontario, for the balance of Deloitte's unexpired term. Kraft, Berger are the current auditors of Meteor Creek.

METEOR CREEK RESOURCES INC.

General

Meteor Creek is a private corporation incorporated under the laws of the Province of Ontario by articles of incorporation effective on March 8, 1999. Meteor Creek's office is located at Suite 1705, 8 King Street East, Toronto, Ontario, M5C 1B5. Meteor Creek does not have any subsidiaries.

Meteor Creek is engaged in the acquisition and exploration of oil and natural gas properties. The focus of Meteor Creek is the proposed drilling of a test well on the natural gas prospect (known as the "Bear River Prospect") located within an onshore permit (known as the "Souris Permit") held by Consultants A.G.R.E.N. Canada Inc. ("A.G.R.E.N."). A.G.R.E.N. is arm's length to Meteor Creek. The Souris Permit is an oil and natural gas exploration permit granted by the P.E.I. government which covers most of the easternmost tip of P.E.I. and encompasses a total area of 77,226 hectares (175,984 acres). The Souris Permit has a term of one year from May 10, 2000 and A.G.R.E.N. has the right to apply to continue the term upon such terms and conditions as are acceptable to the P.E.I. government.

Farmout Agreement and Participation Agreement

Meteor Creek has entered into a farmout agreement (the "Farmout Agreement") and a participation agreement (the "Participation Agreement") (collectively, the "Agreements") in respect of the earning of an interest in the Souris Permit by Meteor Creek and the operation of the Souris Permit lands after the earning of an interest by Meteor Creek. The Farmout Agreement is dated July 14, 2000 and is between Meteor Creek and A.G.R.E.N. The Participation Agreement is dated July 14, 2000 and is among Meteor Creek, A.G.R.E.N. and the Bear River (Prince Edward Island) Joint Venture (the "Bear River JV").

Under the terms of the Agreements, Meteor Creek will drill a test well (the "Test Well") on the Souris Permit lands to a depth of the lesser of 3,680 meters or the base of the Bradelle Formation (previously called the Riversdale Formation) of the Bear River Structure. Drilling is expected to commence shortly following the completion of the Unit Offering and is estimated to take 40 days. Meteor Creek will pay 71.43% of the costs of the Test Well and the Bear River JV will pay 28.57% of the costs of the Test Well. Drilling the Test Well, together with the completion procedures, are expected to cost approximately $2,500,000. Upon completion of the Test Well, Meteor Creek will have earned a 50% working interest in the Souris Permit and the Bear River JV will have earned a 20% working interest.

The Participation Agreement provides that the Bear River JV is deemed to be a party to the Farmout Agreement and has placed its share of the Test Well costs, other than completion costs, in trust with its solicitors for draw down by Meteor Creek. The Farmout Agreement creates a right of first refusal should any of the parties thereto wish to dispose of their interests in the Souris Permit lands.

Upon Meteor Creek earning its interest in the Souris Permit, Meteor Creek will be appointed the operator of the Souris Permit lands and an operating procedure in the form prepared by the Canadian Association of Petroleum Landmen (the "Operating Procedure") will come into effect between the parties. Under the Operating Procedure, Meteor Creek will be responsible for maintaining the Souris Permit, the proposal of operations on the Souris Permit lands, and marketing the parties' share of production from the Souris Permit lands. See also "Description of Amalco – Business Strategy of Amalco".

The site of the proposed Test Well is located in a farmer's field on the eastern side of Highway no. 308. Meteor Creek is currently negotiating a surface lease agreement with the landowner.

Consultant's Report

The following information relating to the Bear River Prospect is derived from a report (the "Bear River Report") dated July 7, 2000 prepared for Meteor Creek by Arthur G. Kidston, a Professional Geophysicist, of Table Rock Resources Ltd. (the address of Table Rock Resources Ltd. is 52 Rockingstone Road, Halifax, Nova Scotia, B3R 2C8). The Bear River Report is entitled, "A Geological and Geophysical Evaluation of the Bear River Prospect, Price Edward Island, Canada". Such information has been included herein with the consent and prior review of Mr. Kidston. The Bear River Report is available for inspection at the offices of Macleod Dixon, Barristers & Solicitors, BCE Place, Canada Trust Tower, Suite 3900, 161 Bay Street, Toronto, Ontario, M5J 2S1, during normal business hours while the securities offered by this prospectus are in the course of distribution and for a period of 30 days thereafter.

Bear River Prospect

Summary

The Bear River Prospect is a high-side fault closure located onshore eastern P.E.I. within a large 77,226 hectares permit (see Figure 1). It is located within the Central Maritimes Basin, a lightly explored Paleozoic Basin lying beneath the southern Gulf of St. Lawrence.

The Central Maritimes Basin was explored by several of the major oil and gas explorers primarily during the 1970s when oil was the objective and gas was generally by-passed and not readily tested. The Basin is a Late Paleozoic or Permian-Carboniferous basin that has a thick evaporite section, the Windsor Salt, which is indicative of marine influences and source rock potential. The Basin has all the prerequisites of an emerging gas area and onshore locations, relative to the more expensive offshore, are a bonus.

The Bear River Prospect meets all the requirements of an exploration wildcat. It has demonstrable structural closure on the high-side of a normal down-to-basin fault and a most likely closure area of 3000 hectares. Adjacent well control exhibit thick blocky fluvial sands with the potential for reservoir quality rocks and tens of metres of net pay. The concern of porosity loss with depth is mitigated by Industry experience in the United Kingdom on porosity preservation through hydrocarbon emplacement and by the potential for secondary porosity enhancement.

The pre-drill prognosis calls for a 3500 metre (11,480 feet) well with primary multiple targets in the Bradelle sands and coal measures. The secondary target will be in the Cable Head sands correlative with the gas discovery at East Point E-49. No over-pressure is expected in the basin.

Introduction

The Bear River Prospect lies within the onshore Souris Permit held by A.G.R.E.N. and covers most of the easternmost tip of P.E.I (see Figure 1). The Souris Permit covers two geographic grids as defined by the Federal Land Referencing System which at this latitude equates to 35,613 hectares/grid for a total Permit area of 77,226 hectares. This equals 182,339 acres or in Western Canadian terms 285 sections or almost 8 townships, a considerable area.

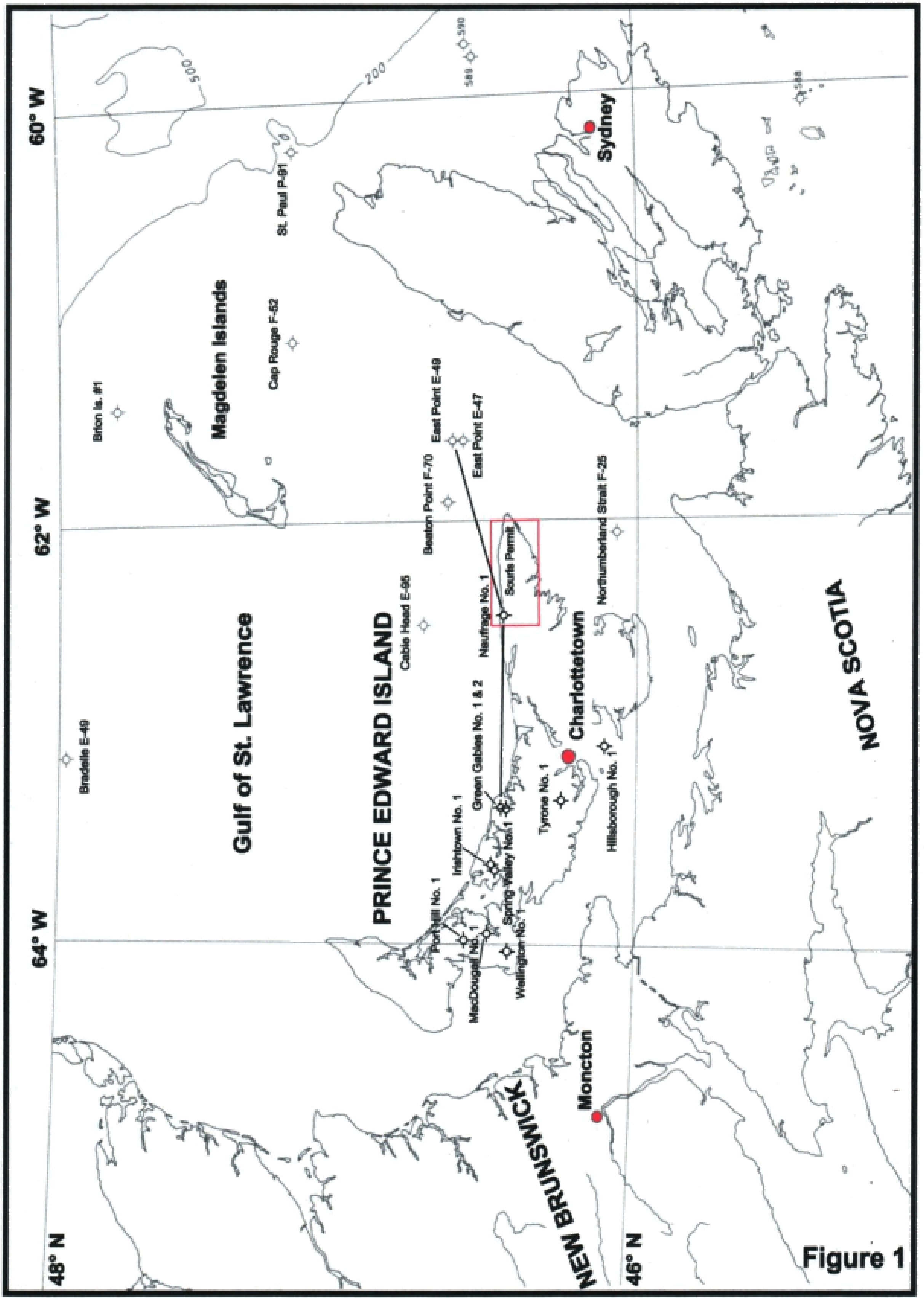
60° W
62° W
64° W
48° N
46° N
500
200
589
590
588
St. Paul P-91
Sydney
Magdelen Islands
Cap Rouge F-52
Brion Is. #1
East Point E-49
East Point E-47
Beaton Point F-70
Gulf of St. Lawrence
PRINCE EDWARD ISLAND
Cable Head E-95
Neufrage No. 1
Souris Permit
Northumberland Strait F-25
Charlottetown
NOVA SCOTIA
Bradelle E-49
Green Gables No. 1 & 2
Tyrone No. 1
Hillsborough No. 1
Irishtown No. 1
Spring Valley No. 1
Port Hill No. 1
MacDougall No. 1
Wellington No. 1
Moncton
NEW BRUNSWICK

Figure 1

The Souris Permit is centrally located within the Central Maritimes Basin, a thick Permian-Carboniferous basin located in the present-day Gulf of St. Lawrence including all of P.E.I. and the Magdelen Islands. It has an areal extent of 125,000 square kilometres and the depocentre located east of the Magdalens has more than 12 kilometres of Late Paleozoic basin fill. The Carboniferous Period is within the Upper Paleozoic Era and dates from 290 to 360 million years ago.

Regional Geology - Basin Setting and Tectonic History

The Central Maritimes Basin formed by extensional rifting from Late Devonian to Early Carboniferous and a subsequent phase of gradual thermal subsidence during Mid to Late Carboniferous. The formations in this Basin generally consist of a suite of coarse and fine-grained terrestrial siliciclastics with subordinate shallow-marine clastics, carbonates and evaporites. Carbonates and evaporites of the Windsor Group are the notable marine unit. Subsidence of the Basin had ceased by the Early Triassic at which point the Basin was subject to uplift and erosion of 1 to 4 kilometres of sediments.

The Maritimes Basin is unique in being a Paleozoic evaporite basin with diapiric salt structures and may contain important hydrocarbon reserves by virtue of their distinct structural style and association with thick overlying sedimentary successions. The presence of evaporites indicates marine transgressions and more favourable source rock conditions while the salt tectonics creates overlying structural traps and conduits for hydrocarbon migration.

Exploration History and Results

Since 1944 when Mobil drilled Hillsborough #1, some 18 wells have been drilled within the Central Maritimes Basin, 11 of which are onshore P.E.I. and 7 are offshore. Most of the drilling took place during a ten-year timespan from 1970 to 1980. Of the 18 wells, 14 are considered to be New Field Wildcats ("NFW") as opposed to a stepout or delineation well. NFW's are considered to be the first well on a prospect unlike the East Point E-47 that was drilled to delineate the East Point E-49 gas discovery. Fourteen wildcats in a basin area of 125,000 square kilometres equates to one NFW per 7800 square kilometres, which makes the Maritimes Basin very under-explored by global standards.

While there have been numerous gas shows, only one significant discovery was made, which was at the East Point E-49 well in the Upper Carboniferous Cable Head Formation where gas was tested at 5.5 million cubic feet per day. A Significant Discovery License was awarded which covers the discovery out to a determined gas/water line.

It is fair to say that the bulk of the previous exploration was focused on oil not gas given the number of gas shows that went untested.

The Prospect

The Bear River Prospect is a high-side fault closure on the south side of the Bear River Fault Zone. It lies wholy onshore approximately 5 kilometres from the coast on low-lying topography. The following evaluation is based on presently available data. No new seismic acquisition or reprocessing was carried out.

<u>Data Used in Bear River Report</u>

The Souris Permit has been the site of three reflection seismic surveys over the years. In 1966 Hudson's Bay Oil and Gas shot 180 kilometres of 6-fold Vibroseis data in eastern P.E.I. which included approximately 75 kilometres in the Souris Permit along various road allowances. The only copies seen were interpreted paper copies and it was not practical to track down original sections in time for the Bear River Report.

In 1974 Soquip recorded approximately 160 kilometres of 6-fold Vibroseis data on the Souris Permit. A portion of this survey was available for the Bear River Report and consisted of nine lines or approximately 110 kilometres of data. While the survey was predominantly 6-fold, one line (Line 74-C) was recorded 12-fold.

A lesser component are the ends of two lines that enter the west side of the Souris Permit shot by Chevron in 1980. This is 12-fold Vibroseis data and adds key information on the west flank of the Bear River structure.

Selected seismic lines were obtained across key offshore wells, East Point E-49, Beaton Point F-70, Cable Head E-95 and Northumberland Strait F-25, to establish regional seismic correlations for basement, Windsor Salt and the Coal Measures.

Well logs were obtained for two wells, Naufrage #1 and East Point E-49. Log digits were obtained and these were used in the generation of synthetic seismograms and other displays. Other well data was restricted to paper copies of well histories and reports. Published papers were obtained from the P.E.I. government, the Geological Survey of Canada, the American Association of Petroleum Geologists and Canadian Society of Petroleum Geologists Bulletins.

Naufrage Well Tie

In a seismic oriented prospect evaluation a stratigraphic framework is required. The nearest well is Naufrage #1 about 7.5 kilometres to the northwest. In order to tie the seismic to the well logs a synthetic seismogram was generated from the sonic and density logs.

The Naufrage well is located near the end of seismic Line 74-F and the edge of the island, both factors which conspire to degrade the data quality. Therefore, one must slide the synthetic along the line to the south until there is sufficient reflector quality to make a correlation. Another significant factor is the lack of a "check shot survey", a technique to calibrate the time/depth relationship of the sonic log and hence the synthetic. Using vertical adjustments a waveform character tie can be made and the seismic reflectors tied with the geological horizons encountered at the well.

Given the well ties, a series of recognizable continuous reflectors as set out below were selected for mapping purposes:

1. Cable Head
2. Top Coal Measures
3. Base Coal Measures
4. Top Windsor Salt
5. Basement

Seismic Interpretation

The Souris Permit area was previously mapped by Hudson's Bay Oil and Gas in 1973 and later by Soquip. Each depicted a throughgoing fault zone with related structural highs and lows. Complete data sets of maps and seismic were not available and the interpretation and mapping had to be redone. To this end, a set of nine lines from Soquip's 1974 seismic survey and two Chevron lines were utilized.

Seismic Line 74-F

This is a key line that ties with the Naufrage #1 well. The main Bear River Fault appears as a down-to-basin listric fault that soles out beneath the Windsor salt and above the basement. The salt layer shows evidence of thickening and withdrawal on different sides of the fault. The post-salt section appears quite uniform with the notable exception of the Coal Measures interval. From the Naufrage well this interval thickens towards an antithetic fault and is markedly different than the "railroad-track" appearance south of the fault. This thickening into the fault is indicative of syndepositional growth and the antithetic fault is indicative of a strike-slip component of movement. The presence of strike-slip faulting or wrenching is favourable because it can add compressional structures to the locality.

Given the location of the well so close to the end of a seismic line and the island edge and the problems with tying onshore to offshore seismic, it is not readily apparent that the Naufrage well tested a closed structure. This is important because the validity of a truly diagnostic test is critical in understanding the controlling factors of hydrocarbon accumulations in the basin. Therefore, the results of the Naufrage well need not be viewed in a negative sense.

The Coal Measures Zone is the primary target and quite thick, in the order of 400 to 500 metres, and this thickness can contain numerous interbeds of sands, shales and coals with varying impedance (velocity and density), thickness and spacing to give a band of high amplitude reflections. This is a positive characteristic which denotes the potential for discrete lithologic bodies and is the primary drilling objective.

A secondary target is the Cable Head Formation correlative with the gas discovery at East Point E-49. Between the Cable Head and the Coal Measures are several zones of continuous high amplitude reflections interspersed by lower amplitude discontinuous zones.

Below the Coal Measures to the Windsor Salt is a very thick low amplitude zone of the fine-grained Mabou Group and which may contain intervals of potential source rocks.

Line 74-E

This line has much the same appearance as 74-F with the Coal Measures parallel south of the fault and divergent on the north side. There is evidence here for both dip-slip and strike-slip movement. The dip-slip option is favoured because the listric fault lines up with salt withdrawal and appears as the simplest solution although there is probably a strike-slip component.

The location of the proposed Test Well on the Bear River Prospect is at shot point #185 on this line and should test the structure as high as possible leaving some distance, about 500 metres from the fault zone, for naturally occurring well deviation and to avoid fault parallel fractures. The total depth should be designed to fully penetrate the Coal Measures, about 3500 metres (11,480 feet).

Line 74-C

This line shows two major down-to-basin listric faults that sole out beneath the salt with withdrawal on the north and salt buildup on the south. The salt configuration is an indication of fault locations in the upper section. The Coal Measures thicken towards each fault which indicates syndepositional development early in the history of the basin. Another aspect is the change in waveform at the top of the primary zone on the highside of the main fault. This change can occur for many reasons one of which can be the introduction of porosity and hence lower interval velocities.

Dip Lines, 74-M and H

These two lines illustrate the same configurations as the previous lines with the Bear River high-side fault closure diminishing eastwards and the roll-over structure on the north side. The roll-over appears to be a west-plunging anticline but further mapping would be required to determine this.

Strike Lines, 74-A, D, Dext and G

These lines are important to make loop ties with the structural dip lines. However, they also show the problem with seismic lines parallel or sub-parallel with fault zones where broadside reflection energy can disrupt the signal. Line ties with 74-E and F show two different Coal Measure thicknesses. Where they merge suggests an overthrusted strike-slip fault but is difficult to confirm and should be noted for future reference.

The long line 74-A provides good ties with the dip lines over most of it's length until the Bear River Fault Zone intersects it near the tie with Line 74-M where once again the juxtaposition of the main listric fault and Coal Measure thickness changes complicate the interpretation.

Chevron Lines 56X and 54Y

These two lines were included to confirm the western flank of the Bear River Prospect.

<u>Reservoir Prediction</u>

A pre-drill reservoir prediction can be made by correlating the nearby well control with seismic to the proposed wellsite.

Well Control

The Naufrage #1 well was drilled in 1975 on a roll-over anticline on the down side of the Bear River Fault. The integrity of the structure is suspect due to poor seismic data along the landward side of the north shore of P.E.I. and the corresponding offshore marine seismic. Correlation between these two seismic data sets is difficult. This is pointed out to emphasize that the drill results should not be viewed as overly negative to the Bear River Prospect.

The best reservoir section in the Naufrage well was encountered in the Bradelle Formation, a laterally extensive sandstone in this area. At Naufrage a 50/50 ratio of sand to shale was encountered (this ratio is also expected at the Bear River well) which provides a favourable circumstance for the pooling and retention of hydrocarbons by providing sands for reservoir and shales for seals.

The Bradelle sands appear to be fluvial in nature with fining upward character, except for the middle sands that are thicker and more blocky in nature. The Bradelle thus displays a symmetric pattern with the thickest and coarsest sediments occupying the centre of the formation. It appears that local subsidence attracted fluvial sediments, reaching a rate of deposition maxima during "e" time. The best reservoirs should be expected in the middle sequence.

The superior reservoir qualities of the "e" sand were demonstrated in the Naufrage well. The uppermost "e" produced a weak gas flare on test. A core taken from the top of the sand revealed rather tight (6% porosity) in very fine-grained sandstone. However, the core becomes more conglomeratic towards the base and reservoir quality should improve.

The Naufrage well did not penetrate the complete zone of high-amplitude continuous seismic reflectors and hence the potential for more well-developed sand bodies is high. This or sands like it will be the primary target at the Bear River Prospect. The East Point E-49 well penetrated a thick Bradelle section with a 91% sand content albeit finer-grained.

The Cable Head sands of Stephanian age present a secondary target due primarily to the gas tested at the East Point E-49 well in 1974. The production test flowed at 5.5 million cubic feet per day from a fine-grained sandstone reservoir which onshore would have been deemed commercial. The AOF (Absolute Open Flow) was calculated at 8.0 million cubic feet per day. However, it was sufficient for the operator to claim a Significant Discovery License which continues in perpetuity or until such time as the government orders development to commence.

Seismic

The vintage and low-fold of the seismic data does not lend itself to any direct reservoir prediction and the long near-trace offsets of 1980 to 2640 feet (604 to 805 metres) does not encourage AVO (Amplitude vs. Offset) results. However, one can still make qualified observations based on empirical relationships from other basins.

Line 74-C is best suited for this kind of interpretation since it was recorded 12-fold as opposed to the rest of the data set which is 6-fold. The Coal Measures reflection package in question extends from shot point 215 to 291 and from 1.6 to just below 1.8 seconds.

The first aspect is the overall time thickening from 0.040 seconds in the south to 0.050 seconds at the fault. This is only 0.010 seconds but at an interval velocity of 4000 metres/second will equal 20 metres. This is a significant thickness change when dealing with reservoir units in the tens of metres. Another way of explaining the time thickness change is to maintain the thickness but reduce the interval velocity from 4000 metres/second to 3200 metres/second which is within the realm of porous sandstone velocities. The second aspect of the Coal Measures reflection package is the change from 5 periods, or cycles seen as dark peaks, to six at about shot point 235. This further indicates a lateral change in the geologic section.

Experience with seismic response of various geologic models illustrates that waveform changes such as this can be caused by a number of geological situations. Lateral changes in bedding thickness, spacing and lithologies including reservoir rocks and/or coals are a common explanation. The hydrocarbon-laden Cretaceous Mannville Formation of the Western Canada Basin is an excellent example of similar seismic responses.

As mentioned above, the introduction of reservoir rocks can decrease the interval velocity hence increasing the time interval. The introduction of gas within this reservoir can further increase the interval time. The latter case is a very probable one as the changes occur in the updip direction where the trap is predicted to be. The same effect is seen on Lines 74-F and E but are less clear probably due to the fact of half the fold or multiplicity of the seismic data.

This anomalous aspect of the Bear River Prospect is an encouraging indirect indicator of potential reservoir coincident with the mapped structure.

The time/depth function derived from the Naufrage well was used initially for depth prediction at the Bear River location, but without a checkshot survey for calibration became suspect in introducing a cumulative error, meaning predicted depths were too deep. Fortunately, a seismic to seismic correlation between the proposed location and Naufrage indicated similar times could be expected to major horizons, especially the Top Coal Measures. The predicted depths were therefore adjusted for the prognosis.

Pre-drill Prognosis

Based on the Naufrage well logs, the synthetic seismogram and the seismic to seismic correlation between the well and the proposed location, the pre-drill predictions are as follows:

0 - 500 metres	Undefined Permian sands
500 – 1200 metres	Naufrage Formation; sand-prone at top grading to silt-prone with increased depth.
1200 - 1400 metres	Cable Head Formation; can expect gas shows and should be considered a secondary target.

1400 - 2500 metres	Green Gables Formation; thick succession of silt/shale-prone rocks with sandy interbeds.
2500 - 2700 metres	Upper Bradelle; expect sands with trapping configurations and be prepared for gas and/or coals.
2700 - 2900 metres	Bradelle; expect silt-prone interval.
2900 -3400 metres	Bradelle "Coal Measures"; expect alternating beds of sands, silts/shales, coals. Primary target interval for gas.
3400 - 3500 metres	Total depth should penetrate complete Bradelle and enter Mabou silts/shales.

The location of the proposed Test Well on the Bear River Prospect lies about 7 kilometres south of Naufrage #1 and about 70 kilometres from the East Point E-49 well and Green Gables #1, each of which have substantial Bradelle Formation sandstone development. The Test Well should match Naufrage quite closely except for lateral variations in lithologies over the intervening distance and across the major fault zone.

Conclusions

The Bear River Prospect is a valid high-side fault trap with acceptable geologic risks in a frontier basin setting. It should be drilled to approximately 3500 metres (11,480 feet) to fully test the primary zone of the Bradelle Formation Coal Measures. The Bradelle Formation has the majority of gas shows in the basin notwithstanding the Cable Head Formation gas discovery at East Point.

The Maritimes Basin is a Paleozoic basin that is lightly explored and suffered the old bias of being gas-prone at a time when oil was exclusively sought after. The bulk of early exploration is over 25 years ago and since then technology has made advances in all facets of exploration and production.

The basin appears to contain all the prerequisites for hydrocarbons such as source, seal, reservoir, salt tectonics for trap development and gas-favourable maturation timing. It is not without significant risks as interior continental basins and lacustrine source rocks in lieu of marine source rocks are not well understood. The Windsor Salt is indicative of earlier marine transgressions and subsequent nearshore conditions may have been present.

Another previously held bias of porosity loss with depth, especially beyond 2000 metres, is presently mitigated by two factors. One is the suggestion of secondary porosity development and the second is Industry experience in the United Kingdom of reservoired hydrocarbons inhibiting diagenetic loss of porosity.

Overall, the Bear River test should be a diagnostic evaluation of the gas potential for the area under permit.

Management

The following table sets forth the name, municipality of residence, position(s) with Meteor Creek and principal occupations within the five preceding years of each of the directors and officers of Meteor Creek:

Name and Municipality of Residence	Position(s) Held with Meteor Creek	Principal Occupations During the Past Five Years
John L. Tindale Toronto, Ontario	President and a director	President of Meteor Creek since its incorporation in March 1999; self-employed geologist and professional engineer with J.L. Tindale & Associates Inc. (a geological consulting company); President of Asquith Resources Inc. (a mineral resource exploration company) until December 1995.
David G. Fisher Toronto, Ontario	Vice President and a director	Vice President of Meteor Creek since May 2000; President of Medical Pathways International Inc. (developed an internet web-site relating to women's health issues) from June 1998 to present; prior to June 1998, employed with Cobatec Inc. (a cobalt compound producer).
Stacey L. Wenger Toronto, Ontario	Secretary-Treasurer and a director	Secretary-Treasurer of Meteor Creek since its incorporation in March 1999; Secretary-Treasurer of Medical Pathways International Inc. (developed an internet web-site relating to women's health issues) from June 1998 to present; an independent business consultant providing financial and administrative-related services.
Donald A. Young North Bay, Ontario	Director	Self-employed real estate broker.

Refer to the disclosure under "Description of Amalco – Management of Amalco" for a brief biography of each of the above individuals.

Executive Compensation

No compensation has been paid to any officer or director of Meteor Creek since the incorporation of Meteor Creek.

Indebtedness of Directors and Officers

No director or officer of Meteor Creek, or associate or affiliate of any such director or officer, is or has been indebted to Meteor Creek.

Interest of Management and Others in Material Transactions

Other than as disclosed elsewhere in this prospectus, no director or officer of Meteor Creek or any person or corporation owning more than 10% of the outstanding Meteor Creek Common Shares or any associate or affiliate of any of them, had or has any material interest, direct or indirect, in any transaction since the incorporation of Meteor Creek, or in any proposed transaction, that has materially affected or would materially affect Meteor Creek.

Shareholders

There are 5,344,665 Meteor Creek Common Shares issued and outstanding. To the knowledge of the directors and officers of Meteor Creek, no person or company beneficially owns, directly or indirectly, or exercises control or direction over, more than 10% of the outstanding Meteor Creek Common Shares. Meteor Creek does not have outstanding, and will not have outstanding prior to the completion of the RTO Transaction, any stock options, warrants or other rights to purchase Meteor Creek Common Shares.

The directors and officers of Meteor Creek as a group beneficially own, directly or indirectly, or exercise control or direction over, 949,999 Meteor Creek Common Shares, representing 17.78% of the issued and outstanding Meteor Creek Common Shares.

Share Issuances

Meteor Creek has issued the following Meteor Creek Common Shares since its incorporation:

Date	Number of Shares Issued	Price per Share	Total Consideration
March 8, 1999	1	$1.00	$1
May 10, 2000	1,199,999	$0.001	$1,200
June 30, 2000	572,999	$0.15	$85,950
June 30, 2000	1,345,000	$0.20	$269,000
August 11, 2000	1,056,666	$0.15	$158,500
August 11, 2000	970,000	$0.20	$194,000
August 11, 2000	200,000	$0.315	$63,000
Total	5,344,665		

Capitalization

The following table sets forth the unaudited capitalization of Meteor Creek as at June 30, 2000 and August 31, 2000. This table should be read in conjunction with the financial statements of Meteor Creek included elsewhere in this prospectus.

	June 30, 2000 (unaudited)	August 31, 2000 (unaudited)
Common Shares[(1)(2)]	$356,150 (3,117,999 shares)	$771,650 (5,344,665 shares)
Deficit	($80,137)	($80,137)[(3)]

(1) The authorized share capital of Meteor Creek is an unlimited number of common shares and an unlimited number of preferred shares. Meteor Creek has no long term debt.

(2) Meteor Creek does not have outstanding, and will not have outstanding prior to the completion of the RTO Transaction, any stock options, warrants or other rights to purchase Meteor Creek Common Shares.

(3) As at June 30, 2000.

Management's Discussion and Analysis of Financial Condition and Results of Operations

The following discussion should be read in conjunction with the financial statements of Meteor Creek included elsewhere in this prospectus.

Results of Operations

Meteor Creek was incorporated in March 1999. The $5,583 in development expenses incurred by Meteor Creek during 1999 were spent investigating several opportunities unrelated to the Bear River Prospect. The $2,456 in professional fees incurred during 1999 related to the incorporation of Meteor Creek.

Meteor Creek became involved in the Bear River Prospect during the spring of 2000 (see "The RTO Transaction - Background to the RTO Transaction") resulting in a significant increase in Meteor Creek's activity levels. This in turn resulted in an increase in Meteor Creek's general and administrative expenses and professional fees during the six month period ended June 30, 2000 ($66,391 and $11,035, respectively), as compared to the period ended December 31, 1999 ($64 and $2,456, respectively). The $18,090 in development expenses incurred by Meteor Creek during the said six month period related to costs involved in renewing the Souris Permit.

Liquidity and Capital Resources

During the six month period ended June 30, 2000, Meteor Creek raised $354,950 by issuing 1,917,999 Meteor Creek Common Shares. As at June 30, 2000, Meteor Creek had cash of $238,616 and total liabilities of $1,500. Subsequent to June 30, 2000, Meteor Creek raised an additional $352,500 by issuing 2,026,666 Meteor Creek Common Shares.

The Unit Offering is expected to be completed immediately following the completion of the RTO Transaction. The net proceeds from the Unit Offering will be used in part to cover Amalco's 71.43% share of the estimated $2,500,000 cost of the Test Well proposed to be drilled on the Bear River Prospect. See "Meteor Creek Resources Inc. – Farmout Agreement and Participation Agreement" and "Use of Proceeds".

Material Contracts

Except for contracts entered into in the ordinary course of business, there are no contracts entered into by Meteor Creek since its incorporation in March 1999 or to be entered into by Meteor Creek prior to the closing of the Unit Offering which may reasonably be regarded as presently material to an investor in the securities offered hereunder, other than the following:

1. the Share Exchange Agreements referred to under "The RTO Transaction - Details of the RTO Transaction";

2. the Agency Agreement referred to under "Plan of Distribution - The Unit Offering"; and

3. the Farmout Agreement and Participation Agreement referred to under "Meteor Creek Resources Inc. - Farmout Agreement and Participation Agreement".

Copies of the foregoing contracts will be available for inspection at the offices of Macleod Dixon, Barristers & Solicitors, BCE Place, Canada Trust Tower, Suite 3900, 161 Bay Street, Toronto, Ontario, M5J 2S1, during normal business hours while the securities offered by this prospectus are in the course of distribution and for a period of 30 days thereafter.

Legal Proceedings

Meteor Creek knows of no actual, threatened or pending legal proceedings to which Meteor Creek is or is likely to be a party or of which any of its properties are or are likely to be the subject.

Auditors

The auditors of Meteor Creek are Kraft, Berger, Grill, Schwartz, Cohen & March LLP, Chartered Accountants, 3160 Steeles Avenue East, Suite 300, Markham, Ontario, L3R 3Y2.

Transfer Agent and Registrar

Meteor Creek has no agent to transfer or register Meteor Creek Common Shares. The share register is maintained by Meteor Creek itself.

PLAN OF DISTRIBUTION

The Unit Offering

The Unit Offering consists of up to 7,500,000 "A" units of Double Down offered at a price of $0.60 per "A" unit and up to 3,000,000 "B" units of Double Down offered at a price of $0.70 per "A" unit for gross aggregate proceeds of a minimum of $2,500,000 and a maximum of $4,500,000. Such "A" units and "B" units shall sometimes be referred to herein as the "Units". Each "A" unit consists of one Double Down Common Share and one warrant of Double Down (a "Double Down Warrant"), each Double Down Warrant entitling the holder thereof to purchase one Double Down Common Share at a price of $0.80 for a period of three months from the date of the initial closing of the Unit Offering, and thereafter at a price of $1.00 for an additional six months. Each "B" unit consists of one Double Down Common Share to be issued as a "flow-through share" within the meaning of the Tax Act (a "Flow-through Share") and one Double Down Warrant. Investors may purchase all "A" units, all "B" units (up to the maximum of 3,000,000 "B" units being offered) or any combination thereof provided, however, that there is a minimum subscription of 1,000 "A" units ($600 in total) if ""A" units are subscribed for and 1,000 "B" units ($700 in total) if "B" units are subscribed for. The Double Down Warrants will be issued pursuant to, and subject to the terms of, a warrant indenture (the "Warrant Indenture") to be made between Double Down and Computershare Investor Services, Inc., formerly Montreal Trust Company of Canada (the "Trustee").

Pursuant to an agency agreement (the "Agency Agreement") dated as of •, 2000 among Double Down, Meteor Creek and Brawley Cathers Limited (the "Agent"), Double Down has appointed the Agent as its exclusive agent to offer the Units to the public on a best efforts basis, subject to the terms and conditions of the Agency Agreement. The Agent's address is Suite 600, 141 Adelaide Street West, Toronto, Ontario, M5H 3L9. The Agent has agreed to use its best efforts to secure subscriptions for the Units on behalf of Double Down in the provinces of Ontario, Alberta, Prince Edward Island, Nova Scotia and New Brunswick. The Agent may, in connection with the Unit Offering and in its discretion, retain one or more other licensed dealers, brokers and investment dealers (referred to herein as the "Selling Firms") as sub-agents and may receive subscriptions for Units from such Selling Firms. This prospectus qualifies the distribution of the Units to the subscribers thereof. The obligations of the Agent under the Agency Agreement may be terminated at its discretion on the basis of its assessment of the state of financial markets and may also be terminated on the occurrence of certain stated events. The Unit Offering is subject to, among other things, completion of the RTO Transaction to the satisfaction of the Agent.

Double Down has agreed to pay the Agent a 10% cash commission on the purchase price of each of the Units, such commission payable to the Agent on the closing date of the Unit Offering. In addition, the Agent will be entitled to receive as additional compensation 0.05 of a non-transferable broker's warrant (a "Broker's Warrant") per Unit sold. Each whole Broker's Warrant will entitle the holder thereof to purchase one Double Down Common Share at a price of $0.60 for a period of twelve months from the initial closing of the Unit Offering. The Agent may offer to the Selling Firms any part of the commission or Broker's Warrants to be paid or granted under the Agency Agreement, to be for the account of the Agent in any event. This prospectus qualifies the distribution of the Broker's Warrants to the Agent and Selling Firms. The Agent will be reimbursed for certain expenses. No additional commission or fee will be payable by Double Down in connection with the distribution of Double Down Common Shares upon the exercise of the Double Down Warrants or the Broker's Warrants.

Closing of the Unit Offering is conditional upon there being acceptable subscriptions for a minimum of $2,500,000 in the aggregate. Subscription proceeds for the Units will be deposited with the Trustee, as custodian, in accordance with a custodian agreement (the "Custodian Agreement") dated as of •, 2000 between Double Down, the Trustee and the Agent, and provided that $2,500,000 in subscriptions are obtained, will be delivered to Double Down at the closing of the Unit Offering. In the event $2,500,000 in subscriptions are not obtained by December 31, 2000, any subscription funds will be returned to the subscribers without interest or deduction.

It is expected that the initial closing of the Unit Offering will take place on or about •, 2000, or such other date as may be agreed upon by the Agent and Double Down. Additional closings may occur from time to time as agreed upon by Double Down and the Agent, provided that the final closing will occur no later than December 31, 2000.

Subscriptions for Units will be received subject to rejection or allotment in whole or in part by the board of directors of Double Down and the right is reserved to close the subscription books at any time without prior written notice. There will not be certificates representing the Units. Definitive certificates representing the Double Down Common Shares and Double Down Warrants comprising the Units subscribed for will be available for delivery at the time of closing of the Unit Offering.

Renunciation of Qualifying Expenditures

Double Down will renounce to each subscriber for "B" units, effective on or before December 31, 2000, Qualifying Expenditures in an amount equal to the gross proceeds allocated to the Flow-through Shares forming part of the "B" units subscribed for ($0.70 per "B" unit), and will incur Qualifying Expenditures in an amount equal to such gross proceeds. See "Canadian Federal Income Tax Considerations".

Subscriptions for "B" units will be made pursuant to one or more subscription and renunciation agreements (the "Subscription Agreements") to be made between Double Down and the Agent or one or more sub-agents of the Agent, as agent for, on behalf of and in the name of subscribers for "B" units. **Subscribers who place an order to purchase "B" units with the Agent, or any sub-agent of the Agent, will be deemed to have authorized the Agent or such sub-agent to execute and deliver, as agent on their behalf, a Subscription Agreement.** The execution and delivery of a Subscription Agreement by the Agent or sub-agent of the Agent on behalf of a subscriber for "B" units will bind such subscriber to the terms thereof as if such subscriber had executed the Subscription Agreement personally.

Pursuant to the Subscription Agreements, Double Down will covenant and agree (i) to renounce to the original subscriber, effective on or before December 31, 2000, Qualifying Expenditures in an amount equal to the gross proceeds allocated to the Flow-through Shares forming part of the "B" units subscribed for ($0.70 per "B" unit) and to use such gross proceeds to incur Qualifying Expenditures, and (ii) that if it does not renounce to such subscriber effective on or before December 31, 2000, Qualifying Expenditures equal to such amount and incur on or before December 31, 2001, Qualifying Expenditures in such an amount or there is a reduction in the amount renounced pursuant to subsection 66(12.73) of the Tax Act (except as a result of any amendment to the Tax Act), and there is no other recourse of the original subscriber for such failure or reduction, Double Down will indemnify the original subscriber as to, and pay in settlement thereof to the original subscriber, an amount equal to the amount of any tax payable under the Tax Act (and under any corresponding provincial legislation) by the original subscriber as a consequence of such failure or reduction.

The Subscription Agreements will contain additional representations, warranties, covenants and agreements by Double Down in favour of the subscriber for "B" units which are consistent with and supplement Double Down's obligations as described in this prospectus. The contract arising out of the Subscription Agreements and all documents relating thereto shall be governed by and construed in accordance with the laws of the province of Ontario and the laws of Canada applicable therein. The Subscription Agreements will also provide representations, warranties and agreements of the subscriber, and by its purchase of "B" units, each subscriber for "B" units will be deemed to have represented, warranted and agreed, for the benefit of Double Down and the Agent that (i) the subscriber, and any beneficial purchaser for whom it is acting, is not a non-resident of Canada for the purposes of the Tax Act; (ii) the subscriber, and any beneficial purchaser for whom it is acting, deals and will, at all relevant times, continue to deal, at arm's length with Double Down for the purposes of the Tax Act; (iii) the subscriber is of the full age of majority and has the legal capacity and competence to enter into and be bound by the Subscription Agreement; (iv) the subscriber waives any right that the purchaser may have to any federal or provincial credits, grants or similar or like payments or benefits arising or resulting from the incurring of expenditures under the agreement by Double Down or the operations of Double Down and acknowledges that all such credits, grants, and similar or like payments or benefits shall belong to, be vested in, and accrue solely to the benefit of Double Down; (v) the subscriber has received and reviewed a copy of this prospectus; and (vi) the liability of Double Down in respect of its agreement to renounce Qualifying Expenditures shall be limited to the extent specifically stated in this prospectus.

Notwithstanding the foregoing, Double Down may enter into one or more Subscription Agreements for "B" units on such other terms as may be agreed to by Double Down and the applicable subscriber.

USE OF PROCEEDS

The net proceeds from the Unit Offering, after deducting the expenses of the Unit Offering and the RTO Transaction estimated to be $250,000 and the Agent's commission ($450,000 assuming the maximum Unit Offering and $250,000 assuming the minimum Unit Offering), and assuming no exercise of the Double Down Warrants or Broker's Warrants, are estimated to be $3,800,000 assuming the maximum Unit Offering is achieved, or $2,000,000 assuming the minimum Unit Offering is achieved. It is anticipated that approximately $1,785,750 of such proceeds will be used by Amalco to pay Amalco's 71.43% share of the estimated $2,500,000 cost of the Test Well (see "Meteor Creek Resources Inc. – Farmout Agreement and Participation Agreement"), while the balance ($2,014,250 assuming the maximum Unit Offering and $214,250 assuming the minimum Unit Offering) will be added to Amalco's working capital.

CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

In the opinion of Macleod Dixon, the following is a fair and adequate summary of the principal Canadian federal income tax considerations applicable to subscribers who acquire Units pursuant to the Unit Offering, who are resident in Canada for purposes of the Tax Act and who hold the securities acquired hereunder as capital property. This summary is based upon the current provisions of the Tax Act, the Regulations thereunder (the "Regulations"), specific proposals to amend the Tax Act and the Regulations which have been announced prior to the date hereof by the Minister of Finance (the "Proposals"), and counsel's understanding of the current administrative policies of Revenue Canada. This summary assumes that the Proposals will be enacted as proposed but does not take into account or anticipate any other changes in the law or administrative practice, whether by judicial, governmental or legislative action or decision. This summary does not take into account the tax laws of any province, territory or foreign jurisdiction which may differ significantly from those discussed herein.

This summary does not apply to subscribers who are "principal-business corporations" within the meaning of the Tax Act or whose business includes trading or dealing in rights, licences or privileges to explore for, drill for or take minerals, oil, natural gas or other related hydrocarbons. This summary does not apply to subscribers who are "financial institutions" within the meaning of the market to market rules contained in the Tax Act or to a subscriber an interest in which would be a "tax shelter investment" as defined in the Tax Act.

This summary is of a general nature only and is not exhaustive of all Canadian federal income tax considerations. This summary is not intended to be, and should not be construed to be, legal or tax advice to any particular subscriber. No representation is made with respect to the tax consequences to any particular subscriber. Accordingly, prospective subscribers should consult with their own tax advisors with respect to their own particular circumstances.

This summary assumes that Double Down will make all necessary tax filings in respect of the issue of the Flow-through Shares, and the renunciation of CEE and CDE in the manner and within the time required by the Tax Act and the Regulations, and that Double Down will incur sufficient CEE and CDE to enable it to renounce to subscribers all of the CEE and CDE covenanted to be renounced by Double Down pursuant to the Subscription Agreements for the purchase of the "B" units effective on the day or dates set out in such agreements. This summary is based upon a representation by Double Down that it will be a “principal-business corporation” for the purposes of the Tax Act at all material times.

Allocation of Unit Issue Price

A subscriber for a Unit will be required to allocate the subscription price paid for such Unit (together with any reasonable acquisition costs) on a reasonable basis among, in the case of an “A” unit, the Double Down Common Share and the Double Down Warrant, and, in the case of a “B” unit, the Flow-through Share and the Double Down Warrant, received by the subscriber for purposes of determining the cost of each for income tax purposes. Management of Double Down believes that it is reasonable to allocate the entire subscription price for a Unit to the Double Down Common Share or Flow-through Share, as the case may be, acquired by a subscriber. This allocation is not binding on either a subscriber or Revenue Canada.

Disposition of Double Down Shares

Any disposition or deemed disposition (other than to Double Down) of Double Down Common Shares (including those acquired as Flow-through Shares) will result in the realization of a capital gain (or capital loss) in the taxation year of the disposition to the extent the proceeds of disposition exceed (or are less than) the aggregate of the adjusted cost base of such Double Down Common Shares and any reasonable costs of disposition. In determining a subscriber's adjusted cost base in the Double Down Common Shares, the cost of the Double Down Common Shares acquired hereunder (including those acquired as Flow-through Shares) must be averaged with any other Double Down Common Shares held by such subscriber as capital property. The cost of the Flow-through Shares acquired by a subscriber hereunder is deemed to be nil for the purposes of the Tax Act.

Two-thirds (if the Proposals are enacted) of any capital gain (a "taxable capital gain") realized on the disposition or deemed disposition of Double Down Common Shares must be included in computing the income of a subscriber for the taxation year in which such disposition or deemed disposition occurs. Subject to certain restrictions, two-thirds (if the Proposals are enacted) of any capital loss (an "allowable capital loss") realized on the disposition or deemed disposition of Double Down Common Shares may be deducted by a subscriber from any taxable capital gains realized by the subscriber in the year of disposition and excess allowable capital losses may generally be carried back three years and forward indefinitely and deducted from taxable capital gains realized in those years to the extent and in the circumstances allowed under the Tax Act.

Renunciation of Qualifying Expenditures

Subject to certain limitations and restrictions, a principal-business corporation that incurs CEE (other than certain "off the shelf" seismic data or expenses related thereto) and CDE with funds received from a subscriber pursuant to an agreement for the issue of shares of the corporation (other than prescribed shares) will be entitled to renounce the CEE and CDE to such subscribers and the CEE and CDE so renounced will be deemed to have been CEE and CDE incurred by such subscribers on the effective date of the renunciation. The exclusion of certain "off the shelf" seismic data from CEE includes the cost of seismic data or any expenditures made for the use of seismic data incurred or made at a particular time, except where neither the seismic data nor any right to acquire the seismic data had been previously acquired before such time and all or substantially all of the seismic data resulted from work performed no earlier than one year before that time. Double Down represents that it is, and at all material times will continue to be, a "principal-business corporation" and the Flow-through Shares are "flow-through shares" and will not be "prescribed shares" when they are issued, all as defined in the Tax Act.

A principal-business corporation with less than $15 million of taxable capital employed in Canada may designate up to $1 million of certain qualifying CDE ("Eligible CDE") incurred by it in any given calendar year to be CEE upon renunciation to the subscriber for Flow-through Shares, subject to certain qualifications and conditions. This amount of CDE so renounced will be deemed to have been CEE incurred by such subscribers on the effective date of the renunciation.

Eligible CDE includes any expense, other than CDE which is prescribed by the Regulations as relating to overhead expenses, incurred (i) in drilling or converting a well in Canada for the disposal of waste liquids from an oil or gas well, (ii) in drilling or completing an oil or gas well in Canada, building a temporary access road to the well or preparing a site in respect of the well, to the extent that the expense was not a Canadian exploration expense of the taxpayer in the taxation year in which it was incurred, (iii) in drilling or converting a well in Canada for the injection of water, gas or any other substance to assist in the recovery of petroleum or natural gas from another well, (iv) in drilling for water or gas in Canada for injection into a petroleum or natural gas formation, (v) in drilling or converting a well in Canada for the purposes of monitoring fluid levels, pressure changes or other phenomena in an accumulation of petroleum or natural gas, or (vi) in drilling or recompleting an oil or gas well in Canada after the commencement of production from the well.

In order to effectively renounce CEE and Eligible CDE to subscribers, Double Down must undertake certain required filings in respect of the issue of the Flow-through Shares and the renunciation of CEE and Eligible CDE including the timely filing of the prescribed forms and this prospectus by Double Down with Revenue Canada. Double Down will complete such filings and provide each subscriber for “B” units with the necessary information with respect to CEE and Eligible CDE renounced to such subscriber for purposes of filing income tax returns.

Double Down will be entitled to renounce CEE and CDE incurred by it following the subscription for Flow-through Shares and up to December 31, 2001 less (i) any previous renunciations with respect to such CEE or CDE, (ii) any portion of such CEE or CDE which is prescribed under the Regulations as relating to overhead expenses, and (iii) any assistance that Double Down has received, is entitled to receive, or may reasonably be expected to receive at any time which is reasonably related to such CEE or CDE. Double Down may not renounce to subscribers an amount in excess of the amount paid by the subscribers for the Flow-through Shares (the "Flow-through Funds").

CEE and CDE incurred within a particular calendar year and renounced to subscribers effective on or before December 31 of that calendar year will be deemed to have been CEE and CDE incurred by such subscribers on the effective date in that particular calendar year. The Tax Act provides that certain CEE and CDE which a principal-business corporation has incurred or plans to incur in the year following a particular calendar year may be renounced effective December 31 of the particular calendar year. This 12 month carry-back rule will apply where the proceeds from the subscription of flow-through shares are received by the corporation before the end of the particular calendar year, such expenses are renounced in January, February or March of the following calendar year and the subscriber to which such CEE and CDE are renounced deals at arm's length with such corporation throughout the following calendar year.

If CEE and CDE renounced pursuant to this 12 month carry-back rule are not actually incurred by the corporation by the end of the year following the particular calendar year, the amount of CEE and CDE renounced to subscribers must be reduced by the amount not actually incurred by the corporation. A subscriber will not be liable for any penalty and will not be required to pay interest on any resulting increase in income tax payable in a particular calendar year as a result of such a reduction in CEE and CDE until after the month of April two years following the particular calendar year. Where the corporation renounces CEE and CDE pursuant to this 12 month carry-back provision, the corporation will be liable to pay a deductible charge for each month (other than January) in the year during which the CEE and CDE must be incurred equal to the amount of renounced expenses which have not been incurred by the end of the particular month multiplied by 1/12 of the prescribed interest rate at that time for refund interest purposes under the Tax Act.

Double Down has covenanted to incur CEE and Eligible CDE in an amount equal to the Flow-through Funds received by it in 2000 on or before December 31, 2001 and has agreed to renounce such CEE and CDE effective no later than December 31, 2000. In the event that Double Down is unable to incur CEE or Eligible CDE in an amount equal to the Flow-through Funds received by it in 2000 on or before March 1, 2001, Double Down will renounce additional CEE or Eligible CDE which it has incurred or plans to incur after March 1, 2001 and on or before December 31, 2001 to subscribers for "B units effective December 31, 2000 under the expanded 12 month carry-back rule described above.

Double Down hereby covenants and agrees that if Double Down fails to renounce CEE and Eligible CDE to the subscriber in accordance with the Subscription Agreements, or if the amount renounced to the subscriber is reduced pursuant to subsection 66(12.73) of the Tax Act, as the sole recourse of the subscriber for such event, Double Down will indemnify the subscriber as to and pay in settlement thereof to the subscriber, an amount equal to the amount of any tax payable under the Tax Act (and under any corresponding provincial legislation) by the subscriber as a consequence of such failure to renounce or such reduction, as the case may be.

Double Down Warrants

Exercise or Expiry of Double Down Warrants

The subscription for Double Down Common Shares on the exercise of the Double Down Warrants will not be considered to be a disposition of property for tax purposes, and the exercise should therefore have no income tax consequences to the subscriber. The cost of Double Down Common Shares issued to a subscriber on the exercise of the Double Down Warrants will be equal to the exercise price. In determining a subscriber's adjusted cost base in any Double Down Common Shares, the cost of the Double Down Common Shares acquired on exercise of the Double Down Warrants must be averaged with the cost of any other Double Down Common Shares held by such subscriber as capital property.

The expiry of an unexercised Double Down Warrant will generally result in a capital loss to the subscriber equal to the adjusted cost base of the Double Down Warrant.

Disposition of Double Down Warrants

Any disposition or deemed disposition of Double Down Warrants (other than on the exercise thereof) by a subscriber will result in the realization of a capital gain (or capital loss) in the taxation year of the disposition to the extent the proceeds of disposition exceed (or are exceeded by) the aggregate of the adjusted cost base of the disposed property and any reasonable costs of disposition. The taxation of capital gains and losses is described above under "Disposition of Double Down Common Shares".

Deduction of Renounced Expenditures

CEE or Eligible CDE deemed to have been incurred by a subscriber for "B" units will be added to the CCEE account of such subscriber as of the effective date. A subscriber for "B" units may deduct in computing income from all sources for a taxation year such amount as may be claimed not exceeding 100% of the subscriber's CCEE account at the end of a taxation year. To the extent that a subscriber does not deduct the balance of the subscriber's CCEE account at the end of a taxation year, the balance will be carried forward and the subscriber will be entitled to claim deductions in respect thereof in subsequent taxation years, subject to the rules regarding an acquisition of control of a corporate subscriber. A subscriber for "B" units who disposes of Flow-through Shares will retain the entitlement to receive renunciations of CEE or Eligible CDE from Double Down as described above as well as the ability to deduct any CEE or Eligible CDE previously deemed to have been incurred by the subscriber, and a subsequent purchaser of such Flow-through Shares will not be entitled to any renunciation of any CEE or Eligible CDE.

Alternative Minimum Tax

Under the Tax Act, taxes payable by an individual and by most trusts will be the greater of the taxes otherwise determined and an alternative minimum tax computed by reference to such individual's adjusted taxable income for the taxation year in excess of a $40,000 exemption and reduced by certain tax credits. In calculating adjusted taxable income for the purpose of computing the minimum tax, certain deductions and credits otherwise available are disallowed and certain amounts not otherwise included in income are included. The disallowed items include deductions claimed by the individual in respect of CEE in a particular taxation year to the extent such deductions exceed the individual's resource income (including income attributable to a disposition of Canadian resource properties) in that year. The non-taxable portion (25%) of any capital gain realized by the individual is included in calculating the individual's adjusted taxable income. The federal rate of minimum tax is 17%. Whether and to what extent the tax liability of a particular subscriber will be increased by the alternative minimum tax will depend on the amount of such subscriber's income, the sources from which it is derived, and the nature and amounts of any deductions such subscriber claims.

Any additional tax payable by an individual for the taxation year resulting from the application of the alternative minimum tax will be deductible in any of the seven immediately following taxation years in computing the amount that would, but for the alternative minimum tax, be such individual's tax otherwise payable for any such year to the extent that such tax payable exceeds the individual's minimum tax calculation for that particular year.

Qualified Investments

The Double Down Common Shares and Double Down Warrants comprising the Units will be qualified investments, within the meaning of the Tax Act, for a trust governed by a registered retirement savings plan ("RRSP"), a deferred profit sharing plan or a registered retirement income fund. Subscribers for Units who contribute all or a portion of their Double Down Common Shares or Double Down Warrants to an RRSP should consult their own tax advisers as to the tax consequences of such contribution.

RISK FACTORS

An investment in the securities offered hereunder should be considered highly speculative due to the nature of Meteor Creek's business and the very early stage of its development. Prospective investors should carefully consider, in particular, the following risks in addition to the other information set forth in this prospectus:

1. Oil and natural gas exploration and development involves a high degree of risk, which even a combination of experience, knowledge and careful evaluation might not be able to overcome. There is no assurance that commercial quantities of natural gas will be discovered on the Bear River Prospect. Even in the event Amalco discovers commercial quantities of natural gas, there is no assurance that profitable marketing and sales arrangements can be implemented. Meteor Creek is a start-up corporation with no history of operations. The ultimate success of Amalco will depend on the success of its exploration and development activities on the Bear River Prospect. Meteor Creek has not yet drilled a test well on the Bear River Prospect.

2. If the Test Well is successful, the drilling of additional development wells and the building of other infrastructure required to exploit the Bear River Prospect will require significant funds. There is no assurance that such funding will be available as and when required by Amalco or that, even if such funding is available, that it will be available on terms advantageous to Amalco.

3. Meteor Creek has applied for but has not yet received the drilling permit required by the P.E.I. government to drill the Test Well. Although Meteor Creek fully expects to obtain this permit, no assurance can be given that this permit will be issued in a timely manner, or at all. The Souris Permit held by A.G.R.E.N. is an exploration permit only and commercial development of the Bear River Prospect will require that Amalco and its joint venture partners obtain a lease from the government of P.E.I. No assurance can be given that such a lease will be issued or that it will be issued on terms favourable to Amalco. Meteor Creek is currently negotiating a surface lease agreement with the owner of the lands on which the Test Well will be located. Although Meteor Creek fully expects to successfully negotiate this agreement, no assurance can be given that such an agreement will be obtained in a timely manner or on terms advantageous to Amalco. Moreover, the further development of the Bear River Prospect will also require that Amalco obtain additional permits from the government of P.E.I. and enter into satisfactory arrangements with other owners of the surface lands on which the Bear River Prospect is located.

4. Amalco's ability to ship natural gas from the Bear River Prospect to markets outside P.E.I. will require the building of an appropriate pipeline to P.E.I. No such pipeline currently exists and, although Meteor Creek understands that there are parties interested in building such a pipeline and are in discussion with the government of P.E.I. to that end, no assurance can be given that such a pipeline will be built.

5. Oil and natural gas exploration operations are subject to all the risks and hazards typically associated with such operations, including hazards such as fire, explosion, blowouts, cratering and oil spills, each of which could result in substantial damage to oil and natural gas wells, producing facilities, other property and the environment or in personal injury. In accordance with industry practice, Amalco will not be fully insured against all of these risks, nor are all such risks insurable. Although Amalco will maintain liability insurance in an amount which it considers adequate, the nature of these risks is such that liabilities could exceed policy limits, in which event Amalco could incur significant costs that could have a materially adverse effect upon its financial condition.

6. Oil and natural gas exploration and development activities are dependent on the availability of drilling and related equipment in the particular areas where such activities will be conducted. Demand for such limited equipment or access restrictions may affect the availability of such equipment to Amalco and may delay exploration and development activities.

7. The oil and natural gas exploration industry is extremely competitive. Amalco will be competing with larger companies which have greater assets and financial and human resources than Amalco and which may be able to sustain larger losses than Amalco to develop business.

8. Shareholders will be relying upon the good faith, expertise and judgement of Amalco's management and advisors in supervising and providing for the effective management of the business and operations of Amalco and in selecting and developing new business opportunities.

9. Shares of development stage, oil and natural gas exploration companies such as Amalco are highly speculative. Numerous such companies are unsuccessful and their shares become worthless.

10. Amalco will be dependent upon a small number of key personnel. The loss of the services of one or more of such personnel could have a material adverse effect on Amalco. Amalco’s success will depend in large part on the efforts of these individuals. It is not currently proposed that there will be any long-term employment agreements or key-man insurance in respect of Amalco's key personnel. Amalco will face intense

competition for qualified personnel, and there can be no assurance that Amalco will be able to attract and retain such personnel.

11. The oil and natural gas exploration activities of Amalco will be subject to various laws governing exploration, development, production, taxes, labour standards and occupational health, well safety, toxic substances and other matters. Oil and natural gas exploration activities are also subject to various laws and regulations relating to the protection of the environment. Although Meteor Creek believes that its activities are currently carried out in accordance with all applicable rules and regulations, no assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner which could limit or curtail production or development. Amendments to current laws and regulations that will govern the operations and activities of Amalco or more stringent implementation thereof could have a material adverse effect on Amalco's business, financial condition and results of operations.

12. In the event Amalco discovers commercial quantities of oil and natural gas, the profitability of Amalco's operations will be dependent upon the market price of oil and natural gas commodities. These prices fluctuate widely and are affected by numerous factors that will be beyond the control of Amalco. The level of interest rates, the rate of inflation, world supply, and stability of exchange rates can all cause significant fluctuations in prices. Such external economic factors are in turn influenced by changes in international investment patterns, monetary systems and political developments. The price of oil and natural gas has fluctuated widely in recent years, and future price declines could cause commercial production to be impracticable, thereby having a material adverse effect on Amalco's business, financial condition and results of operations.

13. All phases of Amalco's operations will be subject to environmental regulation. Environmental legislation is evolving in a manner which will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. There is no assurance that existing or future environmental regulation will not materially adversely affect Amalco's business, financial condition and results of operations. Environmental hazards may exist on the Bear River Prospect which are unknown at present and which have been caused by previous or existing owners or operators of the properties.

Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment or remedial actions. Amalco may be required to compensate those suffering loss or damage by reason of Amalco's activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations. Amendments to current laws, regulations and permits governing the operations and activities of companies, or more stringent implementation thereof, could have a material adverse impact on Amalco and cause increases in expenses, capital expenditures or production costs.

DILUTION

After giving effect to the RTO Transaction, including the Consolidation, and the Unit Offering on the basis that no part of the respective offering prices of the Units has been allocated to the Double Down Warrants, (a) the offering price of the Double Down Common Shares that form part of the "A" units exceeds the pro forma consolidated net tangible book value per Double Down Common Share as at June 30, 2000 by $0.35 (which represents a dilution to subscribers for "A" units of 58%) in the case of the minimum Unit Offering, or $0.28 (which represents a dilution to subscribers for "A" units of 47%) in the case of the maximum Unit Offering, and (b) the offering price of the Double Down Common Shares that form part of the "B" units exceeds the pro forma consolidated net tangible book value per Double Down Common Share as at June 30, 2000 by $0.45 (which represents a dilution to subscribers for "B" units of 64%) in the case of the minimum Unit Offering, or $0.38 (which represents a dilution to subscribers for "B" units of 54%) in the case of the maximum Unit Offering. For the purpose of the foregoing calculations, it is assumed that, in the case of the minimum Unit Offering, aggregate gross proceeds of $2,500,000 are raised and such proceeds are equally split between “A” units and “B” units, and, in the case of the maximum Unit Offering, aggregate gross proceeds of $4,500,000 are raised and the maximum number of “B” units offered hereunder (being 3,000,000 “B” units) are sold. The following table illustrates the dilution in pro forma net tangible book value per Double Down Common Share:

	Minimum Unit Offering	Maximum Unit Offering
Offering price of “A” units	$0.60	$0.60
Offering price of “B” units	$0.70	$0.70
Pro forma consolidated net tangible book value per share before the Unit Offering but after giving effect to the RTO Transaction, including the Consolidation	$0.09	$0.09
Increase in net tangible book value per share attributable to the Unit Offering(1)	$0.16	$0.23
Pro forma consolidated net tangible book value per share after the Unit Offering	$0.25	$0.32
Dilution of net tangible book value per share to subscribers for “A” units	$0.35	$0.28
Percentage of dilution in relation to the price of the “A” units	58%	47%
Dilution of net tangible book value per share to subscribers for “B” units	$0.45	$0.38
Percentage of dilution in relation to the price of the “B” units	64%	54%

(1) After deducting the Agent’s commission ($250,000 in the case of the minimum Unit Offering and $450,000 in the case of the maximum Unit Offering) and the estimated aggregate expenses of the Unit Offering and RTO Transaction ($250,000).

LEGAL MATTERS

Certain legal matters relating to the Unit Offering have been passed upon on behalf of Double Down, Meteor Creek and the Agent by Macleod Dixon, Toronto, Ontario. Partners and associates of Macleod Dixon beneficially own less than 1% of the issued and outstanding Double Down Common Shares.

PURCHASERS’ STATUTORY RIGHTS

Securities legislation in several of the provinces of Canada provides purchasers with the right to withdraw from an agreement to purchase securities within two business days after receipt or deemed receipt of a prospectus and any amendment. In several of the provinces, securities legislation further provides a purchaser with remedies for rescission or, in some jurisdictions, damages where the prospectus, or any amendment thereto, contains a misrepresentation or is not delivered to the purchaser, provided that the purchaser exercises such remedies for rescission or damages within the time limit prescribed by the securities legislation of the applicable province. The purchaser should refer to the securities legislation of the province in which the purchaser resides for the particulars of these rights or consult with a legal advisor.

DOUBLE DOWN RESOURCES LTD.

PRO FORMA CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited – See Compilation Report)

JUNE 30, 2000

COMPILATION REPORT

To the Directors of
DOUBLE DOWN RESOURCES LTD.

We have reviewed, as to compilation only, the accompanying pro forma consolidated balance sheet of Double Down Resources Ltd. as at June 30, 2000 and the pro forma consolidated statement of loss for the six month period then ended which have been prepared for inclusion in the prospectus relating to the financing of Double Down Resources Ltd.

In our opinion, the pro forma consolidated balance sheet and the pro forma consolidated statement of loss have been properly compiled to give effect to the proposed transaction and the assumptions described in the notes thereto.

Chartered Accountants

Toronto, Ontario
September 26, 2000

DOUBLE DOWN RESOURCES LTD.

PRO FORMA CONSOLIDATED BALANCE SHEET
(Unaudited – See Compilation Report)

AS AT JUNE 30, 2000

ASSETS

	Double Down Resources Ltd.	Meteor Creek Resources Inc.	Minimum Financing Adjustments (Note 2)	Maximum Financing Adjustments (Note 2)	Minimum Financing Pro Forma Consolidated	Maximum Financing Pro Forma Consolidated
	$	$	$	$	$	$
CURRENT						
Cash	2,477	238,616	2,000,000	3,800,000	2,593,593	4,393,593
			352,500	352,500		
Accounts receivable	1,719	1,124	-	-	2,843	2,843
Loan receivable	-	14,100	-	-	14,100	14,100
Prepaids	992	-	-	-	992	992
	5,188	253,840	2,352,500	4,152,500	2,611,528	4,411,528
DEFERRED DEVELOPMENT EXPENSES	-	23,673	-	-	23,673	23,673
RESOURCE PROPERTIES	1	-	-	-	1	1
CAPITAL	2,230	-	-	-	2,230	2,230
	7,419	277,513	2,352,500	4,152,500	2,637,432	4,437,432

LIABILITES

CURRENT						
Accounts payable	70,588	1,500	(63,000)	(63,000)	9,088	9,088
Loans Payable	30,000	-	-	-	30,000	30,000
	100,588	1,500	(63,000)	(63,000)	39,088	39,088

SHAREHOLDERS' EQUITY

SHARE CAPITAL	6,325,350	356,150	(6,325,350)	(6,325,350)	2,771,650	4,571,650
			415,500	415,500		
			2,000,000	3,800,000		
DEFICIT	(6,418,519)	(80,137)	6,418,519	6,418,519	(173,306)	(173,306)
			(93,169)	(93,169)		
	(93,169)	276,013	2,415,500	4,215,500	2,598,344	4,398,344
	7,419	277,513	2,352,500	4,152,500	2,637,432	4,437,432

See accompanying notes to pro forma consolidated financial statements.

DOUBLE DOWN RESOURCES LTD.

PRO FORMA CONSOLIDATED STATEMENT OF LOSS
(Unaudited – See Compilation Report)

FOR THE SIX MONTH PERIOD ENDED JUNE 30, 2000

	Double Down Resources Ltd.	Meteor Creek Resources Inc.	Adjustments	Pro Forma Consolidated
			(Note 2)	
	$	$	$	$
REVENUE	-	-	-	-
EXPENSES				
General and administrative	37,329	66,391	-	103,720
Professional feels	5,159	11,035	-	16,194
Bank charges	302	105	-	407
	42,790	77,531	-	120,321
NET LOSS FOR THE PERIOD	(42,790)	(77,531)	-	(120,321)
LOSS PER SHARE (i)				(0.01)
FULLY DILUTED LOSS PER SHARE (i)				(0.01)

(i) The figure is the same for minimum financing and maximum financing.

See accompanying notes to pro forma consolidated financial statements.

DOUBLE DOWN RESOURCES LTD.

NOTES TO PRO FORMA CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited – See Compilation Report)

JUNE 30, 2000

1. BASIS OF PRESENTATION

The accompanying unaudited pro forma consolidated balance sheet as at June 30, 2000 and the unaudited pro forma consolidated statement of loss for the six months ended June 30, 2000 have been prepared from information derived from the unaudited interim financial statements of Double Down Resources Ltd ("Company") for the six months ended June 30, 2000 and the unaudited interim financial statements of Meteor Creek Resources Inc. ("Meteor") for the six months ended June 30, 2000.

In the opinion of management of the Company, these unaudited pro forma consolidated financial statements include all adjustments necessary for fair presentation, in accordance with generally accepted accounting principles. The unaudited pro forma consolidated balance sheet gives effect to the transaction described in Note 2 as if it occurred on the balance sheet date, while the unaudited pro forma consolidated statement of loss gives effect to the transaction as if it had occurred at the beginning of the period.

The unaudited pro forma consolidated financial statements are not necessarily indicative of the results of operations that would have actually occurred for the period presented had the transaction been effected on January 1, 2000 or of the results of operations expected in future years. In preparing the unaudited pro forma consolidated financial statements, no adjustments have been made to reflect operating synergies or general administrative cost savings expected to result from combining the operations of the Company and Meteor.

These unaudited pro forma consolidated financial statements should be read in conjunction with the financial statements of the Company and Meteor included elsewhere in this prospectus.

2. SIGNIFICANT ASSUMPTIONS AND ADJUSTMENTS

a) On August 11, 2000, Meteor issued 2,226,666 common shares for total cash consideration of $352,500 and settlement of accounts payable of the Company in the amount of $63,000.

b) The unaudited pro forma consolidated balance sheet as at June 30, 2000 assumes the issuance of 5,344,665 common shares of the Company in exchange for 100% of the issued and outstanding common shares of Meteor.

c) The acquisition of Meteor is considered to be a reverse takeover of the Company by Meteor, as the shareholders of Meteor will own greater than 50% of the combined company. The cost of the acquisition is deemed to be the book value of the net assets acquired.

2. **SIGNIFICANT ASSUMPTIONS AND ADJUSTMENTS** (Continued)

d) **Financing**

The Company will be offering for sale up to 7,500,000 "A" units at a price of $0.60 per "A" unit and up to 3,000,000 "B" units at a price of $0.70 per "B" unit for gross aggregate proceeds of a minimum $2,500,000 (net proceeds of $2,000,000) and a maximum of $4,500,000 (net proceeds of $3,800,000). The "A" unit will be comprised of one common share of the Company and one warrant of the Company. The warrant will entitle the holder to purchase one common share of the Company for $0.80 for a period of three months from the closing of the offering and thereafter at a price of $1.00 for a further six months.

The "B" unit will be comprised of one common share of the Company, issued as a "flow-through share" within the meaning of the Income Tax Act (Canada), and one warrant of the Company as described above.

The Agent will receive a cash commission equal to 10% of the gross proceeds received by the Company from the offering, together with 0.05 of a broker's warrant per unit sold. Each broker's warrant will entitle the Agent to purchase one common share of the Company at a price of $0.60 for a period of twelve months from the closing of the offering.

e) Accounting policies used in the preparation of the unaudited pro forma consolidated financial statements are in accordance with those disclosed in the Company's audited consolidated financial statements for the year ended December 31, 1999.

f) The loss per share calculation gives effect to the issuance of the additional common shares and units of the Company as if the shares had been issued at the beginning of the period, and the consolidation of the outstanding common shares of the Company, immediately prior to the acquisition, whereby every four outstanding common shares are converted into one common share of the Company.

(i) **Minimum Financing**

The calculation of the loss per share is based on 10,406,194 common shares outstanding and is calculated as follows:

Number of common shares outstanding by the Company at June 30, 2000	4,769,927
Consolidation of common shares on a one for four basis	1,192,481
Issuance of common shares on takeover of Meteor	5,344,665
Common shares issued upon the sale of units, assuming the gross aggregate proceeds are equally split between "A" units and "B" units	3,869,048
Total number of common shares outstanding for the purposes of the loss per share calculation	10,406,194

2. SIGNIFICANT ASSUMPTIONS AND ADJUSTMENTS (Continued)

f) (Continued)

(ii) **Maximum Financing**

The calculation of the loss per share is based on 13,537,146 common shares outstanding and is calculated as follows.

Number of common shares outstanding by the Company at June 30, 2000	4,769,927
Consolidation of common shares on a one for four basis	1,192,481
Issuance of common shares on takeover of Meteor	5,344,665
Common shares issued upon the sale of units, assuming the maximum number of "B" units offered (being 3,000,000 "B" units) are sold	7,000,000
Total number of common shares outstanding for the purpose of the loss per share calculation	13,537,146

g)(i) **Minimum Financing**

The fully diluted loss per share calculation is based on the dilutive effect of the conversion of the warrants relating to the sale of the units in Note 2(d). The calculation is based on 14,468,694 common shares outstanding and is calculated as follows.

Common shares outstanding as in Note 2(f)(i)	10,406,194
Conversion of "A" unit warrants and "B" unit warrants	3,869,048
Conversion of broker warrants	193,452
Total number of common shares outstanding for the fully diluted loss per share calculation	14,468,694

(ii) **Maximum Financing**

The fully diluted loss per share calculation is based on the dilutive effect of the conversion of the warrants relating to the sale of the units in Note 2(d). The calculation is based on 20,887,146 common shares outstanding and is calculated as follows.

Common shares outstanding as in Note 2(f) (ii)	13,537,146
Conversion of "A" unit warrants and "B" unit warrants	7,000,000
Conversion of broker warrants	350,000
Total number of common shares outstanding for the fully diluted loss per share calculation	20,887,146

FINANCIAL STATEMENTS OF METEOR CREEK RESOURCES INC.

AUDITORS' REPORT

To the Directors of
METEOR CREEK RESOURCES INC.

We have audited the balance sheet of **METEOR CREEK RESOURCES INC.** as at December 31, 1999 and the statements of operations and deficit and cash flows for the period from the date of incorporation, March 8, 1999 to December 31, 1999. These financial statements are the responsibility of the company's management. Our responsibility is the express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the company as at December 31, 1999 and the results of its operations and its cash flows for the period then ended in accordance with generally accepted accounting principles.

Chartered Accountants

Markham, Ontario
July 7, 2000 (except for Note 5, which is dated September 26, 2000)

METEOR CREEK RESOURCES INC.

BALANCE SHEET

ASSETS

	June 30, 2000 (unaudited)	December 31, 1999
CURRENT		
Cash	$ 238,616	$ 608
Sundry receivable	1,124	159
Loan receivable (Note 3)	14,100	-
	253,840	767
DEFERRED DEVELOPMENT EXPENSES	23,673	5,583
	$ 277,513	$ 6,350

LIABILITIES

	June 30, 2000 (unaudited)	December 31, 1999
CURRENT		
Accounts payable and accrued liabilities	$ 1,500	$ 1,856
Due to shareholder (Note 4)	-	5,900
	1,500	7,756

SHAREHOLDERS' EQUITY

	June 30, 2000 (unaudited)	December 31, 1999
CAPITAL STOCK		
AUTHORIZED		
Unlimited Preferred shares		
Unlimited Common shares		
ISSUED		
3,117,999 Common shares (December 31, 1999 – 1,200,000)	356,150	1,200
DEFICIT	(80,137)	(2,606)
	276,013	(1,406)
	$ 277,513	$ 6,350

See accompanying notes to financial statements.

APPROVED ON BEHALF OF THE BOARD:

(signed)
Stacey L. Wenger, Director

(signed)
John L. Tindale, Director

METEOR CREEK RESOURCES INC.

STATEMENT OF OPERATIONS AND DEFICIT

	Six Months ended June 30, 2000 (unaudited)	March 8, 1999 to Dec. 31, 1999
INCOME	$ -	$ -
EXPENSES		
Professional fees	11,035	2,456
Bank charges	105	86
General and administrative	66,391	64
	77,531	2,606
NET LOSS FOR THE PERIOD	(77,531)	(2,606)
DEFICIT, beginning of period	(2,606)	-
DEFICIT, end of period	$ (80,137)	$ (2,606)

See accompanying notes to financial statements.

METEOR CREEK RESOURCES INC.

STATEMENT OF CASH FLOWS

	Six Months ended June 30, 2000 (Unaudited)	March 8, 1999 to Dec. 31, 1999
OPERATING ACTIVITIES		
Net loss for the period	$ (77,531)	$ (2,606)
Changes in non-cash components of working capital		
Sundry receivables	(965)	(159)
Accounts payable	(356)	1,856
	(78,852)	(909)
INVESTING ACTIVITY		
Deferred development expenses	(18,090)	(5,583)
FINANCING ACTIVITIES		
Loan receivable	(14,100)	-
Due to shareholder	(5,900)	5,900
Issuance of common shares	354,950	1,200
	334,950	7,100
CHANGE IN CASH	238,008	608
CASH, beginning of period	608	-
CASH, end of period	$ 238,616	$ 608

See accompanying notes to financial statements.

METEOR CREEK RESOURCES INC.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 1999

1. NATURE OF BUSINESS

Meteor Creek Resources Inc. is presently exploring opportunities in the oil and gas industry.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) **Deferred development expenses**

The company capitalizes all costs relating to exploring opportunities in the oil and gas industry. The costs will be expensed in a manner which matches the costs to the related revenue streams.

(b) **Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles required management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

3. LOAN RECEIVABLE (UNAUDITED)

The loan receivable is non-interest bearing with no specific terms of repayment.

4. DUE TO SHAREHOLDER

The due to shareholders is non-interest bearing with no specific terms of repayment.

5. SUBSEQUENT EVENTS

(a) Meteor Creek Resources Inc. ("Meteor") and its shareholders have entered into an agreement with Double Down Resources Ltd. ("Double Down"), a company listed on the Canadian Venture Exchange, to amalgamate the companies. Under the proposed agreement, Double Down will consolidate its stock on a one for four basis and immediately after it will acquire Meteor through the issuance of 5,344,665 common shares. This transaction will result in the shareholders of Meteor controlling the majority of the issued capital stock of the combined companies. This agreement is subject to the approval of the Canadian Venture Exchange and the shareholders of Double Down.

(b) On August 11, 2000, Meteor issued 2,226,666 common shares for total consideration of $352,500.

(c) Double Down has entered into an agreement with a brokerage firm to solicit equity financing on a best effort basis. The gross equity financing will be for a minimum of $2,500,000 and maximum $4,500,000.

FINANCIAL STATEMENTS OF DOUBLE DOWN RESOURCES LTD.

AUDITORS' REPORT TO THE DIRECTORS OF DOUBLE DOWN RESOURCES LTD.

We have audited the balance sheets of **Double Down Resources Ltd.** as at December 31, 1999 and 1998 and the statements of operations and deficit and cash flows for each of the years ended December 31, 1999, 1998 and 1997. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in Canada. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 1999 and 1998 and the results of its operations and its cash flows for the years ended December 31, 1999, 1998 and 1997 in accordance with accounting principles generally accepted in Canada.

Calgary, Alberta
February 29, 2000 (except as to Notes 9(b) and (c)
which are at September 26, 2000)

Chartered Accountants

DOUBLE DOWN RESOURCES LTD.
BALANCE SHEETS
(expressed in Canadian dollars)

	June 30, 2000 (unaudited)	As at December 31, 1999	December 31, 1998
Assets			
Current Assets			
Cash	$2,477	$1,083	$18,757
Accounts Receivable	1,719	1,859	7,727
Prepaids	992	-	1,872
Total Current Assets	**5,188**	**2,942**	**28,356**
Resource Properties (Note 4)	1	1	1
Capital Assets (Note 5)	2,230	2,231	2,810
Total Assets	7,419	5,174	31,167
Liabilities			
Current Liabilities			
Accounts Payable (Note 7)	70,588	124,324	60,400
Loans Payable	30,000	-	-
Total Liabilities	**100,588**	**124,324**	**60,400**
Shareholders' Equity			
Capital Stock (Note 6)	6,325,350	6,256,578	6,256,578
Deficit	(6,418,519)	(6,375,728)	(6,285,811)
Total Liabilities and Shareholders' Equity	**$7,419**	**$5,174**	**$31,167**

The notes to the audited financial statements are an integral part of these statements.

Approved by the Board

"Hughes P. Salat" *"David M. Rutt"*

Hughes P. Salat (Director) David M. Rutt (Director)

DOUBLE DOWN RESOURCES LTD.
STATEMENTS OF OPERATIONS AND DEFICIT
(expressed in Canadian dollars)

	Six month periods ended			Years ended	
	June 30, 2000	**June 30, 1999**	**December 31, 1999**	**December 31, 1998**	**December 31, 1997**
	(unaudited)	**(unaudited)**			
Revenue					
Interest	$-	$13	$13	$40	$17
Expense					
General and administrative	37,329	40,810	78,776	64,330	65,042
Professional and Fees	5,159	7,418	10,210	12,945	18,766
Bank Charges and Interest	302	125	365	5,542	3,110
Write-down of Resource Property	-	-	-	32,000	-
Write-down on Investments	-	-	-	15,387	22,400
Amortization	-	-	579	86	-
	42,790	48,353	89,930	130,290	109,318
Net Loss During the Period	**(42,790)**	**(48,340)**	**(89,917)**	**(130,250)**	**(109,301)**
Deficit, Beginning of Period	**(6,375,728)**	**(6,285,811)**	**(6,285,811)**	**(6,155,561)**	**(6,046,260)**
Deficit, End of Period	**$(6,418,518)**	**$(6,334,151)**	**$(6,375,728)**	**$(6,285,811)**	**$(6,155,561)**
Basic and Fully Diluted Share Loss	$(0.01)	$(0.01)	$(0.02)	$(0.04)	$(0.04)
Weighted Average Number of Shares Outstanding	**4,642,837**	**4,329,527**	**4,329,527**	**3,156,102**	**3,005,691**

The notes to the audited financial statements are an integral part of these statements.

DOUBLE DOWN RESOURCES LTD.
STATEMENTS OF CASH FLOWS
(expressed in Canadian dollars)

	Six month periods ended June 30, 2000 (unaudited)	June 30, 1999 (unaudited)	December 31, 1999	Years ended December 31, 1998	December 31, 1997
Operating Activities					
Net Loss	$(42,790)	$(48,340)	$(89,917)	$(130,250)	$(109,301)
Adjustments For:					
Write-down/loss on Sale of Investments	-	-	-	15,387	22,400
Write-down on Resource Properties	-	-	-	32,000	-
Depreciation	-	-	579	86	-
Changes in Non-Cash Working Items	(54,588)	31,886	71,664	(37,644)	52,348
Cash Flow Used in Operating Activities	**(97,378)**	**(16,454)**	**(17,674)**	**(120,421)**	**(34,553)**
Financing Activities					
Proceeds From Issue of Share Capital	68,772	-	-	120,000	-
Proceeds of Loan	30,000	-	-	12,500	62,500
Cash Flow Used in Financing Activities	**98,772**	**-**	**-**	**132,500**	**62,500**
Investing Activities					
Investment Proceeds	-	-	-	7,013	-
Asset Purchases	-	-	-	(2,896)	-
Net Resource Property Expenditures	-	-	-	2,500	(30,000)
Cash Flow Used in Investing Activities	**-**	**-**	**-**	**6,617**	**(30,000)**
Cash Increase (Decrease) During the Period	**1,394**	**(16,454)**	**(17,674)**	**18,696**	**(2,053)**
Cash, Beginning of Period	**1,083**	**18,757**	**18,757**	**61**	**2,114**
Cash, Beginning of Period	**$2,477**	**$2,303**	**$1,083**	**$18,757**	**$61**

The notes to the audited financial statements are an integral part of these statements.

1. CONTINUING OPERATIONS

These statements have been prepared in accordance with generally accepted accounting principles applicable to a going concern which assume that the Company will realize its assets and discharge its liabilities in the normal course of business. The Company has a history of losses, a working capital deficiency and a deficiency in assets. Realization values may be substantially different from the carrying values as shown in these financial statements should the company be unable to continue as a going concern.

The Company's ability to meet its obligations and maintain its operations is contingent upon successful completion of additional financing arrangements and the continuing support of a related company (see Note 7). Subsequent to year end the Company raised a total of $52,500 by a private placement (see Note 9).

2. NATURE OF OPERATIONS

The Company is in the process of reviewing its business plan and the future direction of the Company. The ability of the Company to execute its business plan is dependent upon obtaining necessary financing and contracting appropriate personnel.

3. SIGNIFICANT ACCOUNTING POLICIES

(a) 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 will be amortized. When deferred expenditures on individual producing properties exceed the estimated net realizable value, the properties are written down to the estimated value. Costs relating to properties abandoned are written off when the decision to abandon is made.

(b) Capital assets

Computer equipment is depreciated using the straight-line method over five years.

(c) Financial instruments

The financial instruments of the Company include accounts receivable and accounts payable. The carry value of these financial statements approximates fair value.

(d) Stock-based compensation plans

The Company has three stock based compensation agreements, which are described in Note 6(b). No compensation expense is recognized for these plans when stock or stock options are issued to employees. Any consideration paid by employees on exercise of stock options or purchase of stock is credited to share capital. If stock or stock options are repurchased from employees, the excess of the consideration paid over the carrying amount of the stock option canceled is charged to retained earnings.

(e) Comparative figures

Certain prior period comparative figures have been reclassified to conform with the current period's presentation

4. RESOURCE PROPERTIES

Resource properties consist of:

	June 30, 2000 (unaudited)	1999	1998	1997
Egan Property, Ontario				
Acquisition Costs	$-	$-	$34,500	$34,500
Write-off of Property	-	-	(34,500)	-
	-	**-**	**-**	**34,500**
Windjammer Property, Ontario	1	1	1	1
Total Resource Properties	**$1**	**$1**	**$1**	**$34,501**

(a) Egan property, Ontario

During the year ended December 31, 1997, the Company entered into an agreement to acquire a 100% interest in certain mineral claims located in the Egan Township of Ontario, subject to a 2% net smelter return royalty.

The Company issued 25,000 shares at a deemed value of $4,500 and paid $30,000 prior to abandoning this property in the year ended December 31, 1998.

(b) Windjammer property, Ontario

The Company has an interest in certain claims located in the Larder Lake Mining Division, Ontario.

5. CAPITAL ASSETS

	June 30, 2000 (unaudited)	1999	1998	1997
Office Equipment	$2,896	$2,896	$2,896	$-
Accumulated Amortization	666	665	86	-
Net Book Value	**$2,230**	**$2,231**	**$2,810**	**$-**

6. CAPITAL STOCK

(a) Changes in issued capital stock during the years ended December 31 were as follows:

	June 30, 2000 (unaudited)		1999		1998		1997	
	Number of Shares	Amount	Number of Shares	Amount	Number of Shares	Amount	Number of Shares	Amount
Balance, Beginning of Period	4,329,527	$6,256,578	4,329,527	$6,256,578	3,029,527	$6,061,578	3,004,527	$6,057,078
Issued for Private Placement Financing	350,000	52,500	-	-	800,000	120,000	-	-
Issued for Resource Property	-	-	-	-	-	-	25,000	4,500
Exercise of stock options	90,400	16,272	-	-	-	-	-	-
Issued for Debt Settlement	-	-	-	-	500,000	75,000	-	-
Balance, End of Period	**4,769,927**	**$6,325,350**	**4,329,527**	**$6,256,578**	**4,329,527**	**$6,256,578**	**3,029,527**	**$6,061,578**

As part of the agreement to acquire all of the shares of Meteor Creek Resources Inc. (Note 9), the Company plans to consolidate its shares on a one for four basis **(unaudited)**.

(b) As at December 31, 1999, the Company had three incentive stock option based compensation grants, which are described below.

Incentive stock option grants

The Company has four stock option grants. Under the October 23, 1997 grant, the Company granted options to a director totaling 65,000 shares of common stock. Under the November 27, 1998 grant, the Company has granted options to directors totaling 242,500 shares of common stock. Under the December 23, 1998 grant, the Company has granted options to directors totaling 50,000 shares of common stock. Under the May 3, 1999 grant, the Company has granted options to directors totaling 140,400 shares of common stock. Under all four option grants, the exercise price of each option equals the market price of the Company's stock on the date of grant and the maximum term is the lesser of 5 years or 30 days after the optionee has ceased to be a director/employee.

A summary of the status of the Company's three incentive stock option grants as of December 31, 1997, 1998 and 1999, and changes during the years ending on those dates is presented below:

	June 30, 2000 (unaudited)		**1999**		**1998**		**1997**	
	Shares	**Weighted Average Exercise Price**	**Shares**	**Weighted Average Exercise Price**	**Shares**	**Weighted Average Exercise Price**	**Shares**	**Weighted Average Exercise Price**
Outstanding, beginning of period	407,900	0.20	292,500	0.20	285,000	0.28	220,000	0.30
Granted	-	-	140,400	0.18	292,500	0.20	65,000	0.24
Exercised	(90,400)	0.18	-	-	-	-	-	-
Forfeited	-	-	(25,000)	0.18	(285,000)	0.28	-	-
Outstanding, end of year	317,500	0.20	407,900	0.20	292,500	0.20	285,000	0.28
Options exercisable at end of period	317,500	0.20	407,900	0.20	292,500	0.20	285,000	0.20

The following table summarized information about stock option grants outstanding at December 31, 1999:

	Options Outstanding			**Options Exercisable**	
Exercise Price	**Number Outstanding at December 31, 1999**	**Weighted Average Remaining Contractual Life**	**Weighted Average Exercise Price**	**Number Exercisable at December 31, 1999**	**Weighted Average Exercise Price**
$0.20	242,500	4.1 years	0.20	242,500	0.20
$0.21	50,000	4.0 years	0.21	50,000	0.21
$0.18	115,400	4.7 years	0.18	115,400	0.18
	407,900	4.26 years	0.20	407,900	0.20

As part of the agreement to acquire all of the shares of Meteor Creek Resources Inc. (Note 9), the Company plans to cancel all of its outstanding stock options and warrants **(unaudited)**.

7. RELATED PARTY TRANSACTIONS

(a) During the year ended December 31, 1999, the Company incurred administrative and accounting fees of $60,000 (1998 - $57,387; 1997 - $60,500), shareholders information fees of $Nil (1998 - $1,712; 1997 - $928), interest expense of $Nil (1998 - $4,941; 1997 - $2,730) and rent and prepaid rent of $5,250 (1998 - 2,222; 1997 - $Nil) with a company related by directors in common.

(b) As at December 31, 1999, accounts payable includes $107,695 (1998 - $48,271; 1997 - $79,054) due to a company related by directors in common or directors directly.

(c) During the six month period ended June 30, 2000, the Company incurred administrative and accounting fees of $30,000 and rent of $3,000 with a company related by directors in common **(unaudited)**.

(d) As at June 30, 2000, accounts payable included $63,282 due to a company related by directors in common or directors directly **(unaudited)**.

8. INCOME TAXES

The Company has no current taxes payable and has non capital tax loss carryforwards of $883,555. As at December 31, 1999, the Company has available resource related deductions that may be carried forward indefinitely and used in the prescribed manner to reduce future taxable income of $3,591,832. These have not been set up as future income tax assets as it is more likely than not that the Company will not be able to realize these assets.

9. SUBSEQUENT EVENTS

(a) Subsequent to year end, the Company completed a private placement consisting of 350,000 Units at $0.15 for proceeds of $52,500. Each Unit consisted of one share and one share purchase warrant exercisable at $0.25 until February 10, 2001. The proceeds were used to decrease accounts payable.

(b) On June 20, 2000, the Company entered into a letter of intent to acquire all the outstanding shares of Meteor Creek Resources Inc. in exchange for common shares of the Company. The acquisition will be accounted for as a reverse takeover and is subject to the satisfactory completion of certain conditions, shareholder approval and regulatory approval. The shareholders' meeting to approve this transaction is has been called for October 24, 2000.

(c) The Company filed a preliminary prospectus dated September 26, 2000 to qualify for distribution up to 7,500,000 "A" units at a price of $0.60 per "A" unit, up to 3,000,000 "B" units at a price of $0.70 per "B" unit, and 5,344,665 common shares of the Company to be issued as the consideration for the purchase of all of the outstanding shares of Meteor Creek Resources Inc. Each such "A" unit consists of one common share of the Company and one warrant of the Company (a "Warrant"), each Warrant entitling the holder to purchase one common share of the Company at a price of $0.80 for a period of three months from the date of the initial closing of the offering, and thereafter at a price of $1.00 for an additional six months. Each such "B" unit consists of one common share of the Company issued as a "flow-through share" within the meaning of the *Income Tax Act* (Canada) and one Warrant. Proceeds from the maximum offering, net of agent's fees, are estimated at $4,050,000 and from the minimum offering, net of agent's fees, $2,250,000.

CERTIFICATE OF DOUBLE DOWN

Dated: September 26, 2000

The foregoing constitutes full, true and plain disclosure of all material facts relating to the securities offered by this prospectus as required by Part 8 of the *Securities Act* (Alberta), by Part XV of the *Securities Act* (Ontario), by the *Securities Act* (Nova Scotia), by Section 13 of the *Security Frauds Prevention Act* (New Brunswick) and by Part II of the *Securities Act* (Prince Edward Island) and the respective regulations thereunder.

(signed) Hughes P. Salat
Chief Executive Officer
and a director

(signed) David M. Rutt
Chief Financial Officer
and a director

On behalf of the Board of Directors

(signed) Michael Williams
Director

CERTIFICATE OF METEOR CREEK

Dated: September 26, 2000

The foregoing constitutes full, true and plain disclosure of all material facts relating to Meteor Creek Resources Inc.

(signed) John L. Tindale
President

(signed) David G. Fisher
Vice President

On behalf of the Board of Directors

(signed) Stacey L. Wenger
Director

(signed) Donald A. Young
Director

CERTIFICATE OF THE AGENT

Dated: September 26, 2000

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 prospectus as required by Part 8 of the *Securities Act* (Alberta), by Part XV of the *Securities Act* (Ontario), by the *Securities Act* (Nova Scotia), by Section 13 of the *Security Frauds Prevention Act* (New Brunswick) and by Part II of the *Securities Act* (Prince Edward Island) and the respective regulations thereunder.

BRAWLEY CATHERS LIMITED

Per: (signed) David M. Macdonald
Vice Chairman, Corporate Finance