THIS IS A PRELIMINARY PROSPECTUS RELATING TO THESE SECURITIES, A COPY OF WHICH HAS BEEN FILED WITH THE BRITISH COLUMBIA AND THE ALBERTA SECURITIES COMMISSIONS BUT WHICH HAS NOT YET BECOME FINAL FOR THE PURPOSE OF A DISTRIBUTION. INFORMATION CONTAINED HEREIN IS SUBJECT TO COMPLETION OR AMENDMENT. THE SECURITIES MAY NOT BE SOLD NOR MAY OFFERS TO BUY BE ACCEPTED PRIOR TO THE TIME A RECEIPT IS OBTAINED FROM THE BRITISH COLUMBIA SECURITIES COMMISSION (AS THE PRINCIPAL REGULATOR) FOR THE FINAL PROSPECTUS.

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 OTHER 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 OFFENSE.

INITIAL PUBLIC OFFERING DATE: August 30, 2000

PRELIMINARY PROSPECTUS

MINERA CAPITAL CORPORATION

(the "Company")

Suite 703, 595 Hornby Street
Vancouver, British Columbia, V6C 2E8
Tel: (604) 683-4216
Fax: (604) 683-3485

$525,000 to $1,050,000
1,500,000 to 3,000,000 Common Shares @ $0.35 per share
(the "Offering")

	Price to Public [1]		Agent's Commission [2]		Net Proceeds to Company [3]	
	Min	Max	Min	Max	Min	Max
Per Share	$0.35	$0.35	$0.035	$0.035	$0.315	$0.315
Total	$525,000	$1,050,000	$52,500	$105,000	$472,500	$945,000

(1) The offering price (the "Offering Price") of the common shares (the "Shares") offered herein was established by negotiation between Canaccord Capital Corporation (the "Agent") and the Company.

(2) In addition to the Agent's commission, the Company will issue to the Agent non-transferable share purchase warrants (the "Agent's Warrants") exercisable to acquire a number of common shares of the Company equal to 15% of the number of Shares sold under the Offering at any time up to the close of business one year from the day the Shares are listed for trading on the Canadian Venture Exchange (the "Exchange") at the price of $0.35 per Share. See "PLAN OF DISTRIBUTION" on page 30. This Prospectus qualifies for distribution the Agent's Warrants. The Agent will also receive a sponsorship and administrative fee of $25,000, plus applicable taxes. See "Appointment of Agent" on page 31.

(3) The Company will pay the balance of the estimated legal, audit and offering expenses of $75,000 out of the net proceeds of the Offering.

AN INVESTMENT IN NATURAL RESOURCE ISSUERS INVOLVES A SIGNIFICANT DEGREE OF RISK. THE DEGREE OF RISK INCREASES SUBSTANTIALLY WHERE THE ISSUER'S PROPERTIES ARE IN EXPLORATION AS OPPOSED TO THE DEVELOPMENT STAGE. SEE "RISK FACTORS" on page 19.

The Offering Price of $0.35 per Share exceeds the net tangible book value per Share after giving effect to the Offering, representing a dilution of between 67.03% (minimum offering) to 51.71% (maximum offering) without taking into account the exercise of any of the Agent's Warrants or outstanding incentive stock options.

An application has been made to conditionally list the Shares offered under this prospectus on the Exchange. Listing is subject to the Company fulfilling all the listing requirements of the Exchange.

Upon completion of the Offering, the public will hold 4,231,501 (to a maximum of 5,731,501) common shares in the capital of the Company (the "common shares") representing 83.62% (or 87.37%, if the maximum Offering is sold) of the common shares then outstanding as compared to 828,600 common shares representing 16.38% (or

12.63% if the maximum Offering is sold) that will then be owned by promoters, insiders and the Agent, without giving effect to the exercise of any Agent's Warrants, incentive stock options or other rights to acquire securities.

This Offering is not underwritten and is subject to a total minimum subscription of $525,000 (maximum $1,050,000) which must be raised within 90 days of the issuance of a receipt for a final prospectus or such other time as may be authorized by the appropriate regulatory authority and agreed to by the Agent. Proceeds of this Offering will be deposited with Pacific Corporate Trust Company until subscriptions for a minimum of $525,000 (maximum $1,050,000) have been received. If the total subscription is not raised, subscription monies will be returned to subscribers without interest or deduction. Refer to "Plan of Distribution".

This Prospectus qualifies the issuance of the Agent's Warrants entitling the Agent to purchase a number of common shares equivalent to 15% of the Shares sold under this Offering. The Agent is entitled pursuant to the *Securities Act* (British Columbia) and the Rules and Regulations thereunder to sell any of its common shares acquired upon the exercise of the Agent's Warrants without further qualification subject to any hold periods imposed pursuant to applicable securities legislation. Reference should be made to "Plan of Distribution" herein for particulars of the Agent's Warrants.

Certain legal matters relating to the securities offered hereby will be passed upon by Fraser and Company, Vancouver, British Columbia on behalf of the Company and by Swinton & Company, Vancouver, British Columbia on behalf of the Agent.

Unless otherwise indicated, all financial data contained herein, including the financial statements of the Company and the related notes thereto, are denominated in Canadian dollars.

We, as Agent, conditionally offer to the public, subject to prior sale, the Shares, if, as and when issued by the Company and accepted by us in accordance with the conditions contained in the Sponsorship and Agency Agreement referred to under "PLAN OF DISTRIBUTION" on page 30.

Agent

CANACCORD CAPITAL CORPORATION
2200 - 609 Granville Street
Vancouver, British Columbia
V7Y 1H2

Tel: (604) 643-7300
Fax: (604) 643-7051

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TECHNICAL GLOSSARY

The following are definitions of certain of the geological terms and references which are contained in the Prospectus:

Acidic Morainal Tills	Unconsolidated, heterogeneous glacial deposits with a pH balance of < 7.
Nipissing diabase	Mafic intrusive rocks that form dikes, sills and undulating sheets within the Huronian Supergroup.
Alteration	Any physical or chemical change in a rock or mineral subsequent to its formation and is conceptually milder and more localized than metamorphism.
Anomaly	Any departure from the norm which may indicate the presence of mineralization in the underlying bedrock. In geophysics and geochemistry, an area where the property being measured is significantly higher or lower than the larger, surrounding area.
Assay	A chemical test performed on a sample of ores or minerals to determine the amount of valuable metals contained.
Breccia	A type of rock whose components are angular in shape, as distinguished from a conglomerate, whose components are waterworn into a rounded shape.
Dike	A long and relatively thin body of igneous rock that, while in the molten state, intruded a fissure in older rocks.
Fault	A break in the Earth's crust caused by tectonic forces which have moved the rock on one side with respect to the other; faults may extend for many kilometres or be only a few centimetres in length; similarly, the movements or displacement along the fault may vary widely.
Grab sample	A sample taken at random; it is assayed to determine if valuable elements are contained in the rock. A grab sample is not intended to be representative of the deposit and usually the best-looking material is selected.
Intrusive	A body of igneous rock formed by the consolidation of magma intruded into other rocks, in contrast to lavas, which are extruded upon the surface.
Metamorphic rocks	Rocks which have undergone a change in texture or composition as the result of heat and pressure.
Metamorphism	The process by which the form or structure of rocks is changed by heat and pressure.
Mineralization	A natural aggregate of one or more metallic minerals.
Outcrop	An exposure of rock or mineral deposit that can be seen on surface, i.e., that is not covered by overburden or water.
Ppm	Parts per million, also equivalent to grams per tonne (g/t).
Quartz	Common rock-forming mineral consisting of silicon and oxygen.
Rhyolite	A fine-grained (extrusive) igneous rocks which has the same chemical composition as granite.
Sample	A small portion of rock or a mineral deposit, taken so that the metal content can be determined by assaying.
Sampling	Selecting a fractional but representative part of a mineral deposit for analysis.
Sedimentary rocks	Secondary rocks formed from material derived from other rocks and laid down under water. Examples are limestone, shale and sandstone.

Shear or ***shearing***	The deformation of rocks by lateral movement along innumerable parallel plans, generally resulting from pressure and producing such metamorphic structures and cleavage and schistosity.
Siliceous	A rock containing an abundance of quartz.
Subduction zone	Area where one lithospheric plant descends beneath another; a long, narrow belt in which subduction takes place, for sample, along the Peru-Chile trench where the Pacific Plate descends beneath the South American Plate.
Trench	A long, narrow excavation dug through overburden, or blasted out of rock, to expose a vein or ore structure.
Vein	A fissure, fault or crack in a rock filled by minerals that have traveled upwards from some deep source.
Volcanic rocks	Igneous rocks formed from magma that has flowed out or has been violently ejected from a volcano.

NON-TECHNICAL GLOSSARY

The following are definitions of certain non-technical terms contained within the Prospectus:

Agent's Warrants	Non-transferable share purchase warrants exercisable to acquire a number of common shares of the Company equivalent to 15% of the number of Shares sold under the Offering.
BCSC	British Columbia Securities Commission.
Davis Township Property, or ***Property***	Six unpatented mining claims in two contiguous blocks totalling approximately 1,120 ha. In the Davis and Janes Townships, in the Sudbury Mining Division. The Davis Township Property claims are in good standing and are held in the name of Goldwright Explorations Inc.
Exchange	The Canadian Venture Exchange.
Geological Report	A geological report on the Davis Township Property, prepared by John M. Siriunas, M.A.Sc. P.Eng., dated April 20, 2000, as amended by Addendum dated August 4, 2000.
Goldwright	Goldwright Explorations Inc., an Ontario company holding title to the Davis Township Property, and with whom the Company has entered into an Option Agreement to acquire up to a 50% interest in the Davis Township Property.
2% Net Smelter Royalty	Refers to the proceeds received from any smelter or other purchaser from the sale of any ores, concentrates or minerals produced from the Davis Township Property after deducting the following costs (to the extent that they are not deducted by the smelter or other purchaser in computing the proceeds: - transportation costs for the ores, concentrates or minerals from the Davis Township Property to such smelter or other purchaser, including related transport; - smelting and refining charges, including penalties; and - marketing costs.
Offering Day	That day, as determined by the Agent and the Company (with the consent of the Exchange), on which the Offering of the Company's Shares under this Prospectus will take place. The Offering Day must be within a period of 90 days from the date of issue of the final receipt for this Prospectus by the BCSC.
Offering Price	$0.35 per Share.

Option and Joint Venture Agreement	Pursuant to an Option and Joint Venture Agreement dated December 11, 1999, as amended June 19, 2000 and July 29, 2000, the Company holds an option to purchase an undivided 50% interest in the Davis Township Property (and form a subsequent joint venture to bring the Davis Township Property into commercial production, if warranted) from Goldwright for consideration of the issuance of 100,000 common shares of the Company and by incurring an aggregate of $300,000 in exploration expenses over the Davis Township Property over a 3-year period. The Option and Joint Venture Agreement, as amended, also provides for the automatic formation of a joint venture if the Davis Township Property is put into commercial production.
PGMs	Platinum Group Minerals, including platinum, palladium and rhodium.
Shares	The common shares of the Company offered for sale under this Prospectus.

PROSPECTUS SUMMARY

The following is a summary of the principal features of this Offering and is qualified in its entirety by the more detailed information is contained in the body of the Prospectus. Terms not defined in the summary have the meanings ascribed to them in the Glossary.

THE ISSUER	Minera Capital Corporation (the "Company") was incorporated on March 1, 1999 pursuant to the *Business Corporations Act (Yukon)* and was extra-provincially registered in the Province of British Columbia on July 31, 2000. The Company is engaged in the acquisition, exploration and development of mineral properties. The Company currently holds an option to purchase a 50% interest in the Davis Township Property, which is located in the Sudbury Mining Division, in Ontario. The natural resources being targeted for on the Davis Township Property are PGMs, gold, copper and nickel. See "BUSINESS OF THE COMPANY" on page 7 and "PROPERTIES OF THE COMPANY" on page 10.
THE OFFERING	This Offering consists of a minimum of 1,500,000 (maximum 3,000,000) Shares at $0.35 per Share. See "PLAN OF DISTRIBUTION" on page 30. The Offering is subject to a minimum subscription level of $525,000 (maximum $1,050,000) (i.e., the entire minimum Offering), which must be raised within 90 days of the issuance of a receipt for a final prospectus or such other time as may be authorized by the appropriate regulatory authority and agreed to by the Agent. If the minimum subscription level is not raised, subscription monies will be returned to subscribers without interest or deduction. See "PLAN OF DISTRIBUTION" on page 30.
THE AGENT	The Agent has agreed to offer for sale to the public the Shares in consideration of a commission to be paid to the Agent of $0.035 per share, a sponsorship and administration fee of $25,000 (plus applicable taxes) and the issuance of the Agent's Warrants. See "PLAN OF DISTRIBUTION" on page 30.
MANAGEMENT	Henning J. Coetzee - Director, President and Chief Executive Officer Paul Ankcorn - Director, Secretary-Treasurer and Chief Financial Officer Miles Desharnais - Director Rene G. Carrier - Director Henning J. Coetzee resides in Australia, and has a strong background in mining geology. He holds a B.Sc.(Hons) from the University of Witwatersrand and a B.Sc.(Geo) from the University of Pretoria. Mr. Coetzee is a self-employed geological consultant, who has worked on numerous African mining projects, specializing in gold and gemstone recovery. Prior to becoming self-employed, Mr. Coetzee was a Project Geologist with Phelps Dodge Mining. Paul Ankcorn received his CMA in 1983 and also holds a BA (Hons) in Business Administration. Mr. Ankcorn has over 17 years experience in financial management in both private and public companies, and has specialized for the past 10 years in financial management for mining companies. Mr. Ankcorn is also the President and director of Aavdex Corporation, a public mining company. Miles Desharnais holds a B.P.E. from the University of British Columbia, and has several years of sales and administration experience. In 1977, Mr. Desharnais founded Miles of Travel Agencies Ltd., of which he is the President/Owner, and in 1983 he opened up a second travel agency, Classic Sports Tours Ltd., of which he is also the President/Owner. Rene G. Carrier is an independent financier, and has extensive experience in providing corporate finance and management services to public companies through his company, Euro-American Capital Corporation which he founded in 1991. Prior to that Mr. Carrier was a Vice-President/Partner with Pacific International Securities Inc., where he worked from 1982-1991. See "DIRECTORS, OFFICERS, PROMOTERS AND OTHER MANAGEMENT" on page 21.

<table>
<tr><td>USE OF PROCEEDS</td><td>The Company had a working capital deficit of approximately $3,809 as at July 31, 2000 and expects to receive minimum net proceeds of $472,500 (to a maximum of $945,000) from this Offering for minimum total funds available of $468,691 (maximum $941,191) which are intended to be expended as follows:

<table>
<tr><td></td><td>Minimum</td><td>Maximum</td></tr>
<tr><td>Exploration Program on the Davis Township Property</td><td>$249,900</td><td>$249,900</td></tr>
<tr><td>Estimated Costs of the Offering</td><td>75,000</td><td>75,000</td></tr>
<tr><td>Sponsorship and Administration Fee</td><td>25,000</td><td>25,000</td></tr>
<tr><td>Administrative Expenses</td><td>72,000</td><td>72,000</td></tr>
<tr><td>Working Capital to fund ongoing operations</td><td>46,791</td><td>519,291</td></tr>
<tr><td>TOTAL</td><td>$468,691</td><td>$941,191</td></tr>
</table>

See "USE OF PROCEEDS" on page 18</td></tr>
<tr><td>RISK FACTORS</td><td>

Investment in the Shares offered under this Prospectus must be considered speculative due to the nature of the Company's business and its present stage of development. Specific risk factors include, but are not limited to the following:
There is no established market for the securities of the Company.
The Davis Township Property, in respect of which the Company is to acquire a 50% interest, is in the exploration stage only and is without a known body of commercial ore.
There is no certainty that the expenditures to be made by the Company in the exploration of the Davis Township Property will result in discoveries of commercial quantities of ore.
There is no assurance that even if commercial quantities of ore are discovered, a ready market will exist for its sale.
Hazards are involved in mineral exploration and development. The Company may become subject to liabilities against which it cannot insure or against which it may elect not to insure. The Davis Township Property may be subject to prior unregistered agreements or transfers of native land claims, and title may be affected by undetected defects.
While the Company has confirmed title to the Davis Township Property at the Sudbury Mining Division Office, this should not be construed as a guarantee of title. In addition, the boundaries of the Davis Township Property have not been surveyed and, therefore, their precise location and area may be in doubt.
The price at which the Shares are offered hereby has been determined by negotiation between the Company and the Agent and bears no relationship to earnings, book value, or other criteria of value. The Company has no history of earnings.
Locating mineral deposits depends on a number of factors, not the least of which is the technical skill of the personnel involved. The Company is, to a large degree, dependent on the performance of its key employees and consultants and failure to retain such key employees or consultants may have a materially adverse impact on the Company's growth and profitability.
The current or future operations of the Company require permits from various governmental authorities and there can be no assurance that these permits can be viably obtained in order for the Company to carry out required operations on the Davis Township Property.
After the issuance of the Shares and prior to the exercise of outstanding incentive stock options or Agent's Warrants, purchasers of the Shares will experience an immediate and substantial dilution from $0.2346 per Share (67.03%) (minimum offering) to $0.1810 per Share (51.71%) (maximum offering) in the net tangible asset value of their investment.
The Shares offered hereby (excluding any common shares acquired by the Agent or by directors, officers or employees of the Company from the exercise of incentive stock options) will represent 29.64% (or 45.73% if the maximum Offering is sold) of the outstanding common shares of the Company on completion of the Offering, as compared to 16.38% (or 12.63% if the maximum Offering is sold) held by promoters, directors, officers, the Agent and substantial security holders assuming no further purchases by such persons under the Offering.

</td></tr>
</table>

	• Directors of the Company serve as directors of or participate in ventures with, other companies involved in natural resource development. As a result, there may be situations which involve a conflict of interest.
	• Currently, the Company has not experienced any major computer issues as a result of the Year 2000 date rollover, and has installed all Year 2000 patches and upgrades supplied by its software developers. While the Company believes that it has addressed Year 2000-related concerns to the best of its abilities, unforeseen programming errors may still occur and thus a risk exists that the Company may experience problems in its own computer systems and from third parties with whom it deals as financial transaction worldwide.
	AN INVESTMENT IN NATURAL RESOURCE ISSUERS INVOLVES A HIGH DEGREE OF RISK AND SHOULD BE CONSIDERED ONLY BY THOSE PERSONS WHO CAN AFFORD A TOTAL LOSS OF THEIR INVESTMENT. THE DEGREE OF RISK INCREASES SUBSTANTIALLY WHERE THE ISSUER'S PROPERTY IS IN THE EXPLORATION AS OPPOSED TO THE DEVELOPMENT STAGE. SEE "RISK FACTORS" on page 19.

CORPORATE STRUCTURE

Name and Incorporation

Minera Capital Corporation (the "Company") was incorporated pursuant to the *Business Corporations Act* (Yukon) on March 1, 1999, and has an authorized capital of an unlimited amount of common shares without par value. The Company was extra-provincially registered in the Province of British Columbia on July 31, 2000.

The address of the head office of the Company is Suite 703, 595 Hornby Street, Vancouver, British Columbia, V6C 2E8, and the registered and records offices of the Company are located at 200-204 Lambert Street, Whitehorse, Yukon, Y1A 3T2.

The Company has no subsidiaries.

BUSINESS OF THE COMPANY

Description and general development

The Company is a natural resource company engaged in the acquisition, exploration and development of mining properties.

Operations to Date

The Company was formed in March, 1999 with the initial intention of seeking a listing as a Venture Capital Pool corporation under the policies of the former Vancouver Stock Exchange (now CDNX). However, during its seed capital funding endeavours, the Board of Directors of the Company determined subsequently that it would be more economic and expedient if the Company elected to obtain a listing by way of a full Initial Public Offering.

In the fall of 1999 the Company commenced negotiation with Goldwright Explorations Inc. ("Goldwright") regarding the exploration and potential development of the Davis Township Property, and these negotiations led to the successful entry into an Option and Joint Venture Agreement between the parties, dated for reference December 11, 1999. This Option and Joint Venture Agreement was amended on June 19, 2000 by an Option and Joint Venture Amendatory Agreement to clarify terms, and further amended by an Option and Joint Venture Amending Agreement on July 29, 2000 with respect to a change in the registration of one of the claim numbers. (The "Option and Joint Venture Agreement", the "Option and Joint Venture Amendatory Agreement" and the "Option and Joint Venture Amending Agreement" are collectively referred to as the "Option Agreement".)

Under the terms of the Option Agreement, the Company has the right to acquire up to a 50% interest in the Davis Township Property from Goldwright, in consideration for the issuance of 100,000 common shares of the Company, and the expenditure of an aggregate of $300,000 on exploration of the Davis Township Property over the 3-year period following the date of the Agreement ($100,000 of which must be expended prior to June 8, 2000). The Option Agreement also provides for the automatic formation of a joint venture between the parties if the Company meets these obligations. Under the joint venture, each party will be obliged to contribute funding on a pro-rata basis, in line with their interest in the Davis Township Property.

By July 31, 2000, the Company had issued 50,000 common shares to Goldwright and expended a total of approximately $137,672 on exploration to date on the Davis Township Property.

The Davis Township Property is in a region currently undergoing evidence of mine development activity. A recent re-analysis of a drill-core taken by the Property's previous owners indicated the presence of PGM minerals, which were not originally sampled for when the drill-core was taken. The Davis Township Property adjoins property owned by Pacific Northwest Capital Corporation, which has reported PGM findings on its claims, as well as adjoining patented mining claims belonging to Norstar Lake Mine, a former copper/gold producer. The Company is targeting PGMs, gold and cooper on the Davis Township Property, and its immediate objective is to carry out the exploration program recommended by J.M. Siriunas, in the Geological Report. Particulars of the Davis Township Property are disclosed under “Properties of the Company”.

The Company may acquire and explore additional mining properties that it considers potentially commercially viable, as funds become available.

Summary and analysis of financial operations

The following table summarizes the financial operations of the Company for its initial 11-month operating period ended February 29, 2000 as well as the 5- month period ended July 31, 2000.

	5-month ended July 31, 2000	11-month ended Feb 29, 2000
Revenues Gross Profit	- -	- -
General and Administrative Expenses	$76,294	$152,528
Other Income	-	-
Net Income (Loss)	$(76,294)	$(152,528)
Working Capital (Deficiency)	$(3,809)	$(867)
Property Deferred Exploration and Acquisition Costs Deferred share issue costs	 (69,798) -	 (67,874) -
Long Term Liabilities	-	-
Shareholders’ Equity Dollar Amount Number of Securities	 $362,685 3,560,101	 $219,535 2,982,101

The foregoing table is based on the financial statements in respect of the initial 11-month fiscal period ended February 29, 2000, and the 5-month fiscal period ended July 31, 2000, included in this Prospectus. Reference is made to such statements for additional information.

There are 3,560,101 common shares issued and outstanding as of the date of this prospectus, of which 828,600 are performance shares that will be released from escrow only upon obtaining the consent of the appropriate regulatory authority. Upon the successful completion of this Offering, a minimum total of 5,060,101 (to a maximum of 6,560,101) common shares will be issued and outstanding, not including shares to be issued on exercise of incentive stock options and the Agent’s Warrants.

Discussions of Results of Operations

<u>Incorporation to February 29, 2000</u>

For the 11-month period from the date of incorporation of the Company on March 1, 1999 to February 29, 2000, the Company raised $207,035 through the issuance of 2,932,101 common shares for cash, and a further $12,500 through the issuance of 50,000 shares for property. During this time, the Company incurred resource property expenditures of $67,874 in connection with the acquisition and exploration of the Davis Township Property. See "PROPERTIES OF THE COMPANY" on page 10. During this same period the Company expended a total of $152,528 on general and administrative expenses. Expenditures totalling 10% or more of this amount include $60,424 in business development, $37,253 in travel expenditures, $19,882 in office, general and administration, $15,889 in telephone and $11,450 on general exploration expenditures.

March 1, 2000 to July 31, 2000

During the period March 1, 2000 to July 31, 2000 the Company raised $143,150 through the issuance of 578,000 common shares for cash. For the period March 1, 2000 to July 31, 2000, the Company incurred a further $76,294 of administrative expenses, including $44,770 on business development, $5,949 on general office and administration, $4,155 for rent of the office premises, $3,000 on management fees and $18,420 on legal and audit fees. During this same period the Company also expended the sum of $69,798 on mining explorations.

August 1, 2000 to present

Subsequent to July 31, 2000, the Company has not raised any further funds.

Business Development and Travel Expenditures

During the Company's first year of operations the travelling and business development expenditures were significant, due to the extensive efforts made by the Company to both obtain adequate financing and to seek out potential properties of merit for the purposes of acquisition, both in North America and in the Republic of South Africa. In June 1999, representatives from the Company attended at the New York City Mining Convention, where they also held several meetings with mining and natural resource development individuals from the Republic of South Africa. Principals of the Company also travelled to Montreal, Ottawa, Riviere Du Loup, Sept Iles and Sudbury during this fiscal year, to conduct research into potential properties and perform physical on-site inspections. In addition, the Company's President, Mr. Henning J. Coetzee, performed additional travel, research and inspection of potential properties located in various portions of South Africa, including the purchase of geological materials required to perform physical inspections, and extensive title searches through the Registrar of Titles in South Africa. Further evaluations were carried out on properties located in Thunder Bay, River Valley (Ontario), Alaska, Grenville and Sept Iles (Quebec), and a property in the United States owned by Trend Mining and on some properties, on-site inspections were carried out, necessitating further travel and related costs.

On August 5, 1999, the Company entered into a Consulting agreement with Pierre Thibault, who has provided the Company with geological consulting services, including locating and researching various properties on behalf of the Company and performing on-site inspections and preliminary explorations, as warranted. This Agreement is for a one-year term, and the consideration payable under this agreement was a lump-sum of $10,000, which was paid by the Company to Mr. Thibault upon execution of the Consulting Agreement.

Shareholders Loans

During the fiscal year ended February 29, 2000, Mr. Henning Coetzee, the President and a director of the Company, provided shareholder loans to the Company in the aggregate amount of $8,500.00. These loans were repaid to Mr. Coetzee on October 25, 1999, by way of the issuance to Mr. Coetzee of 75,000 common shares of the Company at a deemed price of $0.10 per share and 100,000 common shares at a deemed price of $0.01 per share.

During the fiscal year ended February 29, 2000, Paul Ankcorn provided the Company with shareholders loans in the aggregate amount of $12,500. These loans were repaid to Mr. Ankcorn by way of share issuances to Mr. Ankcorn of 110,000 common shares at a deemed price of $0.10 per share, and a further 150,000 common shares at a deemed price of $0.01 per share

On October 25, 1999, Mr. Miles Desharnais, a director of the Company, provided a shareholders loan to the Company in the amount of $2,860. This loan was repaid to Mr. Desharnais by way of the issuance to him of a total of 28,600 common shares of the Company, at a deemed price of $0.10 per common share.

See “Related Party Transactions” on page 25.

PROPERTIES OF THE COMPANY

Principal Property – Davis Township Property

Geological Report

A geological report on the Davis Township Property entitled "Report on the Davis Township Property, District of Sudbury, Ontario" dated April 20, 2000, as amended by Addendum dated August 4, 2000, (collectively the "Geological Report") has been prepared for the Company by John M. Siriunas, M.A.Sc., P.Eng., of Mississauga, Ontario. Certain portions of the disclosure under the heading "Properties of the Company" have been extracted from the Geological Report and are presented in italics. A copy of the full Geological Report may be viewed at the office of the Company's solicitors, Fraser and Company, during normal business hours during the course of the distribution under this Prospectus.

Location, Description and Acquisition

The Company's only property is the Davis Township Property which is located in northeastern Ontario, approximately 26 km east of Sudbury Airport and 48 kilometers to the east/north-east of Sudbury, Ontario, at 46^{o} 40' N and 80 ^{o} 30' W. The claim blocks comprising the property are easily accessible by road, Secondary Highway 535 leads north from Hagar from the Trans-Canada Highway #17, through the Rivière Veuve, and from there, by all-weather gravel roads used for timber-haulage and forest access towards Washagami, a former post on the CN Railroad. See "FIGURE 1 – LOCATION MAP" appended to the end of the Prospectus.

Climactic conditions are classified as having a humid high cool temperate ecoclimate, with average daily temperature ranges in the summer of 11.8 ^{o}C to 23.1 ^{o}C and –16.8 ^{o}C to 6.9 ^{o}C in the winter. Average yearly precipitation for the area is 872mm and the month-end snow cover is deepest in January/February, with an average of 40cm.

The dominant land cover in the area are deciduous trees, featuring maple, birch, poplar, hemlock, pine, ash, spruce, tamarack and white cedar. The area is strongly glaciated and is characterized by ridged to hummocky rock outcrops covered with discontinuous acidic morainal tills. Bedrock exposure is about 25%. There is significant wildlife in the area, and forestry, mining, tourism, and low-intensity farming are the main land uses in the region, and in the immediate vicinity of the Davis Township Property. The majority of the Davis Township Property lies within the Macbeth Township, in an area designated by the Ontario Government as sensitive and requiring compliance with regulations designed to protect the natural and recreational values of the proposed Chiniguchi Waterway and Sturgeon River provincial parks.

The Davis Township Property consists of 6 unpatented mineral claims in two contiguous blocks, referred to as either the "East" or "Murray Lake" block and the "West" or "Washagami Lake" block. The claims total approximately 1,120 ha. in area. See "FIGURE 2 – CLAIMS MAP" appended to the end of the Prospectus.

The Company has a right to acquire a 50% interest in the Davis Township Property by an Option and Joint Venture Agreement dated December 11, 1999 with Goldwright Explorations Inc. ("Goldwright"). This Option and Joint Venture Agreement was amended on June 19, 2000 by an Option and Joint Venture Amendatory Agreement to clarify terms, and further amended by an Option and Joint Venture Amending Agreement on July 29, 2000 with respect to a change in the registration of one of the claim numbers. (The "Option and Joint Venture Agreement", the "Option and Joint Venture Amendatory Agreement" and the "Option and Joint Venture Amending Agreement" are collectively referred to as the "Option Agreement".) Under the terms of the Option Agreement, the Company must issue an aggregate of 100,000 common shares to Goldwright by December 11, 2000, and expend a total of $300,000 on exploration of the Davis Township Property over the next three years, of which $100,000 must be spent on or before June 8, 2000. The Company has, to date, issued 50,000 shares with a deemed value of $0.25 per share to Goldwright, has spent approximately $137,672 on exploration costs, and anticipates that it will issue the remaining 50,000 common shares to Goldwright before December 11, 2000.

Upon the Company meeting all of the financial obligations set out under the Option Agreement, the Option Agreement will automatically convert into a Joint Venture Agreement between the parties. Under the joint venture contemplated in the Option Agreement, Minera would become the Operator, and the parties would provide funding to carry out operations on the property on a pro-rata basis, depending on their ownership percentages. Should either party not provide funding equal to its ownership percentage, then that party's interest shall be diluted by a ratio of 1% for each $10,000 in funding not provided, and, should a party's interest be diluted to a 10% interest, then the joint venture would terminate and the diluted party's interest would be converted to a 2% Net Smelter Royalty.

The Davis Township Property is made up of the following claim blocks:

Claim Name	***Claim No.***	***No. of Units***	***Township***
East Block	1229839	16 units	Davis and Janes Townships
East Block	1229747	12 units	Davis and Janes Townships
West Block	1229735	6 units	Davis Township
West Block	1247273	16 units	Davis Township
West Block	1229741	4 units	Davis Township
West Block	1229742	16 units	Davis Township

These claims were staked and recorded under the regulations of the ***Mining Act*** of Ontario and are administered by the Sudbury Mining Division in Sudbury, Ontario. Certain portions of the surface rights for the East Block Claim No. 1229839 are held under patent. The claims were first recorded on December 9, 1997, with the exception of Claim No. 1247273 which was recorded on July 21, 2000, and are in good standing.

Exploration and Development History

East Block

Geology of the region has been mapped over the years by agencies of the Ontario Government, including the mapping of Janes, McNish, Pardo and Dana Townships by Bruce (1932), the Ashigami Lake area by Fairbairn (1939), Kelly and Davis Townships by Thomson and Card (1963), McNish and Janes Townships by Dressler (1979) and the Wanapitei Lake area by Dressler (1982). Additional government studies have focused on mineral occurrences (Gates, 1991), stratigraphy (Debicki, 1990), regional geochemistry (Tardif, 2000) and assessment data inventories (Adlington, 1981; Ontario Geological Survey, 1985; 1987a; 1987b).

It is not known when sulphide mineralization on the south shore of Murray Lake was first discovered, however assessment information pertaining to the area dates back to at least 1954. Bruce (1932) suggests that after the discovery of silver mineralization in the Gowganda area (approx. 90km north), much of this area was prospected in an attempt to locate additional deposits.

The first recorded work on the Davis Township Property was done by Bonnie Gold Mines Ltd., which carried out a magnetic survey (Bergey, 1954) to investigate the mineralization that outcrops on the south shore of Murray Lake. The mineralization was interpreted to carry-on along strike to the west but the host Nipissing diabase appeared to be faulted off to the east.

Diamond drilling was carried out in 1955-1956 by Alba Explorations Limited. There is no report on the results from surface sampling that may have also been carried out at the time, however, the drilling intersected copper and nickel mineralization associated with Nipissing diabase/gabbro near (about 6m from) the contact with Huronian (Gowganda) sediments. Many of the holes were drilled down-dip along the contact and remained within the sediments. It appears that the samples were submitted for analysis only where significant sulphides were present in the core. A total of 1134.3m (3721.5 feet) of drilling was carried out in 29 holes.

In 1969, Kennco Explorations (Canada) Limited carried out a frequency-domain induced polarization survey in the search for copper mineralization, with indeterminate results. In 1970, the Irdex Exploration Venture carried out a program of magnetometer and VLF-EM surveying, followed by diamond drilling in 11 drill holes. Widths of up to 19.8m (65 feet) of low-grade copper and nickel mineralization were reported, but there are no indications that this core was every analyzed for PGMs or gold.

The next work to be done on the Davis Township Property was done in 1981, by Silverside Resources Inc. This company carried out soil sampling, magnetometer and VLF-EM surveys, and an area of anomalous gold in soils coincident with a VLF-EM anomaly was indicated. Further geological mapping and soil sampling was done in

1986 by Canadian Nickel Company Limited, to further investigate the results found by Silverside Resources Inc. Canadian Nickel Company Limited was able to return three high gold values on their samples, however they could not duplicate the results found by Silverside Resources Inc., nor could they duplicate the three high gold findings of their own one year later (Perry, 1986). One line of the results for gold in soils does appear to be "anomalous". In 1989, Van Lith carried out power stripping, stripping and trenching in and around the existing property area.

West Block

These claims were first surveyed in 1957 by C.P. Explorations Limited. A further magnetometer survey was done for Lee Gordon Mines Limited in 1957, as well as mapping of an 8-claim property for Canus Petroleum Corporation Ltd. The mapping was followed up by diamond drilling on two holes totalling 198.1m, but did not intersect any mineralization.

In 1967, Movado Mining Company Limited reported that a test pit had exposed a 10m- wide quartz vein on what is believed to be the eastern boundary of the current West Block of claims, and further described as striking onto the Davis Township Property. A previous shaft in this vicinity was not located by Mr. Siriunas in his exploration, however, grab samples returning the following values are reported to originate in this area:

- 1.00% Cu and 0.04 oz Au/ton;
- 7.08% Cu, 0.04oz Au/ton and 0.46 oz Ag/Ton;
- 6.81% cu and 0.01 oz Au/ton;
- 1.08% cu and trace Au;
- 1.69% Cu and 0.07 oz Au/ton; and
- 0.04% cu and trace Au

A magnetometer survey was then carried out by Movado Mining Company Limited, and a VLF-EM survey in two orthogonal directions (north-south and east-west) which was followed up by a program of diamond drilling. Five holes, totaling 304.2m were drilled, however the results were described as inconclusive and returned no indications of significant mineralization. No further work was done in this vicinity.

Silverside Resources Inc., in addition to the 1981 work carried out on the East Block of claims, also carried out magnetometer and VLF-EM surveys over parts of the West Block of claims. Spurious results in the magnetic data are present, especially over the West Block.

Current Exploration Work

Exploration work on the Davis Township Property was carried out by Goldwright and the Company in the fall of 1999 and in early 2000. This work consisted of linecutting, stripping, trenching, sampling and geological mapping over portions of both the East and West blocks, and magnetometer, VLF-EM and time-domain pole-dipole induced polarization surveys over a portion of the East block. Various grab samples of sulphide-bearing gabbro (taken from the south shore of Murray Lake) are reported to have contained up to 2.63% Cu, 1.38% Ni, 218 ppb PD or 85 ppb Pt. Because the mineralization is located so close to the shore of Murray Lake coverage of the area by the induced polarization survey was not possible, however two strong zones of chargeability to the south of this mineralization were identified as potential targets for follow-up exploration work.

Exploration Work in the Area

The western boundary of the West block of claims ties onto a group of patented claims covering the Norstar Lake (Mt. Aetna) Mine property, where gold and copper mineralization was discovered in the late 1890s. The deposit was put into production during 1986-1987 by Orofino Resources Ltd. and Groundstar Resources Ltd., and the mine produced 449,056 kg of copper and 330 kg of gold during this time.

The area around the Davis Township Property is currently under intensive exploration for PGMs and gold. Currently, Pacific Northwest Capital Corporation has been extremely active in the area, surveying for copper, nickel and PGMs in the winter of 1999, when the drill core done in 1969 by Kennco Explorations (Canada) was re-analyzed and PGM findings were found. Surface sample and induced polarization surveying done by Pacific Northwest Capital Corporation have guided the recent exploration work. A total of 19 diamond drill holes have been done to date, and the results to date encourage continued exploration (9.03g Pt+Pd+Au/t over 9.03m in DDH JR-99-03). Pacific Northwest Capital Corporation has also carried out diamond drilling and has intersected mineralization on another area of its property holdings, the Davis-Kelly property.

Geology, Mineral Deposits and Reserves

Regional Geology

The Davis Township are is located within the Southern Structural Province of the Canadian Shield and consists of the following groups: Huronian Supergroup, Nipissing Diabase; Sudbury Structure and Grenville Structural Province.

<u>Huronian Supergroup</u>

The Huronian Supergroup comprises sedimentary and basal volcanic rocks of the Paleoproterozoic age that were deposited in a divergent tectonic regime that was subsequently affected by convergence (the Penokean Orogeny). Abundant xenoliths and enclaves of volcanosedimentary supracrustal rocks (i.e. "greenstones") are present.

There are four sub-groups making up the Huronian Supergroup, the oldest being the Elliot Lake Group. This is the only group to contain volcanic rocks in addition to clastic sedimentary rocks. Though not specifically part of the group, layered intrusions of gabbroic-anorthositic composition are found at the base of the supergroup at a number of locations. The other three sub-groups are the Hough Lake, Quirke Lake and Cobalt Group, each of which are characterized by a sedimentary cycle comprising conglomerate (tillite) overlain by mudstone, siltstone and arenites. The Quirke Lake Group also contains calcareous units.

<u>Nipissing Diabase</u>

"Nipissing diabase" is the name which was adopted in 1913 to refer to a suite of fractionated tholeiitic gabbroic rocks that are found as widespread intrusives throughout the Huronian Supergroup. The gabbro forms dikes, sills and undulating sheets, up to several hundred metres thick. These sheets are often cone-shaped around original feeder dikes and the intrusives are part of an event that occurred between 2,206 Ga and 2,223 Ga, and may be a remnant of an eroded continental flood basalt.

<u>Sudbury Structure</u>

The Sudbury Structure is a basin-like feature created about 1.85 Ga by either meteorite strike or volcano-tectonism. Rocks of the Whitewater Group that fill the basin are interpreted as representing a fall-back breccia and its various reworked components. The margin of the basin is rimmed by the Sudbury Igneous Complex ("SIC"), which consists of a variety of igneous units which were intruded along the contact of the Whitewater Group and the basement rocks, likely through the same violent geographical event that led to the formation of the Sudbury Structure.

<u>Grenville Structural Province</u>

The Grenville Front marks the boundary between rocks of Paleoproterozoic and Archean age, and those affected by the Grenville Orogeny (circa 1.1 Ga). The Front is a locus of faulting and mylonitization that delineates the limit of penetrative metamorphism and deformation related to the orogeny. Rocks north of the Grenville Front become increasing deformed near the Front, and the south side comprises a wide (up to 30 km) tectonic zone, consisting of deformed and metamorphosed rocks derived from the Superior and Southern Province protoliths.

Property Geology

Geological mapping of the Davis Township Property has been carried out over the area in 1963, 1986 and again in 1999. Additional geological information is available from the results of diamond drilling as set out in under the section "Exploration and Geological History" above.

The Davis Township Property is underlain by rocks of the Huronian Supergroup and associated gabbroic intrusives (Nipissing diabase). The Huronian Supergroup is predominantly represented by the Gowganda Formation of the Cobalt Group and comprises conglomerate, argillite and arenites within the property area.

Some feldspathic quartzites of the Lorraine Formation are present in the northeast part of the West Block. Greywackes and arenites of the Mississagi Formation of the Hough Lake Group are present to the south of the Davis Township Property, however, sodic alteration (that occurs in the immediate vicinity of the Property) has not been observed on the Property to date.

Gabbroic rocks occur as two, approximately east-west trending bands within the East Block of the Property. These gabbros are believed to be part of the Chiniguchi River Intrusion, are medium-to-coarse-grained, weathered to a distinctive "salt and pepper" texture and may be up to 150m wide on the surface. The north contact of the northern band, along the south shore of Murray Lake, is observed to dip to the south at about 60° as determined from the results of diamond drilling conducted in 1970. Quartz veining and carbonate alteration was observed by Mr. Siriunas during his inspection along the southern contact of what is believed to be the northern band of gabbro. The relationship between the two bands of gabbro is not known. Diamond drilling in the vicinity of Murray Lake in 1956 reports basalt intercalculated with diorite, but this may only be a fine-grained phase of the gabbro.

On the West Block, a single band of gabbro has been mapped. This band again trends east-west, but in the western part of the block appears to bend, to become northwest-southeast oriented. Mr. Siriunas observed quartz veining associated with the gabbro in this region and, the interpretation of geophysical surveys by previous land owners suggests the presence of other gabbroic bodies within the Davis Township Property.

The Washagami Lake Fault separates most of the West Block from the East Block. Previous exploration reports (Thomson and Card) interpreted the western side of the fault as being elevated relative to the eastern side The southern extent of the Davis Township Property is about 1km north of the Grenville Front, and rocks in the area are at least marginally affected (e.g. fracture cleavage) by this tectonic zone, and various geophysical surveys undertaken on the Davis Township Property have interpreted the presence of minor faulting that could offset geological features of interest and importance.

Regional Mineral Occurrences

While the focus of the Company's exploration efforts is on copper, nickel and associated PGMs, other important mineral occurrences have been included, as they may have relevance to the Company's exploration of the Davis Township Property.

Mining has been ongoing in the Sudbury area since the late 1800s. AT the end of 1999 there were fifteen mines in operation in the Sudbury Mining Camp area, and in 1998 alone, the mines produced over 175,000 t of nickel and over 169,000 t of copper, in addition to by-product cobalt, PGMs, gold, silver, selenium, tellurium and sulphur compounds.

The Jackie Rastall Prospect is located in Janes Township within the Chiniguchi River Intrusion. This prospect was discovered in the late 1960s when it was evaluated for its copper and nickel potential. Mineralization is reported to be associated with the lower contact of the high-magnesium gabbro and also locally with a (Huronian) sediment-gabbro and/or sulphide breccia. Recent diamond drilling has intersected mineralization over a strike length of about 375m and down-dip from surface showings for 140m. Pacific Northwest Capital Corp. is continuing its exploration work on this prospect.

The Dana Lake area, River Valley, has recently reported PGM mineralization. This mineralization is hosted by magmatic breccias in the basal portion of the River Valley Intrusion. Announced diamond-drill results include intersections of up to 61.9m grading 1.8g Pt+Pd+Au/t with 0.12% Cu and 0.02% Ni with higher grade *intersections included within the overall mineralized section. Pacific Northwest Capital Corp is continuing its exploration work on this prospect.*

The Rathbun Lake Occurrence contains a small pod of massive sulphide mineralization. A Grab sample of material from the surface of this prospect taken in 1982 returned results of 10.2% Cu, 0.14% Ni, 2.22 oz Ag/ton, 0.02 oz Au/ton, 0.056 oz Pt/ton and 34.6 oz Pd/ton.

The Temagami Mine produced $34m of copper before it closed in 1972. It comprised pod and vein-type ore bodies with associated pipe-like alteration that indicated a volcanogenic origin, however, the associated high nickel values and the lack of zinc could not be reconciled with such a genesis. this deposit is also the type-locale for temagamite (Pd_3HgTe_3), which is also found at the Rathbun Lake Occurrence.

The Norstar Lake Mine produced 63,000 tones of ore grading 0.21 oz Au/ton and 0.90% Cu. The mineralization was hosted by brecciated and altered rocks of the Gowganda Formation. Gold mineralization at the Scadding Mine in Scadding Township was hosted by a chlorite-carbonite breccia pipe cutting rocks of the Quirke Lake Group, and reserves in 1986 stood at 136,496 tons grading 0.21 oz Au/ton.

The Geneva Lake Mine is located northwest of the Sudbury Structure in the Archean-age Benny volcano-sedimentary belt. Between 1941 and 1944 this mine produced 4,717 t zinc and 1,633 t lead from 73,108 t of ore.

Property Mineralization

The main showing of mineralization on the Davis Township Property is located on the southern shore of Murray Lake. It is unclear when mineralization was first discovered here, old trenches are in evidence near the shoreline of the lake, but it is not known what tenor of results were returned during this early prospecting work.

Sulphide mineralization is present within gabbro exposed in the trenches at the showing. The predominant sulphide mineral observed was pyrrhotite with some minor chalcopyrite being present locally; and these sulphides are highly oxidized on the surface.

Diamond drilling conducted in 1955, 1956 and 1970, intersected low-grade copper and nickel bearing mineralization over widths of up to 19.8m. There is no record of any samples of drill core being analyzed for PGMs (or gold on a systematic basis). The mineralization occurs near the lower (stratigraphic or footwall) contact of the gabbro with the sedimentary rocks of the Gowganda Formation and is subparallel to the contact. The contact dips to the south at 60°, however, the extent of this mineralization has not been adequately examined along strike and down-dip.

Conclusions

The following conclusions were drawn by Mr. Siriunas, based on his inspection of the Davis Township Property and materials available for review:

1. *The Davis Township Property is underlain by Paleoproterozoic-age rocks of the Southern Structural Province of the Canadian Shield, just to the north of its boundary with the Grenville Structural Province; this boundary is marked by the Grenville Front. Huronian Supergroup sediments comprising conglomerates, argillites and siltstones of the Gowganda Formation are the predominant rock types.*

2. *The sedimentary rocks in the area are intruded by sheets or sills of differentiated gabbroic rocks commonly referred to as Nipissing diabase. the intrusive event is dated about 2.219 Ga. Contacts with the enclosing sediments dip from 40° to 60°. At least two subparallel bands of gabbro appear to be present in the immediate vicinity of the Davis Township Property by the relationship between these separate bands has not been examined.*

3. *The geochemistry and petrography of the gabbro has not been studied in the vicinity of the Davis Township Property.*

4. *The principal zone of mineralization on the Davis Township Property is located on the East Claim Block on the south shore of Murray Lake. Previous diamond drilling carried out here in 1956 and 1970 intersected*

low-grade copper and nickel bearing sulphide mineralization hosted by gabbro. There is no record of any samples of drill core being analyzed for PGMs (or gold on a systematic basis). The mineralization occurs near the lower (stratigraphic) contact of the gabbro with the sedimentary rocks and is subparallel to the contact. The extent of this mineralization has not been adequately examined along strike and down-dip; this includes recent geophysical surveying which did not fully cover the area of higher interest for exploration.

5. *The style of the mineralization at Murray Lake appears to be similar to that encountered by Pacific Northwest Capital Corp. and Goldwright Explorations Inc. within the same or similar gabbroic body in adjacent Janes Township, i.e., stratabound and/or massive sulphide mineralization controlled/trapped by footwall embayments in the gabbro. There may also be similarities with respect to a structural control to the mineralization present at Rathbun Lake (20km northwest).*

6. *Abundant quartz veining at the upper contact between gabbro and sedimentary rocks is observed at the eastern boundary of the East claim group. There is evidence of previous exploration work being carried out here, but no record of any of the results.*

7. *The West Claim Block lies adjacent to the Norstar Lake (Mot. Aetna) Mine which produced 449,056 kg of copper and 330 kg of gold during 1986-87. This deposit is hosted by altered and brecciated sediments of the Gowganda Formation. On that same property, a sample of sheared carbonatized and albitized sulphide-bearing gabbro at the contact with the sedimentary rocks returned elevated values in copper, cobalt and gold. Quartz veining hosted by gabbro and containing values in copper and gold is also present on the eastern side of the West Claim Block.*

8. *Overall, there appears to be the potential for locating economic mineralization on the Davis Township Property. The targets of highest priority are in the areas where previous mineralization has been located, particularly along the south shore of Murray Lake; PGMs, gold, copper and nickel are the primary commodities of interest. Of additional interest are the areas where previous exploration work has geophysically indicated the presence of gabbroic bodies that could host mineralization.*

Proposed Exploration and Development Program

The recommendations for exploration of the Davis Township Property are set out as follows:

1. *The existing exploration grid should be expanded to cover the entire Davis Township Property to provide spatial control for further exploration activities. Approximately 50km of line should be cut to complete this grid. Nominal line spacing should be 100 m with a 50-m spacing used over the areas of anticipated mineralization. Agreement should be put into place with the surface-rights holders of the cottages along the south shore of Murray Lake to circumvent any potential disputes regarding access authorized under the* ***Mining Act*** *(Ontario) for the purposes of surveying and sampling the area.*

2. *Geophysical surveying, including magnetometer, gradient magnetometer and VLF-EM surveys, should be carried out over the gridlines that have not yet been surveyed. The results of these surveys will (1) assist in the mapping of the property; (2) attempt to recognize differentiated phases of the gabbros; and (3) identify the existence of possible off-setting structures. Part of this work could be carried out as a winter program, at which time gridlines could be extended over parts of the Davis Township Property covered by lakes, or otherwise inaccessible areas, that lie within the property. The new surveying should be merged with the existing survey data to create an up-to-date geophysical database for the entire property.*

3. *Geological mapping, prospecting and sampling should be carried out over the grid in an attempt to locate other zones of mineralization and the distribution of gabbros. Particular attention should be paid to differentiated phases of the gabbros, structure and alteration. A serious attempt to locate and tie-in previous grid, claim post and diamond drill collar locations should be made: this information will assist in creating a comprehensive compilation of all past and current work over the Davis Township Property.*

4. *Continued stripping, trenching and sampling of the known areas of mineralization should be carried out to investigate the surface expression of those zones. It appears that these zones, especially on and near the south shore of Murray Lake, have not benefited from a fresh examination in their recent exploration history.*

Whole rock analyses, trace element analyses and detailed mineralogical studies should accompany all sampling on the Davis Township Property.

5. *Once all of the geological and geophysical information is compiled, a program of diamond drilling should be undertaken to provide an aspect of geological and geochemical information in the third dimension. It is anticipated that this program will also provide an opportunity to confirm the results of the previous diamond drilling and add information regarding the actual distribution of PGM values on the property.*

A proposed budget for the recommended program of exploration work on the Davis Township Property is as follows:

Linecutting	*50km @ $350/km*	*$17,500*
Geophysics:		
- *Magnetics, VLF-EM*	*50 km @ $175/km*	*8,750*
- *Geophysical consulting, modeling and interpretation*		*4,000*
Geology, Prospecting, trenching		
- *Mob/demob*		*5,000*
- *Mapping, prospecting, sampling*		*35,000*
- *Equipment, supplies, consumables*		*15,000*
- *Geochemical analyses*		*10,000*
- *Misc. analyses, mineral ID, petrography*		*7,500*
- *Compilation, reporting, interpretation*		*7,500*
Diamond Drilling	*750m @ $105/m (all incl.)*	*78,750*
Subtotal		*$189,000*
Supervision (10%)		*18,900*
Contingency		*30,000*
GST		*12,000*
Total		***$249,900***

Expenditures to Date

As of the date hereof, the Company has expended approximately $137,672 on the Davis Township Property as follows:

Linecutting	$ 12,825
Trenching and Sampling	11,815
Assays	2,854
Mapping	8,720
Accommodation	11,776
Transportation, Mob and De-Mob	5,910
Equipment and Rentals	7,820
Supervision	11,570
Geological Consulting Fees	44,512
Geophysics (IP, VLF, MAG)	19,870
TOTAL	**$ 137,672**

ADMINISTRATION

During the twelve months following the date on which the Company's shares are listed on the Exchange, the Company estimates it will incur monthly administration costs of $6,000, or approximately $72,000 for the twelve month period, in order for it to carry out its proposed exploration program. A breakdown of the monthly costs is as follows:

	Monthly	Annually
Management fees	$ 750	$ 9,000
Office facilities and Administration	2,250	27,000
Accounting	1,000	12,000
Legal	1,000	12,000
Registrar/Transfer Agent/Filing Fees	1,000	12,000
TOTAL	**$ 6,000**	**$ 72,000**

The Company does not anticipate any significant variances in these estimates for the twelve month period.

Management Agreement

Paul Ankcorn

Pursuant to the terms of a management agreement (the “Management Agreement”) dated for reference May 13, 1999 made between the Company and Mr. Ankcorn, the Company pays Mr. Anckorn the sum of $750 per month, for the provision of bookkeeping services. Mr. Ankcorn is also a director, Secretary-Treasurer and Chief Financial Officer of the Company (See "DIRECTORS, OFFICERS, PROMOTERS AND OTHER MANAGEMENT" on page 21).

The Management Agreement has a one-year term, and will continue on a month-to-month basis, unless terminated by either party giving one months’ written notice of non-renewal.

USE OF PROCEEDS

Funds Available

At July 31, 2000, the Company had a working capital deficit of approximately $3,809, which combined with the minimum net proceeds expected from this Offering of $472,500 (to a maximum of $945,000) will give a minimum total of $468,691 (maximum $941,191) available to the Company:

Principal Purposes

The funds available upon the completion of the Offering will be expended as follows:

Application of Funds	Amount	
Exploration Program on the Davis Township Property (see "Proposed Exploration and Development Program" on page 16)	$ 249,900	$ 249,900
Balance of Estimated Costs of the Offering (legal, printing, accounting, filing)	75,000	75,000
Sponsorship and Administration Fee (see "Appointment of Agent" on page 31)	25,000	25,000
Administrative Expenses (see "ADMINISTRATION" on page 17)	[1] 72,000	[1] 72,000
Working Capital to fund ongoing operations	46,791	519,291
Total Funds Available	$ 468,691	$ 941,191

[1] Of this amount, the sum of $9,000 will be paid to Paul Ankcorn in respect of management fees. See "ADMINISTRATION" on page 17.

The Company will spend the funds available on the completion of this Offering to carry out its proposed exploration and development program set out in “Properties of the Company”. There may be circumstances where, for sound business reasons, a reallocation of funds may be necessary. The Company will only redirect the funds to other properties and will do so only on the basis of a written recommendation from an independent, professional geologist or engineer.

The Company’s working capital available to fund ongoing operations (including the amount budgeted for Administrative Expenses) will be sufficient to meet its administrative costs for twelve months following the

Offering Day. No funds from the Offering will be used for the benefit of the Agent or any parties related to the Agent with the exception of funds being paid pursuant to the Sponsorship and Agency Agreement.

It is anticipated that the unallocated funds may be used to partially fund additional exploration on the Davis Township Property, should the results from the recommended exploration program warrant further exploration.

RISK FACTORS

Investment in the Shares offered under this Prospectus must be considered as speculative. A prospective investor should consider carefully the following factors.

1. ***Lack of Established Market for the Securities.*** There is no established market for the securities of the Company.

2. ***Exploration Property.*** The Davis Township Property is in the exploration stage. The Company has not yet commenced active operations and has no history of earnings. Due to the nature of the business, there is little probability that the Company will be profitable. Few exploration properties are ultimately developed into productive mines. There is no surface or underground plant or equipment on the Davis Township Property and there is no known commercial body of ore.

3. ***Lack of Sufficient Funds.*** Additional funds will have to be raised in order to finance further exploration of the Davis Township Property if warranted. The Company may be unable to raise this additional financing. The only source of future funds presently available to the Company is through the sale of equity capital. If the additional financing is raised through the sale of equity capital, investors may suffer a further dilution of their investment. The only alternative for the financing of further exploration would be the offering by the Company of an interest in Davis Township Property to be earned by another party or parties carrying out further exploration or development thereof. This could result in a substantial dilution of the Company's interest in such property. There are no assurances that such sources of financing will be available or, if available, that the terms thereof will be acceptable to the Company. The purpose of the Offering is to raise funds to carry out the recommended exploration program on the Davis Township Property with the ultimate objective of establishing ore of commercial tonnage and grade. Pending the results additional funds may be required to finance Stage II of the recommended exploration program. Even if the program shows positive results, the Company may lose its interest in the Davis Township Property if it cannot raise the required additional financing. Similarly, if the results obtained from the recommended exploration program are successful, additional funds will be required for the development of economic reserves and to place them in commercial production.

4. ***Uncertainty of Mineral Reserves.*** Exploration for minerals is a speculative venture necessarily involving substantial risk. There is no certainty that the expenditures to be made by the Company in the exploration of the interests described herein will result in discoveries of commercial quantities of ore.

5. ***Uncertainty of Market for the Sale of Mining Ores.*** There is no assurance that even if commercial quantities of ore are discovered, a ready market will exist for its sale. Factors beyond the control of the Company may affect the marketability of any substances discovered. These factors include market fluctuations, the proximity and capacity of natural resource markets, processing equipment, government regulations, including regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals and environmental protection. The exact effect of these factors cannot be accurately predicted, but the combination of these factors may result in the Company not receiving an adequate return on invested capital.

6. ***Unexpected Hazards/Geological Formations.*** Hazards such as unusual or unexpected formations and other conditions are involved in mineral exploration and development. The Company may become subject to liability for pollution, cave-ins or hazards against which it cannot insure or against which it may elect not to insure. The payment of such liabilities may have a material, adverse effect on the Company's financial position.

7. ***Title Disputes.*** While the Company has confirmed title to the Davis Township Property at the Sudbury Mining Division Office, this should not be construed as a guarantee of title. The Davis Township Property may be subject to prior unregistered agreements or transfers of native land claims, and title may be affected by undetected defects. In addition, the boundaries of the mineral properties referred to in this Prospectus have not been surveyed and, therefore, their precise location and area may be in doubt.

8. ***Share Price.*** The price at which the Shares are offered hereby has been determined by negotiation between the Company and the Agent and bears no relationship to earnings, book value or other criteria of value, and any real value attributable to the Shares is dependent upon the discovery of commercially mineable ore, of which there is no assurance.

9. ***Dependence on Key Personnel.*** Locating mineral deposits depends on a number of factors, not the least of which is the technical skill of the personnel involved. The Company is, to a large degree, dependent upon the performance of its key employees and consultants. Failure to retain such key employees or consultants or to attract and retain additional key employees or consultants with the necessary skills could have a materially adverse impact upon the Company's growth and profitability. As of the date hereof, key person life insurance has not been established for any director or officer.

10. ***Permitting and Production***. The current or future operations of the Company, including exploration and development activities and commencement of production on the Davis Township Property, require permits from various federal, provincial and local governmental authorities and such operations are and will be governed by laws and regulations governing prospecting, development, mining, production, exports, taxes, labour standards, occupational health, waste disposal, toxic substances, land use, environmental protection, mine-safety and other matters. Companies engaged in the development and operation of mines and related facilities generally experience increased costs and delays in production, and other schedules as a result of the need to comply with applicable laws, regulations and permits. There can be no assurance that approvals and permits required to be obtained in order for the Company to commence production on the Davis Township Property will be obtained. Additional permits and studies, which may include environmental impact studies conducted before permits can be obtained, may be required and there can be no assurance that the Company will be able to obtain or maintain all necessary permits that may be required to commence construction, development or operation of mining facilities at its Davis Township Property on terms which enable operations to be conducted at economically justifiable costs.

    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. Parties engaged in mining operations may be required to compensate those suffering loss or damage by reason of the mining activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations.

    New laws or regulations or amendments to current laws, regulations and permits governing operations and activities of mining companies, or more stringent implementation of current laws, regulations or permits, could have a material adverse impact on the Company and cause increases in capital expenditures or production costs or reduction in levels of production at producing properties or require abandonment or delays in development of new mining properties.

11. ***Dilution.*** After the issuance of the Shares comprising the Offering, and prior to the exercise of outstanding incentive stock options and the Agent's Warrants, the Company will have a net tangible asset value per common share of from $0.1154 (minimum offering) to $0.1690 (maximum offering). Accordingly, purchasers of the Shares will experience an immediate and substantial dilution from $0.2346 per share (67.03%) (minimum offering) to $0.1810 per share (51.71%) (maximum offering) in the net tangible asset value of their investment.

12. ***Public Holdings*** The Shares offered hereby (excluding any common shares acquired by the Agent upon exercise of the Agent's Warrants or by directors, officers or employees of the Company from the exercise of existing incentive stock options) will represent 29.64% (or 45.73% if the maximum Offering is sold) of the outstanding shares of the Company on completion of the Offering, as compared to 16.38%

(or 12.63% if the maximum Offering is sold) held by promoters, directors, officers, the Agent and substantial security holders (assuming no further purchases by such persons under the Offering).

13. ***Directors Conflict of Interest.*** Directors of the Company may serve as director of, or have significant shareholdings in other reporting companies. To the extent that such other companies may participate in ventures in which the Company may participate, the directors of the Company may have a conflict of interest in negotiating and concluding terms respecting the extent of such participation. The laws of the Province of British Columbia provide that the directors of the Company must act honestly, in good faith and in the best interests of the Company in resolving any conflicts which may arise, and all directors of the Company are aware of these fiduciary responsibilities. In determining whether or not the Company will participate in a particular venture, the directors will primarily consider the degree of risk to which the Company may be exposed, its financial position at that time and, depending on the magnitude of the venture and the absence of any disinterested directors, whether or not to subject any ventures in question to the shareholders of the Company for their approval.

14. ***Year 2000 Issues.*** Currently, the Company has not experienced any major computer issues as a result of the Year 2000 date rollover, and has installed all Year 2000 patches and upgrades supplied by its software developers. While the Company believes that it has addressed Year 2000-related concerns to the best of its abilities, unforeseen programming errors may still occur and thus a risk exists that the Company may experience problems in its own computer systems and from third parties with whom it deals as financial transaction worldwide.

AN INVESTMENT IN NATURAL RESOURCE COMPANIES INVOLVES A HIGH DEGREE OF RISK AND SHOULD BE CONSIDERED ONLY BY THOSE PERSONS WHO CAN AFFORD A TOTAL LOSS OF THEIR INVESTMENT. THE DEGREE OF RISK INCREASES SUBSTANTIALLY WHERE THE COMPANY'S PROPERTY IS IN THE EXPLORATION AS OPPOSED TO THE DEVELOPMENT STAGE.

DIRECTORS, OFFICERS, PROMOTERS AND OTHER MANAGEMENT

Name, Address, Occupation and Security holding

The names and municipality of residence of each of the directors, officers and promoters of the Company, the principal occupations in which each has been engaged during the immediately preceding five years, and their respective ownership of common shares are as follows:

Name, Municipality of Residence and Position with the Company	Principal Occupation	Number of Shares Owned	% owned on Completion of the Offering[2]	
			(Min Offering)	Max. Offering
Henning J. Coetzee Algester, Queensland Australia *President, Chief Executive Officer and Director*	1996-present: self-employed Consulting Geologist; 1995-1996: Project Geologist with Phelps Dodge Mining; 1994-1995: Project Geologist with Geocontracts (Bots) Pty.	225,000	4.45%	3.43%
Paul Ankcorn[1] Toronto, ON *Secretary-Treasurer, Chief Financial Officer and Director*	1998-present: President, Aavdex Corp.; 1996-1998: President, Rewani Pacific Corp.; 1989-1996: VP-Finance, Northfield Minerals Inc.	260,000	5.14%	3.96%

Name, Municipality of Residence and Position with the Company	Principal Occupation	Number of Shares Owned	% owned on Completion of the Offering[2]	
			(Min Offering)	Max. Offering
Miles Desharnais[1] Vancouver, BC *Director and Promoter*	1983-present: President/Owner, Classic Sports Tours Ltd.; 1977-present: President/Owner, Miles of Travel Agencies Ltd.	243,600	4.81%	3.71%
Rene G. Carrier[1] North Vancouver, BC *Director and Promoter*	1991-present: President, Euro-American Capital Corporation.; 1982-1991: Vice-President R.R., Pacific International Securities Inc.	100,000	1.98%	1.52%
Aggregate Number of Shares Owned by Directors, Officers, Promoters as a Group		828,600	16.38	12.63%

(1) Members of the Audit Committee.
(2) Held in escrow. See "Performance Shares" on page 29.

Henning J. Coetzee, President, Chief Executive Officer and Director

Mr. Coetzee, age 36, was appointed the President and a director of the Company on July 7, 1999. Mr. Coetzee was appointed Chief Executive Officer of the Company on July 29, 2000. Mr. Coetzee resides in Australia and has been self-employed in South Africa since 1996 as a Consulting Geologist, specializing in the areas of remote sensing, regional/local geochemical surveys, geophysical surveys (MAG and TEM), drilling projects and exploratory field procedures. Mr. Coetzee received his B.Sc (Hons) from the University of Witwatersrand in 1994, and a B.Sc (Geo), obtained from the University of Pretoria in 1988. From March 1995 to February 1996, Mr. Coetzee was a Project Geologist with Phelps Dodge Mining, and prior to that he worked as a Project Geologist with Geocontracts (Bots) Pty. from January 1994 to February 1995.

Paul Ankcorn, Secretary-Treasurer, Chief Financial Officer and Director

Paul Ankcorn, age 45, was appointed a director of the Company on July 7, 1999 and has acted as the Secretary-Treasurer for the Company since May 13, 1999. Mr. Ankcorn was appointed Chief Financial Officer of the Company on July 29, 2000. Mr. Ankcorn received his Certified Management Accountant designation in 1983, and holds an Honours, Bachelor of Business Administration. Mr. Ankcorn has over 17 years of experience in financial management, and has specialized in the mining sector for the past 10 years. From 1989 to 1996 Mr. Ankcorn held a variety of positions with Northfield Minerals Inc., a public mining company, including Assistant Treasurer, Vice-President Finance, and President. Following his tenure with Northfield Minerals Inc., Mr. Ankcorn was the President of Bewani Pacific Minerals Corp., a private mining company from July 1996 to September 1998, where his primary responsibilities included raising financing, preparing and administering cash-flow and budget, and the preparation of financial statements. Mr. Ankcorn currently holds the position of President with Aavdex Corporation, a public mining company, where he is responsible for the day-to-day operations, as well as arranging financing and preparation of all financial statements. Mr. Ankcorn is also currently sitting as a director of Orcana Resources Limited, a natural resource company trading on the Exchange and Southern Star Resources Inc., an Company trading on the OTC.

Miles Desharnais, Director

A graduate from the University of British Columbia (1969), Mr. Desharnais, age 57, has operated Miles of Travel Agencies Inc. since 1977, and Classic Sports Tours Ltd. since 1983.

Mr. Desharnais has worked with the Company as required in his capacity as a Director since his appointment on September 15, 1999.

Rene G. Carrier, Director

Mr. Carrier, age 55, is a self-employed financier, and was appointed to the Board of the Company on October 18, 1999. Mr. Carrier has extensive experience in providing corporate finance and management services to publicly traded companies and has been providing this service through his company, Euro-American Capital Corporation, since 1991. Prior to that, Mr. Carrier was a Vice-President/Partner with Pacific International Securities Inc. for 9 years, from 1982 to 1991, where he, specialized in emerging growth junior public companies. Mr. Carrier has gained extensive directorial experience, and currently sits as a director of Adda Resources Inc. and Quartz Mountain Resources Ltd. as well as being the President and director of Rockwell Ventures Inc. and the Secretary-Director of Chartwell Technology Inc.

Mr. Carrier works with the Company as required in his capacity as a Director.

Aggregate Ownership of Securities

Upon the successful completion of this Offering, the directors, officers and promoters of the Company, as a group, will beneficially own, directly or indirectly, 828,600 common shares, being 16.38% (or 12.63% if the maximum Offering is sold) of the issued and outstanding common shares after giving effect to the Offering, but prior to exercise of the Agent's Warrants and existing outstanding incentive stock options.

Other Reporting Issuers

The following table sets forth other reporting issuers with which the directors and officers of the Company have been involved in the past five years:

Name	Name of Reporting Issuer	Position	Period
Paul Ankcorn	Northfield Minerals Inc. Eastmain Resources Inc. Aavdex Corporation Orcana Resources Ltd. Southern Star Resources Inc.	Vice-President Finance, President Treasurer President Director President and Director	Mar 88-Jul 96 Sept 96-Apr 98 Sept 98-present Jul 96-present Jul 96-present
Rene G. Carrier	Python Oil & Gas Corporation Rockwell Ventures Inc. Chartwell Technology Inc. Adda Resources Inc. Inovision Technologies Inc. Quartz Mountain Resources Ltd.	Director President and Director Secretary and Director Director Director Director	Apr 93-Jun 98 Apr 93-present May 93-present Jun 96-present Jan 98-Feb 00 Dec 99-present

Corporate Cease Trade Orders or Bankruptcies

No director, officer, promoter or other member of management of the Company is, or within the five years prior to the date of this Prospectus has been, a director, officer or promoter of any other issuer that, while that person was acting in that capacity, was

(a) the subject of a cease trade or similar order or an order that denied the Company access to any statutory exemptions for a period of more than 30 consecutive days, or

(b) declared bankrupt or made a voluntary assignment in bankruptcy, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangements or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold the assets of that person.

Penalties or Sanctions

Within the past 10 years, none of the directors, officers or promoters of the Company has been the subject of any penalties or sanctions by a court or a securities regulatory authority relating to trading in securities, the promotion, formation or management of a publicly traded company or involving theft or fraud.

Individual Bankruptcies

No director, officer, promoter or other member of management of the Company has, within the five years prior to the date of this Prospectus, been declared bankrupt or made a voluntary assignment in bankruptcy, made a proposal under any legislation relating to bankruptcy or insolvency, or been subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of that individual.

Conflicts of Interest

Since the Company's incorporation, the Company has not acquired services or assets from an insider, promoter, member of management or their associates or affiliates other than management services provided to the Company by Mr. Anckorn as disclosed above under "Administration". See also "RISK FACTORS - Directors Conflict of Interest" on page 19 for further discussion.

INDEBTEDNESS OF DIRECTORS, OFFICERS, PROMOTERS AND OTHER MANAGEMENT

No director, officer, promoter or other member of management is or has been indebted to the Company since its incorporation.

PAYMENTS TO INSIDERS AND PROMOTERS

Executive Compensation

Definitions

For the purposes of this Statement of Executive Compensation the following definitions apply:

(a) "Chief Executive Officer" means an individual who served as chief executive officer of the Company, or acted in a similar capacity during the most recently completed financial year;

(b) "Executive Officer" means an individual who at any time during the year was the Chairman or a Vice-Chairman of the Board of Directors, where such person performed the functions of such office on a full-time basis, the President, any Vice-President in charge of a principal business unit such as sales, finance or production, or any officer of the Company, or other person who performed a policy-making function in respect of the Company;

(c) "Named Executive Officer" means the Chief Executive Officer and the four most highly compensated Executive Officers.

The Company currently has two Named Executive Officers: Henning Coetzee and Paul Ankcorn (the "Named Executive Officers").

Compensation Summary

The following table details the compensation paid to or earned by the Named Executive Officers during the Company's fiscal year ended February 29, 2000.

		Annual Compensation			Long –Term Compensation			
					Awards		Payouts	
Name and Position of Principal	Fiscal Period Ending	Salary	Bonus for the Year ($)	Other Annual Compen -sation	Securities Under Options/SARs Granted (#)	Restricted Shares/ Units Awarded (#)	LTIP (1) Payouts ($)	All Other Compen-sation ($)
Henning Coetzee *Director, President and Chief Executive Officer*	Feb. 29, 2000	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Paul Anckorn *Director, Secretary-Treasurer and Chief Financial Officer*	Feb. 29, 2000	Nil	Nil	$8,250	Nil	Nil	Nil	Nil

(1) "LTIP" or "long term incentive plan" means any plan which provides compensation intended to serve as incentive for performance to occur over a period longer than one financial year, but does not include option or stock appreciation right plans.
(2) Mr. Anckorn receives the sum of $750 per month pursuant to the terms of a Management Agreement entered into on May 13, 1999.

Long-Term Incentive Plans

No Long-Term Incentive Plan awards were made to the Named Executive Officers since the beginning of the Company's incorporation. A "Long-Term Incentive Plan" is a plan whereby officers are granted awards which are earned over a period of one year.

Options Granted

The Company did not grant any incentive stock options to its Named Executive Officers (or to any other individuals) during its initial fiscal year, ending February 29, 2000.

Termination of Employment, Change in Responsibilities and Employment Contracts

The Company entered into a Management Agreement with a Named Executive Officer, Paul Ankcorn, on May 13, 1999. See "ADMINISTRATION" on page 17 for further details.

Compensation of Directors

The directors of the Company receive no compensation for their services in their capacity as directors of the Company, with the exception of Paul Ankcorn, who receives compensation for bookkeeping services rendered to the Company pursuant to his Management Agreement. However, on April 10, 2000 the directors of the Company were granted stock options as disclosed below under "Options and Other Rights to Purchase Securities".

Related Party Transactions

Since the Company's incorporation, the Company has not acquired services or assets from an insider, promoter, member of management or their associates or affiliates other than as follows:

(a) Management services provided to the Company by Paul Ankcorn pursuant to the Management Agreement disclosed under "ADMINISTRATION" on page 17.

(b) Shareholders loans during the fiscal year ended February 29, 2000, provided by Henning Coetzee, the President and a director of the Company, in an aggregate total of $8,500. On October 25, 1999, the

Company repaid all monies owing to Mr. Coetzee by the issuance of 75,000 common shares at a deemed price of $0.10 per share, and 100,000 common shares at $0.01 per share. See "Discussions of Results of Operations" on page 8.

(c) Shareholders loans during the fiscal year ended February 29, 2000, provided by Miles Desharnais, a director of the Company, in the amount of $2,860. On October 25, 1999, the Company repaid this loan to Mr. Desharnais by way of the issuance to him of 28,600 common shares at a deemed price of $0.10 per share. See "Discussions of Results of Operations" on page 8.

(d) Shareholders loans during the fiscal year ended February 29, 2000, provided by Paul Ankcorn, a director and the Secretary/Treasurer of the Company, in the aggregate amount of $12,500. These loans were repaid to Mr. Ankcorn by way of share issuances to him of 110,000 common shares at a deemed price of $0.10 per share, and a further 150,000 common shares at a deemed price of $0.01 per share. See "Discussions of Results of Operations" on page 8.

(e) On August 5, 1999, the Company entered into a Consulting agreement with Pierre Thibault, who has provided the Company with geological consulting services, including locating and researching various properties on behalf of the Company and performing on-site inspections and preliminary explorations, as warranted. This Agreement is for a one-year term, and the consideration payable under this agreement was a lump-sum of $10,000, which was paid by the Company to Mr. Thibault upon execution of the Consulting Agreement. See "Discussions of Results of Operations" on page 8.

Proposed Compensation

During the 12 months following the completion of the Offering, the Company anticipates it will pay no annual salaries or directorship fees to its officers and directors, with the exception of the fees paid to Mr. Anckorn under his Management Contract. See "ADMINISTRATION" on page 17. The Company, however, anticipates the granting from time to time of incentive stock options to its directors, officers, employees and consultants in accordance with the policies of the Exchange.

SHARE CAPITAL

Description of Securities Offered

The authorized capital of the Company consists of an unlimited amount of common shares, without par value. As at the date hereof there are 3,560,101 common shares issued and outstanding. The holders of the common shares are entitled to one vote per share at all meetings of the shareholders, to receive dividends if, as and when declared by the directors, and to participate pro rata in any distribution of property or assets on the liquidation, winding up or other dissolution of the Company. The common shares have no preemptive or conversion rights. Provisions as to modification, amendment or variation of such rights or such provisions are contained in the *Business Corporations Act* (Yukon).

Existing and Proposed Share Capital

Existing and proposed share capital of the Company before and after the issuance of Shares issuable upon the completion of the Offering is set out in the table below:

	Number of Issued Shares		Price per Security	Total Consideration	
(a) Prior sales of securities	200,000 [1] 482,500 [2] 300,000 [1] [3] 203,600 [1] [4] 1,625,001 [2] 418,000 [2] 115,000 [1] 156,000 [2] 60,000		$0.01 $0.01 $0.01 $0.10 $0.10 $0.25 $0.10 $0.25 $0.25	$ 2,000 4,825 (deemed) 3,000 (deemed) 20,360 162,500 104,500 11,500 39,000 15,000	
(b) Issued as of July 31, 2000	3,560,101		N/A	$ 362,685	
(c) Offering (minimum/maximum)	*Min.* 1,500,000	*Max.* 3,000,000	$0.35	*Min.* $525,000	*Max.* $1,050,000
(d) To be issued if all securities being offered are sold [5]	5,060,101	6,560,101	N/A	$887,685	$1,412,685

[1] These shares are held in escrow. See "Performance Shares" on page 29.
[2] Issued to non-related seed share investors
[3] Issued on conversion of debt owed to various Directors, for shareholder loans advanced to the Company. See "Discussions of Results of Operations" on page 8.
[4] Issued on conversion of debt owed to various Directors, for shareholder loans advanced to the Company. See "Discussions of Results of Operations" on page 8.
[5] Not including shares reserved for issuance pursuant to the Agent's Warrants and incentive stock options.
[6] See "Exchange Seed Share Resale Restrictions" on page 30 for a discussion of the relevant hold periods which are applicable to the securities listed in (a) and (d) above. Shares listed in (c) above will not be subject to a hold period.

Options and Other Rights to Purchase Securities

Options

As of April 10, 2000, the Company has granted incentive stock options (the "Options") to its directors to purchase up to a total of 500,000 common shares at the price of $0.35 per share exercisable on or before five years following the day that the Shares are listed, posted and called for trading on the Exchange, as follows:

Name of Optionee	Number of Options
Henning J. Coetzee	125,000
Paul Ankcorn	125,000
Miles Desharnais	125,000
Euro-American Capital Corporation [1]	125,000
TOTAL	**500,000**

[1] A company wholly owned by Rene Carrier.

The Options have been granted as incentives and not in lieu of any compensation for services, and are subject to cancellation should the optionee cease to act in a designated capacity.

No further incentive stock options have been granted since April 10, 2000. The Company may, however, grant additional incentive stock options in the future to its directors, officers and employees subject to and in accordance with the policies of the Exchange. These policies presently limit the number of common shares which may be reserved for issuance pursuant to incentive stock options to 10% of the number of common shares outstanding from time to time and further limits the number of common shares subject to incentive stock options in favour of any one optionee to 5% of the number of common shares outstanding from time to time. Incentive stock options are granted based on the assessment of the Board of Directors of the Company of the optionee's past and present contributions to the success of the Company. The exercise price of incentive stock options is subject to approval by the Exchange and will not be less than the discount market price of the Company's shares on the day immediately preceding the day on which incentive stock options are granted. These incentive stock options will be non-transferable and will be exercisable for a period of up to five years. In addition, incentive stock options must be exercised within (i) 30 days after the option holder ceases to be a director or an employee of the Company; and (ii) such number of days following the death of the optionee as is specified in each optionee's option agreement, but in no event exceeding one year.

During the initial 36 month period following the date that the Company's shares commence trading on the Exchange, any shares issued upon exercise of the Options will classified as "Additional Securities" as that term is defined in the Company's Escrow Agreement and will be held in escrow and released in accordance with the provisions of said agreement. Where the Options or any other incentive stock options granted are exercised subsequent to the initial 36 month period, then the shares issued upon such exercise will not be subject to any escrow provisions or hold period. See "Performance Shares" on page 29.

Agent's Warrants

The Company has granted to the Agent non-transferable share purchase warrants entitling the Agent to purchase up to 15% of all Shares sold under the Offering, being a minimum of 225,000 if the minimum number of required Shares are sold under the Offering or a maximum of 450,000 Shares if all of the required Shares being offered pursuant to the Offering are sold. The Agent's Warrants are exercisable for a period of 1 year from the Listing Date at a price of $0.35 per Share.

The Agent's Warrants will contain, among other things, anti-dilution provisions and provision for appropriate adjustment for the class, number and price of Common Shares issuable pursuant to any exercise thereof upon the occurrence of certain events, including any subdivision, consolidation or reclassification of the Common Shares or the payment of stock dividends or the amalgamation of the Company.

This Prospectus qualifies the issuance of the Agent's Warrants. The Agents may sell any of the Common Shares which they may acquire on the exercise of the Agent's Warrants at the market price prevailing at the time of the sale without further qualification.

There are no assurances that the Options and Agent's Warrants described above will be exercised in whole or in part and therefore the funds from such Options and Agent's Warrants may not be available to the Company.

The market value of the securities under option on the date of grant and as of the date of this Prospectus is not reasonably ascertainable. The Options and Agent's Warrants are subject to adjustment in the event of capital alteration, other than an increase in issued or authorized capital, and upon listing, the Options are subject to adjustment with the present requirements of the Exchange.

Fully Diluted Share Capital

	Number of Common Shares	Percentage of Total
(a) Issued as of July 31, 2000	3,560,101	61.54% to 47.40%
(b) Offered under the Prospectus	1,500,000 to 3,000,000	25.93% to 39.95%
(c) Securities reserved for future issuance as of July 31, 2000	725,000 to 950,000 [1]	12.53% to 12.65%
Total	5,785,101 to 7,510,101	100.00%

(1) Includes a minimum of 225,000 and maximum of 450,000 common shares reserved for issue pursuant to the Agent's Warrants and 500,000 common shares reserved for issuance upon the exercise of the incentive stock options.

Principal Holders of Voting Securities

At the date hereof, there are no persons or companies holding, as of record or known to the Company to beneficially own, directly or indirectly, or to have control or direction over, more than 10% of the issued common shares of the Company.

Performance Shares

By an agreement dated as of July 26, 2000, among Pacific Corporate Trust Company, the Company and certain shareholders of the Company (the "Escrow Agreement"), the Company's principals are required to place their shareholding in escrow with Pacific Corporate Trust Company. All of the Company's directors are "Principals", as that term is defined in CSA Notice 46-301.

The shareholdings of the Principals have been placed into escrow as follows:

	Total Shareholding
Henning J. Coetzee	225,000
Paul Ankcorn	260,000
Miles Desharnais	243,600
Rene G. Carrier	100,000
Total	828,600

Upon completion of the Offering, the Performance Shares held in escrow will represent 16.38% (or 12.63% if the maximum Offering is sold) of the total number of common shares of the Company, excluding shares to be issued on the exercise of incentive stock options or Agent's Warrants.

Under the terms of the proposed escrow agreement (the "Escrow Agreement'), the Performance Shares may not be traded or dealt with in any manner whatsoever, or released, nor may the Company, its transfer agent, or escrow holder make any transfer or record any trading of the Performance Shares without the consent of the Executive Director, or, while the common shares are listed on the Exchange, without the consent of the Exchange.

The release of any Escrow Shares is governed by the provisions of NIN #2000/11 and CSA Notice 46-301 published by the British Columbia Securities Commission which provides, among other things, that holders of the Performance Shares will be entitled to the pro rata release of such shares on the following release schedule:

Date	Percentage of Securities to be Released from Escrow
Listing Date	10% escrow release, on a pro-rata basis
6 months from Listing Date	15% escrow release, on a pro-rata basis
12 months from Listing Date	15% escrow release, on a pro-rata basis
18 months from Listing Date	15% escrow release, on a pro-rata basis
24 months from Listing Date	15% escrow release, on a pro-rata basis
30 months from Listing Date	15% escrow release, on a pro-rata basis
36 months from Listing Date	15% escrow release, on a pro-rata basis

In addition to the Performance Shares, CSA Notice 46-301 also provides that any shares issued pursuant to the exercise of incentive stock options during the initial 36-month period immediately after the Company's shares commence trading on the Exchange must also be placed in escrow and released in accordance with the release schedule set out above. Where incentive stock options are exercised subsequent to the initial 36-month period, the shares issued on exercise of same will not be subject to any escrow provisions or hold periods.

If the owner of the Escrow Shares ceases to be a "Principal" (as defined in the above NIN), dies or becomes bankrupt, he or his estate, as the case may be, shall be entitled to retain any Escrow Shares then owned by him and shall not be obligated to transfer or surrender such shares to the Company or any other person.

Exchange Seed Share Resale Restrictions

Except for the 828,600 Performance Shares, all other common shares of the Company sold prior to this Offering (the “Seed Shares”) will be subject to the seed share resale restrictions imposed by securities regulations, whereby all seed shares issued by the Company prior to listing are subject to a blanket 12-month hold period, commencing on the date that the Company becomes a reporting issuer (i.e., the date that the final receipt for the Prospectus is issued).

DIVIDEND RECORD

To date, the Company has not paid any cash dividends on its common shares and the board of directors of the Company does not anticipate paying cash dividends in the foreseeable future as it intends to retain future earnings to finance the growth of the Company’s business. The payment of future dividends will depend on such factors as earnings levels, anticipated capital requirements, the operating and financial conditions of the Company and other factors deemed relevant by the board of directors at its sole discretion.

PLAN OF DISTRIBUTION

Offering

The Company, through the Agent, hereby offers a minimum of 1,500,000 Shares, to a maximum of 3,000,000 Shares at an offering price of $0.35 per Share. An application has been made to conditionally list the Shares offered under this prospectus on the Exchange. Listing is subject to the Company fulfilling all the listing requirements of the Exchange.

The Offering will be made in accordance with the rules and policies of the Exchange and will take place on the Offering Day as determined by the Agent and the Company, with the consent of the Exchange, within a period of 90 days from the date of issue of the final receipt for this Prospectus by the BCSC.

The Offering is not underwritten and is subject to a total minimum subscription of $525,000 (maximum $1,050,000) which must be raised within 90 days of the issuance of a receipt for a final prospectus, or such other time as may be authorized by the appropriate regulatory authority and agreed to by the Agent.

All subscription funds received by the Agent will be delivered by the Agent, as soon as practicable, to Pacific Corporate Trust Company (the "Custodian"). The Custodian shall not deliver any subscription funds received by the Agent to the Company until it has determined to its satisfaction that subscriptions for the Minimum Offering of $525,000 have been received and accepted by the Company. If the Minimum Offering is not completed within 90 days from the date the British Columbia and Alberta Securities Commissions issue receipts for the final prospectus, the Offering will be cancelled and the subscription monies held by the Custodian will be returned to the subscribers without interest or deduction.

Appointment of Agent

The Company has entered into a Sponsorship and Agency Agreement dated August 3, 2000 with the Agent and the Custodian (the "Sponsorship and Agency Agreement") under which the Agent was appointed the Company's exclusive agent to offer the Shares, which shares will be offered for sale to qualified investors in each of the provinces of British Columbia and Alberta. The Offering will be made on a "reasonable commercial efforts" basis, wherein the Agent distributes the Shares without undertaking to purchase any of the Shares that are not purchased by the public.

The Agent will receive a cash commission of 10% ($0.035) of the value of each Share sold to investors under this Offering, whether purchased by the Agent for its own account or for its clients or purchased by other members of the Exchange for their own accounts or for their clients, provided no other commission is payable. The Company will pay all of the expenses of the Offering and all the expenses incurred by the Agent in connection with the Offering.

The Agent has also been granted the Agent's Warrants entitling the Agent to acquire a number of common shares equal to 15% of all Shares sold to investors under the Offering, as disclosed under the heading "Agent's Warrants". Any common shares acquired by the Agent upon the exercise of the Agent's Warrants will not be required to be qualified by another Prospectus and will be distributed under this Prospectus at the market price at the time of sale.

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

The obligations of the Agent under the Sponsorship and Agency Agreement may be terminated before the Shares are listed, posted and called for trading on the Exchange at the Agent's discretion on the basis of its assessment of the state of the financial markets if: (a) there is an event, accident, governmental law or regulation or other occurrence of any nature which, in the opinion of the Agent, seriously affects or will seriously affect the financial markets or the business of the Company or any subsidiary of the Company or the ability of the Agent to perform its obligations under the Sponsorship and Agency Agreement; (b) the Shares cannot, in the opinion of the Agent, be profitably marketed due to the state of the financial markets; or (c) an inquiry or investigation (whether formal or informal) in relation to the Company, or the Company's directors or officers, is commenced or threatened by an officer or official of any competent authority. The Sponsorship and Agency Agreement may also be terminated at any time if: (a) any order to cease trading (including communicating with persons in order to obtain expressions of interest) in the securities of the Company is made by a competent regulatory authority and that order is still in effect; (b) the Company is in breach of any term of the Sponsorship and Agency Agreement; or (c) the Agent determines that any of the representations or warranties made by the Company in the Sponsorship and Agency Agreement is false or has become false.

The Company will receive the net proceeds of the Offering on the day that is ten business days from the Offering Day (as determined by the Company and the Agent and with the consent of the Exchange). Prior to that, the proceeds of the Offering will be held in trust by the Custodian until the entire minimum subscription amount of $525,000 has been received. If the total minimum subscription amount of $525,000 is not raised, then subscription monies will be returned to subscribers without interest or deduction. To date the Company has not entered into any agreements with respect to stabilizing the market following listing.

Pursuant to the terms of the Sponsorship and Agency Agreement, the Company has agreed to pay the Agent a Sponsorship and Administration Fee of $25,000 (plus GST), which will be payable in cash upon completion of the Offering.

Sponsorship Arrangements

Under the Sponsorship and Agency Agreement, the Company and the Agent have also entered into a sponsorship arrangement. As the Company's sponsor, the Agent will arrange for and conduct such due diligence reviews and investigations of the Company its directors and officers, proposed mining and exploration plan and other related matters in order to satisfy itself that the Company is a suitable candidate for listing on the Exchange. The Agent will also prepare and deliver a Sponsorship Report to the Exchange, confirming that the Agent has reviewed the appropriate Exchange policy and has carried out such reviews and investigations as it requires to discharge its obligations to the Exchange as a Sponsor, and recommending that the Company's securities be listed on the Exchange.

The sponsorship by the Agent shall terminate at the close of business on the first day the Company's Common Shares trade on the Exchange, or alternatively, immediately upon the Agent giving notice to the Company that it has decided not to act as its sponsor.

Other than as set out herein, there are no payments in cash, securities or other consideration being made, or to be made, to a promoter, finder or any other person or company in connection with the Offering. The directors, officers and other insiders of the Company may purchase Shares from this Offering.

There are no agreements or arrangements to sell any portion of this Offering outside of the Provinces of British Columbia and Alberta.

PROMOTERS

By virtue of having taken the initiative in organizing the affairs of the Company, each of the directors Henning Coetzee, Paul Ankcorn, Miles Desharnais and Rene G. Carrier is a "promoter" of the Company as that term is defined in the *Securities Act* (British Columbia). To the date hereof, the Promoters have received from the Company only the compensation referred to under the heading "Payments to Insiders and Promoters".

INVESTOR RELATIONS ARRANGEMENTS

The Company has not entered into any written or oral agreement or understanding with any person to provide investor relations services for the Company or its securities.

RELATIONSHIP BETWEEN COMPANY OR SELLING SECURITY HOLDER AND AGENT

The Company is not a related party or a connected party, as defined in the British Columbia Securities Rules (the "Rules"), of the Agent and the shares are not offered out of the holdings of a selling security holder who is a related party or connected party of the Agent.

RELATIONSHIP BETWEEN COMPANY AND PROFESSIONAL PERSONS

The Company is not a related party or a connected party, as defined in the Rules, of any professional persons, as referred to in the Rules, a responsible solicitor or any partner of a responsible solicitor's firm. Nor is any such person expected to be elected, appointed or employed as a director, senior officer or employee of the Company, or of an associate or affiliate of the Company, or is a promoter of the Company or of an associate or affiliate of the Company.

LEGAL PROCEEDINGS

The Company is not a party to any outstanding legal proceedings and the directors of the Company do not have any knowledge of any contemplated legal proceedings that are material to the business and affairs of the Company.

AUDITOR

The Company's auditor is Wm. Andrew Campbell, CA, 420-111 Richmond Street West, Toronto, Ontario, M5H 2G4.

REGISTRAR AND TRANSFER AGENT

The registrar and transfer agent of the Company is Pacific Corporate Trust Company of 830-625 Howe Street, Vancouver, British Columbia V6C 3B8.

MATERIAL CONTRACTS

The following are the material contracts of the Company that are outstanding as at the date of this Prospectus:

1. Option and Joint Venture Agreement between the Company and Goldwright Explorations Inc. dated December 11, 1999 (see "Location, Description and Acquisition" on page 10);

2. Option and Joint Venture Amendatory Agreement between the Company and Goldwright Explorations Inc. dated June 19, 2000 (see "Location, Description and Acquisition" on page 10);

3. Option and Joint Venture Amending Agreement between the Company and Goldwright Explorations Inc. dated July 29, 2000 (see "Location, Description and Acquisition" on page 10);

4. Consulting Agreement made between the Company and Pierre Thibault and dated August 5, 1999 (see "Related Party Transactions" on page 25);
5. Management Agreement between the Company and Paul Ankcorn dated May 13, 1999 (see "ADMINISTRATION" on page 17);
6. Registrar and Transfer Agency Agreement between the Company and Pacific Corporate Trust Company dated May 24, 2000 (see "REGISTRAR AND TRANSFER AGENT" above);
7. Stock Option Agreements dated April 10, 2000 (see "Options and Other Rights to Purchase Securities" on page 27);
8. Escrow Agreement between the Company, certain shareholders of the Company and Pacific Corporate Trust Company dated July 26, 2000 (see "Performance Shares" on page 29); and
9. Sponsorship and Agency Agreement between the Agent, the Company and Pacific Corporate Trust Company dated August 3, 2000 (see "Appointment of Agent" on page 31).

Copies of these contracts, together with the Geological Report, may be inspected at 1200-999 West Hastings Street, Vancouver, BC during normal business hours while the distribution of the Shares offered hereunder is in progress and for a period of 30 days thereafter.

OTHER MATERIAL FACTS

There are no other material facts relating to the securities proposed to be offered and not disclosed elsewhere in this Prospectus.

PURCHASERS' STATUTORY RIGHTS

The *Securities Acts* of British Columbia and Alberta each provide 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. The *Securities Acts* of British Columbia and Alberta each further provide a purchaser with remedies for rescission or damages where the prospectus and any amendment contains a misrepresentation or is not delivered to the purchaser, provided that such remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the *Securities Acts* of British Columbia and Alberta. The purchaser should refer to sections 83, 131, 135 and 140 of the *Securities Act (British Columbia)* and sections 106 and 168 of the *Securities Act* (Alberta) for the particulars of these rights or consult with a legal advisor.

Securities legislation in certain of the provinces of Canada provides purchasers with remedies for rescission or, in some provinces, damages where a prospectus and any amendment contains a misrepresentation or is not delivered to the purchaser but such remedies must be exercised by the purchaser within the time limit prescribed by the securities legislation of this province. This securities legislation also provides purchasers with a right to withdraw from an agreement to purchase securities within two business days after receipt or deemed receipt of a prospectus and any amendment. The purchaser should refer to any applicable provisions of the securities legislation of this province for the particulars of these rights or consult with a legal adviser.

MINERA CAPITAL CORPORATION

Financial Statements

July 31, 2000 and February 29, 2000

WM. ANDREW CAMPBELL C.A.
SUITE 420, 111 RICHMOND ST. WEST
TORONTO, ONTARIO
M5H 2G4

Tel.: (416) 366-2856
Fax: (416) 366-8179

Auditors Report to the Shareholders

I have audited the balance sheets of Minera Capital Corporation as at July 31, 2000 and February 29, 2000 and the statements of loss and deficit and changes in cash flows for the five months ended July 31, 2000 and for the 11 months ended from the date of incorporation, March 1, 1999 to February 29, 2000. These financial statements are the responsibility of the Company's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted an audit in accordance with generally accepted auditing standards in Canada. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free from 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 my opinion, these financial statements present fairly, in all material respects, the financial position of the Company as at July 31, 2000 and February 29, 2000 and the results of its operations and the changes in its cash flows for the eleven month period from the date of incorporation, March 1, 1999 to February 29, 2000 and for the five month period ended July 31, 2000 all in accordance with generally accepted accounting principles.

Signed “Wm. Andrew Campbell”

Chartered Accountant
Toronto, Ontario
August 17,2000

Minera Capital Corporation
Balance Sheet
As at

Assets

	7/31 2000	2/29 2000
Current		
Cash in bank	$ 41	$ 1,133
Subscription receivable (note 3)	15,000	-
	15,041	1,133
Other		
Mineral exploration properties (note 4)	137,672	67,874
	137,672	67,874
	$ 152,713	69,007
Liabilities		
Current		
Accounts payable and accrued liabilities	$ 18,850	2,000
Total Liabilities	18,850	2,000
Shareholders' Equity		
Share Capital (note 5)	362,685	219,535
Deficit (Page 4)	(228,822)	(152,528)
	133,863	67,007
	$ 152,713	$ 69,007

Approved on behalf of the Board of Directors:

Signed: "Paul Ankcorn" Director

Signed: " Henning Coetzee" Director

See accompanying notes to financial statements
Refer to Auditor's Report appearing on Page 2

Minera Capital Corporation
Statement of Loss and Deficit
For the Eleven Month Period from the date of Incorporation,
March 1, 1999 to February 29, 2000 and for the Five-Month Period ended July 31, 2000

	* 2000	* 2000
Office, General and Administrative Expenses		
Business development	$ 44,770	$ 60,424
Travel	-	37,253
Office, general and administration	5,949	19,882
Management fees	3,000	-
Telephone	-	15,889
General exploration expenditures	-	11,450
Legal, audit and regulatory fees	18,420	4,500
Office rent	4,155	3,130
	76,294	152,528
Net Loss for the Period	(76,294)	(152,528)
Deficit, Beginning of Period	(152,528)	-
Deficit, End of Period	$ (228,822)	$(152,528)
Loss Per Share	$ (0.02)	$ (0.05)

** July 31, 2000
* February 29, 2000

See accompanying notes to financial statements
Refer to Auditor's appearing on Page 2

Minera Capital Corporation
Statement of Changes in Cash Flows
For the Eleven Month Period from the Date of Incorporation,
March 1, 1999 to February 29, 2000 and for the Four-Month Period ended July 31, 2000

	* 2000	* 2000
Cash Provided By (Used In):		
Operating Activities		
Net loss for the period	$ (76,294)	$ (152,528)
Changes in non cash operating working capital balances	1,850	2,000
Used In) Operating Activities	(74,444)	(150,528)
Financing Activities		
Issuance of common shares	143,150	219,535
Provided by Financing Activities	143,150	219,535
Investing Activities		
Additions to mining interests	(69,798)	(67,874)
Provided by (Used in) Investing Activities	(69,798)	(67,874)
Increase (Decrease) in Cash	(1,092)	1,133
Cash, Beginning of Period	1,133	-
Cash, End of Period	$ 41	$ 1,133

** July 31, 2000
* February 29, 2000

See accompanying notes to financial statements
Refer to Auditor's Report appearing on Page 2

Minera Capital Corporation
Notes to Financial Statements
July 31, 2000 and February 29, 2000

1. Nature of Business and Going Concern Considerations

   Minera Mineral Corporation (the "Company") was incorporated under the Business Corporations Act of Yukon on March 1, 1999.

   The Company is currently in the exploratory stage of development of its mining properties and has not yet determined whether these properties contain ore reserves that are economically recoverable. Future operations are dependent upon its ability to raise equity and debt financing in order to pay its liabilities and develop its mining interests.

   Future operations of the Company are dependent upon its ability to raise financing, acquire a new business venture and attain profitable operations.

2. Summary of Significant Accounting Policies

   (a) Financial instruments
   The Company's financial instruments consist of cash, accounts payable and amounts due to directors, which are short-term nature. The fair value of the financial instruments approximates their carrying value.

   (b) Use of estimates in the preparation of financial statements
   The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as at the date of the financial statements and the reporting periods. Actual results could differ from those estimates.

   (c) Loss per Share
   Loss per share is calculated using the weighted average number of common shares outstanding during the period.

3. Accounts receivable

   On July 31, 2000 the Company issued 80,000 common shares at $0.25 per share for proceeds of $20,000, $5,000 was received in July 2000 and the balance of $15,000 was received in August 2000.

4. Mineral Exploration Properties

   On December 11, 1999, the Company entered into an option and joint venture agreement with Goldwright Explorations Inc. whereby the Company can earn a 50% working interest in six mining claims located in the Sudbury Mining Division, Ontario. In order to earn its interest the Company issued 50,000 common shares. The Company must incur exploration expenditures of $100,000 prior to June 8, 2000 and an additional $300,000 prior December 11, 2002. In addition the property is subject to a 2% net smelter return royalty. An amendment to the option agreement was prepared on June 19, 2000. The Company is to issue100, 000 common shares under the option agreement of which 50,000 have been issued.

5. Share Capital

Authorized: an unlimited number of common shares
Issued: July 31, 2000; 3,560,101;
: February 29, 2000 2,982,101

	No.	$
Issued for property	50,000	12,500
Issued for cash	2,932,101	207,035
Balance, February 29, 2000	2,982,101	219,535
Issued for cash	578,000	143,150
Common shares – July 31, 2000	3,560,101	$ 362,685

6. Uncertainty due to the Year 2000 Issue

The Year 2000 Issue arises because many computerized systems use two digits rather than four to identify a year. Data-sensitive systems may recognize the year 2000 as 1900 or some other dates, resulting in errors when information-using year 2000 dates are processed. In addition, similar problems may arise in some systems, which use certain dates in 1999 to represent something other than a date. The effect of the Year 2000 Issue may be experienced before, on or after January 1, 2000, and if not addressed, the impact on operations and financial reporting may range from minor errors to significant system failure which could affect the entities ability to conduct normal business operations. It is not possible to be certain that all aspects of the Year 2000 Issue affecting the entity, including those related to the efforts of customers, suppliers, or other third parties, will be fully resolved. As of the date of the Auditor's Report no Year 2000 problems have been detected.

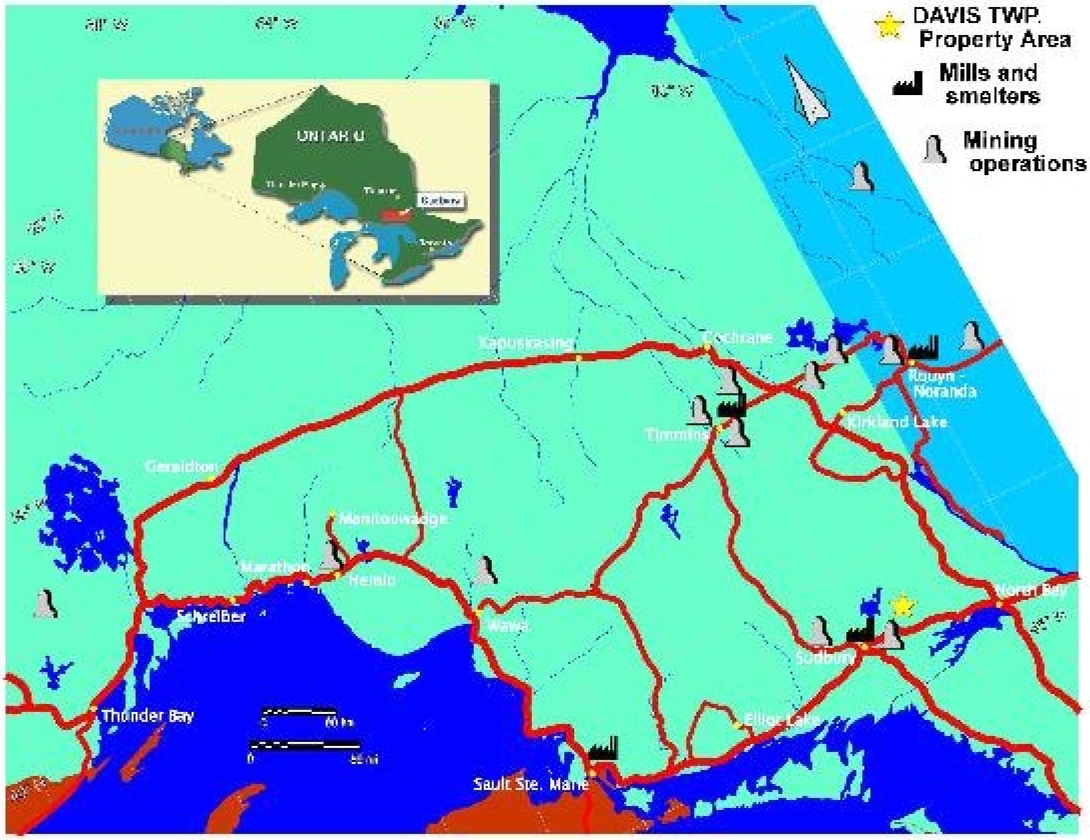

FIGURE 1: General location map, Davis Township property, northeastern Ontario

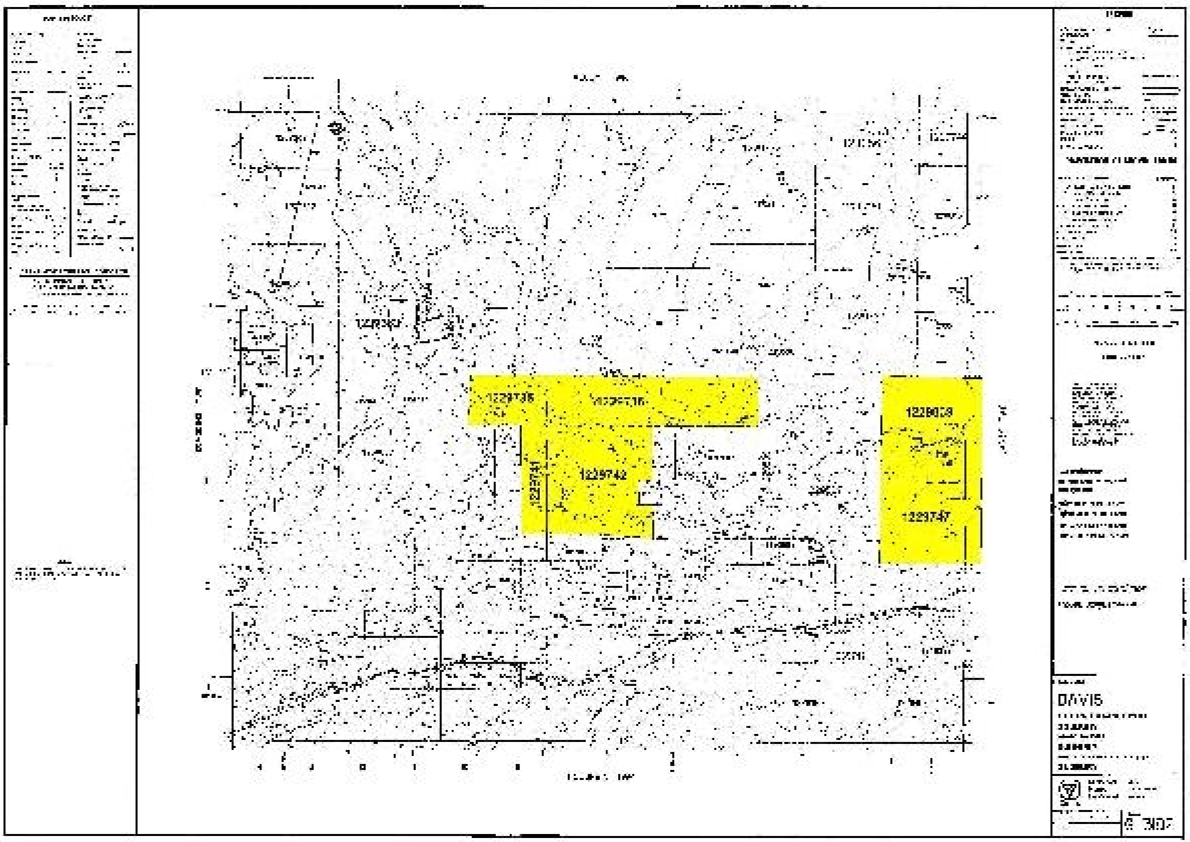

FIGURE 2: Claim map, Davis Township, Sudbury Mining Division

CERTIFICATE OF THE COMPANY

The foregoing constitutes full, true and plain disclosure of all material facts relating to the securities offered by this Prospectus as required by Part 9 of the *Securities Act* (British Columbia), Part 8 of the *Securities Act* (Alberta) and the respective regulations thereunder.

DATED: August 30, 2000

"Henning J. Coetzee"	*"Paul Ankcorn"*
(Signed) Henning J. Coetzee Chief Executive Officer	(Signed) Paul Ankcorn Chief Financial Officer

On behalf of the Board of Directors

"Miles Desharnais"	*"Rene G. Carrier"*
(Signed) Miles Desharnais Director	(Signed) Rene G. Carrier Director

Promoters

"Rene G. Carrier"	*"Miles Desharnais"*
(Signed) Rene G. Carrier	(Signed) Miles Desharnais

CERTIFICATE OF THE AGENT

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 9 of the *Securities Act* (British Columbia), Part 8 of the *Securities Act* (Alberta) and their respective regulations thereunder.

DATED: August 30, 2000

CANACCORD CAPITAL CORPORATION

"Michael A. Greenwood"
(Signed) Michael A. Greenwood
President and Chief Operating Officer
Canaccord Capital Corporation