Final Prospectus dated January 26, 2001, as amended April 26, 2001

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 OFFENCE.

Initial Public Offering April 26, 2001

GATEWAY ENTERPRISES LTD.

(a capital pool company)

Suite 250 – 625 Howe Street
Vancouver, British Columbia V6C 2T6
Telephone: (604) 646-0188
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$216,000
1,200,000 Common Shares at $0.18 per share

Gateway Enterprises Ltd. (the “Company”) hereby offers through its agent, Wolverton Securities Ltd. (the “Agent”), 1,200,000 common shares in the capital of the Company (“Common Shares”) for sale to the public at a price of $0.18 per share (the “Offering”). The purpose of the Offering is to provide the Company with funds with which to identify and evaluate assets or businesses with a view to completing a Qualifying Transaction (as defined herein) acceptable to the Canadian Venture Exchange (the “Exchange”) and a majority of the minority shareholders of the Company in accordance with the Exchange’s Policy 2.4 (“Policy 2.4”) entitled “Capital Pool Companies”. See “Use of Proceeds” and “Business of the Company”.

	Price to the Public(1)	**Agent’s Commission**(2)	**Net Proceeds to the Company**(3)
Per Common Share	$0.18	$0.018	$0.162
Total....................................	$216,000	$21,600	$194,400

(1) The price of this Offering has been determined by negotiation between the Company and the Agent.

(2) The Agent will receive a commission equal to 10% of the gross proceeds of this Offering. Upon completion of the Offering, the Agent will also be granted non-transferable options (the “Agent’s Options”) to acquire up to 120,000 Common Shares at a price of $0.18 per share, exercisable for a period of 18 months from the date of listing of the Common Shares on the Exchange. The Agent’s Options are qualified and distributed pursuant to this prospectus. The Company has also delivered to the Agent a retainer in the amount of $13,000, of which $7,500 plus applicable taxes are in respect of the Agent’s due diligence fee and the balance is to be applied against the Agent’s reasonable expenses, including legal fees, in connection with the Offering. See “Plan of Distribution”.

(3) The total expenses of this Offering payable by the Company are estimated to be $50,000 (excluding the Agent’s commission and including prepaid expenses).

The Offering is made on a commercially reasonable efforts basis and completion of the Offering is subject to the receipt by the Company of subscriptions totalling $216,000 for the entire Offering of 1,200,000 Common Shares. In the event that all 1,200,000 Common Shares offered hereby are not sold, then all subscription proceeds will be returned to subscribers in full without interest or deduction. The maximum purchase by any single subscriber to the Offering is restricted to 24,000 Common Shares, being 2% of the total Offering, in accordance with Policy 2.4. Notwithstanding the foregoing, the maximum number of common shares which may be directly or indirectly purchased by any one subscriber, together with that subscriber's Associates and Affiliates (as defined in Exchange policies, is 48,000, being 4% of the total number of Common Shares offered hereunder. See "Plan of Distribution".

The Exchange has conditionally approved the listing of the Common Shares being offered under this prospectus. The listing is subject to the Company fulfilling all of the listing requirements of the Exchange, including prescribed distribution and financial requirements, on or before May 11, 2001. The Exchange may suspend from trading or delist the Common Shares of the Company if the Company fails to complete a Qualifying Transaction within 18 months after the date of listing. See "Description of Business". Notwithstanding that a transaction may meet the definition of a Qualifying Transaction, the Exchange may not approve a Qualifying Transaction where the Company fails to meet the Exchange's minimum listing requirements upon completion of the Qualifying Transaction or for any reason at the sole discretion of the Exchange.

No person is authorized by the Company to provide any information or to make any representations other than those contained in this prospectus in connection with the issue and sale of the Common Shares offered pursuant to this prospectus.

INVESTMENTS IN SMALL BUSINESSES INVOLVE A HIGH DEGREE OF RISK AND INVESTORS SHOULD NOT INVEST ANY FUNDS IN THIS OFFERING UNLESS THEY CAN AFFORD TO LOSE THEIR ENTIRE INVESTMENT. SEE "RISK FACTORS".

The Company was only recently incorporated and does not have business operations or assets other than cash. The Company has not entered into any agreement in principle for the acquisition of a business or other assets. If a prospect is identified by the Company and acquisition or participation is desired, additional funds may be required to complete the acquisition or participation and there is no guarantee that the Company will be able to obtain such financing. Investors will be relying on management's ability to find and finance business opportunities. Therefore, this Offering is suitable only for those investors who are willing to rely solely on the management of the Company and who can afford to lose all of their investment. See "Risk Factors", "Business of the Company", "Directors, Officers and Promoters", "Use of Proceeds" and "Conflicts of Interest".

Upon completion of this Offering, but prior to any exercise of the Agent's Options or outstanding stock options, this issue will represent 1,200,000 Common Shares (or 51.7%) of the Common Shares of the Company then outstanding, as compared to 1,120,000 Common Shares (or 48.3%) of the Common Shares then outstanding that will be held by promoters, insiders, holders of options and the Agent as a group. Neither the Agent nor any director, officer, employee or contractor of the Agent, nor any affiliate of any of them, may, pursuant to Policy 2.4, acquire any Common Shares pursuant to the Offering other than Common Shares that may be acquired upon exercise of the Agent's Options.

The Common Shares are conditionally offered by the Agent, as agent, on behalf of the Company, subject to prior sale, if, as and when issued by the Company and accepted by the Agent in accordance with the conditions contained in the agency agreement referred to under "Plan of Distribution" and subject to the approval of all legal matters on behalf of the Company by Koffman Kalef and on behalf of the Agent by Miller Thomson LLP.

WOLVERTON SECURITIES LTD.
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SUMMARY OF PROSPECTUS

The following is a summary of the principal features of this Offering. More detailed information is contained in the body of the prospectus. Capitalized terms not defined in this summary will have the meaning provided on the cover page or elsewhere in this prospectus.

The Company: The Company, Gateway Enterprises Ltd., was incorporated in British Columbia on August 14, 2000.

The Business: The Company is a capital pool company and does not have an operating business or assets, other than minimal working capital. The sole business of the Company will be to identify and evaluate opportunities for acquisition of an interest in assets or businesses which, if acquired, would provide a basis for listing on the Exchange. Once identified and evaluated, the Company will attempt to negotiate an acquisition or participation in the assets or businesses, subject to receipt of shareholder approval and acceptance for filing by the Exchange. Until the completion of a Qualifying Transaction, the Company will not carry on any business other than the identification and evaluation of assets or businesses in connection with potential Qualifying Transactions. As yet, the Company has not identified any business or asset as a potential acquisition. See “Business of the Company”.

Management: Because the Company does not currently have an operating business or assets other than minimal working capital, investors will be relying entirely on management’s ability to both find and finance business opportunities. The Company has directors and officers with experience in the management and financing of public companies, in identifying business opportunities, and in structuring and financing business transactions.

The directors and officers of the Company are as follows:

Ron Miles	President, Director and Promoter
Mark Brown	Secretary, Chief Financial Officer and Director
David Hottman	Director
Fontaine Wong	Director

See “Directors, Officers and Promoters”.

Offering: The Company is offering to the public, through Wolverton Securities Ltd. (the “Agent”), 1,200,000 Common Shares at a price of $0.18 per share for gross proceeds of $216,000. The Agent will receive a commission equal to 10% of the gross proceeds of the Offering. Upon completion of the Offering, the Agent will also be granted non-transferable Agent’s Options to acquire up to 120,000 Common Shares at a price of $0.18 per share, exercisable for a period of 18 months from the date of listing of the Common Shares on the Exchange. The Company has also delivered to the Agent a retainer in the amount of $13,000, of which $7,500 plus applicable taxes are in respect of the Agent’s due diligence fee and the balance is to be applied against the Agent’s reasonable expenses, including legal fees, in connection with the Offering. See “Plan of Distribution”.

Use of Proceeds: Assuming completion of the Offering, the Company will receive net proceeds of $194,400, after deduction of the Agent’s commission. The net proceeds of the Offering, together with working capital as at March 31, 2001 of $50,245, amounts to $244,645 which is intended to be used as follows:

Estimated costs to identify and evaluate potential acquisitions	$221,915
Estimated unpaid offering costs (excluding the Agent’s commission)	$5,000
Estimated general and administrative expenses for 18 months	$17,730
	$244,645

Until the completion of a Qualifying Transaction, the Exchange's Policy 2.4 provides that no more than 30% of the gross proceeds from the sale of securities issued by the Company, including the Common Shares under the Offering, may be used for purposes other than those relating to identification and evaluation of assets or businesses and obtaining shareholder approval for a prospective Qualifying Transaction. The Company may not have sufficient funds to secure an acquisition once identified and additional funds may be required. See "Use of Proceeds" and "Risk Factors".

Risk Factors: There is no established market for the Common Shares of the Company. Investment in the Common Shares should be regarded as highly speculative due to the proposed nature of the Company's business and its present stage of development.

The Company was only recently incorporated and does not have any business operations or assets other than cash from seed capital and has not entered into any agreement in principle for the acquisition of a business or asset. The Company is relying solely on the past business success of its directors and officers to identify a Qualifying Transaction of merit. While it is management's intent to seek, identify and secure a business opportunity for the Company, there is no guarantee that it will find a suitable opportunity or that, if found, it will be able to acquire it on the desired terms. The Company will be in competition with others with greater resources. If a suitable business or asset is identified, the Exchange may not approve the transaction as a Qualifying Transaction or management may determine that market conditions make the terms of the acquisition uneconomic. Furthermore, the Company may require additional financing to both secure and exploit the business opportunity and there is no guarantee that such financing will be available.

The financial risk of the Company's future activities will be borne to a significant degree by purchasers of Common Shares who, on completion of the Offering, will incur an immediate and substantial dilution in the net tangible book value per share of $0.053 or 29.4% of the offering price, calculated based upon the balance sheet of the Company as at August 31, 2000.

If the Company fails to complete a Qualifying Transaction acceptable to the Company's shareholders and the Exchange within 18 months of the date of listing or if the Company fails to comply with the Exchange's listing maintenance requirements, the Company's Common Shares may be suspended from trading or delisted.

Where the acquisition is financed by the issuance of shares from the Company's treasury, control of the Company may change and investors in this Offering may suffer further dilution to their investment.

The directors and officers of the Company will not be devoting all of their time to the affairs of the Company as they are directors and officers of other companies or are engaged in other businesses or employment. The directors and officers are required by law to act in the best interests of the Company and have the same obligations to the other companies in respect of which they act as directors and officers. There is no assurance that conflicts of interest that may arise will be resolved in a manner favourable to purchasers of Common Shares under the Offering.

As a result of the foregoing factors, this Offering is suitable only for those investors who are willing to rely solely on the management of the Company and who can afford to lose all of their investment. See "Business of the Company", "Directors, Officers and Promoters", "Risk Factors" and "Use of Proceeds".

THE COMPANY

Gateway Enterprises Inc. (the "Company") was incorporated under the Company Act (British Columbia) on August 14, 2000. The Company has no subsidiaries or proposed subsidiaries.

The Company's head office is located at Suite 250 – 625 Howe Street, Vancouver, British Columbia V6C 2T6 and the Company's registered office and address for service is 19th Floor, 885 West Georgia Street, Vancouver, British Columbia V6C 3H4.

BUSINESS OF THE COMPANY

Operating History

The Company is a capital pool company as defined in the Exchange's Policy 2.4 entitled "Capital Pool Companies". The only business operations that the Company has had to date relate to preparing the Company for the Offering described herein. This has consisted of, among other things, raising seed capital, putting in place a management team and board of directors, retaining legal counsel and an auditor and securing the Agent for the purpose of effecting this Offering. These matters are described in more detail under "Business Objectives", "Share Capital" and "Plan of Distribution".

Business Objectives

Assuming the successful completion of this Offering, the Company will use the net proceeds to search out and finance a business prospect and will use cash, secured or unsecured debt, the issuance of securities or a combination of the foregoing for the purpose of financing its acquisition or participation in the business prospect. Where the acquisition or participation in the business prospect is financed by the issuance of shares from the Company's treasury, control of the Company may change and shareholders may suffer further dilution to their investment.

The Company has not yet entered into any negotiations or completed any arrangements with any prospective businesses.

Once a prospective acquisition target has been identified and evaluated, the Company will proceed to negotiate the terms upon which it may acquire an interest in the business prospect. All potential acquisitions will be screened initially by management of the Company to determine their economic viability. Approval of proposed acquisitions will be made by the board of directors of the Company. The board of directors will examine proposed acquisitions having regard to sound business fundamentals, utilizing the expertise and experience of the directors and officers. The Company will not complete the transaction unless the Exchange provides its final approval of the Company's acquisition or participation in the business prospect. See "Qualifying Transaction", "Risk Factors" and "Use of Proceeds".

Qualifying Transaction

A "Qualifying Transaction", pursuant to Policy 2.4, is a transaction whereby a capital pool company:

(a) issues or proposes to issue, in consideration for the acquisition of significant assets, common shares or securities convertible, exchangeable or exercisable into common shares which, if fully converted, exchange or exercised would represent more than 25% of its common shares issued and outstanding immediately prior to the issuance;

(b) enters into an arrangement, amalgamation, merger or reorganization with another issuer with significant assets, whereby the ratio of securities which are distributed to the securityholders of the capital pool company and the other issuer results in the securityholders of the other issuer acquiring control of the resulting entity; or

(c) otherwise acquires significant assets (other than cash),

but excludes a transaction which consists solely of the issuance for cash by the capital pool company of common shares or securities convertible, exchangeable or exercisable into common shares, representing more than 25% of the capital pool company's common shares issued and outstanding immediately prior to the issuance. Significant assets which may be the subject of a Qualifying Transaction may be those that are controlled by related parties of the Company so long as the Company has at least two independent directors, neither of whom are related parties to the Qualifying Transaction, and consummation of the agreement in principle in respect of the Qualifying Transaction requires the prior assessment or consent of those independent directors. In respect of Qualifying Transactions, the phrase "significant assets" means one or more assets or businesses which, when acquired by a capital pool company, together with any other concurrent transactions, results in the capital pool company meeting the minimum listing requirements of the Exchange for an issuer other than a capital pool company.

Any Qualifying Transaction will be subject to approval by the majority of the minority shareholders (as defined below) of the Company, acceptance for filing by the Exchange, and sponsorship by a member firm of the Exchange.

Upon the Company entering into an agreement in principle with respect to a Qualifying Transaction, a comprehensive news release disclosing its terms will be disseminated and trading in the Common Shares of the Company will be halted. Trading will remain halted until a sponsor in connection with the Qualifying Transaction has been retained and a sponsor acknowledgement form has been filed with the Exchange, personal information forms have been filed in respect of new insiders and promoters of the resulting entity, a pre-filing conference with the Exchange in respect of the Qualifying Transaction has been held, and the Exchange has completed any preliminary background searches it considers necessary or advisable.

The Company will be required to submit the terms of the Qualifying Transaction to a meeting of its shareholders for "majority of the minority" approval. The Qualifying Transaction must be approved by a vote at a properly constituted meeting of the shareholders of the Company by at least 50% plus one vote of the votes cast by shareholders voting at the meeting, other than related parties of the Company and related parties of the Qualifying Transaction. Related parties of the Qualifying Transaction include:

(a) the sellers, being one or all of the beneficial owners other than a target issuer, of the significant assets which are to be purchased, optioned or otherwise acquired by the capital pool company as its Qualifying Transaction;

(b) any target issuer, being a company which is the beneficial owner of the significant assets where the acquisition assets which are to be conducted through the purchase of securities of the Company whether by security purchase agreement, take-over bid, amalgamation, plan of arrangement or other corporate reorganization;

(c) related parties of the sellers;

(d) related parties of the target issuer; and

(e) all other parties to or associated with the Qualifying Transaction and associates or affiliates of all such other parties.

In connection with the shareholders' meeting, an information circular containing full, true and plain disclosure assuming completion of the proposed Qualifying Transaction will be sent to the shareholders of the Company.

In connection with obtaining Exchange approval of the Qualifying Transaction, the Company will be required to file with the Exchange a number of documents, including the information circular for the shareholders' meeting to approve the Qualifying Transaction, copies of material contracts, engineering reports or valuation reports, and financial statements pertaining to the business to be acquired and pro forma financial statements of the Company after giving effect to the acquisition. As part of the review of the Qualifying Transaction, the Exchange will review the expenses, disclosure, trading history and other transactions undertaken by the Company during its listing to determine the Company's compliance with Exchange requirements.

Acceptance for filing by the Exchange of a Qualifying Transaction also calls for sponsorship by a member of the Exchange. The role of the sponsoring member firm is an integral part of the Qualifying Transaction process. Effectively, the sponsoring firm will review the Qualifying Transaction to determine the suitability of the Company's listing on the Exchange upon the completion of the Qualifying Transaction. The Exchange will halt trading if the Company has announced a Qualifying Transaction but has not yet secured a member firm to act as sponsor for the Qualifying Transaction or if the Company has not made its filing with the Exchange of applicable materials relating to the Qualifying Transaction within 60 days of the appointment of a sponsor. The sponsor must file with the Exchange a preliminary sponsor report as part of the Company's initial submission of draft materials.

Notwithstanding that a transaction may meet the definition of a Qualifying Transaction, the Exchange may not approve a Qualifying Transaction where the Company fails to meet the minimum listing requirements of the Exchange upon completion of the Qualifying Transaction or for any other reason at the sole discretion of the Exchange. In addition, the Exchange may suspend from trading or delist the Common Shares of the Company where it has failed to complete a Qualifying Transaction within 18 months of its date of listing.

Description of Offices

The Company has terminated its agreement dated August 14, 2000 with Nevada Pacific Gold Ltd. ("Nevada") for the provision of office space. The Company however, continues to share office space with Nevada with provision for recovery of out of pocket costs incurred by Nevada on behalf of the Company (other than rent), estimated to be approximately $100 per month. The Company may pay Nevada market rates for this space in the future (but is under no obligation to do so) or obtain offices elsewhere. David Hottman, a director of the Company is also a director and Chief Executive Officer of Nevada. Mark Brown, the Secretary and a director of the Company is also the Chief Financial Officer of Nevada.

Administration and Overhead

Management anticipates that the total administrative expenses that will be incurred in order to meet its stated business objectives over the 12-month period following the Offering are estimated to average approximately $985 per month. No significant variation in the monthly administrative expenses is expected, excluding such expenses that may be related to identifying and evaluating potential Qualifying Transactions. These estimated expenses may be broken down as follows:

Type of Expense	Monthly	18-month period
Office rent, supplies and expenses	$100	$1,800
Accounting and audit fees	$500	$9,000
Legal fees	$100	$1,800
Regulatory filing fees	$100	$1,800
Transfer agent and escrow agent fees	$135	$2,430
Miscellaneous expenses	$50	$900
Total:	$985	$17,730

The foregoing is based on the Company's anticipated expenses. There may be circumstances where, for sound business reasons, a re-allocation of funds may be necessary, or expenses in a category may be less than or may exceed the amount budgeted. The Company will only redirect funds to other expense categories in accordance with the policies of the Exchange.

DIRECTORS, OFFICERS AND PROMOTERS

The following table sets out the name, age and municipality of residence of the directors, officers and promoters of the Company, their position with the Company, their present principal occupation, the number of Common Shares beneficially owned or over which control or direction is exercised, directly or indirectly, by each of them, and the percentage of Common Shares to be held by each of them prior to and on completion of the Offering. The following persons comprise the Company's entire management team.

Name, age, municipality of residence	Position with the Company	Present principal occupation	Common Shares held (percentage prior to Offering)(1)	Percentage of Common Shares after Offering
RON MILES, 49 North Vancouver, B.C.	President, Director and Promoter	Self-employed (private investment activities)	790,000 (70.6%)	34.1%
MARK BROWN, 32 Vancouver, B.C.	Secretary, Chief Financial Officer and Director	Vice President, Pacific Opportunity Company Ltd. (accounting and management consulting company)	110,000 (9.8%)	4.7%
DAVID HOTTMAN, 39 Vancouver, B.C.	Director	Chief Executive Officer and Director, Nevada Pacific Gold Ltd. (natural resource exploration company)	110,000 (9.8%)	4.7%
FONTAINE WONG, 46 Vancouver, B.C.	Director	Owner and Manager of Ming Wo Ltd. (a company involved in the retail sale of cookware)	110,000 (9.8%)	4.7%

(1) All of these Common Shares are subject to escrow restrictions as required by the Exchange. See "Share Capital — Escrowed Shares".

Further information on the business experience and professional qualifications of the Company's directors, officers and promoters is set forth below:

Ron Miles — Mr. Miles has been the President and a director of the Company since the Company's incorporation. Mr. Miles may also be considered to be the promoter of the Company under applicable securities laws in that he took the initiative in founding the Company. Mr. Miles has been self-employed since 1996 and is engaged in various private investment activities. Mr. Miles trades small-cap stocks on the CDNX and the Toronto Stock Exchange for his own account. From 1990 to 1996 he was employed as a real estate salesperson for Coldwell Banker Realty and from 1988 to 1989 he was employed as a mutual fund salesperson for Great Pacific Management Co. Mr. Miles obtained a Diploma of Technology from the British Columbia Institute of Technology in 1973 and a Bachelor of Science (Engineering) from Michigan Technological University in 1977. In 1988 he obtained a certificate from the Canadian Securities Institute. Mr. Miles proposes to devote approximately 60% to 65% of his time to the Company pending completion of the Qualifying Transaction.

Mark Brown — Mr. Brown has been the Secretary, Chief Financial Officer and a director of the Company since the Company's incorporation. Mr. Brown is the Vice President of Pacific Opportunity Company Ltd., an accounting and management consulting company. He has been involved with Pacific Opportunity Company since December 1997. Mr. Brown has extensive experience in the management of natural resource exploration and mining corporations. He is currently the Chief Financial Officer of Elkhorn Gold Mining Corp., a company listed on the Toronto Stock Exchange and Nevada Pacific Gold Ltd., a company listed on the CDNX, both of which are natural resource exploration and mining companies. Mr. Brown is also the President and a director of Spartacus Capital Inc., a capital pool company listed on the CDNX and the Chief Financial Officer and a director of Orphan Boy Resources Ltd., a natural resources exploration company currently completing its initial public offering on the CDNX. Since July 1999, Mr. Brown has also been the Treasurer of Stockscape.com Technologies Ltd., a financial internet portal company which trades on the NASD-OTC Bulletin Board. Mr. Brown was also the Controller of Eldorado Gold Corporation from July 1996 to November 1997 and the Controller of Miramar Mining Corp. from March 1994 to June 1996. Both companies are listed on the Toronto Stock Exchange, and both companies' principal business is gold mining. To Mr. Brown's knowledge, both of these companies are still carrying on business. Mr. Brown was also the Chief Financial Officer of Golden Sitka Resources Inc. from May 1998 to August 2000 and a director and the Chief Financial Officer of Intercontinental Mining Corp. from October 1998 to February 1999. Mr. Brown was granted a Bachelor of Commerce from the University of British Columbia in 1990 and received his Chartered Accountant designation in 1993. Mr. Brown proposes to devote approximately 20% to 25% of his time to the Company pending completion of the Qualifying Transaction.

***David Hottman* —** Mr. Hottman has been a director of the Company since the Company's incorporation. Mr. Hottman has extensive experience in the management of natural resource exploration and mining corporations. He is currently the Chief Executive Officer and a director of Nevada Pacific Gold Ltd., a natural resource exploration company that is listed on the CDNX and the Chief Executive Officer, President and a director of Elkhorn Gold Mining Corp., a natural resource exploration and production company listed on the Toronto Stock Exchange. Mr. Hottman has been involved with Nevada Pacific Gold Ltd. since March 1997. Mr. Hottman was a founder and director of Eldorado Gold Corporation, a gold mining company listed on the Toronto Stock Exchange. Mr. Hottman was also a director of HRC Development Corp., a mining company formerly listed on the Vancouver Stock Exchange. Mr. Hottman proposes to devote approximately 20% of his time to the Company pending completion of the Qualifying Transaction.

Fontaine Wong — Ms. Wong has been a director of the Company since the Company's incorporation. Ms. Wong is currently a co-owner and general manager of Ming Wo Cookware Ltd., a company involved in the retail sale of cookware. Ming Wo was established in 1917 has 10 retail locations in the Lower Mainland. Ms. Wong co-ordinates all vendor relations and purchasing for the company, as well as managing the company's marketing and advertising divisions. Ms. Wong has worked for Ming Wo since 1978. She received her Bachelor of Education from the University of British Columbia in 1976. Ms. Wong proposes to devote approximately 10% of her time to the Company pending completion of the Qualifying Transaction.

None of the Company's officers or directors are subject to a non-competition or non-disclosure agreement with the Company.

Aggregate Ownership of Securities

Upon completion of the Offering, the directors, officers and promoters of the Company, as a group, will directly or indirectly own 1,120,000 Common Shares representing 48.3% of the Common Shares then issued and outstanding.

Other Reporting Issuers

The following table sets out information on the directors, officers and promoters of the Company who have served as directors, officers or promoters of other reporting issuers during the past five years:

Name of Director, Officer or Promoter	Reporting Issuer	Position	Period
MARK BROWN	Orphan Boy Resources Ltd.	Chief Financial Officer and Director	January 2000 to present
	Stockscape.com Technologies Ltd.	Treasurer	July 1999 to present
	Spartacus Capital Corporation	President and Director	June 1999 to present
	Golden Sitka Resources Inc.	Chief Financial Officer	May 1998 to August 2000

	Elkhorn Gold Mining Corp.	Chief Financial Officer	April 1998 to present
	Nevada Pacific Gold Ltd.	Chief Financial Officer	April 1998 to present
	Intercontinental Mining Corp.	Director and Chief Financial Officer	October 1998 to February 1999
DAVID HOTTMAN	Nevada Pacific Gold Ltd.	President, Chief Executive Officer and Director	March 1997 to present
	Elkhorn Gold Mining Corp.	President, Chairman and Chief Executive Officer	November 1997 to present
		Director	November 1995 to present
	Eldorado Gold Corporation	Various positions, including Director, and Director of Corporate Development	July 1996 to November 1996
	HRC Development Corp.	Director	October 1993 to November 1996

Corporate Cease Trade Orders or Bankruptcies

During the past five years, none of the directors, officers and promoters of the Company was a director, officer or promoter of any other issuer that was, during his tenure, the subject of a cease trade order or similar order or an order that denied that issuer access to any statutory exemptions for a period of more than 30 consecutive days, or was 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 person.

Penalties or Sanctions

None of the directors, officers and promoters of the Company has, during the past ten years, been subject to any penalties or sanctions imposed by a court or securities regulatory authority relating to trading in securities, promotion or management of a publicly traded issuer, or theft or fraud.

Individual Bankruptcies

None of the directors, officers and promoters of the Company has, during the past five years, been declared bankrupt or made a voluntary assignment in bankruptcy, made a proposal under bankruptcy or insolvency legislation or been subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold his assets.

Conflicts of Interest

The directors and officers of the Company are also directors, officers or members of management of other public and private companies and are engaged in other businesses or professions and, accordingly, will be devoting less than all of their time to the business and affairs of the Company. Some of the other companies are engaged in and will continue to be engaged in the search for properties or business prospects that may be suitable Qualifying Transactions for the Company. The directors and officers of the Company are required by law to act in the best interests of the Company. At the same time, they have the same obligations to the other companies of which they act as directors and officers. Accordingly, conflicts of interest may arise from time to time. Any conflict will be subject to the procedures and remedies under the Company Act (British Columbia). The discharge by the directors and officers of their obligations to the Company may result in a breach of their obligations to the other companies and, in certain circumstances, this could expose the Company to liability to those companies. Similarly, discharge by the directors and officers of their obligations to the other companies could result in a breach of their obligation to act in the best interests of the Company. Such conflicting legal obligations may expose the Company to liability to others and impair its ability to achieve its business objectives. See “Risk Factors”.

INDEBTEDNESS OF DIRECTORS, OFFICERS AND PROMOTERS

None of the directors, officers and promoters of the Company or any of their respective associates or affiliates has been indebted to the Company since the date of the Company’s incorporation.

PAYMENTS TO INSIDERS AND PROMOTERS

Compensation of Officers and Directors

Cash Compensation

No cash compensation or bonus has been paid by the Company to any director, officer or promoter since the Company’s incorporation.

Pursuant to Policy 2.4, until the Company has completed a Qualifying Transaction, the Company will not make, directly or indirectly, any payment to any person who is a related party of the Company (including its directors, officers and promoters) or who is a related party to the Qualifying Transaction in respect of remuneration, which includes salaries, consulting fees, management contract fees or directors’ fees, finder’s fees, loans, advances and bonuses. The Company may, however, reimburse related parties to the Company for certain reasonable expenses, including those incurred in pursuing the business of the Company and for office supplies, office rent and related utilities and equipment leases.

Stock Options

The directors and officers of the Company have been granted stock options to purchase Common Shares. The stock options have been granted in accordance with the requirements of Policy 2.4. See “Share Capital — Stock Options” for particulars of the stock options.

Related Party Transactions

The Company has not, since its incorporation, acquired assets or services from any director, officer, promoter or principal holder of the Company’s securities, or any associate or affiliate thereof, except as described under this heading. The Company rents office space from Nevada for $500 per month. See “Business of the Company — Description of Offices”. David Hottman, a director of the Company, is also a director and the Chief Executive Officer of Nevada. Mark Brown, the Secretary, Chief Financial Officer and a director of the Company, is also the Chief Financial Officer of Nevada.

RISK FACTORS

An investment in the Common Shares should be considered a highly speculative investment and investors should carefully consider all of the information disclosed in this prospectus prior to making an investment in the Company.

The Offering is suitable only for those investors who are willing to rely solely on the management of the Company and who can afford to lose all of their investment. In addition to the other information presented in this prospectus, the following risk factors should be given careful consideration when evaluating an investment in the Common Shares.

No Established Market or Operating History

There is no established market for the Common Shares and there can be no assurance that one will develop. This Offering should be considered highly speculative due to the proposed nature of the Company's business and the fact that the Company was only recently incorporated. The price of these securities to the public and the commission to the Agent was established by negotiation between the Company and the Agent.

No Existing Business

The Company has neither a history of earnings nor has it paid any dividends and it is unlikely to enjoy earnings or pay dividends in the immediate or foreseeable future. The Company has no business operations or assets other than cash from seed capital, and has no written or oral agreements in principle for the acquisition of a business or asset at this time.

No Assurance of Qualifying Transaction and Need for Additional Financing

The business objectives of the Company involve a high degree of risk and there is no assurance that future acquisitions or participations will be identified. Moreover, if potential acquisitions or participations are identified, the Company may determine that the current market, pricing conditions or terms of participation may make the acquisition or participation uneconomical. The Company will be in competition with others with greater resources. The Company may find that, even if the terms of the acquisition or participation are economical, additional funds may be required to complete the acquisition or participation, and the Company may not be able to obtain financing on the terms acceptable to the Company, or at all. Where an acquisition or participation is financed by the issuance of shares from the treasury, control of the Company may change and shareholders may suffer further dilution to their investment.

Possible Trading Suspension or Delisting

The Exchange may suspend from trading or delist the Common Shares if the Company fails to complete a Qualifying Transaction within 18 months following the date the shares are listed on the Exchange, or if the Company fails to comply with the Exchange's listing maintenance requirements. The Exchange will review the expenses, disclosure, trading history and other transactions undertaken by the Company during the listing of its Common Shares to determine compliance with Exchange policies. The Exchange may refuse to accept a transaction as a Qualifying Transaction if significant concerns arise from its review and where, among other things, the Company fails to meet the minimum listing requirements prescribed by the Exchange upon completion of the Qualifying Transaction, or the consideration proposed to be paid by the Company in connection with the transaction is not acceptable to the Exchange.

Reliance on Management

The Company is relying solely on the past business success of its directors and officers to identify a Qualifying Transaction of merit. The success of the Company is dependent upon the efforts and abilities of its management team. The loss of any member of the management team could have a material adverse effect upon the business and prospects of the Company. In such event, the Company will seek satisfactory replacements but there can be no guarantee that appropriate personnel may be found.

Directors' and Officers' Conflicts

The directors and officers of the Company will not be devoting all of their time to the business and affairs of the Company. The directors and officers of the Company are directors and officers of other companies. See "Directors, Officers and Promoters". Some of the other companies are engaged in and will continue to be engaged in the search for properties or business prospects that may be suitable Qualifying Transactions for the Company. The directors and officers of the Company are required by law to act in the best interests of the Company. At the same time, they have the same obligations to the other companies of which they act as directors and officers. Accordingly, conflicts of interest may arise from time to time. Any conflict will be subject to the procedures and remedies under the Company Act (British Columbia). The discharge by the directors and officers of their obligations to the Company may result in a breach of their obligations to the other companies and, in certain circumstances, this could expose the Company to liability to those companies. Similarly, discharge by the directors and officers of their obligations to the other companies could result in a breach of their obligation to act in the best interests of the Company. As a consequence of such conflicting legal obligations, the Company may be exposed to liability to others and its ability to achieve its business objectives may be impaired.

Dilution

Investors acquiring Common Shares offered hereby will suffer immediate dilution. After giving effect to the Offering, the dilution per Common Share, based upon the balance sheet of the Company as at August 31, 2000, will be as follows:

Offering price per Common Share..		$0.18
Net tangible book value before the Offering..	$0.090	
Increase in net tangible book value attributable to the Offering	$0.037	
Net tangible book value after the Offering...		$0.127
Dilution per Common Share		$0.053
Percentage of dilution in relation to offering price per Common Share.................		29.4%

DESCRIPTION OF SECURITIES OFFERED

The authorized share capital of the Company consists of 200,000,000 shares divided into 100,000,000 Common Shares without par value, of which 1,120,000 Common Shares are issued and outstanding, and 100,000,000 preferred shares without par value, of which none are issued and outstanding. All of the issued Common Shares are fully paid and not subject to any future call or assessment.

All of the Common Shares rank equally as to voting rights, participation in a distribution of the assets of the Company on a liquidation, dissolution or winding-up of the Company and the entitlement to dividends. The holders of the Common Shares are entitled to receive notice of all meetings of shareholders and to attend and vote at the meetings. Each Common Share carries with it the right to one vote.

There are no pre-emptive rights, conversion rights, sinking or purchase fund provisions attached to the Common Shares. There are no restrictions contained in the Company's constating documents on the repurchase or redemption by the Company of Common Shares, subject to compliance with the Company Act (British Columbia).

In the event of the liquidation, dissolution or winding-up of the Company or other distribution of its assets, the holders of the Common Shares will be entitled to receive, on a pro rata basis, all of the assets remaining after the Company has paid out its liabilities. Distributions in the form of dividends, if any, will be set by the board of directors.

Provision as to the modification, amendment or variation of the rights attached to the Common Shares are contained in the Company's articles and the Company Act (British Columbia). Generally speaking, substantive changes to the share capital require the approval of the shareholders by special resolution passed by a majority of not less than three-quarters of the votes cast in person or by proxy by holders of the Common Shares.

The preferred shares may at any time be issued in one or more series with the special rights and restrictions attached to them determined by a resolution of the directors of the Company. The preferred shares are non-voting, subject to the Company Act (British Columbia) and they rank ahead of the Common Shares on the liquidation, dissolution or winding-up of the Company or other distribution of its assets.

PLAN OF DISTRIBUTION

By an agreement dated October 19, 2000, as replaced and superseded by an agreement dated April 19, 2001 (the "Agency and Sponsorship Agreement"), the Company appointed Wolverton Securities Ltd. as its agent to offer, on a reasonable commercial best efforts basis, 1,200,000 Common Shares at a price of $0.18 per share. The price of the Common Shares offered hereby and the commission to the Agent was established through negotiation between the Company and the Agent.

The Exchange has conditionally approved the listing of the Common Shares being offered under this prospectus. Listing is subject to the Company fulfilling all of the listing requirements of the Exchange. The Agency and Sponsorship Agreement also provides that the Agent is to act as the Company's sponsor, and undertake prescribed sponsorship duties, in accordance with the requirements of the Exchange until the close of business on the date that the Common Shares commence trading on the Exchange.

The Offering will be made in accordance with the rules and policies of the Exchange and on a day determined by the Agent and the Company, with the consent of the Exchange. The closing of the Offering will occur on a date to be determined by the Company and the Agent no earlier than 10 business days after the Agent has mailed this prospectus to purchasers of the Common Shares offered hereby and, in any event, on or before the earlier of 90 days from the date of a receipt for the final prospectus is issued by the British Columbia Securities Commission, or any extension as permitted by the British Columbia Securities Commission, and 12 months from the date of issue of the receipt for the preliminary prospectus by the British Columbia Securities Commission. The Agent will, on the closing date of the Offering, pay the proceeds of the Offering to the Company, through the Company's registrar and transfer agent, against delivery of the certificates representing the Common Shares offered hereby. Completion of the Offering is subject to the receipt by the Company of subscriptions totalling $216,000 for the entire Offering of 1,200,000 Common Shares. In the event that all 1,200,000 Common Shares offered hereby are not sold, then all subscription proceeds will be returned to subscribers in full without interest or deduction.

Under the terms of the Agency and Sponsorship Agreement, the Company has agreed to pay to the Agent, upon completion of the Offering, a commission equal to 10% of the gross proceeds of the Offering payable in cash. In addition, upon completion of the Offering, the Agent will be granted non-transferable Agent's Options to acquire up to 120,000 Common Shares at a price of $0.18 per share, exercisable for a period of 18 months from the date of listing of the Common Shares on the Exchange. The Agent's Options are qualified and distributed pursuant to this prospectus. The Agent's Options may be exercised in whole or in part by the Agent before the completion of the Qualifying Transaction by the Company, provided that no more than 50% of the Common Shares issuable upon exercise of the Agent's Options may be sold by the Agent before the completion of the Qualifying Transaction. As at the date hereof, the Agent does not own any Common Shares. The Company has also delivered to the Agent a retainer in the amount of $13,000, of which $7,500 plus applicable taxes are in respect of the Agent's due diligence fee and the balance is to be applied against the Agent's reasonable expenses, including legal fees, in connection with the Offering.

The Agent has reserved 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 commission and/or Agent's Options derived from the Offering.

The Agent may terminate its obligations under the Agency and Sponsorship Agreement at any time before the day the Common Shares commence trading on the Exchange if there is an occurrence of any nature which, in the opinion of the Agent, seriously affects or will seriously affect the financial markets or the ability of the Agent to perform its obligations under the Agency and Sponsorship Agreement. The Agent may also terminate the Agency and Sponsorship Agreement upon the occurrence of certain stated events in the Agreement, including the non-fulfilment of the conditions of closing.

The Company has granted the Agent a right of first refusal to act as agent on any future brokered equity financings that the Company requires or proposes to obtain up to that date which is the earlier of (a) that day which is 18 months following the date the Common Shares are listed and commence trading on the Exchange and (b) the date of closing of the Qualifying Transaction. Until such date, the Agent also has a right of first refusal to act as the Company's sponsor with respect to the Qualifying Transaction.

Other than as described 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.

In accordance with the rules and policies of the Exchange, the Agent is required to give full client preference of the entire Offering for purchase by retail clients. Clients of the Agent will have preference, to the extent there is demand, for the entire Offering. The Agent may allocate the Offering among its clients with such preference as it may determine in its sole discretion. If client demand is less than all of the Offering, the difference between the total Offering and client demand may be allocated to members of the Exchange and their partners, directors, officers, registered representatives and employees. Pursuant to the Policy 2.4, however, the Agent and its directors, officers, employees and contractors and any affiliates of the Agent or such persons may not subscribe for Common Shares under the Offering. The directors, officers and any other insiders of the Company may purchase Common Shares under the Offering.

The maximum number of Common Shares which may be directly or indirectly purchased by any one purchaser on the Offering will be 24,000 Common Shares (being 2% of the total Offering), provided that the maximum number of Common Shares which may be directly or indirectly purchased by any purchaser, together with that purchaser’s associates and affiliates, is 48,000 Common Shares (being 4% of the total Offering).

There are no agreements or arrangements whereby the Agent is to sell any portion of the Offering outside British Columbia.

Pursuant to Policy 2.4, other than the Common Shares offered hereby, the Agent’s Options and stock options granted to an officer or director of the Company, no securities of the Company may be issued or traded during the period between the date of the receipt for the Company’s preliminary prospectus and the time the Common Shares begin trading on the Exchange, except with the prior written acceptance by the Exchange and the British Columbia Securities Commission.

USE OF PROCEEDS

Assuming completion of the Offering, the Company will receive net proceeds of $194,400, after deduction of the Agent’s commission. The net proceeds of the Offering, together with working capital as at March 31, 2001 of $50,245, amounts to $244,645 which is intended to be used as follows:

Estimated costs to identify and evaluate potential acquisitions(1)	$221,915
Estimated unpaid offering costs, including agents expenses, printing costs and legal fees but excluding prepaid expenses	$5,000
Estimated general and administrative expenses(2)	$17,730
	$244,645

(1) In the event that the Company completes an approved Qualifying Transaction prior to spending the entire $221,915 on identifying and evaluating properties or businesses, the Company may use the remaining funds to finance or partially finance the acquisition of, or participation in, such property or business or for other purposes.

(2) Management of the Company anticipates that these general and administrative expenses will be incurred in order to meet the Company’s stated business objectives over the 18-month period following the Offering.

In the event that the Agent's Options are exercised, there will be available to the Company a maximum of $21,600 which will be added to the working capital of the Company. See "Plan of Distribution".

Pursuant to Policy 2.4, until the completion of the Qualifying Transaction, a maximum of 30% of the gross proceeds from the sale of all securities of the Company, including the Common Shares under this Offering, may be used by the Company for listing and filing fees, agent's fees, costs or commissions, legal and audit expenses, other costs of the issue of securities and administrative and general expenses. Until the completion of the Qualifying Transaction, no monies may be spent by the Company to acquire or lease a vehicle. The remaining 70% of the gross proceeds received from the sale of securities of the Company may be used by the Company only to identify and evaluate assets or businesses for a prospective Qualifying Transaction, including expenses such as valuations or appraisals, business plans, feasibility studies and technical assessments, geological reports, financial statements, legal and accounting fees relating to the identification of a Qualifying Transaction and obtaining shareholder approval in respect thereof, and up to an aggregate of $100,000 as a deposit for a proposed arm's length Qualifying Transaction (a maximum of $25,000 of which may be non-refundable or unsecured, with the balance of at least $75,000 to be refundable and held in trust pending completion of the Qualifying Transaction).

No remuneration, compensation, advances or finder's fees of any nature whatsoever will be paid, directly or indirectly, by the Company to a party related to the Company prior to completion of Qualifying Transaction or for any services rendered or obligations incurred prior to completion of or in connection with a Qualifying Transaction. The Company may compensate a party related to the Company for reasonable out-of-pocket expenses and for general and administrative expenses such as office supplies, rent and utilities, incurred by such person on behalf of the Company. See "Description of Offices" for existing arrangements for such expenses.

The Company will spend the funds available to it on the completion of this Offering to further the Company's stated business objectives set out in "Business of the Company". There may be circumstances where, for sound business reasons, a reallocation of funds may be necessary in order for the Company to achieve its stated business objectives.

SHARE CAPITAL

Existing and Proposed Share Capital

The following represents the Company's share capital both before and after the issuance of the 2,000,000 Common Shares offered hereby:

	Number of Issued Common Shares	Price per Share	Total Consideration
Prior issuances of Common Shares	1,120,000(1)	$0.09	$100,800
Offering	1,200,000	$0.18	$216,000
To be issued if all Common Shares being offered are sold(2)	2,320,000		$316,800

(1) All of these shares are held in escrow in accordance with Policy 2.4. See "Escrowed Shares".
(2) Prior to any exercise of the Agent's Options.

See "Description of Securities Offered" for a summary of the authorized Common Shares and the rights attached thereto.

Options and Other Rights to Purchase Shares

The Company has outstanding the following incentive stock options to purchase Common Shares which have been granted to directors and officers of the Company in accordance with Policy 2.4, as at the date of this prospectus:

Name of Optionee	Number of Optioned Shares	Percentage of Total Options Granted in the Last Year	Exercise Price per Share
Ron Miles	92,800	40%	$0.18
Mark Brown	46,400	20%	$0.18
David Hottman	46,400	20%	$0.18
Fontaine Wong	46,400	20%	$0.18
	232,000		

As the Company's shares were not listed on the date of the grant of the above options, the market value of the securities underlying the options on the date of grant is not available.

The stock options all expire on the earliest to occur of (a) the fifth anniversary of the date on which the Common Shares begin trading on the Exchange, (b) the 30th day after the optionee last ceases to be a director, senior officer or employee of the Company for any reason other than death, and (c) the first anniversary of the date of the death of the optionee. The stock options are non-transferable.

Pursuant to Policy 2.4, none of the foregoing stock options may be exercised before completion of the Qualifying Transaction unless the optionee agrees in writing to deposit the Common Shares acquired into escrow until the issuance of final notice by the Exchange that the Company has completed a Qualifying Transaction.

Upon completion of the Offering, the Company will also have outstanding Agent's Options for the purchase of up to 120,000 Common Shares. See "Plan of Distribution" for particulars of the Agent's Options.

An aggregate of 352,000 Common Shares are issuable upon the exercise of the foregoing stock options and the Agent's Options. There are no assurances that the stock options or the Agent's Options will be exercised in whole or in part.

Fully Diluted Share Capital

The following is a summary of the Company's share capital presented on a fully diluted basis:

	Number of Shares	Percentage of Total
Issued as of the date of this prospectus:	1,120,000	41.9%
Offered under this prospectus:	1,200,000	44.9%
Reserved for future issue as of the date of this prospectus	352,000	13.2%
Total	2,672,000	100%

Principal Holders of Voting Securities

The only persons who have, or are known by the Company to have, direct or indirect beneficial ownership of or control or direction over Common Shares that will constitute more than 10% of the outstanding Common Shares upon completion of the Offering are the current directors and officers of the Company. See "Directors, Officers and Promoters" for details of their holdings of Common Shares.

Escrowed Shares

Pursuant to an escrow agreement dated October 19, 2000 (the "Escrow Agreement"), the current shareholders of the Company (all being directors and officers of the Company) have deposited an aggregate of 1,120,000 Common Shares (the "Escrowed Shares") with Pacific Corporate Trust Company to be held in escrow pursuant to the terms and conditions of the Escrow Agreement. See "Directors, Officers and Promoters".

The following table sets out information on the Common Shares held in escrow as at the date hereof:

Designation of class	Number of Common Shares held in escrow	Percentage of Common Shares outstanding prior to Offering	Percentage of Common Shares outstanding after Offering
Common Shares	1,120,000	100%	48.3%

In that the 1,120,000 Common Shares were all issued to insiders of the Company prior to the Offering at a price that is less than the offering price of the Common Shares offered hereby, Policy 2.4 deems them to all be "Discount Seed Shares". As such, the Escrow Agreement provides that the Discount Seed Shares shall be immediately cancelled upon any notice by the Exchange delisting the Company from the Exchange.

Policy 2.4 further requires the escrow of Common Shares, beneficially owned or controlled, directly or indirectly, by related parties of the Company which are acquired under the Offering or are acquired from the Company's treasury after the Offering but prior to the completion of a Qualifying Transaction. All Common Shares acquired by a control person of the Company in the secondary market prior to the completion of the Qualifying Transaction will also be subject to escrow restrictions. A control person is a person who holds or is a combination of persons that holds a sufficient number of any of the securities of the Company so as to materially affect the control of the Company, or that holds more than 20% of the outstanding voting securities of the Company, except where there is evidence showing that the holder of those securities does not materially affect the control of the Company. In addition, Common Shares (other than Common Shares issued in conjunction with a Qualifying Transaction), which are acquired by a private placement or any other manner by a control person of the Company (determined after giving effect to the issuance) or by related parties to the Company before completion of the Qualifying Transaction, must be escrowed. Pursuant to Policy 2.4, all escrowed shares, other than Discount Seed Shares, must be forfeited and cancelled ten years after any notice by the Exchange delisting the Company.

Pursuant to Policy 2.4 and the Escrow Agreement, the Escrowed Shares shall not be released unless a Qualifying Transaction is completed by the Company. The original number of all escrowed shares of the Company (including Discount Seed Shares) may be released pro-rata as to 10% following receipt of final notice from the Exchange that the Company has completed a Qualifying Transaction and as to 15% every six months after the initial release so that all escrowed shares will have been released three years after completion of the Qualifying Transaction. In addition, any escrowed Common Shares acquired upon the exercise of a stock option granted by the Company prior to the completion of the Qualifying Transaction will also be released upon receipt of final notice from the Exchange that the Company has completed a Qualifying Transaction. The Exchange may approve an accelerated release schedule if the Company, after completion of the Qualifying Transaction, meets "Tier 1 Issuer" listing requirements.

Securities issued pursuant to the Qualifying Transaction will be required to be escrowed as follows: (a) all securities which will be held by then principals of the Company upon completion of the Qualifying Transaction are required to be escrowed pursuant to the Exchange's Policy 5.4 entitled "Escrow and Vendor Consideration"; and (b) any securities issued to any other person in conjunction with or contemporaneous to the Qualifying Transaction may also be subject to escrow requirements pursuant to the Exchange's Policy 5.4.

Escrow agreements, in the form prescribed by the Exchange, restrict the sale, assignment, hypothecation and transfer of all escrowed shares without the prior written consent of the Exchange. Policy 2.4 provides that the Exchange will generally only permit a transfer of escrowed shares to incoming principals of the Company in connection with a Qualifying Transaction. In the event of the bankruptcy or death of a holder of escrowed shares, the escrow agent, with written notification to the Exchange, may transmit such holders' escrowed shares to the trustee in bankruptcy, executor, administrator or such other person as is legally entitled to become the registered owner of the escrowed shares. Escrowed shares which are transferred to a trustee in bankruptcy will remain in escrow subject to the applicable escrow agreement. Escrowed shares transferred upon death will be released from escrow to the applicable legal representative unless the Exchange objects.

DIVIDEND RECORD AND POLICY

The Company has not paid any dividends since incorporation and it has no plans to pay dividends in the immediate future. If the Company generates earnings in the future, it expects that they will be retained to finance further growth, if any, and, when appropriate, retire debt. The directors of the Company will determine if and when dividends should be declared and paid in the future based on the Company's financial position at the relevant time. All of the Common Shares are entitled to an equal share in any dividends declared and paid.

SPONSORSHIP AND FISCAL AGENCY AGREEMENTS

The Company has not entered into any sponsorship or fiscal agency agreements other than the Agency and Sponsorship Agreement wherein the Agent has agreed to act as the Company's sponsor for the listing of the Common Shares on the Exchange. See "Plan of Distribution". The Company will also be required to obtain sponsorship by a member firm of the Exchange at the time the Company enters into a Qualifying Transaction. The Company has granted the Agent a right of first refusal to act as the Company's sponsor with respect to a Qualifying Transaction, along with any future brokered equity financings the Company proposes to obtain up to that date which is the earlier of (a) that date which is 18 months following the date the Common Shares are listed and commence trading on the Exchange and (b) the date of closing of the Qualifying Transaction. See "Plan of Distribution".

INVESTOR RELATIONS ARRANGEMENTS

The Company has not entered into any investor relations agreements. Pursuant to Policy 2.4, at the time of listing on the Exchange and until completion of a Qualifying Transaction, neither the Company nor any other party on behalf of the Company will have engaged or will engage the services of any person to provide investor relations, promotional or market-making services.

RELATIONSHIP BETWEEN COMPANY AND AGENT

The Company is not a related party or connected party, as those terms are defined in British Columbia securities legislation, of the Agent.

RELATIONSHIP BETWEEN COMPANY AND PROFESSIONAL PERSONS

No professional person, as defined in section 106 of the Securities Rules (British Columbia), has any beneficial interest, direct or indirect, in any securities or property of the Company or an associate or affiliate of the Company and no such professional person expects to be elected, appointed or employed as a director, senior officer or employee of the Company or of any associate or affiliate of the Company, or is a promoter of the Company or of any associate or affiliate of the Company.

LEGAL PROCEEDINGS

There are no outstanding or, to the Company's knowledge, contemplated legal proceedings involving the Company that are material to the business or affairs of the Company.

AUDITOR

The auditor of the Company is De Visser & Co., Chartered Accountants, #400 – 905 West Pender Street, Vancouver, British Columbia V6C 1L6.

REGISTRAR AND TRANSFER AGENT

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

MATERIAL CONTRACTS

The following are the material contracts of the Company that have been entered into since incorporation or that will be entered into prior to completion of the Offering:

(a) Agency and Sponsorship Agreement dated April 19, 2001 with Wolverton Securities Ltd. described under "Plan of Distribution";

(b) Escrow Agreement dated October 19, 2000 with Pacific Corporate Trust Company described under "Share Capital — Escrowed Shares"; and

(c) Stock Option Agreements dated April 19, 2001 between the Company and each of Ron Miles, Mark Brown, David Hottman and Fontaine Wong described under "Options and Other Rights to Purchase Shares".

The material contracts described above may be inspected at the offices of the Company, Suite 250 – 625 Howe Street, Vancouver, British Columbia V6C 2T6, during normal business hours while the Common Shares offered hereby are in the course of distribution and for a period of 30 days thereafter.

OTHER MATERIAL FACTS

There are no other material facts relating to the Common Shares proposed to be offered which have not been disclosed elsewhere in this prospectus.

PURCHASERS' STATUTORY RIGHTS

Securities legislation in British Columbia provides purchasers with the right to withdraw from an agreement to purchase securities within two business days after receipt or deemed receipt of a prospectus and any amendment. The securities legislation further provides 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 legislation. The purchaser should refer to sections 83, 131, 135 and 140 for the particulars of these rights or consult with a legal advisor.

GATEWAY ENTERPRISES LTD.

FINANCIAL STATEMENTS

AUGUST 31, 2000

D E V I S S E R & C O M P A N Y
CHARTERED ACCOUNTANTS

401 - 905 West Pender Street
Vancouver, BC Canada
V6C 1L6

Tel: (604) 687-5447
Fax: (604) 687-6737

AUDITOR'S REPORT

To the Directors of Gateway Enterprises Ltd.

We have audited the balance sheet of Gateway Enterprises Ltd. as at August 31, 2000 and the statement of cash flows for the period from incorporation on August 14, 2000 to August 31, 2000. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Company as at August 31, 2000 and the statement of cash flows for the period from incorporation on August 14, 2000 to August 31, 2000 in accordance with generally accepted accounting principles.

/s/ "De Visser & Company"

CHARTERED ACCOUNTANTS

Vancouver, British Columbia
October 12, 2000, except as to note 6 which is
as of April 19, 2001

GATEWAY ENTERPRISES LTD.
Balance Sheet
As at August 31, 2000

A S S E T S

Current		
Cash	$	99,140
Organization costs (Note 3)		6,660
	$	105,800

L I A B I L I T I E S

Current		
Accounts payable	$	5,000

S H A R E H O L D E R S' E Q U I T Y

Share subscriptions (Note 4)		100,800
	$	105,800

Approved by the Board of Directors:

/s/ "Ron Miles" /s/ "Mark T. Brown"

Ron Miles Mark T. Brown

See notes to the financial statements

GATEWAY ENTERPRISES LTD.
Statement of Cash Flows
For the Period from Incorporation on August 14, 2000
to August 31, 2000

	$
Cash Provided By (Used For):	
Financing Activities	
Organization costs	(1,660)
Issue of share capital	100,800
Net cash provided during the period	99,140
Cash - beginning of period	-
Cash - end of period	99,140

Supplementary Information

The Company incurred $5,000 of organization costs, which are unpaid and remain in accounts payable.

1. THE COMPANY

The Company was incorporated on August 14, 2000 under the Company Act of the Province of British Columbia. Since incorporation, the Company's sole activity has been the filing of a prospectus to become listed on the Canadian Venture Exchange ("the Exchange") as a "Capital Pool Company" as defined in the Exchange's Policy 2.4.

As a Capital Pool Company, the principal business of the Company is to identify and evaluate opportunities for the acquisition of an interest in assets or businesses and, once identified and evaluated, to negotiate an acquisition or participation subject to receipt of shareholder approval and acceptance for filing by the Exchange. Until the completion of a Qualifying Transaction, the Company will not carry on any business other than the identification and evaluation of assets or businesses in connection with potential Qualifying Transactions. The Company does not have business operations or assets other than cash, and has no written or oral agreements for the acquisition of an assets or business at this time.

In addition, the Exchange may suspend from trading or delist the common shares of the Company where it has failed to complete a Qualifying Transaction within 18 months of its date of listing.

Refer to note 6.

2. FINANCIAL STATEMENTS

The Company did not incur any expenditures nor earn any interest during the period, and accordingly there is no statement of operations or deficit.

3. ORGANIZATION COSTS

These costs represent fees paid related to incorporation and the acquisition of a listing on the Canadian Venture Exchange. These costs will be offset against share capital when the Company's application for listing is accepted.

4. SHARE CAPITAL

a) Authorized: 100,000,000 common shares without par value

b) Subscribed: 1,120,000 common shares for a total cash consideration of $100,800. These shares are to be placed in escrow upon the successful application of the Company as a Capital Pool Company. The release of these shares from escrow will be subject to the written consent of the British Columbia Securities Commission.

c) Stock Options: The Directors have approved incentive stock options to be granted directors, officers and employees of the Company totaling 312,000 shares exercisable at a price of $0.18 per share prior to the fifth anniversary date on which the common shares begin trading on the Exchange. Refer to note 6.

5. RELATED PARTY TRANSACTIONS

The Company has an agreement to pay $500 per month for shared office expenses to a company, which has two directors in common with the Company.

6. SUBSEQUENT EVENTS

- The Company filed a prospectus with the B.C. Securities Commission offering 2,000,000 common shares at $0.18 per common share as an initial public offering. Subsequent to initial receipt, the Company re-filed an amended Prospectus to reduce to size of the offering to 1,200,000 common shares at $0.18 per common share. The agent will receive a cash commission equal to 10% of the gross proceeds of the offering and will also be granted a non-transferable option to purchase up to 120,000 common shares at a price of $0.18 per share for a period of 18 months from the date that the Company's shares commence trading on the Canadian Venture Exchange. In addition, the Company has also paid the agent a retainer of $13,000, of which $7,500 plus GST is in respect of the agent's due diligence fee and the balance is to be applied against the agent's expenses.

- Consistent with the terms of the amended Prospectus and the requirements of the Exchange's Policy 2.4, the Company cancelled 80,000 stock options granted to directors and officers, bringing the total options outstanding to 232,000. All other terms of these options remain unchanged.

CERTIFICATE OF THE COMPANY

DATED: April 26, 2001

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) and the rules and regulations thereunder.

(signed) RON MILES President (as chief executive officer)	(signed) MARK BROWN Secretary (as chief financial officer)

On behalf of the Board of Directors

(signed) DAVID HOTTMAN Director	(signed) FONTAINE WONG Director

CERTIFICATE OF THE PROMOTER

DATED: April 26, 2001

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) and the rules and regulations thereunder.

(signed) RON MILES

CERTIFICATE OF THE AGENT

DATED: April 26, 2001

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) and the rules and regulations thereunder.

WOLVERTON SECURITIES LTD.

(signed) BRENT N. WOLVERTON