ANNUAL INFORMATION FORM
(“AIF”)

of

CANLEY DEVELOPMENTS INC.

(the “Issuer”)

Suite 800 - 850 West Hastings Street
Vancouver, British Columbia
V6C 1E1

Dated: March 10, 2003

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PRELIMINARY NOTES

Effective Date of Information

This AIF is dated March 14, 2003 and the information contained herein is current as of such date, other than certain financial information which is current as of December 31, 2002, being the date of the Issuer's most recently completed financial year end.

Incorporation of Other Information

This AIF will be supplemented by, and the following documentation is hereby incorporated by reference as part of this AIF: (a) audited financial statements for the fiscal year ended December 31, 2002, together with the auditors' report thereon; (b) Proxy Circular and Addendum to Proxy Circular dated May 1, 2001 with respect to the Issuer's Annual and Special General Meeting held on June 15, 2001; (c) all documents, including prospectuses, material change reports, and quarterly financial statements as filed with the B.C. Securities Commission (the "BC Commission"), the Alberta Securities Commission (the "Alberta Commission"), the Ontario Securities Commission (the "Ontario Commission") and the Quebec Securities Commission (the "Quebec Commission") in accordance with the requirements of the *Securities Act* (B.C.) (the "BC Act"), the *Securities Act* (Alberta) (the "AB Act"), the *Securities Act* (Ontario) (the "Ontario Act") and the *Quebec Act* (the "Quebec Act") respectively. See Item 9 for further particulars of obtaining copies of these documents, which will also be available for viewing on the website www.sedar.com.

All financial information in this AIF is prepared in accordance with accounting principles generally accepted in Canada ("Canadian GAAP"). The Issuer's fiscal year end is December 31.

Currency

All dollar amounts are expressed in Canadian dollars unless otherwise indicated.

Purpose

This AIF is prepared in accordance with Form 44-101F1 to Multilateral Instrument 45-102, for the limited purpose of providing relevant background material necessary for a proper understanding of the nature of the Issuer, its operations and prospects for the future.

ITEM 1: INCORPORATION

Incorporation or Organization of Issuer

The full name of the Issuer is Canley Developments Inc. The Issuer was incorporated on May 25, 1998 under the *Canada Business Corporations Act* under the name 3423786 Canada Inc., and on July 27, 1998 changed its name to Augusta Corporation. On August 3, 2001 the Issuer changed its name to Canley Developments Inc. and consolidated its Class "A" common shares on a 15 old for 1 new basis. The Class "B" common shares and preferred shares were not affected, there being no Class "B" common shares or preferred shares issued.

The Issuer is an exchange issuer under the BC Act and the Alberta Act and, as such, is required to make filings on a continuous basis thereunder. Such material is available for inspection through the BC Commission and the Alberta Commission, and on the Sedar website at www.sedar.com .

Subsidiaries

The Issuer has no subsidiaries.

Employees

The Issuer currently has four full time employees, of whom two are directors of the Issuer (being Richard Warke and Donald Clark). The business of the Issuer is conducted by its directors and officers. Messrs. Warke and Clark are remunerated for their services. See the Issuer's financial statements which are incorporated herein by reference.

ITEM 2: GENERAL DEVELOPMENT OF THE BUSINESS

Activities During Past Three Years

The Issuer was incorporated and commenced operations on May 25, 1998 as a wholly owned subsidiary of Augusta Gold Corporation, now known as Pulse Data Inc. ("Pulse"). In 1998 Pulse undertook a plan of arrangement whereby Pulse transferred all its assets and liabilities to the Issuer and on September 30, 1998 distributed all of its shares in the Issuer to Pulse's shareholders on a one for one basis. The Issuer's shares commenced trading on the TSX Venture Exchange ("TSX Venture") on October 1, 1998. The Issuer did not participate in any exploration programs during the years 2000 to 2002.

- on February 21, 2000, a total of 1,000,000 special warrants were issued pursuant to a private placement offering, at a price of $0.10 per special warrant for total gross proceeds of $100,000. Each special warrant entitled the holder, without additional consideration, to one Unit consisting of one common share and one share purchase warrant. Each warrant entitled the holder to purchase one common share at a price of $0.12 per share for a period of two years. The private placement received regulatory approval on April 9, 2000. On April 26, 2001 the special warrants were exercised and 1,000,000 common shares were issued pursuant to the exercise of the special warrants. The Issuer issued 1,000,000 share purchase warrants in connection with the above noted private placement which would net the Issuer $120,000 if fully exercised by April 9, 2002. The warrants expired unexercised. This transaction was with a company in which a director of the Issuer, Richard W. Warke, has a 100% interest.

- on August 3, 2001, the Issuer changed its name from "Augusta Corporation" to "Canley Developments Inc.". Also effective on August 3, 2001, the shares of the Issuer were consolidated on a 15 old for 1 new basis. The issued and outstanding shares post consolidation being 1,384,797 common shares.

- on December 6, 2001, the Issuer negotiated a private placement of 1,200,000 common shares at a price of $0.05 per share for gross proceeds of $60,000. On January 29, 2002, the Issuer received acceptance from TSX Venture in connection with this private placement, these shares were also issued on January 29, 2002 and was subject to a hold period expiring on January 30, 2003.

- on December 17, 2001, the Issuer entered into six (6) debt settlement agreements, two of which with a director of the Issuer, Donald B. Clark for 120,000 common shares, and Tatiana Investment Corporation, company which shares a common director, Richard W. Warke, for 106,770 common shares. Pursuant to these agreements, the Issuer received final regulatory approval for TSX Venture to issue an aggregate of 905,100 common shares at a deemed price of $0.10 per share. On March 19, 2002 the Issuer issued 798,330 common shares in settlement of debt amounting to $79,833. The issuance of the 798,330 common shares was subject to various hold periods, based on when the debt was incurred, and are as follows: 120,000 common shares expiring on May 1, 2002; 204,274 common shares expiring on September 1, 2002; 260,000 common shares expiring on September 15, 2002; 4,056 common shares expiring on December 18, 2002; and 210,000 common shares did not have a hold period as the debts were over one year old.. A *further issuance of 106,770 common shares to Tatiana Investment Corporation is subject to disinterested shareholder approval.*

- on May 14, 2002, the Issuer negotiated a private placement of 998,338 common shares at a price of $0.23 per share, for gross proceeds of $229,617. On August 1, 2002, the Issuer received acceptance from TSX Venture in connection with this private placement, these shares were also issued on August 1, 2002 and was subject to a hold period expiring on August 3, 2003.

- on November 15, 2002 the Issuer obtained a loan from Bolder Investment Partners Ltd. ("Bolder") in the amount of $25,000 (the "Loan"). The Loan is payable on demand with interest from November 15, 2002 at prime plus 5% per annum. In consideration of the Loan, the Issuer agreed to allot and issue 33,333 common shares to Bolder. The Issuer received acceptance from TSX Venture for the Loan on November 28, 2002, and the issuance of common shares which were issued on November 28, 2002. The shares are subject to a hold period expiring on November 29, 2003.

- on December 19, 2002, the Issuer negotiated a private placement of 1,150,000 common shares at a price of $0.10 per share, for gross proceeds of $115,000. On January 16, 2003, the Issuer received acceptance from TSX Venture in connection with this private placement, these shares were issued on January 16, 2003 and was subject to a hold period expiring on January 17, 2004.

- on February 7, 2003, the Issuer negotiated a private placement of 100,000 common shares at a price of $0.10 per share, for gross proceeds of $10,000. On February 13, 2003, the Issuer received conditional acceptance from TSX Venture in connection with this private placement. These shares will be subject to a hold period expiring 12 months from the date of receipt of final acceptance from TSX Venture.

- on December 5, 2000 the Issuer was designated as Inactive by TSX Venture as the company did not satisfy the Tier Maintenance Requirements ("TMR") of TSX Venture. In December 2001 and June 2002, the Issuer submitted a reactivation plan with the TSX Venture which was acceptable in principle, but the Issuer was still required to meet TMR by September 30, 2002 or the listed shares would be halted from trading. The Issuer was unable to satisfy TMR by September 30, 2002, and therefore was halted from trading on October 2, 2002. The Issuer had 90 days to comply with TMR for TMR reinstatement requirements to remain in effect. The Issuer submitted a TMR Reactivation Plan to TSX Venture on December 19, 2002, which was accepted for filing on February 20, 2003. The Issuer's securities resumed trading on February 21, 2003 and the inactive designation was removed.

- on March 5, 2003, the Issuer granted director, employee and consultant incentive stock options to purchase up to 455,000 common shares at a price of $0.15 per share, for a period of five years ending March 4, 2008. The Issuer announced that it will also seek to re-price existing options to purchase up to 118,997 common shares currently at $1.50 per share to $0.15 per share. These transactions are subject to TSX Venture approval and the re-pricing of options to purchase up to 112,331 common shares, held by insiders, are subject to disinterested shareholder approval.

- on March 6, 2003, the Issuer negotiated a non-brokered private placement of up to 750,000 units at a price of $0.20 per unit. Each unit will comprise of one common share and one half of a share purchase warrant, with one full share purchase warrant entitling the holder to acquire one common share at a price of $0.25 for a period of one year. The transaction is subject to regulatory approval.

- Due to the depressed market for junior resource companies the past three years were very difficult for the Issuer, particularly year 2002. Management continues to search for additional opportunities in the resource sector as well as in other industries.

Significant Acquisitions and Significant Dispositions

During the years ended December 31, 1998 and December 31, 1999 the Issuer acquired and/or disposed of the following significant property:

Pursuant to the Plan of Arrangement undertaken by the Issuer on September 30, 1998, the Issuer acquired from Pulse an option to acquire a 50% working interest in the El Real concession located in the State of Zacatecas, Mexico, a 35% working interest in the Choco-6 property in Venezuela, and approximately $1.4 million in working capital. The Choco-6 property was in the exploratory stage and was not producing and did not generate any operating income or cash flows from operations. Further development is on hold pending increased precious and base metal prices and the Issuer's ability to acquire sufficient additional financing. During the year ended December 31, 2001, the Issuer wrote off all its mining assets.

On January 26, 1999, the Issuer terminated its agreement with Teuton Resources Corp. and Minvita Enterprises Ltd. whereby the Issuer had the option to earn a 50% interest in the El Real concession in the State of Zacatecas, Mexico. The termination of the agreement occurred as the Issuer was unable to properly register the El Real concession property title.

During the year ended December 31, 2002, as an integral part of the TSX Venture TMR Reactivation Plan the Issuer acquired the following significant property:

Pursuant to Option Agreement dated December 19, 2002 between Wildrose Resources Ltd. and the Issuer, the Issuer was granted an option to acquire a 60% working interest in the Canadian Creek block of claims comprising of 5,200 hectares (the "Canadian Creek Property"). The Canadian Creek Property is located in Yukon Territory, Canada, approximately 150 kilometers south of Dawson City and approximately 300 km northwest of Whitehorse. Prior exploration on the Canadian Creek Property has indicated the presence of porphyry copper with lesser amounts of gold and molybdenite. In consideration therefor, the Issuer agreed to:

(a) upon execution of the Option Agreement, pay $10,000 cash payment or (at the Issuer's option) issue $10,000 worth of common shares of the Issuer (the "First Issuance") to Wildrose Resources Ltd.; the shares issued being valued at a price of $0.15 per share.

(b) upon having completed $40,000 in exploration work, pay $20,000 cash payment or (at the Issuer's option) issue $20,000 worth of common shares of the Issuer to Wildrose Resources Ltd. on the first anniversary of the First Issuance (Optional). The price per share issued being valued at the average of the preceding 15 trading days. The initial payment of $10,000 and $40,000 in exploration work are firm commitments by the Issuer.

(c) upon having completed an additional $100,000 in exploration work, pay $30,000 cash payment or (at the Issuer's option) issue $30,000 worth of common shares of the Issuer to Wildrose Resources Ltd. on the second anniversary of the First Issuance. The price per share issued being valued at the average of the preceding 15 trading days. The participation and continued interest in the Canadian Creek Property by the Issuer on the second anniversary of the First Issuance, and hereafter, is optional.

(d) upon having completed an additional $250,000 in exploration work, pay $40,000 cash payment or (at the Issuer's option) issue $40,000 worth of common shares of the Issuer to Wildrose Resources Ltd. on the third anniversary of the First Issuance. The price per share issued being valued at the average of the preceding 15 trading days.

(e) upon having completed an additional $400,000 in exploration work, pay $50,000 cash payment or (at the Issuer's option) issue $50,000 worth of common shares of the Issuer to Wildrose Resources Ltd. on the fourth anniversary of the First Issuance. The price per share issued being valued at the average of the preceding 15 trading days.

(f) upon having completed an additional $610,000 in exploration work, issue $50,000 worth of common shares of the Issuer to Wildrose Resources Ltd. on the fifth anniversary of the First Issuance. The price per share issued being valued at the average of the preceding 15 trading days.

If the Issuer fails to make cash payments, share issuances or exploration expenditures within the times set forth in this Agreement, then the Option Agreement shall forthwith be terminated and of no further force or effect.

Pursuant to Option Agreement dated March 3, 2003 between 21st Century Energy Corp. (the "Vendor") and the Issuer, the Issuer was granted an option to acquire a 100% working interest in the Lodestone Mountain Property ("Lodestone"). Lodestone is located 17 km, accessible by road, from Coalmont, BC. Based upon a report completed in the 1970's by Wright Engineering and further evaluation by PBK Engineering in 1992, Lodestone contains a proven resource of 98,600,000 tonnes grading 15.5% iron (Fe) and a probable resource of 128,000,000 tonnes grading 13.9% Fe (using a cut-off grade of 11% Fe). Lodestone has historically produced over 20,000 ounces of platinum and there are several areas that have recorded grades in excess of 1 gram platinum per tonne, however there has never been any coordinated exploration effort conducted on the Property for platinum group metals. In consideration therefor, the Issuer agreed to:

(a) issue 3,166,666 common shares

(b) issue 3,000,000 share purchase warrant exercisable into common shares at a price of $0.20 per share for a term of 3 years

(c) make cash payments of $100,000 over a 2 year period, with the Vendor retaining a 5% Gross Overriding Royalty on all ferrous metals produced, and 2% NSR on all other minerals produced.

The Vendor of Lodestone is not arms length to the Issuer, therefore the acquisition will be subject to disinterested shareholder and regulatory approval.

Trends

There is no trend, commitment, event or uncertainty that is both presently known to management and reasonably expected to have a material effect on the Issuer's business, financial condition or results of operation.

Risks Factors

The following risk factors apply to the Issuer:

Risk of Mineral Exploration. Exploration for porphyry copper, molybdenite, and gold (the "precious and base metals") is speculative in nature, involves many risks and is frequently unsuccessful. Any exploration program entails risks relating to the location of economic ore bodies, development of appropriate metallurgical processes, receipt of necessary government approvals and contraction of mining and processing facilities at any site chosen for mining. The commercial viability of a mineral deposit is dependent on a number of factors including the price of the precious and base metals, exchange rates, the particular attributes of the deposit, such as its size, grade and proximity to infrastructure, as well as other factors including financing costs, taxation, royalties, land tenure, land use, water use, power use, importing and exporting the precious and base metals and environmental protection. The effect of these factors cannot be accurately predicted.

The resource properties in which the Issuer has an interest or option to acquire are in the exploration stages only and are without reserves of any precious and base metals. There can be no assurance that the current or proposed exploration development program on the properties in which the Issuer has an interest or option to earn an interest will result in the discovery of economic mineralization or will result in the profitable commercial mining operation.

Precious and Base Metal Prices. The Issuer does not own any molybdenite, copper or gold producing assets. The profitability of any precious and base metal mining operation in which the Issuer has an interest will be significantly affected by changes in the market price of the precious and base metals. Precious and base metals prices fluctuate on a daily basis and are affected by numerous factors beyond the Issuer's control. The level of interest rates, the rate of inflation, central bank sales, world supply of the precious and base metals and stability of exchange rates, among other factors are in turn influenced by changes in international investment patterns and monetary systems and political developments. The prices of the precious and base metals have historically fluctuated widely and, depending on the price of same, revenues from mining operations may not be sufficient to offset the costs of such operations.

Uncertainty of Funding. The Issuer's current operations do not generate any positive cash flow and it is not anticipated that any positive cash flows will be generated in the foreseeable future. The Issuer has limited financial resources and the mining claims in which the Issuer has an interest and an option to acquire an interest require financial expenditures to be made by the Issuer. There can be no assurance that adequate funding will be available to the Issuer so as to exercise its option or to maintain its interests once those options have been exercised.

Further exploration work and development of the properties in which the Issuer has an interest or option to acquire depend upon the Issuer's ability to obtain financing through joint venturing of projects, debt financing, equity financing or other means. Failure to obtain financing on a timely basis could cause the Issuer to forfeit all or parts of its interests in the Choco-6 property and the Canadian Creek property, or joint ventures and reduce or terminate its operations.

Competition. Aggressive competition exists for mining opportunities. There are a number of large established mining companies with substantial capabilities and greater financial and technical resources than the Issuer and the Issuer may be unable to acquire additional attractive mining properties on terms it considers acceptable. Accordingly, there can be no assurance that the Issuer's exploration and acquisition programs will yield any reserves or result in any commercial mining operation.

Factors May Detrimentally Affect the Markets for Metals. Resource exploration and development is a speculative business and involves a high degree or risk. The marketability of natural resources that may be acquired or discovered by the Issuer will be affected by numerous factors beyond the control of the Issuer. These factors include market fluctuations, the proximity and capacity of natural resource markets and processing equipment, supply and demand, inflation, 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 Issuer not receiving an adequate return on invested capital.

Uninsurable Risks. In the course of exploration and development of, and production from, mineral resource properties, certain risks may occur and may expose the Issuer to liabilities. Should such liabilities arise the payment of such liabilities may have a material, adverse effect on the Issuer's financial position. It is not always possible to fully insure against such risks or the Issuer may elect not to cover such risks because of the high cost of such insurance. The Issuer may become subject to liability for pollution or hazards. Payment of liabilities for claims for such occurrences could reduce or eliminate any future profitability and could result in increasing costs and a decline in the value of the securities of the Issuer.

Failure to Comply with Laws. Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions, 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 upon them for violations of applicable laws or regulations.

Uncertainty of Ownership Right of Resource Properties. There is no assurance of title to any property interests acquired by the Issuer and such property interests may be subject to prior unregistered agreements or transfers or other land claims, undisclosed compliance failure by prior owners or deficiencies in registration or renewals, and title may be affected by defects, misinterpretation and adverse laws and regulations which have not been identified by the Issuer.

Permits an Licenses. The operations of the Issuer require licenses and permits from various governmental authorities. While the Issuer currently has been granted all requisite licenses and permits to enable it to carry on its existing business and operations, there can be no assurance that the Issuer will be able to obtain all necessary licenses and permits that may be required to carry out exploration, development and mining operations for its projects.

Failure To Make Property Payments. The Failure of the Issuer to pay all property payments on the Issuer's properties as such payments become due, could cause the Issuer to lose all of its interests therein.

Environment Regulations. The Issuer's operations are subject to environmental regulations, which are subject to change, promulgated by government agencies governing prospecting, mining production, taxes, waste disposal, toxic substances and operation of mines. Failure to comply with such environmental regulations may result in enforcement action being taken against the Issuer including orders to cease operations, and/or corrective measures requiring capital expenditures and delay. The Issuer may be required to compensate those suffering loss or damage as a result of any such failure to comply.

Potential Conflicts of Interest. The directors and officers of the Issuer may serve as directors and/or officers of other public and private companies and devote a portion of their time to manage other business interests. This may result in certain conflicts of interest. To the extent that such other companies may participate in ventures in which the Issuer is also participating, such directors and officers of the Issuer may have a conflict of interest in negotiating and reaching an agreement with respect to the extent of each company's participation. The laws of British Columbia require the directors and officers to act honestly, in good faith, and in the best interests of the Issuer and its shareholders. However, in conflict of interest situations, directors and officers of the Issuer may owe the same duty to another company and will need to balance the competing obligations and liabilities of their actions. There is no assurance that the needs of the Issuer will receive priority in all cases. From time to time, several companies may participate together in the acquisition, exploration and development of natural resource properties, thereby allowing these companies to: (i) participate in larger programs, (ii) acquire an interest in a greater number of programs; and (iii) reduce their financial exposure with respect to any one program. A particular company may assign, at its cost, all or a portion of its interests in a particular program to another affiliated company due to the financial position of the company making the assignment. In determining whether or not the Issuer will participate in a particular program and the interest therein to be acquired by it, it is expected that the directors of the Issuer will primarily consider the degree of risk to which the Issuer may be exposed and its financial position at the time.

Indemnity and Protection of Directors and Officers. Section 16 of the Issuer's By-Law No. 1 states in part that:

> "every director and officer of the Corporation and his heirs, executors, administrators and other legal personal representatives, shall from time to time be indemnified and save harmless by the Corporation from and against, (a) any liability and all costs, charges and expenses that he sustains or incurs in respect of any action, suit or proceeding that is proposed or commenced against him for or in respect of anything done or permitted by him in respect of the execution of the duties of his office; and (b) all other costs, charges and expenses that he sustains or incurs in respect of the affairs of the Corporation."

Thus the Issuer may be required to pay amounts to settle any such claims that may arise. The impact of any such possible future indemnity protection cannot be determined at this time.

No Dividends. The Issuer has not paid any dividends on its shares since incorporation and does not anticipate doing so in the foreseeable future.

Litigation

There are no claims currently outstanding against the Issuer.

ITEM 3: NARRATIVE DESCRIPTION OF THE BUSINESS

The following is a narrative description of mineral projects that are material to the Issuer:

The Issuer is a junior resource company engaged in the acquisition, exploration and, if warranted, development of natural mineral resource properties. It currently holds an interest and an option to acquire the following exploration stage mineral properties.

- 60% working interest in the Canadian Creek property comprising of 253 claims on 5,200 hectares located in the Whitehorse Mining District, southwestern Yukon Territory, Canada.

- 35% working interest in the Choco-6 property which comprises of 5,000 hectares located in the Guyana Region, Foreign Municipality of El Callao district, Bolivar State, Venezuela.

Refer to the heading "Significant Acquisitions and Dispositions" above for particulars regarding the acquisition and/or disposition of the above properties.

Choco-6 Property

For geological particulars regarding the Choco-6 Property, reference is made to a Report entitled "Report on the Choco-6 Gold Concession, El Callao District, Bolivar State, Venezuela for Golden Bear Minerals Inc" dated September 27, 1996, as prepared by H.J. Coates, M.Sc., P.Geol., W.E. Brereton, M.Sc., P.Eng., and MPH Consulting Limited (the "Choco-6 Report"); all of which documents are incorporated by reference to this AIF.

Canadian Creek Property

For geological particulars regarding the Canadian Creek Property, reference is made to a Report entitled "Compilation Report: A Summary of the Exploration Programs and Results, The Canadian Creek Property, Whitehorse Mining District, Yukon Territory" dated February 7, 2003, as prepared by Jay W. Page, B.A., B.Sc., P. Geo., Westex Exploration Ltd. (the "Canadian Creek Report"); all of which documents are incorporated by reference to this AIF.

A two stage work program totaling $150,000 is recommended in the Report, with each successive stage contingent upon the contractual obligations being met and the success of the previous stage. Refer to the Canadian Creek Report for further particulars.

ITEM 4: SELECTED FINANCIAL INFORMATION

Last Three Financial Years

The following table sets forth selected audited financial information of the Issuer for the last three completed financial years:

Fiscal Year Ended December 31			
	2002 ($)	2001 ($)	2000 ($)
Total Revenues	118	409	1,087
Profit (Loss)	(363,441)	(244,842)	(710,198)
Profit (Loss) per Share [(1)]	(0.10)	(0.18)	(0.54)
Net Earnings (Loss)	(363,441)	(244,842)	(710,198)
Net Earnings (Loss) per Share [(1)]	(0.10)	(0.18)	(0.54)
Net Earnings (Loss) per Share [(1)] (fully diluted)	(0.08)	(0.15)	(0.51)
Total Assets	144,958	131,030	305,297
Dividend per Share	Nil	Nil	Nil
Total Long Term Debt	Nil	Nil	Nil

[(1)] Loss per share figures for 2000 have been restated to reflect the 2001 share consolidation, in which one new common share was issued for fifteen old common shares.

Reference should be made to the financial statements of the Issuer for the fiscal year ended December 31, 2002, together with the auditors' report thereon incorporated by reference to this AIF.

Eight Quarters Preceding Most Recently Completed Financial Year

The following table sets forth selected unaudited financial information prepared by management of the Issuer for the eight quarters immediately preceding December 31, 2002 on a cumulative basis:

	Year Ended December 31, 2002				Year Ended December 31, 2001			
	31/12/02 (audited) ($)	30/09/02 ($)	30/06/02 ($)	31/03/02 ($)	31/12/01 (audited) ($)	30/09/01 ($)	30/06/01 ($)	31/03/01 ($)
Total Revenues	118	93	62	3	409	404	397	346
Profit (Loss)	(363,441)	(174,677)	(78,091)	(9,135)	(244,842)	(415,979)	(243,879)	(106,033)
Profit (Loss) per Share	(0.10)	(0.05)	(0.03)	(0.00)	(0.18)	(0.31)	(0.18)	(0.15)
Net Earnings (Loss)	(363,441)	(174,677)	(78,091)	(9,135)	(244,842)	(415,979)	(243,879)	(106,033)
Net Earnings (Loss) per Share	(0.10)	(0.05)	(0.03)	(0.00)	(0.18)	(0.31)	(0.18)	(0.15)

Dividends

The Issuer has not paid any dividends on its common shares and has no present intention of doing so, as it anticipates that all available funds will be utilized to finance exploration and development, and future investment opportunities.

ITEM 5: MANAGEMENT'S DISCUSSION AND ANALYSIS

This discussion should be read in conjunction with the audited financial statements and related notes thereto of the Issuer which are incorporated by reference to this AIF.

The Issuer is involved in mineral exploration and development and has interests in properties in Venezuela and Canada. However, during 2000 to 2002 the Issuer did not participate nor implement any exploration programs considering the depressed junior resource markets. The Option to acquire an interest in the Canadian property was acquired in December 2002.

The Issuer has financed its activities and operations primarily through subscriptions for equity capital. No assurances can be provided that its capital requirements can be satisfied in the long-term and such requirements are dependent upon its ability to obtain appropriate financing and conditions in the financial markets.

Capital Resources and Liquidity

To date, virtually all funding for the Issuer's acquisitions of and expenditure on resource properties and ongoing operations has come from common share issuances.

During the fiscal year ended December 31, 2001, 66,667 common shares were issued from the exercise of special warrants, in which these special warrants were issued in 2000 for total proceeds of $100,000. Also, in 2001, the Issuer consolidated its common shares whereby one common share was issued for fifteen old common shares.

Loans totaling $20,000 were received in 2001, which were settled by common shares of the Issuer in 2002.

During the fiscal year ended December 31, 2002, the Issuer closed two private placements. The first private placement was for 1,200,000 common shares at a price of $0.05 per share for total proceeds of $60,000. The second private placement was for 998,338 common shares at a price of $0.23 per share for total proceeds of $229,618. Also in 2002, 798,330 common shares were issued at a deemed price of $0.10 per share in settlement of debts and loans totaling $79,833; a further issuance of 106,667 common shares at a deemed price of $0.10 per share in settlement of debts and loans totaling $10,667 are subject to disinterested shareholder approval.

In 2002, the Issuer received a loan of $25,000, which bears an interest rate of prime plus 5% per annum compounded monthly and is repayable on February 14, 2003. A loan bonus of 33,333 common shares at a deemed price of $0.15 per share was issued to the lender. As of the date of this AIF the Loan has not been repaid.

In January 2003, the Issuer closed a private placement for 1,150,000 common shares at a price of $0.10 per share for total proceeds of $115,000. In February 2003, the Issuer received proceeds of $10,000 pursuant to a private placement for 100,000 common shares at a price of $0.10 per share.

The Issuer holds equity positions in four related companies: 1,117,267 common shares in Augusta Resource Corporation, a junior resource company, 120,139 common shares in CyberCom Systems Inc., a software developer, 448,024 shares in IGC Golf Corporation, a privately held recreational entertainment company, and 545,000 common shares in Swica Resource Corp., a private company which is currently inactive. While the value and liquidity are limited at present, they represent future potential.

As of the date of this AIF, the Issuer had 118,997 incentive stock options outstanding that, if fully exercised, would net the Issuer $178,496.

On March 5, 2003, the Issuer announced the grant of 455,000 incentive stock options that, if fully exercised would net the Issuer $68,250. This grant is subject to regulatory approval.

On March 6, 2003 the Issuer announced a private placement for 750,000 Units at a price of $0.20 per Unit, with each Unit comprising of one common share and one-half of a share purchase warrant, with one full share purchase warrant entitling the holder to acquire one common share at a price of $0.25 for a period of one year. If fully subscribed, this issuance would net the Issuer total proceeds of $243,750. The private placement is subject to regulatory approval.

The Issuer is in the exploration stage on its mineral properties and therefore has no regular cash flow. The Issuer is, therefore, dependent on generating income from mining operations or raising funds by the issuance of shares in order to finance further acquisitions, undertake exploration and development of mineral properties and meet general and administrative expenses in the medium and long-term. There can be no assurance that the Issuer will be successful in raising the required financing.

Year Ended December 31, 2002 Compared to Year Ended December 31, 2001

During the fiscal year ended December 31, 2002, the Issuer (a) incurred $10,000 on acquisition of mineral properties, compared to $nil in fiscal 2001; (b) incurred $48,333 on exploration and development of mineral properties, as compared to $nil in fiscal 2001; (c) did not write off any mineral properties, as compared to $82,500 in fiscal 2001; (d) realized gain from the disposition of marketable securities of $2,730, as compared to $107,423 in fiscal 2001; (e) wrote down marketable securities and long term investments of $170,018, as compared to $58,231 in fiscal 2001; (f) had a deficit of $2,618,454, as compared to $2,252,645 in fiscal 2001; and (g) had a working capital deficiency of $9,235, as compared to a working capital of $5,456 in 2001.

Year Ended December 31, 2001 Compared to Year Ended December 31, 2000

During the fiscal year ended December 31, 2001, the Issuer (a) did not incur any costs related to the acquisition or exploration and development of mineral properties, as compared to Nil in 2000 fiscal years; (b) wrote off mining properties of $82,500, as compared to $nil in fiscal 2000; (c) realized gain from the disposition of marketable securities of $107,423, as compared to $265,634 in fiscal 2000; (d) realized a recovery of expenses of $100,000 from office relocation in 2000; (e) wrote down marketable securities and long term investments of $58,231, as compared to $591,486 in fiscal 2000; (f) had a deficit of $2,252,645, as compared to $2,002,738 in fiscal 2000; and (g) had a working capital of $5,456, as compared to $107,414 in 2000.

For further information, see the Issuer's audited financial statements for the year ended December 31, 2002 incorporated by reference to this AIF.

ITEM 6: MARKET FOR SECURITIES

The Issuer's common shares trade on the TSX Venture Exchange under the trading symbol "CDD".

ITEM 7: DIRECTORS AND OFFICERS

As at the date of this AIF, the name, municipality of residence, position with, and principal business or occupation in which each director, officer and executive officer of the Issuer has been engaged during the immediately preceding five years are as follows:

Name and Municipality of Residence	Position	Occupation for the Past 5 Years
RICHARD W. WARKE West Vancouver, B.C. *Director since May 1998*	C.E.O., President and Director	President and Director of the Issuer; President and Director of CyberCom Systems Inc. and Augusta Resource Corporation; Director of Swica Resource Corp.
PURNI PARIKH Burnaby, B.C.	Secretary	Office Administrator for the Issuer and several other Companies for the past five years.
DONALD B. CLARK Richmond, B.C. *Director since May 1998*	Director	Director of the Issuer, CyberCom Systems Inc. and Augusta Resource Corporation, and President and Director of Swica Resource Corp.
ROBERT P. WARES Montreal, Quebec *Director since May 1998*	Director	Geologist; President of Osisko Exploration Ltee., Director of Augusta Resource Corporation, and Director of the Issuer.

The term of office for the Issuer's Directors, Officers and members of the audit committee expires at each annual general meeting. The Board of Directors after the annual general meeting will appoint the Issuer's officers and the audit committee, which is currently comprised of Donald B. Clark and Robert P. Wares.

As at the date of this AIF, the Issuer's directors and senior officers, as a group, held a total of 364,324 common shares, representing 6.55% of the 5,564,798 common shares of the Issuer issued and outstanding as at that date.

Corporate Cease Trade Orders or Bankruptcies

None of the directors, officers or promoters of the Issuer are, or have been within the past (10) years, a director, officer or promoter of other reporting companies which, during such individual's tenure, was the subject of a cease trade or similar order that denied the issuer access to any statutory exemptions for a period exceeding thirty (30) consecutive dates, other than Richard Warke and Donald Clark with respect to the following:

- Cybercom Systems Inc. ("CYB") (previously known as Augusta Metals Incorporated and First Western Minerals Inc.) was issued a cease trade order on November 22, 2002, in connection with CYB's failure to file its annual audited financial statements for year ended January 31, 2002. The order is still in effect and will remain so until CYB appeal to the Alberta Securities Commission (the "Commission") to have the order revoked and makes the required filing with the Executive Director of the Commission. Donald Clark has been a director of CYB since February 6, 1991 and Richard Warke has been a director of CYB since December 1, 1989.

None of the directors, officers or promoters are, or have been within the past tem (10) years, directors, officers or promoters of other issuers which were declared bankrupt or made a voluntary assignment in bankruptcy, made a proposal under any legislation relating to bankruptcy or insolvency or has been subject to or instituted any proceedings, arrangement, or compromise with any creditors or had a receiver, receiver manager or trustee appointed to hold the assets of that issuer, other than Richard Warke and Donald Clark with respect the following matters:

- 2973090 Canada Inc., a Quebec based company, filed a motion with the Quebec Court dated August 18, 1997 to petition Augusta Metals Incorporated (now known as Cybercom Systems Inc.) into bankruptcy. The case was heard November 5, 1997. The Court rendered judgment January 19, 1998, dismissing the plaintiff's petition motion with costs. Donald Clark has been a director of CYB since February 1991 and Richard Warke has been a director of CYB since December 1989.

- West Coast Forest Products Ltd. ("WCFP") 58% owned subsidiary, West Coast Plywood Company Ltd. ("Plywood"), made a voluntary assignment in bankruptcy July 27, 1995 due to recurring losses. Richard Warke was an officer and director of Plywood from June 4, 1993 until July 27, 1995 and President and Director of WCFP from 1989 to June 19, 1995 and CEO until August 3, 1995. Donald Clark was CEO of Plywood from August 15, 1994 to July 27, 1995, Vice President, Finance of WCFP from August 15, 1994 to July 31, 1995 and a director from May 1993 to June 19, 1995. Since July 27, 1995, all matters with respect to the bankruptcy of Plywood have been the responsibility of the trustee, Coopers & Lybrand Limited.

Penalties or Sanctions

None of the directors, officers or promoters of the Issuer or shareholders holding more than 20% of the issued and outstanding shares of the Issuer have:

(a) been subject to any penalties or sanctions imposed by a court relating to Canadian securities legislation or by a Canadian securities regulatory authority or has entered into a settlement agreement with a Canadian securities regulatory authority; or

(b) been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

Personal Bankruptcies

None of the directors, officers or promoters of the Issuer, or shareholders holding 20% or more of the issued and outstanding shares of the Issuer have, within the past ten (10) years, 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 issuer.

Conflicts of Interest

Insofar as certain directors of the Issuer also serve as director of other companies, it is possible that certain opportunities may be offered to both the Issuer and to such other companies, and further that those other companies may participate in the same opportunities in which the Issuer has an interest.

In exercising their powers and performing their functions, the directors are required to act honestly and in good faith and in the best interests of the Issuer, and to exercise the care, due diligence and skill of a reasonably prudent person.

Every director who is, in any way, directly or indirectly interested in a proposed contract or transaction with the Issuer, must disclose the nature and extent of his interest at a meeting of the directors. Every such director must account to the Issuer for any profit made as a consequence of the Issuer entering into or performing the proposed contract or transaction, unless he discloses his interest, and after his disclosure, the proposed contract or transaction is approved by the directors and he abstains from voting on the approval of the proposed contract or transaction.

ITEM 8: ADDITIONAL INFORMATION

Upon request made by any person to the Secretary of the Issuer, the Issuer shall provide to that person the following:

(a) when the securities of the Issuer are in the course of a distribution pursuant to a short form prospectus or a preliminary short form prospectus has been filed in respect of a distribution of its securities:

  (i) one copy of this AIF and if specifically requested, one copy of any document or the pertinent pages of such documents incorporated by reference herein;

(ii) one copy of the Issuer's comparative financial statements for its most recently completed financial year ended December 31, 2002, together with the accompanying report of the auditors and one copy of any interim financial statements of the Issuer subsequent to the financial statements for the most recently completed financial year;

(iii) one copy of the Information Circular of the Issuer in respect of its most recent annual meeting of the shareholders that involved the election of directors; and

(iv) one copy of any other documents that are incorporated by reference into the preliminary short form prospectus or short form prospectus;

(b) at any other time, the Issuer may require the payment of a reasonable charge for the documents set out in (i), (ii), (iii) and (iv) above, if the request is made by a person who is not a security holder of the Issuer.

Additional information, including directors' and officers' remuneration and indebtedness, principal holders of the Issuer's securities, options to purchase securities and interests of insiders in material transactions, is contained in the Information Circular for any annual general meeting of the Issuer's shareholders that involves the election of directors. Furthermore, additional financial information is provided in the comparative audited financial statements for the Issuer's most recently completed fiscal year ended December 31, 2002.