

NORTH BAY RESOURCES INC  
Form S-1  
August 12, 2013

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As filed with the Securities and Exchange Commission on August 12, 2013

Registration No. 333-  
UNITED STATES

SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

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FORM S-1  
REGISTRATION STATEMENT  
UNDER  
THE SECURITIES ACT OF 1933

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NORTH BAY RESOURCES INC.  
(Exact name of registrant as specified in its charter)

Delaware (State or other jurisdiction of incorporation or organization)	1000 (Primary Standard Industrial Classification Code Number)	83-0402389 (I.R.S. Employer Identification No.)
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PO Box 162, Skippack, Pennsylvania 19474  
(215) 661-1100

(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)

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Perry Leopold, Chief Executive Officer  
2120 Bethel Road  
Lansdale, Pennsylvania 19446  
(215) 661-1100

(Name, address, including zip code, and telephone number, including area code, of agent for service)

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Approximate Date of Commencement of Proposed Sale to the Public: from time to time after the effective date of this Registration Statement as determined by market conditions and other factors.

If any of the securities being registered on this form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, check the following box.   x

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If this form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. "

If this form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. "

If this form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. "

If delivery of the prospectus is expected to be made pursuant to Rule 434, check the following box. "

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer	<input type="radio"/>	Accelerated filer	<input type="radio"/>
Non-accelerated filer	<input type="radio"/>	Smaller reporting company	<input checked="" type="radio"/>
(Do not check if a smaller reporting company)			

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## CALCULATION OF REGISTRATION FEE

Title of Class of Securities to be Registered(1)	Amount to be Registered	Proposed Maximum Offering Price Per Share	Proposed Maximum Aggregate Offering Price	Amount of Registration Fee
Common stock, \$0.001 par value	25,368,011(1)	\$ 0.065(2)	\$ 1,648,920.72	\$ 224.91

(1) Pursuant to Rule 416, this registration statement also covers such indeterminate number of additional shares of common stock that became issuable by reason of any stock dividend, stock split, recapitalization or other similar transactions.

(2) Estimated at \$0.065 per share, the average of the high and low prices as reported on the OTCQB on August 6, 2013, for the purpose of calculating the registration fee in accordance with Rule 457(c) under the Securities Act.

The registrant hereby amends this registration statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment which specifically states that this registration statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until this registration statement shall become effective on such date as the Securities and Exchange Commission, acting pursuant to said Section 8(a), may determine.

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THE INFORMATION IN THIS PROSPECTUS IS NOT COMPLETE AND MAY BE CHANGED. WE MAY NOT SELL THESE SECURITIES UNTIL THE REGISTRATION STATEMENT FILED WITH THE SECURITIES AND EXCHANGE COMMISSION IS EFFECTIVE. THIS PROSPECTUS IS NOT AN OFFER TO SELL THESE SECURITIES AND IT IS NOT SOLICITING AN OFFER TO BUY THESE SECURITIES IN ANY JURISDICTION WHERE THE OFFER OR SALE IS NOT PERMITTED.

SUBJECT TO COMPLETION  
DATED AUGUST 12, 2013

PROSPECTUS  
NORTH BAY RESOURCES INC.  
25,368,011 Shares of Common Stock

This prospectus relates to the sale of up to 25,368,011 shares of our common stock by Tangiers Investors LP (“Tangiers”). The prices at which the selling stockholder may sell the shares will be determined by the prevailing market price for the shares or in negotiated transactions. We will not receive proceeds from the sale of the shares by the selling stockholder. However, we may receive proceeds of up to approximately \$1,648,920.72 from the sale of our common stock to the selling stockholder, pursuant to a Securities Purchase Agreement, as amended, entered into with the selling stockholder on October 7, 2009 (“Securities Purchase Agreement”), once the registration statement (“Registration Statement”), of which this prospectus is a part, is declared effective.

The shares offered include up to 25,368,011 shares of common stock which may be sold from time to time to Tangiers up to 60 months from the initial effective date of January 24, 2011. The shares covered herein are only a portion of the shares covered by the Securities Purchase Agreement. The remaining shares that are subject of this agreement may be included in future registration statements at our option (See “About This Offering” and “Tangiers Transaction”, below)

Tangiers Capital, LLC (“Tangiers Capital”), which makes the investment decisions on behalf of and controls Tangiers, is an “underwriter” within the meaning of the Securities Act of 1933, as amended. We will pay the expenses of registering these shares, but all selling and other expenses incurred by Tangiers Capital will be paid by Tangiers Capital.

Our common stock is quoted on OTCQB under the symbol “NBRI”. The last reported sales price of our common stock on the OTCQB on August 7, 2013, was \$0.083 per share.

INVESTING IN OUR COMMON STOCK INVOLVES A HIGH DEGREE OF RISK. SEE “RISK FACTORS” BEGINNING ON PAGE 8 TO READ ABOUT FACTORS YOU SHOULD CONSIDER BEFORE BUYING SHARES OF OUR COMMON STOCK.

NEITHER THE SECURITIES AND EXCHANGE COMMISSION NOR ANY STATE SECURITIES COMMISSION HAS APPROVED OR DISAPPROVED OF THESE SECURITIES OR PASSED UPON THE ADEQUACY OF ACCURACY OF THIS PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

THE INFORMATION IN THIS PROSPECTUS IS NOT COMPLETE AND MAY BE CHANGED. WE MAY NOT SELL THESE SECURITIES UNTIL THE REGISTRATION STATEMENT FILED WITH THE SECURITIES AND EXCHANGE COMMISSION IS EFFECTIVE. THIS PROSPECTUS IS NOT AN OFFER TO SELL THESE SECURITIES AND IT IS NOT SOLICITING AN OFFER TO BUY THESE SECURITIES IN ANY JURISDICTION WHERE THE OFFER OR SALE IS NOT PERMITTED.

The date of this Prospectus is \_\_\_\_\_, 2013

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GENERAL

As used in this Prospectus, references to “the Company,” “North Bay,” “we,” “our,” “ours” and “us” refer to North Bay Resources Inc., unless otherwise indicated. In addition, any references to our “financial statements” are to our financial statements except as the context otherwise requires.

PROSPECTUS SUMMARY

This summary highlights selected information contained elsewhere in this prospectus. This summary does not contain all the information that you should consider before investing in the common stock. You should carefully read the entire Prospectus, including “Risk Factors”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and the Financial Statements, before making an investment decision.

Corporate Background and Our Business

The Company was incorporated in the State of Delaware on June 18, 2004 under the name Ultimate Jukebox, Inc. On September 4, 2004, Ultimate Jukebox, Inc. merged with NetMusic Corporation, and subsequently changed the Company name to NetMusic Entertainment Corporation. On March 10, 2006, the Company ceased digital media distribution operations, began operations as a natural resources company, and changed the Company name to Enterayon, Inc. On January 15, 2008, the Company merged with and assumed the name of its wholly-owned subsidiary, North Bay Resources Inc. As a result of the merger, Enterayon, Inc. was effectively dissolved, leaving North Bay Resources Inc. as the remaining company.

The Company’s business plan is based on the Generative Business Model, which we believe can generate a steady stream of revenue before any property is ever developed into a commercial mining operation. The Generative Business Model comprises the following steps:

1. Targeting and acquiring mining properties with good historical assays. (1)
2. Identifying potential partners for the development of each of the Company’s properties and entering into joint-venture or option agreements. In most cases, the partner is another mining company whose shares trade on a public exchange.
3. The initial agreement usually comprises a small non-refundable cash payment in advance and a significant number of shares in the stock of the partner or acquiring company. Cash and shares increase in staged payments on the anniversary date of the agreement. In the case of an option agreement, the Company will retain a net smelter royalty (“NSR”) with a buyout provision should the property be the site of a major discovery and/or developed into a commercially-operating mine. In the case of a joint-venture, we retain a percentage of ownership, typically 50%, in the event the partner satisfies all the terms of the contract to completion. (2)
4. The partner or acquiring company also must commit to a specific work program over a period of several years to develop the property, often involving a commitment of several million dollars.



5. We believe these work programs enable us to maintain our properties for little or no cost, as the annual maintenance fees due to the government are offset by the amount of money spent on property exploration and development paid for by our partners. Any surplus of expenditures beyond what is due to maintain the properties can then be applied as “portable assessment credits” towards the maintenance of other Company properties that are not yet producing revenue but which have good prospects of doing so in the future. (3)

6. If at any time, the partner defaults on the work agreement or does not make staged cash or stock payments by the anniversary date, the property then reverts back to us, which then leaves us free to find another partner and begin the process all over again.

(1) The acquisition of a mining property in British Columbia conveys the mineral or placer rights for mining-related purposes only, and while our rights allow us to use the surface of a claim for mining and exploration activities, our claims do not convey any other surface, residential or recreational rights to the Company. Additionally, our right to extraction is not absolute, as any mechanized extraction work on claims in British Columbia requires additional permits and possibly conversion of our claims to mining leases, the approval of which is not guaranteed. As of July 1, 2012 when new regulations became effective in British Columbia, the registration fee to stake a claim in British Columbia is \$1.75 per hectare. The initial term of any claim staked is one year. This term may be extended for up to 10 years at a time by filing a statement of work showing minimum expenditures on a mineral claim of \$5 per hectare per year for the first 2 years, \$10 per hectare per year for the next 2 years, \$15 per hectare per year for the following 2 years, and \$20 per hectare per year for each year thereafter. For placer claims, the annual work expenditure is \$20 per hectare. In the event no work is performed by the anniversary date of each claim, the claims may be extended for up to one year at a time by paying twice the applicable work commitment as a fee to the Province of British Columbia, which is referred to as Cash In Lieu Of Work (“CIL Fee”). These fees are the responsibility of the Company to maintain our mineral or placer rights in good standing.

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(2) On June 24, 2013, the Company executed a definitive joint-venture agreement for mining operations on the Company's 100%-owned Fraser River Project near Lytton, British Columbia, with Solid Holdings Ltd. ("Solid"), a private company domiciled in British Columbia and based in Houston, BC. The terms of the agreement call for Solid to provide all equipment, personnel, and related expenditures required to initiate and sustain mining operations at the Fraser River Project JV. The Company will be responsible for maintaining the property in good standing and securing the permits required for mining operations to proceed. The Company will retain 100% ownership of the property, and will be paid a 20% NSR on all metals recovered from operations, with Solid retaining 100% of the net profits following payment of the aforementioned NSR. Solid will be deemed the project operator, and will be responsible for the day-to-day operations.

On October 24, 2012, the Company entered into an agreement on its Willa property with Caribou King Resources Ltd. ("Caribou"), a Canadian issuer listed on the TSX Venture Exchange. Under the terms of agreement, Caribou may earn up to a 100% interest in the claims in the Willa property ("Willa Claims") by making aggregate payments to North Bay of USD \$232,500 in cash and issuing 1,000,000 shares of Caribou common stock. Of the aggregate payments, \$7,500 in cash and 500,000 shares are due upon receipt of regulatory acceptance of the agreement by the TSX Venture Exchange. This regulatory approval has been received, and the initial consideration has been paid. An additional \$50,000 cash and 500,000 shares of Caribou stock are due upon the first anniversary of the agreement, and a \$175,000 cash payment is due upon the second anniversary of the agreement. In addition to the consideration received, North Bay shall be granted a royalty equal to 2% of NSR. At any time up to the commencement of commercial production, Caribou may purchase one-half of the NSR (being 1%) in consideration of USD \$1,000,000 payable to North Bay, such that North Bay will then retain a 1% NSR.

(3) Our primary cost in any option or joint venture agreements is typically the degree to which we give up our rights to any property. In the case of an option agreement, we give up all of our rights if all of the terms of the contract are fulfilled, and will only retain a NSR, typically 2%. In the case of a joint-venture, we will generally retain only 25% to 50% of our rights if all of the terms of the contract are fulfilled, and may be subject to further dilution should we elect not to further participate in the joint-venture. An exception to this is when a joint-venture is agreed to on a profit-sharing basis, where the Company elects to retain 100% ownership of the project, and both parties are obligated to contribute its share of the project development costs.

Our properties in British Columbia are located and acquired through the use of a suite of online applications which are provided to people and companies licensed to acquire and maintain mineral rights within the Province of British Columbia. Mineral Titles Online ("MTO") is an Internet-based mineral titles administration system provided and maintained by the British Columbia Ministry of Energy, Mines, and Petroleum Resources that allows the mineral exploration industry to acquire and maintain mineral titles by selecting the area on a seamless digital GIS map of British Columbia and pay the associated fees electronically.

The MTO system is also interactively linked to British Columbia's MINFILE Project and Assessment Report Indexing System ("ARIS"), both of which are provided and maintained by the British Columbia Geological Survey.

The MINFILE Project is a mineral inventory system that contains information on more than 12,300 metallic mineral, industrial mineral and coal occurrences in British Columbia. It is used by industry, governments, universities and the public to find information on documented mineralization anywhere in British Columbia, develop exploration strategies, conduct geoscience research, and evaluate the resource potential of an area.

The ARIS database has over 30,500 approved mineral exploration assessment reports filed by the exploration and mining industry since 1947. These reports provide information on geological, geophysical, geochemical, drilling and other exploration-related activities throughout B.C.

Both MINFILE and ARIS are interlinked with MTO, which combined and interfaced with other geospatial applications such as Google Earth, provide a skilled user with the ability to virtually visit any location in British Columbia, analyze its geographical and geological setting, access and evaluate its geological records and the historical archives of any prior development work, and determine the relative value of a given area. If the area is also open to staking, a claim can then be staked, and the required claim registration fees can be paid immediately and interactively.

The Company also plans on generating revenue through mining once commercial operations begin on any of its properties. Towards this end, the Company has acquired the Ruby Mine Property (the “Ruby Mine”) in Sierra County, California. The purchase price was \$2,500,000, of which \$510,000 in cash and stock was paid as of the closing date of July 1, 2011, and the remaining \$1,990,000 is a seller-financed mortgage, which as of April 1, 2013 accrues interest at a 6% per annum. The balance due on the mortgage is \$1,901,579 as of June 30, 2013. Pursuant to a mortgage modification agreement dated executed on March 28, 2013, the term of the mortgage has been extended to December 30, 2015. As part of the terms of acquisition, the seller received 10,000,000 shares of the Company’s common stock with a market value of \$150,000 as of the day the agreement was signed, and which was then applied to the purchase price. The seller has also been granted 10,000,000 5-year warrants exercisable at \$0.02, 2,000,000 5-year warrants exercisable at \$0.09, and 2,000,000 5-year warrants exercisable at \$0.10.

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This is an arms-length transaction, and there is no family or other relationship with any affiliate of the seller, Ruby Development Company, with any officer, director, or affiliate of North Bay Resources Inc.

Operational funding for the Ruby project ("Ruby Project") of up to \$7.5 million is expected to be provided through the federal EB-5 program (the "EB-5 Program") described below. It is expected that this funding will be non-dilutive, as no shares of Company stock will be issued to EB-5 investors. The EB-5 funding will be debt, which must be repaid from mining operations over five years and at an interest rate of no more than 6%. In the interim, if the Company has not generated enough revenue from claim sales and joint-ventures to meet our commitments, we believe we can rely on loans and our equity credit line established by way of our Securities Purchase Agreement with Tangiers Investor LP ("Tangiers") to cover our acquisition costs.

The Company presently has an agreement with ACG Consulting, LLC ("ACG") intended to establish a new economic regional center ("Regional Center") under the federal EB-5 Program that will encompass all of Northern California's Gold Country. Once established, the Regional Center is expected to provide full funding for the Company's prospective mining projects in Northern California.

EB-5 is a federal program authorized by the US Congress in the Immigration Act of 1990, and is intended to help stimulate the US economy by creating new jobs in rural areas or areas of high unemployment. The term "EB-5" is an acronym for "the fifth employment based visa preference category." As it implies, the source of the investment capital comes from overseas investors who wish to immigrate to the US by investing in a commercial enterprise that will benefit the US economy and create at least 10 full-time jobs. The program is administered by the United States Citizenship and Immigration Services ("USCIS"), as provided under Section 610 of Public Law 102-395. Since its inception in 1990, the EB-5 Program has been the conduit through which over \$1 billion has been invested by foreign nationals in US enterprises to create jobs throughout the US economy.

A USCIS designated "Regional Center" under the EB-5 Pilot Program is defined as any economic unit, public or private, engaged in the promotion of economic growth, improved regional productivity, job creation and increased domestic capital investment.

Once USCIS has approved a Regional Center application, an investor seeking an EB-5 green card through the Regional Center Investment Program must make the qualifying investment of \$1 million within an approved Regional Center. If the investment is also within a USCIS-designated targeted employment area, of which Sierra County, California, where the Ruby Mine is located, is so designated, then the minimum investment requirement is \$500,000. Before an investor can participate in a Regional Center EB-5 investment program, each investor must independently petition USCIS for an EB-5 visa. USCIS solely determines whether the investor qualifies for the EB-5 visa. USCIS' diligence includes a detailed review of the sources of the investor's funds, family history, and other representations of the head of household and his immediate family members under the age of 21. Each investor must further demonstrate that at least 10 or more full-time jobs will be created directly or indirectly as a result of the investment into our project.

Upon approval by USCIS, the Regional Center will serve as the legal vehicle through which investment capital may be solicited from foreign nationals under the EB-5 Program, in reliance upon Regulation S, to provide EB-5 financing for all approved industries within the Regional Center's designated geographical area. The new Regional Center will encompass all of what is commonly known as "Gold Country", which traverses State Route 49 from Plumas County in the north to Mariposa County in the south. The full extent of the Regional Center is expected to include all of the counties in Northern California from Monterey up to the Oregon border, and from the Pacific coastline across to the Nevada border.

The agreement provides that North Bay and ACG shall form a limited liability company (“LLC”) concurrent with the filing of our Regional Center application with USCIS, in which North Bay will own 49% of the Regional Center, and ACG will own 51%. ACG and North Bay, working together through the Regional Center, will seek to raise up to \$7.5 million in EB-5 funding for North Bay's initial mining project, subject to USCIS approval. ACG will also be an equity partner by way of membership in a joint-venture LLC in each project North Bay may bring into the Regional Center, the amount of which will vary on a deal by deal basis based on the amount of consulting services ACG actually provides, and the amount of EB-5 funding actually received. At the present time, no projects other than mining are being considered, and the industry focus for the Regional Center is expected to be limited to mining initially.

Terms of the agreement specify that upon filing an application for a new Regional Center with USCIS, North Bay shall pay ACG up to \$50,000 as its share of the startup expenses. In lieu of cash, North Bay may elect to issue a convertible debenture to ACG, at an interest rate of 8%, and convertible to shares of common stock, the number of shares of which, if and when issued, shall be equal to the principal and interest to be paid on the date of conversion divided by the prevailing market price of our common stock on the date of conversion. In the event the Company does issue a convertible debenture, we expect it to be dilutive to shareholders, the extent of which will be determined by the market price of our shares on the day of conversion. In addition, upon receipt by the Company of the first tranche of EB-5 funding at a minimum of \$500,000, the Company shall reimburse ACG for its share of the marketing expenses in the amount of \$110,000 cash. The Company will await guidance from USCIS after the Regional Center is established as to whether marketing costs incurred to secure funds through the EB-5 Program can be recouped from EB-5 funds subsequently received. Alternatively, if the Company has not generated enough revenue from claim sales and joint-ventures to cover these costs, we believe we can rely on loans as well as our equity credit line established by way of our Securities Purchase Agreement with Tangiers to cover these expenses. As of December 31, 2012, the Company has paid a total of \$37,216 in startup expenses incurred by ACG to prepare and file EB-5 applications with USCIS. These expenses have been paid in full, in cash, and as such there will be no convertible debenture issued in connection with this agreement. As of December 31, 2012, no shares have been or will be issued in connection with this agreement.

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Subsequent to the execution of the agreement with ACG, the Company was presented with the opportunity to include the Ruby Project within the scope of an existing USCIS-approved EB-5 Regional Center, and with the goal of expediting the approval process for the Ruby Project by USCIS, the Company, together with ACG, has entered into a Memorandum of Understanding with an existing Regional Center, the Northern California Regional Center, LLC ("NCRC"). NCRC has agreed to expand the scope of its USCIS-approved designation to include mining projects in the counties of Sierra and Nevada in Northern California, and together with ACG has agreed to sponsor North Bay's application to obtain \$7.5 million through the EB-5 Program for the Ruby Project in Sierra County, California.

NCRC was approved on April 22, 2010 by USCIS as a designated EB-5 Regional Center, and is currently approved to sponsor qualifying investments in such capacity within the Northern California counties of Colusa, Butte, Glenn, Sacramento, San Joaquin, Shasta, Sutter, Tehama, Yuba and Yolo. Pursuant to its regional center designation, NCRC may sponsor qualifying investments in certain industry economic sectors that do not currently include mining. The Memorandum of Understanding provides that NCRC will seek USCIS approval for an expansion of NCRC's Regional Center Geographic Area (the "Expansion") to include the counties of Nevada and Sierra, where the Ruby Mine is located, and for approval to include mining within its designated industry sectors (the "Mining Designation").

The applications and all supporting documentation required by USCIS were filed by NCRC in January, 2011. In July, 2011, NCRC received formal approval by USCIS for the expansion of the Regional Center, and the inclusion of the Ruby Mine as a qualified EB-5 project.

With the approval of the Expansion and Mining Designation by USCIS, NCRC is now permitted to sponsor qualified investments in North Bay's Ruby Project under the EB-5 Program. The Memorandum of Understanding provides that NCRC will receive a \$5,000 administrative fee to be paid by each investor independent of the investor's minimum EB-5 investment of \$500,000. In addition, upon the Ruby Project receiving the aggregate sum of \$7,500,000 through the EB-5 Program, NCRC shall be entitled to an undivided one and one half percent (1.5%) interest in the Ruby Project. No shares of Company stock have been or will be issued in connection with this agreement, and the entire EB-5 funding is expected to be non-dilutive to shareholders. While a new Regional Center remains a long-term goal of North Bay and ACG, the agreement to bring the Ruby Project within the scope of a pre-existing Regional Center is seen by the Company as the most efficient and expeditious way to complete funding for the Ruby Project through the EB-5 Program in the near-term. This is an arms-length agreement, and neither the Company nor any of its officers or directors has any ownership position or pre-existing relationship with NCRC.

Procedurally, once USCIS has approved the Ruby Project, regardless of whether under the auspices of NCRC's Regional Center or a new Regional Center owned by North Bay and ACG, the Regional Center will organize a limited partnership ("LP") that will be made up of the foreign investors, as limited partners, each of whom will subscribe to a Regulation S offering and purchase a unit in the LP at the purchase price of \$500,000. Each investor will complete and deliver to the LP a subscription agreement, and will pay a minimum of \$500,000 into an escrow account, which will be held in escrow until the investor's I-526 petition filed with USCIS has been either approved or denied by USCIS. If the investor's I-526 petition is denied by USCIS the Escrow Agent will return the investor's funds to the investor. If the I-526 petition is approved the Escrow Agent will pay the investment to the LP. As each new investor's I-526 petition is approved by USCIS and funds are released from escrow, the LP will then loan the funds to the Ruby Project.

To facilitate receipt by the Ruby Project of EB-5 funding from the investor LP and to comply with USCIS requirements, the Ruby Project must be organized as an original business and a new enterprise under the EB-5 Program. Accordingly, North Bay and ACG have therefore jointly organized an appropriate special purpose entity as a limited liability company domiciled in California called Ruby Gold, LLC (the "JV") that will own and operate the Ruby Project. The initial ownership/membership interest in the JV will be held 60% by North Bay and 40% by ACG. Once approved by USCIS, it is expected that the EB-5 funding for the Ruby Project will then come from the

investor LP in the form of a loan to the JV.

Governance of the JV shall be through a board of directors (the "JV Board"). The appointment of the members of the JV Board shall be allocated between North Bay and ACG on a pro rata basis of their ownership/membership interest in the JV, provided however, that from the date on which the JV is organized and at all times subsequent thereto, at least one member of the JV Board shall be appointed by ACG. The operating agreement of the JV shall provide that the number of members of the JV Board shall be adjusted from time to time so as to reflect North Bay's and ACG's respective ownership/membership interest in the JV. Additionally, the operating agreement of the JV shall provide that if the initial capital contributions made by the owner/members of the JV shall not be sufficient to operate the Ruby Project, then any such required or desired capital shall be satisfied by the JV borrowing such capital.

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As determined by the agreement with ACG dated July 28, 2010, net income from the Ruby Project is to be distributed as follows: (a) until the first \$3,000,000 of the EB-5 Financing is returned to the EB-5 investors, 80% of the net profits from the Ruby Project will be returned to the EB-5 investors and 20% will be distributed to the owners of the JV; (b) after the first \$3,000,000 of the EB-5 Financing is returned to the EB-5 investors and until the entire amount of the EB-5 Financing has been returned to the EB-5 investors, 70% of the net profits from the Ruby Project will be returned to the EB-5 investors and 30% will be distributed to the owners of the JV; (c) after the entire amount of the EB-5 Financing has been returned to the EB-5 investors, 100% of the net profits from the Ruby Project will be distributed to the owners of the JV. By virtue of the loan covenant dated September 27, 2010 with Tangiers and the Memorandum of Understanding dated October 14, 2010 with NCRC, the interests of Tangiers (0.75%) and NCRC (1.5%) are included in the net profit distributions to the owners of the JV. The loan from Tangiers was satisfied and retired in the first quarter of 2011, but the profit interest agreed to and described herein remains in effect.

The Company notes that its intention to utilize EB-5 funding is a matter of economics and the success of the Ruby Project itself is not exclusively contingent on the EB-5 financing heretofore disclosed. Unless and until all of the milestones related to USCIS approvals for EB-5 are achieved and funds are received, the Company may elect to accept alternative funding should a suitable funding source be identified and acceptable terms negotiated. As of the date of this prospectus, the EB-5 funding remains pending, and there is no guarantee that it will be completed.

On June 4, 2013, the Company executed a Memorandum of Understanding (the "Agreement") with a private US investor (the "Investor") for an advance sale of up to 120 ounces of specimen gold from the Ruby Mine in Sierra County, California. The price paid in advance by the Investor shall be at a ten percent (10%) discount to the then-current spot price of gold (the "Purchase Price") on the day the gold is produced and made available for shipment (the "Delivery Date"). The Investor will acquire the right to purchase the gold at their discretion. Upon signing the Agreement, the Company received an initial cash advance of \$150,000 (the "Advance"), which is based on a 10% discount to the current spot price of gold, for delivery of the first 120 ounces of specimen gold produced from the Ruby Mine on or before February 1, 2014 (the "Due Date"). The Advance paid will be applied to the amount due to the Company on the Delivery Date, as determined by the then-current spot price of gold on the Delivery Date. In the event that 120 ounces of specimen gold is not available for delivery by the Due Date, the Investor will be entitled to be repaid the Advance in cash plus 10% interest equal to \$165,000 total, with an option to still purchase the same amount of gold at a discount of 10% to the then-current spot price of gold when the specimen gold becomes available for delivery at a later date.

On November 1, 2011, the Company agreed to option the Taber Mine in Sierra County, California, for a period of up to nine months, during which time the Company will continue to conduct further due diligence. On July 11, 2012, the Company executed an amendment to the Taber Mine Option Agreement to extend the option for one additional year. The consideration to be paid during the term of the option is \$2,000 per month. Should the Company elect to exercise the option, the parties will then enter into a definitive lease agreement, with an optional buyout provision. As of the date of this prospectus, the term of the option has expired, and the Company has elected not to renew it.

Our CEO, Mr. Perry Leopold owns 100 shares of the Company's Series I Preferred Stock. Each outstanding share of the Series I Preferred Stock represents its proportionate share of eighty per cent (80%) of all votes entitled to be voted and which is allocated to the outstanding shares of Series I Preferred Stock and therefore Mr. Leopold is able to control the outcome of most corporate matters on which our shareholders are entitled to vote. These shares are not convertible into common stock or any commodities. The Series I Preferred Stock was issued in February 2007. These shares were issued to our Chief Executive Officer, Mr. Perry Leopold, in February 2007 as an anti-takeover measure to insure that Mr. Leopold maintains control of the Company during periods when the Company's stock may be severely undervalued and subject to hostile takeover in the open market. As specified in the Certificate of Designation filed by the Company with the Delaware Secretary of State in February 2007, the outstanding shares of Series I Preferred Stock shall vote together with the shares of Common Stock of the Corporation as a single class and,



regardless of the number of shares of Series I Preferred Stock outstanding and as long as at least one of such shares of Series I Preferred Stock is outstanding, shall represent eighty percent (80%) of all votes entitled to be voted at any annual or special meeting of shareholders of the Corporation or action by written consent of shareholders. Each outstanding share of the Series I Preferred Stock shall represent its proportionate share of the 80% which is allocated to the outstanding shares of Series I Preferred Stock”.

Our headquarters are located at 2120 Bethel Road, Lansdale, PA 19446, with a mailing address of PO Box 162, Skippack, PA 19474. Our website is located at [www.northbayresources.com](http://www.northbayresources.com). Our telephone number is (215) 661-1100.

#### Going Concern

Our consolidated financial statements have been prepared on a going concern basis, which implies the Company will continue to realize its assets and discharge its liabilities in the normal course of business. The Company has generated modest revenues since inception and has never paid any dividends and is unlikely to pay dividends. The continuation of the Company as a going concern is dependent upon the continued financial support from its shareholders, the ability of the Company to obtain necessary equity financing to continue operations and to determine the existence, discovery and successful exploration of economically recoverable reserves in its resource properties, confirmation of the Company’s interests in the underlying properties, and the attainment of profitable operations. The Company has had very little operating history to date. These consolidated financial statements do not include any adjustments to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern.

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We have experienced recurring net losses from operations, which losses have caused an accumulated deficit of \$14,851,172 as of June 30, 2013. In addition, we have a working capital deficit of \$3,446,084 as of June 30, 2013. We had a net loss of \$1,375,324 for the six months ended June 30, 2013, and net losses of \$2,119,706 and \$1,045,749 for the years ended December 31, 2012 and 2011, respectively. These factors, among others, raise substantial doubt about our ability to continue as a going concern. If we are unable to generate profits and are unable to continue to obtain financing to meet our working capital requirements, we may have to curtail our business sharply or cease operations altogether. Our continuation as a going concern is dependent upon our ability to generate sufficient cash flow to meet our obligations on a timely basis to retain our current financing, to obtain additional financing, and, ultimately, to attain profitability. Should any of these events not occur, we will be adversely affected and we may have to cease operations.

As of December 31, 2012, the accumulated deficit attributable to CEO stock awards, including previous management and valued according to GAAP, totals \$2,558,535 since June 18, 2004 (inception). As of December 31, 2012, the accumulated deficit attributable to CEO compensation is \$884,474 in deferred compensation. This reflects the total amounts unpaid as per the management agreement with The PAN Network dating back to January 2006, less any amounts actually paid or forgiven since 2006. These totals are non-cash expenses which are included in the accumulated deficit since inception. Actual CEO compensation paid in cash over the course of the seven years since 2006 has totaled \$225,870, consisting of \$10,000 in 2006, \$50,764 in 2007, \$23,139 in 2008, \$29,979 in 2009, \$21,988 in 2010, \$90,000 in 2011, and \$116,000 in 2012. These cash expenditures are also included in the accumulated deficit.

The ongoing execution of our business plan is expected to result in operating losses over the next twelve months. Management believes it will need to raise capital through loans or stock issuances in order to have enough cash to maintain its operations for the next twelve months. There are no assurances that we will be successful in achieving our goals of obtaining cash through loans, stock issuances, or increasing revenues and reaching profitability.

In view of these conditions, our ability to continue as a going concern is dependent upon our ability to meet our financing requirements, and to ultimately achieve profitable operations. Management believes that its current and future plans provide an opportunity to continue as a going concern. The accompanying consolidated financial statements do not include any adjustments relating to the recoverability and classification of recorded assets, or the amounts and classification of liabilities that may be necessary in the event we cannot continue as a going concern.

## The Offering:

Securities Being Offered by Selling Stockholder	Up to 25,368,011 shares of our common stock.
Offering Price	The selling shareholder will sell our common stock at prevailing market prices or privately negotiated prices.
Terms of the Offering	The selling shareholder will determine when and how it will sell the common stock offered in this prospectus.
Risk Factors	The securities offered hereby involve a high degree of risk and should not be purchased by investors who cannot afford the loss of their entire investment. See "Risk Factors."
Common Stock Outstanding before Offering	112,776,902 shares of our common stock are issued and outstanding as of the date of this prospectus.

Common Stock Outstanding after Offering (1) 138,144,913 shares of common stock.

Use of Proceeds

The selling stockholder will receive all of the proceeds from the sale of the shares offered for sale by it under this prospectus. Accordingly, we will not receive proceeds from the sale of the shares by the selling stockholder. However, we may receive up to \$1,648,920.72 in proceeds from the sale of our common stock to the selling stockholder from the shares covered herein and sold to the selling stockholder under the Securities Purchase Agreement described below. Any proceeds that we receive under the purchase agreement are expected to be used for general working capital purposes.

OTCQB Market Symbol NBRI

(1) Assumes the issuance to the selling stockholder of all shares being registered herein under the Securities Purchase Agreement.

This offering relates to the resale of 25,368,011 shares of our common stock, par value of \$0.001, by the selling stockholder, Tangiers Investors LP (“Tangiers”). The Company will receive proceeds from the sale of our common stock to Tangiers under the Securities Purchase Agreement entered into with the selling stockholder on October 7, 2009 and amended on July 24, 2013 (“Securities Purchase Agreement”).

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Pursuant to the Securities Purchase Agreement, we may, at our sole discretion, periodically issue and sell to Tangiers shares of our common stock for a total aggregate purchase price of \$10,000,000. We have previously registered 19,726,822 shares under this facility, of which 19,651,471 shares have been issued since January 24, 2011, at an aggregate average price per share of \$0.065. During the second quarter of fiscal 2013, we discovered certain shares of the 19,651,471 shares were inadvertently offered and sold without registration under the Securities Act, as amended, during the period from October 24, 2011 through April 25, 2013. A more detailed discussion is included in Note 10 of the audited Financial Statements on page 144 and in the Risk Factor on page 16. We have deregistered the remaining shares by filing a post-effective amendment to the registration statement. Under this registration statement on Form S-1 (“Registration Statement”), we are only registering 25,368,011 additional shares of our common stock. We will issue additional shares to Tangiers, at our option, in order to continue to receive advances under the Securities Purchase Agreement. If additional shares are issued, they will be covered by future registration statements. The registration statement of which this Prospectus is a part of must be declared effective prior to us being able to issue those additional shares to Tangiers so that we may obtain further cash advances under the Securities Purchase Agreement.

Pursuant to the Securities Purchase Agreement, the dollar amount of each advance is based upon the average daily trading volume in dollar amount during the ten (10) trading days preceding the advance notice date (the “Base Amount”). For each share of common stock purchased under the Securities Purchase Agreement, Tangiers will pay us 90% of the lowest volume weighted average price (“VWAP”) of the Company's common stock as quoted by Bloomberg, LP on other principal market on which the Company's common stock is traded for the five days immediately following the notice date (the “Market Price”). Any advance notice that exceeds the Base Amount by up to 200% will be further discounted by 7.5% (or 82.5% of the Market Price), and any advance notice in excess of 200% and up to or equal to 300% of the Base Amount will be further discounted by an additional 7.5% (or 75% of the Market Price). The price paid by Tangiers for the Company's stock shall be determined as of the date of each individual request for an Advance under the Securities Purchase Agreement. Tangiers’ obligation to purchase shares of the Company's common stock under the Securities Purchase Agreement is subject to certain conditions, including the Company obtaining an effective registration statement for shares of the Company's common stock sold under the Securities Purchase Agreement, and is limited to a maximum of \$250,000 per ten consecutive trading days after the advance notice is provided to Tangiers. The Securities Purchase Agreement shall terminate and Tangiers shall have no further obligation to make advances under the Securities Purchase Agreement at the earlier of the passing of 60 months after the date that the Securities and Exchange Commission declares the Company’s registration statement effective or the Company receives advances from Tangiers equal to \$10,000,000. Upon the execution of the Securities Purchase Agreement, Tangiers received a one-time commitment fee in October 2009 equal to \$85,000 of the Company's common stock divided by the lowest volume weighted average price of the Company's common stock during the 10 business days immediately following the date of the Securities Purchase Agreement, as quoted by Bloomberg, LP.

By way of example, the following table illustrates the total share issuance from a hypothetical \$50,000 draw request (“Advance Notice”) where the Base Amount preceding the Advance Notice has been tabulated to be \$20,000, and the VWAP during the 5 day period following the Advance Notice is determined to be \$0.05. The Base Amount for this hypothetical draw request is thus \$20,000, which at a 10% discount of the Market Price of \$0.05 per share will set the issuance price at \$0.045 and will result in 444,444 shares being issued. The amount that is more than 100% of the Base Amount but less than or equal to 200% of the Base Amount (Tier 1) is \$20,000, which at a 17.5% discount of the Market Price results in an additional 484,849 shares being issued. The amount that is greater than 200% of the Base Amount (Tier 2) is \$10,000, which at a 25% discount to the Market Price results in an additional 266,667 shares being issued, for a total issuance on this exemplar \$50,000 draw request of 1,195,960 shares.

Draw Request	10-day	Tier Split (Base / Tier	Low VWAP	Discount	Tier Price	Shares Issued
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		Avg \$ Volume (Base Amount)	1 / Tier 2)	During 5-day Pricing Period				
Base	\$ 50,000	\$ 20,000	\$ 20,000	\$ 0.05	10	%	\$ 0.04500	444,444
Tier 1			\$ 20,000	\$ 0.05	17.5	%	\$ 0.04125	484,849
Tier 2			\$ 10,000	\$ 0.05	25	%	\$ 0.03750	266,667
Total	\$ 50,000		\$ 50,000					1,195,960

Our common stock is recently trading around \$0.06 per share. If this price is maintained, of which there is no assurance, our shares will be issued to Tangiers at a minimum of \$0.045 (25% discount) to a maximum of 0.054 (10% discount) per share, depending on the amount of each draw request. As of the date of this prospectus, \$1,281,000 has been drawn from this facility since January 24, 2011, leaving \$8,719,000 remaining to be drawn if the entire \$10,000,000 available to us is to be received. Therefore, assuming said minimum price and including the amount already received, we will need to register as many as 193,755,556 additional shares of our common stock in order to obtain the full \$10,000,000 available to us under the Securities Purchase Agreement as of the date of this prospectus. We are only registering 25,368,011 on this Registration Statement. The total amount of 25,368,011 shares of our common stock will be issued to Tangiers in order to obtain the funds available to us under the Securities Purchase Agreement. We will be required to file other registration statements if we intend to obtain the full amount of funds available to us under the Securities Purchase Agreement. If we issue to Tangiers all 25,368,011 shares of our common stock at the current stock price we will only be able to receive approximately \$1,359,873 in net proceeds after the minimum discount of 10% is applied and after deducting expenses related to filing this registration statement. This Registration Statement must be declared effective prior to us being able to issue those additional shares to Tangiers so that we may obtain cash advances under the Securities Purchase Agreement.

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As of the date of this prospectus, the shares of common stock to be issued in order to receive advances under the Securities Purchase Agreement upon issuance would equal approximately 22.35% of our outstanding common stock.

RISK FACTORS

The shares of our common stock being offered for resale by the selling security holder are highly speculative in nature, involve a high degree of risk and should be purchased only by persons who can afford to lose the entire amount invested in the common stock. Before purchasing any of the shares of common stock, you should carefully consider the following factors relating to our business and prospects. The risks and uncertainties described below are not exclusive. Additional risks and uncertainties not presently known or that the Company currently deems immaterial may also impair operations. If any of the following risks actually occurs, our business, financial condition or operating results could be materially adversely affected. As one of our stockholders, you will be subject to the risks inherent in our business. In such case, the trading price of our common stock could decline and you may lose all or part of your investment. As of the date of this prospectus, our management is aware of the following material risks and we have included all known material risks in this section:

Risks Related To Our Business

We have been the subject of a going concern opinion by our independent auditors who have raised substantial doubt as to our ability to continue as a going concern

Our audited financial statements have been prepared on a going concern basis, which implies the Company will continue to realize its assets and discharge its liabilities in the normal course of business. The Company has generated modest revenues since inception and has never paid any dividends and is unlikely to pay dividends. The continuation of the Company as a going concern is dependent upon the continued financial support from its shareholders, the ability of the Company to obtain necessary equity financing to continue operations and to determine the existence, discovery and successful exploration of economically recoverable reserves in its resource properties, confirmation of the Company's interests in the underlying properties, and the attainment of profitable operations. The Company has had very little operating history to date. These financial statements do not include any adjustments to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern. These factors raise substantial doubt regarding the ability of the Company to continue as a going concern.

We have experienced recurring net losses from operations, which losses have caused an accumulated deficit of \$14,851,172 as of June 30, 2013. In addition, we have a working capital deficit of \$3,446,084 as of June 30, 2013. We had a net loss of \$1,375,324 for the six months ended June 30, 2013, and net losses of \$2,119,706 and \$1,045,749 for the years ended December 31, 2012 and 2011, respectively. These factors, among others, raise substantial doubt about our ability to continue as a going concern. If we are unable to generate profits and are unable to continue to obtain financing to meet our working capital requirements, we may have to curtail our business sharply or cease operations altogether. Our continuation as a going concern is dependent upon our ability to generate sufficient cash flow to meet our obligations on a timely basis to retain our current financing, to obtain additional financing, and, ultimately, to attain profitability. Should any of these events not occur, we will be adversely affected and we may have to cease operations.

As of December 31, 2012 the accumulated deficit attributable to CEO stock awards, including previous management and valued according to GAAP, totals \$2,558,535 since June 18, 2004 (inception). As of December 31, 2012 the accumulated deficit attributable to CEO compensation is \$884,474 in deferred compensation. This reflects the total amounts unpaid as per the management agreement with The PAN Network dating back to January 2006, less any amounts actually paid or forgiven since 2006. These totals are non-cash expenses which are included in the

accumulated deficit since inception. Actual CEO compensation paid in cash over the course of the seven years since 2006 has totaled \$225,870, consisting of \$10,000 in 2006, \$50,764 in 2007, \$23,139 in 2008, \$29,979 in 2009, \$21,988 in 2010, \$90,000 in 2011, and \$116,000 in 2012. These cash expenditures are also included in the accumulated deficit.

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Excluding management fees, which are deferred as-needed, the Company has required approximately \$7,000 (USD) per month to maintain its mineral claims in British Columbia in good standing and pay general administrative expenses. We believe these expenses can be maintained at present levels for the foreseeable future. Going forward, as a fully-reporting company, we estimate it will cost an additional \$2,500 to \$5,000 per month in SEC compliance fees, consisting primarily of accounting, legal, and edgarization fees. If we cannot generate enough revenue from claim sales and joint-ventures to cover these costs, we believe we can rely on loans and our equity credit line established with Tangiers to make up for any revenue shortfall once this Registration Statement is declared effective by the SEC. However, as there is no assurance that this Registration Statement or any subsequent Registration Statement will be declared effective, the equity line with Tangiers may be unavailable to us. If we cannot generate sufficient revenue or raise additional funds through equity, we may not be able to maintain our mineral claims or make timely filings with the SEC. In fiscal year 2013, our mortgage on the Ruby Mine Property (“Ruby Mine”) requires us to pay \$10,000 per month during the quarter ended March 31, 2013, \$15,000 per month during the quarter ended June 30, 2013, and \$20,000 per month from July 1, 2013 through December 30, 2015. A \$1 million dollar balloon payment is due by December 30, 2013, representing 40% of the first five visas sold through the EB-5 Program (as defined below). The Company believes it can rely on loans and our equity credit line established with Tangiers to make up for any revenue shortfall once our this registration statement to register the Tangiers equity credit line is made effective by the SEC, and on our funding for the Ruby Mine project (“Ruby Mine Project”) through the EB-5 Program once that funding effort is completed. However, as there is no assurance that this or any subsequent registration statement will be made effective, the equity line with Tangiers may be unavailable to us, and there is no assurance that we will receive sufficient funding from the EB-5 Program. If we cannot generate sufficient revenue or raise additional funds through loans, equity, or EB-5, we may not be able to maintain our mortgage on the Ruby Mine.

The ongoing execution of our business plan is expected to result in operating losses over the next twelve months. Management believes it will need to raise capital through loans and stock issuances in order to have enough cash to maintain its operations for the next twelve months. There are no assurances that we will be successful in achieving our goals of obtaining cash through loans or stock issuances, or increasing revenues and reaching profitability.

In view of these conditions, our ability to continue as a going concern is dependent upon our ability to meet its financing requirements, and to ultimately achieve profitable operations. Management believes that its current and future plans provide an opportunity to continue as a going concern. The accompanying financial statements do not include any adjustments relating to the recoverability and classification of recorded assets, or the amounts and classification of liabilities that may be necessary in the event we cannot continue as a going concern.

We may not be able to engage in joint-ventures, which could have a significant negative impact on our financial condition.

We intend to increase our revenues and available cash through joint-venture opportunities. We may not have the resources required to promote our properties and attract viable joint-venture partners. If we are unable to secure additional joint-venture partners for our mining properties, we will not be able to generate enough revenue to achieve and maintain profitability or to continue our operations.

Because of our dependence on a limited number of potential partners, our failure to attract new partners for our mining properties could impair our ability to continue successful operations. The absence of a significant partnership base may impair our ability to attract new partners. Our failure to develop and sustain long-term relationships with joint-venture partners would impair our ability to continue development of our properties. Once secured, the failure of a joint-venture partner to obtain sufficient financing to meet their commitments to us may cause the joint-venture to fail, and our business prospects may suffer.



We may not be able to increase our revenue or effectively operate our business. To the extent we are unable to achieve revenue growth, we may continue to incur losses. We may not be successful or make progress in the growth and operation of our business. Our current and future expense levels are based on operating plans and estimates of future revenues and are subject to increase as strategies are implemented. Even if our revenues grow, we may be unable to adjust spending in a timely manner to compensate for any unexpected revenue shortfall.

Accordingly, any significant shortfall in revenues would likely have an immediate material adverse effect on our business, operating results and financial condition. Further, if we substantially increase our operating expenses and such expenses are not subsequently followed by increased revenues, our operating performance and results would be adversely affected and, if sustained, could have a material adverse effect on our business. To the extent we implement cost reduction efforts to align our costs with revenue, our revenue could be adversely affected.

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We may face many of the challenges that a developing company in the mining industry typically encounters which may impede or prevent successful implementation of our business plan.

These challenges include, but are not limited to:

- Evaluation and staking of new prospects;
- Maintaining claims in good standing;
- Engaging and retaining the services of qualified geological, engineering and mining personnel and consultants;
- Establishing and maintaining budgets, and implementing appropriate financial controls;
- Identifying and securing joint-venture partners;
- Establishing initial exploration plans for mining prospects;
- Obtaining and verifying independent studies to validate mineralization levels on our prospects; and
- Ensuring the necessary exploratory and operational permits are filed on a timely basis, the necessary permits are maintained and approved by governmental authorities and jurisdictions, and adhering to all regulatory and safety requirements.

The failure to address one or more of these above factors may impair our ability to carry out our business plan. In that event, an investment in us would be substantially impaired.

Our business plan is dependent on continually finding new mining prospects with sufficient mineralization, grade and consistency without which it may not be practical to pursue the business plan, and investors will lose their investment.

Our business model depends on locating new prospects with commercially sufficient amounts of precious and other metal mineralization. Until feasibility studies are completed, permits issued, and actual extraction and processing begins, we will not know if our prospects are commercially viable. Even if initial reports about mineralization in a particular prospect are positive, subsequent activities may determine that the prospect is not commercially viable. Thus, at any stage in the exploration and development process, we may determine there is no business reason to continue, and at that time, our financial resources may not enable us to continue exploratory operations and will cause us to terminate our current business plan.

Our metals exploration efforts are highly speculative in nature and may be unsuccessful.

Metals exploration is highly speculative in nature, involves many risks and frequently is unsuccessful. Once mineralization is discovered, it may take a number of years from the initial phases of drilling before production is possible, during which time the economic feasibility of production may change. Substantial expenditures are required to establish proven and probable ore reserves through drilling, to determine metallurgical processes to extract the metals from the ore and, in the case of new properties, to construct mining and processing facilities. As a result of the foregoing uncertainties, no assurance can be given that our exploration programs will result in the identification,

expansion, or replacement of current or future production with new proven and probable ore reserves.

Development projects have no operating history upon which to base estimates of proven and probable ore reserves and estimates of future cash operating costs. Such estimates are, to a large extent, based upon the interpretation of geologic data obtained from drill holes and other sampling techniques, and feasibility studies which derive estimates of cash operating costs based upon anticipated tonnage and grades of ore to be mined and processed, the configuration of the ore body, expected recovery rates of the mineral from the ore, comparable facility and equipment operating costs, anticipated climatic conditions and other factors. As a result, it is possible that actual cash operating costs and economic returns based upon development of proven and probable ore reserves may differ significantly from those originally estimated. Moreover, significant decreases in actual over expected prices may mean reserves, once found, will be uneconomical to produce. It is not unusual in new mining operations to experience unexpected problems during the start-up phase.

Other risk factors include changes in regulations, environmental concerns or restrictions, legacy rights accorded to local First Nations communities, technical issues relating to exploration, development, and extraction, such as rock falls, subsidence, flooding and weather conditions, safety requirements, and labor issues. Any of these factors individually or together could delay or halt implementation of the business plan or raise costs to levels that may make it unprofitable or impractical to pursue our business objectives.

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Regulatory compliance is complex and the failure to meet all the various requirements could result in loss of a claim, fines or other limitations on our business plan.

With the exception of the Ruby Mine in Sierra County, California, all of our mining claims are in British Columbia, Canada, where we are subject to regulation by numerous federal and provincial governmental authorities, but most importantly, by the British Columbia Ministry of Energy, Mines, and Petroleum Resources. Our Ruby Mine project ("Ruby Project") in Sierra County, California, is subject to US regulation by the Federal Environmental Protection Agency, the Federal Department of the Interior, the Bureau of Land Management, the US Forestry Service, the US Department of Labor Mine Safety and Health Administration, as well as other comparable state agencies, such as the California Department of Conservation Office of Mine Reclamation, the California State Water Resources Control Board and the California Division of Occupational Safety and Health. At the Ruby, we are also subject to various federal and state statutes, such as the federal Mine Safety & Health Act of 1977, the federal Mine Improvement and New Emergency Response Act of 2006, the federal Comprehensive Environmental Response, Compensation and Liability Act, also known as the "Superfund" law, the federal Clean Air Act, the federal Resource Conservation and Recovery Act, and the California Surface Mining and Reclamation Act. Where EB-5 funding has been applied for, offered, or secured, we are subject to regulation by the US Department of Homeland Security and the United States Citizenship and Immigration Services ("USCIS"). The acquisition of a prospect in Mexico, or any other country, will be subject to similar regulatory agencies requirements by various agencies in each country. In all cases, the failure or delay in making required filings and obtaining regulatory approvals or licenses will adversely affect our ability to carry out our business plan. The failure to obtain and comply with any regulations or licenses may result in fines or other penalties, and even the loss of our rights over a prospect. We expect compliance with these regulations to be a substantial expense in terms of time and cost. Therefore, compliance with or the failure to comply with applicable regulation will affect our ability to succeed in our business plan and ultimately to generate revenues and profits. We expect that our operations will comply in all material respects with applicable laws and regulations. We believe that the existence and enforcement of such laws and regulations will have no more restrictive an effect on our operations than on other similar companies in the resource industry.

The Ruby Mine has no proven or probable reserves, and production may be less than expected, or may never begin at all.

Our current resource estimate at the Ruby Mine is inferred, or hypothetical. While past production is a good indicator, past production does not guarantee future results. If our mining efforts fail to produce a grade of gold high enough to sustain an economic enterprise, our Ruby Mine Project may fail. In the event of such a failure, our inability to repay any accumulated debt incurred from the Ruby project may cause our business to fail.

Our ability to begin mining operations at the Ruby Mine requires that we raise sufficient capital to pay off the mortgage on the Ruby Mine property and provide enough operating capital to begin as well as sustain commercial production. We have elected to avail ourselves of the federal EB-5 Program to secure funding, for which the Ruby Mine has been pre-approved by the USCIS in July 2011, but which is contingent on our ability to raise sufficient funds from foreign investors who participate in the federal EB-5 Program. If we fail to secure enough capital from the EB-5 Program or any other alternative funding sources, we may have to curtail the Ruby project and forfeit the property.

Competition may develop which could hinder our ability to locate, stake and explore new mining claims, or to attract new joint-venture partners.

As metal prices continue to increase and demand grows, we expect new companies to form and compete with the already numerous junior and developed mining, exploration and production companies in existence. Some of these companies may be more efficient in locating new claims, which could impede our business plan. As well, some of

these companies may be better funded, or more successful in attracting joint-venture partners, and thereby diminish our ability to execute our business plan.

We could fail to attract or retain key personnel, which could be detrimental to our operations.

Our success largely depends on the efforts and abilities of our Chief Executive Officer, Perry Leopold. The loss of his services could materially harm our business because of the cost and time necessary to find his successor. Such a loss would also divert management's attention away from operational issues. We do not presently maintain key-man life insurance policies on our Chief Executive Officer. To the extent that we are smaller than our competitors and have fewer resources, we may not be able to attract sufficient number and quality of staff.

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New development activities require substantial capital expenditures.

New development activities, if done independently and without benefit of a joint-venture partner, require substantial capital expenditures for the extraction, production and processing stages and for machinery, equipment and experienced personnel. There can be no assurance that the Company will generate sufficient cash flow and/or that it will have access to sufficient external sources of funds in the form of outside investment or loans to continue development activities at the same or higher levels than in the past.

Our Chief Executive Officer controls another company, Speebo, Inc. (“Speebo”), that could potentially create a conflict of interest

Speebo is a private exploration company founded and funded in 2006 by our Chief Executive Officer, Perry Leopold, as a proof-of-concept in the use of MTO technology as the primary methodology for the identification and acquisition of mineral properties of merit. As a result of Mr. Leopold’s success in acquiring claims in this manner and subsequently generating revenue from them, the Board of Directors of North Bay agreed with Mr. Leopold’s contention that new technology holds the key to a successful exploration enterprise in the 21st century, and in 2007 the Company adopted the Generative Business Model that incorporates MTO (as defined below) technology as the core methodology in the execution of our current business plan. Speebo continues to operate to a limited extent, and often acts for the benefit of North Bay. Two key claims currently owned by North Bay, Bouleau Creek Gold and Pine River Vanadium, were originally acquired and subsequently gifted to the Company by Speebo. To date there have never been any material related-party transactions between Speebo and North Bay for the benefit of Speebo, nor has there been any instance, material or otherwise, of Speebo ever receiving any benefit whatsoever from its affiliation as a related-party. While the potential inherently exists for a conflict-of-interest in the future, the reality of the relationship to date has been complimentary and supportive to the sole benefit of North Bay, and not competitive in any way. In the event a potential transaction in the future might convey a benefit to Speebo, it may only be done with the unanimous consent of the Board of Directors, and in full compliance with the Code of Ethics adopted by the Company in October, 2009.

A single shareholder, our Chief Executive Officer and Chairman of the Board Mr. Perry Leopold, has the ability to control our business direction.

Our Chief Executive Officer and Chairman of the Board, Mr. Perry Leopold, owns 80% of the voting shares of our stock by virtue of his ownership of 100% of the authorized Series I Preferred Shares. These shares were issued to him in February 2007 as an anti-takeover measure to insure that Mr. Leopold maintains control of the Company during periods when the Company’s stock may be severely undervalued and subject to hostile takeover in the open market. As specified in the Certificate of Designation filed by the Company with the Delaware Secretary of State in February 2007, “the outstanding shares of Series I Preferred Stock shall vote together with the shares of Common Stock of the Corporation as a single class and, regardless of the number of shares of Series I Preferred Stock outstanding and as long as at least one of such shares of Series I Preferred Stock is outstanding, shall represent eighty percent (80%) of all votes entitled to be voted at any annual or special meeting of shareholders of the Corporation or action by written consent of shareholders. Each outstanding share of the Series I Preferred Stock shall represent its proportionate share of the 80% which is allocated to the outstanding shares of Series I Preferred Stock.” These Series I Preferred Shares also supersede any other shares that Mr. Leopold may own, so that any additional shares he may acquire do not increase his 80% voting rights, and are therefore included within the 80%. Accordingly, Mr. Leopold is likely to be in a position to control the election of our Board of Directors and the selection of officers, management and consultants. He will also have a significant influence in determining the outcome of all corporate transactions or other matters, including mergers, consolidations and the sale of all or substantially all of our assets, and also the power to prevent or cause a change in control. While we have no current plans with regard to any merger, consolidation or sale of substantially all of our assets, the interests of Mr. Leopold may still differ from the interests of the other

stockholders.

Our executive officers do not have any training specific to the technicalities of mineral exploration, and there is a higher risk our business will fail

Mr. Perry Leopold, our Chief Executive Officer since 2006, does not have any formal training as a geologist or a mining engineer. As a result, our management may lack certain skills that are advantageous in managing an exploration company. In addition, Mr. Leopold's decisions and choices may not take into account standard engineering or managerial approaches mineral exploration companies commonly use. Consequently, our operations, earnings, and ultimate financial success could suffer irreparable harm due to management's lack of experience in geology and mine engineering.

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We anticipate our operating expenses will increase and we may never achieve profitability

Prior to completion of our exploration stage, we anticipate that we will incur increased operating expenses without increasing or realizing any revenues. We expect to incur continuing and significant losses into the foreseeable future. As a result of continuing losses, we may exhaust all of our resources and be unable to execute on our business plan. Our accumulated deficit will continue to increase as we continue to incur losses. We may not be able to earn profits or continue operations if we are unable to generate significant revenues. There is no history upon which to base any assumption as to the likelihood that we will be successful, and we may not be able to generate any operating revenues from mining or ever achieve profitable operations. If we are unsuccessful in addressing these risks, our business will most likely fail.

We have one employee, our Chief Executive Officer, who also has other business interests, and he may not be able to devote a sufficient amount of time to our business operations, causing our business to fail

Mr. Perry Leopold, our Chief Executive Officer, currently devotes 40 or more hours per week to our business affairs, and currently devotes less than 10 hours per week total on his other business interests, specifically, Speebo, Circular Logic, Inc., and The PAN Network. Mr. Leopold also serves as a consultant to a major consumer electronics firm on legacy technology issues related to his work with The PAN Network in aiding the development of the internet in the 1980's, and which is done only as time permits, on an as-needed as-available basis. Currently, we do not have any other employees. If the demands of any of Mr. Leopold's other business interests should increase in the future, it is possible that Mr. Leopold may not be able to devote sufficient time to the management of our business, as and when needed. If our management is unable to devote a sufficient amount of time to manage our operations, our business will fail.

A single shareholder, our Chief Executive Officer Mr. Perry Leopold, owns 100% of our outstanding convertible preferred stock, and the market price of our shares would most likely decline if he were to convert these shares to common stock and sell a substantial number of shares all at once or in large blocks.

Our Chief Executive Officer, Mr. Perry Leopold owns 4,000,000 shares of our Series A Preferred stock, which equates to 20,000,000 shares of common stock upon conversion if he so elects. Mr. Leopold will then be eligible to sell these shares publicly subject to the volume limitations in Rule 144. The offer or sale of a large number of shares at any price may cause the market price to fall. Sales of substantial amounts of common stock or the perception that such transactions could occur may materially and adversely affect prevailing markets prices for our common stock.

If First Nations land claims affect the title to our mineral claims, our ability to develop claims may be lost.

The Province of British Columbia and Canadian government policy at this time is to consult with all potentially affected First Nations bands and other stakeholders in the area of any potential commercial production. In the event that we encounter a situation where a First Nations person or group claims an interest in any of our mineral claims, we may be unable to provide compensation to the affected party in order to continue with our exploration work, or if such an option is not available, we may have to relinquish any interest that we may have in this claim. The Supreme Court of Canada has ruled that both the federal and provincial governments in Canada are now obliged to negotiate these matters in good faith with First Nations groups. If any of our mineral claims should become the subject of a dispute with First Nations groups, the costs and/or losses could be greater than our financial capacity and our business would fail.

The Province of British Columbia owns most of the land covered by our Canadian mineral claims, and our ability to conduct exploratory programs is subject to the consent of the Province of British Columbia, leading to possible ejection from or forfeiture of our mineral claims.



The land covered by most of our mineral claims in Canada is owned by the Province of British Columbia. The ability to conduct an exploratory program on any of our claims is subject to the consent of the Province of British Columbia.

In order to keep our claims in good standing with the Province of British Columbia, the Province of British Columbia requires that before the expiry dates of the mineral claim that exploration work on any mineral claim valued at an amount stipulated by the government be completed together with the payment of a filing fee, or, a payment to the Province of British Columbia in lieu of completing said exploration work. In the event that these conditions are not satisfied prior to the expiry dates of the mineral claim, we will lose our interest in any mineral claim so affected, and the mineral claim then become available again to any party that wishes to stake an interest in these claims. In the event that either we are ejected from the land or our mineral claims expire, we will lose all interest that we have in the claims so affected.

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Our mineral and placer rights in British Columbia are limited.

Our acquisition of any mining claim in British Columbia conveys the mineral or placer rights for mining-related purposes only, and while our rights allow us to use the surface of a claim for mining and exploration activities, our claims do not convey any other surface, residential or recreational rights to the Company. Additionally, our right to extraction is not absolute, as any mechanized extraction work on claims in British Columbia requires additional permits and possibly conversion of our claims to mining leases, the approval of which is not guaranteed. In the event a mining permit is not approved, the subject claims may become worthless to us, and we may be forced to allow them to forfeit.

Some of the land overlying our Canadian mineral claims is owned by private parties, and our ability to conduct exploratory programs is subject to their consent.

The land covered by some of our mineral claims in Canada is owned by private parties by virtue of legacy Crown Grants registered over the past century. Access and availability to conduct an exploratory program on any of these claims is subject to the consent of the private landowner. In the event any private party objects to our access and blocks our ability to conduct exploration and development work on these claims, these claims may become worthless to us, and we may be forced to allow them to forfeit.

### Risk Factors Related to Our Securities, the Securities Purchase Agreement and This Offering

We are registering herein 25,368,011 shares of common stock to be issued under the Securities Purchase Agreement. The sale of such shares could depress the market price of our common stock.

We are registering 25,368,011 shares of common stock under the registration statement of which this Prospectus forms a part for issuance pursuant to the Securities Purchase Agreement. The sale of these shares into the public market by Tangiers could depress the market price of our common stock.

Existing stockholders will experience significant dilution from our sale of shares under the Securities Purchase Agreement.

The sale of shares pursuant to the Securities Purchase Agreement will have a dilutive impact on our stockholders. As a result, the market price of our common stock could decline significantly as we sell shares pursuant to the Securities Purchase Agreement. In addition, for any particular advance, we will need to issue a greater number of shares of common stock under the Securities Purchase Agreement as our stock price declines. If our stock price is lower, then our existing stockholders would experience greater dilution.

The investor under the Securities Purchase Agreement will pay less than the then-prevailing market price of our common stock.

The common stock to be issued under the Securities Purchase Agreement will be issued at 90% of the lowest daily volume weighted average price of our common stock during the five consecutive trading days immediately following the date we submit an Advance Notice to Tangiers. In the event we submit an Advance Notice in excess of the Base Amount, as determined by average daily trading volume in dollar amount during the ten (10) trading days preceding the Advance Notice, the discount on the excess shares might be as much as 25%. These discounted sales could also cause the price of our common stock to decline.

The sale of our stock under the Securities Purchase Agreement could encourage short sales by third parties, which could contribute to the further decline of our stock price.

The significant downward pressure on the price of our common stock caused by the sale of material amounts of common stock under the Securities Purchase Agreement could encourage short sales by third parties. Such an event could place further downward pressure on the price of our common stock.

We may be limited in the amount we can raise under the Securities Purchase Agreement because of concerns about selling more shares into the market than the market can absorb without a significant price adjustment.

The Company intends to exert its best efforts to avoid a significant downward pressure on the price of its common stock by refraining from placing more shares into the market than the market can absorb. This potential adverse impact on the stock price may limit our willingness to use the Securities Purchase Agreement. Until there is a greater trading volume, it seems unlikely that we will be able to access the maximum amount we can draw without an adverse impact on the stock price.

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We may not be able to access sufficient funds under the Securities Purchase Agreement when needed.

Our common stock is recently trading around \$0.06 per share. If this price is maintained, of which there is no assurance, our shares will be issued to Tangiers at a minimum of \$0.045 to a maximum of \$0.054 per share, depending on the amount of each draw request and the applicable discount applied (see “The Offering”). As of the date of this prospectus, \$1,281,000 has been drawn from this facility since the original effective date of January 24, 2011, leaving \$8,719,000 remaining to be drawn if the entire \$10,000,000 available to us is to be received. Therefore, assuming said minimum price and including the amount already received, we will need to register as many as 193,755,556 additional shares of our common stock in order to obtain the full \$10,000,000 available to us under the Securities Purchase Agreement as of the date of this prospectus. We are only registering 25,368,011 on this registration statement. The total amount of 25,368,011 shares of our common stock will be issued to Tangiers in order to obtain the funds available to us under the Securities Purchase Agreement, as amended. We will be required to file other registration statements if we intend to obtain the full amount of funds available to us under the Securities Purchase Agreement. If we issue to Tangiers all 25,368,011 shares of our common stock at the current stock price we will only be able to receive approximately \$1,359,873 in net proceeds after a 10% discount is applied and after deducting expenses related to filing this Registration Statement. This Registration Statement must be declared effective prior to us being able to issue those additional shares to Tangiers so that we may obtain cash advances under the Securities Purchase Agreement.

Our ability to raise funds under the Securities Purchase Agreement is also limited by a number of factors, including the fact that the maximum advance amount during any 10 trading day period is capped at \$250,000, as well as the fact that we are not permitted to submit any request for an advance within 10 trading days of a prior request. Also, the Company may only draw an amount up to or equal to 300% of the average daily trading volume in dollar amount during the 10 trading days preceding the advance date. As such, although sufficient funds are made available to the Company under the Securities Purchase Agreement, such funds may not be readily available when needed by the Company.

We will not be able to use the Securities Purchase Agreement if the shares to be issued in connection with an advance would result in Tangiers owning more than 9.9% of our outstanding common stock.

Under the terms of the Securities Purchase Agreement, we may not request advances if the shares to be issued in connection with such advances would result in Tangiers and its affiliates owning more than 9.9% of our outstanding common stock. We are permitted under the terms of the Securities Purchase Agreement to make limited draws on the Securities Purchase Agreement so long as Tangiers’ beneficial ownership of our common stock remains lower than 9.9%. A possibility exists that Tangiers and its affiliates may own more than 9.9% of our outstanding common stock (whether through open market purchases, retention of shares issued under the Securities Purchase Agreement, or otherwise) at a time when we would otherwise plan to obtain an advance under the Securities Purchase Agreement. As such, by operation of the provisions of the Securities Purchase Agreement, the Company may be prohibited from procuring additional funding when necessary due to these provisions discussed above.

The Securities Purchase Agreement will restrict our ability to engage in alternative financings.

The structure of transactions under the Securities Purchase Agreement will result in the Company being deemed to be involved in a near continuous indirect primary public offering of our securities. As long as we are deemed to be engaged in a public offering, our ability to engage in a private placement will be limited because of integration concerns which therefore limits our ability to obtain additional funding if necessary.

If the market price of our common stock decreases as we draw down on our equity line with Tangiers, we may have to increase the number of authorized shares.

As of the date of this prospectus, we have 113,482,030 shares outstanding out of 250,000,000 shares authorized. We have also reserved 52,131,637 shares of common stock for the possible conversion, consisting of 12,581,637 shares for the possible conversion of outstanding convertible notes, 20,000,000 shares for the possible conversion of outstanding preferred stock, and 19,550,000 shares for the possible exercise of outstanding warrants. If the market price of our common stock remains at its current level or decreases, we may have to increase the number of authorized shares if we are to obtain the full \$10,000,000 available to us under the Securities Purchase Agreement.

There may not be sufficient trading volume in our common stock to permit us to generate adequate funds.

The Securities Purchase Agreement, as amended, provides that the maximum dollar amount of each advance request will be the lesser of \$250,000 or no more than 300% of the average daily trading volume in dollar amount during the ten (10) trading days preceding the Advance Date. If the average daily trading volume in our common stock is too low, it is possible that it would reduce the amount of each advance or advances to amounts at each time that may not provide adequate funding for our planned operations.

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Our shares are quoted on OTCQB under the symbol “NBRI”. As such, we are required to remain current in our filings with the SEC and our securities will not be eligible for quotation if we are not current in our filings with the SEC; failure to remain current in our filings is a breach of the Securities Purchase Agreement

Because our shares are quoted on OTCQB, we are required to remain current in our filings with the SEC in order for shares of our common stock to remain eligible for quotation on OTCQB. In the event that we become delinquent in our required filings with the SEC, quotation of our common stock will be terminated following a 30 or 60 day grace period if we do not make our required filing during that time. If our shares are not eligible for quotation on OTCQB investors in our common stock may find it difficult to sell their shares. Furthermore, failure to remain current in our filings with the SEC is a breach of the Securities Purchase Agreement, and a cause for Tangiers to terminate said agreement.

We have offered and sold certain shares of common stock without registration under the Securities Act of 1933. Some holders of our securities may have the right to rescind their purchases. If these security holders exercise their right to rescind their purchases, our operations could be materially adversely affected.

We have inadvertently offered and sold certain shares of common stock without registration under the Securities Act of 1933 (the “Securities Act”), as amended, during the period from October 24, 2011 through April 25, 2013. Pursuant to Section 10(a)(3) of the Securities Act, by the time our prospectus had been in use for 9 months from the effective date of January 24, 2011, the balance sheet date of the audited financial statement contained in our prospectus was more than 16 months old, and had not been refreshed to present our current financial statements within said prospectus. This inadvertent failure to update our prospectus according to Rule Section 10(a)(3) of the Securities Act may have caused our prospectus to no longer be effective as of October 24, 2011, and thus may have constituted a violation of Section 5 of the Securities Act (which generally requires an effective registration of offers and sales of securities) and may give rise to liability under Section 12 of the Securities Act (which generally provides a rescission remedy for offers and sales of securities in violation of Section 5) as well as potential liability under the anti-fraud provisions of federal and state securities laws.

The Securities Act requires that any claim for rescission be brought within one year of the violation. The time periods within which claims for rescission must be brought under state securities laws vary and may be two years or more from the date of the violation. As of the date of this prospectus and within the federal statute of limitations approximately 10 million shares of our outstanding common stock are subject to rescission, with a potential liability approximating \$600,000, including interest at 10% per annum.

As of the date of this prospectus management is unable to determine at this time whether any claim for rescission may be filed against us; however, there can be no assurance that claims will not be asserted. In addition, regulatory agencies could launch a formal investigation and/or institute an enforcement proceeding against us for violations of federal and state registration and qualification requirements. If any security holders exercise their right to rescind their purchases, or if a formal investigation results in an enforcement action against us, our operations could be materially adversely affected.

Trading of our stock may be restricted by the Securities and Exchange Commission’s penny stock regulations, which may limit a stockholder’s ability to buy and sell our stock.

The Securities and Exchange Commission has adopted regulations which generally define “penny stock” to be any equity security that has a market price (as defined) less than \$5.00 per share or an exercise price of less than \$5.00 per share, subject to certain exceptions. Our securities are covered by the penny stock rules, which impose additional sales practice requirements on broker-dealers who sell to persons other than established customers and “accredited investors”. The term “accredited investor” refers generally to institutions with assets in excess of \$10,000,000 or individuals with a

net worth in excess of \$1,000,000 or annual income exceeding \$200,000 or \$300,000 jointly with their spouse. The penny stock rules require a broker-dealer, prior to a transaction in a penny stock not otherwise exempt from the rules, to deliver a standardized risk disclosure document in a form prepared by the Securities and Exchange Commission, which provides information about penny stocks and the nature and level of risks in the penny stock market. The broker-dealer also must provide the customer with current bid and offer quotations for the penny stock, the compensation of the broker-dealer and its salesperson in the transaction and monthly account statements showing the market value of each penny stock held in the customer's account. The bid and offer quotations, and the broker-dealer and salesperson compensation information, must be given to the customer orally or in writing prior to effecting the transaction and must be given to the customer in writing before or with the customer's confirmation. In addition, the penny stock rules require that prior to a transaction in a penny stock not otherwise exempt from these rules, the broker-dealer must make a special written determination that the penny stock is a suitable investment for the purchaser and receive the purchaser's written agreement to the transaction. These disclosure requirements may have the effect of reducing the level of trading activity in the secondary market for the stock that is subject to these penny stock rules. Consequently, these penny stock rules may affect the ability of broker-dealers to trade our securities. We believe that the penny stock rules discourage investor interest in and limit the marketability of our common stock.

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FORWARD-LOOKING STATEMENTS

This prospectus and the documents incorporated by reference in this prospectus contain certain forward-looking statements and are based on the beliefs of our management as well as assumptions made by and information currently available to our management. Statements that are not based on historical facts, which can be identified by the use of such words as “likely,” “will,” “suggests,” “target,” “may,” “would,” “could,” “anticipate,” “believe,” “estimate,” “expect,” “predict,” and similar expressions and their variants, are forward-looking. Such statements reflect our judgment as of the date of this prospectus and they involve many risks and uncertainties, including those described under the captions “Risk Factors” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations.” These risks and uncertainties could cause actual results to differ materially from those predicted in any forward-looking statements. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future results, levels of activity, performance or achievements. Moreover, neither we nor any other person assumes responsibility for the accuracy and completeness of these forward-looking statements. We undertake no obligation to update forward-looking statements.

THE TANGIERS TRANSACTION

General

On October 7, 2009 we entered into the Securities Purchase Agreement which provides that, upon the terms and subject to the conditions and limitations set forth therein, Tangiers is committed to purchase up to an aggregate of \$10 million of our shares of common stock over the term of the Securities Purchase Agreement. In consideration for entering into the Securities Purchase Agreement, concurrently with the execution of the Securities Purchase Agreement, we issued to Tangiers the 6,569,147 shares of our common stock on October 7, 2009, as a commitment fee. Concurrently with entering into the Securities Purchase Agreement, we also entered into the Registration Rights Agreement, in which we agreed to file one or more registration statements as permissible and necessary to register under the Securities Act for the sale of the shares of our common stock that have been and may be issued to Tangiers under the Securities Purchase Agreement.

As of the date of this prospectus, there were 113,482,030 shares of our common stock outstanding (87,275,556 shares held by non-affiliates), including the 6,569,147 shares previously issued to Tangiers (that are not covered by the Registration Statement of which this prospectus is a part), but excluding the 25,368,011 shares offered herein that may be issued to Tangiers pursuant to the Securities Purchase Agreement. If all of such 25,368,011 shares of our common stock offered hereby were issued and outstanding as of the date hereof, such shares would represent 22.35% of the total common stock outstanding or 29.06% of the non-affiliate shares of common stock outstanding as of the date hereof. The number of shares of our common stock ultimately offered for sale by Tangiers is dependent upon the number of shares purchased by Tangiers under the Securities Purchase Agreement.

Pursuant to the Securities Purchase Agreement, as amended, and the Registration Rights Agreement, we are registering with this Registration Statement of which this prospectus is a part 25,368,011 shares of our common stock under the Securities Act, which we may issue to Tangiers after this Registration Statement is declared effective under the Securities Act. All 25,368,011 shares of common stock are being offered pursuant to this prospectus.

Mechanics of Purchase of Shares (Advances) under the Securities Purchase Agreement

After the Securities and Exchange Commission has declared effective the Registration Statement of which this prospectus is a part (“Effective Date”), we have the right, in our sole discretion, to present Tangiers at any time(s) with an Advance Notice requiring Tangiers to advance to us per advance an amount no less than \$10,000 (Minimum Advance Amount) nor greater than \$250,000 (Maximum Advance Amount). The Base Amount (the “Base Amount”) of



each advance notice is calculated based on the average dollar volume over the 10 day period preceding an Advance Notice. In the event the Base Amount is lower than the Minimum Advance Amount of \$10,000, the Base Amount shall be equal to the Minimum Advance Amount. The purchase price of the common stock acquired with each advance will be 90% of the lowest daily volume weighted average price (the "Market Price") of our common stock during the five (5) consecutive trading days after the Advance Notice date. Any advance notice that exceeds the Base Amount by up to 200% will be further discounted by 7.5% (or 82.5% of the Market Price), and any advance notice in excess of 200% and up to or equal to 300% of the Base Amount will be further discounted by an additional 7.5% (or 75% of the Market Price). Under the present Registration Statement the total number of shares issued pursuant to the aforementioned advances will not exceed 25,368,011 shares which will amount to only a portion of the dollar amount of Tangiers' full commitment under the Securities Purchase Agreement (of \$10,000,000 in stock purchases from us). In order for us to present Tangiers with Advance Notices for the balance of the full commitment amount, we are required under the Securities Purchase Agreement to file and have declared effective additional registration statements covering the balance of shares.

The purchase price and share numbers will be adjusted for any reorganization, recapitalization, non-cash dividend, stock split, or other similar transaction occurring during the trading day(s) used to compute the purchase price. We may deliver multiple purchase notices to Tangiers from time to time during the term of the Securities Purchase Agreement, so long as the most recent purchase has been completed.

There are no trading volume requirements or restrictions under the Securities Purchase Agreement, and we will control the timing and amount of any sales of our common stock to Tangiers. Tangiers has no right to require any sales by us, but is obligated to make purchases from us as we direct in accordance with the Securities Purchase Agreement, as amended. There are no limitations on use of proceeds, financial or business covenants, restrictions on future fundings, rights of first refusal, participation rights, penalties or liquidated damages in the Securities Purchase Agreement.

#### Limitation

The advance provisions of the Securities Purchase Agreement notwithstanding, the amount of an advance requested by us shall not result in the issuance of a number of shares of our common stock that will cause Tangiers and its affiliates to beneficially own in excess of nine and 9/10 percent (9.9%) of the then outstanding Common Stock of the Company.

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### Default Termination by Tangiers

Generally, Tangiers may terminate the Securities Purchase Agreement upon the occurrence of any of the following events of default: (i) any stop order or suspension of the effectiveness of a registration statement for an aggregate of fifty (50) Trading Days, other than due to the acts of the Investor, during the Commitment Period, or (ii) any breach by us of the representations or warranties or covenants contained in the Securities Purchase Agreement or any related agreements which could have a material adverse effect on us, subject to a cure period of thirty (30) days after receipt of written notice.. Such breaches include: the suspension from trading or failure of our common stock to be listed on our principal market; our failure to deliver instructions to our transfer agent to issue to Tangiers shares of our common stock which Tangiers is entitled to receive under the Securities Purchase Agreement.

### Commitment Period

The commitment period commences when the first registration statement filed pursuant to the Securities Purchase Agreement is declared effective (i.e., January 24, 2011) and ends sixty (60) months after said effective date.

### No Short-Selling or Hedging by Tangiers

Tangiers has agreed that neither it nor any of its agents, representatives and affiliates shall engage in any direct or indirect short-selling or hedging of our common stock during any time prior to the termination of the Securities Purchase Agreement.

### Effect of Performance of the Securities Purchase Agreement on Our Stockholders

The Securities Purchase Agreement does not limit the ability of Tangiers to sell any or all of the 25,368,011 shares registered in this offering. It is anticipated that shares registered in this offering will be sold over a period of up to approximately 30 months from the date of this prospectus. The sale by Tangiers of a significant amount of shares registered in this offering at any given time could cause the market price of our common stock to decline and/or to be highly volatile. Tangiers may ultimately purchase all, some or none of the 25,368,011 shares of common stock not yet issued but registered in this offering. After it has acquired such shares, it may sell all, some or none of such shares. Therefore, sales to Tangiers by us pursuant to the Securities Purchase Agreement also may result in substantial dilution to the interests of other holders of our common stock. However, we have the right to control the timing and amount of any sales of our shares to Tangiers and we may terminate the Securities Purchase Agreement at any time at our discretion without any penalty or cost to us.

### Amount of Potential Proceeds to be Received under the Securities Purchase Agreement

In connection with entering into the Securities Purchase Agreement, we authorized the future sale to Tangiers of up to \$10 million of our common stock. The number of shares ultimately offered for sale by Tangiers in this offering is dependent upon the number of shares purchased by Tangiers under the Securities Purchase Agreement.

We cannot predict at what price our shares of common stock will be trading at the time that Tangiers acquires shares under the Securities Purchase Agreement. However, based upon our recent stock price of around \$0.06 per share, our shares will be issued to Tangiers at \$0.045 to \$0.054 per share, depending on the amount of each Advance. As of the date of this prospectus, \$1,281,000 has been drawn from this facility since the original effective date of January 24, 2011, leaving \$8,719,000 remaining to be drawn if the entire \$10,000,000 available to us is to be received. Therefore, assuming said minimum price and including the amount already received, we will need to register as many as 193,755,556 additional shares of our common stock in order to obtain the full \$10,000,000 available to us under the Securities Purchase Agreement as of the date of this prospectus. We are only registering 25,368,011 on this

Registration Statement. The total amount of 25,368,011 shares of our common stock will be issued to Tangiers in order to obtain the funds available to us under the Securities Purchase Agreement, as amended. We will be required to file other registration statements if we intend to obtain the full amount of funds available to us under the Securities Purchase Agreement. If we issue to Tangiers all 25,368,011 shares of our common stock at the current stock price we will only be able to receive approximately \$1,637,141.06 in net proceeds after deducting expenses related to filing this Registration Statement. We intend to use said net proceeds for working capital. See “Use of Proceeds”, below. This Registration Statement must be declared effective prior to us being able to issue those shares to Tangiers so that we may obtain cash advances under the Securities Purchase Agreement.

Tangiers intends to sell any shares purchased under the Securities Purchase Agreement at the then prevailing market price. Tangiers may sell shares of our common stock that are subject to a particular advance before it actually receives those shares. These sales of our common stock in the public market could lower the market price of our common stock. In the event that the market price of our common stock decreases, we would not be able to draw down the remaining balance available under the Securities Purchase Agreement with the number of shares being registered in the accompanying Registration Statement.

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There is an inverse relationship between our stock price and the number of shares to be issued under the Securities Purchase Agreement. That is, as our stock price declines, we would be required to issue a greater number of shares under the Securities Purchase Agreement for a given advance. If the market price of our common stock remains at its current level or decreases, we may have to increase the number of authorized shares if we are to obtain the full \$10,000,000 available to us under the Securities Purchase Agreement

## USE OF PROCEEDS

This prospectus relates to shares of our common stock that may be offered and sold from time to time by the selling stockholder. There will be no proceeds to us from the sale of shares of our common stock in this offering. The selling stockholder will receive all such proceeds.

However, we will receive proceeds from the sale of shares of our common stock to Tangiers under the Securities Purchase Agreement, as amended. Tangiers will purchase our shares of common stock under the Securities Purchase Agreement in a range of 10% to 25% discount to the current market price, depending on the amount of each Advance Notice. The purchase price of the shares purchased under the Securities Purchase Agreement will be 90% of the Market Price of our common stock during the five (5) consecutive trading days after the Advance Notice date. The Base Amount of each advance notice is calculated based on the average dollar volume over the 10 day period preceding an Advance Notice. Any advance notice that exceeds the Base Amount by up to 200% will be further discounted by 7.5% (or 82.5% of the Market Price), and any advance notice in excess of 200% and up to or equal to 300% of the Base Amount will be further discounted by an additional 7.5% (or 75% of the Market Price). Pursuant to the Securities Purchase Agreement, as amended, we cannot draw more than \$250,000 every 10 trading days.

For illustrative purposes only, the following table shows how the number of shares issued subsequent to each Advance Notice would increase if more than the Base Amount is drawn on any Advance Notice. The Base Amount is calculated based on the average dollar volume over the 10 day period preceding an Advance Notice. The Market Price is defined as 90% of the lowest daily VWAP during the 5 day period following the Advance Notice. The table assumes that the 10 day average dollar volume is \$10,000 per day, and the lowest volume weighted average price over the 5 day period following the Advance Notice is \$0.10. The Base Amount for this Advance Notice would then be \$10,000. In this example, the Advance Notice is for \$30,000, or 300% more than the Base Amount. The Market Price for the first \$10,000 is then \$0.09, or 90% of the lowest 5 day VWAP. The Market Price for the next \$10,000 (up to 200% more than the Base Amount) is \$0.0825, or 82.5% of the 5 day VWAP. The Market Price for the next \$10,000 (more than 200% higher than the Base Amount) is \$0.075, or 75% of the 5 day VWAP. The total number of shares to be issued for the \$30,000 Advance Notice would then be 365,657 shares.

		Draw	Discount	Market Price (w/Discount)	Shares Issued
5 Day VWAP	\$0.10				
Advance Notice	\$30,000				
Base Amount (100%)		\$ 10,000	10	% \$0.0900	111,111
Up to 200% of Base Amount		\$ 10,000	17.50	% \$0.0825	121,212
More than 200% of Base Amount		\$ 10,000	25	% \$0.0750	133,333
Total		\$30,000			365,657

For illustrative purposes only, we have set forth below our intended use of proceeds for the range of net proceeds indicated below to be received under the Securities Purchase Agreement. The table assumes estimated offering expenses of \$10,000 for this offering, and aggregate expenses of \$50,000 on subsequent offerings. The figures below are estimates only, and may be changed due to various factors, including the timing of the receipt of the proceeds.

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Gross proceeds:	\$ 1,648,920.72	\$ 5,000,000	\$ 8,847,000	\$ 10,000,000
Net proceeds:	\$ 1,638,920.72	\$ 4,980,000	\$ 8,807,000	\$ 9,950,000
Number of shares that would have to be issued under the Securities Purchase Agreement at an assumed offering price equal to \$0.06.	25,368,011	83,333,334	147,450,000	166,666,667

USE OF PROCEEDS

General Working Capital	\$ 1,638,920.72	\$ 4,980,000	\$ 8,807,000	\$ 9,950,000
Total	\$ 1,638,920.72	\$ 4,980,000	\$ 8,807,000	\$ 9,950,000

The Securities Purchase Agreement allows us to use our proceeds for general corporate purposes. We have chosen to pursue the Securities Purchase Agreement funding because it will make a large amount of cash available to us with the advantage of allowing us to decide when, and how much, we will draw from this financing. We will be in control of the draw down amounts and hope to be able to draw down from the Securities Purchase Agreement whenever the Company deems that such funds are needed. Our objective will be to draw down on the Securities Purchase Agreement funding during periods of positive results for us and during stages when our stock price is rising, in order to control and minimize, as much as possible, the potential dilution for our current and future stockholders. It may not be possible for us to always meet our objective; therefore, we will continue to identify alternative sources of financing, as we always have, including loans and additional private placements of our stock.

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## DETERMINATION OF OFFERING PRICE

The selling shareholder will sell our shares at prevailing market prices or privately negotiated prices. Each of the selling shareholder, any broker-dealers, and any broker-dealer executing sell orders on behalf of the selling shareholder, may be deemed to be an “underwriter” as such term is defined in the Securities Act of 1933, as amended (the “Securities Act”).

## DILUTION

The issuance of the 25,368,011 shares pursuant to the Securities Purchase Agreement will have a dilutive impact on our stockholders. For any particular advance, we will need to issue a greater number of shares of common stock under the Securities Purchase Agreement which would expose our existing stockholders to greater dilution.

## SELLING SHAREHOLDER

The following table presents information regarding the selling shareholder. A description of our relationship to the selling shareholder and how the selling shareholder acquired the shares to be sold in this offering is detailed in the information immediately following this table.

Selling Stockholder	Shares Owned before Offering(2)	Percentage of Outstanding Shares Beneficially Owned before Offering(1)	Shares that Could Be Issued to Draw Down Under the Securities Purchase Agreement	Shares that May Be Acquired Under the Securities Purchase Agreement(3)	Percentage of	Shares to Be Sold in the Offering	Percentage of
					Outstanding Shares Being Registered to Be Acquired Under the Securities Purchase Agreement		
Tangiers	11,266,412	9.99%	25,368,011	161,462,963	22.35%	25,368,011	9.99%
Total	11,266,412	9.99%	25,368,011	161,462,963	22.35%	25,368,011	9.99%

- (1) Beneficial ownership is determined in accordance with the rules of the Securities and Exchange Commission and generally includes voting or investment power with respect to securities. Shares of common stock are deemed to be beneficially owned by the person holding such securities for the purpose of computing the percentage of ownership of such person, but are not treated as outstanding for the purpose of computing the percentage ownership of any other person. Note that affiliates are subject to Rule 144 and Insider trading regulations – percentage computation is for form purposes only. The number of shares and the percentage of ownership represent the maximum amount of shares that Tangiers can beneficially control under a contractually stipulated 9.99% ownership restriction.
- (2) Includes unsold shares of our common stock that Tangiers received as a commitment fee under the Securities Purchase Agreement in October 2009.
- (3) Represents the number of additional shares of our common stock that would be issued to Tangiers at an assumed market price of \$0.06 less 10%, or \$0.054, to draw down the entire \$10 million available under the Securities Purchase Agreement.

Shares Acquired In Financing Transactions with North Bay

Tangiers. Tangiers is the investor under the Securities Purchase Agreement. All investment decisions of, and control of, Tangiers are held by Robert Papiri and Michael Sobeck, its managing partners. Tangiers Capital, LLC (“Tangiers Capital”) makes the investment decisions on behalf of and controls Tangiers. Tangiers acquired all shares being registered in this offering in a financing transaction with us. This transaction is explained below:

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Securities Purchase Agreement. On October 7, 2009, we entered into a Securities Purchase Agreement with Tangiers, as amended. Pursuant to the Securities Purchase Agreement, the Company may, at its discretion, periodically sell to Tangiers shares of its common stock for a total purchase price of up to \$10,000,000. As described in detail in the "Use of Proceeds" section above, for each share of common stock purchased under the Securities Purchase Agreement, Tangiers will pay us up to 90% of the lowest volume weighted average price of the Company's common stock as quoted by Bloomberg, LP on the principal market on which the Company's common stock is traded for the five days immediately following the notice date. The price paid by Tangiers for the Company's stock shall be determined as of the date of each individual request for an advance under the Securities Purchase Agreement. Tangiers' obligation to purchase shares of the Company's common stock under the Securities Purchase Agreement is subject to certain conditions, including the Company obtaining an effective registration statement for shares of the Company's common stock sold under the Securities Purchase Agreement and is limited to a maximum of \$250,000 per ten consecutive trading days after the advance notice is provided to Tangiers. The Securities Purchase Agreement shall terminate and Tangiers shall have no further obligation to make advances under the Securities Purchase Agreement at the earlier of the passing of 60 months after the date that the Securities and Exchange Commission first declares the Company's registration statement effective or the Company receives advances from Tangiers equal to \$10,000,000. Upon the execution of the Securities Purchase Agreement in October 2009, Tangiers received a one-time commitment fee equal to \$85,000 of the Company's common stock divided by the lowest volume weighted average price of the Company's common stock during the 10 business days immediately following the date of the Securities Purchase Agreement, as quoted by Bloomberg, LP. This resulted in the issuance of 6,589,147 shares to Tangiers in January, 2010.

Tangiers, a selling stockholder under this Registration Statement, intends to sell up to 25,368,011 shares of our common stock which will be issued to Tangiers so that we may receive financing pursuant to the Securities Purchase Agreement. As of the date of this prospectus, the shares of common stock to be issued in order to receive advances under the Securities Purchase Agreement upon issuance would equal approximately 22.35% of our outstanding common stock. We will register each resale offering after each put to Tangiers.

There are certain risks related to sales by Tangiers, including:

- The outstanding shares will be issued based on a discount to the market rate. As a result, the lower the stock price is around the time Tangiers is issued shares, the greater chance that Tangiers gets more shares. This could result in substantial dilution to the interests of other holders of common stock.
- To the extent Tangiers sells our common stock, our common stock price may decrease due to the additional shares in the market. This could allow Tangiers to sell greater amounts of common stock, the sales of which would further depress the stock price.
- The significant downward pressure on the price of our common stock as Tangiers sells material amounts of our common stock could encourage short sales by others. This could place further downward pressure on the price of our common stock.

## PLAN OF DISTRIBUTION

The selling stockholder has advised us that the sale or distribution of our common stock owned by the selling stockholder may be sold or transferred directly to purchasers by the selling stockholder as principals or through one or more underwriters, brokers, dealers or agents from time to time in one or more transactions (which may involve crosses or block transactions) (i) on the over-the-counter market or in any other market on which the price of our



shares of common stock are quoted or (ii) in transactions otherwise than on the over-the-counter market. Any of such transactions may be effected at market prices prevailing at the time of sale, at prices related to such prevailing market prices, at varying prices determined at the time of sale or at negotiated or fixed prices, in each case as determined by the selling stockholder or by agreement between the selling stockholder and underwriters, brokers, dealers or agents, or purchasers. If the selling stockholder effects such transactions by selling their shares of common stock to or through underwriters, brokers, dealers or agents, such underwriters, brokers, dealers or agents may receive compensation in the form of discounts, concessions or commissions from the selling stockholder or commissions from purchasers of common stock for whom they may act as agent (which discounts, concessions or commissions as to particular underwriters, brokers, dealers or agents may be in excess of those customary in the types of transactions involved).

Tangiers is an “underwriter” within the meaning of the Securities Act of 1933 in connection with the sale of common stock under the Securities Purchase Agreement. Tangiers will pay us up to 90% of, or a 10% discount to, the volume weighted average price of our common stock on the principal trading market on which our common stock is traded for the five (5) consecutive trading days immediately following the advance date. In addition, Tangiers received 6,589,147 shares of our common stock, which were previously issued as a commitment fee under the Securities Purchase Agreement. Tangiers’ obligations under the Securities Purchase Agreement are not transferable.

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The commitment amount of the Securities Purchase Agreement is \$10,000,000. After estimated fees and offering costs, we may receive net proceeds of approximately \$9,950,000. As of the date of this prospectus, \$1,281,000 has been drawn from this facility since the original effective date of January 24, 2011, leaving \$8,719,000 remaining to be drawn if the entire \$10,000,000 available to us is to be received. Therefore, assuming said minimum price and including the amount already received, we will need to register as many as 193,755,556 additional shares of our common stock in order to obtain the full \$10,000,000 available to us under the Securities Purchase Agreement. We are only registering 25,368,011 shares of our common stock under this Registration Statement which will be issued to Tangiers in order to obtain the funds available to us under the Securities Purchase Agreement. This means that we will be required to file other registration statements if we intend to obtain the full amount of funds available to us under the Securities Purchase Agreement. If we issue to Tangiers all 25,368,011 shares of our common stock being registered in this prospectus at an assumed discounted average price of \$0.054 per share, we will only be able to receive approximately \$1,359,873 in net proceeds after paying expenses related to this Registration Statement of approximately \$10,000.

The dollar amount of the equity line was based on a number of considerations which include (i) the Company's capital requirements; (ii) the Company's then share price and then number of shares outstanding; and (iii) Tangiers' ability to purchase shares in an amount required to provide capital to the Company.

Under the Securities Purchase Agreement, Tangiers contractually agrees not to engage in any short sales of our stock and to our knowledge Tangiers has not engaged in any short sales or any other hedging activities related to our stock.

Tangiers was formed as a Delaware limited partnership. Tangiers is a domestic hedge fund in the business of investing in and financing public companies. Tangiers does not intend to make a market in our stock or to otherwise engage in stabilizing or other transactions intended to help support the stock price. Prospective investors should take these factors into consideration before purchasing our common stock.

Under the securities laws of certain states, the shares of our common stock may be sold in such states only through registered or licensed brokers or dealers. The selling stockholder is advised to ensure that any underwriters, brokers, dealers or agents effecting transactions on behalf of the selling stockholder are registered to sell securities in all fifty states. In addition, in certain states the shares of our common stock may not be sold unless the shares have been registered or qualified for sale in such state or an exemption from registration or qualification is available and is complied with.

We will pay all of the expenses incident to the registration, offering and sale of the shares of our common stock to the public hereunder other than commissions, fees and discounts of underwriters, brokers, dealers and agents. If any of these other expenses exists, we expect the selling stockholder to pay these expenses. We have agreed to indemnify Tangiers and its controlling persons against certain liabilities, including liabilities under the Securities Act. We estimate that the expenses of the offering to be borne by us will be approximately \$10,000. The offering expenses are estimated as follows: a SEC registration fee of approximately \$400, edgarization fees of \$1,600, accounting fees of \$6,000 and legal fees of \$2,000. We will not receive any proceeds from the sale of any of the shares of our common stock by the selling stockholder. However, we will receive proceeds from the sale of our common stock under the Securities Purchase Agreement.

The selling stockholder is subject to applicable provisions of the Securities Exchange Act of 1934, as amended, and its regulations, including Regulation M. Under Regulation M, the selling stockholder or its agents may not bid for, purchase, or attempt to induce any person to bid for or purchase, shares of our common stock while such selling stockholder are distributing shares covered by this prospectus. Pursuant to the requirements of Regulation S-K and as stated in Part II of this Registration Statement, the Company must file a post-effective amendment to the accompanying Registration Statement once informed of a material change from the information set forth with respect

to the Plan of Distribution.

#### LEGAL PROCEEDINGS

We are not a party to any pending legal proceeding, nor is our property the subject of a pending legal proceeding, that is not in the ordinary course of business or otherwise material to the financial condition of our business. None of our directors, officers or affiliates is involved in a proceeding adverse to our business or has a material interest adverse to our business.

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## DIRECTORS, EXECUTIVE OFFICERS, PROMOTERS AND CONTROL PERSONS

The following table sets forth the names and positions of our executive officers and directors. Our directors are elected at our annual meeting of stockholders and serve for one year or until successors are elected. Our Board of Directors elects our officers, and their terms of office are at the discretion of the Board, except to the extent governed by an employment contract.

Our directors, executive officers and other significant employees, their ages and positions are as follows:

Name	Age	Position with the Company
		Chairman and Chief Executive Officer
Perry Leopold	62	Officer
Fred Michini	70	Director

Perry Leopold. Mr. Leopold has served as Chairman and CEO of the Company since February 2006. Prior to joining the Company he led a number of successful enterprises over the past 30 years in a diverse number of fields, ranging from the arts and technology to finance and natural resources. In February 2006, Mr. Leopold was engaged as CEO to engineer the Company's total corporate restructuring and lead its re-emergence as the natural resources company formerly known as Enterayon, Inc. Mr. Leopold subsequently designed the Company's business model and incorporated state-of-the-art technology to assist in cost-efficient acquisition targeting, which has resulted in over 50 acquisitions of high-quality mining properties throughout British Columbia. Educated at the University of Pennsylvania, Mr. Leopold is also the founder and current President of Speebo (1), a privately owned exploration and development company. In addition, he is currently serving as President of Circular Logic, Inc., a registered Commodity Trading Advisor ("CTA") and Commodity Pool Operator ("CPO") firm specializing in commodity trading system development. Mr. Leopold is also the owner of The PAN Network, a private company he founded as a sole-proprietorship in 1981, and which has since been in continuous operation to the present day. Mr. Leopold is qualified to serve on the Board of Directors because of his familiarity with the Company's business and industrial experience.

Fred Michini. Mr. Michini has served as a Director of the Company since August 2007. He is a tax, financial, management accounting and litigation support specialist, and has extensive previous experience serving as the Chief Financial Officer of a variety of public and private companies, including Speebo (1), a private mineral exploration company currently controlled by North Bay's Chief Executive Officer, Perry Leopold. Mr. Michini is also a Certified Public Accountant, has been Partner and Managing Partner of two regional accounting firms, has served as an auditor for the U.S. General Accounting Office, and is a former Board Member of the Central Montgomery County Chamber of Commerce. Mr. Michini earned his B.S. from LaSalle University and his MBA from Temple University. Mr. Michini has been employed as a CPA and Real Estate Tax Consultant by AJ Michini Associates since 1973 and by AJ Michini MBA CPA since 1984. In addition, Mr. Michini serves as Acting CFO for Artimplant USA, a subsidiary of the Swedish public company Artimplant AB, a position he has held since 2005. As of January, 2008 Mr. Michini was no longer associated with Speebo. Mr. Michini's expertise in accounting makes him a valuable member of the Board of Directors.

(1) Speebo is a private exploration and development company with mineral and energy-related claims throughout British Columbia. In addition to its metal-based mineral claims, Speebo holds the rights to several oil shale properties in the Queen Charlotte Islands. Prior to 2008 when British Columbia issued a permanent moratorium on uranium mining, Speebo also held the rights to dozens of uranium properties, most of which have subsequently been allowed to terminate. Speebo has no active mining operations at the present time, nor does it intend to. Speebo was incorporated as a C-Corp in October 2006, and was reclassified as an S-Corp as of January 2008. Perry Leopold is the sole officer, director, and shareholder. There have never been any material related-party transactions between Speebo and the

Company.

#### Family Relationships

There are no family relationships between any of our directors, executive officers or directors.

#### Involvement In Certain Legal Proceedings

During the past ten years, none of our officers, directors, promoters or control persons have been involved in any legal proceedings as described in Item 401(f) of Regulation S-K.

#### Director Independence

Our common stock is listed on the OTC Bulletin Board inter-dealer quotation system, which does not have director independence requirements. For purposes of determining director independence, we have applied the definition set forth in NASDAQ Rule 4200(a)(15). Perry Leopold would not be considered “independent” under the NASDAQ rule due to the fact that he is an employee of the Company. Fred Michini is considered “independent” under the NASDAQ rule due to the fact that he has not served on the Board of Directors of or business dealings with an affiliate within the past 3 years.

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Committees; Audit Committee Financial Expert.

Our Board of Directors has an audit committee made up solely of Fred Michini.

Our Board of Directors has determined that the Company has one audit committee financial expert, Mr. Michini.

Our common stock is quoted on OTCQB, which does not require companies to maintain audit, compensation or nominating committees.

## Code of Ethics

We adopted a Code of Ethics on October 16, 2009 that applies to all of our directors, officers and employees, including our principal executive officer, principal financial officer and principal accounting officer. The Code of Ethics is filed as Exhibit 14 to this Registration Statement.

## Board Leadership Structure and Role in Risk Oversight

Although we have not adopted a formal policy on whether the Chairman and Chief Executive Officer positions should be separate or combined, we have traditionally determined that it is in the best interests of the Company and its shareholders to partially combine these roles. Due to the small size of the Company, we believe it is currently most effective to have the Chairman and Chief Executive Officer positions partially combined.

Our Board of Directors is primarily responsible for overseeing our risk management processes. The Board of Directors receives and reviews periodic reports from management, auditors, legal counsel, and others, as considered appropriate regarding the Company's assessment of risks. The Board of Directors focuses on the most significant risks facing us and our general risk management strategy, and also ensures that risks undertaken by us are consistent with the Board of Directors's appetite for risk. While the Board of Directors oversees the Company, our management is responsible for day-to-day risk management processes. We believe this division of responsibilities is the most effective approach for addressing the risks facing the Company and that our board leadership structure supports this approach.

## SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The following table sets forth certain information, as of the date of this prospectus, with respect to the beneficial ownership of the Company's outstanding voting securities by (i) any holder of more than five (5%) percent; (ii) each of the Company's executive officers and directors; and (iii) the Company's directors and executive officers as a group. Except as otherwise indicated, each of the stockholders listed below has sole voting and investment power over the shares beneficially owned.

Title Of Class	Name And Address Of Beneficial Owner (1)	Amount And Nature Of Beneficial Ownership (2)	Approximate Ownership Percent of Class (%)**	Total Voting Percent of Class (%)**	
Common	Perry Leopold(4)(5)	35,044,362	26.52%	80.00%	(5)
Common	Fred Michini	1,162,112	1.03%	0.21%	
Common	Tangiers (3)	11,266,412	9.99%	2.00%	
Common	Ruby Development Company(6)	24,000,000	18.83%	3.77%	

	All executive officers and directors as a group			
Common	(2 persons)	36,206,474	27.12%	80.21%
Series A Preferred	Perry Leopold(4)	4,000,000	100%	100%
Series I Preferred	Perry Leopold(5)	100	100% (5)	100% (5)

\*\* The percentages listed for each shareholder assume the exercise or exchange by that shareholder only, of his or its entire convertible or exchangeable security (including options or warrants), as the case may be, and thus include the shares underlying said convertible or exchangeable security (including options or warrants). However, the percentages do not assume the exercise of all convertible or exchangeable securities (including options or warrants) by all the shareholders holding such securities.

(1) Except as noted above, the address for the above identified officers and directors of the Company is c/o North Bay Resources Inc., 2120 Bethel Road, Lansdale, PA 19446.

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- (2) Beneficial Ownership is determined in accordance with the rules of the Securities and Exchange Commission and generally includes voting or investment power with respect to securities. Shares of common stock subject to options, warrants, or convertible securities currently exercisable or convertible, or exercisable or convertible within 60 days of the date of this prospectus are deemed outstanding for computing the percentage of the person holding such option or warrant. Percentages are based on a total of 113,482,030 shares of common stock outstanding on the date of this prospectus and shares issuable upon the exercise of options, warrants exercisable, and securities convertible on or within 60 days of the date of this prospectus, as described above. The inclusion in the aforementioned table of those shares, however, does not constitute an admission that the named shareholder is a direct or indirect beneficial owner of those shares. Unless otherwise indicated, to our knowledge based upon information produced by the persons and entities named in the table, each person or entity named in the table has sole voting power and investment power, or shares voting and/or investment power with his or her spouse, with respect to all shares of capital stock listed as owned by that person or entity.
- (3) Tangiers is the investor under the Securities Purchase Agreement, and currently owns 2,010,392 shares of common stock. All investment decisions of, and control of, Tangiers are held by Robert Papiri and Michael Sobeck, its managing partners. Tangiers Capital, LLC makes the investment decisions on behalf of and controls Tangiers. Tangiers acquired all shares being registered in this offering in a financing transaction with us. As of the date of this prospectus, Tangiers also holds an aggregate of 5,550,000 warrants, as follows: (a) 2.5 million 5 year warrants convertible to common stock and exercisable at \$0.05 pursuant to a \$50,000 Convertible Promissory Note Agreement dated September 27, 2010, (b) 250,000 5 year warrants convertible to common stock and exercisable at \$0.115 pursuant to a \$50,000 Convertible Promissory Note Agreement dated December 29, 2011, (c) 500,000 5 year warrants convertible to common stock and exercisable at \$0.13 pursuant to two \$50,000 Convertible Promissory Note Agreements dated February 2, 2012, (d) 500,000 5 year warrants convertible to common stock and exercisable at \$0.09 pursuant to two \$37,500 Convertible Promissory Note Agreements dated March 15, 2012, (e) 150,000 5 year warrants convertible to common stock and exercisable at \$0.07 pursuant to a \$50,000 Convertible Promissory Note Agreement dated May 16, 2012, (f) 150,000 5 year warrants convertible to common stock and exercisable at \$0.06 pursuant to a \$25,000 Convertible Promissory Note Agreement dated May 30, 2012, and (g) 750,000 5 year warrants convertible to common stock and exercisable at \$0.14 and 750,000 5 year warrants convertible to common stock and exercisable at \$0.07 pursuant to a \$100,000 Convertible Promissory Note Agreement dated June 19, 2012. As of the date of this prospectus, Tangiers also holds the following promissory notes: (a) one \$25,000 convertible promissory note with an interest rate of 9.9 per year, convertible into common stock at a price of \$0.08 per share (with an outstanding balance of \$28,733 as of the date of this prospectus), (b) two \$50,000 convertible promissory notes with an interest rate of 9.9 per year, convertible into common stock at a price of \$ 0.08 per share (with an aggregate outstanding balance of \$113,982 as of the date of this prospectus), (c) two \$37,500 convertible promissory notes with an interest rate of 9.9% per year, convertible into common stock at a price of \$0.09 per share (with an aggregate outstanding balance of \$84,632 as of the date of this prospectus), (d) one \$50,000 convertible promissory note with an interest rate of 9.9% per year, convertible into common stock at a price of \$0.06 per share (with an outstanding balance of \$55,581 as of the date of this prospectus), (e) one \$25,000 convertible promissory note convertible into common stock at a price of \$0.06 per share (with an outstanding balance of \$27,695 as of the date of this prospectus), (f) one \$100,000 convertible promissory note with an interest rate of 7% per year, convertible into common stock at the lesser of 7 cents or the undiscounted VWAP price on the day prior to conversion, with a floor price of 2 cents (with an outstanding balance of \$107,240 as of the date of this prospectus), and (g) one \$750,000 convertible promissory note with an interest rate of 7% per annum, convertible into common stock at a the undiscounted



VWAP on the day of conversion, subject to a floor price of \$0.0129 per share, and a ceiling price of the undiscounted VWAP on the date prior to each tranche received (with an outstanding balance of \$356,235 as of the date of this prospectus). All of the warrants and promissory notes held by Tangiers contain a blocker provision under which Tangiers can only exercise its warrants or convert its promissory notes to a point where it would own a maximum of 9.99% of the total shares outstanding. The number of shares, the percentage of ownership and voting percentage listed in the table above represents the maximum amount of shares that Tangiers can beneficially control under a contractually stipulated 9.99% ownership restriction as of the date of this prospectus.

- (4) Mr. Leopold, the Company's CEO and Chairman owns 4,000,000 shares of the Company's Series A Preferred Stock. Each outstanding share of the Series A Preferred Stock has 10 votes per share, and may be converted to shares of common at a ratio of 5 to 1. The Series A Preferred Stock was issued in August 2009.
- (5) Mr. Leopold owns 100 shares of the Company's Series I Preferred Stock. Each outstanding share of the Series I Preferred Stock represents its proportionate share of eighty per cent (80%) of all votes entitled to be voted and which is allocated to the outstanding shares of Series I Preferred Stock. These shares are not convertible into common stock or any commodities. The Series I Preferred Stock was issued in February 2007. These shares were issued our Chief Executive Officer, Mr. Perry Leopold, in February 2007 as an anti-takeover measure to insure that Mr. Leopold maintains control of the Company during periods when the Company's stock may be severely undervalued and subject to hostile takeover in the open market. As specified in the Certificate of Designation filed by the Company with the Delaware Secretary of State in February 2007, "the outstanding shares of Series I Preferred Stock shall vote together with the shares of Common Stock of the Corporation as a single class and, regardless of the number of shares of Series I Preferred Stock outstanding and as long as at least one of such shares of Series I Preferred Stock is outstanding, shall represent eighty percent (80%) of all votes entitled to be voted at any annual or special meeting of shareholders of the Corporation or action by written consent of shareholders. Each outstanding share of the Series I Preferred Stock shall represent its proportionate share of the 80% that is allocated to the outstanding shares of Series I Preferred Stock. The Series I preferred shares supersede any other shares that Mr. Leopold may own so that any additional securities that Mr. Leopold may own do not increase his 80% voting rights, and are therefore included within the 80%.
- (6) The four (4) principals of Ruby Development Company ("RDC"), R.E. Frederking Trustee, W. R. Frederking, G. W. Frederking, and R. L. Frederking., each own 2,500,000 shares of common stock. RDC is also entitled to 10,000,000 warrants, immediately exercisable, to purchase up to 10,000,000 shares of common stock at \$0.02 per share until December 30, 2015, 2,000,000 5 year warrants convertible to common stock and exercisable at \$0.10 per share until May 1, 2016, and 2,000,000 5-year warrants convertible to common stock and exercisable at \$0.09 per share until March 6, 2017. The warrants may be exercised, in whole or in part, any time, and from time to time, at RDC's discretion. The number of shares, the percentage of ownership and voting percentage listed in the table above include the shares underlying the aforementioned warrants held by the shareholder.

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DESCRIPTION OF SECURITIES TO BE REGISTERED

General

The following description of our capital stock and the provisions of our Articles of Incorporation and By-Laws, each as amended, is only a summary.

Our Articles of Incorporation authorize the issuance of 250,000,000 shares of common stock, \$0.001 par value per share. We are authorized to issue 10,000,000 shares of preferred stock. As of December 31, 2012, and the date of this prospectus, there were 4,000,100 shares of preferred stock outstanding. Set forth below is a description of certain provisions relating to our capital stock.

Common Stock

Each outstanding share of common stock has one vote on all matters requiring a vote of the stockholders. There is no right to cumulative voting; thus, the holder of fifty percent or more of the shares outstanding can, if they choose to do so, elect all of the directors. In the event of a voluntary or involuntary liquidation, all stockholders are entitled to a pro rata distribution after payment of liabilities and after provision has been made for each class of stock, if any, having preference over the common stock. The holders of the common stock have no preemptive rights with respect to future offerings of shares of common stock. Holders of common stock are entitled to dividends if, as and when declared by the Board out of the funds legally available therefore. It is our present intention to retain earnings, if any, for use in our business. The payment of dividends on the common stock is, therefore, unlikely in the foreseeable future.

On February 7, 2008, we declared a reverse stock split at a ratio of 1 for 10.

Preferred Stock

We have 10,000,000 authorized shares of preferred stock with a par value of \$0.001 per share, issuable in such series and bearing such voting, dividend, conversion, liquidation and other rights and preferences as the Board of Directors may determine. As of December 31, 2012, and the date of this prospectus, 4,000,100 shares of our preferred stock are outstanding.

Our preferred stock is divided among the following:

4,000,000 Series A Preferred Shares. Each outstanding share of the Series A Preferred Stock has 10 votes per share, and may be converted to shares of common at a ratio of 5 to 1. 4,000,000 shares of the Series A Preferred Stock were issued in August 2009 to Mr. Leopold, the Company's CEO and Chairman.

0 Series G Preferred Shares. Each outstanding share of the Series G Preferred Stock has no votes per share, and may be converted to 1/100 of an ounce of gold two years following the date of issuance subject to the availability of gold from the Company's inventory, or shares of common at a ratio of 20 to 1. 100,000 shares of the Series G Preferred Stock were issued in August 2009 to Mr. Leopold, the Company's CEO and Chairman. These shares were returned and cancelled in July 2012, and the Series G Preferred Class was subsequently eliminated.

100 Series I Preferred Shares. Each outstanding share of the Series I Preferred Stock represents its proportionate share of eighty per cent (80%) of all votes entitled to be voted and which is allocated to the outstanding shares of Series I Preferred Stock. These shares are not convertible into common stock or any commodities. The Series I Preferred Stock was issued to our Chief Executive Officer, Mr. Perry Leopold, on February 12, 2007 as an anti-takeover measure to insure that Mr. Leopold maintains control of the Company during periods when the Company's stock may

be severely undervalued and subject to hostile takeover in the open market. As specified in the Certificate of Designation filed by the Company with the Delaware Secretary of State in February 2007, "the outstanding shares of Series I Preferred Stock shall vote together with the shares of Common Stock of the Corporation as a single class and, regardless of the number of shares of Series I Preferred Stock outstanding and as long as at least one of such shares of Series I Preferred Stock is outstanding, shall represent eighty percent (80%) of all votes entitled to be voted at any annual or special meeting of shareholders of the Corporation or action by written consent of shareholders. Each outstanding share of the Series I Preferred Stock shall represent its proportionate share of the 80% which is allocated to the outstanding shares of Series I Preferred Stock.

#### Dividend Policy

We currently intend to retain any earnings for use in our business, and therefore do not anticipate paying cash dividends in the foreseeable future.

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Anti-Takeover Effects Of Provisions Of The Articles Of Incorporation of Authorized And Unissued Stock

The authorized but unissued shares of our common stock are available for future issuance without our stockholders' approval. These additional shares may be utilized for a variety of corporate purposes including but not limited to future public or direct offerings to raise additional capital, corporate acquisitions and employee incentive plans. The issuance of such shares may also be used to deter a potential takeover of the Company that may otherwise be beneficial to stockholders by diluting the shares held by a potential suitor or issuing shares to a stockholder that will vote in accordance with the Company's Board of Directors' desires. A takeover may be beneficial to stockholders because, among other reasons, a potential suitor may offer stockholders a premium for their shares of stock compared to the then-existing market price.

The existence of authorized but unissued and unreserved shares of preferred stock may enable the Board of Directors to issue shares to persons friendly to current management which would render more difficult or discourage an attempt to obtain control of the Company by means of a proxy contest, tender offer, merger or otherwise, and thereby protect the continuity of our management.

INTERESTS OF NAMED EXPERTS AND COUNSEL

No expert or counsel named in this prospectus as having prepared or certified any part of this prospectus or having given an opinion upon the validity of the securities being registered or upon other legal matters in connection with the registration or offering of the common stock was employed on a contingency basis or had, or is to receive, in connection with the offering, a substantial interest, directly or indirectly, in the registrant or any of its parents or subsidiaries.

DISCLOSURE OF SEC POSITION OF INDEMNIFICATION FOR SECURITIES ACT LIABILITIES

Our Articles of Incorporation include an indemnification provision under which we have agreed to indemnify our directors and officers from and against certain claims arising from or related to future acts or omissions as a director or officer of the Company. Insofar as indemnification for liabilities arising under the Securities Act may be permitted to our directors, officers and controlling persons pursuant to the foregoing provisions, or otherwise, we have been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. If a claim for indemnification against such liabilities (other than the payment by us of expenses incurred or paid by a director, officer or controlling person of North Bay Resources Inc. in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered) we will, unless in the opinion of our counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by us is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

EXPERTS

The audited financial statements included in this prospectus and elsewhere in the Registration Statement for the fiscal years ended December 31, 2012 and December 31, 2011 have been audited by M&K CPAS, PLLC. The reports of M&K CPAS, PLLC are included in this prospectus in reliance upon the authority of this firm as experts in accounting and auditing.

VALIDITY OF SECURITIES

The opinion regarding validity of the shares offered herein has been provided by the Sichenzia Ross Friedman Ference LLP and has been filed with the Registration Statement.

## DESCRIPTION OF BUSINESS

### Business of the Issuer

North Bay Resources Inc., a Delaware corporation, engages in the acquisition, management, development, and mining of precious metals and other mineral properties. The Company's mission is to build a portfolio of viable mining prospects throughout the world and develop them through our subsidiaries and joint-venture partners to their full economic potential. We seek to acquire, develop, and exploit natural resource properties with extensive reserves of precious metals, including gold, silver, platinum, and palladium, as well as base metals, including copper, zinc, lead, molybdenum, etc. We intend to develop our properties both independently and through joint-venture partners.

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The Company was incorporated in the State of Delaware on June 18, 2004 under the name Ultimate Jukebox, Inc. On September 4, 2004, Ultimate Jukebox, Inc. merged with NetMusic Corporation, and subsequently changed the Company name to NetMusic Entertainment Corporation. On March 10, 2006, the Company ceased digital media distribution operations, began operations as a natural resources company, and changed the Company name to Enterayon, Inc. On January 15, 2008, the Company merged with and assumed the name of its wholly-owned subsidiary, North Bay Resources Inc. As a result of the merger, Enterayon, Inc. was effectively dissolved, leaving North Bay Resources Inc. as the remaining company.

We currently generate revenue from claim sales and joint-venture agreements. When we sell a claim, we capture near-term revenue, but forego any possibility of a future revenue stream. When we enter into a joint-venture, we receive near-term revenue as well as a commitment for future revenue, but since the joint-venture partner has the option to withdraw at any time, we cannot project revenue from a joint-venture into the future. However, should a joint-venture partner withdraw, we still retain control of the asset, and can therefore enter into another joint-venture with another partner, develop the property ourselves, or else elect to sell the claims.

The Company makes use of a suite of online applications which are provided to people and companies licensed to acquire and maintain mineral rights within the Province of British Columbia. Mineral Titles Online (“MTO”) is an Internet-based mineral titles administration system provided and maintained by the British Columbia Ministry of Energy, Mines, and Petroleum Resources that allows the mineral exploration industry to acquire and maintain mineral titles by selecting the area on a seamless digital GIS map of British Columbia and pay the associated fees electronically.

This MTO system is also interactively linked to British Columbia’s MINFILE Project and Assessment Report Indexing System (“ARIS”), both of which are provided and maintained by the British Columbia Geological Survey.

The MINFILE Project is a mineral inventory system that contains information on more than 12,300 metallic mineral, industrial mineral and coal occurrences in British Columbia. It is used by industry, governments, universities and the public to find information on documented mineralization anywhere in British Columbia, develop exploration strategies, conduct geoscience research, and evaluate the resource potential of an area.

The ARIS database has over 30,500 approved mineral exploration assessment reports filed by the exploration and mining industry since 1947. These reports provide information on geological, geophysical, geochemical, drilling and other exploration-related activities throughout B.C.

Both MINFILE and ARIS are interlinked with MTO, which combined and interfaced with other geospatial applications such as Google Earth, provide a skilled user with the ability to virtually visit any location in British Columbia, analyze its geographical and geological setting, access and evaluate its geological records and the historical archives of any prior development work, and determine the relative value of a given area. If the area is also open to staking, a claim can then be staked, and the required claim registration fees can be paid immediately and interactively.

## Going Concern

Our consolidated financial statements have been prepared on a going concern basis, which implies the Company will continue to realize its assets and discharge its liabilities in the normal course of business. The Company has generated modest revenues since inception and has never paid any dividends and is unlikely to pay dividends. The continuation of the Company as a going concern is dependent upon the continued financial support from its shareholders, the ability of the Company to obtain necessary equity financing to continue operations and to determine the existence, discovery and successful exploration of economically recoverable reserves in its resource properties, confirmation of the Company’s interests in the underlying properties, and the attainment of profitable operations. The Company has

had very little operating history to date. These consolidated financial statements do not include any adjustments to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern. These factors raise substantial doubt regarding the ability of the Company to continue as a going concern.

We have experienced recurring net losses from operations, which losses have caused an accumulated deficit of \$14,851,172 as of June 30, 2013. In addition, we have a working capital deficit of \$3,446,084 as of June 30, 2013, 2013. We had a working capital deficit of \$3,842,373 as of December 31, 2012. We had net losses of \$2,119,706 and \$1,045,749 for the years ended December 31, 2012 and 2011, respectively. These factors, among others, raise substantial doubt about our ability to continue as a going concern. If we are unable to generate profits and are unable to continue to obtain financing to meet our working capital requirements, we may have to curtail our business sharply or cease operations altogether. Our continuation as a going concern is dependent upon our ability to generate sufficient cash flow to meet our obligations on a timely basis to retain our current financing, to obtain additional financing, and, ultimately, to attain profitability. Should any of these events not occur, we will be adversely affected and we may have to cease operations.

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As of December 31, 2012 the accumulated deficit attributable to CEO stock awards, including previous management and valued according to GAAP, totals \$2,558,535 since inception in 2004. As of December 31, 2012 the accumulated deficit attributable to CEO compensation is \$884,474 in deferred compensation. This reflects the total amounts unpaid as per the management agreement with The PAN Network dating back to January 2006, less any amounts actually paid or forgiven since 2006. These totals are non-cash expenses which are included in the accumulated deficit since inception. Actual CEO compensation paid in cash over the course of the seven years since 2006 consists of \$10,000 in 2006, \$50,764 in 2007, \$23,139 in 2008, \$29,979 in 2009, \$21,988 in 2010, \$90,000 in 2011, and \$116,000 in 2012. These cash expenditures are also included in the accumulated deficit.

The ongoing execution of our business plan is expected to result in operating losses over the next twelve months. Management believes it will need to raise capital through loans or stock issuances in order to have enough cash to maintain its operations for the next twelve months. There are no assurances that we will be successful in achieving our goals of obtaining cash through loans, stock issuances, or increasing revenues and reaching profitability.

In view of these conditions, our ability to continue as a going concern is dependent upon our ability to meet our financing requirements, and to ultimately achieve profitable operations. Management believes that its current and future plans provide an opportunity to continue as a going concern. The accompanying consolidated financial statements do not include any adjustments relating to the recoverability and classification of recorded assets, or the amounts and classification of liabilities that may be necessary in the event we cannot continue as a going concern.

### Generative Business Model

The Company's business plan is based on the Generative Business Model, which we believe is designed to generate a steady stream of revenue before any property is ever developed into a commercial mining operation.

The Generative Business Model comprises the following steps:

1. Targeting and acquiring properties with good historical assays.
2. Identifying potential partners for the development of each of the Company's properties and entering into joint-venture or option agreements. In most cases, the partner is another mining company whose shares trade on a public exchange.
3. The initial agreement usually comprises a small non-refundable cash payment in advance and a significant number of shares in the stock of the partner or acquiring company. Cash and shares increase in staged payments on the anniversary date of the agreement. In the case of an option agreement, the Company will retain a Net Smelter Royalty with a buyout provision should the property be the site of a major discovery and/or developed into a commercially-operating mine. In the case of a joint-venture, we retain a percentage of ownership, typically 50%, in the event the partner satisfies all the terms of the contract to completion.
4. The partner or acquiring company also must commit to a specific work program over a period of several years to develop the property, often involving a commitment of several million dollars.
- 5.



We believe these work programs enable us to maintain our properties for little or no cost, as the annual maintenance fees due to the government are offset by the amount of money spent on property exploration and development paid for by our partners. Any surplus of expenditures beyond what is due to maintain the properties can then be applied as “portable assessment credits” towards the maintenance of other Company properties that are not yet producing revenue but which have good prospects of doing so in the future.

6. If at anytime the partner defaults on the work agreement or does not make staged cash or stock payments by the anniversary date, the property then reverts back to us, which then leaves us free to find another partner and begin the process all over again.

#### Material Agreements

On June 24, 2013, the Company executed a definitive joint-venture agreement for mining operations on the Company’s 100%-owned Fraser River Project near Lytton, British Columbia, with Solid, a private company domiciled in British Columbia and based in Houston, BC. The terms of the agreement call for Solid to provide all equipment, personnel, and related expenditures required to initiate and sustain mining operations at the Fraser River Project JV. The Company will be responsible for maintaining the property in good standing and securing the permits required for mining operations to proceed. The Company will retain 100% ownership of the property, and will be paid a 20% net smelter royalty (“NSR”) on all metals recovered from operations, with Solid retaining 100% of the net profits following payment of the aforementioned NSR. Solid will be deemed the project operator, and will be responsible for the day-to-day operations.

On June 5, 2013 the Company executed a binding Memorandum of Understanding with a private US investor for an advance sale of up to 2,120 ounces of specimen gold production from the Ruby Mine. The agreement provides that up to 2,120 ounces of specimen gold from the Ruby Mine will be purchased in advance of production at a 10% discount of the then-current spot price of gold. The Company has received a \$150,000 advance cash payment on the first 120 ounces, priced at \$1,250 per ounce based on the current spot price of gold at the time of the agreement. Subsequent tranches to sell up to 2,000 additional ounces in advance of production will be prepaid based on current spot prices, with final settlement based on the spot price of gold at the time of production and delivery. As of the date of this prospectus, an aggregate of 160 ounces of specimen gold has been presold through this facility, and a total of \$200,000 cash has been received.

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On October 24, 2012, the Company entered into an agreement on its Willa property with Caribou King Resources Ltd. ("Caribou"), a Canadian issuer listed on the TSX Venture Exchange. Under the terms of agreement, Caribou may earn up to a 100% interest in the claims in the Willa property ("Willa Claims") by making aggregate payments to North Bay of USD \$232,500 in cash and issuing 1,000,000 shares of Caribou common stock. Of the aggregate payments, \$7,500 in cash and 500,000 shares are due upon receipt of regulatory acceptance of the agreement by the TSX Venture Exchange. This regulatory approval has been received, and the initial consideration has been paid. An additional \$50,000 cash and 500,000 shares of Caribou stock are due upon the first anniversary of the agreement, and a \$175,000 cash payment is due upon the second anniversary of the agreement. In addition to the consideration received, North Bay shall be granted a royalty equal to 2% of net smelter returns ("NSR"). At any time up to the commencement of commercial production, Caribou may purchase one-half of the NSR (being 1%) in consideration of USD \$1,000,000 payable to North Bay, such that North Bay will then retain a 1% NSR.

The Company has not issued nor does it expect to issue any of its own stock in connection with any of these agreements. The Company does not receive any funds directly with regard to contractual work commitments, and relies on each joint venture partner to make the agreed expenditures independently and on its own schedule during the course of the work programs.

In the event any contract terminates before all the terms of the agreement have been satisfied, North Bay shall regain its 100% interest in the subject property.

EB-5

On July 28, 2010, the Company executed an agreement with ACG Consulting, LLC ("ACG") intended to establish a new economic Regional Center ("Regional Center") under the federal EB-5 program (the "EB-5 Program") that will encompass all of Northern California's Gold Country. Once established, the Regional Center is expected to provide full funding for the Company's Ruby Mine Project in Sierra County, California. Terms of the agreement specify that upon filing an application for a new Regional Center with USCIS, North Bay shall pay ACG its share of the startup expenses, which as of December 31, 2011 were \$0. During the first quarter of 2011, the Company agreed to reimburse ACG \$37,216 in expenses incurred to prepare and file EB-5 applications with USCIS. As of March 31, 2011, \$15,000 of this amount had been paid, and \$22,216 remained outstanding. As of September 30, 2012, \$0 remains outstanding and this account has been paid in full. No shares of Company stock have been or will be issued in connection with this agreement.

The agreement also provides that North Bay will own 49% of the Regional Center, and ACG will own 51%. ACG and North Bay, working together through the Regional Center, will seek to raise up to \$7.5M in EB-5 funding for North Bay's Ruby Mine Project, subject to USCIS approval. ACG will also be an equity partner in each project North Bay may bring into the Regional Center, the amount of which will vary on a deal by deal basis based on the amount of consulting services ACG actually provides. At the present time, no projects other than mining are being considered, and the industry focus for the Regional Center is expected to be limited to mining initially.

Effective October 14, 2010, the Company, together with ACG, entered into a Memorandum of Understanding with Northern California Regional Center, LLC ("NCRC"), whereby NCRC has agreed to expand its scope to include mining projects in the counties of Sierra and Nevada in Northern California, and together with ACG has agreed to sponsor North Bay's application to secure \$7.5 million for the Ruby Gold project in Sierra County, California, through the EB-5 Program. NCRC was approved on April 22, 2010 by the USCIS as a designated EB-5 Regional Center, and is currently approved to sponsor qualifying investments in such capacity within the counties of Colusa; Butte; Glenn; Sacramento; San Joaquin; Shasta; Sutter; Tehama; Yuba; and Yolo in the State of California. Pursuant to its regional center designation, NCRC may sponsor qualifying investments in certain industry economic sectors that do not currently include mining. The agreement with North Bay and ACG calls for NCRC to seek USCIS approval for an

expansion of NCRC's Regional Center Geographic Area (the "Expansion") to include Sierra County, where the Ruby Mine is located, and for approval to include mining within its designated industry sectors (the "Mining Designation"). These applications have been filed with USCIS, and are currently being reviewed. Upon approval of the Expansion and Mining Designation by USCIS, NCRC will then be permitted to sponsor qualified investments in North Bay's Ruby Gold project under the EB-5 Program. Under the terms of the agreement, NCRC will receive a \$5,000 fee for each investor whose minimum \$500,000 investment is approved by USCIS. In addition, upon the Ruby Gold project receiving the aggregate sum of \$7,500,000 through the EB-5 Program, NCRC shall be entitled to an undivided one and one half percent (1.5%) interest in the Ruby Gold project. No shares of Company stock have been or will be issued in connection with this agreement, and the entire EB-5 funding is expected to be non-dilutive to shareholders.

On July 19, 2011, the NCRC Expansion Amendment, which includes the Mining Designation and pre-approval of the Ruby Gold project as a qualified EB-5 project, was formally approved by USCIS.

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The Ruby Property

On September 27, 2010, the Company executed an option-to-purchase agreement with RDC, a California partnership, for the acquisition of the Ruby Mine (the “Ruby Mine”) in Sierra County, California. The purchase price is \$2,500,000, which was to be paid in stages extending to December 30, 2012. Terms of the Ruby agreement provide for an initial option period of 5 months that expired on January 31, 2011, at which time we elected to extend the option for a second 5 month period, expiring on June 30, 2011. On June 1, 2011, the Company exercised its option to purchase the Ruby Mine and made a final option payment of \$85,000 to open escrow. On July 1, 2011, escrow was closed and the acquisition of the Ruby Mine was completed. During the preceding option period and as of the closing date, the Company has made payments totaling \$510,000 to RDC, consisting of \$360,000 cash and 10,000,000 shares of common stock valued at \$150,000. These payments were credited towards the purchase price, thereby reducing the outstanding principal due to \$1,990,000. In addition, in compliance with the agreement dated September 27, 2010, as amended on January 26, 2011, the Company issued warrants to RDC that gives them the option, until December 31, 2015, of purchasing up to 10,000,000 shares of stock at two cents (\$0.02) per share, and in compliance with a second amendment to the Option Agreement dated April 22, 2011, the Company issued warrants granting RDC the right to purchase 2,000,000 shares of the Company’s common stock at the exercise price of ten cents (\$0.10) per share. These later warrants are valid until May 1, 2016.

On the transaction closing date of July 1, 2011, the Company issued a promissory note to RDC for \$1,990,000 plus 3% interest per annum. The note was due on or before December 30, 2012. Pursuant to an amendment executed on December 12, 2012, the note maturity was extended to June 30, 2013, and monthly mortgage payments in the first quarter of 2013 were reduced to \$10,000 per month. In consideration of said extension, the Company made a \$50,000 principal payment on December 27, 2012. Pursuant to a subsequent amendment executed on March 28, 2013, the note maturity has been extended to December 30, 2015. Monthly mortgage payments are \$15,000 per month during the second quarter of 2013, and \$20,000 per month from July 1, 2013 through December 30, 2015. A \$1 million dollar balloon payment is due by December 30, 2013, representing 40% of the first five visas sold through the EB-5 Program. The interest rate on the Note is 6% per annum as of April 1, 2013, and will increase to 8% per annum on January 1, 2015.

As of June 30, 2013, the outstanding balance due on the note is \$1,901,579. During 2012 the Company issued an additional 2,000,000 5-year warrants to RDC in consideration for reducing the Company’s monthly mortgage payments on the Ruby Mine property. Said warrants give RDC the right to purchase up to 2,000,000 shares of the Company’s common stock at the exercise price of nine cents (\$0.09) per share. As of the date of this prospectus, the Company remains current in its obligations, and all monthly payments have been made on time. The note is collateralized with all of the assets associated with the Ruby Mine.

Upon the close of the transaction and the transfer of title on July 1, 2011, and as previously set forth in the purchase agreement, the Company acquired all of the real and personal property associated with the Ruby Gold Mine, all of the shares of Ruby Gold, Inc., a private California corporation, and \$171,618 in reclamation bonds securing the permits at the Ruby Mine. Subsequent to the close of the transaction, Ruby Gold, Inc. became a wholly-owned subsidiary of North Bay Resources Inc. The Company has also assumed the reclamation liabilities on the Ruby Mine, for which the \$171,618 in reclamation bonds are pledged. In addition, a \$2,500 liability from a pre-existing shareholder loan that was outstanding as of the closing date has been paid and extinguished. As of December 31, 2012, interest accrued to the Reclamation Bond has increased its current value to \$172,499.

It is expected that the aggregate total of warrants related to this transaction will be dilutive to shareholders by adding up to 14,000,000 shares onto our outstanding share total in the event that all the warrants are exercised. The actual dilution is dependent upon whether or not any of the warrants are exercised prior to their expiration dates.

Operational funding for the project of up to \$7.5 million is expected to be provided through the federal EB-5 Program described previously. It is expected that this funding will be non-dilutive, as no shares of Company stock will be issued to EB-5 investors. The EB-5 funding will be debt, which must be repaid from mining operations over five years and at an interest rate of no more than 6%. In the interim, if the Company has not generated enough revenue from claim sales and joint-ventures to meet our commitments, we believe we can rely on loans and our equity credit line established by way of our Securities Purchase Agreement with Tangiers to meet our obligations.

The Ruby purchase agreement includes the subsurface mineral rights to 2 patented claims comprising 435 acres, and 30 unpatented claims comprising approximately 1,320 acres. All of the unpatented claims in the property package are in good standing through August 31, 2013 with both the BLM in Sacramento and Sierra County in Downieville, CA. Annual BLM claim fees are currently \$10,640 per year. Sierra County property taxes are currently \$26,220 per year. As of December 31, 2012 and the date of this report, all BLM fees and Sierra County property taxes have been paid and are current. The Ruby Mine is permitted(3) for underground exploration, small scale development and small scale production.

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Claim Name	Type	Acres(1)	Good Until(2)
Guatemala Extension Placer Mining Claim	Patented	147	-
Wisconsin Placer Mining Claim	Patented	288	-
Wisconsin Extension Placer Mining Claim	Unpatented	180	September 1, 2013
Garnet Placer Mining Claim	Unpatented	159	September 1, 2013
Ruby Quartz Mining Claim	Unpatented	75	September 1, 2013
Diamond Quartz Mining Claim	Unpatented	20	September 1, 2013
Sapphire Placer Mining Claim	Unpatented	20	September 1, 2013
Gold Channel Placer	Unpatented	2	September 1, 2013
Black Channel Placer	Unpatented	150	September 1, 2013
Topaz Placer Mining Claim	Unpatented	60	September 1, 2013
Irene Placer Mining Claim	Unpatented	160	September 1, 2013
Opal Placer Mining Claim	Unpatented	140	September 1, 2013
Ruby Lode No. 7	Unpatented	160	September 1, 2013
Ruby Lode No. 8	Unpatented	20	September 1, 2013
Ruby Lode No. 16	Unpatented	20	September 1, 2013
Ruby Lode No. 17	Unpatented	20	September 1, 2013
Ruby Lode No. 18	Unpatented	20	September 1, 2013
Ruby Lode No. 19	Unpatented	20	September 1, 2013
Ruby Lode No. 20	Unpatented	20	September 1, 2013
Ruby Lode No. 27	Unpatented	20	September 1, 2013
Ruby Lode No. 28	Unpatented	20	September 1, 2013
Entry Lode Mining Claim	Unpatented	20	September 1, 2013
Entry Extension Lode Mining Claim	Unpatented	20	September 1, 2013
	Unpatented	20	

Golden Bear 1 Placer Mining Claim			September 1, 2013
Golden Bear 2 Placer Mining Claim	Unpatented	20	September 1, 2013
Golden Bear 3 Placer Mining Claim	Unpatented	20	September 1, 2013
Golden Bear 4 Placer Mining Claim	Unpatented	20	September 1, 2013
Golden Bear 5 Placer Mining Claim	Unpatented	20	September 1, 2013
Golden Bear 6 Placer Mining Claim	Unpatented	20	September 1, 2013
Golden Bear 7 Placer Mining Claim	Unpatented	20	September 1, 2013
Golden Bear 8 Placer Mining Claim	Unpatented	20	September 1, 2013

(1) The sum total of the acreage of the unpatented claims is 1,506 acres. However, as some placer claims overlap lode claims, the true acreage of the unpatented claim area is known to be approximately 1,320 acres, for a total property extent of approximately 1,755 acres including the subsurface patented claim area.

(2) September 1, 2013 represents the “Good Until” date of the Ruby unpatented claims. In order to maintain a mining claim in California in good standing, the claim holder must perform annual work having a minimum cost of \$100 or, alternatively, pay to the U.S. Bureau of Land Management (“BLM”) an annual maintenance fee of \$140. Patented claims have no “Good Until” date, and instead are only subject to local and state taxes. As of September 1, 2012, \$10,640 was paid to maintain the unpatented claims, and \$26,220 was paid in property taxes to maintain the unpatented and patented claims in good standing.

(3) The current Plan of Operations, effective as of 2001, was formally renewed by United States Forest Service in February 2011. The Plan of Operations is now effective through December 31, 2018. The Waste Discharge Order must be reviewed and approved by the Water Quality Control Board prior to the commencement of mining operations, along with the Annual Fee for Waste Discharge Requirements for 2012, which was paid to the State Water Resources Control Board in December 2011. The Reclamation Permit has been renewed through April 2018. In September 2011 the Company filed an updated Reclamation Plan with Sierra County and the California Department of Conservation Office of Mine Reclamation. This updated Reclamation Plan was formally approved in December, 2011, and is effective through April, 2018. A Reclamation Bond of \$172,499 is also in place.

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### The Ruby Mine

The Ruby Mine is an underground placer and lode mine located between Downieville and Forest City, in Sierra County, California. It is in the Alleghany-Downieville mining district, situated in the Sierra Nevada foothills south of the Yuba River.

In June 2010, the Company retained Mr. C. Gary Clifton, P. Geo., to visit the Ruby Mine in the Sierra County area of California to inspect its infrastructure and general conditions, assess its mineralization, and determine its potential to resume economic mining operations. Mr. Clifton holds degrees in Geology and Geochemistry from Macquarie University in Sydney, Australia, with post-graduate studies in Geochemistry at UC Berkeley and Oregon State University. As a Registered Professional Geologist, Mr. Clifton has almost 40 years of experience with several major mining and petroleum companies, and as an independent consultant in mining exploration and exploration management, mineral property evaluation, and mining geology. He has conducted and managed exploration and evaluation programs for a wide variety of mineral commodities in the United States, Australia, and the Middle East. Mr. Clifton is currently President of Western Resource Group LLC, and is a Qualified Person as defined by National Instrument 43-101.

Mr. Clifton has no family or other relationship with any past or present Company officer, director, or affiliate, and he has no family or other relationship with any past or present principal or affiliate of RDC. The Company has not issued nor is it obligated to issue any of its stock in connection with Mr. Clifton's engagement, and to the best of our knowledge Mr. Clifton does not own any shares of the Company.

The following information has been reviewed for technical accuracy by Mr. C. Gary Clifton, P. Geo, and who is the Qualified Person as defined by National Instrument 43-101 for the Ruby Project.

### Location, Access, Physiography, and Climate

The Ruby Mine is located in southwestern Sierra County, in the northern part of the Sierra Nevada Foothills, Northern California. It lies approximately 25 air miles northeast of Grass Valley/Nevada City and is serviced by paved roads. Highway 49 passes through Downieville in the northern part of the area. The Pliocene Ridge road crosses the central part of the area and eventually merges with the Henness Pass road. There are paved spur roads to the town of Alleghany and the village of Forest City. The remaining few miles to the various mine sites are accessed by high quality, well maintained gravel roads.

The property is situated in the Sierra Nevada physiographic province and lies along the western slope of the Sierra Nevada Mountain range, at elevations varying from 2,500 feet in the canyons to more than 6,000 feet on the ridge crests. Regional physiographic conditions generally consist of gently to moderately rolling terrain, and steep sided plateaus with deeply incised streams and rivers.

The annual temperature varies between 10 and 100 degrees Fahrenheit. The annual precipitation varies between 50 and 70 inches, which falls principally as snow during the months of January, February and March.

Regional native vegetation typically includes pine, cedar and fir trees, manzanita, black oak, brush and native grasses. Commercial stands of second growth pine and Douglas Fir are sufficient to satisfy mine timber requirements, and there is ample water available. Rock Creek is the nearest year-round stream and water source to the site, which crosses the northern portion of the property generally east to west. The north fork of Oregon Creek (a seasonal drainage) also crosses the southern portion of the property from northeast to southwest.





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Property Description

The Ruby Property covers approximately 1,755 acres, consisting of the subsurface mineral rights of two patented claims totaling approximately 435 acres and 30 unpatented claims containing approximately 1,320 acres. The mine encompasses at least four distinct underground river channels and three known lode gold veins.

The Ruby property comprises two contiguous claim groups; the Ruby and the Golden Bear (aka Carson Camp), both of which include lode and placer claims. The Ruby claims combine three past-producing gold mines, which are the Ruby, the Bald Mountain Extension, and the Wisconsin. The Golden Bear claims comprise several former producing mines as well, which are the Golden Bear, the Ireland, and the Cincinnati. Collectively, the Ruby and Golden Bear claims have produced in excess of 250,000 ounces of gold in a mining history dating from the 1850's.

The property covers one and one-half miles of strike length along the Eastern Melones Fault, the major structure along which many of the gold deposits of the Mother Lode are localized. The property also encompasses an estimated 4 miles of partially mined and unmined auriferous Tertiary channels. The Ruby is located on the northern extension of the historic Mother Lode system, as evidenced in the map below that shows the location of the Alleghany-Downieville mining district in relation to the overall Mother Lode.

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The most recently active mining areas include the Ruby Portal and Lawry Shaft locations. RDC maintains a Plan of Operations (dated February 1, 2001) for its mining operations on public lands in the Tahoe National Forest, administered by the United States Forest Service (USFS). As of the date of this prospectus, the Plan of Operations has been approved for renewal through December 31, 2018. Current access roads to the site include Henness Pass Road, Sierra County Road 401, Forest Service Road 401-2, and Forest Service Road 30, along with a variety of small unimproved dirt connector roads. The site is primarily surrounded by public national forest lands administered by the USFS, with privately owned parcels adjacent to the northwest and northeast property boundaries. The privately owned parcels are designated for use as rural land, timberland, or mineral land.

## History of Exploration, Development, and Production

Gold was originally discovered in the Alleghany-Downieville district in 1849, during the early days of the California Gold Rush. Since that time the district has produced at least 2.35 million ounces of lode gold from the vein deposits and at least 440,000 ounces of placer gold from the Tertiary channel deposits (not including an unknown amount of production from placer workings around Alleghany). Much of this production occurred intermittently, during relatively short periods of intense mining activity, separated by longer periods of minimal production when political and/or economic factors were unfavorable.

The history of the Ruby claim area dates from the 1850's, when placer gold occurrences were followed upstream from the North Yuba River to the headwaters of Slug Canyon where rich deposits of gold were discovered in a Tertiary gravel deposit. By the 1860's several mines were developing the gravels of a buried river system within the boundaries of the present Ruby property at the headwaters of nearby Rock Creek. These mines included the the Golden Bear and the Guatemala. The Ruby portal was collared in December, 1880 to access the central portion of this rich river system. Between 1880 and 1889 the Ruby Mine produced 86,500 ounces of gold from three buried river channels.

In the early 1930's, C.L. Best, the co-founder of Caterpillar Tractor, acquired the Ruby Mine, and developed the Black channel. Best Mines produced an estimated 58,000 ounces of gold from the gravels before the government forced closure under War Production Board Order L-208. C.L. Best saved 123 nuggets of \$100 value or greater for a personal collection. That collection is presently on display at the Los Angeles County Museum of Natural History.

After the Second World War, the cost of labor and supplies rose rapidly, while the price of gold remained frozen at \$35 an ounce. The mine was not re-opened by Best and it was sold after Best's death in 1951. RDC acquired a lease on the Ruby Mine in 1959 and bought the property outright in 1966. Lessees intermittently worked the gravels of the Black channel from the Lawry shaft until the mid-1970's.

In the late 1970's the Ruby Mine was leased to Alhambra Mines of Sparks, Nevada. During that same period, the Golden Lion Mining Corp. attempted to drive a decline to access the Cincinnati channel, which had previously been discovered in the quartz workings of the Cincinnati vein.

The Brush Creek Mining and Development Company, Inc. ("Brush Creek") acquired the Ruby in 1990. From 1990 through 1995, Brush Creek rehabilitated and re-timbered approximately one and one-quarter miles of horizontal haulage tunnel supports and a 210 foot vertical shaft for access and mine safety, constructed a new wash plant and quartz mill, built underground roads for use by diesel loaders, installed a hoist and constructed a new sixty-foot steel head frame over the Lawry Shaft at the Ruby Mine, installed a complete underground ventilation system and electrical system at the Lawry Shaft, constructed a new waste water treatment system for use at the mill site, and modified and enlarged the structures at the mill site. According to their SEC filings, Brush Creek's total investment in the Ruby was \$4,554,575 as of June 30, 1997, including \$2,251,714 of development costs, and \$1,975,525 of mining equipment. Production during this period was limited. From December 1992 until July 1993 an estimated 7,300 tons of mineralized material was mined, resulting in the recovery of approximately 200 ounces of gold. Brush Creek stated

that these preliminary results were too small to be a reliable representative sample of the expected placer grades. In 1994, approximately 400 tons were mined from the Lawry channel, at an average grade of 0.2 ounces per ton. By 1995, mining operations were suspended, and except for limited periods of sporadic activity over the next few years, the mine was put on care and maintenance. Brush Creek briefly resumed operations in 1998, driving a development tunnel in the south Lawry Shaft workings. Due to low metal prices, the property was eventually forfeited and returned to RDC, who has maintained the property and permits since 1998.

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## Plant, Equipment, Permits, and Site Infrastructure

Site inspections conducted during June and July, 2010 by C. Gary Clifton, a certified professional geologist (P.Geo.) retained by the Company as an independent consulting geologist to inspect and assess the Ruby Mine, and by management in September, 2010, confirmed that the Ruby is in excellent condition, and has been well maintained despite having not been operation since 1998. The equipment currently on-site at the Ruby was mostly purchased in the period between 1990 and 1995 when the mine was last in production, and is therefore between 15 and 20 years old. The equipment, including the wash plant and mill facilities, has been confirmed to be in good working order, though some minor upgrades are expected to be needed once operations resume.

The equipment, fixed assets, and infrastructure in place include a 1,000 yard per day placer wash plant, 50-ton per day quartz mill, 6,000 feet of tracked haulage, and related support equipment needed for underground mining operations. A second exit, the Lawry Shaft, almost 2 miles from the main portal, can provide natural ventilation for much of the underground workings. Surface buildings and facilities include a lumber mill, machine shops, offices, and accommodations. The property also features an excellent system of roads, is accessible via paved highway from Reno or Sacramento, has abundant water and timber available for mining purposes, and has PG&E power available on-site.

Permits in place include a Plan of Operations, a Phase I Environmental Site Assessment, a Water Order, and a Reclamation Plan secured by over \$172,499 in Reclamation Bonds. The current Plan of Operations, effective as of 2001, was formally renewed by United States Forest Service in February 2011. The Plan of Operations is now effective through December 31, 2018. The Waste Discharge Order must be reviewed and approved by the Water Quality Control Board prior to the commencement of mining operations, along with the Annual Fee for Waste Discharge Requirements for 2012, which was paid to the State Water Resources Control Board in December 2011. The Reclamation Permit has been renewed through April 2018. In September 2011 the Company filed an updated Reclamation Plan with Sierra County and the California Department of Conservation Office of Mine Reclamation. This updated Reclamation Plan was formally approved in December, 2011, and is effective through April, 2018. A Reclamation Bond of \$172,499 is also in place.

Skilled underground hard-rock and placer miners with considerable experience in the local ground conditions reside in the area and will provide a valuable resource in the present and future development of the Ruby.

## Recent Geological Assessment Work

The Ruby Mine is an underground mine that is known to have produced over 250,000 ounces of gold since the 1850's, but which currently has no known estimates of proven reserves.

Geological assessment work carried out by Mr. Gary Clifton P.Geo., during the summer of 2010, including extensive research to evaluate the resource maps and data from Brush Creek Mining's operations in the 1990's and Alhambra Mines in the early 1980's, has identified 3.03 miles of unmined channel and 0.95 miles of partially mined channel available for mining using the existing infrastructure. The following table provides the estimates of each channel surveyed by Mr. Clifton in July, 2010. In compiling the data, the Pilot Channel is considered the northern extension of the Black Channel and the Mt. Vernon Channel is a tributary. In addition, the stretch of Black Channel between the Big Bend and the Lawry Shaft is designated as partially mined, as is one-half of the stretch of the same channel between the Lawry Shaft and the mined portion of the Pilot Channel at the northern property boundary. All measurements are in feet.

Channel	Mined	Partially Mined	Unmined	Total
Bald Mtn	7,500	--	--	7,500

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Deep Rock				
Creek	5,500	--	2,000	7,500
Cincinnati	--	1,500	4,500	6,000
Black and Pilot	2,000	3,500	3,250	8,750
Mt. Vernon	--	--	3,000	3,000
Bald Mtn				
Extension	2,750	--	3,250	6,000
Totals (miles)	3.36	0.95	3.03	7.34

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Additional channels as well as lode deposits in quartz veins are known to exist on the property. These will require additional development and no attempt has been made as of yet to estimate the amount of gold they may contain.

During the 2010 summer program, 35 samples were collected by Mr. Clifton from the Lawry Shaft workings and sent to American Assay Laboratories Inc. in Sparks, NV for fire assay analysis. The samples, each weighing approximately 1 kilogram, were collected at 10-foot intervals at the gravel-bedrock interface at 5 locations (A through E) within tunnels and crosscuts. At location C, samples C9 through C12 returned several high values, including 45.5 grams (1.45 ounces) and 15.05 grams (0.48 ounces) per metric ton (tonne) gold, as per the table below. This represents a 30-foot wide zone of placer gold-enriched sediments in which 3 of the 4 samples are highly anomalous. This zone is considered mining width. Having delineated a 30-foot wide zone with a limited 35-sample set, we believe this indicates that gold-rich gravels are relatively abundant, easily identified, and present in existing workings ready to be exploited.

SAMPLES	Dry Weight lbs	Au Fire ppb
A1	1	4
A2	2	4
A3	1	3
A4	2	11
B1	2	12
B2	2	8
B3	2	14
B4	1	72
B5	2	61
B6	2	9
B7	2	4
C1	3	5
C2	2	3
C3	2	3
C4	2	4
C5	3	7
C6	2	20
C7	2	7
C8	2	14
C9	2	15050
C10	2	18
C11	2	45500
C12	2	785
D1	2	453
D2	3	6
D3	3	49
D4	3	12
D5	3	12
E1	3	23
E2	2	12
E3	3	8
E4	2	8



E5	3	15
E6	3	10
E7	3	25

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Regional Geology

The geology of the region consists of Mesozoic and Paleozoic metavolcanic rock, Paleozoic Calaveras Formation rocks (phyllite, schist, with thin beds of metachert), and Silurian slate with subordinate chert, conglomerate and sandstone. The Mesozoic era occurred between approximately 65 and 248 million years before present (MYBP). The Paleozoic era occurred between approximately 248 and 543 MYBP. The Silurian period was part of the Paleozoic era, and occurred between 417 and 443 MYBP.

Local Geology

The Alleghany-Downieville gold mining district is situated in the northern pan of the Sierra Foothills Metamorphic Belt, to the west of the Sierra Nevada Batholith. The district forms the northern continuation of the Mother Lode System, a major, north-northwesterly trending metallogenic province that extends for a distance of 160 miles and has produced over 125 million ounces of gold.

Most of the gold mines within the Mother Lode System are localized along the Melones Fault, a steep, easterly dipping crustal-scale suture that extends from Mariposa County in the south to Plumas County in the north. This structure marks the boundary between several tectonic terrains. In the northern part of the foothills belt, the structure defines the contact of continentally derived sediments of the Paleozoic Shoo Fly Complex to the east, with generally younger oceanic and volcanic island arc rocks of the Western Assemblage to the west. In the south, the structure marks the boundary between the Calaveras Complex, an Upper Paleozoic sedimentary sequence of deep water, oceanic affinity to the east with rocks of the Western Assemblage to the west.

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### Geology of the Ruby Property

The Ruby Property covers one and one-half miles of strike length along the Eastern Melones Fault, the major structure along which many of the gold deposits of the Mother Lode are localized. The property also encompasses an estimated 4 miles of unmined auriferous Tertiary channels. The Ruby is considered part of the northern extension of the historic Mother Lode system.

The locus of the Melones Fault coincides with a discontinuous zone of intensely sheared and variably altered serpentinite, commonly associated with more massive gabbroic rocks. These rocks are believed to represent part of an ophiolite suite. At the latitude of the Alleghany-Downieville district, the Melones Fault zone is up to 4 miles wide. At this location, the fault zone is occupied by a serpentinite-hosted melange of ophiolitic rocks, blueschist to greenschist-grade oceanic sediments and mafic volcanics, as well as complexly deformed, amphibolite-grade Paleozoic rocks

### Mineralization and Deposit Type

The primary mineralization at the Ruby is gold. The primary deposit type consists of gold-bearing Tertiary-age channels, as exemplified by the Bald Mountain and Bald Mountain Extension channels, both of which have been among the most prolific gold producers in the Alleghany-Downieville district. Younger intervolcanic channels also formed rich placer gold deposits where the younger river system eroded and redeposited the auriferous gravels of the older channels. Examples of this type of younger channel include the Black channel in the vicinity of the Big Bend in the Ruby Mine and the Deep Rock Creek channel, which reworked extensive stretches of the Bald Mountain channel.

Distinct concentrations of placer gold have also been associated with the existence of quartz gold deposits. Some of the most productive quartz gold deposits in this area were discovered in the bedrocks while mining the placer channels. The quartz veins in this region typically extend to thousands of feet in depth, and are noted for rich shoots often containing spectacular pockets of Gold-in-Quartz. The Ruby is known to contain quartz vein deposits, as exemplified by the Wolf Vein near the Bald Mountain Channel.

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### Ruby Mine Mining Plan

The Ruby mining plan anticipates that much of the first season will be engaged in determining the exact locations of the targeted channels with exploration drifting (tunneling) and establishing Development Headings in these channels.

The Deep Rock Creek Project will lag behind the Lawry Shaft Project since the new tunnel and winze will not be completed until late in Year 1.

The initial work will concentrate on rehabilitating the Ruby Tunnel, renovating the Ruby Mill, improving the infrastructure, and getting the Ruby Mine facilities and equipment into good working order. The Company began rehabilitation of the Ruby Tunnel in October, 2011. This work is expected to be completed in the third quarter of 2013. As of December 31, 2012, construction and renovation costs directly related to the Ruby Tunnel rehab and excluding permitting and regulatory expenses totaled \$446,646.

The Pilot and Mount Vernon Channel targets are projected to lie in the near vicinity of the existing Lawry Shaft workings, so active exploration tunneling ("drifting") with air-powered slushers and trackless loaders ("LHD's") is expected to be underway shortly after mining operations begin.

Construction of the 1,500 foot Deep Rock Creek Project access tunnel can also begin once mining operations commence. This tunnel will be a tracked haulageway. The rate of progress will be determined by the amount of time required to complete the maintenance program in the Ruby Tunnel beyond the "Daylight Turn" where the Deep Rock Creek Access Tunnel begins. This maintenance will also be required prior to constructing the Big Bend Raise to the Black Channel workings. This maintenance work is expected to be completed in the third quarter of 2013.

The mining plan anticipates a "herring bone" drift pattern for development of the channels. A central tunnel (known as a "drift") will be driven following the gut (deepest part) of the channel. This drift will be continued until the end of the channel is reached and the length of the resource has been defined. Regularly spaced crosscuts (known as "crosscut drifts") will be driven out on each side of the central drift to determine the width of the channel.

The material mined from these development drifts will be washed in the placer plant. Careful records of the gold recovery will also provide a grade for the material "blocked out" in this process, thereby developing a proven resource to be mined in the production phase of the mining plan.

The Ruby Mine typically experiences considerable snow fall, and a decrease in activity is planned for during the winter months of Year 1. It is expected that the Ruby will operate year-round once the operation is well established.

### Operational Considerations

The southern working area, the Deep Rock Creek Project, is accessible by the Ruby Tunnel, which is equipped with 30 lb. rail and 4" Victaulic steel compressed air pipe. The northern area, the Lawry Shaft Project, will be mined by LHD's from the existing tunnel system.

On the north end, entry to the mine is through the Lawry Shaft which has a steel headframe and a complete hoist house and hoisting facilities for men and materials. There are two LHD's with 1 yd. buckets underground. There is a 40 hp. fan and a secondary ventilation fan with fan line as well as water and compressed air lines and electrical service underground. Electricity in this area is provided by PG&E and a 150 kw diesel generator providing backup power. A 250 cfm electric compressor located on the surface provides compressed air.

The south end of the mine is accessible by a portal. Electricity is provided by 250 kw and 55 kw diesel generators and compressed air by a 750 cfm diesel compressor. There is a 40 hp. ventilation fan located underground, electric and diesel trammers, ore cars and flat cars. The site has a shop with an electric overhead hoist on a track and various tools, mill buildings, a 4,500 gallon diesel tank with containment basin under cover, a 1,000 yard-per-day placer gravel recovery plant and a 50 ton hard rock quartz recovery plant.

The north and south ends of the mine are connected underground, which facilitates natural ventilation and provides an exit at both ends.

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The north end has a 2 story bunkhouse which can provide accommodations, a trailer which can also be used for accommodations, and an office. The adjacent cook shack will accommodate several more people. There is a 40' by 70' steel shop building on a concrete slab, a 10,000 gallon double-walled diesel tank, and other buildings. Electricity in this area is provided by PG&E.

The property contains Douglas fir trees which can be used for mine timber. The Forest Service has marked trees for cutting, and there is a bandsaw lumber mill on the property. Several thousand board feet of milled mine timbers are currently onsite.

The property is serviced throughout by a system of good dirt roads and oiled roads, with paved roads to the property from Highway 49. The property has a great deal of flat and useable areas available, and there is ample working room around the shops and other buildings.

The mine has rock drills, slushers and tuggers, additional fans and pumps, both air and electric powered, and much miscellaneous equipment, tools, and supplies. The mine also has a Peterbilt water truck, International flatbed truck, Oshkosh 4x4 dump truck, and Hyster equipment trailer. There is a large dump facility as well as ponds for water storage and ample process water that exits from the Ruby Tunnel.

## Description of Mining Process

Although the grades encountered in the ancient river channels of the Alleghany District are extremely high relative to most placer deposits elsewhere in the world, underground mining costs are also much higher than the cost of open pit or dredge methods employed in most present-day placer operations. This cost reality, together with the erratic distribution of the gold, requires that selective mining methods based on strict grade control be utilized in order to achieve a profitable operation.

A cost effective underground mining operation is accomplished by a two-phase process:

(a) Development occurs on the advance by drifting upstream or downstream along the axis of the channel, with crosscuts driven every fifty to one hundred feet. The muck from these workings is slushed to passes that lead to the main haulage level within the bedrock below the channels. This production is accompanied by face and rib sampling and by bulk testing of the muck from the development headings. Each round is quantitatively analyzed to map out the grade distribution of the gold. This work is followed by;

(b) Selective mining ("breasting") during the retreat, using the drift as the main haulage-way and leaving pillars of lower grade material. This is facilitated by careful mine planning based on the geometry of the channel and the grade distribution ascertained from the development phase.

## Description of the Recovery Process

The mined gravel, or muck is transported from the mine along the tracked haulageway to the mill and dumped into the ore bin directly above the gravity separation washing plant. The wash plant is a closed-circuit system which recycles the wash water. The gravel is scraped onto a feed belt which elevates and dumps the material into the scrubber (trommel -- a large, inclined metal cylinder). Water is added and the scrubber is rotated in a clockwise direction at twelve revolutions per minute to thoroughly wash the gravel. Retaining rings inside the scrubber catch the larger gold nuggets. The washed gravel is discharged through slots in the final section of the scrubber that serve as a sizing screen. All plus 3/4 inch material is rejected to the coarse material belt which moves the reject gravel to the stacker belt for transport.

The remaining minus 3/4 inch material and excess water falls onto the walking bottom sluice box. This sluice box is a gravity separation device which utilizes Hungarian riffles mounted on a moving rubber belt to trap all high specific gravity material. The riffle bed rotates up the grade through the sized material and water, cycling completely every twenty minutes while continually dumping the heavy concentrate into the live bottom sluice box.

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All lighter material not trapped in the Hungarian riffles is washed off the discharge end of the walking bottom sluice box and over a 1/8 inch vibrating dewatering screen. The dry plus 1/8 inch, minus 3/4 inch material is vibrated onto a skid plate that loads directly onto the stacker belt for transport to the waste dump. The minus 1/8 inch material and water is discharged into the dewatering sand screw.

The live bottom sluice box utilizes a cam-operated jiggling action within its bed to further concentrate, grade and separate all gold and other high specific gravity material. The trapped gold and heavy concentrate is cleaned from the box once a day and transported to the gold room for final cleanup.

The lighter material not concentrated within the bed is washed out of the live bottom sluice box with the excess water and discharged into the dewatering sand screw. The coarser material is dried by the dewatering sand screw and dumped onto the stacker belt. The finer waste material is discharged with the wash water to the primary settling pond. The wash water continues to the second settling pond from which it is pumped back to the scrubber at the head of the system. Water discharging from the tunnel is piped to the head of the system by gravity as needed for make up water.

A backhoe is used as required to bail the fine settled material from the primary settling pond to dry before transport to the waste dump.



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### QA/QC Protocols

The Company has not determined its QA/QC protocols as a matter of policy, and relies on its joint venture partners and outside consultants to provide these protocols on a project-specific basis.

### Canadian Properties

Below is a description of the properties (or mining/mineral/placer claims) currently owned by the Company which are currently under contract for exploration and development with joint-venture partners, previously under contract with joint-venture partners, or else prospective for future joint-ventures. Our mining claims convey the mineral or placer rights for mining-related purposes only, and while our rights allow us to use the surface of a claim for mining and exploration activities, our claims do not convey any other surface, residential or recreational rights to the Company. Additionally, our right to extraction is not absolute, as any mechanized extraction work on claims in British Columbia requires additional permits and possibly conversion of our claims to mining leases, the approval of which is not guaranteed.

For the year ended December 31, 2012, the Company paid the Province of British Columbia an aggregate of \$68,536 USD in registration and claim maintenance fees to maintain our properties in good standing. For the year ended December 31, 2011, these fees totaled \$72,495 USD.

The Company actively manages its claims on a daily basis through the British Columbia MTO system, and at times elects to reduce costs by paying annual fees incrementally as permitted by British Columbia regulations, allowing non-strategic claims to lapse, and occasionally reducing the aggregate size of a particular claim area or letting it lapse altogether to further reduce carrying costs. Therefore, the costs stated below to maintain a property in good standing is the maximum required on an annualized basis, and in many instances the actual realized expense may be less than indicated below.

Unless otherwise noted, all dollar amounts related to claim fees paid to the Province of British Columbia are in Canadian dollars (CDN).

### Principal Canadian Properties

The following table shows the Company's principal target properties in British Columbia, Canada, which in aggregate comprise 110 claims that cover 36,996 acres (14,978 hectares). The Company owns additional claims throughout British Columbia, but most of these others have not as yet been aggregated into identifiable properties, are currently not considered material, or are expected to expire on their termination dates and no longer held. As of December 31, 2012, our total holdings are 234 claims encompassing 76,404 acres (30,933 hectares). This is a snapshot in time, and the number may be quite different six months or one year from now. The Company has an active exploration program in place, which on a daily basis will add new claims, drop or reduce the size of others, and maintain the rest. The Company is comfortable with maintaining a stated minimum of 150 mineral and placer claims covering an aggregate of 60,000 acres on an annualized basis. All of our claims are under constant review, and may be decreased or further increased at any time, depending on the re-evaluation of our present holdings, and the availability of new opportunities in the future as other claims of merit become available for acquisition.

Properties are labeled as such when individual claims that are either contiguous with each other or in close proximity can be aggregated and identified with a known mineral or placer resource. As of December 31, 2012, the total cash cost to acquire the properties listed below is \$16,311, consisting of \$6,436 in staking fees paid to the Province of British Columbia, and \$9,875 paid in 2006 to an individual to acquire the Monte Cristo. If every claim is maintained for the next year, the projected expense would be a minimum of \$81,265. In keeping with Company practices, some

non-strategic claims may be allowed to lapse, and possibly re-staked afterwards, resulting in a considerable saving from the maximum projected annualized cost. As well, any of these properties that become the subject of options or joint-ventures with other companies will see their projected maintenance costs transferred to the prospective partner company for the duration of the contract. The table below shows the cash acquisition cost of each property and the annualized projected cost (or carrying cost) of maintaining the properties in good standing. All dollar amounts in this table are expressed in Canadian dollars, and the actual expense to the Company in terms of US dollars, when actually paid, can be as much as 10% lower or higher, depending on the foreign currency exchange rate on the day any payment is recorded.

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Property Name	Area (hectares)	Acquisition Cost	Minimum Work Requirement (Annualized)**	Exploration Expenditures To Date
ARGO GOLD	463	\$ 185	\$ 2,315	\$-
BOULEAU CREEK GOLD	1,900	760	9,500	12,926
CHERRY GOLD	1,138	480	5,690	-
MT. WASHINGTON/CONNIE HILL	2,629	1,052	13,145	-
CORONATION GOLD	604	242	3,020	10,732
FAWN***	407	163	2,035	-
GOLD HILL PROJECT	1,920	1,173	9,600	-
LOUGHBOROUGH GOLD	288	115	1,440	-
LYNX GOLD	622	249	3,110	-
MONTE CRISTO*	333	9,875	6,660	18,082
NEW ESKAY CREEK	2,400	832	12,000	-
PINE RIVER VANADIUM	330	132	1,650	-
RACHEL GOLD	337	135	1,685	-
TULAMEEN PLATINUM	231	92	1,155	-
FRASER RIVER PROJECT	413	826	8,260	59,268
Total	14,015	\$ 16,311	\$ 81,265	\$ 101,008

\*With the exception of the Monte Cristo which was acquired from another party, as described below, all of the Company's properties in British Columbia were acquired as a result of the direct staking of located claims by Company personnel and payment of the statutory registration fees to the Province of British Columbia.

\*\* If no work is performed by the anniversary date due, a claim may be maintained in good standing by paying a Cash In Lieu of Work Fee ("CIL Fee") to the Ministry of Mines equal to twice the annual minimum work requirement.

\*\*\* As of the date of this prospectus, the Fawn property has been sold to New Gold, Inc for a cash price of \$166,675 USD.

Prior to July 1, 2012, the registration fee for staking new claims in British Columbia was \$0.40 per hectare for a mineral claim, and \$2.00 per hectare for a placer claim. On July 1, 2012, registration fees for newly-staked claims were raised to \$1.75 per hectare for a mineral claim, and \$5.00 per hectare for a placer claim. The initial term of any claim staked in British Columbia is one year. As of July 1, 2012, this term may be extended for up to 10 years at a time by filing a statement of work showing minimum expenditures on a mineral claim of \$5 per hectare per year for the first 2 years, \$10 per hectare per year for year 3 and 4, \$15 per hectare per year for years 5 and 6, and \$20 per hectare per year for each year thereafter. For a placer claim, the minimum expenditure is \$20 per hectare. If work is not performed on the subject claims, the registrant can pay a CIL Fee to British Columbia equal to twice the minimum work expenditure due to maintain the claim in good standing.

The Company owns a 100% undivided interest in the mineral rights underlying these properties, the surface of which is owned by the Province of British Columbia, also known as Crown Land. Our registered claims convey to us the mineral rights for mining-related purposes only, and while our rights allow us to use the surface of a mineral claim for mining and exploration activities, our claims do not convey any residential or recreational rights to the Company.

All of the properties described below are without known proven or probable reserves, and are exploratory in nature.



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Canadian Property Descriptions

The Fawn Property is situated on the Nechako Plateau of central British Columbia, approximately 120 kilometres southwest of Vanderhoof and 180 kilometres west of Quesnel. The property covers 407 hectares (1,005 acres). It includes the Buck claims 6 kilometres to the east, and the Malaput E-W claims 3 kilometres to the southeast.

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As documented in British Columbia government records (MINFILE), previous exploration by prior claim holders on the Fawn Property has consisted of soil geochemistry, magnetometric surveys, trenching and limited drilling. A total of 2,469 metres of drilling in 13 holes has been completed on the property with the best assays reported of 1.08 grams per tonne gold and 23.3 grams per tonne silver over 10.2 metres (Source: MINFILE 093F 043).

On the Buck claims, previous exploration consisting primarily of soil geochem and geophysics has outlined a 3,500 metre long silver-lead-zinc anomaly. A primary area of interest is known as the Christmas Cake showing, where a 45 centimetre chip sample has assayed 542 grams per tonne silver, 7.38% zinc, and 2.25% lead (Source: MINFILE 093F 050).

The Fawn Property was the subject of a joint-venture with Silver Quest Resources Ltd (TSX-V: SQI) (“Silver Quest”) from October 15, 2009, until December 17, 2011, when it was terminated.

As of the date of this prospectus, the Fawn property has been sold to New Gold, Inc for a cash price of \$166,675 USD.

Coronation Gold is located near Memphis Creek, 6 kilometres northeast of Slocan in southeastern British Columbia. The property covers 604 hectares (1,493 acres and includes five other past-producing mines; the Colorado, the Homestake, the V&M, the Sapphire, and the Senator mines.

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British Columbia government records show that the primary mineralization on the Coronation claims consists of gold, silver, zinc, and lead. Past-production records on file in British Columbia for the Colorado, Homestake, V&M, and Senator mines are as follows:

Colorado: Intermittent mining for the periods 1904 to 1915 and 1967 to 1969 produced a total of 67 tonnes, yielding 2188 grams per tonne silver, 2.5 per cent lead, and 5.6 per cent zinc (Source: BC MINFILE 082FNW161).

Homestake: At the Homestake (formerly known as the Hamilton), intermittent production from 1903 to 1915 totaled 33 tonnes of ore, yielding 115,299 grams of silver, 93 grams of gold and 1921 kilograms of lead. Production as the Homestake from 1968 to 1971 totaled 330 tonnes, yielding 861,491 grams of silver, 7370 grams of gold, 440 kilograms of lead and 503 kilograms of zinc (Source: BC MINFILE 082FNW213).

V&M: At the V&M mine, which includes the Get There Eli vein, 11 tonnes ore shipped in 1901 is documented as yielding 124 grams of gold and 21,554 grams of silver. Production of about 9 tonnes of ore in 1938 from the Get There Eli yielded 124 grams of gold and 15,925 grams of silver. 3 tonnes of ore mined in 1955 from the V&M yielded 93 grams of gold, 12,338 grams of silver, 23 kilograms of lead and 8 kilograms of zinc. In 1988, Yukon Minerals Corporation conducted soil and rock sampling, and geological mapping in the area. A sample from the Get-There-Eli adit assayed 16.8 grams per tonne gold and 549 grams per tonne silver over 0.5 metre on a quartz-pyrite vein (Source: BC MINFILE 082FNW191)

Senator: The Senator mine, which includes the Midnight vein, produced 20 tonnes of ore in 1906 and 1907, yielding 43,420 grams of silver and 436 grams of gold. In 1939 and 1940, production totaled 13 tonnes of ore, yielding 187 grams of gold and 17,947 grams of silver. In 1988, Yukon Minerals Corporation conducted soil and rock sampling, and geological mapping in the area. A sample from the Senator adit assayed 6.1 grams per tonne gold and 1080 grams per tonne silver over 0.3 metre on a quartz-pyrite vein (Source: BC MINFILE 082FNW164).

The Coronation was the subject of a joint-venture with Lincoln Resources Inc. (“Lincoln”), a private Nevada corporation from August 6, 2009, until October 6, 2011, when it was terminated..

In July 2012 the Company conducted an exploration program at Coronation Gold under the supervision of Mr. Dan Oancea, P.Geo. Prospecting, sampling and a short geophysical survey were undertaken over two prospective parts of the property. Samples were collected from mineralized host rocks and vein materials. Seven of these samples were sent to ALS Chemex Labs in Vancouver for analysis, and the most significant assays have been reported as follows:

- C05 (0.36 kg sample): 1.53 g/t gold, and 265 g/t silver;
- C07 (0.10 kg sample): 25.9 grams g/t gold, and 2,590 g/t per tonne silver;
- C08 (0.26 kg sample): 17.45 g/t gold, and 479 g/t per tonne silver.

The Company considers these results to be entirely consistent with previous assessments as well as the historical ore grades from the 6 past-producing mines on the property, all of which are in close proximity. Accordingly, we believe Coronation Gold to be a property of merit that justifies further follow up work. We intend to engage a new joint-venture partner to fund continued exploration. There is no guarantee the Company will be successful in this effort.

Fraser River Project is located along the Fraser River, 3 kilometres northwest of the village of Lytton in south-central British Columbia. The property covers 413 hectares (1,020 acres) on both sides of an area known as the Van Winkle Bar. As documented in British Columbia Open File 1986-7 and BC MINFILE 092ISW078, platinum and iridium are known to occur in the black sands of Van Winkle Bar.





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In February 2009, the Company through our then-prospective joint venture partner, Mr. Bill Morgan, discovered visible gold during the first phase of test excavations 400 metres northwest of the Van Winkle Bar along an old river channel. Prior to this there were no substantive indications of gold mineralization in the Fraser River deposit.

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One cubic yard of material (the approximate equivalent of 2 metric tons) was excavated, processed, reduced to 750 grams of concentrate, and divided into three 250 gram (0.25 kg) samples. These samples were sent to Acme Analytical Laboratories Ltd. in Vancouver, BC for analysis. Acme Analytical Laboratories Ltd., an ISO 9001:2000 company, follows a strict regime of internal Quality Assurance/Quality Control (QA/QC) protocols, including blanks, duplicates, and standard reference materials inserted in the sequences of client samples to provide a measure of background noise, accuracy and precision. The assay results showed the concentrate samples averaged 564 grams per tonne gold and 4.45 grams per tonne platinum, as per the following table:

ACME ANALYTICAL  
LABORATORIES LTD.  
Date 8-April-09  
Job  
Number: VAN09000829  
Number of  
Samples: 3  
Project: Van Winkle  
Received: 16-Mar-09

	Method	G6	G6	G6
	Analyte	Au	Pt	Pd
	Unit	GM/T	GM/T	GM/T
	MDL	0.17	0.01	0.01
Sample	Type			
VW-1	Sand	620.21	3.59	0.03
VW-2	Sand	541.74	4.37	0.04
VW-3	Sand	530.42	5.38	0.03
Average		564.12	4.45	0.03