

**STATE OF CALIFORNIA  
BUSINESS, TRANSPORTATION AND HOUSING AGENCY  
DEPARTMENT OF CORPORATIONS**

TO: DUKE CANYON MINES, INC.  
Henri Berger, Chairman of the Board  
Richard Ward, President  
John Fromm, Director

3312 South McCarran Blvd. #313  
Reno, Nevada 89502

9903 Santa Monica Blvd. #226  
Beverly Hills, California 90212

4311 East Presido Road  
Tucson, Arizona 85712

DESIST AND REFRAIN ORDER

(For violations of California Corporations Code section 25110)

The California Corporations Commissioner finds that:

1. At all relevant times: Henri Berger, Chairman of the Board; Richard Ward, President; and John Fromm, Director, were, or continue to be principals, officers, directors and/or employees of Duke Canyon Mines, Inc. Duke Canyon Mines, Inc. is a business entity of unknown origin and is, or has been, located at 3312 South McCarran Blvd. #313, Reno, Nevada 89502 and 9903 Santa Monica Blvd #226, Beverly Hills, California 90212 and 4311 East Presido Road, Tucson, Arizona 85712.
2. Beginning in or about November 1999, Berger, Ward and Fromm were directly or indirectly involved with telephonic cold-call solicitations of investment opportunities in the form of shares of stock in Duke Canyon Mines, Inc. to California residents.
3. Berger, Ward and Fromm were each involved in the offer and sale of securities in the form of shares of stock in Duke Canyon Mines, Inc.
4. Duke Canyon Mines, Inc.'s primary business function, as represented to investors, was to operate gold mining operations in Nevada and the western United States. The money contributed by investors through the sale of shares of stock in Duke Canyon Mines, Inc. was going to be used to fund the operation and acquisition of existing, undeveloped, high-grade mines.
5. These shares of stock offered and sold in Duke Canyon Mines, Inc. are securities under California law. These securities were offered and sold in California in issuer transactions. The Department of Corporations has not issued a permit or other form of qualification authorizing any person to offer and sell these securities in this State.

6. The offer and sale of shares of stock in Duke Canyon Mine, Inc. to California residents, are not subject to any exemption from qualification. The sale of such securities are subject to qualification under said law and such securities are being or have been offered for sale without first being so qualified.

Based upon the foregoing findings, the California Corporations Commissioner is of the opinion that the shares of stock offered and sold by Berger, Ward and Fromm in Duke Canyon Mines, Inc. are securities subject to qualification under the California Corporate Securities Law of 1968 and are being or have been offered or sold without being qualified, in violation of Section 25110 of the Corporate Securities Law of 1968.

Pursuant to Section 25532 of the Corporate Securities Law of 1968, Henri Berger, Richard Ward, and John Fromm, and Duke Canyon Mines, Inc. are hereby ordered to desist and refrain from the further offer or sale in the State of California of securities, in the form of shares of stock in Duke Canyon Mines, Inc. unless and until qualification has been made under said law or unless exempt.

This Order is necessary, in the public interest, for the protection of investors and consistent with the purposes, policies, and provisions of the Corporate Securities Law of 1968.

Dated: January 28, 2003  
Los Angeles, California

DEMETRIOS A. BOUTRIS  
California Corporations Commissioner

By \_\_\_\_\_  
ALAN S. WEINGER  
Supervising Counsel  
Enforcement and Legal Services Division