

CANTECH RESOURCES LIMITED

Executive Office
Suite 1501
330 Bay Street
Toronto, Ontario

COMMON SHARES
(No Par Value)



32004SE0312 63.3009 HEARST

Registrar and Transfer Agent
THE STERLING TRUSTS CORPORATION
372 Bay Street
Toronto, Ontario

NEW OFFERING:

This is an offering of 1,000,000 common shares without par value of the capital stock of Cantech Resources Limited in the Provinces of Quebec and Ontario, Canada, at the best price the market will permit through the medium of Chartrand, Lemay, Quinn, Senecal & Co. Ltd., Suite 2301, 1115 Sherbrooke Street West, Montreal, Quebec, to the public of Quebec under a prospectus filed with the Quebec Securities Commission and through registered securities dealers to the public of Ontario under this prospectus. Selling dealers will be paid commissions not exceeding 15% per share provided that in no case shall the Company receive less than 20¢ per share after deducting the said commission.

To the date hereof 200,000 shares have been sold through the medium of Chartrand, Lemay, Quinn, Senecal & Co. Ltd. and therefore there are remaining 800,000 shares to be sold by the Company under this offering.

PURPOSE OF NEW OFFERING:

The purpose of the new offering is to provide the Company with sufficient funds to defray its ordinary operating expenses and the costs of carrying out the exploration and development programmes recommended by its consulting engineers. See within under the headings "History and Business" and "Use of Proceeds".

SECONDARY OFFERING:

There is also a secondary offering of 37,500 shares owned by Gordon George Plaskett and 37,500 shares owned by Claude Barcelo, to take place after completion of the new offering, and which shares will be offered to the public through registered securities dealers acting as agents who will be paid the normal commission charged by members of the Toronto Stock Exchange acting as agents in the sale of listed mining shares.

There is no market for the shares of the Company.

THESE SECURITIES ARE SPECULATIVE

No securities commission or similar authority in Canada has in any way passed upon the merits of the securities offered hereunder and any representation to the contrary is an offence.

This Prospectus is dated the 20th day of September, 1972.

HEAD OFFICE

The Head Office of CANTECH RESOURCES LIMITED (hereinafter referred to as the "Company") is Suite 604, 635 Dorchester Boulevard West, Montreal, Quebec, and the Executive Office of the Company is Suite 1501, 330 Bay Street, Toronto, Ontario.

HISTORY AND BUSINESS

The Company was incorporated under the provisions of the Quebec Companies Act by Letters Patent dated November 19, 1971 to engage in the acquisition, exploration, development and operation of mines, mineral lands and deposits and petroleum and natural gas wells. The Company commenced business on the 20th day of December, 1971, on which date it entered into an agreement with Gordon George Plaskett, 5 King George's Road, Toronto 18, Ontario, as Vendor, under which it acquired 10 contiguous mining claims situated in the Townships of McElroy and Hearst in the Larder Lake Mining Division of the Province of Ontario, more particularly described below, for 750,000 shares of its capital stock. The claim group cost the Vendor, who is also the promoter of the Company, the sum of \$1,000.00.

Mr. Plaskett was the only person or company who has received or was entitled to receive a greater than 5% interest in the above consideration.

On the 14th day of August, 1972, Mr. Plaskett donated 375,000 of the above shares in order to facilitate an agreement of the same date entered into by the Company and Claude Barcelo, 480 Choquette, Beloeil, Quebec, which agreement Mr. Plaskett also signed as the principal shareholder of the Company.

Under this agreement Mr. Barcelo sold the Company eleven (11) contiguous unpatented mining claims situated in the Bell and Shikag Lakes Area, in the Thunder Bay Mining District, in the Province of Ontario, being claims numbers P.A. 330901 and P.A. 330903-12 inclusive, subject to the filing with the Quebec Securities Commission of an amendment to the prospectus of the Company dated February 28, 1972 filed with that Commission, which amendment will set out the terms of such agreement and also subject to the consent being received from the Quebec Securities Commission as to the transfer within escrow of 375,000 shares of the Company, being shares previously issued to Mr. Plaskett and donated by him for the purposes of the said agreement. This consent has now been received.

The claims cost Mr. Barcelo the sum of \$1,100.00 and were staked and recorded in January 1972, will be in good standing until January 1973 and are being transferred to Mr. Plaskett to hold as Trustee for the Company. The claims are being held by the Company as a location bet in the area.

In the event the shares of the Company are still in primary distribution and the Company intends to spend any money on the

said claims, an amendment will be filed with the Ontario Securities Commission setting out the recommendations of the Company's consulting engineer and the cost of such programme so recommended.

McElroy-Hearst Township Property

The claims are 10 contiguous unpatented mining claims situated in the Townships of McElroy and Hearst in the Larder Lake Mining Division of the Province of Ontario and are more particularly described as follows:

319192 - 319196 inclusive
319463 - 319467 inclusive

The claims were staked in November and December 1971 and recorded on December 17th, 1971 and have been transferred to Gordon George Plaskett to hold as Trustee on behalf of the Company.

The property covers 400 acres and lies 1 mile west of the Town of Larder Lake, Ontario, and is readily accessible by car on gravel roads off Highway 66.

The following is a summary of the report dated December 21, 1971 by George E. Moody, P. Eng., whose full report is on file in the public files of the Ontario Securities Commission:

The rocks of the area are early Precambrian volcanics, sediments and intrusives. The sediments, correlated with the Temiskaming series, occur as two infolded remnants within the Keewatin basic volcanics. All of these rocks have been intruded by dikes and irregular bodies of Algonian syenite, syenite porphyry and diorite. Gold in encouraging amounts was discovered on the property early in the century. This was followed by trenching, excavation of pits and diamond drilling, which failed to reveal economic deposits of mineralization. The prospecting also revealed two areas of heavy pyrite mineralization which was investigated by trenching and rock pits. Exploration by others in the immediate area has shown the presence of chalcopryite, sphalerite and galena associated with pyrite and pyrrhotite. Nickeliferous pyrrhotite and chalcopryite has also been found associated with peridotite bodies on the adjoining ground to the south, although, none so far as known, occur on the Cantech property itself.

In 1968, on reverting to the crown, the claims were staked by Canadian Nickel Corporation. After investigation of the airborne anomalies by ground reconnaissance surveys, they allowed the claims to lapse.

To investigate the base metal potential of the property, the following is recommended: PHASE I Line cutting, geological mapping, a magnetometer & VLF-EM survey (with investigation of VLF conductors by more sophisticated electromagnetic techniques) at a cost of \$4,450.00. PHASE II Diamond drilling, if warranted.

What is regarded as the most favourable geology on the property for gold deposition, the fault systems, has seen little work performed on them. If the price of gold becomes attractive economically further exploration for this metal might be considered in these areas.

The Company intends to carry out the above recommendations and diamond drilling should cost approximately \$10 per foot although the extent of such diamond drilling cannot be ascertained at this time. The summary refers to the only evidence of mineralization on the property and therefore the foregoing represents an exploratory search for ore.

To the knowledge of the Company there is no surface nor underground plant or equipment on the mining claims and the Company is not aware of any previous surface nor underground work done on the mining claims except as set forth in the said summary. To date the Company has done no work on the property.

In order to keep the claims in good standing during the first year after recording 20 days work must be performed and recorded, 40 days work performed and recorded yearly for the next three years and 60 days work performed and recorded in the fifth year. Thereafter, and after surveying, claims are required to be brought to a 21 year lease in the ensuing year with annual rentals of \$1.00 per acre during the first year and 25¢ per acre annually thereafter. If a lease is for mining rights only, the second and subsequent year's rental are at the rate of 10¢ per acre. Such lease is renewable for succeeding 21-year terms.

PRELIMINARY EXPENSES

Incorporation and organization expenses have been paid in the amount of \$3,010.00 and the cost of filing a prospectus in the Province of Quebec have been paid in the amount of \$2,900.00. In the current year administration expenses will accrue each month at least in the amount of \$250.00 a month for administrative management services. An amount for professional services including legal and audit cannot be estimated as it will depend on the services performed. Preliminary development expenses will be in the amount of \$4,450.00 and if diamond drilling is later proceeded with, it should cost approximately \$10.00 per foot, although the extent of such diamond drilling cannot be ascertained at this time.

USE OF PROCEEDS

The net proceeds to be received by the Company from the sale of the shares offered hereby are being used to provide the Company with sufficient funds to defray its ordinary operating expenses and the costs of carrying out the exploration and development programmes recommended by its consulting engineers. With reference to the McElroy-Hearst Property, the preliminary programme is estimated to cost \$4,450.00 and if diamond drilling is later proceeded with it should cost approximately \$10.00 per foot, although the extent of such diamond drilling cannot be ascertained at this time.

No part of the proceeds is to be advanced in any way to other companies or individuals, except to the extent necessary to enable the Company to implement and complete the exploration and development programme as set forth in this prospectus and amendments thereto, or is to be used to invest, underwrite or trade in securities other than securities in which insurance companies may invest under the provisions of the Canadian and British Insurance Companies Act, Chapter 31 R.S.C. 1970 as amended, without prior approval by the shareholders and related authorization for distribution of an amendment to this prospectus.

After primary or initial distribution of the securities offered by this prospectus and any amendments thereto, if the Company proposes to use the proceeds to acquire securities in which insurance companies may not invest, prior approval by shareholders will have to be obtained and disclosure will have to be made to the regulatory bodies having jurisdiction over the sale of the securities offered by this prospectus and any amendments thereto.

OFFERING

This is an offering of 1,000,000 common shares without par value of the capital stock of Cantech Resources Limited in the Provinces of Quebec and Ontario, Canada, at the best price the market will permit through the medium of Chartrand, Lemay, Quinn, Senecal & Co. Ltd., Suite 2301, 1115 Sherbrooke Street West, Montreal, Quebec, to the public in Quebec and through registered securities dealers to the public of Ontario. Selling dealers will be paid commissions not exceeding 15% per share provided that in no case shall the Company receive less than 20¢ per share after deducting the said commission.

DESCRIPTION OF SHARE CAPITAL

The common shares are the Company's only class of shares. All shares issued by the Company rank equally as to dividends. There are no indentures or agreements limiting the payment of dividends.

(b) if the person or company from whom the securities were purchased is notified in writing or by telegraph of the purchaser's intent to rescind not later than midnight of the second day, exclusive of Saturdays, Sundays and holidays, after receipt by the purchaser of the prospectus or amended prospectus. A prospectus or amended prospectus sent by prepaid mail is deemed conclusively to be received in the ordinary course of mail. The receipt thereof by a person or company acting as agent or who thereafter commences to act as agent of the purchaser shall be receipt by the purchaser as of the date of the agent's receipt thereof; however, for the purpose of the foregoing, a person or company is not considered to be acting as agent of the purchaser unless the person or company is acting solely as an agent of the purchaser and has not received and has no agreement to receive compensation from or on behalf of the vendor with respect to the purchase and sale. This right of rescission is not available to a registrant or to a purchaser who sells or otherwise transfers beneficial ownership to the securities purchased before the expiration of the time within which rescission may be effected.

MANAGEMENT

<u>Name</u>	<u>Address</u>	<u>Position</u>
GORDON GEORGE PLASKETT	5 King George's Rd., Toronto 18, Ontario.	President and Director
GERALD RICHARD HILLSDON	30 Brenham Crescent, Willowdale, Ontario.	Secretary-Treasurer and Director
HAROLD ERNEST PLASKETT	28 Babcock Road, Scarborough, Ontario.	Director
LEONARD JOSEPH CUNNINGHAM	1 McPhee Avenue, Kirkland Lake, Ontario.	Director

GORDON GEORGE PLASKETT has been a self-employed Prospector and Mining Executive for more than the last five years with offices at Suite 1501, 330 Bay Street, Toronto 1, Ontario. He is also President and Director of Santa Maria Mines Limited, Canadex Mining Corporation Limited and Newcrest Developments Limited (formerly Creswel Mines Limited).

GERALD RICHARD HILLSDON has been a Chartered Accountant for more than the last five years with offices at Suite 515, 159 Bay Street, Toronto, Ontario. He is also Secretary-Treasurer

and Director of Canadex Mining Corporation Limited and Santa Maria Mines Limited.

HAROLD ERNEST PLASKETT has been a self-employed Manufacturers Agent conducting business under the name of Kimberley Sales until March 1971 and since that date has been employed by Northex Management Limited. He is a director of Canadex Mining Corporation Limited, Santa Maria Mines Limited and Newcrest Developments Limited (formerly Creswel Mines Limited).

LEONARD JOSEPH CUNNINGHAM, P. Eng., has been a self-employed Consulting Mining Engineer for more than the last five years. He is a director of Canadex Mining Corporation Limited, Santa Maria Mines Limited and Newcrest Developments Limited (formerly Creswel Mines Limited).

REMUNERATION OF DIRECTORS AND SENIOR OFFICERS

The aggregate remuneration paid by the Company since incorporation to directors and officers is nil. The Company does not intend to pay any remuneration to directors or officers as such. The sum of \$250.00 a month has been paid and is intended to be paid for administrative management services, during the current financial year to Northex Management Limited, Suite 1501, 330 Bay Street, Toronto 1, Ontario, a company wholly owned by Gordon George Plaskett.

PROMOTER

Mr. Plaskett, a Director and Senior Officer of the Company and the Vendor of the McElroy-Hearst Property to the Company, is the promoter of the Company. The said property was vended to the Company for 750,000 shares of its share capital. Since these claims are completely unproved, it is not possible to assign any value thereto, and accordingly, the said shares were allotted at an arbitrary value of 10¢ per share for a total amount of \$75,000.00, which amount does not bear any correlation to the actual worth of the property, which was acquired by Mr. Plaskett at a cost of approximately \$1,000.00. The valuation of 10¢ per share was arbitrarily set by the present directors of the Company who became directors at the request of the promoter. Mr. Plaskett has donated 375,000 shares in order that the Company could purchase another property.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Reference is made to the heading "History and Business" for particulars concerning the sale by Mr. Plaskett to the Company of the McElroy-Hearst Township claims for 750,000 shares. Mr. Plaskett is the President and a Director of the Company.

AUDITORS

The auditor of the Company is Victor Herbert Davies, Chartered Accountant, Suite 515, 159 Bay Street, Toronto, Ontario.



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REPORT

ON

THE McELROY-HEARST TOWNSHIPS PROPERTY

CANTECH RESOURCES LIMITED

BY George E. Moody, P.Eng.
dated at Beaverton, Ontario
21st December, 1971



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S U M M A R Y

The property consists of 10 contiguous mining claims in McElroy and Hearst Townships, Larder Lake Mining Division, Ontario.

The group lies one mile west of the Town of Larder Lake and is readily accessible by car on gravel roads off Highway 66.

The claims are unpatented and free of encumbrance, the title thereto being the usual title to unpatented mining claims when held under Miner's License. Assessment work is due in December, 1972.

The rocks of the area are early Precambrian volcanics, sediments and intrusives. The sediments, correlated with the Temiskaming series, occur as two infolded remnants within the Keewatin basic volcanics. All of these rocks have been intruded by dikes and irregular godies of Algonian syenite, syenite porphyry and diorite. Gold in encouraging amounts was discovered on the property early in the century. This was followed by trenching, excavation of pits and diamond drilling, which failed to reveal economic deposits of mineralization. The prospecting also revealed two areas of heavy pyrite mineralization which was investigated by trenching and rock pits. Exploration by others in the immediate area has shown the presence of chalcopyrite, sphalerite and galena associated with pyrite and pyrrhotite. Nickeliferous pyrrhotite and chalcopyrite has also been found associated with peridotite bodies on the adjoining ground to the south, although, none so far as known, occur on the Cantech property itself.

In 1968, on reverting to the crown, the claims were staked by

Canadian Nickel Corporation. After investigation of the airborne anomalies by ground reconnaissance surveys, they allowed the claims to lapse.

To investigate the base metal potential of the property, the following is recommended: PHASE I Line cutting, geological mapping, a magnetometer & VLF-EM survey (with investigation of VLF conductors by more sophisticated electromagnetic techniques) at a cost of \$4,450.00.

PHASE II Diamond drilling, if warranted.

What is regarded as the most favourable geology on the property for gold deposition, the fault systems, has seen little work performed on them. If the price of gold becomes attractive economically further exploration for this metal might be considered in these areas.

REPORT
ON
THE McELROY-HEARST TOWNSHIP PROPERTY
CANTECH RESOURCES LIMITED

INTRODUCTION

The property is a base metal and gold prospect covering known sulphide mineralization and gold showings. It is readily accessible. The sulphide mineralization has been tested by pits, trenches and one known geophysical survey. The gold occurrences have been tested by pits, trenches and 14,600 feet of drilling.

The following sources of information were utilized in the preparation of this report:

- Abraham, E.M. Geology of McElroy Twp., O.D.M. Vol. LIX Part VI, 1950
Thomson, J.E. Geology of Hearst & McFadden Twps. O.D.M. Vol. LVI,
Part VIII, 1947
Dumesnil, J.C. Geological Assessment Report-Amex Group 3, McElroy Twp.
November 1, 1968

PROPERTY & LOCATION

The property comprises of 10 contiguous, unpatented mining claims in McElroy and Hearst Townships, Larder Lake Mining Division, Ontario.

The claims are numbered as follows:

319192 - 319196 inclusive

319463 - 319467 "

Located 1 mile west of the Town of Larder Lake, the claims lie in the northeast corner of McElroy Township and the northwest corner of Hearst Township. Highway 66 lies 1/2 mile north of the claim group and from this paved road, a new secondary gravel road,

under construction by the Ontario Department of Lands & Forests, strikes southerly across the property. Two additional roads, suitable for four-wheel drive vehicles only, give access to the northwest and easterly portions of the property respectively.

HISTORY

Most of the claims of the group were staked prior to 1930, brought to patent and held until 1968 when they came open for taxes.

During the various periods of intensive exploration in the Larder Lake Area, (that is, prior to 1950), the claims were prospected, trenched and diamond drilled in a search for gold. No economic values were found.

In 1968 on reverting to the crown, the claims were staked by Canadian Nickel Corporation following an aerial geophysical survey.

After investigating the airborne anomalies by ground reconnaissance surveys, they allowed the claims to lapse. The results of the surveys are not available. On December 20th, 1971, the claims were acquired by Cantech Resources Limited.

GENERAL GEOLOGY

The bed rock formations are early Precambrian volcanics, sediments and intrusives.

The volcanics are Keewatin in age and include basic, intermediate and acid volcanic flows, intermediate fragmental volcanics, iron formation and thin horizons of tuff and sediments interbedded with the volcanic rocks.

The sediments, correlated with the Temiskaming series,

consist of greywacke, arkose, slate, quartzite and conglomerate.

A post-Temiskaming group of intrusives composed largely of serpentinite with some diorite, gabbro and pyroxenite are believed to be Haileyburian in age.

These older rocks underwent intense folding and faulting during the Algoman orogenic period which was accompanied by extensive and varied intrusions of granite, syenite, lamprophyre and gabbro.

One of the main structural features of the area is the Larder Lake "Break". It is on northeasterly trending faults branching of this "Break" that the gold mines of the Kirkland Lake mining camp occurred.

GEOLOGY OF THE PROPERTY

The easterly 3 claims are covered by a prominent sand esker. West of the esker the terrain is rugged with considerable amount of outcrop. On the whole outcrop accounts for around 30% of the total area of the property.

The claims are underlain by a complex assemblage of Keewatin lavas and Temiskaming sediments cut by Algoman diorite, syenite and syenite porphyry.

The rocks are predominantly Keewatin basic volcanics consisting of andesite and basalt with some fragmental.

Two bodies of Temiskaming sediments are infolded within the volcanics in the central and southwesterly portions of the property. These are predominantly conglomerate, greywacke and arkose.

Dikes, tongues and irregular shaped bodies of syenite, syenite porphyry and diorite have intruded both the lavas and sediments.

Two northeasterly trending faults and one east-west are known to occur on the property. The former are largely covered by overburden.

ECONOMIC GEOLOGY

GOLD was discovered in a syenite porphyry dike which strikes slightly south of east from the southeast corner of claim 319196 into the west quarter of claim 319195. The gold is associated with quartz fractures and pyrite mineralization.

The gold showing was opened up by trenching and later was further investigated in two drill programs by 37 drill holes. The results of the diamond drilling as reported in O.D.M. report, Vol. LVI, Part VIII, as:- "Eight gold-bearing intersections were obtained and assays ranged from 0.03 ounces per ton in gold over a core length of 5 feet up to 0.19 ounces per ton over a core length of 4 feet. Some of these line up with an assay of 0.14 ounces over 1 foot from a previous programme".

BASE METALS During the intensive periods of prospecting for gold, sulphide mineralization was discovered and investigated by a limited amount of trenching and a few pits. Near the west boundary of claim 319193 in close proximity to the contact of Temiskaming sediments with a diorite intrusive, heavy pyrite mineralization in a siliceous matrix is exposed in a pit. No other mineralization was observed and no assays were taken. In the southeast corner of claim 319194, a rusty zone several hundred feet in length can be observed in the Temiskaming sediments near the contact with fine grained basic

volcanics. Observed mineralization was light, fine pyrite. A small amount of stripping is the only evidence of prospecting.

Sulphide mineralization is not uncommon in the area. On the adjoining 8 claims to the west, held by Amax Exploration Inc., a report by J. C. Dumesnil, geologist, dated 1 November, 1968, summarizes the mineralization as follows:

"The sulphide mineralization is restricted to the few old showings which occur in the southwestern part of the property. The sulphides are by order of decreasing importance pyrite, pyrrhotite, sphalerite, galena and chalcopyrite. They are located in black graphitic argillite and impure quartzite and more generally in siliceous sedimentary material."

Two claims to the west of claim 319193 on Amax claim 103882, a pit is described in O.D.M. LIX, Part 6, 1950, Page 54, as follows:

"Near the contact the lavas are heavily pyritized and the sediments thinly bedded and silicified. A 20-foot shaft, from which a few hundred pounds of galena have been removed, has been sunk on a vein in the east central part of the claim. At the surface in the vicinity of the shaft, the vein was 5 inches wide and consisted of almost pure galena with only a little sphalerite and calcite. At a depth of 20 feet, the shaft bottomed in almost pure sphalerite.

Another showing was trenched along the west boundary of the same claim. The visible mineralization here was mainly pyrite."

To the south on the Amax option, (Lowe ground), and for 3 miles further to the south, peridotite bodies have been found in undifferentiated volcanics and sediments.

A number of small nickel-copper showings have been found associated with the peridotites. Five showings on the Lowe ground were sampled by Falconbridge Nickel Company. Grab samples assaying as high as 0.68% and 0.73% were obtained, (letter from Falconbridge to D. Lowe). No assays for copper were made though chalcopyrite was noted in the description of the samples.

Several lead-zinc showings also occur on the Lowe ground. One type is galena associated with calcite. On claim T.4907, the O.D.M. report, Vol. LVI, 1947, refers to this showing:- "a shaft was sunk to 40 feet.... No mineralization was seen in the fractures, but about one half ton of galena and calcite lies on the dump."

Lead-zinc and copper mineralization is also found associated with pyrite. In 1955, Wright Hargreaves Gold Mines drilled a hole at 45 degrees across a N-S lineation with the best intersection returning 1.03% Pb, 2.32% Zn and 0.61% Cu over a core length of 14 feet.

CONCLUSIONS & RECOMMENDATIONS

(A) Pyrite mineralization occurs in significant amounts in two known areas on the claim group. Similar pyrite mineralization is known to occur with pyrrhotite, chalcopyrite, sphalerite and galena in the immediate area under similar geological conditions. Nickeliferous pyrrhotite and chalcopyrite are known to be associated with peridotites on the adjacent Lowe ground and elsewhere in the area. So far as known, no economic mineralization has been found in the area.

It is recommended that line cutting, a magnetometer survey and a VLF electromagnetic survey be completed on a grid at 400 foot centres. All conductive zones should be further investigated by more sophisticated EM techniques and tested by drilling if warranted.

The estimated cost of such a program is:

PHASE I	Line cutting	15 miles @ 80.00/mile	\$ 1,200.00
	Magnetometer Survey	15 miles @ 50.00/mile	750.00
	VLF-EM Survey	15 miles @ 50.00/mile	750.00
	Further investigation of VLF conductors		750.00
	Geological mapping		<u>1,000.00</u>
			<u>\$ 4,450.00</u>

PHASE II Diamond drilling as warranted

(B) A gold showing was found by surface prospecting and further investigated by extensive diamond drilling. Values were on the whole low. The gold is related to quartz fractures and pyrite mineralization. The most favourable areas for gold deposition would appear to be along the known faults especially the two northeasterly trending ones and where the faults would intersect syenite dikes or bodies.

Considering the location near the important Larder Lake Fault and high production from the Kirkland-Larder camp, further investigation might be warranted if the price of gold becomes attractive.

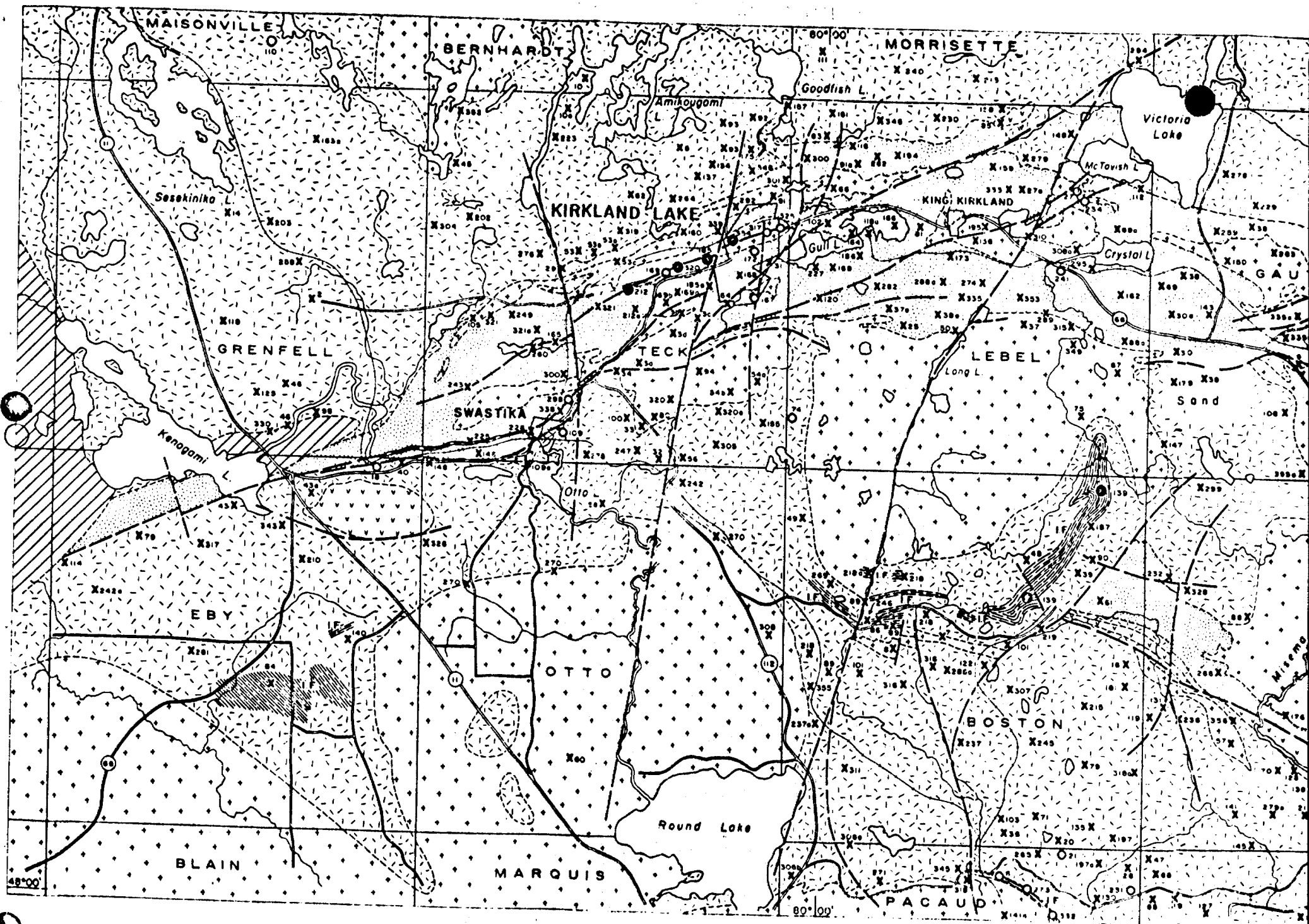
Respectfully submitted,

George E. Moody

George E. Moody, P. Eng.



dated at Beaverton, Ontario
21st December, 1971



KIRKLAND LAKE — LARDER LAKE AREA SHOWING PROPER

C E R T I F I C A T E

I, George E. Moody, of the Town of Beaverton, in the Province of Ontario, hereby certify:

1. that I am a Consulting Mining Engineer with offices situated at 541 Osborne Street, Beaverton, Ontario,
2. that I am a graduate in Mining Engineering from the University of Alberta (1931) and have practiced my profession continuously since my graduation,
3. that I am a registered professional engineer of the Provinces of Ontario and Quebec and a fellow of the Geological Association of Canada,
4. that I have no direct or indirect interest, nor do I expect to receive any direct or indirect interest in the property described herein. I do not own beneficially, directly or indirectly, any shares in Cantech Resources Limited nor shares in any affiliation of that company,
5. that my report on Cantech Resources Limited in McElroy and Hearst Townships, Ontario, is based on:
 - a) Ontario Department of Mines Reports being Vol. LVI, Part VIII, 1947 and Vol LIX, Part VI, 1950, paper W. S. Savage, November, 1949,
 - b) Geological Assessment Report-Amax, Group 3, by J. C. Dumesnil, Geologist dated 1st November, 1968,
 - c) letter to D. Lowe from Falconbridge with their assay results,
 - d) personal knowledge of the general area from experience gained in the period 1938-1944 and subsequently making a number of property examinations in McElroy, Hearst and McVittie Townships in later years,
 - e) a visit to parts of the present property in 1938-9 when diamond drilling was being carried out and a later visit to examine some of the pits during the 1960's.

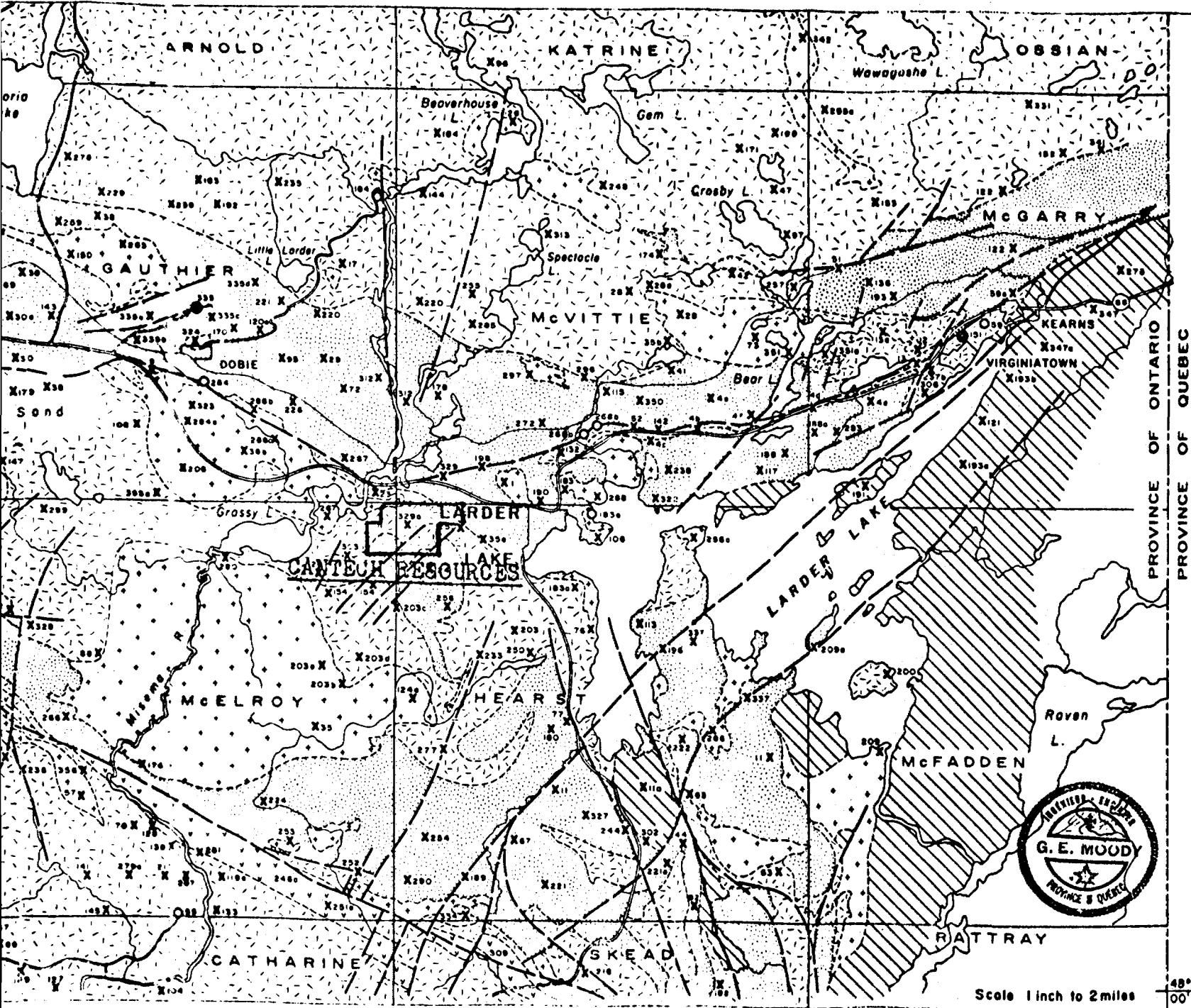
Dated at Beaverton, Ontario this 21st day of December, 1971.

Signed,

George E. Moody


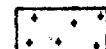
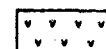

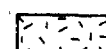

George E. Moody, P. Eng.



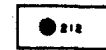
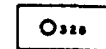
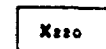


LEGEND

GENERALIZED GEOLOGY

-  Cobalt sedimentary rocks
-  Acid intrusive rocks.
-  Intermediate and basic intrusive rocks.
-  Older sedimentary and volcanic rocks (Timiskaming series).
-  Acid and basic volcanic rocks and undifferentiated diorites.
-  Iron formation.

SYMBOLS

-  212 Producing Mine.
-  O220 Post Producer.
-  X220 Other Properties.

NOTES

Properties indicated by numbers on the map are named under the Property List of the accompanying report.

For detailed geology of townships see list of Geological Maps in report.

SOURCE OF INFORMATION

Compiled by W. S. Savage, 1963.

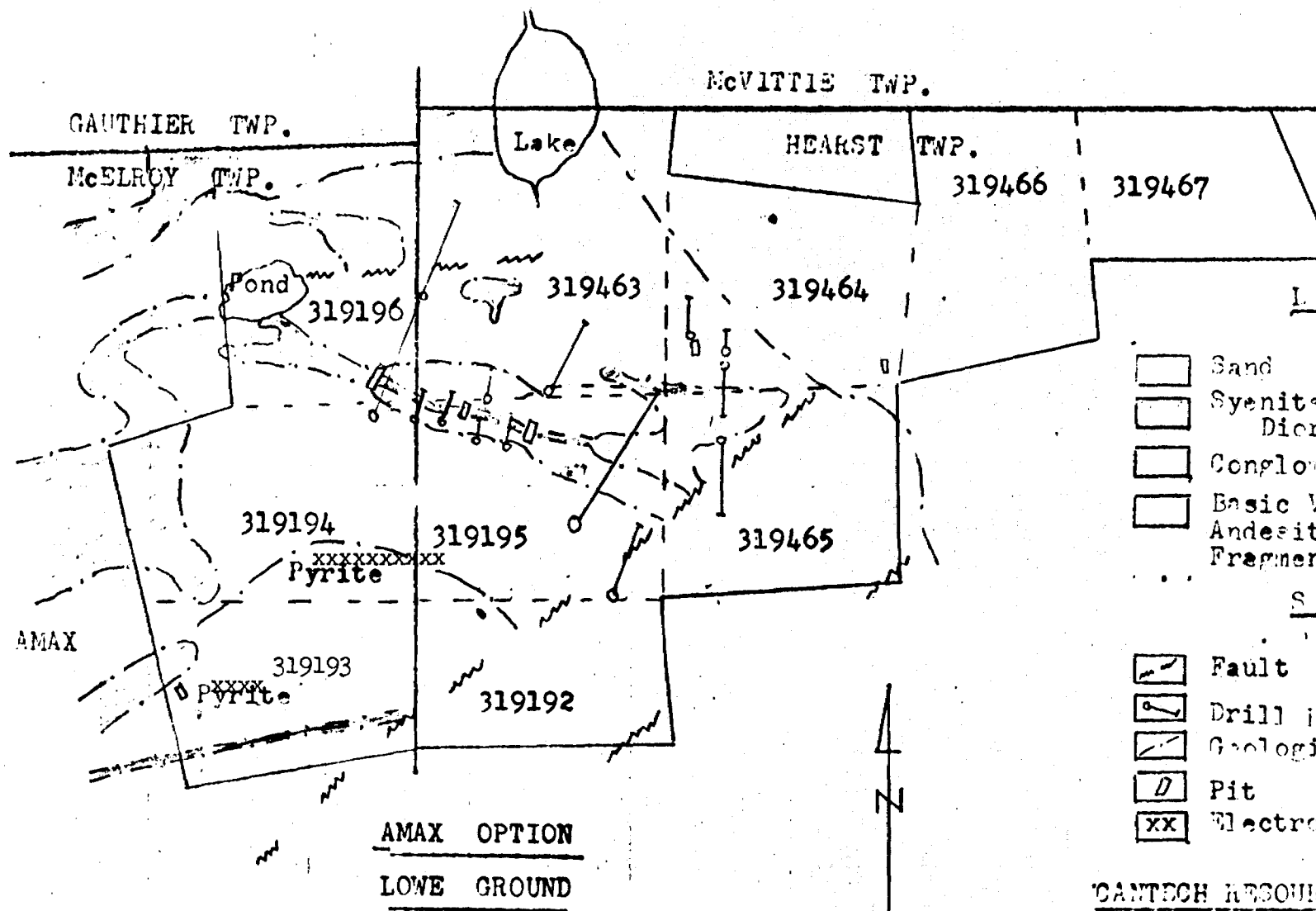


Scale 1 inch to 2 miles

49° 00'

PROPERTY LOCATIONS AND GENERAL GEOLOGY

SHOWING
THE CANTECH RESOURCES PROPE
McELROY-HEARST TOWNSHIPS



CANTECH RESOURCES LIMITED

McELROY-HEARST TWP.

LARGER LAKE MINING DIV.

Dec. 1971

G. E. Moody, P. Eng.

Geological Data from O.D.M. Maps 1947-1
Scale 1"-1000' 1950-3

CANTECH RESOURCES LIMITED

Executive Office
Suite 1501
330 Bay Street
Toronto, Ontario

63.3009



32D04SE0312 63.3009 HEARST

COMMON SHARES
(No Par Value)

Registrar and Transfer Agent
THE STERLING TRUSTS CORPORATION
372 Bay Street
Toronto, Ontario

NEW OFFERING:

This is an offering of 1,000,000 common shares without par value of the capital stock of Cantech Resources Limited in the Provinces of Quebec and Ontario, Canada, at the best price the market will permit through the medium of Chartrand, Lemay, Quinn, Senecal & Co. Ltd., Suite 2301, 1115 Sherbrooke Street West, Montreal, Quebec, to the public of Quebec under a prospectus filed with the Quebec Securities Commission and through registered securities dealers to the public of Ontario under this prospectus. Selling dealers will be paid commissions not exceeding 15% per share provided that in no case shall the Company receive less than 20¢ per share after deducting the said commission.

To the date hereof 200,000 shares have been sold through the medium of Chartrand, Lemay, Quinn, Senecal & Co. Ltd. and therefore there are remaining 800,000 shares to be sold by the Company under this offering.

PURPOSE OF NEW OFFERING:

The purpose of the new offering is to provide the Company with sufficient funds to defray its ordinary operating expenses and the costs of carrying out the exploration and development programmes recommended by its consulting engineers. See within under the headings "History and Business" and "Use of Proceeds".

SECONDARY OFFERING:

There is also a secondary offering of 37,500 shares owned by Gordon George Plaskett and 37,500 shares owned by Claude Barcelo, to take place after completion of the new offering, and which shares will be offered to the public through registered securities dealers acting as agents who will be paid the normal commission charged by members of the Toronto Stock Exchange acting as agents in the sale of listed mining shares.

There is no market for the shares of the Company.

THESE SECURITIES ARE SPECULATIVE

No securities commission or similar authority in Canada has in any way passed upon the merits of the securities offered hereunder and any representation to the contrary is an offence.

This Prospectus is dated the 20th day of September, 1972.

HEAD OFFICE

The Head Office of CANTECH RESOURCES LIMITED (hereinafter referred to as the "Company") is Suite 604, 635 Dorchester Boulevard West, Montreal, Quebec, and the Executive Office of the Company is Suite 1501, 330 Bay Street, Toronto, Ontario.

HISTORY AND BUSINESS

The Company was incorporated under the provisions of the Quebec Companies Act by Letters Patent dated November 19, 1971 to engage in the acquisition, exploration, development and operation of mines, mineral lands and deposits and petroleum and natural gas wells. The Company commenced business on the 20th day of December, 1971, on which date it entered into an agreement with Gordon George Plaskett, 5 King George's Road, Toronto 18, Ontario, as Vendor, under which it acquired 10 contiguous mining claims situated in the Townships of McElroy and Hearst in the Larder Lake Mining Division of the Province of Ontario, more particularly described below, for 750,000 shares of its capital stock. The claim group cost the Vendor, who is also the promoter of the Company, the sum of \$1,000.00.

Mr. Plaskett was the only person or company who has received or was entitled to receive a greater than 5% interest in the above consideration.

On the 14th day of August, 1972, Mr. Plaskett donated 375,000 of the above shares in order to facilitate an agreement of the same date entered into by the Company and Claude Barcelo, 480 Choquette, Beloeil, Quebec, which agreement Mr. Plaskett also signed as the principal shareholder of the Company.

Under this agreement Mr. Barcelo sold the Company eleven (11) contiguous unpatented mining claims situated in the Bell and Shikag Lakes Area, in the Thunder Bay Mining District, in the Province of Ontario, being claims numbers P.A. 330901 and P.A. 330903-12 inclusive, subject to the filing with the Quebec Securities Commission of an amendment to the prospectus of the Company dated February 28, 1972 filed with that Commission, which amendment will set out the terms of such agreement and also subject to the consent being received from the Quebec Securities Commission as to the transfer within escrow of 375,000 shares of the Company, being shares previously issued to Mr. Plaskett and donated by him for the purposes of the said agreement. This consent has now been received.

The claims cost Mr. Barcelo the sum of \$1,100.00 and were staked and recorded in January 1972, will be in good standing until January 1973 and are being transferred to Mr. Plaskett to hold as Trustee for the Company. The claims are being held by the Company as a location bet in the area.

In the event the shares of the Company are still in primary distribution and the Company intends to spend any money on the

said claims, an amendment will be filed with the Ontario Securities Commission setting out the recommendations of the Company's consulting engineer and the cost of such programme so recommended.

McElroy-Hearst Township Property

The claims are 10 contiguous unpatented mining claims situated in the Townships of McElroy and Hearst in the Larder Lake Mining Division of the Province of Ontario and are more particularly described as follows:

319192 - 319196 inclusive
319463 - 319467 inclusive

The claims were staked in November and December 1971 and recorded on December 17th, 1971 and have been transferred to Gordon George Plaskett to hold as Trustee on behalf of the Company.

The property covers 400 acres and lies 1 mile west of the Town of Larder Lake, Ontario, and is readily accessible by car on gravel roads off Highway 66.

The following is a summary of the report dated December 21, 1971 by George E. Moody, P. Eng., whose full report is on file in the public files of the Ontario Securities Commission:

The rocks of the area are early Precambrian volcanics, sediments and intrusives. The sediments, correlated with the Temiskaming series, occur as two infolded remnants within the Keewatin basic volcanics. All of these rocks have been intruded by dikes and irregular bodies of Algoman syenite, syenite porphyry and diorite. Gold in encouraging amounts was discovered on the property early in the century. This was followed by trenching, excavation of pits and diamond drilling, which failed to reveal economic deposits of mineralization. The prospecting also revealed two areas of heavy pyrite mineralization which was investigated by trenching and rock pits. Exploration by others in the immediate area has shown the presence of chalcopyrite, sphalerite and galena associated with pyrite and pyrrhotite. Nickeliferous pyrrhotite and chalcopyrite has also been found associated with peridotite bodies on the adjoining ground to the south, although, none so far as known, occur on the Cantech property itself.

In 1968, on reverting to the crown, the claims were staked by Canadian Nickel Corporation. After investigation of the airborne anomalies by ground reconnaissance surveys, they allowed the claims to lapse.

To investigate the base metal potential of the property, the following is recommended: PHASE I Line cutting, geological mapping, a magnetometer & VLF-EM survey (with investigation of VLF conductors by more sophisticated electromagnetic techniques) at a cost of \$4,450.00. PHASE II Diamond drilling, if warranted.

What is regarded as the most favourable geology on the property for gold deposition, the fault systems, has seen little work performed on them. If the price of gold becomes attractive economically further exploration for this metal might be considered in these areas.

The Company intends to carry out the above recommendations and diamond drilling should cost approximately \$10 per foot although the extent of such diamond drilling cannot be ascertained at this time. The summary refers to the only evidence of mineralization on the property and therefore the foregoing represents an exploratory search for ore.

To the knowledge of the Company there is no surface nor underground plant or equipment on the mining claims and the Company is not aware of any previous surface nor underground work done on the mining claims except as set forth in the said summary. To date the Company has done no work on the property.

In order to keep the claims in good standing during the first year after recording 20 days work must be performed and recorded, 40 days work performed and recorded yearly for the next three years and 60 days work performed and recorded in the fifth year. Thereafter, and after surveying, claims are required to be brought to a 21 year lease in the ensuing year with annual rentals of \$1.00 per acre during the first year and 25¢ per acre annually thereafter. If a lease is for mining rights only, the second and subsequent year's rental are at the rate of 10¢ per acre. Such lease is renewable for succeeding 21-year terms.

PRELIMINARY EXPENSES

Incorporation and organization expenses have been paid in the amount of \$3,010.00 and the cost of filing a prospectus in the Province of Quebec have been paid in the amount of \$2,900.00. In the current year administration expenses will accrue each month at least in the amount of \$250.00 a month for administrative management services. An amount for professional services including legal and audit cannot be estimated as it will depend on the services performed. Preliminary development expenses will be in the amount of \$4,450.00 and if diamond drilling is later proceeded with, it should cost approximately \$10.00 per foot, although the extent of such diamond drilling cannot be ascertained at this time.

USE OF PROCEEDS

The net proceeds to be received by the Company from the sale of the shares offered hereby are being used to provide the Company with sufficient funds to defray its ordinary operating expenses and the costs of carrying out the exploration and development programmes recommended by its consulting engineers. With reference to the McElroy-Hearst Property, the preliminary programme is estimated to cost \$4,450.00 and if diamond drilling is later proceeded with it should cost approximately \$10.00 per foot, although the extent of such diamond drilling cannot be ascertained at this time.

No part of the proceeds is to be advanced in any way to other companies or individuals, except to the extent necessary to enable the Company to implement and complete the exploration and development programme as set forth in this prospectus and amendments thereto, or is to be used to invest, underwrite or trade in securities other than securities in which insurance companies may invest under the provisions of the Canadian and British Insurance Companies Act, Chapter 31 R.S.C. 1970 as amended, without prior approval by the shareholders and related authorization for distribution of an amendment to this prospectus.

After primary or initial distribution of the securities offered by this prospectus and any amendments thereto, if the Company proposes to use the proceeds to acquire securities in which insurance companies may not invest, prior approval by shareholders will have to be obtained and disclosure will have to be made to the regulatory bodies having jurisdiction over the sale of the securities offered by this prospectus and any amendments thereto.

OFFERING

This is an offering of 1,000,000 common shares without par value of the capital stock of Cantech Resources Limited in the Provinces of Quebec and Ontario, Canada, at the best price the market will permit through the medium of Chartrand, Lemay, Quinn, Senecal & Co. Ltd., Suite 2301, 1115 Sherbrooke Street West, Montreal, Quebec, to the public in Quebec and through registered securities dealers to the public of Ontario. Selling dealers will be paid commissions not exceeding 15% per share provided that in no case shall the Company receive less than 20¢ per share after deducting the said commission.

DESCRIPTION OF SHARE CAPITAL

The common shares are the Company's only class of shares. All shares issued by the Company rank equally as to dividends. There are no indentures or agreements limiting the payment of dividends.

- (b) if the person or company from whom the securities were purchased is notified in writing or by telegraph of the purchaser's intent to rescind not later than midnight of the second day, exclusive of Saturdays, Sundays and holidays, after receipt by the purchaser of the prospectus or amended prospectus. A prospectus or amended prospectus sent by prepaid mail is deemed conclusively to be received in the ordinary course of mail. The receipt thereof by a person or company acting as agent or who thereafter commences to act as agent of the purchaser shall be receipt by the purchaser as of the date of the agent's receipt thereof; however, for the purpose of the foregoing, a person or company is not considered to be acting as agent of the purchaser unless the person or company is acting solely as an agent of the purchaser and has not received and has no agreement to receive compensation from or on behalf of the vendor with respect to the purchase and sale. This right of rescission is not available to a registrant or to a purchaser who sells or otherwise transfers beneficial ownership to the securities purchased before the expiration of the time within which rescission may be effected.

MANAGEMENT

<u>Name</u>	<u>Address</u>	<u>Position</u>
GORDON GEORGE PLASKETT	5 King George's Rd., Toronto 18, Ontario.	President and Director
GERALD RICHARD HILLSDON	30 Brenham Crescent, Willowdale, Ontario.	Secretary-Treasurer and Director
HAROLD ERNEST PLASKETT	28 Babcock Road, Scarborough, Ontario.	Director
LEONARD JOSEPH CUNNINGHAM	1 McPhee Avenue, Kirkland Lake, Ontario.	Director

GORDON GEORGE PLASKETT has been a self-employed Prospector and Mining Executive for more than the last five years with offices at Suite 1501, 330 Bay Street, Toronto 1, Ontario. He is also President and Director of Santa Maria Mines Limited, Canadex Mining Corporation Limited and Newcrest Developments Limited (formerly Creswel Mines Limited).

GERALD RICHARD HILLSDON has been a Chartered Accountant for more than the last five years with offices at Suite 515, 159 Bay Street, Toronto, Ontario. He is also Secretary-Treasurer

and Director of Canadex Mining Corporation Limited and Santa Maria Mines Limited.

HAROLD ERNEST PLASKETT has been a self-employed Manufacturers Agent conducting business under the name of Kimberley Sales until March 1971 and since that date has been employed by Northex Management Limited. He is a director of Canadex Mining Corporation Limited, Santa Maria Mines Limited and Newcrest Developments Limited (formerly Creswel Mines Limited).

LEONARD JOSEPH CUNNINGHAM, P. Eng., has been a self-employed Consulting Mining Engineer for more than the last five years. He is a director of Canadex Mining Corporation Limited, Santa Maria Mines Limited and Newcrest Developments Limited (formerly Creswel Mines Limited).

REMUNERATION OF DIRECTORS AND SENIOR OFFICERS

The aggregate remuneration paid by the Company since incorporation to directors and officers is nil. The Company does not intend to pay any remuneration to directors or officers as such. The sum of \$250.00 a month has been paid and is intended to be paid for administrative management services, during the current financial year to Northex Management Limited, Suite 1501, 330 Bay Street, Toronto 1, Ontario, a company wholly owned by Gordon George Plaskett.

PROMOTER

Mr. Plaskett, a Director and Senior Officer of the Company and the Vendor of the McElroy-Hearst Property to the Company, is the promoter of the Company. The said property was vended to the Company for 750,000 shares of its share capital. Since these claims are completely unproved, it is not possible to assign any value thereto, and accordingly, the said shares were allotted at an arbitrary value of 10¢ per share for a total amount of \$75,000.00, which amount does not bear any correlation to the actual worth of the property, which was acquired by Mr. Plaskett at a cost of approximately \$1,000.00. The valuation of 10¢ per share was arbitrarily set by the present directors of the Company who became directors at the request of the promoter. Mr. Plaskett has donated 375,000 shares in order that the Company could purchase another property.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Reference is made to the heading "History and Business" for particulars concerning the sale by Mr. Plaskett to the Company of the McElroy-Hearst Township claims for 750,000 shares. Mr. Plaskett is the President and a Director of the Company.

AUDITORS

The auditor of the Company is Victor Herbert Davies, Chartered Accountant, Suite 515, 159 Bay Street, Toronto, Ontario.



32D04SE0312 83.3009 HEARST

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REPORT

ON

THE McELROY-HEARST TOWNSHIPS PROPERTY

CANTECH RESOURCES LIMITED

BY George E. Moody, P.Eng.
dated at Beaverton, Ontario
21st December, 1971



32004SE0312 63.3009 HEARST

020C

I N D E X

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S U M M A R Y

The property consists of 10 contiguous mining claims in McElroy and Hearst Townships, Larder Lake Mining Division, Ontario.

The group lies one mile west of the Town of Larder Lake and is readily accessible by car on gravel roads off Highway 66.

The claims are unpatented and free of encumbrance, the title thereto being the usual title to unpatented mining claims when held under Miner's License. Assessment work is due in December, 1972.

The rocks of the area are early Precambrian volcanics, sediments and intrusives. The sediments, correlated with the Temiskaming series, occur as two infolded remnants within the Keewatin basic volcanics. All of these rocks have been intruded by dikes and irregular bodies of Algonian syenite, syenite porphyry and diorite. Gold in encouraging amounts was discovered on the property early in the century. This was followed by trenching, excavation of pits and diamond drilling, which failed to reveal economic deposits of mineralization. The prospecting also revealed two areas of heavy pyrite mineralization which was investigated by trenching and rock pits. Exploration by others in the immediate area has shown the presence of chalcopyrite, sphalerite and galena associated with pyrite and pyrrhotite. Nickeliferous pyrrhotite and chalcopyrite has also been found associated with peridotite bodies on the adjoining ground to the south, although, none so far as known, occur on the Cantech property itself.

In 1968, on reverting to the crown, the claims were staked by

Canadian Nickel Corporation. After investigation of the airborne anomalies by ground reconnaissance surveys, they allowed the claims to lapse.

To investigate the base metal potential of the property, the following is recommended: PHASE I Line cutting, geological mapping, a magnetometer & VLF-EM survey (with investigation of VLF conductors by more sophisticated electromagnetic techniques) at a cost of \$4,450.00.

PHASE II Diamond drilling, if warranted.

What is regarded as the most favourable geology on the property for gold deposition, the fault systems, has seen little work performed on them. If the price of gold becomes attractive economically further exploration for this metal might be considered in these areas.

REPORT
ON
THE McELROY-HEARST TOWNSHIP PROPERTY
CANTECH RESOURCES LIMITED

INTRODUCTION

The property is a base metal and gold prospect covering known sulphide mineralization and gold showings. It is readily accessible. The sulphide mineralization has been tested by pits, trenches and one known geophysical survey. The gold occurrences have been tested by pits, trenches and 14,600 feet of drilling.

The following sources of information were utilized in the preparation of this report:

- Abraham, E.M. Geology of McElroy Twp., O.D.M. Vol. LIX Part VI, 1950
Thomson, J.E. Geology of Hearst & McFadden Twps. O.D.M. Vol. LVI, Part VIII, 1947
Dumesnil, J.C. Geological Assessment Report-Amex Group 3, McElroy Twp. November 1, 1968

PROPERTY & LOCATION

The property comprises of 10 contiguous, unpatented mining claims in McElroy and Hearst Townships, Larder Lake Mining Division, Ontario.

The claims are numbered as follows:

319192 - 319196 inclusive

319463 - 319467 "

Located 1 mile west of the Town of Larder Lake, the claims lie in the northeast corner of McElroy Township and the northwest corner of Hearst Township. Highway 66 lies 1/2 mile north of the claim group and from this paved road, a new secondary gravel road,

under construction by the Ontario Department of Lands & Forests, strikes southerly across the property. Two additional roads, suitable for four-wheel drive vehicles only, give access to the northwest and easterly portions of the property respectively.

HISTORY

Most of the claims of the group were staked prior to 1930, brought to patent and held until 1968 when they came open for taxes.

During the various periods of intensive exploration in the Larder Lake Area, (that is, prior to 1950), the claims were prospected, trenched and diamond drilled in a search for gold. No economic values were found.

In 1968 on reverting to the crown, the claims were staked by Canadian Nickel Corporation following an aerial geophysical survey.

After investigating the airborne anomalies by ground reconnaissance surveys, they allowed the claims to lapse. The results of the surveys are not available. On December 20th, 1971, the claims were acquired by Cantech Resources Limited.

GENERAL GEOLOGY

The bed rock formations are early Precambrian volcanics, sediments and intrusives.

The volcanics are Keewatin in age and include basic, intermediate and acid volcanic flows, intermediate fragmental volcanics, iron formation and thin horizons of tuff and sediments interbedded with the volcanic rocks.

The sediments, correlated with the Temiskaming series,

consist of greywacke, arkose, slate, quartzite and conglomerate.

A post-Temiskaming group of intrusives composed largely of serpentinite with some diorite, gabbro and pyroxenite are believed to be Haileyburian in age.

These older rocks underwent intense folding and faulting during the Algomian orogenic period which was accompanied by extensive and varied intrusions of granite, syenite, lamprophyre and gabbro.

One of the main structural features of the area is the Larder Lake "Break". It is on northeasterly trending faults branching of this "Break" that the gold mines of the Kirkland Lake mining camp occurred.

GEOLOGY OF THE PROPERTY

The easterly 3 claims are covered by a prominent sand esker. West of the esker the terrain is rugged with considerable amount of outcrop. On the whole outcrop accounts for around 30% of the total area of the property.

The claims are underlain by a complex assemblage of Keewatin lavas and Temiskaming sediments cut by Algomian diorite, syenite and syenite porphyry.

The rocks are predominantly Keewatin basic volcanics consisting of andesite and basalt with some fragmental.

Two bodies of Temiskaming sediments are infolded within the volcanics in the central and southwesterly portions of the property. These are predominantly conglomerate, greywacke and arkose.

Dikes, tongues and irregular shaped bodies of syenite, syenite porphyry and diorite have intruded both the lavas and sediments.

Two northeasterly trending faults and one east-west are known to occur on the property. The former are largely covered by overburden.

ECONOMIC GEOLOGY

GOLD was discovered in a syenite porphyry dike which strikes slightly south of east from the southeast corner of claim 319196 into the west quarter of claim 319195. The gold is associated with quartz fractures and pyrite mineralization.

The gold showing was opened up by trenching and later was further investigated in two drill programs by 37 drill holes. The results of the diamond drilling as reported in O.D.M. report, Vol. LVI, Part VIII, as:- "Eight gold-bearing intersections were obtained and assays ranged from 0.03 ounces per ton in gold over a core length of 5 feet up to 0.19 ounces per ton over a core length of 4 feet. Some of these line up with an assay of 0.14 ounces over 1 foot from a previous programme".

BASE METALS During the intensive periods of prospecting for gold, sulphide mineralization was discovered and investigated by a limited amount of trenching and a few pits. Near the west boundary of claim 319193 in close proximity to the contact of Temiskaming sediments with a diorite intrusive, heavy pyrite mineralization in a siliceous matrix is exposed in a pit. No other mineralization was observed and no assays were taken. In the southeast corner of claim 319194, a rusty zone several hundred feet in length can be observed in the Temiskaming sediments near the contact with fine grained basic

volcanics. Observed mineralization was light, fine pyrite. A small amount of stripping is the only evidence of prospecting.

Sulphide mineralization is not uncommon in the area. On the adjoining 8 claims to the west, held by Amax Exploration Inc., a report by J. C. Dumesnil, geologist, dated 1 November, 1968, summarizes the mineralization as follows:

"The sulphide mineralization is restricted to the few old showings which occur in the southwestern part of the property. The sulphides are by order of decreasing importance pyrite, pyrrhotite, sphalerite, galena and chalcopryrite. They are located in black graphitic argillite and impure quartzite and more generally in siliceous sedimentary material."

Two claims to the west of claim 319193 on Amax claim 103882, a pit is described in O.D.M. LIX, Part 6, 1950, Page 54, as follows:

"Near the contact the lavas are heavily pyritized and the sediments thinly bedded and silicified. A 20-foot shaft, from which a few hundred pounds of galena have been removed, has been sunk on a vein in the east central part of the claim. At the surface in the vicinity of the shaft, the vein was 5 inches wide and consisted of almost pure galena with only a little sphalerite and calcite. At a depth of 20 feet, the shaft bottomed in almost pure sphalerite.

Another showing was trenched along the west boundary of the same claim. The visible mineralization here was mainly pyrite."

To the south on the Amax option, (Lowe ground), and for 3 miles further to the south, peridotite bodies have been found in undifferentiated volcanics and sediments.

A number of small nickel-copper showings have been found associated with the peridotites. Five showings on the Lowe ground were sampled by Falconbridge Nickel Company. Grab samples assaying as high as 0.68% and 0.73% were obtained, (letter from Falconbridge to D. Lowe). No assays for copper were made though chalcopyrite was noted in the description of the samples.

Several lead-zinc showings also occur on the Lowe ground. One type is galena associated with calcite. On claim T.4907, the O.D.M. report, Vol. LVI, 1947, refers to this showing:- "a shaft was sunk to 40 feet.... No mineralization was seen in the fractures, but about one half ton of galena and calcite lies on the dump."

Lead-zinc and copper mineralization is also found associated with pyrite. In 1955, Wright Hargreaves Gold Mines drilled a hole at 45 degrees across a N-S lineation with the best intersection returning 1.03% Pb, 2.32% Zn and 0.61% Cu over a core length of 14 feet.

CONCLUSIONS & RECOMMENDATIONS

(A) Pyrite mineralization occurs in significant amounts in two known areas on the claim group. Similar pyrite mineralization is known to occur with pyrrhotite, chalcopyrite, sphalerite and galena in the immediate area under similar geological conditions. Nickeliferous pyrrhotite and chalcopyrite are known to be associated with peridotites on the adjacent Lowe ground and elsewhere in the area. So far as known, no economic mineralization has been found in the area.

It is recommended that line cutting, a magnetometer survey and a VLF electromagnetic survey be completed on a grid at 400 foot centres. All conductive zones should be further investigated by more sophisticated EM techniques and tested by drilling if warranted.

The estimated cost of such a program is:

PHASE I	Line cutting	15 miles @ 80.00/mile	\$ 1,200.00
	Magnetometer Survey	15 miles @ 50.00/mile	750.00
	VLF-EM Survey	15 miles @ 50.00/mile	750.00
	Further investigation of VLF conductors		750.00
	Geological mapping		<u>1,000.00</u>
			<u>\$ 4,450.00</u>

PHASE II Diamond drilling as warranted

(B) A gold showing was found by surface prospecting and further investigated by extensive diamond drilling. Values were on the whole low. The gold is related to quartz fractures and pyrite mineralization. The most favourable areas for gold deposition would appear to be along the known faults especially the two northeasterly trending ones and where the faults would intersect syenite dikes or bodies.

Considering the location near the important Larder Lake Fault and high production from the Kirkland-Larder camp, further investigation might be warranted if the price of gold becomes attractive.

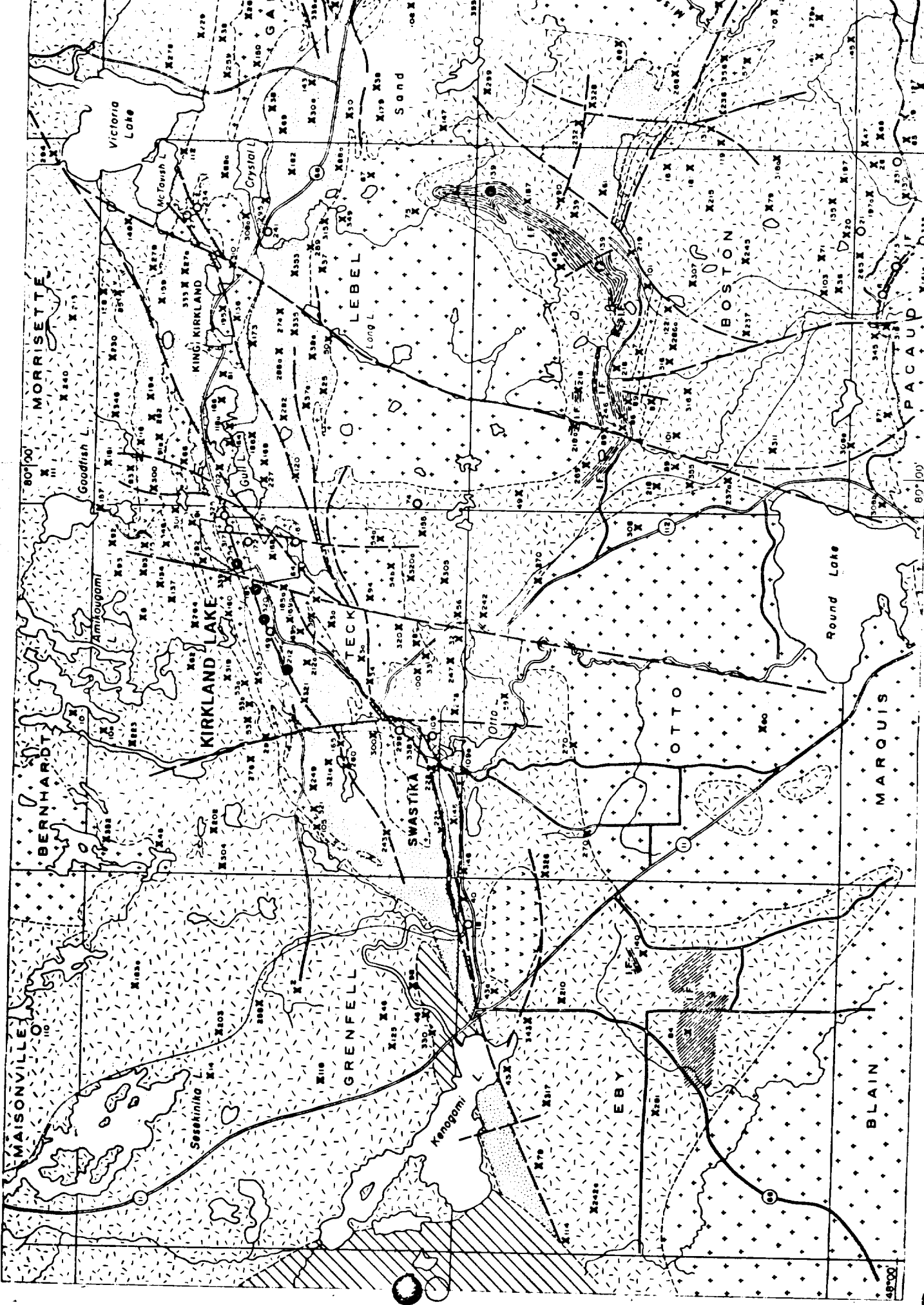
Respectfully submitted,

George E. Moody

George E. Moody, P. Eng.



dated at Beaverton, Ontario
21st December, 1971



KIRKLAND LAKE — LARDER LAKE AREA SHOWING PROPER

C E R T I F I C A T E

I, George E. Moody, of the Town of Beaverton, in the Province of Ontario, hereby certify:

1. that I am a Consulting Mining Engineer with offices situated at 541 Osborne Street, Beaverton, Ontario,
2. that I am a graduate in Mining Engineering from the University of Alberta (1931) and have practiced my profession continuously since my graduation,
3. that I am a registered professional engineer of the Provinces of Ontario and Quebec and a fellow of the Geological Association of Canada,
4. that I have no direct or indirect interest, nor do I expect to receive any direct or indirect interest in the property described herein. I do not own beneficially, directly or indirectly, any shares in Cantech Resources Limited nor shares in any affiliation of that company,
5. that my report on Cantech Resources Limited in McElroy and Hearst Townships, Ontario, is based on:
 - a) Ontario Department of Mines Reports being Vol. LVI, Part VIII, 1947 and Vol LIX, Part VI, 1950, paper W. S. Savage, November, 1949,
 - b) Geological Assessment Report-Amax, Group 3, by J. C. Dumesnil, Geologist dated 1st November, 1968,
 - c) letter to D. Lowe from Falconbridge with their assay results,
 - d) personal knowledge of the general area from experience gained in the period 1938-1944 and subsequently making a number of property examinations in McElroy, Hearst and McVittie Townships in later years,
 - e) a visit to parts of the present property in 1938-9 when diamond drilling was being carried out and a later visit to examine some of the pits during the 1960's.

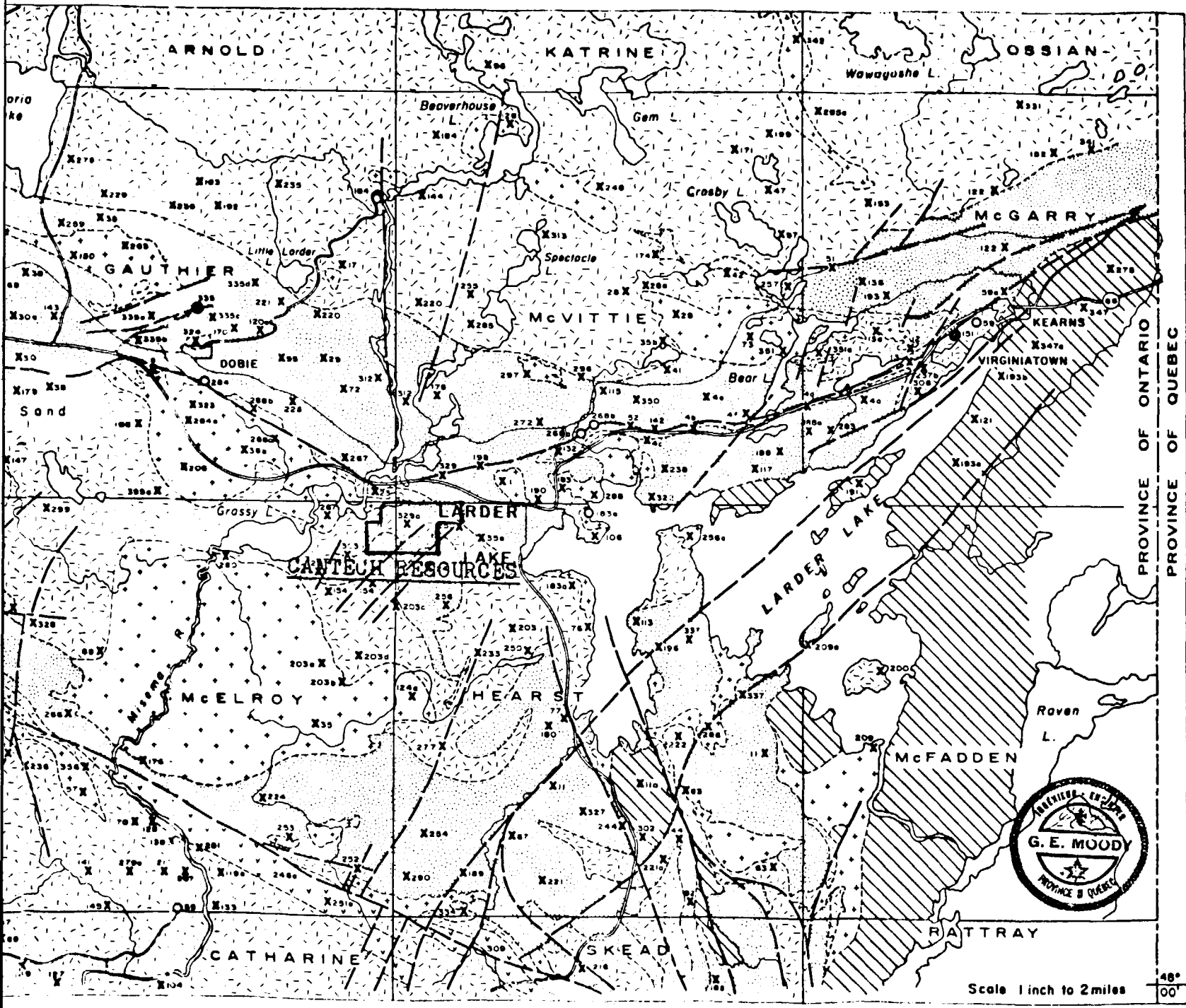
Dated at Beaverton, Ontario this 21st day of December, 1971.

Signed,

George E. Moody







George E. Moody, P. Eng.








LEGEND

GENERALIZED GEOLOGY

-  Cobalt sedimentary rocks
-  Acid intrusive rocks.
-  Intermediate and basic intrusive rocks.
-  Older sedimentary and volcanic rocks (Timiskaming series).
-  Acid and basic volcanic rocks and undifferentiated diorites.
-  Iron formation.

SYMBOLS

-  212 Producing Mine.
-  325 Past Producer.
-  X220 Other Properties.

NOTES

Properties indicated by numbers on the map are named under the Property List of the accompanying report.

For detailed geology of townships see list of Geological Maps in report.

SOURCE OF INFORMATION

Compiled by W. S. Savage, 1963.

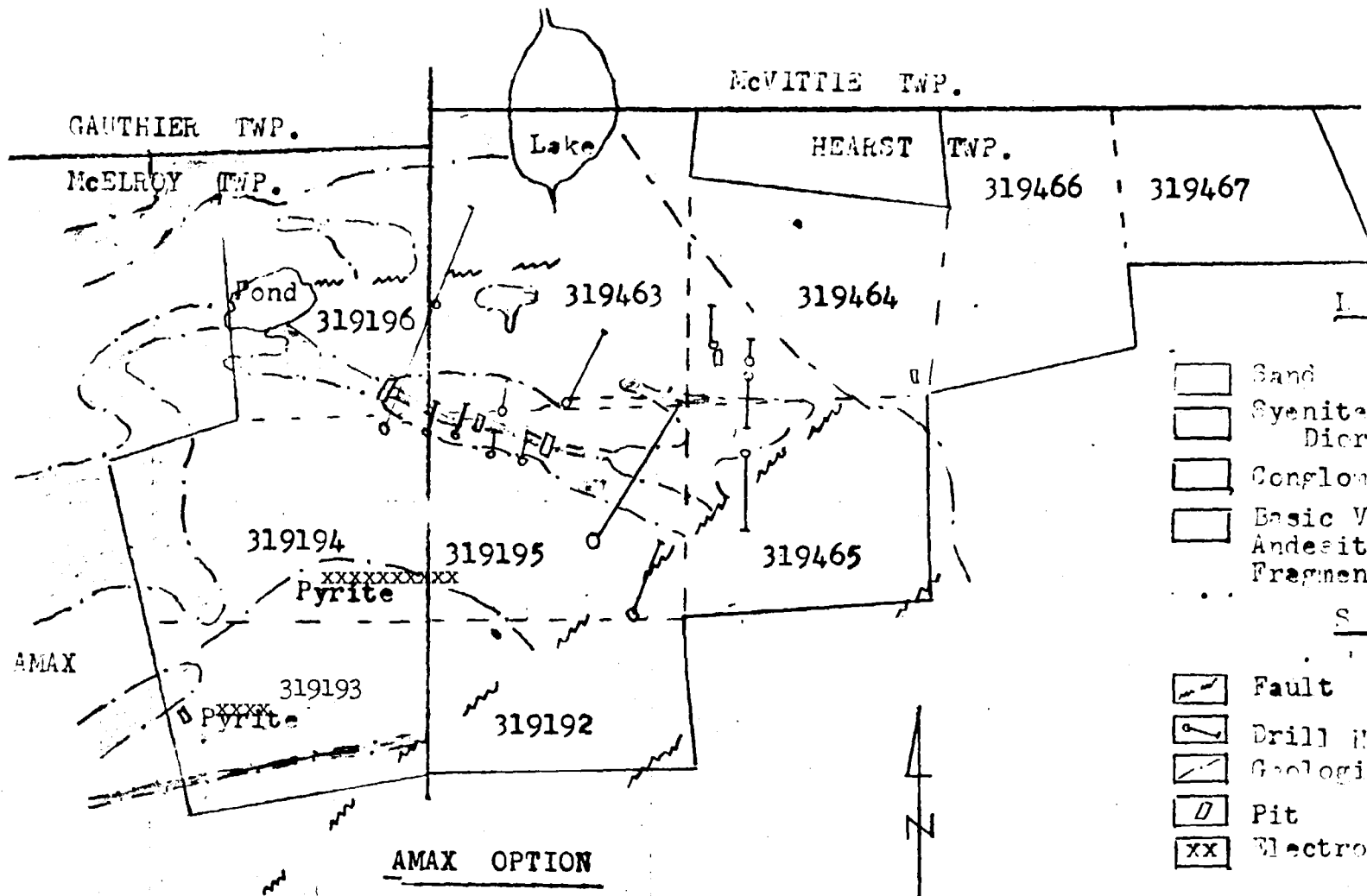
PROPERTY LOCATIONS AND GENERAL GEOLOGY

SHOWING
 THE CANTECH RESOURCES PROP
 McELROY-HEARST TOWNSHIPS



Scale 1 inch to 2 miles

48° 00'



AMAX OPTION
LOWE GROUND

LEGEND

- Sand
- Syenite, Syenite Porphyry
Diarite
- Conglomerate, Graywacke
- Basic Volcanics
Andesite, Basalt,
Fragmentals

SYMBOLS

- Fault
- Drill Hole
- Geological Contact
- Pit
- Electromagnetic Anomaly

CANTECH RESOURCES LIMITED

McELROY-HEARST TWP.

BARBER LAKE MINING DIV.

Dec. 1971

G.E. Moody, P. Eng.



Geological Data from O.D.M. Maps 1947-1
Scale 1"=1000' 1950-3