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PROSPECTUS OF S-I-S RESOURCES CORP.

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.

PROSPECTUS

63.3278

OF

S.I.S. RESOURCES CORPORATION
(Incorporated under the laws of the Province of Ontario)

JUL 2 1974

Dated the 2nd day of July, 1974.

NEW ISSUE

This offering is a new issue of 200,000 underwritten shares as follows:

<u>Firmly Underwritten</u>	<u>Price per Share</u>	<u>Proceeds to Corporation</u>	<u>Maximum Offering Price Per Share to the Public</u>
200,000 (1)	30¢	\$60,000.00 (2)	60¢

- (1) The 200,000 underwritten shares are to be taken up and paid for within three business days from the date of acceptance of this prospectus by the Ontario Securities Commission.
- (2) Net proceeds to the Corporation will be reduced by the cost of this issue, including the incorporation and organization of the Corporation, estimated at \$6,500.00.

The purpose of the new offering is to provide the Corporation with sufficient funds to defray its ordinary operating expenses and costs of carrying out the recommended exploratory programme on a group of 31 patented mining claims located in Lebel Township east of the Town of Kirkland Lake in the Larder Lake Mining Division of Ontario. Reference is made to the captions "Property" and "Use of Proceeds", herein.

The underwriter will either sell the shares purchased by it to the public itself or through registered brokers or broker-dealers who will be acting as agents and be paid commissions not to exceed 25% of the selling price of the shares or will sell such shares to such registered brokers or broker-dealers at a mark-up not exceeding 1¢ per share, which broker or broker-dealers will then offer the said shares to the public as principals. The Selling Shareholder will offer the 75,000 shares to the public through registered brokers or broker-dealers.

The underwriter and other securities dealers may be said to realize a profit after expenses in an amount equal to the excess by which the price paid for such shares is less than the price at which the said shares are sold to the public.

SECONDARY OFFERING

75,000 shares, the proceeds of which will accrue to the Selling Shareholder, D.S.S. Financial Services Limited, (See caption "Vendors", "Secondary Offering" and "Principal Holders of Securities" herein) and not to the treasury of the Corporation will be offered for sale over the counter at the prevailing market price from time to time only after the offering and sale of the 200,000 shares underwritten.

THERE IS NO MARKET FOR THE SHARES OF THE CORPORATION. THESE SECURITIES ARE SPECULATIVE.

UNDERWRITER
ROSMAR CORPORATION LIMITED
Suite 805, 100 Adelaide Street West,
Toronto, Ontario.

Gull Lake

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HISTORY AND BUSINESS

S.I.S. RESOURCES CORPORATION (the "Corporation") was incorporated in Ontario under The Business Corporations Act by Articles of Incorporation dated the 2nd day of April, 1974, with an authorized capital of 3,000,000 common shares without par value provided that the said shares may not be issued for a consideration exceeding in amount or value the sum of \$1,500,000.00.

The head office of the Corporation is located at 120 Adelaide Street West, Suite 420, Toronto, Ontario.

The Corporation was recently incorporated with wide and varied objects including the general purposes of acquiring and carrying out the exploration and development of mining claims and properties. The Corporation owns a group of Thirty-one (31) patented mining claims located in Lebel Township just east of the Town of Kirkland Lake in the Larder Lake Mining Division of Ontario, more particularly described under the caption "Property".

VENDORS

Pursuant to an Agreement in writing dated the 2nd day of April, 1974, the Corporation acquired from Mallpaks Development Limited, Jack Israeli, David Smuschkowitz and Harry Kichler, as Vendors a group of Thirty-one (31) patented mining claims including surface rights, located in Lebel Township, Larder Lake Mining Division of Ontario comprising approximately 1200 acres (hereinafter referred to as the "Property"). As consideration for the acquisition of the Property, the Corporation allotted and issued to the Vendors 750,000 fully paid and non-assessable shares in the capital stock of the Corporation, of which 675,000 are presently held in escrow by United Trust Company, Toronto, Ontario. (Reference is made to the caption "Escrowed Shares"). An arbitrary valuation of 1¢ per share was attributed by the Corporation to the said 750,000 shares issued which price does not necessarily bear any relation to the actual worth of the claims or the cost to the Vendors.

To the knowledge of the Corporation, the only parties entitled to receive a greater than 5% interest in consideration paid by the Corporation are the following Vendors: Jack Israeli, 27 Brockington Crescent, Downsview; David Smuschkowitz, 298 Maxwell Street, Downsview; Harry Kichler, 100 Parkway Forest Drive, Apt. 1105, Willowdale; Mallpaks Developments Limited, an Ontario Corporation, 5385 Yonge St. Suite 36, Willowdale (Joseph A. Skapura, the President and director of the Corporation and his wife, Marie. O. Skapura, 55 Boydwood Lane, Westhill, are the principal shareholders of Mallpaks Developments Limited). The 75,000 free shares were transferred to D.S.S. Financial Services Limited an Ontario Corporation. The Vendors had agreed that D.S.S. Financial Services Limited would participate as a Vendor in the 75,000 free shares several months prior to the incorporation of S.I.S. Resources Corporation. Elaine Ruth

solomon, 44 Charles Street West, Suite 3605, Toronto, Ontario owns all the issued and outstanding shares of D.S.S. Financial Services Limited. Elaine Ruth Solomon is the wife of David Samuel Solomon a director and solicitor for the Corporation. See captions "Principal Holders of Securities" and "Interest of Management and Others in Material Transactions".

The Vendors, pursuant to the Agreement in writing dated the 2nd day of April, 1974, also transferred all their right, title and interest in the surface rights to the lands and premises described below and which in part cover the Thirty-one (31) patented mining claims comprising of approximately 1,200 acres. See caption "Description of Real Estate Interests".

Mallpaks Developments Limited originally purchased the property in December 1970 for a cost of approximately \$26,000.00. In the spring of 1973, the other Vendors above-mentioned purchased from Mallpaks Developments Limited a 50% undivided interest in the property for approximately \$25,000.00 cash.

DESCRIPTION OF REAL ESTATE INTERESTS

The subject property lies within about 300 yards of the east boundary of Kirkland Lake where institutional development has been taking place, i.e. Northern College of Technology and the new hospital now under construction. The subject property has approximately 3,000 feet of highway frontage as well as 2,000 feet on Gull Lake and contains all of Heart Lake, which is approximately 50 acres. Substantial gravel deposits have been developed in the eastern claims and access roads to this gravel have recently been improved. The volume of gravel sales is averaging approximately 7,000 tons per year, providing a revenue of approximately \$1,000.00 per annum. The taxes and other expenses of maintaining the property are approximately \$1700.00 per annum. The new Kirkland Lake Airport has recently been established immediately north of the subject property. The Corporation does not have any plans to develop the property at this time, but will hold the property for future development

DESCRIPTION OF PROPERTY

Pursuant to the terms of the Vendors Agreement dated April 2nd, 1974, the mining property the Corporation acquired consists of Thirty-One (31) contiguous patented mining claims, exclusive of surface rights, located in Lebel Township, Larder Lake Mining Division, Ontario. The total area is approximately 1200 acres. The claims are recorded on

Plan M-359, Lebel Township, Claim map (published by The Ontario Ministry of Natural Resources) as follows:

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L2430, L2447, L2448, L2450, L2676, L2457, L2459, L2469,
L2470, L2677, L2790, L2791, L2807, L2808, L2851, L2988,
L2900, L2901, L3009, L3010, L3011, L5940, L2257, L7798,
L7799, L8819, L8820, L8821, L8822, L8823, L8824.

In addition, pursuant to the terms of the Vendors agreement dated April 2nd, 1974 the Vendors have also transferred all their right and interest in freehold land registere in the office of Land Titles at Haileybury, Ontario as Parcels: 1929, 2479, 2619, 2621, 2977, 2978, 3027, 4356, 2979, 3012, in the Register for Temiskaming and Parcels 224, 256, 609, 626, 637, 736, 737, 1147, 1148, 1150, 1741, 1742, 1747, 1748, 1749, 1754, 1206, 1207 1208, 277 in the Register for Centre Section Temiskaming.

ENGINEER'S REPORT

The following information is also contained in the foregoing report, and management of the Corporation has adopted the conclusions recommendations and preliminary programme contained therein as hereinafter set forth.

The following summary is taken from the report of H. Grant Harper, F.G.A.C. P. Eng dated April 4th, 1974:

1. Summary

The Corporation owns a group of 31 patented mining claims located just east of the town of Kirkland Lake in the Larder Lake Mining Division of Ontario. The property has an area of about 1200 acres and is readily accessible by improved roads. The two shafts on the property have cement caps and there is no other mining facility available.

Exploration of the property began in 1922 and the last work was completed in 1940. The surface was thoroughly prospected and trenched. All major development work was done on the western claims. The No. 1 Shaft is 800 feet deep with three levels. Most work was done on the 800 feet level where 5910 feet of drifting and cross-cutting exposed many quartz veins but no orebodies. The No. 2 Shaft has 2750 feet of lateral work on the 500 foot level. Extensive underground diamond drilling was done.

The property lies at the east end of the Kirkland Lake Gold Camp. Just west of the property the Kirkland Lake Fault which is related to all the major orebodies of the area, is cut off by the north-south trending O'Connell Creek Fault. The Kirkland Lake Fault has never with certainty been recognized in the S.I.S. Property. The rock types underlying the Corporation's property are the same and are contiguous with those of the Kirkland Lake Camp.

In Kirkland Lake the gold orebodies are spatially related to the east-west striking Kirkland Lake Fault, its parallel shears, and its branch structures. The gold occurs in quartz veins, quartz stringer systems, and quartz breccia zones. The work done on the Corporation's property has located many quartz veins but these are virtually barren of gold. At two locations in the No. 1 Shaft workings, relatively short lengths of erratic gold values were found in quartz veins.

It is quite apparent having regard to the work already done that modern exploration from west to the central part of the property is not likely to locate orebodies. Since the amount of overburden on the claims increases to the ^{east} west, and since the amount of work done decreases to the east, it is also possible that there may be more scope for finding mineralization using modern methods as one moves eastward across the property. Therefore it is recommended that the eastern claims (some 21 in all) be explored geophysically to search for diamond drill targets. The estimated cost, including check surveys is \$11,800.00. Contingent upon the successful delimitation of drill targets, the Corporation should be prepared to undertake a preliminary drill program of about 2500 linear feet which would cost about \$28,750.00.

III. Estimate of Costs

Phase I

1. Line cutting and chaining at 400 foot intervals. 30 miles @ \$110./mile	\$3,300.00
2. Geophysical Surveying Magnetic & VLF electromagnetic surveying. 30 miles @ \$250./mile	\$7,500.00
3. Check surveying using more sophisticated electromagnetic equipment	<u>\$1,000.00</u>
	<u>\$11,800.00</u>

Phase II

This program is contingent on the results of Phase I above as to both execution and size. The following are cost approximations and are not working cost estimates.

2,500 linear feet AX core including core boxes, logging, assaying, and engineering at \$11.50 per foot.	<u>\$28,750.00</u>
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There is no mining equipment or facility in service on the property. The underground workings are flooded and both shafts have cement caps.

The Engineer's Report of H. Grant Harper dated the 4th day of April, 1974, respecting the above is available for inspection during regular business hours at the Ontario Securities Commission, 555 Yonge Street, 7th Floor, Toronto, Ontario.

CAPITALIZATION

The Corporation has one class of stock authorized, being 3,000,000 common shares without par value. Of these, there are at the present time issued 750,006 shares all as fully paid and non-assessable. All shares carry full voting rights of one vote for each share held and rank equally with respect to dividends and participation in assets of the Corporation upon any dissolution or winding up of the affairs of the Corporation.

No dividends have been paid to-date, nor it is expected that any dividends will be paid in the foreseeable future.

<u>Designation of Security</u>	<u>Authorized</u>	<u>Amount Outstanding as at date of this Prospectus and date of Balance Sheet April 18, 1974</u>	<u>Amount Outstanding if all Securities are sold</u>
COMMON SHARES without par value	3,000,000 (\$1,500,000.00)	750,006 (\$ 7,506.00)	950,006 (1) (\$67,506.00)

(1) This figure reflects the sale of the 200,000 underwritten shares.

ESCROWED SHARES.

<u>Designation of Security</u>	<u>Number of Shares Held in Escrow</u>	<u>Percentage of Class</u>
COMMON SHARES	675,000	71.0% (1)

(1) After giving effect to the issue of the 200,000 treasury shares being offered hereunder.

As at the date hereof, 675,000 shares are held in escrow by United Trust Company, Toronto, Ontario, subject to release only upon the prior written consents of the Ontario Securities Commission and the board of directors of the Corporation and with the further proviso that any other dealings with the said shares within escrow can only be had with the written consent of the Ontario Securities Commission. The 675,000 escrowed shares are subject to being surrendered in whole or in part for the benefit of the Corporation if the mining claims and surface rights for which the shares issued are abandoned upon the recommendation of an independent mining engineer or geologist. Reference is made to the caption "Vendors", and "Principal Holders of Securities".

PLAN OF DISTRIBUTION

Pursuant to an Agreement dated the 16th day of April, 1974, between the Corporation and Rosmar Corporation Limited, Suite 805, 100 Adelaide Street West, Toronto, ("Underwriter") the Corporation agreed to sell and the Underwriter agreed to purchase 200,000 shares of the Corporation at 30¢ per share. The purchase price for the said 200,000 shares in the amount of \$60,000.00 is payable within three business days of the effective date (the date that these securities are qualified for sale in the Province of Ontario with the Ontario Securities Commission).

The Underwriter (a securities dealer) entered into the aforementioned agreement on its own behalf and the only persons having a greater than 5% interest directly or indirectly in Rosmar Corporation Limited are: Albert Allison, 50 Sandringham Drive, Toronto, Ontario, and Alexander Gordon Fisher, 80 The Bridle Path, Don Mills, Ontario.

There are no sub-underwritings or sub-options outstanding or proposed to be given. However, the Underwriter has advised that during the course of distribution of the Corporation's shares it may grant sub-underwritings to registered securities dealers who may engage in distribution to the public at a price not exceeding one cent per share in excess of the price to be paid by the Underwriter under the provisions of the underwriting agreement aforesaid. The Underwriter has also advised that it may from time to time retain one or more other registered securities dealers on an agency basis to sell or offer for sale the underwritten shares, paying such agents a commission not exceeding 25% of the selling price of the shares to be sold and in addition may pay costs and expenses of such dealers incidental to the distribution and sale of the said shares. The shares offered hereby will be offered at a price determined by the Underwriter, which will be within the maximum offering price as set forth on the cover hereof. The obligations of the Underwriter under the underwriting agreement may be terminated by the Underwriter, at its discretion, on the basis of its assessment of the marketability of the issue and may also be terminated upon the occurrence of certain stated events. The Underwriter is however, obliged to take up and pay for all of the shares if any shares are purchased under the underwriting agreement.

SECONDARY OFFERING

D.S.S. Financial Services Limited referred to under the caption "Principal Holders of Securities" may sell up to 75,000 shares as a secondary offering under this prospectus. The said shares will be offered for sale only after the offering and sale of the 200,000 underwritten shares and may be offered for sale by the Underwriter or through other registered securities dealers on the same basis as the underwritten shares. The proceeds of this offering will accrue to the Selling Shareholder and not to the treasury of the Corporation. These shares may be offered over the counter at the market price from time to time through registered securities dealers. Reference is made to the captions "Vendors" and "Principal Holders of Securities" and "Interest of Management and Others in Material Transactions".

The Corporation is assured of receiving \$60,000.00 from the firm underwriting of the 200,000 shares at 30¢ per share.

The said proceeds will be applied as follows:

1. To pay the preliminary expenses including legal and audit fees, incorporation costs and costs of this issue, estimated at \$6,500.00.
2. To meet the administration expenses for the year estimated at \$6,000.00 which amount includes the sum of \$4,200.00 to be paid to Robert Brown Corporate Services Limited.
3. To carry out the recommended exploratory programme on the Corporation's claims in Lebel Township, Larder Lake, Mining Division of Ontario, as described under the caption "Property" which costs are as follows:
 - (1) To carry out Phase I of the recommended exploratory programme of Lebel Township, Larder Lake, Mining Division of Ontario, as described under the caption "Property" at a cost of \$11,800.00.
 - (2) If the results from Phase I are favourable, Phase II of the recommended exploratory programme of the Corporation will be carried out at a cost of approximately \$28,750.00.
 - (3) The net proceeds of the issue will form part of the Corporation's working capital and will be used to pay ordinary operating expenses (including the sum of \$4,200.00 to be paid to Robert Brown Corporate Services Limited over the next year as more fully described under the heading "Remuneration of Directors and Senior Officers").

Excess monies in the treasury of the Corporation will form part of the general working capital of the Corporation to be used for general operating expenses. While the Corporation has no plans in this regard at the present time, monies in the treasury of the Corporation as available, may also be used to defray the costs of acquiring, staking, exploring and developing other properties, either alone or in consort with others and to generally carry out explorational programmes as opportunities and finances permit, but monies in the treasury will not be so used without an amendment to this prospectus being filed and accepted as long as any shares of the Corporation are in the course of distribution to the public. Monies in the Corporation's treasury will not be used to invest, underwrite or trade in securities other than those that qualify as investments in which life insurance companies may under the laws of Canada invest their funds. Should the Corporation propose to use monies in its treasury to acquire securities other than as aforementioned after distribution of the securities offered by the Prospectus has ceased, approval by the shareholders will be obtained and disclosure will be made to the regulatory authorities having jurisdiction over the sale of the shares offered by this Prospectus. Additionally, monies will not be advanced to other persons or companies except to the extent necessary to enable the Corporation to

implement its exploration and development program as set forth in the Prospectus and any amendment thereto.

DIRECTORS AND OFFICERS

The following are the particulars of names, addresses and principal occupations for the past five years of the directors and officers of the Corporation.

POSITION

NAME AND PARTICULARS

PRESIDENT and Director

JOSEPH A. SKAPURA, 55 Boydwood Lane, Westhill, Ontario. Mr. Skapura is a Real Estate Broker, President of Joseph A. Skapura Real Estate Limited. Mr. Skapura is also a real estate developer.

VICE-PRESIDENT and DIRECTOR

HARVEY FRIEDMAN, 339 Goldenwood Road, Willowdale, Ontario, is a Chartered Accountant with J.D.S. Investments Ltd. and acts as a controller for J.D.S. Investments Ltd.

SECRETARY-TREASURER
(not a director)

ROBERT BROWN, 6 Zaharias Court, Willowdale, Ontario, Public Accountant and Corporate Secretary. President of Robert Brown Corporate Services Limited.

DIRECTOR

DAVID SAMUEL SOLOMON, 44 Charles Street West, Suite 3605, Toronto, Ontario. Mr. Solomon is a self-employed Barrister and Solicitor, practising law in the City of Toronto since March, 1969; prior to this time he was a student-at-law at Osgoode Hall Law School.

DIRECTOR

JACK ISRAELI, 27 Brockington Crescent, Downsview, Ontario. Secretary and a principal of J.D.S. Investments Ltd., a real estate development corporation with interest in shopping plazas and other varied real estate interests.

DIRECTOR

WILLIAM WASHBOURNE DENNIS, 16 Cranleigh Court, Islington Ontario; for past 40 years self-employed prospecting in Canada from coast to coast. Mr. Dennis was President of the Prospectors and Developers Association during the years 1965 and 1966, and at the present time occupies an executive position with that organization. He is a Director of several mining companies.

EMUNERATION OF DIRECTORS AND SENIOR OFFICERS

No fees have been paid to directors or officers since the incorporation of the Corporation. Each director and Secretary-Treasurer is entitled to receive a fee of \$50.00 for each meeting of the board of directors and shareholders attended by him. Robert Brown Corporate Services Limited, Suite 420, 120 Adelaide Street West, Toronto, Ontario, will be paid an amount up to \$350.00 per month for head office accommodation and routine accounting and secretarial service. (Robert Brown, the Secretary-Treasurer of the Corporation, is an officer, director and owns all of the outstanding shares of Robert Brown Corporate Services Limited).

PRINCIPAL HOLDERS OF SECURITIES

<u>Name and Address</u>	<u>Designation of Class</u>	<u>Type of Ownership</u>	<u>Number of Shares Owned (1)</u>	<u>Percentage of Class (2)</u>
Mallpaks Developments Limited, 5385 Yonge Street, Suite 36, Toronto, Ontario	Common Shares (without par value)	direct and beneficial	337,500 (3)	35.5%
Jack Israeli, 27 Brockington Cres., Downsview, Ontario.	Common Shares (without par value)	direct and beneficial	168,750 (3)	17.76%
David Smuschkowitz, 298 Maxwell Street, Willowdale, Ontario	Common Shares (without par value)	direct and beneficial	84,375 (3)	8.88%
Harry Kichler, 100 Parkway Forest Drive, Apt. 1105, Toronto, Ontario	Common Shares (without par value)	direct and beneficial	84,375 (3)	8.88%
D.S.S. Financial Services Limited, 44 Charles Street West, Suite 3605, Toronto, Ontario	Common Shares (without par value)	direct and beneficial	75,000 (3)	7.89%

(1) Reference is made to the sections "Vendors" and "Interest of Management and Others in Material Transactions".

(2) Based on an issued capital of 950,006 shares and following the sale of the 200,000 underwritten shares.

- (3) On the 15th day of April, 1974, the 75,000 free common shares of the Corporation were transferred from the Vendors to D.S.S. Financial Services Limited as consideration of the participation of D.S.S. Financial Services Limited. The Vendors agreed that D.S.S. Financial Services Limited would participate in the consideration to be received for the mining rights prior to the said claims being transferred to the Corporation. Each of the Vendors transferred the following number of free common shares to D.S.S. Financial Services Limited: Mallpaks Developments Limited 37,500; Jack Israeli 18,750; David Smuschkowitz 9,375 and Harry Kichler 9,375

The Directors and officers as a group own 506,256 common shares of the Corporation, of which Mallpaks Developments Limited owns 337,500 shares (Joseph A. Skapura is one of the principal shareholders of Mallpaks and is the President of the Corporation) and Jack Israeli owns 168,751 shares (Jack Israeli is a Director of the Corporation), each officer and director each hold one share of the Corporation. The Directors and Officers as a group own 53.29% of all the issued and outstanding shares of the Corporation after the sale of shares offered hereunder. Reference is made to the interests of D.S.S. Financial Services Limited which owns 75,000 free shares. Elaine Ruth Solomon, wife of David Samuel Solomon, a director of the Corporation, owns all the issued and outstanding shares of D.S.S. Financial Services Limited.

PROMOTERS

Joseph A. Skapura, a director and President of the Corporation, and Mallpaks Developments Limited took the initiative in founding the Corporation and took the initiative in organizing the business of the Corporation as presently conducted and therefore are considered promoters within the meaning of The Securities Act (Ontario). Reference is made to "History and Business" and "Vendors" herein.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Mallpaks Developments Limited originally purchased the real estate and mining interest in December 1970, at a cost of \$26,000.00. In the spring of 1973 the other Vendors purchased from Mallpaks Developments Limited a 50% interest in the property for a \$25,000.00 cash consideration. D.S.S. Financial Services Limited received 75,000 free common shares of the Corporation from the Vendors as previously described. Elaine Ruth Solomon, 44 Charles Street West, Suite 3605, Toronto, Ontario, is the only shareholder of D.S.S. Financial Services Limited, an Ontario Corporation. David Samuel Solomon, the husband of Elaine Ruth Solomon, is a director of the Corporation. David Samuel Solomon acts as legal counsel for the Corporation and will be paid for such services. Jack Israeli, a director of the Corporation, David Smuschkowitz, and Harry Kichler and Mallpaks Developments Limited (of which Joseph A. Skapura, President and Director of S.I.S. Resources Corporation and his wife are the principal shareholders) received 750,000 shares as described under the caption "Vendors" herein.

MATERIAL CONTRACTS

The material contracts entered into by the Corporation from inception to the date hereof are as follows:

1. Agreement dated the 2nd day of April, 1974, respecting the purchase of the Corporation's claims and surface rights in the Larder Lake Area, Province of Ontario, from Mallpaks Developments Limited, Jack Israeli, David Smuschkowitz, and Harry Kichler.

Reference is made to the captions "Vendors" and "Description of Property" herein.

2. Agreement dated the 16th day of April, 1974, between the Corporation and Rosmar Corporation Limited, Suite 805, 100 Adelaide Street West, Toronto, providing for the underwriting of 200,000 shares of the Corporation at 30¢ per share. Reference is made to the captions "Cover" and the "Plan of Distribution".

3. Escrow Agreement dated the 16th day of April, 1974, between the Corporation and the Vendors escrowing of 675,000 common shares issued in consideration of the patented claims and surface rights described under "Description of Property".

During the distribution of the Securities offered under this Prospectus, copies of the above agreements may be inspected at the head office of the Corporation during normal business hours.

AUDITOR

Mr. T.H. Bernholtz, B.Comm., M.A., C.A., Suite 804, 330 Bay Street, Toronto, Ontario is the auditor of the Corporation.

TRANSFER AGENT AND REGISTRAR

United Trust Company, 21 St. Clair Avenue East, Toronto, Ontario, is the stock registrar and transfer agent of the Corporation.

PURCHASER'S STATUTORY RIGHTS OF WITHDRAWAL AND RESCISSION

The Securities Act, 1970, as amended provides, in effect that where a security is offered to the public in the course of distribution.

- (a) a purchaser will not be bound by a contract for the purchase of such security if written or telegraphic notice of his intention not to be bound is received by the Vendors or their agent not later than midnight on the second business day after the prospectus or amended prospectus offering such security is deemed to be received by them or their agent; and
- (b) a purchaser has the right to rescind a contract for the purchase of such security while still the owner thereof, if the prospectus or any amended prospectus offering such security contains an untrue statement of a material fact or omits to state a fact material in order to make any statement therein not misleading in light of the circumstances in which it was made, but no action to enforce this right can be commenced by a purchaser after the expiration of 90 days from the later of the date of such contract or the date on which such prospectus or amended prospectus is received or is deemed to be received by him or his agent.

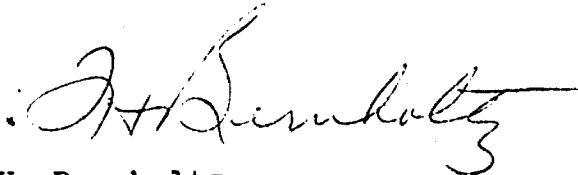
Reference is made to Sections 64 and 65 of The Securities Act, 1970 as amended for the complete text of the provisions under which the above-mentioned rights are conferred.

To The Directors
S.I.S. Resources Corporation
Toronto, Ontario

I have examined the balance sheet of S.I.S. Resources Corporation as at April 18, 1974 and in connection therewith reviewed such supporting evidence as I considered necessary in the circumstances.

In my opinion, the accompanying balance sheet present fairly the financial position of the Corporation as at April 18, 1974 in accordance with generally accepted accounting principles.

Toronto, Ontario
July 2, 1974


T. H. Bernholtz
Chartered Accountant

S.I.S. RESOURCES CORPORATION

BALANCE SHEET

AS AT APRIL 18, 1974

ASSETS

Cash on hand	\$ 6.00
Mining claims and properties (Note 1)	7,500.00
Incorporation and organization expenses, estimated	6,500.00
	<u>14,006.00</u>

LIABILITIES AND CAPITAL

Accounts payable, estimated	\$ 6,500.00
Capital stock (Note 2)	
Authorized:	
3,000,000 shares without par value, not to exceed \$1,500,000.00	
Allotted - to be issued:	
For cash	6 shares \$ 6.00
For mineral and surface rights	<u>750,000 shares 7,500.00</u>
	<u>750,006</u>
	<u>7,506.00</u>
	<u>\$ 14,006.00</u>

The accompanying notes are an integral part of this balance sheet.

Approved on behalf of the Board of Directors:

"Joseph A. Skapura" Director

"David Samuel Solomon" Director

S.I.S. RESOURCES CORPORATION

NOTES TO BALANCE SHEET

AS AT APRIL 18, 1974

Note 1. (a) The mining claims consist of thirty-one patented claims exclusive of surface rights located in Label Township, Larder Lake Mining Division, Province of Ontario and are valued at the consideration attributed to 750,000 shares of the Corporation's capital stock issued therefore.

\$ 7,500

The purchase agreement provides that if the claims are abandoned, the escrowed shares will be donated back to the Corporation for cancellation or resale.

(b) The vendors also transferred all their right, title and interest in the surface rights to the lands and premises hereinafter described which in part cover the thirty-one patented mining claims comprising approximately 1,200 acres. The freehold land is registered in the office of Land Titles at Haileybury, Ontario as Parcels: 1929, 2479, 2619, 2621, 2977, 2978, 3027, 4356, 2979, 3012, in the Register for Temiskaming, and Parcels 224, 256, 609, 626, 637, 736, 737, 1147, 1148, 1150, 1741, 1742, 1747, 1748, 1749, 1754, 1206, 1207, 1208, 277 in the Register for Centre Section Temiskaming.

Note 2. By agreement dated April 16, 1974 the underwriter has agreed to firmly purchase 200,000 shares of the Corporation's capital stock at 30 ¢ per share, payable within three business days of the day on which the shares shall be qualified for public sale (the "effective date").

Note 3. A statement of source and application of funds from incorporation (April 2, 1974) to April 18, 1974 has not been included as the Corporation has not yet commenced operations.

OTHER MATERIAL FACTS

There are no other material facts.

The foregoing constitutes full, true and plain disclosure of all material facts relating to the securities offered by the Prospectus as required by Part VII of The Securities Act 1970 as amended and the regulations thereunder.

"JOSEPH A. SKAPURA"
Chief Executive Officer

"ROBERT BROWN"
Chief Financial Officer

On behalf of the Board of Directors:

"DAVID SAMUEL SOLOMON"
Director

"JACK ISRAELI"
Director

PROMOTER:

MALLPAKS DEVELOPMENTS LIMITED

Per: "Joseph A. Skapura"

To the best of our knowledge information and belief the foregoing constitutes, full, true and plain disclosure of all material facts relating to the securities offered by this prospectus as required by Part VII of The Securities Act, as amended and the regulations thereunder.

UNDERWRITER:

ROSMAR CORPORATION LIMITED

Per: "Albert Allison"

The only persons owning a greater than 5% interest in Rosmar Corporation Limited are Albert Allison, 50 Sandringham Drive, Toronto, Ontario, and Alexander Gordon Fisher, 80 The Bridle Path, Don Mills, Ontario.

DATED the 2nd day of July, 1974.



32004NW0284 63.3278 LEBEL

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S.I.S. RESOURCES CORPORATION

LEBEL TOWNSHIP

KIRKLAND LAKE AREA, ONTARIO

INTRODUCTION

FILED

This is a report on a group of 31 contiguous patented mining claims located in the Larder Lake Mining Division, Ontario. The claims are owned by S.I.S. Resources Corporation.

The purpose of this report is to summarize the exploration history of the property and to recommend a program for its re-appraisal.

This report is based on the following sources of information:

1. Geology of Lebel Township by A. MacLean, 1956, published by the Ontario Ministry of Natural Resources.
2. Geology of the Main Ore Zone at Kirkland Lake and Geology of Teck Township by J.E. Thomson, 1950, published by the Ontario Ministry of Natural Resources.
3. Plans of the underground workings, diamond drill logs, and assay data collected during the 1920's and 1930's.

4. I have not made an examination of this property. I am familiar with the general and economic geology of the Kirkland Lake Gold Camp and this report is based on that general knowledge and the sources of information listed above.

PROPERTY AND LOCATION

The property consists of 31 contiguous, patented mining claims located in Lebel Township, Larder Lake Mining Division, Ontario. Total area is about 1250 acres.

The claims are numbered as follows:

L 2257
L 2430
L 2447, L2448
L 2450
L 2452
L 2459
L 2469, L2470
L 2676, L2677
L 2790, L2791
L 2807, L2808
L 2886
L 2900, L2901
L 2988
L 3009, L3010, L3011
L 5940
L 7798, L7799
L 8819, L8820, L8821, L8822, L8823, L8824

The property is located in the northwest quarter of Lebel Township near the boundary with Teck Township. The western edge of the property borders on the eastern edge of the town of Kirkland Lake, Ontario. The claims are recorded on Plan M359, Lebel Township Claim Map published by the Ontario Ministry of Natural Resources. The claim titles were not searched.

ACCESS AND FACILITIES

Access is simple and easy. Highway 66 running eastward from the town of Kirkland Lake crosses the southwest part of the property. Secondary, north-south trending roads cross the property near its centre and near its eastern edge.

There is no mining equipment or facility in service on the property. The underground workings are flooded and both shafts have cement caps.

HISTORY AND DEVELOPMENT

The history of the property is incompletely known to the present Company. The information presented here is assembled from the records of the Ontario Ministry of Natural Resources and from maps, drill logs, assay results, etc, in the possession of the Company.

Initial development, starting in 1922, was done by Continental Mines Ltd. This company carried out extensive prospecting, mapping, and trenching and by 1923 had started underground development. In 1927, Continental Kirkland Mines Ltd., was formed to further development of the property. The No. 1 Shaft was dewatered, mapped, sampled, and the No. 2 Shaft was started. The following tables summarize the underground work completed by 1940 when the workings were allowed to flood.

No. 1 SHAFT

<u>Level</u>	<u>Drifting and Cross-cutting - feet.</u>
150	390
800	5910
Raising	90
750	120
Winze	150
925	200

NO. 2 SHAFT

500 foot level - 2750 feet of drifting; and cross-cutting.

Underground exploration continued until 1939. This includes several thousand feet of diamond drilling from both shafts as well as drill holes running eastward from the adjoining workings of Toburn Mines Ltd. In 1939 Hans Lundberg carried out a geophysical survey (presumably magnetic) on the western claims. The results are not available.

It is estimated that over 10,000 feet of surface drilling has been done on the claims. Most of this was concentrated on the 4 westernmost claims with some 4000 feet in 5 holes being located on 3 of the central and eastern claims of which there are 27.

The history of the property indicates clearly that a great deal of exploration work has been done on the claims adjacent to the Toburn workings and in the vicinity of the No. 2 Shaft. As for the rest of the property, it was surface prospected and mapped in great detail and diamond drilled at scattered locations.

GENERAL GEOLOGY

The general geology of the Kirkland Lake Gold Belt and of Lebel Township have been described in detail by J.E. Thomson and A. MacLean.

The main geological feature of the area is the east-west trending, south dipping Kirkland Lake Fault with which most of the gold ores of the area are associated. This fault is broken in several places by north-south trending cross faults and by north-east striking diagonal faults.

Both of the latter type are predominately post-ore in age and have few or no associated ore bodies.

The rocks of the area are chiefly Keewatin and Temiskaming volcanics and sediments intruded by syenites and porphyries of Algonian age. The rocks which include conglomerates, greywackes, tuffs, agglomerates, syenite and quartz porphyries trend slightly north of east and dip steeply to the south. In the Kirkland Lake Camp, all rock types act as hosts to ore bearing structures with perhaps a slight preference being shown for the syenite and porphyry group.

On the property of S.I.S. Resources Corporation the Kirkland Lake Fault has not been identified. This is probably due to three complicating factors. First, just west of the property the Kirkland Lake Fault runs into the O'Connell Lake Fault, a multiple north-south structure, and the offset Kirkland Lake Fault is not positively recognized east of this structure. Second, a short distance further east the faulting picture is complicated by the diagonal fault, the Murdoch Creek Fault Zone which curves to assume a strike parallel and on strike of that of the Kirkland Lake Fault. Third, the Kirkland Lake Fault is definitely weakening and dying as it strikes eastward across the Sylvanite and Toburn properties.

There is reasonable continuity of rock types extending eastward from the main Kirkland Lake Cold Camp onto the property of S.I.S. Resources Corporation.

ECONOMIC GEOLOGY

The Kirkland Lake gold deposits (most of which are now mined out) were spatially related to a major east-west trending strike fault called the Kirkland Lake Fault Zone. This fault is a broad complex structure consisting of many parallel and branching faults most of which have associated gold veins. The fault, the encompassing rocks, and the gold veins have a relatively steep dip to the south. The gold mineralization, being related to the parallel and branching fault structure, extends intermittently over a north-south width of several hundreds of feet. Within the Kirkland Lake Camp individual ore zones may pitch to either the east or the west. However, when one considers the depth of mining at the three most eastern producers (The Toburn, The Sylvanite and the Wright Hargreaves) one recognizes that the ore zone at the east end of the camp has an overall plunge to the west.

The gold orebodies of the Kirkland Lake Camp consist of quartz veins, quartz stringer systems, and quartz breccia zones varying in width from a few inches to thirty or more feet. The gold bearing veins are frequently mineralized with pyrite, chalcopyrite, galena, and molybdenite. The gold occurs as free gold, gold tellurides and intimately associated with sulphides. Ore control is more structural than chemical in that the gold is always associated with east-west faulting irrespective of the nature of the enclosing wallrock. However, if there is a favourable

host rock, it appears to be syenite. Wallrock alteration is quite marked and variable. It includes such chemical changes as silicification, sericitization, carbonatization, pyritization and the physical changes such as brecciation, quartz veining, and mylonitization.

In spite of extensive underground development by cross-cutting, drifting, and diamond drilling, no orebodies have been developed on the S.I.S. Resources property. The work disclosed several extensive quartz veins (particularly in the No. 1 Shaft area) and these were thoroughly tested above and below level by diamond drilling. In two locations, erratic gold values over short lengths gave some encouragement. From the work done one must conclude that on the 4 western claims of the group between surface and the 1200 foot level there is very little chance of locating orebodies by the exploration methods available today. On the remaining 27 claims and excepting the vicinity of the No. 2 Shaft, exploration work has been minimal as was outlined earlier in this report.

All of the claims were thoroughly prospected and trenched in the 1920's. By its nature, this work was limited to areas of outcrop and shallow overburden. As one moves eastward on the S.I.S. claims the amount of outcrop becomes less and the depth of overburden increases. Therefore, the chance of an undetected orebody occurring on the claims becomes greater as one moves eastward.

There is no direct method of searching for gold orebodies

through deep overburden. Geophysical survey methods such as magnetic surveying and very low frequency electromagnetic surveys are sometimes used to search for gold deposits because they are aids in tracing rock formations from outcrop to overburdened areas and because they can locate conductive zones caused by conductive mineralization or by electrolyte carrying, water filled, shearings. The latter are sometimes associated with gold orebodies. The geophysical survey can only locate targets that may be associated with gold values. Diamond drilling must be done in order to find out whether or not gold is present.

The eastern claims of the S.I.S. property have never been geophysically surveyed. The aeromagnetic map of the area shows strong magnetism over the western part of the claim where syenitic rocks predominate. The eastern area appears flat. In all probability a detailed ground survey would show greater variation because of its greater detail. To survey the S.I.S. claims in order to gain knowledge of their magnetic and electromagnetic characteristics is a worthwhile enterprise. Subsequently, a decision whether or not to diamond drill can be made on the basis of the facts gained.

CONCLUSIONS AND RECOMMENDATIONS

1. S.I.S. Resources Corporation owns a group of 31 mining claims located on the eastern strike extension of the famous Kirkland Lake Gold Belt. No exploration work has been done on the claims since 1940.
2. All of the claims were thoroughly explored by prospecting and trenching during the 1920's.
3. The 4 western claims of the group adjoin the former producing gold mine of Tohurn Gold Mines Ltd., and a great deal of underground exploration has been done on these claims between surface and a depth of 1200 feet without significant success.
4. Since the amount of outcrop decreases and the amount of overburden increases as one moves eastward on the claims, it is recommended that the magnetic and the electro-magnetic character of the claims be measured. This would constitute a Phase I program.
5. When the geophysical data are assembled it may be possible to select targets which warrant diamond drilling. This would constitute a Phase II program whose size and execution is contingent on the results of the Phase I program.

COST ESTIMATE

PHASE I

1. Line cutting and chaining at 400 foot intervals. 30 miles @ \$110./mile \$ 3300.
 2. Geophysical Surveying
Magnetic & VLF electromagnetic surveying. 30 miles @ \$250./mile 7500.
 3. Check surveying using more sophisticated electromagnetic equipment 1000.
- \$ 11800.

PHASE II

This program is contingent on the results of Phase I above as to both execution and size. The following are cost approximations and are not working cost estimates.

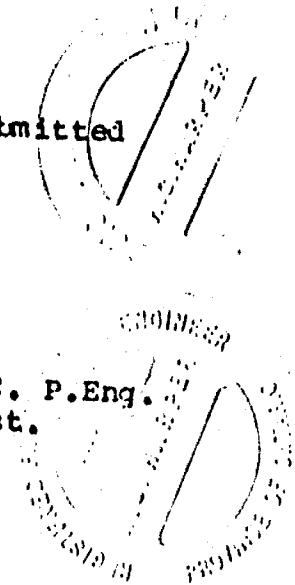
2500 linear feet AX core including core boxes, logging, assaying, and engineering at \$11.50 per foot. \$ 27,750.

My report is respectfully submitted

H. G. Harper.

Willowdale, Ontario.
April 4, 1974.

H. Grant Harper, F.G.A.C. P.Eng.
Economic Geologist.



SUMMARY

S.I.S. Resources Corporation owns a group of 31 patented mining claims located just east of the town of Kirkland Lake in the Larder Lake Mining Division of Ontario. The property has an area of about 1250 acres and is readily accessible by improved roads. The two shafts on the property have cement cans and there is no other mining facility available.

Exploration of the property began in 1922 and the last work was completed in 1940. The surface was thoroughly prospected and trenched. All major development work was done on the western claims. The No. 1 Shaft is 800 feet deep with three levels. Most work was done on the 800 foot level where 5910 feet of drifting and cross-cutting exposed many quartz veins but no orebodies. The No. 2 Shaft has 2750 feet of lateral work on the 500 foot level. Extensive underground diamond drilling was done.

The property lies at the east end of the Kirkland Lake Gold Camp. Just west of the property the Kirkland Lake Fault which is related to all the major orebodies of the area, is cut off by the north-south trending O'Connell Creek fault. The Kirkland Lake Fault has never with certainty been recognized in the S.I.S. property. The rock types underlying the S.I.S. property are the same and are contiguous with those of the Kirkland Lake Camp.

In Kirkland Lake the gold orebodies are spatially related to the east-west striking Kirkland Lake fault, its parallel shears, and its branch structures. The gold occurs in quartz veins, quartz stringer systems, and quartz breccia zones. The work done on the S.I.S. property has located many quartz veins but these are virtually barren of gold. At two locations in the No. 1 Shaft workings, relatively short lengths of erratic gold values were found in quartz veins.

It is quite apparent having regard to the work already done that modern exploration of the west part of the property is not likely to locate orebodies. Since the amount of overburden on the claims increases to the east, and since the amount of work done decreases to the east, it is also apparent that there is more scope for finding mineralization using modern methods as one moves eastward across the property. Therefore it is recommended that the eastern claims (some 27 in all) be explored geophysically to search for diamond drill targets. The estimated cost, including check surveys is \$11,800. Contingent upon the successful delimitation of drill targets, the Company should be prepared to undertake a preliminary drill program of about 2500 linear feet which would cost about \$27,750.

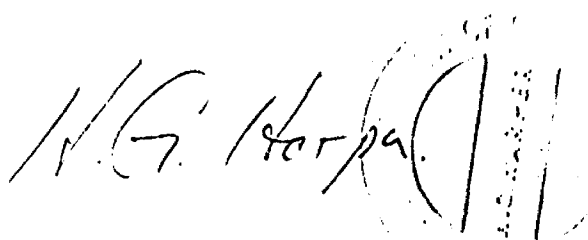
CERTIFICATE

I, HUGH GRANT HARPER, of Metropolitan Toronto, in the Province of Ontario, certify as follows with respect to my report on the Lebel Township Property of S.I.S. Resources Corporation and dated April 4, 1974.

1. For over ten years I have been practising as an independent economic geologist, carrying on business as

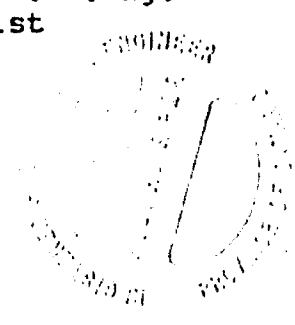
H. Grant Harper, P.Eng.
314 Hendon Avenue
Willowdale, Ontario.

2. I graduated from the University of Toronto with the degree of B.A.Sc., 1950 and M.A.Sc., 1951 and have been engaged in my profession since that time. I am a Fellow of the Geological Association of Canada, a Member of the Ontario Association of Professional Engineers registered in the Mining Branch, a Member of the Canadian Institute of Mining and Metallurgy and a Member of the Board of Trade of Metropolitan Toronto.
3. I have no interest, nor do I expect to receive any, either direct or indirect, in either the property or securities of S.I.S. Resources Corporation.
4. I have not made an examination of this property. I am familiar with the general and economic geology of the Kirkland Lake Gold Camp and this report is based on that general knowledge and the sources outlined in the body of my report.



Willowdale, Ontario.
April 4, 1974.

G. Grant Harper, F.G.A.C. P.Eng.
Economic Geologist



TIMMINS

Ontario
Quebec

NORANDA

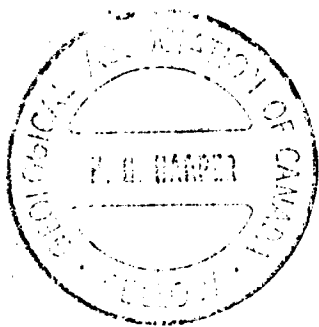
KIRKLAND LAKE
PROPERTY

COBALT



SUDBURY

NORTH BAY



S.I.S. RESOURCES CORPORATION



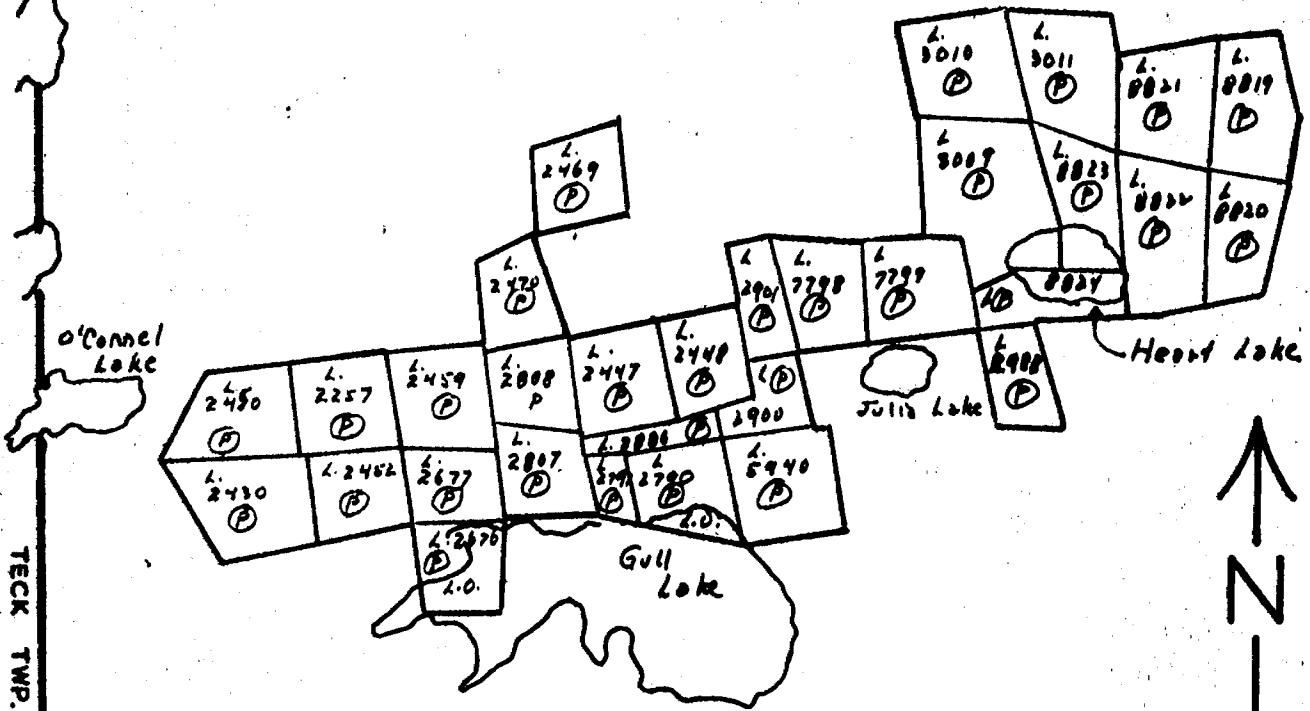
KEY MAP

1 Inch = 25 miles

DATE 1974 4 74

SIGNED *H. C. Harper*

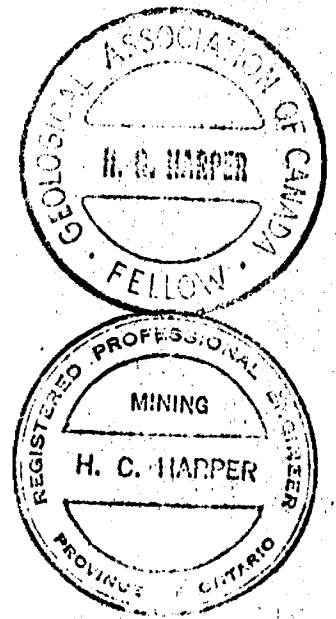
MORRISETTE TWP.



S.I.S. RESOURCES CORPORATION
LEBEL TOWNSHIP

LOCATION MAP

Traced From
CLAIM MAP PLAN No. M359
LEBEL TWP.



1 Inch = 2640 feet

APR 4 '74
DATE

SIGNED *H.C. Harper*