

SCIMINEX LIMITED
Suite 303, 330 Bay Street,
Toronto,

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Registrar and
GUARANTY TRUST COMPANY OF CANADA
366 Bay Street, Toronto, Ontario

NEW OFFERING:

This offering is a new issue of 500,000 shares consisting of 100,000 underwritten shares and 400,000 shares under option as follows:

<u>Firmly Underwritten</u>	<u>Under Option</u>	<u>Price Per Share</u>	<u>Net Proceeds to Company *</u>	<u>Maximum Price to Public Per Share</u>
100,000		75 cents	\$ 75,000.00	93.75 cents
	100,000	\$1.00	100,000.00	\$1.25
	100,000	\$1.50	150,000.00	\$1.875
	100,000	\$2.00	200,000.00	\$2.50
	100,000	\$2.50	250,000.00	\$3.125
<u>100,000</u>	<u>400,000</u>		<u>\$775,000.00</u>	

* There is no obligation upon the Underwriter-Optionee and there is no assurance that any of the optioned shares will be purchased.

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 programs recommended by its consulting engineers. See within under the headings "History and Business" and "Use of Proceeds".

PLAN OF DISTRIBUTION:

The Underwriter-Optionee with respect to shares of the Company purchased by it will offer same for sale at the prevailing market price through registered brokers acting as agents and who will be paid the normal commission charged by members of the Canadian Stock Exchange acting as agents in the sale of listed mining shares.

The shares are listed on the Canadian Stock Exchange and the management is informed that the shares have traded between \$0.52 and \$0.77 during the three month period immediately preceding the date of this Prospectus.

THESE SECURITIES ARE SPECULATIVE

T. A. RICHARDSON & CO. LIMITED
19th Floor, 4 King Street West
Toronto 1, Ontario
for

UNDERWRITER-OPTIONEE
Taranco Company Limited
19th Floor, 4 King Street West
Toronto 1, Ontario

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 15th day of August, 1972.



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HEAD OFFICE:

The head office of Sciminex Limited (hereinafter referred to as the "Company") is located at Suite 303, 330 Bay Street, Toronto, Ontario.

HISTORY AND BUSINESS:

The Company was incorporated under Part IV of The Corporations Act (Ontario) on June 24, 1966 as Margaree Mines Limited to engage in the acquisition, exploration, development and operation of mines, mineral lands and deposits. On the 26th day of October, 1967, the name was changed to Sciminex Limited, and the same Supplementary Letters Patent changed the 3,000,000 authorized shares with a par value of \$1.00 each into 3,000,000 shares without par value. On the 2nd day of June, 1972 Articles of Amendment were granted to the Company increasing the authorized capital of the Company to 5,000,000 shares without par value and giving the Company the right to purchase any of its own shares out of surplus. The Company acquires securities including non-trustee type securities from time to time with funds not required for an immediate exploration or development program.

The Company was incorporated by Hathaway Metal Mines Limited (Hathaway), a public company with its head office at 181 Bay Street, Toronto, Ontario, in which GHD Trading Limited, of the same address, (wholly owned by Graham Haliburton Duff, 17 Ridgeway Crescent, Toronto, Ontario), is the principal shareholder. The Company was incorporated to acquire 44 claims in the Margaree River Area, Province of Nova Scotia, (hereinafter referred to as the "Margaree Claims") through Hathaway for \$4,400 from Mr. Duff, and to explore and develop these claims. Hathaway paid the \$4,400 and took down 44,000 vendor shares (90% escrowed) at 10¢ per share and 271,959 shares at 10¢ per share for \$27,195.90 paid on behalf of the Company for incorporation, organization and administrative expenses and exploration expenses consisting of geological mapping and geochemical, airborne, magnetic and electro-magnetic surveys.

In July, 1969, the late David Herbert Baird, who died February 23, 1970, of 373 Markland Drive, Etobicoke, Ontario, became the principal shareholder and vended to the Company 32 claims in Guysborough County, Province of Nova Scotia, (hereinafter referred to as its Gold Claims) for 706,000 vendor shares (90% escrowed).

Subsequently, the late Mr. Baird sold 448,431 (232,500 escrowed) shares to Terratest Company Limited, 303 - 330 Bay Street, Toronto, Ontario. Terratest Company Limited was acting as agent on behalf of Minor Metals Limited and Erickson-Ashby Mines Limited (and, the Company has since been informed) Ausnoram Holdings Limited, all described below.

Minor Metals Limited, 330 Bay Street, Toronto, Ontario, is a wholly owned subsidiary of Ausnoram Holdings Limited of the same address, which is a private company, but in which no shareholder owns more than 5 per cent of the shares outstanding. Erickson-Ashby Mines Limited, 1030 West Georgia Street, Vancouver, British Columbia, is a public company in which Terratest Company Limited, Newconex Canadian Exploration Limited, Toronto-Dominion Centre, Toronto, Ontario, (a wholly owned subsidiary of Gold Fields Mining & Industrial Limited of London, England, which itself is a wholly owned subsidiary of Consolidated Gold Fields of South Africa Limited), Canada Permanent Trust Company, 400 Burrard Street, Vancouver, British Columbia, in trust for George Bacon, 3700 Epsom Drive, Victoria, British Columbia, Richard Waller, 1846 Harran Street, Vancouver, British Columbia, Harry C. Bracken Stan Rante, Filycove Road, Junlan, Alaska and Homestake Mineral Development Company, 100 Bush Street, San Francisco, California, U.S.A., are the only persons or companies owning over 5 per cent. The Estate of John Maurice

report dated May 5th, 1970, Mr. Archibald, the Company's mining consultant, reported that all three holes showed the reason for an anomaly (enough specular hematite and pyrrhotite to cause the magnetometer anomaly); graphite for the electro-magnetic anomaly and very widely scattered specks of chalcopyrite which would make the geo-chemical anomaly (but failed to locate any concentration of mineralization).

He did not recommend any further diamond drilling. As a result, the Company permitted the option to lapse on May 14, 1970.

On the diamond drilling and on other expenses connected with this property, the Company spent the sum of \$15,594.00. In order to obtain a release from the commitment to perform an additional 257 feet of diamond drilling and work equivalent to a further 1,500 feet of diamond drilling, the Company proposed to the optionors the payment of an amount in money equivalent to the value of such work for assessment purposes which would amount to approximately one-tenth (1/10th) of the actual cost of performing such work. The optionors have informed the Company that this offer is unsatisfactory and the Company is now a defendant in a legal action commenced in the Supreme Court of Ontario by M. & N. Exploration for the sum of \$25,000.00 damages and the other defendants being the Baird Estate and Terratest Company Limited. The Company has paid the sum of \$1,500.00 into the Supreme Court of Ontario, as the Company feels that the said sum is the extent of its liability in the circumstances. The other defendants are seeking judgment against the Company in order to protect themselves, but as of this date the Company has not agreed to same and feels that a judgment is not justified in the circumstances.

By an agreement dated July 21, 1970 the Company entered into an agreement with Mija Mines Limited, Room 302, 100 Gloucester Street, Ottawa, Ontario, whereby it obtained three-eighths (3/8) of the allowable foreign interest in a block of property (hereinafter referred to as the La Casita Property) located in the Navajoa area of the State of Sonora, Mexico.

By a letter of agreement dated October 7, 1970, the Company and Stikine Resources Limited, c/o Armstrong, Brawner, Septon & Phillips, Barristers and Solicitors, 1250 One Bantall Centre, 505 Burrard Street, Vancouver, British Columbia, entered into an agreement with reference to a molybdenum property and after several unsuccessful attempts at negotiation the agreement was mutually abrogated and the \$10,000 advanced under the agreement was returned to the Company.

The Company entered into an Agreement dated November 23, 1970 with Camdeck Mines Limited, 18 Taylor Avenue, Kirkland Lake, Ontario, whereby the Company secured an option to acquire for a company to be formed six contiguous mining claims in the Townships of Loveland and Thorburn in the Porcupine Mining Division of the Province of Ontario. The consideration for entering into the agreement was nominal, but in order to enable Camdeck Mines Limited to ratify the agreement, the Company contributed \$464.70 as costs of a special general meeting of shareholders of Camdeck Mines Limited to ratify the agreement. No further consideration was payable to Camdeck Mines Limited as such. The keeping the option in good standing depended upon the Company performing development work on the claims within certain periods of time and then causing the claims to be transferred to a new company, at which time it and Camdeck Mines Limited would have been entitled to the vendor consideration of the new company.

The Company also staked an additional 10 claims in Loveland Township at the cost of \$650.00. On the advice of its engineering consultant the Company performed 1,164 feet of diamond drilling at a total estimated cost of \$13,290.00. No more than a trace

of mineralization was encountered in any of the diamond drill holes and therefore the above agreement has been permitted to lapse.

The Company entered into an agreement dated the 4th day of December, 1970 with Donald Hurd, 18 Taylor Avenue, Kirkland Lake, Ontario; Robert J. Kasner, 313 Toke Street, Timmins, Ontario; and Ernest W. Bazinet, 450 Brousseau Avenue, Timmins, Ontario, whereby the Company secured an option to acquire for a company to be formed 9 contiguous mining claims situate in O'Sullivan Lake Area and Maun Lake Area in the Thunder Bay Mining Division of the Province of Ontario, (at the time referred to as the "O'Sullivan Lake Area Claims"). The Company did not make the first option payment in the sum of \$3,000. due within three months of December 4, 1970, and, therefore, this option agreement has been permitted to lapse. The Company did cause to be performed linecutting and magnetometer and electromagnetic surveys at a cost of \$6,055.00, but in the opinion of the Company's consulting geologist the claims did not warrant diamond drilling.

Under an agreement dated February 4th, 1971, the Company along with Falconbridge Nickel Mines Limited, 21st Floor, 7 King Street East, Toronto, Ontario, Gold Fields Exploration Canada Limited, P. O. Box 40 (Suite 4003), Toronto-Dominion Bank Tower, Toronto-Dominion Centre, Toronto, Ontario, Consolidated Professor Mines Limited, 6th Floor, 360 Bay Street, Toronto, Ontario, each participating as to a 25% interest entered into a Syndicate Agreement with Spirit Lake Mines Limited, Suite 702, 100 Adelaide Street West, Toronto, Ontario. Each participant advanced the sum of \$10,000 for the first phase and as all the other participants declined to continue on with the second phase of the exploration work on the Spirit Lake property, this Company and Spirit Lake Mines Limited were unable to reach a further agreement under which this Company would forward any funds for further development work.

By virtue of a syndicate agreement dated for convenience the 15th day of March, 1971, the Company indirectly subscribed for and paid for 2 of 8 units outstanding in the Smethport-Canadian Syndicate, the 2 units being in the total amount of \$3,000.00.

The agreement was between Carlyle Westlund, Pine Street, Smethport, Pennsylvania, Willard F. Glover, 81 Rollingwood Circle, London, Ontario and James W. Gemmell, 5 Bryce Avenue, Toronto, Ontario, (who were the organizers of the said syndicate and entitled to 2 of the 8 units outstanding as organizers thereof) and D.M.S. Explorations Incorporated, Suite 2510, 401 Bay Street, Toronto, Ontario, a company formed for the purpose of holding the beneficial interest in the 6 other units of the said syndicate purchased from the said syndicate for the total sum of \$24,000.00, which was the working capital of the said syndicate. Dubuisson Goldfields Limited and Monteagle Minerals Limited, both having their head office at Suite 1102, 347 Bay Street, Toronto, Ontario, and this Company each owned 2 of the 6 shares outstanding in D.M.S. Explorations Incorporated. Although these 3 companies had certain common directors and/or officers, they did not have common principal shareholders.

The said syndicate was organized for the purpose of taking over leases and farmouts covering approximately 600 acres already acquired and controlled by the organizers and to provide funds sufficient to acquire additional lands and to test the same for oil and or gas production by drilling initially one test well in the said area which was in the Smethport area, Township of Keating, County of McKean, in the State of Pennsylvania, in the United States of America. The contribution of the organizers to the said syndicate for the 2 units to which they were entitled had been the assignment of leases and farmouts presently held and subject to their control together with arranging for the acquisition of additional leases and farmouts and options in the said area to an approximate total of 2000 acres.

In the month of July 1971 the first well was drilled to a depth of 2951 feet. The drilling contractor plugged the well back to a depth of 1200 feet in order to carry out the frac program at a depth of 1277 feet. After three days testing, it appeared the well would produce an initial rate of approximately 6 barrels of oil with some water per day. As other exploratory work in the immediate vicinity has not proceeded as contemplated at the time, the Syndicate does not intend to keep the property in good standing and has no further plans at the present time.

Under an agreement dated June 21, 1971, with Intermine Limited, Suite 1000, 110 Yonge Street, Toronto, Ontario, the Company acquired the right to earn a 60% interest in the property hereinafter referred to as the Tinoca property, which agreement and property are more particularly set forth under the sub-heading "Tinoca Property" hereinafter set forth.

Under an agreement dated June 30, 1972, with Intermine Limited and Kerr Addison Mines Limited, 44 King Street West, Toronto, Ontario, the Company now has the right to earn a 29% interest in the Tinoca Property. Both of these agreements, the property and the proposed development thereof are more particularly described under the subheading "Tinoca Property" hereinafter set forth.

Under the first mentioned agreement Intermine Limited has an option on 300,000 shares of the Company and under the last mentioned agreement Kerr Addison Mines Limited is purchasing 133,333 shares at the price of 75¢ per share and has options or obligations with reference to further shares of the Company, all as set forth under the subheading "Tinoca Property" and the options are also set out under the heading "OPTIONS TO PURCHASE SECURITIES".

The Company intends to expend up to \$10,000 in Portugal for a geochemical survey on lands not included in either agreement but in the same vicinity and depending on the results thereof will negotiate with Intermine Limited with reference to further participation and their respective interest in such land.

The Company has entered into an agreement dated May 22, 1971 (although first known to the Company and authorized and confirmed by the Company on November 3, 1971) with Seraphim Georgiou and his daughter, Irene Georgiou, of Lamia, Greece, (owners) whereby the Company acquired a working option on a 2,202 acre property near Arkhanion, in the District of Lamia, Greece, which agreement, particulars of the property and the recommendations relating thereto are more particularly described under the heading "GEORGIOU PROPERTY".

The Company acquired a 50% interest in 59 claims in the Chute des Passes area of Quebec from Mija Mines Limited, aforesaid, for a consideration of approximately \$2,500, which were held as a location bet only. The last of these claims appears to have lapsed June 12, 1972.

Under an agreement dated May 20, 1971, the Company employed Wilfred J. Matthews, 23 Hi Mount Drive, Willowdale, Ontario, to carry out studies and test techniques with reference to gold occurrences and agreed to grant him a 10% unassessable indivisible interest in any mining claims, leases or mining rights acquired by virtue of the said studies or techniques. In March 1972 Mr. Matthews staked at a cost of \$320.00, 17 claims in the Township of Markar, Markar Lake Mining Division, Province of Ontario, and the Company is currently carrying out linecutting and will conduct geochemical sampling thereon as more particularly set out under the subheading "Markar Township Gold Claims".

Margaree Claims

The Margaree claims were originally 44 claims, being claims A to O, Tract 31, A, B, C, D, G, H, J, L, N, O, P and Q, Tract

PHASE III

Diamond drilling, 1,000 meters @ \$20. per meter	\$20,000.00	
Consulting, total 20 days, 10 trips	4,000.00	
Other expenses including assays	1,500.00	
Contingency 10%	<u>2,500.00</u>	<u>\$28,000.00</u>
		\$37,500.00

The Company understands Phase I may have been carried out, but is awaiting a full report from Mr. Phillipson and will then decide whether to proceed with Phase II.

The only mineralization on the property known to the Company is referred to in the above summary and as it does not constitute commercial ore the recommendation represents an exploratory search for ore. The performance or extent (if any) of any previous surface or underground work on the property is uncertain and the Company has performed no exploration work to date. There is no surface or underground plant or equipment on the property.

Harker Township Gold Claims

In furtherance to Mr. Matthews studies under the agreement with the Company dated May 20, 1971, wherein he engaged in a structural study of several known gold camps and projection of possible extensions, testing of biogeochemical techniques over known areas and occurrences and evaluation of results and selection of the most favourable and applicable techniques, he outlined areas of potential interest at a total cost for this phase of the program in the amount of \$3,500 and he was authorized by the Company to stake 18 claims in Harker Township, Larder Lake Mining Division, Ontario, which claims were staked in March 1972 at a cost of \$320.00. Mr. Matthews has a 10% unassessable indivisible interest in the said mining claims to which he is entitled under the agreement dated May 20, 1971 with respect to any claims staked under the said program.

The following is a summary of his report dated April 27, 1972, which full report is in the public files of the Ontario Securities Commission.

The claims are accessible by Highway 101 approximately 30 miles east of Matheson, Ontario.

Harker Township was mapped by the Ontario Department of Mines' Geologist, Dr. Jack Satterly, in 1951 and his report was used as the basis for the recommended exploration program. The Porcupine-Destor fault, a known gold-bearing fracture system, traverses the staked ground in an east-west direction.

A new biogeochemical approach to the location of gold deposits was instigated by Dr. George Disler and W. J. Matthews, geologists of Toronto. A test sampling program was run across ten profiles over known gold ore structures in the Kirkland-Larder Lake area in 1970. This district was chosen since W. J. Matthews had been chief geologist at Lake Shore Mines in Kirkland Lake during the early 1950's. The geochemical results were positive over all tested areas. On the assumption that the technique would be valid for all gold-bearing fractures, the Porcupine-Destor fault was chosen as a proper locale for a followup program. After six months of researching government geological maps, the ground in Harker Township, the ground staked in March 1972, was chosen as the most likely locale for gold deposition along this fault.

This site was chosen for three reasons:

1. The Porcupine-Destor fault traverses the property;
2. Cross fractures and acid intrusives are located in the vicinity of the fracture system;
3. Most of the ground is covered by overburden and therefore would not have been previously prospected.

The following program is in three phases, the total cost of which is \$32,000.00. They are itemized as follows:

Phase I

Line-cutting, sampling and assaying,
Lines at 400-foot intervals for a total of 28 lines,
each one-half mile long. Initial geochemical sampling
will be at 100-foot intervals.

Line-cutting - 14 miles at \$30.00 per mile	\$ 420.00
Geochemical sampling at \$100 per mile	1,400.00
Sample bags	150.00
Assaying - 740 samples at \$6.00 each	4,440.00
Supervision	1,000.00
Contingencies	<u>590.00</u>
COST OF PHASE I	<u>\$8,000.00</u>

Phase II

Check sampling - sampling at 50-foot intervals
at \$150.00 per mile

Four miles of checking	\$ 600.00
Assaying of 400 samples	2,400.00
Supervision and expenses	<u>1,000.00</u>
COST OF PHASE II	<u>\$4,000.00</u>

Phase III

Diamond drilling at \$10.00 per foot to include
assaying and engineering - minimum footage recommended
is 2,000 feet.

COST OF PHASE III	<u>\$20,000.00</u>
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Total cost of the three phases is therefore \$32,000.00.

It is to be noted that Dr. George Disler, who is mentioned in the summary is a director of the Company.

The Company is carrying out Phase I of the recommended program at the present time and the proceeding with further phases will depend on the results of Phase I.

There is no 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. The Company has completed line-cutting, geochemical sampling and the samples are being assayed at the present time.

The claims were recorded in March 1972 and 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 twenty-one (21) year lease in the ensuing year with annual rentals of \$1.00 per acre during the first year and 25 cents per acre annually thereafter. If a lease is for mining rights only, the second and subsequent years' rental are at the rate of 10 cents per acre. Such lease is renewable for succeeding twenty-one (21) year terms.

OPTIONS TO PURCHASE SECURITIES:

As an integral part of the Agreement dated June 21, 1971 between the Company and Intermine Limited and the Agreement

160% of the option price when such option price is not less than \$1.00 a share and under \$2.00 a share;

150% of the option price when such option price is not less than \$2.00 a share and under \$3.00 a share.

USE OF PROCEEDS:

The net proceeds of the new issue will be \$70,000 after deducting the costs of the issue in the amount of \$5,000. In addition, if the 400,000 shares under option to Taranco are taken down and paid for an additional sum of \$700,000 will be received by the Company and added to its working capital.

As stated under the subheading "Tinoca Property" under the heading "History and Business" none of the proceeds are intended at the present time to be used for any proposed development of the Tinoca Property. However, the Company intends to expend up to \$10,000 in Portugal for a geochemical survey on lands not included in either agreement but in the same vicinity and depending on the results thereof will negotiate with Intermine Limited with reference to further participation and their respective interest in such land. The working capital of the Company will be used in carrying out Phase I in the amount of \$9,000 in the program recommended on the Harker Township Gold Claims and further phases thereon if recommended, and to reduce working capital deficiency in the amount of \$22,555.

With reference to the La Casita property, the Company will be liable for 50% of the exploration program recommended for this property in the approximate amount of \$5,250.00.

The Company intends to use its working capital to acquire, stake, explore and develop other properties either alone or with others and to generally carry out explorational programs as opportunity may permit and to meet the general operating expenses of the Company.

The shareholders of the Company have given the Board of Directors of the Company the authority to acquire non-trustee type securities and the Company may acquire such securities from time to time with funds not required for immediate exploration or development programs.

During primary distribution to the public of the shares offered hereby, no part of the proceeds of the new issue is to be advanced in any way to other companies or individuals, except to the extent necessary to enable the Company to carry out its exploration and development programs as aforesaid, or is to be used to invest, underwrite or trade in securities other than securities in which trustees or insurance companies may invest in jurisdictions where the securities of the Company are qualified for sale to the public, without prior approval by the shareholders and the filing of an Amendment to this Prospectus, but nothing in this Prospectus shall preclude the Company from acquiring shares in other companies through its participation in joint exploration programs with such companies.

After completion of primary distribution of the shares offered by this Prospectus and any amendments hereto, if the Company proposes to use the proceeds of the new issue to acquire securities in which trustees or insurance companies may not invest, prior approval of the 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 hereto.

and there are no special liquidation rights, pre-emptive rights or subscription rights. The presently outstanding shares are not subject to any call or assessment and the shares offered hereby when issued and sold as described in this prospectus, will not be subject to any call or assessment. The Company has the right to purchase any of its common shares out of surplus, subject to the provisions of The Business Corporations Act, R.S.O. 1970. Certificates representing 655,000 issued shares of the Company are held in escrow as referred to under the heading "Escrowed Shares".

PURCHASER'S STATUTORY RIGHT OF WITHDRAWAL AND RESCISSION:

The Securities Act, R.S.O. 1970, chapter 426 as amended contains (Sections 64 and 65) certain provisions enabling a purchaser of securities offered in the course of primary distribution to rescind the contract of purchase:

- (a) while the purchaser is still the owner of the securities, if the prospectus and any amended prospectus, as of the date of receipt by the purchaser, contains an untrue statement of a material fact or omits to state a material fact in order to make any statement contained therein not misleading, the purchaser may bring an action to rescind but only if action is commenced within 90 days from the last to occur of the receipt of the prospectus or amended prospectus or the contract of purchase; and
- (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 purposes 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 of the securities purchased before the expiration of the time within which rescission may be effected.

MANAGEMENT:

Directors and Officers:

<u>Name</u>	<u>Address</u>	<u>Position</u>
ROSS EWING MUNRO	Suite 2226, 400 Walmer Rd. Toronto, Ontario.	President and Director
DR. GEORGE DISLER	83 Ronan Avenue, Toronto 12, Ontario.	Vice-President and Director
RYAN MOISE PAQUETTE	6 Rockwood Place, Hamilton, Ontario.	Director
WILLIAM HARVEY MORRISON	6 Anewen Drive, Toronto, Ontario.	Treasurer and Director
ISABEL EILEEN GREEN	78 Airdrie Road, Toronto, Ontario.	Director
GAYLORD CLINTON SNELL	1508 Bishop Road, White Rock, B.C.	Director

WILLIAM WATKERSON CUMMINS 44 Dinnick Crescent, Director
Toronto, Ontario.

CLIFFORD MARSHALL HAMES 137 Warren Road, Secretary
Toronto 7, Ontario.

MR. MUNRO has been a trading officer and director of T. A. Richardson & Co. Limited for more than the past 5 years and is also Vice-President thereof. He is also Vice-President of Taranco Company Limited. He is a shareholder of Richardson.

DR. DISLER, P. Eng., is a geologist and engineer, and has been self-employed as a consultant for more than the past 5 years. He is now manager of International Projects for Noranda Exploration Limited.

MR. PAQUETTE has been a Barrister and Solicitor for more than the past 5 years with offices presently at 386 King Street E., Hamilton, Ontario.

MR. MORRISON has been President of Globe Investments Limited, which provides Head Office services to the Company, for more than the past 5 years.

MRS. GREEN has been Secretary-Treasurer of Globe Investments Limited for more than the past 5 years.

MR. SNELL has been a director of, since 1968, and has been Chairman of the Board for the past 18 months of Adanac Mining & Explorations Limited, was President of Canadian Folding Cartons Limited and a director of Somerville Industries Limited, at Toronto, Ontario for 1965 to 1966 and was a director of New Imperial Mines Limited in the years 1966 to 1969.

MR. CUMMINS has been a Chartered Accountant for more than the past 5 years and has been Vice-President and a director of Hibernian Investments Limited and a director of Northgate Exploration Limited since 1969.

MR. HAMES has been a Barrister and Solicitor for more than the past 5 years with offices presently at Suite 3205, Toronto-Dominion Bank Tower, Toronto-Dominion Centre, Toronto, Ontario.

REMUNERATION OF DIRECTORS AND SENIOR OFFICERS:

Mr. Munro was paid a gratuity or an honorarium of \$3,000.00 in June, 1971, \$3,000 in December, 1971 and \$2,000 in March 1972, as he had performed many services without remuneration in carrying out his duties as President of the Company, and the Board of Directors felt that such a gratuity or honorarium was justified. Mr. Hames will be entitled to be paid legal fees for services rendered as Solicitor of the Company. It is proposed to pay directors for directors' meetings attended a maximum of \$50.00 for each meeting so attended. During the fiscal year ended November 30, 1971, \$550.00 was paid to directors for directors' meetings attended. Globe Investments Limited, of which Mr. Morrison is President and a major shareholder and Mrs. Green is Secretary-Treasurer and a shareholder, receives \$100.00 per month for head office services rendered to the Company.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS:

Mrs. Green and Mr. Morrison are directors and/or officers of Terratest Company Limited, but have no interest in its shares.

The interest of Terratest Company Limited is more particularly set out under the heading "History and Business". See under the heading "Management" with reference to the interest of Mr. Munro in Richardson, which wholly owns the Underwriter/Optionee, Taranco.

SCIMINEX LIMITED
(Incorporated under the laws of Ontario)

BALANCE SHEET

ASSETS	August 15 1972 (unaudited)	November 30 1971
CURRENT ASSETS		
Cash, including short term deposits	\$ 2,444	\$ 26,229
Amount receivable for securities sold	<u>791</u>	<u>26,229</u>
	<u>3,235</u>	
SHARES IN OTHER COMPANIES, at cost less allowance for decline in market value of securities, in 1972, \$40,350 (quoted market value 1972, \$22,024; 1971, \$80,194)	<u>22,024</u>	<u>73,963</u>
MINING CLAIMS (note 1)	<u>71,583</u>	<u>72,701</u>
INTEREST IN MEXICAN PARTICIPATION, at cost (note 2)	<u>53,155</u>	<u>53,155</u>
INTEREST IN OIL SYNDICATE, at nominal value (at cost in 1971) (note 3)	<u>1</u>	<u>8,000</u>
OTHER ASSETS		
Exploration expenditures deferred	109,693	5,033
Funds held for exploration	12,000	
Advance payment for exploration on Tinoca property, Portugal (note 4)		75,000
Diamond drilling deposit	15,000	
Advance and deposit on Georgiou property, Greece (note 5)	6,040	6,040
Other deposit (note 7)	1,500	1,500
Sundry shares and advances, at cost	4,981	
Organization expense	<u>3,510</u>	<u>3,510</u>
	<u>152,724</u>	<u>91,083</u>
	<u>\$302,722</u>	<u>\$325,131</u>
LIABILITIES		
CURRENT LIABILITIES		
Accounts payable	\$ 1,001	\$ 1,742
Amount payable for securities purchased	<u>24,789</u>	<u>10,254</u>
	<u>25,790</u>	<u>11,996</u>
ADVANCE for which shares are to be issued (note 6)	<u>27,000</u>	
SHAREHOLDERS' EQUITY		
CAPITAL STOCK (note 6)		
Authorized - 3,000,000 shares without par value		
Issued - 2,001,962 shares	447,199	447,199
CONTRIBUTED SURPLUS, arising from the sale of 20,000 donated shares	<u>5,000</u>	<u>5,000</u>
	<u>452,199</u>	<u>452,199</u>
DEFICIT	<u>202,267</u>	<u>139,064</u>
	<u>249,932</u>	<u>313,135</u>
	<u>\$302,722</u>	<u>\$325,131</u>

Contingent liability (note 7)

Approved by the Board

Director

Director

SCIMINEX LIMITED

STATEMENT OF EXPLORATION AND ADMINISTRATIVE EXPENDITURES

	<u>December 1 to August 15</u>		<u>Year ended November 30,</u>		<u>Ten months ended</u>	<u>Year ended January 31,</u>	
	<u>1972</u>	<u>1971</u>	<u>1971</u>	<u>1970</u>	<u>November 30, 1969</u>	<u>1969</u>	<u>1968</u>
Exploration							
Pictou County Area, Nova Scotia							
Consulting fees and expenses					\$ 5,758		
Diamond drilling and roads					8,613		
Mining taxes and licences					950		
General					273		
					<u>15,594</u>		
Loveland and Thorburn Townships, Ontario							
Consulting fees and expenses					725		
Diamond drilling		\$18,290		\$18,290			
Assaying		195		195			
General		464		464			
		<u>18,949</u>		<u>18,949</u>	<u>725</u>		
Spirit Lake Area, Ontario							
Diamond drilling		6,366		6,366			
Geophysical survey		1,336		1,336			
Geological survey		652		652			
Trenching and prospecting		716		716			
Professional fees		333		333			
General		597		597			
		<u>10,000</u>		<u>10,000</u>			
Tinoca Mining Area, Portugal							
Diamond drilling		\$ 66,541			2,028		
Salaries and wages		23,398					
Travel		4,925					
Telephone		270					
Bank and transfer charges		47					
Accounting		450					
Office expenses		1,493					
Job site expenses		3,918					
Core boxes		405					
Assays		626					
Consulting fees and expenses		1,764					
General		(1,009)					
		<u>102,828</u>			<u>1,000</u>		
					<u>3,028</u>		

SCIMINEX LIMITED

STATEMENT OF EXPLORATION AND ADMINISTRATIVE EXPENDITURES (Continued)

	December 1 to August 15		Year ended November 30,		Ten months ended November 30, 1969	Year ended January 31,	
	1972 (unaudited)	1971	1971	1970		1969	1968
Exploration (Continued)							
O'Sullivan Lake Area, Ontario							
Line cutting		\$ 2,755		\$ 2,755			
Geophysical survey		3,300		3,300			
Consulting fees		340		340			
		<u>6,395</u>		<u>6,395</u>			
Georgiou Property, Greece							
Consulting fees				1,724			
General		89		89			
		<u>89</u>		<u>1,813</u>			
Smethport - Canadian Syndicate							
General		\$ 771		192			
		<u>771</u>		<u>192</u>			
Harker Township, Ontario							
Consulting fees and expenses		2,024					
		<u>2,024</u>					
General exploration		<u>1,505</u>	<u>4,419</u>	<u>4,771</u>	<u>\$ 1,166</u>		
		<u>107,128</u>	<u>39,944</u>	<u>45,148</u>	<u>17,485</u>		
Administrative							
Legal		7,160	5,358	5,796	7,671		
Audit		2,600	2,935	3,125	650		
Management and secretarial fees		5,900	3,600	4,200	1,125		
Listing and prospectus expense		2,100	7,307	7,900	13,050		
Transfer and registrar expense		387	853	1,178	615		
Office and general expense		362	288	2,115	2,244		
Directors' fees		950	200	550	1,075		
Travel and promotion expense		626	1,256	3,471	1,004		
Bank charges		41	14	764			
Capital tax and filing fees		113	368	368			
Shareholders' information		211	104	104			
Printing and stationery			1,208	1,380			
Carried forward		<u>20,450</u>	<u>23,491</u>	<u>30,951</u>	<u>27,434</u>		

SCIMINEX LIMITED

STATEMENT OF EXPLORATION AND ADMINISTRATIVE EXPENDITURES (Continued)

	December 1 to August 15		Year ended November 30,		Ten months ended	Year ended January 31,	
	1972	1971	1971	1970	November 30, 1969	1969	1968
	(unaudited)						
Administrative (Continued)							
Brought forward	\$ 20,450	\$23,491	\$30,951	\$27,434			
Deduct							
Interest earned	545	4,489	5,434	2,608			
Dividend income	1,108	80	290				
	<u>1,653</u>	<u>4,569</u>	<u>5,724</u>	<u>2,608</u>			
	<u>18,797</u>	<u>18,922</u>	<u>25,227</u>	<u>24,826</u>			
Expenditures (net) for the period	125,925	58,866	70,375	42,311			
Exploration expenditures deferred at beginning of period	<u>5,033</u>	<u>725</u>	<u>725</u>				\$23,686
	<u>130,958</u>	<u>59,591</u>	<u>71,100</u>	<u>42,311</u>			<u>23,686</u>
Deduct expenditures written off							
Exploration	2,468	40,488	40,840	16,760			23,686
Administrative (net)	18,797	18,922	25,227	24,826			
	<u>21,265</u>	<u>59,410</u>	<u>66,067</u>	<u>41,586</u>			<u>23,686</u>
Exploration expenditures deferred at end of period	<u>\$109,693</u>	<u>\$ 181</u>	<u>\$ 5,033</u>	<u>\$ 725</u>	<u>Nil</u>	<u>Nil</u>	<u>Nil</u>

SUMMARY OF EXPLORATION EXPENDITURES DEFERRED

Exploration							
Loveland and Thorburn Townships, Ontario				\$ 725			
Tinoca Mining Area, Portugal	\$105,856		\$ 3,028				
Georgiou Property, Greece	1,813	\$ 89	1,813				
Smethport - Canadian Syndicate		92	192				
Harker Township, Ontario	<u>2,024</u>						
	<u>\$109,693</u>	<u>\$ 181</u>	<u>\$ 5,033</u>	<u>\$ 725</u>	<u>Nil</u>	<u>Nil</u>	<u>Nil</u>

SCIMINEX LIMITED

STATEMENT OF DEFICIT

	<u>December 1 to August 15</u>		<u>Year ended November 30,</u>		<u>Ten months ended</u>	<u>Year ended January 31,</u>	
	<u>1972</u>	<u>1971</u>	<u>1971</u>	<u>1970</u>	<u>November 30, 1969</u>	<u>1969</u>	<u>1968</u>
Deficit at beginning of period	\$139,064	\$ 74,671	\$ 74,671	\$28,085	\$28,085	\$28,085	
Add allowance for decline in value of marketable securities	40,350						
Add amounts written off							
Options to purchase mining claims							
Pictou County Area, Nova Scotia				5,000			
O'Sullivan Lake Area, Ontario		650	650				
Loveland and Thorburn Townships, Ontario		2	2				
Mining claims							
Margaree River Area, Nova Scotia							\$ 4,399
O'Sullivan Lake Area, Ontario		825	825				
Loveland and Thorburn Townships, Ontario		650	650				
Interest in mining claims in Chute des Passe Area, Quebec	2,100						
Interest in oil syndicate written down to nominal value	7,999						
Exploration and administrative expenditures	21,265	59,410	66,067	41,586			23,686
	<u>210,778</u>	<u>136,208</u>	<u>142,865</u>	<u>74,671</u>	<u>28,085</u>	<u>28,085</u>	<u>28,085</u>
Deduct gain on sale of shares in other companies	8,511		3,801				
Deficit at end of period	<u>\$202,267</u>	<u>\$136,208</u>	<u>\$139,064</u>	<u>\$74,671</u>	<u>\$28,085</u>	<u>\$28,085</u>	<u>\$28,085</u>

SCIMINEX LIMITED

STATEMENT OF SOURCE AND APPLICATION OF FUNDS

	December 1 to August 15		Year ended November 30,		Ten months ended	Year ended January 31,	
	1972 (unaudited)	1971	1971	1970	November 30, 1969	1969	1968
Source of funds							
Issue of shares for cash				\$345,000			
Issue of shares in payment for advances							\$ 31,596
Sale of donated shares				5,000			
Advance for which shares are to be issued	\$ 27,000						
Sale of shares in other companies	266,391	\$ 43,373	\$ 161,412				
Return of advance to Stikine Resources Limited			10,000				
	<u>293,391</u>	<u>43,373</u>	<u>171,412</u>	<u>350,000</u>	<u>Nil</u>	<u>Nil</u>	<u>31,596</u>
Application of funds							
Expenditures (net) for the period (less advances 1972, \$75,000; deposit 1971, \$3,000)	50,925	55,866	67,375	42,311			
Purchase of mining claims	982	2,925	2,925	650			
Payments on options to purchase mining claims		650	650	2	\$ 5,000		
Interest in Mexican participation			51	53,104			
Diamond drilling deposit	15,000			3,000			
Advance to Stikine Resources Limited				10,000			
Funds held for exploration	12,000						
Organization expense							325
Advances for exploration and deposits		1,500	82,540				
Purchase of interest in oil syndicate		8,000	8,000				
Purchase of shares in other companies	246,291	85,018	231,574				
Sundry shares and advances	4,981						
	<u>330,179</u>	<u>153,959</u>	<u>393,115</u>	<u>109,067</u>	<u>5,000</u>	<u>Nil</u>	<u>325</u>
Increase (decrease) in working capital position	(36,788)	(110,586)	(221,703)	240,933	(5,000)		31,271
Working capital (deficiency) at beginning of period	14,233	235,936	235,936	(4,997)	3	\$ 3	(31,268)
Working capital (deficiency) at end of period	<u>\$(22,555)</u>	<u>\$ 125,350</u>	<u>\$ 14,233</u>	<u>\$235,936</u>	<u>\$(4,997)</u>	<u>\$ 3</u>	<u>\$ 3</u>

SCIMINEX LIMITED

NOTES TO FINANCIAL STATEMENTS

1. MINING CLAIMS

	August 15, <u>1972</u>	November 30, <u>1971</u>
Mining claims in Margaree River Area, Nova Scotia, at nominal value	\$ 1	\$ 1
Mining claims in the Township of Guysborough, Nova Scotia, acquired for 706,000 shares of the company's capital stock	70,600	70,600
50% interest in mining claims in Chute des Passe Area, Quebec, at cost		2,100
Mining claims in Larder Lake Area, Ontario, at cost	<u>982</u>	
	<u>\$71,583</u>	<u>\$72,701</u>

2. INTEREST IN MEXICAN PARTICIPATION

The company has an 18.375% interest in a mining property in La Casita, Mexico. The company may maintain its interest by paying one-half of any further exploration expenditures on the property. The company's share of the exploration program recommended for the property would be approximately \$5,250.

3. INTEREST IN OIL SYNDICATE

The company has a 25% interest in a syndicate having a 7/8th interest in oil leases and farmouts in the State of Pennsylvania in the United States of America. The company may be required to advance 25% of such amounts as may be necessary to continue development. No further plans for development are contemplated, and the property will not be kept in good standing.

4. TINOCA PROPERTY, PORTUGAL

Under an agreement dated June 21, 1971 the company acquired the right to earn a 60% interest in a mining property in Tinoca, Portugal (note 6) and advanced \$102,073 for completion of the first program. An agreement dated June 26, 1972 provides for the participation of Kerr Addison Mines Limited in the financing (through the purchase of and options on the company's shares (note 6)) of an exploration and development program and, if warranted, arranging to bring a mine on the property into production. The second and third exploration programs described in the agreements provide for optional expenditures of up to \$150,000 in a twelve month period ending December 22, 1973 and up to \$150,000 in a twelve month period ending December 22, 1974 plus a 10% overrun in each case. The agreements also provide for the incorporation of a new company on or before September 30, 1972 to hold the property. If Kerr Addison elects to bring the mine into commercial production, the company may elect to participate to the extent of 29/80ths in the cost of bringing the mine into production including the provision of the initial working capital and will receive 29% of the issued shares of the new company. If the company does not elect to participate in such cost, it will be entitled to receive 20% of the issued shares of the new company. After the initial mine is brought into production, Kerr Addison shall be entitled to cause the new company to bring one or more additional mines into production.

5. GEORGIUO PROPERTY, GREECE

Advance payment for exploration of mining claims held under option in Greece	\$3,317
Deposit on Greek property as guarantee of performance of (i), to be returned June 30, 1972	<u>2,723</u>
	<u>\$6,040</u>

The company, acquired an option under an agreement dated May 22, 1971 to purchase a mining property in Greece. In order to maintain the option in good standing and acquire the property, the company is required to spend or pay from the date of the agreement the following amounts.

- (i) Spend U.S. \$1,350 per year for two years
- (ii) Pay U.S. \$10,000 at the end of two years
- (iii) Pay U.S. \$24,000 at the end of three years
- (iv) Pay U.S. \$34,000 at the end of four years

The company has advanced U.S. \$5,000 for the purpose of development. Of this amount U.S. \$1,710 has been expended.

AWZ

SCIMINEX LIMITED

NOTES TO FINANCIAL STATEMENTS (Continued)

6. CAPITAL STOCK

In consideration for the right to earn a 60% interest in the Tinoca, Portugal property, the company has granted options to purchase 150,000 shares of the company's capital stock at 50¢ per share and 150,000 shares of the company's capital stock at 75¢ per share expiring January 14, 1973.

If the optionor exercises in whole or in part either of the options, the optionor has a pre-emptive right to maintain its share position in the company excluding any shares sold to Kerr Addison Mines Limited.

The company has agreed to sell to Kerr Addison as a private placement 133,333 shares of the company's capital stock for \$100,000 to be used for exploration expenditures. In addition the company has agreed to sell further shares to pay for an overrun of up to 10% of the above expenditures at a price which is at the maximum allowable discount from the closing price of the company's shares on the Canadian Stock Exchange on the date on which Kerr Addison receives notice of the overrun. At August 15, 1971, \$27,000 has been advanced to the company under this agreement.

The company has also granted options to Kerr Addison exercisable on or before December 31, 1972 and December 31, 1973 to purchase by way of private placement that number of shares at the closing price on the Canadian Stock Exchange on the day the company receives notification of the exercise of the option (less the maximum allowable discount) which for each option will provide the company with an amount of \$150,000 for the exploration expenditures as set out in note 4. Two further options have been granted to Kerr Addison to pay for a 10% overrun on the exploration expenditures.

Under an agreement dated July 25, 1972 the company agreed to sell 100,000 shares of its capital stock at 75¢ per share payable forthwith after the last to occur (the effective date) of the date of the acceptance for filing by the Ontario Securities Commission and the Quebec Securities Commission of a prospectus and the acceptance of a filing statement by the Canadian Stock Exchange and has granted options as follows:

<u>Number of shares</u>	<u>Price per share</u>	<u>Exercisable from effective date</u>
100,000	\$1.00	within 90 days
100,000	1.50	within 180 days
100,000	2.00	within 270 days
100,000	2.50	within 360 days

As of June 2, 1972 the authorized capital of the company was increased to 5,000,000 shares without par value.

7. CONTINGENT LIABILITY

The company is a defendant in a legal action for the sum of \$25,000 damages. The company has paid the sum of \$1,500 into the Supreme Court of Ontario as it feels that said sum is the extent of its liability.

J.S.

ONTARIO SECURITIES
JUL 12 1972
RECEIVED
FILINGS

23 Hi Mount Drive,
Willowdale, Ontario
June 23, 1972.

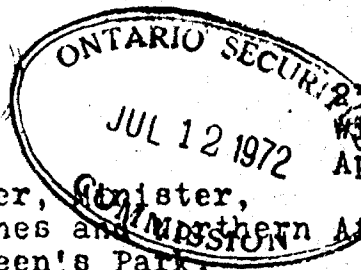
The Ontario Securities Commission
Toronto, Ontario

ONTARIO SECURITIES
JUL 26 1972
COMMISSION

Dear Sirs,

I do hereby consent to the use
by Sciminex Limited of my
report dated April 27, 1972 in
its prospectus.

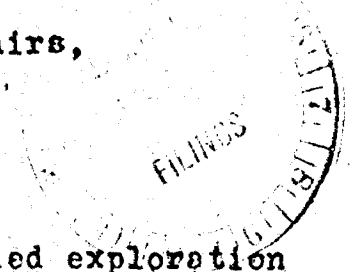
Yours sincerely,
W.J. Matthews
W.J. MATTHEWS,
P. Eng.



63.2978

Hi Mount Drive,
Willowdale, Ontario,
April 27, 1972.

The Honourable Leo Bernier, Minister,
Ontario Department of Mines and Northern Affairs,
Parliament Buildings, Queen's Park,
TORONTO, Ontario.



Dear Sir,

The following report details a recommended exploration program on a property in Harker township, Larder Lake Mining Division, for the summer of 1972. Because the property lies within the area designated for the Mineral Exploration Assistance Program of the Ontario government, the writer is requesting a contract with the government under the aforementioned Program.

Introduction

In March 1972, eighteen claims, numbering 329769 to 329786, were staked in Harker township, Larder Lake Mining Division. They were recorded in Kirkland Lake in April, 1972.

The two accompanying maps indicate the location of the property and its access via Highway 101 approximately 30 miles east of Matheson, Ontario.

Property Description

Harker township was mapped by the Ontario Department of Mines' geologist, Dr. Jack Satterly, in 1951 and his report and accompanying map were used as the basis for the recommended exploration program. The Porcupine-Destor fault, a known gold-bearing fracture system, traverses the staked ground in an east-west direction.

A new biogeochemical approach to the location of gold deposits was instigated by Dr. George Disler and W.J. Matthews, geologists of Toronto. A test sampling program was run across ten profiles over known gold ore structures in the Kirkland-Larder Lake area in 1970. This district was chosen since W.J. Matthews had been chief geologist at Lake Shore Mines in Kirkland Lake during the early 1950's. The geochemical results were positive over all tested areas. On the assumption that the technique would be valid for all gold-bearing fractures, the Porcupine-Destor fault was chosen as a proper locale for a followup program. After six months of researching government geological maps, the ground in Harker township, the ground staked in March 1972, was chosen as the most likely locale for gold deposition along this fault.

This site was chosen for three reasons:

1. The Porcupine-Destor fault traverses the property;
2. Cross fractures and acid intrusives are located in the vicinity of the fracture system;
3. Most of the ground is covered by overburden and therefore

would not have been previously prospected.

Recommended program

The following program is in three phases, the total cost of which is \$32,000.00. They are itemized as follows:

Phase I

Line-cutting, sampling and assaying,
Lines at 400-foot intervals for a total of 28 lines, each one-half mile long. Initial geochemical sampling will be at 100-foot intervals.

Line-cutting - 14 miles at \$30.00 per mile	\$420.00
Geochemical sampling at \$100 per mile	1,400.00
Sample bags	150.00
Assaying - 740 samples at \$6.00 each	4,440.00
Supervision	1,000.00
Contingencies	590.00
	<u>6</u>

COST OF PHASE I

\$8,000.00

Phase II

Check sampling - sampling at 50-foot intervals at \$150.00 per mile

Four miles of checking	\$600.00
Assaying of 400 samples	2,400.00
Supervision and expenses	1,000.00

COST OF PHASE II

\$4,000.00

Phase III

Diamond drilling at \$10.00 per foot to include assaying and engineering - minimum footage recommended is 2,000 feet.

COST OF PHASE III

\$20,000.00

Total cost of the three phases is therefore \$32,000.00.

All of which is respectfully submitted,

23 Hi Mount Drive,
Willowdale, Ontario.

J. Matthews
J. Matthews, P. Eng.

A Project for Locating Gold

Introduction

By means of new techniques in geochemical surveying, an indirect method for finding gold was attempted.

The Kirkland Lake-Larder Lake region was chosen because of its history of gold production, because of its accessibility and because one of the writers was mine geologist at Lake Shore Mines for five years and thus had a knowledge of the area.

The collecting method will not be divulged. The importance of the technique, however, are the elements to be analysed. In this region, the elements assayed were copper (Cu), lead (Pb), zinc (Zn), silver (Ag), chromium (Cr), molybdenum (Mo) and gold (Au).

The analyses were carried out by Technical Service Laboratories of Toronto, under the supervision of Dr. A.H. Debnam. The results were quoted in parts per million.

Results

General

The results from the molybdenum and gold were not significant as their values were all too low, less than .01 parts per million for gold and less than 0.5 parts per million for molybdenum. The values for copper, lead, zinc and chromium were diagnostic having values ranging from:

for copper - from 2 to 80 p.p.m.

for lead - from 2 to 68 p.p.m.

for zinc - from 7 to 184 p.p.m.

for chromium - from 2 to 150 p.p.m.

Values are thought to be diagnostic where the range of values has a factor of five to ten times background.

Although the values for silver were low, ranging from less than 0.05 to 0.4 p.p.m., they appeared to be significant because their variation was similar to that of the other elements in most cases.

From the assay results of the traverses, single anomalous highs were not considered to be significant unless they were duplicated by at least two of the other elements.

Results

Location of the traverse lines are shown on the large map accompanying the report. The important features of the results are

the consistency of the duplication of the anomalies and the factor range.

● An examination of the tables of the results readily shows this.

All of which is respectfully submitted.

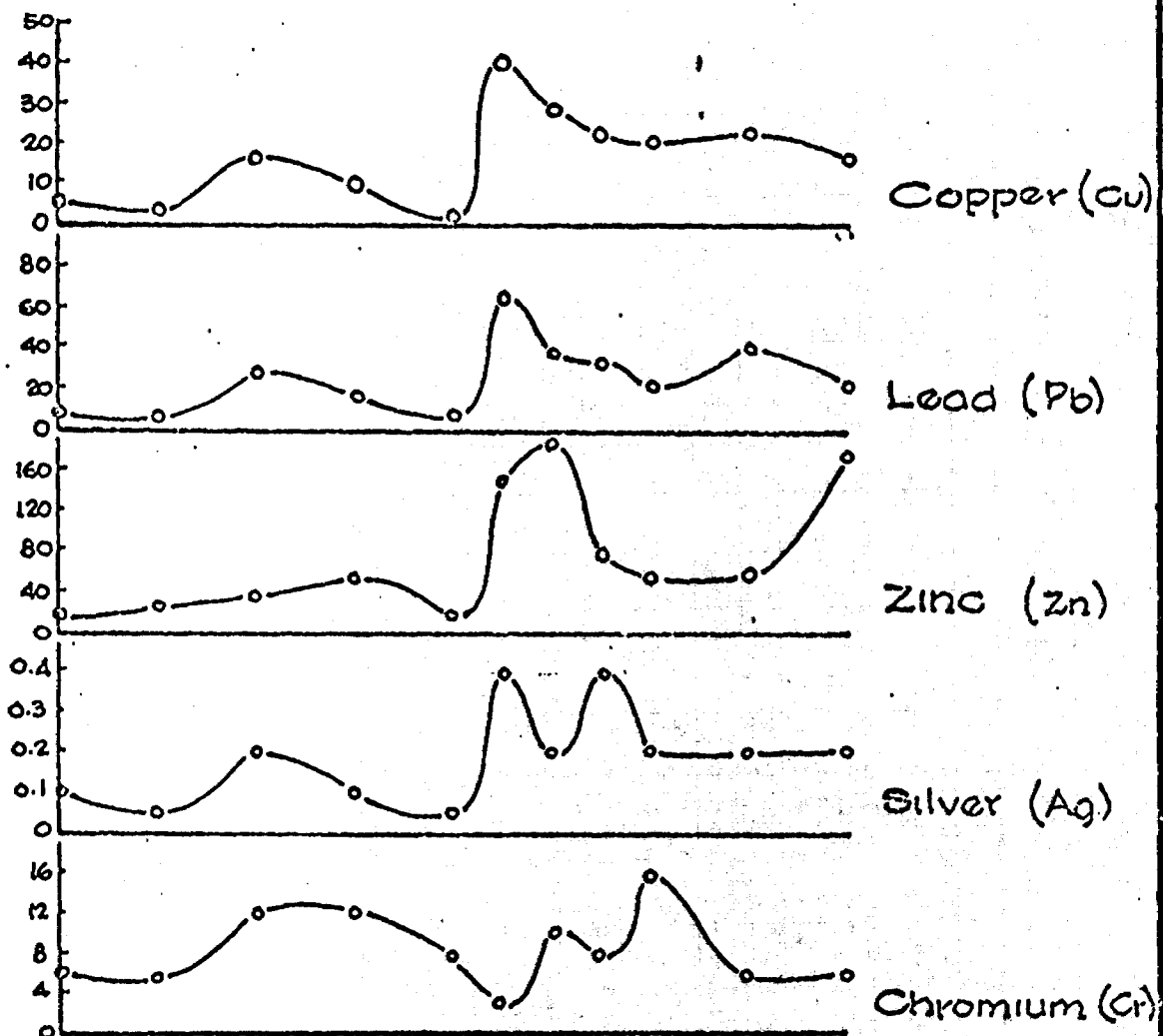
W.J. Matthews

LINE 1A - TECK TWP

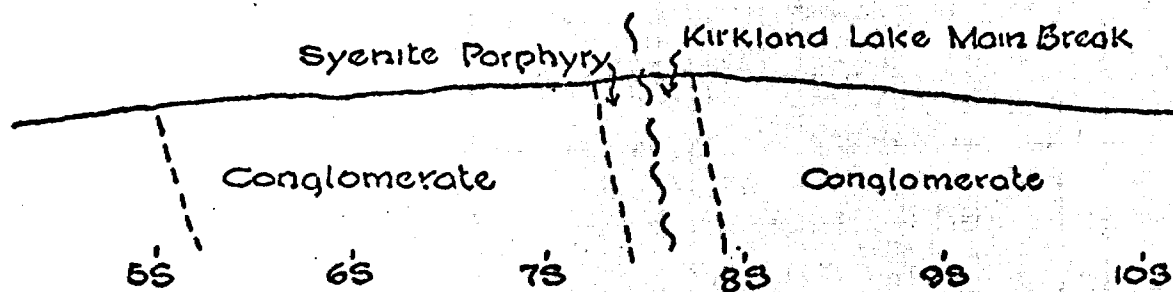
SECTION LOOKING EAST

1:1 IN. = 100 FT. JUNE 1971

SCALES IN PARTS PER MILLION



NORTH

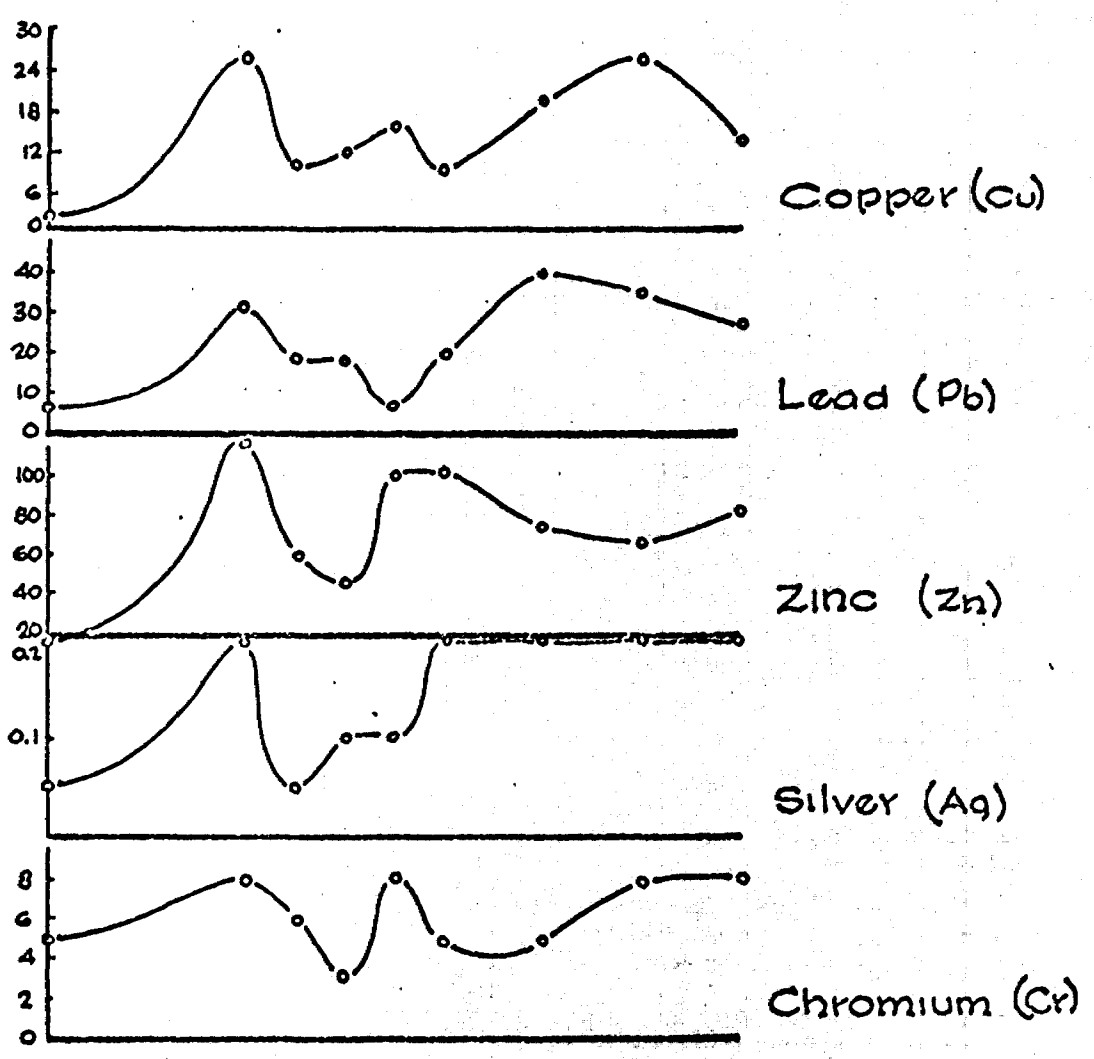


(GEOLOGY AFTER O.D.M. 1945-1)

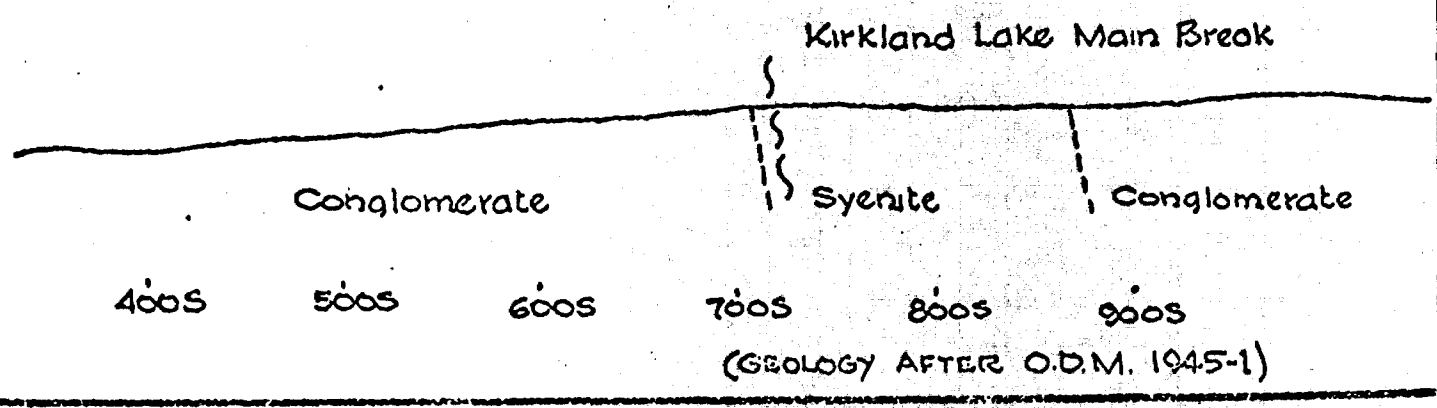
LINE 1B - TECK TWP

SECTION LOOKING EAST
1 IN. = 100 FT. JUNE 1971

SCALES IN PARTS PER MILLION



NORTH

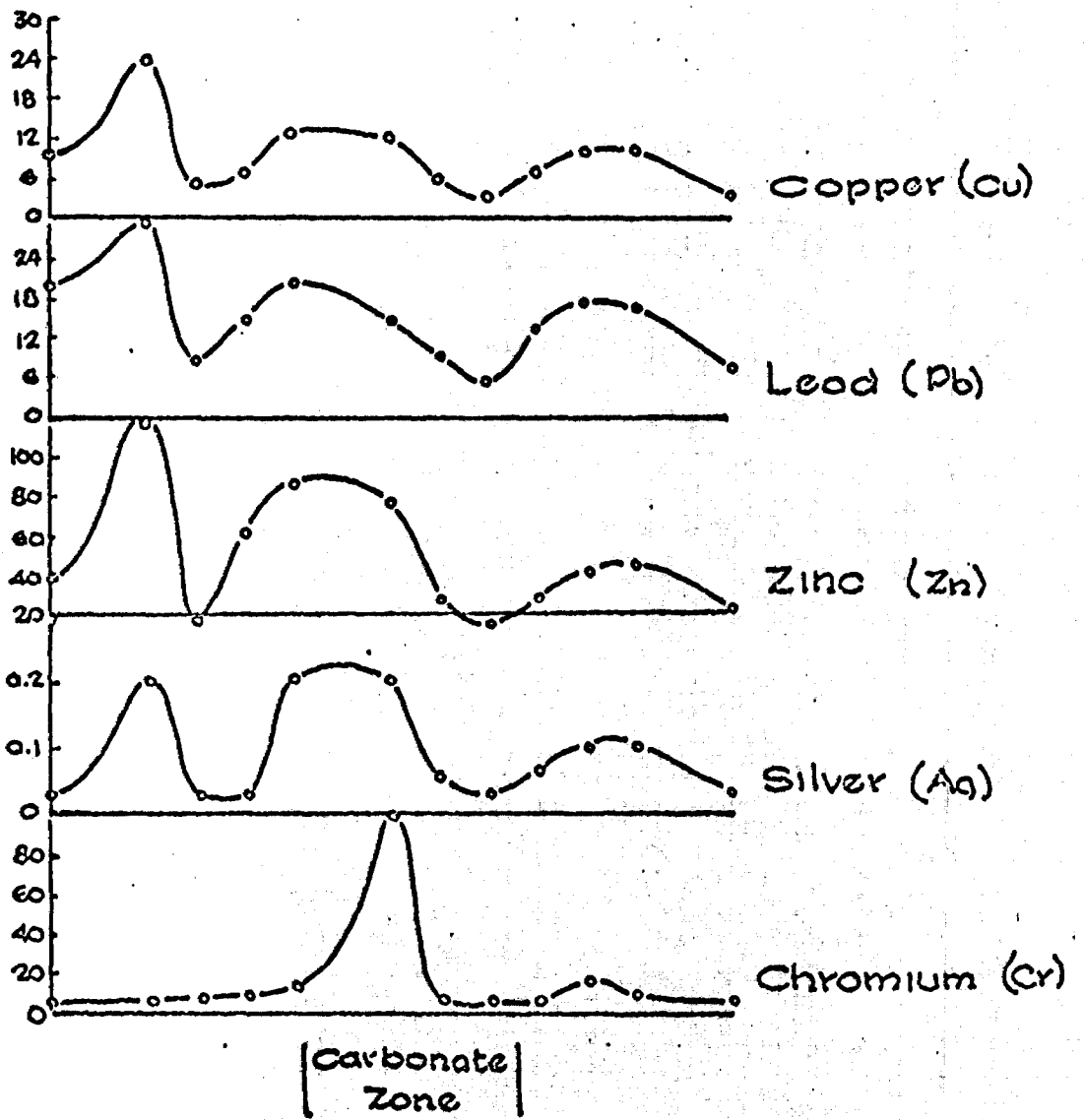


LINE 3B - LEVEL TWP

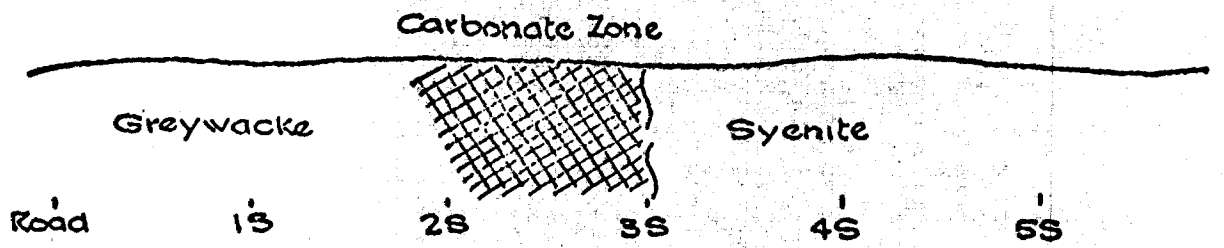
SECTION LOOKING EAST

1 IN. = 100 FT. JUNE 1971

SCALES IN PARTS PER MILLION



NORTH

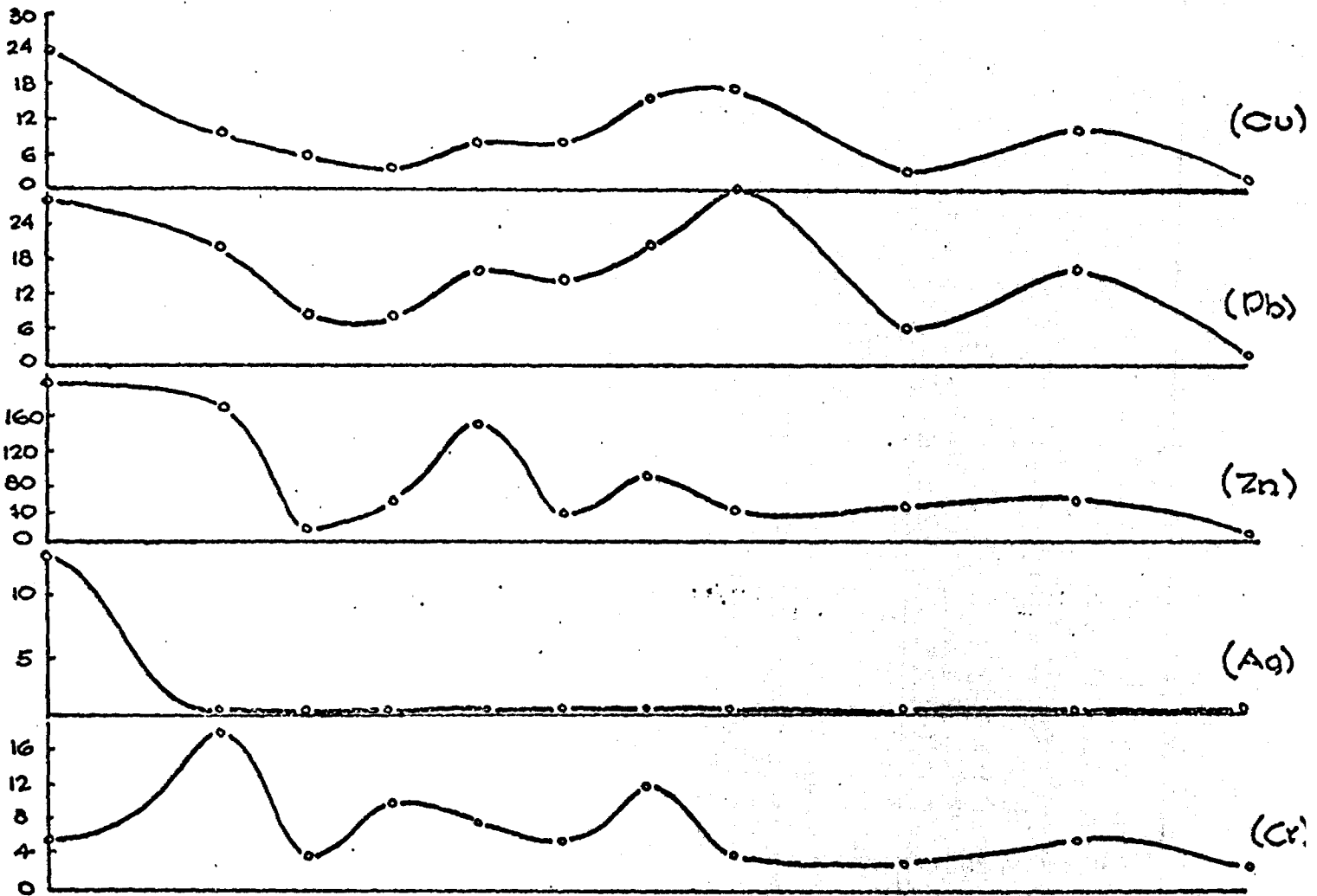


(GEOLOGY AFTER O.D.M. 53A)

LINE 4B - GAUTHIER TWP

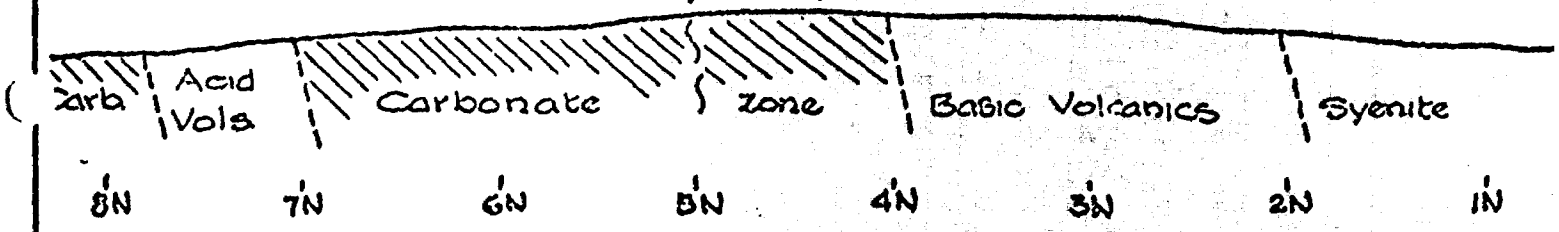
SECTION LOOKING EAST
1 IN. = 100 FT. JUNE 1971

SCALES IN PARTS PER MILLION



LARGER LAKE
BREAK

NORTH

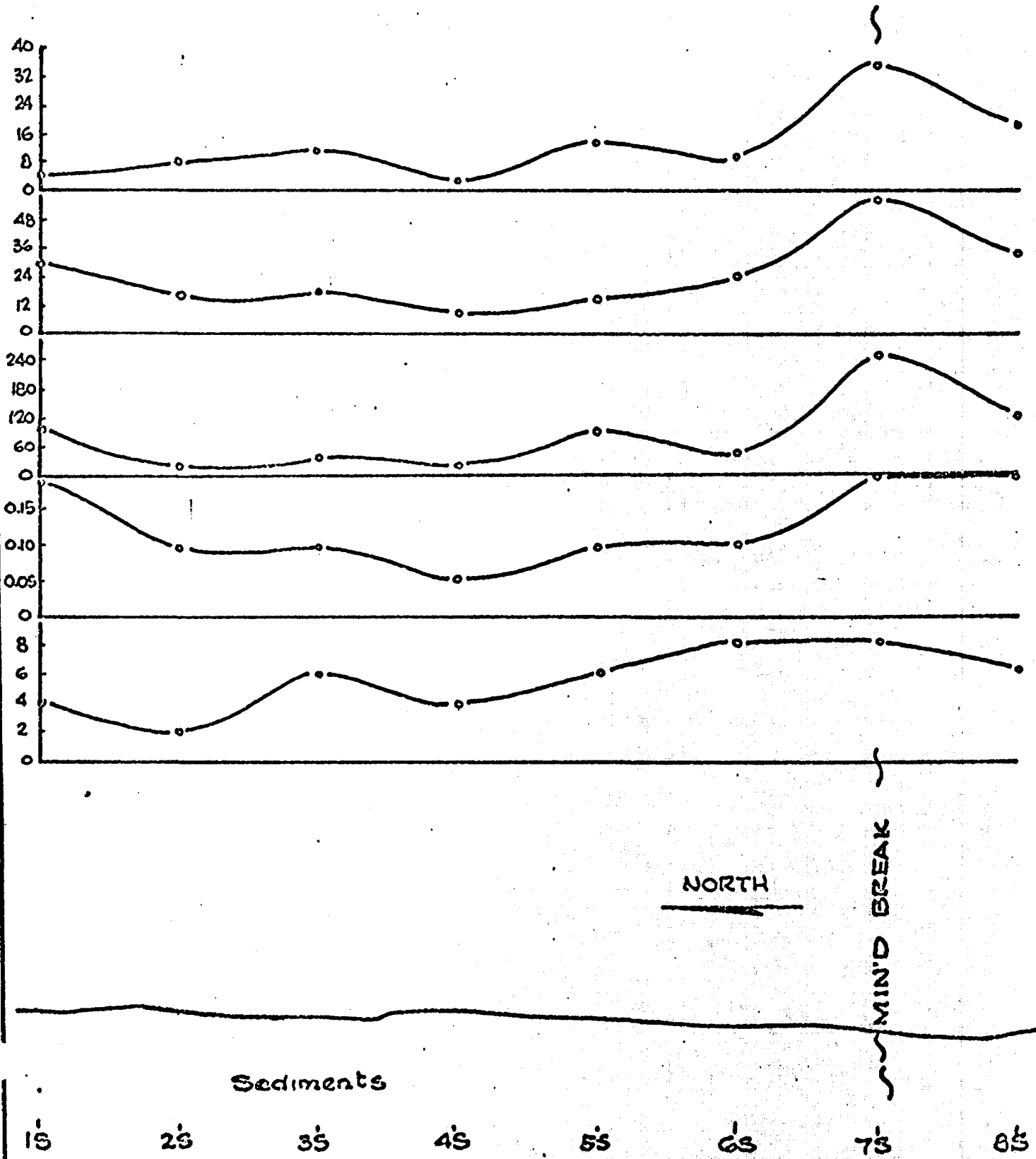


GEOLOGY AFTER O.D.M. 50c

LINE 4C - GAUTHIER TWP

SECTION LOOKING EAST
1 IN. = 100 FT. JUNE 1971

SCALES IN PARTS PER MILLION

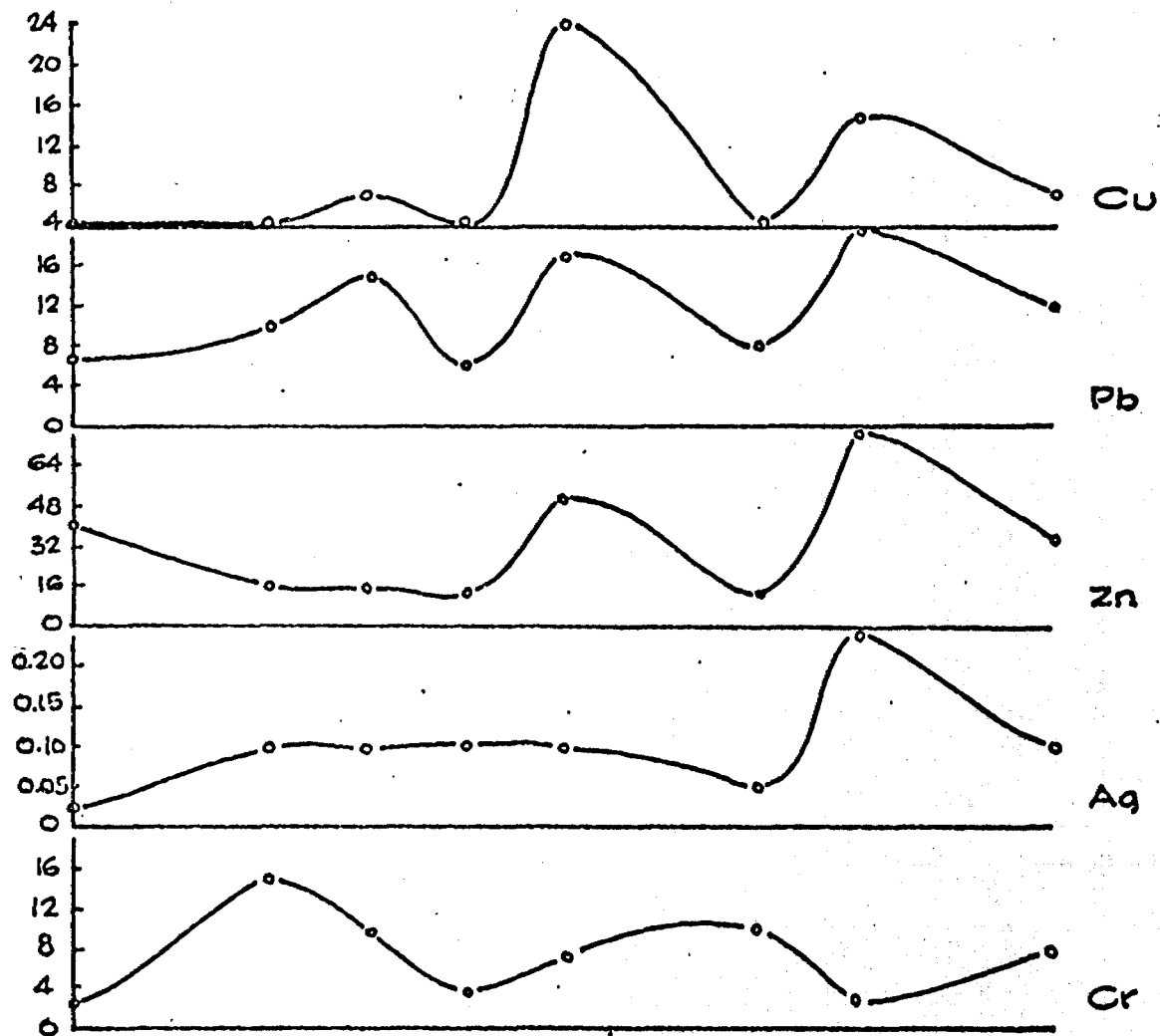


GEOLOGY AFTER O.P.M. 50c

LINE 5A - McVITTIE TWP

SECTION LOOKING EAST
1IN. = 100FT. JUNE 1971

SCALES IN PARTS PER MILLION



NORTH

LARDER LAKE
BREAK

8N

7N

6N

5N

4N

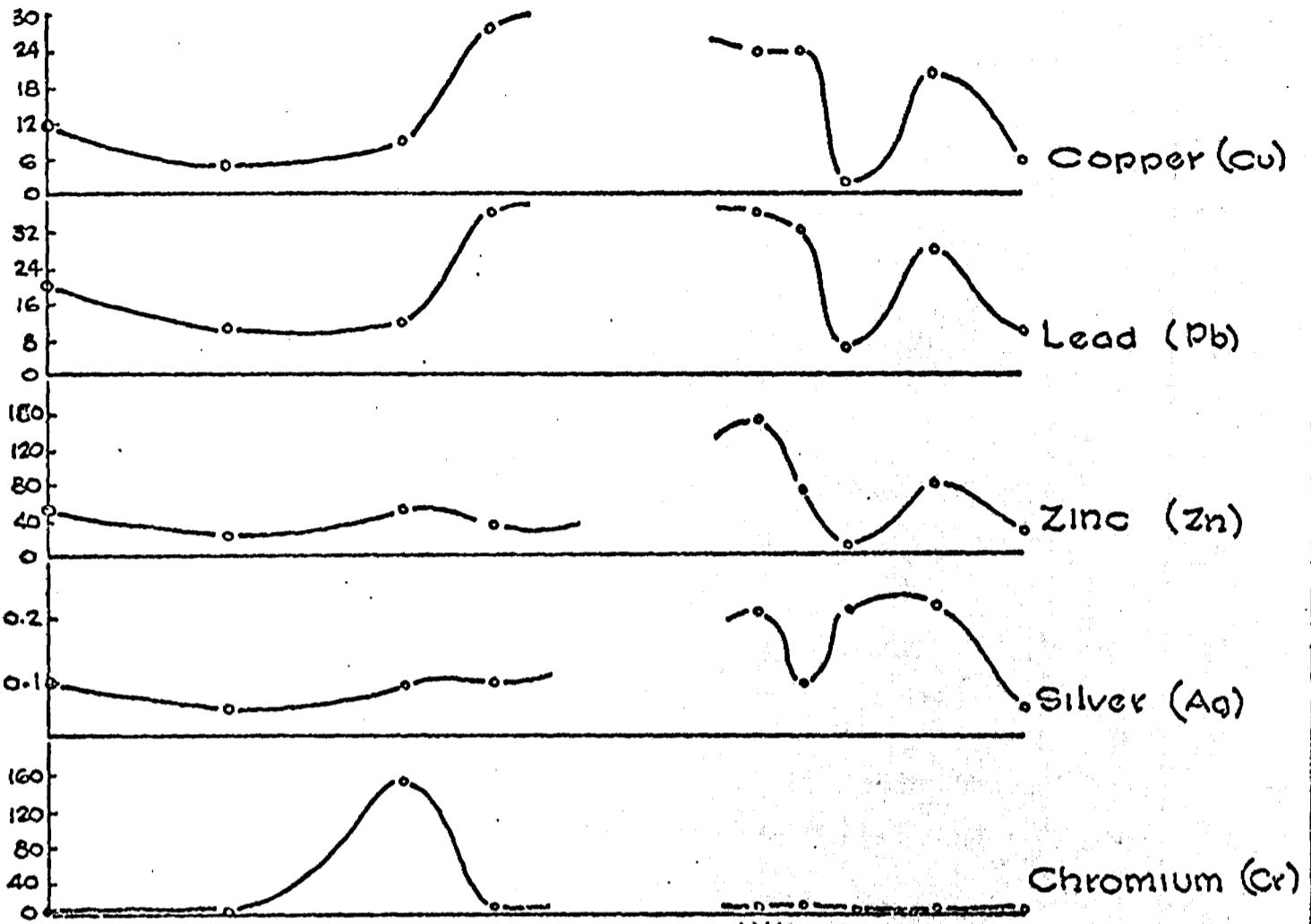
3N

GEOLOGY AFTER O.D.M. 506

LINE 4A - GAUTHIER TWP

SECTION LOOKING EAST
1 IN. = 100 FT. JUNE 1971

SCALES IN PARTS PER MILLION



LARDER LAKE
BREAK

NORTH

Sediments

Basic
Volcanics

Basic Volcanics

15

25

35

45

55

65

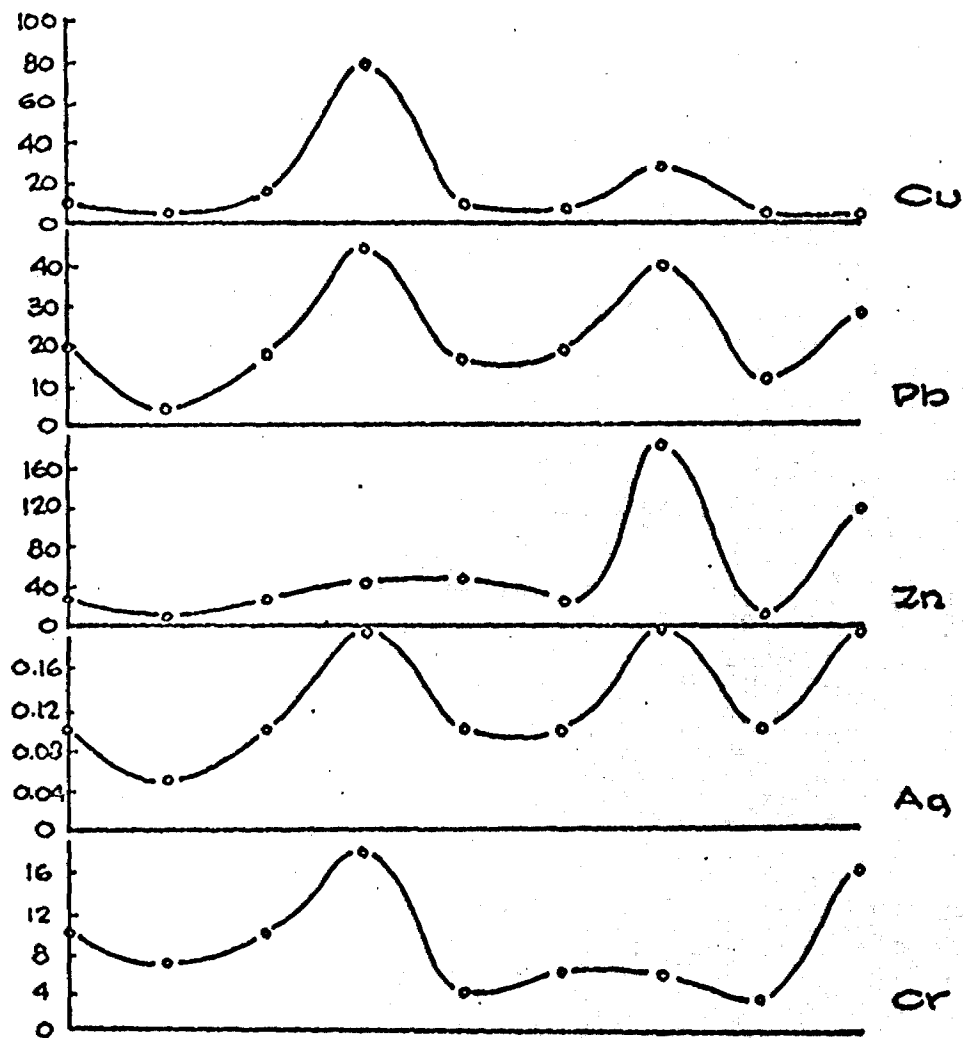
75

(GEOLOGY AFTER O.D.M. 50c)

LINE 5B - McVITTIE TVP

SECTION LOOKING EAST
1 IN. = 100 FT. JUNE 1971

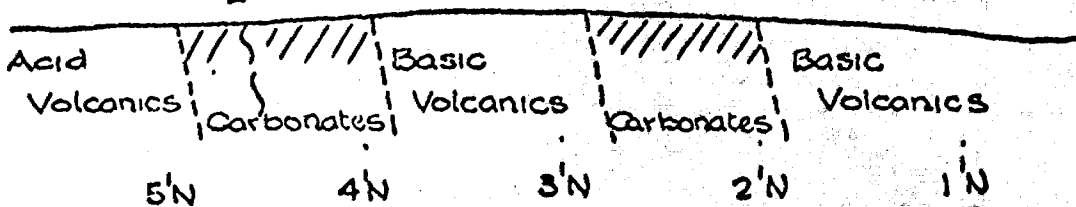
SCALES IN PARTS PER MILLION



Projected Larder
Lake Break

Probable Break →

NORTH

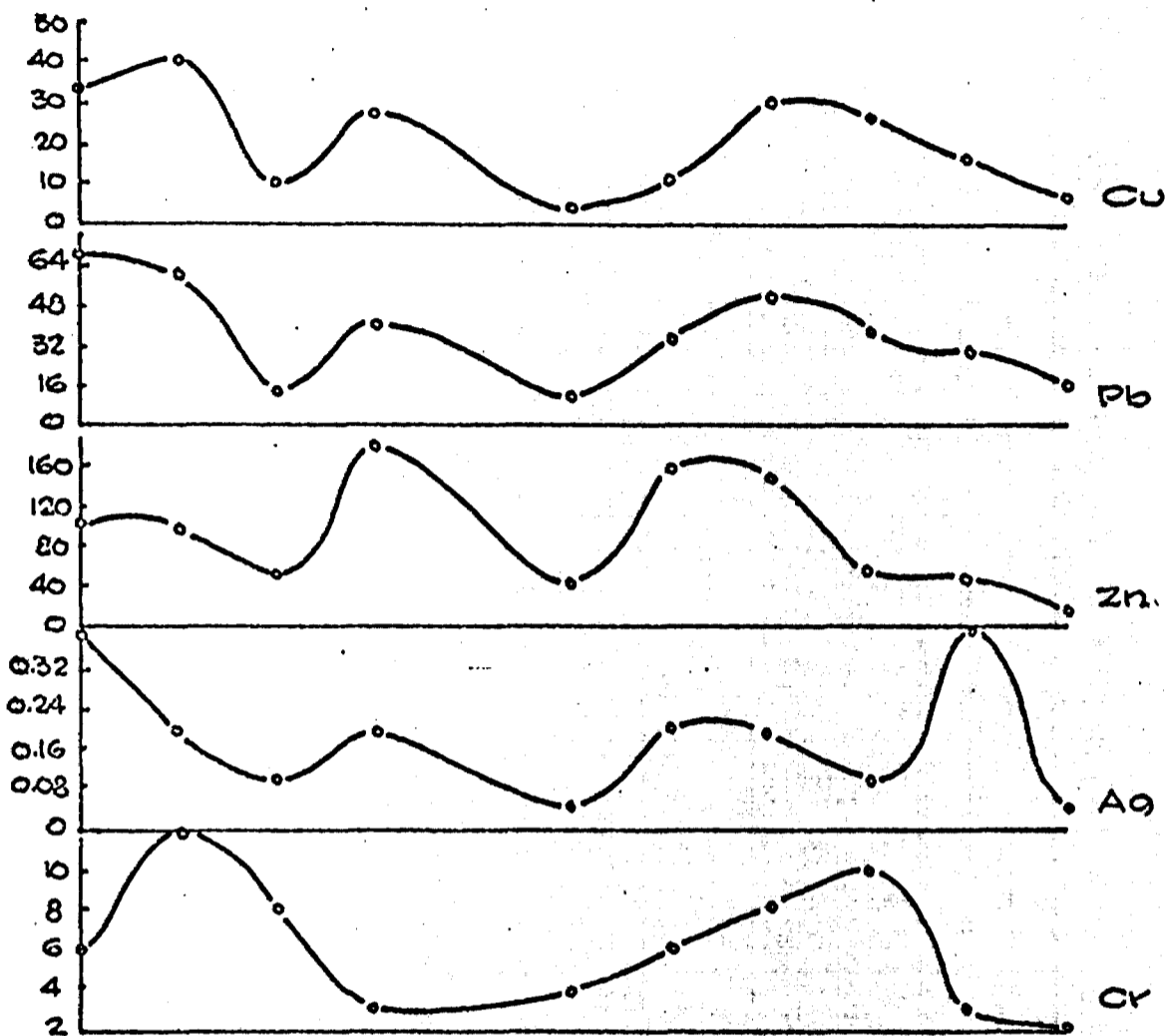


GEOLOGY AFTER ODM. 506

LINE 5C - McVITTIE TWP

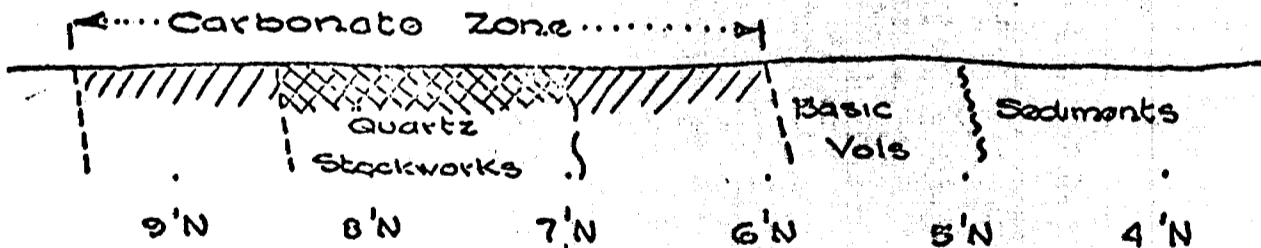
SECTION LOOKING EAST
1 IN. = 100 FT. JUNE 1971

SCALES IN PARTS PER MILLION



Larder Lake
Break

NORTH

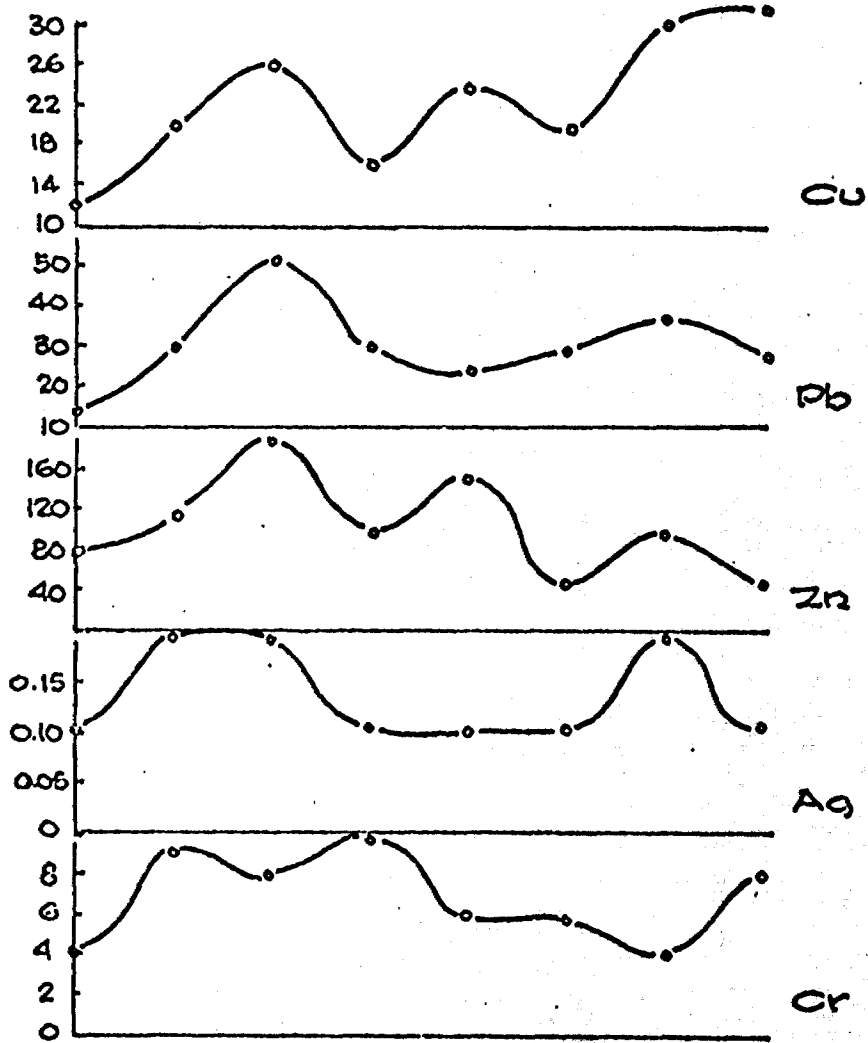


GEOLOGY AFTER O.D.M. 50b

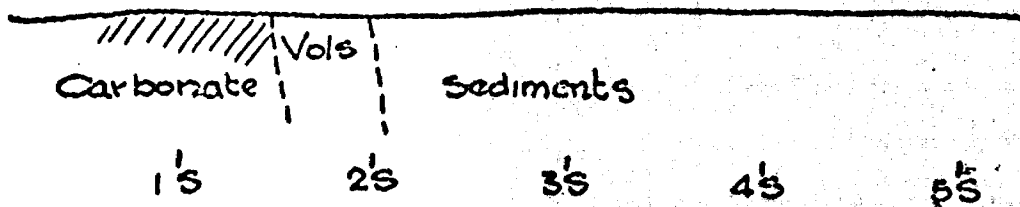
LINE GA - MCGARRY TWP

SECTION LOOKING EAST
1 IN. = 100 FT. JUNE 1971

SCALES IN PARTS PER MILLION



NORTH



GSOLOGY AFTER O.D.M. 500

LOCATION	Cu	Pb	Zn	Ag	Cr
500S	6	8	18	0.1	6
550S	4	5	22	0.05	5
600S	16	28	36	0.2	12
650S	10	15	50	0.1	12
700S	3	8	19	0.05	8
725S →	40	64	144	0.4	3
750S	28	35	182	0.2	10
775S	22	30	76	0.4	8
800S	20	20	50	0.2	16
850S	22	40	56	0.2	6
900S	16	20	176	0.2	6
FACTOR RANGE	13X	13X	10X	8X	5X

<u>LINE 1B</u> B	Cu	Pb	Zn	Ag	Cr
500S	2	6	15	0.05	5
600S	26	32	116	0.2	8
625S	10	18	60	0.05	6
650S	12	18	45	0.1	3
675S	16	6	100	0.1	8
700S	11	20	100	0.2	5
750S	20	40	76	0.2	5
800S	26	26	65	0.2	8
850S	17	28	82	0.2	8
FACTOR RANGE	13X	7X	7X	4X	3X

<u>LINE 3B</u>	Cu	Pb	Zn	Ag	Cr
50S	10	20	40	<0.05	4
100S	24	30	120	0.2	4
125S	5	8	16	<0.05	8
150S	7	14	60	<0.05	8
175S	13	20	55	0.2	12
225S	12	14	75	0.2	100
250S	6	9	28	0.05	6
275S	3	5	12	<0.05	4
300S	7	13	28	0.05	2
325S	10	17	40	0.1	15
350S	10	16	43	0.1	6
400S	3	7	20	<0.05	11
FACTOR RANGE	8X	6X	16X	16X	5X

LINE 377

	Cu	Pb	Zn	Ag	Cr
100S	12	20	52	0.1	8
200S	5	10	22	0.05	4
300S	9	12	52	0.1	150
350S	28	36	38	0.1	16
500S	24	36	170	0.2	4
525S	24	32	76	0.1	8
550S	2	5	8	0.2	2
600S	20	28	50	0.2	3
650S	6	9	25	0.5	7
FACTOR RANGE	15X	7X	21X	4X	75X

LINE 4B

	Cu	Pb	Zn	Ag	Cr
100N	2	2	7	<0.05	3
200N	11	16	44	0.1	6
300N	3	6	40	<0.05	3
400N	17	30	32	0.2	4
450N	16	20	72	0.2	12
500N	8	14	30	<0.05	6
550N	8	16	130	<0.05	8
600N	4	5	44	0.2	10
650N	6	5	14	0.1	4
700N	10	20	152	0.2	18
800N	24	28	150	14	6
FACTOR RANGE	12X	15X	26X	250X	6X

LINE 4C

	Cu	Pb	Zn	Ag	Cr
100S	4	30	104	0.2	4
200S	8	16	24	0.1	2
300S	11	18	40	0.1	6
400S	3	8	18	0.05	4
500S	14	15	100	0.1	6
600S	10	24	56	0.1	8
700S	36	56	260	0.2	5
800S	20	34	130	0.2	6
FACTOR RANGE	12X	7X	14X	4X	4X

	Cu	Pb	Zn	Hg	Cr
300N	7	12	35	0.1	8
400N	15	20	75	0.25	3
450N	4	8	14	0.05	10
550N	24	17	56	0.1	7
600N	4	6	13	0.1	4
650N	7	15	16	0.1	10
700N	4	10	16	0.1	15
800N	4	7	46	0.05	3
FACTOR RANGE	6X	3X	6X	6X	5X

LINE 5B

	Cu	Pb	Zn	Hg	Cr
100N	8	28	120	0.2	16
150N	6	12	16	0.1	3
200N	30	40	154	0.2	6
250N	8	18	30	0.1	6
300N	10	16	52	0.1	4
350N	8	45	46	0.2	18
400N	18	18	28	0.1	16
450N	2	5	17	0.05	7
500N	16	20	34	0.1	10
FACTOR RANGE	40X	4X	11X	4X	6X

LINE 5C

	Cu	Pb	Zn	Hg	Cr
100N	13	14	38	0.25	6
400N	6	16	20	0.05	2
450N	16	32	50	0.4	3
500N	26	35	60	0.1	10
550N	30	50	150	0.2	8
600N	12	34	160	0.2	6
650N	4	10	42	0.05	4
750N	26	40	150	0.2	3
800N	10	14	46	0.1	8
850N	40	60	100	0.2	12
900N	32	68	164	0.4	6
FACTOR RANGE	10X	7X	9X	5X	6X

LINE 6A

	Cu	Pb	Zn	Hg	Cr
100S	12	14	50	0.1	4
150S	20	30	112	0.2	9
200S	26	52	184	0.2	8
250S	16	30	100	0.1	10
300S	24	24	150	0.1	6
350S	20	30	46	0.1	6
400S	30	56	96	0.2	4
450S	32	18	44	0.1	5
FACTOR RANGE	3X	4X	4X	2X	2X

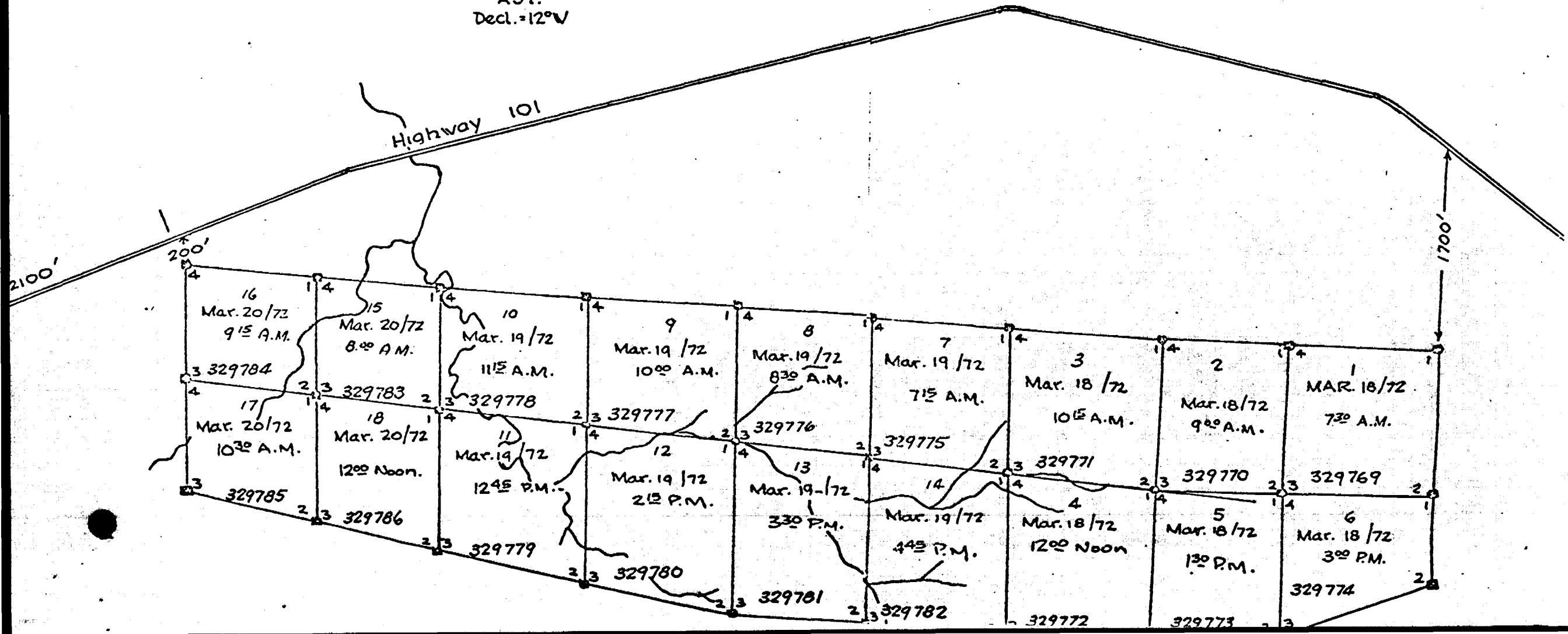
Possibly need to extend line in both directions to get off anomalous zone.

LAMPLUGH TWP.

HARKER TWP.

SCALE : 1 IN. = 1000 FT.
GROUND CONTROL AFTER
O.D.M. MAP 1951-4

Staking by W.J. Matthews, P.Eng.
March 1972 *wjm.*



CERTIFICATION

I, Wilfred J. Matthews, do hereby certify that:

1. I am a resident of Toronto, presently residing at 23 Hi Mount Drive, Willowdale, Ontario.
2. I am a graduate geologist having received an honours B.A. degree in Geology from McMaster University and an M.S. degree in Geological Engineering from Michigan Tech.
3. As a professional geologist I have practised my profession for twenty-five years in Canada, the United States and Mexico.
4. I am a registered member of the Association of Professional Engineers of Ontario.
5. The staking of the Harker Gold property was carried out by me during March 1972 for Sciminex Limited. For my participation I received a 10% unassessable indivisible interest but expect to receive no further interest.

Toronto, Ontario,
June 20, 1972.

W. J. Matthews.....

W.J. Matthews, P.Eng.

WOOLLEY, HAMES, DALE & DINGWALL

BARRISTERS & SOLICITORS

DORIS J. WOOLLEY, B.A.
ROBERT F. HAMES
JAMES V. DALE
J. A. H. DINGWALL
DONALD W. LEVY
R. GUY H. LEVY

C. MARSHALL HAMES
WILLIAM G. DINGWALL, O.C.
D. JAMES V. DALE
J. LEONARD LEVY
ROY D. CONACHER
PETER J. LEVY

TELEPHONE: (416) 863-1000
CABLE: WODAST TORONTO

32ND FLOOR
TORONTO DOMINION BANK TOWER
BOX 69
TORONTO DOMINION CENTRE
TORONTO, ONT. CANADA

August 2, 1972.

Dr. Neil Boston,
Ontario Securities Commission,
555 King Street,
Toronto 284, Ontario.

Dear Dr. Boston:

Re: Scimitex Limited

We have now obtained and enclose, in duplicate,
copies of the map which should have been attached to the
report of W. J. Dubucos, P. Eng., dated April 27, 1972.

Yours very truly,

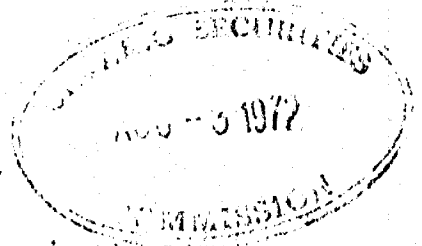
WOOLLEY, HAMES, DALE & DINGWALL

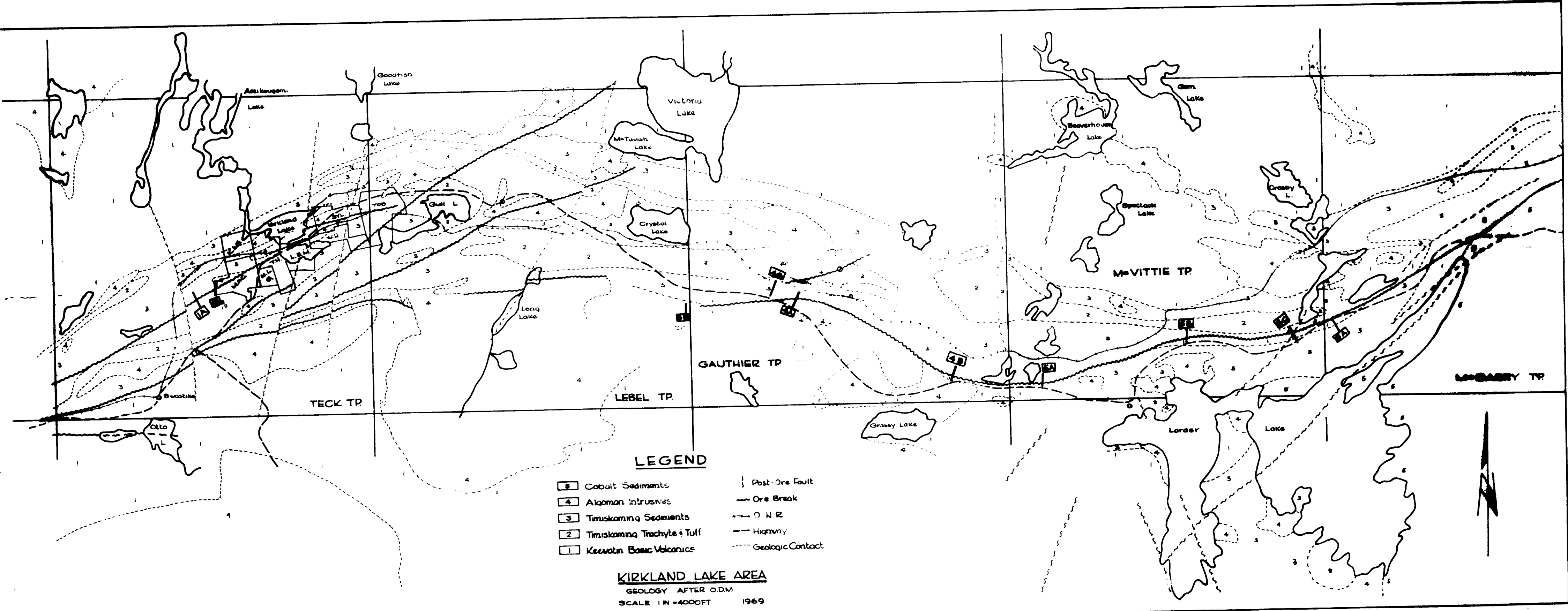
Per:

C. Marshall Hames
per [initials]

CHM/ab

Incls.





KIRKLAND LAKE AREA
 GEOLOGY AFTER O.D.M.
 SCALE 1 IN = 4000 FT 1969
 W.J.M.

