

Suite 407
19 Melinda Street • Toronto 1, Ontario



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Prospectus



**Kordol
Explorations
Limited**

April 17, 1959

KORDOL EXPLORATIONS LIMITED

Prospectus

(For filing and filed under the provisions of Part VII of The Securities Act,
being Chapter 351 of the Revised Statutes of Ontario, 1950)

1. Kordol Explorations Limited, hereinafter referred to as "the Company," was incorporated under the provisions of Part IV of The Corporations Act, 1953 (Ontario), by Letters Patent dated the 24th day of March, 1959, and its Head Office is located at Suite 407, 19 Melinda Street, Toronto, Ontario.

2. The following are the Officers, Directors and Promoter of the Company:

(a) OFFICERS AND DIRECTORS:	NAME IN FULL AND OCCUPATION:	ADDRESS IN FULL:
President and Director . . .	OSWALD JAMES DAY ROSS, Barrister	R.R. No. 1, Terra Cotta, Ontario
Vice President and Director	MICHAEL LUNGE, Prospector	Capital Hotel, Kirkland Lake, Ontario
Secretary-Treasurer and Director	WILLIAM BISHOP, Accountant	Streetsville, Ontario
Director	JAMES MURDOCK DaCOSTA, Barrister	259 Inglewood Drive Toronto, Ontario
Director	NORMAN YEOMAN, Service Station Operator	3091 Yonge Street Toronto, Ontario

(b) Promoter: ROBERT PASCOE MACKAY, 48 York Mills Road, Toronto, Ontario, is the vendor of the mining claims sold to the Company as stated in Paragraph 11 hereof, and on this basis may be considered the present promoter of the Company.

3. Harry Gilbert, Esq., C.A., 80 King Street West, Toronto, Ontario, is the Company's Auditor

4. Guaranty Trust Company of Canada, 70 Richmond Street West, Toronto, Ontario, is the Transfer Agent and Registrar of the Company.

5. The authorized capital of the Company is \$3,500,000.00 divided into 3,500,000 shares of the par value of \$1.00 each, all of one class, of which 750,005 shares, all fully paid and non-assessable, have been issued and allotted to the present date.

6. The Company has not created or issued any bonds or debentures, and it does not propose to do so.

7. Certificates representing 675,000, being part of the shares mentioned in paragraph 11 hereof, are escrowed with Guaranty Trust Company of Canada, 70 Richmond Street West, Toronto, Ontario, subject as to release only with the consent of the Company and the Ontario Securities Commission, and as to pledge, hypothecation, transfer or other alienation only with the written consent of the Ontario Securities Commission.

8. The particulars of all shares sold for cash consideration to the present date are as follows:

5 shares at \$1.00 each \$5.00.

No commission was paid or is payable with respect to these shares, nor with respect to any of the shares referred to in paragraph 12 hereof.

9. No other securities of the Company have been sold for cash to the present date.

10. There has not been, nor is there to be any issue of shares or payment of cash to any promoter of the Company as such.

11. The Company acquired by agreement under seal dated March 31st, 1959, from Robert Pascoe Mackay, 48 York Mills Road, Toronto, 7 unpatented mining claims located in Hyman Township, in the Sudbury Mining Division, recorded as Numbers S-99459-62 (inclusive), S-100391, S-100397 and S-100398. Sufficient manual labour, trenching and blasting has been done and recorded to maintain Claim S-99459 in good standing to October 17th, 1960, and the remaining six claims to October 17th, 1959. The consideration paid by the Company for these claims was 400,000 fully paid shares in the capital stock of the Company, in which William Bishop, Streetsville, Ontario, and Michael Lunge, Capital Hotel, Kirkland Lake, Ontario, are entitled to a greater than 5% interest apart from the Vendor.

By a further agreement under seal, dated March 31st, 1959, the Company acquired from Robert Pascoe Mackay aforesaid, an additional 8 unpatented claims in Hyman Township, recorded as Numbers S-100459-66 (inclusive). These claims are in good standing until January 6, 1960, and no work has yet been performed on them. The Company allotted to Robert Pascoe Mackay 350,000 fully paid shares in its capital stock for these claims, and there is no other person apart from the Vendor entitled to any portion of this consideration.

Both these groups of claims are located approximately 35 miles west of Sudbury near Agnew Lake. A road runs within a mile of the property which connects by ferry across the Spanish River to the Town of Nairn on Highway No. 17. The history and general geology of both properties is discussed in the report of Michael Ogden, P.Eng. dated April 3rd, 1959, in this Prospectus. A programme consisting of a magnetometer survey, electrical survey and diamond drilling is proposed to be carried out on the claims, the cost of which is estimated at approximately \$30,000.00. At present there is no underground or surface mining plant or equipment on the properties. The Company, having only recently acquired these claims, has not done any work on the property apart from preliminary investigations by the Engineer, and the proposed programme as outlined will commence as soon as favourable weather conditions permit.

12. The Company has entered into an Underwriting-Option Agreement dated April 10th, 1959, with Mackay Holdings Limited (herein referred to as Mackay) as Underwriter-Optionee, by which Mackay agrees to purchase 100,000 fully paid shares at 10¢ per share, payable \$5,000 on the qualification of the shares of the Company for public sale in Ontario, and the balance of \$5,000 within 30 days thereof. Mackay has further been granted options to purchase a further 200,000 shares at 10¢; 200,000 shares at 15¢; 200,000 shares at 20¢; 200,000 shares at 25¢ and 100,000 shares at 30¢. The first of these options is exercisable within six months of the date of qualification, and the remaining options at three-month intervals thereafter, with all unexercised options to expire within 24 months in any event.

In the event of default by Mackay in the exercise of any option, the Company may elect to cancel all unexercised options on 10 days' notice, unless the default is remedied within such 10-day period. The Company, in the event of default, undertakes to file an amendment to this Prospectus within 20 days of such default if shares are still then in primary distribution. Mackay Holdings Limited is a private company incorporated under the laws of Ontario, in which the only shares issued are to Robert Pascoe Mackay and Mary Helen Mackay, 48 York Mills Road, Toronto, Ontario, and William Bishop, Streetsville, Ontario. The Underwriter-Optionee is acting for its own account and there are no sub-underwriting or sub-

option agreements in effect or proposed. Mackay Holdings Limited will sell shares so purchased to the public through registered security dealers paying therefor a commission equal to that allowed by the Toronto Stock Exchange for share of mining companies, plus all selling expenses, or to registered security dealers at an advance in price not exceeding one cent (1¢) per share, or alternatively, through registered security dealers paying a commission not to exceed 25% plus an allowance for selling expenses. If all options as recited are exercised in full, the Company will receive therefore a total of \$170,000.00.

13. The proceeds received from the sale of shares pursuant to the said Underwriting-Option Agreement will be used in financing work on the Company's properties as recommended by the Engineer and for general corporate purposes, including the payment of current liabilities.

14. Preliminary incorporation and administrative expenses in connection with the Company are estimated at \$4500.00, and further administrative costs for the current year should not exceed \$2500.00. Engineering and Recording fees of \$529.06 have been incurred to date in connection with the Company's properties and future development costs are estimated at \$30,000.00 for the current year based on the recommendations of the Engineer referred to in paragraph 11 hereof.

15. No indebtedness, other than general business accounts, will be created or assumed which is not shown on the Balance Sheet of the Company as at April 14, 1959, certified by Harry Gilbert, C.A., forming part of this Prospectus. No security has been or is proposed to be given in respect of any indebtedness of the Company.

16. Particulars of the occupations of each officer and director of the Company during the past three years are as follows:

OSWALD JAMES DAY ROSS, President and Director, is a Barrister and Solicitor in the City of Toronto, formerly a partner in the firm of Kennedy & Ross.

MICHAEL LUNGE, Vice-President and Director, is self employed as a Prospector in Kirkland Lake, Ontario.

WILLIAM BISHOP, Secretary-Treasurer and Director, is self employed as an Accountant and Corporation Secretary in the City of Toronto.

JAMES MURDOCK D'ACOSTA, is a Barrister and Solicitor in the City of Toronto, with the firm of Mungovan & Mungovan.

NORMAN YEOMAN, Director, is the proprietor of a Service Station at 3091 Yonge Street, in the City of Toronto.

17. William Bishop and Michael Lunge, Officers and Directors of the Company, are entitled to a greater than 5% interest in the vendor consideration received for the mining claims recited in Paragraph 11 hereof. No other officer or director has or ever had any interest, direct or indirect, in any property now owned by the Company or to be acquired.

18. The Secretary-Treasurer of the Company will receive a salary of \$100.00 per month during the current year, and directors will be paid \$25.00 for each meeting of the Board attended. No other officer or director will receive any remuneration as such. No dividends have been paid by the Company to date.

19. There is no person or corporation other than Robert Pascoe Mackay, who by reason of the beneficial ownership of shares in the Company's capital, is in a position to elect or cause to be elected a majority of the directors of the Company.

20. There are no arrangements extant for the sale of vendors' shares which are now free or may hereafter be released from escrow. Any free shares sold under this prospectus will be sold at the current offering price of treasury shares, and in that event no part of the proceeds of such sales will be paid into the treasury of the Company or enure to its benefit.

Dated at Toronto, this 17th day of April, A.D., 1959.

The foregoing constitutes full, true and plain disclosure of all material facts in respect of the offering of securities referred to above as required under Section 38 of The Securities Act, R.S.O. 1950, Chapter 351, and there is no further material information applicable other than in the financial statements or reports where required.

PROMOTER:
MACKAY HOLDINGS
LIMITED

DIRECTORS AND OFFICERS:
"OSWALD JAMES DAY ROSS"
"MICHAEL LUNGE"
By his ATTORNEY "JAMES MURDOCK DaCOSTA"
"WILLIAM BISHOP"
"JAMES MURDOCK DaCOSTA"
"NORMAN YEOMAN"

The foregoing, to the best of its knowledge, information and belief, constitutes full, true and plain disclosure of all material facts in respect of the offering of securities referred to above as required by Section 38 of The Securities Act, R.S.O. 1950, Chapter 351, and there is no further material information applicable other than in the Financial Statements or Reports where required. In respect of matters which are not within its knowledge, the Underwriter-Optionee has relied upon the accuracy and adequacy of the foregoing.

UNDERWRITER-OPTIONEE:
MACKAY HOLDINGS LIMITED

REPORT ON THE PROPERTY OF KORDOL EXPLORATIONS LIMITED

REFERENCES

1. Claim map—Hyman Township
2. Map 291A, Espanola Sheet, G.S.C. 1928.
3. Lunge Property, Private Report Ogden July 14, 1958.
4. Personal communication with Mike Lunge, the staker and prospector.
5. Map, Geology and claims, March, 1959 Ogden.
6. Location Map, Sudbury District, March 1959, Ogden.

PROPERTY

The property consists of 15 unpatented claims in Hyman Township about 35 miles west of Sudbury, Ontario. The claims include all of lots 5 and 6 concession 1 Hyman Township, except for a 30 acre square of patented ground in the northwest corner of the block. The claims are in good standing until the fall or winter of this year and are numbered as follows:

- 4 claims numbered S-99459 to 99462 inclusive
- 3 claims numbered S-100391, 100397 and 100398
- 8 claims numbered S-108459 to 108466 inclusive.

LOCATION AND ACCESS

The almost square block of claims is situated about mid-way along the south boundary of Hyman Township and almost touches the southeast shore of Agnew Lake. A motor road passes within a mile of the southwest corner of the property. The road is connected by ferry across the Spanish River to the small town of Nairn about three miles southeast of the property on Highway 17. Access is also afforded by boat from the power plant town of High Falls about 2 miles east of the property on Agnew Lake.

HISTORY

The property has been held for many years by Mr. Mike Lunge a prospector from Sudbury and Timmins, Ontario. He has optioned it to a few different interests from time to time but no effort has been made to properly explore the ground. No geological, geophysical work or diamond drilling has ever been recorded on these claims or on their predecessors. Yet at least 200 feet of drilling was done northeast of the main showing and Lunge reports it was 500 or 600 feet in two holes. Further there is evidence in the bush of a resistivity survey having been done some years ago but no information is available concerning it.

Mr. Mike Lunge the prospector and staker has blasted a big rock trench into the main showing. Numerous other rock trenches have been blasted into a group of showings near the north boundary of the property.

An old shaft, 96 feet deep is reported to exist on claim S-108464 near the east boundary of the property. No mineralization is visible in the shaft collar or in any of the waste rock around the shaft. However about 200 feet east of the shaft, there is a small showing of massive sulphides which appear to strike toward the shaft area.

GENERAL GEOLOGY

The property is underlain by the Pre Huronian McKim formation of the Sudbury Series which consists of dark gray slates and white quartzites with some interbedded conglomerates. The strike is east or northeast with vertical or steep dips to the north. Three wide tongues of Nipissing quartz diabase cross the property in a northeasterly direction and carry all the mineralization observed to date. An outlier of Ramsay Lake conglomerate of the Bruce Series lies in the middle of the claim block.

COPPER AND NICKEL MINERALIZATION

MAIN SHOWINGS:

Near the southwest corner of the property, there is a good showing of massive sulphides. There is exposed here a wedge-shaped mass of 10% to 40% sulphides mostly pyrrhotite. The wedge of sulphides which is exposed for 50 feet in length widens towards the east to 15 feet. Then it disappears from view beneath the overburden.

A continuous chip sample was cut from the east end of the showing over a width of 17 feet. The assay was as follows:

Copper.....	1.03%
Nickel.....	0.45%
Cobalt.....	0.12%
Palladium.....	Trace
Platinum.....	Not detected

The geology and mineralization was as detailed below, the sample being cut and measured from north to south.

- 0 — 5 feet is quartz diabase with 4% chalcopyrite and 4% pyrrhotite
- 5 — 10 feet is quartz diabase with 2% chalcopyrite and 35% pyrrhotite
- 10—15 feet is quartz diabase with 1% chalcopyrite and 15% pyrrhotite
- 15—17 feet is rusty schist with very little mineralization.

Selected samples chosen for examination showed up to 10% chalcopyrite and 60% pyrrhotite.

Some 235 feet east and 50 feet south of this showing there is another exposure of massive sulphides. Here similar mineralization is visible, 3 to 4 feet in width and striking parallel to the main showing which is a little north of east.

GROUP OF SHOWINGS

Just within the north boundary line of claim S-100391 there is a group of Sulphide showings. On a big bald rock outcrop 4 widely spaced splashes of pyrrho-

tite, pyrite and chalcopyrite mineralization are exposed. They vary in size from 3 by 4 feet to 8 by 12 feet. All of these have been opened up by trenching in the rock to a depth of about 3 feet.

CONCLUSIONS

1. The main showing of copper and nickel sulphides could be the top of an orebody.
2. Copper and Nickel sulphide mineralization are known to exist in the far reaches of the property, yet little bedrock is exposed at the surface (only about 5%). Thus it is quite probable that many more zones of sulphide mineralization exists than have as yet been found but they are covered from view with overburden.
3. A systematic program of evaluation, exploration and development should be done on the property. Particularly as no such program has been done in the past.

RECOMMENDATIONS

1. Cut picket lines at 200 foot intervals over the whole property using an east-west base line across the centre of the claim block.
2. Prospect and geologically map the whole property using the picket lines as a map grid.
3. Trench, sample, and evaluate the known showings as well as any new ones that may be found. This phase to be done in conjunction with mapping phase (2. above).
4. Conduct a magnetometer survey using 100 foot stations or less where required. This will enable the known geology as found in 2. above to be extended under areas of heavy overburden cover.
5. Put a series of short diamond drill holes into the vicinity of the main showing to firmly establish its tenor and attitude. About 800 feet of diamond drilling would be required.
6. Conduct an electrical survey over that portion of the property underlain by quartz diabase. This will locate other mineralized zones that are covered with overburden. The most suitable method to use is the Magna Phase type of equipment.
7. A full drilling program will probably be required to test all the areas found by the various exploration surveys.

COSTS

Phase 1. Line cutting, 27 miles at \$50.00	\$1,350
Time involved two weeks	
Phase 2 and 3. Geology, prospecting and trenching	\$3,600
Time—3 men for six weeks	
Phase 4. Magnetometer survey 26 miles at \$80	\$2,080
Time—three weeks	
Phase 5. Initial drilling 800 feet at \$5.00	\$4,000
Time—5 weeks	
Phase 6. Electrical survey 20 miles at \$125.00	\$2,500
Time—2 weeks	
Phase 7. Diamond drilling 3000 feet at \$5.00	\$15,000

SUMMARY OF COSTS

Initial explorations, phases 1. to 6. inclusive	\$13,530
Diamond drilling	\$15,000
Total—approximate	\$30,000

Respectfully submitted,

MICHAEL OGDEN

CERTIFICATE OF ENGINEER

I, Michael Ogden, of the City of Toronto, in the Province of Ontario, hereby certify as follows:—

1. That I am a consulting mining geologist, and that I reside in Toronto.
2. That I am a graduate in Applied Science (Mining Geology) from the University of Toronto, a registered professional engineer in the Province of Ontario, and that I have been practising my profession for nine years.
3. That I have no interest, either direct or indirect, and do not expect to receive any interest in the properties, or in the securities of Kordol Explorations Limited.
4. That this report is based on:
 - (a) A personal examination of the property and the vicinity of the property on June 30, 1958.
 - (b) The sources listed under the heading of "References" in the report.

"MICHAEL OGDEN"
Michael Ogden, B.A.Sc., P.Eng.
Consulting Mining Geologist.

Dated at Toronto, Ontario this 3rd day of April, 1959.

KORDOL EXPLORATIONS LIMITED
(Incorporated under the Laws of the Province of Ontario)

BALANCE SHEET AS AT APRIL 14, 1959

ASSETS AND DEFERRED CHARGES

ASSETS	
Cash on hand	\$ 5.00
Mining claims (Acquired by issue of 750,000 shares of the company's Capital Stock valued at 5¢ per share by resolution of the company's Directors)	37,500.00
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	37,505.00
 DEFERRED CHARGES (AT COST)	
Engineering Fees and expenses	\$ 451.06
Recording Fees	75.00
Audit Fees	200.00
Incorporation and preliminary expenses	4,500.00
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	5,229.06
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	\$42,734.06

LIABILITIES AND CAPITAL

LIABILITIES	
Accounts payable	\$ 5,229.06
 CAPITAL	
AUTHORIZED: 3,500,000 shares, par value \$1.00 each	
ISSUED AND FULLY PAID:	
750,005 Shares	
For cash—5 shares	5.00
For mining claims—750,000 shares	\$750,000.00
Less—Discount thereon	712,500.00
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	37,500.00
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	37,505.00
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	\$42,734.06

NOTE: The company has received a firm commitment on 100,000 shares of the Capital Stock at 10¢ per share, \$5,000.00 payable forthwith in cash upon the shares being qualified for sale to the public in the Province of Ontario, and \$5,000.00 payable in cash 30 days thereafter, and in consideration thereof the company has granted an option on 900,000 shares of its Capital Stock at prices ranging from 10¢ to 30¢ per share, for which, if all the options are exercised in full, the company will receive a total of \$170,000.00.

Approved on behalf of the Board,

"J. M. DACOSTA," Director.
"W. BISHOP," Director.

AUDITOR'S REPORT

I have examined the books and records of Kordol Explorations Limited from the date of incorporation, March 24, 1959, to April 14, 1959 and I certify that all my requirements as auditor have been complied with. In my opinion, the Balance Sheet above is properly drawn up so as to exhibit a true and correct view of the state of the company's affairs as at April 14, 1959, according to the best of my information, the explanations given to me, and as shown by the books of the company.

Toronto, Canada
April 15, 1959

"HARRY GILBERT"
Harry Gilbert, B.Com., C.A.
Chartered Accountant, Auditor



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KORDOL EXPLORATIONS LIMITED

PROSPECTUS

APRIL 20, 1960

SUITE 407 19 MELINDA STREET WEST TORONTO 1, ONT.

Kordol Explorations Limited

PROSPECTUS

(For filing and filed under the provisions of Part VII of The Securities Act, being Chapter 351 of the Revised Statutes of Ontario, 1950)

1. Kordol Explorations Limited, hereinafter referred to as "the Company" was incorporated under the provisions of Part IV of The Corporations Act, 1953 (Ontario), by Letters Patent dated the 24th day of March, 1959, and its Head Office is located at Suite 407, 19 Melinda Street, Toronto, Ontario.

2. The following are the Officers, Directors and Promoter of the Company:

(a) OFFICERS AND DIRECTORS:	NAME IN FULL AND OCCUPATION:	ADDRESS IN FULL:
<i>President and</i>	OSWALD JAMES DAY ROSS,	R.R. No. 1,
<i>Director</i>	Barrister,	Terra Cotta, Ontario,
<i>Vice-President</i>	MICHAEL LUNGE,	Capital Hotel,
<i>and Director</i>	Prospector,	Kirkland Lake, Ontario,
<i>Secretary-Treasurer</i>	WILLIAM BISHOP,	Streetsville,
<i>and Director</i> :	Accountant,	Ontario,
<i>Director</i>	JAMES MURDOCK D'ACOSTA Barrister,	259 Inglewood Drive, Toronto, Ontario,
<i>Director</i>	NORMAN YEOMAN, Real Estate Broker	12 Saunders Street, Toronto, Ontario.

(b) Owing to the present wide distribution of the Company's shares, there is no one who may be considered the promoter of the Company.

3. Harry Gilbert, Esq., C.A., 80 King Street West, Toronto, Ontario, is the Company's Auditor.

4. Guaranty Trust Company of Canada, 366 Bay Street, Toronto, Ontario, is the Transfer Agent and Registrar of the Company.

5. The authorized capital of the Company is \$3,500,000.00 divided into 3,500,000 shares of the par value of \$1.00 each, all of one class, of which 1,725,005 shares, all fully paid and non-assessable, have been issued and allotted to the present date.

6. The Company has not created or issued any bonds or debentures, and it does not propose to do so.

7. Certificates representing 497,220 shares, being part of the shares mentioned in paragraph 11 hereof, are escrowed with Guaranty Trust Company of Canada, 366 Bay Street, Toronto, Ontario, subject as to release only with the consent of the Company and the Ontario Securities Commission, and as to pledge, hypothecation, transfer or other alienation only with the written consent of the Ontario Securities Commission.

8. The particulars of all shares sold for cash consideration to the present date are as follows:

5 shares @ \$1.00 each—\$	5.00
300,000 shares @ .10 each—	30,000.00
200,000 shares @ .15 each—	30,000.00
200,000 shares @ .20 each—	40,000.00
200,000 shares @ .25 each—	50,000.00
75,000 shares @ .30 each—	22,500.00
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975,005 shares	\$172,505.00
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No commission was paid or is payable with respect to these shares, nor with respect to any of the shares referred to in paragraph 13 hereof.

9. No other securities of the Company have been sold for cash to the present date.

10. There has not been, nor is there to be any issue of shares or payment of cash to any promoter of the Company as such.

11. The Company by agreement dated March 31st, 1959, acquired from Robert Pascoe Mackay, 48 York Mills Road, Toronto, 7 unpatented mining claims located in Hyman Township, Sudbury Mining Division, which are recorded as Numbers S-99459-62 (inclusive), S-100391, S-100,397-8. As consideration for the said claims the Company allotted 400,000 fully paid shares in which William Bishop, Streetsville, Ontario, and Michael Lunge, Capital Hotel, Kirkland Lake, Ontario, are entitled to a greater than 5% interest apart from the vendor.

By a further agreement dated March 31st, 1959, the Company acquired from Robert Pascoe Mackay aforesaid, a further group of eight claims in the same area in Hyman Township recorded as Numbers S-108459-66 (inclusive), for which 350,000 fully paid shares were allotted to the vendor. No other person is entitled to any part of this consideration. This group of 15 claims, taken as a whole, lies along the south boundary of Hymian Township about 35 miles west of Sudbury and can be reached by a satisfactory road. A summary of geology, exploration and development, and conclusions covering this group and the six claims described in the following paragraph is to be found in the report of Michael Ogden, P.Eng., dated March 18th, 1960, contained in this Prospectus. Approximately \$9,000.00 has been spent on these 15 claims up to December 31st, 1959, and a further \$7,300.00 will have been spent by April 30th, 1960 on diamond drilling. A geological and magnetometer survey has

already been completed and further work will be continued if warranted by the final results of the drilling programme currently in progress. There is no underground or surface mining plant on any of the Company's properties at this time, and all equipment being used is under contract and not owned by the Company. A further \$15,000.00 could be spent in continued drilling if warranted during the coming year. These claims are all in good standing until October 18th, 1960.

An additional group of six claims in Hyman Township were staked for the Company at a cost of \$600.00 and transferred to it in March 1960, being Numbers S-110509-14 (inclusive). This group is adjacent to the group above referred to. All claims are in good standing until June 5th, 1960. No work has yet been commenced, but geological mapping of these claims during the coming summer is recommended in the report of Michael Ogden, P.Eng., dated March 18th, 1960, above referred to, which might cost approximately \$2500.00. Further work will be proceeded with on these claims if felt desirable after examination of the drilling results of the original fifteen-claim group.

12. The Company has entered into an Option Agreement dated as of September 14th, 1959, with Edward Charles Carmichael and Michael Lunge, both of Kirkland Lake, Ontario, for the right to purchase 8 unpatented claims in the Township of Catharine, Temiskaming Mining Division, recorded as Numbers T.44355-7 (inclusive), T.44262, T.44264-5 and T.44360-1. These claims are located about 12 miles southeast of the Town of Kirkland Lake. The agreement was approved by the Directors of the Company on October 1st, 1959, and provides for payment of \$5,000.00 on execution (which has been made October 2, 1959) and further payments of \$2500.00 within 6, 12 and 18 months respectively from September 14th, 1959, and a final payment of \$3500.00 and the allotment and issue of 50,000 shares of the capital stock of the Company. of which 45,000 shares shall be subject to the usual escrow provisions of the Ontario Securities Commission on or before September 14th, 1961 in order to exercise the said option. The second payment of \$2500.00 was made March 14th, 1960, and the agreement is in good standing at this date. Apart from the Vendors, Robert Pascoe Mackay, 48 York Mills Road, Toronto, and William Bishop, Streetsville, Ontario, are entitled to a greater than 5% interest in the total consideration to be paid. The claims are now in good standing to October 12th, 1960, and particulars of the history, topography, geology and showings of the group are contained in the report of Michael Ogden, P.Eng., dated October 16th, 1959, annexed hereto. Approximately \$1600.00 has been spent on this group in preliminary work and trenching as of December 31st, 1959, and a further \$1500.00 will be spent by May 15th, 1960. No specific results have been obtained from this work as yet, and there is no further data at this time not contained in Mr. Ogden's report of October 16th, 1959. The Company has the right during the currency of the option, to perform such work on the claims as it desires, and has agreed to perform all required assessment work so long as the option remains in good standing. It is impossible to estimate the expenditure on the claims during the coming year, but further development will be proceeded with on the advice of the Company's engineers. The claims are presently in good standing until October 12th, 1960, and there is no mining plant or equipment on the property.

13. By the terms of an Underwriting-Option Agreement dated April 10th, 1959, between the Company and Mackay Holdings Limited as Underwriter-Optionee, 975,000 shares have been sold to date by the Company at prices ranging from ten to thirty cents per share, for a total of \$172,500.00. There remains under option only 25,000 shares at 30¢ per share, which option is due on or before November 22nd, 1960 (See Note 2 to Financial Statements contained herein). In the event of default under this option, the Company will file an amendment to this Prospectus within 20 days thereof. Mackay Holdings Limited is a private company incorporated under the laws of Ontario, with its Head Office at Toronto, in which the only shareholders are Robert Pascoe Mackay and Mary Helen Mackay, 48 York Mills Road, Toronto, and William Bishop, Streetsville, Ontario. The Underwriter-Optionee is acting for its own account and there are no sub-underwriting or sub-option agreements in effect or proposed. Mackay Holdings Limited will sell shares so purchased to the public through registered security dealers paying therefor a commission equal to that allowed by the Toronto Stock Exchange for shares of mining companies, plus all selling expenses, or to registered security dealers at an advance in price not exceeding one cent (1¢) per share, or alternatively, through registered security dealers paying a commission not to exceed 25% plus an allowance for selling expenses.

14. The proceeds received and to be received from the sale of shares pursuant to the said Underwriting-Option Agreement will be used in financing work on the Company's properties as recommended by the Engineer and for General corporate purposes, including the payment of current liabilities.

15. Original incorporation expenses, which are paid, were \$4,037.27, and administrative expenses since incorporation have been \$1419.60. Development and engineering expenses have been \$10,606.40 to December 31st, 1959 and, as stated in paragraph 12, approximately \$8800.00 more will have been spent by May 15th. No current estimate of future development costs on all properties is available at this time.

16. No indebtedness, other than further development costs as stated and general administrative expenses, will be assumed which are not reflected in the Financial Statements as at December 31st, 1959, contained herein. No security has been given or will be given in respect of any present or future liabilities of the Company.

17. Particulars of the occupations of each officer and director of the Company during the past three years are as follows:

OSWALD JAMES DAY ROSS, *President and Director*, self employed in the City of Toronto,

MICHAEL LUNGE, *Vice-President and Director*, is self employed as a Prospector in Kirkland Lake, Ontario,

WILLIAM BISHOP, *Secretary-Treasurer and Director*, is self employed as an Accountant and Corporation Secretary in the City of Toronto,

JAMES MURDOCK DACOSTA, is a Barrister and Solicitor with the firm of Mungovan & Mungovan, in the City of Toronto,

NORMAN YEOMAN, *Director*, Real Estate Broker and formerly a Service Station proprietor in the City of Toronto.

18. William Bishop and Michael Lunge, Officers and Directors of the Company, are entitled to a greater than 5% interest in the vendor consideration received for the mining claims recited in Paragraphs 11 and 12 hereof. No other officer or director has or ever had any interest, direct or indirect, in any property now owned by the Company or to be acquired.

19. The Secretary-Treasurer of the Company will receive a salary of \$100.00 per month during the current year, and directors will be paid \$25.00 for each meeting of the Board attended. No other officer or director will receive any remuneration as such. No dividends have been paid by the Company to date.

20. There is no person or corporation holding a majority of the present issued shares of the Company and who could thereby elect or cause to be elected a majority of the directors of the Company.

21. There are no known arrangements for the sale of vendors' shares which are now free or may hereafter be released from escrow. Any free shares sold under this Prospectus will be sold at the current offering price of treasury shares, and in that event no part of the proceeds of such sales will be paid into the treasury of the Company or enure to its benefit.

Dated at Toronto, this 20th day of April, A.D. 1960.

The foregoing constitutes full, true and plain disclosure of all material facts in respect of the offering of securities referred to above as required under Section 38 of The Securities Act, R.S.O., 1950, Chapter 351, and there is no further material information applicable other than in the Financial Statements or Reports where required.

DIRECTORS

"OSWALD JAMES DAY ROSS"

"MICHAEL LUNGE"

"WILLIAM BISHOP"

"JAMES MURDOCK DACOSTA"

"NORMAN YEOMAN"

The foregoing, to the best of its knowledge, information and belief, constitutes full, true and plain disclosure of all material facts in respect of the offering of securities referred to above as required by Section 38 of The Securities Act, R.S.O. 1950, Chapter 351, and there is no further material information applicable other than in the Financial Statements or Reports where required. In respect of matters which are not within its knowledge, the Underwriter-Optionee has relied upon the accuracy and adequacy of the foregoing.

**UNDERWRITER-OPTIONEE:
MACKAY HOLDINGS LIMITED.**

1960 Report on the Sudbury Property
of
Kordol Explorations Limited

Suite 407, 19 Melinda Street

Toronto 1, Ontario

REFERENCES:

1. Claim map Hyman Township.
2. Map 291A, Espanola Sheet, G.S.C. 1928.
3. Lunge Property, private report by Ogden, July 1958.
4. Report on the Property of Kordol Explorations Limited, Ogden, April 3, 1959.
5. Map; geology and claims, Ogden, March 1959.
6. Location map; Sudbury District, Ogden, March 1959.
7. Magnetometer survey, Sudbury area Property, Ogden, December 15, 1959.
8. Map; Magnetometer survey.
9. Report; Geological Survey and Initial Diamond Drilling Programme, Ogden, January 6, 1960.
10. Drill logs and sections of holes.
11. Map; Geological Survey.
12. EMG Electro-magnetic Survey by Morreau, Woodward & Co. Limited, February 3, 1960.
13. Map; EMG by Morreau, Woodward & Co. Limited, February 19, 1960.
14. Map; Surface Plan, Ogden, March 18, 1960.

PROPERTY:

The property, located in the southeast quarter of Hyman Township, Northern Ontario, is made up of 21 claims numbered as follows:

- 4 claims numbered S-99459 to 99462 inclusive.
- 3 claims numbered S-100391, 100397, 100398.
- 8 claims numbered S-108459 to 108466 inclusive.
- 6 claims numbered S-110509 to 110514 inclusive.

LOCATION:

The 21 claim group lies along the south boundary of Hyman Township and extends northward to the shores of Agnew Lake. It is 35 miles west of Sudbury, Ontario, and lies about 3 miles north of the main No. 17 Highway, extending from Sudbury to Sault Ste. Marie.

ACCESS:

Access is readily afforded by aircraft from Sudbury, landing in a bay of Agnew Lake at the northern tip of the property. The block can also be reached by car to the town of Nairn and then across the Spanish River by ferry, following a gravel road for about 2 miles and then a lush road to the northeast for an additional 2 miles, until the southwest corner of the property is reached. An alternative method, would be to drive to the town of Turbine and take a boat for about 1½ miles along the south shore of Agnew Lake to the north boundary of the property.

GEOLOGICAL SUMMARY:

The Kordol ground is located about 8 miles to the southwest of the great Sudbury Basin. Bodies of copper-nickel sulphide mineralization have been found in the vicinity, particularly to the north and east. The most notable of these was the Worthington Deposit which was mined some years ago. Recent exploration in the Worthington area by International Nickel Company is believed to have encountered some encouragement with depth. Because of this, and the exposures of massive sulphides on the Kordol Property, it was decided to explore it in detail.

Most of the property is underlain by gabbroic rock similar to the Nipissing diabase found throughout much of the area. The central third of the property is underlain by a sheared conglomerate of the Ramsay Lake type and the southern fringe of the property is underlain by greywacke and staurolite schist. All the known mineralization in the area has been found in the diabase rocks and certainly all the mineralization on the property has been found within the Nipissing diabase.

EXPLORATION AND DEVELOPMENT:

When the property was taken over by Kordol Explorations Limited, it was known that some work had been done from time to time in the past. Showings of copper-nickel mineralization were known to exist in the southwest corner and also in the northwest corner of the property. An old shaft with a couple of pits was also known to exist near the central part of the property. It was considered, however, that the previous work had been sporadic and that no serious attempt had been made to properly explore the ground for the continuation of known mineralization. The original group of claims consisted of an almost square block of 15 claims and during this last year an additional 6 claims were added to the east, which enclosed some of the Nipissing diabase rocks that are host to the copper-nickel sulphide mineralization.

During last summer, a grid system of picket lines was laid out on the 15 claim block with lines spaced at 200 foot intervals running north and south across the property. This was followed by a detailed geological survey, covering every outcrop within the claim block. Each outcrop was carefully mapped, and further, was prospected for any copper or nickel sulphides. Following the geological survey, a magnetometer survey was conducted over all the lines with readings at 100 foot intervals and where anomalous results were encountered, the spacing was reduced to 50 or 25 feet.

In the late fall, a detailed diamond drilling programme was done into the main showing in the southwest corner of the property. A total of 522 feet of diamond drilling was completed in 6 holes. The holes were spaced 30 feet apart and laid out so as to intersect the zone of known mineralization at about 30 foot intervals. The results of the diamond drilling showed the mineralization to be 8 to 10 feet in width and approximately 0.4% copper and 0.4% nickel in massive pyrrhotite trending towards the northeast with an explored length of 80 to 90 feet and a tested depth of the same. The extent of the mineralization was known to cease to the southwest but was open to the northeast and in depth. Thus, it was concluded that the zone plunged to the northeast at an approximate inclination of 20°.

In order to try and detect the continuation of the known zone of mineralization and further, to test for the possibility of mineralization underlying the seven small magnetic anomalies distributed throughout the property, it was decided to do a horizontal loop type of geophysical survey. Moreau, Woodward & Company Limited were retained to do an EMG electro-magnetic survey over the specific anomalous areas distributed throughout the property. This survey was done during January of 1960 and the results showed a conducting zone some 215 feet northeast of the main showing, precisely on line of strike of the mineralization as detailed by the diamond drilling. In February of this year a contract was let for 2500 feet of diamond drilling to explore the continuation of this zone.

The diamond drilling programme was laid out so that a series of holes would be put down 210 feet to the northeast of the main showing, in a manner so as to complete a cross-section of the extension of the zone with the holes parallel to each other and 50 feet apart. This would detail a section from the surface to 250 feet in depth beneath the probable extension of the main zone. The original intention was, that having located the zone at whatever depth it occurred, deeper drilling would be done further to the northeast in the vicinity of the contact of the diabase with altered sediments. This latter contact area is considered to be a fault zone due to the linear line of weakness displayed on the surface by a long straight stream bed and muskeg area.

Although the sectional drilling has not encountered massive sulphides like the main showing, it has intersected identical alteration and each successive hole has encountered more and more mineralization. Rather than continue to drill deeper and deeper holes in order to intersect the main zone, at this point, it has recently been decided to go back about 100 feet from the main showing and drill a few shorter holes to detail the extension of the mineralization in that section and thereby to establish a true plunge before going further to the north and east to intersect the zone in depth.

CONCLUSIONS:

1. The present programme of drilling should be continued in order to establish the true trend and tenor of the known mineralization.
2. Having established the trend of the mineralization, it should be probed in depth to further establish whether the copper-nickel mineralization improves in that direction.
3. The 6 claims to the east of the original 15 claim block should be prospected and geologically mapped in the coming summer for additional zones of mineralization.
4. When examining the 6 claims, a dip needle should be used to locate local magnetic anomalies which might reflect the presence of heavy pyrrhotite mineralization.

Respectfully submitted,
MICHAEL OGDEN.

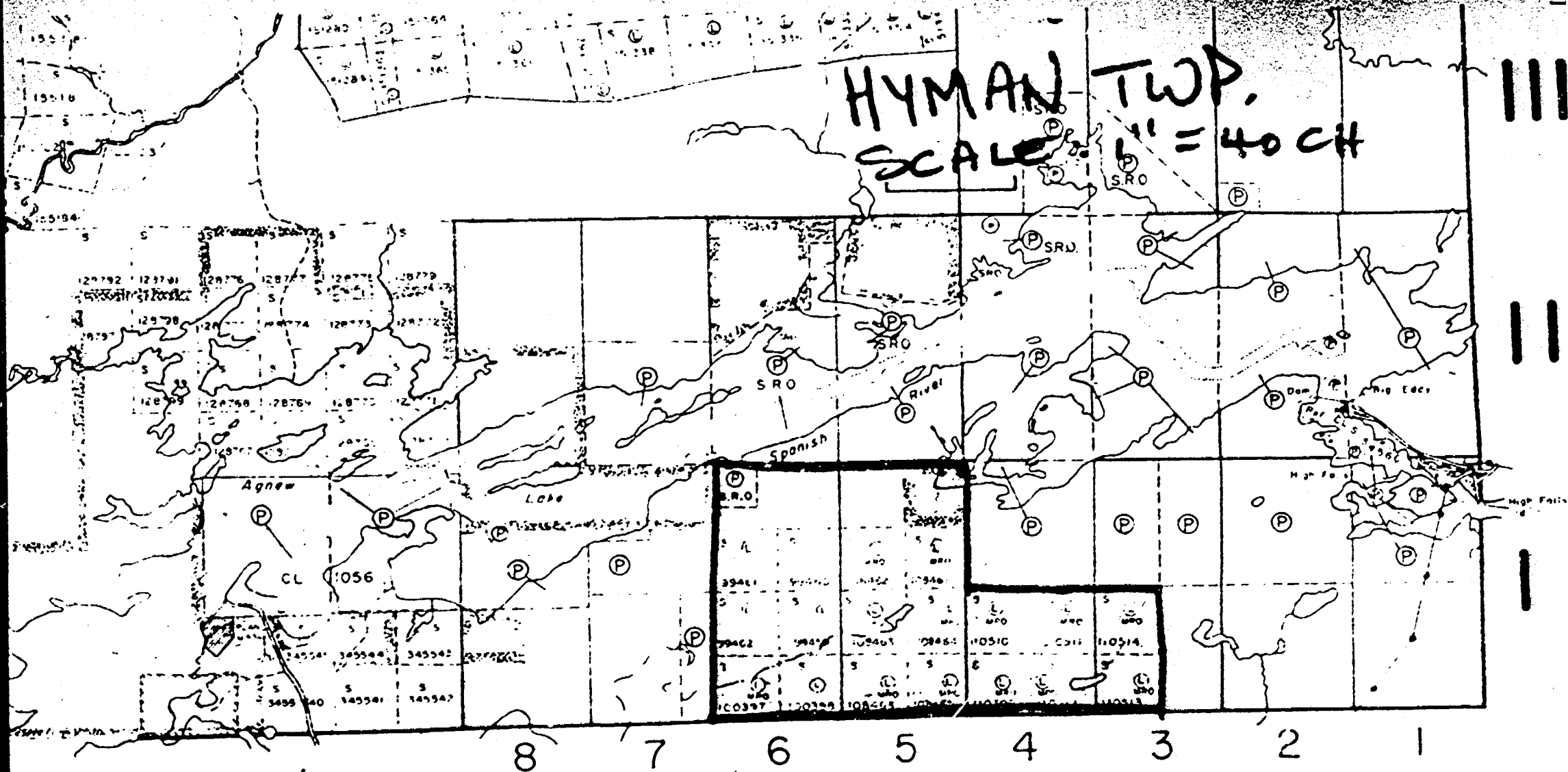
CERTIFICATE

I, Michael Ogden, of the city of Toronto, in the Province of Ontario, hereby certify as follows:—

1. That I am a consulting mining geologist, and that I reside at 37 Citation Drive, Toronto.
2. That I am a graduate in Applied Science (Mining Geology) from the University of Toronto, a registered professional engineer in the Province of Ontario, and that I have been practising my profession for ten years.
3. That I have no interest, either direct or indirect, and do not expect to receive any interest in the properties, or in the securities of Kordol Explorations Limited.
4. That this report is based on:
 - (a) The sources listed under the heading of "References" in the report.
 - (b) Personal examination of the property many times during the last 2 years, in the course of its original examination and subsequent exploration and development, all of which has been under my direction.

"MICHAEL OGDEN"
Michael Ogden, ^DA.Sc., P.Eng.
Consulting Mining Geologist.

Dated at Toronto, Ontario, this eighteenth day of March, 1960.



HYMAN TWP.
SCALE: 1" = 40 CH

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