

Cartier TP } Sudbury Area  
Leach 7P }

Co.  
L



MINNESOTA-CARTIER-BITTEL-LEACH

210

# PACEMAKER MINES & OILS LIMITED

## PROSPECTUS

For filing and as filed with the Ontario Securities Commission pursuant to the Securities Act (Ontario)

1. PACEMAKER MINES & OILS LIMITED (hereinafter called "the Company") was incorporated as Pacemaker Petroleum Limited under Part XI of the Companies Act (Ontario) by Letters Patent dated October 27th, 1948, by Supplementary Letters Patent dated July 7th, 1953, the name of the Company was changed to Pacemaker Mines & Oils Limited and its authorized capital was increased. By further Supplementary Letters Patent dated December 12th, 1955, the authorized capital of the Company was further increased to that shown in Paragraph 5 thereof. The head office of the Company is located at Suite 1024, 85 Richmond Street West, Toronto, Ontario.

2. (a) Officers and Directors:	Names in Full and Occupations:	Addresses in Full:
President and a Director:	WILLIAM LEONARD HODGSON, Accountant,	34 Pine Crescent, Toronto 8, Ontario.
Vice-President and a Director:	GEORGE WALTERS WHITCOMBE, Office Manager,	47 Bold Street, Hamilton, Ontario.
Secretary-Treasurer and a Director:	SAM TAYLOR, F.C.I.S., Chartered Secretary,	2 Strathallan Blvd., Toronto, Ontario.
Director:	LAWRENCE JEFFERSON, Mining Prospector,	R.R. No. 2, Huntsville, Ontario.
Director:	JOHN FRANKLIN MacKAY, Real Estate Property Manager,	19 Tranby Ave., Toronto, Ontario.

(b) Promoter:

The Company was incorporated by the vendors of certain properties who received their consideration for such properties but no share consideration for promotional services as such, and accordingly no person is designated herein as Promoter of the Company.

3. V. D. HARBINSON & CO., Chartered Accountants, 80 Richmond Street West, Toronto, Ontario, are the Auditors for the Company.

4. CANADA TRUST COMPANY, 110 Yonge Street, Toronto, Ontario, is the Transfer Agent and Registrar of the Company.

5. The authorized capital of the Company is 7,500,000 shares of the par value of \$1.00, all of one class, namely common. As of the date of this Prospectus 4,840,510 shares have been allotted and issued and are outstanding all as fully paid and non-assessable.

6. There are no bonds or debentures authorized or outstanding nor is it presently proposed to issue any such securities.

7. No shares of the Company are presently held in escrow.

8. The particulars of shares sold for cash to date are as follows:—

10 shares at \$1.00 per share	\$	10.00
800,000 shares at 5 cents per share		40,000.00
300,000 shares at 7½ cents per share		22,500.00
942,500 shares at 10 cents per share		94,250.00
398,000 shares at 12½ cents per share		49,750.00
200,000 shares at 15 cents per share		30,000.00
200,000 shares at 17½ cents per share		35,000.00
600,000 shares at 20 cents per share		120,000.00
200,000 shares at 25 cents per share		50,000.00
200,000 shares at 30 cents per share		60,000.00
<u>3,840,510 shares</u>		<u>\$501,510.00</u>

No commissions were paid in respect of the sale of these shares.

9. No securities other than the aforementioned shares have been created or issued by the Company.

10. (a) The mining properties and interests presently held by the Company are as follows:—

(i) the company acquired in 1953 a group of 6 unpatented mining claims in the Lake Athabaska area in the Province of Saskatchewan comprising approximately 290 acres, designated H.Y. 5, 6, 9, 10, 15 and 16 being recorded Nos. 12635, 12636, 12639, 12640, 12645 and 12646. These properties are presently in good standing under the relevant mining regulations.

These claims were acquired from Leo Masterson, 88 Homewood Avenue, Toronto, Ontario, who received \$3,000.00 therefor, and no other person received from him or from the Company a greater than 5% interest in the said consideration.

(ii) by agreement dated March 29th, 1955, the Company acquired a one-eighth undivided interest in 12 unpatented mining claims located in Leveck and Cartier Townships, Sudbury Mining Division, Province of Ontario, being recorded numbers S.61451-4 inclusive, S.85321, S.85279-81 inclusive and S.61667-70 inclusive. These claims are presently in good standing under the relevant mining regulations.

The Company and Starlight Mines Limited and Canada Radium Corporation Limited both 85 Richmond Street West, Toronto, Ontario, by agreement in writing dated March 29th, 1955, jointly purchased an undivided 50% interest in the above described mining claims from Lawrence Jefferson, Prospector, R.R. No. 5, Brampton, Ontario, a Director of the Company, and at that time its President. The claims are held jointly in the following

shares namely: Lawrence Jefferson --  $\frac{1}{2}$  undivided interest; Pacemaker Mines & Oils Limited  $\frac{1}{4}$ th undivided interest; Starlight Mines Limited  $\frac{1}{4}$ th undivided interest and Canada Radium Corporation Limited  $\frac{1}{4}$  undivided interest. The consideration for the purchase of the undivided 50% interest was the payment to Lawrence Jefferson of the sum of \$7,500.00 in cash and the agreement by the three corporate partners to spend a further sum of \$7,500.00 on exploration and development of the claims, the said sum to be contributed pro rata to the interests of the corporate partners in the claims. Additionally, the sum of \$1,000.00 was contributed pro rata by the corporate partners to cover costs of acquiring and recording the interests of the corporate partners in the claims. In addition to the foregoing, the Company has spent as its share of the exploration and development costs attributable to these claims the sum of \$7,192.85. So far as the signatories are aware, there is no person, firm or corporation which has received from Lawrence Jefferson a greater than 5% interest in the consideration paid to him.

- (iii) by agreement dated July 22nd, 1955, the Company acquired 4 unpatented mining claims in Faraday Township, Eastern Ontario Mining Division, Province of Ontario, covering the north  $\frac{1}{2}$  of Lot 13, South  $\frac{1}{2}$  of Lot 13, North  $\frac{1}{2}$  of Lot 12 and South  $\frac{1}{2}$  of Lot 12, all in Concession 10 in the said Township and being recorded Numbers E.O. 13555-8 inclusive. The said claims are in good standing under the relevant mining regulations.

Lawrence Jefferson aforesaid, was also the vendor to the Company of the aforesaid 4 unpatented mining claims and received therefor the sum of \$25,000.00. So far as the signatories hereto are aware, there is no person, firm or corporation which has received from Lawrence Jefferson a greater than 5% interest in the consideration paid to him.

- (iv) by an agreement dated August 27th, 1957, the Company acquired 20 unpatented mining claims in Daniel Township, Mattagami Lake area, Province of Quebec, being recorded Numbers A.257291 - A.257310 inclusive. These claims are in good standing under the relevant mining regulations.

The Company acquired the aforesaid claims from Seewell Associates, Suite 803, 330 Bay Street, Toronto, Ontario, for \$2,000.00. The only persons having a greater than 5% interest in Seewell Associates are Louis Mainwaring Atwell, 441 Chamberlain Lane, Oakville, Ontario, and Donald Sylvester Seeley, 47 Lynngrove Ave., Toronto, Ontario.

- (b) The Company previously held, but does not now hold the following mining properties and interests namely:

- (i) Crown leases covering certain oil lands in the Lloydminster field of Saskatchewan and Alberta which were acquired in 1948 for the issuance of 1,000,000 shares of the Company. Certain sub-leases covering two quarter sections in Township 50 Range 1, and Range 2, West of the Fourth Meridian which were acquired for the sum of \$2,000.00. Three oil wells, subsequently abandoned, were drilled by the Company at a total cost of \$53,913.64.
- (ii) Unpatented mining claims covering 800 acres in Montguy Township, Abitibi District, Quebec, which had been acquired in 1951 from Leo Masterson, aforesaid, for \$7,500.00 paid by the Company and the donation of 200,000 pooled vendor shares by Corporation Financiers, 330 Bay Street, Toronto, Ontario, who were the vendors to the Company of the Crown granted leases in the Lloydminster field aforesaid and who received the said 1,000,000 shares of the Company.
- (iii) A group of unpatented mining claims in McAree Township, Sioux Lookout Mining District, Ontario, which had been acquired in 1950 by the Company from Jack Norval, 347 Bay Street, Toronto, Ontario, for a total consideration of \$10,000.00 paid by the Company.
- (iv) 16 unpatented mining claims in the Township of Villemontel and Figuery, Quebec, covering 1500 acres which were acquired in 1955 from Charles Dickinson, 84 Roxborough Street East, Toronto, Ontario, for \$15,000.00 paid to him. These were abandoned in 1957.
- (v) A one-half undivided interest in an option to buy 37 unpatented mining claims in the Sault Ste. Marie Mining Division, Ontario, under agreement dated July 22nd, 1955 with Bernadette Livie, 42 Keiner Road, Toronto, Ontario. The Company paid \$1,500.00 as its part of the option price and paid a further \$3,500.00 on exploration work before abandoning the property in 1956.
- (vi) A quarter interest in 74 unpatented mining claims in the Townships of Privat, Aiguebelle and Destor, Quebec, acquired by agreement of October 12th, 1955, from Beattie-Duquesne Mines Limited in return for which this Company paid \$12,500.00 as its portion of the purchase price of \$50,000.00. The Company and its corporate partners undertook to transfer the said claims within six months to a new company to be incorporated at their expense having the minimum capital of 3,000,000 shares, and to deliver to the said vendor one-third of such share consideration as the new company would issue for the claims. In fact, on July 11th, 1956, these claims were sold to Canalynda Copper Mines Limited, 85 Richmond St. West, Toronto, Ontario, by the Company and its partners. The Company received as its share of the vendor consideration 125,000 shares in the capital stock of Canalynda Copper Mines Limited of which 10% were issued free from escrow and the remaining 90% were issued in escrow upon the usual terms required by the Ontario Securities Commission. During the period that these claims were held by the partners this Company expended the sum of \$13,420.15, as its 25% share of the cost of exploration and development work done. This amount is now owing to this company from Canalynda Copper Mines Limited under the agreement by which the claims were sold to the latter.
- (vii) The Company formerly held but does not now hold an undivided 25% interest in 15 unpatented mining claims in the Township of Levy in the County of Abitibi, Province of Quebec. These claims were jointly purchased by the Company, Canada Radium Corporation Limited and Starlight Mines Limited, both 85 Richmond Street West, Toronto, Ontario, from Thomas B. Horkins, Q.C., 62 Richmond Street West, Toronto, Ontario, as vendor in October 1955. The vendor was paid \$25,000.00, the Company's share being \$6,250.00, and the purchasers (including this company) agreed to transfer the claims to a new mining company to be incorporated at their expense having a minimum capital of 3,000,000 shares, and to deliver to the vendor 300,000 shares from the vendor consideration to be received by the purchasers from the new company for the claims. In fact, these claims were sold on May 22nd, 1956 to Canamiska Copper Mines Limited, 85 Richmond St. West, Toronto, Ontario, by the Company and its partners. The Company received as its share of the vendor consideration 112,500 shares in the capital stock of Canamiska Copper Mines Limited of which 10% were issued free from escrow and the remaining 90% were issued in escrow upon the usual terms required by the Ontario Securities Commission. During the period that these claims were held by the partners, this company expended the sum of \$4,707.28 as its 25% share of the cost of exploration and development work done. Such amount is now owing to this company from Canamiska Copper Mines Limited under the agreement by which the claims were sold to the latter.
- (viii) By agreement dated September 1st, 1955, made with DeVille Copper Mines Limited (hereinafter called "DeVille"), a company incorporated under the laws of the Province of Ontario, with its head office at 85 Richmond Street West, Toronto, Ontario, the Company agreed to purchase on its own behalf on October 1st, 1955 (hereinafter called "the effective date") 250,000 treasury shares of DeVille at a price of 10 cents per share

and 250,000 treasury shares of DeVille at a price of 10 cents per share 30 days after the effective date. In consideration of such purchases, DeVille granted to the Company an option to purchase on its own behalf an additional 1,000,000 treasury shares of DeVille at the prices and within the times stated:—200,000 shares at 15 cents per share; 200,000 shares at 20 cents per share; 200,000 shares at 25 cents per share; 200,000 shares at 30 cents per share and 200,000 shares at 40 cents per share. This option was to be exercised at the rate of not less than 85,000 shares a calendar month commencing not later than 120 days from the effective date. It was provided, however, that in the event of default the Company would be entitled to 15 days' notice in writing by DeVille of its intention to terminate the option. Provided the said shares were qualified by the Ontario Securities Commission for distribution to the public, the Company agreed by agreement dated September 23rd, 1955 to sell to Corporation Financiers, 330 Bay Street, Toronto, Ontario, the 500,000 treasury shares of DeVille, agreed to be purchased by the Company, at a price of 11 cents per share and Corporation Financiers agreed to purchase the same. In consideration of such purchase the Company granted to Corporation Financiers the right to purchase all or any of the said 1,000,000 treasury shares of DeVille under option to the Company at a marked-up price of 1 cent over the prices payable by the Company to DeVille as hereinbefore set forth. Any distribution to the public by Corporation Financiers would be made through the medium of registered security dealers either on an agency basis by which such security dealers would receive a commission not exceeding 25% of the proceeds of sales or on the basis of a straight re-sale to such security dealers at a mark-up not exceeding 1 cent per share or through such security dealers paying them the usual brokerage rates allowable by the Toronto Stock Exchange for mining companies.

Subsequent to the said Agreement dated September 1st, 1955, between the Company and DeVille, three nominees of the Company were elected to the board of Directors of DeVille which comprises five directors.

A condition precedent (which has been complied with) to the effectiveness of the said Agreement dated September 1st, 1955, between the Company and DeVille was that the directors and shareholders of Lepas Flin Flon Mines Limited (hereinafter called "Lepas"), Markham, Ontario, approved an Agreement dated September 1st, 1955, between Lepas and DeVille continuing in full force and effect an agreement dated June 5th, 1953, between Lepas and DeVille pertaining to an option in favour of DeVille to purchase 35 contiguous mineral claims in the Pas District, Athapapuskaw Division in the Province of Manitoba and being Numbers CU 1 to CU 27, CU 29 to CU 34 and CU Fraction all inclusive, comprising approximately 1,700 acres.

The said Agreements dated June 5th, 1953 and September 1st, 1955 as amended provide that DeVille may exercise the said option to purchase the said 35 mineral claims provided DeVille does diamond drilling on the said mineral claims as follows: 500 lineal feet to be commenced not later than January 31st, 1956 and completed not later than April 15th, 1956; 5,000 lineal feet to be performed and completed not later than July 15th, 1956; 5,000 lineal feet to be performed and completed not later than June 30th, 1958. A further extension is being negotiated.

The said Agreements further provide that if DeVille, after performance of the said diamond drilling, desires to exercise the said option DeVille shall be entitled to incorporate at its expense a mining company and that company shall be entitled to receive transfers to it of the said mining claims upon delivery to Lepas and DeVille of 375,000 shares each or one-half in number each (whichever is greater) of the shares of that company issued or issuable as consideration for the transfer of the said mining claims to that company. Ninety per cent of the shares so issued or issuable shall be escrowed subject to release only upon the consent of the Ontario Securities Commission and the said company's directors.

Under the said agreement of September 1st, 1955 the Company purchased 500,000 shares at 10 cents, 200,000 shares at 15 cents and 200,000 shares at 20 cents. The agreement was then terminated. By agreement dated November 3rd, 1955, between the Company and Corporation Financiers, 330 Bay Street, Toronto, Ontario, Corporation Financiers relinquished its right to purchase on its own behalf from the Company an additional 1,000,000 treasury shares of DeVille which was given to Corporation Financiers by this Company by agreement dated September 23rd, 1955. The Company and Corporation Financiers agreed that the price per share payable by Corporation Financiers to this Company for the 500,000 shares of DeVille to be purchased by Corporation Financiers would be 10 cents and not 11 cents. This Company still holds 400,000 shares of the capital stock of DeVille as an investment.

So far as the signatories are aware, no one, other than the respectively named vendors, received a greater than 5% interest in the consideration paid for any of the foregoing properties or interests.

11. No shares have been issued or are to be issued to any Promoter, nor has any cash been paid to any Promoter as such.

12. For the particulars as to location, accessibility, geology, the only known history and work done to date by the present management, where applicable, and for recommendations for development of the properties and mining interests now held by the Company and described in Paragraph 10 (a), reference is made to the Report of J. D. McCannell, Consulting Geologist dated July 24th, 1958, which Report accompanies and forms part of this Prospectus. There is no underground or surface plant or equipment belonging to the company presently on any of the said properties.

13. By an agreement in writing dated July 29th, 1958, made between the Company and Starlight Mines Limited, Canada Radium Corporation Limited, DeVille Copper Mines Limited, all at Suite 1024, 85 Richmond Street West, Toronto, and Oakwell Limited, Suite 803, 330 Bay Street, Toronto, (hereinafter called "the Underwriter-Optionees"), the Underwriter-Optionees have agreed to firmly purchase from the Company, jointly and severally, 50,000 shares of its capital stock at the price of 10 cents per share, payable fully on or before the date of qualification of the said shares for public sale in the Province of Ontario, which qualification date is hereinafter referred to as "the effective date". In consideration thereof, the Company under the said agreement granted to the Underwriter-Optionees the sole and exclusive right or option to purchase all or any part of a further 950,000 shares of its capital stock as follows:— all or any part of 200,000 shares at the price of 10 cents per share within three months of the effective date; all or any part of 200,000 shares at the price of 12½ cents per share within six months from the effective date; all or any part of 200,000 shares at 15 cents per share within nine months from the effective date; all or any part of 200,000 shares at 17½ cents per share within twelve months from the effective date; all or any part of 100,000 shares at 20 cents per share within fifteen months from the effective date and all or any part of 50,000 shares at 25 cents per share within eighteen months from the effective date. The agreement provides that shares taken down in excess of the minimum requirements in any option period shall be credited to the succeeding period or periods as the case may be. The parties to the agreement understand, and the agreement so provides, that upon default occurring in meeting any of the said options and the same continuing for 20 days and not being cured, either by extension by mutual consent, or by waiver of default by the Company, the said agreement insofar as it has not been exercised will wholly terminate. In the event of any such default or extension agreement, the parties understand that an amending statement to the Prospectus of the Company must be filed within 20 days thereof, if the shares of the Company are still in the course of primary distribution.

The Underwriter-Optionees have informed the Company that as none of them are registered Security Dealers, they intend to distribute the underwritten shares, and any optioned shares, purchased by them, through the medium of registered Security Dealers. Such distribution will be performed either on an agency basis by which such Security Dealers will

receive a commission not exceeding 25% of the proceeds of sales to the public, plus an allowance by way of contribution to cover expenses of promotion and distribution; or on the basis of a straight re-sale to such Security Dealers as principals or agents at a mark-up not to exceed 1 cent per share; or through such Security Dealers as brokerage agents paying them the usual rates allowable by the Toronto Stock Exchange for Mining Companies. The Underwriter-Optionees may from time to time grant sub-options on all or any part of the shares underwritten and optioned by them and in such event an appropriate amendment to this Prospectus will be filed by this Company within the required statutory period if the shares of the Company are then in primary distribution.

Each of the Underwriter-Optionees is acting on its own behalf in the matter, and there are not now any sub-options or sub-underwritings outstanding.

The only person owning a greater than 5% interest in Oakwell Limited, one of the Underwriter-Optionees, which is a private company, is Louis Mainwaring Atwell, 441 Chamberlain Lane, Oakville, Ontario. As the other Underwriter-Optionees are public mining companies the shares of which have been widely distributed, it is not possible to state who may from time to time own a greater than 5% interest therein.

14. The Company proposes to spend the money which it will receive from the sale of its underwritten shares as set out in Paragraph 13 to pay its ordinary operating expenses and current liabilities, and thereafter will use available funds to carry on its mining operations, as recommended by the Report of J. D. McCannell, aforesaid.

15. The Company has been incorporated for more than one year.

16. No indebtedness is to be created or assumed (other than ordinary operating expenses) which is not disclosed in this Prospectus or which is not shown in the Balance Sheet of the Company reported on by V. D. Harbinson & Co., Chartered Accountants, as at June 30th, 1958, which Balance Sheet accompanies and forms part of this Prospectus.

17. The particulars as regards the business in which each Director and Officer has been engaged for the past three years are as follows:—

WILLIAM LEONARD HODGSON (President and Director)—Accountant with National Trust Company, Toronto, Ontario.

GEORGE WALTERS WHITCOMBE (Vice-President and Director)—Statistician and Office Manager with Oakwell Limited, Toronto, Ontario.

SAM TAYLOR (Secretary-Treasurer and Director)—Self-employed as Professional Corporation Secretary, Toronto.

LAWRENCE JEFFERSON (Director)—Self-employed as a Mining Prospector, Toronto.

JOHN FRANKLIN MacKAY (Director)—Real Estate Office Manager, National Trust Company, Toronto, Ontario.

18. No Director or Officer of the Company has or ever had any interest direct or indirect and either personally or as a partner in a firm, in the properties acquired by the Company, save and except Lawrence Jefferson, who was the vendor of the properties referred to in paragraph 10 (a) (ii) and (iii), and who received the consideration disclosed therein.

19. From incorporation in 1948 to June 30th, 1958, the Company has paid \$14,372.50 for head office services, consisting of secretarial, accounting, maintenance and rent. It is estimated that during the current financial year the sum of \$1,800.00 will be so paid.

20. No dividends have been paid to date.

21. There is no agreement under which any person is entitled to elect or cause to be elected a majority of the Directors of the Company. Oakwell Limited, 330 Bay Street, Toronto, Ontario, the successors to Corporation Financiers, might by reason of ownership of shares previously purchased, be in a position to cause to be elected a majority of the Directors.

22. There are no other material facts in relation to the securities of the Company which require disclosure other than those above set forth. The signatories hereto are not aware of any person or proposed arrangement whereby the vendor shares of the Company will be sold or given to any person or persons as a bonus or otherwise. If any such arrangement is made and comes to the knowledge of the undersigned, an appropriate amendment to this Prospectus will be filed within 20 days thereof if the securities of the Company are then in the course of primary distribution.

DATED this 11th day of August, A.D. 1958.

WE, the undersigned Directors hereby certify that 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 (Ontario) and there is no further material information applicable other than under the Financial Statement or Reports where required.

Directors:

"W. L. HODGSON"

"G. W. WHITCOMBE"

"S. TAYLOR"

"L. JEFFERSON"

"J. F. MacKAY"

AND WE, the undersigned Underwriter-Optionees hereby certify that to the best of our knowledge, information and belief, 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 (Ontario) and there is no further material information applicable other than under the Financial Statement or Reports where required. In respect of matters which are not within our knowledge, we have relied upon the accuracy and adequacy of the foregoing.

Underwriter-Optionees:

STARLIGHT MINES LIMITED

Per: "W. L. HODGSON," President

"S. TAYLOR," Secretary

DeVILLE COPPER MINES LIMITED

Per: "W. L. HODGSON," President

"S. TAYLOR," Secretary

CANADA RADIUM CORPORATION LIMITED

Per: "W. L. HODGSON," President

"S. TAYLOR," Secretary

OAKWELL LIMITED

Per: "L. M. ATWELL," President

Report on Properties of  
PACEMAKER MINES AND OILS LIMITED

Located in  
BEAVERLODGE AREA, SASKATCHEWAN  
FARADAY TOWNSHIP, ONTARIO  
DANIEL TOWNSHIP, QUEBEC  
CARTIER AND LEVACK TWPS., ONTARIO

The Directors,  
Pacemaker Mines and Oils Limited,  
Suite 1024, 85 Richmond Street West,  
Toronto, Ontario.

Gentlemen:

The following is a compilation report covering four groups of mining claims now held in whole or in part by your Company. These groups include six claims located in the Beaverlodge Area of Saskatchewan, four claims in Faraday Township, Bancroft Area, Ontario, twenty claims in Daniel Township, Mattagami Lake Area, Northwestern Quebec and a 12 1/2% interest in twelve claims in Levack and Cartier Townships, Sudbury Area, Ontario.

With the exception of the Mattagami Lake ground, where only a reconnaissance geological survey has been made to date, fairly detailed exploratory programs have been conducted over the ground held by your Company.

Detailed geological mapping was completed over the Beaverlodge claims group and in addition slightly over 7,000 feet of diamond drilling was carried out during the year 1955. Magnetometer and scintillometer surveys were carried out over your Company's ground in Faraday Township, Ontario. A program of diamond drilling was recommended based on the results of this geophysical work and three holes were drilled during August and September 1955 for a total footage of 2,047 feet. Magnetometer and electrical resistivity surveys were conducted over the Levack and Cartier Township ground during the period July to September 1955. Geological mapping of the claims group was carried out in conjunction with the geophysical work. A limited amount of shallow diamond drilling was previously done on the two most southerly claims of the group. The Mattagami Lake Area claims were first staked in September 1957 and apart from a reconnaissance geological survey, no detailed exploration work has been conducted over the claims group. The property is included in the area covered by the regional aero-magnetic survey conducted by Dominion Gulf Company in 1948, the results of which work are now in file with the Geological Survey of Canada in Ottawa. This aerial survey showed no anomalous conditions of significance over the claims group discussed herein.

BEAVERLODGE AREA, SASKATCHEWAN

Property, Location and Access

The Property of Pacemaker Mines and Oils Limited located in the Beaverlodge area, Province of Saskatchewan, comprises a group of six mining claims referred to as the HY group, covering an area of approximately 250 acres and further described as follows:

HY-5	S-12635
HY-6	S-12636
HY-9	S-12639
HY-10	S-12340
HY-15	S-12645
HY-16	S-12646

The property is located along the west shore of Goehring Lake, 8 miles east of the town of Uranium City and 3 1/2 miles east of the Ace Lake Mine of the Eldorado Mining and Refining Company.

The property can best be reached by plane and Goehring Lake provides ideal landing facilities for either ski or float equipped aircraft.

Topography

The topography of the immediate area is fairly rugged with a considerable number of high outcrop hills. The lower intervening ground is for the most part covered with a dense growth of small spruce and birch. Approximately 50% of the claims group is characterized by outcrop area.

A series of three small elongated lakes follow a deep depression extending in a southwest-northeast direction across the south part of the claims group. These lakes form a part of the stream draining Goehring Lake.

General Geology

The general geology of the Beaverlodge Lake area is shown on the Goldfields-Martin Lake Sheet, Map 1015-A published by the Geological Survey of Canada on the scale of one inch to one mile.

This sheet shows the Goehring Lake area to be generally underlain by granite and granite gneiss with numerous small masses of older mafic rocks forming a part of a series referred to as the Tazin group.

The Tazin group covers a wide range of sedimentary formations and includes dolomite and dolomitic quartzite, conglomerate, quartzite and a series of mafic rocks including amphibolite, biotite schist and garnetiferous gneiss. These mafic rocks are all considerably metamorphosed and it may be that some are actually of volcanic rather than sedimentary origin.

The granite and its associated granite gneiss is by far the most pre-luminant rock type in the Beaverlodge area. This rock intruded the Tazin series and contains numerous partially digested masses of the older rock formations. The alteration of the granite to gneiss and the presence of partially digested older rocks often makes the composition of the granite considerably more complex.

The chief uranium mineral found in the Beaverlodge area is pitchblende which usually occurs in vein-type deposits associated with faulting. The pitchblende mineralization favours the granite gneiss and the mafic rocks. Radioactive mineralization has been observed, however, in the lower members of the Tazin group as well as in sediments and volcanic rocks of the Athabasca series which are much younger than the granite and related granite gneiss.

A detailed study of the geology of the claims group discussed in this report shows the underlying formations to consist of quartzite, feldspathized quartzite, amphibolite and granite gneiss. A strong depression marking a southwest-northeast fault extends across the south part of the property. This portion of the ground is predominantly underlain by quartzite with minor masses of amphibolite. The strong fault extending through this area is well marked by intense shearing in outcrops along the bed of the creek which follows the depression.

A scintillometer survey indicated the presence of radioactive mineralization in the quartzite formations along this fault.

#### Mining Exploration

Early in 1955 a scintillometer survey was conducted over the claims group in conjunction with a program of geological mapping. This work disclosed the presence of radioactive mineralization in a large fault structure striking in a southwest-northeast direction through claims S-12635, S-12636 and S-12640. A diamond drilling contract was let to Bradley Brothers Limited and drilling commenced on May 31st, 1955. During the period May 31st to September 18th, 1955, thirty-four holes were drilled for a total footage of 7,125 feet. The last two holes were drilled in conjunction with Starlight Mines Limited with 160 feet of the drilling being on the Starlight Mines Limited side of the boundary. Most of the drilling was confined to claims S-12635 and S-12636 which are the most southwesterly claims of the group.

#### Conclusions and Recommendations

The exploration work consisting of geological mapping, scintillometer surveying and diamond drilling completed on the property of Pacemaker Mines and Oils Limited discussed in this report failed to locate an economic body of radioactive ore. This exploration work, however, did disclose the presence of a good radioactive zone associated with a strong southwest-northeast trending fault through the south part of the claims group. The drilling completed to date was confined to a fairly shallow horizon and cannot be considered as conclusively ruling out the economic merits of the claims group.

The work completed to date is sufficient to provide assessment work to carry the ground for a number of years and it is recommended that the property be retained in good standing pending further geological information on the area.

### BANCROFT AREA, ONTARIO

#### Property, Location and Access

The property of Pacemaker Mines and Oils Limited located in the Bancroft area consists of a group of four claims in Faraday Township. These claims numbered E.O. 13555 to E.O. 13558 inclusive, comprise Lots 12 and 13 and cover an area of approximately 200 acres. All four claims are located in Concession X.

The claims group adjoins the southeast corner of the property of Faraday Uranium Mines Limited and is about  $\frac{1}{2}$  mile east of Highway No. 28 which extends north from the town of Peterborough through the Bancroft area.

#### Topography

The topography is characterized by fairly flat terrain with occasional low rolling hills. There are numerous scattered outcrop areas with rock exposures occurring over about 5% of the claims. The entire property is quite heavily timbered with maple, birch and poplar.

A long narrow beaver pond extends in a general east-west direction across the central part of the property with two smaller ponds, one in the extreme northwest corner and one in the southeast corner of the claims group.

#### General Geology

The general geology of Faraday Township is shown on the Haliburton-Bancroft area Sheet, Map No. 1957b, published by the Ontario Department of Mines on the scale of one inch to two miles.

The underlying formations are predominantly paragneiss and crystalline limestone with minor amounts of gabbro. The paragneiss forms three bands extending in a slightly north of east direction. These bands of paragneiss are separated by crystalline limestone. The gabbro, which occurs as two minor intrusive masses, is confined to the south crystalline limestone band. The limestones and paragneiss strike in a slightly north of east direction and the dips are vertical to steep south.

#### Mining Exploration

Magnetometer and scintillometer surveys were conducted over the entire group of four claims during June 1955. These surveys were conducted along north-south traverse lines spaced at 200 foot intervals. The scintillometer readings were taken every 25 feet along the traverse lines and the magnetometer readings at 50 foot intervals.

The scintillometer survey indicated only weak radioactivity with the highest readings only about twice background. Much of the area, however, is covered with a heavy mantle of overburden which would tend to mask any effects of underlying radioactive mineralization unless the overburden was quite shallow.

The magnetometer survey outlined a strong magnetic zone extending in a north of east direction across the north part of the claims group and conforming with the strike of the underlying paragneiss. In this section the paragneiss was observed to include some granitic rock which in places carried a fair amount of disseminated magnetite. The presence of this magnetite would account for the high magnetometer readings obtained over this section of the property. The band of paragneiss extending through the central portion of the claims group and also that extending through the extreme south part is also marked by fairly high magnetic readings but the anomalies obtained over these two bands were not nearly as pronounced as that over the northern band.

The gabbro, which might normally be expected to produce high magnetic readings, had very little effect on the magnetometer survey.

• A program of geological mapping was conducted in conjunction with the geophysical work using the same traverse lines for control.

Following this work, a diamond drilling contract was let in August 1955 to Inspiration Mining and Development Company Limited of North Bay. During the period August 18th to September 17th, 1955, three holes were drilled for a total footage of 2,047 feet. These three holes were all drilled to cross-section the magnetic anomaly occurring along the north band of paragneissic rocks.

#### Conclusions and Recommendations

The exploration work carried out over the claims group failed to locate the presence of significant radioactive mineralization. However, the claims group is located near the sedimentary-granitic contact which is the favourable contact zone with which the radioactive mineralization is usually associated in the Bancroft area. Although the scintillometer

SUDBURY AREA, ONTARIO

Property, Location and Access

Pacemaker Mines and Oils Limited holds a 12½% interest in a group of 12 contiguous mining claims located in Cartier and Levack Townships, Sudbury Mining Division, Ontario.

The claims group straddles the boundary between the two townships with 5 claims being located in the southeast corner of Cartier Township and 7 claims in the southwest corner of Levack Township. The claims included in this group are further described as follows:

Claims 85279, 85280, 85281, 61454, 61452 — Concession I, Cartier Township  
Claims 85321, 61453, 61451, 61669, 61670, 61668, 61667 — Concession I, Levack Township

The property comprises approximately 500 acres and is located 1¼ miles west of the town of Levack and ¾ mile north of Windy Lake.

The area is quite readily accessible as the main line of the Canadian Pacific Railway extends across the extreme southwest corner of the claims group and the highway from Sudbury to Cartier passes about ¼ mile south of the south boundary.

Topography

The topography of the claims group is characterized by moderately high hills in the north and east parts and sand plain in the south and southwest.

Rock exposures are quite prevalent in the higher ground but fairly heavy overburden conditions prevail in the sand plain area.

General Geology

The general geology of the area is shown on the Chelmsford Sheet, Map 871-A, published by the Geological Survey of Canada in 1946. The claims group is located on the north rim of the geological structure referred to as the Sudbury Basin. The Chelmsford Sheet shows a cross-section of the north rim of the Basin from the town of Sudbury to the outward limits of the structure. The nickeliferous ore bodies in the Sudbury area are associated with a band of norite forming one of the formational horizons in the basin structure. On the north side of the rim the norite is underlain by a wide band of granite and granite gneiss. The Chelmsford Sheet shows the claims group discussed in this report to be underlain by this latter rock type.

Mining Exploration

Resistivity and magnetometer surveys were conducted over the claims group by Geo-Technical Development Company Limited during the period from July 11th to September 19th, 1955 and a geological examination was made of the property during the period September 15th to 18th, 1955. All surveys were conducted using north-south control lines spaced at 300 foot intervals.

Previous to this work, shallow diamond drilling had been done along a band of weak mineralization showing disseminated pyrite, pyrrhotite and chalcopyrite and extending northwest across the two most southerly claims of the group. Nothing of economic interest was reported from that work.

The electrical resistivity survey showed a pronounced east-west trend conforming to the foliation strike of the underlying granite gneiss. Several small scattered areas of higher than average conductivity probably resulted from topographic conditions. A small, weakly defined resistivity anomaly extends northwest across the most southerly two claims of the group and marks the strike of the weakly mineralized band exposed on surface. The electrical resistivity survey has a maximum depth limit of 250—300 feet so that stronger mineralization at depth would not be detected by this work.

The magnetometer survey was largely confined to the south two claims of the group as a check on the results of the electrical resistivity work. Seven magnetic profiles were, however, run for the full north-south length of the claims group. Some weak magnetic trends were delineated by this work but no anomalies were obtained which could be considered as indicating appreciable pyrrhotite, thus marking the presence of a sulphide body.

The detailed geological work merely verified that the underlying formations are granite and granite gneiss as shown on the Chelmsford Sheet. Several gabbro and diabase dykes were observed to cut the granite gneiss. Minor scattered masses of gabbro and diorite were also observed and are believed to be older than the granite gneiss. In most cases these small basic intrusive occurrences are accompanied by weak disseminations of pyrite, pyrrhotite and chalcopyrite.

The granite gneiss was observed to be folded in a syncline, the south limb dipping north at a low angle. The north limb of this syncline is well exposed and dips of 30° to 40° to the south were observed. This structure is a localized fold within the major structure of the Sudbury Basin.

In the latter part of October 1955 a diamond drill hole was started to probe the northwest trending sulphide zone in claims S.61451 and S.61452 at depth. The collar of this hole was located in the extreme northwest corner of claim S.61451 and the hole was drilled on a bearing of S.31°W at an angle of 61°. The hole was completed at a depth of 2,027 feet in March 1956 and is reported to have intersected granite and granite gneiss for the most part with sections of more dioritic material and occasional narrow diabase dykes. It is quite possible that the dioritic material mentioned in the log merely represents a phase of the granite formation. No mineralization of economic significance was encountered.

LEVACK  
TP

Conclusions and Recommendations

No economic mineralization has been encountered to date in the exploration work conducted over the property described in the foregoing report. However, with the exception of the one deep hole drilled on the most southerly two claims, the work has been confined to surface exploration and shallow diamond drilling.

The property is underlain by the granite and granite gneiss which contacts the footwall of the norite band along the north rim of the Sudbury Basin structure. Deep mining along the north rim has only been in progress in recent years and information concerning the nature of the ore occurrences is continually being compiled. The known ore bodies in

SUDBURY AREA, ONTARIO

**Property, Location and Access**

Pacemaker Mines and Oils Limited holds a 12½% interest in a group of 12 contiguous mining claims located in Cartier and Levack Townships, Sudbury Mining Division, Ontario.

The claims group straddles the boundary between the two townships with 5 claims being located in the southeast corner of Cartier Township and 7 claims in the southwest corner of Levack Township. The claims included in this group are further described as follows:

Claims 85279, 85280, 85281, 61454, 61452 — Concession I, Cartier Township  
Claims 85321, 61453, 61451, 61669, 61670, 61668, 61667 — Concession I, Levack Township

The property comprises approximately 500 acres and is located 1½ miles west of the town of Levack and ¼ mile north of Windy Lake.

The area is quite readily accessible as the main line of the Canadian Pacific Railway extends across the extreme southwest corner of the claims group and the highway from Sudbury to Cartier passes about ¼ mile south of the south boundary.

**Topography**

The topography of the claims group is characterized by moderately high hills in the north and east parts and sand plain in the south and southwest.

Rock exposures are quite prevalent in the higher ground but fairly heavy overburden conditions prevail in the sand plain area.

**General Geology**

The general geology of the area is shown on the Chelmsford Sheet, Map 871-A, published by the Geological Survey of Canada in 1946. The claims group is located on the north rim of the geological structure referred to as the Sudbury Basin. The Chelmsford Sheet shows a cross-section of the north rim of the Basin from the town of Sudbury to the outward limits of the structure. The nickeliferous ore bodies in the Sudbury area are associated with a band of norite forming one of the formational horizons in the basin structure. On the north side of the rim the norite is underlain by a wide band of granite and granite gneiss. The Chelmsford Sheet shows the claims group discussed in this report to be underlain by this latter rock type.

**Mining Exploration**

Resistivity and magnetometer surveys were conducted over the claims group by Geo-Technical Development Company Limited during the period from July 11th to September 19th, 1955 and a geological examination was made of the property during the period September 15th to 18th, 1955. All surveys were conducted using north-south control lines spaced at 300 foot intervals.

Previous to this work, shallow diamond drilling had been done along a band of weak mineralization showing disseminated pyrite, pyrrhotite and chalcopyrite and extending northwest across the two most southerly claims of the group. Nothing of economic interest was reported from that work.

The electrical resistivity survey showed a pronounced east-west trend conforming to the foliation strike of the underlying granite gneiss. Several small scattered areas of higher than average conductivity probably resulted from topographic conditions. A small, weakly defined resistivity anomaly extends northwest across the most southerly two claims of the group and marks the strike of the weakly mineralized band exposed on surface. The electrical resistivity survey has a maximum depth limit of 250—300 feet so that stronger mineralization at depth would not be detected by this work.

The magnetometer survey was largely confined to the south two claims of the group as a check on the results of the electrical resistivity work. Seven magnetic profiles were, however, run for the full north-south length of the claims group. Some weak magnetic trends were delineated by this work but no anomalies were obtained which could be considered as indicating appreciable pyrrhotite, thus marking the presence of a sulphide body.

The detailed geological work merely verified that the underlying formations are granite and granite gneiss as shown on the Chelmsford Sheet. Several gabbro and diabase dykes were observed to cut the granite gneiss. Minor scattered masses of gabbro and diorite were also observed and are believed to be older than the granite gneiss. In most cases these small basic intrusive occurrences are accompanied by weak disseminations of pyrite, pyrrhotite and chalcopyrite.

The granite gneiss was observed to be folded in a syncline, the south limb dipping north at a low angle. The north limb of this syncline is well exposed and dips of 30° to 40° to the south were observed. This structure is a localized fold within the major structure of the Sudbury Basin.

In the latter part of October 1955 a diamond drill hole was started to probe the northwest trending sulphide zone in claims S.61451 and S.61452 at depth. The collar of this hole was located in the extreme northwest corner of claim S.61451 and the hole was drilled on a bearing of S.31°W at an angle of 61°. The hole was completed at a depth of 2,027 feet in March 1956 and is reported to have intersected granite and granite gneiss for the most part with sections of more dioritic material and occasional narrow diabase dykes. It is quite possible that the dioritic material mentioned in the log merely represents a phase of the granite formation. No mineralization of economic significance was encountered.

LEVACK  
TP

**Conclusions and Recommendations**

No economic mineralization has been encountered to date in the exploration work conducted over the property described in the foregoing report. However, with the exception of the one deep hole drilled on the most southerly two claims, the work has been confined to surface exploration and shallow diamond drilling.

The property is underlain by the granite and granite gneiss which contacts the footwall of the norite band along the north rim of the Sudbury Basin structure. Deep mining along the north rim has only been in progress in recent years and information concerning the nature of the ore occurrences is continually being compiled. The known ore bodies in



NINE—

the area usually occur on the lower side and near the contact of the norite so that the location of the Pacemaker Mines and Oils Limited property at only  $\frac{1}{4}$  mile north of this contact gives it locational significance. In view of these conditions it is recommended that the property be retained in good standing pending additional geological information on the general area.

Respectfully submitted,

"J. D. McCANNELL,"  
Consulting Geologist.

Toronto, Ontario  
July 24th, 1958

JDMcC/hfp

CERTIFICATE

I, James D. McCannell, of the City of Toronto, Ontario, do hereby declare:

1. THAT I am a Consulting Geologist and reside at 565 Avenue Road, Toronto, Ontario.
2. THAT I am a graduate of the University of Western Ontario (1943) and that I have been practising my profession as a geologist since graduation.
3. THAT I have no interest either directly or indirectly in the groups of claims referred to in the accompanying report nor do I expect to receive any such interest.
4. THAT I have no interest directly or indirectly in the securities of Pacemaker Mines and Oils Limited nor do I expect to receive any such interest.
5. THAT I was the Consulting Geologist in charge of diamond drilling carried out on the property of Pacemaker Mines and Oils Limited located in the Beaverlodge area of Saskatchewan and described in the foregoing report and that my report is based on personal examinations of the property in July and September 1955, as well as on personal knowledge of the general area and published geological reports and maps.
6. THAT I am a Director and Consulting Geologist for Geo-Technical Development Company Limited, which company supervised the exploration work on the properties of Pacemaker Mines and Oils Limited located in Faraday Township, Ontario and the claims located in Cartier and Levack Townships, Ontario, described in the accompanying report, and that my report is based on personal knowledge of both areas and published geological reports and maps.
7. THAT I have personally examined the claims group of Pacemaker Mines and Oils Limited located in Daniel Township, Quebec, during the period September 23rd and 24th, 1957 and that my report is based on my personal knowledge of the property and published geological reports and maps on the general area.

"J. D. McCANNELL,"  
Consulting Geologist.

Dated at Toronto, Ontario  
this 24th day of July, 1958.

# PACEMAKER MINES & OILS LIMITED

BALANCE SHEET AS AT JUNE 30, 1958

## ASSETS

Current		
Cash in bank .....		\$ 352.52
Advances to associated mining companies .....		18,130.86
Investment in shares of mining companies, at cost .....		150,028.75
Mining properties, at cost:		
For cash .....	\$ 30,000.00	
Interest in mining properties, for cash .....	4,000.00	34,000.00
Development and other expenditures (Exhibit No. 2) .....		128,424.33
Organization expense .....		4,804.90
		<u>\$335,741.36</u>

## LIABILITIES

Current		
Accounts payable .....		\$ 4,126.65

## SHAREHOLDERS' EQUITY

Capital stock:			
Authorized:			
7,500,000 shares of \$1.00 each			
Issued:			
For leases			
(petroleum and natural gas) 1,000,000 shares .....	\$1,000,000.00		
Less: Discount .....	990,000.00	\$ 10,000.00	
For cash			
3,840,510 shares .....	\$3,840,510.00		
Less: Discount .....	3,339,000.00	501,510.00	
	<u>4,840,510 shares</u> .....	<u>\$511,510.00</u>	
Deficit (Exhibit No. 2) .....		179,895.29	331,614.71
			<u>\$335,741.36</u>

### Future commitments:

An underwriting agreement dated July 29, 1958, has been entered into for 50,000 treasury shares of the company at \$1.10 per share, payable on the date of qualification for public sale. Upon completion of the above underwriting there is an option agreement outstanding to sell 950,000 shares at prices ranging from \$.10 to \$.25 per share.

Approved on behalf of the Board:  
 "W. L. HODGSON," Director.  
 "S. TAYLOR," Director.

Submitted with our report dated July 30, 1958.

Toronto, Ontario,  
 July 30, 1958.

"V. D. HARBINSON & CO."  
 Chartered Accountants.

## AUDITORS' REPORT

To the Shareholders of  
 Pacemaker Mines & Oils Limited.

We have examined the balance sheet of the Pacemaker Mines & Oils Limited as at June 30, 1958, and the statement of development and other expenditures for the period from incorporation October 27, 1948 to June 30, 1958, and have obtained all the information and explanations we have required. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

In our opinion, the accompanying balance sheet and statement of development and other expenditures are properly drawn up so as to exhibit a true and correct view of the state of the affairs of the company as at June 30, 1958, and the results of its operations for the period from incorporation October 27, 1948 to June 30, 1958, according to the best of our information and the explanations given to us and as shown by the books of the company.

Toronto, Ontario,  
 July 30, 1958.

"V. D. HARBINSON & CO."  
 Chartered Accountants.

# PACEMAKER MINES & OILS LIMITED

## STATEMENT OF DEVELOPMENT AND OTHER EXPENDITURES FOR THE PERIOD FROM INCORPORATION OCTOBER 27, 1948 TO JUNE 30, 1958

<b>Development expenses:</b>			
<b>Beaverlodge Area, Saskatchewan</b>			
Consultants' fees and expenses .....	\$ 3,744.51		
Diamond drilling .....	39,547.95		
Geophysical surveys .....	4,000.00		
Miscellaneous .....	2,429.65	\$ 49,722.11	
<b>Faraday Township, Ontario</b>			
Consultants' fees and expenses .....	\$ 100.00		
Diamond drilling .....	12,344.19		
Miscellaneous .....	545.01	12,989.20	
<b>Mattagami Lake Area, Quebec</b>			
Miscellaneous .....			40.00
<b>Levack and Cartier Townships, Sudbury Mining Division</b>			
Diamond drilling .....	\$ 7,179.70		
Miscellaneous .....	13.15	7,192.85	\$ 69,944.16
<b>Administrative and general expenses:</b>			
Legal and audit .....	\$ 4,770.05		
Share issue expense .....	16,377.21		
Shareholders' information .....	18,108.19		
Head office services .....	14,372.50		
Fees and taxes .....	1,500.93		
Printing and stationery .....	194.54		
Directors' fees .....	2,430.00		
Telephone and telegraph .....	215.05		
Bank charges and miscellaneous .....	63.96		
Shareholders' meeting expense .....	1,807.69		
Travelling .....	16.00		
Head office rent .....	675.00		
		\$ 60,531.12	
Less: Interest earned .....		2,050.95	58,480.17
			<u>\$128,424.33</u>

## STATEMENT OF DEFICIT AS AT JUNE 30, 1958

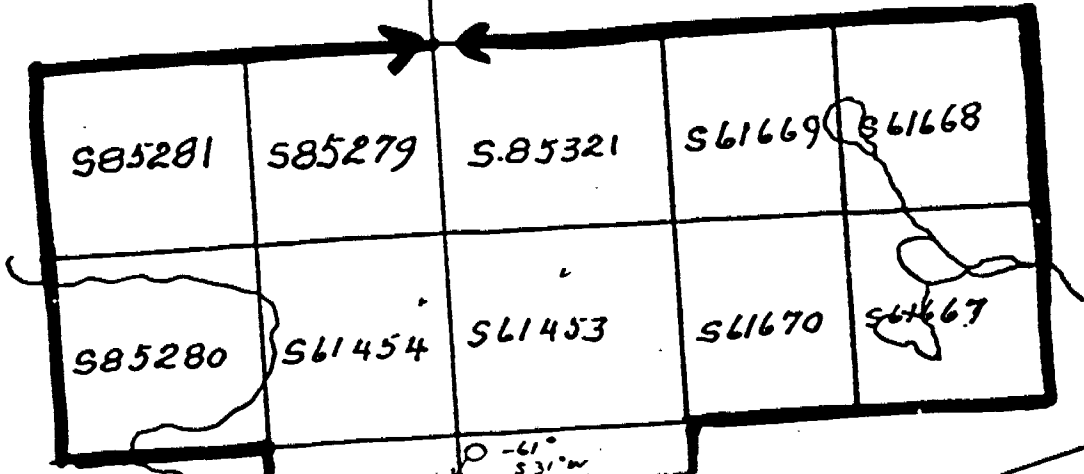
Write-off of development expenses incurred on abandoned properties .....	\$133,073.89	
Write-off of mining claims, oil leases and option payments .....	46,000.00	
Loss on sale of securities .....	821.40	
		<u>\$179,895.29</u>

PLAN of 12 mining claim  
 in name of S. Taylor  
 on which Diamond Drilling  
 was done showing baseline A.B.

Scale 1" = 20'

TWP of Cartier

TWP. of Levack



-61°  
 S 31° W  
 202.7' Nov. 1952  
 S 61° 45' E 370.0' D. base

Cascaden

DOWLING

(FROM TAYLOR, S. FILE)