

The shares referred to herein are being offered in Canada but not in the United States of America. This Prospectus is not and under no circumstances is to be construed as an offering of any of these shares for sale in the United States of America or the territories or possessions thereof or an offering to any resident of such places or a solicitation therein of an offer to buy any of these shares.

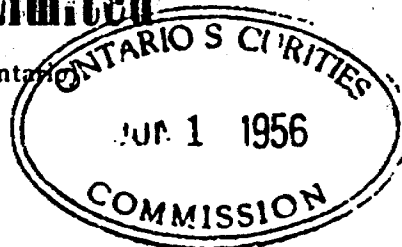


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Mining Geophysics Company Limited

(Incorporated under the laws of the Province of Ontario)



Capitalization

(on completion of present financing)

	Authorized	To be issued and outstanding on completion of Underwriting
5% non-cumulative preference shares of a par value of \$10.00 each redeemable at \$11.00 per share and convertible up to 31st March, 1965 into common shares on the basis of 5 common shares for 1 preference share.....	500,000 shs.	500,000 shs.
Common shares of \$2.00 par value.....	7,500,000 shs.	1,800,005 shs.

Transfer Agent and Registrar:

CHARTERED TRUST COMPANY, TORONTO, ONTARIO

Statutory information

Engineer's Report

Financial Statements

Mining Geophysics Company Limited

STATUTORY PROSPECTUS

1. The full name of the Company is MINING GEOPHYSICS COMPANY LIMITED and the address of its head office is Suite 306, 25 Adelaide Street West, Toronto, Ontario.
2. The Company was incorporated under The Corporations Act (Ontario), 1953, Part IV, by Letters Patent dated March 22nd, 1956.
3. The officers and directors of the Company are as follows:

Officers

President.....	NORMAN BELL KEEVIL, Mining Geophysicist	Lorne Park, Ontario.
Vice-President.....	SYDNEY ALBERT PERRY, Mining Executive	1 Benvenuto Place, Toronto, Ontario.
Secretary.....	REGINALD MICHAEL BUTLER, Barrister and Solicitor	12 Waxwing Place, Don Mills, Ontario.
Treasurer.....	GILBERT ASHER DOE, Chartered Accountant	55 St. Ives Crescent, Toronto, Ontario.
Assistant Secretary-Treasurer.....	AGAR CAWTHRA ADAMSON, Accountant	Grove Farm, Port Credit, Ontario.

Directors

NORMAN BELL KEEVIL.....	Mining Geophysicist	Lorne Park, Ontario.
SYDNEY ALBERT PERRY.....	Mining Executive	1 Benvenuto Place, Toronto, Ontario.
CLARE MANSELL JEPHICOTT.....	Chemist and Executive	323 Rosemary Road, Toronto, Ontario.
WILLIAM JUSTUS KEOUGH VANSTON.....	Executive	14 Glenside Road, South Orange, N.J., U.S.A.
DOUGLAS ALTON PERIGOE.....	Mining Underwriter	13.3 Aldo Drive, Lorne Park, Ontario.

There is no promoter of the Company unless one or more of the shareholders of the Company hereinafter referred to in Paragraph 14 hereof is to be taken as a promoter by reason of his acting as a vendor of properties to the Company.

4. Messrs. McDonald, Currie & Company, 80 King Street West, Toronto, Ontario, are the auditors of the Company.
5. Chartered Trust Company, 34 King Street West, Toronto, Ontario and Registrar and Transfer Company, 15 Exchange Place, Jersey City 2, N.J., U.S.A., are the Registrars and Transfer Agents of the Company.
6. The authorized capital of the Company consists of 500,000 5% non-cumulative preference shares of the par value of \$10.00 each (hereinafter called the "Preference shares") and 7,500,000 Common shares of the par value of \$2.00 each (hereinafter called the "Common shares").
7. The preferences, rights, conditions, restrictions, limitations and prohibitions attaching to the Preference shares are as follows:

(a) The holders of the Preference shares shall in each year in the discretion of the directors, but always in preference and priority to payment of dividends on the Common shares for such year, be entitled, out of any or all profits or surplus available for dividends, to non-cumulative dividends at the rate of five per cent (5%) per annum on the amount paid up on the Preference shares; if in any year, after providing for the full dividend on the Preference shares, there shall remain any profits or surplus available for dividends, such profits or surplus or any part thereof

may, in the discretion of the directors, be applied to dividends on the Common shares; the holders of the Preference shares shall not be entitled to any dividend other than or in excess of the non-cumulative dividends at the rate of five per cent (5%) per annum hereinbefore provided for;

(b) The Preference shares shall rank, both as regards dividend and repayment of capital, in priority to all other shares of the Company but shall not confer any further right to participate in profits or assets;

(c) The Company may, upon giving notice as hereinafter provided, redeem the whole or any part of the Preference shares on payment for each share to be redeemed of the amount paid up thereon together with a premium of ten per cent (10%) thereof and all dividends declared thereon and unpaid; not less than thirty (30) days' notice in writing of such redemption shall be given by mailing such notice to the registered holders of the shares to be redeemed, specifying the date and place or places of redemption; if notice of any such redemption be given by the Company in the manner aforesaid and an amount sufficient to redeem the shares be deposited with any trust company or chartered bank in Canada, as specified in the notice, on or before the date fixed for redemption, dividends on the Preference shares to be redeemed shall cease after the date so fixed for redemption, and the holders thereof shall thereafter have no rights against the Company in respect thereof except, upon the surrender of certificates for such shares, to receive payment therefor out of the moneys so deposited;

(d) The Company may, at any time and from time to time, purchase for cancellation the whole or any part of the Preference shares in the open market or by tender at the lowest price at which, in the opinion of the directors, such shares are obtainable but not exceeding the amount paid up thereon together with a premium of ten per cent (10%) thereof and all dividends declared thereon and unpaid, plus customary brokerage;

(e) In the event of the liquidation, dissolution or winding up of the Company, whether voluntary or involuntary, the holders of the Preference shares shall be entitled to receive, before any distribution of any part of the assets of the Company among the holders of any other shares, the amount paid up thereon and any dividends declared thereon and unpaid and no more;

(f) The Preference shares or any of them may upon and subject to the terms and conditions hereinafter set forth be converted at any time up to and including the thirty-first (31st) day of March, A.D. 1965, by the holder or holders thereof into fully-paid Common shares of the Company on the basis of five (5) Common shares for each one (1) Preference share; provided, however, that in the event of the liquidation, dissolution or winding up of the Company such right of conversion shall cease and expire at noon on the business day next preceding the date of such liquidation, dissolution or winding-up;

The holder of the Preference shares desiring to convert his Preference shares into Common shares in accordance with the foregoing shall surrender the certificate or certificates representing his Preference shares so to be converted to the head office of the Company or to the transfer agent for the time being of such Preference shares, together with a request in writing for such conversion with his signature thereon verified as the directors of the Company may from time to time require;

No payment or adjustment in respect of unpaid dividends declared on Preference shares so converted shall be made upon any such conversion;

If the number of outstanding Preference shares or Common shares shall, prior to the exercise by the holder of Preference shares of his aforesaid conversion right, be subdivided or consolidated, the number of Common shares into which such holder may convert his Preference shares shall be proportionately increased or decreased, as the case may be;

Nothing contained in the foregoing provisions regarding the conversion of Preference shares into Common shares shall be deemed in any way to limit or restrict the rights of the Company from time to time to take such lawful proceedings as it may deem advisable for the increase or decrease of its Preference or Common shares or otherwise in any other manner changing or dealing with the authorized capital of the Company or the shares thereof, the rights in respect of such conversion being exercisable in respect of Preference shares and the Common shares of the Company as they may from time to time be constituted respectively, subject only to the express provisions hereinbefore contained;

(g) The authorization for an application for the issue of Supplementary Letters Patent to delete or vary any preference, right, condition, restriction, limitation or prohibition attaching to the Preference shares or to create preference shares ranking in priority to or on a parity with the Preference shares, in addition to the authorization by a special resolution, may be given by at least two-thirds (2/3) of the votes cast at a meeting of the holders of the Preference shares duly called for that purpose.

8. 300,000 Preference shares and 1,500,005 Common shares have been issued to the date of this prospectus as fully paid and non-assessable.

9. No bonds or debentures of the Company are outstanding or are proposed to be issued.
10. Certificates representing 1,350,000 Common shares of the capital stock of the Company are held in escrow by Chartered Trust Company, 34 King Street West, Toronto, Ontario, subject to release pro rata with any other vendors' shares only with the consent of the Board of Directors of the Company and the Ontario Securities Commission and/or any other similar regulatory body of any jurisdiction in which the shares of the Company may be qualified for sale to the public and further subject to transfer, hypothecation, assignment or other alienation only with the written consent of the Ontario Securities Commission.
11. Particulars of the shares of the Company sold for cash to date are as follows:
- (i) 300,000 Preference shares have been sold at a price of \$10.00 per share and 5 Common shares have been sold at a price of \$2.00 per share;
 - (ii) the total cash received for the shares sold amounts to \$3,000,010;
 - (iii) no commission was paid or is payable in respect of the sale of any of the above-mentioned shares.

In addition to the foregoing, reference is also made to the underwriting agreements referred to in Paragraph 17 hereof.

12. No securities of the Company other than shares have been sold to the date of this prospectus.
13. No shares have been issued or are to be issued and no cash has been paid or is to be paid by the Company for promotional services as such.
14. Particulars of the properties held by the Company and the manner of acquisition thereof are as follows:

- (i) The Company has acquired, in its own name, by Letter Agreement dated April 16th, 1956, between Norman B. Keevil and the Company, 198 mining claims situated in the Provinces of Ontario and Quebec and described as follows:

- (a) Twenty-seven (27) mining claims in the Gull Lake area of Scholes Township in the Temiskaming Mining Division of the Province of Ontario and numbered —

- T-37783 and T-37784
- T-37793 to T-37798 inclusive
- T-37810 to T-37816 inclusive
- T-37820 to T-37824 inclusive
- T-37873 to T-37875 inclusive
- T-40161 to T-40164 inclusive.

- (b) Twenty-three (23) mining claims in the Cassels Lake area of the Township of Cassels in the Temiskaming Mining Division of the Province of Ontario and numbered —

- T-38158 to T-38175 inclusive
- T-39706 to T-39710 inclusive.

- (c) Eight (8) mining claims in the Pishabo Lake area of the Township of Cassels in the Temiskaming Mining Division of the Province of Ontario and numbered —

- T-37929 and T-37930
- T-37932 to T-37935 inclusive
- T-38298 and T-38299.

- (d) Twenty-three (23) mining claims in Afton Township in the Sudbury Mining Division of the Province of Ontario and numbered —

- S-92357 to S-92361 inclusive
- S-92350
- S-94320 to S-94330 inclusive.

(e) Sixty-six (66) mining claims in the Lac Chassignolle District of the Townships of La Pause and Bousquet in the County of Rouyn and Province of Quebec and numbered —

Miner's Licence No. C 101365 — claims 2 to 5 inclusive
C 102854 — claims 1 to 4 inclusive
C 102855 — claim 1
C 102856 — claims 1 and 2
C 102857 — claims 1 to 5 inclusive
C 102858 — claims 1 to 5 inclusive
C 102859 — claims 1 to 5 inclusive
C 102860 — claims 1 to 5 inclusive
C 102861 — claims 1 to 5 inclusive
C 102862 — claims 1 to 5 inclusive
C 102863 — claims 1 to 5 inclusive
C 102864 — claims 1 to 5 inclusive
C 102865 — claims 1 to 5 inclusive
C 102910 — claims 1 to 5 inclusive
C 102911 — claims 1 to 5 inclusive.

(f) Eight (8) mining claims in Joannes Township in the County of Rouyn and Province of Quebec and numbered —

Miner's Licence No. C 101367 — claims 1 to 5 inclusive
C 101368 — claims 1 to 3 inclusive.

(g) Eleven (11) mining claims in the Bousquet River area of Bousquet Township in the County of Rouyn and Province of Quebec and numbered —

Miner's Licence No. C 102866 — claims 1 to 5 inclusive
C 101364 — claims 1 to 5 inclusive
C 101365 — claim 1.

(h) Twelve (12) mining claims on Michipicoten Island in the Sault Ste. Marie Mining Division of the Province of Ontario and numbered SSM-45592 to SSM-45603 inclusive.

(i) Twenty (20) mining claims in the Pic River area of Pic Township in the Port Arthur Mining Division of the Province of Ontario and numbered TB-78954 to TB-78973 inclusive.

The consideration for the aforementioned mining claims was 1,500,000 Common shares in the capital stock of the Company, of which 1,350,000 shares are escrowed as aforesaid, payable as to 14,000 free and 126,000 escrowed shares to Clare Mansell Jephcott, 323 Rosemary Road, Toronto, Ontario, as to 1,812 free and 16,313 escrowed shares to Robert James Breckenridge, 31 Millbank Avenue, Toronto, Ontario, as to 1,000 free and 8,000 escrowed shares to Joseph Conrad Frantz, 341 Timmins Street, North Bay, Ontario, as to 300 free and 2,400 escrowed shares to James Harold Beatson, c/o Geophysical Engineering & Surveys Limited, Highway No. 11 and Airport Road, North Bay, Ontario, as to 725 free and 7,125 escrowed shares to William Harold Lytle, 17 Glenallan Road, Toronto, Ontario, as to 1,200 free and 12,000 escrowed shares to William Richard Bergey, Stony Hill, near Kingston, Jamaica, B.W.I., as to 25,000 escrowed shares to Norman Bell Keevil, Jr., Lorne Park, Ontario, as to 1,812 free and 16,313 escrowed shares to Arthur Charles Sanderson, 5 Forest Glen Crescent, Toronto, Ontario, as to 1,500 free and 12,500 escrowed shares to Douglas Alton Perigoe, 1353 Aldo Drive, Lorne Park, Ontario, as to 45,000 free and 405,000 escrowed shares to Harry William Knight, Jr., 228 Balmoral Avenue, Toronto, Ontario, as to 468 free and 4,220 escrowed shares to Willis Peter Freyseng, 71 Sumach Street, Toronto, Ontario, as to 200 free and 1,600 escrowed shares to Terence Owen Hawkins Patrick, Temagami, Ontario, as to 200 free and 1,800 escrowed shares to Max Hans Frohberg, 6 Whitehall Road, Toronto, Ontario, as to 500 free and 2,500 escrowed shares to Gilbert Asher Doe, 55 St. Ives Crescent, Toronto, Ontario, as to 2,750 free and 24,750 escrowed shares to Thomas Herbert Rea, 56 Old Forest Hill Road, Toronto, Ontario, as to 500 free and 10,000 escrowed shares to Mrs. Elizabeth Morgan, 240-21 Maryland Road, Douglaston, Long Island, N.Y., as to 500 free and 10,000 escrowed shares to Mrs. Margaret Braatz, 431 Hillside Road, South Orange, N.J., and as to the balance of 77,533 free and 664,479 escrowed shares to Norman Bell Keevil, Lorne Park, Ontario.

(ii) By Agreement dated April 16th, 1956 between Norman B. Keevil and the Company, Keevil assigned to the Company all his right, title and interest in an Agreement dated the 13th day of February, 1956 between Cecil Doria Poli, and himself, under which said Agree-

ment dated the 13th day of February, 1956, the said Cecil Doria Poli granted to the said Norman B. Keevil the sole, irrevocable and exclusive right and option to acquire a 100% interest in 15 mining claims, all located at Galena Hill in the Mayo Mining District in the Yukon Territory and designated as follows:

Claims Nos. 59849 to 59857 inclusive, Leo 9 to Leo 17 inclusive,
59941 and 59942, Leo 18 and Leo 19,
61635, Leo Fraction,
62891, Leo Fraction 1,
62892, Leo Fraction 2,
62172, Rocket;

for the sum of \$75,000.00 and 10% of the vendors' share consideration issued by such incorporated company as acquires the said mining claims. Norman B. Keevil has made the first payment of \$4,000.00 provided for in the said Agreement dated the 13th day of February, 1956 and the Company has agreed to pay to him \$4,000.00 forthwith to recompense him for this payment and to assume all legal and other costs in connection with the said Agreement dated the 13th day of February, 1956 and the transfer of the said mining claims into his name. The balance of the cash consideration as aforesaid is payable at the option of the Company in semi-annual instalments on or before the 30th day of September and the 31st day of March, the first of such payments to be in the amount of \$11,000.00 and payable on or before the 30th day of September, 1956, and all subsequent cash payments to be in the amount of \$10,000.00, the last whereof is payable on or before the 30th day of September, 1959. The aforementioned share consideration is required to be issued within 30 days after the acquisition from the Company or its assigns of the said mining claims by such incorporated company. During the period of the option, the Company is entitled to possession of the said mining claims and to the full rights to mine and work them and to win, extract and remove the ores therein, provided that the said Cecil Doria Poli shall be entitled to receive 10% of the net smelter returns paid to the Company for or on account of any ore so removed therefrom prior to payment of the full consideration for the said mining claims, except on such ore removed for the purpose of assaying, mill-testing or sampling. The Company is required to perform and prove on the said mining claims all necessary work required to keep the titles thereto in good standing during the period of the option and for at least one year thereafter and to record all such work performed by it. The Company may at any time during the period of the option separately sell or dispose of that one of the said mining claims designated as the Rocket claim, provided that the said Cecil Doria Poli shall receive within 30 days thereafter 10% of the consideration received by the Company therefrom.

The said mining claims are presently in the course of being transferred from the name of Norman B. Keevil into the name of the Company on the records of the Mining Recorder at Mayo. In the event that the Company does not exercise the option, it is required to transfer the said mining claims back to the said Cecil Doria Poli with the exception of the Rocket claim if this claim has been sold or disposed of in the manner hereinbefore described.

All payments made or to be made under the terms of the said Agreement dated the 13th day of February, 1956, as assigned to the Company are to the said Cecil Doria Poli whose address is Mayo, Yukon. The said Norman B. Keevil received from the Company no additional consideration for the assignment of the aforesaid option save that set out hereinbefore.

15. The names and addresses of all vendors of property purchased or intended to be purchased by the Company showing the consideration paid or intended to be paid to each vendor and the properties acquired from each have been set out in Paragraph 14 hereof. There is no other person or Company known to the signatories hereto who has received or is to receive from any vendor a greater than 5% interest in the shares or other consideration received or to be received by any vendor. Norman Bell Keevil has transferred 13,380 vendors' Common shares received by him to certain persons no one of whom will receive more than 1,000 of such shares.

16. Particulars of the properties held by the Company as set out hereinbefore in Paragraph 14 hereof are more particularly described in the report of J. C. Frantz dated April 18th, 1956, which report is attached hereto and forms part of this statutory prospectus and to which reference is hereby specifically made. There has been no work done or improvements made by the present management on the properties except that work has been commenced or is being proceeded with thereon in accordance with the recommendations contained in the above mentioned report of J. C. Frantz. The Company presently has no plant or equipment.

SYDNEY ALBERT PERRY has been engaged in the principal business of a Mining Executive in his own business and latterly with Perry & Pattison, 25 Adelaide Street West, Toronto, Ontario.

CLARE MANSELL JEPHCOTT, Ph.D., has been engaged as a Chemist with the Department of Health, Province of Ontario, and as a Director of Toronto Brick Company Limited, Temagami Mining Co. Limited, and others.

WILLIAM JUSTUS KEOUGH VANSTON has been engaged as a Limited Partner with White, Weld and Company, 40 Wall Street, New York City, and is a director of such companies as El Paso Natural Gas Co., Western Natural Gas Co., Union Gas Co. of Canada Ltd. and others.

DOUGLAS ALTON PERIGOE has been engaged as a Mining Underwriter with Gairdner & Company Limited, 320 Bay Street, Toronto, Ontario, and is now a director of that Company.

REGINALD MICHAEL BUTLER has been engaged as a Student-at-Law and as a Barrister and Solicitor with Edison, Aird & Berlis, 111 Richmond Street West, Toronto, Ontario.

GILBERT ASHER DOE has been engaged as a Chartered Accountant with his own firm, Gilbert A. Doe & Company, 67 Yonge Street, Toronto, Ontario.

AGAR CAWTHRA ADAMSON is presently employed as an accountant by Temagami Mining Co. Limited, 25 Adelaide Street West, Toronto, Ontario. Previously he was employed for more than two and one half years until 1955, by Gairdner & Company Limited as a clerk.

24. None of the directors or officers of the Company was interested directly or indirectly, either personally or as a partner in a firm in any of the properties acquired or to be acquired by the Company, except that Messrs. Keevil, Jephcott, Perigoe and Doe were among the vendors of the properties referred to in Paragraph 14 (i) hereof and held an interest therein equivalent to the proportionate share of the consideration received therefor, and Dr. Keevil was also the assignor of the option referred to in Paragraph 14 (ii) hereof. Messrs. Keevil, Jephcott, Perigoe, Doe and Adamson were among the persons from whom the Company purchased the securities referred to in Paragraph 20 hereof.

25. No remuneration has been paid by the Company nor is any proposed to be paid during the current fiscal year to any of the directors or officers of the Company as such, except that the Treasurer and the Assistant Secretary-Treasurer may receive reasonable remuneration for services rendered not exceeding \$6,000 per year.

26. No dividends have been paid by the Company to the date of this prospectus.

27. No person by reason of beneficial ownership of shares in the Company or any agreement in writing known to the signatories hereto is in a position to elect or cause to be elected a majority of the directors of the Company.

28. Vendors' shares may be offered for sale as released from escrow, together with any free shares of the Company presently outstanding, but the proceeds of such sales will not accrue to the treasury of the Company. There is no arrangement for the sale of vendors' shares known to the signatories hereto but reference is made to Paragraph 15 hereof.

29. There are no other material facts.

DATED at Toronto this 18th day of May, 1956.

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 in the financial statements or reports where required.

Directors

N. B. KEEVIL

S. A. PERRY

CLARE M. JEPHCOTT

D. A. PERIGOE

WILLIAM J. K. VANSTON
by his agent duly authorized
in writing, N. B. Keevil.

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 by Section 38 of The Securities Act (Ontario) 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 our knowledge, we have relied upon the accuracy and adequacy of the foregoing.

Underwriters

DOBIECO LIMITED

Per:

H. W. KNIGHT, JR.

HEVENOR & COMPANY

Per:

MALCOLM A. MOYSEY

The only persons having a more than 5% interest in Dobienco Limited are: H. W. Knight, H. W. Knight, Jr., and George W. Gooderham.

The only persons having a more than 5% interest in Hevenor & Company are: George C. Hevenor, Malcolm A. Moysey and F. Stuart Hogarth.

Mining Geophysics Company Limited

(Incorporated under the laws of Ontario)

PRO FORMA BALANCE SHEET AS AT 31ST MARCH 1956

(After giving effect to the events and transactions described in the accompanying Note A)

ASSETS			
CURRENT ASSETS			
Cash	591,010.00		
Receivable from an underwriter	1,575,000.00		2,166,010.00
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INVESTMENTS—AT COST			
(As per attached schedule)			3,085,000.00
MINING CLAIMS AND RIGHTS—AT COST			
Unpatented mining claims (acquired by the issue of 1,500,000 common shares of capital stock at \$1.00 per share in consideration for claims)	1,500,000.00		
Option on unpatented mining claims (Note B)	4,000.00		1,504,000.00
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DEFERRED EXPENDITURE			
Incorporation and organization	15,000.00		
Commission on sale of preference shares	180,000.00		195,000.00
<hr/>			
			<u>6,950,010.00</u>
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LIABILITIES			
CURRENT LIABILITIES			
Accounts payable and accrued liabilities			150,000.00
CAPITAL STOCK			
Authorized in accordance with Letters Patent dated 22nd March 1956—			
500,000 5% non-cumulative preference shares of a par value of \$10.00 each, redeemable at \$11.00 per share and convertible up to 31st March 1965 into common shares on the basis of 5 common shares for 1 preference share	5,000,000.00		
7,500,000 common shares of a par value of \$2.00 each	15,000,000.00		
			<u>\$20,000,000.00</u>
Issued or to be issued—			
Preference shares—			
500,000 shares for cash		5,000,000.00	
<hr/>			
Common shares—			
300,005 shares for cash of \$300,010.00	600,010.00		
Discount thereon	300,000.00		300,010.00
<hr/>			
1,500,000 shares for unpatented mining claims	3,000,000.00		
Discount thereon	1,500,000.00		1,500,000.00
<hr/>			
1,800,005 shares		1,800,010.00	6,800,010.00
			<u>\$6,950,010.00</u>

Approved:

N. B. KEEVIL, Director.

S. A. PERRY, Director.

SCHEDULE OF INVESTMENTS

	Number of shares	Cost	Quoted market value as at 31st March 1956
Geo-Scientific Prospectors Limited.....	310,000	1,085,000.00	1,069,500.00
Mogul Mining Corporation Limited.....	150,000	500,000.00	465,000.00
Temagami Mining Co. Limited.....	200,000	1,500,000.00	1,600,000.00
		\$3,085,000.00	\$3,134,500.00

NOTES TO PRO FORMA BALANCE SHEET

- A. The pro forma balance sheet as at 31st March 1956 is after giving effect as at that date to:
- (1) The sale and issue of 5 incorporators' shares for \$10.00 and 200,000 common shares to an underwriter for \$200,000.00 under an underwriting agreement dated 16th April 1956.
 - (2) The sale and issue of 300,000 preference shares at par to subscribers for \$3,000,000.00.
 - (3) The issue of 1,500,000 common shares for unpatented mining claims at a value determined by the directors to be \$1,500,000.00.
 - (4) The sale to an underwriter of 200,000 preference shares and 100,000 common shares for a total consideration of \$2,100,000.00 less a commission of \$180,000.00 under an underwriting agreement dated 16th April 1956 which provides for:
 - (a) The immediate sale and issue of 50,000 preference shares and 25,000 common shares, and
 - (b) The balance of shares to be purchased and paid for on the basis of 50,000 preference shares and 25,000 common shares in three instalments, 3 months, 6 months and 9 months respectively after the date of the first payment which is the date on which the Ontario Securities Commission accepts for filing the prospectus of the company.
 - (c) The payment of commission on shares when shares are issued.
 - (5) The purchase of the investments shown on the schedule to the pro forma balance sheet for a total consideration of \$3,085,000.00.
 - (6) The payment of \$4,000.00 for option rights to certain unpatented mining claims and the provision of \$15,000.00 for costs of estimated incorporation and financing expenses.
- B. Under the terms of the option agreement (as set out in paragraph 14(ii) of the statutory information forming part of this prospectus), the company has the right to acquire 15 unpatented mining claims for an additional \$71,000.00. This amount is payable at the option of the company in semi-annual instalments on or before 30th September and 31st March, the first of such payments to be \$11,000.00 and payable on or before 30th September, 1956 and all subsequent payments to be \$10,000.00, the last whereof is payable on or before 30th September 1959. If the company sells such claims, 10% of any share consideration received therefor is to be issued to the original vendor.

AUDITORS' REPORT

To the Directors,
Mining Geophysics Company Limited.

We have examined the accompanying pro forma balance sheet of Mining Geophysics Company Limited as at 31st March 1956 and have obtained all the information and explanations we have required.

In our opinion, the accompanying pro forma balance sheet is properly drawn up so as to exhibit a true and correct view of the state of the affairs of the company at 31st March 1956, after giving effect to the changes set forth in the accompanying Note A, according to the best of our information and the explanations given to us.

TORONTO, 17th May 1956.

McDONALD, CURRIE & CO.,
Chartered Accountants

REPORT ON THE PROPERTY OF Mining Geophysics Co., Ltd.

GULL LAKE PROPERTY

SCHOLES TP

Introduction

The Gull Lake property of Mining Geophysics Co., Ltd. consists of 27 contiguous mining claims located in Scholes Township, District of Nipissing, Province of Ontario and numbered T-37793 to T-37798 incl., T-37783, T-37784, T-37810 to T-37816 incl., T-37820 to T-37824 incl., T-37873 to T-37875 incl., T-40161 to T-40164 incl.

The claims are accessible by aircraft which can land on Gull Lake, or by a 1½ mile portage from Lake Temagami to Gull Lake.

General Geology

Approximately half the property consists of water claims in Gull Lake. The Nipissing diabase sheet and sediments of the Cobalt series outcrop on the land portions of the property. The contact between the Cobalt sediments and overlying diabase is roughly at lake level on Gull Lake. The older Pre-Cambrian rocks within which the more important base metal deposits of the area occur, are, presumably hidden by these younger, relatively flat-lying formations.

Quartz and quartz-carbonate veins with copper-gold and lead-silver values have been found in the Cobalt sediments and Nipissing diabase of the area. None of these occurrences have proven to be commercial to date.

Copper-nickel and high-grade copper replacement deposits are presently being developed on the Temagami Mining Co. Ltd. property about 4 miles to the east of Mining Geophysics' Gull Lake ground. The copper-nickel deposits occur in a pyritic zone along the contact between diorite and Keewatin-type volcanics. The high-grade copper deposits are located to the south of this contact in the volcanic rocks.

Noranda Mines are currently doing surface work on a copper-nickel prospect at Eagle Rock Lake about three miles southwest of the Gull Lake property. The metallization occurs with pyrrhotite in an area of older sediments which have been exposed by erosion of the Nipissing diabase and Cobalt sediments.

Previous Work

A magnetometer survey was carried out over part of the property by previous owners, and several large anomalies were outlined. An electrical survey has been completed over the lake portions of the property and two promising anomalies were outlined. There is no record of other work on the property.

Recommendations

It is recommended that diamond drilling be carried out to test the anomalies outlined. The electrical geophysical survey should be completed on the rest of the property and any conducting zones indicated should be tested by diamond drilling.

CASSELS LAKE PROPERTY

Introduction

The property comprises twenty-three contiguous mining claims T-38158 to T-38175 incl. and T-39706 to T-39710 incl. located at Cassels Lake, in Cassels township, district of Nipissing, province of Ontario. The claims are accessible by motor road from the town of Temagami, about two miles to the west.

General Geology

The property includes claims in Cassels Lake and on the surrounding shore. Conglomerate, greywacke and arkose of the lower Cobalt series outcrop on the land sections of the property.

The Nipissing diabase sheet is exposed on the large peninsula to the east of the Mining Geophysics ground and appears to be dipping towards the east at about 45°.

Strong North-south and northwest trending linear features of the topography suggest faults or other lines of weakness crossing the property. There are no known outcrops of Keewatin-type rocks on the property.

Copper and copper-nickel deposits have been found in the Keewatin-type rocks exposed approximately ½ mile to the northwest of the property. Quartz-carbonate veins with copper, cobalt, gold and silver values occur in the Nipissing diabase and Cobalt sediments of the area.

An electrical geophysical survey has been carried out on the water portion of the property and two strong anomalies outlined. There is no record of any other work on the property.

Recommendations

It is recommended that the electrical geophysical anomalies mentioned above be tested by diamond drilling. It is further recommended that the electrical geophysical survey be extended to include the rest of the property.

PISHABO LAKE PROPERTY

Introduction

Mining Geophysics Co., Ltd. holds 8 contiguous claims T-37929, T-37930, T-37932 to T-37935 incl., T-38298 and T-38299 at Pishabo Lake, Cassels township, district of Nipissing, province of Ontario.

The claims are most easily reached by aircraft which can land on Pishabo Lake.

General Geology

Much of the property is covered by the waters of Pishabo Lake. Gently-dipping sediments of the Cobalt series outcrop on the land portions of the property except in the southeast corner where Keewatin-type volcanic rocks have been exposed and in the northwest corner where granitic rocks have been exposed by erosion of the overlying sediments.

Copper-nickel and copper deposits have been found in the older Keewatin-type rocks and associated basic intrusive of the area. Cobalt and copper deposits have been found in quartz-carbonate veins in the younger, gently-dipping, rocks of the area.

The property was staked to include a large aeromagnetic anomaly indicated by a regional aeromagnetic survey. An electrical survey on the ground is presently in progress. There is no record of other work.

Recommendations

It is recommended that further work on the property be guided by the results of the geophysical survey now in progress.

AFTON TOWNSHIP CLAIMS

Mining Geophysics Co., Ltd. holds 23 claims in two groups in Afton township, district of Sudbury, province of Ontario.

The western group includes 5 contiguous mining claims S-92357 to S-92361 incl., located at Plum Lake. The eastern group includes 18 contiguous mining claims S-92350 and S-94320 to S-94336 incl. at the north end of Emerald Lake.

Emerald Lake is accessible by motor road from the settlement at River Valley about 30 miles to the south.

General Geology

The Nipissing diabase sheet outcrops on both groups of claims. Gently-dipping sediments of the Cobalt series are exposed locally on the eastern group, and presumably underlie the diabase on the western group. The older Pre-Cambrian rocks, consisting of steeply dipping sediments, volcanics and iron formation, are exposed by erosion on the eastern side of Emerald Lake immediately south of the eastern group of Mining Geophysics. Gold, copper and cobalt mineralization have been discovered in these rocks. To the northwest, in Drift township, lead-silver deposits have been found in the diabase and explored by underground workings.

A regional aeromagnetic survey has outlined magnetic anomalies on the Mining Geophysics claims. The cause of the anomalies appears to be in the basement rocks underneath the diabase, or in the Cobalt sediments. Reconnaissance geological mapping and ground magnetic surveying were carried out over the western claims by previous owners. There is no record of any other work.

Recommendations

It is recommended that the aeromagnetic anomalies mentioned above be precisely located by ground magnetometer surveys and tested by an electrical geophysical method to determine if diamond drilling is warranted.

LAKE CHASSIGNOLE PROPERTY

Introduction

The property consists of 66 mining claims numbered C-101365-2 to 5, C-102654-1 to 4, C-102855-1, C-102856-1 and 2, C-102857-1 to 5, C-102858-1 to 5, C-102859-1 to 5, C-102860-1 to 5, C-102861-1-5, C-102862-1 to 5, C-102863-1 to 5, C-102864-1 to 5, C-102865-1 to 5, C-102910-1 to 5, C-102911-1 to 5 and located in Bousquet and LaPauze townships, province of Quebec. The property includes claims in Lake Chassignole, and part of the surrounding shore.

The claims are readily accessible by motor road which passes through the property.

General Geology

Most of the property is covered by the waters of Lake Chassignole. There are, however, enough outcrops on the surrounding shore and islands in the lake to indicate the general geology.

A northwest-trending band of Temiscamian-type sediments, known locally as the Kewagama group, traverses the southwest section of the property. Keewatin-type volcanic rocks, consisting largely of andesite flows and tuffs, are believed to underlie most of Lake Chassignole north of the Kewagama sediments. Altered peridotite outcrops on a large island in LaPause township and on the south shore of the lake near the narrows between Lake Chassignole and Kewagama Lake. Several small granite and porphyry bodies intrude these older rocks. Two northeast trending diabase dikes, believed to be the youngest rocks on the property, cut across the eastern claims.

The projection of the Porcupine-Destor fault would pass through Lake Chassignole. Shearing along the lake shore and flexures in the diabase dikes suggest that this fault, or a branch, extends across the property.

An electrical resistivity survey was made of the lake portions of the property. There is no record of other work on the claims.

Conclusions and Recommendations

The resistivity survey outlined several anomalies which may be the expression of sulphide deposits or shear zones. It is recommended that soundings be taken across the anomaly areas, and that they be further tested by electromagnetic surveys in the anomaly areas prior to diamond drilling.

JOHANNES PROPERTY

Introduction

The property consists of 8 mining claims C-101368-1 to 3 incl., C-101367-1 to 5 incl. located in Lots 55 to 66, Range 9, Johannes township, province of Quebec. The claims may be reached by means of a secondary road which traverses the property about two miles north of highway No. 59.

General Geology

Government geological maps show no outcrops within the property boundaries. Projection of the known geology to the east and west suggests that the claims are underlain by acid to basic lavas and pyroclastics of the Blake River group. The contact between these volcanic rocks and the younger sediments of the Cadillac group is believed to be located near the south boundary of the property.

There is no record of previous work on the claims.

Conclusions and Recommendations

Because of favourable geology and known base-metal mineralization in the area it is believed that the property merits an exploration program.

It is recommended that an electrical geophysical survey be made as a preliminary step in exploring the ground.

BOUSQUET RIVER CLAIMS

Introduction

Mining Geophysics Co., Ltd. holds eleven mining claims numbered C-102866-1 to 5 incl., C-101364-1 to 5 incl., and C-101365-1, and located in the northeast quadrant of Bousquet township, province of Quebec. The eastern block of 4 claims is traversed by the Preissac road. The western block of 7 claims about 1½ miles to the west, is accessible by trail (a distance of approximately 1½ miles) from highway No. 59.

General Geology

The northern section of the property is underlain by volcanic rocks of the Blake River Group, being chiefly massive acid lavas and rhyolite breccia where exposed here. The southern section of the property is underlain by greywacke and tuff with minor iron formation and beds of magnetite. A N.N.E. trending diabase dike traverses the western group of claims.

There is no record of previous work on the property.

Conclusions and Recommendations

Favourable geology on the claims and known base-metal mineralization in the general area indicate that the property merits exploration.

It is recommended that an electrical geophysical survey be carried out as a preliminary step and that further work be guided by the results of the survey.

MICHIPICOTEN ISLAND PROPERTY

Introduction

Mining Geophysics Co., Ltd. holds 12 contiguous mining claims numbered SSM 45592 to SSM 45603 incl. located on Michipicoten Island in Lake Superior, province of Ontario. Michipicoten Island is accessible by chartered boat or aircraft from Montreal River, Sault Ste. Marie, or Michipicoten Harbour on the mainland.

General Geology

The geology of Michipicoten Island is similar to that of the Michigan copper district. Native copper occurs in interbedded amygdaloidal flows and conglomerate of Keweenawan age. The formations strike in an east-west to southwest direction and dip towards the south at 15° to 55°. Fairly extensive work was done during the period from 1850 to 1890 on the copper deposits at the west end of the island. More recently, 1941 and 1942, these properties were re-examined and a limited amount of diamond drilling completed.

The Mining Geophysics Co., Ltd. ground is located near the centre of the island and approximately 1½ miles from the north shore. There is no record of previous work on this ground.

Conclusions and Recommendations

The Michipicoten Island property is located in an area of copper mineralization. It is recommended that an electrical geophysical survey combined with geological mapping be carried out to guide exploration.

PIC RIVER PROPERTY

Introduction

The Pic River property of Mining Geophysics Co., Ltd. consists of 20 contiguous mining claims TB 78954 to TB 78973 incl. located about 3 miles north of Township 76, district of Thunder Bay, province of Ontario.

The claims may be reached by boat along the Pic River which passes near the western boundary of the property.

General Geology

The property is underlain by intermediate to basic Keewatin-type volcanic rocks, which have been intruded by small granitic bodies and diabase dikes.

Two magnetic anomalies were outlined on the Pic River property in the course of a regional aeromagnetic survey carried out in 1954. Copper mineralization has been found associated with basic intrusives about 2 miles to the southwest and copper-nickel in a similar association about 3 miles to the northeast.

There is no record of previous work on the property.

Recommendations

The property is favourably located in an area of known base-metal mineralization. It is recommended that an electrical geophysical survey be carried out as a preliminary step in an exploration program.

GALENA HILL PROPERTY

Introduction

Mining Geophysics Co., Ltd. has an option on 15 claims as follows: 59849 to 59857 incl. (Leo 9 to Leo 17), 59941 and 59942 (Leo 18 and Leo 19), 61635 (Leo Fraction), 62891 (Leo Fraction 1), 62892 (Leo Fraction 2), and 62172 (Rocket), located in the Mayo district, Yukon territory.

The main property is located at the foot of Galena Hill, on the north side near the old Silver King Mine. The road from Mayo to the Elsa Mill and the Calumet Mine of United Keno Hill Mines Ltd. passes within ¼ mile of the south boundary of the main claims.

General Geology

The claims are almost completely covered by overburden. Outcrops and test pits in the area indicate that the property is underlain by the quartzite member of the Yukon group (believed to be late Precambrian in age). This quartzite member is the host rock for most of the lead-silver deposits of the district.

A limited amount of test-pitting is reported to have been done by previous owners. There is no record of other work on the claims.

United Keno Hill Mines, Ltd. are reported to have a 50% interest in 8 claims on which high-grade zinc-lead-silver was discovered in 1955. The Mining Geophysics Co., Ltd. main ground adjoins these claims to the northeast and southwest along the strike of the "showing". A prospect shaft has been sunk to a depth of 18 ft. on the discovery and a short cross-cut driven at right angles to the mineralized structure. This work outlined a wide mineralized shear zone which is reported to average 15 to 20% combined lead and zinc and 30 ounces silver.

Recommendations

It is recommended that an electrical geophysical survey, combined with test-pitting and trenching where feasible, be carried out in an attempt to trace the extension of the mineralized structure found on the adjoining claims.

Respectfully submitted,

"J. C. Frantz"

J. C. FRANTZ.

April 18, 1956
North Bay, Ontario.

(Seal)

I, J. C. FRANTZ of the city of North Bay in the province of Ontario, do hereby declare:

1. That I am a geological engineer and reside at 341 Timmins St., North Bay, Ontario.
2. That I am a graduate of the University of Saskatchewan — Bachelor of Science in Geological Engineering, and of the University of Toronto — Master of Arts, specializing in economic geology, and a member of the Association of Professional Engineers of the province of Ontario, and have practised the profession of geologist for eight years.
3. That I have no direct, indirect or anticipated interest in the properties or securities of Mining Geophysics Company, Ltd., except 3100 preferred shares, and 9000 common shares of which 1000 are free and 8000 escrowed.
4. That the foregoing report is based on:
 - (a) Michipicoten Island — personal examination in September 1955 and government maps and reports.
 - (b) Pic River — government maps and reports, aeromagnetic maps covering the property.
 - (c) Gull Lake — personal examination in summer of 1952, examination of geophysical data, government maps and reports.
 - (d) Afton Township — personal examination in 1953 and 1954, aeromagnetic data, government maps and reports.
 - (e) Yukon — government maps and reports, personal communications from engineers who have examined the property in 1955.
 - (f) Cassels Lake — government maps and reports, examination of geophysical data.
 - (g) Pishabo Lake — government maps and reports, and aeromagnetic data.
 - (h) Quebec properties — government maps and reports, geophysical data on the Lake Chassignole claims.

"J. C. Frantz"

J. C. FRANTZ

April 18, 1956
North Bay, Ontario.

(Seal)

17. By Agreement dated the 16th day of April, 1956, between the Company and Dobienco Limited, 25 Adelaide Street West, Toronto, Ontario, (hereinafter referred to as "Dobienco"), on its own behalf, Dobienco has agreed to purchase 200,000 fully paid and non-assessable Preference shares in the capital stock of the Company at the price of \$10.00 per share and 100,000 fully paid and non-assessable Common shares in the capital stock of the Company at the price of \$1.00 per share. The total consideration for the aforesaid shares is to be paid in four equal instalments of \$525,000 each (subject to the commission hereinafter referred to), the first of such instalments to be paid forthwith after the date upon which the Company receives acknowledgment from the Ontario Securities Commission of the acceptance of this prospectus for filing, the second within three months thereafter, the third within six months thereafter and the fourth and last within nine months thereafter, and each such instalment will be in payment for 50,000 Preference shares and 25,000 Common shares. The Company has agreed to pay to Dobienco a commission of 90¢ per share on the aforesaid 200,000 Preference shares purchased by Dobienco, payable at the times at which the said Preference shares are paid for by Dobienco as aforesaid. The Company is informed that Dobienco intends to distribute the aforementioned shares of the Company through the medium of registered security dealers paying to them the usual brokerage rates allowable by the Toronto Stock Exchange for mining companies.

By Agreement dated the 16th day of April, 1956, between the Company and Hevenor & Company, 11 Jordan Street, Toronto, Ontario, (hereinafter referred to as "Hevenor"), on its own behalf, Hevenor has agreed to purchase 200,000 fully paid and non-assessable Common shares in the capital stock of the Company at a price of \$1.00 per share for a total consideration of \$200,000 to be taken up and paid for forthwith after the date upon which the Company receives acknowledgement from the Ontario Securities Commission of the acceptance of this prospectus for filing.

18. At the date of this prospectus there are no underwriting or sub-underwriting or option or sub-option agreements outstanding or proposed to be given to the knowledge of the signatories hereto other than the agreements referred to in Paragraph 17.

19. The Company proposes to engage in a programme of exploration and development work in accordance with the recommendations contained in the report of J. C. Frantz hereinbefore referred to, but the extent thereof will depend upon results achieved from time to time.

20. The Company has purchased or agreed to purchase as an investment for the consideration set out hereafter, shares in the capital stock of the following companies listed on the Toronto Stock Exchange, namely:

Temagami Mining Co. Limited.....	200,000 shares for \$1,500,000
Geo-Scientific Prospectors Limited.....	310,000 shares for \$1,085,000
Mogul Mining Corporation Limited.....	150,000 shares for \$ 500,000

The total consideration of \$3,085,000 has been or will be paid in part from the proceeds of the sale of Preference shares of the Company referred to in Paragraph 11 (i) and (ii) hereof, and as to the balance from part of the proceeds of the underwriting agreements referred to in Paragraph 17 hereof. None of the foregoing shares are held in escrow.

The balance of the proceeds from the sale of the shares under the underwriting agreements referred to in Paragraph 17 hereof amounting approximately to \$2,035,000 will be used for the exploration and development work on the properties of the Company and the acquisition of the option referred to in Paragraph 14 (ii) hereof, and also may be used in the discretion of the management for the acquisition of additional mining properties and other corporate purposes, including the investment of surplus funds from time to time in additional mining securities.

21. The Company has had no administrative or development expenses to date and it is estimated that the preliminary expenses will not exceed \$15,000. During the current fiscal year of the Company it is estimated that the administrative expenses of the Company should not exceed \$30,000.00 and development expenses should not exceed \$300,000.00.

22. No indebtedness is to be created or assumed which is not shown in the pro forma balance sheet as at March 31st, 1956, accompanying this prospectus and accordingly no security has been given for such indebtedness.

23. The particulars of the principal business in which each director and officer has been engaged during the past three years are as follows:—

NORMAN BELL KEEVIL, Ph.D., F.G.S.A., has been engaged as a Mining Geophysicist and as President and Director of such mining companies as Temagami Mining Co. Limited, Geo-Scientific Prospectors Limited and others.