This prospectus constitutes a public offering of these secu
offered for sale. No securities commission or similar autho
securities offered hereunder and any representation to the

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New Issue

PURSIDES GOLD MINES LIMITED

500,000 Common Shares
(without par value)

350,000 of the common shares have been firmly underwritten and an option to acquire 150,000 of the common shares is held by the Underwriter-Optionee. Contemporaneously with the closing of the underwritten portion of the offering the Company will by private placement sell 250,000 common shares and grant an option for the purchase of up to a further 100,000 common shares. See "Private Placement" on page 11.

350,000 Underwritten Shares	Price to Public	Under-writing Discount	Proceeds to Company (2)
Per Share	$1.35	$0.10	$1.25
Total	$472,500	$35,000	$437,500
150,000 Optioned Shares (1)			
Per Share	$1.65	$0.15	$1.50
Total	$247,500	$22,500	$225,000

1. These common shares are under option and the amount indicated as Proceeds to Company will be received by the Company only to the extent that the option is exercised.

2. Before deducting expenses of the issue estimated at $25,000. In addition the Company will receive $330,000 (before an agent's commission) from the contemporaneous private placement of common shares and the option and may receive a further $150,000 if the option is exercised in full.

The common shares are speculative. See "Speculative Company" on page 12.

The Company's listing on the Canadian Stock Exchange was withdrawn at the Company's request effective at the close of business on June 22, 1973. **There is no market for these shares.**

We, as principals, conditionally offer these common shares, subject to prior sale, if, as and when issued by the Company and accepted by us in accordance with the conditions contained in the underwriting agreement referred to under "Plan of Distribution" and subject to the approval of all legal matters on behalf of the Company by Messrs. Davies, Ward & Beck, Toronto, and on our behalf of Messrs. Manley, Grant & Camisso, Toronto.

It is expected that definitive share certificates representing the underwritten shares will be available for delivery in Toronto on or about July 25, 1973.

S SM-1686

JONES, GABLE & COMPANY LIMITED

110 YONGE STREET,
TORONTO, ONTARIO

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THE COMPANY

Pursides Gold Mines Limited (the "Company") was incorporated under the name Surluga Gold Mines Limited as a public company under the laws of the Province of Ontario by letters patent dated June 19, 1962. Articles of amendment which became effective on May 14, 1973 have been issued to the Company amending the articles of the Company by changing the name of the Company from Surluga Gold Mines Limited to Pursides Gold Mines Limited and reorganizing the authorized and issued capital of the Company. Except where otherwise indicated all references to the common shares without par value in the capital of the Company ("Common Shares") give effect to such reorganization. Reference is made to "Capitalization" on page 10.

The Company's head office is located on the 47th Floor, Commerce Court West, Toronto, Ontario and its principal office is located at 1030, 540—5th Avenue S.W., Calgary, Alberta.

BUSINESS AND PROPERTIES OF THE COMPANY

Early Development

The Company was incorporated for the purpose of acquiring, conducting exploration on and developing a gold mining property near Wawa, Ontario. At the time of its incorporation the Company acquired 37 mining claims and in the course of its activities since incorporation has increased that number to 74 (collectively the "Pursides Property"). See the sub-heading "Present Properties" on page 9.

Early development of the Pursides Property occurred pursuant to an option agreement granted in November 1963 to Consolidated Mining and Smelting Co. of Canada under which a surface diamond drilling program was conducted by it consisting of 20 drill holes intersecting a mineralized zone known as the "Jubilee shear". This option was dropped in the summer of 1964.

Based principally upon recommendations of its own geologists, in the next four years the Company sank a three compartment shaft to the 950 foot level. In addition, the first, second, third and fifth levels at depths of 164 feet, 290 feet, 416 feet and 668 feet, respectively, were developed for a length of 1,500 feet on the first, second and third levels and approximately 250 feet on the fifth level. The Company purchased and erected a 600 ton per day cyanidation mill and mining plant complete with the necessary related facilities.

During the summer and early fall of 1968, the Company encountered considerable difficulty in following and outlining the gold-bearing structures. The grade of the preparatory stope development muck did not compare favourably with the grade of reserves which had been expected by the mine operators.

Subsequent Mapping and Development

In September, 1968 the Company retained Mr. Chester J. Kuryliw, M. Sc., P. Eng. as a geological consultant and mine manager. Geological mapping of all underground workings was at once undertaken to determine the structural geology and distribution of mineralization. As a result, the grade of mill feed was increased measurably as indicated in the following table:

Mill Records	Tonnage Milled	Millhead Grade (oz. Au ton)	Calculated Recovery
October, 1968	124.4	0.138	75.2%
November, 1968	232.4	0.147	93.5%
December, 1968	243.1	0.164	95.5%
January, 1969	127.2	0.199	86.5%

A preliminary costing forecast carried out by Mr. Kuryliw in conjunction with the Company early in 1969 indicated that a "millhead grade" of 0.20 oz. Au/ton and a recovery of 86% would require a constant supply of 500 tons per day in order to provide the Company with a 10% cash flow. The Company maintained operations for several months but encountered considerable difficulty in running the used ball mills and other milling equipment which formed part of its facilities at the Pursides Property and could not maintain a 500 ton per day level. In addition the Company concluded that insufficient ore had been developed to provide a feed of 500 tons per day to the mill for more than a short period.

Consequently, in February, 1969 the directors of the Company determined that milling operations should be closed down immediately and that additional financing should be obtained in order to continue underground exploration and development work. It was the directors' opinion that the underground geological study commenced in September, 1968 had formulated a sufficiently well substantiated theory which indicated that deeper exploration could be expected to find larger tonnages of higher grade.

The subsequent exploration programme which was carried out by Pango Gold Mines Ltd., a subsidiary of Prado Explorations Ltd. (see "Joint Venture Agreement" on page 6), and involved an expenditure of over $1,100,000, was most successful. Detailed diamond drilling at the fifth and sixth levels indicated a sizeable tonnage of good grade in the Jubilee shear. However, rising costs and uncertainty concerning the extension of the Federal Government's Emergency Gold Mines Assistance led to the decision by the directors of Pango Gold Mines Ltd. to suspend further work.

The Company obtained financing from Ballinderry Explorations Ltd. (see "Joint Venture Agreement" on page 6 and "Ballinderry Financing" on page 7) to continue work on the sixth level south-westwards. This work continued for two months during which time the gold-bearing structure was extended. Prior to suspending operations, a flat diamond drill hole 6-769 was drilled ahead of the present sixth level face. This hole returned 0.22 oz. Au/ton, over a core length of 170.5 feet from 77.5 feet to 248 feet. The drill hole drifted out of the shear zone just past 248 feet.

Geology of the Pursides Property

In the property area, the country rock consists of an intrusive stock complex of Precambrian age composed of quartz diorite, diorite, syenite, hornblende gabbro and quartz-porphyry.

At the Pursides Property, a shear structure known as the Jubilee shear is host to gold-bearing zones. The shear structure consists of a complex of sericitic and chloritic schists that pinch and swell along trend. Sheared gabbroic sills commonly occur at the hanging wall and/or footwall of the shear structure. At the north end of the mine workings the shear strikes N-35°-E and at the south end of the workings it strikes N-10°-E.

The schists of the shear structure consist of mixed sericitic and chloritic schists. The gold-bearing portions are silicified and mineralized in a zoning related to depth with gold content generally increasing in grade and volume with depth.

The schists within the shear structure pinch and swell along strike from a width of 20 feet up to 200 feet. These swells have been termed zones which follow a generalized pattern. Each zone follows a general south-easterly plunge along the shear structure which gives a 15° to 20° south-easterly rake to the zones. Down dip, the shear structure gradually increases in width and then abruptly pinches, this pinching of the schists down dip follows a fairly regular traceable "bottom pinch" that plunges 11° southward.

The richer gold-bearing "shoots" occur within zones. The grade appears to be related to associated mineral zoning. In general, the richer gold-bearing "shoots" occur in association with pyrite and arsenopyrite where the intervening schist between parallel "shoots" is also commonly weakly silicified and mineralized to give low grades of 0.01 to 0.05 oz. Au/ton. The mineral zoning is in turn spatially related to its distance measured along the shear perpendicular to the trace of the "bottom pinch" plunge. The foregoing is indicated by the following table:

Depth above the "Bottom-Pinch" Plunge Trace	Gold Associated Mineral Zoning with Quartz	Tenor of grade of mineralization in "shoots" (oz. Au/Ton)
(1) 400'—1000'	Tourmaline	0.05–0.15
(2) 200'—400'	Pyrite	0.20–0.40
(3) 0'—200'	Arsenopyrite, Pyrite	0.20–0.50
(4) 0'—100' (below B.P.)	Galena, Sphalerite, Silver	0.20–0.50

Thus, three types of mineral zones carry gold at the Pursides Mine: the upper gold-bearing zone is associated with quartz—tourmaline mineralization and averages 0.05 to 0.15 oz. Au/ton, this is followed by a deeper zone of quartz-pyrite mineralization with values ranging from 0.20 to 0.40 oz. Au/ton, which, in turn, is followed by a deeper quartz-arsenic gold-bearing zone of mineralization that averages 0.20 to 0.50 oz. Au/ton. This latter zone was not known in 1968 and was found by the intensive exploration policy carried out by Mr. Chester J. Kuryliw.

Mr. Kuryliw was retained by the Company to prepare a comprehensive report on the Pursides Property. This report includes a recommended programme of exploration and contains tonnage and grade calculations resulting from previous underground exploration.

Results of Underground Exploration

On the fifth and sixth level drives to the south, within the Jubilee and Pango zones, diamond drilling was carried out in a regular pattern with flat drill holes spaced at 25 foot intervals and drilled across the mineralized shear zone.

In calculating grades and tonnages, assays in diamond drill holes on either side of a drift in a section were combined with chip-sample assays across the drift in the same section. The continuity between diamond drill hole sections was assumed to extend over half the distance towards a neighboring section. No dilution has been included and assays have not been cut.

Detailed information is available only at the level horizons, the data between levels is still insufficient, so that calculations are presented as "tons per vertical foot" at each level, with horizontal widths, assuming 12 cubic feet per ton in each case.

Free gold mineralization occurs finely dispersed like a fine "yellow fog" even in high grade intersections so that exceptionally high grade intersections are rare. Cutting assays was not considered necessary.

The following table shows tonnage and grade calculations for the Pursides Property as at June 5, 1973.

Jubilee Zone

(1) 5TH LEVEL JUBILEE ZONE

(A) Higher Grade "Shoots" 1 to 5

Average horizontal width	12.24 feet
Average grade	0.343 oz. Au/ton
Length	775 feet
Tons per vertical foot	789.4

(B) Lower Grade Summary

Average horizontal width	36.68 feet
Average grade	0.175 oz. Au/ton
Length	600 feet
Tons per vertical foot	1884

(2) 6TH LEVEL JUBILEE ZONE

(A) Block A

Average horizontal width	109.5 feet
Average grade	0.177 oz. Au/ton
Length	200 feet
Tons per vertical foot	1,825

(B) Block B

Average horizontal width	34.2 feet
Average grade	0.204 oz. Au/ton
Length	150 feet
Tons per vertical foot	427

Aggregate of 6th Level Jubilee Zone—2,252 tons per vertical foot @ 0.18 oz. Au/ton

NOTE:

This does not include indicated extension for an additional 248 feet of the Jubilee zone in diamond drill hole 6-769 at face of 603 S Drift. The drill hole averaged 0.22 oz. Au/ton from 77.5 to 248 in the hole.

The 9200 raise section from the 6th to 5th levels gave 1,373 tons per horizontal foot in cross section at an average grade of 0.233 oz. Au/ton.

Pango Zone

BLOCK A

Average horizontal width..73.8
Average grade..0.187 oz. Au/ton.
Average length..175 feet
Tons per vertical foot..1,077
(6-9850 Raise—total 582 tons per foot horizontally in cross sections @ 0.223 oz. Au/ton)

BLOCK B

Average horizontal width..17.8
Average grade..0.189 oz. Au/ton
Average length..135 feet
Tons per vertical foot..201

Aggregate of Pango Zone—1,278 tons per vertical foot @ 0.187 oz. Au/ton.

Metallurgical Testing

As indicated above under "Results of Underground Exploration", three types of mineral zones carry gold at the Pursides Mine. In 1968 samples sent for early metallurgical testing to the Department of Mines and Resources, Ottawa, contained gold-bearing samples from the quartz-tourmaline and quartz-pyrite zones only (the arsenical zone being unknown at that time). Subsequently samples (including samples from the arsenical zone) were sent to the Ontario Research Foundation. The following is a summary of the results of such metallurgical testing:

(1) *Mines Branch Investigation Report I.R. 69.55 Summary of Results* -July, 1969

"The results of the investigation on two ore zones from the property show that a gold recovery of about 95% can be obtained by straight cyanidation of ore."

(2) *Ontario Research Foundation*

Investigation No. 0-70310
Progress Report No. 2
May 6, 1970.

"A sample of pyritic ore with a head assay of 0.428 oz. Au/ton gave recoveries of 94.2% and 95.3% of the gold content by cyanidation."

"A sample of arsenical ore with a head assay of 0.420 oz. Au/ton gave recoveries of 64.8% and 64.0% of the gold content by cyanidation."

Flotation tests carried out showed that 7.5% of the total weight of ore ended up in a rougher concentrate that recovered 91.3% of the gold content.

A qualitative estimate by Mr. Kuryliw indicated about one-third by weight of the Pursides gold deposits are arsenical and the remaining two-thirds are pyritic. This ratio is estimated from the exploration to date. At this ratio, Mr. Kuryliw estimated that a total recovery by cyanidation would achieve the following gold recovery:

$$\left.\begin{array}{ll}\text{Arsenical} & 1/3 \times 64.4\% \\ \text{Pyritic} & 2/3 \times 94.7\%\end{array}\right\} \text{average recovery of about } 85\%.$$

The installation of flotation concentrating units and a roaster may be expected to raise the total recovery of gold by from 5% to 7% to the 90% recovery range.

Joint Venture Agreement

By an agreement made as of March 15, 1969 (the "Exploration Agreement"), Prado Explorations Limited ("Prado") agreed with the Company to conduct certain exploration and development work on the Pursides Property. Under the Exploration Agreement Prado agreed to spend at least $300,000 within a seven-month period. This amount was spent and Prado thereby required the right to spend a further $350,000 and, by virtue of spending the total of $650,000, would acquire the right to form a joint venture with the Company with respect to the Pursides Property. Prado in the meantime assigned all its rights and obligations to a subsidiary, Pango Gold Mines Limited ("Pango").

Pango incurred the necessary minimum expenditures and, as a result, under a subsequent agreement (the "Joint Venture Agreement"), it was agreed that the Pursides Property was to be transferred to The Canada Trust Company, as trustee, for the benefit of Pango and the Company as members of a joint venture (the "Joint Venture"). The initial ownership by the members of the Joint Venture in the Pursides Property was divided as to 65% to Pango and as to 35% to the Company. The Joint Venture Agreement provided for these percentages to be altered depending upon subsequent expenditures by each of Pango and the Company. It was further provided that Net Profits from the Joint Venture are, after recovery of a portion of expenditures incurred in the exploration and development of the Pursides Property, to be divided in accordance with the respective interests of Pango and the Company in the Pursides Property. The mining plant and milling facilities of the Company remained the property of the Company. Under the terms of the Exploration Agreement, an appraisal was conducted in March, 1970 by Kilborn Engineering Ltd. of the mining and milling facilities of the Company, valuing them at approximately $1,837,000. The exploration program carried on by Pango resulted in detailed diamond drilling on the fifth and sixth levels.

On March 9, 1970 Pango offered to the Company the right to assume and continue, on behalf of the Joint Venture, the exploration and development program which Pango had been carrying on. Pango advised that if the Company did not elect to do so, it proposed to discontinue the program as at March 31, 1970. Pango advised that its decision to discontinue the program was based upon a complex analysis of the current economics of this particular mine including, inter alia, poor prospects of continuance of gold assistance, rapidly escalating labour costs, condition of mill equipment, the labour intensive mining facilities and the rock bottom price of gold.

In determining the advisability of continuing the program and the potential cost yet to be incurred to bring the Pursides Property into production, the Company took into consideration a report prepared by Watts, Griffis & McQuat Limited, consulting engineers, Toronto, which report concluded that it could reasonably be anticipated that financing in the amount of $695,000 would be required. Based upon its own knowledge and the advice of its staff the Company concluded that a new flotation and roasting section for the Company's mill would be required which, it was estimated, would result in further costs of up to $500,000.

Ballinderry Financing

Rather than permit the exploration and development of the Pursides Property to be discontinued, in which event the Company would have had no right under the Joint Venture Agreement to continue the program for at least 12 months and the mine would, of necessity, have been flooded and become inoperative, the Company elected to take over the exploration and development program and entered into a commitment to Pango to expend an aggregate of $100,000 during the months of April, May and June, 1970. For each $21,666 of such $100,000 so spent the Company would reacquire from Pango an additional 1% interest in the Joint Venture.

In order to finance this commitment, on March 30, 1970 the Company obtained a commitment in writing from Ballinderry Explorations Ltd. ("Ballinderry") under which Ballinderry agreed to advance to the Company an aggregate of $100,000 as and when called upon to do so by the Company on or about June 30, 1970. In consideration for such advances, the Company assigned to Ballinderry the right to receive all distributions of the net profits from the Joint Venture payable to the Company in respect of any additional interest in the Joint Venture acquired by the Company as a result of such expenditures.

In accordance with this financing agreement $100,000 was provided to the Company which was expended on the Pursides Property. As a result an additional 4% interest in the Joint Venture was acquired by the Company and, in effect, assigned to Ballinderry. This interest was reassigned to the Company in March, 1973 in consideration for the Company issuing to Ballinderry an 8% Secured Debenture to replace existing open account indebtedness of the Company.

In order to preserve its right to carry on the exploration and development program beyond June 30, 1970 the Company was required under the Joint Venture Agreement to enter into a further commitment to spend at least $100,000 during the next three months. Accordingly, further financing for the Company was required and that financing was obtained through a reorganization of the Company in the summer of 1970.

Ballinderry-Pursides Reorganization

In accordance with an agreement (the "Reorganization Agreement") dated March 30, 1970 and made between the Company, Ballinderry and certain creditors of the Company (the "Creditors"), the Company was substantially reorganized. That reorganization may be summarized as follows:

1. Debt of the Company (the "Surluga indebtedness") in the principal amount of approximately $2,239,000. was sold by the Creditors to Ballinderry in exchange for 200,000 shares ("Ballinderry shares") with a par value of $1 each in the capital of Ballinderry and for five year non-interest bearing convertible debentures of Ballinderry in the principal amount of $1,650,000, convertible on the basis of 1 Ballinderry share for each $2.50 principal amount converted;

2. Each of the Creditors waived the payment by the Company of all interest owing to them, which then amounted to approximately $192,000;

3. Ballinderry contemporaneously surrendered the Surluga indebtedness to the Company and accepted in payment 2,125,000 Common Shares; and

4. The Creditors granted options to Ballinderry to purchase an aggregate of 271,062.5 Common Shares held by them in consideration for Ballinderry shares at the rate of 1 Ballinderry share for each 1.25 Common Shares, the exercise of such options being conditional upon Ballinderry concurrently making an offer to all shareholders of the Company to purchase the Common Shares owned by them for the same consideration (provided that Ballinderry was not obliged to make such offer to any shareholder of the Company if the making of such offer to such shareholder or to a group of like shareholders would oblige Ballinderry to comply with the registration requirements of any securities laws of any jurisdiction outside Canada).

The Creditors, by agreement, sold to Mr. R. C. Todd, President of Ballinderry, at a price of $2.50 per share, the 200,000 Ballinderry shares received by the Creditors as part of the consideration for the sale by them to Ballinderry of the Surluga indebtedness. The consideration was satisfied by the issue to the Creditors of certain non-recourse promissory notes in the principal amount of $500,000. The 200,000 Ballinderry shares were deposited in escrow and, in the event that the promissory notes are not paid at maturity, the Creditors will be entitled to receive the share certificates from the escrow agent together with all distributions (if any) paid on such shares in the interim (other than cash dividends) as liquidated damages.

Under the Reorganization Agreement, the Creditors agreed to exercise their best efforts to obtain options for Common Shares, in favour of Ballinderry, for an aggregate of 60% of the issued Common Shares, from members (including Creditors) of the group of persons who had participated in earlier financings of the Company.

As a result of the reorganization, both as a result of the exchange of debt for shares, the options granted by other shareholders at the request of the Creditors and the share exchange offer, Ballinderry is presently the owner of 2,448,664 Common Shares representing 93.3% of the presently issued and outstanding Common Shares.

The number of Common Shares issued to Ballinderry in retirement of the Surluga indebtedness and the number of Ballinderry shares offered for each Common Share were determined by negotiation, bearing in mind the general money market conditions, the relative market prices for the shares of Ballinderry and the shares of the Company, as traded on the Vancouver Stock Exchange and the Canadian Stock Exchange, respectively, and the volume of trading of such shares on such exchanges, during the period during which the Company was negotiating with Ballinderry. During the period from March 13, 1970 to March 30, 1970, the average price of Common Shares (as then constituted) trading on the Canadian Stock Exchange was $0.173 and the average price of Ballinderry shares trading on the Vancouver Stock Exchange was $1.45.

Continuation of Program

Following the reorganization of the Company to become a subsidiary of Ballinderry, Ballinderry provided additional financing in the amount of $188,875 to enable the Company to continue the exploration and development program. As a result of the respective expenditures by Prado and Pango, by the Company and by Ballinderry the interests in the Joint Venture and the Pursides Property are now held as to approximately 58% by Pango and as to approximately 42% by the Company. (See "Present Status of Joint Venture" on page 9).

Under the Joint Venture Agreement, the Company has the right to assume and continue the program by committing to expend a further $100,000 within three months of making such commitment, unless at that time Pango has assumed and continued the program by making a similar commitment. This financing is being proceeded with principally for the purpose of obtaining funds to enable the Company to continue the exploration and development program. See "Use of Proceeds" on page 11. The program will be carried out by the Company, under the general supervision of an exploration and development committee consisting of two nominees of Pango and one of the Company.

Present Status of Joint Venture

Under the terms of the Joint Venture Agreement, the present interests of Pango and the Company in the Pursides Property, being 58% and 42% respectively, cannot hereafter be altered by reason of any further expenditures in respect of the Pursides Property. Pango and the Company are entitled to share in Net Profits from the Joint Venture in proportion to their interests in the Pursides Property after the recovery by Pango of $500,000 and the recovery by Pursides of all exploration and development costs incurred by it under the Joint Venture Agreement, such recovery by Pango and the Company to be pro rata to the amounts payable to them.

Present Properties

The Pursides Property is located in Township 29, Range 23, District of Algoma. The Pursides Property is readily accessible by an all-weather road and serviced by the Town of Wawa which is located on Trans-Canada Highway 17. The Algoma Central Railroad also services the area. The property consists of 34 patented mining claims, 28 mining claims for which application for patents has been made, 4 mining claims for which application for licences of occupation has been made and 8 mining claims under lease:

1. *Patented Mining Claims:*

SSM 3089	SSM 3192	SSM 3407	SSM 4020
3090	3193	3408	4317
3130	3194	3455	4318
3131	3231	3531	4507
3132	3232	3538	4678
3133	3256	3555	59662
3134	3400	3556	60942
3135	3401	3557	
3191	3406	3558	

2. *Mining Claims for which Application for Patents has been made:*

SSM 59663	SSM 61530	SSM 61957	SSM 61968
59664	61531	61958	61969
60183	61532	61959	61970
60184	61533	61963	61971
60185	61954	61965	61972
60362	61955	61966	64934
60363	61956	61967	64955

3. *Mining Claims for which Application for Licences of Occupation has been made:*

SSM 61960	SSM 61961	SSM 61962	SSM 61964

4. *Mining Claims Under Lease:*

SSM 64595	SSM 64701	SSM 64703	SSM 64705
64700	64702	64704	64706

The mine, plant and underground workings of the Company are located within the patented mining claims.

With the exception of certain machinery sold by the Company for approximately $54,650 the Company is still the owner of the mining and milling facilities described under "Joint Venture Agreement" on page 6. The present mining plant of the Company is well maintained and available for use, if selected. The loading pocket, skips and cages are presently on the surface and would have to be reinstalled if operations are recommenced. There is no assurance that the Joint Venture exploration and development committee will decide to make use of the mining and milling facilities of the Company.

In view of the fact that mining operations have been discontinued for some time and the mine was permitted to flood, certain steps must be taken by the Company prior to recommencing exploration activities. The mine workings will have to be pumped out and a pumping operation will have to be maintained to keep water at an acceptable level. The seventh level pumping station will have to be reinstalled. Particulars are set forth under "Use of Proceeds" on page 11.

CAPITALIZATION

	Amount Authorized	Outstanding as at April 30, 1973	Outstanding as at May 31, 1973	Outstanding as at May 31, 1973 after giving effect to this issue and the private placement (excluding optioned shares in each case)
Long Term Debt				
8% Secured Debenture (1)...........	$ 275,131	$ 278,267	$ 280,136	$ 280,136
Share Capital				
Common Shares without par value (2)..	5,000,000 shs	2,623,500 shs	2,623,500 shs	3,223,500 shs
		($4,792,064)	($4,792,064)	($5,559,564)

NOTES:

1. The indebtedness represented by the 8% Secured Debenture is owing to Ballinderry. The Debenture bears interest at the rate of 8% per annum, matures on April 1, 1978 and is secured by a first floating charge on the undertaking and all the property and assets of the Company. Amounts outstanding include accrued but unpaid interest.

2. Prior to May 14, 1973 the authorized capital of the Company was 32,000,000 Common Shares of which 26,235,006 were issued and outstanding. By articles of amendment which became effective on May 14, 1973, the capitalization of the Company was reorganized by the cancellation of 6 of the issued and outstanding Common Shares held by Ballinderry, the consolidation of the remaining issued Common Shares on a one for ten basis and the consolidation of the remaining authorized but unissued Common Shares into 2,376,500 Common Shares. After giving effect to these amendments, the authorized capital of the Company consists of 5,000,000 Common Shares, of which 2,623,500 are issued and outstanding as fully paid and non-assessable. This table gives effect throughout to this reorganization.

PLAN OF DISTRIBUTION

Underwriting

Under an agreement dated as of May 31, 1973 (the "Underwriting Agreement") the Company has agreed to issue and sell, and Jones, Gable & Company Limited, 110 Yonge Street, Toronto, Ontario (the "Underwriter-Optionee") has agreed to take up and pay for, 350,000 Common Shares for an aggregate consideration of $437,500 on the third business day following the date upon which the last to do so of the Securities Commissions of Ontario, Alberta and British Columbia has issued to the Company a receipt for the (final) prospectus (the "closing date").

In consideration of such underwriting commitment, the Company has granted to the Underwriter-Optionee the option to take up and pay for all or any part of an additional 150,000 Common Shares at $1.50 per share at any time and from time to time within a period of three months from the closing date.

The following table sets out the trading range on the Canadian Stock Exchange in the Common Shares during the period from April 1, 1973 to June 22, 1973. All trades in the period were expressed in "unconsolidated" shares.

Period	High	Low	Volume
April 1-30	$0.27	$0.15	66,250 shs.
May 1-31	0.19	0.16	33,000
June 1-22	0.18	0.165	5,700

The prices for the underwritten shares and the optioned shares were determined by negotiations between the Company and the Underwriter-Optionee with reference to the trading range for Common Shares during the period of such negotiations.

The Common Shares are offered subject to withdrawal or cancellation of the offer without notice and subject to the right to reject any order. The obligations of the Underwriter-Optionee under the Underwriting Agreement are subject to the fulfilment of necessary legal requirements and may be terminated at its discretion on the basis of its assessment of the state of the financial markets and on the occurrence of certain stated events. The Underwriter-Optionee is, however, obligated to take up and pay for all of the 350,000 Common Shares to be underwritten if any of them are purchased pursuant to the Underwriting Agreement. There is no obligation in any event on the Underwriter-Optionee to take up and pay for any of the 150,000 Common Shares under option and there is no assurance that any of such shares will be purchased. If any of such 150,000 Common Shares are taken up and paid for they must be offered to the public hereunder.

Such of the securities being offered hereunder as shall be offered in the Province of Alberta shall be offered through security dealers registered in that province.

Private Placement

Pursuant to an agreement made as of the 19th day of July, 1973 with Wachovia International Investment Corporation ("Wachovia"), Winston-Salem, North Carolina, the Company agreed to sell 250,000 Common Shares and grant an option in respect of up to a further 100,000 Common Shares to Wachovia by way of a private placement (the "Private Placement"). The purchase price for the 250,000 Common Shares and for the granting of the option is $330,000. The closing of the Private Placement is conditional upon and is to take place contemporaneously with the sale of the Common Shares and granting of the option to the Underwriter-Optionee. An agency commission of $17,500 will be paid by the Company to Mr. Anthony Suche, Calgary, Alberta in respect of the Private Placement. Mr. Suche is not associated with either the Company or Wachovia. The option permits Wachovia at any time or from time to time up to and including the second anniversary of the closing of the Private Placement to purchase up to an aggregate of 100,000 Common Shares at a price of $1.50 per share. Wachovia is a wholly-owned subsidiary of Wachovia Bank & Trust Company, N.A., Winston-Salem, North Carolina and is unrelated to the Company.

USE OF PROCEEDS

Mr. Chester Kuryliw, M.Sc., P. Eng., has prepared for the Company a program schedule and estimated cost summary with respect to three phases of continued exploration and development activities which he recommends for the Company. It is intended by the Company to apply the proceeds (after expenses of the issue) of the offering of the 350,000 underwritten Common Shares together with the proceeds (after commission) from the sale of 250,000 Common Shares under the Private Placement, amounting in the aggregate to approximately $725,000, first in repayment of the accounts payable of the Company (including the account payable to the insurers of the Company's mill and related facilities amounting to $27,804.10) and thereafter on account of the program schedule. Pending use of the proceeds of this issue as aforesaid, such proceeds will be invested by the Company in short-term chartered bank deposit receipts or bank accounts.

Program Schedule and Estimated Cost Summary
(Assuming start on August 1, 1973)

PHASE I (5 months)	
(1) *August 1-August 31, 1973* (1 month)	
Staff search and preparations, etc.	$ 15,000
(2) *September 1-November 30, 1973* (3 months)	
Pumping operation	45,000
Acquisition of capital equipment and supplies	135,000
(3) *December 1-December 31, 1973* (1 month)	
Shaft installations and rehabilitation and pump station	20,000
TOTAL	$215,000
PHASE II (4 months)	
January 1-April 30, 1974	
Total cost per month including diamond drilling contract, assaying, driving drift, diamond drilling, driving decline 4 @ $55,000 per month	$220,000
PHASE III (3 months)	
May 1-July 31, 1974	
Drive at 7th level horizon, drive raises and diamond drilling 3 months @ $55,000 per month.	165,000
TOTAL OF PHASES I, II, III	600,000
Initial management and consultants fees Phases I, II & III	25,000
Feasibility study, maintenance etc. on standby	75,000
TOTAL ESTIMATED COSTS	$700,000

The completion of all three phases of the foregoing program is required before the viability of the Pursides Property can be determined. Subject to the occurrence of unforeseen and exceptional events, the Company firmly intends to carry out all three phases of the program.

While there is no assurance that any of the 150,000 Common Shares under option to the Underwriter-Optionee and the 100,000 Common Shares under option to Wachovia will be purchased, the Corporation would receive an additional $375,000 if all the optioned shares are purchased, which monies, if received, will firstly be applied to the repayment of the Company's open account indebtedness to Ballinderry which presently amounts to $21,341 and to the payment of interest on the 8% Secured Debenture held by Ballinderry and thereafter will form part of the general working capital of the Company and will be used by it from time to time as practicable to exploit the Pursides Property further, or if such further exploitation is unwarranted to acquire, explore and develop such other properties as the Company may determine based upon expert advice. If, during the period of distribution to the public of the Common Shares offered hereby, any such properties are acquired, an amendment to this prospectus will be filed.

DESCRIPTION OF COMMON SHARES

The authorized capital of the Company consists of 5,000,000 Common Shares, of which 2,623,500 are, and following completion of the underwritten part of this offering and of the sale of 250,000 Common Shares under the Private Placement 3,223,500 will be, issued and outstanding as fully paid and non-assessable. A further 250,000 Common Shares will be reserved and set aside for issuance upon the exercise of the stock options granted to the Underwriter-Optionee and to Wachovia.

The issued Common Shares of the Company are fully paid and non-assessable and the holders thereof are entitled to one vote for each share held at all meetings of shareholders. Each Common Share ranks equally with all other Common Shares with respect to dividend rights and upon winding up or dissolution of the Company. The holders of Common Shares have no pre-emptive, conversion or subscription rights.

DIVIDEND RECORD

No dividends have been paid by the Company. No dividends are presently foreseeable.

SPECULATIVE COMPANY

The Common Shares offered hereby may be regarded as speculative for the following reasons:

1. The Pursides Property contains a low-grade ore body and, accordingly, there is no assurance, based upon the Company's present knowledge of the Pursides Property, that mineralization in sufficient commercial quantities to warrant production will be discovered as a result of the program referred to under "Use of Proceeds" on page 11.
2. The aforementioned program will be carried out by the Company on behalf of the Joint Venture. The Company's present 42% interest in the Pursides Property will not be increased as a result of its carrying out of this program.
3. On May 11, 1971 the Canadian Government re-instated Emergency Gold Mine Assistance to June, 1973 having previously discontinued the traditional three year period of assistance in December, 1970. Recently an extension of Emergency Gold Mine Assistance to June, 1976 was approved.
4. The price of gold on the free market has increased substantially over the last several months. For example during March, 1973 the price per ounce on the London Bullion Market ranged from a low of $60.00 (U.S.) to a high of $70.00 (U.S.) while during May, 1973 the price per ounce ranged from a low of $95.00 (U.S.) to a high of $114.50 (U.S.). This increase is reflected in current quotations for gold futures (oz/Au) as shown in the following table.

Gold Futures Prices— Winnipeg Commodities Market
(May 31, 1973)

1973	Open	High	Low	Close
July	$118.00	$118.00	$117.50	$117.50
October	$121.50	$121.55	$121.00	$121 (Bid)
1974				
January	$124.20	$124.20	$124.00	$124 (Bid)
April	$127.70	$127.70	$127.60	$127.70 (Bid)
July	$131.00	--	—	$131 (Bid)

Though it is unlikely that the price of gold and gold futures will return to pre-1973 levels, there is a possibility that periodic market fluctuations will occur which could cause prices to drop below those shown above.

MANAGEMENT

Directors and Officers

The names and residence addresses of the directors and officers of the Company, the offices held by each and their principal occupations during the five preceding years are as follows:

Name and Address	Office or Position	Principal Occupation
ROBERT CAMPBELL TODD, Box 1, Site 8, RR #2, Calgary, Alberta.	President and Director	Vice-President, Pinnacle Petroleums Ltd. from September, 1964 to February, 1969. President, Ballinderry Royalties Corporation Ltd. (N.P.L.) from February, 1969 to September, 1969. President, Ballinderry Explorations Ltd. since September, 1969.
ROBERT HOWARD O'CONNOR, 3033 Sixth Street S.W., Calgary, Alberta.	Director	Vice-President, Pinnacle Petroleums Ltd. from June, 1962 to December, 1968. Vice-President, Ulster Petroleums Limited from December, 1968 to January, 1970 President, Camindex Mines Limited since September, 1970.
THOMAS KNEALE CRAINE, 3220 Seventh Street S.W., Calgary, Alberta.	Secretary and Director	Treasurer, Ulster Petroleums Ltd. from October, 1966 to February, 1970. Treasurer, Camindex Mines Limited from February, 1970 to October, 1971. President, Craine Accounting Services Ltd. since October, 1971.
JOSEPH BENOIT PRENDERGAST, 1720-110th Avenue S.W., Calgary, Alberta.	Director	Chief Geophysicist, Kenting Earth Sciences Ltd. from April, 1968 to October, 1972. President, Dominion Exploration Services Ltd. since October, 1972.
JOHN GASKILL LEECH, 10740 Maple Glen Crescent, S.W., Calgary, Alberta.	Director	Salesman, Chinook Chrysler from 1967 to April, 1969. Sales Manager, Ace Explosives Ltd. (Coote Division) from April, 1969 to February, 1972. Vice-President and Secretary, Pit Stop Sales and Services Ltd. since February, 1972.

Remuneration

No remuneration has been paid or is payable by the Company to its directors or senior officers for the twelve month period ended December 31, 1972 or for the period from January 1, 1973 to the date hereof. The Company maintains no pension or other arrangements for its directors or senior officers nor are they entitled to any deferred compensation benefits or other benefits from the Company.

Interest of Management and Others in Material Transactions

On or about June 29, 1970 the transactions set out under the subheading "Ballinderry-Pursides Reorganization" on pages 7 and 8 hereof were closed. Reference is made to such pages for details of these transactions. As a result of these transactions Ballinderry became, and is presently the holder of, 2,448,664 Common Shares. Mr. R. C. Todd, the President and a director of the Company, is the holder of more than 10% of the issued and outstanding shares of Ballinderry. Mr. Todd acquired 200,000 shares of Ballinderry as a result of the aforementioned reorganization.

On or prior to June 30, 1970 Ballinderry advanced the sum of $100,000 to the Company to permit the Company to meet its exploration and development commitments under the Joint Venture Agreement. In consideration of this payment, the Company assigned to Ballinderry the right to receive all distributions of net proceeds from the 4% interest in the Joint Venture acquired by the Company as a result of such expenditure. In or about March, 1973 all rights in respect of this 4% interest were reassigned to the Company in consideration for the issue to Ballinderry of an 8% Secured Debenture of the Company for $275,131, which amount represented the aggregate open account indebtedness of the Company to Ballinderry at that time.

ESCROWED SHARES

The Royal Trust Company, the Registrar and Transfer Agent of the Company, holds 72,000 Common Shares in escrow, being approximately 2.7% of all of the issued and outstanding Common Shares of the Company. Of those escrowed shares, 67,500 will be held until released by the Canadian Stock Exchange, Quebec Securities Commission, Ontario Securities Commission and Alberta Securities Commission. The remaining 4,500 of the escrowed shares will be held until released by the Canadian Stock Exchange, Quebec Securities Commission and Ontario Securities Commission. With respect to all of the escrowed shares, any transfer, hypothecation, assignment or other alienation within escrow is subject to the prior consent of the Canadian Stock Exchange and the relevant Commissions and as they are released they are to be distributed pro rata amongst the holders of the escrowed shares at the time of such release

PRINCIPAL HOLDERS OF SECURITIES

Ballinderry beneficially owns 2,448,664 of the issued and outstanding Common Shares being approximately 93.3% of the Common Shares issued and outstanding prior to this offering. Ballinderry's holding will represent approximately 76.0% of the issued and outstanding Common Shares upon completion of the underwritten part of this offering and of the sale of 250,000 Common Shares under the Private Placement and approximately 70.4% of the issued and outstanding Common Shares if both the Underwriter-Optionee and Wachovia exercise in full their options to purchase a further 150,000 Common Shares and 100,000 Common Shares, respectively.

The directors and senior officers of the Company beneficially own as a group less than 1% of the issued and outstanding shares of the Company. The directors and senior officers of the Company beneficially own as a group directly or indirectly approximately 22.1% of the issued and outstanding shares of Ballinderry. Mr. R. C. Todd, who owns approximately 22% of the issued and outstanding shares of Ballinderry is the only person who owns, to the knowledge of the Company, more than 5% of the shares of Ballinderry.

PROMOTER

Ballinderry, through the efforts of its President and chief executive officer, Mr. R. C. Todd, took the initiative in the aforementioned reorganization of the Company and may therefore be regarded, within the meaning of applicable securities legislation, as the promoter of the Company. The only transactions between the Company and Ballinderry or proposed between the Company and Ballinderry are described above under the headings "Ballinderry Financing", "Ballinderry-Surluga Reorganization", "Continuation of Program" and "Capitalization".

S Sm

MATERIAL CONTRACTS

The only material contracts entered into by the Company during the two years preceding the date of this prospectus, other than contracts entered into by the Company in the ordinary course of business, are the following:

1. the Underwriting Agreement referred to under the sub-heading "Underwriting" on page 10;
2. a Purchase Agreement dated July 19, 1973 between the Company and Wachovia relating to the sale of 250,000 Common Shares and the granting of an option for a further 100,000 Common Shares referred to under the sub-heading "Private Placement" on page 11; and
3. the 8% Secured Debenture of the Company issued to Ballinderry described under "Ballinderry Financing" and "Capitalization" on pages 7 and 10 respectively.

AUDITORS

Peat, Marwick, Mitchell & Co., Chartered Accountants, Calgary, Alberta, are the auditors of the Company.

TRANSFER AGENT AND REGISTRAR

The Transfer Agent and Registrar for the Common Shares of the Company is The Royal Trust Company at its principal offices in Toronto, Montreal, Calgary and Vancouver.

PURSIDES GOLD MINES LIMITED
(formerly Surluga Gold Mines Limited)

Balance Sheet
April 30, 1973

Assets

Current Assets:			
Cash			$ 2,353
Accounts receivable			750
Prepaid expenses			4,938
Total current assets			8,041
Investment in Surluga Explorations, a Joint Venture, at cost (Note 1)			142,826
Mining Properties (Notes 1 and 2)			
Building, machinery and equipment		$1,555,488	
Deferred exploration, develop[illegible] and other expenditures (Schedule)		2,981,662	4,537,150
Incorporation and reorganization costs			29,214
			$4,717,231

Liabilities and Shareholders' Equity

Current Liabilities:			
Accounts payable and accrued liabilities			$ 39,406
Total current liabilities			39,406
Due to Ballinderry Explorations Ltd.:			
8% Debenture due April 1, 1978 secured by a floating charge on all assets of the company			278,267
Account Payable			14,981
			293,248
Shareholders' Equity:			
Share capital (Notes 3 and 4):			
Common shares without par value			
Authorized 5,000,000 shares; issued 2,623,500 shares		$4,792,064	
Deficit:			
Write down of buildings and equipment to appraisal value	$ 201,660		
Loss on disposal of machinery and equipment	205,827	(407,487)	4,384,577
			$4,717,231

Approved on behalf of the Board:

, Director

, Director

See accompanying notes.

PURSIDES GOLD MINES LIMITED
(formerly Surluga Gold Mines Limited)

STATEMENT OF SOURCE AND APPLICATION OF FUNDS

For the three years and four months ended April 30, 1973 and four months ended April 30, 1972

	Four Months Ended April 30		Year Ended December 31		
	1973	1972 (unaudited)	1972	1971	1970
Funds provided:					
Issue of shares	$ —	$ —	$ —	$ —	$2,231,225
Advances from Ballinderry Exploration Ltd.	14,981	—	20,488	—	288,875
Proceeds on disposal of machinery and equipment	—	—	—	63,147	54,431
Other	—	—	—		3,000
Total funds provided	14,981	—	20,488	63,147	2,577,531
Funds applied:					
Reduction in long term debt, net	—	—	—	—	1,849,065
Purchase of mining claims	—	—	174	—	—
Deferred exploration, development and other expenses	18,011	1,468	60,642	223,445	369,882
Deduct non-cash items	3,136	—	2,594	156,065	91,589
	14,875	1,468	58,048	67,380	278,293
Advances to Ballinderry Exploration Ltd.	—	—	—	34,232	—
Sundries and spare parts	—	—	—	—	19,760
Other	—	—	—	1,302	3,916
Total funds applied	14,875	1,468	58,222	102,914	2,151,034
Increase (decrease) in working capital	106	(1,468)	(37,734)	(39,767)	(426,497)
Working capital (deficiency) at beginning of period	(31,471)	6,263	6,263	46,030	(380,467)
Working capital (deficiency) at end of period	$(31,365)	$ 4,795	$(31,471)	$ 6,263	$ 46,030

See accompanying notes.

PURSIDES GOLD MINES LIMITED
(formerly Surluga Gold Mines Limited)

NOTES TO THE FINANCIAL STATEMENTS

April 30, 1973

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1. Pursides Gold Mines Limited ceased mining in 1969 and at that time entered into a joint venture in order to further the exploration and development of its properties. At April 30, 1973 the company has a 42% interest in the joint venture. The exploration program of the joint venture was suspended in 1970 pending economic developments.

2. For the purposes of the joint venture referred to in note 1, the buildings, machinery and equipment owned by Pursides Gold Mines Limited were appraised at $1,837,000 on March 12, 1970 by Kilborn Engineering Ltd. and accordingly the cost of these assets was written down by $201,660 to this appraised value and has been adjusted for subsequent disposals. This write down has been included in deficit.

3. By articles of amendment which became effective on May 14, 1973, the capitalization of the company was reorganized by the cancellation of 6 of the issued common shares, the consolidation of the remaining issued common shares on a one for ten basis and the consolidation of the remaining authorized but unissued common shares into 2,376,500 common shares. After giving effect to the amendments, the authorized capital of the company consisted of 5,000,000 common shares of which 2,623,500 were issued. This reorganization has been reflected in the balance sheet as at April 30, 1973.

   During the period from January 1, 1970 to April 30, 1973, 21,250,000 common shares (representing 2,125,000 of the now issued common shares) were issued, all in satisfaction of liabilities of the company.

4. Subsequent to April 30, 1973 the company entered into an agreement with an underwriter to sell 350,000 of its common shares for a cash consideration of $437,500. Under the same agreement the company granted the underwriter an option to acquire 150,000 of its common shares for a cash consideration of $225,000, such option to expire three months after the closing date of the underwriting.

   Under a private placement agreement with Wachovia International Investment Corporation, the company agreed to grant an option to Wachovia International Investment Corporation to acquire 100,000 common shares of the company and agreed to sell 250,000 common shares of the company for a cash consideration of $330,000. Closing is to be contemporaneous with the closing of the underwritten portion of the offering referred to above. The option permits Wachovia International Investment Corporation to purchase, at any time or times up to the second anniversary of the closing of the private placement, up to 100,000 common shares in the company at $1.50 per share. A commission of $17,500 is payable by the company in respect of the private placement.

PURSIDES GOLD MINES LIMITED
(formerly Surluga Gold Mines Limited)

SCHEDULE OF DEFERRED EXPLORATION, DEVELOPMENT AND OTHER EXPENDITURES

April 30, 1973

	Total to April 30, 1973
Exploration and development:	
Consulting fees, salaries, wages and employee benefits	$315,006
Travel	14,502
Telephone and telegraph	5,302
Equipment repairs and maintenance	1,955
Surveys	12,031
Diamond drilling	170,711
Supplies	15,245
Insurance	55,987
Licences, taxes and assessments	13,842
Freight	3,992
Stationery	4,803
Automobile	5,468
Utilities	14,877
Surface development	300,049
Underground development	1,785,464
Miscellaneous	26,261
Abandonments	2,547
	2,748,042
Administration:	
Salaries	20,642
Travel	39,515
Transfer agents' and filing fees	25,739
Professional fees	130,375
Office rent	42,024
Interest	66,717
Miscellaneous	76,587
	401,599
	3,149,641
Deduct:	
Production credits	153,316
Interest income	14,663
	167,979
	$2,981,662

AUDITORS' REPORT

To the Directors of
PURSIDES GOLD MINES LIMITED:

We have examined the balance sheet of Pursides Gold Mines Limited (formerly Surluga Gold Mines Limited) as at April 30, 1973 and the statement of source and application of funds for the three years and four months then ended. 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.

All of the operations of the company have been in connection with the acquisition of claims and exploration and development thereon except for items written off to deficit. All other expenditures have been capitalized and there is, therefore, no accompanying statement of profit and loss.

In our opinion, subject to such adjustment as would result from failure to recover in the future the amounts at which the mining claims and properties are carried in the balance sheet, these financial statements present fairly the financial position of the company at April 30, 1973, after giving effect to the share capital reorganization set out in note 3, and the source and application of its funds for the three years and four months then ended, in accordance with generally accepted accounting principles applied on a consistent basis.

Calgary, Alberta
May 23, 1973

Chartered Accountants

PURCHASERS' STATUTORY RIGHTS OF WITHDRAWAL AND RESCISSION

Sections 64 and 65 of The Securities Act (Ontario) and sections 64 and 65 of The Securities Act (Alberta) provide, in effect, that where a security is offered in the course of distribution to the public as referred to in those sections:

(a) a purchaser will not be bound by a contract for the purchase of such security if written or telegraphic notice of his intention not to be bound is received by the vendor or his agent not later than midnight on the second business day after the prospectus or amended prospectus offering such security is received or is deemed to be received by him or his agent; and

(b) a purchaser has the right to rescind a contract for the purchase of such security, while still the owner thereof, if the prospectus or any amended prospectus offering such security, as of the date of receipt or deemed receipt, contains an untrue statement of a material fact or omits to state a material fact necessary in order to make any statement therein not misleading in the light of the circumstances in which it was made, but no action to enforce this right can be commenced by a purchaser after the expiration of 90 days from the date of such contract or the date on which such prospectus or amended prospectus is received or is deemed to be received by him or his agent, whichever is later.

Sections 61 and 62 of the Securities Act, 1967 (British Columbia) provide, in effect, that, where a security is offered in the course of distribution to the public as referred to in those sections, a purchaser has the same right of rescission described in (b) above, and also that a purchaser has the right to rescind a contract for the purchase of a security, while still the owner thereof, if a copy of the last prospectus together with financial statements and reports and summaries of reports relating to the securities, as filed with the British Columbia Securities Commission, was not delivered to him or his agent prior to delivery to either of them of the written confirmation of the sale of the securities to either of them. Written notice of intention to commence an action for rescission must be served on the person who contracted to sell within 60 days of the date of delivery of the written confirmation, but no action shall be commenced after the expiration of three months from the date of service of such notice.

Reference is made to the aforesaid Acts for the complete text of the provisions under which the foregoing rights are conferred and the foregoing summary is subject to the express provisions thereof.

CERTIFICATE OF THE COMPANY

Dated: July 19, 1973.

The foregoing constitutes full, true and plain disclosure of all material facts relating to the securities offered by this propectus as required by Part VII of the Securities Act, 1967 (British Columbia), Part VII of The Securities Act (Ontario), Part 7 of The Securities Act (Alberta) and by the respective regulations made under said Acts.

Chief Executive Officer

Chief Financial Officer

On behalf of the Board of Directors

Director

Director

PROMOTER

BALLINDERRY EXPLORATIONS LTD.

By:

CERTIFICATE OF THE UNDERWRITER

To the best of our knowledge, information and belief, the foregoing constitutes full, true and plain disclosure of all material facts relating to the securities offered by this prospectus as required by Part VII of the Securities Act, 1967 (British Columbia), Part VII of The Securities Act (Ontario), Part 7 of The Securities Act (Alberta) and by the respective regulations made under said Acts.

JONES, GABLE & COMPANY LIMITED

By:

The following includes the name of every person having an interest, either directly or indirectly, to the extent of not less than 5%, in the capital of Jones, Gable & Company Limited: I. E. Jones, D. I. Jones and W. A. McCoy.