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Notes on J. Walper Group, Belfast Twp., which later became part of Obabika Mines, Ltd.

by

R. THOMSON
Oct. 31/55

*Copy sent
M.S. Harlot
W.S. O'Connell
May 31, 1956*

On Oct. 29th and 30th, in company with J. Walper and associates (Sam Mullins et alia) made a visit to the showings. From Temagami flew by Lakeland Airways to camp at Locality 5, on map page 1a of this report in Mile Square 4N5E (note - for convenience in giving positions the township is divided into mile squares and the SWly one designated 1N1E) The localities are shown on the accompanying map^{p.} 1a. This campsite had been used previously, presumably during the 1930 work. The camp consisted of one 14'x14' tent and two small supply tents. The old camp was in part a tar paper shack, of which the frame remains.

PROPERTY

The group consists of a large number of claims (see Belfast twp. Claim Plan, No. M-414, July 25, 1955) say 36 but it's not clear how many are held completely, (say 18) and how many by participating interest. The claims on which the showings occur are 36522, (approximately old claim EB-4), 36547, 36546 (approximately EB-5), 36533 and 36534.

Apparently most of the group are held on the basis of this occurrence but some of the claims in Mile Square 1N6E are presumably held on the basis of mineral occurrence stated to

MILE SQUARE
4N-6E

MILE SQUARE
4N-5E

Allan Lake

MOOSEHEAD
L.

MILE SQUARE H
3N-5E

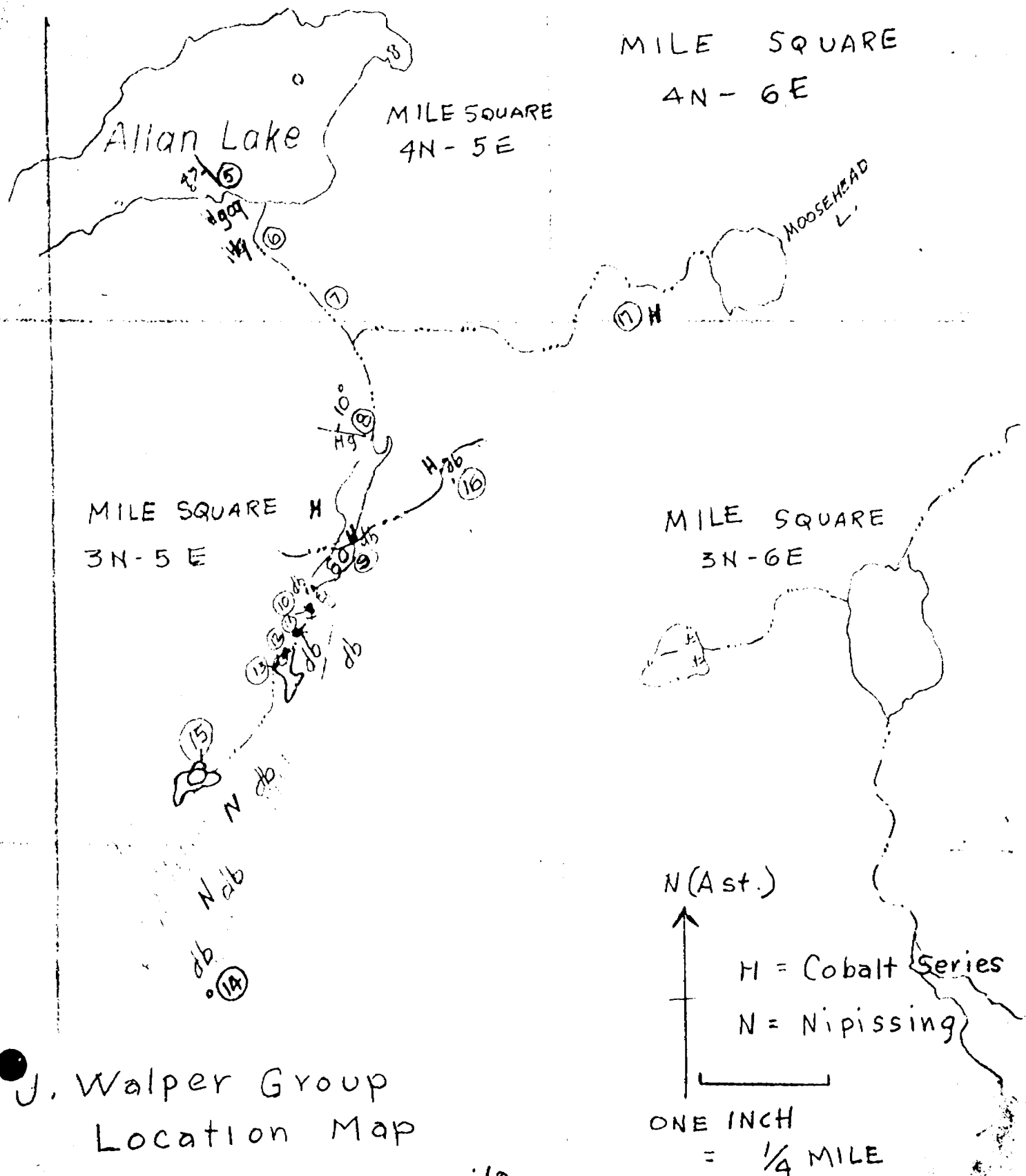
MILE SQUARE
3N-6E

N (Ast.)

H = Cobalt Series
N = Nipissing

ONE INCH
= 1/4 MILE

J. Walper Group
Location Map



have been found ⁱⁿ ~~about~~ claim 36734[^] by Dugis (of Cobalt) This
is hearsay. ^(in Mile Square IN-GE) Mayson - J.W. said this occurred but found
Accessibility ^{Geophysical survey did not appear to show anything of interest.}

At present accessibility is by air. For a light plane -
capacity say 7 - 800 lbs. the charges are \$16.00 for the
trip from Temagami. Obabika Inlet, an arm of Lake Temagami, is
some 2 - 3 miles distant.

HISTORY

Claims EB-4 and EB-5 were staked apparently some 40 years
ago.

Walper states that about 1930 the claims were re-staked
for gold.

In 1955 J. Walper and Associates saw the old trenches while
prospecting, possibly after obtaining information on the 1930
work. Some copper was uncovered and they got in touch with
Franc Joubin - Technical Associates, - who had Don James, their
geologist, examine it and report. J.W. said on^this advice
a large group of claims were^{u (s)} staked.

Present plans include -

1. Formation of company Obabika Mines, to prospect this group
but particularly to prospect any ground anywhere that seemed
to be advantageous.
2. Put down a few short D.D. holes with a Pack sack drill.
3. Have an electromagnetic survey made by Geotechnical Sur-
veys over a square mile or so - presumably this winter.
4. Drill the anomalies.

5. Some \$20,000.00 was available to carry out this program.

GEOLOGY - Rocks exposed include :

- Younger ^{diabase} db dike
- Nipissing ^{diabase} di
- Cobalt sediments

The sediments belong to the lower part of the Cobalt Series ^(they lie) below the Lorrain quartzite; their thickness is not known. The nearest basement rocks presently mapped lie some six miles to the East, in Joan twp. - and some six miles Sly in Scholes twp. Coleman Series rocks exposed on the J.W. group include conglomerate, graywacke (in general unbedded) and very minor quartzite. At Loc. 5 ^(see p. 1a) graywacke is exposed, ^{it is} poorly bedded, strikes 328 deg. M, dip 47 deg. Sly. This ^{determination of} attitude is not a good one. In the graywacke are angular inclusions to two feet ~~and~~ of graywacke and also rounded granite pebbles to 1" diameter; they are quite sparse. Between Loc. 8 to 10 sediments are seen to be gently dipping, say 10 deg. Nly - and this appears to be the general attitude.

At Loc. 17 J.W. ^{that} says [^] cliffs of Cobalt sediments are exposed.

NIPISSING DIABASE

Diabase exposed at Loc. 9 and 10 and 16 is very close to the base of the sill. The actual contact is exposed a few feet north of Loc. 9 and again near Loc. 16. The contact was nearly flat lying. The diabase is quartz diabase with minor red micrographic ^{intergrowth} patches about 1/10" in size.

At about 100 feet West of Loc. 15 is very coarse pegmatitic db. Although near the base of the sill, no hypersthene diabase was seen.

YOUNGER db dike

At Loc. 14 - a 2 foot younger db dike was seen, strike 350 deg. M and vertical.

OVERBURDEN is till, in part reddish and sandy. On the lake shore between Loc. 8 and 10 some hypersthene db boulders were seen.

TOPOGRAPHY

Linear valleys occur but for most part ^{their} significance ^{is} not known. On aerial photos is shown a pronounced one from the NE corner of the township to the creek in Mile Square 2N 2W - North of Lower Bass Lake.

The valley Loc. 14 to East of Loc. 10 is pronounced.

ECONOMIC

Copper is the metal presently being sought; earlier exploration was particularly for gold. The copper is in chalcopyrite in a very large vein (possibly several closely associated veins) extending from Loc. 15 to Loc. 16, a distance of some ~~2~~⁴000 feet, with both ends open. The host rock is Nipissing diabase. The strike of the zone is N40 deg. E and the dip about 30 deg. to the SE. The thickness of the vein in some places is 50 feet. Work has not been done to test downward continuity. Gangue minerals are quartz (say 95-97%) and carbonate (possibly ankerite) Some pyrite is associated with the chalcopyrite. The carbonate

is not uniformly distributed-- in places most of the vein is quartz without carbonate. In places the quartz and carbonate give a breccia effect. J.W. Thought that the chalcopryite was more closely related to the ankerite. I did not see any chalcopryite not associated with the quartz vein. Notwithstanding the great length 4000 feet plus of strike, I did not feel that continuity along dip was assured. J.W. said that the best exposure known was near the footwall of vein, Locality 12 (see field notes at Page 7,7a & 7b of this report) J.W. reported that at this locality a hole was drilled to 10 or 12 feet with results as follows:

0 - 6 quartz and ankerite, at between 6-7 feet core was said to contain 9" massive chalco, 7 to 10 or 12 feet diabase, a-t 10 or 12 feet went into gravel, which necessitated stopping hole. I did not see this core and the pit was filled with water. On the dump of the pit pieces of quartz containing irregular areas (say $\frac{1}{4}$ of the total volume) of chalcopryite with pyrite, could be seen.

At Loc. 11 - the hanging wall is exposed and contained minor chalco and some ankerite.

At Loc. 10 a pit in the quartz at the foot wall showed very minor copper.

At Loc. 15 (see field notes) in an old pit in which very little chalco was seen.

At Loc. 16 - some chalcopryite was seen in a quartz vein but no work had been done and no time was available to examine this closely.

I was not impressed with the type of occurrence but considered that say three or four intersections of the vein at 50 foot intervals near Loc. 12 would be enough to determine if ~~the~~ ^{were present in} chalcopyrite ~~approaches~~ economic amounts.

The Cobalt sediments along the creek from Loc. 6 to 8 s show some alteration, ^{which is} possibly of significance.

I did not think the projected ^e Electromagnetic survey would likely be of value and would have suggested ordinary prospecting for preliminary prospecting at least.

Following are field notes made during examination.

Location 5 - Traverse starting at Camp along poor trail.

Location 6 - at 635 ft. ~~at~~ creek, where occurs nearly flat but irregularly bedded Cobalt gray-wacke with some quartz grains some pebbles. Alteration veinlets occur here

Location 7 - Claim line (North line of group) At 815 ft. post said to be 50 yds. West ^{of trail} but on claim map posts are shown to East.

1590. ft. - on East side ^b Beaver ~~dam~~ Cobalt conglomerate - 10% pebbles not uniform to 2".

In matrix 10% quartz grains.

Between Loc. 7 & 8- appreciable depression - in rock - occupied by creek.

2165 ft. - at creek at head of little lake.

altered sediment

seems to be breakage at 18 deg. Mag.

2815 feet - Waterfall ²50' cliff on West side of trail

Location 8 - 2865 ft. N. end of lake, well exposed ~~to~~ outcrop.

possible attitude strike 110 deg. M dip 9 deg. N

Quartzite-arkose. some alteration

alter. veinlets - feldspar and quartz crystals.

3230 ft. - Strike 295 deg. M dip 11 deg. N

(good determination) Cobalt graywacke.

Location 9 - 4195 ft. opposite large qtz vein which occurs
as low stick up on East side of lake.

On hill to West ^{of} here short distance is large quartz
float, appears not ^{to be} closely in place. ~~found in lake.~~

Location 10 - 4665 ft. at waterfall, South end of lake.

Quartz vein strikes 12 deg. M, dip 24 deg. E.

no foot wall seen

at least 12' thick - on West side Nip quartz db ^{is in}

with areas of 1/10" pink micrographic intergrowth

Direction glaciation 223 deg. M.

Quartz is ^{has}
qtz 80' across - H W ^{has} very gentle dip - a little
cpy, pyrite, carbonate and red feldspar in vein.

Location 11 - 4940 ft. pit in E side creek

Location 12 - 5065 ft. pit in E. side creek

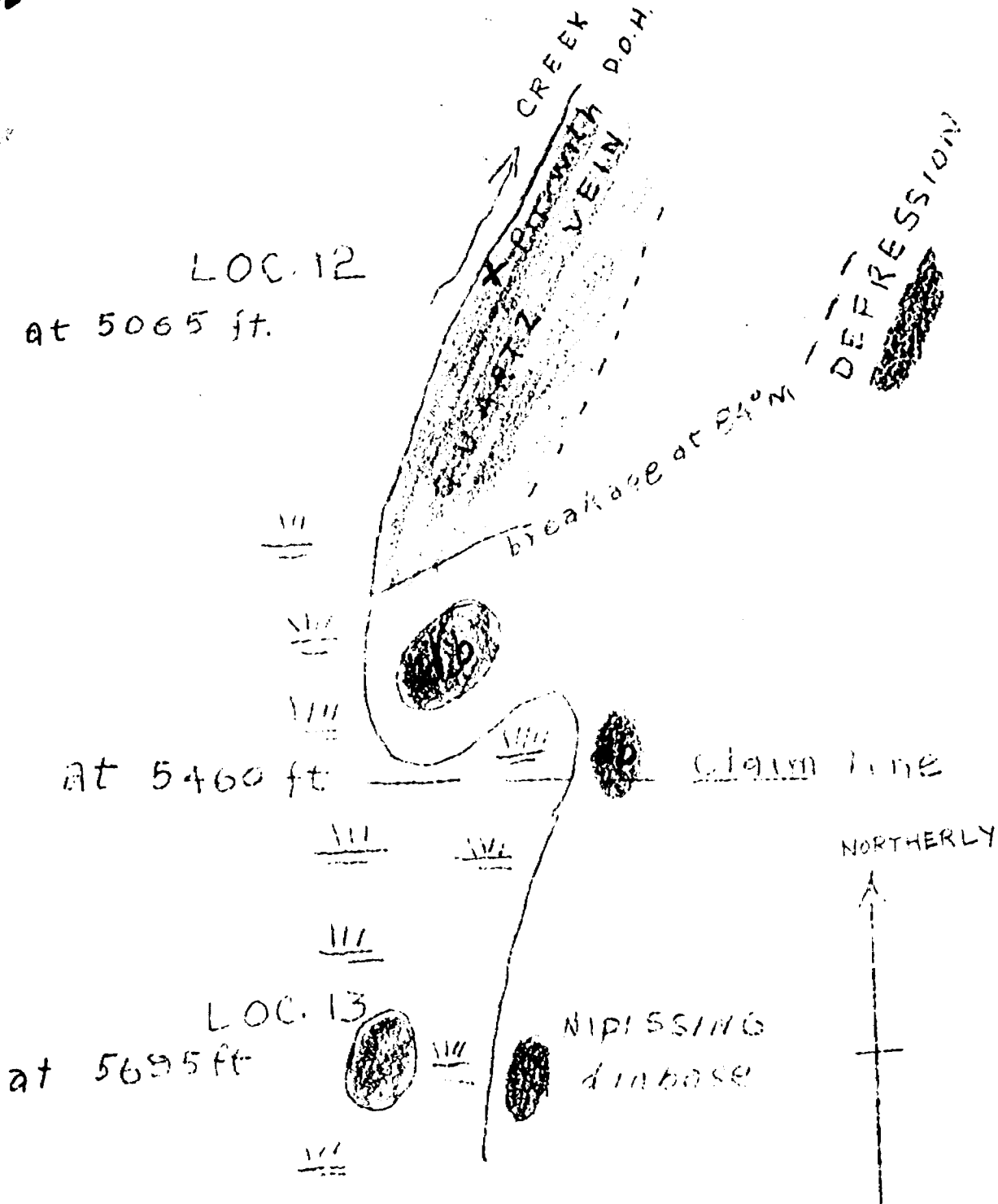
Loc. 12 best showing to date.

chalcopryite and pyrite, quartz gray and white,

a ¹² foot D.D. hole said to have given 9" of chalco. .

At Fa. 100 ft. Ely of Loc. 12. (cont'd on p. 8)

LOC. 12
at 5065 ft.



See P.7b for Section through Loc. 12.

Wiy

D.P.H. started Oct 30, 1958
at Wagon/2000 ft. W 2000 ft PDH
delivered 2000 ft. of rough
logs of round logs

Ely

creek

PIT

PIPER SANDS

Schistose
massive

QUARTZ

CROSS SECTION THROUGH LOCALITY

Direction of section 137 degrees M,
looking northerly at section.

Scale - (roughly) One Inch = 20 feet.

A quartz vein 3 feet wide with chlorite schist; ^{strikes} ~~270~~
270 deg.M and is nearly vertical.

From 5695 feet to 6465 along swampy ground.

At 6465 feet Sly along prominent valley.

At 8865 ft. the Nip.db is quartz db with minor amounts of
micrographic intergrowth.

At 9745 ft. db makes 35 foot cliff.

Location 14 - at 9815 ft. at base of cliff on W. side depression
1 ft. quartz in schisted part strikes 220 deg.M
dips 15 deg.Wly.

near here a 2' wide younger db dike strikes
350 deg.M and is nearly vertical.

The prominent depression extends Sly to lake.

New count of distances going ^{northerly} from Loc. 14 to Loc. 15, At 800ft- is a
qtz. vein, ^{with} northerly strike ⁺ dips 35 deg.Ely.

At 1350 ft. start of ^b Beaver lake to North.

At 1560 ft. on East side beaver lake 1" qtz carb vein dips
very gently to East.

At 1855 ft. Post 1, TRT5851 on east shore of lake near North end.

Location 15 - at 1875' beaver dam at North end of beaver lake
here is quartz vein 6 ft. thick.

in an old pit a little to North quartz is 10'

thick. On hill on West side of creek is Nip.db

very coarse grain size 1" plus ^{foot on traverse} At 2760 - Loc. 13.

Location 16 - Here quartz is 10 feet plus thick.

November 7th, 1956.

In conversation with J. Walper the diamond drilling currently being carried out on Obabika Mines was discussed. During the past season some \$60,000 to \$70,000. was obtained from Chibougami Explorers, apparently on the advise of A. Notman, consulting Engineer in N.Y. S. Malouf and Mr. Wilson spent a day or so apparently examining the property and it was on their advise that the diamond drill holes were spotted. At about 200 feet on S-50W from the pit by the creek in which the chalcopryrite showing in the quartz vein is exposed, a line for drilling was set up at N-40-E and vertical holes were spotted at 100 feet intervals. To date some five holes, Nos. 6 to 10, have been drilled and logs of these holes were kindly furnished by L.J. Cunningham. This drilling demonstrated the continuity of the quartz carbonate vein as far as the drill holes; nothing of value was intersected. I suggested to Mr. Walper that at least one hole might be drilled at say minus 60 degrees towards the N.W. and continuing until the lower contact of the diabase was intersected. This would test for repetition of the quartz vein. I suggested to Mr. Walper that it might have been advantageous to have set up close to the chalcopryrite showing and by closely spaced drilling test if there were any pitch to the chalcopryrite body. J.W. said that 3000' of drilling had been contracted for but that it was likely that 5000' would be done. Apparently no extensive geological survey of the property has been done to date, and it is somewhat doubtful if such would be done in the future.



41P01SE8499 BELFAST 14A1 BELFAST

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NOTE ON PROPERTY OF THE OBABIKA MINES,
Belfast Township

by

Robert Thomson

May 26, 1956.

Under date of October 31st, 1955 are given notes on J. Walper Group, Belfast Twp. which later became part of Obabika Mines, Ltd: ^{these} ~~which~~ should be read in conjunction with the present notes. Copies of these were sent to Dr. M.E. Hurst and Dr. W.S. Savage on May 3rd, 1956. On May 25th and 26th the writer made another visit to this property and is grateful to Mr. J. Walper for hospitality and information freely given.

Since my 1955 visit a geophysical survey, using resistivity methods, had been carried out by Mr. A.B. Fleming over two parts of the property. One area included claims T-36546 and 7 which includes the main showing of the property. The writer examined the geophysical maps but has no copies of them. The geophysical report to cover the work had not been received. The survey had indicated two anomalies - one under the lake in Mile Square 3N-5E, between locations 8 and 9, ^(see plan p.12) and the other under location 16. Present plans call for diamond drilling these anomalies.

P-1

I d

5N-5E

5N-6E

4N-6E

4N-5E

ALLAN L.

BELFAST TWP.
JOAN TWP.

3N-5E

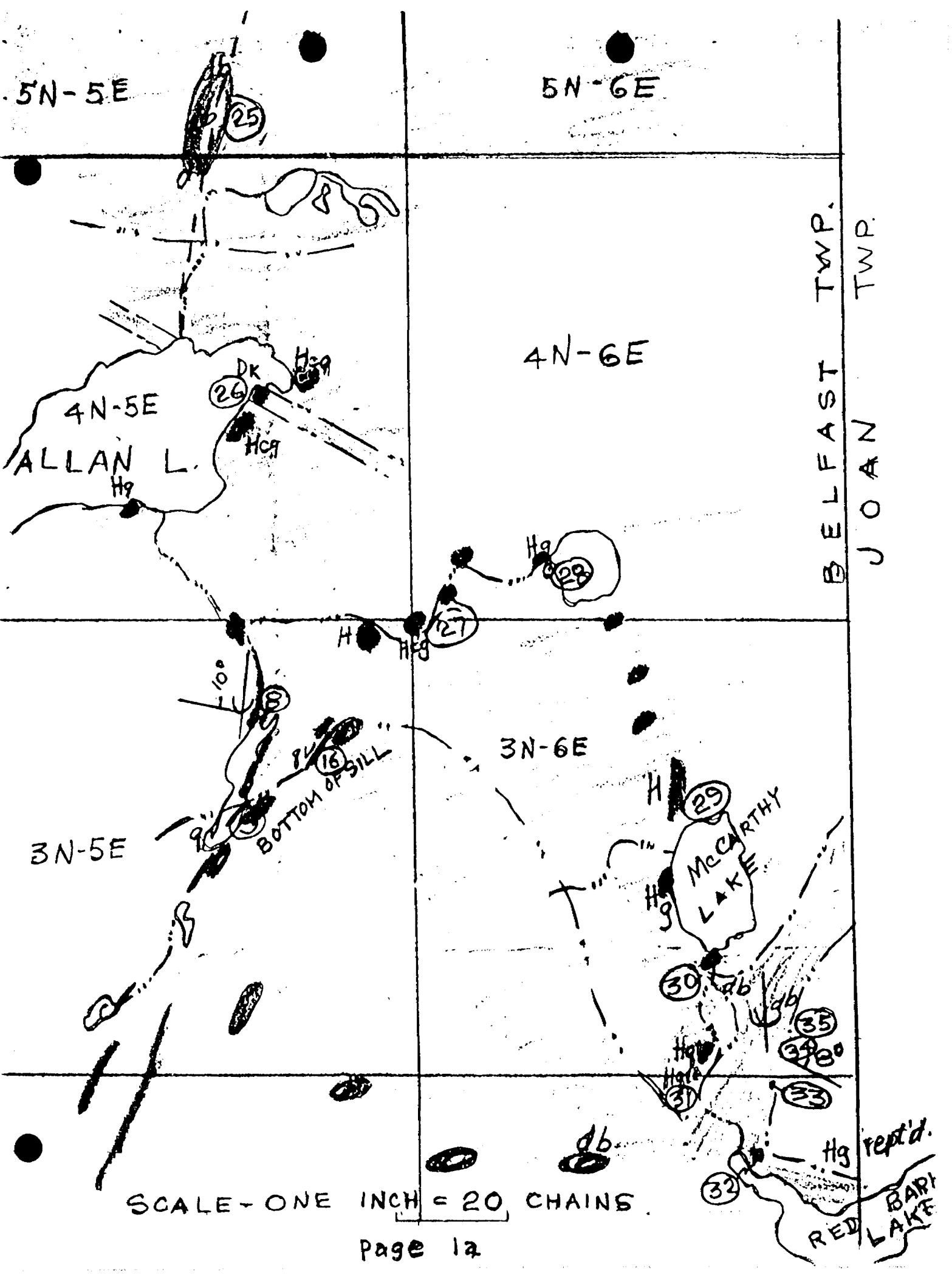
3N-6E

McCarthy
LAKE

RED
LAKE

SCALE - ONE INCH = 20 CHAINS

Page 12



A large area in the vicinity of claim 36734 had also been covered by the geophysical survey but a cursory examination of the map did not show any interesting anomalies. Mr. Walper said he had not been able to find the mineralization reported to occur on this claim.

During my previous visit a Packsack diamond drill was being used on the property and with very mediocre success. The drill hole shown on Page 7b of my earlier report was not completed as it was beyond the capacity of the drill to get through the quartz vein. Another drill hole had been attempted a little east of this but again without success. The difficulty was said to lie in the association of hard quartz with soft ankerite, and also the presence of vugs.

The quartz vein of the main showing is not exclusively in Nipissing diabase as had been stated previously. In a piece of float of Cobalt greywacke, galena and chalcopyrite ~~the~~ mineral^{ization} has also been found but to date the float has not been traced to its source. The lower contact of the Nipissing diabase sill appears to have been important in localizing the position of the vein and the writer recommended to Mr. Walper that this lower contact be prospected ~~along~~ in his property. The writer was not convinced that the resistivity survey would indicate all the conductors on the property and thought that more surface prospecting should be done. This deposit appears to be of the same

type as of the Delhi Temagami Mines in Delhi Twp.

Following are additional notes on the geology of the property.

LOCATION 25 in Mile Square 5N-5E

On the portage between Allen Lake and Obabika Inlet are several outcrops of Nipissing diabase and this body is reported to extend for a considerable distance to the east.

LOCATION 26 in Mile Square 4N-5#

An olivene diabase dike at least 150 feet wide with strike, as indicated from jointing, S 60 degrees east cuts through Cobalt Series conglomerate on the south shore of Obabika Lake.

& 28
LOCATION 27, Mile Square 3N-6E

A traverse was made of Moosehead Creek to determine if the Nipissing diabase occurring at the main showing extended this far north easterly. From this traverse it is clear that the lower diabase contact turns south easterly.

LOCATION 29, Mile Square 3N-6E

At the north end of McCarthy Lake an escarpment of Cobalt sedimentary rocks showing bedding faces easterly. The escarpment ^{has} is an estimated height of 75 feet and is a marked topographical feature.

LOCATION 30, Mile Square 3N-6E

A diabase contact strike south 59 east and nearly vertical is exposed along a trail. It seems possible that this is the east contact of the narrow north easterly trending band of Nipissing diabase which extends to Red Bark Lake.

LOCATION 31, Mile Square 2N-6E

At this place the diabase [^]Cobalt sediment contact is exposed but not well enough to give good determination of attitude. It seemed ~~possible~~ ^{probable} that the contact dipped steeply to the east.

LOCATION 32, Mile Square 2N-6E

This is an abandoned lumber camp used possibly some five years ago. Some of the buildings are still usable and were used to carry out the Geophysical survey in the spring of 1956. Running northerly from the camp is a contact between the Nipissing diabase to the west and the Cobalt Series greywacke, quartzite and conglomerate to the east. The Cobalt sediments stand up as a ridge.

LOCATION 33, Mile Square 2N-6E

Disturbed fragments of the Cobalt sediments are contained in a matrix of sedimentary material.

LOCATION 34, Mile Square 3N-6E

Undisturbed Cobalt greywacke showing both thin and thick bedding strikes 65 degrees east and dips 8 degrees to the north.

LOCATION 35, Mile Square 3N-6E

~~The~~ ^{An} unusual breccia at least 10 feet thick overlies greywacke. Angular fragments of the sediments are contained in a matrix of similar nature. Possibly this breccia is due to contemporaneous deformation or possibly it may have the same nature as the bands of breccia described by K.D. Lawton from Delhi Twp.

in the Ontario Department of Mines 63rd annual report, part 4, pages 8 to 13. Near here glacial striae in direction south 3 degrees east A. was noted.

LOCATION 16, Mile Square 3N-5E

A re-examination of this location which gave an anomaly in a Geophysical survey showed that the quartz vein was at the contact between the Cobalt sediments and the overlying Nipissing diabase.

LOCATION 8, Mile Square 3N-5E

Glacial striae having a direction south ~~5~~ degrees west at this place.

LOCATION 36, Mile Square 6N-4E

At the narrows of Obabika Inlet J. Walper reported that a red igneous rock was present. This has been shown by Barlow as belonging to the Nipissing diabase and I believe the rock to be granophyre. W.H. Miller in Ontario Bureau of Mines, 1901, "Iron ores of Nipissing District", page 176, reports that this rock is granite.

Robert Thomson



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Savage

OBABIKA MINES LIMITED

STATUTORY PROSPECTUS



1. The full name of the Company is Obabika Mines Limited and the address of the Head Office is Suite 902, 159 Bay Street, Toronto, Ontario. The Company was incorporated under The Corporations Act, 1953 (Ontario) Part IV by Letters Patent dated October 14th, 1955.

2. The officers and directors of the Company are as follows:

James Alfred Walper, Prospector	59 Vinci Crescent, Downsview, Ontario,	President and Director
Douglas Edward Patten, Advertising Manager	88 Southill Drive, Don Mills, Ontario,	Vice-President and Director
Dean Vaughan, Salesman	6 Foxden Road, Don Mills, Ontario,	Secretary-Treasurer and Director
Sidney Deane Harris, Executive	693 Cassells Street, North Bay, Ontario,	Director
James Tilley Wetmore, Executive	1300 Contour Drive, Lorne Park, Ontario,	Director

There is no promoter of the Company unless one or more of the shareholders of the Company hereinafter referred to in Paragraph 11 hereof is to be taken as a promoter by reason of his having received consideration for the sale of property to the Company,

3. Messrs. Strickland, Gower & Hogg, 80 Richmond Street West, Toronto, Ontario, Chartered Accountants, are the auditors of the Company.

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

5. The authorized capital of the Company consists of 3,500,000 shares having a per value of \$1.00 each of which 741,005 shares have been issued to date as fully paid and non-assessable.

6. No bonds or debentures of the Company are outstanding or are proposed to be issued,

7. Certificates representing 634,500 shares of the capital stock of the Company are held in escrow with Guaranty Trust Company of Canada, subject to release pro rata with all other escrowed vendors' shares only with the consent of the Board of Directors of the Company, the Ontario Securities Commission and/or any similar regulatory body of any jurisdiction wherein the securities of the Company may be offered for sale to the public, and subject further to transfer, hypothecation, assignment or any form of alienation only with the consent of the Ontario Securities Commission. In addition, certificates representing 36,000 shares of the capital stock of the Company sold for cash as hereinafter set out are held by Guaranty Trust Company of Canada in a voluntary escrow until the 15th day of April, 1956, after which date they are to be released unconditionally.

8. Particulars of the shares of the Company sold for cash to date are as follows:

5 shares at \$1.00 per share	\$	5.00
<u>36,000 shares at 19½¢ per share</u>		<u>7,020.00</u>
36,005 shares	\$	7,025.00

No commission was paid or is payable in respect of the sale of any of the above-mentioned shares.

9. No securities of the Company other than shares have been sold or issued to the date of this Prospectus.

10. No payment of cash or shares has been or is to be made by the Company for promotional services as such.

11. Particulars of the properties held by or optioned to the Company, and the manner of acquisition thereof and the consideration paid or payable therefor, are as follows:

(i) The Company has acquired in its own name, by Agreement dated the 15th day of November, 1955, from W.V.G. Syndicate, 36 mining claims located in the Township of Belfast in the District of Timiskaming in the Province of Ontario and numbered T-36513 to T-36548 inclusive for a consideration of \$7,000.00 in cash and 705,000 shares in the capital stock of the Company, of which 634,500 are escrowed. Of the cash consideration, \$3,000.00 is to be paid to W.V.G. Syndicate on or before January 15th, 1956, and the balance on or before six months thereafter. The aforesaid share consideration has been issued and allotted as to 400,000 thereof to J.G.L. Francis-Jupp in trust for W.V.G. Syndicate, Dominion Bank Building, 68 Yonge Street, Toronto, Ontario, as to 152,500 thereof to James Alfred Walper and as to the balance of 152,500 thereof to Dean Vaughan.

(ii) The Company has acquired, by Agreement dated the 18th day of November, 1955, an irrevocable and exclusive option to purchase from W.V.G. Syndicate 18 mining claims located in the aforesaid Township of Belfast and numbered T-36549 to T-36566 inclusive for a cash consideration of \$43,000.00 payable on or before the 18th day of November, 1956 to the said W.V.G. Syndicate, Dominion Bank Building, 68 Yonge Street, Toronto, Ontario. Upon payment as aforesaid being made, the Company shall be entitled to receive transfers of the aforesaid claims in recordable form.

(iii) The Company has acquired, by further Agreement dated the 18th day of November, 1955, an irrevocable and exclusive option to purchase from Nelles Adams 15 mining claims located in the aforesaid Township of Belfast and numbered T-36729 to T-36743 inclusive for a consideration of \$10,000.00 in cash and 400,000 shares in the capital stock of a company to be incorporated payable to the aforesaid Nelles Adams, 389 Glencairn Avenue, Toronto, Ontario. The aforesaid cash consideration is payable on or before the 18th day of August, 1956 and the Company is thereupon required to cause a company to be incorporated within thirty days after such payment and to allot and issue the aforesaid share consideration. Upon payment of the cash consideration as aforesaid, the Company shall be entitled to receive transfers of the aforesaid claims in recordable form.

12. The names and addresses of the vendors of properties purchased or intended to be purchased by the Company showing the consideration paid or intended to be paid to each vendor and the claims acquired from each have been set out in Paragraph 11 hereof. There is no other person 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.

13. Particulars of the mining claims held by the Company as set out hereinbefore in Paragraph 11 (i) hereof are more particularly described in the report of W. R. Lindsay dated October 27th, 1955, which report is attached hereto and forms part of this Statutory Prospectus and to which reference is hereby specifically made. The properties optioned to the Company as described in Paragraphs 11 (ii) and (iii) hereof are contiguous with and tie on to the property described in the aforementioned report and consequently the information contained therein is equally applicable to the said optioned properties. The only work done to date by the present management on the property set out in Paragraph 11 (i) is preliminary exploration work. The Company has no plant or equipment.

14. 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 at the date of this Prospectus.

The Company, as a security issuer, will offer its shares for sale through its properly qualified officers upon the basis of a minimum of 75% of the proceeds received from the sale of such shares being paid into the Treasury of the Company. The Company may also distribute its shares through the medium of registered security dealers on an agency basis by which such security dealers will receive a commission not exceeding 25% of the proceeds of such sales, provided that the Company may pay an amount not exceeding an additional 15% of the proceeds of such sales to cover the selling expenses incurred therein. Whether the Company offers its shares as a security issuer or through the medium of registered security dealers, the resulting proceeds to the Treasury of the Company will in any event be not less than 10¢ per share.

15. The Company proposes to engage in a programme of development and exploration work on the mining claims held by it as set out in Paragraph 11 (1) hereof pursuant to the recommendations contained in the report of W. R. Lindsay hereinbefore referred to, but the extent thereof will depend upon results achieved from time to time. In addition to the foregoing the Company may also expand the proceeds from the sales of any securities on exploratory work on the mining claims optioned to it, or to pay any cash consideration required to be paid under Paragraph 11 hereof, or for the general corporate purposes of the Company.

16. The preliminary expenses of the Company including its incorporation and organization should not exceed \$4,000.00. The administration expenses to date have been \$287.65 and the development expenses to date have been \$2,776.58. It is anticipated that in the coming year administration expenses will not exceed \$14,000.00 and development expenses should not exceed \$60,000.00.

17. No indebtedness is to be created or assumed which is not shown in balance sheet dated the 5th day of December, 1955, accompanying this Prospectus and accordingly no security has been given for such indebtedness.

18. Particulars of the principal business in which each director and officer has been engaged during the past three years are as follows:

JAMES ALFRED WALPER - was for the period from November, 1954 until November, 1955 an unlisted trader in the firm of J. L. Goad & Company, Dominion Bank Building, 68 Yonge Street, Toronto, Ontario. Previously he had been a Prospector in Alaska, and also was employed during part of the period as a Recreational Supervisor with the United States Army and a cook for McKinley Park Services, both in Alaska.

DOUGLAS EDWARD PATTEN - has since 1953 been the Advertising Manager of The Reliable Toy Company Limited, 258 Carlaw Street, Toronto, Ontario, and prior to that time he was Advertising Manager with Edward's Department Store, Midland, Ontario.

DEAN VAUGHAN - has been a Salesman in Toronto for La Patrie Publishing Company, 180 St. Catherine Street, Montreal, P.Q.

SIDNEY DEANE HARRIS - has been the owner of Northern Welding Supplies Limited, North Bay, Ontario.

JAMES TILLEY WETMORE - has been Salesman Supervisor of Linde Air Products Company (formerly Dominion Oxygen Company Limited) 40 St. Clair Avenue East, Toronto, Ontario.

19. 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 James Alfred Walper and Dean Vaughan are each members of W.V.G. Syndicate and also each has an interest in the property optioned to the Company by Nelles Adams.

20. The Company does not propose to pay any remuneration during the current fiscal year to any of the Directors or officers thereof as such, except that the President is to receive a salary presently set at \$125.00 per week for devoting his full time to the affairs of the Company.

21. No dividends have been paid by the Company to the date of this Prospectus.

22. No person by reason of beneficial ownership of shares in the Company or any Agreement in writing known to the signatories thereto is in a position to elect or cause to be elected a majority of the directors of the Company except W.V.G. Syndicate.

23. Vendors' shares may be offered for sale as released from escrow, together with any shares of the Company which are or are to become free shares, 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.

24. There are no other material facts.

DATED at Toronto this 15th day of December, 1955.

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

JAMES ALFRED WALPER

DOUGLAS EDWARD PATTEN

DEAN VAUGHAN

SIDNEY DEANE HARRIS

By his agent -
Authorized in writing

JAMES TILLEY WETMORE

James Tilley Wetmore

STRICKLAND, GOWER & HOGG
CHARTERED ACCOUNTANTS
80 Richmond Street West
TORONTO, CANADA

The Directors,
Obabika Mines Limited.

We have examined the books and accounts of Obabika Mines Limited for the period from the inception of the company on October 14, 1955 to December 5, 1955 and have obtained all the information and explanations we have required. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

In our opinion the accompanying balance sheet is properly drawn up so as to exhibit a true and correct view of the state of the affairs of the company at December 5, 1955 according to the best of our information and the explanations given to us and as shown by the books of the company.

"Strickland, Gower & Hogg"

80 Richmond Street West, Toronto
December 13, 1955.

Chartered Accountants.

OBABIKA MINES LIMITED

(Incorporated under the laws of the Province of Ontario)

BALANCE SHEET AT DECEMBER 5, 1955

ASSETS

Current Assets

Cash	\$ 4,049.91	
Subscribers	<u>125.00</u>	\$ 4,174.91

Mining Claims

Thirty-six mining claims located in the Township of Belfast in the District of Timiskaming in the Province of Ontario and numbered T36513 to T36548 inclusive, acquired for:

Cash (to be paid - see Note 1)	7,000.00	
705,000 shares in the company issued at a discount of 90%	<u>70,500.00</u>	77,500.00

Development and other expenditures incurred in the period from the inception of the company on October 14, 1955 to December 5, 1955 - Schedule "A" attached

	3,064.23
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Estimated incorporation and organization expenses

	<u>4,000.00</u>
	<u>\$88,739.14</u>

LIABILITIES

Current Liabilities

Accounts payable	\$11,214.14
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Capital Stock

Authorized:
3,500,000 shares of a par value of \$1.00 each \$3,500,000.00

Issued:

705,000 shares for mining claims	\$ 705,000.00	
Less: Discount on shares	<u>634,500.00</u>	\$70,500.00
36,005 shares for cash	36,005.00	
Less: Discount on shares	<u>28,980.00</u>	<u>7,025.00</u>
<u>741,005 shares</u>		<u>77,525.00</u>
		<u>\$88,739.14</u>

Notes:

1. Of the cash consideration for the purchase of the mining claims \$3,000.00 is to be paid on or before January 15, 1956 and the balance of \$4,000.00 within six months thereafter.
2. Under the terms of an agreement dated November 18, 1955 the company has acquired an irrevocable and exclusive option to purchase 18 mining claims located in the Township of Belfast in the District of Timiskaming in the Province of Ontario and numbered T36549 to T36566 inclusive for a cash consideration of \$43,000.00 payable on or before November 18, 1956.
3. Under the terms of an agreement dated November 18, 1955 the company has acquired an irrevocable and exclusive option to purchase 15 mining claims located in the aforesaid Township of Belfast and numbered T36729 to T36743 inclusive for a consideration of \$10,000.00 in cash payable on or before August 18, 1956, and 400,000 shares in the capital stock of a company to be incorporated within thirty days of the payment of the cash consideration and to which the said claims shall be transferred.

Approved:

"James A. Walper"
Director

"Dean Vaughan"
Director

SCHEDULE "A"

OBABIKA MINES LIMITED

STATEMENT OF DEVELOPMENT AND OTHER EXPENDITURES

FOR THE PERIOD FROM THE INCEPTION OF THE COMPANY ON OCTOBER 14, 1955

TO DECEMBER 5, 1955

Development Expenditures

Camp supplies and expenses	\$ 639.01	
Drilling supplies	119.57	
Maps and prints	19.00	
Mining engineer's fees	225.00	
Transportation and travelling	844.00	
Wages and salaries	930.00	
	<u> </u>	\$2,776.58

Other Expenditures

Office rent	89.14	
Postage, stationery and expenses	124.01	
Telephone and telegraph	74.50	
	<u> </u>	287.65
		<u>\$3,064.23</u>

REPORT ON PROPERTY OF

OBABIKA MINES LTD. - BELFAST TOWNSHIP, ONTARIO

The property of this company consists of thirty-six claims in the eastern part of Belfast Township, Ontario. It is accessible by plane from Temagami in about thirty-minutes' flying from that point. It can also be reached by boat part of the way on Temagami Lake and then by trail several miles to Allen Lake, on which the camp site is situated. The mineral showings are approximately one mile by trail from the camp site, though considerably less in a straight line.

CONCLUSION

The property is well worth a thorough test to determine if the high grade chalcopryrite in one pit is extensive enough to form a commercial orebody. Chalcopryrite also is found in at least two other places and while not of ore grade, if explored, might lead to orebodies. If a program of geophysical work, surface trenching and diamond drilling extends the dimensions of the ore sufficiently, this should be followed by shaft sinking and underground exploration.

GEOLOGY

The immediate area of the copper showing on claim 36546 is underlain by Nipissing diabase. The chalcopryrite is associated with a buff carbonate, probably ankerite, in milky quartz in the lower part of a large quartz vein which in places, at least, is forty feet thick. The upper part of this quartz vein is blue-gray glassy quartz and usually contains no mineral. The lower part of the quartz vein is considerably sheared or brecciated and is usually mostly milky quartz. The quartz vein can be traced at N30 to 35°E for about one half mile and is reported to extend to the south in about the same strike for several thousand feet. The dip is from nearly flat up to 30° to the east. From aerial photographs it appears to follow a depression, probably a fault, which may be several miles in length.

The most southerly pit shows six to eight inches of massive chalcopryrite with some calcite in the bottom and other chalcopryrite in blobs and seams. A sample of the massive chalcopryrite with some calcite assayed 25.19% copper, so that the bottom four to five feet should average better than 4% copper.

A trace of chalcopryrite shows in a pit about one hundred and fifty feet to the north, though it does not show in a small pit between. All of these pits are in the lower part of the vein. About four hundred feet to the north of the first pit some chalcopryrite shows in a pit on the hanging wall or upper side of the quartz vein. These latter pits are not ore grade material. None of the pits were in condition to sample, principally on account of water. Because of a heavy flow of water in the pit showing massive chalcopryrite, it could not be deepened with the equipment available, but a hole was drilled with a pack-sack diamond drill to a depth of about twelve feet, and is reported to have cut about six inches of chalcopryrite at about four feet below the bottom of the pit. It also cut a small amount of diabase and ended in gravel. This is probably due to the creek bed having been considerably deeper at one time, and a part of the carbonate being eroded and the cavity filled with gravel.

RECOMMENDATIONS

It is advisable to have a geophysical survey over the area of the quartz vein for about one mile in length. This should start at about the most northerly exposure where indications of copper have been found, and extend for one mile to the south along the strike covering all of the copper showings.

While this survey is valuable, it is not as important as additional trenching, pitting and diamond drilling in the areas where copper indications have been found.

It is also recommended that a geological study be made of the faulting system or systems indicated on the aerial photographs.

Toronto, Ontario,
October 27, 1955.

"W. R. Lindsay"

W. R. Lindsay

C E R T I F I C A T E



I, W. R. Lindsay, certify:

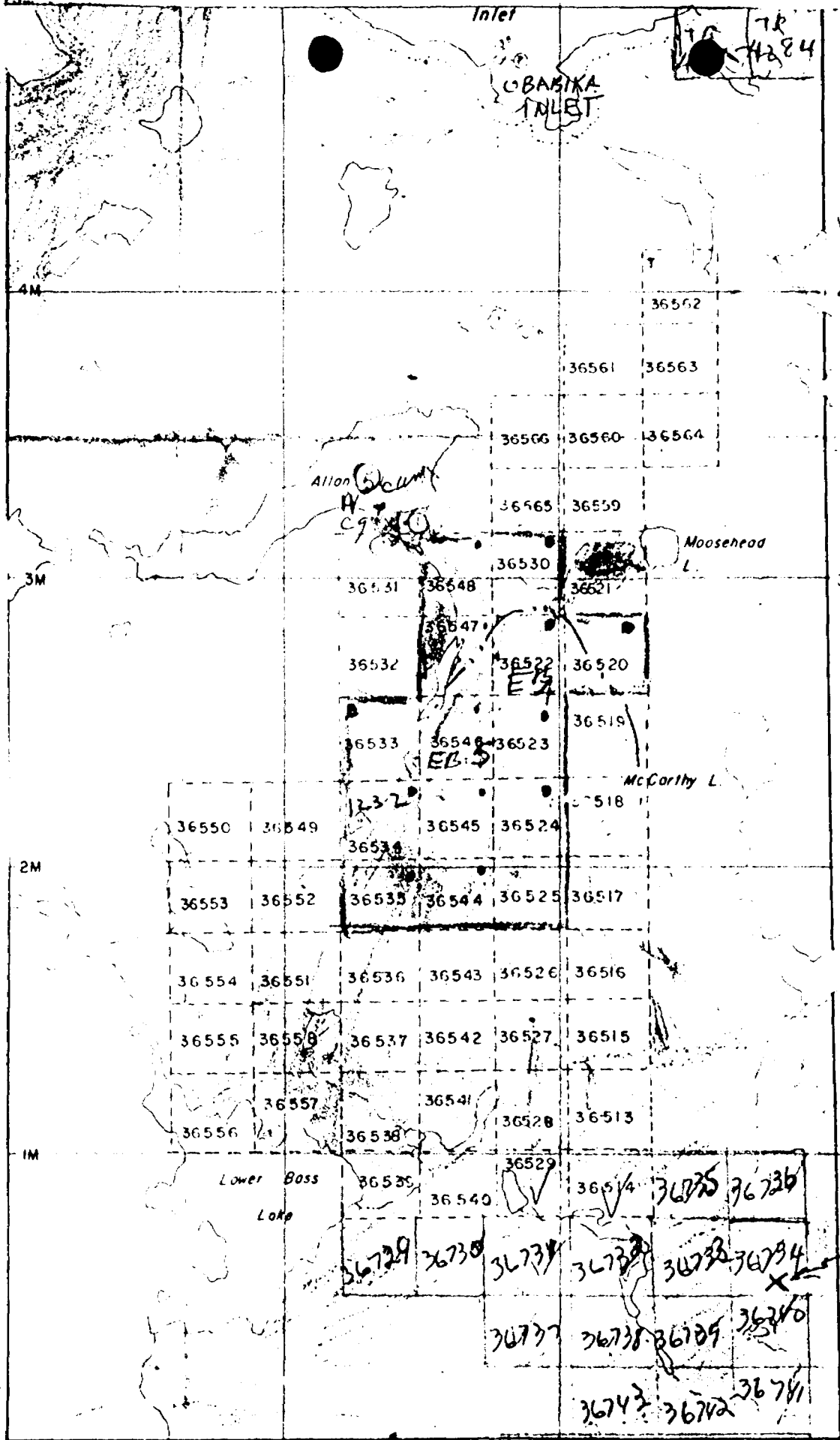
- a) That I am a mining engineer, residing at 10 Benvenuto Place, Toronto;
- b) That I am a graduate of the University of Washington, Seattle, Washington, with the degree of B. Sc. in mining engineering and have practiced my profession for more than thirty years;
- c) That I do not have, nor do I expect to receive either directly or indirectly, any interest in the property or securities of Obabika Mines Ltd;
- d) That the data for my report on the property of Obabika Mines Ltd. is based on personal examination of the property on July 30th to August 1st, 1955, inclusive, and October 22nd and 23rd, 1955, and also maps and reports of the Ontario Department of Mines.

"W. R. Lindsay"

October 27, 1955

W. R. Lindsay

(Seal)



5N

4N

Twp.

300N

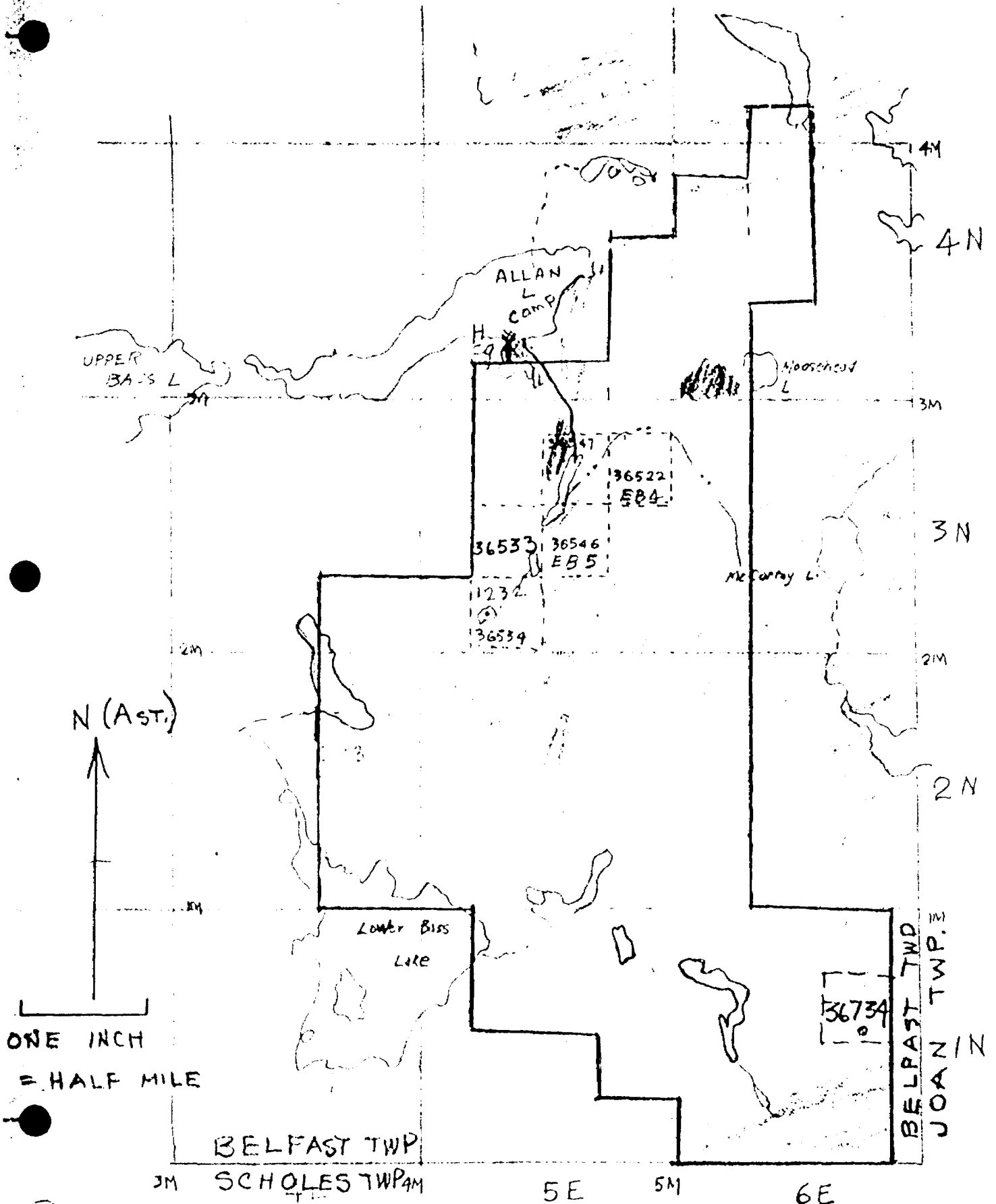
2N

1N.

M 4E 4M 5E 5M 6E

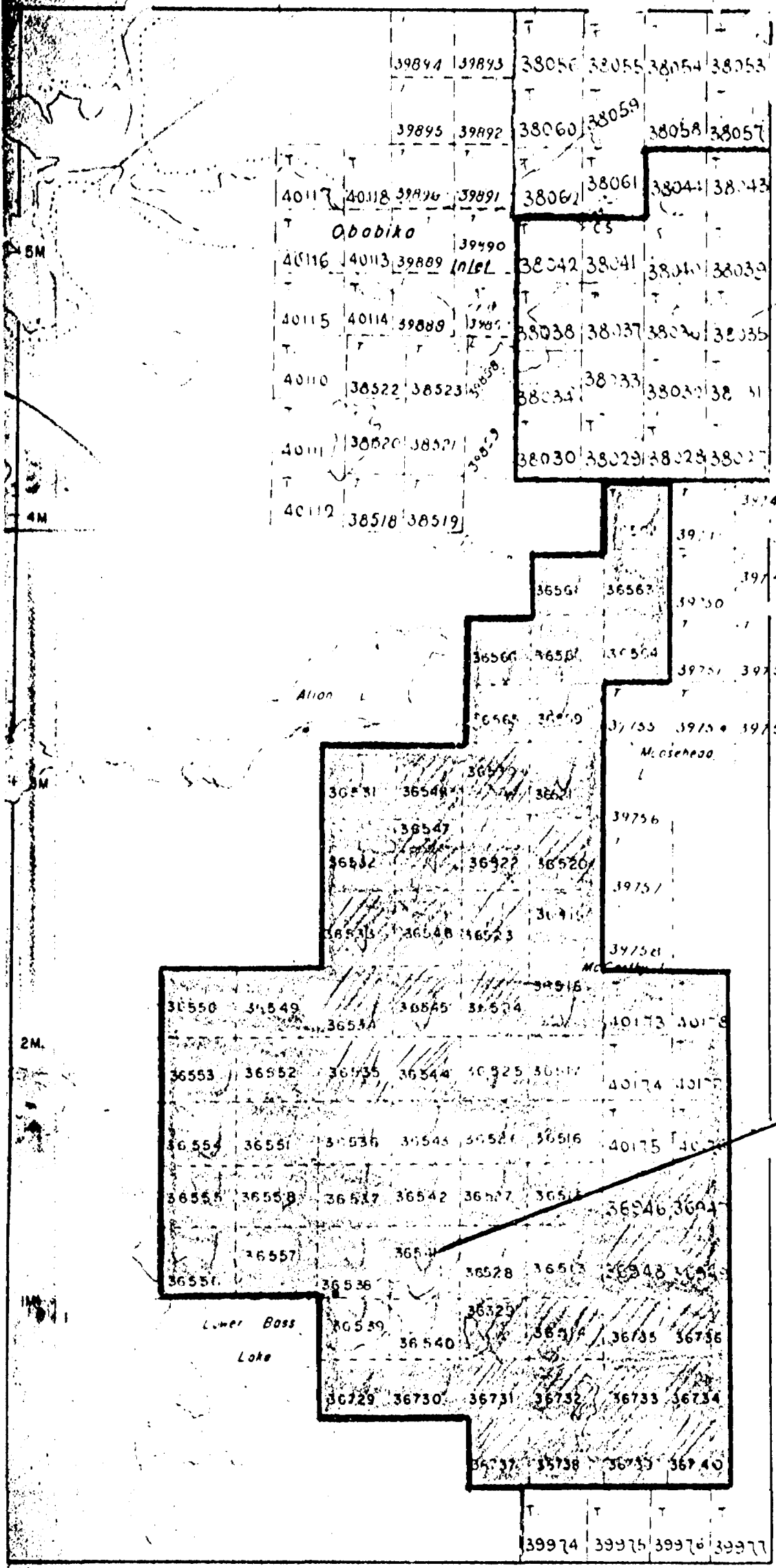
ASSESSMENT WORK OBABIKA MINES LTD

3N 5E



OUTLINE J. WALPER GROUP IN BLUE LINE
 OBABIKA MINES NIPISSING DIABASE IN PURPLE
 (SEPARATE FORMER) COBALT SERIES SEDIMENTS IN BROWN

Le Roche Twp.



Scale
1" = 40 chs

JOAN Twp.

OBABIKA

/// = R

SCALE

PATENTE
CROWN
LEASES
LOCATED
LICENSE
MINING
SURFACE
ROADS
IMPROVE
KING'S
RAILWAY
POWER
MARSH
MINES
CANCELL

400' F
shown

TIMAG

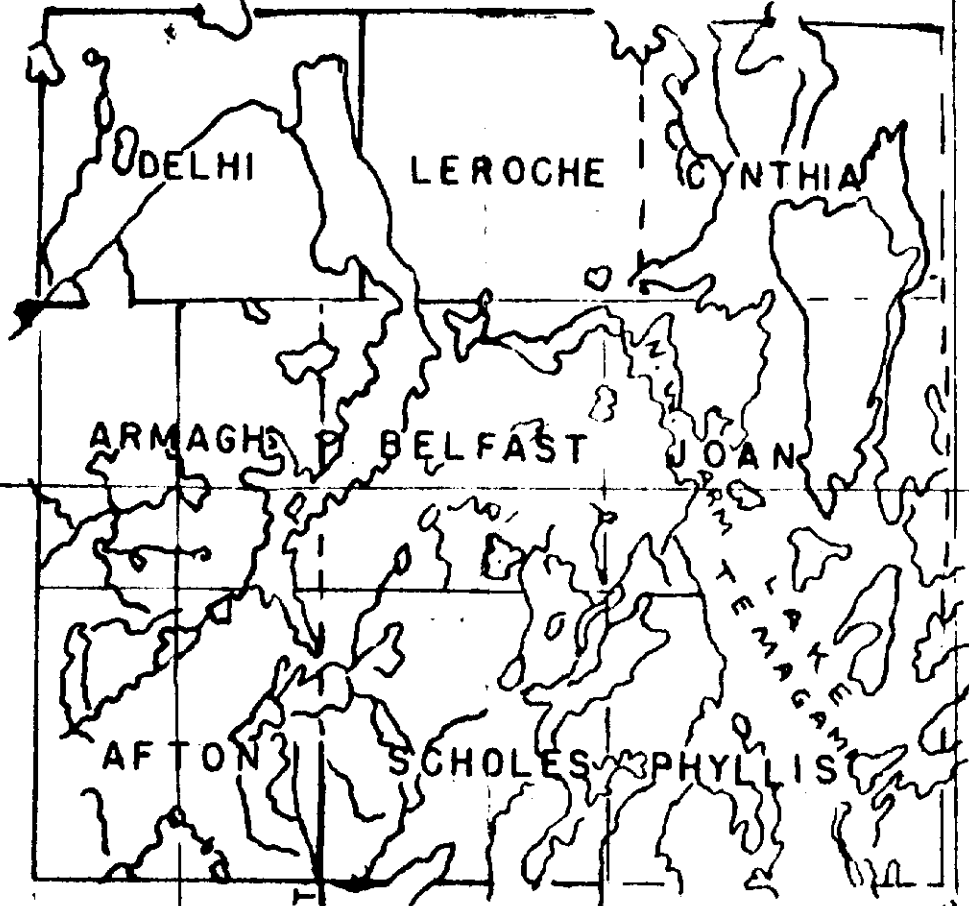
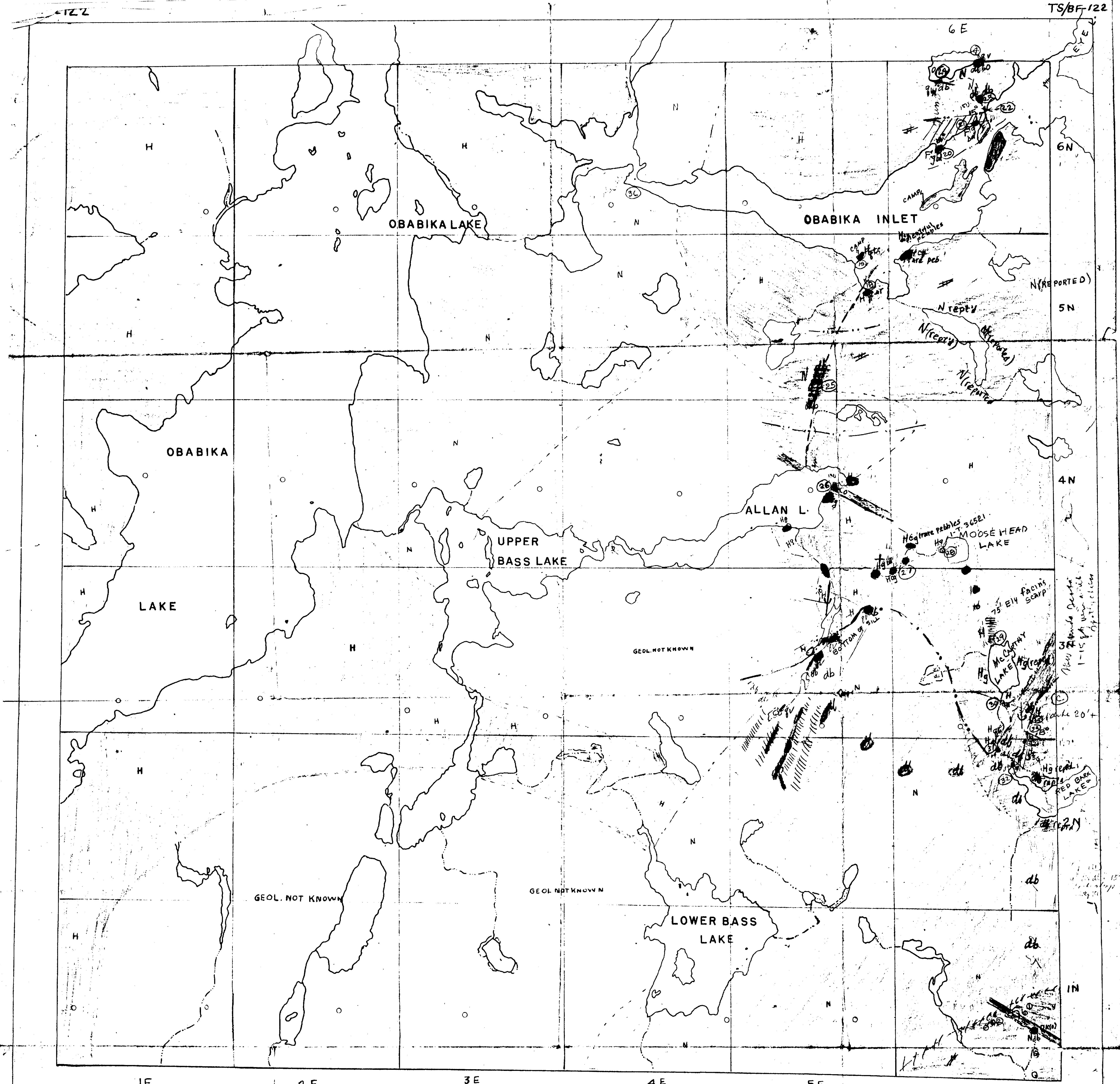
PL

DEP

S Twp.

SEE ACCOMPANYING
MAP(S) IDENTIFIED AS

LOCATED IN THE MAP
CHANNEL IN THE FOLLOWING
SEQUENCE (X)



BELFAST TWP.

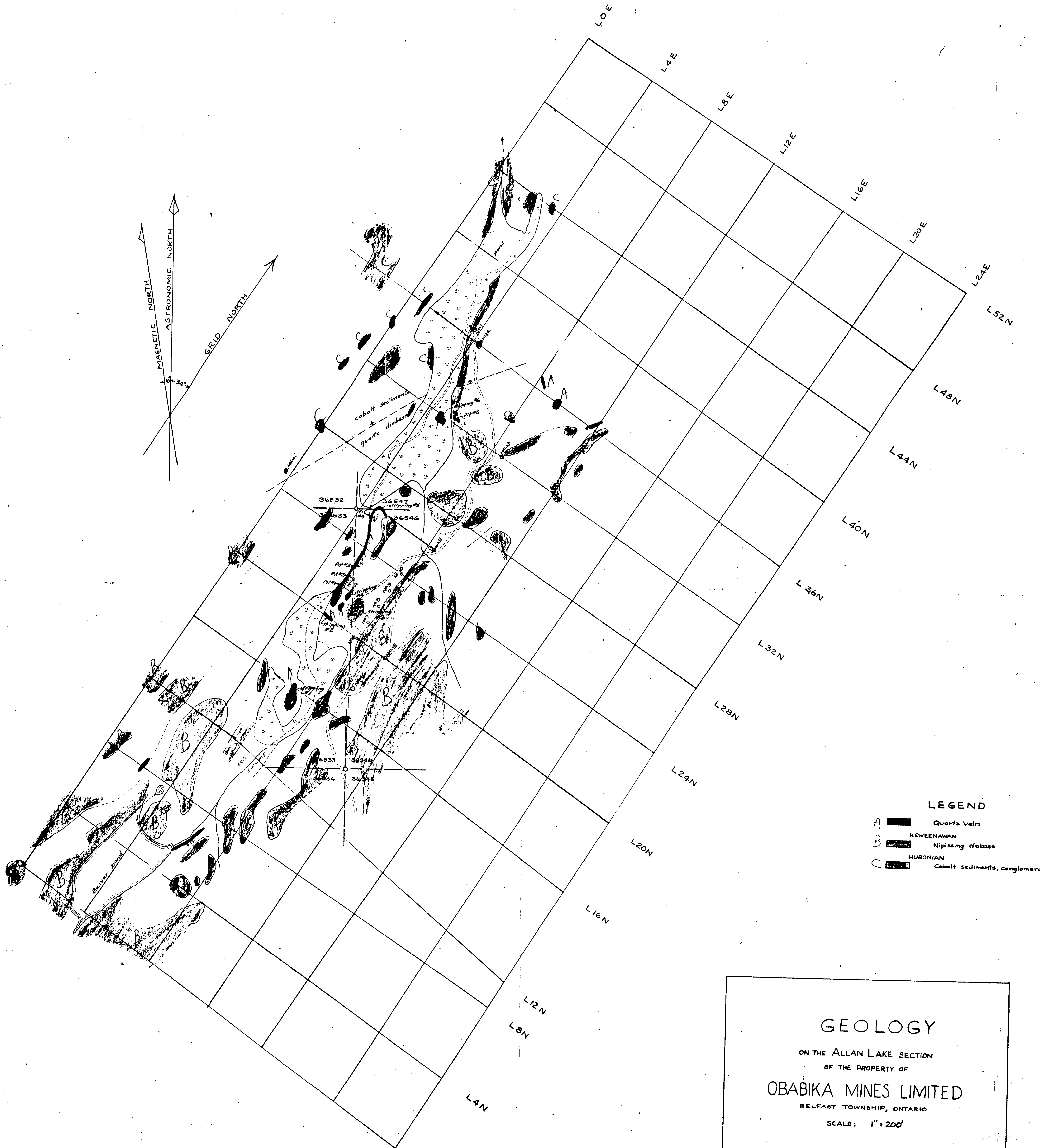
LEGEND

- NIPISSING DIABASE [N]
- CONGLOMERATE & SLATE [H]
- OLIVINE DIABASE [DKO]
- SCALE 1 INCH = 20 CHAINS

REF. BARLOW, A.E. G.S.C. REP'T 962

BELFAST-0014-A1 #1





- LEGEND**
- A Quartz vein
 - B KEWEENAWAN Nipissing diabase
 - C HURONIAN Cobalt sediments, conglomerate.

GEOLOGY
 ON THE ALLAN LAKE SECTION
 OF THE PROPERTY OF
OBABIKA MINES LIMITED
 BELFAST TOWNSHIP, ONTARIO
 SCALE: 1" = 200'

BY H.S. WILSON, P. ENG.
 OAKVILLE, ONT. - JAN. 15, 1987

BELFAST-0014-A1 #2

