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PROSPECTUS DATED OCTOBER 7, 1974

Connaught Insp

NO SECURITIES COMMISSION OR SIMILAR AUTHORITY IN CANADA HAS IN ANY WAY PASSED UPON THE MERITS OF THE SECURITIES OFFERED HEREUNDER AND ANY REPRESENTATION TO THE CONTRARY IS AN OFFENCE.

GOLDHURST RESOURCES INC.
390 Bay Street, Toronto,
Ontario.



**NEW
ISSUE:**

The Corporation is offering up to 200,000 unissued treasury shares on the over-the-counter market in Ontario through registered security dealers at the market price from time to time on a best efforts basis, to provide a minimum return to the treasury of the Corporation of 75% of the proceeds received from the public from the sale of such shares; provided that the net proceeds to the Corporation shall in no event be less than 40¢ per share, and no less than \$55,000 in the aggregate. In addition to any commission which will be paid to any registered security dealer selling the Corporation's shares, which commission shall not exceed 25%, the Corporation may pay a maximum of 15% of the selling price for promotional expenses.

The proceeds from the sale of shares hereunder will be held by Guaranty Trust Company of Canada until a minimum of \$55,000 has been received, or for a period of 90 days following the issuance of a receipt by the Ontario Securities Commission for this prospectus in final form, whichever first occurs. Failing receipt of the Corporation of such minimum amount within the time prescribed, all subscription moneys will be returned to the subscribers without deduction.

**SECONDARY
OFFERING:**

25,700 issued shares are being offered hereunder as a secondary offering by registered security dealers on behalf of Steve Ivanov, at prices established above. These shares will not be offered until the expiry of 90 days after all the 200,000 unissued treasury shares have been sold. The net proceeds from the sale thereof will accrue to the selling shareholder and not to the treasury of the Corporation.

**PURPOSE OF
ISSUE:**

The proceeds of this issue will be used to defray operating expenses of the Corporation and the costs of carrying out a further exploration programme recommended by its Engineer on the Corporation's Connaught Township, Ontario, mining claims. (See below under the headings HISTORY AND BUSINESS - Page 1, and USE OF PROCEEDS - Page 5)

THESE SECURITIES ARE SPECULATIVE AND THERE

IS NO MARKET FOR THESE SECURITIES

Registrar and Transfer Agents

GUARANTY TRUST COMPANY OF CANADA,
88 University Avenue,
Toronto, Ontario.



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GOLDHURST RESOURCES INC.

HISTORY & BUSINESS

The full name of the Corporation is Goldhurst Resources Inc. (hereinafter sometimes referred to as the "Corporation"). The head office of the Corporation is located at 390 Bay Street, Toronto, Ontario.

The Corporation was incorporated under The Business Corporations Act by Articles of Incorporation which became effective July 31, 1972, with an authorized capital consisting of 3,000,000 common shares without par value

Since incorporation the Corporation has carried on the business of a mining exploration corporation. The Corporation has two main areas of exploration; one being its mining claims in Connaught Township, Ontario, and the other being mining claims held under option in Bousquet Township, Quebec, as set forth below.

Connaught Township, Ontario

Pursuant to an agreement dated October 2, 1972, the Corporation acquired from Steve Ivanov, 3744 St. Clair Avenue East, Apt. 215, Scarborough, Ontario, 12 unpatented mining claims in the Township of Connaught in the District of Sudbury, Province of Ontario, number 341921 to 341927 inclusive, and 342560 to 342564 inclusive, all of which are now in good standing; the date for filing of assessment work thereon is December 31, 1974.

The above claims were acquired for a consideration consisting of 750,000 fully paid common shares without par value in the capital of the Corporation issued to Steve Ivanov, the President of the Corporation, as Vendor. The said shares were valued by the Board of Directors of the Corporation at \$75,000.00. Certificates representing 575,000 of such shares are presently held in escrow by Guaranty Trust Company of Canada as Escrow Agent, subject to the terms and provisions of an Escrow Agreement dated December 4th, 1972, between the Corporation, Steve Ivanov and the said Escrow Agent, providing among other things that such shares shall not be sold or otherwise dealt with without express consent of the Ontario Securities Commission. The Escrow Agreement further provides that should the Corporation abandon or discontinue development of any or all of the property covered by the mining claims, all or a pro rata part of the shares issued in consideration of such property shall be tendered to the Corporation for cancellation, or transferred for the benefit of the Corporation.

Of the above 750,000 originally allotted to S. Ivanov, aforesaid, 100,000 shares were donated by Mr. Ivanov to the treasury of the Corporation, which shares were sold to the public under the Prospectus of the Corporation dated December 15, 1972.

A limited amount of exploration has taken place on the property in accordance with the report of C. W. Archibald, Professional Engineer, dated September 26, 1972, which has been filed and is available for inspection at the Ontario Securities Commission.

General prospecting and surface exploration on the property was carried out during the summer of 1973, in accordance with the above Report. A number of pits were opened up on two mineralized zones. Trenching and stripping was also carried out in the vicinity of the zones and on projected extensions thereof to the west. The extent of this work was limited on account of heavy overburden. Further work is recommended in the said Report to investigate possible continuation of the mineralized zones to the west by geophysical means, and diamond drilling if warranted.

The property is approximately 75 miles north-west of the City of Sudbury, Ontario, or approximately 12 miles south-east of the Town of Gogama. Access is by float plane from Sudbury and landing on Little Esther Lake, which lies within the claim group. The property is without a known body of commercial ore and the proposed development is an exploratory search for ore only. There is no surface or underground plant or equipment on the property.

The following is a summary of the updating report of C. W. Archibald, Professional Engineer, covering the above property, dated September 28, 1973. The full report of Mr. Archibald has also been filed and is now available for inspection at the Ontario Securities Commission.

The property consists of 12 contiguous, wholly-owned, unpatented mining claims in Connaught Township, Ontario.

A silicified zone in a fault breccia with chalcopryrite mineralization has been located on the southwest shore of Little Esther Lake in claim 342562. This zone is in evidence for thirty feet along the shore line when it is covered by the lake on both ends. The lake also obscures its width as in low water only a six foot width could be seen.

A parallel structure, also with chalcopryrite mineralization, has been located by stripping some thirty feet to the south, also in claim 342562. Three spots were opened up over a strike length of 130 feet with a width of 5 feet. The east end of the showing goes into the lake and the west end is hidden by swamp and heavy overburden.

Both zones appear to be more heavily mineralized to the west and an assay of 2.34% copper in a representative grab sample has been obtained.

It is recommended that diamond drilling be done to outline the two zones discovered and an I.P. survey be conducted over Little Esther Lake and west of the lake in winter.

Estimated cost of these programs would be \$15,000.00.

Bousquet Township, Quebec

By Agreement dated August 3, 1972, as amended by Agreement dated the 24th day of October, 1972 between Charles Authier, Chateau Windsor, Rouyn, Quebec and Francis Groleau, 44 Tacheraou Street East, Rouyn, Quebec, as Optionors and the Corporation as Optionee, the Corporation acquired from the Optionors an option to purchase 12 unsurveyed mining claims and a Special Permit covering approximately 1474 acres in the northwest portion of Bousquet Township, Quebec. The agreement provided for an initial payment of \$500.00 and the sum of \$4,500.00 upon the Corporation having received the minimum amount under its prospectus dated December 15, 1972, which amount was duly paid on February 1, 1973. The option was kept in good standing by payment to the Optionors of the sum of \$10,000.00 on January 30, 1974. The option may be kept in good standing by payment to the Optionors of the further sums of \$20,000.00 on or before February 1, 1975 and \$65,000.00 on or before February 1, 1976. The option may be exercised in full by payment to the Optionors of the total sum of \$100,000.00 during the option period.

The Option Agreement also provides that in the event of exercise of the option, the Optionor shall receive a royalty equal to $\frac{1}{2}$ of 1% of all gold production so long as the price of gold shall be \$50.00 or less per ounce and in the event that such price exceeds \$50.00 per ounce, the Optionor shall be paid a further royalty equal to 1% of the excess of the price of gold per ounce over the sum of \$50.00 per ounce and a further royalty equal to \$0.005 per pound of refined copper produced.

By Agreement made as of the 10th day of August, 1973, between the Corporation and Quebec Mining Exploration Corporation (hereinafter called "Soquem"), the Corporation granted to Soquem the right to acquire a 49% interest in the Bousquet Township property. Soquem has expended \$35,000.00 on exploration work on the property as required by the terms of the Agreement. Soquem will have the right to continue its interests by making an additional expenditure of \$50,000.00 in the calendar year 1974, \$50,000.00 in the calendar year 1975 and \$65,000.00 in the calendar year 1976. The Agreement provides for the formation of a Management Committee for the purpose of formulating the initial programme of exploration, to consist of two representatives from Soquem and one representative of the Corporation.

When Soquem has expended \$200,000.00 in exploration on the property, the Corporation and Soquem each have the right to contribute toward the cost of further expenditures at the rate of 51% in the case of the Corporation and 49% in the case of Soquem. If the Corporation fails to contribute its pro rata portion of expenses within the prescribed time, its interest is subject to dilution to a minimum 10% undivided interest in the property.

In the event that the option payment of \$20,000 due on or before February 1, 1975, should not be made by the Corporation pursuant to the terms of the above-mentioned Option Agreement, dated August 3, 1974, between the Corporation and Messrs. Authier and Groleau the said sum of \$20,000, being part of the proceeds of this issue, will be invested by the Corporation in securities in which the Canadian and British Insurance Companies Act states that a company registered under Part 3 thereof may invest its funds without resorting to the provisions of subsection (4) of Section 63 of the said Act. Such funds will not

be invested in other mining ventures without the consent of the shareholders given by a majority of the votes cast at a special general meeting of shareholders of the Corporation duly called for that purpose.

Geophysical surveying and diamond drilling have been carried out on the property during the period November 1972 to November 1973.

Five diamond drill holes totaling 2745 feet were drilled by the Corporation and 4 holes totaling 4141 feet were drilled by Soquem.

Two short holes by the Corporation tested the extreme easterly extremities of 2 electromagnetic conductors. Sulphides yielding minor values in gold and copper were intersected. The westerly portions of the conductors have not been drill tested.

Diamond drilling by the Corporation and Soquem on the Contact Zone have indicated 2 separate, narrow mineralized structures. One is a gold vein structure and the other is a new, probably deep, gold-copper structure identified as the Sulphide Zone.

A series of drill hole intersections on one particular section intersected both structures on at least 4 horizons. An arithmetic average of the intersections with projected vertical continuity is:

Contact Zone (Gold Vein)

0.70 oz. Au, 0.24 oz. Ag / 4' : 600'±

Sulphide Zone

0.08 oz. Au, 0.24 oz. Ag, 2.34% Cu / 5.8' : 400'±

Continuation diamond drilling is recommended to trace the structures along strike northwest and southeast along the north contact of the granodiorite intrusive as well as defining them by a sequence of inclined radial holes on section.

CAPITAL STRUCTURE

The authorized capital of the Corporation consists of one class of common shares without par value. All shares of the Corporation rank equally with respect to dividends as and when declared by the Board of Directors, are entitled to one vote per share at all meetings of shareholders, are entitled on winding up, liquidation or other distribution to receive equally such assets of the Corporation as are distributable to shareholders, and have no pre-emptive or conversion rights.

CAPITALIZATION

<u>Designation of Security</u>	<u>Amount Authorized</u>	<u>Amount outstanding as at date of balance sheet herein - July 31st, 1974</u>	<u>Amount outstanding as of the date of this Prospectus</u>	<u>Amount outstanding if all securities being issued are sold</u>
Common Shares without par value	3,000,000 (\$3,000,000)	808,001* (\$98,251)	808,001 (\$98,251)	1,008,001 (\$178,251) **

* of which 750,000 shares were issued for property. See attached financial statements.

** subject to 200,000 shares being sold at the minimum to the treasury of 40¢ per share.

DIVIDENDS

No dividends have been paid by the Corporation to date.

AUDITORS, TRANSFER AGENT AND REGISTRAR, TRUSTEE

The auditors of the Corporation are Messrs. Harbinson, Glover & Co., Chartered Accountants, Suite 500, 111 Richmond Street West, Toronto, Ontario.

The transfer Agent and Registrar for the shares of the Corporation is Guaranty Trust Company of Canada, 88 University Avenue, Toronto, Ontario, Guaranty Trust Company of Canada has agreed to act as the depository of the proceeds of sale of shares hereunder pending receipt by the Corporation of \$50,000 being the minimum amount hereunder.

OPTION TO PURCHASE SECURITIES

On January 31, 1974, the Corporation granted to its President, Steve Ivanov, for promotional services, a non-transferable option to purchase up to 80,000 common shares without par value, exercisable as to all or any part from time to time up to January 31, 1977, at the price of \$0.40 per share.

THE OFFERING

The Corporation is offering up to 200,000 unissued treasury shares. The shares are offered on the over-the-counter market in Ontario through registered security dealers acting as agents of the Corporation, at the market price from time to time, on a best efforts basis, to provide a minimum return to the treasury of the Corporation of 75% of the proceeds received from the public from the sale of such shares; provided that the net proceeds to the Corporation shall in no event be less than 40¢ per share, and not less than \$55,000 in the aggregate. In addition to any commission which will be paid to any registered security dealer selling the Corporation's shares as its agent, which commission will not exceed 25%, the Corporation may pay a maximum of 15% of the selling price for promotional expenses.

The Registrar and Transfer Agent of the Corporation, Guaranty Trust Company of Canada, 88 University Avenue, Toronto, Ontario, will hold in trust all proceeds received for the account of the Corporation until a minimum of \$55,000 has been received, or for a period of 90 days following receipt by the Ontario Securities Commission of this prospectus in final form, whichever first occurs. In the event of failure by the Corporation to receive at least \$55,000 within the 90 day period prescribed, all monies received on behalf of the Corporation will be returned to the subscribers in full without deduction.

In the event that the option payment of \$20,000 due on or before February 1, 1975, shall not be made by the Corporation pursuant to the terms of the above-mentioned Option Agreement dated August 3, 1974, between the Corporation and Messrs. Authier and Groleau, the said sum of \$20,000, being part of the proceeds of this issue, will be invested by the Corporation in securities in which the Canadian and British Insurance Companies Act states that a company

registered under Part 3 thereof may invest its funds without resorting to the provisions of subsection (4) of Section 63 of the said Act. Such funds will not be invested in other mining ventures without the consent of the shareholders given by a majority of the votes cast at a special general meeting of the shareholders of the Corporation duly called for that purpose.

Secondary Offering

In the event that all of the above-mentioned treasury shares are sold to the public, and upon the expiry of 90 days following the completion of such sale, Steve Ivanov will offer, through registered security dealers 25,700 issued common shares, the proceeds of which will not accrue to the Corporation (See caption "principal holders of securities"), subject to the payment of commissions at customary brokerage rates.

ESCROWED SHARES

As at the date hereof 650,000 shares in the capital of the Corporation are held by Guaranty Trust Company of Canada at its offices at Toronto, subject to the terms and provisions of an Escrow Agreement between Steve Ivanov, the Corporation and Guaranty Trust Company of Canada, providing for the release of such shares only upon the prior written consent of the Board of Directors of the Corporation and the Ontario Securities Commission.

<u>Designation of Class</u>	<u>No. of Shares Held in Escrow</u>	<u>Percentage of Class at date hereof</u>
Common shares without par value	650,000	80.45%

USE OF PROCEEDS

The Corporation proposes to spend the funds to be raised from the sale of up to 200,000 treasury shares

- (a) to carry out the recommendations of its Engineer, C. W. Archibald, on the Connaught Township property to the amount of \$15,000;
- (b) to pay account payable of the Corporation up to \$12,000;
- (c) to pay the \$20,000 option payment due February 1, 1975, referred to under the heading "Bousquet Township, Quebec" on page 3;
- (d) to pay operating expenses during the current fiscal year of the Corporation estimated not to exceed \$4,300; and
- (e) to pay the cost of this issue estimated not to exceed \$3,500.

In the event that proceeds of this issue exceed the minimum amount of \$55,000 such monies will form part of the general working capital of the Corporation, and will be used for additional exploration and development on the properties of the Corporation as and when warranted.

In the event that the option payment of \$20,000

due on or before February 1, 1975, should not be made by the Corporation pursuant to the terms of the above-mentioned Option Agreement dated August 3, 1974, between the Corporation and Messrs. Authier and Groleau, the said sum of \$20,000, being part of the proceeds of this issue, will be invested by the Corporation in securities in which the Canadian and British Insurance Companies Act states that a company registered under Part 3 thereof may invest its funds without resorting to the provisions of subsection (4) of Section 63 of the said Act. Such funds will not be invested in other mining ventures without the consent of the shareholders given by a majority of the votes cast at a special general meeting of the shareholders of the Corporation duly called for the purpose.

Monies will not be expended on any new property without an amendment to this prospectus being filed and accepted by the Ontario Securities Commission if the securities of the Corporation are then in the course of distribution to the public.

PRINCIPAL SHAREHOLDER

Steve Ivanov, 25 Mabelle Avenue, Apartment 1415, Etobicoke, Ontario, is at the date of this prospectus the beneficial and recorded owner of 650,000 common shares without par value in the capital of the Corporation. The respective percentage holdings of Mr. Ivanov, before and after this offering assuming all of the shares offered hereunder are sold, are as follows:

<u>% of shares before offering</u>	<u>% of shares after offering</u>
80.45%	61.83%

PROMOTER

Steve Ivanov, 25 Mabelle Avenue, Apartment 1415 Etobicoke, Ontario, is the promoter of the Corporation.

PRIOR SALES

Pursuant to a prospectus dated December 15, 1972, the Corporation sold to the public 158,000 shares at the following prices:

Donated Stock
100,000 shares sold at 30¢
Treasury Stock
9,000 shares sold at 30¢
20,000 shares sold at 37.5¢
29,000 shares sold at 33.75¢

DIRECTORS AND SENIOR OFFICERS

The names of the directors and officers of the Corporation and the positions presently held by them are listed below:

<u>Name and Address</u>	<u>Office or Position</u>	<u>Principal Occupation</u>
Steve Ivanov, 25 Mabelle Avenue, Apt. 1415, Etobicoke, Ontario	President and Director	Self-employed mining prospector
Harry Idris Miller, 17 Farmstead Road, Apt. 1202, Willowdale, Ontario.	Director	Mining Executive- Mid-North Engineering Services Limited since June 10, 1969. Previously and currently Vice-President of Brewis & White Limited
Ivan deBurgo Thornley-Hall 1160 Clarkson Road Mississauga, Ontario	Director	Solicitor, Rosenberg, Levinter
James Geddes 1461 Mildmay Court Mississauga, Ontario	Secretary-Treasurer and Director	Chartered Accountant, Treasurer - Mid-North Engineering Services Limited

Messrs. Ivanov, Miller and Geddes have pursued their principal occupations as indicated for a period in excess of five years. Ivan Thornley-Hall has engaged in the practice of law in the City of Toronto for a period in excess of five years.

REMUNERATION OF DIRECTORS AND SENIOR OFFICERS

No payment has been made by the Corporation to any officer or director. No provision for payment to the directors of the Corporation is provided under the by-laws of the Corporation. During the forthcoming year, it is not anticipated that the senior officers and directors of the Corporation will receive remuneration beyond reimbursements for out of pocket expenses incurred on behalf of the Corporation.

Mr. Steve Ivanov, the President of the Corporation, will be paid a consulting fee for field supervision services from time to time on a per diem basis at the rate of \$100.00 per day.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Reference is made to the heading "History and Business". Steve Ivanov, director and President and a promoter of the Corporation, is the Vendor of the mining claims located in Connaught Township, Ontario, acquired by the Corporation as referred to under "History and Business".

The Corporation has entered into a management agreement with Mid-North Engineering Services Limited, 390 Bay Street, Toronto, Ontario, under which Mid-North has agreed to provide management, accounting and secretarial services, including office space, at a cost of \$225.00 per month. Mr. James Geddes, a director, officer and shareholder of the Corporation, is a director and officer of Mid-North Engineering Services Limited.

MATERIAL CONTRACTS

The Corporation has entered into the following material contracts since incorporation:

1. Mining Claim Purchase Agreement dated October 2, 1972, made between the Corporation as Purchaser and Steve Ivanov as Vendor, referred to under "History and Business".
2. Mining Claim Option Agreement dated August 3, 1972, as amended by Agreement dated October 24, 1972, made between the Corporation as Optionee and Charles Authier and Francis Grolleau as Optionors, referred to under "History and Business".
3. Agreement made as of the 10th day of August, 1973, between the Corporation and Quebec Mining Exploration Company referred to on Page 3 hereof.
4. Trust Agreement dated October 4, 1974, between the Corporation and Guaranty Trust Company of Canada referred to on Page 5 hereof.

Copies of the foregoing agreements will be available for inspection during business hours at the offices of the Corporation, Suite 1402, 390 Bay Street, Toronto, Ontario during the course of distribution to the public hereunder.

AUDITORS' REPORT

To the Directors of
Goldhurst Resources Inc.

We have examined the balance sheet of Goldhurst Resources Inc. as at July 31, 1974, and the statements of deferred exploration and administration expenses and source and application of funds for the two years ended July 31, 1974. 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 these financial statements present fairly the financial position of the company as at July 31, 1974 and the results of its operations and the source and application of its funds for the two years then ended, in accordance with generally accepted accounting principles.

Harbison, Haver & Co.

Chartered Accountants.

Toronto, Ontario,
August 26, 1974.

GOLDHURST RESOURCES INC.

BALANCE SHEET

JULY 31, 1974

ASSETS

	<u>1974</u>	<u>1973</u>
Current:		
Bank	\$ 165	\$ 3,610
Expense advances	<u>200</u>	<u>200</u>
	<u>365</u>	<u>3,810</u>
Fixed, at cost:		
Exploration equipment	1,046	1,046
Less: Accumulated depreciation	<u>377</u>	<u>209</u>
	<u>669</u>	<u>837</u>
Mining claims, at cost (Note 1)	<u>90,000</u>	<u>80,000</u>
Deferred expenses:		
Exploration	26,261	23,393
Administration	<u>24,964</u>	<u>14,221</u>
	<u>51,225</u>	<u>37,614</u>
Incorporation expenses	<u>1,248</u>	<u>1,248</u>
	<u>\$143,507</u>	<u>\$123,509</u>

LIABILITIES

Current:		
Accounts payable and accrued liabilities	\$ 3,909	\$ 2,427
Due to a director	<u>4,847</u>	<u>5,881</u>
	<u>8,756</u>	<u>8,308</u>
Notes payable to a director	<u>6,500</u>	

SHAREHOLDERS' EQUITY

Capital stock (Notes 2 and 3):		
Authorized:		
3,000,000 shares without par value		
Issued and fully paid:		
808,001 shares	98,251	85,201
Contributed capital (Note 1)	<u>30,000</u>	<u>30,000</u>
	<u>128,251</u>	<u>115,201</u>
	<u>\$143,507</u>	<u>\$123,509</u>

Approved on behalf of the Board:

(Signed) S. Ivanov Director.

(Signed) James Geddes Director.

GOLDHURST RESOURCES INC.

STATEMENT OF DEFERRED EXPLORATION AND ADMINISTRATION EXPENSES

FOR THE TWO YEARS ENDED JULY 31, 1974

	<u>1974</u>	<u>1973</u>
Exploration:		
Geophysical survey	\$ --	\$ 1,404
Technical supervision	200	120
Professional services	250	1,408
Diamond drilling	--	17,044
Travel and freight	1,020	2,386
Transfers and abstracts	121	66
General	115	--
Maps and prints	--	244
Acreage taxes, fees and license	866	220
Assays	128	176
Equipment	--	116
Depreciation expense	<u>168</u>	<u>209</u>
Expenditure for the period	2,868	23,393
Balance, beginning of period	<u>23,393</u>	<u>--</u>
Balance, end of period	<u>\$26,261</u>	<u>\$23,393</u>
 Administration:		
Corporation tax	\$ 50	\$ 50
Professional services	--	200
Administrative services	2,625	1,500
Bank charge	1	2
Commission on sale of capital stock	3,263	1,048
General expense	906	417
Legal and audit	1,030	874
Prospectus	250	3,580
Public relations and promotion	1,315	6,031
Registrar and transfer agent expense	850	189
Telephone and telegraph	<u>453</u>	<u>330</u>
Expenditure for the period	10,743	14,221
Balance, beginning of period	<u>14,221</u>	<u>--</u>
Balance, end of period	<u>\$24,964</u>	<u>\$14,221</u>

GOLDHURST RESOURCES INC.

STATEMENT OF SOURCE AND APPLICATION OF FUNDS

FOR THE TWO YEARS ENDED JULY 31, 1974

	<u>1974</u>	<u>1973</u>
Source of funds:		
Sale of shares	\$13,050	\$ 85,201
Contributed capital	--	30,000
Notes due to a director	<u>6,500</u>	<u>--</u>
	<u>19,550</u>	<u>115,201</u>
Application of funds:		
Purchase of mining claims for shares	--	75,000
Option of mining claims	10,000	5,000
Purchase of exploration equipment	--	1,046
Organization expenses	--	1,248
Exploration expenses less depreciation of \$168	2,700	23,184
Administration expenses	<u>10,743</u>	<u>14,221</u>
	<u>23,443</u>	<u>119,699</u>
Decrease in working capital	3,893	4,498
Working capital deficit, beginning of period	<u>4,498</u>	<u>--</u>
Working capital deficit, end of period	<u>\$ 8,391</u>	<u>\$ 4,498</u>

GOLDHURST RESOURCES INC.

NOTES TO FINANCIAL STATEMENTS

JULY 31, 1974

1. Mining Properties

The company holds 12 patented mining claims in Connaught Township, Larder Lake Mining Division, Ontario, covering approximately 480 acres acquired in consideration of the allotment and issue of 750,000 fully paid and non-assessable shares valued at 10¢ per share. Of this consideration 100,000 shares have been donated for the benefit of the company, the proceeds of which were \$30,000.

The company has an option to acquire 12 contiguous unpatented mining claims covering approximately 480 acres and a special permit covering approximately 994.3 acres in Bousquet Township, Quebec. To date the company has paid \$15,000 in option payments and the agreement calls for further payments of:

\$20,000 within 24 months of February 1, 1973 and a further
\$65,000 within 36 months from February 1, 1973.

The agreement calls for a royalty payment of one-half percent on all gold production so long as the price of gold shall be \$50 or less per ounce, and 1% of the excess over the sum of \$50 per ounce. Also, a royalty equal to \$0.005 per pound of refined copper produced shall be payable to the optioners.

On August 10, 1973, the company entered into an agreement with the Quebec Mining Exploration Company, whereby they may earn a 49% interest in the Bousquet Township Property by the expenditure of \$200,000 on exploration and development before December 31, 1976. Goldhurst may retain 51% subject to its pro rata participation in subsequent financing.

2. Since incorporation, July 31, 1972, the company has issued the following shares:

	<u># of shares</u>	<u>Value</u>
For cash	29,001	\$10,201
For mining properties	<u>750,000</u>	<u>75,000</u>
Balance, July 31, 1973	779,001	85,201
Issued during the period for cash	<u>29,000</u>	<u>13,050</u>
Balance, July 31, 1974	<u>808,001</u>	<u>\$98,251</u>

The company has reserved 80,000 unissued treasury shares, on account of a non-transferable option granted to the company president, Steve Ivanov, for valuable services rendered, whereby he may purchase all or any part of 80,000 common shares without par value on or before January 31, 1977 at a price of \$0.40 per share.

3. Subject to acceptance for filing of a final prospectus, the company proposes to issue up to 200,000 treasury shares, on a best efforts basis, to provide a minimum return to the treasury of not less than \$55,000.

PURCHASERS' STATUTORY RIGHTS OF WITHDRAWAL AND RESCISSION

With respect to any of the securities offered by this prospectus, The Securities Act (Ontario) confers on a purchaser in certain circumstances:

- (a) The right to withdraw from the contract to purchase such security if written or telegraphic notice evidencing the intention of the purchaser not to be bound by such contract is received by the vendor not later than midnight on the second business day after the prospectus or amended prospectus is received or deemed to have been received by the purchaser or his agents;
- (b) The right to rescind the contract to purchase such security by commencing an action within 90 days from the date of such contract or the date on which the prospectus or amended prospectus is received or deemed to be received by the purchaser or his agent, whichever is later, if such prospectus, as of the date of receipt, contains an untrue statement of a material fact or omits to state a material fact necessary in order to make any statements therein not misleading in the light of the circumstances in which it was made.

Reference is made to Sections 64 and 65 of The Securities Act (Ontario) for the complete text of the provisions under which the foregoing rights are concerned.

There are no other material facts not disclosed in the foregoing.

CERTIFICATE OF THE CORPORATION

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 of Ontario and the Regulations thereunder.

DATED the 7th day of October, 1974.

(Signed) S. Ivanov
Chief Executive Officer

(Signed) James Geddes
Chief Financial Officer

ON BEHALF OF THE BOARD

(Signed) H. I. Miller
Director

(Signed) I. Thornley-Hall
Director

PROMOTER

(Signed) S. Ivanov



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GOLDHURST RESOURCES, INC.
LITTLE ESTHER PROPERTY
CONNAUGHT TOWNSHIP, ONTARIO.

by

C. W. Archibald, B.A. Sc.

September 28, 1973

GOLDHURST RESOURCES, INC.
LITTLE ESTHER PROPERTY
CONNAUGHT TOWNSHIP, ONTARIO.

S U M M A R Y

The property consists of 12 contiguous, wholly owned, unpatented mining claims in Connaught Township, Ontario.

A silicified zone in a fault breccia with chalcopryrite mineralization has been located on the southwest shore of Little Esther Lake in claim 342562. This zone is in evidence for thirty feet along the shore line when it is covered by the lake on both ends. The lake also obscures its width as in low water only a six foot width could be seen.

A parallel structure also with chalcopryrite mineralization has been located by stripping some thirty feet to the south, also in claim 342562. Three spots were opened up over a strike length of 130 feet with a width of 5 feet. The east end of the showing goes into the lake and the west end is hidden by swamp and heavy overburden.

Both zones appear to be more heavily mineralized to the west and an assay of 2.34% copper in a representative grab sample has been obtained.

It is recommended that diamond drilling be done to outline the two zones discovered and an I. P. survey be conducted over Little Esther Lake and west of the lake in winter.

Estimated cost of these programs would be \$15,000.00.

P R O P E R T Y

Consists of 12 unpatented, contiguous mining claims in the Township of Connaught in the District of Sudbury, Ont.

All the mining claims are owned outright by the Company.

The claims are numbered 341921 to 341927 inclusive and 342560 to 342564 inclusive.

L O C A T I O N and A C C E S S

The property is approximately 75 miles northwest of the City of Sudbury, Ontario, or approximately 12 miles southeast of the Town of Gogama.

Access is by float plane from Gogama.

G E O L O G Y

The property is mainly underlain by basic flows of Keewatin age and isolated areas of Cobalt sediments.

Along the north shore of the west arm of Little Esther Lake, a rhyolite and quartz diorite can be seen. Along the north side of the base line, rhyolite outcrops are evident.

The south shore of the west arm of the lake appears to be entirely underlain by quartz diorite.

The showings near the west end of the west arm of the lake are in a fault breccia which strikes north 60° west (magnetic) and dips to the north at 62° . This fault probably trends more east-west than shown as low ground goes west of the west arm of the lake and into a pot hole in claim 342561.

E C O N O M I C G E O L O G Y

The fault zone shows disseminated chalcopyrite and pyrite with some clusters and blebs of chalcopyrite in erratic concentrations. Visually the mineralization appears to be stronger to the west. Zone 2 (south of zone 1) is increasing in width to the west.

The zones have not been sufficiently opened up to properly sample them and Zone 1 sampling is difficult due to the lake. One to two short diamond drill holes located on the north side of the west arm of the lake and drilled south could do a better job of sampling and would show the true width of Zone 1.

West of the lake a low swampy depression hides the western extension of both zones.

The long axis (north-south) of Little Esther Lake would also appear to be a fault line and the junction of this north-south fault with that of the east-west fault would be a good place to explore.

G E N E R A L

Some stripping, trenching and blasting was done in the Spring of this year but insufficient work was done or could be done because of the type of overburden to outline or develop either of the zones.

As far as is known, no diamond drilling has ever been done on this property.

C O N C L U S I O N S

The copper mineralization in the two zones warrants further investigation.

Due to the lake and swampy overburden, the only way to explore these zones is by diamond drilling and geophysical survey.

The zones where they can presently be seen can be tested by diamond drilling with short holes from the north shore of the west arm of Little Esther Lake. However, as the mineralization appears to increase to the west, further drilling in this direction would be necessary.

A topographical fault appears to be running north-south through the major axis of Little Esther Lake and where it and the east-west fault meet would also be a good area in which to search for additional mineralization.

As known mineralization can be seen as disseminated and erratic blebs an I. P. survey to the west of the known showings and covering the possible fault intersections is indicated.

R E C O M M E N D A T I O N S

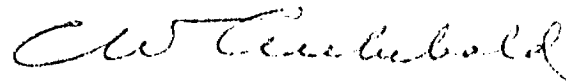
An I. P. survey covering the westward extension of the two known zones and also Little Esther Lake with particular emphasis on the area of possible intersection of two faults.

Diamond drilling with short holes drilled from north to south on the known zones. At least four holes are recommended with further drilling if warranted.

C O S T E S T I M A T E

Cutting lines on claims 342560 and 342561 and laying out lines on Little Esther Lake at 400 foot intervals and stations every 100 feet	\$1,200.00
Diamond drilling inclusive of assaying (300 feet of drilling)	8,000.00
I. P. survey	4,000.00
Engineering, travel etc.	<u>1,800.00</u>
Total	\$15,000.00

Respectfully submitted,



C. W. Archibald, B.A. Sc.,
P. Engineer of Ontario

Toronto, Ontario.
September 28, 1973

CERTIFICATE

I, Charles William Archibald, of the City of Toronto, Province of Ontario, hereby certify,

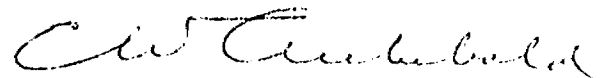
1. That I am a Mining Engineer and that I reside at 418 Glencairn Avenue, in the City of Toronto.

2. That I am a graduate in Mining Engineering from the University of Toronto and have been practising my profession for thirty-three years.

3. That I am a registered Professional Engineer of the Province of Ontario.

4. That I have no interest directly or indirectly nor do I expect to receive any in the property or securities of Goldhurst Resources, Inc.

5. That this report is based on a personal knowledge of the property.



C. W. Archibald, B.A.Sc.
P. Engineer of Ontario

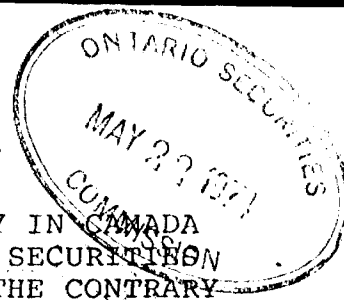
Toronto, Ontario.
September 23, 1973



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PROSPECTUS dated May 15, 1974.



NO SECURITIES COMMISSION OR SIMILAR AUTHORITY IN CANADA HAS IN ANY WAY PASSED UPON THE MERITS OF THE SECURITIES OFFERED HEREUNDER AND ANY REPRESENTATION TO THE CONTRARY IS AN OFFENCE.

GOLDHURST RESOURCES INC.
390 Bay Street, Toronto,
Ontario

NEW ISSUE: The Corporation is offering up to 200,000 unissued treasury shares on the over-the-counter market in Ontario through registered security dealers at the market price from time to time on a best efforts basis, to provide a minimum return to the treasury of the Corporation of 75% of the proceeds received from the public from the sale of such shares; provided that the net proceeds to the Corporation shall in no event be less than 40¢ per share, and no less than \$55,000 in the aggregate. In addition to any commission which will be paid to any registered security dealer selling the Corporation's shares, which commission shall not exceed 25%, the Corporation may pay a maximum of 15% of the selling price for promotional expenses.

The proceeds from the sale of shares hereunder will be held by Guaranty Trust Company of Canada until a minimum of \$55,000 has been received, or for a period of 90 days following the issuance of a receipt by the Ontario Securities Commission for this prospectus in final form, whichever first occurs. Failing receipt by the Corporation of such minimum amount within the time prescribed, all subscription moneys will be returned to the subscribers without deduction.

SECONDARY OFFERING: 25,700 issued shares are being offered hereunder as a secondary offering by registered security dealers on behalf of Steve Ivanov, at prices established as above. These shares will not be offered until the expiry of 90 days after all of the 200,000 unissued treasury shares have been sold. The net proceeds from the sale thereof will accrue to the selling shareholder and not to the treasury of the Corporation.

PURPOSE OF ISSUE: The proceeds of this issue will be used to defray operating expenses of the Corporation and the costs of carrying out a further exploration programme recommended by its Engineer on the Corporation's Connaught Township, Ontario, mining claims. (See below under the headings HISTORY AND BUSINESS - Page 1, and USE OF PROCEEDS - Page 6)

THESE SECURITIES ARE SPECULATIVE AND THERE IS NO MARKET FOR THESE SECURITIES

Registrar and Transfer Agent

GUARANTY TRUST COMPANY OF CANADA,
88 University Avenue,
Toronto, Ontario.



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GOLDHURST RESOURCES INC.

HISTORY & BUSINESS

The full name of the Corporation is Goldhurst Resources Inc. (hereinafter sometimes referred to as the "Corporation"). The head office of the Corporation is located at 390 Bay Street, Toronto, Ontario.

The Corporation was incorporated under The Business Corporations Act by Articles of Incorporation which became effective July 31, 1972, with an authorized capital consisting of 3,000,000 common shares without par value

Since incorporation the Corporation has carried on the business of a mining exploration corporation. The Corporation has two main areas of exploration; one being its mining claims in Connaught Township, Ontario, and the other being mining claims held under option in Bousquet Township, Quebec, as set forth below.

Connaught Township, Ontario

Pursuant to an agreement dated October 2, 1972, the Corporation acquired from Steve Ivanov, 3744 St. Clair Avenue East, Apt. 215, Scarborough, Ontario, 12 unpatented mining claims in the Township of Connaught in the District of Sudbury, Province of Ontario, number 341921 to 341927 inclusive, and 342560 to 342564 inclusive, all of which are now in good standing; the date for filing of assessment work thereon is December 31, 1974.

The above claims were acquired for a consideration consisting of 750,000 fully paid common shares without par value in the capital of the Corporation issued to Steve Ivanov, the President of the Corporation, as Vendor. The said shares were valued by the Board of Directors of the Corporation at \$75,000.00. Certificates representing 650,000 of such shares are presently held in escrow by Guaranty Trust Company of Canada as Escrow Agent, subject to the terms and provisions of an Escrow Agreement dated December 4th, 1972, between the Corporation, Steve Ivanov and the said Escrow Agent, providing among other things that such shares shall not be sold or otherwise dealt with without express consent of the Ontario Securities Commission. The Escrow Agreement further provides that should the Corporation abandon or discontinue development of any or all of the property covered by the mining claims, all or a pro rata part of the shares issued in consideration of such property shall be tendered to the Corporation for cancellation, or transferred for the benefit of the Corporation.

Of the above 750,000 originally allotted to S. Ivanov, aforesaid, 100,000 shares were donated by Mr. Ivanov to the treasury of the Corporation, which shares were sold to the public under the Prospectus of the Corporation dated December 15, 1972.

A limited amount of exploration has taken place on the property in accordance with the report of C. W. Archibald, Professional Engineer, dated September 26, 1972, which has been filed and is available for inspection at the Ontario Securities Commission.

General prospecting and surface exploration on the property was carried out during the summer of 1973, in accordance with the above Report. A number of pits were opened up on two mineralized zones. Trenching and stripping was also carried out in the vicinity of the zones and on projected extensions thereof to the west. The extent of this work was limited on account of heavy overburden. Further work is recommended in the said Report to investigate possible continuation of the mineralized zones to the west by geophysical means, and diamond drilling if warranted.

The property is approximately 75 miles north-west of the City of Sudbury, Ontario, or approximately 12 miles south-east of the Town of Gogama. Access is by float plane from Sudbury and landing on Little Esther Lake, which lies within the claim group. The property is without a known body of commercial ore and the proposed development is an exploratory search for ore only. There is no surface or underground plant or equipment on the property.

The following is a summary of the updating report of C. W. Archibald, Profession Engineer, covering the above property, dated September 28, 1973. The full report of Mr. Archibald has also been filed and is now available for inspection at the Ontario Securities Commission.

The property consists of 12 contiguous, wholly-owned, unpatented mining claims in Connaught Township, Ontario.

A silicified zone in a fault breccia with chalcopyrite mineralization has been located on the southwest shore of Little Esther Lake in claim 342562. This zone is in evidence for thirty feet along the shore line when it is covered by the lake on both ends. The lake also obscures its width as in low water only a six foot width could be seen.

A parallel structure, also with chalcopyrite mineralization, has been located by stripping some thirty feet to the south, also in claim 342562. Three spots were opened up over a strike length of 130 feet with a width of 5 feet. The east end of the showing goes into the lake and the west end is hidden by swamp and heavy overburden.

Both zones appear to be more heavily mineralized to the west and an assay of 2.34% copper in a representative grab sample has been obtained.

It is recommended that diamond drilling be done to outline the two zones discovered and an I.P. survey be conducted over Little Esther Lake and west of the lake in winter.

Estimated cost of these programs would be \$15,000.00.

Bousquet Township, Quebec

By Agreement dated August 3, 1972, as amended by Agreement dated the 24th day of October, 1972 between Charles Authier, Chateau Windsor, Rouyn, Quebec and Francis Groleau, 44 Tacheraou Street East, Rouyn, Quebec, as Optionors and the Corporation as Optionee, the Corporation acquired from the Optionors an option to purchase 12 unsurveyed mining claims and a Special Permit covering approximately 1474 acres in the northwest portion of Bousquet Township, Quebec. The agreement provided for an initial payment of \$500.00 and the sum of \$4,500.00 upon the Corporation having received the minimum amount under its prospectus dated December 15, 1972, which amount was duly paid on February 1, 1973. The option was kept in good standing by payment to the Optionors of the sum of \$10,000.00 on January 30, 1974. The option may be kept in good standing by payment to the Optionors of the further sums of \$20,000.00 on or before February 1, 1975 and \$65,000.00 on or before February 1, 1976. The option may be exercised in full by payment to the Optionors of the total sum of \$100,000.00 during the option period.

The Option Agreement also provides that in the event of exercise of the option, the Optionor shall receive a royalty equal to $\frac{1}{2}$ of 1% of all gold production so long as the price of gold shall be \$50.00 or less per ounce and in the event that such price exceeds \$50.00 per ounce, the Optionor shall be paid a further royalty equal to 1% of the excess of the price of gold per ounce over the sum of \$50.00 per ounce and a further royalty equal to \$0.005 per pound of refined copper produced.

By Agreement made as of the 10th day of August, 1973, between the Corporation and Quebec Mining Exploration Corporation (hereinafter called "Soquem"), the Corporation granted to Soquem the right to acquire a 49% interest in the Bousquet Township property. Soquem has expended \$35,000.00 on exploration work on the property as required by the terms of the Agreement. Soquem will have the right to continue its interests by making an additional expenditure of \$50,000.00 in the calendar year 1974, \$50,000.00 in the calendar year 1975 and \$65,000.00 in the calendar year 1976. The Agreement provides for the formation of a Management Committee for the purpose of formulating the initial programme of exploration, to consist of two representatives from Soquem and one representative of the Corporation.

When Soquem has expended \$200,000.00 in exploration on the property, the Corporation and Soquem each have the right to contribute toward the cost of further expenditures at the rate of 51% in the case of the Corporation and 49% in the case of Soquem. If the Corporation fails to contribute its pro rata portion of expenses within the prescribed time, its interest is subject to dilution to a minimum 10% undivided interest in the property.

Geophysical surveying and diamond drilling have been carried out on the property during the period November 1972 to November 1973.

Five diamond drill holes totaling 2745 feet were drilled by the Corporation and 4 holes totaling 4141 feet were drilled by Soquem.

Two short holes by the Corporation tested the extreme easterly extremities of 2 electro-magnetic conductors. Sulphides yielding minor values in gold and copper were intersected. The westerly portions of the conductors have not been drill tested.

Diamond drilling by the Corporation and Soquem on the Contact Zone have indicated 2 separate, narrow mineralized structures. One is a gold vein structure and the other is a new, probably deep, gold-copper structure identified as the Sulphide Zone.

A series of drill hole intersections on one particular section intersected both structures on at least 4 horizons. An arithmetic average of the intersections with projected vertical continuity is:

Contact Zone (Gold Vein)

0.70 oz. Au, 0.24 oz. Ag / 4' : 600'±

Sulphide Zone

0.08 oz. Au, 0.24 oz. Ag, 2.34% Cu / 5.8' : 400'±

Continuation diamond drilling is recommended to trace the structures along strike northwest and southeast along the north contact of the granodiorite intrusive as well as defining them by a sequence of inclined radial holes on section.

CAPITAL STRUCTURE

The authorized capital of the Corporation consists of one class of common shares without par value. All shares of the Corporation rank equally with respect to dividends as and when declared by the Board of Directors, are entitled to one vote per share at all meetings of shareholders, are entitled on winding up, liquidation or other distribution to receive equally such assets of the Corporation as are distributable to shareholders, and have no pre-emptive or conversion rights.

CAPITALIZATION

<u>Designation of Security</u>	<u>Amount Authorized</u>	<u>Amount outstanding as at date of balance sheet herein - January 31st, 1974</u>	<u>Amount outstanding as of the date of this Prospectus</u>	<u>Amount outstanding if all securities being issued are sold</u>
Common Shares without par value	3,000,000 (\$3,000,000)	808,001* (\$98,251)	808,001 (\$98,251)	1,008,001 (\$178,251) **

* of which 750,000 shares were issued for property. See attached financial statements.

** subject to 200,000 shares being sold at the minimum to the treasury of 40¢ per share.

DIVIDENDS

No dividends have been paid by the Corporation to date.

AUDITORS, TRANSFER AGENT AND REGISTRAR, TRUSTEE

The auditors of the Corporation are Messrs. Harbinson, Glover & Co., Chartered Accountants, Suite 500, 111 Richmond Street West, Toronto, Ontario.

The transfer Agent and Registrar for the shares of the Corporation is Guaranty Trust Company of Canada, 88 University Avenue, Toronto, Ontario, Guaranty Trust Company of Canada has agreed to act as the depository of the proceeds of sale of shares hereunder pending receipt by the Corporation of \$55,000 being the minimum amount hereunder.

OPTION TO PURCHASE SECURITIES

On January 31, 1974, the Corporation granted to its President, Steve Ivanov, for promotional services, a non-transferable option to purchase up to 80,000 common shares without par-value, exercisable as to all or any part from time to time up to January 31, 1977, at the price of \$0.40 per share.

THE OFFERING

The Corporation is offering up to 200,000 unissued treasury shares. The shares are offered on the over-the-counter market in Ontario through registered security dealers acting as agents of the Corporation, at the market price from time to time, on a best efforts basis, to provide a minimum return to the treasury of the Corporation of 75% of the proceeds received from the public from the sale of such shares; provided that the net proceeds to the Corporation shall in no event be less than 40¢ per share, and not less than \$55,000 in the aggregate. In addition to any commission which will be paid to any registered security dealer selling the Corporation's shares as its agent, which commission will not exceed 25%, the Corporation may pay a maximum of 15% of the selling price for promotional expenses.

The Registrar and Transfer Agent of the Corporation, Guaranty Trust Company of Canada, 88 University Avenue, Toronto, Ontario, will hold in trust all proceeds received for the account of the Corporation until a minimum of \$55,000 has been received, or for a period of 90 days following receipt by the Ontario Securities Commission of this prospectus in final form, whichever first occurs. In the event of failure by the Corporation to receive at least \$55,000 within the 90 day period prescribed, all monies received on behalf of the Corporation will be returned to the subscribers in full without deduction.

Secondary Offering

In the event that all of the above mentioned treasury shares are sold to the public, and upon the expiry of 90 days following the completion of such sale, Steve Ivanov will offer, through registered security dealers, 25,700 issued common shares, the proceeds of which will not accrue to the Corporation (See caption "principal holders of securities"), subject to the payment of commissions at customary brokerage rates.

ESCROWED SHARES

As at the date hereof 650,000 shares in the capital of the Corporation are held by Guaranty Trust Company of Canada at its offices at Toronto, subject to the terms and provisions of an Escrow Agreement between Steve Ivanov, the Corporation and Guaranty Trust Company of Canada, providing for the release of such shares only upon the prior written consent of the Board of Directors of the Corporation and the Ontario Securities Commission.

<u>Designation of Class</u>	<u>No. of Shares Held in Escrow</u>	<u>Percentage of Class at date hereof</u>
Common shares without par value	650,000	80.45%

USE OF PROCEEDS

The Corporation proposes to spend the funds to be raised from the sale of up to 200,000 treasury shares

- (a) to carry out the recommendations of its Engineer, C. W. Archibald, on the Connaught Township property to the amount of \$15,000;
- (b) to pay accounts payable of the Corporation up to \$12,000;
- (c) to pay the \$20,000 option payment due February 1, 1975, referred to under the heading "Bousquet Township, Quebec" on page 3;
- (d) to pay operating expenses during the current fiscal year of the Corporation estimated not to exceed \$4,300; and
- (e) to pay the costs of this issue estimated not to exceed \$3,500.

In the event that proceeds of this issue exceed the minimum amount of \$55,000 such monies will form part of the general working capital of the Corporation, and will be used for additional exploration and development on the properties of the Corporation as and when warranted.

Monies will not be expended on any new property acquired without an amendment to this prospectus being filed and accepted by the Ontario Securities Commission if the securities of the Corporation are then in the course of distribution to the public.

PRINCIPAL SHAREHOLDER

Steve Ivanov, Apartment 215, 3744 St. Clair Avenue East, Scarborough, Ontario, is at the date of this prospectus the beneficial and recorded owner of 650,000 common shares without par value in the capital of the Corporation. The respective percentage holding of Mr. Ivanov, before and after this offering, assuming all of the shares offered hereunder are sold, are as follows:

<u>% of shares before offering</u>	<u>% of shares after offering</u>
80.45%	61.83%

PROMOTER

Steve Ivanov, 3744 St. Clair Avenue East, Apartment 215, Scarborough, Ontario, is the promoter of the Corporation.

PRIOR SALES

Pursuant to a prospectus dated December 15, 1972, the Corporation sold to the public 158,000 shares at the following prices:

Donated Stock
100,000 shares sold at 30¢
Treasury stock
9,000 shares sold at 30¢
20,000 shares sold at 37.5¢
29,000 shares sold at 33.75¢

DIRECTORS AND SENIOR OFFICERS

The names of directors and officers of the Corporation and the positions presently held by them are listed below:

<u>Name and Address</u>	<u>Office or Position</u>	<u>Principal Occupation</u>
Steve Ivanov 3744 St. Clair Avenue East, Apartment 215 Scarborough, Ontario	President and Director	Self-employed mining prospector
Harry Idris Miller 1615 Bayview Avenue Apartment 4 Toronto, Ontario	Director	Mining Executive- Mid-North Engineering Services Limited since June 10, 1969. Previously and currently Vice-President of Brewis & White Limited
Ivan deBurgo Thornley-Hall 1160 Clarkson Road Mississauga, Ontario	Director	Partner - Levinter, Sommers
James Geddes 1461 Mildmay Court Mississauga, Ontario	Secretary-Treasurer and Director	Chartered Accountant, Treasurer - Mid-North Engineering Services Limited

Messrs. Ivanov, Miller and Geddes have pursued their principal occupations as indicated for a period in excess of five years. Ivan Thornley-Hall has engaged in the practice of law in the City of Toronto for a period in excess of five years.

REMUNERATION OF DIRECTORS AND SENIOR OFFICERS

No payment has been made by the Corporation to any officer or director. No provision for payment to directors of the Corporation is provided under the by-laws of the Corporation. During the forthcoming year, it is not anticipated that the senior officers and directors of the Corporation will receive remuneration beyond reimbursements for out of pocket expenses incurred on behalf of the Corporation.

Mr. Steve Ivanov, the President of the Corporation, will be paid a consulting fee for field supervision services from time to time on a per diem basis at the rate of \$100.00 per day.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Reference is made to the heading "History and Business". Steve Ivanov, director and President and a promoter of the Corporation, is the Vendor of the mining claims located in Connaught Township, Ontario, acquired by the Corporation as referred to under "History and Business".

The Corporation has entered into a management agreement with Mid-North Engineering Services Limited, 390 Bay Street, Toronto, Ontario, under which Mid-North has agreed to provide management, accounting and secretarial services, including office space, at a cost of \$225.00 per month. Mr. James Geddes, a director, officer and shareholder of the Corporation, is a director and officer of Mid-North Engineering Services Limited.

MATERIAL CONTRACTS

The Corporation has entered into the following material contracts since incorporation:

1. Mining Claim Purchase Agreement dated October 2, 1972, made between the Corporation as Purchaser and Steve Ivanov as Vendor, referred to under "History and Business".
2. Mining Claim Option Agreement dated August 3, 1972 as amended by Agreement dated October 24, 1972 made between the Corporation as Optionee and Charles Authier and Francis Grolleau as Optionors, referred to under "History and Business".
3. Agreement made as of the 10th day of August, 1973 between the Corporation and Quebec Mining Exploration Company referred to on Page 3 hereof.
4. Agreement with Mid-North Engineering Services Limited dated November 3, 1972 referred to under the heading "Interest of Management and Others in Material Transactions", covering corporate secretarial services.
5. Trust Agreement dated May 14th, 1974, between the Corporation and Guaranty Trust Company of Canada referred to on Page 5 hereof.

Copies of the foregoing agreements will be available for inspection during business hours at the offices of the Corporation, Suite 1402, 390 Bay Street, Toronto, Ontario, during the course of distribution to the public hereunder.

HARBINSON, GLOVER & Co.

CHARTERED ACCOUNTANTS

R. A. FRANCIS, C.A.
H. S. GLOVER, F.C.A.
R. C. KILGOUR, B.COM., F.C.A.
L. R. WAIT, B.COM., C.A.
T. M. HALL, B.COM., C.A.
I. C. CAMPBELL, B.A., C.A.
R. A. McCALLUM, C.A.

D. W. FORRESTER, F.C.A.

TELEPHONE 664-8000
SUITE 500
111 RICHMOND ST. WEST
TORONTO, CANADA
M5H 2G4

AUDITORS' REPORT

To the Directors of
Goldhurst Resources Inc.

We have examined the balance sheet of Goldhurst Resources Inc. as at January 31, 1974, and the statements of deferred exploration and administration expenses and source and application of funds for the six months ended January 31, 1974 and the twelve months ended July 31, 1973. 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.

We report that, in our opinion these financial statements present fairly the financial position of the company as at January 31, 1974 and the results of its operations and the source and application of its funds for the periods then ended, in accordance with generally accepted accounting principles applied on a basis consistent with that of the previous year.

Harbinson, Glover & Co.

Chartered Accountants.

Toronto, Ontario,
March 11, 1974.

GOLDHURST RESOURCES INC.

BALANCE SHEET

JANUARY 31, 1974

ASSETS

Current:	
Bank	\$ 579
Expense advances	<u>234</u>
	813
Fixed, at cost:	
Exploration equipment	1,046
Less: Accumulated depreciation	<u>377</u>
	669
Mining claims, at cost (Note 1)	90,000
Deferred expenses:	
Exploration	26,018
Administration	<u>22,201</u>
	48,219
Incorporation expenses	<u>1,248</u>
	<u>\$140,949</u>

LIABILITIES

Current:	
Accounts payable and accrued liabilities	\$ 2,316
Due to a director	<u>10,382</u>
	12,698

SHAREHOLDERS' EQUITY

Capital stock (Notes 2 & 3):	
Authorized:	
3,000,000 shares without par value	
Issued and fully paid:	
808,001 shares	98,251
Contributed capital (Note 1)	<u>30,000</u>
	<u>\$140,949</u>

Approved on behalf of the Board:

(Signed) S. Ivanov Director.

(Signed) James Geddes Director.

STATEMENT OF DEFERRED EXPLORATION AND ADMINISTRATION EXPENSES

FOR THE SIX MONTHS ENDED JANUARY 31, 1974

	Six months ended January 31, 1974	Twelve months ended July 31, 1973	Six months ended January 31, 1973
Exploration:			
Geophysical survey	\$ --	\$ 1,404	\$ --
Technical supervision	200	120	--
Professional services	250	1,408	--
Diamond drilling	--	17,044	--
Travel and freight	1,020	2,380	--
Transfers and abstracts	120	66	66
Maps and prints	--	244	--
Acreage taxes, fees and license	746	220	100
Assays	72	176	--
Equipment	49	116	--
Depreciation expense	168	209	--
Expenditure for the period	2,625	23,393	166
Balance, beginning of period	23,393	--	--
Balance, end of period	\$26,018	\$23,393	\$ 166
Administration:			
Corporation tax	\$ 50	\$ 50	\$ --
Professional services	--	200	--
Administrative services	1,275	1,500	--
Bank charge	--	2	2
Commission on sale of capital stock	3,263	1,048	888
General expense	770	417	5
Legal and audit	590	874	--
Prospectus preparations	--	3,580	3,580
Public relations and promotion	1,315	6,031	--
Registrar and transfer agent expense	384	189	189
Telephone and telegraph	333	330	--
Expenditure for the period	7,980	14,221	4,664
Balance, beginning of period	14,221	--	--
Balance, end of period	\$22,201	\$14,221	\$4,664

GOLDHURST RESOURCES INC.

STATEMENT OF SOURCE AND APPLICATION OF FUNDS

FOR THE SIX MONTHS ENDED JANUARY 31, 1974

	Six months ended January 31, 1974	Twelve months ended July 31 1973	Six months ended January 31, 1973
Source of funds:			
Sale of shares	\$13,050	\$ 85,201	\$ 77,701
Contributed capital	--	30,000	30,000
	<u>13,050</u>	<u>\$115,201</u>	<u>\$107,701</u>
 Application of funds:			
Purchase of mining claims for shares	--	75,000	75,000
Option of mining claims	10,000	5,000	500
Purchase of exploration equipment	--	1,046	--
Organization expenses	--	1,248	1,248
Exploration expenses less depreciation of \$168	2,457	23,184	166
Administration expenses	7,980	14,221	4,664
	<u>20,437</u>	<u>119,699</u>	<u>81,578</u>
 Increase (decrease) in working capital	 (7,387)	 4,498	 26,123
 Working capital deficit, beginning of period	 4,498	 --	 --
Working capital deficit, end of period	<u>\$11,885</u>	<u>\$ 4,498</u>	<u>\$ 26,123</u>

NOTES TO FINANCIAL STATEMENTS

JANUARY 31, 1974

1. Mining Properties

The company holds 12 patented mining claims in Connaught Township, Larder Lake Mining Division, Ontario, covering approximately 480 acres acquired in consideration of the allotment and issue of 750,000 fully paid and non-assessable shares valued at 10¢ per share. Of this consideration 100,000 shares have been donated for the benefit of the company, the proceeds of which were \$30,000.

The company has an option to acquire 12 contiguous unpatented mining claims covering approximately 480 acres and a special permit covering approximately 994.3 acres in Bousquet Township, Quebec. To date the company has paid \$15,000 in option payments and the agreement calls for further payments of:

\$20,000 within 24 months of February 1, 1973 and a further
\$65,000 within 36 months from February 1, 1973.

The agreement calls for a royalty payment of one-half percent on all gold production so long as the price of gold shall be \$50 or less per ounce, and 1% of the excess over the sum of \$50 per ounce. Also, a royalty equal to \$0.005 per pound of refined copper produced shall be payable to the optioners.

On August 10, 1973, the company entered into an agreement with the Quebec Mining Exploration Company, whereby they may earn a 49% interest in the Bousquet Township Property by the expenditure of \$200,000 on exploration and development before December 31, 1976. Goldhurst may retain 51% subject to its pro rata participation in subsequent financing.

2. Since incorporation, July 31, 1972 the company has issued the following shares:

	<u># of shares</u>	<u>Value</u>
For cash	29,001	\$10,201
For mining properties	<u>750,000</u>	<u>75,000</u>
Balance, July 31, 1973	779,001	85,201
Issued during the period for cash	<u>29,000</u>	<u>13,050</u>
Balance, January 31, 1974	<u>808,001</u>	<u>\$98,251</u>

3. Subject acceptance for filing of a final prospectus the company proposes to issue up to 200,000 treasury shares, on a best efforts basis, to provide a minimum return to the treasury of not less than \$55,000.

PURCHASERS' STATUTORY RIGHTS OF WITHDRAWAL AND RESCISSION

With respect to any of the securities offered by this prospectus, The Securities Act (Ontario) confers on a purchaser in certain circumstances:

- (a) The right to withdraw from the contract to purchase such security if written or telegraphic notice evidencing the intention of the purchaser not to be bound by such contract is received by the vendor not later than midnight on the second business day after the prospectus or amended prospectus is received or deemed to have been received by the purchaser or his agents;
- (b) The right to rescind the contract to purchase such security by commencing an action within 90 days from the date of such contract or the date on which the prospectus or amended prospectus is received or deemed to be received by the purchaser or his agent, whichever is later, if such prospectus, as of the date of receipt, contains an untrue statement of a material fact or omits to state a material fact necessary in order to make any statements therein not misleading in the light of the circumstances in which it was made.

Reference is made to Sections 64 and 65 of The Securities Act (Ontario) for the complete text of the provisions under which the foregoing rights are conferred.

There are no other material facts not disclosed in the foregoing.

CERTIFICATE OF THE CORPORATION

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 of Ontario and the Regulations thereunder.

DATED the 15th day of May, 1974.

(Signed) S. Ivanov
Chief Executive Officer

(Signed) James Geddes
Chief Financial Officer

ON BEHALF OF THE BOARD

(Signed) I. Thornley-Hall
Director

(Signed) H. I. Miller
Director

PROMOTER

(Signed) S. Ivanov

NOTICE FOR FILE: 63.3022

This Prospectus and report by Gold-
hurst Resources Inc. was filed with
the Ontario Securities Commission,
Nov. 1972, not for Assessment Credits

63.3022

PROSPECTUS DATED December 15, 1972.

NO SECURITIES COMMISSION OR SIMILAR AUTHORITY IN CANADA HAS IN ANY WAY PASSED UPON THE MERITS OF THE SECURITIES OFFERED HEREUNDER AND ANY REPRESENTATION TO THE CONTRARY IS AN OFFENCE.

GOLDHURST RESOURCES INC.
Suite 1300, 100 Adelaide Street West
Toronto, Ontario

OFFERING: The Corporation is offering up to 300,000 shares, of which 100,000 have been donated for the benefit of the Corporation and 200,000 are unissued treasury shares. The shares are offered through registered security dealers acting as agents of the Corporation, at the market price from time to time, on a best efforts basis, to provide a minimum return to the treasury of the Corporation of 75% of the proceeds received from the public from the sale of such shares; provided that the net proceeds to the Corporation shall in no event be less than 22½¢ per share. In addition to any commission which will be paid to any registered security dealer selling the Corporation's shares as its agent, the Corporation may pay a maximum of 15% of the selling price for promotional expenses.

The proceeds from the sale of shares hereunder will be held by Guaranty Trust Company of Canada until a minimum of \$31,200 has been received, or for a period of 90 days following the issuance of a receipt by the Ontario Securities Commission of this prospectus in final form, whichever first occurs. Failing receipt by the Corporation or such minimum amount within the time prescribed, all subscription moneys will be returned to the subscribers without deduction.

PURPOSE OF ISSUE: The proceeds of this issue will be used to defray preliminary incorporation and organization and operating expenses of the Corporation, and the costs of carrying out the exploration programmes recommended by its engineers on the Corporation's Connaught Township, Ontario, and Bousquet Township, Quebec, mining claims. (see below under the headings HISTORY AND BUSINESS - page 9, and USE OF PROCEEDS).

THE SHARES OFFERED HEREBY ARE SPECULATIVE

There is no market for the shares of the Corporation.

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HISTORY AND BUSINESS

The full name of the Corporation is Goldhurst Resources Inc. (hereinafter sometimes referred to as the "Corporation"). The head office of the Corporation is located at 13th Floor, 100 Adelaide Street West, Toronto, Ontario.

The Corporation was incorporated under the Business Corporations Act by Articles of Incorporation which became effective July 31, 1972, with an authorized capital consisting of 3,000,000 common shares without par value.

The Corporation will carry on the business of a mining exploration corporation. The Corporation has two main areas of exploration: one being its mining claims in Connaught Township, Ontario, and the other being mining claims held under option in Bousquet Township, Quebec, as set forth below.

Connaught Township, Ontario

Pursuant to an agreement dated October 2, 1972, the Corporation acquired from Steve Ivanov, 3744 St. Clair Avenue East, Apartment 215, Scarborough, Ontario, 12 unpatented mining claims in the Township of Connaught in the District of Sudbury, Province of Ontario, numbered 341921 to 341927 inclusive and 342560 to 342564 inclusive. The staking costs and expenses of Mr. Ivanov in connection with the said claims approximated \$800.00.

The above claims were acquired for a consideration consisting of 750,000 fully paid common shares without par value in the capital of the Corporation issued to Steve Ivanov, the President of the Corporation, as Vendor. The said shares were valued by the Board of Directors of the Corporation at \$75,000.00. Certificates representing all of such shares are presently held in escrow by Guaranty Trust Company of Canada as Escrow Agent, subject to the terms and provisions of an Escrow Agreement dated December 4th, 1972, between the Corporation, Steve Ivanov and the said Escrow Agent, providing among other things that such shares shall not be sold or otherwise dealt with without express consent of the Ontario Securities Commission. The Escrow Agreement further provides that should the Corporation abandon or discontinue development of any or all of the property covered by the mining claims, all or a pro rata part of the shares issued in consideration of such property shall be tendered to the Corporation for cancellation, or transferred for the benefit of the Corporation.

There is no known mining history of the property, and there has been neither surface nor underground exploration or development. There is no surface or underground plant on the property.

The property is approximately 75 miles north-west of the City of Sudbury, Ontario, or approximately 12 miles south-east of the Town of Gogama. Access is by float plane from Sudbury and landing on Little Esther Lake which lies within the claim group.

The following is a summary of the report of C. W. Archibald, Professional Engineer, covering the above property. The full report of Mr. Archibald dated September 26, 1972 has been filed and is available for inspection at the Ontario Securities Commission, 555 Yonge Street, Toronto, Ontario.

The property consists of 12 contiguous unpatented claims owned 100% by the Corporation in Connaught Township, Ontario.

A pyrite-chalcopyrite mineralized conglomerate occurring approximately in the centre of the property would appear to be at least 20 feet wide and striking south away from an east-west copper mineralized shear zone. A grab sample of conglomerate assayed 2.34% copper in the zone.

The above occurrence warrants exploration and the mineralized shearing on which the conglomerate abuts could also be an excellent area in which to locate other zones.

Stripping, trenching and blasting have been recommended on the conglomerate zone to allow it to be properly sampled and to ascertain widths and lengths. Prospecting has been recommended to try to locate other parallel structures with emphasis on the area of the mineralized east-west shearing seen on Little Esther Lake. Lines are to be cut on the property with 400 foot centres and stations at 100 foot intervals after which a geological survey has been recommended to outline possible mineral zones and define target areas.

Estimated cost of the above first phase of a programme is \$6,100 with diamond drilling at an estimated cost of \$8.00 per foot including engineering and assay services and the like, to follow if warranted.

A large granodiorite intrusive complex within the Goldhurst property appears to localize mineralized zones consisting of narrow shoot-like quartz-sulphide veins injected into shear zones along, within, and beyond the granodiorite-volcanics contact.

There are three separate shoots of gold-base metal mineralization in the Contact Zone area. One sheet was discovered during a 1969 drill programme. These shoots appear to plunge north-westerly and are consequently open for extension and exploration investigation in that direction.

A \$13,500 preliminary exploration programme is recommended for the Contact Zone to extend known auriferous shoots and check at least one INPUT anomaly. Local geophysical surveying and diamond drilling will be used to accomplish these preliminary objectives.

There are other areas of the property which will ultimately require saturation prospecting. The Granodiorite-volcanics contact zone along which several mineral occurrences including the Contact Zone and the No. 3 Zone are located, is the principal secondary horizon of interest.

The Corporation intends to carry out the recommendations of Mr. Tagliamonte as set forth above.

PRELIMINARY EXPENSES

The estimated preliminary development and administrative expenses of the Corporation are as follows:

Development, incurred to date:	\$ 166	
Estimated:	<u>\$24,600</u>	\$24,766
Administrative, incurred to date:	\$ 5,000	
Estimated:	<u>\$ 4,200</u>	<u>\$ 9,200</u>
	TOTAL	<u>\$33,966</u>

CAPITAL STRUCTURE

The authorized capital of the Corporation consists of one class of common shares without par value. All shares of the Corporation rank equally with respect to dividends as and when declared by the Board of Directors, are entitled to one vote per share at all meetings of shareholders, are entitled on winding up, liquidation or other distribution to receive equally such assets of the Corporation as are distributable to shareholders, and have no pre-emptive or conversion rights.

CAPITALIZATION

<u>Designation of Security</u>	<u>Amount Authorized</u>	<u>Amount out-standing as at the date of the most recent balance sheet contained in the Prospectus</u>	<u>Amount out-standing as of the date of this Prospectus</u>	<u>Amount out-standing if all secur-ities being issued are sold</u>
Common Shares without par value	3,000,000	750,001* (\$75,000)	750,001 (\$75,000)	950,001 (\$142,500)

*of which all but one share were issued for property
See attached financial statements.

DIVIDENDS

No dividends have been paid by the Corporation to date.

AUDITORS, TRANSFER AGENT AND REGISTRAR,
TRUSTEE

The auditors of the Corporation are Messrs. Harbinson, Glover & Co., Chartered Accountants, 120 Adelaide Street West, Toronto, Ontario.

The Transfer Agent and Registrar for the shares of the Corporation is Guaranty Trust Company of Canada, 366 Bay Street, Toronto, Ontario. Guaranty Trust Company of Canada has agreed to act as the depository of the proceeds of sale of shares hereunder pending receipt by the Corporation of \$31,200 being the minimum amount hereunder

THE OFFERING

The Corporation is offering up to 300,000 shares, of which 100,000 have been donated for the benefit of the Corporation and 200,000 are unissued treasury shares. The shares are offered through registered security dealers acting as agents of the Corporation, at the market price from time to time, on a best efforts basis, to provide a minimum return to the treasury of the Corporation of 75% of the proceeds received from the public from the sale of such shares; provided that the net proceeds to the Corporation shall in no event be less than 22½¢ per share. In addition to any commission which will be paid to any registered security dealer selling the Corporation's shares as its agent, the Corporation may pay a maximum of 15% of the selling price for promotional expenses.

The Registrar and Transfer Agent of the Corporation, Guaranty Trust Company of Canada, 88 University Avenue, Toronto, Ontario, will hold in trust all proceeds received for the account of the Corporation until a minimum of \$31,200 has been received, or for a period of 90 days following receipt by the Ontario Securities Commission of this prospectus in final form, whichever first occurs. In the event of failure by the Corporation to receive at least \$31,200 within the 90 day period prescribed, all moneys received on behalf of the Corporation will be returned to the subscribers in full without deduction.

ESCROWED SHARES

As at the date hereof 650,000 shares in the capital of the Corporation are held by Guaranty Trust Company of Canada at its offices at Toronto, subject to the terms and provisions of an Escrow Agreement between Steve Ivanov, the Corporation and Guaranty Trust Company of Canada providing for the release of such shares only upon the prior written consent of the Board of Directors of the Corporation and the Ontario Securities Commission. 100,000 donated shares are held by Guaranty Trust Company of Canada for the benefit of the Treasury of the Corporation for the purposes of this offering.

<u>Designation of Class</u>	<u>No. of Shares held in Escrow</u>	<u>Percentage of Class at date hereof</u>
Common shares without par value	650,000	100%

USE OF PROCEEDS

The Corporation proposes to spend the funds to be raised from the sale of up to 300,000 shares to pay the initial option payment of \$4,500 on the Bousquet Township property and to carry out the recommendations of its engineers as follows:

<u>Bousquet Township Property</u>	-	\$13,500
<u>Connaught Township Property</u>	-	\$ 6,100

The balance of \$7,100 will be applied in payment of preliminary incorporation and organization expenses and costs of this issue.

In the event that proceeds of this issue exceed the minimum amount of \$31,200, such moneys will form part of the general working capital of the Corporation, and will be used for additional exploration and development on the properties of the Corporation as and when warranted.

Moneys will not be expended on any new properties acquired without an amendment to this prospectus being filed and accepted by the Ontario Securities Commission if the securities of the Corporation are then in the course of distribution to the public.

PRINCIPAL SHAREHOLDER

Steve Ivanov, Apartment 215, 3744 St. Clair Avenue East, Scarborough, Ontario, is at the date of this prospectus the beneficial and recorded owner of 650,000 common shares without par value in the capital of the Corporation. The respective percentage holding of Mr. Ivanov, before and after this offering, assuming all of the shares offered hereunder are sold, are as follows:

<u>% of shares before offering</u>	<u>% of shares after offering</u>
86.66%	68.4%

Steve Ivanov, Apartment 215, Scarborough, Ontario, is the beneficial and recorded owner of 650,000 common shares without par value in the capital of the Corporation.

MANAGEMENT

The names and addresses of the directors and officers of the Corporation and the positions presently held by them are as follows:

DIRECTORS AND SENIOR OFFICERS

<u>Name and Address</u>	<u>Office or Position</u>	<u>Principal Occupation</u>
Steve Ivanov 3744 St. Clair Avenue East, Apt. 215, Scarborough, Ontario.	President and Director	Self-employed mining prospector
Harry Idris Miller, Rural Route No. 4, Picton, Ontario	Director	Mining Executive - Mid- North Engineering Services Limited since June 10, 1969. Pre- viously and currently Vice-President of Brewis & White Limited
Ivan DeBurgo Thornley-Hall 1160 Clarkson Road North Mississauga, Ontario	Secretary and Director	Solicitor, Levinter, Whitelaw, Dryden, Bliss and Hart
James Geddes 1461 Mildmay Court, Mississauga, Ontario	Treasurer and Director	Chartered Accountant, Treasurer, Mid-North Engineering Services Limited

Messrs. Ivanov, Miller and Geddes have pursued their principal occupations as indicated for a period in excess of five years. Ivan Thornley-Hall has engaged in the practise of law in the City of Toronto for a period in excess of five years.

REMUNERATION OF DIRECTORS AND SENIOR OFFICERS

No payment has been made by the Corporation to any officer or director. No provision for payment to directors of the Corporation is provided under the by-laws of the Corporation. During the forthcoming year, it is not anticipated that the senior officers and directors of the Corporation will receive remuneration beyond reimbursement for out of pocket expenses incurred on behalf of the Corporation.

Mr. Steve Ivanov, the President of the Corporation, will be paid a consulting fee for field supervision services from time to time on a per diem basis at the rate of \$100 per day.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Reference is made to the heading "History and Business". Steve Ivanov, director and President and a promoter of the Corporation, is the Vendor of the mining claims located in Connaught Township, Ontario, acquired by the Corporation as referred to under "History and Business".

55

C. W. ARCHIBALD

63.3022



040

GOLDHURST RESOURCES INC.

LITTLE ESTHER PROPERTY

CONNAUGHT TOWNSHIP, ONTARIO

September 26, 1972

by

C. W. Archibald

GOLDHURST RESOURCES INC.
LITTLE ESTHER PROPERTY
CONNAUGHT TOWNSHIP, ONTARIO

S U M M A R Y

The property consists of 12 contiguous unpatented claims owned 100% by the Company in Connaught Township, Ontario.

A pyrite-chalcopyrite mineralized conglomerate occurring approximately in the centre of the property would appear to be at least 20 feet wide and striking south away from an east-west copper mineralized shear zone. A grab sample of conglomerate assayed 2.34% copper in the zone.

The above occurrence warrants exploration and the mineralized shearing on which the conglomerate abuts could also be an excellent area in which to locate other zones.

Stripping, trenching and blasting have been recommended on the conglomerate zone to allow it to be properly sampled and to ascertain widths and lengths. Prospecting has been recommended to try to locate other parallel structures with emphasis on the area of the mineralized east-west shearing seen on Little Esther Lake. Lines are to be cut on the property with 400 foot centres and stations at 100 foot intervals after which a geological survey has been recommended to outline possible mineral zones and define target areas.

Estimated cost of the above first phase of a program is \$6,100.00 with diamond drilling to follow if warranted.

P R O P E R T Y

Consists of 12 unpatented, contiguous mining claims in the Township of Connaught in the District of Sudbury, Ont.

All the mining claims are owned outright by the Company.

The claims are numbered 341921 to 341927 inclusive and 342560 to 342564 inclusive.

L O C A T I O N A N D A C C E S S

The property is approximately 75 miles northwest of the City of Sudbury, Ontario, or approximately 12 miles southeast of the Town of Gogama.

Access is by float plane from Sudbury and landing on Little Esther Lake which lies within the claim group.

G E O L O G Y

The property is mainly underlain by basic flows of Keewatin age and isolated areas of Cobalt sediments.

In claim 341922, an east-west trending shear on the south side of the west arm of Little Esther Lake showed the probable location of a fault. On the north side of the lake at this point is a quartz feldspar porphyry and on the south side a north-south trending conglomerate.

Very little is known of the geology of the property although there are quite a number of outcrops and lightly overburdened areas. Map number 43C of the Ontario Department of Mines by H.C. Laird covers the area in a generalized way.

On the south side of the west arm of Little Esther Lake on the assumed east-west fault, there is heavy shearing with some copper staining in the shearing. In the conglom-

erate which is striking approximately north-south or at right angles to the shear zone are erratic concentrations of pyrite and chalcopyrite mineralization over at least a 20 foot width. One representative grab sample from numerous pieces gave an assay of 2.34% copper. No former work is evident in this area.

H I S T O R Y

As far as known, this property has never been diamond drilled and no evidence of trenching was seen.

C O N C L U S I O N S

The copper bearing conglomerate in claim 300570 warrants exploration.

As mineralization does not appear to be heavy enough or continuous enough to be traced by any type of geophysics other than an I.P. survey, since there is a fair amount of rock outcropping or shallow rock covering on the property and as a line of strike can be obtained, I would suggest a positive approach to exploration by trenching and prospecting, at least in the first phase.

The copper bearing conglomerate does not appear on the north shore of the west arm of Little Esther Lake which would make it appear that it has been faulted off at this point. It does however, strike approximately south from the lake and should not be too hard to follow in this direction.

In the east-west shearing at the location of the above mentioned conglomerate, much copper staining can be seen in the shear. It could be that the better copper mineralization is in the shear (fault) rather than in the conglomerate.

R E C O M M E N D A T I O N S

Stripping, trenching and blasting should be done on the conglomerate.

Prospecting can be done at the same time to try and locate other parallel structures as well as other occurrences on the property. It may also be possible to locate the continuity of the conglomerate to the north.

The east-west shear zone being on the side of the lake and extending to the east and west in low ground will be difficult to see but not to follow and this area should be prospected thoroughly.

A geological survey of the property would aid in the outline of other possible mineral zones.

For reference and location points, a north-south base line should be cut and chained north and south from the west end of the west arm of Little Esther Lake.

For completing a geological survey of the property and as an aid in prospecting the group, lines should be cut at 400 foot intervals on the base line and stations picketed every hundred feet.

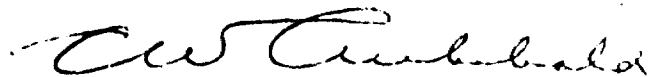
A minimal amount of diamond drilling to test the two showings would be 2000 linear feet and with the drill to be flown in and out, a tractor road to be cut between the showings, drill moves, assaying, etcetera, a net cost would be approximately \$11.00 per foot of \$22,000.00. However, dependant on the results of the prospecting, geological survey etcetera, a larger or smaller diamond drill program may be needed and it is recommended that this drilling program follow only if warranted at which time the cost may be better assessed.

E S T I M A T E D C O S T

Phase 1	1. Cutting and chaining base line and cross lines at 400 foot intervals (approximately 10 line miles)	\$1,700.00
	2. Prospector and helper	750.00
	3. Geological survey	1,650.00
	4. Equipment, travel, camp fly in & out of property	800.00
	5. Supervision & miscellaneous	<u>1,200.00</u>
		\$6,100.00

Phase 11
Diamond drilling cost to be estimated at a later date dependant on the result of the above work.

Dated this 26th day
of September 1972
Toronto, Ontario,




C. W. Archibald, B.A.Sc.,
P. Eng. of Ontario.

C E R T I F I C A T E

I, Charles William Archibald of 418 Glencairn Avenue of the City of Toronto, certify as follows with respect to the report entitled Goldhurst Resources Inc., Little Esther Property, Connaught Township, Ontario, dated September 26th, 1972.

1. I am a practicing mining engineer and have been in this profession for thirty years.
2. I am a graduate of the University of Toronto in Mining Engineering.
3. I have no direct or indirect interest whatever, nor do I expect to receive any in the properties or securities of Goldhurst Resources Inc.
4. The report is based on a personal examination of the property.

September 26, 1972,
Toronto, Ontario.


C.W. Archibald, B.A.Sc., P.Eng.