

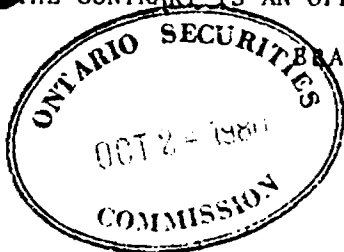


52F18NE8394 63.3908 PICKEREL

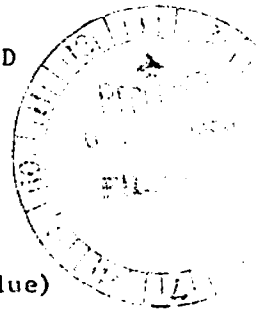
010

63.3908

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.



BRAESWOOD EXPLORATIONS LIMITED
Suite 402
27 Queen Street East
Toronto - Ontario
M5C 2M6



P R O S P E C T U S

NEW ISSUE: 300,000 common shares (without par value)

	Price to <u>Public</u>	Underwriter's <u>Discount</u>	Proceeds to <u>the Company (1)</u>
Per Share	70¢	35¢	35¢
Total	\$210,000	\$105,000	\$105,000

(1) Before deducting the expenses of this issue estimated at \$15,000. To the extent that shares are sold under the secondary offering, the Underwriter will pay its pro rata share of the said costs of the issue.

PLAN OF DISTRIBUTION

The Underwriter acting as principal will offer the underwritten shares over-the-counter in the Province of Ontario at the price set forth above. Sales of the underwritten shares may also be made through registered dealers acting as principals or agents.

PURPOSE OF OFFERING

The purpose of this offering is to provide funds to carry out exploration work on the Company's mining properties and to secure funds for working capital purposes, all as referred to under the caption "Use of Proceeds" herein. The net amount received by the Company will not be less than 30% of the gross proceeds of the new and secondary offering.

SECONDARY OFFERING 100,000 shares

Shares comprising the secondary offering will be offered by the Underwriter at prices arbitrarily fixed by it, and it is planned that such shares will initially be offered for sale in the \$1.00 to \$1.50 price range. None of the secondary shares will be offered for sale until all of the underwritten shares have been taken down, paid for and sold by the Underwriter. The proceeds from the sale of these shares will not accrue to the Company. Assuming an average selling price of \$1.25 per share, the proceeds of the secondary offering, all of which will be received by the Underwriter will amount to the sum of \$125,000.

THESE ARE SPECULATIVE SECURITIES, THERE IS NO MARKET FOR THE SHARES OFFERED HEREBY, AND PURCHASERS MAY NOT BE ABLE TO RESELL THEM.

Reference is made to the caption "Risk Factors".

UNDERWRITER
A.C. MacPHERSON & CO. LIMITED
Suite 1004
100 Adelaide Street West
Toronto - Ontario
M5H 1S3

BRALEWOOD EXPLORATIONS LIMITED

PROSPECTUS SUMMARY

Property Interests

The Company entered into an agreement with its promoter in September, 1980 pursuant to which it acquired an interest in 20 unpatented mining claims covering an area of approximately 800 acres located in Pickerel Township, Province of Ontario. An exploration program consisting of line cutting, electromagnetic surveys and diamond drilling has been recommended with a view to locating gold bearing structures on the mining claims.

Financing Arrangements

The Company has entered into an underwriting agreement with an underwriter pursuant to which the underwriter has agreed to purchase 300,000 treasury shares at the price of 35¢ per share so as to provide the Company with net proceeds of \$105,000. The proceeds from the issue, after payment of expenses, will be used to carry out the work program referred to above.

There is a secondary offering of 100,000 shares which will take place in the range of \$1.00 to \$1.50 per share. None of the proceeds from the sale of the secondary offering will accrue to the treasury of the Company. None of the secondary shares will be offered for sale until all of the underwritten shares have been taken down, paid for and sold by the underwriter.

Risk Factors

The Company's mining claims in Pickerel Township, Ontario do not contain a known body of commercial ore and the funds to be received by the sale of the common shares offered by this prospectus are to be used to explore the mining claims. If the program is successful, additional funds will be required for exploration and development work and to make option payments and the only source of funds available to the Company at this time is through the sale of equity capital.

Profit on any investment in the Company's shares will depend upon the success achieved in the exploration of the mining claims.

There is no market for shares of the Company and purchasers may not be able to resell them. The underwriter is not obligated to buy back shares except to the extent that it may have oversold the offering, and the buy-back price may be significantly lower than the original selling price.

(ii)

The purchasers of any of the underwritten shares will suffer an immediate dilution of 44¢ per share, and purchasers of the secondary shares a dilution exceeding 44¢ per share by the amount by which the price paid for such shares exceeds 70¢ per share. At an average price of \$1.25 per share, the dilution would be 99¢.



52F16NE8394 63.3908 PICKEREL

iii)

010C

BRAESWOOD EXPLORATIONS LIMITED

P R O S P E C T U S

INDEX

HISTORY AND BUSINESS ----- 1

 Pickerel Township Mining Lands

 Option Agreement ----- 1

 Acquisition ----- 3

 Location and Access ----- 3

 Title ----- 4

 History ----- 4

 Engineer's Report ----- 4

USE OF PROCEEDS ----- 7

OFFERING ----- 8

 Secondary Offering ----- 9

 Adjustment of Proceeds to the Company ----- 9

DESCRIPTION OF CAPITAL STOCK ----- 10

 Common Shares ----- 10

 Special Shares ----- 10

 Warrants ----- 11

CAPITALIZATION ----- 12

MANAGEMENT ----- 12

REMUNERATION OF MANAGEMENT ----- 14

DIVIDENDS ----- 14

AUDITOR ----- 14

REGISTRAR AND TRANSFER AGENT ----- 14

PROMOTER AND INTEREST OF MANAGEMENT AND
 OTHERS IN MATERIAL TRANSACTIONS ----- 14

RISK FACTORS ----- 16

PRIOR SALE OF SHARES ----- 17

PRINCIPAL AND SELLING SHAREHOLDER ----- 17

MATERIAL CONTRACTS ----- 18

PURCHASER'S STATUTORY RIGHTS OF WITHDRAWAL
 AND RESCISSION ----- 19

HISTORY OF MANAGEMENT ----- 20

HISTORY OF PROMOTER ----- 22

AUDITOR'S REPORT ----- 26

FINANCIAL STATEMENTS ----- 27

SIGNATURE PAGE -----

BRAESWOOD EXPLORATIONS LIMITED

P R O S P E C T U S

HISTORY AND BUSINESS

BRAESWOOD EXPLORATIONS LIMITED, (the "Company") was incorporated under The Business Corporations Act on September 18, 1980 to engage in the acquisition, exploration, development and operation of mines, mineral lands and deposits. The head office of the Company is located at Suite 402, 27 Queen Street East, Toronto, Ontario where the records of the Company are kept. None of the mining claims in which the Company has an interest contains a known body of commercial ore and any exploration programs thereon are exploratory searches for ore.

Pickerel Township Mining Lands

Option Agreement

Cadre Corporation ("Cadre"), Suite 403, 27 Queen Street East, Toronto, Ontario entered into an agreement made the 27th day of August, 1980 with Mr. Robert J. Fairservice, Box 664, Dryden, Ontario (the "option agreement") whereunder Mr. Fairservice granted to Cadre the right to purchase a 100% undivided interest, free from encumbrance, but subject to a royalty reserved to Mr. Fairservice equal to 2% of the net value of metals mined and produced from the 20 unpatented mining claims (the "mining claims") situate in Pickerel Township, in the Province of Ontario.

In order to acquire the interest in the mining claims and the option agreement, Cadre paid to Mr. Fairservice the sum of \$2,000 on execution of the option agreement and in return received appropriate transfers of the mining claims sufficient to enable Cadre to record title thereto in its name.

In order to complete the purchase of the mining claims, Cadre is required to pay the following amounts, namely:

- (a) \$3,000 within six months of the payment of the intitial \$2,000 referred to above or three days following the date that the Ontario Securities Commission issues its receipt for this prospectus of the Company, whichever is the earlier;
- (b) \$5,000 within twelve months of the date of the payment of the \$3,000 referred to in (a) above;
- (c) \$5,000 within twenty-four months of the date of the payment of the \$3,000 referred to in (a) above.

All of the foregoing payments are option payments only and need not be paid by Cadre unless it wishes to keep the option granted to it in good standing from time to time and/or to fully exercise the option. Cadre has the right during the currency of the option to enter upon the mining lands, to have exclusive and quiet possession thereof and to explore, develop, diamond drill and do other mining work thereon and thereunder as it may think advisable.

The agreement contains a commitment on the part of Cadre to carry out a program of line cutting and magnetometer and electromagnetic surveys and thereafter a program of 2,000 feet of diamond drilling or such other work as Cadre in its discretion determines should be carried out on the mining claims at a cost of not less than \$30,000.

Upon completion of the option payments, Cadre will have completed payment of the purchase of the 100% undivided interest in the mining claims, subject to the reservation to Mr. Fairservice of a royalty equal to 2% of the net value of metals mined and produced from the mining claims. The term "net value of metals" means the actual amount of payments received by Cadre from any independent custom smelter, mill, mint or other purchaser of ores, concentrates and minerals (the "products") mined and extracted from the mining claims and delivered for treatment and/or sale after deducting all charges and penalties for treatment and refining done by such custom smelter, mill, mint or other purchaser. In calculating net value of metals, there shall also be deducted therefrom, transportation costs for the products from the mining claims to the independent custom smelter, mill, mint or other purchaser and all sampling and assaying charges made or levied in connection with the sampling and assaying carried out after the products have left the mining claims; market costs, insurance premiums for insurance of such products and any export and import taxes on such products if such charges or costs are payable out of the proceeds received or shown as deductions therefrom. Payment of such royalty is to be made in Canadian funds on the 30th day following receipt by Cadre of financial settlement of advances from a smelter, mill, mint or other purchaser of the products.

The agreement contains provisions usual to agreements of this type requiring Cadre to keep the mining claims clear of liens, to do all work in a careful and minerlike manner in conformity with applicable mining laws in Ontario, to keep proper books of account and to make available particulars of work carried out on the mining claims from time to time.

So far as the Company is aware, no person or company has received or is entitled to receive a greater than 5% interest in the consideration payable to Mr. Fairservice under the said agreement.

Acquisition

Cadre entered into an agreement made the 19th day of September, 1980 with the Company whereby Cadre agreed to pay to Mr. Fairservice the first two payments, aggregating \$5,000 referred to herein under the caption "Option Agreement" and to transfer and assign to the Company its entire right, title, estate and interest in the option agreement and the mining lands in consideration of the allotment and issuance to Cadre of 100,000 fully paid common shares of the Company's capital stock. The Company has also agreed to observe and perform all of the covenants and conditions and obligations of Cadre contained in the option agreement and to indemnify and save Cadre harmless from all costs, claims, demands or actions arising therefrom. Reference is made to the caption "Secondary Offering" for particulars of the agreement whereunder Cadre has granted to the underwriter referred to therein the option to purchase the said 100,000 common shares of the Company issued to Cadre.

So far as the Company is aware, no person or company has received or is entitled to receive a greater than 5% interest in the consideration payable to Cadre by the Company.

As the result of the payment by Cadre of the first two payments aggregating \$5,000, the Company will be free to explore the mining claims for a period of one year from the effective date of this prospectus which will be sufficient time to enable the Company to determine whether further exploration and development work is warranted and if further option payments to Mr. Fairservice ought to be made.

Location and Access

The mining claims may be easily reached by Highway No. 72, which joins the town of Sioux Lookout to Transcanada Highway No. 17. They can also be reached by water from Sioux Lookout on Minnitaki Lake. Sioux Lookout is a divisional point on the main line of the Canadian National Railway and is also served by scheduled air service and bus service. Skilled labour is available at Sioux Lookout, Dryden and Kenora as well as many support services such as machine shops, serviced lots and ample electric power.

The mining claims consist of a group of 20 contiguous claims having a total area of approximately 800 acres and may be described as follows:

<u>Claim Number</u>	<u>Acreage</u>	<u>Due Date for Assessment Work</u>
PA 437104	40	October 18, 1980*
PA 486378 to 486386	360	April 14, 1981
PA 490618 to 490627	400	April 14, 1981

* An application for extension of time has been made.

Title

Title to the mining claims will be recorded in the name of the Company and is the usual title to unpatented mining claims enjoyed in the Province of Ontario. To keep unpatented mining claims in good standing in the Province of Ontario during the first year after recording, 20 days work must be performed and recorded, 40 days work performed and recorded yearly for the next 3 years and 60 days work performed and recorded in the fifth year. Thereafter and after surveying, claims are required to be brought to 21 year lease in the ensuing year with annual rentals of \$1 per acre during the first year and 25¢ per acre annually thereafter. If a lease is for mining rights only, the second and subsequent years' rental is at the rate of 10¢ per acre.

History

In 1950 El Pen Rey Mines Limited held the mining claims and put down three diamond drill holes. It is believed that a magnetic survey was also done, but the records of this work have not yet been located. The three drill holes encountered mainly volcanic rocks and iron formation with lesser sediments and intrusives. Only one gold assay of significance was obtained in Hole No. 2 where 5.2 feet from 212.5 to 217.7 feet ran 0.05 ounces gold per ton. This intersection occurred within a 52.1 foot core length of iron formation from 170.8 feet to 222.9 feet. The only other sample taken from this iron formation was from 217.7 feet to 222.9 feet and this assayed nil gold. The iron formation occurs on the contact between the volcanics and sediments.

No further work was done on the mining claims until June, 1980 when Robert J. Fairservice prospected the volcanic-sediment contact and found sheared rhyolitic tuffs carrying sulfides. This first sample assayed 0.017 ounces of gold per ton.

The Goldlund property, some 4 miles west-south-west of the mining claims contains an important gold deposit which is presently under development. Drilling is also being carried on by Windfall Oils and Mines Limited immediately south-west of the Goldlund property with encouraging results. Gold is found on the Goldlund property within quartz stringers and veinlets which traverse a granodiorite intrusive mass and the gold on the Windfall property is similar in occurrence.

Engineer's Report

The following is management's summary of the conclusions and recommendations of Mr. Ross Kidd, P.Eng., Consulting Mining

Engineer contained in his report dated September 8, 1980 whose full report is available for inspection in the public files of the Ontario Securities Commission, 10 Wellesley Street East, Toronto, Ontario during normal business hours.

The iron formation along the regional contact represents a through-going formation with good depth implications and good widths. The tonnage possibilities are therefore considerable. Whether the 0.05 ounce assay obtained in the second hole drilled by El Pen Rey Mines Limited in the iron formation is an isolated value of little significance or whether it is a positive indication that gold solutions have entered the contact zone cannot be determined without a lot more sampling.

In Mr. Kidd's opinion, because of the attractive dimensions of the potential zone and since shearing and sulfides and low gold values have been recently located near the margin of the zone, further work is justified. This view is augmented by the additional chance of finding gold-bearing intrusives under the widespread overburden by means of the more refined geophysical methods developed since the mining claims were last explored.

It is concluded that:

1. The contact zone passing through the mining claims is occupied by iron formation of attractive dimensions and low gold values are known to occur both within the iron formation and in the adjoining rhyolitic tuffs.
2. Previous sampling of the contact zone has been minimal and it is considered that further work designed to sample the zone for gold is justified.
3. There may also be drift-covered intrusive bodies of the type in which the nearby Goldlund gold deposits occur and further work to explore for such bodies is also justified.

It is recommended that line cutting be carried out and a proton magnetometer and V.L.F. electromagnetic survey be conducted along the picket lines.

Diamond drilling of any interesting areas and anomalies should be carried out after the winter breakup so that the areas of interest can be carefully prospected as well.

It is estimated that the following costs to carry out this work will be experienced.

Linecutting:	25 miles @ \$300	- \$7,500
Magnetic survey:	25 miles @ \$100	- 2,500
V.L.F. survey:	20 miles @ \$100	- 2,000
Transportation, reports, maps, etc.		- 3,000
Diamond drilling,	2000 feet @ \$20	- 40,000
Supervision, assaying, transportation, prospecting, camp costs		- <u>10,000</u>
Total Cost Estimate		<u>\$65,000</u>

There is neither surface nor underground plant or equipment associated with the mining claims and no underground exploration or development work has been carried out thereon. The only surface work which has been carried out and is known to the Company is described herein under the caption "History". To date the Company has not carried out any work on the mining claims.

USE OF PROCEEDS

The proceeds to be received by the Company from the sale of the underwritten shares will be \$105,000 prior to deducting the expenses of the issue estimated not to exceed \$15,000. In the event the secondary offering referred to under the caption "Secondary Offering" proceeds, the cost of this issue will be pro rated between the Company and the Underwriter in proportion to the number of shares sold by each so that the Company will receive approximately \$3,750 towards such costs. The net proceeds will constitute the Company's working capital. Administrative expenses of the Company are estimated to be approximately \$8,000 per year.

The proceeds from the issue and funds available to the Company will be expended as follows:

- (a) the sum of approximately \$65,000 will be used to implement the recommendations of Mr. Ross Kidd, P.Eng. referred to in his report dated September 8, 1980 on the Company's mining claims located in Pickerel Township, Ontario.
- (b) \$5,000 will be paid as an option payment if warranted to Mr. Robert Fairservice within 12 months of the effective date of this prospectus. The payment of the \$5,000 option payment to Mr. Fairservice and any additional option payments required pursuant to the option agreement referred to herein under the caption "Option Agreement" will be entirely dependent upon the success which the Company experiences during the work programs to be carried out on the mining claims.

While the Company has no plans in this regard at the present time, monies in its treasury as available may also be used to defray the cost of programs of acquiring, staking, exploring and developing other properties either alone or in concert with others and generally to carry out exploration programs as opportunities and finances permit but no such properties will be acquired and monies will not be expended thereon without an amendment to this prospectus being filed if the securities of the Company are then in the course of distribution to the public.

Monies not immediately required for the Company's purposes as set out in this prospectus will be deposited in interest bearing accounts with Canadian chartered banks and/or trust companies.

OFFERING

The Company entered into an agreement (the "underwriting agreement") made as of the 22nd day of September, 1980, with A.C. MacPherson & Co. Limited (the "Underwriter"), Suite 1004, 100 Adelaide Street West, Toronto, Ontario, M5H 1S3, whereunder the Underwriter acting solely on its own behalf agreed to purchase the following shares of the Company, namely:

<u>Number of Underwritten Shares</u>	<u>Price Per Share</u>	<u>Net Proceeds to be Received by the Company</u>	<u>Offering Price of these Shares to the Public</u>
300,000	35¢	\$105,000	70¢

The Underwriter may terminate the agreement prior to the date of acceptance for filing of this prospectus by the Ontario Securities Commission (the "effective date") and for an additional period not exceeding 30 days thereafter provided that if the Underwriter purchases any of the underwritten shares it is thereupon irrevocably bound to take up and pay for all of the 300,000 underwritten shares. Termination may be based upon the Underwriter's assessment of the financial markets and in the case of certain stated events. Subject to the foregoing, the underwritten shares must be purchased within the following times calculated from the effective date, namely:

<u>Net Proceeds to be Received by the Company</u>	<u>Time within which Payable from effective date</u>
\$42,000	30 days
35,000	60 days
28,000	90 days
Total 105,000	

The Company is not aware of any assignments, sub-options or sub-underwritings with respect to the aforementioned underwritten shares.

The Underwriter acting as principal will offer the underwritten shares over-the-counter in the Province of Ontario at the price set forth above. The underwriting price of 35¢ per share was established by negotiation between the Company and the Underwriter. Sales of the underwritten shares may also be made through other registered dealers acting as agents or principals. Registered dealers acting as principals may receive all or any part of the Underwriter's discount of 35¢ per share and registered dealers acting as agents may be paid commissions not exceeding 17.5¢ per share.

Secondary Offering - 100,000 shares

The Underwriter entered into an agreement made as of the 19th day of September, 1980 with Cadre Corporation ("Cadre") whereby in consideration of the underwriting of treasury shares of the Company referred to above under the caption "Offering", Cadre agreed to sell to the Underwriter the 100,000 shares received by it for the assignment to the Company of the interest in the Pickerel Township mining claims. Full particulars of the said agreement are set forth herein under the caption "Promoter and Interest of Management and Others in Material Transactions". The 100,000 share vendor's consideration will be purchased from Cadre at the underwriting price namely, 35¢ per share.

The Underwriter will offer the secondary shares for sale over-the-counter in the Province of Ontario and it is presently anticipated that such shares will be offered for sale at prices in excess of 70¢ per share. The anticipated price range for such shares is \$1.00 to \$1.50. The offering prices within the said range will be arbitrarily determined by the Underwriter without considerations necessarily existing to justify any changes in the offering price. If a material event occurs in the affairs of the Company which justifies an increase in the offering price in excess of \$1.50 per share, an amendment to this prospectus will be filed before any such increase in the offering price is implemented.

None of the proceeds from the sale of the secondary shares will accrue to the Company. Sales of the secondary shares may also be made through other registered dealers other than the Underwriter acting as principals who may purchase such shares at such price as is negotiated with the Underwriter but the resale of such shares shall be subject to the same price limitations and terms and conditions that exist in the case where the Underwriter is itself offering secondary shares to the public. Registered dealers acting as agents may be paid commissions not exceeding 25% of the selling price of the shares so sold. None of the aforementioned secondary shares will be offered for sale by the Underwriter until all of the shares underwritten have been taken down, paid for and sold to the public.

Adjustment of Proceeds to the Company

Pursuant to the terms of the underwriting agreement made as of the 22nd day of September, 1980, the Underwriter has agreed that the Company will receive from the sale of the underwritten and secondary shares hereby offered the sum of \$105,000 or 30% of the aggregate selling price to the public of all of the shares offered hereby, whichever sum is greater.

The number of shares to be sold by the Underwriter shall not exceed the number qualified under this prospectus by more than 10% and the total proceeds of the overselling as received will be deposited in a trust account operated by the Underwriter exclusively to hold the proceeds for the purpose of maintaining a bid for shares of the Company distributed by it. To the extent that such monies are not applied for this purpose by September 25, 1981, or by such earlier date as the Underwriter may elect (after the number of shares purchased with funds in the trust account at least equal the number of shares sold by the Underwriter in excess of the number of shares qualified for sale under this prospectus) these funds must be divided between the Underwriter and the Company in the same ratio that the proceeds of the distribution were divided. If the number of shares purchased with funds in the trust accounts is not at least equal to the number oversold by the Underwriter then the entire remaining portion of the funds in the trust account must be paid to the Company.

The only persons having an interest either directly or indirectly to the extent of not less than 5% of the capital of A.C. MacPherson & Co. Limited are: Mildred Gerlock, Alfred Gerlock and Bruce M. Young.

DESCRIPTION OF CAPITAL STOCK

Common Shares

The common shares of the Company are without par value. The holders of common shares are entitled to dividends if as and when declared by the board of directors; common shares are entitled upon liquidation, dissolution or winding up of the Company to receive those assets distributable to shareholders, subject to the prior rights of the holders of preference shares described below; and to receive notice of and attend and vote at all meetings of the shareholders of the Company. There are no indentures or agreements limiting the payment of dividends and all common shares issued by the Company rank equally as to voting power, one vote for each share. There are no conversion rights, and there are no special liquidation rights, pre-emptive rights or subscription rights. The presently outstanding common shares are not subject to any call or assessment, and the shares offered hereby when issued and sold as described by this prospectus will not be subject to any call or assessment.

Special Shares

The special shares of the Company (designated as "preference shares") have a par value of 1/10th of 1¢ per share and are redeemable, voting, non-participating shares. They are not entitled to dividends at any time; are entitled in the event of liquidation, dissolution or winding up of the Company to re-

ceive in priority to the common shares a sum equal to the par value thereof and are not entitled to any further participation in the assets of the Company; are redeemable by the Company at the par value thereof upon the expiration of five years from the date of issuance thereof (unless this period is extended by the Company with the consent of the Ontario Securities Commission); are not transferable without the prior written consent of the Ontario Securities Commission; and entitle the holders thereof to receive notice of all meetings of shareholders and to one vote for each preference share held. The number of issued preference shares outstanding at any time is limited to 500,000 in number, and the presently issued preference shares are not subject to call or assessment. Reference is made to the caption "Promoter and Interest of Management and Others in Material Transactions" for particulars of the agreement between the Company and the Promoter specifying when and under what circumstances the Company will redeem preference shares.

Warrants

The Company has authorized the creation of warrants to accompany the preference shares hereinbefore referred to. The warrants permit the holders to subscribe for common shares on a warrant per share basis. Not more than 500,000 preference shares and accordingly not more than 500,000 warrants may be outstanding at any given time. The Company will issue, upon receipt of the sum of \$105,000 from the sale of the underwritten shares, warrants entitling the Promoter to purchase 75,000 common shares of the Company at the price of 43.75¢ per share until September 21, 1985. No common shares so purchased will be offered for sale within a period of 6 months from the Effective Date referred to under the caption "Offering". Up to an additional 425,000 warrants will be issuable to the Promoter on the basis of further financings being arranged for the Company. One warrant will be issued to the Promoter entitling it to purchase one common share of the Company for every 4 additional common shares of the Company sold by it in connection with such further financings. The purchase price payable on the exercise of such additional warrants will be a maximum of 125% of the purchase price paid to the Company's treasury and said warrants will be exercisable for a period of 5 years from the date of their respective issuance.

Warrants may not be transferred without the prior written consent of the Ontario Securities Commission. The warrants will contain antidilution provisions including, among other things provisions for appropriate adjustments in the class, number and price of shares issuable pursuant to any exercise of the warrants upon the occurrence of certain events including any subdivision, consolidation or reclassification of common shares the payment of stock dividends and the consolidation or merger by the Company with or into another corporation or the sale, conveyance, lease or other transfer by the Company of all or substantially all of its assets.

During the original five year term of the preference shares or any subsequent extension of such term, one underlying preference share shall be redeemed for each warrant exercised. Where the original five year term has not been extended, the underlying preference shares must be redeemed not later than five years from the date of their issuance. Even though the preference shares upon which warrants are based may have been redeemed, where the Promoter has earned the right to purchase specific numbers of common shares at specific prices but has not done so, the rights thus accrued may continue to be exercisable at any time during a period of five years from the date of redemption of the underlying preference shares or so long as the Company continues to hold the property whichever is the shorter time. Warrants contain no voting rights.

CAPITALIZATION

<u>Designation of Security</u>	<u>Amount Authorized</u>	<u>Amount Out- standing at Sept. 22/80</u>	<u>Amount Outstanding of all securities being offered are sold</u>
common shares without par value	5,000,000 (unlimited)	100,004 (\$35,004)	400,004 (\$140,004)
preference shares with a par value of 1/10th of 1¢ per share	1,000,000 (\$ 1,000)	500,000 (\$500)	500,000 (\$500)
warrants to purchase common shares	1,000,000	75,000	75,000 (1)

(1) These warrants may be exercised to purchase 75,000 common shares at the price of 43.75¢ per share and accordingly 75,000 common shares are reserved for the exercise of warrants.

MANAGEMENT

The board of directors of the Company consists of three directors and the names and addresses of the directors and officers of the Company and positions presently held by them in the Company are as follows:

<u>Name</u>	<u>Address</u>	<u>Position</u>
Oswald Frederick Carter	Town of Markham Province of Ontario	President and Director
Fred Munger	City of Toronto Province of Ontario	Secretary- Treasurer
Arthur John Fortens	Borough of East York Province of Ontario	Director
Rowland Glandfield	City of North York Province of Ontario	Director

The principal occupations of the directors and officers for the past ten years are as follows:

Mr. O.F. Carter has, since January 1, 1969, been a self-employed consulting geologist. Mr. Carter performs services for the Company as its Chief Executive Officer and technical consultant.

Mr. Munger is an accountant employed since March, 1974 by Sprucedale Holdings Limited and from February, 1972 to March, 1974 by Newtor Holdings Limited. Prior thereto he was an accountant employed by Sprucedale Holdings Limited until February, 1972. Mr. Munger is the sole director and officer of Sprucedale Holdings Limited which provides the Company with head office accommodation, accounting, administrative and corporate secretarial services. Mr. Munger performs services for the Company of an accounting and secretarial nature.

Mr. Fortens is an accountant and has been employed by Sprucedale Holdings Limited since June, 1971. Prior thereto, he was employed by Louada Holdings Limited. Mr. Fortens provides services as a director and accountant.

Mr. Glandfield has since December, 1975 been a retired business executive. Prior thereto he was President and a director and major shareholder of Glandfield & Co. Limited, broker-dealers in Toronto.

It is ordinarily unnecessary for the directors to devote more than 5% of their time to managing the affairs of any of the companies referred to under the caption "History of Management", however, the directors are available to carry out their duties and responsibilities whenever the affairs of any particular company requires. In the case of Mr. O.F. Carter who is the Company's technical consultant and who in addition to his duties as officer and director, acts to supervise and direct the Company's exploration programs, it is anticipated that he will devote between 10% and 15% of his time to the Company's business and affairs during its active period.

Reference is made to the caption "History of Management" for further particulars concerning the association of the directors and officers to other exploration companies.

REMUNERATION OF MANAGEMENT

No aggregate direct remuneration has been paid or is payable to the directors and senior officers of the Company from its inception until September 22, 1980.

Directors and officers of the Company are entitled to receive \$100 for each meeting of the board attended by them. A monthly fee of up to \$400 will be paid to Sprucedale Holdings Limited, Suite 402, 27 Queen Street East, Toronto, Ontario for providing the Company with head office accommodation, accounting, administrative and secretarial services. The Secretary of the Company is the sole director, officer and shareholder of Sprucedale Holdings Limited.

DIVIDENDS

No dividends have been paid to date by the Company.

AUDITOR

Mr. T.H. Bernholtz, Chartered Accountant, Suite 809, 330 Bay Street, Toronto, Ontario is the Company's auditor.

REGISTRAR AND TRANSFER AGENT

The registrar and transfer agent of the Company is National Trust Company, Limited, 21 King Street East, Toronto, Ontario.

PROMOTER AND INTEREST OF MANAGEMENT
AND OTHERS IN MATERIAL TRANSACTIONS

Cadre Corporation ("Cadre"), Suite 403, 27 Queen Street East, Toronto, Ontario is the promoter of the Company. The only person having a greater than 5% interest in Cadre is Frank Cadesky, 767 Spadina Road, Toronto, Ontario. Pursuant to an agreement dated September 22, 1980 between the Company and Cadre, Cadre subscribed for and purchased 500,000 preference shares of the Company at par for the sum of \$500. Pursuant to the said agreement, the Company, subject to the call or redemption as hereinafter described will redeem these preference shares at par on September 21, 1985 unless such redemption date is extended with the written concurrence of the Ontario Securities Commission.

The Company has agreed to make application to extend the redemption date at the request of Cadre if the Company has found itself unable to complete the exploration and development program prior to September 21, 1985 to the point that its feasibility has been proven or disproven so far as can be done through surface exploration including diamond drilling and the Company wishes to complete the program of exploration of the property has established the existence of a potentially economic mineral deposit which the Company wishes to retain even though its immediate further development is not feasible because of current conditions such as the price of metals, the cost of transportation or other economic factors.

The preference shares will not be redeemed earlier than September 21, 1985 or any date of extension without the consent of Cadre unless failure to do so would contravene the Ontario Securities Commission policies relative thereto. The preference shares shall be redeemed at an earlier date at par on the basis of one share to be redeemed for each common share of the Company purchased pursuant to the warrants referred to herein. Under the said agreement, the Company also agreed to issue warrants to Cadre entitling it to purchase 75,000 common shares of the Company at 43.75¢ per share exercisable on or before September 21, 1985 but any shares purchased pursuant to the said warrants may not be offered for sale until six months after the securities offered by this prospectus have been sold. The Company has also agreed with Cadre that to the extent the Company hereafter receives funds from the sale of its common shares to issue Cadre additional warrants to a maximum of 500,000 warrants outstanding at any time entitling Cadre to purchase on or before September 21, 1985 common shares of the Company. Such warrants will be issued on the basis of one warrant for every four common shares sold by the Company and the price at which common shares may be purchased thereunder will be equal to the maximum price per share received by the Company from the underwriting which established the right of Cadre to purchase the specific number of shares plus an amount per share equal to 25% of the difference between that price and the price at which those shares were distributed to the public.

Reference is made to the caption "Secondary Offering" for particulars concerning the agreement dated September 19, 1980 whereunder Cadre granted to A.C. MacPherson & Co. Limited (the "Underwriter") the option to purchase 100,000 common shares of the Company owned by Cadre at the price of 35¢ per share for a period of one year from the date of the receipt for the Company's preliminary prospectus. These shares form the shares referred to under the caption "Secondary Offering".

Reference is made to the caption "Pickerel Township Mining Lands" for particulars concerning the assignment to the Company by Cadre of its interest in the mining claims situate

in Pickerel Township, Ontario and the option agreement with Robert J. Fairservice pursuant to which such interest was acquired. The 100,000 vendors shares paid by the Company to Cadre were determined by the present directors of the Company. Since the mining lands are completely unproven, it is not possible to assign any particular value thereto and accordingly the said shares were arbitrarily allotted and issued at the sum of \$35,000 which amount represents the aggregate consideration which would be received by the Company at the underwriting price of 35¢ per share. Reference is also made to the caption "History of Promoter" for particulars concerning the various exploration companies with which Cadre Corporation and Mr. Cadesky have been associated during the past ten years.

RISK FACTORS

The mining claims situate in Pickerel Township, Ontario do not contain a known body of commercial ore and the funds to be received by the sale of the common shares offered by this prospectus are to be used to explore the mining claims. If the recommended program is successful, additional funds will be required in excess of these to be provided by the present offering to make option payments to maintain the claims in good standing, for further exploration work to prove an economic ore body and to bring such ore body to production. The only source of future funds presently available to the Company is through the sale of equity capital, however, it is anticipated that if the results of the work program to be carried out on the mining claims is sufficiently encouraging, the Company will be able to obtain further financing to continue exploration of the mining claims. Profit on the investment in the Company's shares will depend upon the success experienced in the exploration of the mining claims.

There is no market for shares of the Company and purchasers may not be able to resell them. The Underwriter is not obligated to buy back shares except to the extent it may have oversold the offering and the buy back price may be significantly lower than the original selling price.

Assuming the sum of the 300,000 underwritten shares and the 100,000 secondary shares referred to under the caption "Offering", the number of shares of the Company which will be issued will be 400,004. Assuming that the Company has a nil net tangible book value prior to the offering and after the offering this value will be \$105,000, shareholders purchasing any of the underwritten shares will suffer an immediate dilution of 44¢ per share and shareholders purchasing secondary shares a dilution exceeding 44¢ per share by the amount by which the price paid for such shares exceeds the sum of 70¢ per share. At an average selling price of \$1.25 per share, the dilution would be 99¢ per share.

PRIOR SALE OF SHARES

The Company has sold 500,000 special shares of its capital stock during the 12 months preceding the date of this prospectus for the aggregate sum of \$500, representing the stated par value thereof at 1/10th of 1¢ per share. In addition thereto, 100,000 common shares were issued for the mining claims all as more particularly described under the caption "Pickerel Township Mining Lands". Four shares were issued to directors and officers for \$4.

PRINCIPAL AND SELLING SHAREHOLDER

Set forth below are particulars of the present principal holders of shares of the Company whose ownership is direct, of record and beneficial:

<u>Name and Address</u>	<u>Class of Shares</u>	<u>Number of Shares</u>	<u>Percentage of Class</u>
Cadre Corporation Suite 403 27 Queen Street E. Toronto, Ontario	Preference	500,000	100% (1) 100% (2)
	Common	100,000	99.9% (1) 0.0% (2)

The 100,000 shares owned by Cadre Corporation will be sold to A.C. MacPherson & Co. Limited as more particularly described under the caption "Promoter and Interest of Management and Others in Material Transactions" and "Secondary Offering". Under the latter caption, particulars of the offering of such shares are detailed. The said shares if offered, will be offered as follows:

<u>Name and Address</u>	<u>No. of Shares Owned</u>	<u>No. of Shares to be Sold</u>	<u>No. of Shares to be Owned After this Financing</u>	<u>Percentage to be Owned After this Financing</u>
A.C. MacPherson & Co. Limited Suite 1004 100 Adelaide St. W. Toronto, Ontario	100,000	100,000	0	0

(1) Calculated on the basis of there being 100,004 common shares and 500,000 preference shares issued and outstanding before the offering.

(2) Calculated on the basis of there being 400,004 common shares and 500,000 preference shares issued and outstanding following the offering.

Set forth below are the particulars of the number of shares of the Company beneficially owned directly or indirectly by all of the directors and senior officers of the Company subsequent to the completion of the offering described in this prospectus.

<u>Designation of Class</u>	<u>Percentage of Class</u>
common shares without par value	less than 1%

MATERIAL CONTRACTS

The Company has entered into the following material contracts within the two years prior to the date hereof, which are still in effect, namely:

1. Underwriting agreement made as of the 22nd day of September, 1980 between the Company and A.C. MacPherson & Co. Limited more particularly referred to under the caption "Offering".
2. Assignment agreement made the 19th day of September, 1980 between the Company and Cadre Corporation pursuant to which Cadre assigned its interest in the mining claims situate in Pickerel Township, Ontario and the Option Agreement with Robert J. Fairservice, more particularly referred to herein under the caption "Pickerel Township Mining Lands".
3. Subscription agreement made as of the 22nd day of September, 1980 between the Company and Cadre Corporation pursuant to which the Company agreed to issue and Cadre Corporation agreed to purchase 500,000 special shares of the Company's capital stock all as more particularly referred to herein under the caption "Promoter and Interest of Management and Others In Material Transactions".

In addition to the foregoing, the following material contracts have been entered into respecting the Company, namely:

4. Option agreement made the 19th day of September, 1980 between Cadre Corporation and A.C. MacPherson & Co. Limited pursuant to which A.C. MacPherson & Co. Limited has the right to purchase 100,000 common shares of the Company more particularly referred to under the captions "Promoter and Interest of Management and Others in Material Transactions" and "Secondary Offering".
5. Option agreement made the 27th day of August, 1980 between Cadre Corporation and Robert J. Fairservice pursuant to which Cadre Corporation acquired an interest in the mining claims located in Pickerel Township, Ontario more particularly referred to herein under the caption "Pickerel Township Mining Lands".

Copies of the foregoing agreements may be inspected at the head office of the Company, Suite 402, 27 Queen Street East, Toronto, Ontario during normal business hours during the distribution of the securities being offered herein and at the offices of the Ontario Securities Commission, 10 Wellesley Street East during and subsequent to the distribution of the securities being offered herein.

PURCHASER'S STATUTORY RIGHTS
OF WITHDRAWAL AND RESCISSION

Sections 70, 126 and 135 of The Securities Act (1978) provides in effect that when a security is offered in the course of a distribution or a distribution to the public:

- (a) a purchaser will not be bound by a contract for the purchase of such security if written or telegraphic notice of his intention not to be bound is received by the dealer from whom the purchaser purchased the security not later than midnight on the second business day after the latest prospectus and any amendment to the prospectus offering such security is received or deemed to be received by the purchaser or his agent, and
- (b) if a prospectus, together with any amendment to the prospectus, contains a misrepresentation, a purchaser who purchases a security offered thereby during the period of distribution or distribution to the public shall be deemed to have relied on such misrepresentation, if it was a misrepresentation at the time of purchase and, subject to the limitations set forth in the Act,
 - (1) has a right of action for damages against,
 - (i) the issuer or a selling security holder on whose behalf the distribution is made;
 - (ii) each underwriter required to sign the certificate required by Section 58 of the Act;
 - (iii) every director of the issuer at the time the prospectus or amendment was filed;
 - (iv) every person or company whose consent has been filed pursuant to a requirement of the regulations under the Act but only with respect to reports, opinions or statements made by them; and

- (v) every other person or company who signed the prospectus or the amendment,

but no action to enforce the right can be commenced by a purchaser more than the earlier of 180 days after the purchaser first had knowledge of the facts giving rise to the cause of action, or

- (2) where the purchaser purchased the security from a person or company referred to in (i) or (ii) above or from another underwriter of the securities, he may elect to exercise a right of rescission against such person, company or underwriter, in which case he shall have no right of action for damages against such person, company or underwriter, but no action to enforce this right can be commenced by a purchaser more than 180 days after the date of the transaction that gave rise to the cause of action.

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

HISTORY OF MANAGEMENT

The principal occupations of the directors and officers for the past 10 years are as follows:

A company is considered to be active if it is either engaging in a work program, proposing to engage in a work program, or has adequate funds to enable it to participate in a meaningful program, although any properties in which it may have an interest do not warrant further work. Inactive companies are those which have no reasonable prospect of carrying out meaningful work within the foreseeable future due to lack of finances, nor do they have any prospects to obtain further financing.

Mr. O.F. Carter is a director and/or officer of the following junior mining companies: Consolidated Summit Mines Limited, Forefront Consolidated Explorations Ltd., Frankfield Explorations Ltd., Frodac Consolidated Energy Resources Ltd., Gambit Consolidated Explorations Ltd., Gold Ridge Mines Inc., Mistango River Mines Limited, Mid-West Energy Inc., North American Rare Metals Limited, Us-Ca-Mex Explorations Limited, Solo Resources & Energy Inc., Marmac Resources Limited, Zarina Explorations Ltd., Melrose Explorations Ltd., Havelock Energy & Resources Inc., Spindle Top Energy & Resources Inc., Triangle Explorations Ltd., Trinova Resource Explorations Ltd., Texcan Energy & Resources Inc., Petroflo Petroleum Corporation.

In addition to the foregoing, Mr. Carter is no longer a director of two other companies.

Mr. Munger is a director and/or officer of the following active junior mining companies: Consolidated Summit Mines Limited, Forefront Consolidated Explorations Ltd., Frankfield Explorations Ltd., Gambit Consolidated Explorations Ltd., Gold Ridge Mines Inc., Rich Point Mines Limited, Spindle Top Energy & Resources Inc., Us-Ca-Mex Explorations Limited, Zarina Explorations Ltd., Marmac Resources Limited, Cable Copper Mines Limited, Triangle Explorations Ltd., Mountainview Explorations Ltd., Milner Consolidated Silver Mines Limited, Prodac Consolidated Energy Resources Ltd., La-Chib Mines Limited, Melrose Explorations Ltd., Texcan Energy & Resources Inc., Petroflo Petroleum Corporation.

In addition to the foregoing, Mr. Munger has been associated with 9 other companies which are presently dormant, have had their charters cancelled or he is no longer a director.

Mr. Fortens is a director and/or officer of the following active junior mining companies: Consolidated Summit Mines Limited, Eagle Rock Iron Mines Limited, Fin Resources Inc. Frankfield Explorations Ltd., Prodac Consolidated Energy Resources Ltd. Gold Belle Mines Limited, Gold Ridge Mines Inc., Mid-West Energy Inc. North American Rare Metals Limited, Rich Point Mines Limited, Shilo Mines Limited, Temple Explorations Inc. Trinova Resource Explorations Ltd., Us-Ca-Mex Explorations Ltd., Marmac Resources Limited, Golden Bounty Mining Company Limited, Triangle Explorations Ltd., Petrobar Explorations Inc., Claremont Mines Ltd., Melrose Explorations Ltd., Spindle Top Energy & Resources Inc., Zarina Explorations Ltd., Dovercliffe Minerals Ltd., Solo Resources & Energy Inc., Bald Eagle Explorations Inc., Texcan Energy & Resources Inc., Vista Explorations Ltd., Golden Falcon Explorations Inc., Newmex Gold Resources Inc, Sycon Energy Corp, Sidewinder Exploration Inc. and Petroflo Petroleum Corporation.

Mr. Fortens has been associated with 50 other companies which are presently dormant, have had either charters cancelled or he is no longer a director.

Mr. Glandfield is a director and/or officer of the following active junior mining companies: Trinova Resource Explorations Limited, Solo Resources & Energy Inc. and has acted indirectly through his association with Glandfield & Co. Limited as the promoter for several junior mining companies.

In addition to the foregoing, Mr. Glandfield is no longer the director of one other company.

HISTORY OF PROMOTER

Frank Cadesky is the sole shareholder, director and officer of Cadre Corporation and for over 10 years prior to his resignation in May, 1977 was a director, officer and shareholder of Universe Securities Ltd., (formerly Glandfield & Co. Limited), broker-dealers, Toronto, Ontario. Set forth below are particulars concerning the various companies in which Mr. Cadesky has been associated as promoter, either directly in his personal capacity or indirectly through Universe Securities Ltd., or Cadre Corporation.

Company	Promoter	Undewriter	Under-writing Proceeds	Field Expenses	Date of Under-writing
Consolidated Louanna Gold Mines Limited	Glandfield & Co. Limited	Glandfield & Co. Limited and Bouclard & Co. Limited, private placement.	\$447,500	\$387,360	1973 and 1975

The Company is presently active and has completed dewatering of its gold property near Nakina, Ontario in preparation for further work.

Consolidated Summit Mines Limited	Frank Cadesky	Glandfield & Co. Limited and Bouchard & Co. Limited	\$170,000	\$118,641	1973 and 1976
-----------------------------------	---------------	---	-----------	-----------	---------------

The Company is presently arranging a joint venture project to develop silver potential on 2 claims in the Cobalt area held by the Company.

Forefront Consolidated Explorations Ltd.	Glandfield & Co. Limited	Glandfield & Co. Limited	\$308,250	\$217,143	1975
--	--------------------------	--------------------------	-----------	-----------	------

The Company is presently active - 50% interest in 800 acres of oil leases in Ohio. One well drilled to date and completion for production testing is under review.

Frankfield Explorations Ltd.	Frank Cadesky	Marchmont & MacKay Limited Cadre Corporation Tom & Barnt Limited	\$335,000	\$ 99,795	1974 1975 & 1980
------------------------------	---------------	--	-----------	-----------	------------------------

The Company is inactive. It holds 36% interest in a gold prospect, Tully Township, Ontario; major interest holder is currently negotiating for further drilling. Frankfield is planning to participate pro-rata.

Company	Promoter	Underwriter	Under-writing Proceeds	Field Expenses	Date of Under-writing
Gambit Consolidated Explorations Ltd.	Glandfield & Co. Limited	Glandfield & Co. Limited	\$274,000	\$221,949	1974 and 1975

The Company is presently active - 50% interest in 800 acres of oil leases in Ohio. One well drilled to date and completion for production testing is under review.

Gold Ridge Mines Inc.	Frank Cadesky	M. Rash & Co. Limited	\$135,000	\$ 75,293	1974
-----------------------	---------------	-----------------------	-----------	-----------	------

The Company is presently inactive; however, management is looking for a worthwhile interest for the Company.

Havelock Energy & Resources Inc.	Cadre Corporation	A.C. MacPherson & Co. Limited	\$198,000	\$ 37,695	1977 & 1980
----------------------------------	-------------------	-------------------------------	-----------	-----------	-------------

The Company is active and holds a 24 claim uranium prospect in Quebec. Has acquired oil and gas leases, 225 acres, Wayne county, Ohio. Planning testing of sands by 3,500 foot well to productive Clinton formation in 1980.

Marmac Resources Limited	Cadre Corporation	Marchmont & MacKay Limited	\$122,500	\$89,274	1979 & 1980
--------------------------	-------------------	----------------------------	-----------	----------	-------------

A drilling program for oil or natural gas on leases held by the Company in Prairie Township, Ohio, carried out in April, 1980. One well intersected 20 feet of excellent porosity including a 5 foot 8 inch zone of clean sand with oil and gas showings. Well will be completed and tested for commercial production.

Melrose Explorations Ltd.	Cadre Corporation	Marchmont & MacKay Limited	\$195,000	\$61,048	1979 & 1980
---------------------------	-------------------	----------------------------	-----------	----------	-------------

A 4,000 foot diamond drilling program on gold claims held by the Company was carried out in early 1980 with encouraging results. Planning 4,000 foot further drilling in November, 1980.

Company	Promoter	Underwriter	Under-writing Proceeds	Field Expenses	Date of Under-writing
Petroflo Petroleum Corporation	Cadre Corporation	M. Rash & Co. Limited	\$1,456,727	\$937,731	1975, 1976, 1977

The Company is active; and has a 5% interest in 6 oil-gas wells to be drilled as part of the operators ongoing program in Burleson and adjacent counties, Texas commencing December 1, 1980.

Solo Resources & Energy Inc.	Cadre Corporation	M. Rash & Co. Limited	\$370,000	\$283,297	1979 and 1980
------------------------------	-------------------	-----------------------	-----------	-----------	---------------

Had 50% interest in prospect oil well, Nolan County, Texas drilled in May-June 1980. Not successful and abandoned. Has recently acquired an interest in 2 oil and gas wells in Burleson County, Texas.

Spindle Top Energy & Resources Inc.	Cadre Corporation	M. Rash & Co. Limited	\$1,303,125	\$594,161	1977, 1978, 1979 and 1980
-------------------------------------	-------------------	-----------------------	-------------	-----------	---------------------------

The Company is presently active and holds approximately 850 gas and oil leases in Ohio. Two wells have been drilled and completed, one as a gas/oil producer, the second as an oil producer. Also holds a 50% interest in two wells to be drilled in Haskell County, Texas to test Strawn formation at 5,000 foot depth. Drilling scheduled for September, 1980.

Texcan Energy & Resources Inc.	Cadre Corporation	M. Rash & Co. Limited	\$480,000	\$ 98,919	1980
--------------------------------	-------------------	-----------------------	-----------	-----------	------

The Company is active, holding a 50% interest in 2,698 acres, oil leases, in Anderson County, Texas. The Company participated in a well drilled in July, 1980 which was abandoned as a non-producer and is looking for further participations.

Triangle Explorations Limited	Frank Cadesky	A.C. MacPherson & Co. Limited	\$197,500	\$104,000	1978
-------------------------------	---------------	-------------------------------	-----------	-----------	------

The Company is active; it drilled uranium prospect in Johnson Township, Ontario in 1979, and holds oil leases of approximately 28 acres in Kansas, U.S.A. Two wells drilled and being prepared for production testing.

Company	Promoter	Underwriter	Under-writing Proceeds	Field Expenses	Date of Under-writing
Trinova Resource Explorations Ltd.	Cadre Corporation	M. Rash & Co. Limited	\$740,000	\$185,000	1978 and 1979

The Company is active and holds a 50% interest in approximately 800 acres of inactive oil leases in Alberta. Has recently acquired an interest in 5 wells being drilled or prepared for production in Burleson County, Texas. Provision to participate in further wells.

Zarina Explorations Ltd.	Glandfield & Co. Limited	Glandfield & Co. Limited	\$326,074	\$186,675	1974, 1975, and 1977
--------------------------	--------------------------	--------------------------	-----------	-----------	----------------------

The Company is inactive

Frodac Consolidated Energy Resources Ltd.	Frank Cadesky	Marchmont & MacKay Limited	\$633,350	\$320,106	1973, 1974, 1975, 1976, 1979 and 1980
---	---------------	----------------------------	-----------	-----------	---------------------------------------

The Company is active. It holds approximately 796 acres of gas leases in Erie County, Pennsylvania. Well drilled in early 1980. Has arranged funds for completion and production, to be carried out shortly.

THEODORE H. BERNHOLTZ, B.COMM., M.A.
CHARTERED ACCOUNTANT
TRUSTEE IN BANKRUPTCY

AUDITOR'S REPORT

To the Directors of
Braeswood Explorations Limited

I have examined the balance sheet of Braeswood Explorations Limited as at September 22, 1980. My examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary in the circumstances.

In my opinion, this balance sheet presents fairly the financial position of the Company as at September 22, 1980 in accordance with generally accepted accounting principles.

Toronto, Ontario
September 23, 1980

T. H. Bernholtz (Signed)
Chartered Accountant

BRAESWOOD EXPLORATIONS LIMITED
BALANCE SHEET
AS AT SEPTEMBER 22, 1980

ASSETS

Current

Cash	\$ 504
<u>Resource properties (Note 1)</u>	<u>35,000</u>
Incorporation expenses and estimated costs of initial offering	15,000
	<u>\$ 50,504</u>

LIABILITIES

Current

Accrued liabilities, estimated	<u>\$ 15,000</u>
--------------------------------	------------------

SHAREHOLDERS' EQUITY

Capital stock (Notes 2 and 3)

Authorized:

- 1,000,000 non-participating, redeemable voting preference shares with a par value of 1/10 of 1¢ each
- 5,000,000 common shares without par value

Issued and fully paid:

500,000 preference shares	\$ 500	
100,000 common shares	<u>35,004</u>	<u>35,504</u>
		<u>\$ 50,504</u>

The accompanying notes form an integral part of these financial statements.

On behalf of the Board:

O.F. Carter (Signed) Director

A.J. Fortens (Signed) Director

BRAESWOOD EXPLORATIONS LIMITED
NOTES TO BALANCE SHEET
SEPTEMBER 22, 1980

Note 1.

Resource properties

- (a) By agreement dated August 27, 1980 Cadre Corporation (Cadre) entered into an agreement made with Mr. Robert J. Fairservice, Dryden, Ontario (the "option agreement") whereunder Mr. Fairservice granted to Cadre the right to purchase a 100% undivided interest, free from encumbrance, but subject to a royalty reserved to Mr. Fairservice equal to 2% of the net value of metals mined and produced from the 20 unpatented mining claims (the "mining claims") situated in Pickerel Township, in the Province of Ontario.

In order to acquire the interest in the mining claims and the option agreement, Cadre paid the sum of \$2,000 on execution of the option agreement and delivery to Cadre of appropriate transfers of the mining claims sufficient to enable Cadre to record title thereto in its name.

In order to complete the purchase of the mining claims, Cadre is required to pay the following amounts, namely:

- (a) \$3,000 within six months of the payment of the initial \$2,000 referred to above or three days following the date that the Ontario Securities Commission issued its receipt for the final prospectus of the Company, whichever is the earlier;
- (b) \$5,000 within twelve months of the date of the payment of the \$3,000 referred to in (a) above;
- (c) \$5,000 within twenty-four months of the date of the payment of the \$3,000 referred to in (a) above.

The agreement contains a commitment on the part of Cadre to carry out a program of line cutting and magnetometer and electromagnetic surveys and thereafter a program of 2,000 feet of diamond drilling or such other work as in Cadre's discretion is determined should be carried out on the mining claims at a cost of not less than \$30,000.00

Upon completion of the option payments, Cadre will have completed payment of the purchase of the 100% undivided interest in the mining claims, subject to the reservation to Mr. Fairservice of a royalty equal to 2% of the net value of metals mined and produced from the mining claims. The term "net value of metals" is defined in the agreement.

- (b) By assignment agreement dated September 19, 1980 Cadre agreed to grant, transfer and assign to the Company its entire right, title, estate and interest in the option agreement in consideration of the allotment and issuance to Cadre by the Company of 100,000 free common shares of its capital stock. The initial \$5,000 due under the option agreement is to be paid by Cadre without any reimbursement by the Company leaving \$10,000 in option payments to be paid by the Company if it wishes to fully exercise the option and acquire the mining claims.

No. 2.

Capital stock

- (a) The following summarizes the additional rights, conditions and restrictions attaching to the Company's preference shares:

Number of shares issuable and consideration therefor:

Issuable for cash only in such amounts so that at no time will there be more than 500,000 preference shares issued and outstanding.

Accompanying warrants:

May be issued with accompanying warrants to purchase common shares on the basis of one warrant for each preference share.

Dividends:

Non-dividend paying.

Redemption:

Shall be redeemed at par after five years from respective dates of issue or sooner, with the consent of the holders of the shares to be redeemed, or, if the preference shares have been issued with accompanying common share purchase warrants, on exercise of any such warrants on the basis of one share for each warrant exercised.

Purchase by Company:

May be purchased by the Company for cancellation with the consent of the holders, at a price not exceeding their par value.

- (b) Up to 500,000 common share purchase warrants may be created to accompany the 500,000 preference shares issued. The warrants will entitle the holder to purchase one common share at a price per share of 125% of the maximum price received by the Company from an underwriting or best efforts financing up to a maximum of 500,000 shares or 25% of the number of shares issued for cash to the time of conversion.

Upon the receipt of the sum of \$105,000 from the sale of the underwritten shares, the Company will issue warrants entitling the promoter to purchase 75,000 common shares of the Company at the price of 43.75¢ per share.

The warrants expire on September 21, 1985 (unless this period is extended by the Company with the consent of the Ontario Securities Commission). Even though the special shares upon which particular warrants are based have been redeemed where the right to purchase specific numbers of common shares at specific prices has been earned but not exercised the rights thus accrued may continue for the shorter time period of five years from the date of redemption of the special shares or so long as the Company continues to hold the property.

Note 2.

Cont'd.

(c) Summary of shares issued:

Common shares:

4 shares to incorporators for cash	\$	4
100,000 shares to purchase property at 35¢ per share		35,000
		<u>\$ 35,004</u>

Preference shares:

500,000 for cash	\$	<u>500</u>
------------------	----	------------

Note 3. (a) Underwriting agreement

By an agreement dated September 22, 1980 the underwriter has agreed to purchase 300,000 shares of the Company's capital stock for \$105,000.00 (35¢ per share) payable within the following times from the date of acceptance for filing of the prospectus by the Ontario Securities Commission (effective date):

\$ 42,000 within 30 days from effective date
\$ 35,000 within 60 days from effective date
\$ 28,000 within 90 days from effective date
<u>\$105,000</u>

(b) Secondary offering

There is a secondary offering of 100,000 shares. The proceeds from the secondary offering will not accrue to the treasury and at least 30% of the total proceeds of the offering paid by the public must accrue to the treasury of the Company. In the event that the secondary offering is made, the underwriter will pay to the Company its pro-rata share of the costs of the issue to the extent that any secondary shares are sold by the underwriter.

Note 4.

Other statutory information

A statement of changes in financial position is not submitted because the Company was incorporated on September 18, 1980.

There are no other material facts.

The foregoing constitutes full, true and plain disclosure of all material facts relating to the securities offered by this prospectus as required by Part XIV of The Securities Act, 1978, and the regulations thereunder.

DATED this 20th day of October, 1980.

OSWALD FREDERICK CARTER
Chief Executive Officer (Signed)

FRED MUNGER
Chief Financial Officer (Signed)

ARTHUR JOHN FORTENS
Director (Signed)

ROWLAND GLANDFIELD
Director (Signed)

PROMOTER

CADRE CORPORATION

Per: Frank Cadesky (Signed)

To the best of our knowledge, information and belief, the foregoing constitutes full, true and plain disclosure of all material facts relating to the securities offered by this prospectus as required by Part XIV of The Securities Act, 1978 and the regulations thereunder.

DATED this 20th day of October, 1980.

A.C. MacPHERSON & CO. LIMITED

Per: M. Gerlock (Signed)



52F16NE3394 63.3908 PICKEREL

020

~~Barrenwood Exploration~~
~~Company~~



REPORT ON

FAIRSERVICE CLAIMS

CADRE CORPORATION

PICKEREL TOWNSHIP SIOUX LOOKOUT AREA ONTARIO

SEPTEMBER 8TH, 1980

ROSS KIDD, P.ENG.
CONSULTING MINING ENGINEER



52F16NE8394 63.3908 PICKEREL

020C

T A B L E O F C O N T E N T S

INDEX MAPSPAGE 1

SUMMARY 2

INTRODUCTION 3

SOURCES OF INFORMATION 3

GENERAL GEOLOGY MAP 4

ACCESS AND LOCAL RESOURCES 5

CLAIM DETAILS 5

CLAIM LOCATIONS MAP 6

HISTORY 7

SKETCH PLAN SHOWING EL PEN REY DRILL HOLES 8

GENERAL GEOLOGY..... 9

DISCUSSION OF AVAILABLE INFORMATION 10

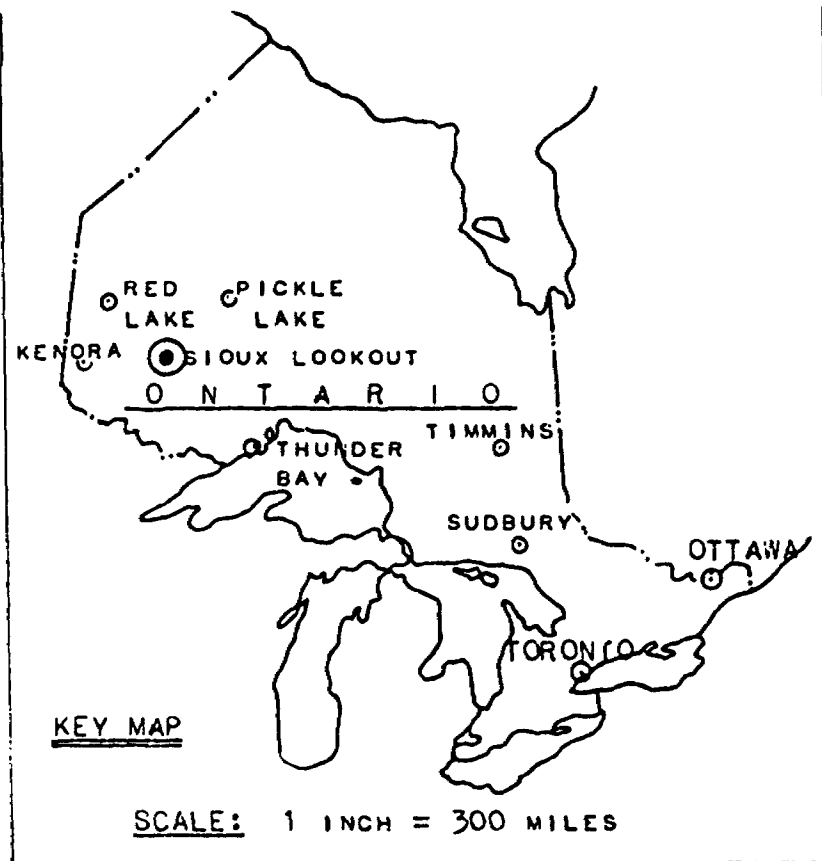
CONCLUSIONS 11

RECOMMENDATIONS 11

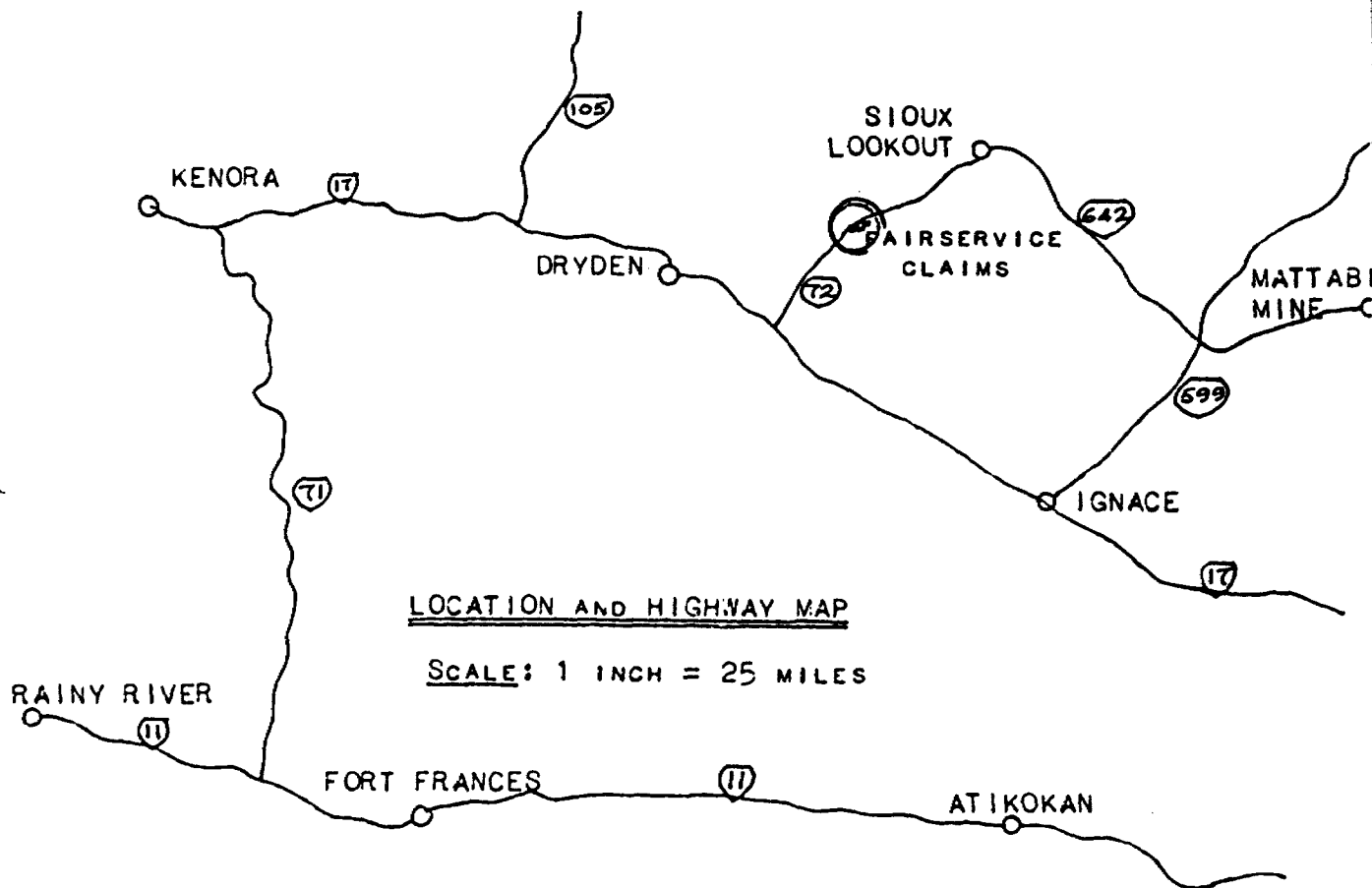
COST ESTIMATES 12

CERTIFICATE 13

APPENDIX ONE.....LOGS OF EL PEN REY DRILL HOLES 14



INDEX MAPS



SUMMARY

THE CLAIM GROUP IS LOCATED ABOUT 4 MILES ENE OF THE GOLDLUND MINES LIMITED PROPERTY, WHERE AN IMPORTANT GOLD DEPOSIT IS PRESENTLY BEING DEVELOPED.

THE CLAIMS STRADDLE A REGIONAL CONTACT ZONE BETWEEN FELSIC VOLCANICS AND METASEDIMENTS, ALONG WHICH IRON FORMATION ALSO OCCURS.

PREVIOUS ASSESSMENT WORK DRILLING ON THE CLAIMS BY EL PEN REY MINES LIMITED (IN 1950) EXPLORED THE CONTACT ZONE IN TWO HOLES, AND OBTAINED ONE INTERSECTION ASSAYING 0.05 OUNCES GOLD PER TON, ACROSS 5.2 FEET OF IRON FORMATION. RECENT PROSPECTING HAS ALSO LOCATED SHEARING, SULFIDES, AND LOW GOLD VALUES IN THE RHYOLITIC TUFFS ON THE MARGIN OF THE CONTACT ZONE.

IT IS CONCLUDED THAT MORE WORK IS JUSTIFIED ON THE CLAIM GROUP.

A PROGRAM OF PRELIMINARY GEOPHYSICAL SURVEYS FOLLOWED BY DIAMOND DRILLING IS RECOMMENDED, AT A TOTAL ESTIMATED COST OF \$65,000.

INTRODUCTION

THIS REPORT DESCRIBES THE AVAILABLE INFORMATION ON THE FAIRSERVICE GROUP OF CLAIMS LOCATED SOME 20 MILES SOUTHWEST OF THE TOWN OF SIOUX LOOKOUT IN NORTHWESTERN ONTARIO.

THE CLAIM GROUP IS LOCATED NEAR THE GOLDLUND PROPERTY, ON WHICH IMPORTANT GOLD DEPOSITS ARE NOW UNDER DEVELOPMENT.

THE REPORT WAS WRITTEN AT THE REQUEST OF MR. FRANK CADESKY, PRESIDENT, CADRE CORPORATION, TORONTO, ONTARIO, AND IT IS BASED UPON FAMILIARITY WITH THE AREA AND UPON THE SOURCES LISTED BELOW.

SOURCES OF INFORMATION

CLAIM MAPS M.2236 AND M.2258, ONTARIO MINISTRY OF NATURAL RESOURCES.

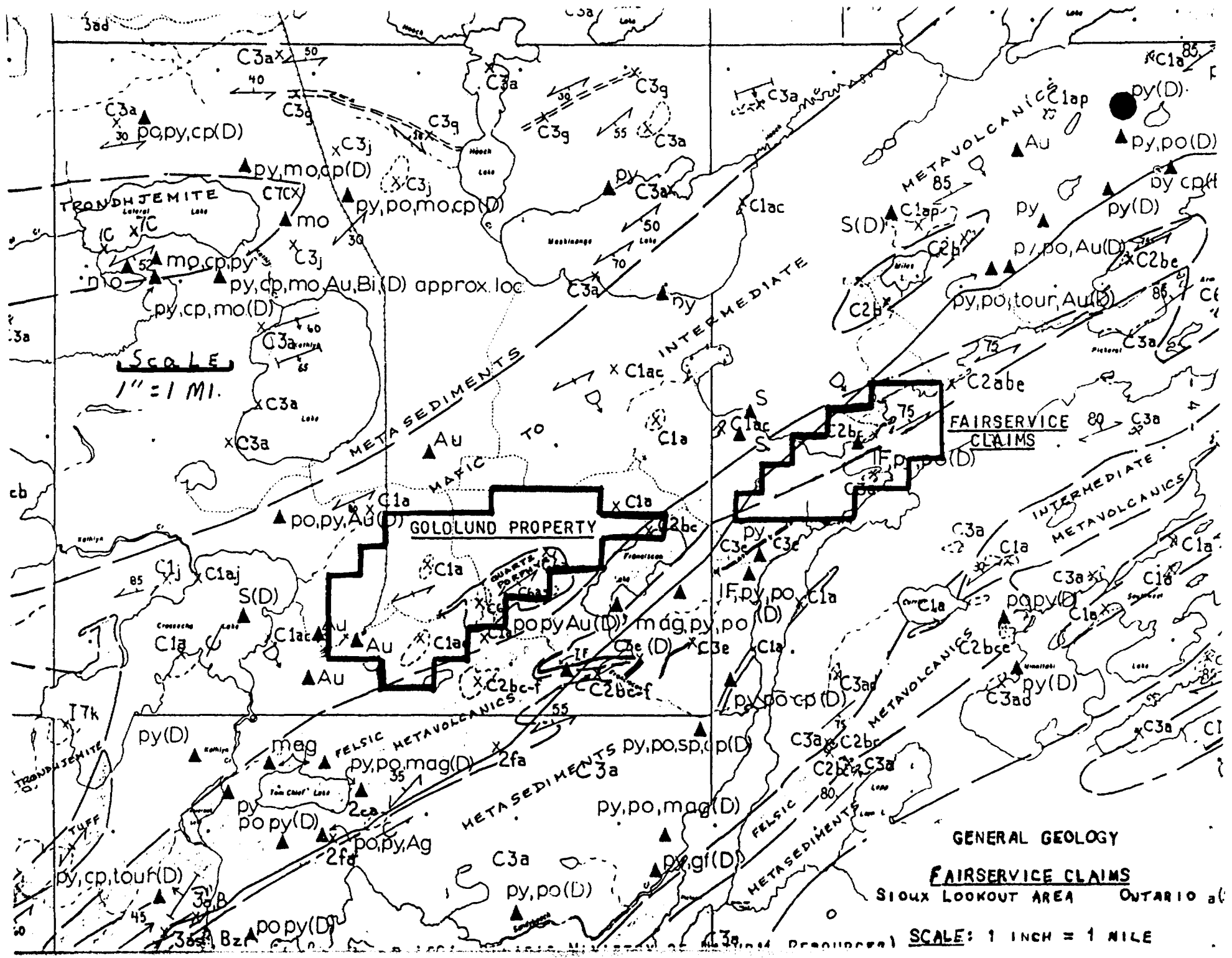
SKETCHES BY ROBERT J. FAIRSERVICE, OF DRYDEN, ONTARIO.

ASSESSMENT WORK FILES, ONTARIO MINISTRY OF NATURAL RESOURCES.

PRELIMINARY MAPS P.268, P.1204, P.2332, P.2372, ONTARIO MINISTRY OF NATURAL RESOURCES.

MAP NO. 41H, SIOUX LOOKOUT AREA, ONTARIO DEPARTMENT OF MINES.

JUNE 12, 1980 ISSUE OF THE NORTHERN MINER, PAGE 1, VOL.66,
NO. 14.



ACCESS AND LOCAL RESOURCES

THE CLAIM GROUP IS EASILY REACHED BY HIGHWAY NO. 72, WHICH JOINS THE TOWN OF SIOUX LOOKOUT TO TRANSCANADA HIGHWAY NO. 17. THE CLAIMS CAN ALSO BE REACHED BY WATER FROM SIOUX LOOKOUT, ON MINNITAKI LAKE. THE LOCATION IS SHOWN ON THE INDEX MAPS ON PAGE 1.

SIOUX LOOKOUT IS A DIVISIONAL POINT ON THE MAIN LINE OF THE CANADIAN NATIONAL RAILWAY, AND IS ALSO SERVED BY SCHEDULED AIR SERVICE AND BUS SERVICE. SKILLED LABOUR IS AVAILABLE AT SIOUX LOOKOUT, DRYDEN, AND KENORA, AS WELL AS MANY SUPPORT SERVICES SUCH AS MACHINE SHOPS, SERVICED LOTS, AND AMPLE ELECTRIC POWER.

CLAIM DETAILS

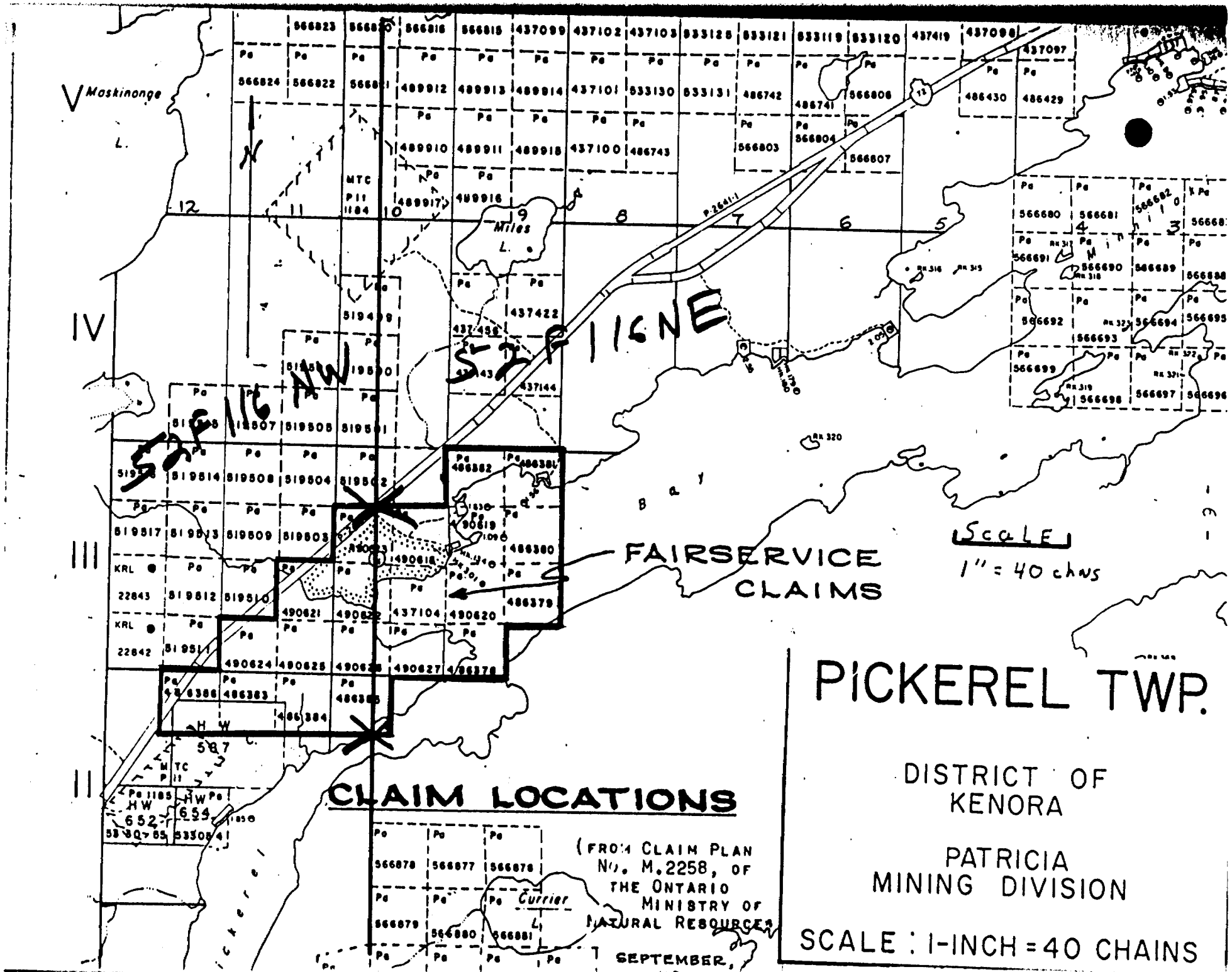
THE CLAIM GROUP IS MADE UP OF 20 CONTIGUOUS CLAIMS, HAVING A TOTAL AREA OF ABOUT 800 ACRES.

<u>CLAIM NUMBERS</u>	<u>ACREAGE</u>	<u>DUE DATE FOR ASSESSMENT WORK</u>
PA 437104	40	OCTOBER 18, 1980
PA 486378 TO 486386	360	APRIL 14, 1981
PA 490618 TO 490627	400	APRIL 14, 1981

IF 20 DAYS OF WORK ARE DONE ON EACH CLAIM, THEY WILL BE IN GOOD STANDING FOR A FURTHER YEAR. ALL THE CLAIMS ARE HELD BY ROBERT J. FAIRSERVICE, BOX 644, DRYDEN, ONTARIO.

I HAVE MADE NO SEARCHES OF TITLE OF THE CLAIMS.

THE CLAIM GROUP IS LOCATED IN PICKEREL TOWNSHIP, DISTRICT OF KENORA, PATRICIA MINING DIVISION, ONTARIO.



SCALE
1" = 40 chns

FAIRSERVICE
CLAIMS

PICKEREL TWP.

DISTRICT OF
KENORA

PATRICIA
MINING DIVISION

SCALE : 1-INCH = 40 CHAINS

CLAIM LOCATIONS

(FROM CLAIM PLAN
No. M. 2258, OF
THE ONTARIO
MINISTRY OF
NATURAL RESOURCES)

SEPTEMBER,

HISTORY

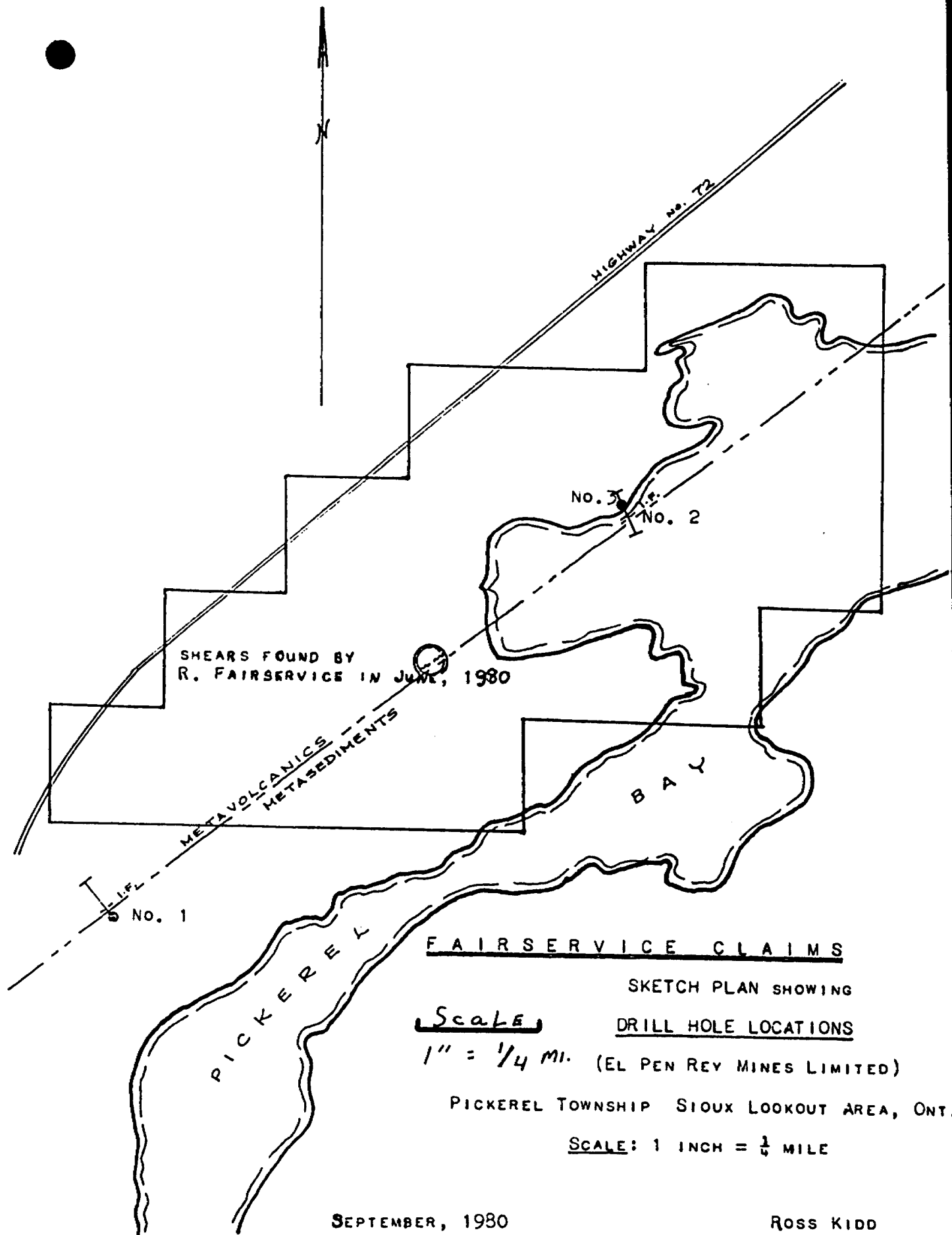
IN 1950 EL PEN REY MINES LIMITED HELD THE CLAIMS, AND PUT DOWN THREE DIAMOND DRILL HOLES. IT IS BELIEVED THAT A MAGNETIC SURVEY WAS ALSO DONE, BUT THE RECORDS OF THIS WORK HAVE NOT YET BEEN LOCATED.

THE LOCATIONS OF THE 3 DRILL HOLES ARE SHOWN ON THE SKETCH PLAN ON PAGE 8, AND THE LOGS OF THE HOLES FOLLOW IN APPENDIX ONE.

THE HOLES ENCOUNTERED MAINLY PYROCLASTIC VOLCANICS AND IRON FORMATION, WITH LESSER SEDIMENTS AND INTRUSIVES. ONLY ONE GOLD ASSAY OF SIGNIFICANCE WAS OBTAINED, IN HOLE NO. 2, WHERE 5.2 FEET FROM 212.5-217.7 RAN 0.05 OUNCES GOLD PER TON. THIS INTERSECTION OCCURRED WITHIN A 52.1 FOOT CORE LENGTH OF IRON FORMATION FROM 170.8' TO 222.9'. THE ONLY OTHER SAMPLE TAKEN FROM THIS IRON FORMATION WAS FROM 217.7'-222.9', AND THIS ASSAYED NIL GOLD. THE IRON FORMATION OCCURS ON THE CONTACT BETWEEN THE REGIONAL METAVOLCANICS AND METASEDIMENTS, AS SHOWN ON THE GENERAL GEOLOGY MAP ON PAGE 4.

NO FURTHER WORK WAS DONE ON THE CLAIMS UNTIL JUNE, 1980, WHEN ROBERT J. FAIRSERVICE PROSPECTED THE VOLCANIC-SEDIMENT CONTACT AND FOUND SHEARED RHYOLITIC TUFFS CARRYING SULFIDES. THE FIRST SAMPLE ASSAYED 0.017 OUNCES GOLD PER TON.

THE GOLDLUND PROPERTY, SOME 4 MILES WSW OF THE CLAIMS, CONTAINS AN IMPORTANT GOLD DEPOSIT WHICH IS PRESENTLY UNDER DEVELOPMENT. THE LATEST DRILL-INDICATED TONNAGE ESTIMATES ARE 1,500,000 TONS GRADING 0.10 OUNCES GOLD PER TON, TO A DEPTH OF 500 FEET. ANOTHER 500,000 TONS ARE INFERRED IN THE NO. 2 AND NO. 3 ZONES, AND ALL THE ZONES ARE OPEN TO DEPTH.



SHEARS FOUND BY
R. FAIRSERVICE IN JUNE, 1980

No. 3
No. 2

No. 1

METAVOLCANICS -
METASEDIMENTS

HIGHWAY NO. 72

BAY

PICKEREL

FAIRSERVICE CLAIMS

SKETCH PLAN SHOWING

Scale

DRILL HOLE LOCATIONS

1" = 1/4 MI. (EL PEN REY MINES LIMITED)

PICKEREL TOWNSHIP SIOUX LOOKOUT AREA, ONT.

SCALE: 1 INCH = 1/4 MILE

HISTORY (CONT'D)

DEVELOPMENT WORK IS CONTINUING, AND DISCUSSIONS ARE BEING HELD FOR PRODUCTION FINANCING.

DRILLING IS ALSO BEING CARRIED ON BY WINDFALL OILS & MINES LIMITED IMMEDIATELY SOUTHWEST OF THE GOLDLUND PROPERTY, WITH ENCOURAGING RESULTS.

GENERAL GEOLOGY

AS MENTIONED EARLIER, THE FAIRSERVICE CLAIM GROUP STRADDLES THE CONTACT BETWEEN FELSIC METAVOLCANICS AND METASEDIMENTS, WHICH TRENDS NORTHEASTERLY THROUGH THE REGION. IRON FORMATION IS FOUND ALONG THIS CONTACT WITHIN THE PROPERTY, AND THE RHYOLITIC TUFFS TO THE NORTH OF THE CONTACT HAVE BEEN FOUND TO BE SHEARED AND MINERALIZED IN ONE LOCALITY AT LEAST.

THE GENERAL GEOLOGY IS DEPICTED ON PAGE 4, BY MEANS OF A REPRODUCTION OF PART OF PRELIMINARY MAP P.1204 OF THE ONTARIO MINISTRY OF NATURAL RESOURCES.

GOLD IS FOUND ON THE GOLDLUND PROPERTY WITHIN QUARTZ STRINGERS AND VEINLETS WHICH TRAVERSE A GRANODIORITE (TRONDHJEMITE) INTRUSIVE MASS. THE GOLD ON THE WINDFALL PROPERTY IS SIMILAR IN OCCURRENCE.

OUTCROP IS RATHER SCARSE IN THE REGION.

DISCUSSION OF AVAILABLE INFORMATION

THE IRON FORMATION ALONG THE REGIONAL CONTACT REPRESENTS A THROUGH-GOING FORMATION WITH GOOD DEPTH IMPLICATIONS, AND GOOD WIDTHS. THE TONNAGE POSSIBILITIES ARE THEREFORE CONSIDERABLE.

WHETHER THE 0.05 OUNCE ASSAY OBTAINED IN EL PEN REY HOLE No. 2, IN THE IRON FORMATION, IS AN ISOLATED VALUE OF LITTLE SIGNIFICANCE OR WHETHER IT IS A POSITIVE INDICATION THAT GOLD SOLUTIONS HAVE ENTERED THE CONTACT ZONE, IS DIFFICULT TO JUDGE WITHOUT A LOT MORE SAMPLING.

THE TASK NOW IS TO DECIDE WHETHER OR NOT FURTHER SAMPLING WORK IS JUSTIFIED, ON THE EVIDENCE AVAILABLE.

IN MY VIEW, BECAUSE OF THE ATTRACTIVE DIMENSIONS OF THE POTENTIAL ZONE; AND SINCE SHEARING, SULFIDES, AND LOW GOLD VALUES HAVE BEEN RECENTLY LOCATED NEAR THE MARGIN OF THE ZONE, FURTHER WORK IS JUSTIFIED.

THIS VIEW IS AUGMENTED BY THE ADDITIONAL CHANCES OF FINDING GOLD-BEARING TRONDHJEMITE INTRUSIVES UNDER THE WIDESPREAD OVERBURDEN, BY MEANS OF THE MORE REFINED GEO-PHYSICAL METHODS DEVELOPED SINCE THE CLAIMS WERE LAST EXPLORED.

CONCLUSIONS

1. THE CONTACT ZONE PASSING THROUGH THE CLAIM GROUP IS OCCUPIED BY IRON FORMATION OF ATTRACTIVE DIMENSIONS, AND LOW GOLD VALUES ARE KNOWN TO OCCUR BOTH WITHIN THE IRON FORMATION AND IN THE ADJOINING RHYOLITIC TUFFS.
2. PREVIOUS SAMPLING OF THE CONTACT ZONE HAS BEEN MINIMAL, AND IT IS CONSIDERED THAT FURTHER WORK DESIGNED TO SAMPLE THE ZONE FOR GOLD IS JUSTIFIED.
3. THERE MAY ALSO BE DRIFT-COVERED INTRUSIVE BODIES OF THE TYPE IN WHICH THE NEARBY GOLDLUND GOLD DEPOSITS OCCUR, AND FURTHER WORK TO EXPLORE FOR SUCH BODIES IS ALSO JUSTIFIED.

RECOMMENDATIONS

1. A BASE LINE SHOULD BE CUT ALONG THE LONG AXIS OF THE CLAIM GROUP, AND NORTHWEST-SOUTHEAST PICKET LINES CUT AT 400 FOOT INTERVALS. THIS SHOULD BE DONE AFTER FREEZE-UP, SO THAT THE LAKE-COVERED AREAS OF THE GROUP WILL ALSO BE EXPLORED.
2. A PROTON MAGNETOMETER AND VLF ELECTROMAGNETIC SURVEY SHOULD BE CONDUCTED ALONG THE PICKET LINES.
3. DIAMOND DRILLING OF ANY INTERESTING AREAS AND ANOMALIES SHOULD BE CARRIED OUT. THIS WORK SHOULD BE DONE AFTER BREAK-UP, SO THAT THE AREAS OF INTEREST CAN BE CAREFULLY PROSPECTED, AS WELL.

COST ESTIMATES

<u>LINECUTTING:</u>	25 MILES @ \$300.....	\$ 7,500
<u>MAGNETIC SURVEY:</u>	25 MILES @ \$100.....	2,500
<u>VLF SURVEY:</u>	20 MILES @ \$100.....	2,000
<u>TRANSPORTATION, REPORTS, MAPS.....</u>		3,000
<u>DIAMOND DRILLING:</u>	2,000 FEET @ \$20.....	40,000
<u>SUPERVISION, ASSAYING, TRANSPORTATION,.....</u>		<u>10,000</u>
<u>PROSPECTING, CAMP COSTS</u>		
<u>TOTAL COST ESTIMATES:</u>	<u>\$ 65,000</u>



SEPTEMBER 8TH, 1980
TORONTO, ONTARIO

ROSS KIDD, P.ENG.
CONSULTING MINING ENGINEER

C E R T I F I C A T E

I, ROSS KIDD, OF THE CITY OF TORONTO, IN THE PROVINCE OF ONTARIO, DO HEREBY CERTIFY THAT:

1. I AM A CONSULTING MINING ENGINEER RESIDING AT 81 HIGHBOURNE ROAD, TORONTO, ONTARIO.
2. I GRADUATED IN 1949 FROM THE UNIVERSITY OF TORONTO IN MINING ENGINEERING, AND I HAVE BEEN PRACTISING MY PROFESSION WITHOUT INTERRUPTION SINCE THEN.
3. I AM A MEMBER IN GOOD STANDING OF THE ASSOCIATIONS OF PROFESSIONAL ENGINEERS OF THE PROVINCES OF ONTARIO, MANITOBA, AND BRITISH COLUMBIA.
4. I HAVE NO INTEREST, DIRECT OR INDIRECT, NOR DO I EXPECT TO RECEIVE ANY INTEREST, DIRECT OR INDIRECT, IN THE MINING CLAIMS WHICH ARE THE SUBJECT OF THIS REPORT OR IN THE SECURITIES OF ANY COMPANY WHICH MAY ACQUIRE THE CLAIMS.
5. THIS REPORT IS BASED UPON A NUMBER OF VISITS TO THE SIOUX LOOKOUT AREA, AND UPON THE SOURCES OF INFORMATION LISTED ON PAGE 3.

DATED THIS 8TH DAY OF SEPTEMBER, 1980, AT TORONTO, ONTARIO,

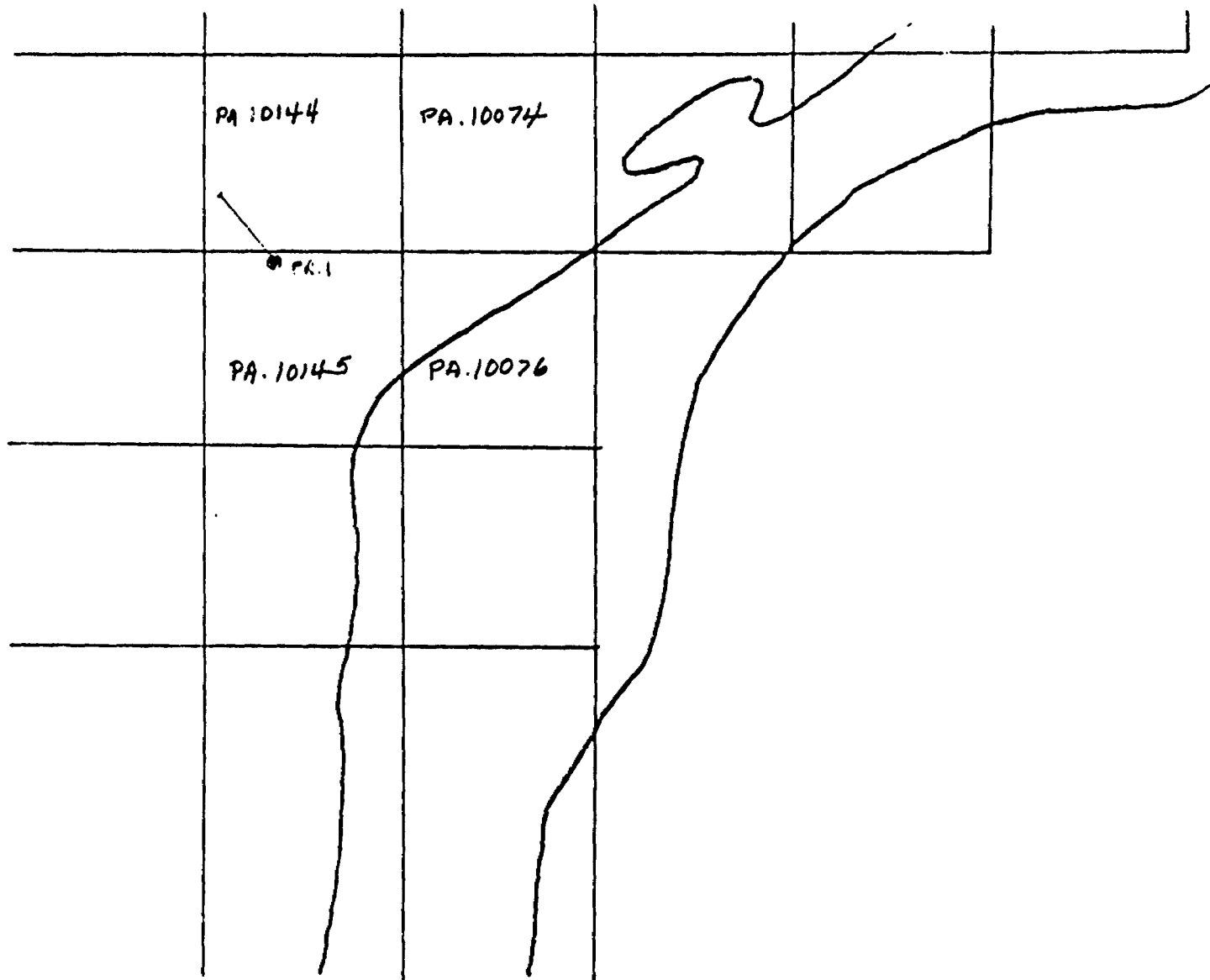


ROSS KIDD, P.ENG.
CONSULTING MINING ENGINEER

A P P E N D I X O N E

COPIES OF DRILL HOLE LOGS,
EL PEN REY MINES LIMITED.

HOLES 1 P.R., 2 P.R., AND 3 P.R.



CHAMBERLIN MANAGEMENT CORP., LTD.—PROPERTY EL PEN RAY MINES LTD., Pickeral Twp.

DIPS: COLLAR _____

EXPLORATION DIAMOND DRILL RECORD

SECTION _____

HOLE NO. P.R. 1

BEARING _____ ELEVATION _____

DATE BEGUN _____ DATE FINISHED _____

LATITUDE _____

SHEET NO. 2

DEPARTURE _____

DEPTH _____

CORE FOOTAGE		Rock	DESCRIPTION	REMARKS	SAMPLE		OUNCES GOLD	VALUE \$100.00/OZ.	AVERAGE
FROM	TO				NUMBER	FEET			
66.6	71.6	Iron Formation	as above		4552	5.0		Tr.	
71.6	76.6	" "	" "		4553	5.0		Tr.	
76.6	81.6	Iron Formation	as above		4554	5.0		Tr.	
81.6	86.6	" "	" "		4555	5.0		Nil	
86.6	92	Iron Formation	as above		4556	5.4		Nil	
92	98.2	" "	" "		4557	6.2		Nil	
98.2	106	agglomerate	acid agglomerate mainly; probably iron formation to 102 feet; local pyrite streaks and clusters						
106	113	Iron Formation ?	mixed quartz, wall rock altered, local pyrite, pyrrhotite, magnetite; some broken ground and lost core.						
113	134.7	agglomerate and iron formation	probably agglomerate, locally highly silicified, with some iron formation; local heavy pyrite and pyrrhotite; some pyrite coarse lost cores- 114.4-115; 116-118						
134.7	272	pyroclastic breccias ?	and tuffs? locally porphyritic, possible intrusive, and porphyritized; some						

CHAMBERLIN MANAGEMENT CORP., LTD.—PROPERTY EL PEN REY MINES LTD. Piskeral-Twp.

DIPS: COLLAR _____

BEARING _____ ELEVATION _____

EXPLORATION DIAMOND DRILL RECORD

DATE BEGUN _____ DATE FINISHED _____

SECTION _____

LATITUDE _____

DEPARTURE _____

HOLE NO. P.R. 1

SHEET NO. 3

DEPTH _____

CORE FOOTAGE		Rock	DESCRIPTION	REMARKS	SAMPLE		OUNCES GOLD	VALUE \$30.00/OZ.	AVERAGE
FROM	To				NUMBER	FEET			
134.7	272			siliceous and silicified sections, but mainly rather basic and locally chloritized; contacts and bedding about 45° to core; locally sheared; local pyrite; quartz fillings 169.1-169.5 and 188-188.7; becoming broken, some last core, from 185; more dominantly acidic from about 196.					
272	273.8	quartz & pyroclastic		6" quartz vein, balance porphyritic pyroclastic breccia; rather carbonated, chloritic, micaceous, sheared, some quartz fillings; local pyrite.	4558	1.8			N:1
273.8	317.4	pyroclastic breccia		tuffs; and some intrusive porphyry; porphyritic and porphyritized locally.					
317.4	349	quartz feldspar porphyry		- probable intrusive, but could be in part porphyritic pyroclastics with intrusive sections.					

CHAMBERLIN MANAGEMENT CORP., LTD.—PROPERTY EL. PAK REY MINES LTD. Pickeral Typ.

DIPS: COLLAR _____

EXPLORATION DIAMOND DRILL RECORD

SECTION _____

HOLE No. P.R. 1

BEARING _____ ELEVATION _____

DATE BEGUN _____ DATE FINISHED _____

LATITUDE _____

SHEET No. 4

DEPARTURE _____

DEPTH _____

CORE FOOTAGE		Rock	DESCRIPTION	REMARKS	SAMPLE		OUNCES SOLD	VALUE \$39.00/OZ	AVERAGE
FROM	To				NUMBER	FEET			
349	350.4	Tuffs?		weakly sheared and somewhat chloritized; few pyrite stringers, some disseminated, and few quartz stringers.	4559	1.4		Nil	
350.4-	357.8	Tuffs?		rather basic, somewhat chloritized; weakly sheared; local minor quartz fillings.					
357.8	373.7	pyroclastic breccia ?		may be mainly feldspar and quartz perphyry intrusive with some porphyritic pyroclastic.					
373.7	374.7	quartz		mainly; some altered rock; fair pyrite	4560	1.0		Nil	
374.7	383.7	dacite ?		possible medium basic flow or intrusive; fairly even f.g. texture, no bedding or fragments; local quartz eyes					
383.7	386.9	acid dike ?		-or acid fragmental; sharp contacts about 60° to core; quartz stringer with coarse pyrite at 384					

CHAMBERLIN MANAGEMENT CORP., LTD.—PROPERTY EL PEN REY MINES LTD., Pickeral Twp.

DIPS: COLLAR _____

BEARING _____ ELEVATION _____

EXPLORATION DIAMOND DRILL RECORD

DATE BEGUN _____ DATE FINISHED _____

SECTION _____

LATITUDE _____

DEPARTURE _____

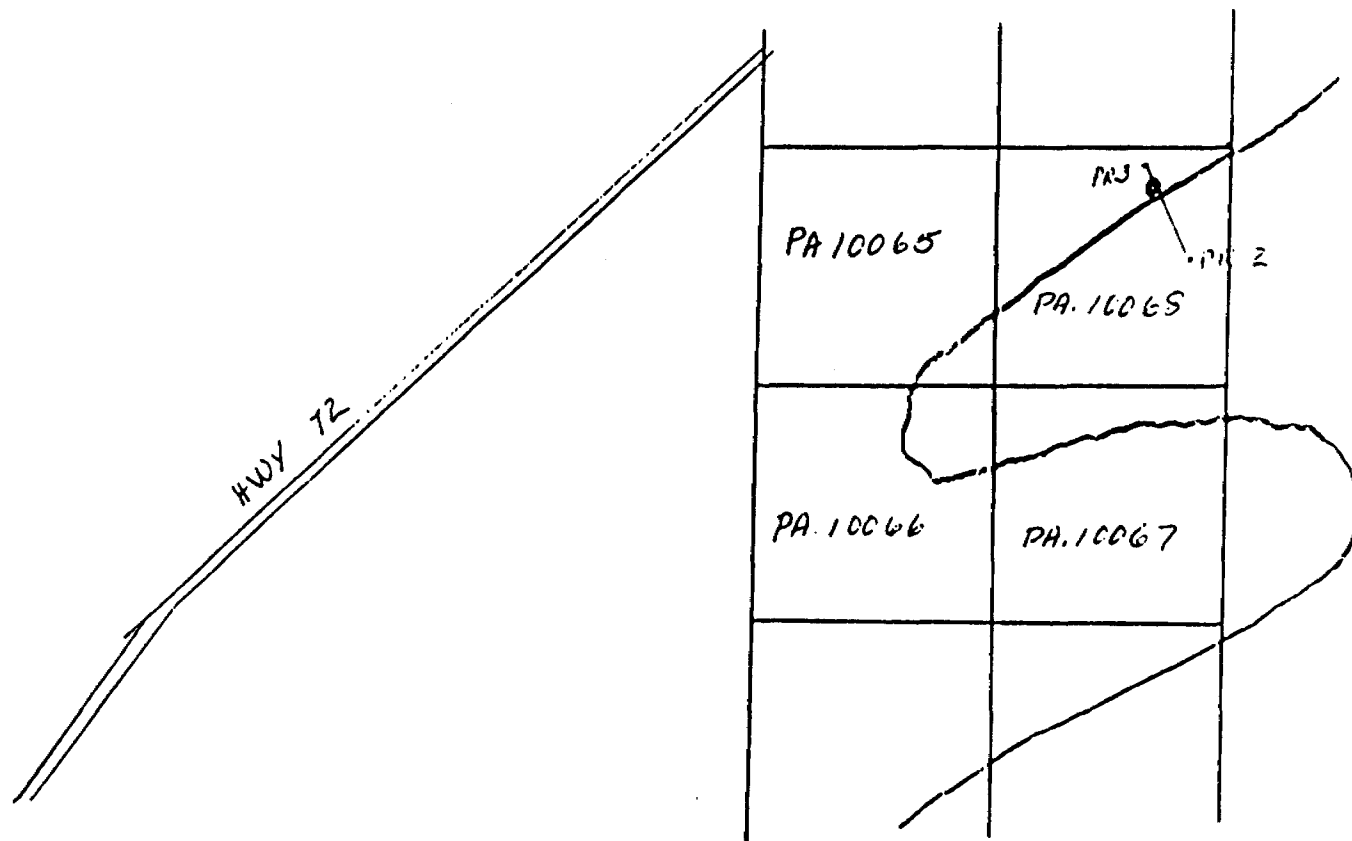
HOLE NO. P.R. 1

SHEET No. 5

DEPTH _____

CORE FOOTAGE		Rock	DESCRIPTION	REMARKS	SAMPLE		OUNCES SOLD	VALUE \$35.00/oz.	AVER
FROM	TO				NUMBER	FEET			
386.9	394.1	quartz porphyry ?	or dacite; intrusive or flow; quartz eyes; local heavy pyrite 389-390.5						
394.1	396.3	quartz porphyry ?	or dacite; local heavy pyrite; minor quartz	4561	2.2	Nil			
396.3	404.3	quartz porphyry ?	or dacite; local heavy pyrite;						
404.3	531	pyroclastic breccias ?	and tuffs ? acidic; may include some intrusive material, porphyritic; very local pyrite and occasional quartz stringer; several lost core sections to 482 feet.						
531	569	feldspar porphyry ?	possible intrusive porphyry; local large quartz eyes and numerous feldspar phenocrysts or fragments; could be pyroclastic; fairly massive; local pyrite						
569	641	pyroclastic breccias	agglomerates, tuffs; acidic; locally porphyritic; rather altered, weakly sheared; generally broken and several lost core sections; minor local pyrite						

END --- 641



CHAMBERLIN MANAGEMENT CORP., LTD.—PROPERTY N. P. & I. MINES LTD., Pickeral Twp. Ont.

Claim Pa. 10068

Approx. 850 feet east, 250 ft.

SECTION south, from N.W. corner POLE NO. 2 P. R.

POST. 40 feet from shore,

LATITUDE Pickeral Arm SHEET NO.

DEPARTURE DEPTH 531

DIPS: COLLAR 0 - 45°, 480 - 14°

EXPLORATION DIAMOND DRILL RECORD

BEARING S 25 E ELEVATION _____

DATE BEGUN Aug. 8 1950 DATE FINISHED Aug. 12 1950

CORE FOOTAGE		ROCK	COLOUR	REMARKS	SAMPLE		OUNCES GOLD	VALUE \$\$\$ 00/02	AVERAGE
FROM	TO				NUMBER	FEET			
0	5			Casing					
5	43.2	pyroclastic breccia		porphyritic pyroclastic breccias mainly, some possible tuffs; acidic; leucoxene spotting; possible south facing, steep north dips; generally weakly sheared, and sericitic; minor quartz stringers					
43.2	43.8	quartz		barren quartz vein, heavy tourmaline					
43.8	101.4	pyroclastic breccias		as above; becoming more broken and sheared from about 69 feet.					
101.4	144	pyroclastic breccia		Lost Core: - 88 - 93; 94 - 74.5; 77 - 101.4 porphyritic; acidic; may be in part intrusive porphyry; in part fairly massive, but locally sheared, sericitic, broken, and becoming highly so. Lost Core: - 109 - 110; 112.5 - 113.5					

CHAMBERLIN MANAGEMENT CORP., LTD.—PROPERTY El. Pen Bay Mines Ltd., Pickeral Twp., Ont.

DIPS: COLLAR _____

EXPLORATION DIAMOND DRILL RECORD

SECTION _____

HOLE No. 2 P. R.

BEARING _____ ELEVATION _____

DATE BEGUN _____ DATE FINISHED _____

LATITUDE _____

SHEET No. 2

DEPARTURE _____

DEPTH _____

CORE FOOTAGE		DESCRIPTION		REMARKS	SAMPLE		OUNCES SOLD	VALUE \$38 00/OZ.	AVERAGE
FROM	TO	ROCK	COLOR		NUMBER	FEET			
144	170.8	tuffs?		or in part slaty greywacke?; thin bedded, sericitic to silty; well sheared; local heavy pyrite, some pyrrhotite, usually as banding; locally highly broken Lost Cores- 157 - 158; 161 - 162; 163 - 164; 167 - 167.5; 168 - 169					
170.8	212.5	iron formation		banded chert, quartz, pyrite, pyrrhotite; local disseminated pyrite					
212.5	217.7	iron formation		as above	4562	3.2	.05		
217.7	222.9	iron formation		local massive sections pyrite and pyrrhotite	4563	3.2	nil		
222.9	247.5	slaty greywacke		and slates; thin bedded, with pyrite streaks, to 228; Lost Cores- 223 - 223.6					
247.5	387	greywacke		f.g. with interbeds of slaty greywacke, slate, and some conglomerate; tops south, bedding 75 - 80° to core; more m.g., with lesser slaty sections, from 340; few very local barren quartz stringers					

CHAMBERLIN MANAGEMENT CORP., LTD.—PROPERTY Kl Pen Rey Mines Limited, Pickeral Twp., Ont.

DIPS: COLLAR _____

EXPLORATION DIAMOND DRILL RECORD

SECTION _____

HOLE NO. 2 P. R.

BEARING _____ ELEVATION _____

DATE BEGUN _____ DATE FINISHED _____

LATITUDE _____

SHEET NO. 3

DEPARTURE _____

DEPTH _____

CORE FOOTAGE		Rock	DESCRIPTION	COLOUR	REMARKS	SAMPLE		OUNCES GOLD	VALUE \$28.00/OZ	AVERAGE
From	To					NUMBER	FEET			
387	446.5	slaty greywacke			and slates; some lost core sections					
446.5	521.3	greywacke			f. to m.g.; with sections of thin bedded slates					
521.3	531	slates			and slaty greywacke; rather broken and sheared Lost Cores— 523 - 524; 525 - 526.5; 527.5 - 528.5; 529 - 530;					
					End - 531					

M.B.1- Hole entered open caving seam, with sand backing up hole, at 531. Hole abandoned, as evidently in fissure open under Pickeral Arm Lake, and no use cementing.

CHAMBERLIN MANAGEMENT CORP., LTD.—PROPERTY, EL PEN KEY MINES LTD., Pickeral Twp. Ont.

DIPS: COLLAR 0-40°

EXPLORATION DIAMOND DRILL RECORD

BEARING N 25 W ELEVATION

DATE BEGUN Aug. 12 DATE FINISHED Aug. 13

Location:-

Claim Pa. 19068
850 feet east, 250 ft. south
SECTION from N.W. corner.
LATITUDE 12 ft. N 25W from
DEPARTURE collar 2 P. R.

HOLE NO. 3 P. R.

SHEET NO.

DEPTH 190

CORE FOOTAGE		ROCK	DESCRIPTION	REMARKS	SAMPLE		OUNCES SOLD	VALUE \$30.00/OZ.	AVERAGE
FROM	TO				NUMBER	FEET			
0	4			Casing					
4	18.4	pyroclastic breccias	acidic; silicified; rather massive, though locally sheared, sericitic						
18.4	63.3	pyroclastic breccias	more basic; locally porphyritic; rather sheared, carbonated, chloritic; barren quartz carbonate fillings at 31.8 and 33.7; minor local pyrite						
63.3	103	pyroclastic breccias	porphyritic; acidic to basic; sheared; few barren quartz-carbonate stringers; slight local pyrite						
103	190	agglomerates	some tuffs and porphyritic breccias; rather acidic, local basic sections; rather broken and sheared; slight pyrite Lost Core:- 104-105; 110-111; 116.5-117; 123-123.7; 128.5-129; 157-157.8; 161-162; 176.5-177						

END--- 190

N.B. Hole drilled to complete assessment work after 2 P. R. was abandoned.