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P R O S P E C T U S

McCOMBE MINING AND EXPLORATION, LIMITED
(No Personal Liability)

STATUTORY INFORMATION

Filed pursuant to the Securities Act (Ontario)

(a) The full name of the Company is McCOMBE MINING & EXPLORATION LIMITED (No Personal Liability). The Head Office of the Company is located at 330 University Avenue, Toronto, Ontario.

(b) McCOMBE MINING & EXPLORATION LIMITED (No Personal Liability), hereinafter referred to as "the Company", was incorporated under Part XI of The Ontario Companies Act by Letters Patent dated April 9, 1952. No Supplementary Letters Patent or similar authority for variation of the Letters Patent or otherwise have been issued to the Company.

(c) The name in full, present occupation and home address in full of each of the officers and directors and of the promoter of the Company are as follows:

President and Director	Robert James McCombe Sioux Lookout, Ontario.	Mining Geologist
Vice President and Director	Hamilton Edgar Boulter 129 Manor Road East Toronto Ontario.	Statistician
Secretary and Director	Robert Gordon Waldie 1 Cluny Avenue, Toronto, Ontario.	Barrister-at-Law
Director	Edward Douglas Huycke 76 Lascelles Blvd., Toronto. Ontario.	Office Manager
Director	John George McCombe 41 Summit Avenue Sault Ste. Marie, Ontario.	Mining Geologist
Assistant Secretary	Jean Alexandrine Livingstone 108 Hanson Avenue, Toronto, Ontario.	Secretary
Assistant Secretary	Mary Elizabeth Shields 35 Aldburn Road, Toronto Ontario.	Secretary
Promoter	Robert James McCombe Sioux Lookout Ontario.	Mining Geologist

(d) The auditors of the Company are P.S. Ross & Sons, Chartered Accountants, Royal Bank Building, Toronto, Ontario.

(e) The Registrar and Transfer Agent for the shares of the Company is Chartered Trust Company, 34 King Street West, Toronto, Ontario.

(f) The authorized share capital of the Company is 3,000,000 shares of the par value of \$1.00 each, of which 654,258 shares have been allotted and issued and are outstanding as fully paid and non-assessable.

(g) The Company has not created or issued any bonds or debentures and does not propose to do so at this time.

(h) Share Certificates representing 495,000 shares of the capital stock of the Company are escrowed with Chartered Trust Company, 34 King Street West, Toronto, subject as to release, pledge, transfer, hypothecation or other alienation only with the consent of the Company and the consent of the Ontario Securities Commission.

(i) To date, the Company has sold 74,258 shares for cash and 5,000 for services. The said shares were sold in the amounts and for the prices or for the services set out below, namely:

For Cash

<u>Number of Shares</u>	<u>Price Per Share</u>	<u>Amount Realized by the Company</u>
5	\$1.00	\$ 5.00
<u>74,253</u>	<u>.10</u>	<u>7,425.30</u>
74,258		\$7,430.30

For Services

5,000	.10	\$ 500.00
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No commission has been paid or is payable on the sale of the said shares.

(j) To date, no securities of the Company other than the shares referred to in paragraph (i) hereof have been sold for cash.

(k) (i) Pursuant to the agreement described in paragraph (i) (i) hereof, the Company allotted and issued to Robert James McCombe, Sioux Lookout, Ontario, the President of the Company, 550,000 shares of the capital stock of the Company, of which 55,000 shares were issued as free shares, and the balance of 495,000 shares are escrowed with Chartered Trust Company, 34 King Street West, Toronto, subject to the conditions set out in paragraph (h) hereof.

(k) (ii) Pursuant to the agreement described in paragraph (i) (ii)

hereof the Company may allot and issue to the said Robert James McCombe 100,000 additional shares of the capital stock of the Company, all of which additional shares, if and when issued, will be escrowed with said Chartered Trust Company, subject to the same terms as described in paragraph (h) hereof.

(k) (iii) The Company is obligated to pay to Robert James McCombe, the President of the Company, the sum of \$5,579.93 covering organization and operating expenses incurred by him for the Company, such payment to be made at his election in cash if available and/or in shares in the capital stock of the Company to be issued to the said Robert James McCombe or as he may in writing direct, at the equivalent of ten cents (10¢) per share. None of the said sum has yet been paid either in cash or by the issue of shares.

(k) (iv) In connection with the staking and recording in the name of the Company of the 41 mining claims in the Province of New Brunswick referred to in paragraph (l) (iii) hereof, the Company allotted and issued to the said Robert James McCombe, 25,000 fully paid and non-assessable shares of the capital stock of the Company, all such shares being free shares, in full payment for the said claims, such amount covering all expenses totalling \$2,500.00 incurred by the said Robert James McCombe on behalf of the Company in effecting such stakings and recordings for the Company.

(k) (v) Reference is also made to the options described in paragraphs (n) (i) and (n) (iv) hereof.

(k) (vi) The Company has retained the said Robert James McCombe as a consultant at a fee of \$500.00 per month from March 1st, 1953. The said fee is payable in cash, or, at the option of the said Robert James McCombe, in shares of the capital stock of the Company to be issued as fully paid and non-assessable at the equivalent of ten cents (10¢) per share to the said Robert James McCombe or as he may in writing direct. The said fee for the month of March, 1953, was at the election of the said Robert James McCombe, made by him on 26th day of May 1953, paid by the issue and allotment of 5,000 fully paid and non-assessable shares in the capital stock of the Company to the nominee of the said Robert James McCombe. The fee for succeeding months has not yet been paid in cash and/or by the issue of

shares.

(1) (1) The Company is the owner of patented mining locations numbered H.W.635 and H.W.636; and the recorded holder of unpatented mining claims bearing numbers KRL 30738 to KRL 30761, both inclusive, and KRL 30939 to KRL 30947, both inclusive. The said patented mining location H.W.635 is entered as Parcel 3096 in the Register for the District of Kenora in the Land Titles Office at Kenora, Ontario, and the said mining location H.W.636 is entered as Parcel 3326 in the said Register at the said Land Titles Office. All of the said unpatented mining claims are recorded in the name of the Company in the Mining Recorder's Office for the Patricia Mining Division at Sioux Lookout, Ontario.

By an agreement made the 21st day of April, 1952, between Robert James McCombe of Sioux Lookout, Ontario, the President of the Company, and the Company, in consideration of the allotment and issue of 550,000 fully paid and non-assessable shares of the capital stock of the Company, the said Robert James McCombe transferred and assigned to the Company the said patented mining locations H.W.635 and H.W.636 and all of the said unpatented mining claims KRL 30738 to KRL 30761, both inclusive, and KRL 30939 to KRL 30947, both inclusive. Of the said 550,000 shares, 55,000 shares were issued as free shares, and the balance, namely 495,000 shares, were escrowed as described in paragraph (h) hereof.

The following persons and no others received a greater than 5% interest in the said 550,000 shares, namely:

Robert Lyman Williams
3828 Cedar Avenue, Montreal, P.Q.

Raymond John Jewell
39A King Street, Sioux Lookout, Ontario.

Robert James McCombe
Sioux Lookout, Ontario.

Edward A. Gordon,
Sioux Lookout, Ontario.

(1) (11) The Company had an option to purchase unpatented mining claims bearing numbers KK5697 to KK5714, both inclusive, recorded in the Mining Recorder's Office for the Kowkash Mining Division at Port Arthur, Ontario.

By an agreement made the 23rd day of April, 1952, between Robert James McCombe of Sioux Lookout, Ontario, the President of the Company, and

the Company, as amended by a further agreement made the 30th day of August, 1952, between the same parties, the Company was to spend up to \$5,000 in making an electro-magnetic survey of the said mining claims on or before September 2nd, 1953, and was granted the exclusive option, exercisable on or before the said date, to purchase the said mining claims on the issue and allotment of 100,000 fully paid and non-assessable shares of the capital stock of the Company to the said Robert James McCombe (or as he may in writing direct). The said shares, if and when issued, were to be held in escrow subject to the same terms as described in paragraph (h) hereof.

At a meeting held on 2nd day of July, 1953 the Company decided to waive its rights under the said option agreements dated 23rd day of April, 1952 and 30th day of August, 1952 respecting mining claims KK5697 to KK5714.

(1) (iii) The Company is the recorded holder of 41 unpatented mining claims in the Province of New Brunswick all situated in the Parish of Balmoral in the County of Restigouche. The said claims are recorded in the name of the Company on the books of the Department of Mines at Fredericton, New Brunswick as numbers 1823-1 to 1823-41 inclusive. The said mining claims were staked and recorded in the name of the Company by Robert James McCombe, the President of the Company, and the Company issued to him in full payment therefor 25,000 fully paid and non-assessable shares in the capital stock of the Company as described in paragraph (k) (iv) hereof.

(1) (iv) The Company is the recorded holder of 18 unpatented mining claims in Long Township in the District of Algoma in the Province of Ontario. The said claims are recorded in the name of the Company on the books of the Mining Recorder for the Mining Division of Sault Ste. Marie as numbers SSM 24559 - 24575, inclusive, and number SSM 24589. The said mining claims were acquired by the Company by staking.

(m) Group "A" Mining Claims

Patented mining locations H.W.635 and H.W.636 and unpatented mining claims KRL 30728 to KRL 30761, both inclusive, are contiguous mining locations and claims in the Patricia Mining Division in the District of Kenora, Ontario, and lie south of Pickerel Township and east of McAree Township in the said District. The said group of claims is situated about

23 miles southwest of the town of Sioux Lookout in the said District of Kenora. The west boundary of the said group of claims is about two miles east of the end of Pickerel Arm of Minnitaki Lake and the south boundary thereof touches the north end of Swimit Lake. Access to the said group of claims is had by means of barge from Sioux Lookout to the south end of Pickerel Arm of Minnitaki Lake and thence by means of trail about 2½ miles long to the said claims. Access may also be had by aircraft which can land on Swimit Lake bordering the said claims on the southeast.

On patented mining locations H.W.635 and H.W.636 an inclined shaft was sunk to a depth of about 29 feet about the year 1898. About the year 1932 a certain amount of trenching was done on the said mining locations and there are evidences that some diamond drilling was also done. No records of this work are available. In November, 1950, Central Manitoba Mines Limited did approximately 1,000 feet of diamond drilling on the said mining locations. On unpatented mining claims KRL 30738 to KRL 30761, both inclusive, only work of no presently existing value had been done prior to the acquisition thereof by the Company. No underground work has been done on the said unpatented mining claims, and the Company does not at this time own any underground plant and equipment. The Company carried out certain geological exploration and mapping on said mining locations and claims during 1952. For further particulars relating to the said mining locations and claims and the work done thereon, reference is hereby made to the annexed report of L. F. Gauvreau dated May 19th, 1953.

Group "B" Mining Claims

Mining claims KRL 30939 to KRL 30947, both inclusive, are contiguous claims situated in Lots 3, 4 and 5, Concession 3, Echo Township, Patricia Mining Division, District of Kenora, Ontario. The said claims are approximately 25 miles southwest of Sioux Lookout. Access is had by means of Provincial Highway No. 72 and by lumber roads about 1½ miles long connecting with the highway. No work has been done on the said claims prior to the acquisition thereof by the Company. During August 1952 the Company had 360 feet of EXT core drilling completed on the said claims for information and assessment work purposes. For further particulars relating to the said claims and the work done thereon, reference is hereby made to the annexed report of L.F.

Gauvreau dated May 18th 1953.

Group "C" Mining Claims

Mining claims KK5697 to KK5714, both inclusive, are contiguous claims situate in the Moonshine Lake and Pikitigushi Lake area of the Kowkash Mining Division, District of Thunder Bay, Ontario, lying about twenty-six miles north of Armstrong, Ontario, on the Canadian National Railway. Access to the said claims is had by water from Armstrong, Ontario or by aircraft which can land on Linklater Lake, 3½ miles by trail from the property. No work has been done on the said claims and no underground work or other work or improvements have been done or made on the said claims by the Company.

Group "D" Mining Claims

Mining claims SSM 24559 - 24575, inclusive and SSM 24584 are contiguous claims situate in Lauzon Lake area of the Sault Ste. Marie Mining Division District of Algoma, Ontario, lying about 11 miles east of Blind River, Ontario, and 2 miles north of Highway No. 19 and the main line of The Canadian Pacific Railway. Access to the said claims is had by water from Lauzon Lake. No work has been done on the said claims and no underground work or other work or improvements have been done or made on the said claims by the Company. The Company at this time does not own any underground or surface plant or equipment.

New Brunswick Claims

The New Brunswick mining claims of the Company consist of two groups of claims, both of which are situated on the southeast of Upsalquitch watershed in the Parish of Balmoral in the County of Restigouche, New Brunswick, about 35 miles to the northwest of the base metal area in the vicinity of Bathurst New Brunswick, and about 40 miles southwest of Dalhousie, New Brunswick. Claim Group I, being claims numbered 1823-1 to 1823-20, inclusive, comprises 20 claims containing 800 acres more or less situated on the south branch of the Meadowbrook Creek. The east boundary of the said group is located approximately 1¼ miles west of Meadow Lakes. Claim Group II, being claims numbered 1823-21 to 1823-41 inclusive, comprises 21 claims containing 840 acres more or less. The northeast corner of this group is located approximately ½ mile west of Ramsey Sheds at the junction of Ramsey Brook

and the Southeast Upsalquitch River. Both groups of claims are accessible from Dalhousie by roads owned by the International Paper Company (New Brunswick) Limited, such roads being gravel surfaced and quite suitable for truck travel and passing through both groups of claims. No work has been done on the said claims prior to the acquisition thereof by the Company and no underground work has been done on them by the Company. An electromagnetic survey, line cutting and mapping of topographical features is presently being conducted on the said claims for the Company, at a cost estimated at \$6,375.00 as at 30th day of April, 1953 but at a cost estimated at \$8,000.00 at the date of filing hereof.

(n) (i) By resolution by the Board of Directors passed March 27th, 1953 an option exercisable at any time on or before October 30th, 1953, was granted to all the shareholders in the capital stock of the Company to purchase at the price of ten cents (10¢) per share all or any part of an additional number of treasury shares in the capital stock of the Company, such additional number not to exceed twenty per cent (20%) of the number of shares, (exclusive of vendor's shares) held by such shareholders on May 15th, 1953. The total number of shares so optioned amounts to 27, 632 shares.

(n) (ii) By an agreement dated the 25th day of May, 1953, Fundy Bay Copper Mines Limited (No Personal Liability) (herein referred to as "Fundy Bay") subscribed for 15,000 shares in the capital stock of the Company at the price of ten cents (10¢) per share. In consideration of such subscription (which has been paid) the Company granted to Fundy Bay the sole and exclusive option to take up and pay for all or any part of a further 135,000 shares in the capital stock of the Company at the price of ten cents (10¢) per share, exercisable at any time on or before July 24th, 1953. To date 35,000 shares have been taken up and paid for under the said option agreement dated 25th May, 1953. This agreement dated 25th May, 1953 is part of a working option agreement between the Company and Fundy Bay whereby the Company and Fundy Bay have entered into a valuable agency agreement dated 25th May, 1953 for development work in connection with certain new mining claims. Robert James McCombe, the President of the Company, is a director of Fundy Bay and John George McCombe, a director of the Company, is the President and Managing

Director of Fundy Bay. No person is known to have an interest of 5% or greater in the capital stock of Fundy Bay, which is a public Company.

(n) (iii) Reference is hereby made to paragraphs (k) (iii) and (vi) hereof.

(n) (iv) By resolution of the Board of Directors passed March 27th, 1953 an option was granted to Robert James McCombe, the President of the Company, for all or any part of 50,000 shares in the capital stock of the Company at the price of ten cents (10¢) per share, such option to be exercisable at any time on or before October 30th, 1953 and on the exercise thereof, such shares to be issued as fully paid and non-assessable shares to the said Robert James McCombe or as he may in writing direct. The said option has not yet been exercised in whole or in part. The shares under option to Fundy Bay and to R.J.McCombe will, if purchased by them, be held by them for investment purposes only.

(n) (v) , The Company is qualified as a security issuer in the Province of New Brunswick for the sale to the public in the said Province of 200,000 shares in the capital stock of the Company through the medium of registered brokers in the said Province at the price of fifteen cents (15¢) per share net to the treasury and at prices not exceeding thirty cents (30¢) per share to the public.

(n) (vi) The Company proposes to effect primary distribution directly to the public in Ontario through the medium of Robert James McCombe who is the selling officer of the Company (which company is a qualified security issuer) at a price of thirty cents (30¢) per share to the public. No commission shall be paid on the sale price of such shares and it is the intention of the Company that it shall receive 100% of the proceeds of such sale or sales. However, actual expenses encountered by Robert James McCombe in effecting the sale of such shares shall be repaid to Robert James McCombe provided that the actual expenses shall not be more than 25% of the proceeds of the sale to the public.

When any default occurs on the payment or payments due to the Company under the provisions of any option agreement for the purchase of treasury shares of the Company, an amending statement to this prospectus disclosing such default shall be filed within twenty days of such default.

(n) (vii) Except as mentioned above, there are no underwriting or option

agreements outstanding or proposed to be given by the Company, nor has the Company any knowledge of any sub-option or sub-underwriting agreement.

(o) The Company proposes to use the proceeds from the sale of such shares for the general corporate purposes of the Company, to carry out further development of the mineral locations and mining claims owned by the Company or under option to it and to carry out further prospecting. In connection with Groups "A" and "B" of the mineral locations and mining claims referred to in paragraph (m) hereof, the Company proposes, consistent with its finances, to do further geological work and mapping and sufficient diamond drilling to keep the said claims in good standing with a view to obtaining patents thereof and in accordance with the recommendations contained in the reports of L.F.Gauvreau, dated May 18th and 19th, 1953. In connection with Group "C" of the mining claims referred to in paragraph (m) hereof, the Company proposed, consistent with its finances, to determine the extent of the sulphide bodies in the said group of claims by the use of an electromagnetic survey and to do sufficient work on the said group of claims to bring them to patent. In connection with Group "D" of the mining claims referred to in paragraph (m) hereof, the Company proposes, consistent with its finances, to have undertaken an electromagnetic survey to determine the extent of uranium deposits and to do or have done sufficient work on said claims to bring them to patent. In connection with the New Brunswick claims referred to in paragraph (m) hereof, surface work is presently being carried out for the Company as described in the said paragraph.

(p) The Company has been incorporated for more than one year.

(q) There is no indebtedness to be created or assumed which is not shown in the accompanying balance sheet dated the 30th day of April, 1953, other than such indebtedness as may be incurred in the ordinary course of business.

(r) (1) The principal business in which each director or officer has been engaged during the past three years and the length of time, position held and name of the company or firm in which he or she has been engaged is as follows:

ROBERT JAMES McCOMBE is and has for the past three years been a Mining Geologist, practising in Sioux Lookout, Ontario.

JOHN GEORGE McCOMBE is and has for the past three years been a Mining Geologist, practising in Sault Ste. Marie, Ontario.

EDWARD DOUGLAS HUYCKE is Office Manager of the Toronto Branch of Bache & Company, 36 Melinda Street, Toronto, Ontario, Stock Brokers.

HAMILTON EDGAR BOULTER is a Statistician with J. R. Timmins and Company 350 Bay Street, Toronto, Stock Brokers.

ROBERT GORDON WALDIE is and has for the past three years been a Solicitor associated with the law firm of McCarthy & McCarthy, 330 University Avenue, Toronto.

JEAN ALEXANDRINE LIVINGSTONE is and has for the past three years been a Secretary employed by the said law firm of McCarthy & McCarthy.

MARY ELIZABETH SHIELDS is and has for the past two years been a Secretary employed by the said firm of McCarthy & McCarthy and before that was a Secretary employed by the Department of Veterans Affairs at Sudbury, Ontario.

(r) (11) Robert James McCombe, a director and the President of the Company, was interested in Groups "A" and "B" of the mining locations and claims sold by him to the Company and referred to in paragraph (m) hereof, to the extent of 220,000 shares of the capital stock of the Company, of which 198,000 are escrowed shares; and in addition the said Robert James McCombe is interested in Group "C" of the mining claims under option to the Company to the extent of 100,000 escrowed shares of the capital stock of the Company, if and when issued, and to the extent of the development work to be performed on the said claims on or before September 2nd, 1953, by the Company, as described in paragraph (1) (11) hereof. The said Robert James McCombe had no interest in the Long Township claims described in paragraph (1) (iv) nor in the New Brunswick claims described in paragraph (1) (111) hereof but was repaid his expenses in staking and recording such claims as described in paragraph (k) (iv) hereof.

Save as aforesaid, no director or officer of the Company is or ever has had any interest, direct or indirect, whether personally or as a partner in a firm, in any property acquired or to be acquired by the Company.

(r) (111) The Company has not paid any remuneration to its directors or officers as such nor does it estimate that any remuneration will be paid or payable during the current financial year to the directors or officers of the Company as such, but reference is hereby made to paragraphs (k) (111), (iv) and (v) hereof.

(s) No dividends have been paid by the Company.

(t) No person is by reason of beneficial ownership of securities of the Company or any agreement in writing in a position or entitled to elect or

cause to be elected a majority of the directors of the Company.

(u) There is no known arrangement for the sale of vendor shares.

The foregoing constitutes full, true and plain disclosure, of all material facts in respect of the offering of securities referred to above as required by Section 38 of The Securities Act (Ontario) and there is no further material information applicable other than in the financial statements or reports where required.

DATED this 3rd day of July, 1953.

PROMOTER AND DIRECTOR

Robert James McCombe
by his agent

"H. E. Boulter"

DIRECTORS

"Gordon Waldie"

"E. D. Huycke"

"H. E. Boulter"

John George McCombe
by his agent

"E. D. Huycke"

To the best of our knowledge, information and belief, the foregoing constitutes full, true and plain disclosure of all material facts in respect of the offering of securities referred to above as required by Section 38 of The Securities Act (Ontario), and there is no further material information applicable other than in the financial statements or reports where required. In respect of matters which are not within our knowledge we have relied upon the accuracy and adequacy of the foregoing.

OPTIONEES

Fundy Bay Cooper Mines Limited
(No Personal Liability)

by: "H. Moriarty"
Secretary Treasurer

Robert James McCombe
by his agent

"H. E. Boulter"

P.S. ROSS & SONS
Chartered Accountants
2-8 King Street East
Toronto 1, Ont.

June 18, 1953

McCombe Mining & Exploration Limited,
(No Personal Liability)
Toronto, Ontario.

We have examined the balance sheet of McCombe Mining & Exploration Limited (No Personal Liability) as at April 30, 1953, and have obtained all the information and explanations we have required. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

In our opinion the accompanying balance sheet is properly drawn up so as to exhibit a true and correct view of the state of the affairs of the Company as at April 30, 1953, according to the best of our information and the explanations given to us and as shown by the records of the Company.

"P. S. Ross & Sons"

Chartered Accountants.

McCOMBE MINING & EXPLORATION LIMITED

(No Personal Liability)

BALANCE SHEET as at April 30, 1953

ASSETS

Current assets:

Cash in Banks \$ 261.34

Fixed Assets:

Mining claims - discounted value of
shares issued in consideration thereof 57,500.00

Deferred expenditures:

Incorporation and organization expenses \$4,714.09
Preoperating development and administrative
expenses 7,874.80 12,588.89

\$70,350.23

LIABILITIES

Current liabilities:

Accounts payable \$ 8,929.93

CAPITAL

Capital Stock:

Authorized - 3,000,000 shares
of \$1.00 each par
value \$3,000,000.00

Issued and fully paid:

For cash:

36,998 shares \$36,998.00
Less: Discount thereon 33,293.70 \$3,704.30

For mining claims:

575,000 shares \$575,000.00
Less: Discount thereon 517,500.00 \$57,500.00
\$61,204.30

Subscriptions on hand for
2,160 shares at 10¢ per share 216.00 61,420.30

\$70,350.23

NOTES:

1. Under the terms of an agreement dated April 23, 1952, and an extension agreement dated August 30, 1952, with Robert James McCombe, the Company is committed to expend on or before September 2, 1953, up to \$5,000.00 in making an electromagnetic survey of eighteen unpatented mining claims presently owned by the said Robert James McCombe, in consideration of which the Company has been granted the exclusive and irrevocable option, exercisable on or before September 2, 1953 to purchase said mining claims for 100,000 fully paid non-assessable shares of its capital stock to be held in escrow.
2. The Company has entered into a contractual agreement to have certain geophysical and topographic mapping work done on its claims at Ramsey Brook, New Brunswick, the estimated cost of which is approximately \$6,375.00.
3. The Company has granted options on a total of 212,632 of its treasury shares at a price of 10¢ per share, and in addition has engaged the services of its President, Mr. Robert James McCombe, as consultant from March 1, 1953 at a salary of \$500.00 per month payable in cash or in capital stock of the Company at 10¢ per share at his option. The Company is also obligated to the said McCombe in the amount of \$5,579.93 for expenses incurred by him on behalf of the Company, payment of which may be settled in whole or in part by the issuance of treasury stock at his option at a price of 10¢ per share.

Submitted with our report dated June 18, 1953.

"P. S. Ross & Sons",

Chartered Accountants.

Toronto, Ont.

Approved :

"Robert McCombe".....Director

"H.E. Boulter".....Director

I, Frederick C. Knight of the City of Toronto, in the Province of Ontario, hereby certify as follows:-

1. That I am a practising Mining Engineer, with offices at Suite 1405 - 330 Bay Street, Toronto, Ontario.
2. That I am a graduate of Queen's University, Kingston, Ontario, hold the degree of Bachelor of Science in Mining, and am a member of the Association of Professional Engineers of the Province of Ontario.
3. That I have no interest either directly or indirectly and I do not expect to receive any interest either directly or indirectly in the properties covered in this report nor in the securities of McCombe Mining & Exploration Limited.
4. That the accompanying report is not based on a personal examination of the property, but in part in reference to publications of the Department of Mines, and Resources, Ottawa, Ontario, which references are incorporated in the report, on general knowledge of the area and on personal communication from technical men familiar with the area.
5. This certificate applies to McCombe Mining & Exploration Limited, properties located in the Parish of Balmoral, County of Restigouche, in the Province of New Brunswick.

DATED this 27th day of March, A.D. 1953.

"Frederick C. Knight"
Frederick C. Knight, B.Sc., P.Eng.
Mining Engineer.

(No Personal Liability)

STATEMENT OF PREOPERATING, DEVELOPMENT
AND ADMINISTRATIVE EXPENSES

FROM DATE OF INCORPORATION, APRIL 9, 1952 TO APRIL 30, 1953.

	Balance April 30, 1952	Expenditure for the year	Balance April 30, 1953
Mine Development:			
Surface development		\$3,875.16	\$3,875.16
Diamond drilling		1,400.00	1,400.00
Consulting fees		1,150.00	1,150.00
Mining license and tax	\$ 66.80	50.00	116.80
Assays		96.28	96.28
Miscellaneous		96.15	96.15
	<u>\$ 66.80</u>	<u>\$6,667.59</u>	<u>\$6,734.39</u>
 Administrative expenses:			
Securities issuers license and fees	\$150.00	\$ 250.00	\$ 400.00
Stock registrar and transfer fees	69.30	267.36	336.66
Stock transfer tax		36.30	36.30
Legal and audit fees		367.45	367.45
	<u>\$219.30</u>	<u>\$ 921.11</u>	<u>\$1,140.41</u>
	<u>\$286.10</u>	<u>\$7,588.70</u>	<u>\$7,874.80</u>



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GROUP "A" MINING CLAIMS

REPORT

ON

PROPERTY OF

McCOMBE MINING & EXPLORATION LTD.,

MINNITAKI LAKE AREA

DISTRICT OF KENORA, ONTARIO

Dated at:-
Toronto, Ontario.
May 19th, 1953.

Report made for:-
McCombe Mining & Exploration Ltd.
330 University Ave, Toronto.

SUMMARY & CONCLUSIONS:

1. The property consists of 26 claims, 2 of which are patented, and the remaining 24 unpatented.
2. The main showing, occurring on H.W. 636, one of the patented claims, consists of a fracture zone in chlorate schist, in which a series of parallel quartz lenses occur. It has been traced for over 1600 feet by pits and trenches, but long sections of this length in overburden have not been explored.
3. Surface sampling and diamond drilling have shown interesting and significant values in gold, the diamond drilling indicating the fracture zone to persist strongly to the vertical depth drilled of 150 feet.
4. There are two distinct types of mineralization, the values occurring in a sugary type quartz mineralized with galena, sphalerite and chalcopryrite.
5. The geological exploration and mapping performed by the Company during 1952 disclosed many narrow porphyry dikes on the property, some of which undoubtedly should be further investigated for parallel fracture zones.
6. The main zone warrants further work. Drilling should be laid out to determine the size and grade of the quartz lenses - and several holes should go to greater depth to explore the downward extension of the fracture zone.

RECOMMENDATIONS

1. The property would appear to have considerable merit and when conditions improve for golds a minimum of 5,000 feet of diamond drilling is warranted on the main zone, as well as diamond drilling exploration on the unpatented claims.
2. In the meantime it is essential to keep the 24 claims in good standing with a view to obtaining a patent. Therefore, it is recommended that 1,000 feet of drilling be performed this year to explore certain favourable zones indicated by the geological mapping, and that such drilling be recorded to cover this year's assessment work.

SCOPE OF REPORT

This report is based on a report of sampling and diamond drilling by B. M. Arnott, dated April 10th, 1952, from Government reports by Dr. Hurst in 1932 and E.O. Chisholm in 1951, from a detailed geological exploration program carried out on the claims by the Company during July and August, 1952, and from personal experience in the immediate area during the fall of 1950.

LOCATION AND EXTENT OF THE PROPERTY

The group is located about 23 miles southwest of Sioux Lookout, Pickerel Township, Patricia Mining Division, District of Kenora, Ontario. Pickerel Arm of Minnitaki Lake is about 2 miles west of the west line of the claims. The property consists of 26 claims, H.W. 635 and H.W.636, both patented. and 24 unpatented claims KRL 30738 to KRL 30761 inclusive. The group comprises an area of about 1040 acres.

GENERAL CONDITIONS

Accessibility and Transportation: A trail 2½ miles long leads from Pickerel Arm landing to the showings. Pickerel Arm is navigable and barge transportation is feasible from Sioux Lookout to the landing. Aircraft can land on Swimit Lake which borders the property to the southeast.

Timber, Power, Water: Plenty of timber is available on the property for preliminary buildings and mining operations. Many windfalls are prevalent on the high ground and constitute a serious fire hazard.

Water is available at Swimit Lake. Otherwise water for diamond drilling may be obtained in the spring and summer months from small creeks on the property.

Hydro power is located at Newlund Mines, a distance of about 6 miles.

GENERAL GEOLOGY

The property is underlain by a series of intermediate to acid Keewatin flows and agglomerate intruded by coarse feldspar porphyry, quartz porphyry, and a fine-grained quartz feldspar porphyry. The structure has a general northeast strike and dips to the northwest between 60 to 70 degrees.

DESCRIPTION OF SHOWINGS

The showings occur as parallel quartz lenses in a fracture zone that has been traced by pits and trenches for a length of 1600 feet, across H.W. 636. The zone, for the most part altered to chlorite schist, strikes N.30 E. and dips about 60 degrees to the northwest. Quartz lenses fill the fractures, mostly parallel to the zone. Widths vary from 1 foot to 15 feet of mixed quartz and schist just north of the shaft. A quartz-porphyry dike is exposed adjacent to the shaft and parallels the showing.

MINERALIZATION (Quoted from B.M.Arnott's Report)

"The veins are of two distinct types. One consists of a massive white quartz that is barren of sulphides, and the other of a more sugary type of quartz mineralized with galena, sphalerite and chalcopyrite.

Pyrite is sparsely distributed but is apparently of no significance. However, where sphalerite, galena or chalcopyrite were

observed in even small quantities the samples usually showed high gold values. No gold can be distinguished with a hand lense even in specimens assaying several ounces.

A polished section, when examined under the microscope, showed no gold in the quartz gangue but it occurs as elongated particles along the boundaries of the galena and sphalerite grains. Fine chalcopyrite is likewise disseminated. This mode of occurrence probably accounts for the difficulty of finding any gold by ordinary visual inspection since, even in the polished section, it was very difficult to distinguish the gold from the fine chalcopyrite.

SAMPLING RESULTS (Quoted from B. M. Arnott's Report)

"The sampling results from the trenches are shown in Appendix A. Unless otherwise noted they are chip samples.

The values are erratic and the showing is not sufficiently opened up to enable any conclusions to be reached regarding dimensions and average grade. The old shaft is located in one high grade section and there is another about 200 feet to the north-east. Most of the other trenches have negligible results with the exception of a few erratics. These sampling results are indicative only and closer work will have to be done to establish any definite pattern".

DIAMOND DRILLING (Quoted from B.M.Arnott's Report)

"In November 1950 one hole was drilled to cut the zone under the old shaft and a second hole was put down 200 feet to the southwest. The first hole cut two sections, separated by 3.1 feet of schist, which gave gold values of 1.34 oz across 1.6 feet and 1.12 oz across 0.4 feet. This was at a vertical depth of about 130 feet. The hole 200 feet to the southwest cut 0.44 oz across 1.0 feet.

A third hole was drilled for structural information and did not cut the veins."

The drill logs are appended hereto.

HISTORY (Quoted from B.M.Arnott's Report)

"HW 635 and HW 636 were formerly known as the Schmidt-Wall-bridge property. Gold was discovered on these claims about 1898 when there was considerable prospecting activity in the area, and an inclined shaft was sunk to a depth of 29 feet. The two claims were patented and have been held since that time.

About 1932 a considerable amount of trenching was done. While examining the showings the writer found three X-Ray diamond drill set-ups which were apparently about 20 years old. No records of this work are available.

In November 1950 Central Manitoba Mines Ltd. did approximately 1,000 feet of diamond drilling."

Respectfully submitted,

"L. F. Gauvreau"

L.F.Gauvreau, B.A. Sc.,
Professional Engineer.

APPENDIX "A"

McCOMBE MINING AND EXPLORATION, LIMITED

DIAMOND DRILL RECORD

LOCATION: 229' N.55°W. of 0/00 DRILL HOLE No. 1
BEARING: S.55°D. DRILLING DATE: November 1950
DIP: 45° DEPTH: 499'

Depth feet	Formation	Sample No.	Width of Sample	Gold oz.
0-21	Casing			
21-57	Agglomerate, scattered fine pyrite & some barren quartz stringers. Flow altered andesite.			
57.0-61.4	Tuff. F. C. Diorite			
61.4-65.0	Agglomerate chloritized andesite			
65.0-98.0	Tuff. F. C. Diorite			
98.0-114.3	Feldspar porphyry. Diorite			
114.3-141.0	Rhyolite porphyry			
141.0-149.7	Coarse grained tuff			
149.7-175.8	Variegated feldspar porphyry			
175.8-182.4	Rhyolite porphyry			
182.4-195.0	Coarse grained tuff			
195.0-200.1	Rhyolite porphyry (gray)			
200.1-201.7	Quartz vein, pyrite, chalcopyrite, galena & sphalerite	222	1.6	0.34
201.7-204.8	Chlorite schist			
204.8-205.2	Quartz vein, galena, chalcopyrite, pyrite	223	0.4	1.12
205.2-206.2	Chlorite schist, some quartz stringers with sparse pyrite	224	1.0	Tr.
206.2-343.6	Andesite, vesicular in places			
343.6-361.9	Feldspar porphyry. Diorite porphyry			
361.9-366.6	Andesite vesicular			
366.6-388.0	Silicified andesite			
388.0-395.1	Fine grained quartz porphyry, some fine disseminated pyrite			
	Rhyolite 388-392	225	4.0	N11
395.1-442.9	Andesite. Schisted			
442.9-454.9	Feldspar porphyry			
454.9-499	Variegated andesite			
499	END OF HOLE			

Angle at 250' - 33°
Angle at 499' - 23° (approx).

APPENDIX "A"

McCOMBE MINING AND EXPLORATION, LIMITED

DIAMOND DRILL RECORD

<u>LOCATION:</u>	131' S.55°E. of 0/00	<u>DRILL HOLE NO.</u>	2
<u>BEARING:</u>	N.55° W.	<u>DRILLING DATE:</u>	November, 1950
<u>DIP:</u>	45°	<u>DEPTH:</u>	248'

Depth feet	Formation	Sample No.	Width of Sample	Gold oz.
0-16	Casing			
16-16.7	Andesite			
16.7-17.0	Quartz porphyry			
17.0-18.1	Andesite			
18.1-62.3	Quartz porphyry			
62.3-63.3	Lost core			
63.3-178.6	Amygdaloidal andesite			
178.6-179.7	Lost core			
179.7-211.5	Amygdaloidal andesite			
211.5-213.0	Chlorite schist with 50% quartz sparse pyrite	226	1.5	N11
213.0-248 248	Amygdaloidal andesite END OF HOLE			
	Angle at 248' - 41°			

APPENDIX "A"

McCOMBE MINING AND EXPLORATION, LIMITED

DIAMOND DRILL RECORD

LOCATION: 140' No. 55°W. of 2/00.W. DRILL HOLE No. 3
BEARING: S.55°E. DRILLING DATE: November 1950
DIP: 45° DEPTH: 260°

Depth feet	Formation	Sample No.	Width of Sample	Gold oz
0-12	Casing			
12-19.0	Andesite			
19.0-28.5	Feldspar porphyry			
28.5-32.0	Fine grained quartz porphyry			
32.0-32.3	Feldspar porphyry			
32.3-38.0	Fine grained quartz porphyry			
38.0-66.6	Porphyritized andesite			
66.6-91.9	Feldspar porphyry			
91.9-117.0	Andesite, porphyritized in places			
117.0-133.4	Amygdaloidal andesite			
113.4-161.4	Basalt feldspar porphyry			
161.4-163.4	Andesite			
163.4-179.6	Basalt feldspar porphyry			
179.6-186.1	Andesite			
186.1-187.8	Chlorite schist, silicified, sparse pyrite	227	1.7	Nil
187.8-191.8	Quartz, sparsely mineralized with galena, sphalerite, chalcopyrite & pyrite	228	4.0	Trace
191.8-192.8	Quartz, heavily mineralized as above	229	1.0	0.44
192.8-194.5	Chlorite schist, silicified, sparse min.	230	1.7	Trace
194.5-204.9	Andesite			
204.9-205.6	Quartz, a little pyrite	231	0.7	Nil
205.6-205.6	Andesite			
206.6-209.2	Quartz, a little pyrite	232	2.6	0.04
209.2-233.0	Amygdaloidal andesite, plain andesite			
233.0-253.8	Feldspar porphyry, diorite porphyry			
253.8-260	Amygdaloidal andesite			
260	END OF HOLE			

Angle at 260' - 40°

L. F. GAUVREAU, B.A. Sc.,

Mining Engineer

Suite 310,
67 Yonge Street,
TORONTO, Canada.

CERTIFICATE

I, LEVI FRANCIS GAUVREAU, of the Town of Alliston, in the County of Simcoe, hereby certify:-

1. That I am a Professional Engineer, and reside at 112 Victoria Street East, Alliston, Ontario.
2. That I am a graduate of the University of Toronto, 1933, in Mining Engineering, and that I have practised my profession since graduation.
3. That I have no direct or indirect interest whatsoever in the mining claims the subject of this report, nor have I any direct or indirect interest in the securities of the Company, nor do I expect to receive any direct or indirect interest in the securities or property of the Company.
4. That the accompanying report is based on a report by B. M. Arnott, dated April 10th, 1952, from Government reports by Dr. Hurst in 1932 and E.O. Chiselm in 1951, from a detailed geological exploration program on the claims performed by the Company during July and August 1952, and from personal experience in the immediate area during the fall of 1950.

DATED this nineteenth day of May, 1953.

"L. F. Gauvreau"

Registered Professional Engineer

Mining

L. F. Gauvreau

Province of Ontario.

GROUP "B" MINING CLAIMSREPORTONGORDON CLAIMSEcho TownshipDistrict of Kenora, Ontario

Dated at:-
Toronto, Ontario
May 18th, 1953

Report made for:-
McCombe Mining & Exploration Ltd.,
330 University Avenue, Toronto

SUMMARY AND CONCLUSIONS

1. The area in which the claims are located is favourable for the occurrence of gold-bearing sills of grano-diorite and therefore these claims have good chances to respond to exploration.
2. Due to excessive overburden regular prospecting is not performable. As geophysical surveys on neighbouring properties proved inconclusive in tracing the granodiorite, cross-section diamond drilling is therefore the only feasible method for preliminary exploration.
3. Definitely these claims should be brought to a patent. Therefore, the logical course to follow would be to lay out a cross-section and drill along it year after year for assessment work and also for geological information.
4. This assessment work might very likely lead to the intersection of a favourable zone along which intensive diamond drilling could be carried out.

RECOMMENDATIONS

It is hereby recommended that the claims be kept in good standing. To comply with this year's assessment work 360 feet of "EX" diamond drilling should be carried out

A sum of \$1400.00 should cover the cost of this work.

SCOPE OF REPORT

This report is based on a report by B. M. Arnott, dated April 13th, 1952, from Government Reports by Dr. Hurst in 1932 and E.O. Chisholm in 1951, from a diamond drill log by Robert McCombe in the summer of 1952, and from personal experience in the immediate area during the fall of 1950.

LOCATION AND EXTENT OF THE PROPERTY

The property is located in lots 3, 4 and 5, Concession III, Echo Township, Patricia Mining Division, District of Kenora, Ontario. Consisting of 9 unpatented mining claims bearing Claim Nos. KRL 30939 to KRL 30947, inclusive, the group comprises approximately 360 acres. Newlund Mines adjoins on the south boundary of KRL 30939 & 30942 and East Lund Mines adjoins to the south and west.

GENERAL CONDITIONS

Timber and Water: Logging operations have been carried out in the area within recent years with the result that there is no commercial timber left on the claims.

The only water on the claims is a small "pot-hole" lake in an undrained area near the west boundary. However, a good supply of water can be obtained from Franciscan Lake, which is located $\frac{3}{4}$ of a mile southeast of the south boundary.

Topography and Transportation: The underlying rock is heavily buried by a layer of sand and boulders. Most of the surface is level or gently rolling and there are no outstanding topographic features.

Provincial highway No. 72 lies about $1\frac{1}{2}$ miles to the southeast of the claims. Lumber roads direct from the highway make the property easily accessible. Sioux Lookout is about 25 miles away to the northeast.

GEOLOGY

Mr. B.M. Arnott, in his report, very ably covers the important and pertinent features of the local geology and the writer quotes him herein:- (Quote) "With the exception of a small area of basic lavas adjacent to the south-west corner post the claims are covered by a very heavy mantle of sand, gravel and boulder clay. However, from rock exposures and drill results on adjoining properties it is possible to infer that the principal rock types are intermediate to basic lavas. These rocks generally strike in a direction approximately N.70 degrees E., although there are local deviations. The dips are either vertical or steeply south.

The main interest centres on the recent developments on the adjoining property of the Newlund Mines, where underground work is in progress. At this property the ore bodies occur as quartz stringers and accompanying zones of alteration in andesite and, of less importance, in quartz-feldspar porphyry, and a number of showings have been discovered and tested. These intrusives occur as sills, having been intruded along the strike and dip of the lavas. Work on the Newlund and adjoining properties has shown the granodiorite sills to be very persistent on strike, and within the sill concentrations of the gold bearing quartz stringers occur as sheets or lenses. The gold is concentrated in, or immediately adjoining, the quartz stringers which lie normal to the strike of the sill. Therefore, it has been found by experience that preliminary drilling should be done normal to the strike of the formation, and that, subsequent holes should be drilled to the sill at an angle so as to also cut the cross fractures with which the mineralization is associated.

The projected strike of the several ore zones on Newlund crosses the southeast corner of the Gordon group and, therefore, the two southerly claims. KRL 30939 and 30942 are of the greatest potential interest. However, since the intervening rock is obscured by overburden it is not known if the strike remains uniform. Also there is no reason why parallel sills might not be expected to occur". (Unquote)

DIAMOND DRILLING

During August of 1952 three hundred and sixty feet of EXT core drilling was completed for information and assessment work purposes. The hole was drilled on a bearing of N-40-W, dip 45 degrees and was collared 200 feet northwest of the No. 2 Post of Claim KRL 30939. Bedrock was reached after casing 103 feet through sand and gravel. The main rock type is andesite. Several intersections were cut of sheared feldspar-porph. There are several very narrow intersections of unmineralized

quartz. The log of the core is appended hereto.

Respectfully submitted,

"L. F. Gauvreau"

L.F. Gauvreau, B.A. Sc.,
Professional Engineer.

Seal of Registered
Professional Engineer
Mining
L. F. Gauvreau
Province of Ontario.

APPENDIX "A"

McCOMBE MINING AND EXPLORATION, LIMITED

GROUP "B", DIAMOND DRILL RECORD

LOCATION: 200 ft. N.W. No. 2 DRILL HOLE: No. 1
Post, claim KRL 30939

BEARING: N-40-W DATE: Aug 2-12/52

DIP: 45 degrees DEPTH: 360 feet.

<u>Depth Ft.</u>	<u>Formation</u>
0.0-103.0	Casing - sand and gravel
103.0-172.3	Andesite
172.3-174.1	Slightly sheared fine grained granodiorite
174.1-174.7	Andesite
174.7-178.8	Sheared acid intrusive (granodiorite)
178.8-181.8	Andesite
181.8-184.9	Sheared acid intrusive
184.9-188.0	Andesite
188.0-194.2	Sheared acid intrusive
194.2-197.3	Andesite
197.3-198.8	Lost core
198.8-222.3	Andesite
222.3-230.5	Tuff
230.5-243.0	Altered acid intrusive
243.0-276.5	Andesite
276.5-280.5	Sheared acid intrusive
280.5-281.2	Quartz, (approximately 20 deg to core)
281.2-283.9	Sheared acid intrusive
283.9-284.4	Quartz (approximately 80 deg to core)
284.4-295.0	Sheared acid intrusive
295.0-295.7	Quartz (approximately 20 deg to core)
295.7-298.6	Sheared acid intrusive
298.6-299.5	Basic diorite
299.5-303.0	Greenstone schist
303.0-310.0	Acid schist (sheared acid intrusive)
310.0-360.0	Andesite

END OF HOLE

DRILLING:- Performed by Pelican Drilling Company.

L. F. GAUVREAU, B.A., Sc.,

Mining Engineer

Suite 310,
67 Yonge Street,
TORONTO, Canada.

CERTIFICATE

I, LEVI FRANCIS GAUVREAU, of the Town of Alliston, in the County of Simcoe, hereby certify:-

1. That I am a Professional Engineer, and reside at 112 Victoria Street East, Alliston, Ontario.
2. That I am a graduate of the University of Toronto, 1933, in Mining Engineering, and that I have practised my profession since graduation.
3. That I have no direct or indirect interest whatsoever in the mining claims the subject of this report, nor have I any direct or indirect interest in the securities of the Company, nor do I expect to receive any direct or indirect interest in the securities or property of the Company.
4. That the accompanying report is based on a report by B. M. Arnott, dated April 13th, 1952, from Government reports by Dr. Hurst in 1932 and E.O Chisholm in 1951, from a diamond drill log by Robert McCombe in the summer of 1952, and from personal experience in the area during the fall of 1950.

DATED this eighteenth day of May, 1953.

"L. F. Gauvreau"

Registered Professional Engineer
Mining
Province of Ontario.

Report on the Property of McCombe
Mining and Exploration Limited
Long Township, Sault Ste. Marie Mining Division
Province of Ontario

INTRODUCTION

That area along the shore of the North Channel of Georgian Bay including the townships of Striker, Long, Spragge, Lewis and Sheddon is of interest at the present time because of the reported presence of a uranium bearing deposit of considerable size. This deposit is situated in the south central part of Long township. McCombe Mining and Exploration Limited has obtained a group of mining claims in the area. The claims were acquired by staking.

PROPERTY

The property owned by McCombe Mining and Exploration Limited consists of a compact group of eighteen unsurveyed and unpatented claims numbered as follows:

SSM-24559, SSM-24560, SSM-24584 and SSM-24561 to
SSM-24575 inclusive.

The property is rectangular in shape and approximately one and one-half miles by three-quarters of a mile in extent.

LOCATION, ACCESS, ETC.

The property includes the southwest eighth of Lot 4, the south quarters of Lots 5 and 6, and the southeast eighth of Lot 7. Concession IV; and the northwest quarter of Lot 4, the north half of Lots 5 and 6 and the northeast quarter of Lot 7, Concession III of Long Township. The south boundary of the property adjoins to the north the property of Peach Uranium and Metal Mining Company Limited on which the reported uranium bearing deposit occurs.

Paved highway No. 17, connecting the cities of Sudbury and Sault Ste. Marie passes some two miles to the south of the property. The main line of the Canadian Pacific Railway roughly parallels this highway

route. The town of Blind River, Ontario is situated on these transportation routes, some eleven miles to the west. Hydro-electric power lines cross the township in an east-west direction, a short distance north of the highway. The area is lightly covered with timber consisting of both hard and soft woods.

TOPOGRAPHICAL FEATURES

The topography of the area is moderately rugged and marked by extensive rock outcrops. Between the outcrop areas the terrain is generally flat to gently rolling. Many lakes of varying size are scattered throughout the region.

GEOLOGY OF THE PROPERTY

The property is situated within but close to the edge of a large mass of pre-Huronian granite. This batholithic mass has intruded a series of pre-Huronian sediments consisting mainly of interbedded quartzite and greywacke which it contacts approximately one mile south of the property. The Mississagi series of quartzite, conglomerate and argillite overlies these formations. This series is locally flat lying or gently dipping to the south. The main mass of these sediments is known to approach to within one thousand feet of the property. A study of geological plans of the area shows sedimentary remnants over considerable extent within the main granitic area. It may well be that such remnant masses occur on the property. A mass of diabase intrudes the east and north parts of the claim group.

It is believed that the area has not been mapped in detail and as a consequence the location of geological contacts assumed at this time may not be accurate.

ECONOMIC GEOLOGY

Uranium occurs in the area in the form of very finely disseminated pitchblende and in the mineral brannerite. The latter occurs associated with a sulphide bearing matrix in the quartz conglomerate rock series. This series has been traced at intervals in an east-west direction for some twenty-four miles. It is believed to be locally flat lying or having a slight dip to the south. Approximately one mile to the south of the property of McCombe Mining and Exploration Limited an extensive surface exposure of the radioactive

conglomerate formation has been investigated by diamond drilling and an indicated tonnage in excess of 1,000,000 tons of material grading approximately 0.12% U_3O_8 is reported. Additional discoveries have been made in the sedimentary formations as far as eighteen miles to the north and fifteen miles to the east of the Company's property.

EXTENT OF WORK DONE

The claim group was staked during the late spring of 1953, just prior to the announcement of diamond drilling results in the area. Thus, no examination of the surface exposures on the property has been made and no radioactive occurrences are known to be present on it at this time.

CONCLUSIONS

The property is situated within a distance of one mile of the most important uranium bearing deposit in area at this time. Several other radioactive occurrences have been found in the short time since active interest has been taken in the district. The area is readily accessible. The cost of a program of surface investigation of the property should be relatively low in comparison to that of the majority of areas where the search for uranium deposits is being carried out at this time. It is believed that the costs of mining in this area would also be relatively low, consequently deposits of low grade material would hold considerable attraction.

RECOMMENDATIONS

It is recommended that a surface examination of the property be carried out. A system of picket lines should be cut at intervals of no more than 300 feet along which marked pickets should be placed at measured intervals of 100 feet. This should be followed by a program of geological mapping giving special attention to any occurrences of sediments and, in particular conglomerates. A detailed geiger counter or scintillometer survey should accompany the program of geological mapping over the entire property. The field work should be conducted under the supervision of an engineer or geologist with previous experience in the search for uranium bearing deposits.

Any radioactive occurrences found on the property should be further exposed by stripping and rock trenching in preparation for sampling.

REFERENCES

Map entitled Blind River, Algoma District, Canada,
Department of Mines, Geological Survey, issued 1925
(scale 1" equals 2 miles).

Respectfully submitted,

"Frederick C. Knight"

Frederick C. Knight, B.Sc., P.Eng.
Mining Engineer.

June 29, 1953.

CERTIFICATE

I Frederick C. Knight of the City of Toronto, in the Province of Ontario, hereby certify as follows :-

1. That I am a practising Mining Engineer, with offices at Suite 1405 - 330 Bay Street, Toronto, Ontario.
2. That I am a graduate of Queen's University, Kingston, Ontario, hold the degree of B.Sc. in Mining, and am a member of the Association of Professional Engineers of the Province of Ontario.
3. That I have no interest either directly or indirectly and do not expect to receive any interest either directly or indirectly in the property covered in this report, nor in the securities of McCombe Mining and Exploration Limited.
4. That the accompanying report is not based on a personal examination of the property since its acquisition by McCombe Mining and Exploration Limited, but in part on a geological map of the area published by the Department of Mines, Ottawa, in 1925, which reference is incorporated in the report; and on general knowledge based on personal examinations of certain radioactive deposits in the area in July and August, 1949, including the large tonnage deposit less than one mile to the south of the company's property.
5. This certificate applies to McCombe Mining and Exploration Limited claims numbered SSM-24559, SSM-24560, SSM-24584 and SSM-24561 to SSM-24575 inclusive, all located in Long Township in the Sault Ste. Marie Mining Division in the Province of Ontario.

DATED this 29th day of June, A.D. 1953.

"Frederick C. Knight"

Frederick C. Knight, B.Sc., P.Eng.
Mining Engineer.

REPORT ON THE PROPERTIES OF
McCOMBE MINING & EXPLORATION LIMITED
PARISH OF BALMORAL - COUNTY OF RESTIGOUCHE
PROVINCE OF NEW BRUNSWICK

INTRODUCTION

The company owns two groups of mineral claims in the County of Restigouche on the Province of New Brunswick. These are situated on the southeast Upsalquitch watershed, an area some thirty-five miles to the northwest of the base metal area in the vicinity of the Town of Bathurst and some forty miles southwest of the Town of Dalhousie.

The area is of some interest at this time because geological and structural conditions are believed favourable to the occurrence of base metal deposits.

A mantle of snow prevents a personal examination of the properties at this time. Thus the report is based on a study of geological reports and maps of the area, aerial photographs and on discussions with the company's technical staff.

PROPERTIES AND LOCATIONS

Both properties are located in the Parish of Balmoral in the County of Restigouche, more particularly described as follows :-

Claim Group I consists of twenty claims numbered 1823-1 to 1823-20 inclusive, comprising an estimated 800 acres more or less. The property is situated on the south branch of Meadowbrook Creek. Its east boundary is located approximately one and one quarter miles west of Meadow Lakes.

Claim Group II consists of twenty-one claims of approximately 40 acres each. The claims are numbered 1823-21 to 1823-41 inclusive. The northeast corner of the property is located approximately one-half mile west of Ramsey Sheds at the junction of Ramsey Brook and the Southeast Upsalquitch River.

All mineral claims in both Groups I and II were acquired by the Company by staking. They are unsurveyed and unpatented and have been registered in the name of McCombe Mining & Exploration Limited, with the

Department of Mines, Fredericton, New Brunswick.

ACCESS, ETC.

Both properties are accessible by road from the Town of Dalhousie, such roads passing through Group I and through the central portion of Group II. The roads are owned by the International Paper Company (New Brunswick) Limited. These are gravel surfaced and quite suitable for truck travel.

The area is well timbered, with spruce and to a lesser extent with balsam and pine. Timber rights are held by the International Paper Company, (New Brunswick) Limited. A good supply of water for development and initial mining needs is available to both properties from nearby creeks. Electric power is present forty miles distant on the Bai du Chaleur.

The area is one of moderately rugged relief, containing deep valleys and high steep hills. The principal topographical feature of the area is the deep valley marking the Meadow Brook regional fault which passes through Group I.

GENERAL GEOLOGY

The area is underlain by rocks of the Lower Devonian Series of Paleozoic Age. These comprise sedimentary and volcanic formations, the former including principally shales and limestones and the latter, andesite, related pyroclastics, and to a lesser extent, rhyolites. In many places the volcanics and sediments are interbedded. Monzonite float found along the stream beds indicate that such intrusives may be present in the area.

The lavas, including the andesites and rhyolites are hard and brittle. Should any base metal deposits be present it is expected that they would occur at places where such rocks have been fractured and broken up.

STRUCTURAL FEATURES

The principal structural feature in the area is the Meadow Brook regional fault. It has been traced for a distance of some forty miles and is considered one of the longest faults in the province. Group I straddles this structure for a distance of one and one half miles.

Secondary faults paralleling the main structure are indicated by the presence of other topographical depressions. A third set of local

Faults follow steep to vertical escarpments which strike at high angles to the strike of the Meadow Brook structure.

MAGNETIC ANOMALIES

There is reason to believe that magnetic anomalies are present adjacent to the trace of the Meadow Brook fault, while others roughly parallel the fault some distance away. One such anomaly of the latter type is believed to pass through Claim Group II.

ECONOMIC GEOLOGY

No mineral showings are known to be present on either of the company's claim groups. The recent discovery of deposits of copper and zinc sulphide in very substantial amounts adjacent to magnetic iron formations, some forty miles to the southeast has lead to the present interest in the Southeast Upsalquitch area where similar conditions are believed to exist.

SUMMARY AND CONCLUSIONS

A regional fault which has been traced for a distance of some forty miles is known to pass through Group I. It is considered that the possible presence of magnetic anomalies adjacent to this structure presents a favourable condition for the deposition of bodies of sulphide ores.

The presence of a strong magnetic anomaly, believed to traverse Group II, presents a geological condition which warrants a thorough investigation.

RECOMMENDATIONS

While detailed information re. the local geology of the area which includes the company's two groups of mineral claims is vague, certain conditions as outlined above have been observed which are considered favourable to ore deposition. Therefore, detailed surface investigations of both properties appear warranted.

The investigations of both Groups, I and II, should include detailed geological mapping and prospecting. Some form of geophysical ground survey including magnetic methods should be considered in conjunction with the geological mapping program in order to check the location of magnetic anomalies referred to above.

The recommendation of additional exploration by diamond drilling must await the results of the surface examination.

REFERENCES

1. Map 641-A, Jacquet River, Department of Mines and Resources, Ottawa, Ontario.
2. Map 910-A, Geological Map of the Maritime Provinces, Department of Mines and Resources, Ottawa, Ontario, published 1949.

Respectfully submitted

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TORONTO, Ontario.
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APPENDIX "B"

MCCOMBE MINING AND EXPLORATION, LIMITED

ASSAY RESULTS

No.	Location dist. fr. shaft	Description	Width ft.	Au. Oz.
1	645' N.E.	Silicified sch. pyrite	3.5	Tr.
2	565' N.E.	Qtz. porph. some qtz. strs	Grab	N11
3	335' N.E.	Qtz. & sch. some pyrite	4.0	Tr.
4	329' N.E.	Qtz. & sch. some pyrite	2.5	N11
5	314' N.E.	Qtz. with fine galena	3.0	0.40
6	305' N.E.	Qtz. & sch. no mineral	5.0	N11
7	270' N.E.	Qtz. & sch. galena & pyrite	2.0	0.76
8	275' N.E.	Qtz. & sch. no mineral	Grab	Tr.
9	255' N.E.	Qtz. some galena & pyrite	1.0	0.44
10	240' N.E.	Qtz. some pyrite	1.0	N11
11	230' N.E.	Qtz. with sparse galena	1.0	3.46
12	225' N.E.	Qtz. sparse galena & chalco.	1.0	0.86
13	220' N.E.	Qtz. some galena & chalco.	1.0	3.08
14	90' N.E.	Black qtz. no sulphides	1.0	N11
15	30' N.E.	Qtz. & sch. some pyrite	5.0	N11
	0'-5' from F.W.			
16	30' N.E.	Qtz. & sch. sparse Pb, Zn, Cu.	6.0	3.04
	5'-11' from F.W.			
17	24' N.E.	Qtz. & sch. sparse Pb, Zn, Cu.	4.0	0.38
18	18' N.E.	Qtz. & sch. sparse Pb, Zn, Cu.	6.0	0.30
	0'-6' from F.W.			
19	18' N.E.	Schist	2.0	Tr.
	6'-8' from F.W.			
20	18' N.E.	Qtz. with Pb, Zn, Cu.	1.5	0.02
	8'-9.5' fr F.W.			
21	18' N.E.	Schist	2.5	N11
	9.5'-12' fr F.W.			
22	18' N.E.	Qtz. with Pb, Zn, Cu.	3.0	0.22
	12'-15' fr F.W.			
23	15' N.E.	Qtz. & sch. sparse pyrite	5.0	N11
	0'-5' from F.W.			
24	15' N.E.	Qtz. & sch. pyrite	4.5	0.03
	5'-9.5' fr F.W.			
25	10' N.E.	Qtz. & sch. some Pb, Zn, Cu.	5.0	0.46
26	5' N.E.	Qtz. & sch. some Pb. & Zn.	Grab	0.32
27	85' S.W.	Qtz. no sulphides	5.0	0.06
28	95' S.W.	Qtz. very sparse galena	2.5	Tr.
29	105' S.W.	Qtz. & sch. sparse sulphides	4.0	0.12
30	110' S.W.	Qtz. no sulphides	3.0	0.02
31	115' S.W.	Qtz. & sch.	3.5	N11
32	120' S.W.	Qtz. & sch.	4.0	0.03
33	125' S.W.	Qtz. & sch.	5.0	0.10
	0'-5' from F.W.			
34	145' S.W.	Qtz. & sch. some pyrite	5.0	N11
	5'-10' fr F.W.			
35	155' S.W.	Qtz. & sch. some pyrite	Grab	0.20
36	165' S.W.	Qtz. & sch.	3.0	Tr.
37	500' S.W.	Quartz, no sulphides	Grab	0.08
38	520' S.W.	Quartz, no sulphides	Grab	N11
39	1030' S.W.	Black qtz. Pb, Zn, & Cu.	Grab	3.86
40	1030' S.W.	Silicified schist	Grab	N11
41	890' S.W.	Quartz, no sulphides	3.5	N11
42	900' S.W.	Feldspar porphyry	Grab	N11
43	900' S.W.	Quartz, no sulphides	Grab	Trace
44	940' S.W.	Quartz, no sulphides	Grab	0.12
45	535' S.W.	Schist	3.6	Tr.