



52G155W9154 52G155W0024A1 BELL LAKE

010



REPORT

ON

SANTA MARIA MINES LIMITED

IN

STURGEON LAKE AREA

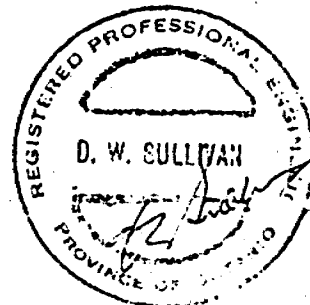
PATRICIA MINING DIVISION

NORTHWESTERN ONTARIO

Dated at Georgetown, Ontario

December 4, 1969

D. W. Sullivan, P.Eng.,
F. G. A. C.



SOURCES OF INFORMATION

- (1) Ontario Department Mines, Preliminary Map P.353, "Minnitaki-Sturgeon Lakes Sheet" (1966), 52G, 52J.
- (2) Ontario Department Mines, G.R. No.24 "Metionga Lake Area" D.P. Rogers, (1964).
- (3) Ontario Department Mines, Vol. 39, Pt 2 "Sturgeon Lake Area".
- (4) Geol. Survey of Canada, Aeromagnetic maps 1107G, 1108G, 1117G, 1118G.
- (5) Geol. Survey of Canada, Paper 68-45, "Geology Sioux Lookout Area" with map No. 50-14 (1968) by R. Skinner.

INTRODUCTION

A group of fifteen (15) recently staked mining claims have been acquired by Santa Maria Mines Limited adjoining the Mattagami Lake Mines property on the south. The property is in the Sturgeon Lake Area of Northwestern Ontario, 5.5 miles east of the new base and precious metal sulphide discovery of Mattagami Lake Mines Limited in a rhyolite or acid volcanic rock near the contact of a more basic volcanic rock. The Santa Maria Mines property is located on the same easterly trending belt of acid and basic metavolcanics.

An interesting closed magnetic high anomaly with two adjacent magnetic lows is evident on the Government airborne magnetic map #1117G (see attached plan). The geophysical surveys recommended should carefully explore this condition since a similar situation was evident in the immediate vicinity of the Mattagami discovery.

The property of Santa Maria Mines Limited is considered to be worthy of careful exploration, by geophysical methods, which was so successful in locating the Mattagami sulphide body.

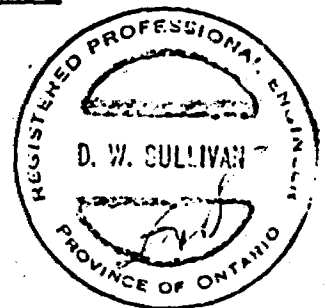
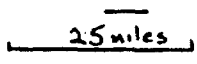


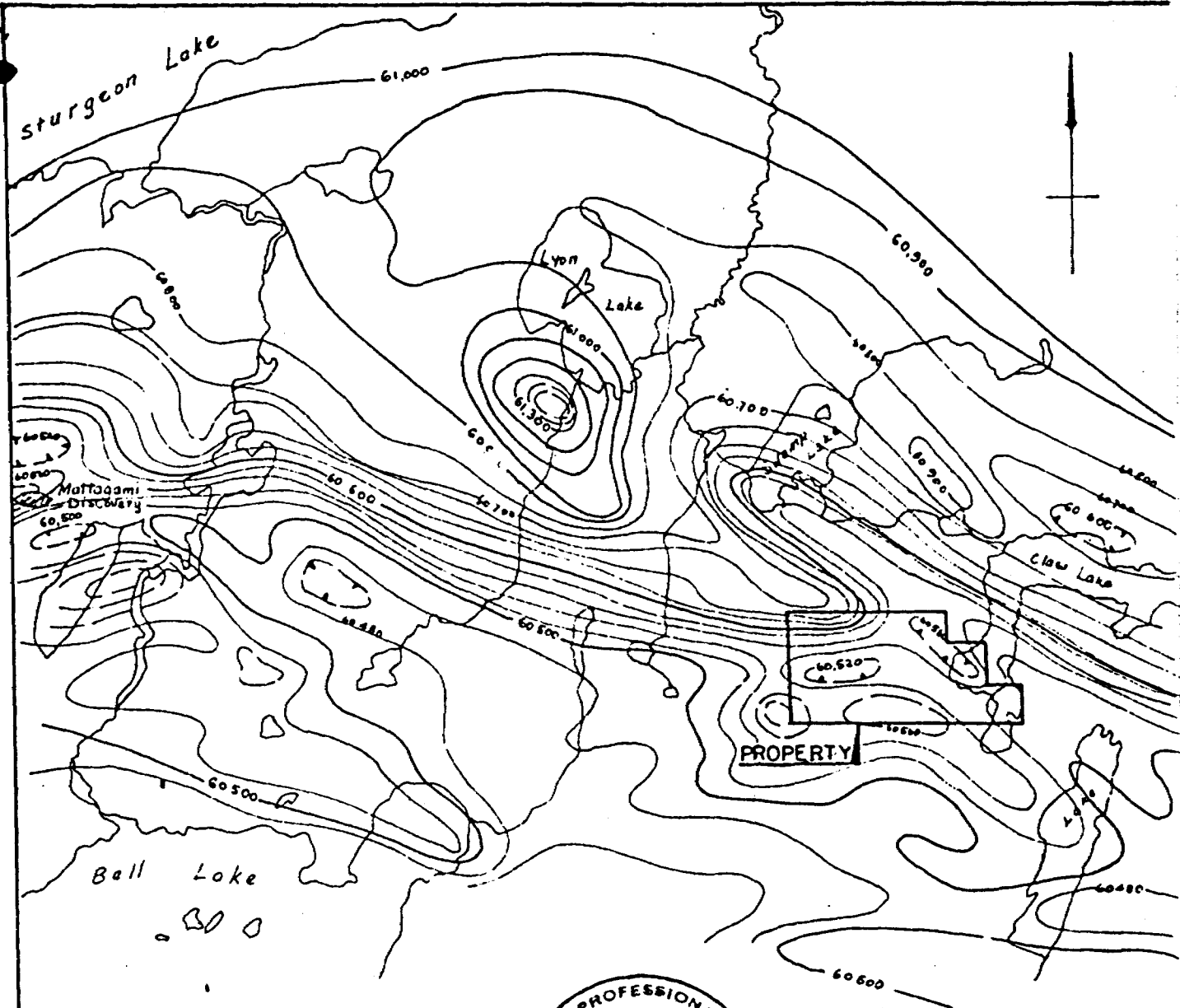
LOCATION MAP

SANTA MARIA MINES LIMITED

STURGEON LAKE AREA
 PATRICIA MINING DIVISION
 NORTHWEST ONTARIO

Scale : 1" = 25 miles





AEROMAGNETIC MAP

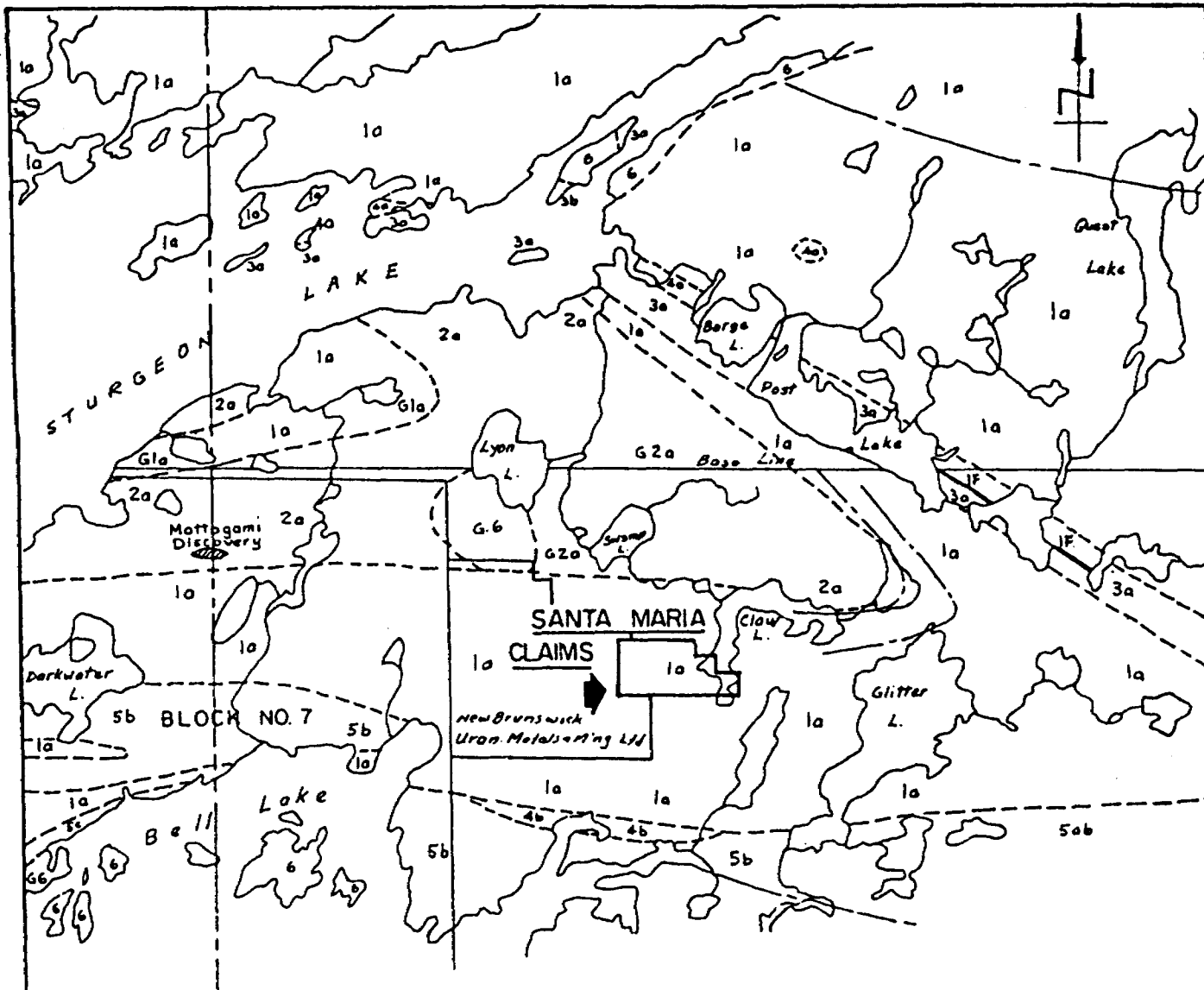
SANTA MARIA MINES LIMITED

STURGEON LAKE AREA
 PATRICIA MINING DIVISION
 NORTHWEST ONTARIO

Scale: 1" = 1 mile.



Taken from G.S.C. Map 11175.



LEGEND

ANCHEAN

ACID IGNEOUS & META MORPHIC ROCKS

6 6 Syenitic Gneiss.

5 5 Granite rocks
b. Granite granodiorite, quartz diorite, quartz-feldspar porphyry.

4 4 BASIC (ULTRA-BASIC) IGNEOUS ROCKS
a. Gabbro, melagabbro, meladiorite.

3 3 METASEDIMENTS
a. Conglomerate, arkose, graywacke, siltstone & derived schists.

2 2 METAVOLCANICS
ACID METAVOLCANICS
a. Rhyolitic & dacitic tuff, agglomerate & flows.

1 1 BASIC METAVOLCANICS
a. Massive lava, pillow lava, tuff, amphibolite, derived schists & gneisses.

Linear

Iron formation



GEOLOGICAL MAP

SANTA MARIA MINES LIMITED

STURGEON LAKE AREA
PATRICIA MINING DIVISION
NORTHWEST ONTARIO

Scale : 1" = 2 miles



Taken from O.D.M. Prelim map No P. 353.

RECOMMENDATIONS

It is therefore recommended that the entire 15 claims be covered by geophysical electromagnetic and magnetic surveys on lines spaced 400 feet apart. Detailed coverage of any conductors or anomalies must be done.

The estimated cost of the surveys, inclusive of line cutting and detailed geophysical checking is \$5,500.00.

If the geophysical surveys indicate that diamond drilling is recommended to test any geophysical targets this can be done in this area for \$8.00 per foot inclusive of assaying and supervision.

PROPERTY

Consists of 15 contiguous, recently staked, mining claims of about 40 acres each. They are known more precisely as follows:

PA 225673 to 225687 - - - 15 claims

LOCATION AND ACCESS

The property is located in the Sturgeon Lake Area, Patricia Mining Division of Ontario, 45 miles east south east of Sioux Lookout on the C. N. Railway and 26 miles south of Savant Lake. It adjoins the property of Mattagami Lake Mines which

are currently drilling their new major base and precious metal discovery.

It is accessible by chartered ski-equipped aircraft directly to a lake on the property. A new drilling access winter road is being put into the immediate area of the Santa Maria ground by Mattagami and likely can be used by other parties in the area. This road will start from Groves on Highway 599 about 15 miles west of the Santa Maria property.

GEOLOGY

The general area is underlain by Precambrian acid and basic metavolcanic rocks which are flanked on the south by a broad belt of granitic rocks. In all possibility the volcanic rocks are remnant basins of now highly folded and faulted greenschist-facies-grade Keewatin and Temiskaming-type rocks in the granite. In the Sturgeon - Savant area of Keewatin-type greenstone rocks are known deposits of gold, silver, zinc, lead and iron showings. The recent major base and precious metal discovery by Mattagami Lake Mines has given considerable impetus to the search for these metals, particularly in the more acid phases of the volcanics and near their contacts with intermediate to basic volcanics. Geophysics has now proven to be important in helping to locate suitable targets in the search for these metals as borne out by Mattagami.

The Santa Maria property appears to be located in basic volcanics which could have acid or rhyolitic horizons within them and therefore are thought to be most suitable for exploration, particularly by geophysical methods followed by drilling where recommended.

SUMMARY AND CONCLUSIONS

Since the property of Santa Maria Mines Limited lies within the favourable metavolcanics which are known to be amenable to the deposition of sulphides at the Mattagami discovery 5.5 miles to the west on what appears to be the same belt of volcanics then the Santa Maria property must be considered worthy of exploration for copper, zinc, lead and precious metals.

Since geophysical methods followed by drilling were successful this approach is highly recommended on the Santa Maria property.

RECOMMENDATIONS

It is recommended that the entire 15 claims be covered by geophysical electromagnetic and magnetic surveys on lines spaced at 400 feet with necessary detailed follow-up of any anomalous zones. Should

these surveys recommend that certain geophysical targets be tested by drilling this must be done.

The estimated cost of the above exploration is as follows:

- (a) Geophysical electromagnetic and magnetic surveying, including line cutting - - - - - \$5,500.00
- (b) Diamond drilling, if warranted by the above geophysical work, can be done in this area for \$8.00 per foot inclusive of supervision and assaying

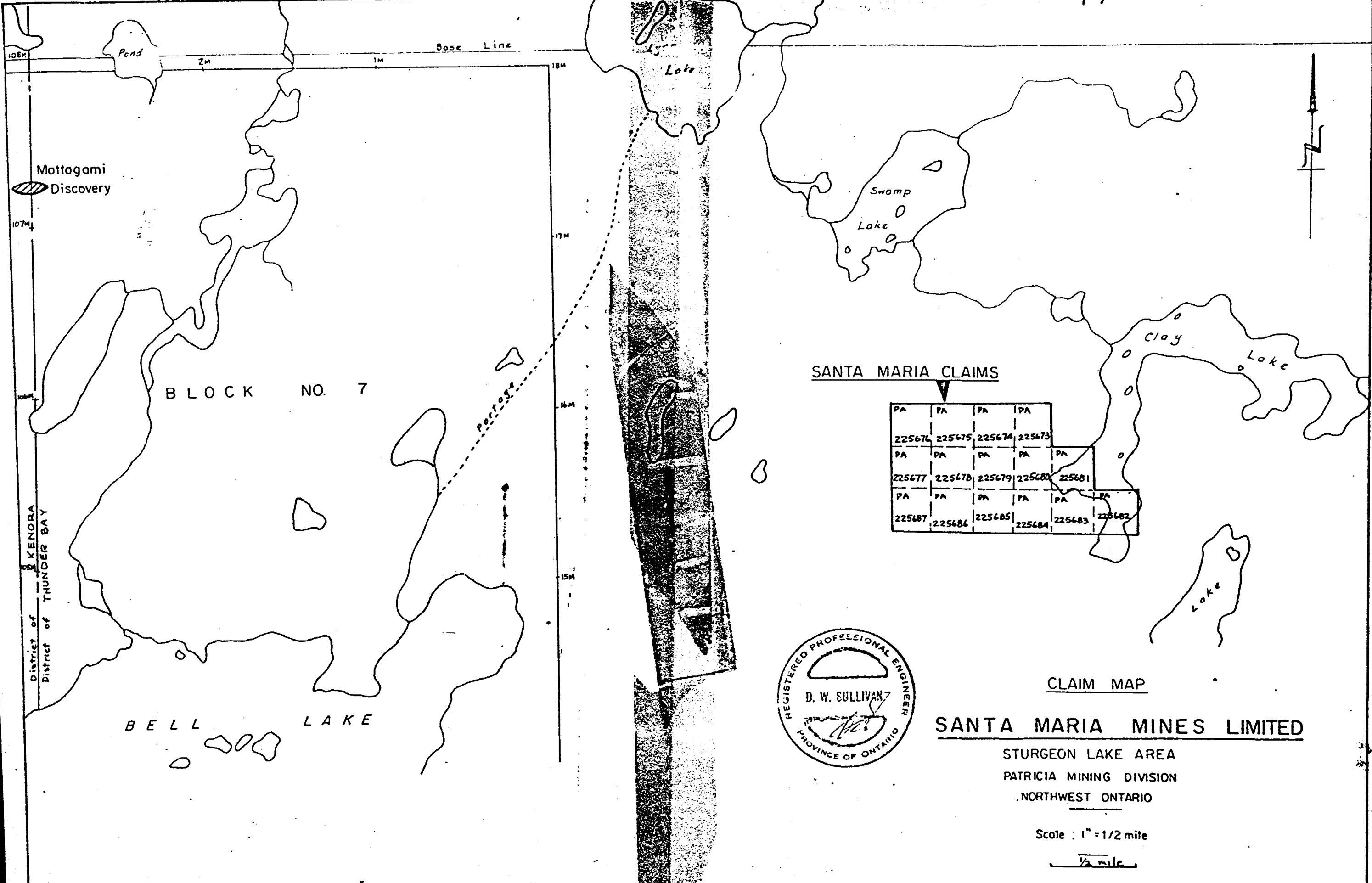
Respectfully submitted,



D. W. Sullivan, P.Eng., F.G.A.C.

Dated at
Georgetown, Ontario
December 4th, 1969





SANTA MARIA CLAIMS

PA	PA	PA	PA		
225676	225675	225674	225673		
PA	PA	PA	PA	PA	
225677	225678	225679	225680	225681	
PA	PA	PA	PA	PA	
225687	225686	225685	225684	225683	225682

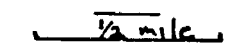


CLAIM MAP

SANTA MARIA MINES LIMITED

STURGEON LAKE AREA
 PATRICIA MINING DIVISION
 NORTHWEST ONTARIO

Scale : 1" = 1/2 mile



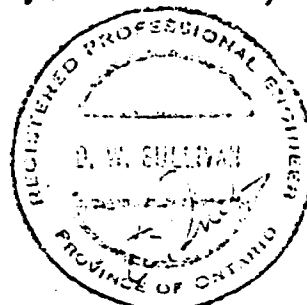
Taken from D.M. Claim Map "Area South of Sturgeon Lake" Oct. 1969.

CERTIFICATE

I, D. W. Sullivan, of the Township of Esquesing, in the County of Halton, Province of Ontario hereby certify:

1. That I am a Mining Engineer and reside at R. R. # 3, 5th Line, Georgetown, Ontario.
2. That I am a graduate of Queen's University with a B. Sc. degree and that I have been practising my profession as a Mining Engineer for the past twenty-two years.
3. That I have no interest, either directly or indirectly, nor do I expect to receive any interest, either directly or indirectly, in the property of Santa Maria Mines Limited or any affiliated companies.
4. That I do not beneficially own, either directly or indirectly, any securities of Santa Maria Mines Limited or any affiliated companies.
5. That the accompanying report is based on a study of available Government geological maps and reports on the Sturgeon Lake Area and upon a knowledge obtained from personal discussions with persons who have knowledge of the recent discovery by Mattagami Lake Mines Limited in the immediate area. A personal examination of the property was not made by the writer because of winter conditions in the area! The writer made a trip to the general area in late November 1969 and examined several outcrops along Highway 599 to the west of the property.
6. That I am a member of the Association of Professional Engineers of the Province of Ontario and the Geological Association of Canada.

Dated this 4th day of December, 1969.

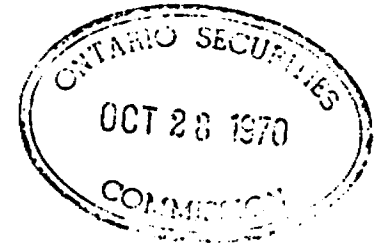


D. W. Sullivan, P. Eng.,
F. G. A. C.



52G15SW9154 52G15SW0024A1 BELL LAKE

020



REPORT
ON
SANTA MARIA MINES LIMITED
IN
STURGEON LAKE AREA
PATRICIA MINING DIVISION
NORTHWESTERN ONTARIO

NORTHWESTERN ONTARIO

Georgetown
Dated at Georgetown, Ontario
October 19, 1970.

D.W. Sullivan, P. Eng.,
F. G. A. C.



SOURCES OF INFORMATION

- (1) Ontario Department Mines, Preliminary Map P.353,
"Minnitaki-Surgeon Lakes Sheet" (1966), 52G,
52J and Map P.148, "Glitter Lake Sheet".
- (2) Ontario Department Mines, G.R. No.24
"Metionga Lake Area" D.P. Rogers, (1964).
- (3) Ontario Department Mines, Vol. 39, Pt 2
"Sturgeon Lake Area".
- (4) Geol. Survey of Canada, Aeromagnetic maps
1107G, 1108G, 1117G, 1118G.
- (5) Geol. Survey of Canada, Paper 68-45,
"Geology Sioux Lookout Area" with map
No. 50-14 (1968) by R. Skinner.

INTRODUCTION

A group of fifteen (15) mining claims are held by Santa Maria Mines Limited adjoining the Mattagami Lake Mines property on the south. The property is in the Sturgeon Lake Area of Northwestern Ontario, 5.5 miles east of the new base and precious metal sulphide discovery of Mattagami Lake Mines Limited in a rhyolite or acid volcanic rock near the contact of more basic volcanic rocks. It is also located one mile east south east of the New Brunswick Mining discovery. The Santa Maria Mines property is situated in the same easterly trending belt of acid and basic meta-volcanics and tuffs.

An interesting closed airborne magnetic high anomaly with two adjacent magnetic lows is evident on the Government airborne magnetic map #1117G (see attached plan). The geophysical surveys recommended should carefully explore this condition since a similar situation was evident in the immediate vicinity of the Mattagami discovery.

The property of Santa Maria Mines Limited is considered to be worthy of careful exploration, by geophysical methods, which was so successful in locating the Mattagami sulphide body and the New Brunswick Uranium Metals Mining Limited discovery just announced.

RECOMMENDATIONS

It is therefore recommended that the entire 15 claims be covered by geophysical electromagnetic and magnetic surveys on lines spaced 400 feet apart. Detailed coverage of any conductors or anomalies must be done.

It is further recommended that the property be geologically mapped.

The estimated cost of the geological and geophysical surveys, inclusive of line cutting and detailed geophysical checking is \$7,500.00.

If the geophysical surveys indicate that diamond drilling is recommended to test any geophysical targets, this can be done in this area for \$9.50 per foot inclusive of assaying and supervision.

PROPERTY

Consists of 15 contiguous mining claims of about 40 acres each. They are known more precisely as follows:

PA 225673 to 225687 - - - - 15 claims

LOCATION AND ACCESS

The property is located in the Sturgeon Lake Area, Patricia Mining Division of Ontario, 45 miles east south east of Sioux Lookout on the C. N. Railway

and 26 miles south of Savant Lake. It adjoins the property of Mattagami Lake Mines, which Company is currently drilling and developing their new major base and precious metal discovery. It also adjoins the east boundary of the New Brunswick Uranium Metals Mining Limited property where a new base and precious metal discovery was announced this past week.

It is accessible by chartered bush aircraft directly to a lake on the property. A new drilling access winter road is being put into the immediate area of the Santa Maria ground by Mattagami and likely can be used by other parties in the area. This road will start from Groves on Highway 599 about 15 miles west of the Santa Maria property. A winter road exists to the northwest corner of Claw Lake.

WORK DONE

A reconnaissance electromagnetic (VLF) survey was carried out on flagged lines only in March, 1970, and indicated the presence of several conductors. Geophysical methods successfully employed on Mattagami and New Brunswick discoveries indicate that the vertical loop electromagnetic method is most suitable and therefore should be used on the Santa Maria property on a proper controlled cut line grid.

GEOLOGY

The general area is underlain by Precambrian acid and basic metavolcanic rocks with interbedded tuffs which are flanked on the south by a broad belt of granitic rocks. In all possibility, the volcanic rocks are remnant basins of now highly folded and faulted greenschist-facies-grade Keewatin and Temiskaming-type rocks in the granite. In the Sturgeon-Savant area of Keewatin-type greenstone rocks are known deposits of gold, silver, zinc, lead and iron showings. The recent major base and precious metal discoveries by Mattagami Lake Mines and New Brunswick Mining Limited have given considerable impetus to the search for these metals, particularly in the more acid phases of the volcanics and near their contacts with intermediate to basic volcanics. Ground geophysics has now proven to be important in locating suitable targets in the search for these metals as borne out by the recent discoveries.

MARIA

The Santa Maria property appears to be located in basic volcanics which could have acid or rhyolitic horizons within them and therefore is considered to be most suitable for exploration, particularly by geological and geophysical methods followed by drilling where ^{geophysical} recommended.

SUMMARY AND CONCLUSIONS

Since the property of Santa Maria Mines

Limited lies within the favourable metavolcanics which are known to be amenable to the deposition of sulphides at the Mattagami deposit 5.5 miles to the west and the New Brunswick Mining discovery one mile to the west northwest on what appears to be the same belt of volcanics then the Santa Maria property must be considered worthy of exploration for copper, zinc, lead and precious metals.

Since geophysical methods followed by drilling were successful, this approach is highly recommended on the Santa Maria property, along with geological mapping which will assist in the interpretation of the geophysical surveys.

During geological mapping, very careful attention should be directed to the search for the favourable felsic or acid phases of the volcanics which to date, appear to be a prerequisite for the deposition of base and precious metals to the west in the volcanic belt on which the Santa Maria property is situated.

RECOMMENDATIONS

It is recommended that the entire 15 claims be covered by geophysical vertical loop electromagnetic and magnetic surveys on lines spaced at 400 feet with necessary detailed follow-up of any anomalous conductive zones.

A programme of geological mapping is also recommended which will greatly assist in the interpretation of the geophysical surveys.

Should these surveys recommend that certain geophysical targets be tested by drilling, this must be done.

The estimated cost of the above exploration is as follows:

- | | |
|--|-----------------|
| (a) Geophysical electromagnetic and magnetic surveying, including line cutting - - - - - | \$5,500.00 |
| (b) Geological mapping - - - - - | <u>2,000.00</u> |
| Total estimated cost - - - - - | \$7,500.00 |
- (c) Diamond drilling, if warranted by the above geophysical work, can be done in this area for \$9.50 per foot inclusive of supervision and assaying.



Respectfully submitted,

D. W. Sullivan
D. W. Sullivan, P. Eng.,
F. G. A. C.

Dated at Georgetown, Ontario,
October 19, 1970.

CERTIFICATE

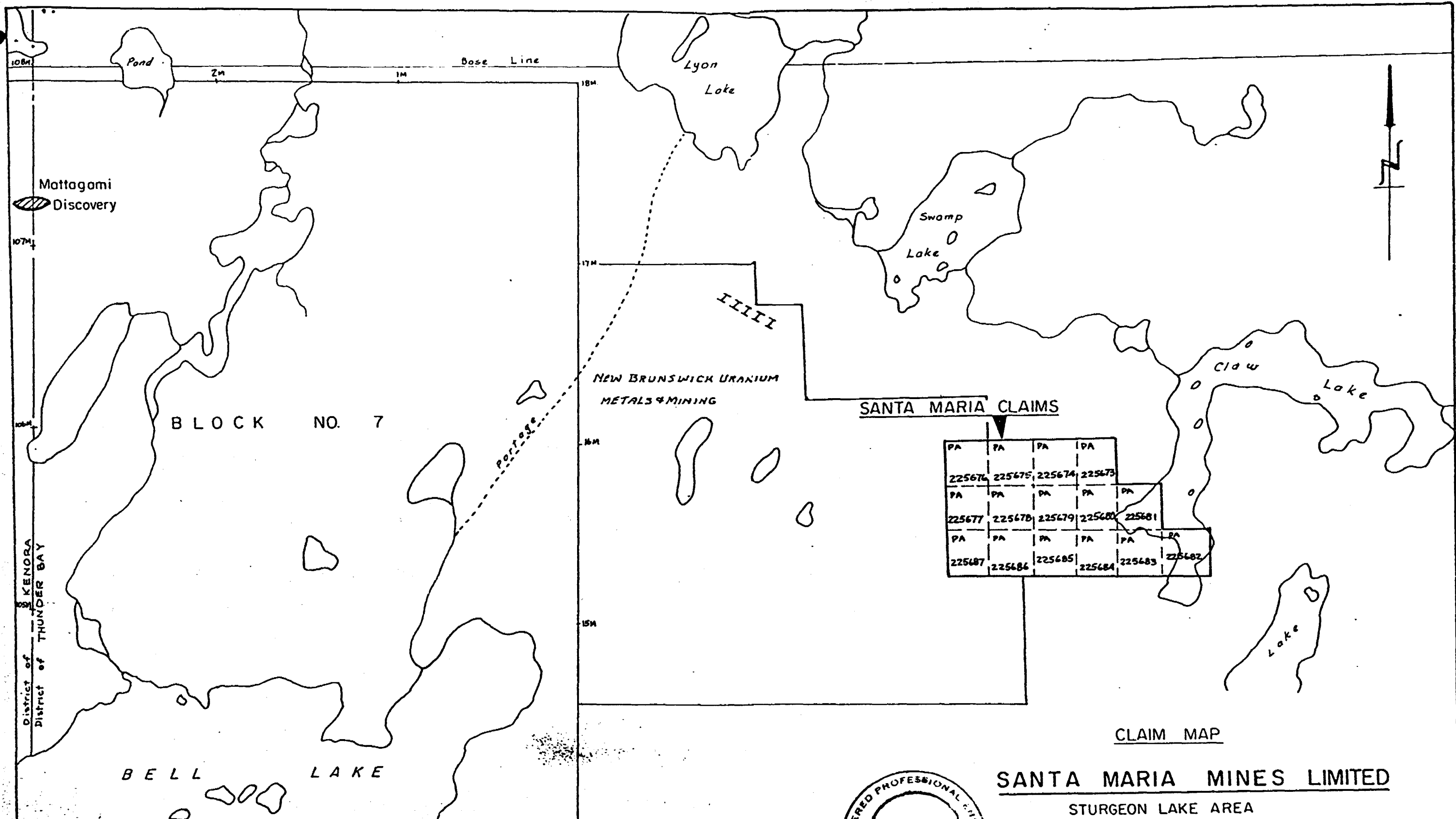
I, D. W. Sullivan, of the Township of Esquesing, in the County of Halton, Province of Ontario hereby certify:

1. That I am a Mining Engineer and reside at R.R.#3, 5th Line, Georgetown, Ontario.
2. That I am a graduate of Queen's University with a b. Sc. degree and that I have been practising my profession as a Mining Engineer for the past twenty-five years.
3. That I have no interest, either directly or indirectly, nor do I expect to receive any interest, either directly or indirectly, in the property of Santa Maria Mines Limited or any affiliated companies.
4. That I do not beneficially own, either directly or indirectly, any securities of Santa Maria Mines Limited or any affiliated companies.
5. That the accompanying report is based on a study of available Government geological maps and reports on the Sturgeon Lake Area and upon a knowledge obtained from personal discussions with persons who have knowledge of the recent discovery by Mattagami Lake Mines Limited in the immediate area. A personal examination of the property was not made by the writer because of winter conditions in the area. The writer made a trip to the general area in late November, 1969, and examined several outcrops along Highway 599 to the west of the property. The writer also directed an exploration programme in the north part of the Sturgeon Lake Area in 1970.
6. That I am a member of the Association of Professional Engineers of the Province of Ontario and the Geological Association of Canada.

Dated this 19th day of October, 1970.



D. W. Sullivan, P. Eng.,
F. G. A. C.



PA	PA	PA	PA		
225676	225675	225674	225673		
PA	PA	PA	PA	PA	
225677	225678	225679	225680	225681	
PA	PA	PA	PA	PA	
225687	225686	225685	225684	225683	225682

CLAIM MAP

SANTA MARIA MINES LIMITED

STURGEON LAKE AREA
 PATRICIA MINING DIVISION
 NORTHWEST ONTARIO

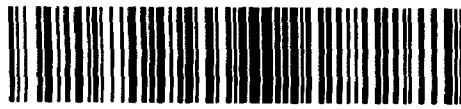


Scale : 1" = 1/2 mile



Taken from O.D.M. Claim Map: Area South of Sturgeon Lake, Oct. 1969.

Head Office: Suite 151
330 Bay
Toronto



52G1SSW9154 52G1SSW0024A1 BELL LAKE

Transfer Agent:
Sterling Trusts Corporation,
Bay St., Toronto 1, Ontario.

030

PROSPECTUS

SANTA MARIA MINES LIMITED
(Incorporated under the laws of the Province of Ontario)

UNDERWRITERS-OPTIONEES

Timbrel Investments Limited,
Suite 1102, 347 Bay St.,
Toronto, Ontario.

Hector M. Chisholm & Co. Limited,
80 Richmond Street West,
Toronto, Ontario.

NEW ISSUE

No. of Shares Underwritten	No. of Shares Optioned	Price per share	Net Amount to be received by the Company	Maximum Offering Price to Public	
				Per Share	Total
200,000	200,000	50¢	\$100,000	62½¢	\$125,000
	200,000	60¢	\$120,000 if exercised	75 ¢	150,000
	200,000	70¢	\$140,000 if exercised	87½¢	175,000
	200,000	80¢	\$160,000 if exercised	\$1.00	200,000
	200,000	\$1.05	\$210,000 if exercised	\$1.31¼	262,500

We, the Underwriters-Optionees, as principals, conditionally offer these shares, subject to prior sale, if, as and when issued by the company and accepted by us in accordance with the conditions contained in the underwriting agreement referred to under the heading "Offering".

SECONDARY OFFERING

42,000 shares owned by Marstan Investments Limited and Polydore Investments Limited which may be offered at a maximum price of 62½¢ per share.

50,000 free vendor shares owned by Messrs. Edward O. Dearden and Lorne K. Smith as to 25,000 shares each, the proceeds from the sale of which will accrue to the said Dearden and Smith. (See headings "Business and Property" and "Offering").

206,283 shares the proceeds from the sale of which will accrue to the selling shareholder, Gordon G. Plaskett. (See heading "Offering").

None of the aforesaid 206,283 shares held by Gordon G. Plaskett will be offered to the public unless and until the shares underwritten have been distributed to the public and the 200,000 shares under option at 60¢ per share have been taken down and thereafter distribution of the said shares to the public will be curtailed during the course of the underwriting and option agreement so that during the currency thereof not more than one (1) share will be distributed to the public for every four (4) shares taken down under the balance of the underwriting and option agreement.

The Underwriters-Optionees purchasing treasury shares offered hereby from the Company may be said to realize a gross profit in an amount equal to the difference, if any, between the price paid for such shares and the price at which such shares are sold to the public.

The underwritten and optioned shares of the Company offered hereby, together with such other shares of the Company which may be purchased by the Underwriters-Optionees from time to time during the course of primary distribution, will be offered by the Underwriters-Optionees to the public in the Province of Ontario through the medium of registered security dealers, where such dealers, acting as agents, will be paid commissions not exceeding 25% of the selling price of such shares.

The shares offered hereby will be offered at such prices as may from time to time be determined by the Underwriters-Optionees, subject to the maximum offering price as set out above.

There is an over-the-counter market for shares of the Company. Price ranges for shares of the Company are set out on page 8 hereof.

PURPOSE OF OFFERING

The Company intends to use the funds received from the underwritten and optioned shares for exploration and development of the Company's mining properties as recommended by its Mining Engineer, and more particularly set out under the headings "Business and Property" and "Use of Proceeds".

THESE SECURITIES ARE SPECULATIVE

The date of this Prospectus is November 25th, 1970.

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.



52G15SW9154 52G15SW0024A1 BELL LAKE

030C

TABLE OF CONTENTS

	PAGE
Head Office	Cover
Registrar and Transfer Agent	Cover
Offering	Cover & 5
Underwriters-Optionees	Cover
Purpose of offering	Cover
Name and Incorporation Particulars	1
Business and Property	3
Auditors	3
Remuneration of Directors and Senior Officers	4
Management	3
Description of Capital Stock	4
Capitalization	4
Shares sold for Cash	5
Escrowed Shares	5
Use of Proceeds	7
Prior Sales	7
Promoter	8
Interest of Management and Others in Material Transactions	8
Principal Holders of Securities	8
Purchasers' Statutory Rights of Withdrawal and Rescission	9
Material Contracts	9
Other Material Facts	10
Financial Statements	11-15

NAME AND INCORPORATION PARTICULARS

The full name of the Company is Santa Maria Mines Limited (hereinafter sometimes referred to as the "Company") with head office at Suite 1501, 330 Bay Street, Toronto 1, Ontario. The Company was incorporated under the laws of the Province of Ontario by Letters Patent dated November 23rd, 1945 with an authorized capital of 2,000,000 shares of the par value of \$1.00 each. By Supplementary Letters Patent dated June 24th, 1960 the authorized capital was increased to 5,000,000 shares of the par value of \$1.00 each by the creation of an additional 3,000,000 shares.

BUSINESS AND PROPERTY

The Company was incorporated to engage in the acquisition, development and operation of mines, mineral lands and deposits.

Property on which the Company intends to
Carry out Exploration Work

Sturgeon Lake Area

By Agreement dated December 3rd, 1969 between Gordon George Plaskett, President of the Company and Messrs. Edward Oswald Dearden, 11 Tallforest Crescent, Etobicoke, Ontario and Lorne Knauft Smith, 1374 Broadmoore Avenue, Port Credit, Ontario, as assigned to the Company, the Company received the right to purchase 15 contiguous mining claims located at Claw Lake, in the Sturgeon Lake Area of north-western Ontario, Patricia Mining Division, for a total cash consideration of \$7,500.00, which has been fully paid, (\$3,000.00 of which was paid by Mr. Plaskett and reimbursed by the Company) and 50,000 free and negotiable shares of capital stock of the Company which shares were transferred from the holdings of the aforesaid Gordon G. Plaskett. Messrs. Dearden and Smith each received a 50% interest in the aforesaid consideration. No person or company to the knowledge of the signatories hereto have received or will receive a 5% or greater interest in the consideration received by Messrs. Dearden and Smith.

The said claims are located 45 miles east, south-east of Sioux Lookout on the C.N. Railway and 26 miles south of Savant Lake. The claims adjoin the property of Mattagami Lake Mines Limited and New Brunswick Uranium Metals & Mining Limited. The Company's claims are accessible by aircraft directly to a lake on the property. A new drilling access winter road is being put into the immediate area of the Santa Maria ground by Mattagami Lake Mines Limited and likely can be used by other parties in the area. This road will start from Groves on Highway 599 about 15 miles west of the Company's property. A winter road exists from the Highway and Sturgeon Lake to Claw Lake.

The claims are more particularly known as PA-225673 to 225687 inclusive, and are in good standing until October 14th, 1971.

The property lies on the same belt of precambrian volcanic rocks as the Mattagami Lake Mines base and precious metal discovery 5.5 miles to the west and the recently announced base and precious metal discovery of New Brunswick Uranium Metals & Mining Limited one mile to the west north-west and, therefore, must be considered worthy of exploration. Since the Mattagami discovery in a similar area of rocks covered by overburden was made by the careful application of geophysical methods followed by the drilling of recommended anomalies or target areas, it is recommended that similar exploration be carried out by Santa Maria Mines Limited. It is also recommended that the entire property be geologically mapped.

The estimated cost of the above exploration is as follows:

(a) Geophysical electromagnetic and magnetic surveys on lines spaced at 400 feet, inclusive of line cutting	\$5,500.00
(b) Geological mapping	<u>2,000.00</u>
(c) Diamond drilling, if warranted by the geophysical exploration, can be done in this region for approximately \$9.50 per foot, including supervision and line cutting.	\$7,500.00

The aforesaid is a summary of the recommendations and estimated costs as set out in the report of D.W. Sullivan, P.Eng., F.G.A.C., dated October 19th, 1970, which report is available for inspection on the public file of the Ontario Securities Commission.

In March 1970 a reconnaissance electromagnetic (VLF) survey was carried out, and indicated the presence of several conductors. The Company intends to proceed with the aforesaid recommended exploration work. There is no surface or underground plant and equipment on the property.

No work has been done by previous owners to the knowledge of the Directors of the Company.

Messrs. Dearden and Smith estimate their cost of the claims at \$100.00 per claim.

The property is without a known body of commercial ore and the proposed programme is an exploratory search for ore.

The following properties are held by the Company, on which no work is to be undertaken at this time:

The Company acquired in 1945 and 1960 a 100% interest in the following mining claims located in the Township of Gillies Limit, Timagami Provincial Forest, District of Timiskaming, Province of Ontario: being patented claims T-19438 and T-19439 on which the taxes have been paid and are in good standing, claims T-23695, T-58525 and T-58808 held under 21-year leases expiring in 1990 and claims T-23663, T-23664, T-23944, T-23945, and T-26462 held under 10-year leases and the first four of which expire in May, 1977 and the last one expires in September, 1976.

The claims were acquired for an aggregate consideration of \$1,000.00 and 1,000,000 shares of which 966,000 shares were placed in escrow, subject to the terms herein set out under the heading "Escrowed Shares". The following beneficially own 10% or more of the said escrowed shares:

Gordon G. Plaskett 5 King George's Road, Toronto 18, Ontario.	509,143 shares
Sydney Beanland	100,000 shares
Robert Hoffman 67 Yonge Street, Toronto, Ontario.	100,000 shares
Conwest Exploration Company Limited 10th floor, 85 Richmond St. West, Toronto, Ontario.	100,000 shares

Management of the Company does not know the whereabouts of Mr. Beanland.

Pursuant to a Letter of Intent negotiated at arms' length and dated August 4th, 1967, the Company transferred to M.J.T. Minerals Inc., 510 South Spring Street, Los Angeles, California, a 25% interest in the aforesaid properties in the Township of Gillies Limit for \$50,000.00 which was spent on exploration of said claims as per the Letter of Intent.

These claims are located within three miles of the productive heart of the Cobalt Camp and contain ideal geological conditions over approximately 50% of the property which can best be tested by diamond drilling.

Surface prospecting done during the 1920's and 30's in this area discovered a number of veins containing cobalt and nickel mineralization. Testing by shallow pits and shafts did not yield significant results.

In 1946 the Company drilled 8 shallow holes in the vicinity of the known showing. The results of this drilling are not available but apparently no values were encountered.

PROSPECTUS

SANTA MARIA MINES LIMITED
 (Incorporated under the laws of the Province of Ontario)

01/15 SVJ

Head Office:
 Suite 1602,
 80 Richmond Street West,
 Toronto 1, Ontario.

Registrar and Transfer Agent:
 The Sterling Trusts Corporation
 372 Bay Street,
 Toronto, Ontario.



Marstan Investments Limited,
 Suite 201,
 330 Bay Street,
 Toronto 1, Ontario

UNDERWRITERS/OPTIONEES
 Polydore Investments Limited,
 Suite 1918,
 Richmond-Adelaide Centre,
 Toronto 1, Ontario

NEW ISSUE

No. of Shares <u>Underwritten</u>	No. of Shares <u>Optioned</u>	Price Per <u>Share</u>	Net Amount to be received <u>by the Company</u>	<u>Maximum Offering Price to Public</u>	
				<u>Per Share</u>	<u>Total</u>
200,000		15c	\$30,000	18 1/2c	\$37,500
	200,000	20c	\$40,000 if exercised	25 c	\$50,000
	200,000	25c	\$50,000 if exercised	31 1/2c	\$62,500
	200,000	30c	\$60,000 if exercised	37 1/2c	\$75,000
	200,000	35c	\$70,000 if exercised	43 1/2c	\$87,500

SECONDARY OFFERING

50,000 free vendor shares to be transferred from the holdings of Gordon G. Plaskett to Messrs. Edward O. Dearden and Lorne K. Smith as to 25,000 shares each, the proceeds from the sale of which will accrue to the said Dearden and Smith. (See headings "Business and Property" and "Offering").

206,283 shares the proceeds from the sale of which will accrue to the selling shareholder, Gordon G. Plaskett. (See heading "Offering").

None of the aforesaid 206,283 shares held by Gordon G. Plaskett will be offered to the public unless and until the shares underwritten have been distributed to the public and the 200,000 shares under option at 20c per share have been taken down and thereafter distribution of the said shares to the public will be curtailed during the course of the underwriting and option agreement so that during the current year thereof not more than one (1) share will be distributed to the public for every four (4) shares taken down under the balance of the underwriting and option agreement.

The Underwriters/Optionees purchasing the unissued treasury shares offered hereby from the Company may be said to realize a gross profit in an amount equal to the difference, if any, between the price paid for such shares and the price at which such shares are sold to the public.

The underwritten and optioned shares of the Company offered hereby, together with such other shares of the Company which may be purchased by the Underwriters/Optionees from time to time during the course of primary distribution, will be offered by the Underwriters/Optionees to the public in the Province of Ontario through the medium of registered security dealers, where such dealers, acting as agents, will be paid commissions not exceeding 25% of the selling price of such shares.

The shares offered hereby will be offered at such prices as may from time to time be determined by the Underwriters/Optionees, subject to the maximum offering price as set out above.

There is no market for shares of the Company.

PURPOSE OF OFFERING

The Company intends to use the funds received from the underwritten shares for exploration and development of the Company's mining properties as recommended by its Mining Engineer, and more particularly set out under the headings "Business and Property" and "Use of proceeds".

THESE SECURITIES ARE SPECULATIVE

The date of this Prospectus is January 29, 1970

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.

TABLE OF CONTENTS

Head Office	Cover
Registrar and Transfer Agent	Cover
Offering	Cover & 5
Underwriters / Optionees	Cover & 5
Purpose of offering	Cover
Name and Incorporation Particulars	1
Business and Property	1 & 2
Auditors	3
Remuneration of Directors and Senior Officers	3
Management	3
Description of Capital Stock	4
Capitalization	4
Shares Sold For Cash	4
Escrowed Shares	5
Use of Proceeds	6
Promoter	7
Interest of Management in Material Transactions	7
Principal Holders of Shares	7
Purchasers' Statutory Rights of Withdrawal and Rescission	8
Material Contracts	8
Other Material Facts	8
Financial Statements	9, 10, 11, 12, 13, & 14.

NAME AND INCORPORATION PARTICULARS.

The full name of the Company is Santa Maria Mines Limited (hereinafter sometimes referred to as the "Company") with head office at Suite 1602, 80 Richmond Street West, Toronto 1, Ontario. The Company was incorporated under the laws of the Province of Ontario by Letters Patent dated November 23rd, 1945 with an authorized capital of 2,000,000 shares of the par value of \$1.00 each. By Supplementary Letters Patent dated June 24th, 1960 the authorized capital was increased to 5,000,000 shares of the par value of \$1.00 each by the creation of an additional 3,000,000 shares.

BUSINESS AND PROPERTY

The Company was incorporated to engage in the acquisition, exploration, development and operation of mines, mineral lands and deposits.

Property on which the Company intends to Commence Exploration Work

Sturgeon Lake Area

By Agreement dated December 3rd, 1969 between Gordon George Plaskett, President of the Company and Messrs. Edward Oswald Dearden, 11 Tallforest Crescent, Etobicoke, Ontario and Lorne Knauf Smith, 1374 Broadmoor Avenue, Port Credit, Ontario, as assigned to the Company, the Company received the right to purchase 15 contiguous mining claims located at Clay Lake, in the Sturgeon Lake Area of north-western Ontario, Patricia Mining Division, for a total cash consideration of \$7,500.00, \$3,000.00 of which was paid by Mr. Plaskett to be reimbursed by the Company and the balance of \$4,500.00 is payable by January 30th, 1970, and 50,000 free and negotiable shares of capital stock of the Company which shares are to be transferred from the holdings of the aforesaid Gordon G. Plaskett. Messrs. Dearden and Smith will each receive a 50% interest in the aforesaid consideration. No person or company to the knowledge of the signatories hereto have received or will receive a 5% or greater interest in the consideration to be received by Messrs. Dearden and Smith.

The said claims are located 45 miles east, south-east of Sioux Lookout on the C.N. Railway and 26 miles south of Savant Lake. The claims adjoin the property of Mattagami Lake Mines Limited which are currently drilling their new major base and precious metal discovery. The Company's claims are accessible by chartered ski-equipped aircraft directly to a lake on the property. A new drilling access winter road is being put into the immediate area of the Santa Maria ground by Mattagami Lake Mines Limited and likely can be used by other parties in the area. This road will start from Groves on Highway 599 about 15 miles west of the Company's property.

The claims are more particularly known as PA-225673 to 225687 inclusive, and are in good standing until October 14th, 1970.

The property lies on the same belt of precambrian volcanic rocks as the Mattagami Lake Mines base and precious metal discovery 5.5 miles to the west and therefore must be considered worthy of exploration. Since the Mattagami discovery in a similar area of rocks covered by overburden was made by the careful application of geophysical methods followed by the drilling of any recommended anomalies or target areas, it is recommended that similar exploration be carried out by Santa Maria Mines Limited.

The estimated cost of the above exploration is as follows:

- | | |
|--|------------|
| (a) Geophysical electromagnetic and magnetic surveys on lines spaced at 400 feet, inclusive of line cutting. | \$5,500.00 |
| (b) Diamond drilling, if recommended by the geophysical exploration, can be done in this region for approximately \$8.00 per foot, including supervision and line cutting. | |

The aforesaid is a summary of the recommendations and estimated costs as set out in the report of D. W. Sullivan, P.Eng., F.G.A.C., dated December 4th, 1969, which report is available for inspection on the public file of the Ontario Securities Commission.

No work has been done on these properties by the Company. The Company intends to proceed with the aforesaid recommended exploration work. There is no surface or underground plant and equipment on the property.

No work has been done by previous owners to the knowledge of the Directors of the Company.

Messrs. Dearden and Smith estimate their cost of the claims at \$100.00 per claim.

The property is without a known body of commercial ore and the proposed programme is an exploratory search for ore.

The following properties are held by the Company, on which no work is to be undertaken at this time:

The Company acquired in 1945 and 1960 a 100% interest in the following mining claims located in the Township of Gillies Limit, Timagomi Provincial Forest, District of Timiskaming, Province of Ontario; being patented claims T-19439 and T-19438 on which the taxes have been paid and are in good standing; claims T-58808, T-58525 and T-23695 held under 21-year leases expiring in 1990 and claims T-23663, T-23664, T-23944, T-23945, and T-26452 held under 10-year leases the first four of which expire in May, 1977 and the last one expires in September, 1976.

The claims were acquired for an aggregate consideration of \$1,000.00 and 1,000,000 shares of which 966,000 shares were placed in escrow, subject to the terms herein set out under the heading "Escrowed Shares". The following beneficially own 10% or more of the said escrowed shares:

Gordon G. Plaskett 5 King George's Road, Toronto 18, Ontario.	609,143 shares
Sydney Beanland	100,000 shares
Robert Hoffman	100,000 shares

Management of the Company does not know the whereabouts of either Mr. Beanland or Mr. Hoffman.

Pursuant to a Letter of Intent negotiated at arms' length and dated August 4th, 1967, the Company transferred to M.J.T. Minerals Inc., 510 South Spring Street, Los Angeles, California, a 25% interest in the aforesaid properties in the Township of Gillies Limit for \$50,000.00 which was spent on exploration of said claims as per the Letter of Intent.

These claims are located within three miles of the productive heart of the Cobalt Camp and contain ideal geological conditions over approximately 50% of the property which can best be tested by diamond drilling.

Surface prospecting done during the 1920's and 30's in this area discovered a number of veins containing cobalt and nickel mineralization. Testing by shallow pits and shafts did not yield significant results.

In 1946 the Company drilled 8 shallow holes in the vicinity of the known showing. The results of this drilling are not available but apparently no values were encountered.

In 1951, Brewis and White Limited drilled 4 holes totalling 1,319 feet. No mineralization was recorded in the logging but one hole #BW 4, returned a 7.1 oz. silver assay over 2 1/2 inches.

In 1960, the Company completed a radiometric geophysical survey and drilled 4 holes totalling 1,859 feet. One hole, #42, cut a 1/4 inch vein of cobalt arsenides.

During September, October and November of 1967 the Company drilled 15 holes totalling 8,690 feet. One hole cut a 1/4 inch vein of cobalt nickel arsenides. This is significant because of the intimate association of silver with cobalt-nickel mineralization. All veins and stringers were sampled and low values in silver (1-2 oz.) were obtained. Although this program must be considered as disappointing it does not follow that this work has eliminated the property. Considering the erratic characteristics of the silver ores of the Cobalt Camp, it would require very closely spaced drilling (50 feet spacing both vertically and horizontally) to exhaust the economic possibilities of the area.

The aforesaid information was contained in a report dated November 30th, 1967 by L.J. Cunningham, B.Sc., P.Eng., at which time he was not a director of the Company. He recommended that local development be followed closely and consideration be given to a program of soil sampling to investigate the overburden covered areas and define drill targets on the property. A copy of the aforesaid report is on file with the Ontario Securities Commission.

A total of \$84,532.20 was expended on the exploration work on the said claims. No work is contemplated to be done on these claims at the present time.

AUDITORS

The auditors of the Company are Robert W. Adams and Company, Chartered Accountants, 55 York Street, Toronto, Ontario.

MANAGEMENT

Directors and Senior Officers

The names and addresses of the Directors and Senior Officers of the Company and the position held by them during the past five years are as follows:

Name	Address	Position
Gordon George Plaskett	5 King George's Rd., Toronto 18, Ontario	President and Director. Self-employed, Prospector and Mining Executive, Suite 1602, 80 Richmond Street W., Toronto, Ontario. President and Director of Canadex Mining Corporation Limited and Director of Fairfax Mines Limited.
Gerald Richard Hillsdon,	30 Brenham Cres., Willowdale, Ontario.	Secretary-Treasurer and Director. Chartered Accountant who for upwards of 9 years has practised his profession in the City of Toronto. Secretary-Treasurer and Director of Canadex Mining Corporation Limited and Paulpic Gold Mines Limited and Director of other mining companies.
Leonard Joseph Cunningham, B.Sc., P.Eng.	1 McPhee Avenue, Kirkland Lake, Ontario	Director, Mining Engineer, self-employed Consulting Engineer.
Harold Ernest Plaskett,	28 Babcock Road, Scarborough, Ontario	Director, Manufacturers' Agent, self-employed and conducting business under the name of Kimberley Salos from his residential address.

REMUNERATION OF DIRECTORS AND SENIOR OFFICERS

No Director or Senior Officer of the Company has received any remuneration as such during the past financial year.

The Company intends to pay Sterling Engineering & Services, Suite 1602, 80 Richmond Street West, Toronto, Ontario (which is wholly owned by the President, Mr. Gordon G. Plaskett) amounts not exceeding \$500.00 per month in consideration for management and supervision of all the exploration activities of the Company.

The Company intends to pay Mr. Gerald R. Hillsdon the sum of \$150.00 per month in consideration of his services as Secretary of the Company.

The aforesaid payments will begin upon the latter of acceptance for filing of this Prospectus and commencement of performance of the duties of the said Sterling Engineering & Services and Gerald R. Hillsdon.

L.J. Cunningham, B.Sc., P.Eng., will be paid for his services as an engineer for the Company for professional fees and expenses.

Other than the foregoing the Company does not intend to pay to Directors or Senior Officers of the Company any remuneration as such. However, Officers and Directors are entitled to be reimbursed with respect to out-of-pocket expenses incurred by them in the performance of their duties.

DESCRIPTION OF CAPITAL STOCK

The capital stock of the Company consists of one class of shares of the par value of \$1.00 each. All shares issued by the Company rank equally as to dividends. There are no indentures or agreements limiting the payment of dividends. All shares issued by the Company rank equally as to voting power, one vote for each share. At all special or general meetings of the Company two shareholders personally present and holding or representing not less than 51% of the issued shares of the Company constitute a quorum. The by-laws of the Company provide that at meetings of shareholders a resolution shall be voted upon by a poll taken in such manner as the Chairman of the meeting directs and in the event of a tie vote, the Chairman has a deciding vote. There are no conversion rights and there are no special liquidation rights, pre-emptive rights or subscription rights. The presently outstanding capital stock is not subject to any call or assessment and the shares offered hereby, when issued and sold as described in this Prospectus, will not be subject to any call or assessment. Certificates representing 966,000 issued shares of the Company are held in escrow as referred to under the heading "Escrowed Shares".

CAPITALIZATION

Designation of Security	Number and Amount Authorized by Letters Patent	Number and Amount Outstanding as of Dec. 31st, 1969 (date of Balance Sheet contained in Prospectus)	Number and Amount Outstanding as of date of Prospectus	Number and Amount Outstanding if all securities being offered are sold
Common Shares \$1.00 par value	5,000,000 (\$5,000,000)	1,630,221 (\$132,050.67)	1,630,221 (\$132,050.67)	2,630,221 (\$382,050.67)

SHARES SOLD FOR CASH

Since the incorporation of the Company a total of 630,221 shares have been sold for cash as follows:

3 shares at \$1.00 per share
300,000 shares at 5¢ per share
50,000 shares at 10¢ per share
7,000 shares at 13¢ per share
10,900 shares at 25¢ per share
16,350 shares at 27¢ per share
10,700 shares at 28¢ per share
34,840 shares at 30¢ per share

In addition the Company issued a total of 200,426 shares, being 65,730 at 10¢ per share to Brewis and White Limited, 25 Adelaide Street West, Toronto, Ontario, and 134,696 at 12½¢ per share to Rayrock Mines Limited, 2200 Yonge Street, Toronto, Ontario, in lieu of cash expended for exploration and development work on its claims in the Township of Gillies Limit.

ESCROWED SHARES

The Sterling Trusts Corporation, 372 Bay Street, Toronto, Ontario holds in escrow a total of 966,000 shares of the capital stock of the Company subject to release, transfer, hypothecation and/or alienation within the escrow on the written consent of the Ontario Securities Commission and the Board of Directors of the Company.

<u>Capital Stock</u>	<u>Number of Shares Held in Escrow</u>	<u>Percentage of Class based on the Total Issued Capital as at the date of this Prospectus</u>
Common Shares par value \$1.00 each	966,000	59%

OFFERING

NEW ISSUE

The Company has entered into an agreement dated December 2nd, 1969 with Marstan Investments Limited and Polydore Investments Limited (hereinafter referred to as the "Underwriters/Optionees") whereby the Underwriters/Optionees on their own behalf, have agreed to purchase as to 50% each the following underwritten shares of the Company, and received options on further shares of the capital stock of the Company, all as hereinafter set out:

<u>No. of Shares Underwritten</u>	<u>No. of Shares Optioned</u>	<u>Price Per Share</u>	<u>Net Amount to be received by the Company</u>	<u>Maximum Offering Price to Public</u>	
				<u>Per Share</u>	<u>Total</u>
200,000		15c	\$30,000	18 3/4c	\$37,500
	200,000	20c	\$40,000	25 c	\$50,000
	200,000	25c	\$50,000	31 1/2c	\$62,500
	200,000	30c	\$60,000	37 1/2c	\$75,000
	200,000	35c	\$70,000	43 3/4c	\$87,500

The purchase price of the underwritten shares in the amount of \$30,000.00 is payable subject to the terms of the said agreement and upon the day of receipt of advice from the Ontario Securities Commission in its usual form, that it has accepted for filing a prospectus by the Company reflecting the terms of the said agreement, hereinafter referred to as the "effective date".

The shares under option are payable as to 200,000 each within 3, 6, 9 and 12 months, respectively, from the said effective date.

The Company is not aware of any assignments or subunderwritings with respect to the aforementioned underwritten and optioned shares.

Persons with more than 5% beneficial interest in Marstan Investments Limited are: Marion E. Hawkins, 36 Shamokin Drive, Dons Mills, Ontario. Frank L. Hawkins, 12 Deerford Road, Willowdale, Ontario. George and Allyson Kelly, 1718 Pickmore Park, Port Credit, Ontario.

The only person holding more than 5% interest in Polydore Investments Limited is Cynthia Margaret Kemp, 39 Denver Crescent, Willowdale, Ontario.

It is impracticable at this time to state the price to the public of the shares offered hereby. The shares will be offered at such prices as may from time to time be determined by the Underwriters/Optionees subject to the maximum offering price as set out above and on the cover page hereof.

SECONDARY OFFERING

In addition, 256,283 previously issued shares of the Company will be offered pursuant to this Prospectus. These shares will be offered through registered security dealers at the prevailing market prices and the proceeds from such sales will be received by the following:

<u>Shareholder</u>	<u>Number of Shares</u>
Gordon G. Plaskett	206,283
E.O. Dearden	25,000
L.K. Smith	25,000

None of the proceeds from the sale of these shares will benefit the treasury of the Company. Any commissions payable on the sale of these shares shall be born by the selling shareholders.

None of the 206,283 shares held by Gordon G. Plaskett will be offered to the public unless and until the shares underwritten have been distributed to the public and the 200,000 shares under option at 20¢ per share have been taken down and thereafter distribution of the said shares to the public will be curtailed during the course of the underwriting and option agreement so that during the currency thereof not more than one (1) share will be distributed to the public for every four (4) shares taken down under the balance of the underwriting and option agreement.

USE OF PROCEEDS

The net proceeds to be received by the Company from the sale of the underwritten shares will amount to \$30,000.00 and will be used to pay existing debts amounting to \$8,317.20, general operating expenses, the costs of the proposed exploration programme referred to under the caption "Business and Property" estimated at a minimum cost of \$5,500.00, to reimburse Mr. Gordon Plaskett in the amount of \$3,000.00 paid in connection with the property acquisition in Sturgeon Lake Area, and to pay the further property payment of \$4,500.00.

Further development expenditures will depend upon the result of the work done on the properties, the recommendations of the Company's engineer and funds in the Company's treasury.

Excess moneys will form part of the general working capital of the Company to be used for general operating expenses. While the Company has no immediate plans in this regard at the present time, moneys in its treasury, as available, may also be used to pay for the cost of programmes of acquiring, staking, exploring and developing other properties, either alone or in concert with others, and to generally carry out explorational programmes as opportunity and finances may permit, and as the same shall be reflected by the filing of an amendment or amendments to this Prospectus.

During primary distribution to the public of the shares offered hereby, no part of the proceeds is to be advanced in any way to other companies or individuals, except to the extent necessary to enable the Company to implement and complete the exploration and development programmes as set forth in this Prospectus, or is to be used to invest, underwrite or trade in securities other than securities in which insurance companies may invest under the provisions of The Canadian and British Insurance Companies Act, R.S.C. 1952, Chapt. 31, as amended without prior approval by the shareholders and the filing of an amendment to this Prospectus.

After completion of primary distribution of the shares offered by this Prospectus and any amendments hereto, if the Company proposes to use the proceeds to acquire securities in which insurance companies may not invest, prior approval by the shareholders will have to be obtained, and disclosure will have to be made to the regulatory bodies having jurisdiction over the sale of the securities offered by this Prospectus and any amendment hereto.

7

PROMOTER

Section 1(1)18 of The Securities Act, 1966, of Ontario defines the term "Promoter".

Gordon G. Plaskett, 5 King George's Road, Toronto 18, Ontario is the promoter of the Company. No shares have been issued or any remuneration paid to the promoter for promotional services. Reference is made to the heading "Business and Property" for particulars of the property acquired by the Company from Mr. Gordon G. Plaskett.

INTEREST OF MANAGEMENT IN MATERIAL TRANSACTIONS

Mr. Gordon G. Plaskett, President of the Company, assigned his interest in the agreement to purchase 15 claims in the Sturgeon Lake Area by Agreement dated December 3rd, 1969. (See heading "Business and Property").

PRINCIPAL HOLDERS OF SECURITIES

Set forth hereunder are particulars of the present principal holders of shares of the Company:

<u>Name and Address</u>	<u>Class of Security</u>	<u>Type of Ownership</u>	<u>No. of Shares Owned</u>	<u>Percentage of Class based on the total issued capital as of Dec. 31, 1969</u>
Ryerson Mining & Development Limited, 335 Bay Street, Toronto, Ontario	Common	Record	• 480,000	29%
G.M. Bell, c/o Alberta Publishing Co., 830-10th Ave. West, Calgary, Alberta.	Common	Record	• 170,572	11%

All these shares are beneficially owned by Gordon G. Plaskett, the President of the Company, who holds a total of 865,426 shares of which 50,000 free shares will be transferred to Messrs. Deardon and Smith as more particularly set out under the heading "Business and Property".

Save as herein set out, the Company has no knowledge of any voting trust or any agreement or restriction with respect to any of the shares referred to in this paragraph apart from the escrow provisions as disclosed under the heading "Escrowed Shares".

Set forth below are particulars of the shares of the Company beneficially owned by the Directors and Senior Officers of the Company.

<u>Designation of Class</u>	<u>Percentage of Class</u>
Common Shares, par value \$1.00 each	53%

PURCHASERS' STATUTORY RIGHTS OF WITHDRAWAL AND RESCISSION

Sections 63 and 64 of The Securities Act, 1966, Ontario contain certain provisions enabling a purchaser of securities offered in the course of primary distribution to rescind the contract of purchase.

(a) While the purchaser is still the owner of the securities, if the prospectus and any amended prospectus as of the date of receipt by the purchaser, contains an untrue statement of a material fact or omits to state a material fact necessary in order to make any statement contained therein not misleading, but only if action is commenced within 90 days from the last to occur of the receipt of the prospectus or amended prospectus or the contract of purchase; and

(b) If the person or company from whom the securities were purchased is notified in writing or by telegraph of the purchaser's intent to rescind not later than midnight of the second day, exclusive of Saturdays, Sundays and holidays, after receipt by the purchaser of the prospectus or amended prospectus. A prospectus or amended prospectus sent by prepaid mail is deemed conclusively to be received in the ordinary course of mail. The receipt thereof by a person or company acting as agent or who thereafter commences to act as agent of the purchaser shall be receipt by the purchaser as of the date of the agent's receipt thereof; however, for the purpose of the foregoing, a person or company is not considered to be acting as agent of the purchaser unless the person or company is acting solely as an agent of the purchaser and has not received and has no agreement to receive compensation from or on behalf of the vendor with respect to the purchase and sale. This right of rescission is not available to a registrant or to a purchaser who sells or otherwise transfers beneficial ownership of the securities purchased before the expiration of the time within which rescission may be effected.

MATERIAL CONTRACTS

The material contracts entered into by the Company during the past two years, copies of which may be inspected at the head office of the Company during normal business hours while the shares offered hereunder are in the course of primary distribution, are as follows:

1. Agreement dated December 3rd, 1969 between Gordon George Plaskett as purchaser and Messrs. E.O. Dearden and L.K. Smith, as vendors covering 15 mining claims in the Sturgeon Lake Area, Patricia Mining Division, Province of Ontario. By assignment dated December 3rd, 1969 this Agreement was assigned to the Company. (See "Business and Property" and "Offering").

2. Agreement dated December 2nd 1969 between the Company and Marstan Investments Limited and Polydore Investments Limited covering the underwriting of 200,000 shares of the capital stock of the Company at 15c per share and options on a further 800,000 shares, being 200,000 each at 20c, 25c, 30c and 35c per share. (See "Offering").

3. Letter of Intent dated August 4th, 1967 between the Company and M.J.T. Minerals Limited whereby the latter acquired a 25% interest in the Company's claims in the Township of Gillies Limit. (See the heading "Business and Property").

OTHER MATERIAL FACTS

The present management of the Company took office and the head office of the Company was changed to Suite 1602, 80 Richmond Street West, Toronto, Ontario on December 2nd, 1969.

There are no other material facts.

ROBERT W. ADAMS & COMPANY

CHARTERED ACCOUNTANTS

TORONTO

AUDITORS' REPORT

To the Directors,
Santa Maria Mines Limited

We have examined the accompanying balance sheet of Santa Maria Mines Limited as at December 31, 1969 and the related statements of deferred exploration, development and other expenditures and source and application of funds for the year ended on that date. 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 aforementioned financial statements present fairly the financial position of the company as at December 31, 1969 and the results of its operations and the source and application of its funds for the year ended on that date, in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

The financial statements of the company for the years ended December 31, 1965 to 1968, which have been restated for comparative purposes, were examined by other auditors.

Respectfully submitted,

"Robert W. Adams & Company"

Chartered Accountants.

Toronto, Ontario,
January 12, 1970.

SANTA MARIA MINES LIMITED

(Incorporated under the laws of the Province of Ontario)

BALANCE SHEET AS AT DECEMBER 31, 1969

(with comparative figures as at December 31, 1968)

ASSETS

	<u>1969</u>	<u>1968</u>
Cash	\$ 332.42	\$ 1,145.00
Mining properties and claims (note 1)	25,500.00	18,000.00
Deferred exploration, development and other expenditures	104,331.08	103,314.00
Organization expense	<u>1,896.00</u>	<u>1,896.00</u>
	<u>\$ 132,059.50</u>	<u>\$ 124,355.00</u>

LIABILITIES AND SHAREHOLDERS' EQUITYCURRENT LIABILITIES

Accounts payable and accrued	\$ 11,267.20	\$ 6,563.00
Due to a director	3,675.00	675.00
Loan from an associated company	<u>875.00</u>	<u>875.00</u>
	<u>\$ 15,817.20</u>	<u>\$ 8,113.00</u>

SHAREHOLDERS' EQUITY

Capital Stock - par value \$1.00 each (note 2)		
Authorized - 5,000,000 shares		
Issued - 1,630,221 shares	\$1,630,221.00	\$1,630,221.00
Less discount thereon	<u>1,498,170.33</u>	<u>1,498,170.00</u>
	\$ 132,050.67	\$ 132,051.00
Deficit - share issued expenses and selling costs of shares issued for cash	<u>15,808.37</u>	<u>15,809.00</u>
	<u>\$ 116,242.30</u>	<u>\$ 116,242.00</u>
	<u>\$ 132,059.50</u>	<u>\$ 124,355.00</u>

Approved on behalf of the Board

"G. G. Plaskett"

Director

"G. R. Hillsdon"

Director

SANTA MARIA MINES LIMITEDNOTES TO THE FINANCIAL STATEMENTSAS AT DECEMBER 31, 1969

1. Mining Properties and Claims

Township of Gillies Limited, Timagami Provincial
Forest, District of Timiskaming, Ontario

2 patented claims and 8 claims under mining
leases acquired for \$1,000.00 cash and
1,000,000 shares of capital stock of which
966,000 shares are escrowed

\$68,000.00

Less sale of 25% interest in the 10 claims

50,000.00

\$18,000.00

Sturgeon Lake Area, Ontario

15 unpatented claims acquired for cash
under agreement (A)

7,500.00\$25,500.00

- (A) By an agreement dated December 3, 1969, the President of the Company personally agreed to purchase the 15 unpatented claims from the vendors for a total consideration of \$7,500.00, of which \$3,000.00 had been paid, together with a transfer of 50,000 free shares of the Company from his personal holdings. By an assignment of the same date, the President assigned the said agreement, without consideration, to the Company. Under this assignment, the Company must reimburse the President the aforementioned \$3,000.00 when funds are available and pay to the vendors the balance of \$4,500.00 on or before January 30, 1970 and the President must transfer to the vendors the 50,000 free shares outlined above, upon acceptance of the Ontario Securities Commission for filing the Prospectus of the Company.

SANTA MARIA MINES LIMITEDNOTES TO THE FINANCIAL STATEMENTSAS AT DECEMBER 31, 1969

2. Capital Stock

Capital stock has been issued for the following consideration:

	<u>No. of Shares</u>	<u>Par Value</u>	<u>Discount</u>	<u>Net</u>
For cash	429,795	\$ 429,795.00	\$ 388,154.30	\$ 41,640.70
For mining claims	1,000,000	1,000,000.00	933,000.00	67,000.00
For services in lieu of cash	<u>200,426</u>	<u>200,426.00</u>	<u>177,016.03</u>	<u>23,409.97</u>
	<u>1,630,221</u>	<u>\$1,630,221.00</u>	<u>\$1,498,170.33</u>	<u>\$132,050.67</u>

On December 2, 1969, the Company entered into an underwriting agreement whereby the underwriters agreed to purchase 200,000 shares of capital stock at 15¢ per share. In consideration therefore, the underwriters received options to purchase an additional 800,000 shares of capital stock as follows:

200,000 shares at 20¢ per share on or before
3 months from the effective date;

200,000 shares at 25¢ per share on or before
6 months from the effective date;

200,000 shares at 30¢ per share on or before
9 months from the effective date;

200,000 shares at 35¢ per share on or before
12 months from the effective date.

The effective date of the underwriting agreement is the date upon which the Ontario Securities Commission accepts for filing the Prospectus of the Company.