



GOLSIL MINES LIMITED

PROSPECTUS

1. The full name of the Company is GOLSIL MINES LIMITED (hereinafter referred to as the "Company") and the head office is at Suite 1212, 55 York Street, Toronto, Ontario.

2. The Company was incorporated under The Corporations Act, 1953 (Ontario) by Letters Patent dated June 15th, 1959.

3.(a)

<u>Officers and Directors</u>	<u>Names in Full and Occupations</u>	<u>Addresses in Full</u>
President & Director	TRUMAN EDWARD KELLY, Owner and Manager.	79 Ennisclore Drive, West, Oakville, Ontario.
Vice-President Secretary-Treasurer & Director	ALFRED JOSEPH LEWIS, Broker-Dealer.	268 Betty Ann Drive, Willowdale, Ontario.
Director	WILLIAM CECIL ARROWSMITH, Prospector.	39 Tefley Road, Willowdale, Ontario.
Director	JACK ALLAN GILBERT, Solicitor.	32 Deepwood Crescent, Don Mills, Ontario.
Director	JOHN ALEXANDER MURPHY, Accountant.	10 Zambri Walk, Scarborough, Ontario.

(b) Asta Corporation Limited, Suite 1212, 55 York Street, Toronto, Ontario, a registered security dealer, May be regarded as the promoter of the Company. The only person holding more than a 5% interest in the outstanding shares of Asta Corporation Limited is the said Alfred Joseph Lewis.

4. Messrs. Fisher, Nisker & Co., Chartered Accountants, 62 Richmond Street West, Toronto, Ontario, are the Company's auditors.

5. The Sterling Trusts Corporation, 372 Bay Street, Toronto, Ontario is the Registrar and Transfer Agent of the Company.

6. The Company has an authorized capital of 5,000,000 shares without nominal or par value of which there are issued, outstanding and fully paid 1,450,005 shares. The 5,000,000 authorized shares shall not be issued for a consideration exceeding the sum of \$3,000,000.00.

7. There are no bonds or debentures outstanding or proposed to be issued.

8. 810,000 shares are held in escrow by The Sterling Trusts Corporation,

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subject to release pro-rata only with the consent of the directors of the Company evidenced by a resolution, and of the Ontario Securities Commission, and further subject to alienation, hypothecation and/or transfer within the escrow on the written consent of the Ontario Securities Commission.

9. The shares sold for cash to date are as follows:-

5 shares at \$1.00 per share.....	\$ 5.00
550,000 " " at 10c " "	55,000.00
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550,005 shares	\$55,005.00

The said 550,000 shares were issued to Roche Mines Limited, 372 Bay Street, Toronto, Ontario, in satisfaction of advances. See also paragraph 13 hereof.

No Commission has been paid on the sale of the foregoing shares.

10. No shares have been issued or are to be issued and no cash has been paid or is to be paid to any promoter as such.

11. By an agreement dated September 29, 1959, and entered into between Roche Mines Limited, William Cecil Arrowsmith and William Donald Morehouse, 396 Ambrose Street, Port Arthur, Ontario, as vendors, and the Company, as purchaser, the Company acquired from the said vendors thirty-seven (37) unpatented mining claims, of which six (6) claims have lapsed, and numbered KRL 45336 to 45344 inclusive, KRL 45327 to 45335 inclusive and KRL 46810 to 46830 inclusive. The mining claims are situated 125 miles north of Red Lake in the Patricia Portion of the District of Kenora, Northwestern Ontario.

The Company acquired the said mining claims from the vendors aforementioned for a consideration of 900,000 fully paid and non-assessable shares. The only persons or companies now holding more than 5% in the vendors' shares are as follows:- Roche Mines Limited, Flint Rock Mines Limited, Suite 1212 55 York Street, Toronto, Ontario, and William Cecil Arrowsmith.

12. The Company has acquired through staking in January, 1963, at an estimated cost of \$520.00, a group of twelve (12) unpatented mining claims located in the Savant Lake Area of Ontario, numbered P.A. 32068 to 32079 inclusive. As the claims were staked by personnel employed by the Company, no person, firm or corporation received any vendor consideration of any kind.

13. The particulars relating to the Company's properties including the means of access thereto, the character, extent and condition of any underground or surface exploration and development, the known history of the property and description of any work done are as follows:-

Re: Red Lake claims referred to in paragraph 11 above -

The Company proposes to have an independent engineer examine this

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property as soon as the snow is off the ground, to provide a report. Until this report is available and is filed as an amendment to this prospectus, the Company will not expend any funds in the exploration and development of these claims; hence no engineer's report is filed.

There is no underground plant and equipment on this property. There is no surface equipment other than a tractor and prospecting tools, but there are buildings consisting of a headframe, office and several other mining buildings in good repair as well as a mill building and some supplies. The building and some equipment were acquired in the Summer of 1960 from the Ontario Department of Mines for \$10,000.00 of which \$4,000.00 has been paid and the balance is due September 1, 1963. This property was formerly owned by Berens River Mines Limited and was a producer of gold, silver, lead and zinc in the nine years 1939 to 1948. Very substantial development of the property was performed by the former owner consisting of shaft sinking, cross-cutting, drifting, raising and diamond drilling both surface and underground. Since acquisition, the Company has carried out a certain amount of diamond drilling, surveying and line cutting. The Company has received funds \$76,637.47 to look after these expenses and general, administrative and other matters, from Roche Mines Limited to October 31, 1962. As to the settlement of \$55,000.00 of this amount, see paragraph 9 above. The result of this work does not enable present management to lay out a program of future exploration and development and hence the proposed examination by an independent engineer as soon as the snow is off the ground, as mentioned above. Re The Savant Claims - see the accompanying report of E. M. Lewin, P.Eng. dated February 14, 1963. Present management has not carried on any work or made any improvements on the Savant claims.

14. None of the Company's unissued treasury shares are underwritten or under option to any one at this time. The Company has appointed Asta Corporation Limited as its agent to sell the shares of the Company to the public for the Company's behalf. The Company has agreed to pay Asta Corporation Limited a commission of 25% of the proceeds received from the sale of shares together with a contribution to cover the costs of distribution which shall not exceed an additional 15% of the proceeds of sales; provided, however, that in no case shall the net proceeds to the treasury of the Company be less than 10¢ per share. The net proceeds of the sales made by Asta Corporation Limited, namely 60% thereof, will enure to the benefit of the Company.

In addition, the Company may from time to time enter into similar agency arrangements with one or more other registered security dealers with the consent of Asta Corporation Limited, paying such security dealers the said commission of 25% and the said contribution not exceeding 15% of the proceeds of sales made through them.

15. The Company proposes to use the proceeds from the sale of securities as follows:-

- (i) to pay its ordinary operating expenses;
- (ii) to carry out the program of exploration recommended for its Savant

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claims by E. M. Lewin, P. Eng. in his accompanying report;

- (iii) to pay the balance due of \$5,000.00 on September 1, 1963, on buildings and equipment owned by the Company.
- (iv) After \$30,000.00 net has been raised for the Company by Asta Corporation Limited under its agency referred to in paragraph 14 hereof, to repay as and when deemed advisable by the Board of Directors the indebtedness of all or part of the sum owing to Roche Mines Limited. At October 31, 1962, this sum was \$21,637.47.
- (v) to retain surplus funds with a view of carrying out the recommendations that may be forthcoming on the Red Lake property referred to in Paragraph 13 hereof, if as and when an engineer's report is available and is filed as an amendment to this prospectus.

16. The Company has been incorporated for more than one year.

17. No indebtedness exists or is to be created or assumed other than as shown in this prospectus and in the balance sheet of the Company as at October 31, 1962, save with respect to legal, audit and other expenses arising out of the preparation of this prospectus.

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

- | | |
|--------------------------|--|
| IRUMAN EDWARD KELLY | (President and a Director) is and has been the Owner and Manager of Kelco Products Limited, Toronto, concerned with installation of mosaic tile and related business. |
| ALFRED JOSEPH LEWIS | (Vice-President, Secretary-Treasurer and Director) is a Broker-Dealer carrying on business as President and majority shareholder of Asta Corporation Limited in Toronto, since July 15, 1960. Prior thereto was a broker-dealer under his own name from May 1960. Prior thereto was a registered securities salesman from October 1958. Prior thereto was associated with various mining companies as an official including Mexicana Explorations Limited. |
| WILLIAM CECIL ARROWSMITH | (Director) is a prospector and field engineer and has carried on those callings during the past three years. He is a graduate of the University of Western Ontario and holds the degree of Bachelor of Applied Science. He is a director and/or officer of Roche Mines Limited, Norite Explorations Limited, Queensway Mines Limited and Monpre Mining Corporation Limited. |

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JACK ALLAN GILBERT

(Director) has practised as a barrister and solicitor of The Supreme Court of Ontario, in Toronto, Ontario, during the past three years.

JOHN ALEXANDER MURPHY

(Director) is an Accountant, employed by Everett E. Ott Corporate Secretary.

19. None of the directors have any interest directly or indirectly, whether personally or as a partner in a firm, in any property acquired or to be acquired by the Company, save William Cecil Arrowsmith who was one of the vendors to the Company of the Red Lake property referred to in paragraph 13 above.

20. Save for salaries totalling \$2,250.00, there has been no remuneration paid by the Company during the last financial year to directors or officers. During the current financial year it is intended to remunerate directors in an amount of \$25.00 for attendances at meetings. It is estimated there will be no remuneration paid during the current financial year to officers as such.

21. No dividends have been paid by the Company.

22. Flint Rock Mines Limited is in a position to elect or cause to be elected a majority of the directors of the Company under the arrangement described in paragraph 23 hereof. Flint Rock Mines Limited is a public company and Ruby G. Lewis (wife of Alfred Joseph Lewis) and I.E. Kelly, acting in concert, by reason of beneficial ownership of securities may be entitled to elect or cause to be elected a majority of the directors of Flint Rock Mines Limited.

23. Asta Corporation Limited has secured an option to purchase up to 850,000 out of 1,050,000 shares of the Company owned by Roche Mines Limited exercisable by Asta Corporation Limited at the rate of one thereof for every three treasury shares of the Company sold by Asta Corporation Limited to the public under its agency set forth in paragraph 14 above. The above option was approved at a general meeting of the shareholders of Roche Mines Limited held December 20, 1962, and notice thereof was accepted for filing by the Toronto Stock Exchange. During the currency of the option and at the instance of Asta Corporation Limited, Roche Mines Limited has agreed to vote its shares in the Company for such nominees on the board of directors of the Company as Flint Rock Mines Limited may require.

24. Save as aforesaid, the Company knows of no arrangements as regard the purchase, sale or disposition of vendor shares. If notice of any such arrangement shall come to the directors, an amending statement will be filed with the Ontario Securities Commission if the shares of the Company are then in the course of primary distribution. Vendor shares of the capital stock of the Company when freed as well as free vendor shares may be offered to the public at market prices but the proceeds of sales will not accrue to the treasury.

25. There is no other material fact not disclosed in the foregoing.

DATED the 12th day of March, 1963.

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.

DIRECTORS

"T.E. Kelly"
T.E. KELLY

"W.C. Arrowsmith"
W.C. ARROWSMITH

"A.J. Lewis"
A.J. LEWIS

"J.A. Gilbert"
J.A. GILBERT

"J.A. Murphy"
J.A. MURPHY

PROMOTER:

ASTA CORPORATION LIMITED

Per: "A.J. Lewis"
A.J. LEWIS, President.

GOLSIL MINES LIMITED - FINANCIAL STATEMENTS
FROM INCEPTION (JUNE 15, 1959) TO OCTOBER 31, 1962.

AUDITORS' REPORT

To the Directors of
Golsil Mines Limited.

We have examined the balance sheet of Golsil Mines Limited as at October 31, 1962 and the statement of deferred exploration, development and administrative expenditures for the period from inception (June 15, 1959) to October 31, 1962. Our examination, which covered the period January 1, 1962 to October 31, 1962, 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. For the period prior to January 1, 1962, we relied on financial statements reported on by another firm of Chartered Accountants.

In our opinion, based upon our examination and the reports of the other firm of Chartered Accountants, the accompanying balance sheet and statement of deferred exploration, development and administrative expenditures present fairly the financial position of the company as at October 31, 1962, and its activities from inception (June 15, 1959) to October 31, 1962, in accordance with generally accepted accounting principles.

Toronto, Ontario,
January 31, 1963.

"FISHER, NISKER & COMPANY"

Chartered Accountants

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GOLSIL MINES LIMITED
(Incorporated under the laws of the Province of Ontario)

BALANCE SHEET
AS AT OCTOBER 31, 1962

ASSETS

<u>Current assets</u>		
Cash	\$	5.00
<u>Fixed assets (Note 1)</u>		
Unpatented mining claims, at valuation (as revised) attributed to 900,000 shares of the company's capital stock issued for the claims	\$ 90,000.00	
Mine buildings and equipment, at cost	<u>10,000.00</u>	100,000.00
<u>Deferred expenditures</u>		
Exploration, development and administrative expenditures, per statement	\$ 70,827.47	
Organization expenses	<u>2,435.00</u>	<u>73,262.47</u>
		<u>\$173,267.47</u>

LIABILITIES

<u>Current liabilities</u>		
Accounts payable	\$ 625.00	
Balance owing on purchase of buildings and equipment, due September 1, 1963	<u>6,000.00</u>	
	\$ 6,625.00	
Payable to parent company, Roche Mines Limited (Note 2)	<u>21,637.47</u>	\$ 28,262.47
<u>Capital stock</u>		
Authorized: 5,800,000 shares without par value		
Issued: 5 shares for cash	\$ 5.00	
550,000 shares issued in satisfaction of advances made by parent company to finance company's exploration program	55,000.00	
900,000 shares issued for mining claims	<u>900,000.00</u>	
1,450,005 shares	<u>\$955,005.00</u>	
<u>Deficit</u> - resulting from change in the valuation which the directors had originally placed on the 900,000 shares issued for mining claims from \$1.00 per share to 10¢ per share	<u>810,000.00</u>	<u>145,005.00</u>
		<u>\$173,267.47</u>

The accompanying notes are an integral part of the financial statements.

Approved on behalf of the Board of Directors:

"W.C. ARROWSMITH".....(Director) "A.J. LEWIS".....(Director)

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GOLSIL MINES LIMITEDDEFERRED EXPLORATION, DEVELOPMENT AND ADMINISTRATIVE EXPENDITURESFROM INCEPTION (JUNE 15, 1959) TO OCTOBER 31, 1962

	Inception to December 31, 1961	January 1, 1962 to October 31, 1962	Inception to October 31, 1962
<u>Exploration and development expenditures</u>			
Travelling and transportation	\$10,730.72	\$ 10.00	\$10,740.72
Consulting fees	1,913.67	-	1,913.67
Salaries and wages	14,425.77	-	14,425.77
Supplies	5,047.22	-	5,047.22
Diamond drilling	3,858.00	-	3,858.00
Surveying	2,113.68	-	2,113.68
Line cutting	1,277.03	-	1,277.03
Government fees and licenses and taxes	1,067.65	-	1,067.65
Workmen's compensation	626.40	-	626.40
Assaying	281.50	-	281.50
Equipment repairs	220.84	-	220.84
Unemployment insurance expense	-	20.40	20.40
Miscellaneous	3,529.77	-	3,529.77
	<u>\$45,092.25</u>	<u>\$ 30.40</u>	<u>\$45,122.65</u>
<u>Administrative expenditures</u>			
Salaries	\$10,414.27	\$2,250.00	\$12,664.27
Legal and audit fees	4,495.00	325.00	4,820.00
Rent	2,343.15	786.50	3,129.65
Travelling and transportation	1,679.76	-	1,679.76
Postage, telephone and telegraph	1,027.89	-	1,027.89
Directors' fees	675.00	-	675.00
Office and general expense	629.13	-	629.13
Transfer agent's fees and expenses	493.96	275.16	769.12
Government fees and taxes	280.00	30.00	310.00
	<u>\$22,038.16</u>	<u>\$3,666.66</u>	<u>\$25,704.82</u>
<u>Total deferred expenditures</u>	<u>\$67,130.41</u>	<u>\$3,697.06</u>	<u>\$70,827.47</u>

GOLSIL MINES LIMITEDNOTES TO FINANCIAL STATEMENTSOCTOBER 31, 1962

Note 1 - In January 1963 the company acquired by staking a group of twelve un-patented mining claims in the Province of Ontario at an estimated cost of \$520.00.

Note 2 - Roche Mines Limited has agreed to defer payment of \$21,637.47 until after \$30,000.00 net has been received by the company from the sale of its capital stock under the agency agreement with Asta Corporation Limited referred to under paragraph 14 of the company's prospectus.

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REPORT ON THE PROPERTY OF
GOLSIL MINES LIMITED
SAVANT AREA, DISTRICT OF PATRICIA
February 14, 1963

SUMMARY

The property consists of a contiguous group of mining claims, and is located 4 miles north of Savant Station on the Canadian National Railway.

The consolidated rocks are shown on the Province of Ontario Geological Map No. 37J, Savant Lake Gold Area. These rocks are of precambrian origin and consist mainly of granite and granite gneisses.

As the ground was covered with snow at the time of the writer's visit on January 12th, 1963, all information of the work performed is taken from the files of Lun-Echo Mines which were placed at our disposal.

As judged from the past work done by Lun-Echo, there are two mineralized zones, striking N 30 E, each containing Silver, Zinc, Copper, Lead and with very low values in gold.

These zones have been intersected by several trenches and values were found in all.

There is from 2-6 feet of overburden covering the area.

The writer recommends:

1. That the overburden be stripped by a bulldozer and the showing cleaned off properly. The approximate cost of this work will be \$2,000.00.

2. The two zones along with any other zones that may be found by the striping, be sampled, preferable by blasting trenches across the zones of mineralization. A plugger drill can be utilized for this work. The approximate cost of this work is \$1,000.00.

3. If the results of sampling warrants, then the zones should be intersected by shallow drill holes. This work would cost approximately \$9,000.00 to \$10,000.00.

4. Follow the above drilling with steeper and deeper drilling if the results are favourable.

PROPERTY

The property consists of 12 unpatented mining claims that are numbered PA-32060-32079 inclusive. These claims are in a group that are 4 claims long or east and west and three claims north and south.

LOCATION AND ACCESSABILITY

The property is located approximately 4 miles north of Savant station on the C.N.R. main line, and 3/4 of a mile west of the main Savant-Pickle Lake Road. A tractor road from the main road leads to the old camp, which is located approximately 1,000 feet east of the showings.

GEOLOGY

The consolidated rocks consist of granite-gneiss. The writer was only able to observe a few samples of garnet rich gneiss and some hornblende, as the ground was covered with snow.

HISTORY:

The property was formerly owned by Lun-Echo Mines Limited. This company's files, which were placed at my disposal, show two mineralized zones, with a strike of N 30 E. These two zones are approx. 40 feet apart, and have been cut by several trenches, showing mineralization over 4-9 feet. The exposed length of the two zones is 200 feet.

Several X-ray holes were drilled by Lun-Echo Mines Limited, but results reportedly were not conclusive.

Conclusions:

The property is easily accessible, and the two zones have been exposed for a length of 200 feet. Both zones show mineralization of silver, zinc, copper, lead and very low gold values. These zones in this writer's opinion warrant further exploration work.

Recommendations:

Strip the two zones of the overburden with a bulldozer. After this stripping, the two zones should be sampled. This can best be done after cutting across the zones with a plugger drill. After the sampling, drill a series of flat diamond drill holes, to be followed by deeper holes if warranted.

Respectfully Submitted

"E.M. Lewin" (Seal)
E.M. Lewin, P. Eng.

272 Larch Street,
Sudbury, Ontario.
February 14th 1963.

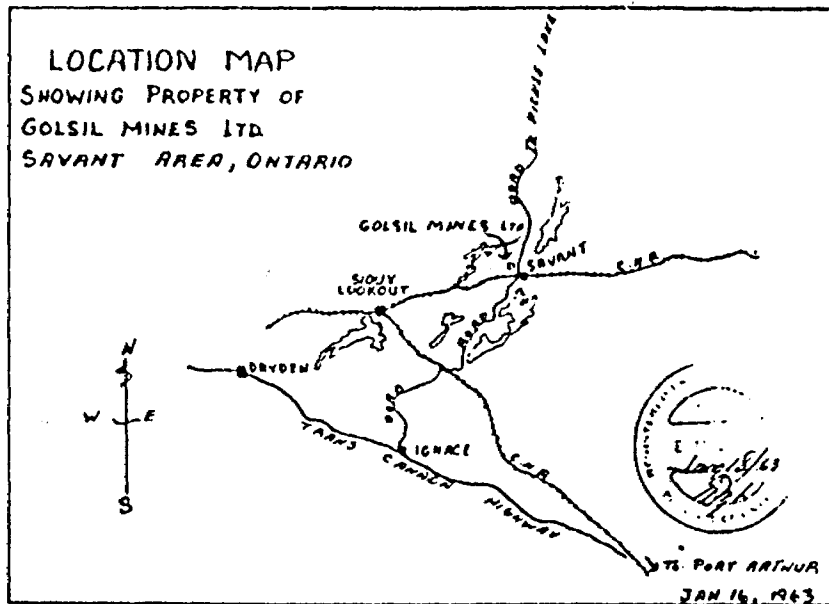
CERTIFICATE OF QUALIFICATION

I, E.M. Lewin, of the City of Sudbury in the Province of Ontario, Canada, hereby certify:

1. That I am a mining engineer and geologist, and reside in the City of Sudbury, Canada.
2. That I am a graduate of the University of Durham, England (1923) in mining engineering and geology, and have been practicing my profession ever since, with the exception of the war years, and that I am a member of the Association of Professional Engineers of Ontario.
3. That I have no direct or indirect interest in the property of Golsil Mines Limited which is described in this report, nor do I expect to receive any interest, direct or indirect in any property or securities of the Company holding the property.
4. That the accompanying report, dated February 14th, 1963, is based on a personal examination on January 12th, 1963 as well as the examination of the data in the Lun-Echo Files.

272 Larch Street,
Sudbury, Ontario.
February 14th, 1963.

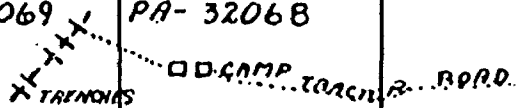
"E.M. Lewin" (Seal)
E.M. Lewin, P.Eng.



CLAIM MAP
 GOLSIL MINES LTD.
 SAVANT AREA, ONTARIO.



PA-32078	PA-32079	PA-32073	PA-32072
PA-32076	PA-32075	PA-32069	PA-32068
PA-32077	PA-32074	PA-32070	PA-32071



PONU

BLAZE LAKE

