

W.A. No.

NAME

Prospectus

SUBJECT

*82 ENE 100
Bracebridge
grc, 6 out.*

PROPERTY FILE

001906

05

(BRACEBRIDGE) JOE 82F/9W (082FNE100)
KOP

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.

RECEIVED
MAR 18 1976
SUPERINTENDENT
OF BROKERS

PROSPECTUS



MERIDIAN RESOURCES LTD. (N.P.L.)

New Issue

300,000 COMMON SHARES

| | Price to Public | Underwriting Discounts or Commissions | Proceeds to Company if all Shares Sold |
|----------|-----------------|---------------------------------------|--|
| Per Unit | 25¢ | 5¢ | 20¢ |
| Total | \$75,000 | \$15,000 | \$60,000 |

THERE IS NO EXISTING MARKET FOR THE COMPANY'S SECURITIES IN THE PROVINCE OF BRITISH COLUMBIA, OR ELSEWHERE.

A PURCHASE OF THE SHARES OFFERED BY THIS PROSPECTUS MUST BE CONSIDERED A SPECULATION SINCE THE COMPANY'S MINERAL CLAIMS ARE STILL ONLY IN THE EXPLORATION STAGE. REFERENCE SHOULD BE MADE TO THE SECTION "PRINCIPAL HOLDERS OF SHARES" AND THE COMPARISON OF THE PERCENTAGE OF SECURITIES BEING OFFERED TO THE PUBLIC FOR CASH AND THOSE ALREADY ISSUED BY THE COMPANY TO ACQUIRE ITS PROPERTIES.

A MINIMUM SUBSCRIPTION OF \$60,000 OR 300,000 SHARES MUST BE SOLD UNDER THE TERMS OF THIS PROSPECTUS; REFERENCE IS MADE TO THE SECTION "USE OF PROCEEDS" ON PAGE 7 HEREIN.

NO SURVEY HAS BEEN MADE OF THE COMPANY'S LOCATED MINERAL CLAIMS AND THEREFORE IN ACCORDANCE WITH THE MINING LAWS OF THE PROVINCE OF BRITISH COLUMBIA, THEIR EXISTENCE AND AREA COULD BE IN DOUBT.

THE PROPERTY OF THE COMPANY IS WITHOUT A KNOWN BODY OF COMMERCIAL ORE AND THE PROPOSED PROGRAM IS AN EXPLORATORY SEARCH FOR ORE.

REGISTRAR AND TRANSFER AGENT

GUARANTY TRUST COMPANY OF CANADA
Vancouver, British Columbia

DATED THIS 31st DAY OF OCTOBER, A.D. 1975.

TABLE OF CONTENTS

| | <u>PAGE</u> |
|---|-------------|
| THE COMPANY ----- | 1 |
| THE BUSINESS ----- | 1 |
| THE PROPERTY ----- | 2 |
| SHARE OFFERING AND PLAN OF DISTRIBUTION ----- | 6 |
| USE OF PROCEEDS ----- | 7 |
| PROMOTERS ----- | 9 |
| SHARE AND LOAN CAPITAL STRUCTURE ----- | 10 |
| DESCRIPTION OF SHARES ----- | 10 |
| ESCROWED SHARES ----- | 11 |
| DIRECTORS AND OFFICERS ----- | 13 |
| REMUNERATION OF DIRECTORS & SENIOR OFFICERS AND INTEREST OF MANAGEMENT IN MATERIAL TRANSACTIONS ----- | 14 |
| PRINCIPAL SHAREHOLDERS ----- | 15 |
| PRIOR SALES ----- | 16 |
| MATERIAL CONTRACTS ----- | 17 |
| AUDITORS ----- | 18 |
| REGISTRAR AND TRANSFER AGENT ----- | 18 |
| PURCHASERS STATUTORY RIGHT OF WITHDRAWAL AND RESCISSION ----- | 19 |
| FINANCIAL STATEMENTS ----- | |
| ENGINEERING REPORT ----- | |
| CERTIFICATES ----- | |

THE COMPANY

Meridian Resources Ltd. (N.P.L.) ("Meridian") was incorporated on January 4, 1967, under the laws of the Province of British Columbia by Memorandum.

The address of the head office of Meridian is 107-325 Howe Street, Vancouver, British Columbia and the address of the registered and records office of Meridian is 202-900 West Pender Street, Vancouver, British Columbia.

THE BUSINESS

Meridian is a mining company engaged in the acquisition, exploration and development of mining properties. Meridian owns or has interests in the properties described under "The Property" and intends to seek and acquire additional properties worthy of exploration and development.

THE PROPERTY

BRACEBRIDGE PROPERTY

By agreement dated March 16, 1972, and subsequent amendments, dated April 25, 1973, January 15, 1974, February 5, 1975 and February 18, 1975 between Donald C. Jackson and Meridian, Meridian obtained an option to purchase certain located mineral claims and a mineral lease in the Fort Steele Mining Division of the Province of British Columbia as follows:

DON No. 1, DON No. 2 5790 - 5793 incl.
JOE No. 1, JOE No. 2

SURPRISE MINERAL LEASE - Lot No. 3560

WOLFE FR. MINERAL CLAIM, Record No. 10590

To date, Meridian has paid \$7,500 for the option as well as the allotment and issuance of 100,000 shares in its capital stock to Donald C. Jackson, of 2363 de Wolfe Avenue, Kimberley, B. C.

In order to maintain the option, Meridian will be required to make the following payments to Mr. Jackson:

- (a) \$3,000 upon completion of primary distribution of the shares under this Prospectus;
- (b) \$8,500 upon completion of primary distribution of the shares under this Prospectus;
- (c) \$12,500 on or before January 15, 1978.

Meridian may cause a new Company to be incorporated before May 31, 1976, such Company would then engage in the development of the Bracebridge Property.

By agreement dated January 11, 1973 between John Wolfe and Meridian, Meridian acquired the following mineral claims in the Fort Steele Mining Division of the Province of British Columbia:

| <u>NAME OF CLAIM</u> | <u>RECORD NOS.</u> |
|--------------------------|---------------------|
| WINNIE | 11286 |
| VERA | 11287 |
| JIM FRACTION | 11288 |
| LILLIAN FRACTION | 11290 |
| JOE NO. 3 | 12532 |
| JOE NO. 4 | 12533 |
| JOE NO. 5 | 12534 |
| JOE NO. 6 | 12535 |
| GORDON FRACTION | 12536 |
| MONICA FRACTION | 12537 |
| SILVERTIP FRACTION | 18229 |
| SILVERTIP FRACTION NO. 1 | 18230 |
| SILVERTIP FRACTION NO. 2 | 18231 |
| SILVERTIP | 18232 |
| SILVERTIP NO. 1 | 18233 |
| SILVERTIP NOS. 2 - 15 | 18234 - 18247 incl. |

in consideration for \$1,000 and 650,000 shares allotted and issued as follows:

| | |
|---|----------------|
| Donald C. Jackson 2364 deWolfe Avenue Kimberley, B.C. | 50,000 shares |
| James McDonald 505 Burrard Street Vancouver, B. C. | 10,000 shares |
| John Wolfe Box 100 Marysville, B.C. | 98,334 shares |
| G. Arnold Armstrong 1250-505 Burrard Street Vancouver, B.C. | 98,334 shares |
| G. Arnold Armstrong 1250-505 Burrard Street Vancouver, B.C. | 393,332 shares |
| | <hr/> |
| | 650,000 shares |

Subsequent to the date of the Agreement, various transfers within escrow have been made and the present owners of the 750,000 shares are as follows:

| <u>Name</u> | <u>Number of Shares</u> |
|-------------------------|-------------------------|
| Armada Investments Ltd. | 20,000 shares |
| Donald C. Jackson | 100,000 shares |
| G. Arnold Armstrong | 10,000 shares |
| James M. MacDonald | 95,000 shares |

| | |
|-----------------------------|----------------|
| Inverciones Tesoro Ltd. | 95,000 shares |
| Dauntless Developments Ltd. | 95,000 shares |
| Nautilus Ventures Ltd. | 95,000 shares |
| Stan Hunter | 10,000 shares |
| John Wolfe | 230,000 shares |

A total of 96,000 of the above shares have been surrendered to the Company by way of gift for cancellation as follows:

| | |
|-----------------------------|---------------|
| James MacDonald | 16,000 shares |
| Inverciones Tesoro Ltd. | 16,000 shares |
| Dauntless Developments Ltd. | 16,000 shares |
| Nautilus Ventures Ltd. | 16,000 shares |
| John Wolfe | 32,000 shares |

By a mining lease dated September 1972, and amendments thereto dated November 26, 1973 and February 18, 1975 between Grace Cruickshank, Lydian Urquhart, Mrs. Robert Schell and Nora Cizik, of the First Part, and Meridian of the Second Part, Meridian was granted the right to lease the Welcome Crown Granted Mineral Claim, Lot 1389 in the Kootenay Land District of the Province of British Columbia. The term of this lease is for a period of ninety-nine (99) years for the purpose of conducting mining operations on the Welcome Claim. Semiannual payments of \$500 each on June 1 and December 1 of each year are required to keep the lease in good standing. Meridian will pay to the Lessors the following royalties: 3% of the net smelter returns up to an aggregate of \$32,000; 1% of net smelter returns after the aggregate of \$32,000 has been paid and until expiry of the lease. The semi-annual cash payments (\$500) will apply to the payment of royalties. All of the aforementioned mineral claims and mineral leases comprise the Bracebridge Property.

The Bracebridge Property is located on the St. Mary River approximately sixteen miles east of St. Mary Lake or forty miles west of Cranbrook, British Columbia.

Access can be gained from Cranbrook by a paved highway to St. Maryville and from there, by a gravel road following the St. Mary River upstream a total distance of approximately forty

miles.

With respect to the history of the Bracebridge Property, little is known about exploration activities on the property prior to 1966. On the Welcome and Shewsbury Crown Granted Mineral Claims, several old short adits, the majority caved, have been located. During 1966, Cominco Limited explored the property and completed four diamond drill holes at the northern limits, elevation 6,000 feet of the shear zone. All drill holes intersected copper values carrying from 0.20% to 3.30% over widths of 5 to 22.5 feet. Reference is made to the Report of F. Holcapek, P. Eng. which is attached hereto.

In 1967, Pharaoh Mines Ltd. (N.P.L.) held the property and executed a program of bulldozer trenching and percussion drilling of four holes 30 to 40 feet long. This work confirmed the presence of a continuous shear zone carrying variable amounts of copper and low silver values.

During this period, Newmont Mines Ltd. and Rio Tinto Mines Ltd. examined the property as well. The compilation map contained in the report of F. Holcapek, P. Eng. which is attached hereto is based on that work.

Work completed by Meridian under its present management on the Bracebridge Property consists of the extending of a tunnel.

The Bracebridge Property is without a known body of commercial ore.

With respect to geology, the report indicates that the Bracebridge Property appears to be underlain by the Kitchener Siyeh formation, a sedimentary sequence consisting of vari-colored argillites, magnesium limestone, calcareous quartzite. For a more complete description of the geology of the Bracebridge Property, reference is made to the report of F. Holcapek, P. Eng. which is attached hereto.

RONALD H.D. PHILP IS THE PRESIDENT AND A DIRECTOR OF AGILIS ENGINEERING LTD. WHO PROVIDED THE ENGINEERING REPORT FOR THIS PROSPECTUS; MR. PHILP IS ALSO A DIRECTOR AND PROMOTER OF THE COMPANY. F. HOLCAPEK OWNS 50% OF THE ISSUED SHARES OF AGILIS ENGINEERING LTD. AND IS A DIRECTOR AND THE SECRETARY.

SHARE OFFERING AND PLAN OF DISTRIBUTION

Meridian, by this Prospectus, offers to sell 300,000 of its shares as fully paid and non-assessable at a price of 25¢ per share subject to an underwriting discount or commission in respect of some or all of such shares, not exceeding 5¢ per share. The shares will be sold through registered securities dealers and salesmen and by trading Directors of the Company under a Securities Issuer Permit pursuant to Section 7(2) of the Securities Act, 1967, British Columbia. Trading Directors will not receive a commission on the sale of shares by them. Meridian reserves the right to accept applications for these shares in whole or in part without notice. Subject as aforesaid, Meridian intends to allot and issue the shares from time to time as applications are received, whether or not the issue is or becomes fully subscribed.

Of the shares to be issued and outstanding on completion of this offering 58.5% will be issued for cash and services and 41.5% for properties. Of the shares to be issued and outstanding on completion of this offering, 16.6% will be issued to the public for cash and 83.4% will be issued to the Promoters, Directors, Officers and controlling persons for cash and services, and property, subject to the conditions of the minimum subscription as set out on the cover page and page 7 of this Prospectus.

USE OF PROCEEDS

The net proceeds to be derived by Meridian from the sale of shares offered hereunder, if all of the share are sold, will be used to complete the recommendations of F. Holcapek, P. Eng. in his report dated February 20, 1974 on the Company's Bracebridge Property which is attached hereto and forms part of this Prospectus. Specifically, the proceeds will be used for the following purposes:

| | | |
|---|------------------|-----------------|
| (a) To cover the expenses of this offering | | \$5,000 |
| (b) To complete Phase I of the exploration and development work on the Bracebridge Property as follows: | | |
| 1. Clearing cat trail for four-wheel drive access | \$1,000 | |
| 2. Mobilization - demobilization | 500 | |
| 3. Establish Camp | 1,000 | |
| 4. Camp and engineering supply - allow | 1,500 | |
| 5. Establish 400 x 200 grid for ground control allow for 20 line miles | 2,500 | |
| 6. Geochemical sampling and analysis for Cu,Zn, Pb | 4,000 | |
| 7. Electromagnetic survey | 1,500 | |
| 8. Geological mapping of whole property | 2,000 | |
| 9. Detail mapping of trenches and sampling | 1,500 | |
| 10. Engineering | 500 | |
| | <u>\$ 16,000</u> | |
| 20% contingency | 3,200 | |
| Total Phase I | | \$19,200 |
| (c) To pay accounts payable | | \$ 5,000 |
| (d) To provide for property payments | | \$11,500 |
| (e) Fee for Listing - Vancouver Curb Exchange to be held by a trustee pending application. The Company will endeavour to obtain a listing, if and when the primary distribution has been completed | | \$ 2,000 |
| (f) To provide working capital for Meridian, such working capital to be used for administration, acquisition of additional properties and reserve for additional exploration on existing properties | | <u>\$17,300</u> |
| | TOTAL | \$60,000 |

Should the actual proceeds prove insufficient to accomplish the purposes set out above, Meridian intends to use the proceeds of the shares sold hereunder to carry out Phase I as recommended by F. Holcapek, P. Eng.

Meridian shall have One Hundred Twenty (120) days from the date of the receipt of the filing of this Prospectus by the Superintendent of Brokers in which to raise the sum of Sixty Thousand Dollars (\$60,000.00) being the minimum subscription required to carry out Phase I of the program recommended by F. Holcapek, P. Eng. on the Company's Bracebridge Property. All funds raised during this One Hundred and Twenty Day period will be deposited in an account at the Guaranty Trust Company of Canada, Vancouver, British Columbia, separate and apart from the Company's general account until the full amount of the minimum subscription has been raised. If the minimum amount is not raised within the One Hundred and Twenty Day period, all subscriptions for the shares of the Company will be returned to the subscribers in full.

The Company may, pursuant to the recommendations of a qualified engineer, abandon in whole or in part any of its properties or may alter as work progresses the work program recommended, or may make arrangements for the performance of all or any portion of such work by other persons or companies and may use any moneys so diverted for the purpose of conducting work or examining other properties acquired by the Company after the date of this Prospectus although the Company has no present plans in this regard. In any such event, the shareholders will be notified and if this occurs during the primary distribution of the shares referred to in this Prospectus, an amendment to this Prospectus will be filed.

No part of the proceeds shall be used to invest, underwrite or trade in securities other than those that qualify as investments in which trust funds may be invested under the laws of the jurisdiction in which securities offered by this Prospectus may be lawfully sold. Should the Company intend to use the proceeds to acquire other than trustee-type securities after the distribution of the securities offered by this Prospectus, approval by the shareholders of the Company must first be obtained and notice of the intention filed with the regulatory securities bodies having jurisdiction over the sale of the securities offered by this Prospectus.

PROMOTERS

Under the definition of "Promoter" contained in Section 2 of the Securities Act, 1967, British Columbia, John Wolfe, Richard W. Hughes, Frank A. Lang, Ronald H.D. Philp and Valerie McKee may be considered the promoters of Meridian in that they took the initiative in the founding of Meridian and its subsequent re-organization, but they have received no consideration in the form of cash, shares or otherwise from Meridian for so acting. Shares were issued or transferred to them for cash, services and properties as follows:

| <u>Name</u> | <u>Shares for Cash and Services</u> | <u>Shares for Property</u> |
|-----------------------------|---|--------------------------------|
| John Wolfe | 314,022 | 230,000 |
| Nautilus Ventures Ltd. | 95,000 | 95,000 |
| Dauntless Developments Ltd. | 95,000 | 95,000 |
| Inverciones Tesoro Ltd. | 87,500 | 95,000 |
| Valerie McKee | 7,500 | N/A |

All shares issued to the Promoters for cash were issued at 10¢ per share and all shares issued to the Promoters for services were issued at a deemed value of 10¢ per share. Of the shares issued for cash and services, 87,500 shares were transferred from John Wolfe directly and/or indirectly to Richard W. Hughes, Frank A. Lang, Ronald H.D. Philp and James M. MacDonald in consideration for those individuals' participation and the re-organization and development of the Company. Richard W. Hughes owns 100% of the issued shares of Nautilus Ventures Ltd.; Frank A. Lang owns 100% of the issued shares of Dauntless Developments Ltd. and Ronald H.D. Philp owns 24 1/2% of the issued shares of Inverciones Tesoro Ltd.

For details of the shares issued for services reference is made to the heading "Interest of Management in Material Transactions". Reference is also made to the heading "Property of the Issuer" wherein the interest of Directors in the property acquired by the Company and consideration received is disclosed.

SHARE AND LOAN CAPITAL STRUCTURE

| Designation of Security | Amount Authorized | Amount Outstanding as of July 31, 1975 | Amount Outstanding as October 31, 1975 | Amounts to be Outstanding on Completion of Offering |
|-------------------------|-------------------|--|--|---|
| Common Shares | 5,000,000 | 1,508,022 (\$83,503) | 1,508,022 (\$83,503) | 1,808,022 (\$143,503) (1) |

(1) 163,242 shares were sold at 10¢ per share; 592,780 shares were issued for services at a deemed value of 10¢ per share; 750,000 shares were issued for mineral properties at a deemed value of 1¢ per share; 2,000 shares were sold at 20¢ per share. The total cash received by Meridian for the sale of the above shares was \$16,725. There were no commissions paid by Meridian on the sale of any of the above shares.

DESCRIPTION OF SHARES

The authorized capital of Meridian is \$2,500,000 divided into 5,000,000 shares with a par value of 50¢ each, of which 1,508,022 shares have been issued as fully paid and non-assessable. All shares of Meridian both issued and unissued are common shares of the same class and rank equally as to dividends, voting powers and participation in assets. No shares have been issued subject to call or assessment. There are no pre-emptive or conversion rights and no provision for redemption, purchase for cancellation, surrender or sinking or purchase funds. Provisions as to the modifications, amendments or variations of such rights or such provisions are contained in the Companies Act of the Province of British Columbia.

ESCROWED SHARES

Set forth hereunder are particulars of the escrowed shares in the capital stock of Meridian as of the date of this Prospectus:

| <u>Designation of Class</u> | <u>Number of Shares held in Escrow</u> | <u>Percentage Of Class</u> |
|-----------------------------|--|----------------------------|
| Common | 750,000 | 49.7% |

The 750,000 shares were issued in consideration for Meridian's two mineral properties referred to under the Section "The Property" herein. Subsequent to issuance, various escrow transfers have been made to the following shareholders:

| <u>Name</u> | <u>Number of Shares</u> |
|-----------------------------|-------------------------|
| Armada Investments Ltd. | 20,000 |
| Donald C. Jackson | 100,000 |
| G. Arnold Armstrong | 10,000 |
| James M. MacDonald | 95,000 |
| Inverciones Tesoro Ltd. | 95,000 |
| Dauntless Developments Ltd. | 95,000 |
| Nautilus Ventures Ltd. | 95,000 |
| Stan Hunter | 10,000 |
| John Wolfe | 230,000 |

As of October 31, 1975, 750,000 shares were held in escrow by the Guaranty Trust Company of Canada, subject to the direction or determination of the Superintendent of Brokers. The escrow restrictions provide that the shares may not be traded in, dealt with in any manner whatsoever, or released nor may the Company, its transfer agent or escrow holder make any transfer or record any trading of the shares without the consent of the Superintendent of Brokers.

Reference is made to the section "The Property" herein; particularly Paragraph 4 and the surrender of shares.

In the event Meridian loses or abandons or fails to obtain title to all or part of the property or assets for which it allotted all or part of the escrow shares, the Company will declare any such event to the Superintendent of Brokers by way of directors resolution and the holders of such shares, the trustee thereof and the Company, have agreed that such number of said shares, as the Superintendent of Brokers determines shall have become subject to cancellation, shall be surrendered to the Company by way of gift for cancellation. The complete text of the escrow agreement is available for inspection at the Company's registered office at #202-900 West Pender Street, Vancouver, B. C.

DIRECTORS AND OFFICERS

The names, addresses and principal business or occupations in which each of the Directors and Senior Officers of Meridian have been engaged during the immediately preceding five years are as follows:

NAME AND ADDRESS and
POSITION WITH COMPANY

OCCUPATIONS

Richard W. Hughes
2484 Ottawa Avenue
Vancouver, B. C.
President/Director

President, Belmoral Mines Ltd. (N.P.L.);
Managing Director, Cream Silver Mines
Ltd. (NPL); Director, Acheron Mines
Ltd. (NPL); Director, Trident Resources
Inc. (NPL); President, Merchant Prince
Imports Ltd., 1968-72.

John Wolfe
P. O. Box 150
Erickson, B. C.
Vice-President/Director

President, John Wolfe Construction
Co. Ltd., 1953 to date

Valerie McKee
1102-2233 Allison Road
Vancouver, B. C.
Secretary/Director

Office Manager, Various Mining Companies,
May 1973 to date; Office Manager/Secretary
Quintana Minerals Corp. Ltd., 1967 to
1972.

Ronald H. D.Philp
Waspam, Rio Coco
Depto de Zelaya
Nicaragua
Director

Professional Engineer;
Agilis Exploration Services Ltd.

Frank A. Lang
1575 Rena Crescent
West Vancouver, B. C.
Director

Professional Engineer;
President, Cream Silver Mines Ltd. (NPL);
Director, Belmoral Mines Ltd. (NPL),
Industrial Sales Engineer, B.C. Hydro,
May 1955 to date.

REMUNERATION OF DIRECTORS & SENIOR OFFICERS
AND INTEREST OF MANAGEMENT IN MATERIAL TRANSACTIONS

No direct remuneration has been paid to any of the Directors or Officers as such of Meridian, nor does it anticipate paying any in the immediate future.

To January 31, 1975, 588,780 shares were issued to John Wolfe for services rendered to the Company, namely, cash payments to maintain the Company and its properties in good standing prior to its re-organization by the present Board of Directors of Meridian.

By Agreement dated January 11, 1973 Meridian acquired from John Wolfe certain mineral claims in the Fort Steele Mining Division of the Province of British Columbia (Silvertip Mineral Claims) for 650,000 shares in the capital stock of Meridian, subsequent transfers of these shares have been made.

PRINCIPAL SHAREHOLDERS

As at October 31, 1975, the number and percentage of shares of Meridian owned of record, or beneficially, directly or indirectly, by each person or Company who owns of record, or is known by Meridian to own beneficially, directly or indirectly, more than 10% of the shares of Meridian is as follows:

| <u>NAME</u> | <u>Class, Type of Ownership</u> | <u>Number of Shares Owned</u> | <u>Percentage</u> |
|--------------------|---|-------------------------------|-------------------|
| John Wolfe | Common, Direct of Record and Beneficial | 544,022 | 36.1% |
| Frank A. Lang | Common, Beneficial and Indirect | 190,000 | 12.6% |
| Richard W. Hughes | Common, Beneficial and Indirect | 190,000 | 12.6% |
| James MacDonald | Common, Beneficial and Indirect | 190,000 | 12.6% |
| Ronald H. D. Philp | Common, Beneficial and Indirect | 182,500* | 12.1% |

*Registered in the name of Inverciones Tesoro Ltd., of which Ronald H.D. Philp owns 24 1/2% of the issued shares.

The number and percentage of shares in Meridian beneficially owned, directly or indirectly, by all Directors and Senior Officers of Meridian as a group is as follows:

| <u>Designation of Class</u> | <u>Number of Shares Beneficially Owned</u> | <u>Percentage of Class</u> |
|-----------------------------|--|----------------------------|
| Common | 1,114,022 | 73.9% |

PRIOR SALES

Prior to the date of this Prospectus, Meridian sold the following shares for cash and services:

| Number of Shares | Price Per Share | Commissions Paid per Share Sold | Consideration Received |
|------------------|-----------------|---------------------------------|------------------------|
| 163,242 | 10¢ | Nil | \$16,324 |
| 2,000 | 20¢ | Nil | \$ 400 |
| 592,780 | Services | Nil | Nil - (Services) |

All shares previously sold for cash have been voluntarily pooled with the Guaranty Trust Company of Canada subject to release at the expiration of thirty days following completion of the primary distribution of the shares offered under this Prospectus.

All shares previously issued for services have been voluntarily pooled with the Guaranty Trust Company of Canada subject to release when an Engineering Report substantiating the completion of Phase I of the Engineering Report of F. Holcapek, P. Eng. which forms part of this Prospectus.

MATERIAL CONTRACTS

Particulars of all material contracts entered into by Meridian within two years preceding the date of this Prospectus, other than in the ordinary course of business, are as follows:

1. Agreement dated March 16, 1972 and subsequent amendments dated April 25, 1973, January 15, 1974, February 5, 1975 and February 18, 1975 between Donald C. Jackson and Meridian, wherein the Company purchased the DON, JOE, WOLFE FR. Mineral Claims and Surprise Mineral Lease. Reference is made to the Section "The Property".
2. Agreement dated January 11, 1973 between John Wolfe and Meridian wherein Meridian acquired the Silvertip et al Mineral Claims. Reference is made to the Section "The Property" herein.
3. Mining Lease dated September 1972 and amendments thereto dated November 26, 1973 and February 18, 1975 between Grace Cruickshank, Lydia Urquhart, Mrs. Robert Schell and Nora Cizik, of the First Part, and Meridian of the Second Part, wherein Meridian has leased the Welcome Crown Granted Mineral Claims. Reference is made to the Section "The Property" herein.

Copies of such Agreements may be inspected during ordinary business hours at the head office of the Company during the period of distribution to the public of the securities offered by this Prospectus and for a period of thirty (30) days thereafter.

AUDITORS

The name and address of the Auditors of Meridian are Morgan & Company, Chartered Accountants, 675 West Hastings Street, Vancouver, British Columbia.

REGISTRAR AND TRANSFER AGENT

The Registrar and Transfer Agent of Meridian is Guaranty Trust Company of Canada, 540 Burrard Street, Vancouver, British Columbia.

PURCHASER'S STATUTORY RIGHT OF WITHDRAWAL AND RESCISSION

Section 61 and 62 of the Securities Act (British Columbia) provides in effect that where a security is offered to the public in the course of primary distribution:

(a) A purchaser has a right to rescind a contract for the purchase of security, while still the owner thereof, if a copy of the last Prospectus, together with financial statements and reports and summaries of reports relating to the securities as filed with the Superintendent of Brokers was not delivered to him or his agent prior to delivery to either of them of the written confirmation of the sale of the securities. Written notice of intention to commence an action for rescission must be served on the person who contracted to sell within 60 days of the date of delivery of the written confirmation, but no action shall be commenced after the expiration of three months from the date of service of such notice.

(b) A purchaser has the right to rescind a contract for the purchase of such security, while still the owner thereof, if the Prospectus or any amended Prospectus offering such security contains an untrue statement of a material fact or omits to state a material fact necessary in the light of the circumstances in which it was made, but no action to enforce this right can be commenced by a purchaser after the expiration of 90 days from the latter of the date of such contract or the date on which such Prospectus or amended Prospectus is received or is deemed to be received by him or his agent.

Reference is made to the said Act for the complete text of the provisions under which the foregoing rights are conferred.

MERIDIAN RESOURCES LTD. (NON-PERSONAL LIABILITY)

FINANCIAL STATEMENTS

JULY 31, 1975

Morgan & Company

Chartered Accountants

1210 - 675 West Hastings Street
Vancouver, B.C. V6B 1N2
Telephone (604) 687-5841

John F. Morgan
Tor B. Barth
Lorne M. Beauchamp
James K.C. Fraser

AUDITORS' REPORT

The Shareholders
Meridian Resources Ltd. (Non-Personal Liability)
Vancouver, Canada

We have examined the balance sheet of Meridian Resources Ltd. (Non-Personal Liability) as at July 31, 1975 and the statements of deferred exploration and administrative expenditures and of source and application of funds for the period from the date of incorporation, January 4, 1967 to July 31, 1975. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

In our opinion these financial statements present fairly the financial position of the company as at July 31, 1975 and the results of its operations and the source and application of its funds for the above period in accordance with generally accepted accounting principles.

Vancouver, Canada
August 18, 1975


Chartered Accountants

MERIDIAN RESOURCES LTD. (NON-PERSONAL LIABILITY)

BALANCE SHEET

AS AT JULY 31, 1975

ASSETS

CURRENT ASSETS

| | | |
|----------------------------|---------------|-------------|
| Cash | \$ 300.59 | |
| Advance for legal services | <u>705.75</u> | |
| | | \$ 1,006.34 |

| | | |
|---|--|-----------|
| INTEREST IN MINERAL PROPERTIES (Note 1) | | 16,996.00 |
|---|--|-----------|

| | | |
|---|--|-----------|
| DEFERRED EXPLORATION AND ADMINISTRATIVE EXPENDITURES, per attached statement | | 71,179.83 |
|---|--|-----------|

| | | |
|---------------------|--|---------------------|
| INCORPORATION COSTS | | <u>266.51</u> |
| | | \$ <u>89,448.68</u> |

LIABILITIES

CURRENT LIABILITIES

| | | |
|--------------------|---------------|-------------|
| Accounts payable | \$ 5,165.88 | |
| Due to shareholder | <u>779.80</u> | |
| | | \$ 5,945.68 |


SHAREHOLDERS' EQUITY


SHARE CAPITAL

| | | | |
|---|-------------------|-----------------|------------------|
| Authorized | | | |
| 5,000,000 shares of 50¢ par value each | | | |
| Allotted (Note 2) | | | |
| 165,242 shares for cash | \$ 82,621.00 | | |
| Less discount | <u>65,896.00</u> | | |
| | | 16,725.00 | |
| 592.780 shares for exploration and administrative services | 296,390.00 | | |
| Less discount | <u>237,112.00</u> | | |
| | | 59,278.00 | |
| 750,000 shares for mineral properties | 375,000.00 | | |
| Less discount | <u>367,500.00</u> | | |
| <u>1,508,022</u> shares | | <u>7,500.00</u> | |
| | | | <u>83,503.00</u> |

\$ 89,448.68

Approved on behalf of the Board

 Director

 Director

MERIDIAN RESOURCES LTD. (NON-PERSONAL LIABILITY)

STATEMENT OF DEFERRED EXPLORATION AND ADMINISTRATIVE EXPENDITURES

FOR THE PERIOD FROM DATE OF INCORPORATION JANUARY 4, 1967 TO JULY 31, 1975

| | Total Deferred Expenditures January 31, 1970 | Year to January 31, 1971 | Year to January 31, 1972 | Year to January 31, 1973 | Year to January 31, 1974 | Year to January 31, 1975 | February 1 - July 31, 1975 | Total Deferred Expenditures |
|---|--|--------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|-------------------------------|-----------------------------------|
| EXPLORATION EXPENDITURES | | | | | | | | |
| Bracebridge group, Fort Steele Mining Division, B.C. | | | | | | | | |
| Stripping | \$ 7,949.03 | \$ 1,090.00 | | \$ 810.34 | | | | \$ 9,849.37 |
| Drilling | 18,833.88 | | | | | | | 18,833.88 |
| Travel | 197.00 | | | | | \$ 551.38 | | 748.38 |
| Recording, filing, rental fees | | | | 203.00 | | 424.50 | \$ 120.00 | 747.50 |
| Engineering | <u>26,979.91</u> | <u>1,090.00</u> | | <u>1,013.34</u> | | <u>1,167.93</u> | <u>120.00</u> | <u>1,167.93</u> |
| | | | | | | <u>2,143.81</u> | | <u>31,347.06</u> |
| Silvertip group, Fort Steele Mining Division, B.C. | | | | | | | | |
| Stripping | 3,491.28 | | | 810.33 | | | | 4,301.61 |
| Drilling | 25,288.43 | | | | | | | 25,288.43 |
| Recording, filing, rental fees | | | | 277.00 | | 581.00 | 290.00 | 1,148.00 |
| Field supplies and expense | <u>28,779.71</u> | | | <u>883.34</u> | | <u>(.46)</u> | <u>290.00</u> | <u>882.88</u> |
| | | | | <u>1,970.67</u> | | <u>580.54</u> | <u>290.00</u> | <u>31,620.92</u> |
| Welcome group, Fort Steele Mining Division, B.C. | | | | | | | | |
| Stripping | | | | 810.33 | | | | 810.33 |
| | <u>55,759.62</u> | <u>1,090.00</u> | | <u>3,794.34</u> | | <u>2,724.35</u> | <u>410.00</u> | <u>63,778.31</u> |
| ADMINISTRATIVE EXPENSES | | | | | | | | |
| Accounting and audit | | | | | \$ 400.00 | 2,000.00 | 500.00 | 2,900.00 |
| Legal fees and disbursements | | | | 696.90 | 375.80 | 941.50 | 366.75 | 2,380.95 |
| Rent and office | 426.25 | | | 5.04 | | | | 431.29 |
| Printing | 159.64 | | | | | | | 159.64 |
| Transfer agent fees | | 447.47 | \$ 100.00 | | 418.50 | 100.00 | 350.00 | 1,415.97 |
| Sundry | 45.97 | | | 27.25 | 10.00 | 3.00 | 27.45 | 113.67 |
| | <u>631.86</u> | <u>447.47</u> | <u>100.00</u> | <u>729.19</u> | <u>1,204.30</u> | <u>3,044.50</u> | <u>1,244.20</u> | <u>7,401.52</u> |
| TOTAL EXPENDITURES - to Balance Sheet | \$ <u>56,391.48</u> | \$ <u>1,537.47</u> | \$ <u>100.00</u> | \$ <u>4,523.53</u> | \$ <u>1,204.30</u> | \$ <u>5,768.85</u> | \$ <u>1,654.20</u> | \$ <u>71,179.83</u> |

MERIDIAN RESOURCES LTD. (NON-PERSONAL LIABILITY)

STATEMENT OF SOURCE AND APPLICATION OF FUNDS

FOR THE PERIOD FROM DATE OF INCORPORATION JANUARY 4, 1967 TO JULY 31, 1975

| | <u>Year to January 31, 1971</u> | <u>Year to January 31, 1972</u> | <u>Year to January 31, 1973</u> | <u>Year to January 31, 1974</u> | <u>Year to January 31, 1975</u> | <u>February 1 - July 31, 1975</u> |
|---|---|---|--|---|---|--|
| SOURCE OF FUNDS | | | | | | |
| Net proceeds from the issue of shares from the treasury | | | \$ 3,000.00 | | \$ 10,224.00 | \$ 400.00 |
| Shares issued in satisfaction of current liability for services rendered | | | <u>3,000.00</u> | | <u>59,278.00</u> <u>69,502.00</u> | <u>400.00</u> |
| APPLICATION OF FUNDS | | | | | | |
| Acquisition of interest in mineral properties Exploration and administrative expenditures, per attached statement | \$ <u>1,537.47</u> <u>1,537.47</u> | \$ <u>100.00</u> <u>100.00</u> | 2,096.00 <u>4,523.53</u> <u>6,619.53</u> | \$ 500.00 <u>1,204.30</u> <u>1,704.30</u> | <u>5,768.85</u> <u>5,768.85</u> | 900.00 <u>1,654.20</u> <u>2,554.20</u> |
| INCREASE (DECREASE) IN WORKING CAPITAL | (1,537.47) | (100.00) | (3,619.53) | (1,704.30) | 63,733.15 | (2,154.20) |
| WORKING CAPITAL (DEFICIENCY) AT BEGINNING OF THE PERIOD | <u>(59,556.99)</u> | <u>(61,094.46)</u> | <u>(61,194.46)</u> | <u>(64,813.99)</u> | <u>(66,518.29)</u> | <u>(2,785.14)</u> |
| WORKING CAPITAL (DEFICIENCY) AT END OF THE PERIOD | \$ <u>(61,094.46)</u> | \$ <u>(61,194.46)</u> | \$ <u>(64,813.99)</u> | \$ <u>(66,518.29)</u> | \$ <u>(2,785.14)</u> | \$ <u>(4,939.34)</u> |
| REPRESENTED BY: | | | | | | |
| Current assets | \$ 105.63 | \$ 105.63 | \$ 53.04 | \$ 43.04 | \$ 2,160.54 | \$ 1,006.31 |
| Current liabilities | <u>(61,200.09)</u> | <u>(61,300.09)</u> | <u>(64,867.03)</u> | <u>(66,561.33)</u> | <u>(4,945.68)</u> | <u>(5,945.68)</u> |
| | \$ <u>(61,094.46)</u> | \$ <u>(61,194.46)</u> | \$ <u>(64,813.99)</u> | \$ <u>(66,518.29)</u> | \$ <u>(2,785.14)</u> | \$ <u>(4,939.34)</u> |

MERIDIAN RESOURCES LTD. (NON-PERSONAL LIABILITY)

NOTES TO FINANCIAL STATEMENTS

JULY 31, 1975

1. The Company has the following interest in mineral properties:

a) Bracebridge group of claims, Fort Steele Mining Division,
Province of British Columbia.

The company has entered into an option agreement to acquire
this group of claims on the following terms:

1. Cash consideration

| | | |
|---|---------------------|-----------|
| On execution of the agreement (paid February 6, 1975) | \$ 400.00 | \$ 400.00 |
| On completion of the primary distribution of the shares of the Company | 3,000.00 | |
| On or before January 15, 1976 | 8,500.00 | |
| On or before January 15, 1978 | <u>12,500.00</u> | |
| Total cash consideration | \$ <u>24,400.00</u> | |

2. Incorporation of new company

The Company must cause a new company to be
incorporated before May 31, 1976 - such new
company to be engaged in the development of
the claims.

3. Work on the claims

The Company is obligated to file work on the claims
and pay rentals to keep the claims in good standing
during the term of the option.

Under previous option agreements (all allowed to lapse)
to acquire these claims the Company has paid the following
consideration:

| | | |
|--|-----------------|----------|
| Cash | \$ 7,100.00 | |
| 100,000 shares of the Company allotted at a deemed value of 1¢ each | <u>1,000.00</u> | 8,100.00 |

b) Silvertip group of claims, Fort Steele Mining Division,
Province of British Columbia.

The Company has acquired this group (also including
certain other claims) by the allotment of 650,000 shares
at a deemed value of 1¢ per share

Under a previous option agreement (now lapsed) on this
claims group the Company paid a cash option payment of

| | |
|-----------------|-----------------|
| \$ 6,500.00 | |
| <u>1,000.00</u> | <u>7,500.00</u> |

Forward

\$ 16,000.00

MERIDIAN RESOURCES LTD. (NON-PERSONAL LIABILITY)

NOTES TO FINANCIAL STATEMENTS

JULY 31, 1975

1. Cont'd Forward \$ 16,000.00

c) Welcome claim, Fort Steele Mining Division, Province of British Columbia

The company has entered into an agreement to lease this property for a term of 99 years for the purpose of conducting mining operations thereon on the following terms:

1. Cash payments

Semi-annual payments of \$ 500.00 each on June 1 and December 1. Although as at July 31, 1975 these payments were in arrears the company by the February 1975 payment of \$ 500.00 obtained a postponement of all overdue payments to the end of the lease and obtained the lessor's confirmation that the agreement was considered as being in good standing.

500.00

2. Royalties

The Company will pay the following royalties:

- 3% of net smelter returns up to an aggregate of \$ 32,000.00
- 1% of net smelter returns after the aggregate of \$ 32,000.00 has been paid and until expiry of the lease.
- The semi-annual minimum cash payments of \$ 500.00 each (item 1 above) will apply on the payment of royalties.

3. Other consideration

The company must keep the property in good standing during the term of the lease.

Under a previous option agreement (allowed to lapse) on this property the Company paid a cash option payment of

496.00

\$ 16,996.00

2. Shares of the Company have been allotted as follows:

a) For cash

| | <u>Number of Shares</u> | <u>Par Value</u> | <u>Discount</u> | <u>Net Consideration</u> |
|---|-----------------------------|---------------------|---------------------|------------------------------|
| Period from date of incorporation to January 31, 1970 | 31,002 | \$ 15,501.00 | \$ 12,400.00 | \$ 3,101.00 |
| Year to January 31, 1973 | 30,000 | 15,000.00 | 12,000.00 | 3,000.00 |
| Year to January 31, 1975 | 102,240 | 51,120.00 | 40,896.00 | 10,224.00 |
| Period January 31, 1975 to July 31, 1975 | <u>2,000</u> | <u>1,000.00</u> | <u>600.00</u> | <u>400.00</u> |
| Forward | <u>165,242</u> | \$ <u>82,621.00</u> | \$ <u>65,896.00</u> | \$ <u>16,725.00</u> |

MERIDIAN RESOURCES LTD. (NON-PERSONAL LIABILITY)

NOTES TO FINANCIAL STATEMENTS

JULY 31, 1975

| 2. Cont'd | <u>Number of Shares</u> | <u>Par Value</u> | <u>Discount</u> | <u>Net Consideration</u> |
|---|-----------------------------|----------------------|----------------------|------------------------------|
| b) For services to July 31, 1975 | <u>592,780</u> | \$ <u>296,390.00</u> | \$ <u>237,112.00</u> | \$ <u>59,278.00</u> |
| c) For mineral properties Period from date of incorporation | | | | |
| to January 31, 1970 | 100,000 | \$ 50,000.00 | \$ 49,000.00 | \$ 1,000.00 |
| to January 31, 1973 | <u>650,000</u> | <u>325,000.00</u> | <u>318,500.00</u> | <u>6,500.00</u> |
| | <u>750,000</u> | <u>375,000.00</u> | <u>367,500.00</u> | <u>7,500.00</u> |
| Totals | <u>1,508,022</u> | \$ <u>754,011.00</u> | \$ <u>670,508.00</u> | \$ <u>83,503.00</u> |

REPORT ON THE
BRACEBRIDGE PROPERTY
OF
MERIDIAN RESOURCES LT. (NPL)
FOR
CREAM SILVER MINES LTD. (NPL).

Vancouver, B.C.
February 20, 1974

F. Holcapek, P. Eng.,
Geologist.

TABLE OF CONTENTS

| | <u>PAGE</u> |
|---|-------------|
| INTRODUCTION..... | 1 |
| OWNERSHIP AND TITLE..... | 1 |
| GEOGRAPHY | |
| <u>Location and Access</u> | 2 |
| PHYSIOGRAPHY AND CLIMATE..... | 2 |
| HISTORY..... | 3 |
| GEOLOGY | |
| <u>Regional Geology</u> | 4 |
| STRUCTURAL GEOLOGY..... | 5 |
| PROPERTY GEOLOGY..... | 6 |
| ECONOMIC GEOLOGY..... | 7 |
| DESCRIPTION OF WORKINGS..... | 7 |
| SOUTH SIDE OF THE RIVER | |
| <u>No. 1 Adit - 4300 foot level</u> | 7 |
| <u>Creek Showings</u> | 8 |
| NORTH SIDE OF THE RIVER..... | 8 |
| SAMPLE RESULTS..... | 9 |
| DISCUSSION..... | 9 |
| RECOMMENDATIONS..... | 10 |
| COST ESTIMATE | |
| PHASE I..... | 10 |
| PHASE II..... | 11 |

LIST OF ILLUSTRATIONS

| | |
|-----------------|------------------------------------|
| Location Map | 1" = 120 Mi. approx. 1" = 4 Mi. |
| Compilation Map | 1" = 1/2 Mi. |

REPORT ON THE
BRACEBRIDGE PROPERTY
OF
MERIDIAN RESOURCES LTD (NPL)
FOR
CREAM SILVER MINES LTD (NPL)

INTRODUCTION

On request of Mr. F. Lang, president of Cream Silver Mines Ltd., the writer spent October 13 and 14, 1973 to examine and evaluate the mineral potential of the property.

During the time of the visit the road leading to the trenching in the northern part of the property was impassable and the trenches were partially sloughed and needed cleaning to be sampled.

The purpose of this report is to state the findings and recommend further action to be taken.

OWNERSHIP AND TITLE

The Bracebridge property consists of crown-granted and located mineral claims in the Fort Steel Mining Division, British Columbia. A title search by the company lawyer, is under progress and a copy of claims will be attached when completed.

GEOGRAPHY

Location and Access

The property is located on St. Mary River approximately 16 miles west of St. Mary Lake or 40 miles west of Cranbrook in the Kootenays of British Columbia, Fort Steel Mining Division.

Co-ordinates of the property are $116^{\circ} 27'$ W. Longitude and $49^{\circ} 45'$ N. Latitude.

Access can be gained from Cranbrook via paved highway to St. Maryville and from there by gravel road following the St. Mary River upstream a total distance of approximately 40 miles. Cranbrook can be reached from Vancouver by scheduled Pacific Western Airline flights.

PHYSIOGRAPHY AND CLIMATE

The Bracebridge property lies within the physiographic province of the Purcell Mountains. The area is steep with a relief of 4000 feet between valley floor and mountain peaks.

The main showings strike are normal to the trend of the topography and elevation of the trenches, on both sides of the river are between 4000 and 6000 feet above sea level.

Vegetation on the property consists of fir, tamarack, spruce and pine. The northern slopes are covered by thick underbrush where southern slopes are open away from the creeks.

Temperatures during the summer are hot and during the winter as low as -40° F. Snowfall is moderate and can be expected from November to April.

HISTORY

Little is known about exploration activities on the property prior to 1966. On the Welcome and Shesbury Crown-granted mineral claims several old short adits, the majority caved, have been located. The object of this work was to follow the shear zone carrying chalcopyrite, galena and sphalerite.

During 1966 Cominco explored the property and completed 4 diamond drill holes at the northern limits, elevation 6000 feet, of the shear zone. All drill holes intersected copper values varying from 0.20% to 3.30% over widths of 5 to 22.5 feet. The best intersection was in DDH 1A 14.5 feet assaying 3.30% Cu.

In 1967 Pharaoh Mines Ltd. (NPL) held the property and executed a program of bulldozer trenching and percussion drilling of 4 holes 30 to 40 feet long. This work confirmed the presence of a continuous shear zone carrying variable amounts of copper and low silver values.

During this period Newmont Mines Ltd. and Rio Tinto examined the property. The compilation map is based on the work of T. Johnson, Rio Tinto.

The property is presently held by Meridian Resources Ltd. (NPL).

GEOLOGY

Regional Geology

The area has been mapped by the Geological Survey of Canada and the information has been published in Memoir 238 "Nelson Map Area, East Half," by H.M. Rice.

Rock units underlaying the area have been classified as follows:

Post Triassic Granite, granodiorite and quartz diorite.

Late Precambrian - Windemere

Hamill Series (Unit 9) Grey, green and white siliceous quartzites.

Horsethief Creek Series (Unit 8)

Green argillaceous quartzite, Blue-grey limestone, arkose, pebble conglomerate.

Irene Volcanic Formation
(Unit 7)

Sheared andesitic volcanic rocks.

Toby (Unit 6)

Conglomerate.

Purcell

Upper Purcell

Mount Nelson Formation
(Unit 5)

Laminate argillites magnesium limestone, quartzite.

Dutch Creek Formation
(Unit 4)

Laminate argillites magnesium limestone, quartzite.

Lower Purcell

Kitchener - Siyeh Formation
(Unit 3)

Vari-colored argillites, magnesium limestone, calcareous quartzite.

Creston Formation
(Unit 2)

Green purple and grey argillaceous quartzite, some argillite.

Aldridge Formation (Unit 1)

Grey, rust - weathering
argillaceous quartzite and
argillite.

STRUCTURAL GEOLOGY

South of St. Mary River, the main structural feature consists of numerous large scale faults slicing the sediments into individual blocks. The strike of the rock units is in general, north to northeast and little disturbed. The regional dip is to the west or westerly.

The main structural feature, north of St. Mary River is a large open regional, northerly trending anticline. Faulting is of secondary nature only. In the vicinity of the property between Deware Creek and Crawford Creek along the St. Mary River, a northerly trending zone of more intense folding, exhibiting overturning of beds is exposed. This zone outlines a high anticlinal structure apparently superimposed along the western limb of the regional fold structure. This can be caused by overthrusting from the west.

The rock units exposed in the area are normally not or only little affected by regional metamorphism. Sedimentary structure i.e. ripple marks, mud cracks etc. are usually well-preserved.

Three types of metamorphism have been recognized within the general area.

1. Contact metasomatic alteration in the vicinity of the Purcell sill.
2. Thermal metasomatisation along the contact of granitic bodies.
3. Development of chlorite and biotite schist along zones of faulting, shearing or intense folding.

These zones can be several hundred feet wide and sedimentary structures can be completely obliterated.

PROPERTY GEOLOGY

The claim group appears to be underlain by the Kitchener Syeh formation, a sedimentary sequence consisting of vari-colored magnesia limestone, argillite, and calcareous quartzite.

This formation has been completely affected by metasomatism related to a shear zone at least 200 feet wide. The rocks outcropping on the property are essentially chlorite carbonate and biotite schists. Intense local folding is pronounced. The fold amplitudes vary from a few inches, within the chlorite carbonate schists to 20 feet, within the biotite schist. The folds are overturned to the west with the axis plunging about 30 to 40 degrees to the north. The regional trend of the foliation is N to N 10° W dipping steeply to the east. Lineation perpendicular to the foliation has been noted. Shearing and slickensided face have the same attitude as the foliation.

From a regional viewpoint, the property lies within a zone of intense secondary folding along the west side of the regional anticlinal fold structure.

The attitude of the shear zone, the strong persistence parallel to the axial plane of the fold structure, in a straight line over several miles, combined with the strong alteration of the sediments and the presence of widespread copper and lead mineralization makes this a good target for exploration.

ECONOMIC GEOLOGY

The main known showings on the property are located along a wide shear zone along which extensive alteration has taken place. The original sediments have been changed to phyllites and biotite schist accompanied by the introduction of quartz, carbonates and chalcopyrite with minor pyrite, galena and sphalerite.

DESCRIPTION OF WORKINGS

The old working consisting of trenching by bulldozer and short adits, mineralized showings extend intermittently from the 5500 foot level south of the St. Mary River to the 6500 foot level north of the river, a distance approximately 3 miles.

The writer did not investigate all trenches because of snow above the 5500 foot contour south and 6000 foot contour north of the river.

SOUTH SIDE OF THE RIVER

No. 1 Adit - 4300 foot level - The rocks exposed within the adit consist of quartz-carbonate schists and biotite schist. The first occurs along a well-defined shear, up to 30 feet wide and with good mineralization over 13 feet (Cominco 11 feet 1.2% Cu; Rio Tinto 13 feet 1.2%) in the south crosscut. The mineralization occurs as dissemination along planes of schistosity, as massive patches up to several inches long within the quartz-carbonate stringers or veinlets. Foliation dips steeply and no indication of small scale folding was observed.

Within the north crosscut mineralization appears to be wider but the face will need cleaning before accurate sampling can be completed. Chalcopyrite distribution is similar as in the south crosscut.

Creek Showings - The creek showing is located above the adit at an elevation of about 4700 feet. The mineralization exposed is identical in distribution and association to the No. 1 adit. The east part of the shear shows good disseminated copper mineralization within a quartz-carbonate schist zone. Total width of zone is approximately 30 feet. (Newmont sampling 7.5 feet - .26% Cu., 7.00 feet - 1.69% Cu., 3.5 feet - 3.20% Cu., 5.2 feet - 4.81% Cu., 6.5 feet - 4.77% Cu).

Trenches at the 6000 foot contour were not visited. Newmont sampling indicates chalcopyrite over 31 feet. Assays are in the order of 1% Cu in a similar environment.

Several small cuts and adits have been visited below the 4300 foot level and south of the creek. The host rock, as indicated from float and dump material is similar to the other showings carrying good disseminated, or masses of chalcopyrite.

NORTH SIDE OF THE RIVER

On the north side of the river a cat road has been pushed to the 5700 foot elevation. The road has been washed out in several places at the time of the visit.

Eight bulldozer trenches have been reported. The writer visited all trenches below the 6000 foot elevation, the snow line. In general, all trenches are sloughed and rock exposures are poor. The lower trenches are up to 600 feet

wide, but geological considerations suggest that they are located east of the mineralized shear zone. Minor chalcopyrite can be found as float in the dump material, or in veins up to 5 feet wide in poorly exposed rock. The host rock, along the eastern limits of the trenches is invariably strongly contorted biotite schist, drag-folds from a few inches to tens of feet in amplitude are common. The folds are overturned to the west and the axis plunges at 15 to 20 degrees to the north.

Mineralization occurs associated with quartz stringers and as dissemination. Concentrations of quartz along the crestral region of the minor folds are common.

The country rock becomes more intensely sheared towards the west and quartz and carbonate stringers are more frequent.

SAMPLE RESULTS

These results are taken from plans and sketches received from Mr. J. Wolffe, the prospector, originating from work completed by Rio Tinto, Cominco and Newmont, the reader is referred to the appended compilation map reproduced from the above sources.

DISCUSSION

The distribution of copper mineralization along a 3 mile, up to 200 feet wide shear zone, is erratic, but good grade sections have been encountered as of date.

The work program completed consisted of trenching and minor percussion and diamond drilling. The results of the latter, completed by Cominco, indicate widths up to 97 feet of 1.4% Cu for an indicated length of 400 feet above the 6000

foot level north of the river. The property has never been geologically mapped or investigated by geochemical and geophysical methods. In view of this an exploration program is warranted.

RECOMMENDATIONS

Geological mapping of the whole property at a scale of 1' = 400 feet. Detailed geological mapping and sampling of trenches after they have been cleaned.

Geochemical sampling along easterly line along the entire width of the property.

Electromagnetic survey to outline potential high grade section within the shear zone, using a JEM Instrument, shoot back method, vertical loop instrument.

Further work will depend on the result of the above program and should include diamond drilling.

COST ESTIMATE

PHASE I

| | |
|---|-------------|
| 1. Clearing cat trail for four-wheel drive access | \$ 1,000.00 |
| 2. Mobilization - demobilization | 500.00 |
| 3. Establish camp | 1,000.00 |
| 4. Camp and engineering supply - allow | 1,500.00 |
| 5. Establish 400 x 200 grid for ground control allow for 20 line miles | 2,500.00 |
| 6. Geochemical sampling and analysis for Cu,Zn,Pb | 4,000.00 |
| 7. Electromagnetic survey | 1,500.00 |
| 8. Geological mapping of whole property | 2,000.00 |
| 9. Detail mapping of trenches and sampling | 1,500.00 |
| 10. Engineering | 500.00 |

| | |
|-----------------|-------------|
| | \$16,000.00 |
| 20% contingency | 3,200.00 |
| | <hr/> |
| Total Phase I | \$19,200.00 |

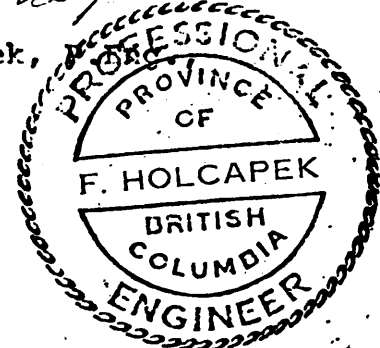
PHASE II

(If the above program proves successful, systematic diamond drilling will be necessary, at recommendation of the consultants).

| | |
|---|--------------------------------|
| 1. 3000 feet of drilling @ \$15.00/foot | \$45,000.00 |
| 2. Engineering and supervision | 5,000.00 |
| | <hr/> |
| | \$50,000.00 |
| 20% contingency | 10,000.00 |
| | <hr/> |
| | \$60,000.00 |
| | |
| Total Phase I and II | \$79,200.00 <hr/> <hr/> |

Respectfully submitted,

F. Holcapek
F. Holcapek,
Geologist



Vancouver, B.C.
February 20, 1974

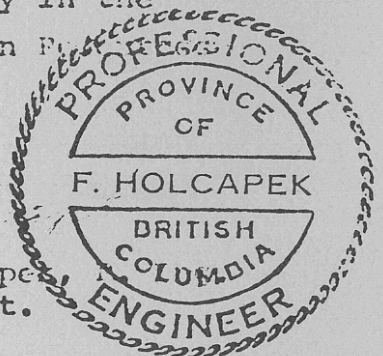
CERTIFICATION

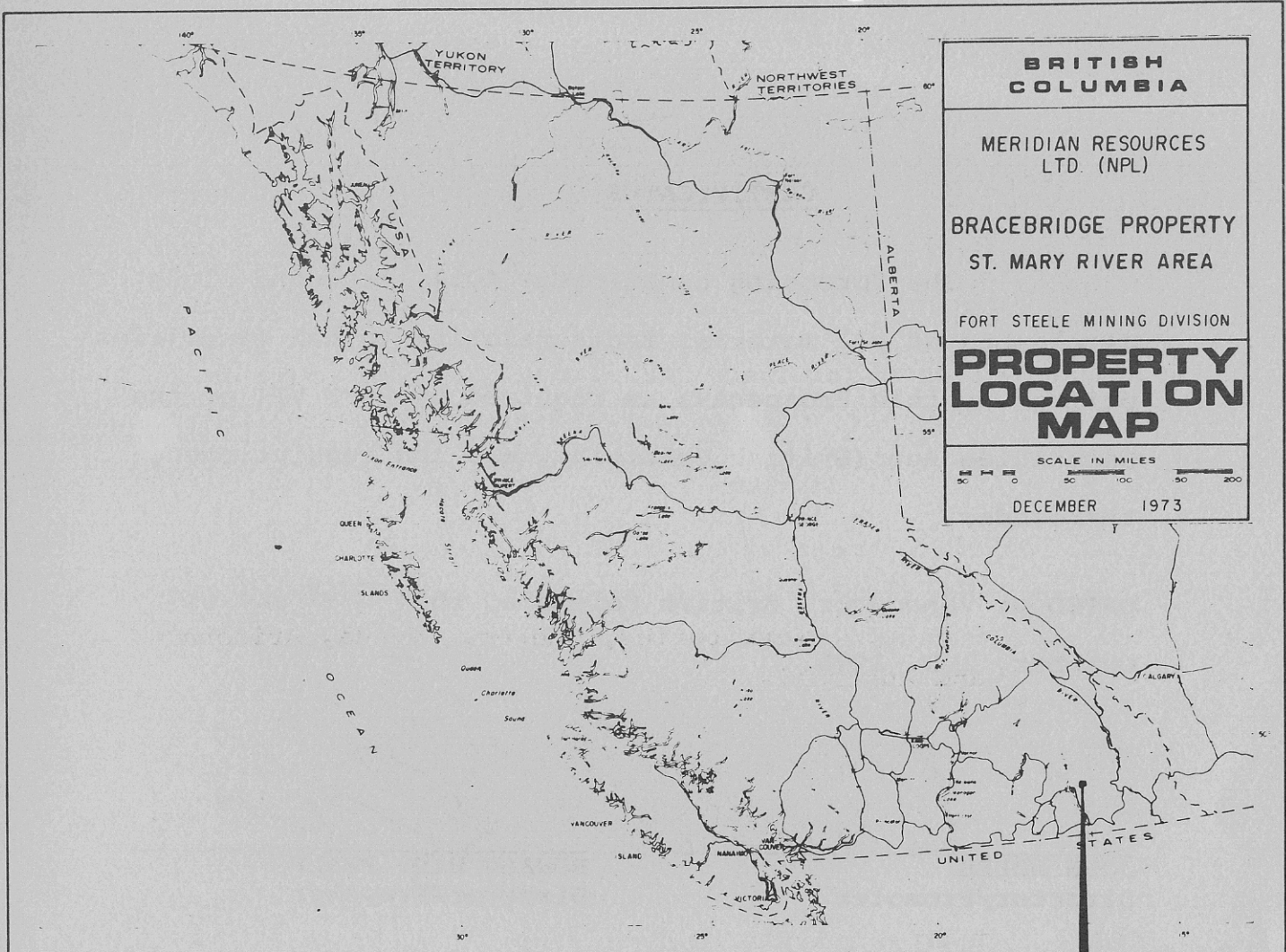
I, FERDINAND HOLCAPEK of 92 - 10842 152nd Street,
Surrey, B.C. do hereby certify that;

1. I am a graduate of the University of British Columbia, with a Bachelor of Science Degree in Geology, 1969.
2. Since graduation I have been engaged in mining exploration in British Columbia, Yukon Territory, Northwest Territories, Quebec, Nevada, Arizona and Australia.
3. I am a registered member, in good standing of the Association of Professional Engineers of British Columbia.
4. I am a Consulting Geologist.
5. I have visited the subject area of this report from October 13 to October 14, 1973. The report is based on the result of this visit and a literature research on the area.
6. I have not received, nor do I expect to receive, any interest, directly or indirectly in the properties or securities of Meridian Resources Ltd. (MPL).

Vancouver, B.C.
February 20, 1974.

F. Holcapek
F. Holcapek
Geologist.





BRITISH COLUMBIA

MERIDIAN RESOURCES LTD. (NPL)

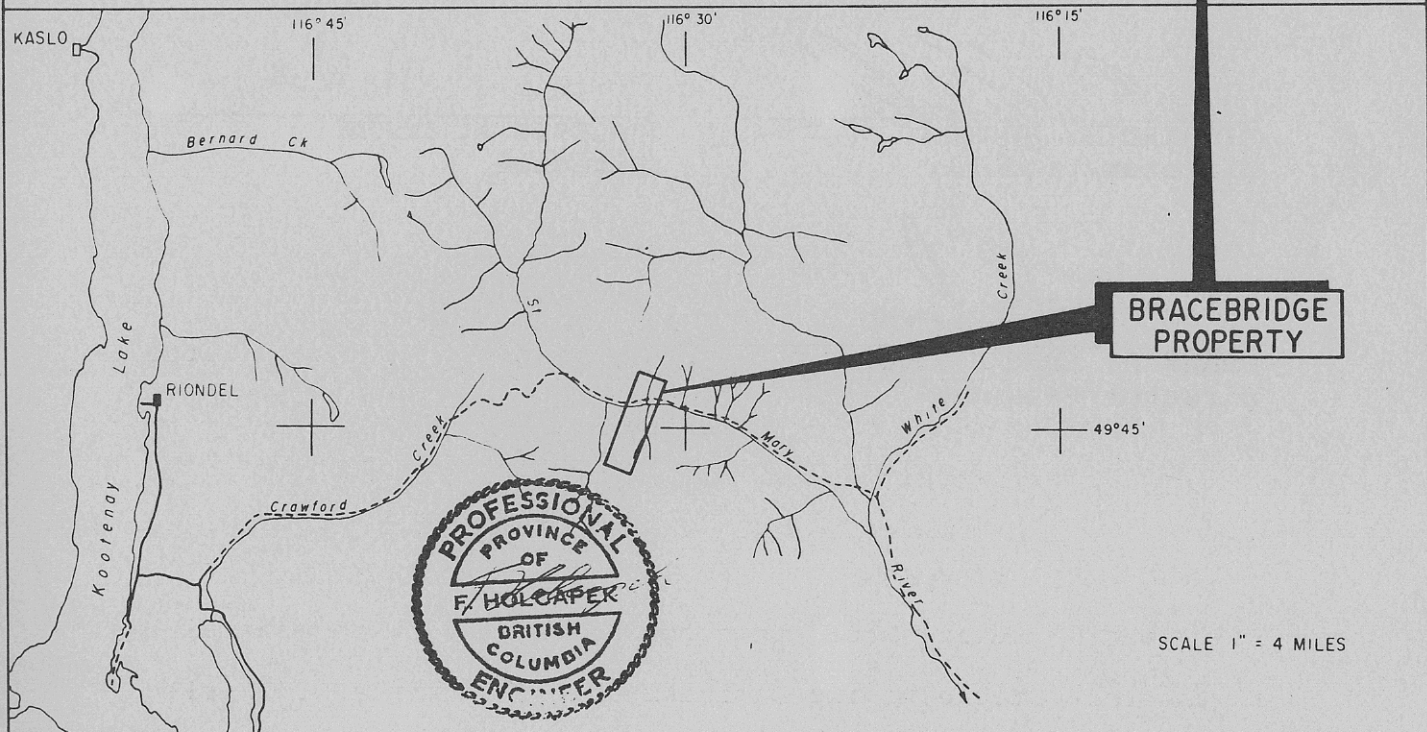
BRACEBRIDGE PROPERTY
ST. MARY RIVER AREA

FORT STEELE MINING DIVISION

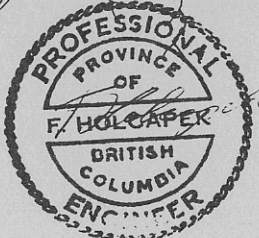
PROPERTY LOCATION MAP

SCALE IN MILES
0 50 100 150 200

DECEMBER 1973



BRACEBRIDGE PROPERTY



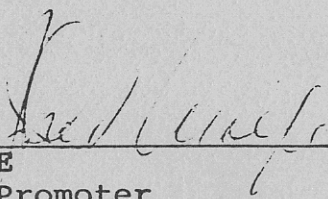
SCALE 1" = 4 MILES

don't xerox,

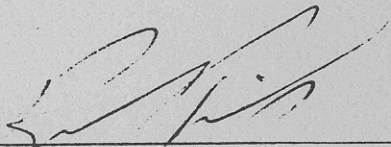
CERTIFICATES

The foregoing constitutes full, true and plain disclosure of all material facts relating to the securities offered by this Prospectus as required by Part VII of the Securities Act (British Columbia), and the regulations thereunder.

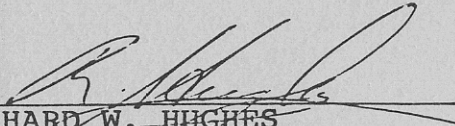
DATED at Vancouver, British Columbia, this 31st day of October, A.D. 1975.



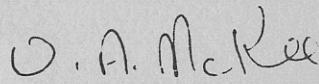
JOHN WOLFE
Director/Promoter



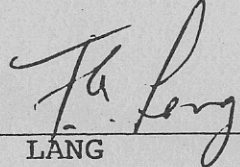
RONALD H.D. PHILP
Director/Promoter



RICHARD W. HUGHES
Director/Promoter



VALERIE A. MCKEE
Director



FRANK A. LANG
Director/Promoter