

## ROYAL TRUST CLAIMS

By an Agreement dated June 30th, 1967 between The Royal Trust Company of Vancouver, British Columbia, acting as a Trustee, as the Vendor and Hilroy Mines Ltd. (N.P.L.) as the Purchaser (hereinafter referred to as the "Royal Trust Agreement"), Royal Trust granted to the Company an Option to purchase the following Crown Granted Mineral Claims:

002051

82F/14E

82F/NW-28, ~~28~~

CLAIM

LOT NUMBER

✓ Sunset	1164
✓ <u>Bell</u>	1165
✓ Trade Dollar	1432
Number Three Fraction	3532
Nabob	3999
Cashir	5751

(hereinafter referred to and included with the "Winona Group")

The Royal Trust Agreement provides for a total purchase price of Fifty Thousand (\$50,000.00) Dollars over a seven year period with provision in the Agreement that if in the event of any monies being received from the sale of any ores or concentrates from the optioned claims that (7%) Seven percent of such monies be paid to Royal Trust and such monies will be credited by Royal Trust toward the sum of money next due on the Option Payment Schedule balance owing.

The following located mineral claim acquired for staking costs only and wholly owned by the Company, lies contiguous with the Optioned Crown Granted Claims:

Porph Fraction                      Record Number    10833

(hereinafter referred to and included with the "Winona Group")

HISTORY                      PROPERTY FILE

This group of claims is historically known as the Sunset-Trade Dollar and Bell Group of claims and was owned by W. J. C. Wakefield of Spokane, Washington and later by George W. Hughes, of which estate the Royal Trust Company is Trustee. Mining commenced in the late nineties and a considerable production, chiefly from the Sunset and Trade Dollar claims was obtained in the early 1900's. In the case of the Bell Claim the principal producing years were 1916 - 17 - 18 when mining was confined to the recovery of two bodies of nearly pure zinc ore. A number of samples taken by the Zinc Commission gave very similar assay returns and averaged 2.2 ounces of silver, very minor lead and 45 percent zinc a ton.

The claim group lies across both sides of the divide at the head of Stenson Creek and the known vein system has been worked from eight adits on the south flank and from four adits on the north flank of the divide. Altogether, at least 7,700 feet of underground work, including drifts, cross-cuts and raising has been done on these claims. The workings are now partly inaccessible, particularly in the vicinity of what have been the more productive sections. The ore as mined from the Sunset-Trade Dollar claims was nearly all of shipping grade and early records show an aggregate

production of 2,663 tons which are stated to have averaged 132 ounces of silver to the ton and 62 percent lead.

### PROGRAM COMPLETED

During the last part of July 1967, Company personnel and the Consulting Geologist camped on the property and completed a surface reconnaissance. Some surveyed claim posts were located and a Brunton traverse was run between most of the workings on the property. Trails were mapped and surface geological mapping was done to integrate known geological structure and ore zones with areas that could be conducive to mineralization and that should be followed up on the next phase of exploration. During the latter part of August and early September a company crew replaced several bridges that had become unsafe on the road leading to the Bell workings and drilled off several rocky corners preparatory to later blasting.

The Company intends to follow Engineering recommendations for this property at a later date, however, some work will be done on the combined claims of the Winona Group to keep the Mineral Leases and staked claims in good standing.

### **FLYOD CLAIM**

By an Agreement dated August 23, 1966, between William Kozun of Kaslo, British Columbia as the Vendor and Mathiew James Kuntz, Randall Arthur Ingleby and John Gilroy as the Purchasers (hereinafter referred to as the "Kozun Agreement"), William Kozun granted to the Purchasers an Option to Purchase the following Mineral Claim:

Flyod

Record Number 7894

The Option called for a down payment of Five Hundred (\$500.00) Dollars which was paid by Ingleby and Gilroy, and two (2) further payments of Five Hundred (\$500.00) Dollars at six month intervals which were later paid by the Company. Bills of Sale to the Company were signed by the Purchasers and the Company received title to the Claim for the Option price of One Thousand, Five Hundred (\$1,500.00) Dollars. The sum of Five Hundred (\$500.00) Dollars paid by Ingleby and Gilroy appears in the Company Accounts as Shareholder Loans.

### SUMMARY

The Flyod claim is a restaking of old workings covered by claims historically known as the Hillside, Galt and Last Chance and is located approximately 1/2 mile southwest of Retallack. Three short adits aggregating about 600 feet in length explored a veinlode striking northeasterly and dipping southeast.