

YMIR YANKEE GIRL GOLD MINES, LIMITED

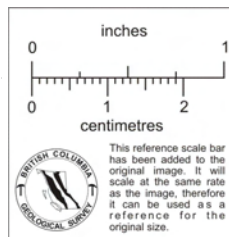
(Non-Personal Liability)

The following information with reference to the properties, ores, reserves, production, development and estimates is summarized from the report of Messrs. E. P. Crawford and F. R. Weekes, Mining Engineers, dated January 26, 1934. Mr. Lawrence B. Wright, Mining Engineer, has examined the properties on behalf of the investment bankers sponsoring this offering. The attached vertical section map showing Ore Bodies, is by Mr. Wright, and is a copy of the original map which accompanied his report.

A NON-PERSONAL Liability Company, incorporated under the laws of the Province of British Columbia, in conformity with all the requirements of the Registrar of Companies.

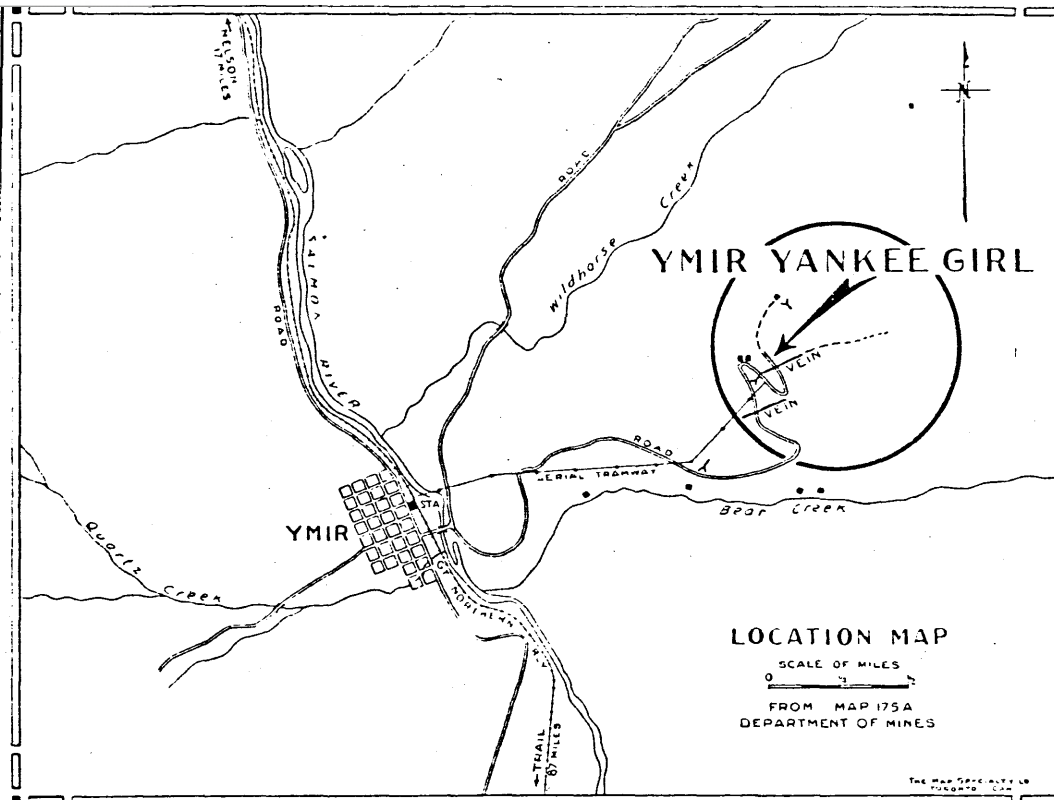
The authorized capital of the Company is Three Million (\$3,000,000) Dollars, divided into Three Million (3,000,000) shares, with no par value, of which Two Million, Two Hundred Thousand shares are to be presently issued and outstanding.

All shares carry full voting rights. There are no Preferred Shares, and the Company has no Funded Debt.



YMIR YANKEE GIRL

002982



Properties

The mine owned by YMIR YANKEE GIRL GOLD MINES, LIMITED, (N.P.L.), is in the Nelson Mining Division of British Columbia and located about 1½ miles East of Ymir, B.C., which is 17 miles South of Nelson, B.C., and 150 miles North of Spokane, Wash. The properties consist of five (5) Crown Granted claims and fractions, comprising 177 acres, surface rights at the mine,

Properties—Continued

and the millsite situated about 300 feet from the railway in Ymir and directly across from the Company's tramway terminal. The altitude at main working level, (1235 Adit) is 3600 feet, which is about 1300 feet above the railway.

The claims cover the veins for a length of 3000 feet and the different ore zones are amply protected in depth, on present dips within the property boundaries.

Transportation is afforded by a roadway connecting Ymir with a point near the mine and by highways and a branch of the Great Northern Railway at Ymir, both connecting Nelson with Spokane.

Veins and Mineralization

Gold is the most important mineral in the ore, accounting for about 90% of the realizable values. The mineralization is primary, consisting of sulfides of iron, zinc and lead with gold and silver values in a quartz or highly silicified gangue.

The main ore bearing area is about 1000 feet long and contains three veins: Yankee Girl, Spur and Lakeview.

The Yankee Girl Vein varies from three feet to over twenty feet in width with an average in the ore shoots of five feet. In the foot wall of this Vein is a branching fracture—Spur Vein—which has been exposed and partly developed on upper levels, and is further indicated on the present bottom level (1235 Adit). It appears to be about 800 feet long

Veins and Mineralization—Continued

from the point where it joins the Yankee Girl Vein with a width ranging from 4 to 6 feet.

Lakeview Vein intersects Yankee Girl Vein at an oblique angle in the Eastern part of the developed area and is believed to be a prolongation of it. This vein is practically unexplored except for some surface work, a shallow shaft and a small amount of drifting on the 1235 level where encouraging values are found. It is a wide shear zone, showing a width up to 40 feet on the surface, and in common with the Spur Vein is similar in character and mineralization to the Yankee Girl Vein.

Present Development and Facilities

About 11,000 feet of lateral work and 1,400 feet of upraises have explored the Yankee Girl Vein to the 1,235 Adit, which is the main working level. This development covers 2,500 feet in length and a maximum depth of 1,500 feet below the outcrop. Lakeview Vein has been explored for 400 feet on the 1,235 level and the Spur Vein about 1,000 feet on the 1,035 and higher levels. The 540 Adit is also a working level and is connected on surface by a two-bucket aerial tram with bins at the 1,235 level. Interior levels and raises connect the workings.

A 6,000 feet aerial tramway with bins and terminals connects the mine at the 1,235 Adit to the railway at Ymir. Present camps, office building in Ymir, and living facilities

Present Development and Facilities—Continued

for workers are adequate and satisfactory. Mine workings are well developed and equipped, subject to some cost reducing changes and additional equipment and machinery to be provided. Power sufficient to operate the mine is supplied by the Company's hydro-electric plant of 140 horse power located close to the mine. There is an adequate supply of water for additional water power development, and the West Kootenay Power Co. has transmission lines within 300 feet of the millsite and 6,000 feet from the mine, which sources make available ample power for the new mill and for all future requirements at reasonable cost.

Production and Ore Reserves

The Mine has been operated since 1911 in three distinct periods. The first operation covered a period of 8 years; the second was from February, 1926, to March, 1928; and the present operation was commenced March, 1932.

The mine has actually produced, during the three separate periods of operations to December 31, 1933, a total of more than 87,000 tons of shipping ore and the recoverable values therefrom paid for by the smelters were in excess of \$1,100,000, of which gold represents approximately 90% and silver in upwards of 5%.

For the year 1933, the mine shipped 13,489.1 tons of ore, of an average grade of 0.513 ounce Gold, 2.88 ounces silver, and 2.53% lead per ton, with a total smelter sale

Production and Ore Reserves—Continued

value of \$201,538.94. Net operating income, after mining, development, general, treatment and shipping costs, amounted to \$69,534.25. It is important to note that the freight cost of shipping the ore to the Trail Smelter was \$26,108.99. The average metal prices paid during this year were: Gold \$28.00 per ounce; Silver 37.3c. per ounce; Lead 2.4c. per pound.

The Ore Reserves are computed to be 181,400 tons of Reasonably Assured Ore and 87,200 tons of Probable Ore, totaling 268,600 tons. It should be emphasized that these estimates include only such ore as lies above the 1235 level, with the exception of one block 100 feet deep below that level.

The assay value of the computed Ore Reserves in Messrs. Weekes and Crawford's report, is estimated at 0.47 ounces gold per ton, which gives to them a gross value in gold alone of \$4,292,000, with gold at \$34.00 per ounce. This value is materially increased by the silver, lead and zinc contents of the ore.

Additional Ore Possibilities, not included in the above estimates, are indicated by geologic evidence as being large unexplored areas of veins above and below the present working level which hold promise for substantial increases to the estimated tonnages of Ore Reserves.

Immediate Development

The proceeds of the financing will be applied to complete the payments on the property and to further a policy of aggressive mine equipment and mine development. The most important phase, in view of the freight and smelter costs mentioned on previous page, will be the immediate construction of a 100 Ton Flotation and Cyanidation Mill, including power connections, plans and specifications for which have been completed and the millsite selected.

Mining costs should be reduced substantially and production stepped up by the installation of certain additional mining equipment and machinery of the most modern type.

General

It is significant that Messrs. E. P. Crawford and F. R. Weekes, Mining Engineers, who have been operating the mine as owners and holders of a bond and lease, since March, 1932, will own approximately 55 percent of the 2,200,000 shares of the Company to be presently outstanding, and have agreed to hold their shares in pool for a long period of time. A copy of this pooling agreement is on file at the office of Reid, Wallbridge, Gibson & Sutton, 525 Seymour Street, Vancouver, B.C., Solicitors for the Company, and is available for examination.

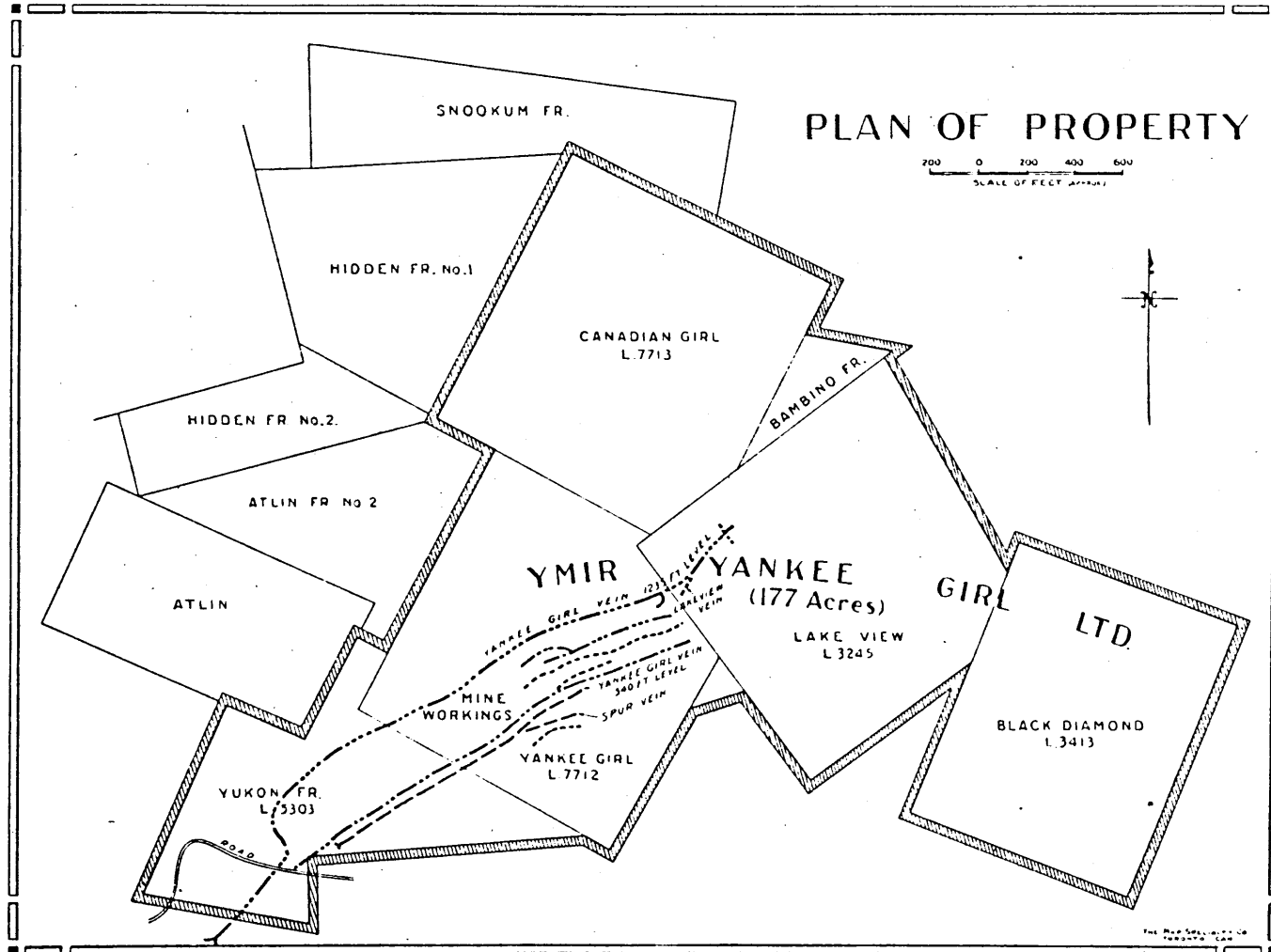
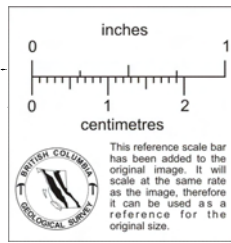
Investment Value

The installation of the 100 Ton Mill and the contemplated machinery and equipment should enable the mine to produce approximately 35,000 tons per year, which it is estimated should net, before taxes and depreciation, about \$322,000 with metal prices as follows: Gold \$34.00 per ounce; Silver 45c. per ounce; Lead 4.67c. per pound.

It should be borne in mind that YMIR YANKEE GIRL is a currently operated and producing property with a definite history of substantial earnings over a period of years.

The completion of the mill this fall will increase production and raise the profit per ton. In addition to indicated earnings the stock possesses excellent speculative possibilities.

It has been agreed to elect to the Board of Directors, a nominee of Eastern shareholders. Mr. Walter E. Segsworth, well-known Mining Engineer of Toronto, has consented to become a director pursuant to this arrangement.



EAST

WEST

DISCOVERY

PORTAL

50 FT. LEVEL

160 FT.

230 FT.

310 FT.

400 FT.

STOPED

POSSIBLE ORE BODIES

PORTAL

540 FT. LEVEL

PORTAL

800 FT.

BROKEN ORE

STOPED

935 FT.

1035 FT.

STOPED

1235 FT. LEVEL

1235 FT. LEVEL 1000 FT. TO PORTAL

PROPOSED WINZE

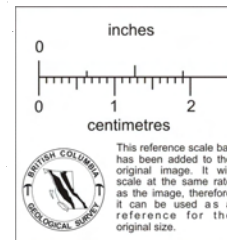
DD HOLE
4' @ \$4.75

POSSIBLE ORE BODIES

PROPOSED 1700 FT. LEVEL

SURFACE

YUKON ORE SHOOT



VERTICAL SECTION OF THE YANKEE GIRL ORE BODIES

LAWRENCE B. WRIGHT
Consulting Engineer

LEGEND

- STOPED POSSIBLE ORE
- ASSURED ORE ORE SHOOTS PROJECTED

CONDITION OF MINE, APRIL 1934.

The Map Speciality Co
TORONTO

<p>21. Are any lawsuits pending against the Company or any of its properties, or are there any other circumstances which might affect the Company's position or title adversely? If so, explain fully.</p>	<p>None.</p>
<p>22. Enumerate fully: (a) Properties owned where titles vested in company. (b) Properties leased. (c) Properties otherwise held.</p>	<p>Lots Seven (7) of Block Eighteen (18); Lots Five (5) to Eleven (11) inclusive, and Thirteen (13) to Twenty-three (23) inclusive in Block "I"; and Lot Three (3) Block "J" according to plan registered in the Land Registry Office in the City of Nelson as No. 640.</p> <p>And all minerals precious and base (save coal) under Lots Five Thousand three hundred and three (5303), Seven thousand seven hundred and twelve (7712), and Seven thousand seven hundred and thirteen (7713), being respectively the "Yukon Fractional", "Yankee Girl", and "Canadian Girl" Mineral Claims, Lot Three thousand two hundred and forty-five (3245), "Lake View" Mineral Claim, and Lot Three thousand four hundred and thirteen (3413), Group One (1), known as the "Black Diamond" Mineral Claim; all minerals precious and base (save coal, petroleum and natural gas) in or under Lot Thirteen thousand four hundred and eighty-five (13,485) the "Klondyke No. 1 Fraction" Mineral Claim all in Kootenay District.</p> <p>"Block "A" of part of Sublots Twenty-three (23) and Twenty-five (25) of District Lot One thousand two hundred and forty-two (1242), Plan One thousand eight hundred and six (1806); Lots One (1) and Two (2) in Block "J" of District Lot One thousand two hundred and forty-two (1242), Kootenay District, Plan Six hundred and forty (640)</p> <p>Together with all water rights buildings appurtenances machinery equipment furniture and fixtures including tramways now on or appurtenant to the said lands and mineral claims.</p> <p>None. None.</p>
<p>23. Describe plant and equipment on property.</p>	<p>The Company is building mill with a capacity of 100 ton per day combination flotation and cyanide. Power is furnished from the West Kootenay Power & Light Co. and also from a water wheel which drives two compressors of 500 and 200 cubic feet capacity. Camp near mine accommodates 40 to 50 men. Also there is office, blacksmith shop, timber shed, warehouse, change room, stable and tramway terminal. Aerial tramway with bins and terminals from 1235 Level to railway at Ymir.</p>
<p>24. Describe development accomplished and planned.</p>	<p>About 11,000 feet of lateral work, and 1400 feet of upraises has explored the Yankee Girl vein to the 1235 Level. This covers 2500 feet length and maximum of 1500 feet depth below the outcrops. In addition about 1000 feet on the Spur vein on 1035 and higher levels and 400 feet on Lakeview Vein on 1235 Level. 1235 Adit is main working level. For details of proposed development see page 134, page 9 of Appendix in report by Crawford and Weekes.</p>
<p>25. Full particulars of production to date.</p>	<p>Production since the commencement of operations by this Company 1775 tons of ore were shipped to the smelter having a gross value of \$46,375.11 for production from mine prior to this Company starting operations. Mill commenced production, January 1935.</p>
<p>26. Have any dividends been paid? If so, give dates and amounts.</p>	<p>None.</p>
<p>27. Has the listing of any stock of the Company ever been refused or deferred on any Stock Exchange? If so, give particulars.</p>	<p>None.</p>
<p>28. Is any stock of the Company listed on a Stock Exchange?</p>	<p>Vancouver Stock Exchange.</p>

EAST

WEST

SURFACE

ESTIMATED ORE RESERVES [Spur Vein]

Reasonably Assured Ore

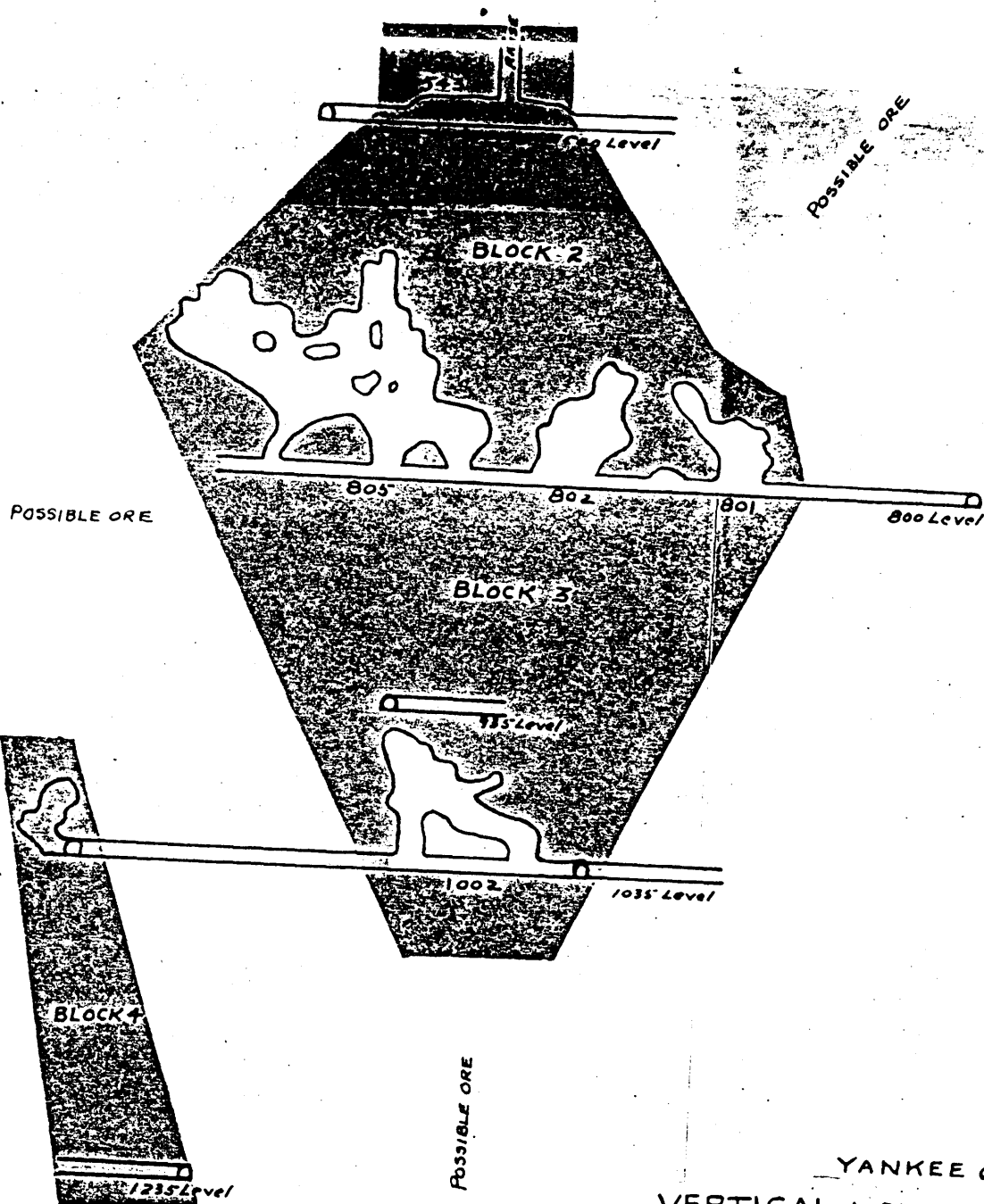
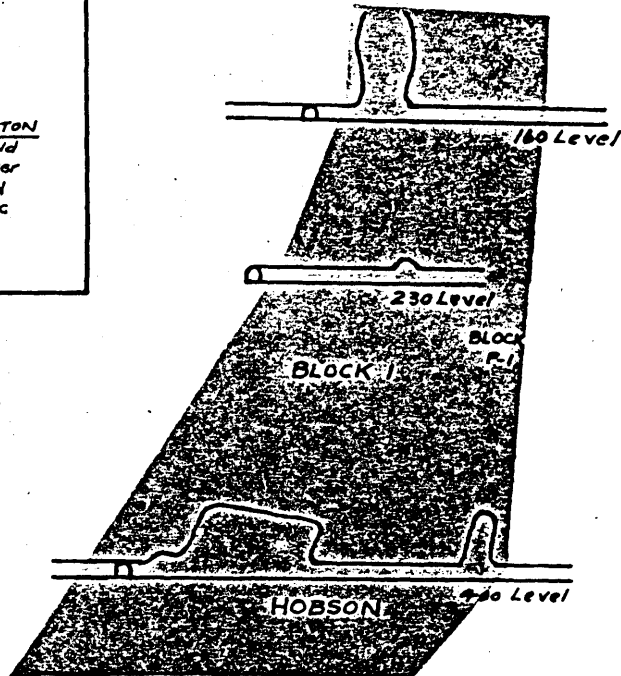
BLOCK	AV. SAMPLE WIDTH - FT	TONS
1	3.0	11500
2	4.1	18350
3	4.2	22600
4	4.6	6360
		58800

Probable Ore

P-1	3.0	1600	1600
-----	-----	------	------

Total Reasonably Assured + Probable Ore **60400 TONS**

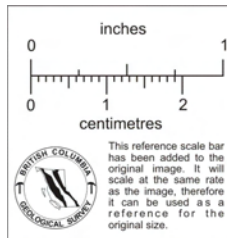
AV. GRADE PER TON
 0.45 oz. Gold
 2.3 oz. Silver
 EST. 2.5% Lead
 4.0% Zinc



YANKEE GIRL MINE
 VERTICAL LONGITUDINAL SECTION
 SPUR VEIN

SCALE 1 IN. = 100 FT.

July 1, 1935



EAST

WEST

ESTIMATED ORE RESERVES [Yankee Girl Vein]

Reasonably Assured Ore

BLOCK	AV. SAMPLE WIDTH - FT.	TONS
1	4.1	14,900
2	4.0	21,260
3	2.2	1,020
4	3.5	7,400
5	4.4	2,900
6	3.8	18,100
7	3.2	5,200
8	4.7	4,400
9	4.2	12,200
10	5.0	10,250
11	2.4	3,630
12	4.6	7,150
13	5.0	18,400
BROKEN ORE		9,200

AV. GRADE PER TON

0.40 oz. GOLD
 2.30 oz. SILVER
 Est. 2.5% LEAD
 4.0% ZINC

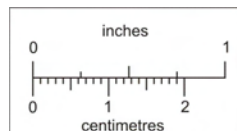
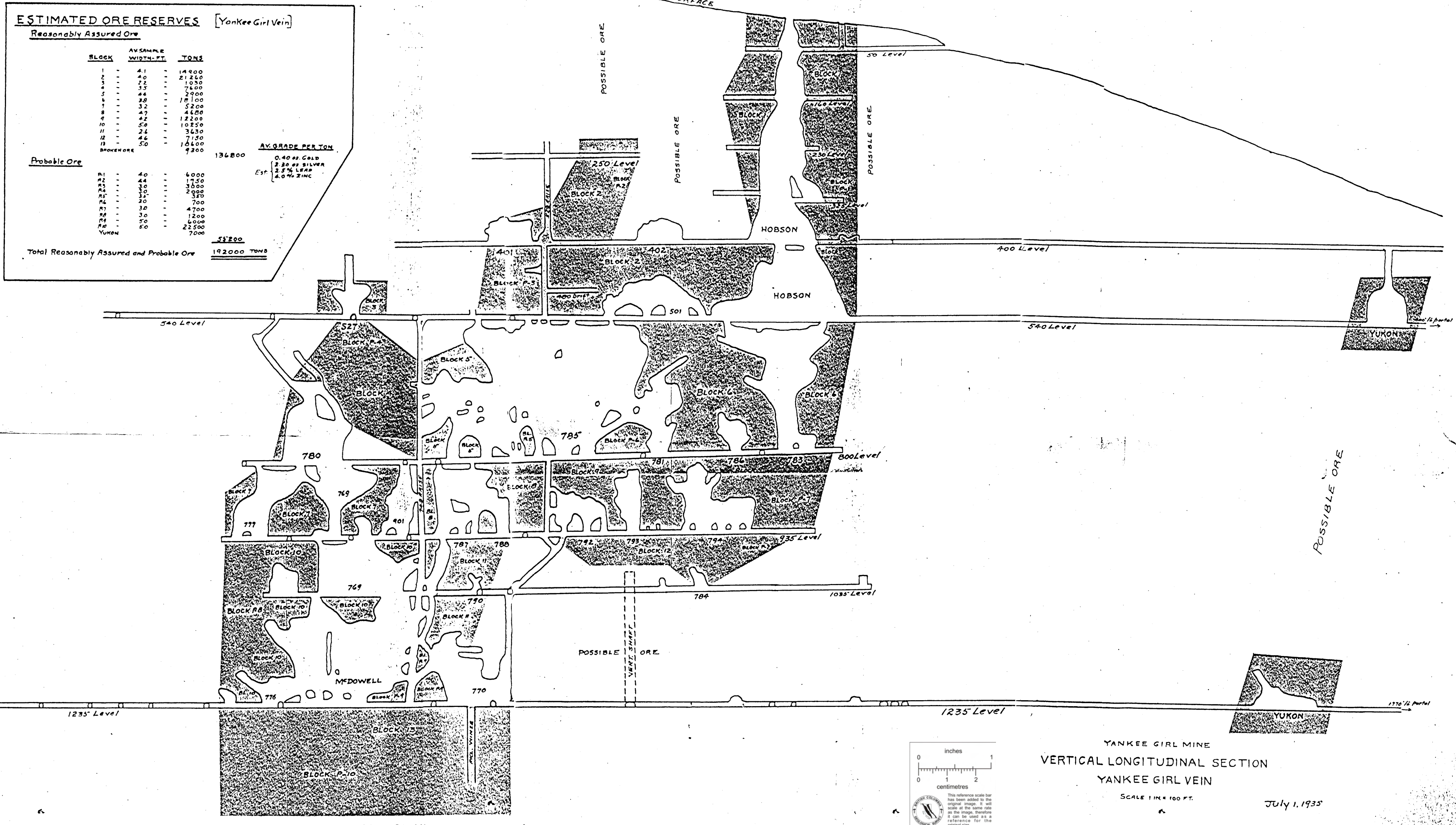
Probable Ore

R1	4.0	6,000
R2	4.4	1,750
R3	3.0	3,000
R4	3.0	2,000
R5	3.2	350
R6	3.0	700
R7	3.0	4,700
R8	3.0	1,200
R9	5.0	6,000
R10	5.0	22,500
YUKON		7,000

136,800

55,200

Total Reasonably Assured and Probable Ore 192,000 TONS



This reference scale bar has been added to the original image. It will scale at the same rate as the image, therefore it can be used as a reference for the original size.

YANKEE GIRL MINE
 VERTICAL LONGITUDINAL SECTION
 YANKEE GIRL VEIN

SCALE 1 INCH = 100 FT.

July 1, 1935