

increase their residual interest in the Bergette claims to 22.994% by acquiring from himself and Ronald R. Blusson (the original vendors of the property) a 3.5% carried interest and a 7.584% participating interest in the Granges option agreement by issue of 700,000 escrowed shares.

At Oct. 31/75, the company had issued 2,476,005 old shares which were subsequently consolidated into 619,001 new shares. In the ensuing 15 months ended 31 Jan 77, the company received \$61,900 in respect of the issue of a further 619,001 shs. made after the financial reporting period. During that period, \$3,611 were applied. The excess received offset a resulting in working capital of \$35,274 at 31 Jan 77. As at 30 Mar 77, 1,238,002 outstanding.

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KENDAL MINING AND EXPLORATION COMPANY LIMITED

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China Cr. Y

**NEW FINANCING TO BE USED -** John Davies, president of Kendal Mining and Exploration Company **IN CHINA CREEK URANIUM** Limited has reported that by a Feb. 21, 1977, agreement Canarim **EXPLORATION PROGRAM** Investment Corporation Limited has agreed to act as agent in a best efforts offering of 300,000 shares at a minimum price of 16¢ each through the Vancouver Curb Exchange during the period March 7, 1977 to April 6, 1977.

By a Feb. 21, 1977, agreement Kendal has acquired an option to purchase the 20-unit D.C. claims, located in the Murphy Creek area, China Creek, Castlegar, B.C. (See property location map overleaf) The consideration for the DC claims is \$10,000 and 500,000 shares issuable in blocks of 125,000 shares each over nine months subject to filing satisfactory engineering reports with regulatory authorities.

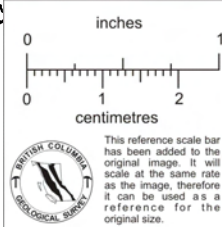
In a Feb. 16, 1977, report J.P. Elwell, P. Eng., states that "no detailed examination has been made of the ground covered, but that in all probability it is underlain by the same rock types as occur in the China Creek area, where exploration has indicated erratic values but with very widespread uranium mineralization. With the current high price and forecast of even higher prices for uranium, the objective of the current exploration activity is to block out very large tonnages of low grade material, which, due to the accessibility of the area could be mined by open pit methods."

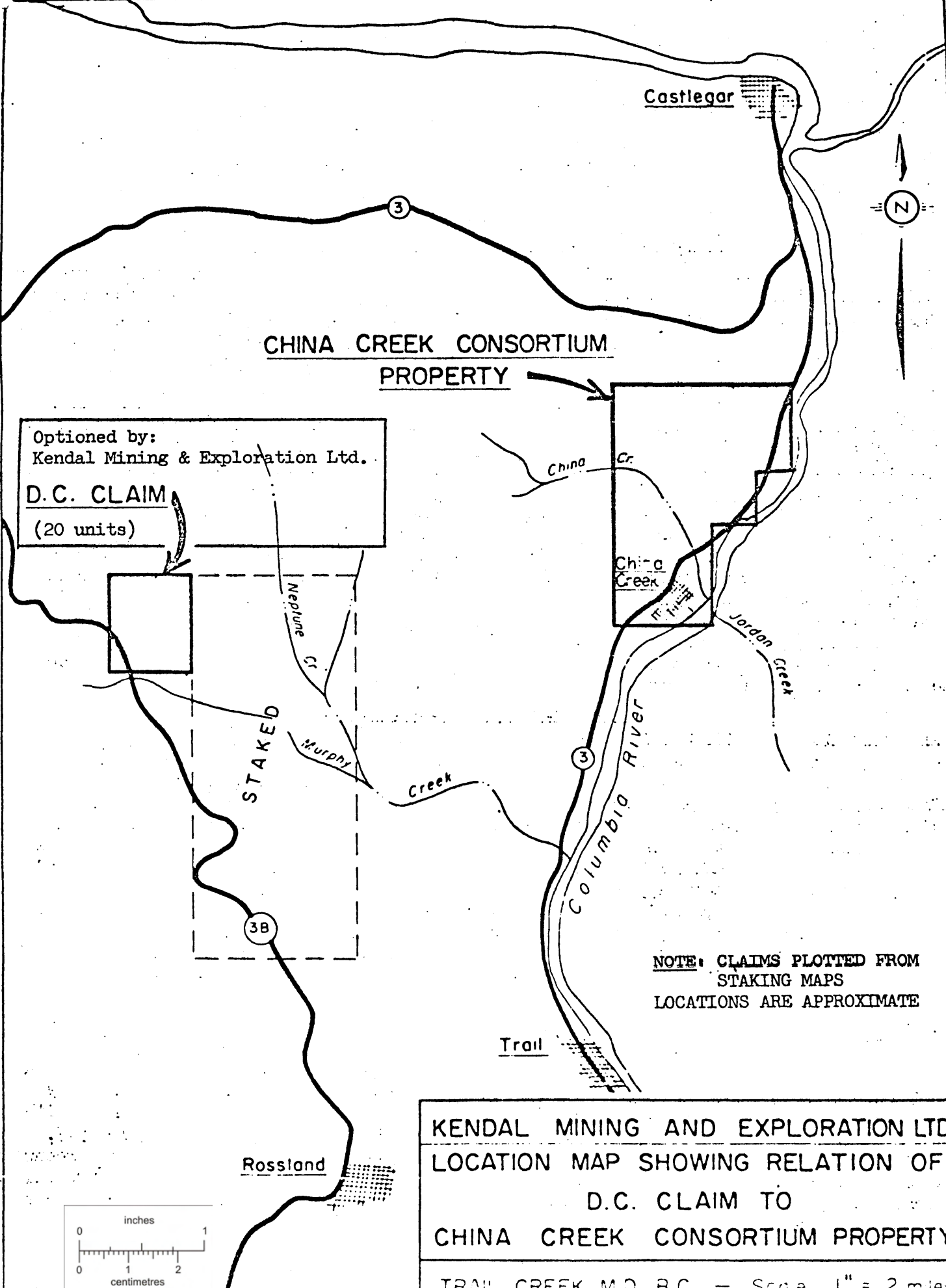
Mr. Davies stated that the company will retain Emanuel Amendolagine, P. Eng., to examine the property and manage a prospecting exploration program.

B.C. HYDRO AND POWER AUTHORITY

**PRELIMINARY DESIGN CONTRACT LET FOR 2,000 MW PLANT AT HAT CREEK** - Coal from the No. 1 deposit of B.C. Hydro at the north end of Hat Creek Valley has been found suitable to fuel a thermal generating plant, and the quantity recoverable is sufficient to operate a 2,000 megawatt plant for 35 years. B.C. Hydro has now assigned detailed design work for the powerplant to Integ-Ebasco, a joint venture of Intercontinental Engineering Ltd. of Vancouver and Ebasco Services of Canada Ltd., Toronto. Preliminary engineering is to start now and completing 1978 will provide sufficient technical and cost data for Hydro to decide whether or not to apply for statutory approvals to proceed with Hat Creek plans at that time. Final design is to be undertaken only if and when the project receives all necessary licenses and approvals for construction. Tentative scheduling is for the plant, if built, to start generating with one unit in 1984, and to be completed by 1987. Estimated cost of the project, exclusive of the mine, is approximately \$1,200,000,000 in 1976 dollars.

Chatex Industries Ltd., by Feb. 17, 1977, agreement effective March 10, 1977, have had 200,000 shares underwritten at 15¢ each by Canarim Investment Corp. and granted Canarim an option to buy 200,000 shares at 20¢ each good through April 11, 1977. A shareholder's offering of 50,000 previously issued shares has been qualified for sale by Steve Radvak on Vancouver Stock Exchange until June 9, 1977. By Jan. 26, 1977 agreement with John Kruzick and Feb. 17, 1977 agreement with Steve Radvak, both effective March 10, 1977, Chatex acquired by assignment an option to buy 100% interest in COL No. 1 claims in Greenwood mining division, B.C. for \$5,000 to Mr. Kruzick by March 11, 1977 and \$1,000 and 200,000 shares to Mr. Radvak being \$1,000 and 50,000 shares forthwith, the balance in 50,000-share blocks at 90-day subject to satisfactory engineering reports.





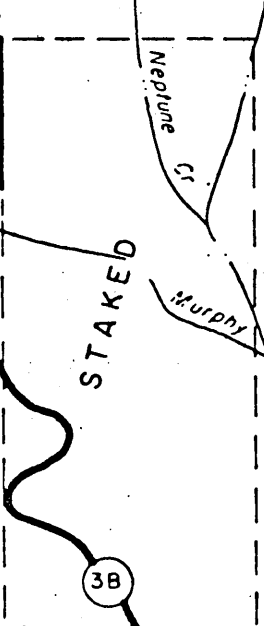
Castlegar

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**CHINA CREEK CONSORTIUM  
PROPERTY**

Optioned by:  
Kendal Mining & Exploration Ltd.  
**D.C. CLAIM**  
(20 units)



STAKED

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China Cr.

China Creek

Jordan Creek

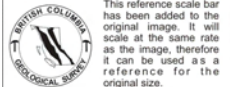
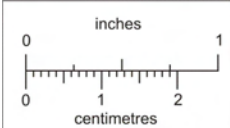
Creek

Columbia River

Trail

**NOTE: CLAIMS PLOTTED FROM  
STAKING MAPS  
LOCATIONS ARE APPROXIMATE**

Rossland



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.

**KENDAL MINING AND EXPLORATION LTD  
LOCATION MAP SHOWING RELATION OF  
D.C. CLAIM TO  
CHINA CREEK CONSORTIUM PROPERTY**

TRAIL CREEK M.D. B.C. — Scale 1" = 2 miles