

**HILROY MINES LTD. (N.P.L.)**  
**PROSPECTUS**

004237

INCORPORATION

Hilroy Mines Ltd. (N. P. L.) was incorporated under the Companies Act of the Province of British Columbia on the 7th day of April A. D., 1966 by Certificate of Incorporation. The Head Office of the Company is situate at #410, 470 Granville Street, in the City of Vancouver, Province of British Columbia, and its Registered Office is at #1322, 510 West Hastings Street, in the City of Vancouver, Province of British Columbia. The Company was converted to a Public Company by Certificate dated September 12, 1968.

CAPITALIZATION

The authorized capital of the Company is Six Million (\$6,000,000.00) Dollars divided into Six Million (6,000,000) Shares with a nominal or par value of One (\$1.00) Dollar each, of which One Million, Two Hundred and Twenty-Eight Thousand, Five Hundred and Two (1,228,502) are issued and paid up. There is only one class of shares and all rank equally as to dividends, voting rights and participation in assets.

Share Capitalization	Outstanding as of May 31, 1968	Outstanding as of June 30, 1968	Outstanding on Completion of Offering
6,000,000	1,323,502	1,228,502	1,528,502

SECURITIES SOLD FOR CASH TO DATE

Number of Shares	Price	Cash Received	Discount	Commissions
2	\$1.00	\$ 2.00	Nil	Nil
603,500	.20	\$120,700.00	\$482,800.00	Nil

AUDITORS, TRANSFER AGENTS AND REGISTRARS

The Auditors of the Company are Goodman & Co., Suite 222, 470 Granville Street, Vancouver, B. C.

The Registrar and Transfer Agent of the Company is The Royal Trust Company, 626 West Pender Street, Vancouver 2, B. C.

## DIRECTORS AND OFFICERS

The Directors and Officers of the Company are tabulated below:

NAME AND ADDRESS	POSITION AND OFFICE	PRINCIPAL OCCUPATION WITHIN THE FIVE PRECEDING YEARS
Randall A. Ingleby 3570 East 24th Ave. Vancouver 12, B. C.	President Director	Manager & Director Ingleby Motors Ltd. Merritt, B. C. October 1962 to March 1966 President & Director of Hilroy Mines Ltd. (N. P. L.) April 1966 to present
Leagh Cormick Suite 107 955 West 10th Ave. Vancouver 9, B. C.	Secretary Director	Owner-Manager B. C. Quality Homes 1953 to 1965 Journeyman Carpenter United Brotherhood of Carpenters & Joiners of America, 1965 to 1966 Security Salesman Weland Mining Ltd. (N. P. L.) 1966 to 1968
Russell J. Rutledge 970 Mayfair Court Coquitlam, B. C.	Treasurer Director	Owner & President of Rutledge Construction Contractors Ltd., from 1955 to present

## REMUNERATION

The aggregate amount of remuneration paid and payable from January 1st, 1967 to December 31st, 1967 for Directors and Senior Officers who participated in Company management was \$15,600.00.

The aggregate amount of remuneration paid and payable from January 1st, 1968 to June 30th, 1968 for Directors and Senior Officers who participated in Company Management was \$4,850.00.

Remuneration for the balance of the financial year is expected to be at the rate of \$700.00 per month for R. Ingleby, as Managing Director and \$650.00 per month for L. Cormick as Secretary and Sales Manager.

## PROMOTERS

The Promoters of the Company may be considered to be John Edward Gilroy and Randall A. Ingleby by virtue of the statutory definition of a promoter contained in Section 2 of the Securities Act, 1967, (See paragraphs "Description of the Business and Property of the Issuer" and "Remuneration").

## DESCRIPTION OF THE BUSINESS AND PROPERTY OF THE ISSUER

The Company is engaged in the business of mineral exploration and development in two areas of the Slocan Mining Division. Since its inception in April 1966, the Company has negotiated two Purchase Option Agreements to explore promising silver, lead, zinc workings adjacent to Reco Mountain, near Retallack, British Columbia and another Purchase Option Agreement to explore a previously operating property on Mount Holmes, near Kaslo, British Columbia. Mineral Leases have been granted to the Company by the Department of Mines and Mineral Resources and located mineral claims have been staked by the Company adjacent to the Optioned Properties. A further claim near Retallack, British Columbia was purchased by the Company.

All of the located Mineral Claims and Crown Mineral Leases held by the Company are situate in the Slocan Mining Division and all of the Crown Grant Claims held by the Company are in the area of the Slocan Mining Division but are under the jurisdiction of the Kootenay Land District.

## WINONA GROUP

By an Agreement dated April 7, 1966, between Leonard N. Garland of Kaslo, British Columbia as the Vendor and John Edward Gilroy as the Purchaser (hereinafter referred to as the "Garland Agreement"), Leonard N. Garland granted to John Edward Gilroy an Option to Purchase the following Mineral Leases, Crown Granted and located Mineral Claims:

Mineral Lease M 67 containing Ada Fraction		L. 10064
Mineral Lease M103 containing Faustina		L. 3102
Albatross Fraction		L. 10063
Mineral Lease M122 containing Gladstone		L. 2286
Rio Fraction		L. 9656
Gladstone Fraction		L. 9657
Crown Grant Claim	Winona Fraction	L. 10061
Crown Grant Claim	Boon Fraction	L. 10062

and the following located Mineral Claims:

Record Number

Custer Fraction	7606
Craigie Fraction	7607
Lead Fraction	7608
Zinc Fraction	7609
Silver Fraction	7610
Copper Fraction	7612

(hereinafter referred to as the "Winona Group")

By an Agreement dated April 29, 1966, and an Amendment dated May 2, 1966, John Edward Gilroy as the Vendor and Hilroy Mines Ltd. (N. P. L.) as the Purchaser, John Edward Gilroy did Assign to Hilroy Mines Ltd. (N. P. L.) all his rights and obligations, said obligations amounting to \$10,000.00, in the aforementioned "Garland Agreement" for the price of \$79,465.50. In consideration for Assigning all his rights and obligations in the "Garland Agreement" to Hilroy Mines Ltd. (N. P. L.), John Edward Gilroy received the sum of \$4,465.50 in cash for his down payment on the property and the balance of \$75,000.00 has been paid and satisfied by the allotment and issue to John Edward Gilroy and his nominees of 750,000 Shares of the Capital Stock of the Company less 30,000 Shares deeded back to the Company from John Edward Gilroy and 95,000 Shares deeded back to the Company from John Edward Gilroy and Randall A. Ingleby IN TRUST by way of gift for cancellation.

During April of 1968 the Company completed payment of the \$10,000.00 balance of the original "Garland Agreement" and the optioned claims are now wholly owned by the Company.

The full cost of the "Garland Agreement" Mineral Claims to the Company is accordingly \$89,465.50, of which amount, \$14,465.50 has been paid by cash and the balance of \$75,000.00 has been paid and satisfied by the issuance of 625,000 Shares as follows:

Name and Address	Number of Vendor Shares	Relationship To Company
John Edward Gilroy 224 Woodstock Street, E. Vancouver 15, B. C.	174,000	Insider
Randall A. Ingleby 3570 East 24th Avenue Vancouver 12, B. C.	144,000	Insider
John Edward Gilroy ) Randall A. Ingleby )	183,000	Insider
		IN TRUST
Russell J. Rutledge 970 Mayfair Court Coquitlam, B. C.	50,000	Insider
Mathias J. Kuntz 518 Wasson Street Nelson, B. C.	40,000	Vendor

Name and Address	Number of Vendor Shares	Relationship To Company
Leagh Cormick Suite 107 955 West 10th Avenue Vancouver 9, B. C.	24,000	Insider
Douglas H. Findlay Suite 43 1091 Broughton Street Vancouver 5, B. C.	10,000	Vendor

There is no person, to the knowledge of the Company, who has received, or is to receive, from any Vendor greater than Five (5%) percent interest in the shares or other consideration received or to be received by the Vendors.

The Company caused to be staked the following located Mineral Claims which lie contiguous with the Winona Group and which are acquired for the cost of staking and recording only and are wholly owned by the Company.

<u>CLAIM</u>	<u>RECORD NUMBER</u>
Custer No. 1	9870
Custer No. 2	9871
Custer No. 3	9825
Custer No. 4	9824

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

#### HISTORY

The Crown Grant Claims and the Mineral Leases now held by the Company through the "Garland Agreement" were originally staked and held by Phil Corrigan in the early 1900's. These claims and others held by location were named the Corrigan Group and although no extensive work has been done on any one claim, a number of vein exposures have been explored by open cuts, short adits and shafts which aggregate approximately a thousand feet of underground work. Much of this drifting was done on the now Custer and Craigie claims by a French Company believed to have been called the Florida Mining Company, however, there is no information available as to the quality or grade of shipments from them. Operations on the Winona and Boon Fractions in 1902, 1917 and 1918 have yielded tonnages of silver-lead ore that were stated to carry 58 percent lead and 168 ounces of silver to the ton. L. N. Garland and James Tinkess of Kaslo, B. C., later acquired the

Crown Grant Claims and added the other claims by staking and by lease. During 1948, 1951 and 1952 Garland and Tinkess made aggregate shipments of 16.71 tons of direct vein and dump ore which yielded a weighted average of 96 ounces of silver and 47.4 percent lead. Lack of access and milling facilities limited the development work on this property only to the shipment of direct concentrating ores.

### PROGRAM COMPLETED

During 1966 the Company undertook a program of access and examination on the Winona Group. Previous access to the workings was by a narrow trail unsuitable for vehicles and circuitous as to approach. Company personnel laid out a direct access route from the Winona portal approximately 1-1/2 miles to the old Jackson Mine site. Right of access across adjacent property was obtained and a D7 Cat working with Company drillers and blasters constructed the road to the portal and later extended the road another mile to the Boon drift at elevation 7800 feet. The caved portal at the Boon was opened with the Cat and several thousand feet of stripping was done in interesting areas on the property which resulted in the discovery of one additional ore zone that yielded one specifically high silver assay. It is intended to follow up the exploration recommendations of the Company Consultant, Mr. D.C. Malcolm, P. Eng., for this property at a later date.

The Company owns the following list of Surface and Underground Equipment:

- 1 - 1967 Fargo 1/2 Ton Express
- 1 - 1966 Fargo W200 Power Wagon with Winch
- 1 - 1965 8' Pathfinder Camper - propane equipped mounted on a 1952 Fargo Pickup
- 1 - Model 4-M Packsack Diamond Drill and Rods
- 1 - Gardner Denver Drill, Jack Leg and Accessories
- 1 - Model 208R Sno-Cruiser
- 3 - Underground Lamps and Chargers
- 1 - Chain Saw
- Miscellaneous Tools and Supplies

### **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:~~