

92JNE087
PROPERTY FILE
BROKEN HILL

011536

(see inside
for list of
claims)

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92JNE087

HELGENA MINES LTD. (N.P.L.)

Incorporated under the Laws
of the Province of British Columbia

SEBRING
CK.
BROKEN HILL
See page 19

SECOND PROSPECTUS

DATE: November 10th, 1971

NEW ISSUE
250,000
COMMON SHARES

	Price to Public	Commission	Proceeds to Issuer if all the Shares are Sold
Per Unit	50¢	12.5¢	37.5¢
Total	\$125,000.00	\$31,250.00	\$93,750.00

THERE IS NO EXISTING MARKET FOR THE COMPANY'S SECURITIES.

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. IF ALL THE SHARES OFFERED UNDER THIS PROSPECTUS ARE SOLD, THEN THE INSIDERS OF THE COMPANY WILL HOLD 57.6% OF THE SHARES, 43.8% WILL HAVE BEEN ISSUED FOR PROPERTY AND HELD SUBJECT TO ESCROW RESTRICTIONS AND 56.2% WILL HAVE BEEN SOLD TO THE PUBLIC FOR CASH.

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.

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.

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NAME AND INCORPORATION OF ISSUER

The name of the Company is HELGENA MINES LTD. (N.P.L.). The address of the Company's head office is 12749 - 107 A Avenue, Surrey, British Columbia. The address of the registered office of the Company is Suite 534 - 789 West Pender Street, Vancouver, British Columbia. The Company was incorporated under the laws of the Province of British Columbia on the 3rd day of April, 1968 by Memorandum and Articles of Association as Agena Mines Ltd. (N.P.L.). Its name was changed to Helgena Mines Ltd. (N.P.L.) on September 13th, 1968. The Company was incorporated as a Private Company and converted to a Public Company on the 1st day of June, 1970.

PLAN OF DISTRIBUTION

The Company offers by this Prospectus 250,000 shares of its capital stock at 50¢ per share. The Company will sell the shares under the prospectus through Transcona Securities Limited on a "best efforts" basis. Transcona Securities Limited will be paid a commission by the Company of up to 25% or 12.5¢ per share for each share sold. In addition, the controlling group of shareholders has granted an option to purchase 70,005 pooled shares at a price of 7½¢ per share and 40,000 pooled shares at 11¢ per share for each share purchased. The right to exercise the aforesaid options is contingent upon Transcona Securities Limited selling all of the 250,000 shares of the Company to be sold hereunder.

DIRECTORS AND OFFICERS

<u>Names and Addresses</u>	<u>Office</u>	<u>Principal Occupation for the Past Five Years</u>
Walter Leonard Butula 83,13766 - 103rd Avenue Surrey, B.C.	Secretary & Director	Teacher
Paul Matson 12749 - 107 A Avenue Surrey, B.C.	President & Director	Custodian with the Surrey School Board

CAPITALIZATION

<u>Designation of Security</u>	<u>Amount Authorized to Issue</u>	<u>Amount outstanding at August 31, 1971 Balance Sheet</u>	<u>Amount outstanding as at November 10, 1971</u>	<u>Amount outstanding if all securities being issued are sold</u>
Common Shares	3,000,000	1,153,605	* 913,605	1,163,605

* 240,000 shares were approved for surrender by a majority of the shareholders at the Annual General Meeting of the shareholders held on October 14th, 1971.

Particulars of shares sold for cash to date are as follows:

Number Sold	Price	Net Cash Received	Commission Paid
5	50¢	\$ 2.50	Nil
86,000	15¢	\$12,900.00	Nil
7,000	14 2/7¢	\$ 1,000.00	Nil
15,000	13 1/3¢	\$ 2,000.00	Nil
*295,600	10¢	\$29,560.00	Nil

* 258,600 shares shown as issued at 10¢ were considered as issued for cash to satisfy property payments.

DESCRIPTION OF SHARE CAPITAL STRUCTURE

The share capital of the Company is divided into one class of shares only. All shares issued by the Company rank equally as to dividends, voting rights and as to any distribution of assets on winding-up or liquidation. There are no agreements limiting the payment of dividends and there are no conversion rights, special liquidation rights, pre-emptive rights or subscription rights.

USE OF PROCEEDS TO ISSUER

The estimated net proceeds to be derived by the Issuer from the sale of the securities offered hereby is \$93,750.00 and such proceeds will be expended as follows:

1. Conduct the exploration program recommended by A.R. Allen, P.Eng., dated September 22, 1971 on the Sebring Creek claims, particulars of which are as follows:

Preparation of Camp	\$1,000.00	
Geological Survey	3,750.00	
Geochemical Survey	5,500.00	
Staking	1,500.00	
Electromagnetic Survey	4,500.00	
Trenching by gas drill	2,500.00	
Shallow Core Drilling	5,000.00	
Road Building	10,000.00	
Bulldozer Trenching	10,000.00	
Diamond Drilling 1000 feet	12,500.00	
Supervision	8,750.00	
Contingencies	10,000.00	
	\$75,000.00	\$75,000.00

2. Satisfy current liabilities 8,100.00
3. Administration 7,750.00
4. Legal and accounting 2,900.00

TOTAL \$93,750.00

If the proceeds realized from the sale of the securities are insufficient to satisfy all the payments of all the above expenditures then the satisfaction of liabilities, camp preparation,

geological survey and the geochemical survey will take priority. A copy of A.R. Allen's report of September 22nd, 1971 is attached hereto and forms part of this prospectus.

The Company may, pursuant to the written recommendations of an independent 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 money 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. If any such event occurs during the primary distribution of the shares referred to in this Prospectus an amendment to this Prospectus must be filed and if a substantial portion of the Company's property is abandoned or sold after primary distribution, the shareholders must be notified promptly.

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 propose to use the proceeds to acquire non-trustee type securities after initial distribution of the securities offered by this Prospectus, approval by the shareholders must first be obtained and prior disclosure must be made to the securities regulatory bodies having jurisdiction over the sale of the securities offered by this Prospectus.

DESCRIPTION OF BUSINESS AND PROPERTY OF ISSUER

The business of the Company is the acquisition, exploration and development of mineral claims and properties. It has carried on this business since its incorporation.

SEBRING CREEK CLAIMS

The Company is the legal and beneficial owner, subject to the provisions of the Mineral Act, of 67 located mineral claims situate approximately five (5) air miles north of Shalalth and thirty (30) miles west of Lillooet in the Lillooet Mining Division, in the Southwestern part of British Columbia, and more particularly known and described as:

Claim Name	Record Number	Expiry Date
Benn 5 - 16	27787 - 27798	November 14, 1972
Pola 2 - 4	28382 - 28384	October 27, 1972
Pola 5 - 11	28577 - 28583	March 12, 1972
Ace 1 - 8	28117 - 28124	July 24, 1972
Ace 9 - 14	28231 - 28236	September 6, 1972
Ace 15 & 16	28376 & 28377	October 20, 1972
Ace 17 - 19	28378 - 28380	October 20, 1972
M & B 1 & 3	27799 & 27801	November 28, 1972
M & B 2 & 4 - 10	27800 & 27802 - 27808	November 28, 1972
M & B 11	28127	July 27, 1972
Bee 1 & 2	28125 & 28126	July 27, 1972
Spring 1 - 4	29235 - 29238	September 27, 1972
Copper 1 - 3	29182 - 29184	September 9, 1972
Silver 1 & 2	29180 & 29181	September 4, 1972
Jake 1 - 4	29248 - 29251	October 2, 1972

The Benn 5 - 16 claims were acquired from Benn Explorations Ltd. (N.P.L.), a British Columbia Corporation with registered office at 1177 West Hastings Street, Vancouver, British Columbia, for \$4,000.00 and 165,000 shares of the capital of the Company pursuant to an agreement dated August 8th, 1968. The Company must do \$1,200.00 worth of work on the claims on or before September 14th of each year until September 14th, 1971 in order to keep the agreement in good standing. The agreement has been satisfied and the claims are now owned by the Company. Paul Matson and Walter Butula, directors of the Company, were directors of Benn Explorations Ltd. (N.P.L.) at the date the Benn claims were acquired.

The Pola 1 to 11 and Ace 1 to 19 claims were acquired from Jacob Butula, Prospector, of 1423 Columbia Avenue, Trail, British Columbia, by agreement dated October 25th, 1968 for \$4,000.00 and 195,000 shares of the capital of the Company. The Company subsequently abandoned the Pola 1 claim. Jacob Butula acquired the Pola and Ace claims at a cost of \$900.00.

The Company acquired the M & B 1 to 5 claims from Paul Matson, a director of the Company, of 12749 - 107A Avenue, Surrey, British Columbia, for \$4,000.00 and 195,000 shares of the capital of the Company by agreement dated October 24th, 1968. The M & B 1 to 5 claims were acquired by Paul Matson at a cost of \$200.00.

The Company acquired the M & B 6 to 11 and the Bee 1 and 2 claims from Walter L. Butula, a director of the Company, of 83, 13766 - 103rd Avenue, Surrey, British Columbia, for \$4,000.00 and 195,000 shares of the capital of the Company pursuant to an agreement dated October 27th, 1968. The M & B 6 to 11 and Bee 1 and 2 claims were acquired by Walter L. Butula at a cost of \$280.00.

The Company acquired the Jake 1 to 4 claims from Everett Lofgren, of 1886 West 12th Avenue, Vancouver, British Columbia, for \$4,000.00 by an agreement dated October 28th, 1969.

The Company acquired the Silver 1 and 2 claims from Stanley Brevick, Box 296, Kamloops, B.C. for \$2,900.00 by agreement dated September 15th, 1969; the Copper 1 - 3 claims from William S. Sanesh, 1347 Sitka Street, Kamloops, British Columbia for \$3,200.00 by agreement dated September 15th, 1969 and the Spring 1 - 4 claims from John Butula, 2881 Barnett Highway, Coquitlam, British Columbia, for \$4,000.00 by agreement dated October 28th, 1969. John Butula acquired the claims at a cost of \$160.00.

The Claims are accessible by good gravel road which proceeds up the Bridge River from Lillooet, British Columbia, approximately 32½ miles to the mouth of Sebring Creek to a point 2 miles south of the claims. A pack horse trail provides access from the end of the gravel road to the claims. Lillooet may be reached by paved highway from Vancouver over a distance of 180 miles.

The area was prospected and staked in 1912 by John Hunt. By 1915 two adit tunnels totalling 780 feet in length had been completed. Paul Matson, a director of the Company and the Company have done prospecting, trenching, and blasted pits during the period extending from 1966 to 1969.

There is no surface or underground plant or equipment on the claims.

The Report of A.R. Allen dated September 22, 1971, a copy of which is attached hereto and forms part of this Prospectus indicates that there are copper and lead showings on the claims.

There is no known commercial body of ore on the claims and the proposed programme is an exploratory search for ore, primarily copper.

PROMOTERS

The promoters of the Company are Paul Matson and Walter Butula, both directors of the Company. Walter Butula and Paul Matson each received \$4,000.00 and 195,000 shares of the Company, all of which are subject to escrow restrictions, as consideration for their interest in the

claims (see caption "Description of Business and Property of Issuer"). Messrs. Matson and Butula have each surrendered 80,000 of the original 195,000 escrowed shares received from the Company. Each of the promoters has purchased 40,000 shares at 10¢ per share.

REMUNERATION OF DIRECTORS AND SENIOR OFFICERS

No remuneration has been paid to the Directors and Senior Officers of the Company during the past 12 months and the Company does not intend to pay them any remuneration during the fiscal year ending January 31st, 1972.

ESCROWED SHARES

Certificates representing 510,000 shares referred to below are held in escrow by Canada Permanent Trust Company subject to the direction or determination of the British Columbia Securities Commission ("Commission"). 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 Commission.

In the event the Company 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 Commission 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 Commission 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 Suite 534 - 789 West Pender Street, Vancouver, B.C.

Designation of Class	Number of Shares Held in Escrow at November 10, 1971	Percentage of Class
Common Shares	510,000	* 55.7%

* calculated on the basis of there being 913,605 shares issued and outstanding.

155,000 cash paid shares of the capital of the Company held by John Butula, Walter Butula, Paul Matson and Jacob Butula have been pooled with the Canada Permanent Trust Company not to be sold until six months after the completion of the sale of the shares offered by this Prospectus and then not without the consent of the British Columbia Securities Commission.

248,600 shares of the capital of the Company have been voluntarily pooled with the Canada Permanent Trust Company Limited not to be released until 30 days after completion of the sale of the 250,000 shares offered by this Prospectus.

PRINCIPAL HOLDERS OF SHARES

To the knowledge of the Directors and Senior Officers of the Company, only the following hold beneficially, directly or indirectly, more than 10% of any class of shares of the Company as at November 10, 1971:

<u>Name and Address</u>	<u>Nature of Ownership</u>	<u>Number of Shares Owned</u>	<u>Percentage of Class</u>
Walter Leonard Butula 83, 13766 – 103rd Avenue Surrey, B.C.	Direct & Beneficial	155,000	* 16.9%
Paul Matson 12749 – 107A Avenue Surrey, B.C.	Direct & Beneficial	155,000	* 16.9%
Jacob Butula 1423 Columbia Avenue Trail, B.C.	Direct & Beneficial	155,000	* 16.9%
Benn Explorations Ltd. (N.P.L.) 1177 W. Hastings St. Vancouver, B.C.	Direct & Beneficial	** 205,000	* 21.3%

* calculated on the basis of there being 913,605 shares issued and outstanding.

The following table shows the respective percentage of shares of the Company beneficially owned, directly or indirectly, by the Directors and Senior Officers of the Issuer as a group:

<u>Designation of Class</u>	<u>Percentage of Class</u>
Common Shares	33.9% *

** Paul Matson, a director of the Company, is also a director of Benn Explorations Ltd. (N.P.L.) and the holder of 152,850 shares.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Reference is made to the caption "Description of Business and Property of Issuer" for material transactions with the Directors and Shareholders holding more than 10% of the shares of the Company.

AUDITOR AND REGISTRAR

John J. Ptucha was the auditor of the Company prior to October 14th, 1971 and he has prepared the financial statements dated August 31, 1971 which form part of this Prospectus. Rose, Gale & Co., Chartered Accountants, 1177 West Hastings Street, Vancouver, British Columbia, were appointed as the auditors of the Company at its annual general meeting held on October 14th, 1971.

The Company's Registrar and Transfer Agent is the Canada Permanent Trust Company 455, Granville Street, Vancouver, British Columbia.

PURCHASER'S STATUTORY RIGHTS OF RESCISSION

Section 61 and 62 of the Securities Act, 1967 (British Columbia) provide 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 a security, while still the owner thereof, if a copy of the last Prospectus together with Financial Statements and

Reports relating to the securities as filed with the British Columbia Securities Commission 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 (3) 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 order to make any statement therein not misleading 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 expiration of 90 days from the later of the date on which such Prospectus or amended Prospectus is 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.

OTHER MATERIAL FACTS

There are no other material facts relating to the securities offered hereby that are not disclosed elsewhere in this Prospectus.

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", 1967 and the regulations thereunder.

DATED at the City of Vancouver, British Columbia, this 10th day of November 1971.

"PAUL MATSON"
Director and Promoter

"WALTER L. BUTULA"
Director and Promoter

JOHN J. PTUCHA
CHARTERED ACCOUNTANT

AUDITOR'S REPORT

To the Shareholders
Helgena Mines Ltd. (N.P.L.)

I have examined the balance sheet of Helgena Mines Ltd. (N.P.L.) as at August 31, 1971, and the statement of source and application of funds for the period then ended. My examination included a general review of the accounting records and other supporting evidence as I considered necessary in the circumstances.

I have not verified titles to the mineral claims directly with the Government Registry Offices. I have received a letter from the solicitor of the Company which states that the Company is the recorded owner of all the claims recorded in its books of account. The solicitor has further certified that all such mineral claims are in good standing.

In my opinion, subject to the foregoing, these financial statements present fairly the financial position of the Company as at August 31, 1971, and the source and application of its funds for the period then ended, in accordance with generally accepted accounting principles, applied on a basis consistent with that of the preceding year.

"JOHN J. PTUCHA"
Chartered Accountant.

Vancouver, B.C.
September 21, 1971

HELGENA MINES LTD. (N.P.L.)
BALANCE SHEET AS AT AUGUST 31, 1971
(With comparative figures as at January 31, 1971)

ASSETS		<u>Aug. 31/71</u>	<u>Jan. 31/71</u>
CURRENT ASSETS:			
Cash		\$ 21.82	\$ 157.90
MINERAL PROPERTIES, at cost (Notes 1 and 2):			
Mineral claims		105,100.00	105,100.00
FIXED ASSETS, at cost (Note 3):			
Field equipment		475.00	475.00
Office furniture and equipment		150.45	150.45
		<u>625.45</u>	<u>625.45</u>
DEFERRED COSTS, (Note 2):			
Exploration and development expenses, per schedule "1"		12,851.13	11,369.62
Administration expenses, per schedule "1"		9,265.94	7,018.55
Incorporation costs		697.00	697.00
		<u>22,814.07</u>	<u>19,085.17</u>
		<u>\$128,561.34</u>	<u>\$124,968.52</u>
LIABILITIES AND SHAREHOLDERS' EQUITY			
CURRENT LIABILITIES:			
Bank loan, secured		\$ 3,305.41	\$ 2,120.97
Accounts payable		2,885.05	2,385.05
Due to shareholder		1,908.38	—
		<u>8,098.84</u>	<u>4,506.02</u>
SHAREHOLDERS' EQUITY:			
Share capital (Note 4)			
Authorized —			
3,000,000 common shares, par value \$.50		<u>\$1,500,000.00</u>	
Issued —			
1,153,605 shares		120,462.50	120,462.50
APPROVED ON BEHALF OF THE BOARD:			
"PAUL MATSON"	Director		
"WALTER L. BUTULA"	Director	<u>\$128,561.34</u>	<u>\$124,968.52</u>

NOTES TO FINANCIAL STATEMENTS

AS AT AUGUST 31, 1971

1. **Mineral Properties:**

Mineral claims acquired by the company are as follows:

- (a) 55 claims in the Lillooet Mining Division, British Columbia, in consideration for 750,000 shares of the capital stock and \$16,000 cash. Subsequently, one (1) claim was permitted to lapse. In connection with 12 of these claims, the Company must do \$1,200 worth of work on the claims on or before September 14 of each year, until September 14, 1971, in order to keep in good standing the agreement under which these claims were acquired. Such work has been completed by the Company. \$ 91,000.00
 - (b) 13 claims in the Lillooet Mining Division, British Columbia, in consideration for cash. 14,100.00
- \$105,100.00

2. **Values:**

The amounts shown for mineral properties and deferred costs represents costs to date and are not intended to reflect present or future values.

3. **Depreciation Policy:**

No provisions for depreciation of fixed assets has been made.

4. **Share Capital:**

From the date of incorporation, April 3, 1968, to January 31, 1970, the Company issued the undernoted shares of capital stock. No share issue took place in the current period.

	Number of Shares	Par Value of Shares Issued	Discounts	Net to Treasury
For cash	145,005	\$ 72,502.50	\$ 52,900.00	\$ 19,602.50
Considered issued for cash to satisfy property payments	258,600	129,300.00	103,440.00	25,860.00
For properties	750,000	375,000.00	300,000.00	75,000.00
	<u>1,153,605</u>	<u>\$576,802.50</u>	<u>\$456,340.00</u>	<u>\$120,462.50</u>

STATEMENT OF SOURCE AND APPLICATION OF FUNDS
FOR THE SEVEN MONTH PERIOD ENDED AUGUST 31, 1971

(With comparative figures for the periods from
April 3, 1968 (date of incorporation) to January 31, 1971)

	7 Months Ended Aug. 31/71	Year Ended Jan. 31/71	Twenty-two Months Ended Jan. 31/70
SOURCE OF FUNDS:			
Issue of shares	\$ —	\$ —	\$120,462.50
APPLICATION OF FUNDS:			
Acquisition of mineral properties	—	—	105,100.00
Acquisition of fixed assets	—	—	625.45
Exploration and development expenses	1,481.51	1,391.29	9,978.33
Administration expenses	2,247.39	2,129.28	4,889.27
Incorporation costs	—	—	697.00
	<u>3,728.90</u>	<u>3,520.57</u>	<u>121,290.05</u>
Increase (decrease) in working capital	(3,728.90)	(3,520.57)	(827.55)
Working capital (deficit) at beginning of period	(4,348.12)	(827.55)	—
Working capital (deficit) at end of period	<u>\$ (8,077.02)</u>	<u>\$ (4,348.12)</u>	<u>\$ (827.55)</u>

HELGENA MINES LTD. (N.P.L.)
EXPLORATION, DEVELOPMENT AND ADMINISTRATION EXPENSES
FOR THE YEAR ENDED AUGUST 31, 1971

*(With comparative figures for the periods from April 3, 1968
(date of incorporation) to January 31, 1971)*

	7 Months Ended Aug. 31/71	Year ended Jan. 31/71	Twenty-two Months ended Jan. 31/70
EXPLORATION AND DEVELOPMENT EXPENSES:			
Assaying	\$ —	\$ —	\$ 79.32
Camp support	146.51	224.56	670.67
Consulting fees	—	—	469.71
Equipment rental	—	—	417.32
Field contract	800.00	450.00	4,930.00
Field supplies	—	6.73	1,008.25
Field transportation	—	270.00	1,380.06
Licences	200.00	200.00	410.00
Recording and assessment fees	335.00	240.00	613.00
Expenses for the period	<u>1,391.29</u>	<u>1,391.29</u>	<u>9,978.33</u>
Beginning balance	11,369.62	9,978.33	—
Total to Exhibit "A"	<u>\$ 12,851.13</u>	<u>\$ 11,369.62</u>	<u>\$ 9,978.33</u>
ADMINISTRATION EXPENSES:			
Accounting and audit fees	\$ 350.00	\$ 300.00	\$ 500.00
Bank charges	188.46	125.96	18.12
Legal fees	—	1,035.05	1,963.45
Office expenses and supplies	223.89	21.98	326.98
Office rent	600.00	375.00	375.00
Telephone	161.27	153.49	260.04
Transfer and trust fees	425.00	—	375.00
Travel	298.77	117.80	1,070.68
Expenses for the period	<u>2,247.39</u>	<u>2,129.28</u>	<u>4,889.27</u>
Beginning balance	7,018.55	4,889.27	—
Total to Exhibit "A"	<u>\$ 9,265.94</u>	<u>\$ 7,018.55</u>	<u>\$ 4,889.27</u>

REPORT ON THE
SEBRING CREEK PROPERTY
BRIDGE RIVER, B.C.
LILLOOET M.D.

September 22, 1971

for

HELGENA MINES LTD. (N.P.L.)

*805 - 1177 West Hastings Street
Vancouver, B.C.*

by

Allen Geological Engineering Ltd.

*303 - 325 Howe Street
Vancouver, B.C.*

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INTRODUCTION

The Sebring Creek property of Helgena Mines was examined by Robert L. Roscoe, P.Eng., on behalf of Allen Geological Engineering Ltd., September 1, 1971. Mr. Walter Butula, one of the owners, assisted with the examination.

The purpose of this report is to describe the property, review available information pertaining to the geology, and outline an exploration programme considered adequate to provide data upon which a complete assessment of the potential of the copper-gold-silver and zinc mineral showings may be made.

LOCATION AND ACCESSIBILITY

The property is located in the Bridge River area of southwestern British Columbia. Geographic location is 50° -48' north latitude and 122° -19' west longitude.

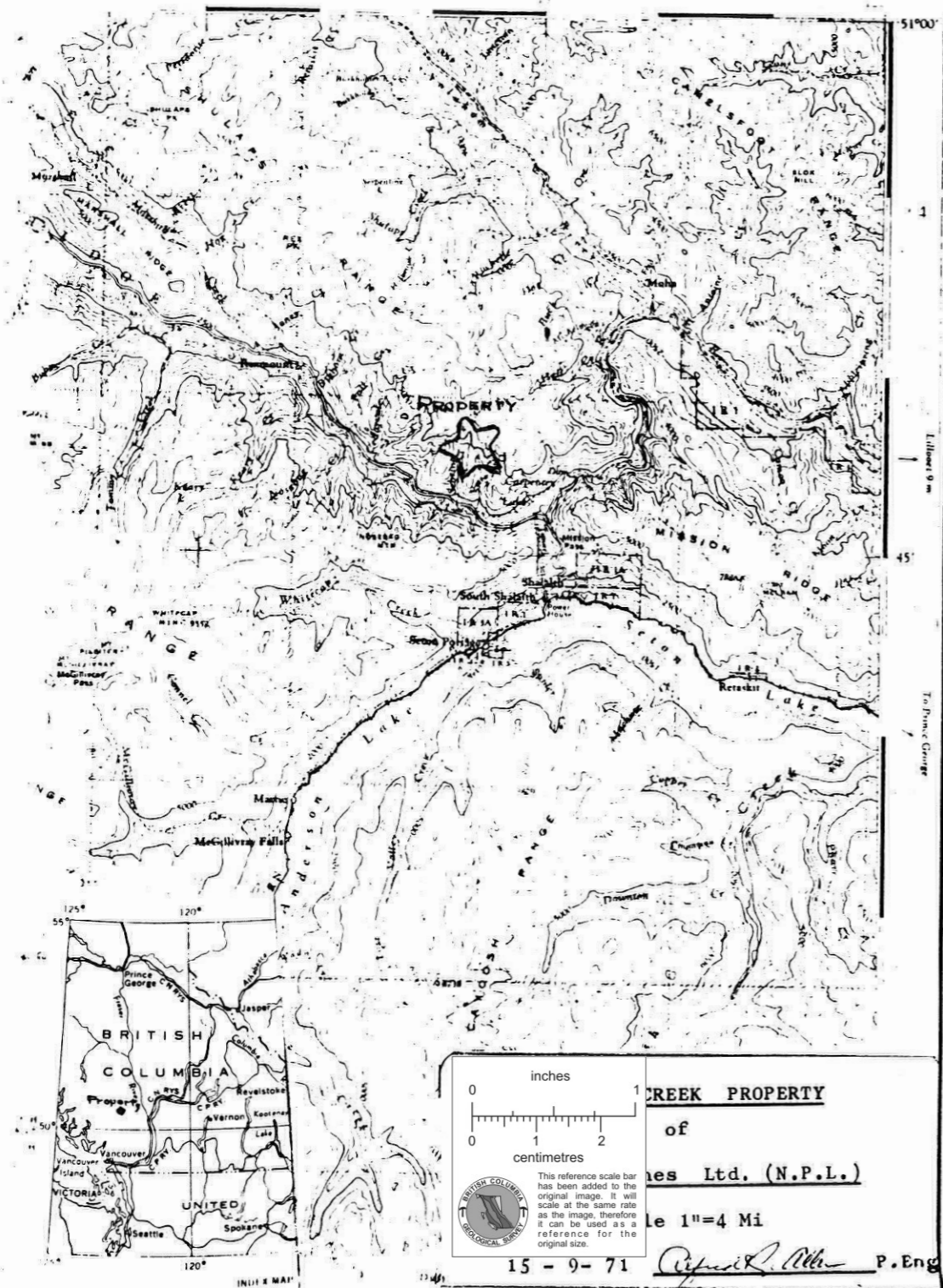
From Lillooet it is a one hour drive over 32½ miles of highway to the location of a pack trail which leads northerly up Sebring creek to the property. The trail, 2 miles in length, rises 2,300 feet to the cabin and higher to some of the showings. Side trails lead to the various workings.

PROPERTY

The Sebring Creek claims group, held by Helgena Mines Ltd., (N.P.L.) are as follows:

<u>Claim Name</u>	<u>Record Number</u>	<u>Record Date</u>
Benn 5	27787	14 Nov. 1966
Benn 6	27788	"
Benn 7	27789	"
Benn 8	27790	"
Benn 9	27791	"
Benn 10	27792	"
Benn 11	27793	"
Benn 12	27794	"
Benn 13	27795	"
Benn 14	27796	"
Benn 15	27797	"
Benn 16	27798	"
Pola 2	28382	27 October 1967
Pola 3	28383	"
Pola 4	28384	"
Pola 5	28577	12 March 1968
Pola 6	28578	"
Pola 7	28579	"
Pola 8	28580	"
Pola 9	28581	"
Pola 10	28582	"
Pola 11	28583	"

<u>Claim Name</u>	<u>Record Number</u>	<u>Record Date</u>
Ace 1	28124	24 July 1967
Ace 2	28123	"
Ace 3	28122	"
Ace 4	28121	"
Ace 5	28120	"
Ace 6	28119	"
Ace 7	28118	"
Ace 8	28117	"
Jake 1	29248	2 October 1968
Jake 2	29249	"
Jake 3	29250	"
Jake 4	29251	"
Ace 9	28231	6 Sept. 1967
Ace 10	28232	"
Ace 11	28233	"
Ace 12	28234	"
Ace 13	28235	"
Ace 14	28236	"
Ace 15	28376	20 October 1967
Ace 16	28377	"
Ace 17	28378	"
Ace 18	28379	"
Ace 19	28380	27 October 1967
M & B No. 1	27799	28 November 1966
M & B No. 2	27800	"
M & B No. 3	27801	"
M & B No. 4	27802	"
M & B No. 5	27803	"
M & B No. 6	27804	"
M & B No. 7	27805	"
M & B No. 8	27806	"
M & B No. 9	27807	"
M & B No. 10	27808	"
M & B No. 11	28127	27 July 1967
Bee 1	28125	27 July 1967
Bee 2	28126	"
Copper 1	29182	9 Sept. 1968
Copper 2	29183	"
Copper 3	29184	"



Claim Name	Record Number	Record Date
Silver 1	29180	4 Sept. 1968
Silver 2	29181	"
Spring 1	29235	27 Sept. 1968
Spring 2	29236	"
Spring 3	29237	"
Spring 4	29238	"

Total Number of claims - 67

TOPOGRAPHY

The area, dominated by the deep Bridge River valley is ruggedly mountainous.

Flowing southerly in narrow canyon-like valleys, Sebring and Viera creeks constitute the main drainage pattern. Intervening ridges are sharp and steep.

Up to 6,000 feet elevation there is moderate evergreen growth. From an elevation of close to 2,000 feet above sea level in the Bridge River valley, surrounding peaks and ridges top 6,000 feet, and the showings on the property range around the 4,500 foot level.

HISTORY

The Bralorne and Pioneer mines produced gold and some silver from the 1920's until recently.

In 1912 the Broken Hill property near the head of Sebring creek was staked by John Hunt and friends. By 1915 they had exposed copper, gold, silver and zinc mineralization at many "spot" locations and driven two adit tunnels totalling 780 feet in length. An eight-man camp and pack trails had been completed.

From 1966 to 1969 the area, including Sebring and Viera creek drainages was prospected, and many trenches and pits excavated by the present owners of the claims have exposed widespread mineralization.

GEOLOGY

The geology of the Sebring Creek area has not been mapped by the Geological Survey of Canada. Information available, however, points to geology being similar to that mapped by the Geological Survey to the southwest on the Taughton Lake and Cadwallader Creek sheets.

An east-west sedimentary series, probably Fergusson, is composed chiefly of Quartzite, chert, interbedded chert and argillite, crystalline limestone and argillaceous limestone.

An intrusive body, probably Bender granodiorite and quartz diorite, and/or older Bralorne quartz-diorite, with apophyses and dykes of acidic porphyry, lies to the north of the sediments. Faulting, shearing and fracturing are strongly evident. Pyrite, along with chalcopryite and lesser sphalerite, magnetite and pyrrhotite occupy brecciated and fractured zones in both sediments and intrusives. There are also disseminated sulphides in the porphyritic intrusive rocks.

MINERAL SHOWINGS

There is a 1000-foot length of Sebring Creek valley where gossan material clearly shows occurrences of pyrite, chalcopryite, sphalerite and iron and copper oxides and carbonates in altered and fractured quartzite.

This discovery zone was explored by two adit tunnels and numerous trenches and pits in 1912-16 by the original stakes, but is not now included in the holdings of Helgena Mines.

The large surrounding area, held by Helgena Mines, includes many gossans and contact zones between intrusives and altered sediments. Trenches and open pits have exposed the mineralized zones to the east and the west of the old workings.

Brief descriptions and assays of these sampled by Mr. Roscoe are as follows:

<u>No.</u>	<u>Location</u>	<u>Au</u> <u>oz/t</u>	<u>Ag</u> <u>oz/t</u>	<u>Cu</u> <u>%</u>
57701:	West showings, 200 ft. NW of Claim posts for M B 5, 6, 7 and 8, Grab sample from pit	Tr	Tr	Tr
57702:	West showings, 100 ft. NW of same claim posts as above, Grab sample from pit	Tr	Tr	0.08
57703:	West showings, 100 ft. SE of same claim posts as above, Grab sample from pit	—	—	1.80
57704:	West showings, 300 ft. NW of cabin, Grab sample from a wide and deep pit	Tr	Tr	0.40
57705:	Sebring Creek showings, above trail crossing on both sides of canyon, Grab sample from several pits	0.01	5.2	0.52
57706:	Sebring Creek showings, below trail crossing on west side, Grab sample from several pits	Tr	0.6	0.01

The copper mineralization exposed northwest of the cabin is in quartz porphyry, and appears to be on strike with the Sebring Creek old workings.

In the samples there was pyrite, chalcopyrite and in places, magnetite, malachite and a sooty black coating which appears to be either chalcocite or manganese stain. Mariposite is evident in one hand specimen, and sphalerite and pyrrhotite in another.

The samples are representative of the average mineralization exposed in numerous pits and trenches excavated from the Sebring creek and west showings, and do not include material from high-grade stringers or disseminations.

SUMMARY AND CONCLUSIONS

The Sebring Creek property of Helgena Mines is located in the Bridge River area. It is about one hour by automobile from Lillooet and three hours by pack trail up Sebring Creek.

The Copper-gold-silver-zinc mineralization occurs in and near porphyry intrusive rocks which have invaded limestone, argillite and quartzite. Alteration includes silicification and pyritization of these older strata.

The showings are near the 4,500 foot level, forest cover is uniform but moderate and overburden extensive but generally thin.

Numerous open pits and trenches have been excavated to expose gossan-type mineralized zones both to the east and west of the original Sebring Creek showings and workings.

Additional exploratory investigations are warranted on the property. Additional data will be required to make possible an assessment of the potential so far as a large tonnage porphyry copper and/or contact metamorphic deposit is concerned.

RECOMMENDATIONS

The property has been prospected, and now requires geological and geophysical data upon which to plan the most practical means of exploring for sizeable mineral deposits.

It is recommended, therefore, that a three-phase programme be carried out. The first phase should be a short-term technical examination, followed up by more comprehensive surface investigation.

Lastly, if results are satisfactory, detailed surface and underground data should be acquired in order to formulate estimates of the potential of the property.

Phase No. 1.

	<u>Estimated Costs</u>
1. Establish a tent camp on the property	\$1,000.00
2. Conduct a geological survey over selected portions of the property and tie in by pace and compass, known showings and workings	1,750.00
3. Conduct a geochemical survey over selected areas, on a reconnaissance basis	2,500.00
4. Office, overhead and supervision	1,250.00
5. Contingencies	1,000.00
Total estimated costs	<u>\$7,500.00</u>

This work should require not more than one month to complete.

Phase No. 2.

1. Check claims, and where advisable stake fractions and/or additional claims	\$1,500.00
2. Conduct an electro magnetic survey over selected areas, on grid patterns	4,500.00
3. Excavate rock trenches across mineralized zones, using a gasoline drill	2,500.00
4. Core drill to depths of 50 to 100 feet, on selected mineralized zones, using light portable equipment, a total of about 800 ft.	5,000.00
5. Office, overhead and supervision	3,000.00
6. Contingencies	<u>1,000.00</u>

Total estimated costs \$17,500.00

This phase should be completed in two months.

Phase No. 3.

1. Establish a road from the highway to the camp, and necessary access roads to areas of mineral showings. This road may be steep and narrow for short lengths, but suitable for 4-wheel-drive vehicles	\$10,000.00
2. Conduct detailed geochemical surveys over selected areas on 400 by 100 foot grids	3,000.00
3. Expose bedrock by trenching to provide information regarding the extent and grade of mineralized zones	10,000.00
4. Map the geology of mineralized areas of the property in detail	2,000.00
5. Diamond drill with BQ wireline equipment to check selected mineralized zones to a minimum of 300 feet of depth, about 1,000 feet total.	12,500.00
6. Office, overhead and supervision	4,500.00
7. Contingencies	8,000.00
Total estimated costs	<u>\$50,000.00</u>

This final phase should be completed in three months.

This programme should not require more than six months of field work. The estimated \$75,000.00 costs are based on the assumption that the programme will be carried on continuously, weather permitting.

Respectfully submitted,
ALLEN GEOLOGICAL ENGINEERING LTD.

Per "ALFRED R. ALLEN" P. Eng.
Alfred R. Allen

Vancouver, B.C.
September 22, 1971.

REFERENCES

Drysdale,	G.S.C. Summary Report, 1915, Map 1610
Drysdale & McCann,	G.S.C. Memoir 130, 1922, Map 182
B.C. Minister of Mines,	Annual Report, 1913 p.K. 270
B.C. Minister of Mines,	Annual Report, 1915 p.K. 282
Cairnes, C.E.,	G.S.C. Memoir 213, 1937
Cairnes, C.E.,	G.S.C. Paper 43-15, 1943
Hunter, S.J.,	Reports to Helgena Mines, Nov. 12, 1968, Aug. 20, 1969.

CERTIFICATE

I, Alfred R. Allen, certify that:

I am a graduate of the University of British Columbia and hold the following degrees therefrom:

BASc Geological Engineering 1939

MASc Geological Engineering 1941

I am a member of the Association of Professional Engineers of the Province of British Columbia.

I have practised my profession for the past twenty-eight years.

I hold no interest in the properties or securities of Helgena Mines Ltd. (N.P.L.), or affiliates thereof, nor do I expect to receive any, directly or indirectly.

My report of September 22, 1971, on the Sebring Creek property of Helgena Mines Ltd. (N.P.L.), is based on an examination of the said property on September 1, 1971, by Robert L. Roscoe, P.Eng., on behalf of Allen Geological Engineering Ltd.

I consent to this report being filed with the British Columbia Securities Commission in a Prospectus by Helgena Mines Ltd. (N.P.L.).

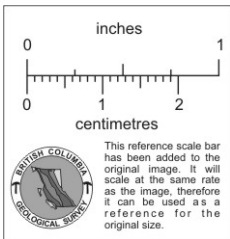
Many of the claim posts and lines were examined by Mr. Roscoe, and they appear to be staked in accordance with the British Columbia Mineral Act.

"ALFRED R. ALLEN" P. Eng.
Alfred R. Allen



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1



CLAIMS MAP

HELGENA MINES LTD. (N.P.L.)

Scale 1"=3000'

From: B.C. Dept. Mines Sept. 1971

Robert Allen

L5421
C.G.

L5420
C.G.

5419
C.G.

L5418
C.G.

L5417
C.G.

L5416
C.G.

50° 45'

122° 15'

**HELGENA
MINES LTD.
(N.P.L.)**

RECEIVED
JAN 24 1972
BRITISH COLUMBIA
SECURITIES COMMISSION
SECOND

PROSPECTUS