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FALCON EXPLORATION LIMITED

613 - 837 West Hastings Street, Vancouver, British Columbia

P R O S P E C T U S

May 15, 1971

New Issue

250,000

Common Shares

	Price to Public	Commission	Proceeds to Issuer
Per Unit	40¢	10¢	30¢
Total	\$100,000.00	\$25,000.00	\$75,000.00

THERE IS NO EXISTING OVER-THE-COUNTER MARKET FOR THE COMPANY'S SECURITIES IN THE PROVINCE OF BRITISH COLUMBIA OR ELSEWHERE.

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. REFERENCE SHOULD ALSO BE MADE TO THE CAPTION "PRINCIPAL HOLDERS OF SHARES" AND THE COMPARISON OF THE PERCENTAGE OF SECURITIES BEING OFFERED TO THE PUBLIC FOR CASH AND THOSE ALREADY ISSUED BY THE COMPANY TO ACQUIRE ITS PROPERTIES.

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 RESPECTIVE JURISDICTIONS IN WHICH THEY ARE SITUATE, THEIR EXISTENCE AND AREA MAY BE IN DOUBT.

I N D E X

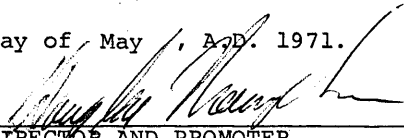
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under the foregoing captions.

CERTIFICATE

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 the 15 day of May, A.D. 1971.



DIRECTOR AND PROMOTER



DIRECTOR AND PROMOTER



DIRECTOR AND PROMOTER

X

FALCON EXPLORATIONS LTD. (N.P.L.)
Claire and X Claims
Princeton, B.C.

ALRAE ENGINEERING LTD.

March 11, 1971

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MAPS

Proposed I.P. and Drill Hole Layout

Scale

1" = 1,650'

INTRODUCTION

Falcon Explorations Ltd. holds an option on 32 mineral claims in the Similkameen Mining Division, approximately eight miles south of Princeton, B.C. These claims are owned by Action Exploration Ltd., of Vancouver. During 1969 geochemical soil sampling of the claim area was undertaken by the company and anomalous copper-rich areas were indicated. During the 1970 season detailed soil sampling was completed to more closely define the area of two of these anomalies and one exploratory trench was made on the southern edge of one anomaly.

These claims adjoin the Newmont Mining Ltd. controlled property which is currently being equipped for production.

LOCATION AND ACCESS

The Claire and X claims are located eight miles south of the town of Princeton, B.C. and lie immediately south of the junction of Whipsaw Creek with the Hope-Princeton highway. The claims extend southerly to the Newmont Mines Ltd. and Anchor Mines Ltd. property boundaries. The property is readily accessible by highway from Vancouver, the trans-provincial highway traverses the eastern boundary of the group. Numerous logging roads provide excellent access to most of the claim area.

CLAIMS

Claims and their record numbers are as follows:

<u>CLAIM NAME</u>	<u>RECORD NUMBER</u>
Claire 1 - 6	22556 - 22561
Claire 7	23883
Claire 9	23885
Claire 1 & 2 Fr's.	22562 & 22563
Claire 3 & 4 Fr's.	22682 & 22683
X256 Fr.	21904
X257 - 260	21900 - 21903

X261 Fr.	21899
X277 - 279 Fr's.	23640 - 23642
X301 - 304	21910 - 21913
X309	21918
X311 - 316	21920 - 21925

All 32 claims are within the Similkameen Mining Division.

Portions of claims X257, 258, 259, 260 and 278 Fr. have been expropriated for highway relocation work.

GEOLOGY

The Claire and X claims are underlain by Triassic Nicola volcanics and sediments and are immediately west of the Copper Mountain Intrusive. Detailed mapping has not been undertaken on the company's claims, however, initial reconnaissance traverses indicate the Nicola rocks to include volcanic breccias, fragmental limestones, argillites, and volcanic tuff. It is this suite of rocks which is host to copper mineralization both at the Copper Mountain Mine and at the Newmont property.

Regional faults trend northerly from the Copper Mountain Batholith and possibly traverse the Claire and X claims. Copper mineralization is described in Geological Survey of Canada Memoir 243 of the Princeton area to occur on the north slopes of Kennedy Mountain in the vicinity of the X claims. Mineralization occurs on the Sherwood claim adjoining the company's claims on the northeast.

Pyrite and traces of chalcopyrite have been noted within the claim group, and in old pits in the vicinity of Kennedy Lake. A short examination of the large soil sampling anomaly in the northeastern sector of the company's claims indicates minor copper mineralization to occur as disseminations within volcanic rocks, as well as associated with small quartz veins. A bulldozer trench made within this anomaly

during 1970 exposed bedrock in many places along the trench, and grab samples of rock taken from this trench were analyzed for precious metal and copper content. The trench is located on the southern edge of the larger soils anomaly, as shown on the accompanying map. Samples contained traces of gold; from .06 to .08 oz of silver per ton; and from trace to .01% copper. Due to the steep topography it was not possible to make a trench across the central portion of the anomaly.

Tertiary basalt remnants occur on the northwestern portion of the claims and to the south of the junction of Whipsaw Creek and the Hope-Princeton highway. Sediments of similar age occur to the northwest of Whipsaw Creek and lie unconformably on the Nicola volcanics. Basalts to the south of Whipsaw Creek appear to be of small extent and are probably thin.

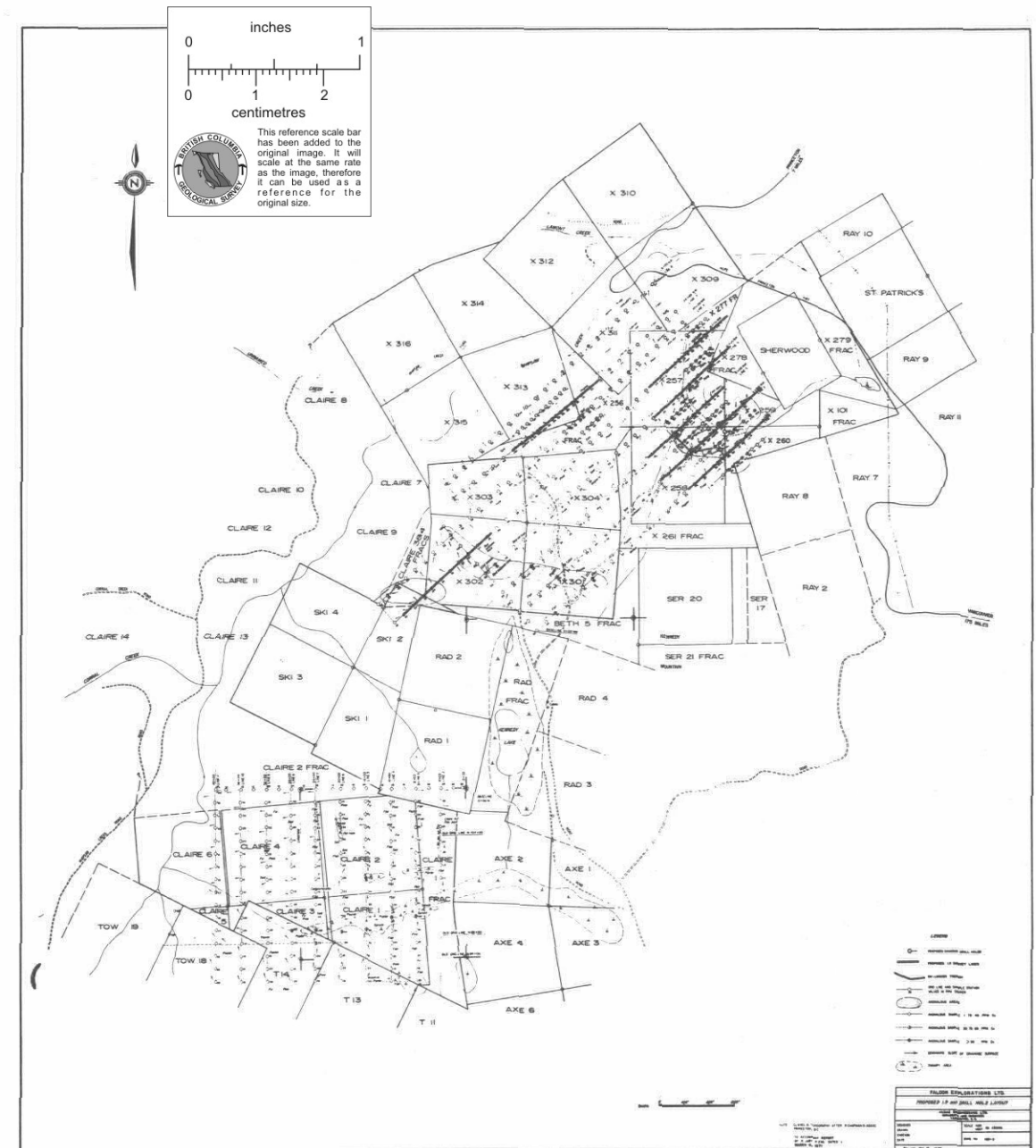
GEOCHEMICAL SOIL SAMPLING

Soil sampling has been conducted over much of the claim area and four anomalous zones of copper have been encountered. The largest and strongest anomaly occurs on claims X257 to X260. This anomaly is approximately 1,800 feet long and varies in width from 400 to 1,000 feet. It has been confirmed and outlined in detail by field work during 1970. Two smaller anomalies occur to the west and southwest of this large anomaly.

CONCLUSIONS AND RECOMMENDATIONS

The Claire and X claims are underlain by Nicola volcanics and sediments. This type of rock is the host for copper mineralization at mines which have produced or are about to produce copper in this area of B.C. The claims immediately adjoin the Newmont owned Ingerbelle Mine which is currently being equipped for production.

Four geochemical soil sampling anomalies have been discovered on the Claire and X claims, one of which is very prominent and



of large dimensions. A recent bulldozer trench on the southern fringe of this anomaly has exposed Nicola rocks containing minor amounts of silver and copper. This large anomaly may be considered the prime target of further exploration, although the three smaller anomalies also warrant evaluation. To examine the cause of these anomalies, and to determine if economic concentration of metals occur, the following work is recommended:

- (a) Detailed geological mapping of the claims group;
- (b) Induced polarization survey of the soils anomalies; and
- (c) Diamond drilling to evaluate the cause of geochemical anomalies.

The accompanying map sheet indicates an initial layout of I.P. survey lines and drill holes. Detailed geological mapping may modify the layout. Should these drill holes encounter significant copper mineralization, much more drilling would be warranted and required to evaluate the discovery.

COST ESTIMATE

Approximate cost of the above recommended work would be as follows:


Phase I

Geological mapping	\$ 4,000.00	
Induced polarization survey	4,000.00	
Initial diamond drilling 1,000 ft. @ \$12.00/ft.	<u>12,000.00</u>	20,000.00

Phase II

Secondary stage of drilling to examine mineralized zones encountered in Phase I 2,500 ft. @ \$12.00/ft.		<u>30,000.00</u>
TOTAL	\$	<u>50,000.00</u>

Respectfully submitted:

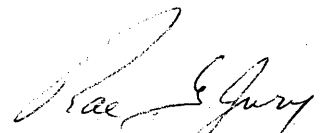

Rae G. Jury, P. Eng.

CERTIFICATE

I, Rae G. Jury, of the City of Vancouver, British Columbia, do hereby certify that:

1. I am a consulting geological engineer.
2. I am a graduate of Queen's University in Kingston (B.Sc. in Geological Sciences, 1957).
3. I am a registered Professional Engineer of the Provinces of British Columbia and Ontario and also a member of the Canadian Institute of Mining and Metallurgy.
4. I have practiced my profession since 1957 with Labrador Mining & Exploration Company, Quemont Mining Corporation, Canadian Johns-Manville Co. Ltd., and Alrae Engineering Ltd.
5. I have personally examined some of the claim posts and many posts have been mapped by company employees indicating that the claims are staked in accordance with the B.C. Mineral Act.
6. I have personally examined mineralization and geological features of the Claire and X claims on field trips during October of 1969 and 1970.
7. I have not received, nor do I expect to receive, any interest, either directly or indirectly, in the properties or securities of Falcon Explorations Ltd. (N.P.L.)

DATED AT VANCOUVER, this 11th day of March, A.D. 1971.


Rae G. Jury, P. Eng.

X

Report on the
R.G. CLAIM GROUP
of
ACHERON MINES LTD. (N.P.L.)
for
FALCON EXPLORATIONS LTD. (N.P.L.)

R.G. Potter, P. Eng.

March 16, 1971

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SUMMARY AND CONCLUSIONS

The R.G. Claim Group of Acheron Mines Ltd. (N.P.L.) comprises a block of 8 contiguous claims located in the Dawson Mining Division of the Yukon Territory. This property lies three miles to the east of the recently developed Clinton Creek asbestos mine of Cassiar Asbestos Ltd.

Preliminary geological and magnetometer surveys indicate that the property is largely underlain by serpentized ultrabasic rocks. Two magnetically anomalous zones have been outlined within the property which are strikingly similar to those of the Clinton mine. In that magnetite is known to be associated with the asbestos fibre in the Clinton orebody it is considered that these zones represent prime diamond drill targets.

An initial diamond drilling program of 1,200 feet is recommended to test this property at a cost of \$30,000. Encouraging results from this drilling would warrant at least another 500 feet of drilling at an additional cost of \$10,000.

INTRODUCTION

The following report is a summary of available information pertaining to the R.G. claim group of Acheron Mines Ltd. (N.P.L.) located in the Dawson Mining Division of the Yukon Territory. The purpose of the report is to inform the directors of Falcon Explorations Ltd. (N.P.L.) as to the advisability of expending funds on the property in order to obtain an interest in same.

During the 1962 field season the writer took part in an exploration program which covered the Clinton Creek area while in the employ of Asbestos Corporation Ltd. At this time he examined the asbestos occurrences at the now Clinton Creek mine and studied the geology of other magnetically anomalous areas in the vicinity. These other areas however did not include the R.G. property. The writer is familiar with the history and developments to date on the property.

LOCATION AND ACCESS

The R.G. claim group lies three miles east of the Clinton Creek mine of Cassiar Asbestos Corp. Ltd. in the west central Yukon at latitude $64^{\circ} 25' N$ and longitude $140^{\circ} 40' W$. Access to the property is by 60 miles of all weather road running north-west from Dawson City.

PHYSIOGRAPHY AND CLIMATE

A rolling mature topography of moderate relief is typical of the Clinton Creek area. Elevations range from 1,400 to 2,300 feet A.S.L. The claim block covers a low ridge on the north side of Clinton Creek. Outcrops are scarce within the property but overburden tends to be shallow. The climate is one of long intense winters which limits the field season to the four months of June through September. Winter snowfall is generally light. Permafrost is prevalent throughout the area.

The problems of location and climate have not prevented the Cassiar Clinton Creek operation from attaining year round production.

CLAIM DATA

The R.G. Group comprises the following 8 claims:

Claim Name	Record Number	Expiry Date
RG 1	79405	Sept. 16/71
RG 2	79413	"
RG 3	79414	"
RG 4	79415	"
RG 6	79416	"
RG 5	Y37310	July 18/71
RG 7	Y37311	"
RG 8	Y37312	"

These claims are recorded in the Dawson Mining Division, Yukon Territory on claim sheet 116-C-7. Mr. R.H.D. Philp, P. Eng., has examined the claim posts and has found them to be located in accordance with the Yukon Territory Mining Act.

GENERAL GEOLOGY

The Clinton Creek area is largely underlain by metasediments of the Lower Paleozoic or PreCambrian Yukon Group. This unit comprises quartzites, gneisses and schists with minor crystalline limestone, slates and phyllites. Locally the slates and phyllites of this assemblage have been intruded by small, generally concordant, ultrabasic plutons.

The ultrabasics, which are commonly strongly serpentinized, are the host-rocks for widespread occurrences of chrysotile asbestos. In that magnetite is a characteristic component of these rocks they have been successfully delineated by both airborne and ground magnetometer surveys.

To date the only known economic occurrence of asbestos in the area is that of the Clinton Mine. At this site chrysotile fibre associated with magnetite is developed within the lower section of a thick tabular serpentine mass. The characteristics of the magnetic anomaly associated with this orebody are essentially the same both in size and intensity as those of the anomaly covered by the RG claim block. It has been reasonably postulated that the RG property represents the faulted extension of the Clinton Creek orebody.

HISTORY OF EXPLORATION

The original R.G. claims were staked by Asbestos Corp. Ltd. in 1962 to cover an anomaly detected by airborne magnetic coverage. Subsequent field work on the ground during 1963 and 1964 consisted of geological mapping, ground

magnetometer coverage and minor trenching.

In 1967, the claims were transferred to Mr. Darrel Reinke, a prospector, who assisted in the 1962 program. Acheron Mines Ltd. (N.P.L.) acquired the claims from Mr. Reinke and partners in 1968.

During the summer of 1969 a program of exploratory work was carried out for Acheron by Agilis Exploration services Ltd. of Vancouver in accordance with the recommendations of J.A.C. Mackie, P. Eng. in his report of November 26, 1968. This work consisted of magnetic and geological surveys tied to a 200 by 50 foot grid. Vertical component magnetic readings were taken with a Sharp MF-1 Fluxgate magnetometer.

Little definitive information was obtained from the geological mapping because of the paucity of outcrop. Quartzite and slate are reported to underlie the western edge of the claim block. Scattered outcrops of serpentized peridotite plus serpentine fragments in the soil strongly suggest that most of the claimed area is underlain by ultrabasics. It should be noted that as this area was not glaciated during Pleistocene time, overburden is commonly residual. It is therefore likely that serpentine fragments found in the soil are indicative of underlying serpentine bedrock. Asbestos fibre was noted within a 10 foot thick zone of shearing on claim RG 4.

The magnetics define two areas of interest within the claim bloc. The northerly one having dimensions of 2,400 x 600 feet is interpreted to be the reflection of a southerly dipping tabular serpentine body. Geological evidence suggests that this body overlies a slate unit. These features compare favorably with those of the Clinton orebody which lies at the base of a southerly dipping serpentine mass which is underlain by argillite.

A second anomalous zone lies along what is interpreted as the serpentine-quartzite contact. It covers an area at about 1,600 x 300 feet.

CONCLUSIONS

The R.G. claim group overlies a serpentized ultrabasic mass which has magnetic and geological characteristics similar to those of the nearby Clinton asbestos orebody. Surface studies have been carried out on the property as recommended by J.A.C. Mackie in his report of November 26, 1968. The results of this work are positive and areas representing prime diamond drilling targets have been outlined.

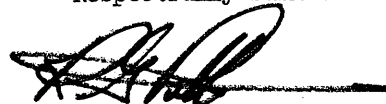
RECOMMENDATIONS

An initial 1,200 feet of diamond drilling is recommended to test this property. It is estimated that direct cost for BQ drilling in this area will be \$15.00 per foot. The cost estimate for this initial program is as follows:

1,200 feet of BQ drilling	\$18,000
Supervision & engineering	2,000
Mobilization & demobilization	3,000
Bulldozing access roads	2,000
Contingencies (20%)	<u>5,000</u>
	<u>\$30,000</u>

Should the results of this drilling prove encouraging a further \$10,000 should be immediately available to continue the program for at least another 500 feet.

Respectfully submitted



R.G. Potter, P. Eng.

March 16, 1971

SELLECTED REFERENCES

1. Christian, J.D., Western Miner April 1966, The Development of the Clinton Creek Asbestos Deposit and its Effect on the Yukon.
2. Department of Mines and Technical Surveys, (1966) Geophysics Paper 4270, Forty Mile, Yukon Territory, Sheet 116 C/7.
3. Green, L.H. and Roddick, J.A., (1962) Dawson, Larsen, Creek, and Nash Creek Map Areas, Yukon Territory: G.S.C. Paper 62-7.
4. Mackie, J.A.C. (1968) Report on the R.G. Claim Group of Acheron Mines Ltd. (N.P.L.): Unpublished report.
5. Stevenson, W.G. (1967) Geological Report on the R.G. Mineral Claims Adjoining Cassiars Clinton Creek Asbestos Deposit, Dawson Area, Yukon Territory: Unpublished report.

CERTIFICATE

I R.G. Potter, 361 Grosvenor Ave., Montreal, P.Q. do hereby certify that:

1. I am a consulting geological engineer.
2. I am a graduate of the University of British Columbia, Vancouver, British Columbia, (B.A.Sc. Geological Engineering 1961).
3. I am a registered Professional Engineer in the Province of British Columbia.
4. I have practiced my profession with Caseco Consultants Ltd., Asbestos Corporation Ltd., Mining Explorations International Ltd., and Agilis Exploration Services Ltd.
5. I have personally examined the asbestos occurrences of the now Clinton Creek mine and studied the geology of magnetically anomolous areas in the vicinity of Clinton Creek although not specifically those of the R.G. group.
6. I have not received, nor do I expect to receive any interest either directly or indirectly in the properties or securities of Falcon Explorations Ltd. (N.P.L.).

Dated at Montreal, this 16th day of March A.D. 1970.



R.G. Potter, P. Eng.

FALCON EXPLORATIONS LIMITED

(A PRIVATE COMPANY INCORPORATED UNDER THE LAWS OF BRITISH COLUMBIA)

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GUNDERSON STOKES WALTON & CO.

CHARTERED ACCOUNTANTS

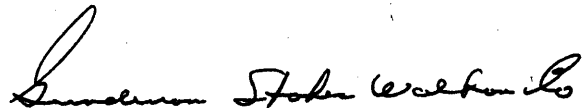
VANCOUVER - VICTORIA - PENTICTON
BRITISH COLUMBIA

AUDITORS' REPORT

To the Directors of
Falcon Explorations Limited

We have examined the balance sheet of Falcon Explorations Limited as at March 31, 1971 and the statements of exploration and development expense and source and application of working capital for the period May 20, 1969 (date of incorporation) to March 31, 1971. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the financial position of the company as at March 31, 1971 and the results of its operations and the source and application of its working capital for the period then ended in accordance with generally accepted accounting principles.



Vancouver, B. C.
April 16, 1971

Chartered Accountants

IN ASSOCIATION WITH RAYMOND CAMPBELL BELANGER WALTON CHABOT & WILLETTS
Montreal Sherbrooke Rouyn Toronto London Sarnia Edmonton Vancouver Victoria Penticton

FALCON EXPLORATIONS LIMITED

(A PRIVATE COMPANY INCORPORATED UNDER THE LAWS OF BRITISH COLUMBIA)

BALANCE SHEET AS AT MARCH 31, 1971

ASSETS

CURRENT ASSETS	
Cash	\$ 16,718.96
Deposit for exploration work	9,000.00
Due on issue of shares	<u>5.00</u>
	\$ 25,723.96
MINERAL CLAIMS (Note 1)	7,500.00
MINERAL CLAIMS UNDER OPTIONS TO PURCHASE, AT NOMINAL VALUE (Note 2)	2.00
DEFERRED EXPENSES	
Exploration and development	11,630.43
Management fee	400.00
Printing and stationery	<u>23.47</u>
	12,053.90
ORGANIZATION COSTS	<u>2,225.14</u>
	<u>\$ 47,505.00</u>

SHARE CAPITAL

AUTHORIZED	
5,000,000 shares without nominal or par value with a maximum price or consideration of \$1.00 each	
ISSUED	
400,005 shares for cash	\$ 40,005.00
<u>750,000</u> shares for mineral claims (Note 1)	<u>7,500.00</u>
	<u>\$ 47,505.00</u>
1,150,005	

APPROVED ON BEHALF OF THE BOARD

 Director

 Director

The accompanying notes to the financial statements are an integral part thereof

This is the balance sheet referred to in the accompanying report
of Gunderson Stokes Walton & Co., Chartered Accountants,
dated April 16, 1971

FALCON EXPLORATIONS LIMITED

(A PRIVATE COMPANY INCORPORATED UNDER THE LAWS OF BRITISH COLUMBIA)

STATEMENT OF EXPLORATION AND DEVELOPMENT EXPENSE

FOR THE PERIOD MAY 20, 1969 (DATE OF INCORPORATION) TO MARCH 31, 1971

ON MINERAL CLAIMS OWNED

(Vancouver Mining Division, Raza Island)

Establishment of grid system and camp,
geological mapping, geochemical soil
sampling and magnetometer survey

Property examination and engineering report

\$ 11,000.00
407.97 \$ 11,407.97

ON MINERAL CLAIMS UNDER OPTION TO PURCHASE

(Similkameen Mining Division)

Engineering report

224.46

11,632.43

Less mineral claims under option to purchase
set up at nominal value

2.00

\$ 11,630.43

The accompanying notes to the financial statements are an integral part thereof

This is the statement of exploration and development expense referred to in the
accompanying report of Gunderson Stokes Walton & Co.,
Chartered Accountants, dated April 16, 1971

FALCON EXPLORATIONS LIMITED

(A PRIVATE COMPANY INCORPORATED UNDER THE LAWS OF BRITISH COLUMBIA)

STATEMENT OF SOURCE AND APPLICATION OF WORKING CAPITAL

FOR THE PERIOD MAY 20, 1969 (DATE OF INCORPORATION) TO MARCH 31, 1971

SOURCE OF WORKING CAPITAL

Proceeds from issue of shares

\$ 40,005.00

APPLICATION OF WORKING CAPITAL

Deferred expenses

\$ 12,053.90

Organization costs

2,225.14

Mineral claims under option to
purchase, at nominal value

2.00 14,281.04

WORKING CAPITAL MARCH 31, 1971

\$ 25,723.96

The accompanying notes to the financial statements are an integral part thereof

This is the statement of source and application of working capital referred to in
the accompanying report of Gunderson Stokes Walton & Co., Chartered
Accountants, dated April 16, 1971

FALCON EXPLORATIONS LIMITED
(A PRIVATE COMPANY INCORPORATED UNDER THE LAWS OF BRITISH COLUMBIA)
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 1971

1. MINERAL CLAIMS

By agreement dated March 30, 1971 the company acquired 20 mineral claims situated in the Vancouver Mining Division of the Province of British Columbia in consideration of 750,000 fully paid and non-assessable shares in the capital stock of the company. A value of 1¢ per share was attributed to these shares and accordingly the mineral claims are recorded at \$7,500.00.

2. MINERAL CLAIMS UNDER OPTIONS TO PURCHASE

- (a) By agreement dated March 29, 1971 the company acquired the sole and exclusive option to purchase an undivided 60% interest in 32 mineral claims situated in the Similkameen Mining Division of the Province of British Columbia upon completion of the following expenditures:
- (i) \$20,000.00 as a firm commitment on exploration and development work on the claims prior to May 31, 1971, and
 - (ii) an additional \$30,000.00 at the company's option on exploration and development work on the claims prior to May 31, 1972.
- (b) By agreement dated March 30, 1971, the company acquired the sole and exclusive option to purchase an undivided 60% interest in eight mineral claims situated in the Dawson Mining Division of the Yukon Territory upon completion of the following expenditures:
- (i) \$30,000.00 as a firm commitment by drilling two diamond holes on the claims prior to December 31, 1971, whereupon the company shall earn an undivided 50% interest in the claims, and
 - (ii) an additional \$7,500.00 at the company's option by drilling an additional diamond hole on the claims prior to December 31, 1971 whereupon the company shall earn an additional undivided 10% interest in the claims.