

DEER HORN MINES LIMITED
(No Personal Liability)

014359

PROSPECTUS
~~Prospectus~~

(For filing and filed with the Ontario Securities Commission pursuant to the Securities Act (Ontario).)

1. Deer Horn Mines Limited (No Personal Liability), hereinafter for convenience referred to as "the Company" was incorporated under the Provisions of The Companies Act (Ontario) by Letters Patent dated the 7th day of December, 1950. The Head Office of the Company is situate at Room 1922, 44 King Street West, Toronto, Ontario.

2. The following are particulars of the Officers, Directors and Promoter of the Company:

(a) <u>Officers and Directors</u>	<u>Name in full and Occupation</u>	<u>Address in Full</u>
President and Director	William Henry Bouck Barrister-at-law	R. R. #1, Downsview, Ontario.
Vice-President and Director	George Arthur Fallis Barrister-at-law	210 Glencairn Ave. Toronto, Ontario.
Secretary-Treasurer	Leonard Frank Yucko Accountant	R. R. #1, Cocksville, Ontario.
Director	Clifford Victor Harrison Prospector	Burns Lake, British Columbia.
Director	Franc Renault Jobin Geologist	73 Shelburne Ave. Toronto, Ontario.
Director	John Black Aird Barrister-at-law	112 Buckingham Ave. Toronto, Ontario.
(b) <u>Promoter:</u>	Clifford Victor Harrison Prospector	Burns Lake, British Columbia.

3. Ernest F. Griffith, Esquire, Accountant, 217 Bay Street, Toronto, Ontario, is the Company's Auditor.

4. The Chartered Trust Company, 34 King Street West, Toronto, Ontario, is the Registrar and Transfer Agent of the Company.

5. The authorized capital of the Company is divided into 3,000,000 shares of the par value of \$1.00 each whereof 750,005 shares all fully paid up and non assessable, have been allotted and issued.

6. The Company has not created or issued any debentures nor does it propose to do so.

7. Certificates representing 675,000 shares of the Company's capital are presently escrowed with The Chartered Trust Company, 34 King Street West, Toronto, Ontario, subject as to release, pledge, transfer or other dealing only with the consent of The Ontario Securities Commission and the Board of Directors of the Company; provided that all shares from time to time released from escrow shall be apportioned pro rata among the registered holders thereof.

8. Particulars as to the shares sold are as follows:

5 shares at \$1.00 each \$ 5.00

No commissions were paid or are payable in respect of such subscriptions.

9. No securities of the Company other than the shares mentioned in the preceding paragraph hereof, have been sold for cash to the date of this Prospectus.

10. Particulars of mining lands and/or interests owned by the Company are as follows:

The Company owns 26 surveyed mineral claims and 4 fractions of claims in the Province of British Columbia of which 20 claims and 2 fractions are Crown granted and the remaining claims are held through location rights, all in the Omineca Mining Division in the Province of British Columbia. The claims form a compact group situate on the north shore of Lindquist Lake in the Tweedsmuir Park Area and the Hydro Power Reserve Area recently granted to the Aluminum Company of Canada. The said claims were purchased by Joseph H. Hirshhorn in July, 1950 from Clifford V. Harrison, B. R. Harrison, W. H. Harrison and Franc R. Joubin for a total consideration of \$50,000.00 and 350,000 shares of a Company to be formed. \$10,000.00 cash was paid at the time Mr. Hirshhorn purchased the claims. The claims were sold by Mr. Hirshhorn to the Company in January, 1951 for a consideration of \$40,000.00 being the balance of the purchase price to the original vendors and a total of 750,000 shares of the Company's capital stock. The said \$40,000.00 was payable \$10,000.00 by the 3rd of July, 1951, \$10,000.00 by the 3rd of July, 1952, \$10,000.00 by the 3rd of July, 1953 and the remaining \$10,000.00 by the 3rd of July, 1954. The payments due in July of 1951 and 1952 have been made and the balance owing to the original vendors is \$20,000.00.

11. The 750,000 shares referred to above were issued as follows:

Joseph H. Hirshhorn	75,000	free	shares
Clifford V. Harrison	116,666	pooled	shares
B. R. Harrison	66,667	"	"
W. H. Harrison	66,667	"	"
Franc R. Joubin	100,000	"	"
Joseph H. Hirshhorn	325,000	"	"

12. The lands owned by the Company described in paragraph 10 hereof are in the Tweedsmuir Park Area on the north shore of Lindquist Lake, Omineca Mining Division of British Columbia and are accessible by water and air. Reference is had to the report of Paul E. Young, Mining Engineer of Toronto, dated the 19th day of February, 1953, which is attached hereto and forms part of this Prospectus as to the topography of the area, its physical features, general geology and work already done thereon and contemplated. A very considerable amount of work has been done on the property in the nature of prospecting, surface trenching, sampling and diamond drilling. There is situate on the property a log cabin and tent accommodation. The Company has obtained as part of its purchase price, buildings, certain machinery and equipment and the benefit of all previous development work including Engineers' maps and data. Since incorporation the Company has done surveying, prospecting and exploration work. It is proposed to do diamond drilling to explore the known veins and zones and as soon as funds are available to undertake the development by adit and lateral work of the main vein and contact zone. Subsequent work will depend largely on the results obtained and the funds available. The company will receive immediately from the sale of treasury shares \$105,000.00 which will be more than sufficient to pay its present loans, the balance owing on the purchase of the property and leave \$30,000.00 in the treasury. It is anticipated that further shares will be purchased under the

option, but it is to be borne in mind that the agreement between the Company and E. H. Pooler & Company Limited hereinbefore mentioned is a firm commitment only for 650,000 shares netting the treasury \$105,000.00 and that the balance is by way of option to purchase treasury shares and there is no obligation upon the optionees to purchase any of these shares.

13. By an agreement in writing dated the 12th day of February, 1953 the Company entered into an agreement with E. H. Pooler & Company Limited for the firm sale to that Company of 250,000 shares of treasury stock at 10¢ per share, 200,000 treasury shares at 15¢ per share and 200,000 treasury shares at 25¢ per share to be taken up and paid for, the purchase price to be paid within five days from the effective date, and granted to E. H. Pooler & Company Limited the option to purchase 200,000 shares or any part thereof at 30¢ per share within 4 months from the effective date; 200,000 shares or any part thereof at 40¢ per share within 8 months from the effective date; 400,000 shares or any part thereof at 50¢ per share within 12 months from the effective date thereof; 400,000 shares or any part thereof at 60¢ per share within 16 months from the effective date thereof; 200,000 shares or any part thereof at 75¢ per share within 20 months from the effective date thereof and 200,000 shares or any part thereof at \$1.00 per share within 24 months from the effective date thereof. The only persons owning more than a 5% interest in E. H. Pooler & Company Limited are E. H. Pooler, E. R. Pooler, Evelyn I. Pooler and E. J. Blowing. There are no other options or rights outstanding and there are no sub-options or sub-underwriting agreements to the knowledge of the signatories hereto. There is no known agreement with respect to the sale of any vendors shares with the exception of S. R. Harrison, C. V. Harrison and W. H. Harrison who have each sold to J. H. Hirshhorn 16,667 pooled shares which are to be transferred in pool. Vendors shares may be sold hereafter at the current market price, but the proceeds from the sale thereof does not go into the treasury of the Company.

14. Upon default by E. H. Pooler & Company Limited in taking up and paying for the optioned shares or any part thereof within the times herebefore stipulated, and such default continuing for 10 days after the Company shall have delivered to E. H. Pooler & Company Limited a written notice specifying the default complained of, the option aforesaid, insofar as the same has not theretofore been exercised, shall terminate and all rights of E. H. Pooler & Company Limited thereunder shall cease save only the right to delivery of certificates for all shares paid for prior to termination. The Company undertakes in the event of default to file with the Commission an amendment to this Prospectus within 20 days of such default if primary distribution of its shares is then in progress. E. H. Pooler & Company Limited will sell the shares herein referred to as principal at the current market price.

15. No indebtedness is to be created or assumed which is not shown on the Balance Sheet filed herewith as of the 31st day of December, 1952, hence no security has been or is to be given in respect of any indebtedness.

16. Particulars as to the business which each director and officer has been engaged in are as follows:

The effective date is the 17th day of April, A. D. 1953.

William H. Bouck is a member of the firm of Bouck, Hetherington & Fallis, 10 Adelaide Street East, Toronto, Barristers and Solicitors.

George Arthur Fallis is a member of the firm of Bouck, Hetherington & Fallis, 10 Adelaide Street East, Toronto, Barristers and Solicitors.

Leonard Frank Yusko is an Accountant and is Secretary of Anglo-Rouyn Mines Limited, Toronto, Ontario.

Clifford Victor Harrison is a prospector chiefly engaged in the Province of British Columbia.

Franc Renault Joubin is a Mining Geologist presently employed by Technical Mine Consultants Limited, Toronto, Ontario.

John Black Aird is a member of the firm of Edison, Aird & Berliss, 80 Richmond Street West, Toronto, Barristers and Solicitors.

All of the said Directors and Officers have been employed or engaged in their respective professions or businesses over 3 years.

17. None of the said Directors was interested, directly or indirectly either personally or as a member of a firm in the properties acquired by the Company excepting Franc R. Joubin and Clifford V. Harrison, two of the original vendors thereof.

18. No remuneration has been or will be paid to any Director or Officer as such. The Secretary will be paid a salary consistent with his duties and time employed; such salary will not exceed \$100.00 per month.

19. No dividends have as yet been paid.

20. J. H. Hirshhorn is in a position by reason of ownership of shares in the capital stock of the Company to elect or cause to be elected a majority of the directors of the Company. The Company knows of no agreement in writing to elect or cause the election of a majority of the directors of the Company.

DATED at Toronto, in the Province of Ontario this 23rd day of February, A. D. 1953.

The foregoing constitutes full, true and plain disclosure of all material facts in respect of the offering of securities referred to above as required by Section 38 of The Securities Act (Ontario) and there is no further material information applicable other than in the financial statements or reports where required.

Promoter:

"C. V. HARRISON"
C. V. Harrison

Directors and Officers:

"W. H. BOUCK"
W. H. Bouck

"G. A. FALLIS"
G. A. Fallis

"L. F. YUSKO"
L. F. Yusko

"C. V. HARRISON"
C. V. Harrison

"F. R. JOUBIN"
F. R. Joubin

"J. B. AIRD"
J. B. Aird

887-0916

The foregoing, to the best of our knowledge, information and belief constitutes, full, true and plain disclosure of all material facts in respect of the offering of securities referred to above as required under Section 33 of The Securities Act (Ontario), and there is no further material information applicable other than in the financial statements or reports where required. In respect of matters which are not within our knowledge, we have relied upon the accuracy of the foregoing.

Underwriters

E. H. POOLER & COMPANY LIMITED

"E. H. POOLER"

President

"E. R. POOLER"

Secretary

CERTIFICATE

I, Paul E. Young, of Toronto, in the Province of Ontario, hereby certify:

1. That I am a Mining Engineer, with business address at 1928 - 44 King Street East, Toronto, Ontario.
2. That I graduated from the Michigan College of Mining and Technology with a degree of B.S. in mining, in 1931, and have been practicing my profession continuously since that time.
3. That I have no direct or indirect interest whatsoever, nor do I expect to receive any, in the holdings of Deer Horn Mines Limited, or in the securities thereof.
4. That the accompanying report is not based upon my personal examination of the Company's property, but is based upon a study of all available engineering reports and geological reports and maps concerning the property and work which has been performed upon it.

DATED AT Toronto, Ontario, this 19th day of February, 1953.

Paul E. Young, E.St.,
Professional Engineer (Ontario)

DEER HORN MINES LIMITED

OMINECA MINING DIVISION, BRITISH COLUMBIA

PROPERTY AND TITLE

<u>Claim Name</u>	<u>Lot No.</u>		<u>Claim Name</u>	<u>Lot No.</u>	
Harrison No. 1	3002	Crown-Granted	Telluride No. 1	3014	
" " 2	3004	" "	" " 2	3012	
" " 3	2999	" "	" " 3Fr	3015	
" " 4	3003	" "	" " 4	3016	
" " 5	3005	" "	" " 5	3017	
" " 6	3013	" "	" " 6Fr	3018	
" " 7	2997	" "	" " 7	3000	
" " 8	2998	" "	" " 8	3001	
" " 12	3006	" "			
" " 13	3010	" "	Wedge Fraction	3007	Crown-Granted
" " 21	3020	" "			
" " 22	3021	" "	A. E. Fraction	3011	Crown-Granted
" " 23	3009	" "			
" " 24	3008	" "			
" " 25	3019	" "			
" " 26	3025	" "			
" " 27	3024	" "			
" " 28	3022	" "			
" " 29	3026	" "			
" " 30	3023	" "			

Title to the property, through location rights, is held by:

Deer Horn Mines Limited,
1922-44 King Street West,
Toronto, Ontario.

LOCATION AND ACCESS

The above-named claims and fractions form a compact group, situated on the north shore of Lindquist Lake, Omineca Mining Division, British Columbia.

The property lies in the Tweedsmuir Park area and also in the Hydro-power Reserve area recently granted to the Aluminum Company of Canada. Neither of these reserve regulations, it is believed, would impose restrictions on mining operations.

The best present route into the property is by air, but it is also accessible by water.

The Aluminum Company of Canada in their development of they hydro-electric power resources of this area (Kitimat project) intend to flood the area between the present highway and property. This will create a single navigable sheet of water from the present highway to the property. Such a development would make transportation to the Harrison property a relatively simple matter.

GENERAL INFORMATION

Water

There is an ample supply of water for all major requirements in Lindquist Lake which is two square miles in area. Small creeks on the property provide limited sources of water for domestic, mining and drilling requirements.

Timber

There is an ample supply of excellent timber on the property, along the north-east shore of Lindquist Lake, between elevations of 3,000 and 3,500 feet. It includes spruce, balsam and some fir and cedar.

Accommodation

There is a log-cabin and tent accommodation on the property suitable for a crew of 20 men. This camp is completely equipped with furnishings and tools to accommodate a crew of 20.

GENERAL GEOLOGY

Rock Types and Structures

The area of the Harrison property, near the eastern flank of the Coast Range Batholith, is underlain by Hazelton Group volcanics and sediments of probable Jurassic age. These bedded rocks are cut by diorite and quartz diorite masses which are now sheared to a shreddy texture. The diorite rock is in turn cut by fresh-looking, pink-coloured, in places pegmatitic, granite.

The above rock assemblage is much faulted with measurable horizontal offsets up to eight hundred feet or more.

The mineral deposits of the area include zones of sphalerite-galena-pyrrhotite mineralization in the sediments and tuffs; quartz veins containing gold and silver values in the diorite sediments and granite and some scheelite bearing lime silicate zones in the sediments.

MINERAL SHOWINGS

Work performed on the property to date has consisted of prospecting, surface trenching, sampling and diamond drilling. Prospecting resulted in the discovery of two gold-silver bearing structures called the "Main Vein" and the "Contact Zone", and a tungsten lode.

The two gold-silver structures have been partially explored by diamond drilling but no exploration work of this nature has been done on the tungsten occurrence. A summary of results obtained from all work completed on the Company's property to the end of 1952 follows:-

Main Vein (Strike - East West
Dip - 20 to 45° North)

Known Length - 2580 feet plus
Explored Length (surface) - 1220 feet
" " (drilling) - 1550 feet

Grade indicated to date (surface sampling) 1075 feet,
average width 9.51 feet averaging 0.255 ozs. gold
per ton, 6.34 ozs. silver per ton, with indications
of appreciable zinc values.
Tonnage indicated (surface sampling) 818 tons per slope
foot.
Grade indicated (diamond drilling) 600 foot length,
average width 11.2 feet, averaging 0.283 ozs. gold
per ton and 8.3 ozs. silver per ton.
Tonnage indicated (diamond drilling) 538 tons per slope
foot.
Possible extensions - Easterly extension not probable.
Westerly extension - open.
Depth extension - appears to ter-
minate at Contact Vein, limiting
slope depth on Main Vein to between
130 and 250 feet.

Only 1220 feet of the 2580 known strike length of
the Main Vein has been explored by surface trenching, of which
145 feet of length was found to be low grade. Diamond drilling
has tested only 1550 feet of the 2580 foot strike length.

Contact Zone

Tested only by diamond drilling.
Length explored by drilling - 950 feet.
Grade indicated by drilling - 725 foot strike length,
Averaging 8.7 feet in width containing 0.407 ozs.
gold per ton, 12.24 ozs. silver per ton (gross value
\$25.26) and indications of appreciable zinc values.
Tonnage indicated to date - 505 tons per slope foot.
Maximum slope depth tested - 175 feet.
Possible Extensions - Westerly extension - open
Easterly extension - most easterly
hole got no values - extension may
be faulted and more exploration re-
quired.
Depth extension - open, with no
indication of termination.

Tungsten Showing

Showing consists of a large talus slide, containing
considerable scheelite; within the area of the talus
several outcrops of similar material occur.
Dimensions of talus slide - 1590 feet long by 172.6 feet
wide.

CONCLUSIONS

The property is one of exceptional merit, and one
on which a large exploration and development program is warren-
ted.

An appreciable tonnage of gold-silver ore has been
indicated in two structures by work to date. There are indi-
cations that these two veins contain, also, sufficient zinc to
enhance the overall value of the material. It is reasonable
to expect that further exploration will increase the indicated
ore tonnages substantially.

The two gold-silver bearing structures and the
scheelite deposit are so situated that they can all be partially
developed, underground, by lateral work from one centrally
located adit site. Such underground work is the logical next
step in the development of this property.

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RECOMMENDATIONS

I recommend that a large scale exploration and development program be started on this property in the spring, as soon as weather conditions permit.

The proposed program would consist of :

(1) 5000 feet of diamond drilling to further explore the "Main Vein" and "Contact Zone" extensions\$50,000

(2) Underground development by adit and lateral work to explore the "Main Vein", the "Contact Zone" and the Tungsten Showing at one horizon. It is estimated that a program of this nature, including purchase of equipment, construction of the necessary roads, and including the proposed underground work would cost approximately.....\$250,000

Total Proposed Expenditures.....\$300,000

February 19, 1953,
Toronto, Ontario.

Paul E. Young, P. Eng. (Ontario)

A S S E T S

Cash in Bank (Toronto)	4,889.31	
Cash in Bank (Burns Lake, B.C.)	2.63	4,889.34
<u>Properties (At Cost) (See Note "A")</u>		
20 Claims (Crown Granted)		
6 Fractions (Crown Granted)		
2 Claims (Not Crown Granted)		
2 Fractions (Not Crown Granted)		
Quebec Mining Division, Province of British Columbia	750,000.00	
(Subject to payment of \$10,000.00 July, 1953, and \$10,000.00 one year later)		
<u>Buildings (Replacement Cost) (See Note "B")</u>	5,000.00	
<u>Machinery & Equipment (At Cost)</u>	897.46	755,897.46
<u>Development & Exploration</u>		
From Previous Operator (See Note "C")	35,000.00	
Diamond Drilling	1,163.88	
Surface Exploration	15,037.03	
Surveying for Patents	8,175.75	
Field Administration	3,836.66	
General & Administration	1,201.70	64,455.02
<u>Organization Expense</u>		4,000.00
		<u>829,241.92</u>

L I A B I L I T I E S & C A P I T A L

Loans Payable	55,000.00	
Balance Due Against Property	20,000.00	
Accounts Payable	4,236.92	79,236.92
<u>CAPITAL</u>		
Authorized - 3,000,000 Shares Par Value \$1.00 per Share		
Issued - 750,000 Shares for Property	750,000.00	
5 " " Cash	5.00	750,005.00
	<u>750,005</u>	

Notes:

E. H. Pooler & Co. Limited has underwritten 650,000 shares for \$105,000.00 cash to the Treasury of the Company to be paid within five days from the effective date of the Agreement as set out in the Prospectus.

E. H. Pooler & Co. Limited has also been granted options on an additional 1,600,000 shares of Treasury Stock at prices ranging from 30¢ to \$1.00 per share.

829,241.92

Notes "A", "B" and "C"

According to an Agreement dated Jan. 2nd, 1951, the Company bought properties and previous Development work for the sum of \$40,000.00 and 750,000 shares of the Company's Capital Stock. Allocation made by the Directors and Engineers is as follows:

"A" Properties - \$750,000.00 which is satisfied by an issuance of 750,000 shares of the Company's stock valued \$1.00 par.

"B" Buildings - Cash to be paid for replacement cost, \$5,000.00

"C" Development - \$35,000.00 (this amount represents payments made and to be made to the vendors for results of work previously done on the property, i.e., diamond drill cores and logs, engineering data and maps etc.)

APPROVED "L. F. YUSKO"
Director

APPROVED "W. H. BUCK"
Director

C E R T I F I C A T E

I report having audited the books and records of the Company from inception to December 31st, 1952, and all my requirements as Auditor have been complied with. I certify that, in my opinion, the above Balance Sheet has been drawn up so as to clearly reflect the true financial position of the Company as at December 31st, 1952, according to the explanations given to me and as shown by the books of the Company.

Toronto, Ontario,
March 9, 1953

"E. F. GRIFFITH"
Accountant.

DEER HORN MINES LIMITED
(No Personal Liability)

ABSTRACT OF EXPENSES

From Inception of Company to December 31st, 1952

Surface Diamond Drilling	1,153.88
Surface Exploration & Prospecting	15,067.03
Surveying for Patents	8,175.75

Field Administration

Salaries	2,147.80	
Assaying	780.84	
Workmen's Compensation	287.81	
Mapping and Engineering	223.62	
Taxes & Licenses	143.00	
Telephone & Telegraph	126.96	
General Field Office	67.02	
Unemployment Insurance	35.29	
Transportation Field Supplies	15.83	
Insurance	8.50	3,836.66

General Administration

Head Office Expenses	726.12	
Management & Engineering Fees	300.00	
Bank Charges	63.15	
Advertising	38.88	
Taxes & Licenses	20.00	
General Expenses	20.11	
Donations	15.00	
Legal	12.50	
Printing & Stationery	64	1,201.70

29,455.02

Development Expenses

35,000.00

64,455.02

Gold-Silver-Tungsten

File under gold - B.C.
DEER HORN MINES LIMITED
(No Personal Liability)



Prospectus

(For filing and filed with the Ontario Securities Commission pursuant to the Securities Act (Ontario).)

MAY 31 1954

1. Deer Horn Mines Limited (No Personal Liability), hereinafter for convenience referred to as "the Company" was incorporated under the provisions of The Companies Act (Ontario) by Letters Patent dated the 7th day of December, 1950. The Head Office of the Company is situate at Room 1922, 44 King Street West, Toronto, Ontario.

2. The following are particulars of the Officers, Directors and Promoter of the Company:

<u>(a) Officers and Directors</u>	<u>Name in full and Occupation</u>	<u>Address in Full</u>
President and Director	William Henry Bouck Barrister-at-law	R.R. # 1, Downsview, Ontario
Vice-President and Director	George Arthur Fallis Barrister-at-law	210 Glencairn Ave. Toronto, Ontario
Secretary-Treasurer	Frederick Douglas Redfern Chartered Secretary	370 Walmer Rd. Toronto, Ontario
Director	Clifford Victor Harrison Prospector	Burns Lake, British Columbia
Director	Franc Renault Joubin Geologist	101 Donwoods Dr. Toronto, Ontario
Director	John Black Aird Barrister-at-law	112 Buckingham Ave. Toronto, Ontario
<u>(b) Promoter</u>	Clifford Victor Harrison Prospector	Burns Lake, British Columbia

3. Ernest F. Griffith, Esquire, Accountant, 217 Bay Street, Toronto, Ontario, is the Company's Auditor.

4. The Chartered Trust Company, 34 King Street West, Toronto, Ontario, is the Registrar and Transfer Agent of the Company.

5. The authorized capital of the Company is divided into 3,000,000 shares of the par value of \$1.00 each whereof 1,860,005 shares all fully paid up and non assessable, have been allotted and issued.

6. The Company has not created or issued any bonds or debentures nor does it propose to do so.

7. Certificates representing 675,000 shares of the Company's capital are presently escrowed with The Chartered Trust Company, 34 King Street West, Toronto, Ontario, subject as to release, pledge, transfer or other dealing only with the consent of The Ontario Securities Commission and the Board of Directors of the Company; provided that all shares from time to time released from escrow shall be apportioned pro rata among the registered holders thereof.

8. Particulars as regards shares sold for cash are as follows:

5 shares at \$1.00 each	.....	\$ 5.00
250,000 shares at .10 each	.....	25,000.00
200,000 shares at .15 each	.....	30,000.00
200,000 shares at .25 each	.....	50,000.00
25,000 shares at .40 each	.....	10,000.00
60,000 shares at .75 each	.....	45,000.00
200,000 shares at .30 each	.....	60,000.00
175,000 shares at .40 each	.....	70,000.00

CERTIFICATE

I, Paul E. Young, of Toronto, in the Province of Ontario, hereby certify:

1. That I am a Mining Engineer, with business address at 1922 - 44 King Street West, Toronto, Ontario.
2. That I graduated from the Michigan College of Mining and Technology with a degree of B.Sc. in mining, in 1931, and have been practicing my profession continuously since that time.
3. That I have no direct or indirect interest whatsoever, nor do I expect to receive any, in the holdings of Deer Horn Mines Limited, or in the securities thereof.
4. That the accompanying reports are based upon my personal knowledge of the Company's properties and upon a study of all available engineering reports, and geological reports and maps concerning the properties.

DATED AT Toronto, Ontario, this 12th day of March, 1954.

" Paul E. Young "

Paul E. Young, B.Sc.
Professional Engineer, (Ontario)

REPORT ON PROPERTY OF

DEER HORN MINES LIMITED

OMINECA MINING DIVISION, BRITISH COLUMBIA

PROPERTY AND TITLE

<u>Claim Name</u>	<u>Lot No.</u>		<u>Claim Name</u>	<u>Lot No.</u>
Harrison No. 1	3002	Crown-Granted	Telluride No. 1	3014
" " 2	3004	" "	" " 2	3012
" " 3	2999	" "	" " 3 Fr.	3015
" " 4	3003	" "	" " 4	3016
" " 5	3005	" "	" " 5	3017
" " 6	3013	" "	" " 6 Fr.	3018
" " 7	2997	" "	" " 7	3000
" " 8	2998	" "	" " 8	3001
" " 12	3006	" "		
" " 13	3010	" "	Wedge Fraction	3007 Crown-Granted
" " 21	3020	" "		
" " 22	3021	" "	A. E. Fraction	3011 Crown-Granted
" " 23	3009	" "		
" " 24	3008	" "	Four additional claims were	
" " 25	3019	" "	staked and recorded during 1953;	
" " 26	3025	" "	the claim names are:	
" " 27	3024	" "		
" " 28	3022	" "	Round No. 1	
" " 29	3026	" "	" " 2	
" " 30	3023	" "	" " 3	
			" " 4	

Title to the property, through location rights,
is held by:

Deer Horn Mines Limited,
1922 - 44 King Street West,
Toronto, Ontario.

LOCATION AND ACCESS

The above-named claims and fractions form a compact group, situated on the north shore of Lindquist Lake, Omineca Mining Division, British Columbia.

The property lies in the Tweedsmuir Park area and also in the Hydro-power Reserve area recently granted to the Aluminum Company of Canada. Neither of these reserve regulations, it is believed, would impose restrictions on mining operations.

The best present route into the property is by air, but it is also accessible by water.

The Aluminum Company of Canada in their development of their hydro-electric power resources of this area (Kitimat project) intend to flood the area between the present highway and property. This will create a single navigable sheet of water from the present highway to the property. Such a development would make transportation to the Harrison property a relatively simple matter.

PHYSICAL FEATURES

Water

There is an ample supply of water for all major requirements in Lindquist Lake which is two square miles in area. Small creeks on the property provide limited sources of water for domestic, mining and drilling requirements.

Timber

There is an ample supply of excellent timber on the property, along the north-east shore of Lindquist Lake, between elevations of 3,000 and 3,500 feet. It includes spruce, balsam and some fir and cedar.

Accommodation

There are two log-cabins and tent accommodation on the property suitable for a crew of 30 men. These camps are completely equipped with furnishings and tools to accommodate a crew of 30. One log cabin is located on the north shore of Lindquist Lake, and the second one is halfway between Lindquist Lake and the proposed adit portal.

GENERAL GEOLOGY

Rock Types and Structures

The area of the Harrison property, near the eastern flank of the Coast Range Batholith, is underlain by Hazelton Group volcanics and sediments of probable Jurassic age. These bedded rocks are cut by diorite and quartz diorite masses which are now sheared to a shreddy texture. The diorite rock is in turn cut by fresh-looking, pink-coloured, in places pegmatitic, granite.

The above rock assemblage is much faulted with measurable horizontal offsets up to eight hundred feet or more.

The mineral deposits of the area include zones of sphalerite-galena-pyrrhotite mineralization in the sediments and tuffs; quartz veins containing gold and silver values in the diorite sediments and granite and some scheelite bearing lime silicate zones in the sediments.

MINERAL SHOWINGS

Work performed on the property to date has consisted of prospecting, surface trenching, sampling and diamond drilling. Prospecting resulted in the discovery of two gold-silver bearing structures called the "Main Vein" and the "Contact Zone", and a tungsten lode.

The two gold-silver structures have been partially explored by diamond drilling but no exploration work of this nature has been done on the tungsten occurrence. A summary of results obtained from all work completed on the Company's property to the end of 1952 follows:-

Main Vein

(Strike - East West
Dip - 20 to 45° North)

Known Length - 2580 Feet plus
Explored Length (surface) - 1220 feet
" " (drilling) - 1550 feet

Grade indicated to date (surface sampling) 1075 feet, average width 9.51 feet averaging 0.255 ozs. gold per ton, 6.34 ozs. silver per ton, with indications of appreciable zinc values.

Tonnage indicated (surface sampling) 818 tons per slope foot.

Grade indicated (diamond drilling) 600 foot length, average width 11.2 feet, averaging 0.283 ozs. gold per ton and 8.3 ozs. silver per ton.

Tonnage indicated (diamond drilling) 538 tons per slope foot.

Possible extensions - Easterly extension not probable.
Westerly extension - open.
Depth extension - appears to terminate at Contact Vein, limiting slope depth on Main Vein to between 130 and 250 feet.

Only 1220 feet of the 2580 known strike length of the Main Vein has been explored by surface trenching, of which 145 feet of length was found to be low grade. Diamond drilling has tested only 1550 feet of the 2580 foot strike length.

Contact Zone

Tested only by diamond drilling.

Length explored by drilling - 950 feet.

Grade indicated by drilling - 725 foot strike length, averaging 8.7 feet in width, containing 0.407 ozs. gold per ton, 12.24 ozs. silver per ton (gross value \$25.26) and indications of appreciable zinc values.

Tonnage indicated to date - 505 tons per slope foot.

Maximum slope depth tested - 175 feet.

Possible extensions - Westerly extension - open.
Easterly extension - most easterly hole got no values - extension may be faulted and more exploration required.
Depth extension - open, with no indication of termination.

Tungsten Deposit (Main)

Showing consists of a large talus slide, in which occurs several outcrops of similar material.

Dimensions of talus slide - 1590 feet long by 172.6 feet wide.

Tonnage talus material - 21,100 tons per vertical foot.

Grade of talus material - 0.35% WO₃

Surface sampling in one trench across a total length of 125 feet indicated a WO₃ content of 1.20%.

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Work Completed During 1953

A mining plant was purchased in early 1953 to be used in the underground exploration of the "Main Vein", the "Contact Zone" and the "Tungsten Zone". This plant was moved by barge to the west end of Whitesail Lake on about August 1st.

Construction of a six-mile road, from the west end of Whitesail Lake to the proposed adit portal was started on August 20th, and continued until mid-October, when heavy rains and snows compelled suspension of work. Approximately three and a half miles of road had been completed when work was stopped.

Three diamond drill holes were completed during the season to test the downward and westward continuation of the "Contact Zone", beyond the limits previously explored by drilling. The first two holes, Nos. 30-101 and 30-102 were drilled to intersect the downward continuation of good gold-silver values cut in previous drill holes 28, 29, 31 and 33. Both holes intersected vein zones; one intersection in Hole 30-102 assayed 0.68 ozs. gold per ton and 23.0 ozs. silver per ton across a core length of 4.2 feet. The third hole, No. 30-103, located 450 feet west and 250 feet north of Hole 30-102 overshot the "Contact Zone" and was drilled in footwall rocks throughout its length. Thus, one drill hole completed during 1953 extended the "Contact Zone" down dip some 200 feet with excellent gold-silver values intersected at the proposed adit horizon, and one drill hole intersected vein material containing low gold-silver values. The third hole failed to intersect the westward continuation of the "Contact Zone".

An earlier start can be made on the field program in 1954 to take full advantage of the short season. The most difficult portion of the road has been completed. Mining machinery is on the property, a complete diamond drill rig is on the location where drilling will be started, and a Base Camp, 25 feet x 40 feet, built in 1953 on the north shore of Lindquist Lake, is fitted and equipped for commencement of operations. Thus, most of the time consuming preliminary preparations will be eliminated in 1954. It is anticipated that diamond drilling and road construction can be started in June, and that the underground program can be started as soon as the road to the adit site has been completed, probably in late July or early August.

CONCLUSIONS

The property is one of exceptional merit, and one on which a large exploration and development program is warranted.

An appreciable tonnage of gold-silver ore has been indicated in two structures by work to date. There are indications that these two veins contain, also, sufficient zinc to enhance the overall value of the material. It is reasonable to expect that further exploration will increase the indicated ore tonnages substantially.

The two gold-silver bearing structures and the scheelite deposit are so situated that they can all be partially developed, underground, by lateral work from one centrally located adit site. Such underground work is the logical next step in the development of this property.

" Paul E. Young "

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March 12th, 1954,
Toronto, Ontario.