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Form 12

Securities Act

Date Accepted For Filing 3rd October 1977

SUPERINTENDENT OF BROKERS
AND
VANCOUVER STOCK EXCHANGE
VANCOUVER CURB EXCHANGE

[Handwritten signature]
↓
[Handwritten signature] (Uranium Property)
↓
[Handwritten signature] (Massive Sulphide Property near Houston)

MAIL →

STATEMENT OF MATERIAL FACTS

VANCOUVER STOCK EXCHANGE

Name of Exchange

MID MOUNTAIN MINING LTD.

Name of Issuer

506 - 540 Burrard Street, Vancouver, B. C.

Address of Head Office of Issuer

1700 - 777 Hornby Street, Vancouver, B. C.

Address of Registered Office of Issuer

1700 - 777 Hornby Street, Vancouver, B. C.

Address of Records Office (Section 38 - Companies Act)

Guaranty Trust Company of Canada, 540 Burrard Street, Vancouver, B. C.

Name & address of Registrar & Transfer Agent for Issuer's shares in British Columbia.

93L009(7E) -05
PROPERTY FILE PROSPECTUS
GOLD BRICK

Neither the Superintendent of Brokers nor the Vancouver Stock Exchange/Vancouver Curb Exchange has in any way passed upon the merits of the securities offered hereunder and any representation to the contrary is an offence.

1. DETAILS OF THE CIRCUMSTANCES RELATING TO THE OFFERING OF SECURITIES.

New Offering

Pursuant to an Underwriting Agreement dated 7th September 1977, Canarim Investment Corporation Ltd. of #1350 - 409 Granville Street, Vancouver, British Columbia, and Jones, Gable & Company Ltd. of 101 - 535 Thurlow Street, Vancouver, British Columbia, each as to 50% (the "Underwriters"), agreed to underwrite 200,000 shares of Mid Mountain Mining Ltd. (the "Issuer") at \$0.25 per share to net the Issuer \$50,000.00, and were granted an option, each as to 50%, to purchase 200,000 shares at \$0.30 per share exercisable 90 days after acceptance of this Statement of Material Facts by the Vancouver Stock Exchange and the Superintendent of Brokers for British Columbia. The shares underwritten will be for primary distribution to the public in British Columbia at the market price at the time of offering through the facilities of the Vancouver Stock Exchange.

There are no sub-underwriting agreements or sub-option agreements. To the knowledge of the signatories only the contracting Underwriters have any interest, direct or indirect, in the underwritten and optioned shares.

The Underwriters, subject to the By-Laws of the Vancouver Stock Exchange, may also make purchases and sales of the shares of the Issuer for the purpose of maintaining an orderly market for the shares of the Issuer and to assist in the distribution of the offered shares.

The closing bid price for the shares of the Issuer on the last trading day prior to the date of the Certificates of this Statement of Material Facts was \$0.25 per share and therefore underwritten shares are being purchased at a discount of \$0.00 per share from that price.

The range of the market price of the shares of the Issuer and the volume of sales for each of the four weeks immediately preceding the Effective Date of this Statement of Material Facts on the Vancouver Stock Exchange, being the only Exchange on which the shares of the Issuer are listed, is as follows:

<u>Week</u>	<u>Market Range</u>	<u>Volume</u>
August 29 - September 2	24 - 25	2,500
September 5 - September 9	-----	No trades
September 12 - September 16	-----	No trades
September 19 - September 23	21 - 24	700

No payments in cash, securities or other consideration have been made or are to be made to any promoter, finder or other person or company in connection with this offering.

11. PARTICULARS OF THE COST OF PROPERTIES
ACQUIRED BY THE ISSUER OR ANY SUBSIDIARY
THEREOF WITHIN THE PAST THREE YEARS OR
PROPOSED TO BE ACQUIRED BY THE ISSUER
OR ANY SUBSIDIARY THEREOF

(a) Bob Creek Property, Omineca Mining
Division, Houston, British Columbia

(i) New Buck Mineral Claim

Harold S. Eisler, an insider of the Issuer, by Letter of Intent dated May 25th, 1976, which was reduced to a formal Agreement dated February 17, 1977, as amended August 5th, 1977, acquired from Lorne Hansen of Ahousat, B.C., and Gordon S. Creech of 55 Albert Street, Kamloops, B.C., the option to purchase the New Buck Mineral Claim, Record No. 316, consisting of 20 Units, situate in the Omineca Mining Division near Houston, B.C. Mr. Eisler has by an Assignment dated June 30th, 1977, assigned to the Issuer all interest in the Option on the New Buck Mineral Claim for the sum of \$11,500.00 as approved by members of the Issuer at an Extraordinary General Meeting held on 27th June 1977.

The terms of the Option Agreement with Messrs. Creech and Hansen provide for a purchase price of \$1,000,000.00 inclusive of a \$2,000.00 deposit paid by Mr. Eisler, and further provide that in order to maintain the option in good standing further option payments, all of which will apply against the purchase price, are to be made as follows:

\$3,000.00 on or before August 31, 1977, or within 30 days thereafter;

\$5,000.00 on or before June 20, 1978, or within 30 days thereafter;

\$10,000.00 on or before June 20, 1979, or within 30 days thereafter;

and following the giving of notice to the Vendors, Messrs. Creech and Hansen, on or before June 20th, 1980, that it is intended

to mine the Bob Creek Claims and put them into production the option may be extended by paying or causing to be paid to the Vendors for each and every short ton of milling ore which is mined for milling from the Bob Creek Claims, a royalty payment equal to 5 cents per short ton of milling ore mined and milled if the plant is in excess of 350 tons per day capacity or, in the alternative, if the mill is less than 350 tons per day capacity, payment of an aggregate minimum royalty of \$5,000.00 for each 12-month period of the option term, provided that the maximum aggregate payments payable pursuant to the Option Agreement, including all of the option payments made, shall not exceed the sum of \$1,000,000.00.

(ii) Nabob, Godfrey and Lorne Mineral Claims

Mr. Harold S. Eisler, on his own behalf and on behalf of Messrs. Charles Maddin, Grant MacLaren, Karel Palla and Josef K. Kucera, acquired the Nabob Mineral Claim, Record No. 438, consisting of 12 units, the Godfrey Mineral Claim, Record No. 317, consisting of 15 units, and the Lorne Mineral Claim, Record No. 318, consisting of 8 units, all of which are contiguous to the New Buck Mineral Claim and which, together with the New Buck Mineral Claim, are collectively referred to in this Statement of Material Facts as the Bob Creek Property. The Nabob claim partially overlaps the New Buck claim. These claims were originally staked for Mr. Eisler and his associates in June 1976.

Mr. Eisler by an Agreement dated September 6th, 1977, has granted the Issuer the option to acquire a 100% interest in the Nabob, Godfrey and Lorne mineral claims in exchange for the issuance of an aggregate of 300,000 fully paid and non-assessable common shares of the Issuer from treasury by way of the allotment and issuance of 75,000 of such shares every 90 days following the date of acceptance by the Vancouver Stock Exchange and the Superintendent of Brokers of this Statement of Material Facts for filing with the

Vancouver Stock Exchange, each such allotment of 75,000 shares to be subject to the prior filing with the Vancouver Stock Exchange of satisfactory engineer's reports on the progress of work on the mineral claims.

The Agreement with Mr. Eisler provides that the issuance of each block of 75,000 shares, if approved, would be issued to the following parties in the number of shares set forth opposite their respective names:

Harold S. Eisler, #107, 516 Burnaby Street, Vancouver, B. C.	17,500
Charles Maddin, 780 Keith Road, West Vancouver, B. C.	17,500
Grant O. MacLaren, 114, 4700 Arbutus Street, Vancouver, B. C.	17,500
Karel Palla, 1498 Angus Drive, Vancouver, B. C.	17,500
Josef K. Kucera, 5362 Oak Street, Vancouver, B. C.	5,000
	<hr/>
	75,000
	<hr/>

Messrs. Eisler, Maddin, MacLaren, Palla and Kucera are all Directors and insiders of the Issuer.

The issuance of any of the 300,000 shares is conditional upon first obtaining from the Superintendent of Brokers, British Columbia, a determination that the issuance of any of the shares would not constitute a primary distribution to the public.

(b) Penju Claim Group, San Miguel County, Colorado, U.S.A.

A wholly-owned subsidiary of the Issuer, Mid Mountain Mining Inc., a Colorado corporation, as Lessee, at a cost of \$15,000.00, acquired from Penju Mining Co., as Lessor, a mining lease and option to purchase this property dated for reference April 11th, 1977. Penju Mining Co. is a joint venture organized under the laws of the State of Colorado and is represented by Dr. Schuyler C. Parker of 761 - 3rd Avenue, Durango, Colorado, U.S.A. 81301. The primary term of the Lease is for five years and so long thereafter as the property is in production on a continuous basis. A production royalty of 10% of gross returns received by the Lessee from production is payable to the Lessor. A minimum annual royalty of \$2,700 is payable commencing with the first anniversary of the Lease and on each anniversary date thereafter. All royalty payments are credited to production royalties and the end purchase price of \$300,000.00 for the Lessor's interest in this property, which option to purchase may be exercised at any time during the period the Lease is in effect.

12. THE NAME AND ADDRESS OF ANY PERSON OR COMPANY WHO OR THAT IS OR HAS BEEN A PROMOTER OF THE ISSUER WITHIN THE PRECEDING TWO YEARS AND THE NATURE AND AMOUNT OF ANYTHING OF VALUE RECEIVED OR TO BE RECEIVED FROM THE ISSUER

Pursuant to the definition contained in the Securities Act of British Columbia it should be considered that Directors Grant O. MacLaren, Harold S. Eisler and Charles Maddin are promoters of the Issuer.

An Option Agreement expressed to be between Harold S. Eisler and the Issuer dated September 7th, 1977, provides for an aggregate of 300,000 treasury shares of the Issuer to be issued to these Directors and two other Directors, Karel Palla and Josef K. Kucera, if the Issuer exercises its option to acquire a 100% interest in the Nabob, Godfrey and Lorne mineral claims in the Omineca Mining Division, British Columbia.

Since December 1st, 1976, management of the Issuer's affairs has been delegated to Northwood Mining Limited, a non-reporting British Columbia company, the shares of which are

TABLE OF CONTENTS

	<u>Page</u>
1.0 <u>SUMMARY AND RECOMMENDATIONS</u>	1
1.1 Summary	
1.2 Recommendations	
1.3 Estimated Costs	
2.0 <u>INTRODUCTION</u>	3
2.1 Terms of Reference	
2.2 Location and Access	
2.3 Tenure	
3.0 <u>EXPLORATION HISTORY</u>	5
3.1 Early: 1914-1950	
3.2 Recent: 1951-1974	
3.3 Present Status	
4.0 <u>GEOLOGY</u>	6
4.1 Regional	
4.2 Local Geology	
5.0 <u>MINERALIZATION</u>	7
5.1 Ore Minerals	
5.2 Oxidation	
5.3 Assays	
6.0 <u>GEOPHYSICS AND GEOCHEMISTRY</u>	8
6.1 Airborne Geophysical Data	
6.2 Geochemistry	
7.0 <u>EXPLORATION PREMISES</u>	9
CERTIFICATE	10
REFERENCES	11
APPENDIX A - Summary of Assays	(1 page)
<u>DRAWINGS</u>	
1 - Location Map	
2 - Summary Map	
3 - ASARCO 1968 Drill Hole Plan	

1.0 SUMMARY AND RECOMMENDATIONS

1.1 Summary

Gold, zinc, silver and copper values and widespread pyritization in acid volcanics indicate that the Bob Creek property is an important massive sulfide prospect.

The property is made up of the New Buck, Lorne, Nabob, and Godfrey claims, a total of 43 units. It is located six miles south of Houston, B.C., and a short distance north of the Bradina Mine and the Sam Goosly ore deposit.

The metals and geology at Bob Creek fit a class of deposit newly recognized in the west: Polymetallic volcanogenic deposits, ores containing several base and precious metals which were emplaced in submarine volcanic centres. Mineralized acid volcanics and volcanic breccias crop out in a 2000-foot long gossan in a gorge in Bob Creek, in trenches, and in two distant localities. The surrounding overburden-covered area, 7,500 x 10,000 feet (Drawing 2), contains a large coincident zinc-lead-copper-silver soil geochemical anomaly, a coincident zinc soil and airborne EM anomaly, and two additional large EM anomalies.

Prior drilling, by Premier in 1945, Denison in 1961 and ASARCO in 1968, was confined to shallow diamond drill holes in the gossan exposed in the gorge. It established submarginal gold, zinc, silver and copper values as disseminated and veinlet mineralization.

More important is the potential in the surrounding and overburden-covered rocks for one or more lenses of massive pyrite-zinc sulfides containing gold, silver and copper values. The previous drilling provides compelling evidence that the nearby geologic environment favours such deposits. For example, trenches put in at random on the edge of the large composite geochemical anomaly in 1975 exposed significant gold, silver and lead mineralization.

1.2 Recommendations

Our recommendations are to confirm previous geologic and geochemical work, the latter on closer centres; to conduct a ground electromagnetic survey if warranted; and to drill several holes.

The areas of interest are the soil-and-drift-covered benches south and north of the gorge, and the Buck River flat west of the gorge.

We suggest work be staged, as indicated below, starting with detailed geology and geochemistry. The directions of layering and the distribution of breccias within the volcanic rocks, for example, are of prime importance to the future work.

1.3 Estimated Costs

Stage I: Geology, Geochemistry; Duration 6 weeks

Fees, wages, benefits	\$ 9,000
Travel and field expenses	2,500
Geochemical and petrographic analyses	4,000
Engineering, supervision, reporting, design of Stage II	<u>2,500</u>
Total of Stage I	\$18,000

Stage II: Ground EM survey and ancillary work;
Duration 5 weeks

Geophysical contractor's charges TURAM, 18 line miles, including mob., demob., reporting, consultation	\$11,500
Fill-in geochemical survey, incl. analyses	6,000
Geochemical travel and field expense engineering, supervision, reporting, design of Stage III	<u>4,500</u>
Total of Stage II	<u>\$22,000</u>
SUBTOTAL Stages I and II	\$40,000

Stage III: Drilling; Duration 5 weeks

Contractor's charges, 5000 feet percussion drilling, incl. mob., demob., fuel, other charges	\$37,500
Assaying	5,000
Engineering, supervision, communications, reporting, consulting	<u>7,500</u>
	<u>\$50,000</u>
TOTAL Stages I - III	<u><u>\$90,000</u></u>

2.0 INTRODUCTION

2.1 Terms of Reference

Nevin Sadlier-Brown Goodbrand Ltd. was engaged by Mr. Harold S. Eisler and his associates to examine the Bob Creek deposit, which had been submitted to them by the claim holders, and to advise on whether or not to option the property. I examined the property May 20-21, 1976, and advised that while it is an outstanding property, the claims should be improved.

With the consent of the claim holders I abandoned and restaked the original claims on June 3-6, 1976, and added new claims. On September 24-25, 1976, Mr. J.T. Crandall, P.Eng., restaked an interior fraction.

After Mr. Eisler and associates had acquired the property, Mid Mountain Mining Ltd. asked us to prepare this report summarizing previous work, noting our observations, and advising on a course for exploration.

2.2 Location and Access

The property is located 6 miles straight-line distance south of Houston, B.C. (See Drawing 1). The property centres on Lat. $54^{\circ} 18''$ and Long. $126^{\circ} 37'$. It is accessible from Houston via the Sam Goosly road. It lies on map sheet 93L/7E.

2.3 Tenure

The property consists of 3 mining claims totalling 43 units, and completely overlapping claim of 12 units which covers interior fractions. The central claim is the New Buck, staked June 3, 1976, consisting of 20 units as shown on the map. The Record Number is 316. It was staked by Andrew E. Nevin acting as agent for Lorne Hansen and Godfrey Creech, following abandonment with permission to re-stake on several claims previously held by Hansen and Creech.

Two additional claims were staked by Nevin, the Lorne, staked June 4, 1976, Record No. 318, consisting of 8 units aligned immediately south of the New Buck; and the Godfrey, staked June 5, 1976, Record No. 317, consisting of 15 units and adjoining the New Buck to the north. All three claims were recorded June 7, 1976 at Smithers.

After restaking the New Buck, the Mining Recorder advised Nevin Sadlier-Brown Goodbrand Ltd. that several fractions existed within the New Buck claim under that section of the Mineral Act which prohibits restaking of a lapsed claim by the same Free Miners (in this case, Hansen and Creech) within a year of forfeit. Mr. John T. Crandall of Nevin Sadlier-Brown Goodbrand Ltd. subsequently staked the Nabob Claim, Record Number 438, on September 25, 1976, over the west half of the New Buck to cover these fractions.

A discrepancy between the actual posts on the ground and the claim maps has resulted in a difference of opinion between the Mining Recorder and Nevin Sadlier-Brown Goodbrand Ltd. on the completeness of coverage. The Mining Recorder has advised us that a 1500 x 1500 foot fraction exists within the New Buck (restaking within a year of forfeit) and Nabob (by virtue of Section 2(3) of the Mineral Act).

We take the position that:

- (1) Title to all properties is secure.
- (2) Any question of a fraction of 50 acres within the New Buck - Nabob claims will be resolved in favour of the claimholders by a visit from a B.C. Claims Inspector in 1977 when the snow clears;
- (3) There is no risk of another prospector obtaining mineral title to any ground within the boundaries shown;
- (4) Mid Mountain can proceed with exploration;
- (5) All new posts and lines are in compliance with the Mineral Act and with precedents established by Claims Inspectors.

Nevin's rights to the Lorne and Godfrey claims, and Crandall's rights to the Nabob have been conveyed to Mr. Eisler and his associates, by means of Bill of Sale. Hansen and Creech have executed an agreement to option the ground now covered by the New Buck to Mr. Eisler and his associates.

3.0 EXPLORATION HISTORY

3.1 Early: 1914 - 1950

The gold-zinc deposit at Bob Creek has been known since 1914. A spectacular gorge exists in the canyon of Bob Creek, and the mineralization exposed in the gorge has been known to contain some free gold. It has been prospected and has been considered the source of placer gold at the mouth of Bob Creek. The property was variously known as the Horseshoe, the Bob or Buck, or the Goldbrick.

In 1936 one George Smith mined and jigged 85 tons of ore from an adit in the gorge. Smith produced 12 tons of gravity concentrate from ore calculated to average 0.1 oz./ton gold, 1 oz./ton silver, and 1.1% zinc.

Smith and other early workers drove several short adits, which are visible, but not safe to enter at present.

Premier Gold Mining Company sampled the outcrops and adits, and drilled 783 feet in 3 diamond drill holes in 1945.

3.2 Recent: 1951 - 1974

The property was subject to examinations by several companies in the 1950's. In 1961 Denison Mines drilled 8 diamond drill holes totalling 504 feet, in the gorge. Core recovery was generally poor and reconstruction of assays based on sludge samples suggests that results were too low grade to be of continued interest.

The property was optioned by Minwealth Explorations Ltd. in the late 60's. They retained Lockwood Survey Corporation to fly airborne magnetics and EM surveys, and they conducted some surface geochemical sampling and may have drilled at least one short diamond drill hole.

ASARCO optioned the property and drilled 7 holes totalling 2101 feet in 1968. These were also confined to the gossan exposed in the gorge.

In 1974 Hudson Bay Oil and Gas, under the direction of Andy Schmidt, P.Eng., obtained rights and conducted extensive soil geo-

chemical analyses, and geological mapping.

3.3 Present Status

In 1975 Lorne Hansen and Godfrey Creech put in several hundred feet of bulldozer trenches southwest of the gorge, high on the bank, in an area covered by overburden.

4.0 GEOLOGY

4.1 Regional

The acid volcanic rocks which are host to the sulfide mineralization on the New Buck claim are part of unit "i" of Dr. Neil Church's (1972) study of the region. This suite of rocks is early to middle Mesozoic and discontinuously underlies the region around the Sam Goosly ore deposit, the Parrot Lakes prospect, the Bradina Mine and other sulfide showings in the region. We infer that there is a link between the sulfides and the submarine Mesozoic volcanic centres of which deposited unit "i".

4.2 Local Geology

The principal mineralized outcrop on the New Buck claims is exposed in a 2000-foot long gorge in Bob Creek (see Drawing 2). It consists of light-coloured volcanics and volcanic breccias. The composition approximates that of a quartz latite or rhyolite.

The massive character of the unit, the high degree of alteration, and the absence of any marker beds introduce considerable uncertainty into judgements of its trend, or strike and dip. However, some stratiform (?) breccias suggest that the strike is northeast and the dip is steeply to the east.

The mineralized acid volcanic unit is intruded by a small gabbroic stock (GA in Drawing 2), and is overlain by post-ore volcanics of the Buck Creek unit, dated as Eocene or 47 million years old (Tv in Drawing 2). The Buck Creek rocks are andesites and basalts, and they form distinctive bluffs on the east and west sides of the claims, with minor erosional remnants overlying unit "i" within the claim group.

Pre-ore rock is not well exposed in the claim area. Outside the gorge mentioned, and a few other small outcrops, unit "i" is nearly continuously covered by a glacial clay overburden.

5.0 MINERALIZATION

5.1 Ore Minerals

The principal metallic minerals in order of volume are pyrite, sphalerite, chalcopyrite, galena, silver in an unknown form, and gold, occurring both as free gold and in one of the sulfides, presumably pyrite. The sulfides occur in lenses, as minute fillings in small fractures, and as coarse aggregates of disseminated grains within the matrix of volcanic rocks and breccias.

The occurrence of sulfides is not limited to exposures within the gorge of Bob Creek. Blackjack sphalerite and pyrite are present in abundant quantities in the trenches to the south of the gorge. Pyritized acid volcanics are also present in the southeastern New Buck claim in roadcuts, and in the central part of the Lorne claim in an outcrop in a meadow. These localities are shown on Drawing 2.

5.2 Oxidation

Oxidation is nearly complete in the rock exposed in the gorge. The pyrite and sphalerite have leached, creating a red iron oxide gossan. The gossan minerals are hydrozincite, hematite, jarosite and turgite, with subordinate amounts of bornite-stained pyrite and gypsum flakes in fractures. The volcanics are also altered to secondary kaolin and sericite.

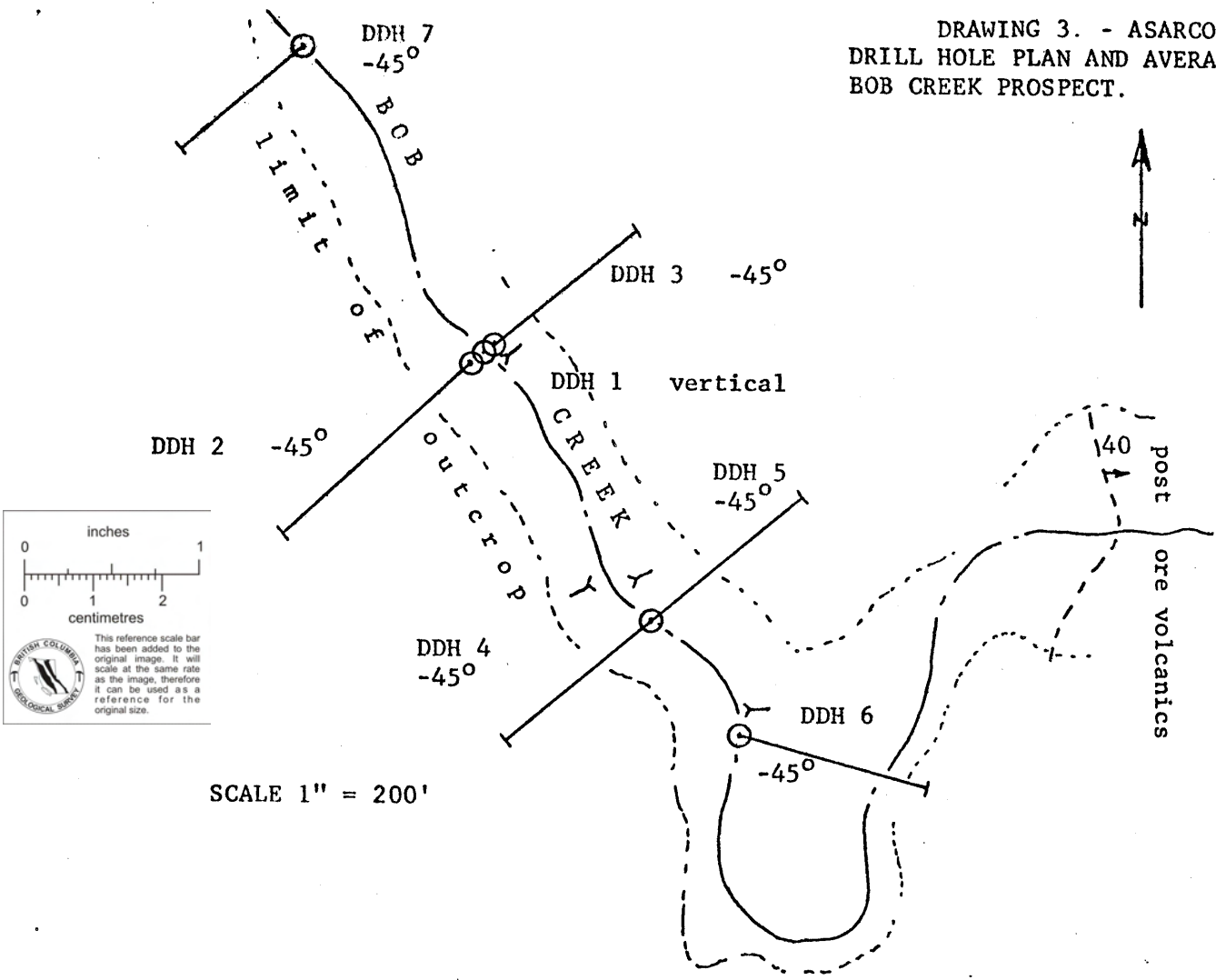
ASARCO's drill logs indicate that oxidation diminishes downward and ends, except in fault zones, at depths of about 30 feet.

5.3 Assays

The best indication of metal values in the gorge are given by ASARCO's diamond drill hole assays *, averaged and reproduced in Drawing 3. This mineralization represents 15 million tons grading about 0.017 oz. per ton gold, 0.19 oz. per ton silver, and 0.40 percent zinc.

* ASARCO's assays were run by TSL Labs by atomic absorption, with checks by TSL and Coast Eldridge by Fire assay. Correlation was good, and only the TSL AA results are used here.

DRAWING 3. - ASARCO 1968
 DRILL HOLE PLAN AND AVERAGES,
 BOB CREEK PROSPECT.



SCALE 1" = 200'

DDH	Total Depth (feet)	Average oz./T		% Zn	Footage	Representative Best Values		
		Au	Ag			Au	Ag	% Zn
7	250	.013	.289	.35	4-110	.018	.290	.32
3	303	.004	.047	.18	90-160	.009	.173	.23
1	250	.020	.191	.32	230-250	.070	.265	1.27
2	402	.021	.064	.25	130-200	.044	.213	.50
4	300	.033	.058	.35	90-180	.080	.090	.50
5	290	.023	tr	.23	8-50	.023	tr	.46
6	306	.010	.342	.71	60-100	.023	.203	1.36

Note: Values assayed as "trace" have been averaged as "0".

- 8 -

These values are below profitable ore grades at present and in the foreseeable future, however, the gorge is not the current target.

Several surface sampling efforts have been undertaken, and a statistical analysis of Denison's core and sludge samples by G.R. Hilchey, P.Eng. These are less reliable: The surface samples because of oxidation (leaching of silver, zinc and copper, and enrichment of gold), and Denison's values because of core recovery problems. They are nonetheless reported in Appendix 'A'.

Some implications of assay data are discussed in Section 7.

6.0 GEOPHYSICS AND GEOCHEMISTRY

6.1 Airborne Geophysical Data

The Minwealth Exploration data were analysed in a report by P.P. Neilsen, Geophysicist, on behalf of Frontier Explorations, in a report dated April 1970. Neilsen observed that several EM anomalies having contours above 50 ppm were considered important. Some showed an in-phase to out-of-phase ratio greater than 1.2. Three of these occur in overburden covered areas close to the principal mineralized showing, and one of these coincides with a zinc soil geochemical anomaly. In general the three anomalies considered of interest to us are 300 - 700 metres long and 150 - 300 metres wide.

The airborne magnetic work indicated an east west magnetic grain, but did not indicate any substantial anomalies coinciding with other anomalous information.

6.2 Geochemistry

Hudson Bay Oil & Gas did the most comprehensive geochemical survey, taking soil samples at 400 foot spacings on lines 1000 feet apart over the major part of what is now the New Buck and the Lorne claims. Coinciding anomalies are present for copper, lead, zinc and silver in the soil. The coincident anomaly extends for a distance of 5000 feet southwest of the gorge. The anomalous area includes the recent trenches put in by the vendors and the pyritized outcrop in the meadow. In general the magnitude of the anomaly reaches interesting levels. The zinc threshold is

considered to be 200 ppm and the anomaly ranges up to 1800 ppm. Lead exceeds 50 ppm against a background of 15. Copper exceeds 40 ppm against a background of 15 and silver is anomalous at 3 - 4 ppm against a background of 1.

7.0 EXPLORATION PREMISES

The gossan cropping out in the gorge has been well-tested and shown to be submarginal in grade.

The geologic environment, however, is precisely one in which massive sulfide deposits are found, and the mineralization fortuitously exposed by erosion in the gorge might be considered as a low-grade extension of one or more high-grade sulfide pods located nearby, along strike, down dip, or in a higher or lower breccia unit.

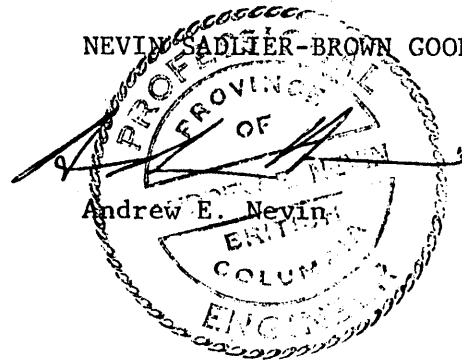
The surrounding terrain has an overburden cover extensive enough that it has not been explored. A renewed programme has some focal points to start with: The EM anomalies, geochemical anomalies, and probably enough scattered outcrops to develop some stratigraphic and structural data on the volcanic rocks.

Average metal values of the ASARCO drill holes show no particularly diagnostic trend, although higher values seem to lie along a northwest trending axis. Ratios among metal values in the better intersections, however, show some trends which might be worth pursuing once geologic controls are developed. Gold/silver and zinc/silver increase to the southwest, suggesting a core in that direction.

Respectfully submitted,

NEVIN SADLER-BROWN GOODBRAND LTD

Andrew E. Nevin



February 11, 1977

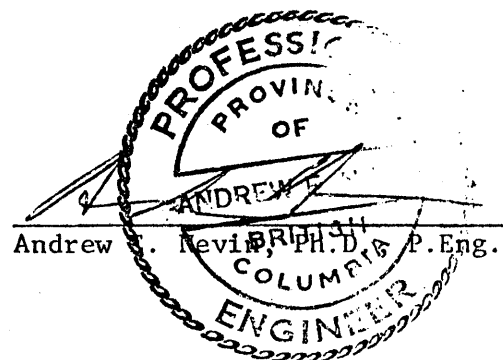
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- 10 -

CERTIFICATE

I, Andrew E. Nevin, hereby certify that:

1. My residence address is 962 Montroyal Blvd., North Vancouver, B.C., my office address is 5th Floor - 134 Abbott Street, Vancouver, B.C. V6B 2K4, and that I am a Geologist by occupation.
2. I hold a B.Sc. in Geophysics from St. Lawrence University, an M.A. in Geology from University of California, Berkeley, and a Ph.D. in Geology from University of Idaho. I have been practicing my profession since 1961, and I am a member of the Association of Professional Engineers (Geological) of the Province of British Columbia, and a Registered Professional Geologist in the State of Idaho.
3. I have examined the Bob Creek Property and reviewed the data thereon personally.
4. I hold no direct or indirect beneficial interest in the properties described in this report nor in the securities of Mid Mountain Mining Ltd. I staked the Lorne and Godfrey claims, and J.T. Crandall, P.Eng., of this firm staked the Nabob claim. This work was conducted for our client, for a fee, and we have conveyed all interest in the claims to our client by means of a Bill of Sale.



February 11, 1977

AEN/hm

REFERENCES

P.F. Neilsen: Report on Airborne Geophysics over the Buck Creek Area.
April 18, 1970

G.R. Hilchey Bob Creek Property, Houston, B.C.
March 13, 1967

Reports of the Minister of Mines: Bob Creek Annual Report 1914, pg. 234
 Annual Report 1916, pg. 127
 Annual Report 1928 pg. 172
 Annual Report 1929 pg. 204
 Annual Report 1933 pp. 98-99
 Annual Report 1936 pg. C-37
 Annual Report 1936, pg. C-37
 Annual Report 1952 pg. 95

C.D. McCord: Report on Bob Creek Property to J.D. Mason
August 13, 1952:

G.M. Radisics: Report on Bob Creek Claims to W.B. Milner
Oct. 23, 1951

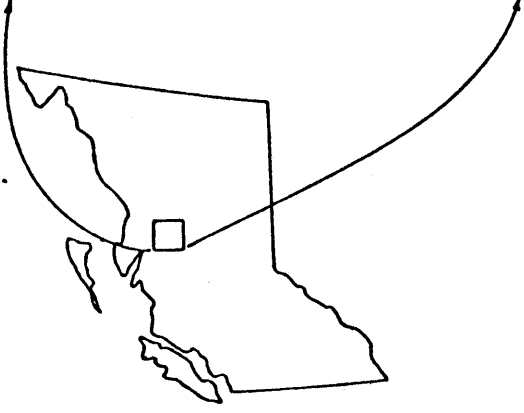
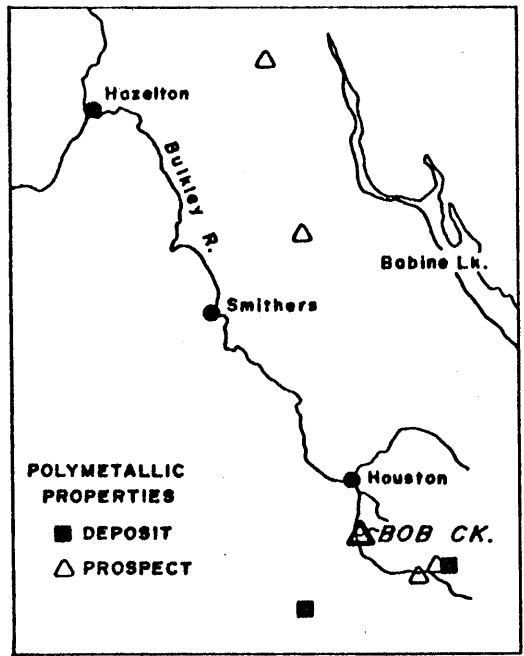
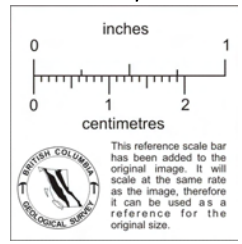
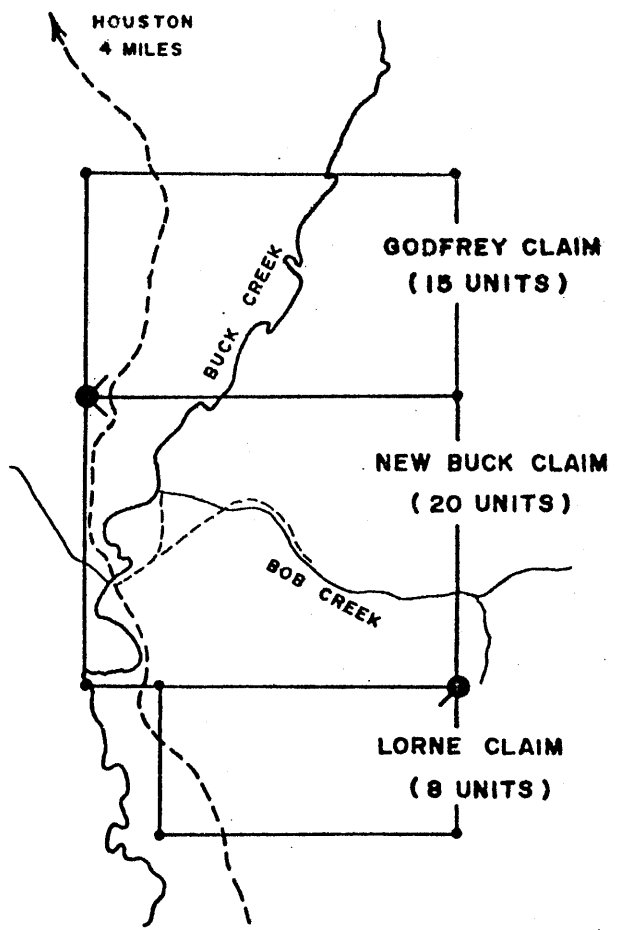
B.N. Church, 1972, Geology of the Buck Creek Area, Minister of Mines
Annual Report, G.E.M., pages 353 - 363

ASARCO:
1968 Drill hole geology and assay logs.

APPENDIX A

Table: Summary of Reported Assays
Rob Creek Property

		GOLD oz./ton	SILVER oz./ton	ZINC %	LEAD %	COPPER %
May 25, 1976	# 49718 high grade 1975 trench	0.044	0.32	2.32	0.23	-0.01
A.E. Navin	# 49719 black gouge 1975 trench	0.040	0.74	1.83	0.02	0.43
July 16, 1975	# 19121 B; 6" chip sample from fracture zone	0.16	5.4	3.7	0.35	0.07
W. Koon	# 19122 B; 12" rock chips gouge in adit	0.03	0.5	1.25	0.01	0.04
	# 19123 B; 24" chip inside adit	tr	0.7	0.5	-	0.03
June 10, 1975	X-14467; gouge, contains pyrite & sphalerite; 2' chip; inside adit	0.03	0.41	2.0	-	0.06
R. Fraser (Noranda)	X-14468; altered feldspar porphyry with some pyrite; grab sample; in adit	0.04	2.50	0.56	-	0.17
	X-14469; gouge with pyrite and sphalerite; 1.2' chip; in adit	0.05	5.83	1.52	-	0.14
	X-14470; altered quartz-feldspar por.; contains pyrite; grab; in adit	-0.01	0.17	0.16	-	0.02
	X-14471; ditto	-0.01	0.12	0.16	-	0.02
	X-14472; ditto	-0.01	0.06	0.08	-	-0.01
	X-14473; ditto	0.01	0.35	0.13	-	0.02
	X-14474; altered qtz. por. with dissem. py.; grab in stream cut	0.10	0.12	0.36	-	0.01
	X-14475; gougy shalerite py. in qtz. por; grab in stream cut	0.06	2.16	1.88	-	0.06
July 30, 1973	# 611; canyon	2.64	8.7	6.25	12.3	0.94
Denison's Bay Oil & Gas Co.	#612; top of hill	0.02	0.15	-	-	0.02
1961, Woollett Denison Mines	Concentrate (Smith 1939)	0.43	6.5	7.7	-	-
	Weighted average of all diamond drill sludge assays of eight holes drilled by Denison Mines (after Hickey 1967) (core recovery average 75% sampled width effectively 800 x 200')	0.0553	0.307	0.92	-	-
1952						
	Cord (Transcontinental sources Ltd.) Concentrates (Smith 1939)	0.45	7.0	8.0	-	-
June 12, 1951	#1 - mill	tr	0.8	0.9		
L. Hansen	#2 - above tunnel	0.04	0.4	1.3		
	#3 - 4" in tunnel	0.48	13.2	8.2		
	#4 - across from 1st tunnel	0.72	4.2	18.3		
	#5 - west from upper tunnel	0.005	0.4	0.9		
	#6 - cross vein in dyke	0.32	14.4	3.8		
October 23, 1951	Concentrates (Smith 1939)	0.48	8.15	8.3	tr	-
S. Radisica	#288; porphyry; coarse py.; some weathered zinblend	0.06	1.30	5.00	0.25	
	#289; fresh looking porphyry; py. but no zinblend	0.005	0.65	0.10	0.30	
	#290; porphyry; irreg, narrow zinblend stringers, also coarse py. and blobs zinblend	0.34	3.25	4.70	0.15	
	#291; breccia zone; considerable zinblend	0.21	4.75	5.00	0.20	
	#292; narrow, massive zinc stringers & interbedded coarse pyrite	0.12	2.10	32.50	0.40	
	#293; individual, massive zinblend stringers; no pyrite	0.72	8.30	21.00	0.65	
	#294; grab samples at random in oldest tunnel	1.32	10.70	7.50	4.70	
Aug. 2, 1949	#1; pyrite and sphalerite and galena in siliceous gouge	0.37	20.2	6.1		
J. Smith	#2; powdered pyrite concentrates	1.5	7.1			
July 11, 1949	#1 - 36'	tr	0.1	tr		
Hansen	2 - 8'	0.04	0.2	1.4		
	3 - 24'	tr	0.6	tr		
	4 - 20'	0.08	0.2	tr		
	5 - 42'	tr	1.8	tr		
	6	1.60	8.0	26.3		
	7	1.26	3.9	6.9		
	8	tr	0.1	-		
	9	tr	tr	tr		
	10	tr	tr	tr		
	11	tr	0.4	1.5		

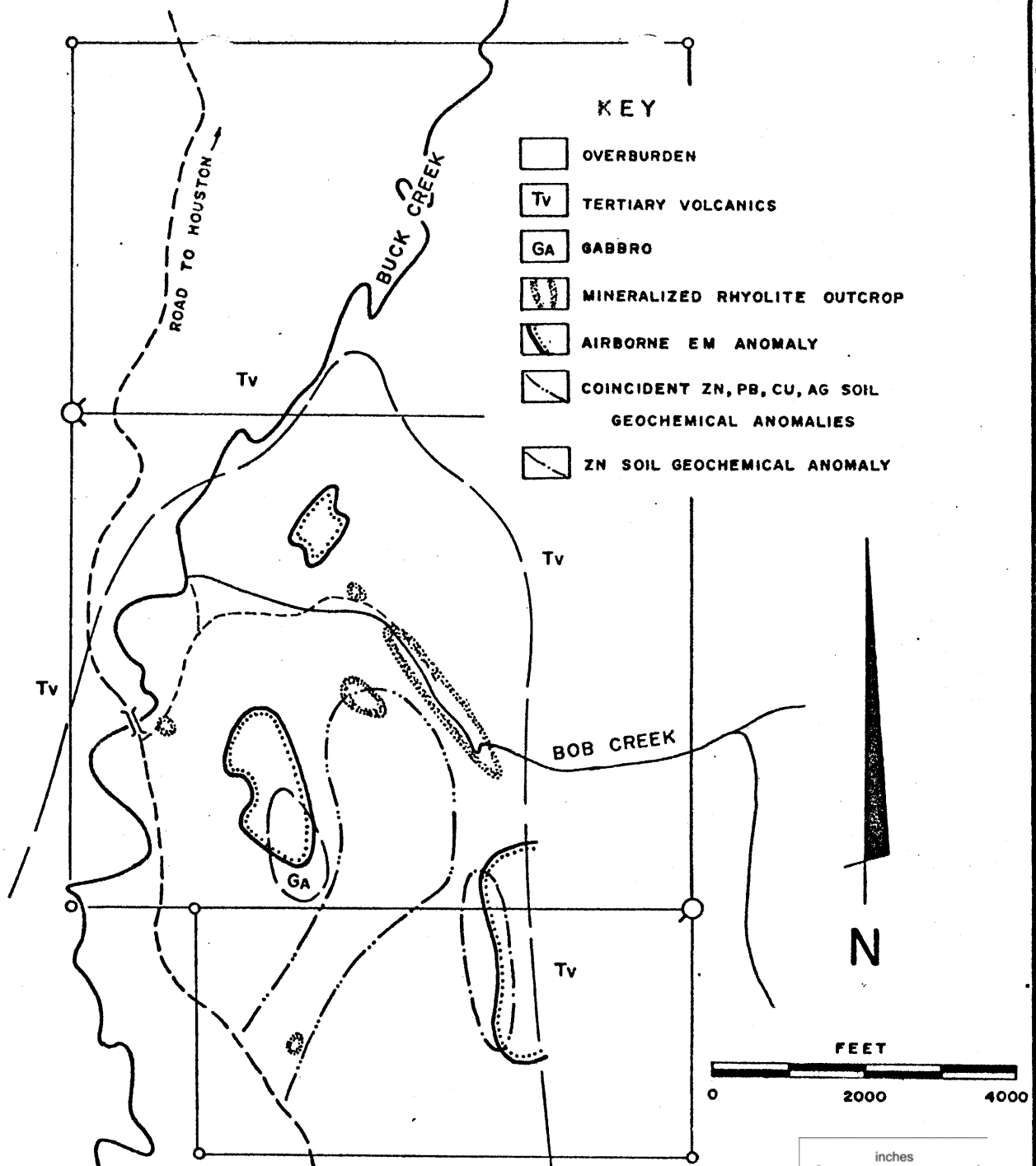


**MID MOUNTAIN MINING
Ltd**
BOB CREEK PROSPECT
LOCATION MAP








Dwg. 1

July 5, 1976

NEVIN SADLIER-BROWN GOODBRAND LTD.
CONSULTING GEOLOGISTS · VANCOUVER, B. C.



KEY

-  OVERBURDEN
-  TERTIARY VOLCANICS
-  GABBRO
-  MINERALIZED RHYOLITE OUTCROP
-  AIRBORNE EM ANOMALY
-  COINCIDENT ZN, PB, CU, AG SOIL GEOCHEMICAL ANOMALIES
-  ZN SOIL GEOCHEMICAL ANOMALY

**MID MOUNTAIN MINING
Ltd**

BOB CREEK PROSPECT

SUMMARY MAP

GEOLOGY GEOPHYSICS GEOCHEMISTRY

July 5, 1976


Dwg. 2

**NEVIN SADLIER-BROWN GOODBRAND LTD.
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0 1
inches

0 1 2
centimetres

This reference scale bar has been added to the original image. It will scale at the same rate as the image, therefore it can be used as a reference for the original size.



July 14, 1977

Mid Mountain Mining Ltd.
506 - 540 Burrard Street
Vancouver, B.C.

Gentlemen:

Addendum to Report on Bob Creek
Massive Sulfide Prospect

This addendum revises my "Report on Bob Creek Massive Sulfide Prospect, Omineca Mining Division, B.C." dated February 11, 1977. Since that report was written geologic mapping and geochemical sampling were carried out by our firm and applied to assessment work. A summary of results follows.

SUMMARY

- 1) Our opinion that the property is an important, underexplored massive sulfide prospect is strengthened.
- 2) Geological mapping indicates the mineralized pile of rhyolites and rhyolite breccias has an arc shape, wrapped around the north, east and south sides of gabbro and andesite dome, a known thickness of 400 metres, and a known length of 3000 metres. This provides a structural framework for geophysical studies.
- 3) 250 soil geochemical samples confirmed and further defined a previous reconnaissance survey, and produced an anomalous envelope extending 2500 metres southwest of the main showing. This envelope has several distinct and coinciding anomalies of copper, lead, zinc and silver.
- 4) The previously suggested Stage I, estimated at \$18,000, has been essentially completed at a lesser cost.
- 5) We suggest the company proceed with a "Stage IIA", to consist of an induced polarization survey of 20 line-km in order to define the distribution and quantity of the disseminated pyrite (and coincident,

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- 2 -

but non-responsive zinc, silver and gold). The cost of this is estimated at \$13,000.

- 6) Furthermore, massive sulfide properties are coveted by exploration departments of major mining companies, and the Company might consider a campaign to "farm-out" the Bob Creek property at some point to their best advantage.

Work Completed

Geologic mapping and geochemical sampling were carried out by our firm, on behalf of the owners and option-holders of the claims, and this work was applied to assessment work. It is described fully in a report entitled "Report on Geological and Geochemical Work Conducted on the New Buck-Godfrey Group and the Lorne Claim, Omineca Mining Division," by John T. Crandall, P.Eng., and Andrew E. Nevin, P.Eng., dated June 15, 1977.

Significant findings and revisions to our report of February 11, 1977 are covered in this Addendum.

Tenure

The New Buck and Godfrey claims were grouped in a Notice to Group recorded June 7, 1977. Affidavits on Application to Record Work were filed on the same date, applying geological work (\$2,450) and geochemical work (\$1,650) to the New Buck-Godfrey group, and geological work (\$620) and geochemical work (\$400) to the Lorne Claim. Pending acceptance of the report of June 15, the claims are valid through June 7, 1978, and carry a credit of \$800 toward assessment work due by that date.

No work was applied to the partially overlapping Nabob claim, nor was the Claims Inspector requested to assist in resolving the difference of opinion described in our February 11 report.

It is our understanding that shareholders of Mid Mountain Mining Ltd. approved the Company's acquisition of rights to the property on June 27, 1977.

Geology

J.T. Crandall, P.Eng., mapped geology in the vicinity of the known showing at a scale of 1:2400. Drawing 2 of that report (reproduced here at 1:9600) summarizes findings, and geologic units are tabulated as follows:

	<u>Position</u>	<u>Description</u>
Post ore	Quaternary	Alluvium and fill
	lower Tertiary to upper Cretaceous	Basalt flows
		Feldspar porphyry dike
?	- Mesozoic	Gabbro stock
Pre or synore	lower to middle Mesozoic	V ₁ - Rhyolite to dacite, pyritized
		V ₂ - Coarse grained equivalent of V ₁
		V ₃ - Rounded rhyolite breccia, pyritized
		V ₄ - Angular rhyolite breccia, pyritized and zinc-bearing
		V ₅ - Felsite, pyritized
		Andesite - not mineralized

The units within the mineralized rhyolite (V₁-V₅) pinch, swell, and inter-tongue. A thickness of about 400 metres is exposed, however, thickness is expected to be highly variable.

Strike at the gorge is inferred to be northwest, and dip of the units is inferred to be steeply northeast. To the south 2500 metres the attitude appears to be NE and steep to SE.

Mineralization appears confined to this rhyolite. (Notwithstanding, the base and the top of the rhyolite pile should be given special attention in future work).

Steep faults having little displacement cut the pile with an 020 attitude, the easternmost of which downdrops post-ore basalts against the mineralized system.

Geochemistry

Soil samples (250) taken from the 'B' horizon on a 30 x 200 or 300-metre grid produced anomalous values as shown on Drawings 3-6 (reproduced at 1:9600 in this letter) and tabulated below:

- 4 -

Metal	Value in ppm			Thresholds		% above	
	Approx. Mean	Median	Max	Prob. Anom.	Anom.	Prob. Anom	Anom.
Cu	25	30	197	60	100	26	7
Pb	20	15	400	40	60	21	7
Zn	400	100	4000	600	1600	30	4
Ag	0.5	0.2	7.0	1.5	3.5	13	2

Anomalous values are distributed in coinciding groups of oval-shaped closures, which extend 2500 metres southwest of the mineralized gorge. Downslope directions are generally west and the direction of glacial transport is inferred as 250°. Neither downslope nor glacial dispersion nor a combination explains the anomalies.

Samples were run by Chemex Labs Ltd. using standard methods.

Revised Conclusions and Recommendations

Target areas for geophysical work are now defined: along the inferred strike and down-dip of the mineralized rhyolite units, beneath post-ore cover.

Our report of February 11, recommended three Stages: I - Geologic mapping and geochemical sampling, II - Ground EM and ancillary work, III - Drilling, at respective estimated costs of \$18,000, \$22,000, and \$50,000.

We feel at present that the objectives of Stage I have been largely completed by the assessment work and at a cost of \$6,265 (which includes items applicable to assessment, and non-applicable charges, such as recording fees, telephone charges, etc.) which was borne by Mr. Eisler and associates.

We suggest, therefore, proceeding into Stage II, however, the data acquired suggest a modification designated as "Stage IIA". Rather than proceed to seek only massive sulfide lenses by means of an electromagnetic survey, we suggest using induced polarization for a two-fold objective: to obtain additional data on the distribution of disseminated pyrite (as a guide to zinc, silver, gold, etc.) and to seek out massive sulfide lenses. We propose about 20 line-km using a pole-dipole array and an electrode spacing of about 100 metres, run both along and across the rhyolite layers.

The estimated cost of "Stage IIA" is as follows:

Line cutting and flagging	\$ 2000
Contractor's charges -	
20 line-km @ \$350	7000
Mob, demob, camp costs	2500
Engineering, supervision, reporting	1500
TOTAL	<u>\$13,000</u>

Choice of method and design of additional work would depend upon results of this work.

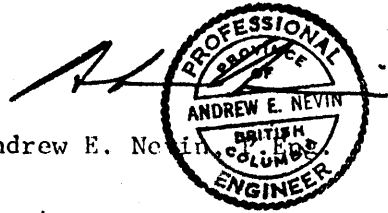
Authorization

You are authorized to submit this letter to the Vancouver Stock Exchange and Superintendent of Brokers and to distribute all or parts to shareholders provided the meaning and intent are not altered by partial reproduction.

Very truly yours

NEVIN SADLIER-BROWN GOODBRAND LTD.

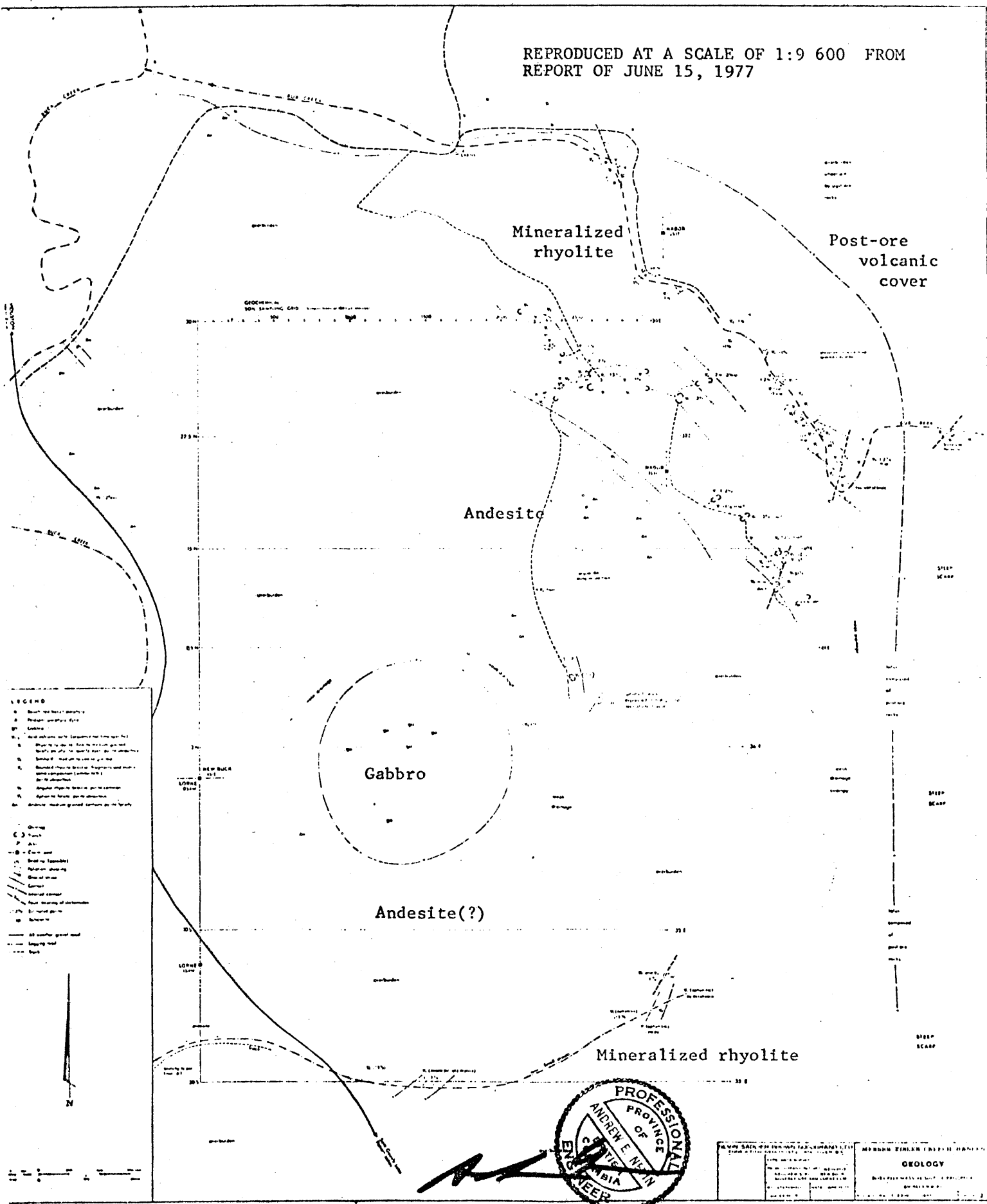
Andrew E. Nevin



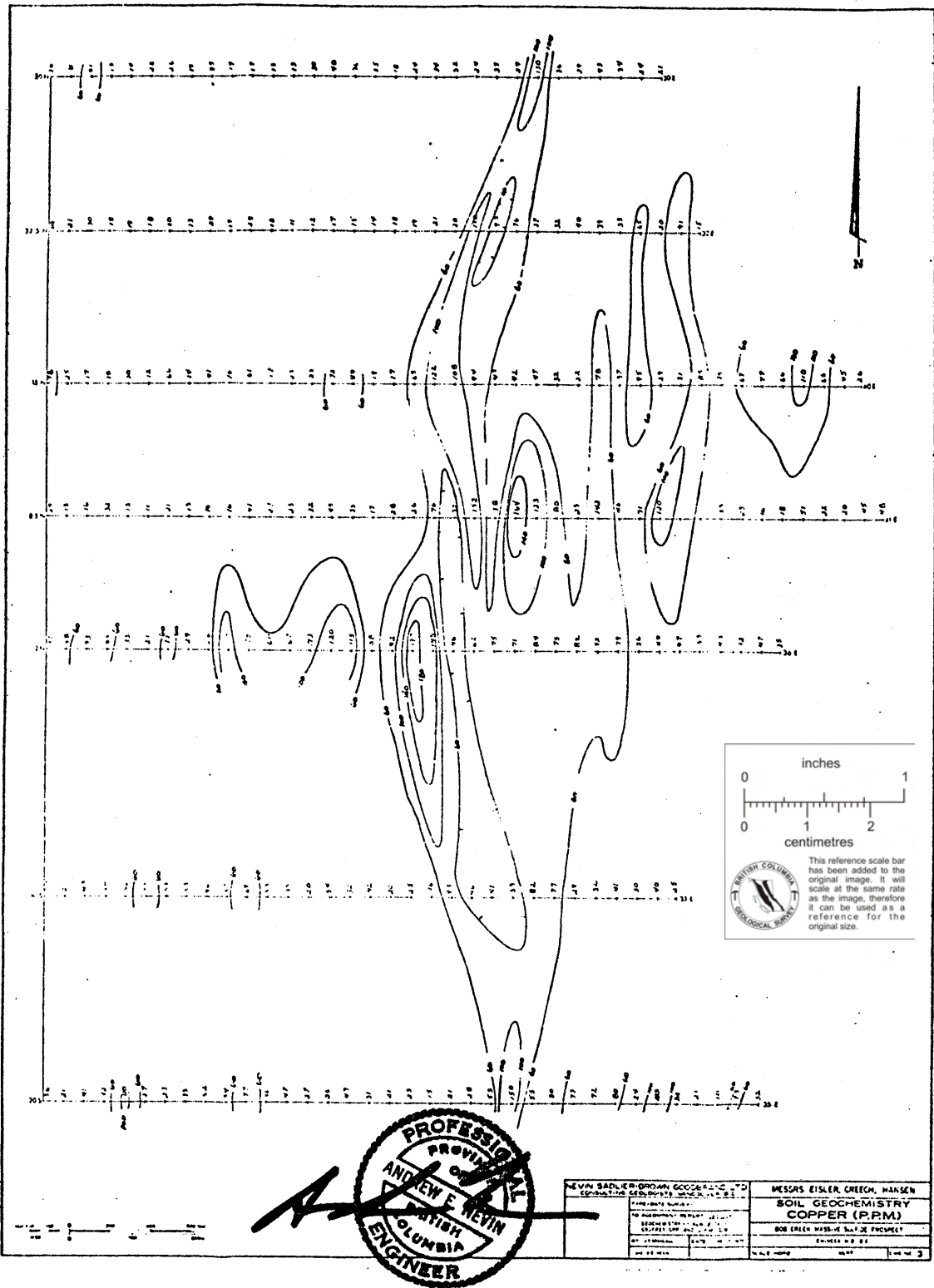
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Attached: Drawings 2-6 of June 15, 1977 Report Certificate

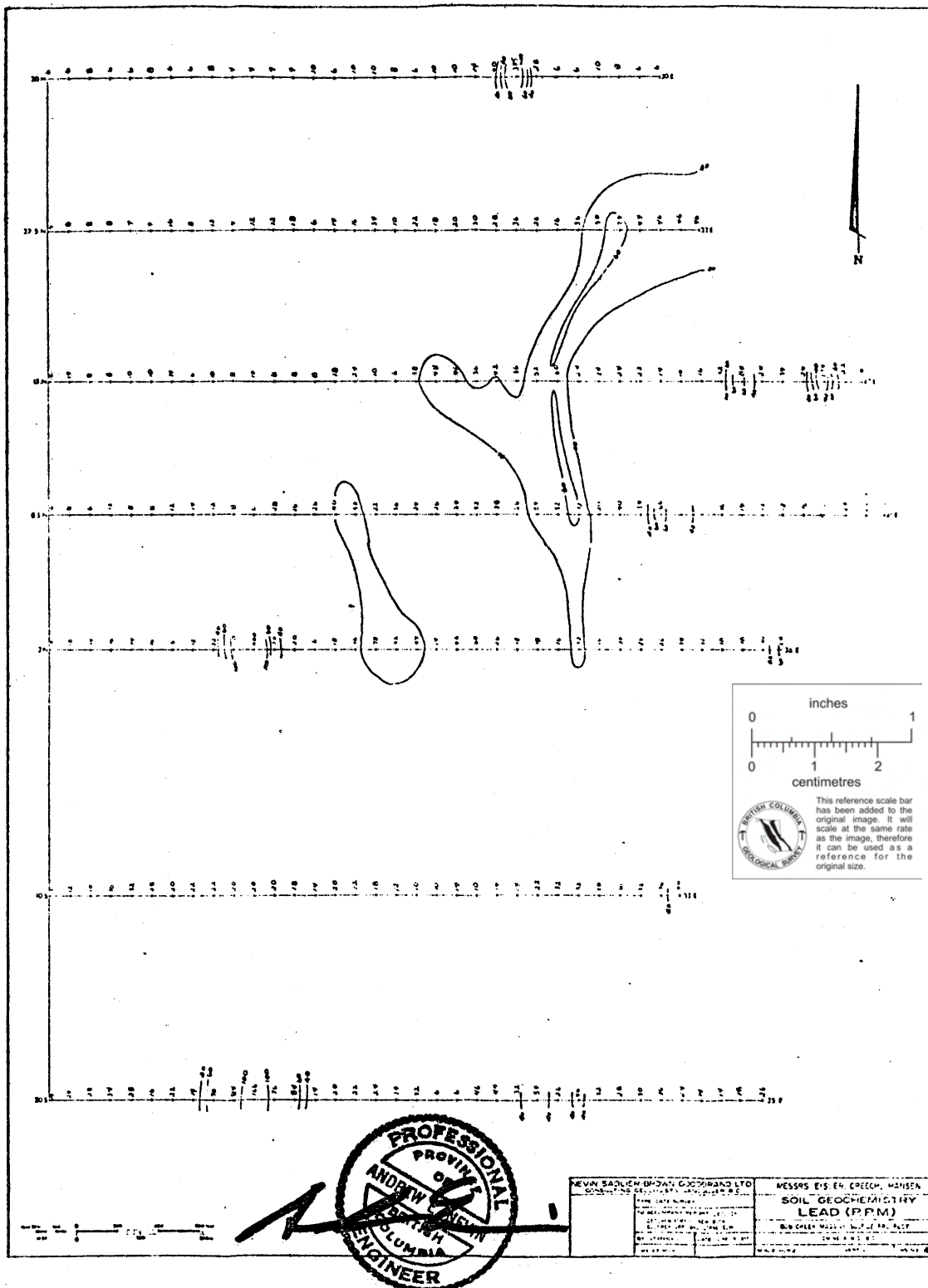
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REPORT OF JUNE 15, 1977



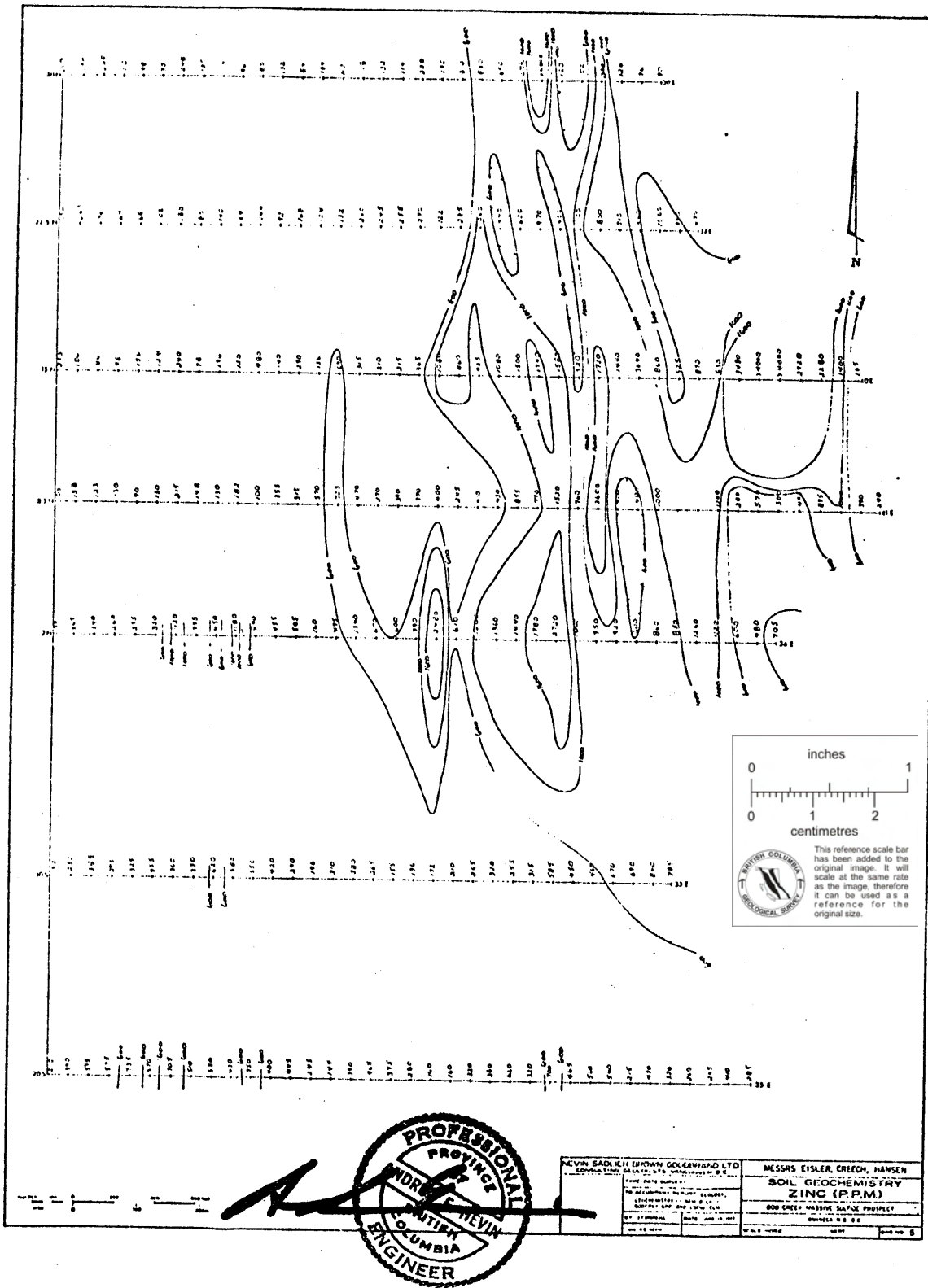
MONTANA ENGINEERING BOARD	
NAME	ANDREW E. NIEN
NO.	12345
EXPIRES	12/31/78
STATUS	Active
CLASSIFICATION	Professional Engineer



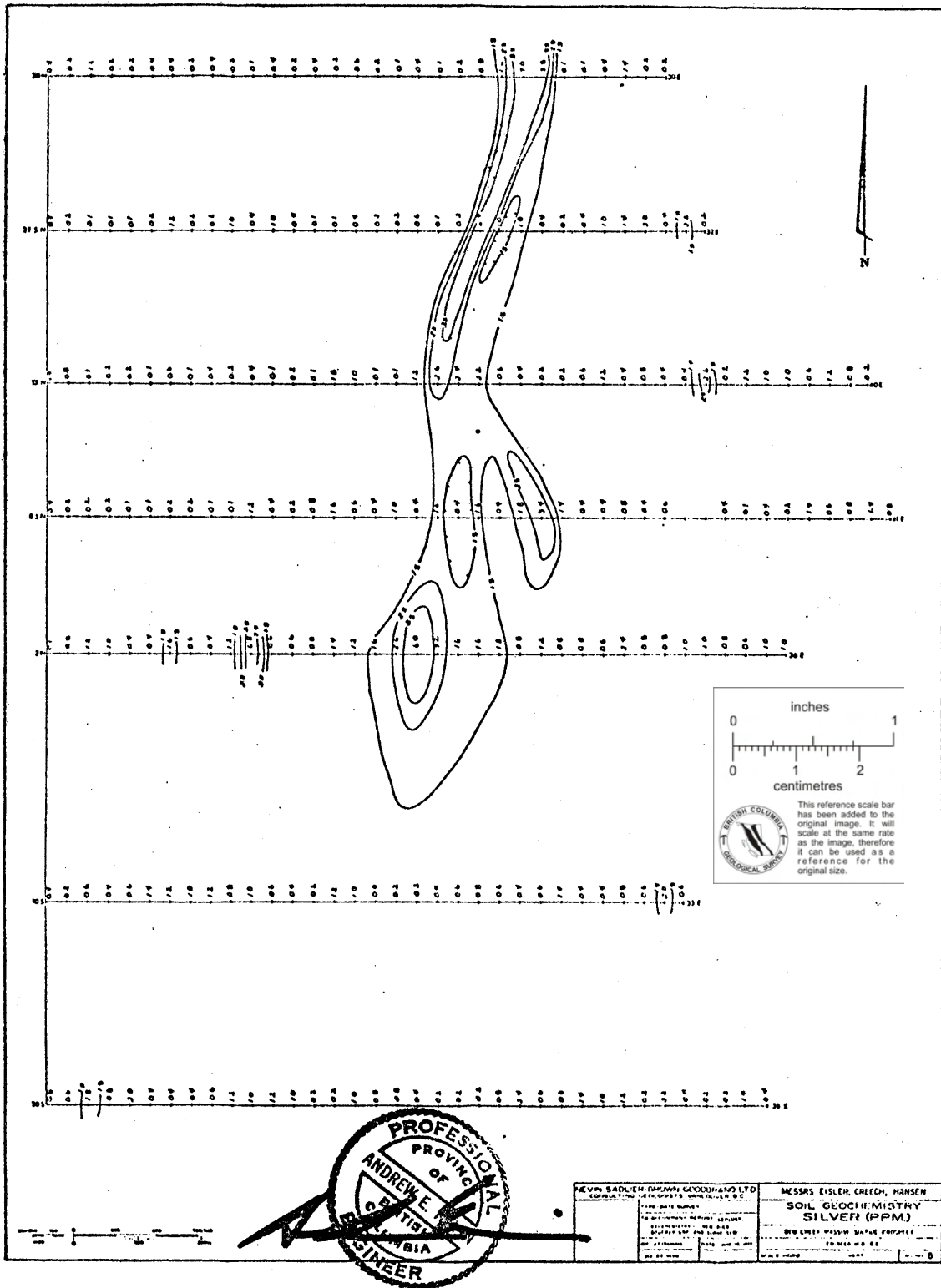
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 THE GRID SHOWN ON THIS MAP IS IDENTICAL TO THAT ON DRAWING 2
 (GEOLOGY), AND IS SHOWN THERE WITH REFERENCE TO CLAIM POSTS
 OF THE NEW BUCK (4S1E)-LORNE (4W), LORNE (1S4W), AND NABOB (2S3E).



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 OF THE NEW BUCK (4S1E)-LORNE (4W), LORNE (1S4W), AND NABOB (2S3E).

CERTIFICATE

I, Andrew E. Nevin, hereby certify that:

1. My residence address is 962 Montroyal Blvd., North Vancouver, B.C., my office address is 5th Floor - 134 Abbott Street, Vancouver, B.C. V6B 2K4, and that I am a Geologist by occupation.
2. I hold a B.Sc. in Geophysics from St. Lawrence University, an M.A. in Geology from University of California, Berkeley, and a Ph.D. in Geology from University of Idaho. I have been practicing my profession since 1961, and I am a member of the Association of Professional Engineers (Geological) of the Province of British Columbia, and a Registered Professional Geologist in the State of Idaho.
3. I have examined the Bob Creek Property and reviewed the data thereon personally.
4. I hold no direct or indirect beneficial interest in the properties described in this report nor in the securities of Mid Mountain Mining Ltd. I staked the Lorne and Godfrey claims, and J.T. Crandall, P.Eng., of this firm staked the Nabob claim. This work was conducted for our client, for a fee, and we have conveyed all interest in the claims to our client by means of a Bill of Sale.


Andrew E. Nevin, P.Eng.

July 5, 1977

AEN/hm

Report

on the

PENJU CLAIM GROUP

Gypsum Valley Mining District

San Miguel County, Colorado

for

MID MOUNTAIN MINING LIMITED

**506 - 540 Burrard Street
Vancouver, B. C. V6C 2K1**

by

C. M. ARMSTRONG, P.ENG.

CONSULTING ENGINEER

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**(604) 224-7678
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August 15, 1977