

PROSPECTUS  
OF  
**ADANAC MINING AND EXPLORATION LTD. [N. P. L.]**

COMMON SHARES  
(par value 50¢ each)

<u>Number of Shares</u>	<u>Price per Share</u>	<u>Net Proceeds to Company</u>
500,000	\$1.50	\$750,000*

\* Before deduction of expenses of this issue estimated to be \$25,000.

This is a new issue of 500,000 shares underwritten by T. A. Richardson and Co. Limited, 4 King Street West, Toronto, Ontario; Standard Securities Limited, 185 Bay Street, Toronto, Ontario; Moss, Lawson and Co. Limited, 48 Yonge Street, Toronto, Ontario; Donaldson Securities Ltd., 535 Thurlow Street, Vancouver, British Columbia, and Avalon Securities Limited, Rawlins Cross, St. John's, Newfoundland (the Underwriters). Standard Securities Limited, Moss, Lawson and Co. Limited and Avalon Securities Limited are acting solely for clients. T. A. Richardson and Co. Limited is acting both on its own behalf and on behalf of clients. Donaldson Securities Ltd. is acting on its own behalf. (For particulars reference is made to the heading "Plan of Distribution".)

The shares offered hereby will be offered to the public in British Columbia, Ontario and Newfoundland at a price not exceeding \$1.87-1/2 per share. The said shares will be offered in Ontario, British Columbia and Newfoundland by the Underwriters who are registered Broker-Dealers in the respective Provinces. Other registered dealers in these three Provinces may from time to time offer the shares on an agency basis and all such registered security dealers acting on an agency basis will be paid a commission by the Underwriters not exceeding 25% of the selling price.

The clients for whom some of the Underwriters are acting may be said to realize a profit in an amount equal to the difference, if any, by which the price paid for the shares is less than the price at which the shares are sold to the public, less any commission paid to the Underwriters in selling the shares to the public.

The purpose of this issue is to provide the Company with sufficient funds to defray its ordinary operating expenses and the cost of carrying out the exploration and development programmes recommended by its Consulting Engineers. (For particulars reference is made to the headings "History and Business" and "Use of Proceeds".)

Reference is also made to the heading "History and Business" under which is discussed the number and value of shares issued by the Company in acquisition of its properties.

**THERE IS NO MARKET FOR THE SHARES OF THE COMPANY.**

**THESE SECURITIES ARE SPECULATIVE**

**REGISTRAR AND TRANSFER AGENT**

Canada Trust Company

901 West Pender Street  
Vancouver, British Columbia

or

110 Yonge Street  
Toronto, Ontario

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.

The date of this Prospectus is 13 December, 1968.

**PROPERTY FILE**

*(For the rest of this Prospectus see 104N077)*

*104N052(11W)*

## PROMOTERS

By virtue of the definition of Promoter contained in the Securities Act, 1967 (British Columbia) and the Securities Act, 1966 (Ontario) Richard Frank John Newsom, James Clinton Snell and Eberhard Mueller, all Directors of the Company, are the Promoters of the Company.

## HISTORY AND BUSINESS

Since incorporation the Company has been actively engaged in exploration in northern British Columbia and in Yukon Territory. The properties acquired and still retained and the properties formerly held by the Company are specifically described below. It should be noted that at this time the properties retained are without a confirmed body of commercial ore and, therefore, the proposed development programmes are exploratory searches for ore. It should also be noted that as no survey has been made of any of the Company's properties the actual area of such properties is not known and can only be estimated.

### \* Ruby Creek Molybdenum Property 104N052(11W)

The Company is the recorded and beneficial holder of 58 located mineral claims comprising approximately 2,900 acres located approximately 15 miles northeast of Atlin, British Columbia in the Atlin Mining Division of British Columbia, accessible by good gravel road from Atlin which is connected to the Alaska Highway by approximately 60 miles of gravel highway. These claims are more specifically described as follows:

<u>Name of Claim</u>	<u>Record Number</u>
Adera #1 - #12 incl.	8101 - 8112 incl.
Pacific #1	8278
Pacific #2	8279
Key #1 - #20 incl.	8765 - 8784 incl.
Key #21 - #44 incl.	8827 - 8850 incl.

The Adera and Pacific mineral claims together with the NI and RU mineral claims described below, were acquired pursuant to an Agreement dated 5 December 1967 from Messrs. Richard F. J. Newsom of Post Office Box 2365, Whitehorse, Yukon Territory, James C. Snell of 1102-1265 Beach Avenue, Vancouver, British Columbia, and Eberhard Mueller of 13338 - 24th Avenue, Crescent Beach, British Columbia in consideration for 750,000 shares in the capital of the Company. These claims were prospected and staked by the vendors at a cost of approximately \$11,500. At the time of acquisition of these claims by the Company they had no proven value and in accordance with accepted practice the 750,000 shares in the capital of the Company were issued at an arbitrary value of 10¢ per share. All of these shares are presently escrowed and reference is hereby made to the heading "Escrowed Shares" on page 12 hereof.

The Key mineral claims were acquired by the Company by staking at a cost of \$1,850.

No work had been done on this property prior to July 1968. Since July the Company has caused an access road to be extended to the property from the Ruby Creek road, a camp has been established, a soil sampling survey has been completed and diamond drilling has begun.

At present there is one diamond drill and miscellaneous mining equipment and camp equipment on this property.

The diamond drilling referred to above is part of the programme of exploration recommended by Dr. Douglas D. Campbell, P. Eng., Ph. D., to be carried out on the Ruby Creek property in his report dated 10 September 1968, a copy of which is on file with the British Columbia, and Ontario Securities Commissions and available for inspection by the public. The report deals with the Ruby Creek property, the Mt. Leonard Silver property and the Mt. Anderson Gold/Silver property. A summary of elements of the report as it pertains to the Ruby Creek property is as follows:

1.P. ?  
The molybdenite deposit on the Ruby Creek property is evidenced by a bedrock exposure 500 feet in length, in a creekbed, along which appreciable molybdenite mineralization occurs every ten feet both as disseminated flakes in the alaskite country rock and as quartz-molybdenite-pyrite fracture fillings. A diamond drill hole put down near the west end of this outcrop is still being drilled but at the present 250 feet of depth has assayed 0.11% MoS<sub>2</sub>, with the last 170 feet assaying 0.13% MoS<sub>2</sub>. In view of the molybdenite loss in drilling and the fact that the mineralization is still good at a depth of 250 feet it is reasonable to anticipate that the grade of the deposit has a possibility of being sufficiently high to be profitable in large open pit operation.

The size potential of the Ruby Creek molybdenite deposit is indicated by a very sharply defined geochemical soils anomaly that extends over 1 mile in length and 1500-2000 feet in width along the deeply overburden-covered basin on the property. The creek outcrop and No. 1 drill hole are located on the low value fringe of this anomaly.

To thoroughly investigate the above possibilities in the light of the geological and assay evidence available to date, the following programme is recommended as necessary for proper preliminary evaluation:

Phase 1:

1.	Road Construction to property (completed)	\$ 25,000
2.	Soil sampling and geological mapping (completed)	10,000
3.	Camp (winterized)	30,000
4.	Preliminary drill programme at creek showings (5000 ft. @ \$10) (in progress)	50,000
5.	Reconnaissance drill programme of core of soil anomaly (40 holes @ 500 ft. @ \$10)	200,000
6.	Sampling and assaying (\$6/10 ft. plus freight)	13,000
7.	Supervision, engineering, consulting, overhead (8 months)	30,000
8.	Winter road maintenance and water supply	20,000
9.	Contingencies (10%)	38,000
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		\$416,000