



EFFECTIVE DATE: May 24, 1973

## SECURITIES ACT, 1967

Neither the British Columbia Securities Commission nor the Vancouver Stock Exchange has in any way passed upon the merits of the securities offered hereunder and any representation to the contrary is an offence.

BRITISH COLUMBIA SECURITIES COMMISSION  
VANCOUVER STOCK EXCHANGE

NORTHERN TUNGSTEN MINES LTD. (N.P.L.)

(Full name of company.)

Registered Office - 534 - 789 West Pender Street, Vancouver, B.C.  
Head Office - 5 - 1257 4th Avenue, Prince George, B.C.

(Address of head office and registered office of company.)

## Statement of Material Facts

1. Give details of the circumstances relating to the offering of the securities and any material changes in the affairs of the issuer.	See Item 1 on attached Schedule
2. Set out the description, designation, and number of shares being offered by the issuer or selling shareholder. If any of the shares being offered are to be offered for the account of a selling shareholder, name such shareholder and state the number of shares owned by him, the number to be offered for his account, and the number to be owned by him after the offering.	See Item 1 on attached Schedule
3. Set out the price to the public, underwriting discounts or commissions and the estimated net proceeds to the issuer or selling shareholder, on both a per share and an aggregate basis. If it is not possible to state the price to the public or the underwriting discount or commissions, the method by which they are to be determined shall be explained. Give the range of the market price during the previous 90 days.	See Item 1 on attached Schedule
4. State the principal purposes for which the estimated net proceeds to be derived by the issuer from the sale of the shares to be offered are intended to be used and the approximate amount intended to be used for each such purpose.	See Item 4 on attached Schedule
5. State the laws under which the issuer was incorporated and whether incorporated by memorandum of association, Letters Patent, or otherwise or under a particular part of an incorporating Statute dealing with mining companies and the date thereof.	Incorporated under the laws of the Province of British Columbia on October 14th, 1970
6. Give names, addresses, and chief occupations for the past five years of the officers and directors of the issuer.	See Item 6 on attached Schedule
7. State the share capitalization of the issuer showing authorized and issued capital.	The authorized capital of the Company is \$1,500,000.00 divided into 3,000,000 shares with a par value of 50¢ each of which 1,607,630 are issued
8. Give particulars of any bonds, debentures, notes, mortgages, charges, liens, or hypothecations of the issuer.	None
9. Outline briefly the manner in which the shares being offered are to be distributed, giving particulars of any outstanding or proposed underwriting, sale, or option agreement, including the name and address of each underwriter, purchaser, or optionee. Give similar particulars of sub-underwriting or sub-option agreements outstanding or proposed to be given and particulars of any assignments or proposed assignments of any such agreements. Give names and addresses of persons having any interest, direct or indirect, in underwritten or optioned shares.	See Item 1 on attached Schedule

**INTERIM  
LISTING**

<p>10. Give name and address of any person or company who beneficially owns, directly or indirectly, in excess of 5 per cent of each class of shares of any company named in answer to item 9 hereof and the number and percentage of each class of shares so owned.</p>	<p>See Item 10 on attached Schedule</p>
<p>11. Give particulars of any payments in cash or securities of the issuer made or to be made to a promoter or finder in connection with the proposed underwriting.</p>	<p>None</p>
<p>12. Give brief particulars of properties owned, leased, held under option, or operated or presently intended to be owned, leased, held under option, or operated by the issuer.</p>	<p>See Item 12 on attached Schedule. As none of the Company's located mineral claims have been surveyed, in accordance with the mining laws of the respective jurisdiction in which they are situate, their existence and area could be in doubt.</p>
<p>13. State whether any property referred to in item 12 has a known body of commercial ore or reserves of recoverable oil and gas. Give particulars.</p>	<p>See Item 12 on attached Schedule.</p>
<p>14. Give brief particulars of the exploration and development work of the issuer during the past year and the results thereof on (1) its own properties and (2) other properties. State amounts spent on each.</p>	<p>See Item 12 on attached Schedule</p>
<p>15. Give brief particulars of property proposed to be acquired by the issuer or any affiliate or acquired by the issuer or any affiliate within the previous three years, including the name and address of the vendor and the cost or proposed cost thereof to the issuer or any affiliate, and if any such vendor is or was an insider or promoter of the issuer or an associate or affiliate of any insider or promoter of the issuer, so state and indicate the nature of the relationship.</p>	<p>See Item 12 on attached Schedule.</p>
<p>16. State the name of any person or company who is or has been a promoter of the issuer within the preceding two years and, if not disclosed in item 15, the nature and amount of anything of value (including money, securities, property, contracts, options, or rights of any kind) received or to be received by each promoter.</p>	<p>See Item 16 on attached Schedule.</p>
<p>17. If the property referred to in item 15 was or is to be paid for by the issuance of shares of the issuer or any subsidiary, give (a) the number of shares of the issuer and any subsidiary issued to or to be issued to the vendor after giving effect to such transaction, and (b) the number and, if more than 5 per cent of the shares presently outstanding, the percentage of shares of the issuer and any subsidiary owned or to be owned by the vendor after giving effect to the transaction. If the vendor is a company, give the names and addresses of the insiders of the company.</p>	<p>See Item 12 on attached Schedule</p>
<p>18. Give the number and, if more than 5 per cent, the percentage of the shares of the issuer held in escrow or in pool and a brief statement of the terms of the escrow or pooling agreement. Give the names and addresses of the beneficial owners of such shares.</p>	<p>See Item 18 on attached Schedule</p>
<p>19. Give the number of shares of the issuer owned of record or beneficially, directly or indirectly, by each person or company who owns of record, or is known either by the issuer or the selling shareholder to own beneficially, directly or indirectly, more than 5 per cent of such shares, in each case within 10 days from the date hereof. Show separately whether the shares are owned both of record and beneficially, of record only or beneficially only, and show the respective amounts in percentages owned in each such manner. Give names and addresses of the owners referred to above.</p>	<p>See Item 19 on attached Schedule</p>
<p>20. Give a brief statement of any legal proceedings to which the issuer or any of its subsidiaries is a party or of which any of their property is the subject. Make a similar statement as to any such proceedings known to be contemplated.</p>	<p>None <b>INTERIM LISTING</b></p>

SCHEDULE TO STATEMENT OF MATERIAL FACTS

NORTHERN TUNGSTEN MINES LTD. (N.P.L.)

Item 1

Underwriting Agreement dated May 7, 1973

Donaldson Securities Ltd.  
535 Thurlow Street  
Vancouver, B. C.

Underwriting for 135,000 shares at 60¢ per share. Shares underwritten will be distributed to the public through the facilities of the Vancouver Stock Exchange at market prices from time to time prevailing. There are no underwriting discounts or commissions.

Net proceeds from Underwriting - \$81,000.00.

During the past 90 days the Company's shares have traded between a high of \$1.05 and a low of \$.55.

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

Item 4

The proceeds of the underwriting together with the sum of \$19,000.00 in the Company's treasury, will be used to carry out the program recommended by J. H. Montgomery P. Eng., in his report on the Boulder Creek Prospect dated February 14, 1973, which is attached hereto and forms part of this Statement of Material Facts.

Item 6

<u>Name and Address</u>	<u>Principal Occupation for past five years.</u>	<u>Position held with Company</u>
Richard Lawrence Bater 1124 East 19th Avenue Vancouver 10, B.C.	Self-employed Prospector; previously self-employed Victoria Importers Ltd.	President & Director
Montague Arthur Bater 240 Willson Crescent Prince George, B.C.	Owner of Bater Electric Ltd. of 565 George Street Prince George, B.C.	Vice-President & Director
Wilfred Henry Pattenden 592 Radcliffe Drive Prince George, B.C.	Assistant Superintendent of Royal Bank of Canada until July, 1970; since then, Comptroller and Treasurer of Clear Lake Sawmills Ltd.	Secretary-Treasurer & Director
Glen Albert Wright 2734 Glen Drive Vancouver, B.C.	Retired	Director
Winston Allenby Reynolds 201 - 6716 Silver Ave. Burnaby, B.C.	Salesman with Block Bros. Realty Ltd. until January, 1972; since then, Salesman with Tradewind Realty Ltd. until April 1973; Vice-president North American Developments Limited	Director

**INTERIM LISTING**

<u>Name and Address</u>	<u>Principal Occupation for past five years</u>	<u>Position held with Company</u>
Donald Paul Doyle 237 Pat Boulevard Prince George, B.C.	General Manager, Clear Lake Sawmill Ltd.	Director
Alva Johnson 229 Capella Crescent Prince George, B.C.	Mechanic	Director

Item 10

<u>Name and Address</u>	<u>Class of Shares</u>	<u>Number of Shares</u>	<u>Percentage held</u>
Thorton J. Donaldson 1222 - 184th St. Surrey, B.C.	Common	500	50%
	Preferred A	25,000	
	Preferred B	42,500	
Stanley E. Jerome 1702-2055 Pendrell St. Vancouver, B.C.	Common	500	50%
	Preferred A	25,000	
	Preferred B	42,500	

Item 12

BOULDER CREEK PROSPECT

**INTERIM LISTING**

The Company is the recorded owner subject to the British Columbia Mineral Act of the following located Mineral claims situate in the Omineca Mining Division of the Province of British Columbia:

<u>Name of Claim</u>	<u>Record Number</u>	<u>Expiry Date</u>
Reynolds 1 - 2	96573-96574	December 29, 1974
Spaner 1 - 8	96575-96582	December 29, 1974
Stroh 1 - 9	96583-69591	December 29, 1974
Leslie 1 - 8	96894-96901	November 9, 1974
Wright 1 - 8	105706-105713	October 26, 1976
Doyle 1 - 7	103724-103730	August 30, 1977
Pattenden 1 - 6	106249-106254	October 6, 1976
Reynolds 3 - 4	116787 & 116788	October 2, 1973
Reynolds Fr. 1 - 2	116785 & 116786	October 2, 1973
Leslie Fr. 1 - 5	116789 - 116793	October 2, 1973
Doyle Fr. 1	116794	October 2, 1973
Stroh Fr. 1 - 4	116781 - 116784	October 2, 1973
Jo 1 - 10	116795 - 116804	October 2, 1973
Jo 13	116805	October 2, 1973
Jo Fr. 1 - 3	118573 - 118575	October 20, 1973
Skel	118594	October 23, 1973
Skel 1 - 3	118595 - 118597	October 23, 1973
Don	118576	October 23, 1973
Don #1 - #3	118577 - 118579	October 23, 1973
Bish	118612	October 23, 1973
Bish #1 - #12	118613 - 118624	October 23, 1973

The claims were acquired by the Company by staking.

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

Work done:

Mapping, Geochemical Survey, Trenching and Road Building and Claim Survey - approximate cost \$26,000.00.

Work planned:

Geochemical Soil Sampling, Electromagnet Survey, Geological Mapping, Road and Bridge, Diamond Drilling Surveying. The cost of work planned is \$100,000.00.

For further details see the report of J. H. Montgomery, P. Eng. dated February 14, 1973.

OTHER PROPERTY

The Company entered into an agreement with the following persons dated November 19, 1971 for the purchase of Placer Mining Leases Nos. 1981, 1982, 1988, 1989 and 1991, situate in the Kwanika Creek area of the Province of British Columbia and the consideration received by the Vendors for the mineral leases was as follows:

<u>Name</u>	<u>Number of Escrow Shares</u>	<u>Cash Consideration</u>
Maurice Spaner 1470 Camelot Road West Vancouver, B.C.	10,000	\$133.30
Ben Bell 1118 Crestline Road West Vancouver, B.C.	10,000	\$133.30
W. A. Reynolds 309 - 6716 Silver Ave. Burnaby 2, B.C.	10,000	\$133.30
Ole Friele 939 Westview Crescent North Vancouver, B.C.	10,000	\$133.30
Fred Gugeon 2587 Edgar Crescent Vancouver, B.C.	10,000	\$133.30
G. T. Pryce 3991 Gray Avenue South Burnaby, B.C.	10,000	\$133.30
Leo Stroh 9573 Cameron Street Burnaby, B.C.	10,000	\$133.30
Harry Baker 202 - 6055 Vine Street Vancouver 13, B.C.	10,000	\$133.30
Jack Spaner 6809 Neal Street Vancouver, B.C.	75,000	\$999.70

**INTERIM  
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Art Bater 240 Wilson Crescent Prince George, B.C.	250,000	\$3,332.50
R.L. Bater 1124 East 19th Vancouver, B.C.	<u>345,000</u>	<u>\$4,598.90</u>
TOTAL:	<u>750,000</u>	<u>\$9,997.50</u>

The cost of the Placer Mining Leases to the Vendors was the sum of \$4,000.000.

The Company carried out assessment work on the Placer Mining Leases in the sum of \$1,600.00 and they were allowed to lapse.

The Directors have allocated the above 750,000 escrow shares to the following Placer Mining Leases, situate in the Kwanika Creek area of the Province of British Columbia, and previously owned by the Company:

<u>Placer Mining Lease No.</u>	<u>Expiry Date</u>
1993	March 25, 1974
1996	March 25, 1974

No work, except assessment work, is proposed to be done on the said mining leases at the present time.

Item 16 Richard L. Bater, Montague A. Bater, Wilfred H. Pattenden, Glen Albert Wright, Winston A. Reynolds, Donald P. Doyle and Alva Johnson, acting in their capacity as Directors of the Company may be considered the Promoters of the Company in accordance with Section 2(1) of the Securities Act, 1967. None of the above persons have received anything of value from the Company for acting as Promoters but see Item No. 12 for consideration received for vending mineral claims to the Company.

Item 18

750,000 shares (being 46.65% of the issued capital of the Company) are held in escrow by the Guaranty Trust Company of Canada subject to the order of the British Columbia Securities Commission and the Vancouver Stock Exchange. The beneficial owners of the above shares are as follows:

<u>Name and Address</u>	<u>No. of Shares held in Escrow</u>	<u>Percentage of escrow shares held if more than 5%</u>
Richard Lawrence Bater 1124 East 19th Avenue Vancouver 10, B.C.	200,300	26.7%
Montague Arthur Bater 240 Willson Crescent Prince George, B.C.	180,000	24%
Ann Spaner 6809 Neal Street Vancouver, B.C.	60,000	8%
Winston A. Reynolds 201 - 6716 Silver Avenue Burnaby 2, B.C.	65,000	8.6%
W. H. Pattenden 592 Radcliffe Drive Prince George, B.C.	50,000	6.6%
Donald P. Doyle 237 Patricia Boulevard Prince George, B.C.	50,000	6.6%

**INTERIM LISTING**

Item 19

As at the date hereof the following persons own directly or indirectly more than 5% of the issued shares of the Company:

<u>Name &amp; Address</u>	<u>Ownership</u>	<u>No. of Shares</u>	<u>Percentage of out- standing shares</u>
Richard Lawrence Bater 1124 East 19th Ave. Vancouver 10, B.C.	Of record & beneficial	238,645	14.84%
Montague Arthur Bater 240 Willson Crescent Prince George, B.C.	Of record & beneficial	220,076	13.68%
Winston A. Reynolds 201 - 6716 Silver Ave. Burnaby 2, B.C.	Of record & beneficial	98,918	6.15%

PURCHASER'S RIGHT OF RESCISSION

Section 61 of the Securities Act, 1967 contains provisions enabling a purchaser of securities offered in the course of primary distribution to rescind the contract of purchase in certain events.

The purchaser may rescind where:

- (a) Section 60 has not been complied with;
- (b) Written notice of intention to commence an action for rescission of the contract is served upon the person who contracted to sell the securities within 60 days of the date of delivery of the written confirmation of the sale of the securities; and
- (c) The purchaser is still the owner of the security.

This Statement of the purchaser's right of rescission is indicative only and not intended to be comprehensive. For complete details, reference should be made to the Sections of the Act.

This Statement of Material Facts shall be deemed conclusively to be received in the ordinary course of mail by the person or company to whom it was addressed.

**INTERIM  
LISTING**

21. Give the aggregate direct remuneration, including amounts for services rendered, paid or payable by the issuer and its subsidiaries during the past year to the insiders of the issuer.	No direct remuneration has been paid to the Directors as such but \$9,458.74 was paid to a Director for exploration work and since March 1, 1973 \$1,200. per month is to be paid to Dick Bater for development work and \$300.00 per month to W. Pattenden for administration and management
22. Give brief particulars of all options to purchase securities (other than such as are granted or proposed to be granted to shareholders as such on a pro rata basis) outstanding or proposed to be given by the issuer and its subsidiaries to any person or company, naming each such person or company and showing separately all such options outstanding or proposed to be given to the insiders of the issuer or its subsidiaries.	None
23. State the prices at which shares of the issuer have been issued for cash during the past year. If any shares have been issued for services, state the nature and value of the services and give the name and address of the person or company who received such shares. State the number of shares issued at each price.	5 @ 50¢ 497,625 @ 10¢ 360,000 @ 25¢
24. Give the dates of and parties to and the general nature of every material contract entered into by the issuer or any subsidiary within the preceding two years which is still in effect and is not disclosed in the foregoing.	None
25. Give particulars of any other material facts relating to the shares proposed to be offered and not disclosed pursuant to the foregoing items.	There are no other material facts not disclosed pursuant to the foregoing items
26. If assets include investments in the shares or other securities of other companies, give an itemized statement thereof showing cost of book value and present market value.	None

27.

CERTIFICATE OF THE COMPANY

The foregoing constitutes full, true and plain disclosure of all material facts relating to the securities offered by this Statement of Material Facts

Dated May 7 1973

NORTHERN TUNGSTEN MINES LTD. (N.P.L.)

Per: [Signature]  
 Per: [Signature]  
 Per: Richard L. Bate as his attorney  
 Per: [Signature] [Corporate Seal]  
 Per: Montague G. Bate as his attorney  
 Per: [Signature]  
 Per: William H. Pattenden as his attorney  
 Per: [Signature]  
 Per: George J. Doyle as his attorney  
 Per: [Signature]  
 Per: Allyn Jackson as his attorney  
 Per: [Signature]

CERTIFICATE OF UNDERWRITER OR OPTIONEE

The foregoing constitutes full, true and plain disclosure of all material facts relating to the securities offered by this Statement of Material Facts to the best of our knowledge, information and beliefs.

Dated May 7, 1973

DONALDSON SECURITIES LTD.

Per: [Signature]  
 Per: [Signature]

**INTERIM LISTING**



REPORT  
on the

BOULDER CREEK PROSPECT  
OMINECA MINING DIVISION  
BRITISH COLUMBIA

on behalf of

NORTHERN TUNGSTEN MINES LIMITED

by

J.H. Montgomery, Ph. D, P.Eng.

February 14, 1973



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SUMMARY AND CONCLUSIONS

Northern Tungsten Mines Limited of Prince George, B.C. holds title to 61 full-sized and 11 fractional mineral claims located on Boulder Creek near the town of Manson Creek, B.C. in the Omineca Mining Division of British Columbia.

The property is underlain by three main rock units : Cache Creek Group, Wolverine Complex and Omineca Intrusions. The Manson Creek fault zone transects the property.

Preliminary exploration work during the past season consisted of geochemical soil survey, bulldozer trenching and a partial claim survey. This work resulted in the discovery of several lead-zinc-silver showings associated with extensive carbonate hydrothermal alteration within the Manson Creek fault zone. As well, significant scheelite mineralization was discovered near an intrusive contact on the property.

In view of the extremely encouraging results obtained to date, recommendations are made for a continuation and expansion of exploration and development. The proposed program consists of additional geochemical sampling and trenching, geophysical surveys, geological mapping and diamond drilling. The program is estimated to cost \$100,000.00 and to take about four months to complete.

2. H. H. Montgomery  


REPORT

on the

BOULDER CREEK PROSPECT

OMINECA MINING DIVISION

BRITISH COLUMBIA

INTRODUCTION

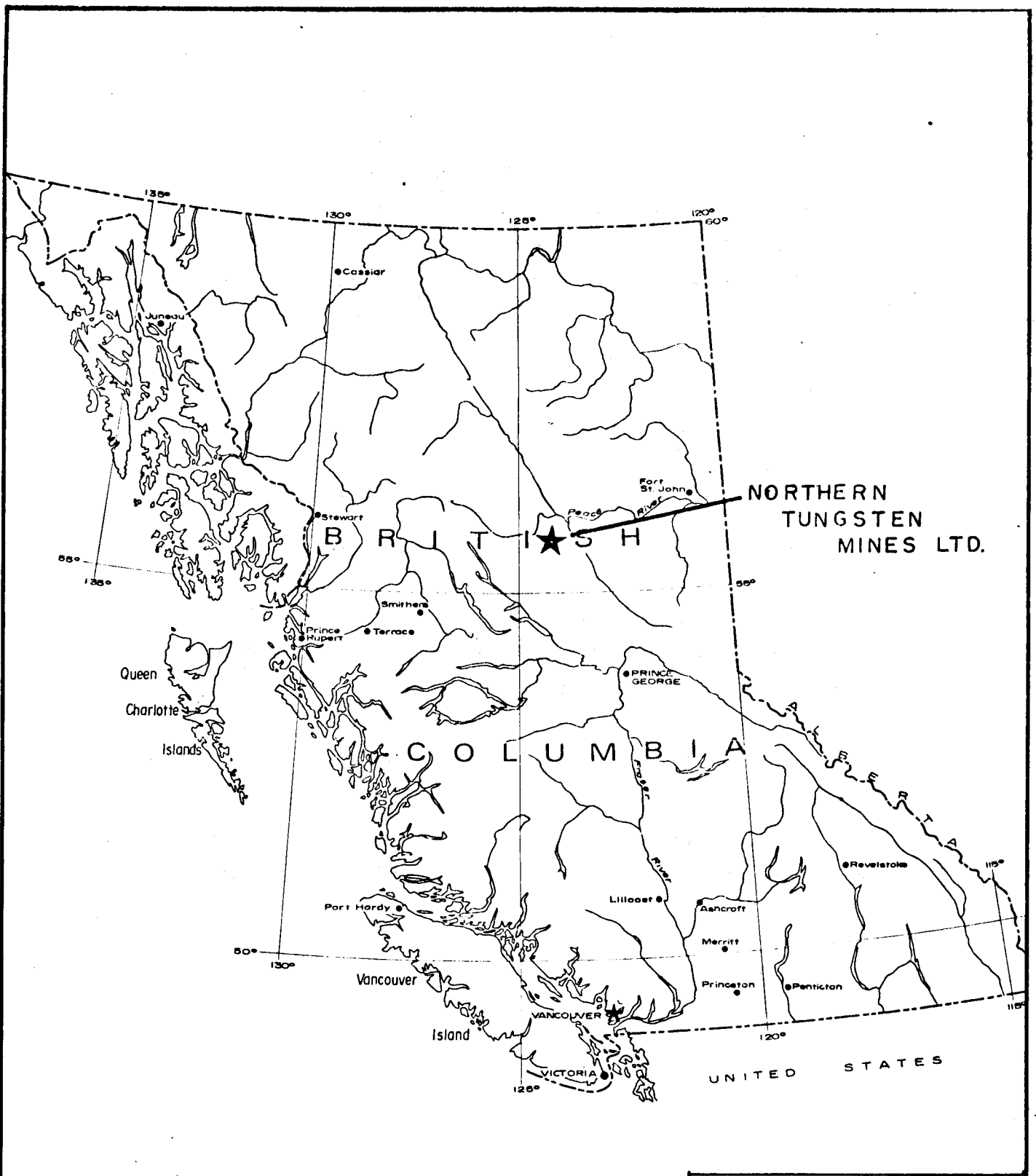
Northern Tungsten Mines Limited of Prince George, B.C. have retained me to make an evaluation of the work done to date on their Boulder Creek prospect in Omineca Mining Division and to make recommendations for additional exploration and development.

An expanded program of exploration is recommended to further develop the property. An estimate of costs has been prepared.

LOCATION AND ACCESS

The property is located on Boulder Creek, an easterly-flowing tributary of Manson Lakes, about six miles southeast of the town of Manson Creek, British Columbia. A location map is shown in Figure 1. (N.T.S. Ref. 93N ; Lat. 55° 36'N, Long. 124° 22'W)

Manson Lakes may be reached by a good gravel road from Fort St. James, B.C., a distance of about 105 miles. From that point, a boat or barge is required to cross South Manson Lake where a well-equipped camp is established. A number of cat roads, including recently built roads, provide good access to most parts of the property.

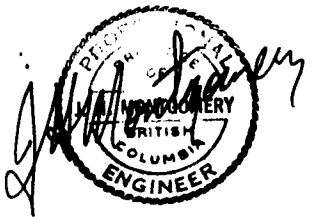


NORTHERN  
TUNGSTEN  
MINES LTD.

NORTHERN TUNGSTEN MINES LTD

**LOCATION MAP**

BOULDER CREEK



J. H. Montgomery

Feb. 14/73 Fig. 1

Some additional road work will be necessary to facilitate the continuing work program. As well, the feasibility of a bridge across Manson Lakes Narrows should be studied. If a bridge is not feasible, then barge and docking facilities capable of handling the required equipment will be necessary.

In any event, diamond-drilling equipment should be placed on the property before spring breakup makes the Manson Creek road impossible.

#### CLAIM INFORMATION

The property consists of 61 full-sized and 11 fractional mineral claims located in the Omineca Mining Division of British Columbia. Figure 2 is an idealized outline of the claim block. A portion of the claim area has been surveyed by chain and compass. This portion of the claim area is shown in Figure 3.

Claim information received to date from principals of the company is listed in the following table:

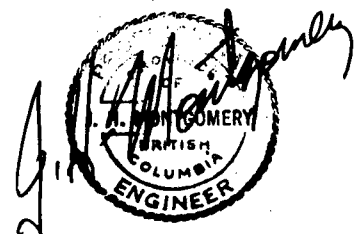


NORTHERN  
TUNGSTEN  
CLAIMS



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NORTHERN TUNGSTEN MINES LTD.		
<b>CLAIM MAP</b>		
BOULDER CREEK		
J H Montgomery	Feb. 14/73	Fig. 2 <sub>4</sub>



<u>CLAIM</u>		<u>RECORD NUMBER</u>	<u>EXPIRY DATE</u>
	<u>BOULDER GROUP (27)</u>		
Reynolds	1-2 (2)	96573-96574	Dec. 29, 1974
Spaner	1-8 (8)	96575-96582	Dec. 29, 1974
Stroh	1-9 (9)	96583-96592	Dec. 29, 1974
Leslie	1-8 (8)	96894-96901	Nov. 9 . 1974

		<u>TUNGSTEN GROUP (21)</u>	
Wright	1-8 (8)	105706-105713	Oct. 26, 1976
Doyle	1-7 (7)	103724-103730	Aug. 30, 1977
Pattenden	1-6 (6)	106249-106254	Oct. 6 , 1976

		<u>NEW STAKING (1972) (24)</u>	
Reynolds	3-4 (2)		
Reynolds Fr.	1-2 (2)		
Leslie Fr.	1-4 (4)		
Doyle Fr.	1 (1)		
Stroh Fr.	1-4 (4)		
Jo	1-10 (10)		
Jo	13 (1)		



### PHYSIOGRAPHY

The claims are located on the east side of Blackjack Mountain at the southern end of Omineca Mountains. The property lies between elevations of 3000 and 3500 feet above mean sea level. Topography in the area is moderate except for the steep-sided walls of Boulder Creek Valley.

The area is well timbered with spruce, balsam and poplar. Underbrush is light in most areas. Glacial deposits range in thickness from 2 to 50 feet.

Boulder Creek and its tributaries provide adequate water for drilling purposes.

### HISTORY OF PROPERTY

#### (a) EARLY HISTORY

Interest in the general area began in 1889 with the discovery of placer gold deposits on various tributaries of Manson River, Boulder Creek being among these. Recent attempts at recovering placer gold from Boulder Creek were made by R.L. Bater and Associates without success. The discovery of scheelite in the placer concentrates, however, shifted interest to the search for tungsten. Prospecting of the upper tributaries of Boulder Creek resulted in the discovery of small amounts of scheelite in place along a granitic contact. A limited amount of stripping was done on a series of large quartz veins exposed along Boulder Creek Valley. The veins, which range in width from 3 to 20 feet are mineralized in places with galena and pyrite

in uneconomic quantities.

The old Berthold property which lies along the Manson Fault about half a mile south of Boulder Creek has several old trenches on it which expose a zone of silicification containing finely disseminated pyrite and galena about 10 feet wide. Values in silver up to 13 oz./ton have been reported (G.S.C. Memoir 252, p. 181).

HISTORY OF PROPERTY (cont'd)

(b) Present Work

During the 1972 field season, a geochemical soil survey was conducted over most of the claim-area. This survey resulted in the detection of several large lead-zinc anomalies. A limited amount of bulldozer stripping resulted in the discovery of several high grade lead-zinc-silver deposits.

Details of the work done are presented in the following paragraphs:

(i) Base Map

A topographic base map has been prepared utilizing existing aerial photography and control. The map covers most of the claim area and has a scale of one inch to 400 feet with a contour interval of 25 feet.

The base map will be used for control and correlation of geochemical and geophysical surveys, geological mapping and diamond drilling.

(ii) Geochemical Survey

A geochemical soil survey was conducted over about 30 of the claims. East-west lines were chained out at intervals of 400 feet along a north-south trending baseline. A total of about 30 line miles of grid was established.

About 340 soil samples were collected from the B horizon. These were analyzed by Min-En Laboratories of Vancouver, B.C. for lead, zinc, silver and copper.

The survey resulted in the detection of a large lead anomaly as shown in Figure 3. Statistical analysis of lead values indicated a threshold value of 90 p.p.m. An area approximately 3000 by 4000 feet contains anomalous lead values ranging from 90 to 1100 p.p.m. Anomalous zinc values up to 2000 p.p.m. and scattered highs in copper and silver are also present. A number of smaller lead anomalies and one other apparently large "open" anomaly were also detected.

Some of the anomalies show a linear continuity or trend at about 130 degrees.

(iii) Trenching and Road Building

Access roads were constructed by bulldozer to the area of the lead anomaly, in all about 3½ miles of road. Trenching exposed high grade lead-zinc-silver mineralization in three areas over a distance of 600 feet. The mineralization is of considerable extent but, because of an early snowfall, it was not possible to map the showings nor to determine their size and grade.

A limited amount of trenching was also done on a new scheelite showing south of Boulder Creek.

(iv) CLAIM SURVEY

A chain and compass survey of the main area of interest was completed during the past season. This resulted in the staking of 13 additional full-sized and 11 fractional claims to provide protection for the area of mineralization. The results of the survey are shown in Figure 3 with the geochemical lead anomaly, roads, and trenches also plotted.

(v) Geology

Geological mapping of the claim area has not yet been done. This will be one of the prime objectives during the 1973 season.

The following few remarks regarding geology of the area are based on observations of trench exposures and on J.E. Armstrong's regional mapping (G.S.C. Memoir 252, 1949).

The claim area is underlain by the Manson Fault Zone, a major northwesterly trending structure which is, in many places, associated with extensive carbonate alteration and lead-zinc-silver mineralization. Such is the case at Boulder Creek. Mineralization exposed in trenches consists of galena, sphalerite, pyrite and minor chalcopyrite commonly with a distinct banded structure. Most of the gangue mineral is quartz in the form of stringers and veins. The wallrock is typical of that described by Armstrong as "carbonate rocks". The original rock minerals, except for quartz, have been completely

replaced by a buff-colored mixture of ankerite carbonate, chlorite, mariposite and pyrite as a result of hydrothermal alteration.

Several samples of high-grade material and one of wallrock were taken for assay. The results are as follows:

<u>Sample</u>	<u>Type</u>	<u>Pb</u>	<u>Zn</u>	<u>Au</u>	<u>Ay.</u>	<u>Cd</u>	<u>Bi</u>
High Grade	Grab	56.7	2.70	.005	7.10	0.06	Tr
High Grade	Grab	77.5	0.03	.085	17.40	0.03	Tr
High Grade	Grab	63.7		.010	15.40		
Wallrock	Specimen			.010	0.60		

Several samples were also taken from the scheelite showing south of Boulder Creek. Grab samples assayed from 0.1 to 0.3 %  $WO_3$  and one selected sample assayed 0.71 %  $WO_3$ .

#### RECOMMENDATIONS

In view of the extremely encouraging results obtained to date, I recommend that a continuation and expansion of the exploration program outlined in my original report dated November 1, 1971 should be undertaken.

The work proposed for the 1973 field season consists of additional geochemical sampling and trenching, geophysics, geological mapping and interpretation, and diamond drilling. Details of the proposed program follow:

##### 1. GEOCHEMICAL SOIL SAMPLING

An additional 20 line-miles of soil sampling will be required to complete the geochemical survey on the property (270 samples estimated)

2. Electromagnetic Survey

An electromagnetic survey should be conducted over the entire property to better define trenching and drilling targets (20 line-miles estimated)

3. Geological Mapping and Interpretation

A preliminary petrographic study and aerial photograph interpretation should precede field mapping. Some additional trenching will also be necessary to expose anomalous areas.

4. Road and Bridge

Some additional access roads will be required for drilling purposes. Either a bridge or barge and docking facilities will be required to allow movement of equipment and personnel to the property.

5. Diamond Drilling

Several drilling targets have already been approximately located. Their exact location and the location of additional drill sites will be determined after geological and geophysical surveys have been completed (Estimated 4000 feet BQ)

6. Surveying

Some transit surveying will be required to correlate drill holes.

COST ESTIMATE

1.	<u>Geochemical Soil Sampling</u>		
	(a) Line-cutting	1,500.00	
	(b) Analyses	750.00	
	(c) Sampling	<u>1,800.00</u>	
		4,050.00,	4,050.00
2.	<u>Electromagnetic Survey</u>		
	20 Line-miles @ \$250.00		5,000.00
3.	<u>Geological Mapping &amp; Interpretation</u>		
	(a) Petrographic Study	800.00	
	(b) Aerial Photo Interp.	800.00	
	(c) Field Mapping	3,000.00	
	(d) Trenching	<u>3,000.00</u>	
		7,600.00	7,600.00
4.	<u>Road and Bridge</u>		
	(a) Road 50 hrs. bulldozer	2,000.00	
	(b) Bridge	<u>2,500.00</u>	
		4,500.00	4,500.00
5.	<u>Diamond Drilling</u>		
	(a) 4000 feet BQ wireline @ \$12/ft.	48,000.00	
	(b) Assaying	<u>3,500.00</u>	
		51,500.00	51,500.00
6.	<u>Surveying</u>		2,000.00
7.	<u>Camp Facilities &amp; Operation</u>		5,000.00

(14)

8.	<u>Transportation</u>		
	(a) Truck Rental	2,400.00	
	(b) Air Fares	<u>1,000.00</u>	
		3,400.00	3,400.00
9.	<u>Drill Site Geologist</u>		2,400.00
10.	<u>Communication</u>		400.00
11.	<u>Engineering and Supervision</u>		<u>5,000.00</u>
		TOTAL	90,850.00
	Plus Contingencies - about 10%		<u>9,150.00</u>
		TOTAL	<u>\$100,000.00</u>

Respectfully submitted,

  
J.H. Montgomery, Ph.D., P.Eng.

February 14, 1973  
Vancouver, B.C.



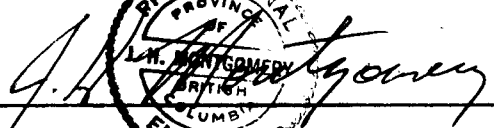
(15)

I, J.H. Montgomery, of Vancouver, British Columbia, hereby certify that:

1. I am a geological engineer and reside at 4153 West 11th Avenue, Vancouver 8, B.C.
2. I am a graduate of the University of British Columbia: B.Sc. in 1959, M.Sc. in 1960, Ph.D. in 1967.
3. I have practised my profession since 1959.
4. I am a member of the Association of Professional Engineers of British Columbia.
5. I have no interest direct or indirect, in the properties or securities of Northern Tungsten Mines Limited or their affiliates, nor do I expect to receive any such interest.
6. I have based this report on a personal visit to the property and on personal supervision of the work done during 1972.

DATED at Vancouver, B.C. this 14th day of February, 1973

Respectfully submitted,

  
A circular professional seal is stamped over the signature. The seal contains the text: "PROVINCIAL ENGINEER OF BRITISH COLUMBIA" around the perimeter and "J.H. MONTGOMERY" in the center. The signature "J.H. Montgomery" is written in cursive over the seal.

---

J.H. Montgomery, Ph.D., P.Eng.

4153 West 11th Avenue,  
Vancouver 8, B.C.

**Rose, Gale & Co.**  
CHARTERED ACCOUNTANTS

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NORTHERN TUNGSTEN MINES LTD. (N.P.L.)

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Exhibit "B" - Notes to the financial statements  
as at January 31, 1973

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administration expense for the year  
ended January 31, 1973

Exhibit "D" - Statement of source and application of  
funds for the year ended January 31, 1973

**Rose, Gale & Co.**  
CHARTERED ACCOUNTANTS

AUDITORS' REPORT

To the Shareholders  
Northern Tungsten Mines Ltd. (N.P.L.)  
Prince George, B.C.

We have examined the balance sheet of Northern Tungsten Mines Ltd. (N.P.L.) as at January 31, 1973 and the statements of deferred exploration and administration expenses and source and application of funds for the year then ended. Our examination included a review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

No provision for depreciation has been provided in the accounts on the company's camp buildings and equipment.

Subject to the foregoing, in our opinion, these financial statements present fairly the financial position of the company at January 31, 1973, and the results of its operations and the source and application of its funds for the year then ended in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding period.

Prince George, Canada  
March 12, 1973



Chartered Accountants

EXHIBIT "A"NORTHERN TUNGSTEN MINES LTD. (N.P.L.)

BALANCE SHEET  
AS AT JANUARY 31, 1973  
(with comparative figures as at January 31, 1972)


ASSETS


	<u>1973</u>	<u>1972</u>
<b>CURRENT ASSETS:</b>		
Cash	\$ 8,493.65	\$ 411.58
Term deposit	25,000.00	- -
Accrued interest on term deposit	56.16	- -
Solicitors' trust account	- -	1,220.67
	<u>33,549.81</u>	<u>1,632.25</u>
<b>FIXED ASSETS, at cost:</b>		
Buildings	2,752.63	2,752.63
Equipment	25,469.12	24,519.12
Automotive equipment	1,160.00	1,160.00
	<u>29,381.75</u>	<u>28,431.75</u>
Mineral properties (note 1)	<u>17,497.50</u>	<u>17,497.50</u>
<b>DEFERRED EXPENSES (Exhibit "C"):</b>		
Exploration	42,225.98	16,182.67
Administration	13,260.18	5,754.22
	<u>55,486.16</u>	<u>21,936.89</u>
<b>OTHER ASSETS:</b>		
Incorporation expense	1,362.00	1,362.00
Commissions on issue of shares	19,459.38	- -
	<u>20,821.38</u>	<u>1,362.00</u>
	<u>\$ 156,736.60</u>	<u>\$ 70,860.39</u>

LIABILITIES

	<u>1973</u>	<u>1972</u>
<b>CURRENT LIABILITIES:</b>		
Accounts payable	\$ 5,362.72	\$ 3,486.51
Accounts payable to directors	4,108.88	4,108.88
Bank loan	<u>- -</u>	<u>6,000.00</u>
	9,471.60	13,595.39
<b>SHAREHOLDERS' EQUITY:</b>		
Share capital (note 1 and 2)	<u>147,265.00</u>	<u>57,265.00</u>

APPROVED ON BEHALF OF THE BOARD:

  
\_\_\_\_\_  
Director

  
\_\_\_\_\_  
Director

\$ 156,736.60      \$ 70,860.39

NORTHERN TUNGSTEN MINES LTD.(N,P,L.)NOTES TO THE FINANCIAL STATEMENTS  
JANUARY 31, 1973

## 1. MINERAL PROPERTIES - \$ 17,497.50

The company is the holder of five Placer Mining Leases as of January 31, 1973, in the Kwaneka Creek area in the Omineca Mining Division of British Columbia which were acquired for a consideration of 750,000 shares and \$ 9,997.50 cash. The company's title to these claims has been allowed to expire as of March 12, 1973.

The company holds title to 61 full sized and 11 fractional mineral claims located on Boulder Creek in the Omineca Mining Division of British Columbia which were acquired by staking, of which 24 claims were staked during the current year. The costs of staking these claims is included under deferred exploration expense.

The company also owns two Placer Mining leases on Boulder Creek, which were acquired at no cost.

## 2. SHARE CAPITAL:

Authorized, 3,000,000 shares of \$ 0.50 each par value

	Number of shares	Par value	Discount	Net
Issued as at January 31, 1972				
For cash	497,630	\$ 248,815.00	\$ 199,050.00	\$ 49,765.00
For property	<u>750,000</u>	<u>375,000.00</u>	<u>367,500.00</u>	<u>7,500.00</u>
	1,247,630	623,815.00	566,550.00	57,265.00
Issued during year				
For cash	<u>360,000</u>	<u>180,000.00</u>	<u>90,000.00</u>	<u>90,000.00</u>
Issued, January 31, 1973	<u>1,607,630</u>	<u>\$ 803,815.00</u>	<u>\$ 656,550.00</u>	<u>\$ 147,265.00</u>

## 3. REMUNERATION TO A DIRECTOR.

The company paid \$ 9,458.74 in remuneration to a director for exploration work performed during the current year.

EXHIBIT "C"NORTHERN TUNGSTEN MINES LTD.(N.P.L.)STATEMENT OF DEFERRED EXPLORATION AND ADMINISTRATION EXPENSES  
FOR THE YEAR ENDED JANUARY 31, 1973(with comparative figures for the period October 14, 1970,  
date of incorporation, to January 31, 1972)

	<u>Balance</u> January 31, 1972	<u>Expended</u> during year	<u>Balance</u> January 31, 1973
<b>EXPLORATION</b>			
Assays	\$ 77.40	\$ 55.90	\$ 133.30
Automobile expense	1,406.95	1,322.99	2,729.94
Engineering and geological services	728.00	8,505.72	9,233.72
Food and camp supplies	2,645.50	2,569.24	5,214.74
Freight	1,455.24	- -	1,455.24
Gas and oil for equipment	766.17	862.80	1,628.97
Licenses	100.00	- -	100.00
Prospecting	500.00	- -	500.00
Recording fees	1,062.25	983.00	2,045.25
Repairs and maintenance	1,795.61	2,284.92	4,080.53
Travel	2,134.81	- -	2,134.81
Wages and benefits (note 3)	3,714.61	9,458.74	13,173.35
Miscellaneous expense	883.63	- -	883.63
	<u>17,270.17</u>		<u>43,313.48</u>
Deduct: income from sale of gold	1,087.50	- -	1,087.50
	<u>16,182.67</u>	<u>26,043.31</u>	<u>42,225.98</u>
<b>ADMINISTRATION:</b>			
Bank charges and interest	74.98	227.78	302.76
Insurance	568.00	575.00	1,143.00
Legal and audit	2,506.43	3,113.57	5,620.00
Management fees	1,800.00	- -	1,800.00
Office and sundry expense	222.68	2,096.29	2,318.97
Telephone and telegraph	194.15	439.47	633.62
Travelling expense	387.98	412.00	799.98
Share transfer fees	- -	641.85	641.85
	<u>5,754.22</u>	<u>7,505.96</u>	<u>13,260.18</u>
<b>TOTAL EXPLORATION AND ADMINISTRATION</b>			
<b>EXPENSE, to Exhibit "A"</b>	<u>\$ 21,936.89</u>	<u>\$ 33,549.27</u>	<u>\$ 55,486.16</u>

EXHIBIT "D"NORTHERN TUNGSTEN MINES LTD.(N.P.L.)STATEMENT OF SOURCE AND APPLICATION OF FUNDS  
FOR THE YEAR ENDED JANUARY 31, 1973

(with comparative figures for the period October 14, 1970,  
date of incorporation, to January 31, 1972)

	<u>1973</u>	<u>1972</u>
<b>SOURCE OF FUNDS:</b>		
Shares issued for cash	\$ 90,000.00	\$ 49,765.00
Shares issued for property	- -	7,500.00
Sale of gold	- -	1,087.50
	<u>90,000.00</u>	<u>58,352.50</u>
<b>APPLICATION OF FUNDS:</b>		
Purchase of mineral properties	- -	17,497.50
Purchase of fixed assets	- -	- -
Buildings	- -	2,752.63
Equipment	950.00	24,519.12
Truck	- -	1,160.00
Exploration expense	26,043.31	17,270.17
Administration expense	7,505.96	5,754.22
Commissions on issue of shares	19,459.38	- -
Incorporation expense	- -	1,362.00
	<u>53,958.65</u>	<u>70,315.64</u>
Working capital increase (decrease)	36,041.35	<u>(11,963.14)</u>
Working capital(deficiency) end of previous period	<u>(11,963.14)</u>	- -
Working capital (deficiency), end of period	<u>\$ 24,078.21</u>	<u>\$ (11,963.14)</u>