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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.

*This Prospectus is not, and under no circumstances is to be construed as a public offering of shares for sale in the United States of America or in the territories or possessions thereof.*

NEW ISSUE

**700,000 Shares**  
(without nominal or par value)

# Bell Molybdenum Mines Limited

(Incorporated under the laws of the Province of British Columbia)

Transfer Agent and Registrar  
**THE CANADA TRUST COMPANY**  
Vancouver and Toronto

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## **A Purchase of the Securities Offered by this Prospectus Must be Considered a Speculation**

No survey of any property or property interest held by the Company has been made and, therefore, in accordance with the mining laws of appropriate jurisdictions in which such property is situate, the existence of and the area of such properties could be in doubt.

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We, as principals, offer these shares, subject to prior sale and change in price, if, as and when issued and allotted by the Company and accepted by us and subject to the approval of all legal matters by Messrs. Douglas, Symes & Brissenden, Vancouver, B.C.

**PRICE: 80c PER SHARE**

We reserve the right to accept applications for these shares in whole or in part or to reject any application and to withdraw this offer at any time without prior notice. It is expected that certificates will be available for delivery on or about April 25, 1967.

**BRINK, HUDSON & LEFEVER LTD.**  
837 West Hastings Street, Vancouver 1, B.C.

## **BELL MOLYBDENUM MINES LIMITED**

**Suite 300 - 999 West Pender Street**

**Vancouver 1, B.C.**

April 18, 1967

Brink, Hudson & Lefever Ltd.  
837 West Hastings Street  
Vancouver 1, B.C.

**Attention: Mr. Harold W. Lefever**

Dear Sirs:

With regard to your proposed offering of shares of Bell Molybdenum Mines Limited (hereinafter called the "Company"), I am pleased to supply you with the following information:

### **The Company:**

Bell Molybdenum Mines Limited was incorporated as a private company on September 30, 1966, under the Companies Act of the Province of British Columbia for the purpose of acquiring from Mastodon-Highland Bell Mines Limited (hereinafter called "Mastodon") and Leitch Gold Mines Limited (hereinafter called "Leitch") certain claims located in the Skeena Mining Division of British Columbia and described below under the heading "Property".

The Company was converted to a public company on April 14, 1967.

Prior to the incorporation of the Company, Mastodon and Leitch had spent approximately \$59,000 in prospecting, geochemistry, surface mapping and diamond drilling. Following incorporation and the transfer to it of the claims, the Company entered into a development agreement with Mastodon and Leitch for further work to be performed on the claims. This consisted of additional diamond drilling. All this work was completed in the area on which these claims are located.

### **Capitalization:**

The Company is authorized to issue 4,000,000 shares without nominal or par value at a maximum price or consideration of \$1.00 each of which 1,274,980 shares have been issued and are outstanding and fully paid. The consideration to Mastodon and Leitch for the sale of the property to the Company was 750,000 shares of the Company which have been placed in escrow.

These two companies have purchased 30,000 shares for cash at a price of 10c per share and have also received 494,980 shares at a price of 10c per share in consideration of work performed by them under the development agreement referred to above. The 494,980 shares will be pooled until the proposed underwriting has been completed.

### **Property:**

The Company holds 140 located mineral claims in the Alice Arm area in the Skeena Mining Division, British Columbia. These claims were staked and recorded under the Mineral Act of British Columbia and cover approximately 7,000 acres.

The following report has been made to me by William R. Bacon, Ph.D., P.Eng., who is the Exploration Manager of Mastodon:

April 18, 1967

Mr. K. J. Springer  
President  
Bell Molybdenum Mines Limited  
300 - 999 West Pender Street  
Vancouver 1, B.C.

Dear Sir:

I have examined the staking of the 140 mineral claims referred to in the report of John W. Stewart, P.Eng., dated March 22, 1967 and have found such staking to be in accordance with the requirements of the Mineral Act.

Yours very truly,  
(signed) W. R. Bacon, P.Eng.

Transportation to the property so far has been by means of helicopter from the village of Alice Arm, a distance of approximately six miles. There is also a road from Alice Arm Inlet to the property of British Columbia Molybdenum Ltd. (controlled by Kennecott) which is about four miles to the south-west from the Company's showings.

Alice Arm is situated on Observatory Inlet 85 air miles northerly from Prince Rupert, B.C.

**Exploration Results:**

During 1965 Mastodon and Leitch conducted prospecting, surface examination and reconnaissance geochemical surveys. During 1966 detailed geochemical work followed by diamond drilling was undertaken in a selected area of the property.

The drilling was of a reconnaissance nature, at irregular intervals of several hundred feet, mainly along the northern margin of a quartz monzonite stock that is almost completely covered by overburden. The holes were short and angled in an attempt to test both monzonite and surrounding hornfels near their contact.

The results of the drilling, in summary, are as follows:

Hole	Length	Results
S-1	411 feet	0.08% MoS <sub>2</sub>
S-2	abandoned at 46 feet	No core
S-3	abandoned at 148 feet	Poor core — none below 125 feet
S-4	269 feet	0.10% MoS <sub>2</sub>
S-5	251 feet	Poorly mineralized — not sampled
S-6	312 feet	0.08% MoS <sub>2</sub>
S-7	181 feet	0.10% MoS <sub>2</sub>
S-8	333 feet	0.10% MoS <sub>2</sub>
S-9	309 feet	0.14% MoS <sub>2</sub>
S-10	312 feet	0.08% MoS <sub>2</sub>
S-11	318 feet	0.11% MoS <sub>2</sub>
S-12	277 feet	0.11% MoS <sub>2</sub>
	<u>3,167 feet</u>	

524,980  
750,000  

---

1,274,980  
700,000  

---

1,974,980

**Purpose of Issue:**

The proposed underwriting of 700,000 shares will provide the Company with the funds necessary to continue exploration and development of the Company's property.

The proceeds to the Company from the sale of the shares referred to above will be \$490,000 before deducting legal, audit and other expenses estimated at \$4,000.

**Conclusions:**

The areas of widespread mineralization, consisting of molybdenite occupying extensive fractures in both the quartz monzonite stock and in the surrounding hornfels alteration zones, occur in a geological environment considered favourable for economic molybdenum orebodies. The occurrences are similar in nature with the other molybdenum bearing zones found in this area. These are as shown on the location map forming part of this Prospectus.

Diamond drilling completed to date, comprising 12 holes totalling 3,167 feet, shows that there are good possibilities for developing a large tonnage of molybdenum bearing rock of economic grade. Only shallow holes have been drilled so far and all except one, No. S-2 which did not penetrate bedrock, have shown mineralization to the bottom of the holes indicating the mineralization goes to greater depth. The simple association of molybdenite in a granitic or hornfels rock with no impurities observed indicates excellent metallurgical recoveries.

It is reasonable to expect that ore zones large enough for open-pit operations, with a low waste to ore ratio, can be found.

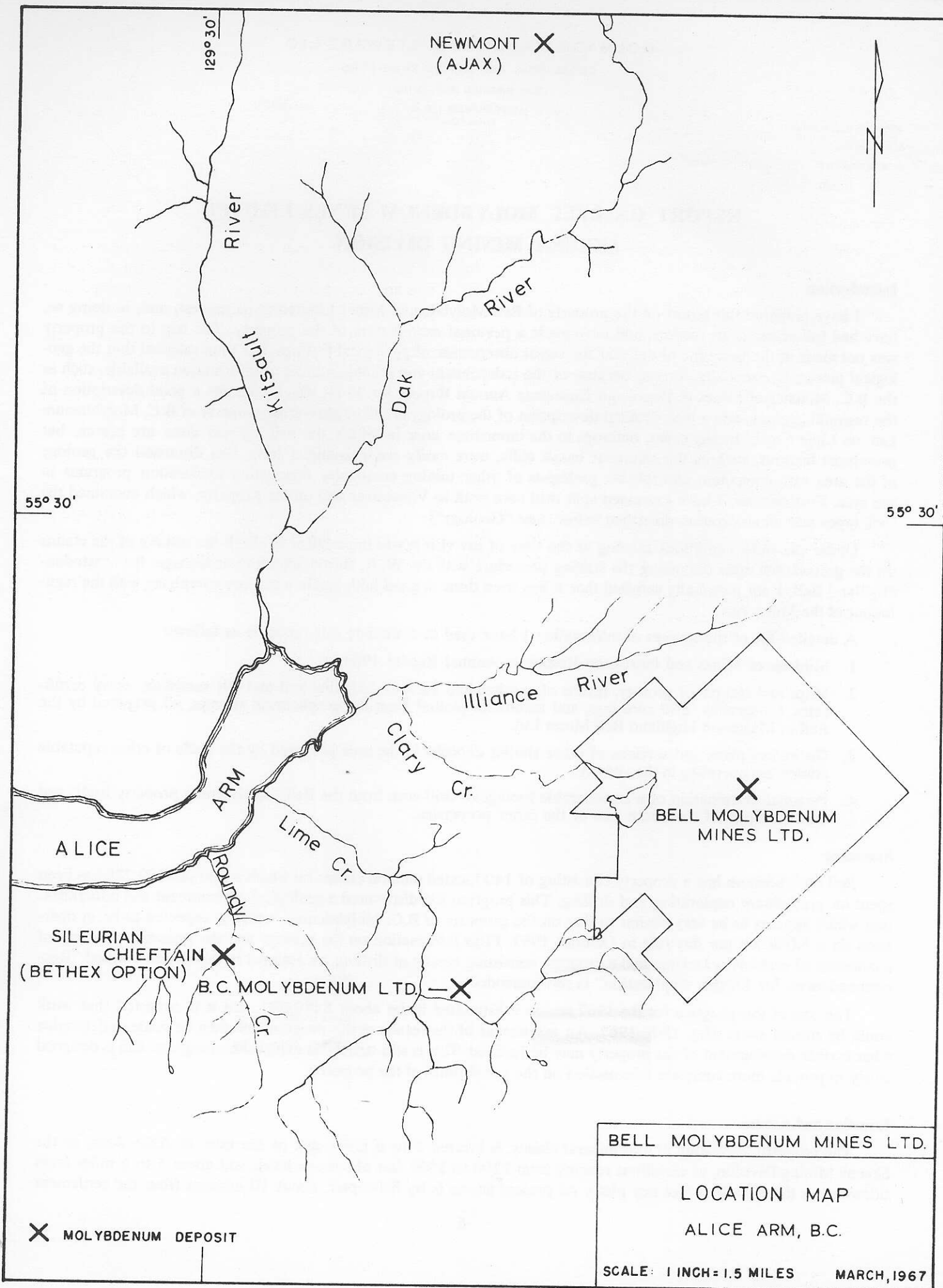
The writer believes that the discoveries of molybdenum mineralization made to date on this property are of sufficient importance to warrant further exploration to determine whether an economic deposit of molybdenum exists on the property. At present the shares of the Company must be regarded as speculative in nature.

There is annexed hereto for your further information a report on the property prepared by J. W. Stewart, P.Eng., of Dolmage, Mason and Stewart Ltd., dated March 22, 1967.

Yours very truly,

**BELL MOLYBDENUM MINES LIMITED**

(signed) K. J. SPRINGER, President



NEWMONT X  
(AJAX)

129° 30'

River

Kitsoil

Dak

River

55° 30'

55° 30'

Illiance River

Clary Cr.

ARM

ALICE

Lime Cr.

Roundy

X  
BELL MOLYBDENUM  
MINES LTD.

SILEURIAN  
CHIEFTAIN X  
(BETHEX OPTION)

B.C. MOLYBDENUM LTD. X

Cr.

BELL MOLYBDENUM MINES LTD.

LOCATION MAP

ALICE ARM, B.C.

SCALE: 1 INCH = 1.5 MILES MARCH, 1967

X MOLYBDENUM DEPOSIT

**DOLMAGE, MASON AND STEWART LTD.**

**GEOLOGICAL AND MINING ENGINEERS**

**314 MARINE BUILDING**

**VANCOUVER 1, B.C.  
CANADA**

VICTOR DOLMAGE

E. E. MASON

J. W. STEWART

**REPORT ON BELL MOLYBDENUM MINES LIMITED  
SKEENA MINING DIVISION**

**Introduction**

I have prepared this report on the property of Bell Molybdenum Mines Limited at its request, and, in doing so, have had full access to its records, and have made a personal examination of the property. The trip to the property was not made at the best time of the year for visual observation of geological features, but I am satisfied that the geological picture is essentially correct, because of the independent and reliable sources of information available, such as the B.C. Minister of Mines & Petroleum Resources Annual Report for 1964, which contains a good description of the regional geology, and a well detailed description of the geology of the neighbouring property of B.C. Molybdenum Ltd. on Lime Creek. In any event, outcrops in the immediate area in which the drilling was done are scarce, but prominent features, such as the columnar basalt cliffs, were easily recognizable. I have also discussed the geology of the area with competent and reliable geologists of other mining companies conducting exploration programs in the area. Furthermore, I have examined split drill core both in Vancouver and on the property, which contained the rock types and mineralization described below. (see "Geology")

Under the snow conditions existing at the time of my visit it was impractical to check the staking of the claims on the ground, but after discussing the staking procedure with Dr. W. R. Bacon, exploration manager for Mastodon-Highland Bell, I am personally satisfied that it has been done in good faith and in a manner complying with the regulations of the Mines Act.

A detailed list of the sources of information I have used in compiling this report is as follows:

1. Minister of Mines and Petroleum Resources Annual Report 1964.
2. Maps and records of geology, results of geochemical surveys including soil and silt sampling, assay certificates, topography, drill core logs, and anomalies plotted from the geochemical surveys, all prepared by the staff of Mastodon-Highland Bell Mines Ltd.
3. Geological plans and sections of other similar deposits in the area prepared by the staffs of other reputable companies operating in the vicinity.
4. Personal examination of a considerable footage of drill core from the Bell Molybdenum property itself, and small samples of core from one of the other properties.

**Summary**

Bell Molybdenum has a property consisting of 140 located mineral claims on which a sum of \$109,228 has been spent on preliminary exploration and drilling. This program has discovered a geological environment and mineralization which appears to be very similar to that on the property of B.C. Molybdenum, which is expected to be in operation on a 5,000 ton per day rate in October 1967. Firm information on the geology and the presence or extent of a commercial orebody is lacking, and a program consisting chiefly of drilling, as outlined in the section entitled "Recommendations for Further Exploration" is recommended.

The cost of this program for the 1967 season is estimated to be about \$490,000, and it is expected that work could be started about May 15th, 1967. An assessment of the results of this program will then be made to determine what further development of the property may be justified. This is still strictly an exploration program, and is designed solely to provide more complete information on the possibilities of the property.

**Location and Access**

The property, consisting of 140 mineral claims, is located 3 to 6 miles east of the inlet of Alice Arm, in the Skeena Mining Division, at elevations ranging from 2200 to 2500 feet above sea level, and about 5 to 6 miles from tidewater as the crow flies (see key plan). At present access is by helicopter, about 10 minutes from the settlement

of Alice Arm to the portion of the property of principal interest. It is between 55°25' and 55°29' north latitude and between 129°17' and 129°23' west longitude, and about 85 air miles northeast of Prince Rupert.

There is a road from the foreshore of Alice Arm to the B.C. Molybdenum property, about 4.5 miles south and slightly west of Bell Molybdenum. Depending upon an agreement with the owners, this road might in future be extended to the Bell Molybdenum property. The topography on which the claims are located is flat to hummocky with no major obstacles to extension of the present road.

Weather permitting, there is at present a daily air service to the B.C. Molybdenum slip connecting to Prince Rupert and Vancouver, and in the summer this has been scheduled for twice daily. There is also a weekly steamship service to Vancouver which can be used for delivery of groceries and other supplies.

### **Facilities**

The right-of-way for the B.C. Hydro transmission line which will be supplying power to B.C. Molybdenum cuts across the Bell Molybdenum property. The claims are surrounded by lakes, therefore, it is unlikely that water supply for a future operation would ever be a problem.

### **History**

Early in the fall of 1965, prospecting by Mastodon-Highland Bell and Leitch disclosed molybdenite mineralization, in float and in sparse outcrop, near the head of Clary Creek. Careful follow-up work, primarily of a geological nature, was sufficiently encouraging to warrant extensive claim staking. Also, before winter set in, a minor amount of soil testing was accomplished, and this too was encouraging.

In the summer of 1966, thirty miles of line were cut in the form of a rectangular grid, elongated in an east-west direction. The lines were cut at 400-foot intervals except in the southeast section, the site of the 1965 soil sampling. Here the lines were cut at 200-foot intervals. Soil samples were augered at 200-foot intervals on the coarse part of the grid, at 100-foot intervals in the southeast corner. Numerous silt samples were taken from streams traversing the grid area.

With the results of the geochemical survey at hand, plus the distinct possibility of a geological situation similar to that occurring at B.C. Molybdenum, it was decided to proceed with reconnaissance diamond drilling. Twelve short holes were drilled for a total footage of 3,167 feet — all in the southeastern part of the grid area.

### **Geology**

Although outcrop is sparse to negligible in the southeastern part of the grid, overburden is generally only a few feet thick.

The surface examination suggested, and the drilling tends to confirm, that this area is underlain by quartz monzonite that has intruded black argillite, altering it to brown hornfels for an unknown distance from the contact. The form of the quartz monzonite is uncertain, but the evidence, partly of a topographic nature, suggests that it is probably a stock, elliptical in plan, with the major, northeasterly axis 2000 feet in length and the minor axis 1400 feet.

The shallow, angled reconnaissance holes that were drilled to investigate the northern margin of the assumed stock reveal that both the hornfels and quartz monzonite are traversed by numerous quartz veinlets, some of which contain molybdenite. A minor amount of pyrrhotite and less pyrite occur along some fractures.

To summarize, the geological situation appears to be similar to that obtaining at the B.C. Molybdenum Mine, 4.5 miles southwestward; it remains to be determined whether, on the Bell Molybdenum ground, an economic deposit is present.

A few scattered outcrops of brown hornfels appear to indicate that the favourable area extends northwestward from the quartz monzonite for perhaps three quarters of a mile. This section of the property is also, in part, moderately anomalous from a geochemical standpoint.

This description of the geology is based on information supplied by Dr. W. R. Bacon, exploration manager for Mastodon-Highland Bell, and is confirmed by discussions with Mr. D. M. Cannon, exploration geologist for another company investigating a similar deposit on the Dak River about 9 miles north of this one. It also appears to be the same geological situation as that of the B.C. Molybdenum deposit, as described by N. C. Carter in the 1964 B.C. Minister of Mines Report.

Drill cores examined by myself both in Vancouver and on the property included portions of core from eleven of the holes drilled. These cores showed principally the brown hornfels and the quartz monzonite described above, and the contrast in appearance is distinct. Both rock types exhibit the numerous quartz stringers, say 6 to 10 quartz-filled fractures per foot, and the mineralization as described above. The mineralization is not spectacular in appearance, but close inspection shows it to be present in much of the core, and this is confirmed by the sampling results.

The holes drilled to date do not show any substantial intersections of mineralization of ore grade, as compared to the ore reserve grade such as that of B.C. Molybdenum of 0.23% molybdenite, but, as shown in the detailed information on sampling, there are, even in the strictly exploratory drilling done to date, intersections of 50 feet of 0.29% and 0.21% molybdenite in holes S-9 and S-11. Even such grades might not represent ore for an underground operation in this area, but it is too early at this stage to reach any conclusions regarding either ore potential or type of possible operation.

#### Cost of Exploration Program to Date

During 1965 Mastodon-Highland Bell and Leitch spent \$21,592 on the program of prospecting, staking, soil sampling, stream sampling and so forth described above. In 1966 up to the end of September \$38,138 was spent on line cutting, diamond drilling, mapping and soil sampling by Mastodon-Highland Bell and Leitch, at which time a private company, Bell Molybdenum Mines Ltd., was formed. The new company, from October to December 1966, spent a further sum amounting to \$49,498 to complete the exploratory drilling program to 3,167 feet.

The financial arrangements for the new company consisted of a purchase agreement between Bell Molybdenum and Mastodon-Highland Bell and Leitch for the sale of 140 located mineral claims to the new company, for which the vendors, Mastodon-Highland Bell and Leitch received 750,000 shares of the 4,000,000 shares authorized for the new company. Mastodon-Highland Bell and Leitch, under the terms of a prospecting agreement between themselves, had jointly provided the funds for the acquisition of the claims and the exploration program completed up to the end of September, 1966, under Mastodon-Highland Bell direction.

#### Exploration Results to Date

The diamond drill holes drilled to date, and the results of the sampling of these holes are listed in detail below. Holes which were not sampled are not listed.

	Hole Number and Percentage MoS <sub>2</sub>									
Footage	S-1	S-4	S-6	S-7	S-8	S-9	S-10	S-11	S-12	
0- 50		0.09	0.08	0.10	0.08	0.10	0.12	0.11	0.10	
50-100	0.08	0.10	0.10	0.07	0.07	0.12	0.11	0.07	0.10	
100-150	0.07	0.10	0.07	0.13	0.10	0.11	0.07	0.07	0.10	
150-200	0.06	0.12	0.11	0.08	0.10	0.16	0.08	0.10	0.10	
				(181')						
200-250	0.08	0.15	0.07		0.11	0.29	0.06	0.14	0.13	
250-300	0.11	0.06	0.05		0.12	0.11	0.06	0.21	0.10	
300-350	0.10				0.09					
350-400	0.08									
Total Footage & Average Grade	411'	269'	312'	181'	333'	309'	312'	318'	277'	
	0.08%	0.10%	0.08%	0.10%	0.10%	0.14%	0.08%	0.11%	0.11%	

Notes: Hole S-2 abandoned, because of drilling difficulties  
 Hole S-3 abandoned, drilling difficulties, core recovery poor  
 Hole S-5 not sampled, no mineralization of interest

As can be seen, all of the holes are fairly short, and furthermore all are sloping holes, so that depths below the surface are comparatively shallow.



## Recommendations For Further Exploration

The program of prospecting, geological mapping, geochemical testing and drilling completed in the 1965 and 1966 seasons has indicated the probable presence of a stock about 2000 feet long by about 1400 feet wide, similar in its geological features to the one on the B.C. Molybdenum property, which contains a substantial orebody. (Ore reserves published 40,000,000 tons above 1600 feet elevation). The drilling done to date by Bell Molybdenum has been preliminary only, has been shallow, nevertheless has been sufficient to indicate the presence of promising mineralization, and has suggested a rough outline of a zone containing mineralization which should be tested in order to see if an ore zone can be outlined. For purposes of indicating the possible scale of program required, it is of interest to note that B.C. Molybdenum had completed 44,648 feet of drilling in 66 holes when the decision was made to put the property into operation. So far 12 holes have been drilled on the Bell Molybdenum property, for a total of 3,167 feet of drilling.

It is now proposed to start drilling vertical drill holes on the southeastern portion of the 400-foot grid pattern already laid out. The first holes will be drilled on 400-foot centres, to about 500-foot depths, and in the more promising areas fill-in drilling will then be done on closer spacing to at least 1000 feet in depth. It is expected that such a program should have a good chance of locating and perhaps defining an ore zone, which may, of course, merit further exploration.

The scope and estimated cost of the program which is recommended for the 1967 season is shown below:

**PROPOSED 1967 PROGRAM**  
**FOR PERIOD MAY 15th TO DECEMBER 15th, 1967**  
**(7 MONTHS)**

<b>Operation</b>	<b>Estimated Cost</b>
Diamond drilling (B.X. wireline) - vertical holes	
Preliminary @ 400-ft. centres - 20,000 ft.	
Fill-in drilling - 5,000 ft.	
Total 25,000 ft. @ \$12./ft. ....	\$ 300,000
Linecutting and soil sampling .....	9,000
Helicopter rental 35 hrs./month x 7 mos. x \$120/hr. ....	30,000
Geological surveying and mapping .....	14,000
Core splitting .....	9,000
Assaying - 2,000 samples @ \$6./sample .....	12,000
Bunkhouse and cookhouse .....	14,000
Tractor operation .....	10,500
Camp operation including general labour .....	14,000
Miscellaneous supplies .....	4,000
Temporary buildings .....	10,000
Move-in and move-out .....	18,000
Supervision .....	8,500
Tractor, light plant, transit and small equipment .....	20,000
<b>Total</b>	<b>473,000</b>
Head office, including legal and transfer fees, accounting, etc. ....	17,000
<b>TOTAL</b>	<b><u>\$ 490,000</u></b>

Respectfully submitted,

DOLMAGE, MASON AND STEWART LTD.

(Signed) J. W. Stewart, P.Eng.

Dated at Vancouver, B.C.

March 22, 1967.

## **CERTIFICATE**

This is to certify that:

1. I, John W. Stewart, am a resident of Vancouver, and live at 1576 West 28th Avenue.
2. I am a graduate of the University of British Columbia with the degree of Bachelor of Applied Science in Mining Engineering (1939).
3. I am a member of the Association of Professional Engineers of British Columbia, and have been practicing my profession continuously for twenty-seven years.
4. I have no interest, direct or indirect, nor do I expect to receive any, in the properties of Bell Molybdenum Mines Limited.
5. This report is based on a study of reports and documents in the possession of the Company, information from other sources described in the report such as the 1964 Minister of Mines report, on a visit to the property on March 20th, 1967, and on personal examination of a random sampling of the drill core.

(Signed) J. W. Stewart

# BELL MOLYBDENUM MINES LIMITED

## BALANCE SHEET

December 31, 1966

### ASSETS

Cash .....	\$ 1,023
Mining properties, at cost, acquired by the issue of 750,000 shares .....	375,000
Deferred exploration, development and administration expenses, per Schedule 1 .....	49,999
Incorporation and organization expense .....	1,476
	<hr/>
	<u>\$ 427,498</u>

### SHAREHOLDERS' EQUITY

#### Capital stock:

Shares without nominal or par value. Authorized 4,000,000 shares; issued 780,000 shares since incorporation on September 30, 1966 as follows:

Cash - 30,000 shares .....	\$ 3,000
Mining properties - 750,000 shares .....	375,000
	<hr/>
	378,000
Funds expended on exploration and development work for which 494,980 shares were issued in January, 1967 .....	49,498
	<hr/>
	<u>\$ 427,498</u>

Approved on behalf of the Board:

(Signed) K. J. SPRINGER, Director

(Signed) J. J. CROWHURST, Director

### AUDITORS' REPORT TO THE SHAREHOLDERS

We have examined the balance sheet of Bell Molybdenum Mines Limited as of December 31, 1966 and the statement of deferred exploration, development and administration expenses for the period from incorporation on September 30, 1966 to December 31, 1966. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

In our opinion, the accompanying balance sheet and statement of deferred exploration, development and administration expenses present fairly the financial position of the company at December 31, 1966 and the results of its operations for the period ended on that date, in accordance with generally accepted accounting principles.

(Signed) PEAT, MARWICK, MITCHELL & CO.,  
Chartered Accountants.

Vancouver, British Columbia.  
March 17, 1967.

**BELL MOLYBDENUM MINES LIMITED**

**STATEMENT OF DEFERRED EXPLORATION,  
DEVELOPMENT AND ADMINISTRATION EXPENSES**

Period from incorporation on  
September 30, 1966 to December 31, 1966

## Exploration and development:

Diamond drilling .....	\$ 24,384
Assays .....	1,994
Salaries .....	7,572
Travel and transportation .....	2,489
Helicopter charter .....	7,480
Camp construction .....	1,429
Food and miscellaneous supplies .....	2,007
Expediting and general .....	2,143

49,498

501

Administration expenses .....

\$ 49,999**STATUTORY INFORMATION**

(a) The full name of the Company is Bell Molybdenum Mines Limited. The address of its head office is Suite 300, 999 West Pender Street, Vancouver 1, British Columbia.

(b) Bell Molybdenum Mines Limited (hereinafter sometimes referred to as the "Company") was incorporated as a private company under the Companies Act of the Province of British Columbia by Certificate of Incorporation No. 71,299 dated September 30, 1966 upon filing Memorandum of Association dated September 29, 1966 and was converted to a public company on April 14, 1967 upon filing special resolution dated March 16, 1967.

(c) There have been no amendments to the Memorandum of Association of the Company.

(d) The full names, occupations and home addresses of each of the officers and directors of the Company are as follows:

<b>KARL JOHN SPRINGER,</b> Mining Executive .....	President and Director .....	4 Robinwood Avenue, Toronto, Ontario.
<b>FREDERICK EARL HALL,</b> Mining Executive .....	Vice-President and Director .....	2 Welbrooke Place, Islington, Ontario.
<b>JOHN JAMES CROWHURST,</b> Mining Executive .....	Director .....	2249 Queen's Avenue, West Vancouver, B.C.
<b>RALPH EDWARD PURVIS,</b> Attorney at Law .....	Director .....	Star Route No. 1, Box 221, Bremerton, Wash., U.S.A.
<b>ROBERT JOHN SPRINGER,</b> Mining Executive .....	Director .....	1636 Avondale Crescent, Vancouver 13, B.C.
<b>JOHN DAVID MUNROE,</b> Accountant .....	Secretary-Treasurer .....	6148 Gleneagles Drive, West Vancouver, B.C.

The promoters of the Company are as follows:

LEITCH GOLD MINES LIMITED,  
Suite 1620,  
101 Richmond Street West,  
Toronto, Ontario.

MASTODON-HIGHLAND BELL MINES LIMITED,  
Suite 300,  
999 West Pender Street,  
Vancouver 1, B.C.

(e) The Company's auditors are Peat, Marwick, Mitchell & Co., 900 West Hastings Street, Vancouver 1, B.C.

(f) The registrar and transfer agent for the shares of the Company is The Canada Trust Company at 901 West Pender Street, Vancouver 1, B.C., and The Canada Trust Company at 33 Adelaide Street West, Toronto, Ontario, is co-transfer agent of the shares of the Company.

(g) The Company is authorized to issue 4,000,000 shares without nominal or par value and the capital of the Company shall, with respect to those shares, be at least equal to the aggregate amount paid to the Company on or for such of those shares as are issued, together with such amounts as may from time to time be added by ordinary resolution to such capital. There have been issued 1,274,980 shares, all of which are outstanding and are fully paid, of which 524,980 shares were issued for cash or in reimbursement for expenditures at 10c per share, and 750,000 shares were issued for properties transferred to the Company.

(h) There are no bonds or debentures of the Company outstanding or proposed to be issued.

(i) 731,250 shares in the capital of the Company have been deposited in escrow with The Canada Trust Company, 901 West Pender Street, Vancouver 1, B.C., to be released to the depositaries thereof respectively pro rata to the number of shares deposited by each of them only with the written consent of the Superintendent of Brokers of British Columbia, Victoria, B.C., and the board of directors of the Company, and while remaining in escrow may be sold, transferred or otherwise dealt with only with the written consent of the Superintendent of Brokers of British Columbia.

The agreement with respect to such escrow provides, amongst other things, as follows:

"Each of the Undersigned agree that in the event of the Company losing or not obtaining a good and marketable title to, or abandoning, or discontinuing development of any of the property which was, or formed part of, the consideration for any of its securities in escrow hereunder, or in the event of the property not being as represented, immediate notice thereof shall be given to the Superintendent, and there shall be surrendered by way of gift to the Company for cancellation such number of escrow shares as the Superintendent in his sole discretion deems fair and equitable or in such manner or proportion as the Superintendent may direct."

A further 18,750 shares, the property of Michael Labchuk, referred to in paragraph (m)(iii) below and comprising the remainder of the Vendor's shares mentioned therein, have been deposited in trust by direction of the Superintendent of Brokers of British Columbia with the firm of Douglas, Symes & Brissenden, 16th Floor, 409 Granville Street, Vancouver 2, B.C., the solicitors of the Company, to be retained subject to release upon terms substantially similar to those above stated with respect to the said 731,250 shares.

(j) The shares sold for cash were 30,000 shares at 10c per share, the total cash received for such shares was \$3,000 and no commission or discount was allowed on such shares.

In addition to the said 30,000 shares sold for cash, a further 494,980 shares were issued at the price of 10c per share, 247,490 to Leitch Gold Mines Limited (hereinafter called "Leitch") and 247,490 to Mastodon-Highland Bell Mines Limited (hereinafter called "Mastodon"), pursuant to a development agreement dated September 30, 1966 between the Company and said Leitch and Mastodon in reimbursement for expenditures aggregating \$49,498 for prospecting, exploration and development work carried out on the Company's property by Leitch and Mastodon.

The said 494,980 shares are subject to a pooling agreement whereby the said Leitch and Mastodon have agreed with the Company not to sell or dispose of any of the said shares until after the expiration of ninety days after the completion of primary distribution of the securities offered by this Prospectus without the consent in writing of the Superintendent of Brokers of British Columbia.

(k) No securities other than shares have been sold for cash or offered for sale.

(l) No shares have been issued or are to be issued, nor has any cash been paid, nor is any cash to be paid to any promoters as such. For particulars as to the issue of shares by the Company for cash reference is made to paragraph (j) above, and for particulars as to the issue of shares by the Company for consideration other than cash reference is made to said paragraph (j) and to paragraph (m) below.

(m) (i) The Company is the beneficial and recorded owner of 140 located mineral claims known as the Moly 1 to 100, Moly 102 to 124 and the Moly 133 to 148 mineral claims, all inclusive, and the Moly 150 mineral claim, situate in the Skeena Mining Division of British Columbia in the general vicinity of Latitude 55°28' north, Longitude 129°21' west, approximately 5 miles east of the head of Alice Arm.

(ii) Pursuant to an agreement dated September 30, 1966 made between Leitch and Mastodon as Vendors of the first part and the Company as purchaser of the second part, the Company purchased from the said two first-mentioned corporations all of said 140 mineral claims, namely Claims Moly 1 to 100, Moly 102 to 124 and Moly 133 to 148, all inclusive, and Moly 150, in consideration of (1) the allotment and issue of 750,000 shares in the capital of the Company without nominal or par value as fully paid and non-assessable shares - 375,000 of such 750,000 shares to Leitch, or its nominee or nominees, and 375,000 of such 750,000 shares to Mastodon, or its nominee or nominees; and (2) the agreement by the Company to pay all expenses of its incorporation and organization and of the transfer to it of the said 140 mineral claims.

Of the said 750,000 Vendors' shares, 37,500 shares were issued to William R. Bacon, 1812 Inglewood Avenue, West Vancouver, British Columbia, the Exploration Manager of Mastodon; 37,500 shares were issued to Edward R. Wozniak, Suite 1406, 750 Jarvis Street, Vancouver 5, British Columbia, a prospector employed by Mastodon; 18,750 shares were issued to Michael Labchuk, of Duparquet, Quebec, a prospector formerly employed by Mastodon; and 18,750 shares were issued to Uldis Anins, Apt. 4, 1520 Bathurst Street, Toronto, Ontario, a prospector formerly employed by Mastodon.

(iii) No person or company has received or is to receive from any vendor an interest greater in amount than one-twentieth in the consideration received or to be received by the vendor as set forth above.

(iv) Access to the property is by helicopter flight from the settlement of Alice Arm of about 10 minutes. Daily air service and weekly steamer service connects Alice Arm with Vancouver and Prince Rupert.

(v) There has been no underground exploration or development work nor is there any underground plant or equipment on the property.

(vi) Surface exploration and development to date has consisted of preliminary prospecting, surface examination and reconnaissance geochemical survey conducted by Mastodon and Leitch followed by detailed geochemical work and diamond drilling done by said parties and by the Company. The Company has not purchased any equipment or surface plant.

(vii) For the known history of the property reference is made to report of J. W. Stewart, P.Eng., of Dolmage, Mason and Stewart Ltd., dated March 22, 1967, which forms part of this Prospectus.

(viii) For description of work done and improvements made by previous management and by the Company, reference is made to subparagraph (vi) of this paragraph (m) and to the report mentioned in subparagraph (vii) above.

(n) The Company has entered into an underwriting agreement dated April 18, 1967 with Brink, Hudson & Lefever Ltd., 837 West Hastings Street, Vancouver 1, B.C., as underwriter whereby the said underwriter subscribed for and agreed to purchase 700,000 shares of the capital stock of the Company at the price of 70c per share (an aggregate consideration of \$490,000) to be taken up and paid for on April 25, 1967 or on such earlier or later date as the parties may agree. The said underwriter has agreed in said agreement that the said shares are not to be resold at a price to exceed 80c per share, being the price to the public stated on the face of this Prospectus.

No options have been or are to be given in respect of the securities of the Company.

There are no sub-underwriting agreements made or proposed to be made in connection therewith.

There is no assignment or proposed assignment of such underwriting agreement.

(o) The Company plans to expend funds on exploration and development of its mining property described in paragraph (m) above on the basis of the recommendations contained in the report of J. W. Stewart, P.Eng., of Dolmage, Mason and Stewart Ltd., dated March 22, 1967, mentioned in said paragraph (m) as follows:

Diamond drilling (25,000 ft.) .....	\$ 300,000
Linecutting and soil sampling .....	9,000
Helicopter rental .....	30,000
Geological surveying and mapping .....	14,000
Core splitting .....	9,000
Assaying .....	12,000
Bunkhouse and cookhouse .....	14,000
Tractor operation .....	10,500
Camp operation including general labour .....	14,000
Miscellaneous supplies .....	4,000
Temporary buildings .....	10,000
Move-in and move-out .....	18,000
Supervision .....	8,500
Tractor, light plant, transit and small equipment.....	20,000
	\$ 473,000

The proceeds of the sale of the securities offered by this Prospectus amounting to \$490,000 will be used as follows:

Exploration and development as above .....	\$ 473,000
Head office, including legal and transfer fees, accounting, etc. ....	17,000.
	\$ 490,000

No part of the proceeds shall be used to invest, underwrite, or trade in securities other than those that qualify as investments in which Trust Funds may be invested under the laws of the jurisdictions in which the securities offered by this Prospectus may lawfully be sold.

Should the Company propose to use the proceeds to acquire non trustee type securities after the initial distribution of the securities offered by this Prospectus, approval by the shareholders thereof must be obtained and disclosure made to the regulatory securities bodies having jurisdiction over the sale of the securities offered by this Prospectus.

(p) The expenses incurred in the formation or incorporation of the Company were \$1,476. Development expenses already incurred, consisting of deferred exploration and development expense, amount to \$49,999 and future expenditures on preliminary matters, including administrative expense, are estimated at \$5,000.

(q) The Company does not propose to create or assume any Indebtedness which is not shown on the Balance Sheet as of December 31, 1966, reported on by Peat, Marwick, Mitchell & Co., which is attached hereto and forms part of this Prospectus, except liabilities incurred and to be incurred in the ordinary course of the business of the Company.

(r) The principal business in which each director of the Company has been engaged during the immediately preceding three years is as follows:

- Karl John Springer ..... Mining executive and prospector. President and a director of the Company. Is President of Highland-Bell Limited and Mastodon-Highland Bell Mines Limited, a subsidiary of Highland-Bell Limited, and a director of Mattagami Lake Mines Limited. Has been President of Leitch Gold Mines Limited and since April 1965 has been Chairman of the Board.
- John James Crowhurst ..... A director of the Company. Professional mining engineer and Vice-President in Charge of Operations of Mastodon-Highland Bell Mines Limited.
- Frederick Earl Hall ..... Mining executive. Vice-President and a director of the Company. He has been Secretary-Treasurer and Executive Vice-President of Leitch Gold Mines Limited and Assistant Secretary of Mastodon-Highland Bell Mines Limited and since April 1965 has been President of Leitch Gold Mines Limited. Was Secretary-Treasurer until January 1965 and since then has been President of Canada Tungsten Mining Corporation Ltd.

Ralph Edward Purvis ..... A director of the Company. Attorney at law.  
 Robert John Springer ..... A director of the Company. Presently a mining executive and formerly administrative officer of the Division of Personnel and Management, Food and Agricultural Organization of the United Nations.  
 John David Munroe ..... Secretary-Treasurer of the Company. Accountant. Secretary-Treasurer of Mastodon-Highland Bell Mines Limited and of Highland-Bell Limited.

(s) No director or officer of the Company has any interest, direct or indirect, in any property acquired or proposed to be acquired by the Company, except to the extent that certain of the directors and officers of the Company, namely, K. J. Springer, F. E. Hall, J. J. Crowhurst, R. J. Springer and J. D. Munroe are directors and/or officers of one or both of the vendor companies mentioned in paragraph (m) above.

(t) and (u) No remuneration has been paid to directors or officers during their present period of office and it is not proposed to pay any remuneration to directors or officers as such during the current fiscal year.

(v) There is no person who is in a position by reason of beneficial ownership of securities of the Company to elect or cause to be elected a majority of the directors of the Company, but Leitch Gold Mines Limited and Mastodon-Highland Bell Mines Limited as a group by reason of their beneficial ownership of securities of the Company would be in a position to elect or cause to be elected a majority of the directors of the Company.

(w) No dividends have been paid within the five years preceding the date of this Prospectus.

The foregoing constitutes full, true and plain disclosure of all material facts in respect of the offering of the securities referred to above, as required by the Securities Act, 1962, of the Province of British Columbia, and there is no further material information applicable other than in the financial statements or reports where required.

April 18, 1967.

**DIRECTORS**

(Signed) K. J. SPRINGER	(Signed) R. E. PURVIS by his agent R. J. Springer	(Signed) F. E. HALL
(Signed) J. J. CROWHURST		(Signed) R. J. SPRINGER

**PROMOTERS**

LEITCH GOLD MINES LIMITED	MASTODON-HIGHLAND BELL MINES LIMITED
By (Signed) F. E. HALL	By (Signed) K. J. SPRINGER
And (Signed) D. McEWAN	And (Signed) J. D. MUNROE

To the best of our knowledge, information and belief, the foregoing constitutes full, true and plain disclosure of all material facts in respect of the offering of the securities referred to above, as required by the Securities Act, 1962, of the Province of British Columbia, and there is no further material information applicable other than in the financial statements or reports where required.

**UNDERWRITERS**

BRINK, HUDSON & LEFEVER LTD.

By  
 (Signed) H. LEFEVER  
 And  
 (Signed) N. C. P. GRAVES