

BARNATO

82E/07W

603



THE GOVERNMENT OF
THE PROVINCE OF BRITISH COLUMBIA

Crystal Blue
Barnato
82E/07W

680069

Form 12

Securities Act

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SUPERINTENDENT OF BROKERS
AND
VANCOUVER STOCK EXCHANGE
VANCOUVER CURB EXCHANGE

STATEMENT OF MATERIAL FACTS

70/81

VANCOUVER STOCK EXCHANGE - Development Section

Name of Exchange

CARMAC RESOURCES LTD.

Name of Issuer

#1450 - 625 Howe Street, Vancouver, B.C.

Address of Head Office of Issuer

1830 - 700 West Georgia Street, Vancouver, B.C.

Address of Registered Office of Issuer

1830 - 700 West Georgia Street, Vancouver, B.C.

Address of Records Office (Section 38 - Companies Act)

The Canada Trust Company, 901 West Pender Street, Vancouver,

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

B.C.

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

R E P O R T
O N
T H E B A R N A T O G R O U P
G R E E N W O O D S . D . Y . D .

for

CARMAC RESOURCES LTD. N.P.L.

1450, 625 Howe Street

Vancouver, B.C.

by

R.H. Seraphim, Ph.D., P.Eng.

November 25, 1980

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SUMMARY AND CONCLUSIONS

Gold mineralization assaying over one ounce per ton occurs in several places in the many dozens of old trenches and other workings on the Barnato Group of claims. Production is reported to be five cars of sorted ore, with two cars reported to assay as follows:

<u>Tons</u>	<u>oz. gold per Ton</u>	<u>oz. silver per Ton</u>	<u>% Copper</u>	<u>% Zinc</u>	<u>% Arsenic</u>
42.9	1.76	0.17	0.06	Tr.	10.34
42.0	1.39	0.31	0.11	1.1	10.00

The gold appears to occur mostly in irregular veins, veinlets, and segregations of abundant pyrite, pyrrhotite and arsenopyrite in dioritic and rhyolitic volcanic rocks. The mineralization has a general relation to the contact areas of diorite and rhyolite, and occurs in both rock types. Two areas underlain by diorite, each approximately 1 km in diameter, appear to form the centers for the widespread gold values (see Map 1). Part of the northeastern area has been explored by many surficial workings and, many years ago, by a dozen or more diamond drill holes. Map 2 (pocket) shows many, but probably not all, of the old workings and the areas of recent trenching by Comac. Self-potential and geochemical surveys have added to the areas worth further exploration.

RECOMMENDATION

Continued trenching on the trends of the numerous mineralized zones to obtain a better appreciation of their size, grade and distribution is recommended initially. Further detailed geophysical and geochemical surveys might be completed in areas of particular interest. A detailed survey of the numerous old workings would improve correlation and assist in determining optimum layout of further trenching and eventually diamond drilling. The entire area around the two intrusive centers should be prospected and mapped in detail.

COSTSSTAGE 1

Surveying and mapping	\$10,000.00
Geochemical and geophysical	15,000.00
Trenching by bulldozer.	40,000.00
Expedition, Accommodation, Supplies	10,000.00
Assays, data compilation.	10,000.00
Contingency	<u>15,000.00</u>
TOTAL:	\$100,000.00

STAGE 2

Diamond drilling 4,000 ft. @ \$25/ft. (all inclusive)	<u>\$100,000.00</u>
TOTAL:	<u><u>\$200,000.00</u></u>

INTRODUCTION

The Barnato group of claims was examined initially on July 18, 1977, and was mapped and partially sampled October 7 to 17, 1980. The assays shown on the accompanying maps are derived mostly from samples taken during these examinations. However, many old trenches and shallow shafts continue to be found as exploration progresses.

The B.C. Minister of Mines Report for 1938 provides a good reference which is used in some of the following text. Cominco's 'Report of Progress' (1938) describing the exploration conducted under their option provides detail concerning the gold content in many sloughed trenches, tunnels and drill holes. R.O. Crosby and Associates 'Report on Geochemical and Geophysical Surveys' provides data regarding a test of a small part of the claim group. This report summarizes and incorporates the above into reports by R.H. Seraphim, P.Eng. dated July 22, 1977 and August 14, 1980.

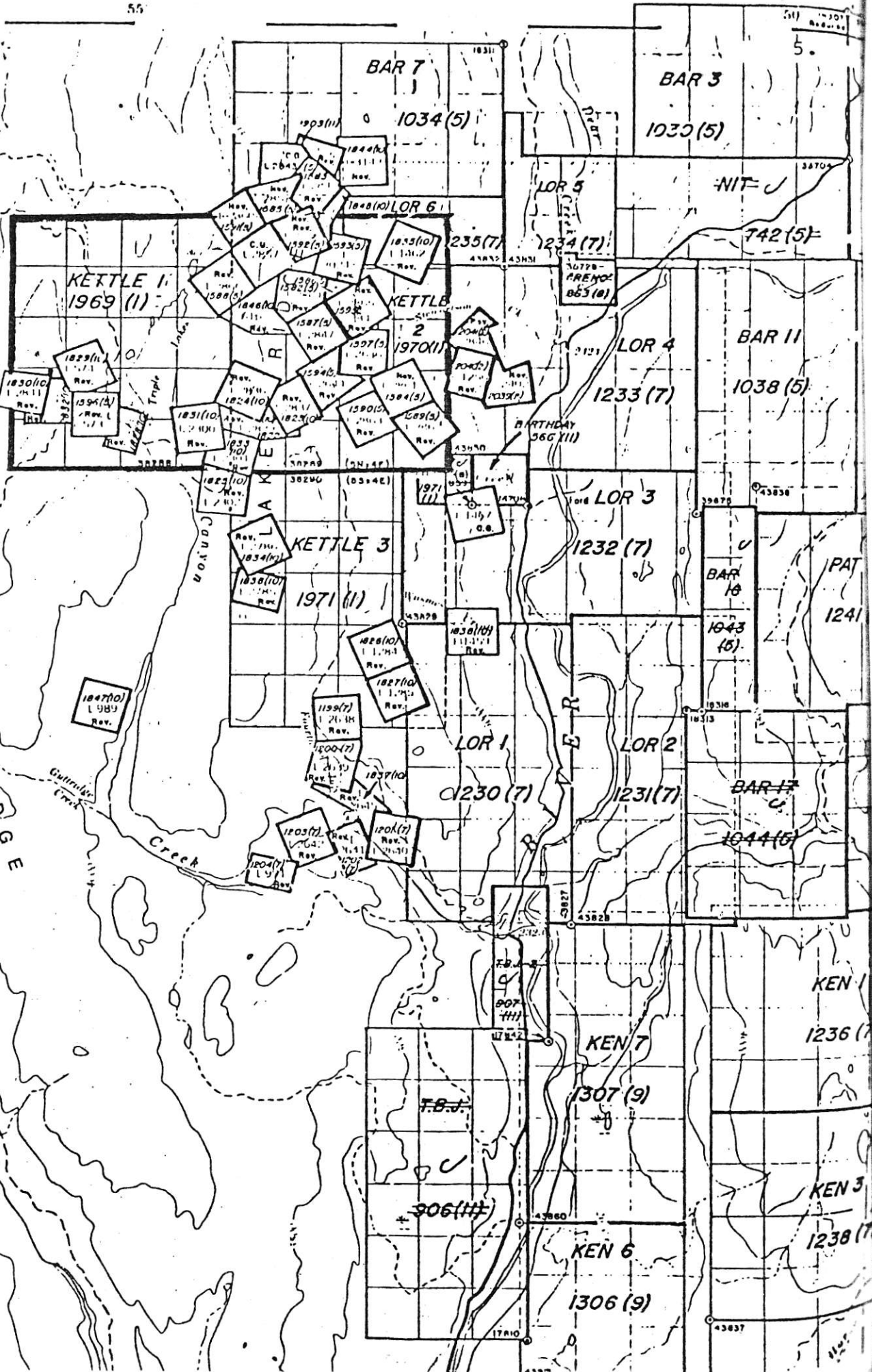
CLAIMS

Two located claims are shown to be staked by Nick Wychopen for J.W. MacLeod of 1220 Arbutus Street, Vancouver, B.C., and recorded on January 17, 1980 as Kettle 1, 2, with record numbers 1969 and 1970. Their approximate position is shown on the accompanying claim map. They include a number of reverted Crown-granted claims within their perimeters. Kettle 4 is newly located west of Kettle 3.

AGE 3
HE RIDGE
1155(5)
(58716)

H-R 1
2174(5)
H-R
2170(5)

RAINBOW
882(10)
35918
GUT
32(5)



KEN 1
1236(7)

KEN 3
1238(7)

KEN 6
1306(9)

KEN 7
1307(9)

43837

F.B.J.
907
4111

F.B.J.
306(11)

BAR 17
1044(5)

BAR 10
1043(5)

PAT
1241

BAR 11
1038(5)

LOR 4
1233(7)

BIRTHDAY
566(11)

LOR 3
1232(7)

KETTLE 3
1971(11)

1159(7)
1200(7)
1857(10)

1204(7)
1205(7)
1206(7)

LOR 1
1230(7)

LOR 2
1231(7)

742(5)

LOR 5
1234(7)

BAR 7
1034(5)

BAR 3
1030(5)

KETTLE 1
1969(11)

KETTLE 2
1970(11)

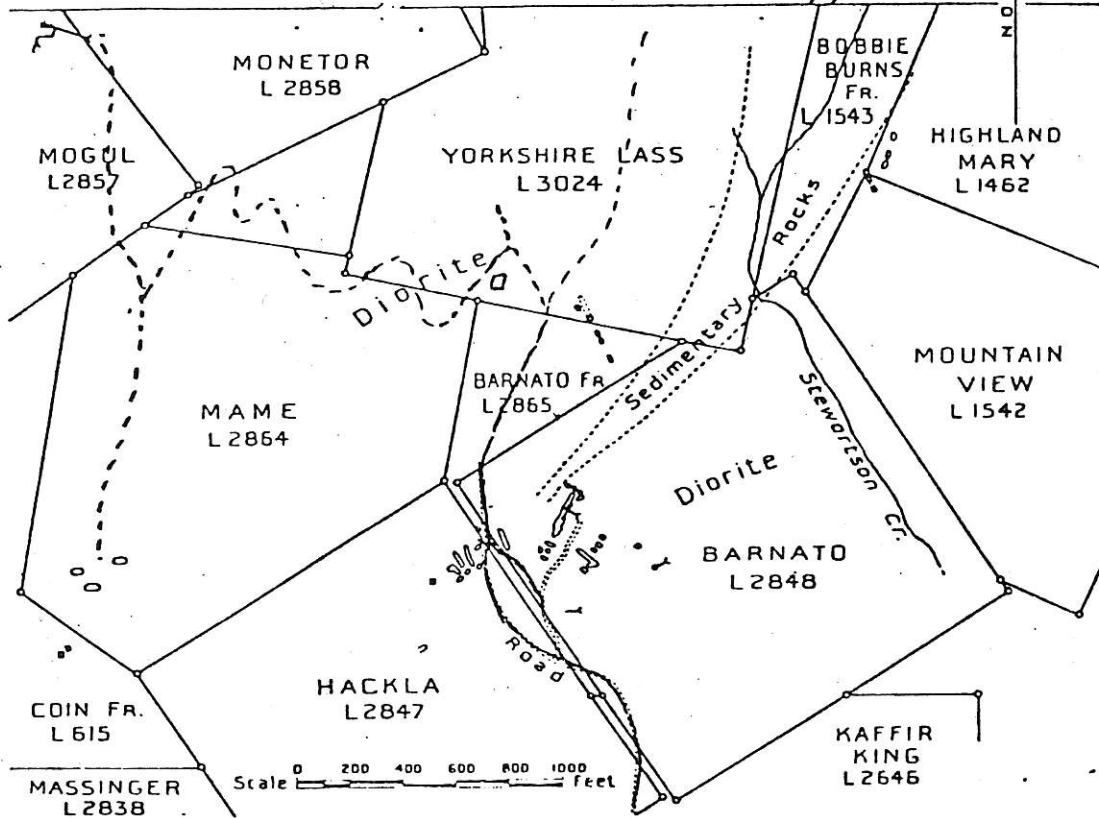
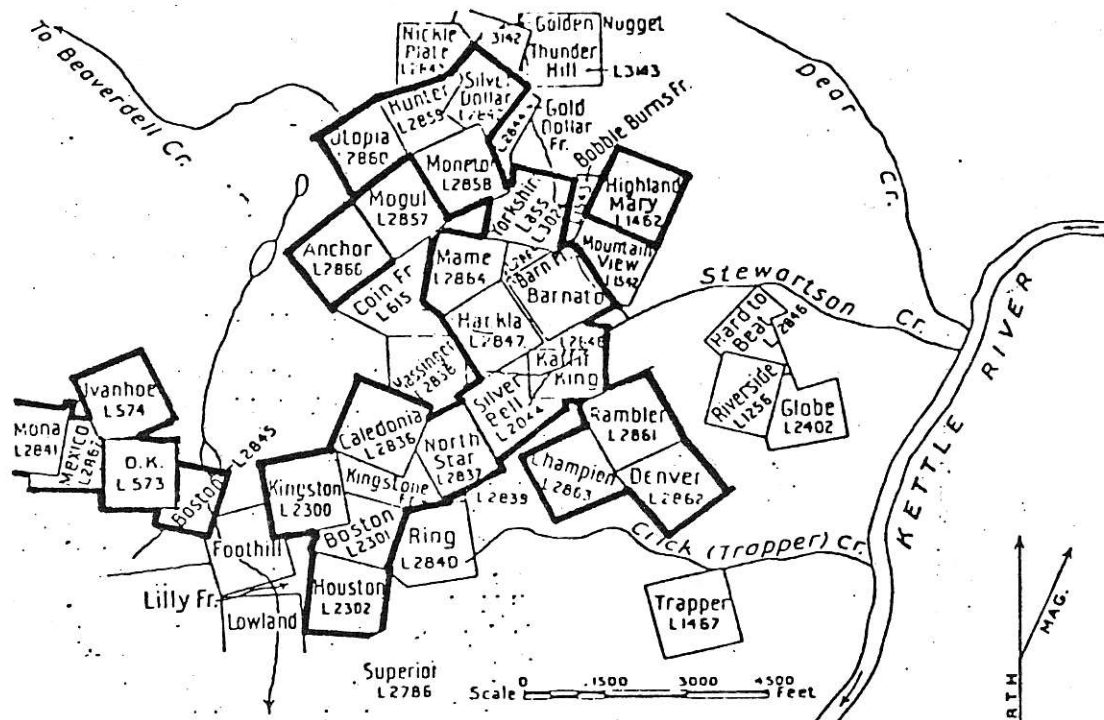
NIT

51
1230
Reference

The reverted Crown-granted mineral claims held at present in the name of G. Bleiler of 12750 54th Avenue, Surrey, B.C., are as follows:

Anchor	2866	Boston	2845
Barnato	2848	Boston	2301
Barnato Fr.	2865	Caledonia	2836
Champion	2863	Highland Mary	1462
Denver	2862	Houston	2832
Hackla	2847	Ivanhoe	574 S
Hunter	2859		
Mame	2864	Kingston	2300
Monetor	2858	Kingston Fr	2839
O.K.	573		
Kaffir King	2646	Coin Fr.	615 S
Rambler	2861	Mexico	2867
Silver Bell	2644	Mona	2841
Silver Dollar	2842	Montana Fr	2645
Utopia	2860	7:30	1836
Yorkshire Lass	3024 S	North Star	2837

These claims form irregular groups as shown on the accompanying figure.



Map of Claims on Horseshoe Mountain, Kettle River.

Top figure: Copy of part of Mineral Reference Map No. 4T300. Bottom figure: Enlarged section showing approximate position of principal workings.

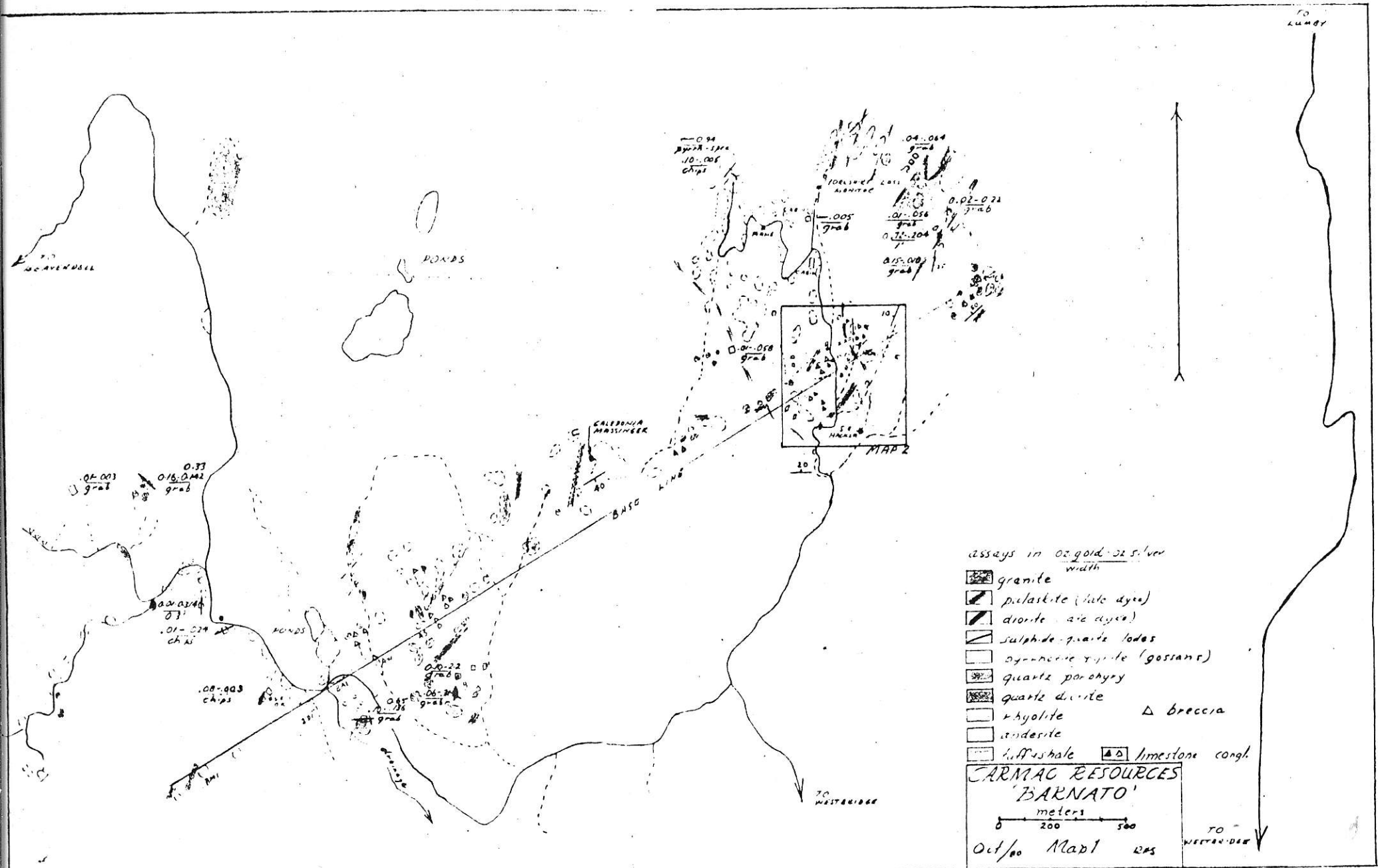
HISTORY

Many of the claims were staked and considerable surface work was completed by 1898. A few tons of ore were shipped from the Mogul (which is in the area but not included in the above claims list) before 1933. The rise in the price of gold in 1933 brought renewed activity to the district, and several cars of ore were shipped prior to 1938. Cominco diamond drilled and test pitted the Barnato in 1938. Amcana Mines improved access roads, surveyed claims, and completed a little surface trenching (1965, approximately). Geophysical and geochemical surveys along with geological mapping, followed by bulldozer trenching, were completed recently by Carmac.

LOCATION, ACCESS, TOPOGRAPHY

A steep road, suitable for pick-ups or four-wheel drive vehicles, leaves the main Kettle River road at twenty-one miles north of Westbridge, and climbs to the upland approximately as shown on the included map. The claims themselves are mostly on south-facing slopes and benches at approximately 4000 feet to 4500 feet elevation.

The area has been logged, but new roads, signs and claim posts make it relatively easy to find the prospects and many of the old workings.



CARMAC RESOURCES
"BARNATO"

Oct/80 Map 1 RPS

GEOLOGY

Map 37A by L. Reinecke and Map 6-1957 by H.W. Little provide information on the area and show that the claims lie mostly within Anarchist or Wallace group, mostly volcanic rocks, of late Paleozoic or early Mesozoic age.

Maps 1 and 2 show the local geology as mapped to date. The area contains a complex of volcanic and volcanically derived rocks that are transected by a system of younger dykes. Two bodies of intrusive quartz diorite appear to form centers to the mineralized areas, but the limits of these centers is not yet determined. The quartz diorite, near the areas where veined with quartz, pyrrhotite, arsenopyrite, etc. is almost invariably rusty-weathered from its content of pyrite and pyrrhotite. A few small areas that are devoid, or almost devoid of mafic minerals, hence quartz porphyry, occur within the quartz-diorite bodies.

Rhyolitic, dacitic, and andesitic rocks flank the quartz-diorite 'centers'. Some of these rocks are rusty-weathering, and also host veins and/or pods of quartz and sulphides.

A few areas of shaley tuffaceous rocks are also mapped. No mineralization has been located within them to date. Dykes of pulaskite, trending northeasterly, transect all of the above described rocks and also the mineralization.

MINERALIZATION

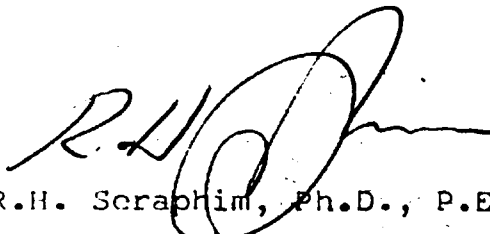
The visible mineralization consists of pyrite, pyrrhotite, arsenopyrite, sphalerite and minor chalcopyrite and galena. The gangue is mainly quartz and silicious volcanic rock. Gold constitutes the principal value. The 1938 Report of the Minister of Mines reports numerous assays in the range of 1/2 ounce to 1-1/2 ounces gold per ton. Statistics on two cars of sorted ore were presented in the Summary and Conclusions. A number of veins and 'shear zones' have been sampled and some (but not all) of the results are shown on the accompanying maps. A list of assays from samples collected by the writer follows:

<u>CLAIM</u>	<u>COLLECTED IN 1977</u>	<u>Gold oz.</u>
Hackla	- specimen with 40% ? pyrite, pyrrhotite in quartz (dump near portal)	1.95
Hackla	- character sample with 5% to 10% pyrite and pyrrhotite in volcanic? rock exposed in bulldozer cut (a few hundred feet north of portal)	0.088
Barnato	- character sample with 30% to 40% sulphide, mostly pyrrhotite, with quartz in rhyolite	0.54
Mogul	- chips, mostly quartz, from small pillar at top of open stope	0.07
Mogul	- grab of almost massive pyrrhotite in dump alongside portal	0.94
Small pit near Plywood Cabin	- grab of rusty volcanic rock	0.005

COLLECTED IN 1980

<u>Grid or other number</u>		<u>oz.Ag.</u>	<u>oz.Au.</u>
BE20	- 3 in. of quartz and pyrite in pit - near Beaverdell road - west end.	0.01	0.314
BE18	- rusty shear zones in pit, also near Beaverdell road as above.	0.01	0.024
BE4	- several quartz veinlets one foot or so wide - in two nearby shallow shafts - (Boston or O.K.?)	.08	0.003
CE10	- 50% arsenopyrite in silicious rock Upper shaft on Highland Mary - Mountain View - width indeterminate	.02	0.22
CD9+75	- 1 ft. of almost massive pyrrhotite in shallow shaft below the above	0.72	0.204
CD10	- disseminated pyrrhotite in cherty volcanic rock, 25 meters north of above	0.01	0.056
CD6+75	- grab of rusty volcanic ? rock on dump of sloughed-in pit	0.15	0.010
L4	- pyrrhotite and pyrite in altered volcanic ? rocks - chip across 2 ft. in shallow shaft - west end of Hackla	0.01	0.016
L5+20	- minor quartz and pyrite from dump - altered rocks - grab - west Hackla	0.01	0.034
L6	- channel of vein 2 ft. wide, quartz, pyrite, pyrrhotite west Hackla	0.05	0.06
EE3	- chips including some massive pyrite in sheared rocks - (rhyolite breccia?) - east Barnato	0.14	0.003
E I 5	- quartz and oxide under fallen tree roots - Barnato	0.02	0.218
-	- magnetite bands in volcanic rocks - three shafts probably on Bobbie Burns Fr.	0.04	0.064

<u>Grid or other number</u>		<u>oz. Ag.</u>	<u>oz. Au</u>	R. GE
-	- arsenopyrite and quartz on dump of tunnel - southeast part of the southwest quartz-diorite body	0.06	0.3	
-	- pyrrhotite in altered volcanic rocks in pit uphill from the above	0.10	2.14	
Kettle 2	- pyrrhotite in volcanic rocks - west part of mapped area - old shaft in brushy area.	0.01	0.00	
Kettle 3	- veins and sheared rocks in several old workings in jack-pine thicket - west area	0.16	0.14	
Kettle 4	- pyrrhotite in altered volcanic? rocks in old shallow shaft a few hundred meters southwest of the ponds - west area	0.10	0.13	
Mogul ?	quartz and pyrrhotite in same general area as samples taken in 1977	0.10	0.00	
P-11	- pyrrhotite in altered volcanic? rocks or diorite - Coin Fr. or Massinger ?	0.01	0.05	


 R.H. Scraphim, Ph.D., P.Eng.

November 25, 1980.

R. H. SERAPHIM ENGINEERING LIMITED
GEOLOGICAL ENGINEERING

316 - 470 GRANVILLE STREET
VANCOUVER, B.C. V6C1V5

CERTIFICATION

I, Dr. R.H. Seraphim, of the City of Vancouver,
Province of British Columbia, hereby certify as follows:

1. I am a geological engineer residing at 4636 West 3rd Avenue, Vancouver, B.C., and with office at #316, 470 Granville Street, Vancouver, B.C.
2. I am a registered Professional Engineer of British Columbia. I graduated from the University of British Columbia in 1942, and from Massachusetts Institute of Technology in 1951.
3. I have practiced my profession for 30 years.
4. I have no interest, direct or indirect, in the Barnato group of claims, or in the securities of Carmac Resources Ltd. (N.P.L.) or its affiliates, nor do I expect to receive any.
5. The above information is derived from engineering data in company files, the B.C. Minister of Mines and Petroleum Resources Reports, and an examination of the claim group.
6. Several claim posts were observed by the author and no conflict is known concerning ownership of the claims.
7. I consent to the use of this report in, or in connection with the prospectus, or in a statement of material facts relating to the raising of funds for this project.

Dated at Vancouver, B.C., this 25th day of November, 1980.


R.H. Seraphim, Ph.D., P.Eng.

20. STATUTORY RIGHTS OF RESCISSION

Sections 61 and 62 of the Securities Act (British Columbia) provides in effect, that where a security is offered to the public in the course of primary distribution:

- (a) A purchaser has a right to rescind a contract for the purchase of a security, while still the owner thereof, if a copy of the last Statement of Material Facts, together with financial statements and a summary of engineering reports as filed with the Vancouver Stock Exchange, was not delivered to him or his agent prior to delivery to either of them of the written confirmation of the sale of the securities. Written notice of intention to commence an action for rescission must be served on the person who contracted to sell within 60 days of the date of delivery of the written confirmation, but no action shall be commenced after the expiration of three months from the date of service of such notice.
- (b) A purchaser has the right to rescind a contract for the purchase of such security, while still the owner thereof, if the Statement of Material Facts or any amended Statement of Material Facts offering such security contains an untrue statement of material fact or omits to state a material fact necessary in order to make any statement therein not misleading in the light of the circumstances in which it was made, but no action to enforce this right can be commenced by a purchaser after expiration of 90 days from the later of the date of such contract or the date on which such Statement of Material Facts or amended Statement of Material Facts is received or is deemed to be received by him or his agent.

Reference is made to the said Act for the complete text of the provisions under which the foregoing rights are conferred.

21. CERTIFICATE OF THE DIRECTORS AND PROMOTERS OF THE ISSUER:

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

April 24, 1981

(Date)

George A. Bleiler, Director
and Promoter

Geo Bleiler

Vernon B. Humphrey, Director
and Promoter

V.B. Humphrey

John E. Millette, Director
President & Promoter

John E. Millette

CERTIFICATE OF THE UNDERWRITER(S):

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

April 24, 1981

(Date)

McDERMID, MILLER & McDERMID LTD.

[Signature]

C.M. OLIVER & COMPANY LTD.

[Signature]