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ISLAND MINING AND EXPLORATIONS CO. LTD.

HAYES MINE

ALBERNI MINING DIVISION, B.C.

PROGRESS REPORT

SUMMARY

This report updates a report dated October 29, 1974 and a progress report dated July 23, 1975.

These reports describe the Three Jays or Hayes Mine on the Alberni Canal and the numerous deposits of copper found there.

This report covers the recent work done and the work being done at present. This development covers road work to the higher showings and road work and diamond drilling on the lower Beach showings.

The results are promising for production from a surface mine.

GENERAL INFORMATION

The Hayes Mine is on the north side of Alberni Canal 14 miles west of Port Alberni by boat.

The claim area extends north of the beach up a rocky logged hillside covered with second growth and cut by steep creeks in shallow canyons.

High grade chalcopyrite and magnetite showings have been found on the surface over a prospected area 1,000 feet wide and for a mile from the beach up to elevations of 2,000 feet. Some of these have been

Island Mining & Explorations Co. Ltd.

Statement of Source & Application of Funds

For the Month Ended April 30, 1977

(unaudited)

Source of Funds

NIL

Application of Funds

Deferred Expenses

Exploration
Administration

2,333.93
379.25

2,713.18

Decrease in Working Capital

2,713.18

Working Capital at March 31, 1977

2,414.80


Working Capital Decrease During Period

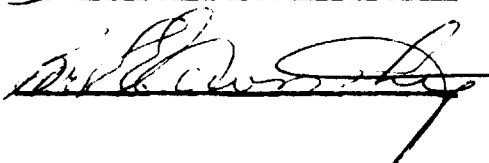
2,713.18

Working Capital (Deficit) at April 30, 1977

(298.38)

Approved on Behalf of Board:

 Director

 Director

developed by tunnels and shafts and have produced small tonnages of high grade copper. None were drilled.

ISLAND MINING & EXPLORATIONS CO. LTD. have worked on all the deposits and bulldozed a road to many of them but for common sense reasons are concentrating on the Beach Showings which are representative of all the copper deposits.

These showings are 200 to at least 900 feet from the beach over an area 800 feet by 700 feet between elevations 200 to 300 feet above sea level.

In this area 20 pits or very short tunnels show massive and disseminated chalcopyrite deposits or chalcopyrite bearing massive magnetite beds.

GEOLOGY

The Hayes Mine is underlain by Triassic bedded volcanics and sediments intruded by granodiorite and quartz feldspar porphyry rocks.

The bedded rocks extend from the upper part of the Kamutsen group through the Quatsino limestone formation to the volcanic part of the Bonanza group. They occur on a broad open anticline with a northwest striking axis with the sedimentary horizons lying on or near the surface over a large area. This structure is complicated by faulting and by the irregular intrusives.

The mineralization occurs as contact metamorphic magnetite with actinolite, ilvaite, bornite and chalcopyrite and as high temperature replacements of limestone and volcanics.

A later fine grained chalcopyrite is often bedded and forms coatings on the minerals of the earlier deposits or on fossils in the sediments.

BEACH DEPOSIT

Twenty trenches and small surface openings show a massive magnetite deposit 5 to 8 feet thick in a high temperature bedded deposit overlain by beds showing disseminated, fracture plane and bedded chalcopyrite deposits.

Other trenches, tunnels and natural outcrops show similar occurrences as extensions of these deposits. These average about 5% copper.

DIAMOND DRILLING

In 1977 a program of short vertical diamond drill holes is being done on the Beach Showing. The work is to determine the distribution of chalcopyrite and magnetite and to determine the thickness of the mineralization.

The holes are 100 feet or less apart and drilled with a small portable drill. Depths of 20 to 73 feet have been obtained and all the holes started in chalcopyrite and showed thicknesses of 10.5 to 53 feet of mineralization of variable grades over the Beach area. The geology is complicated by folding and faulting but the magnetite bed seems to be continuous.

Chalcopyrite is also continuous but the grades above the magnetite vary between 0.2 and about 25% copper.

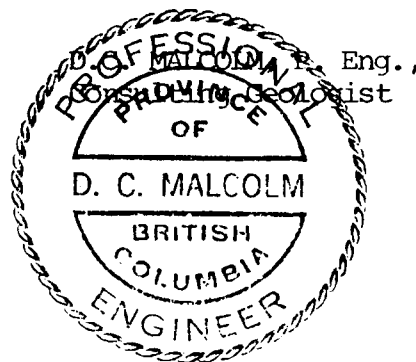
CONCLUSIONS

The Beach showing of the Hayes Mine is a possible surface high grade copper producer. In addition it has possibilities of appreciable tonnages of lower grade copper and massive magnetite close to the surface.

The drilling program is necessary to continue extending the area and distribution of the mineralization.

Report by

D. C. Malcolm



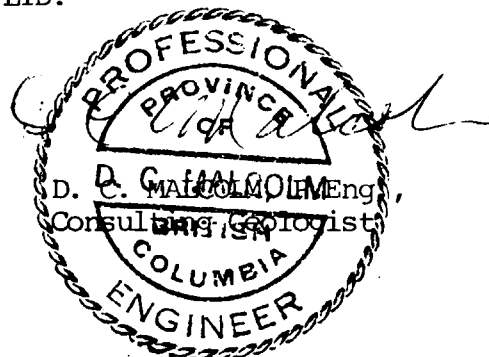
Vancouver, B. C.
April 13, 1977

CERTIFICATE

THIS IS TO CERTIFY THAT:

1. I, DOUGLAS COLE MALCOLM am a resident of Vancouver, B.C., and live at 2290 West 23rd Avenue.
2. I am a graduate of the University of British Columbia with the degree of Bachelor of Applied Science in Geological Engineering (1935).
3. I am a member of the Association of Professional Engineers of British Columbia and Ontario and have practised my profession continuously since.
4. I have not, directly or indirectly, received or expect to receive any interest, direct or indirect, in the property of ISLAND MINING & EXPLORATIONS CO. LTD., or of any affiliate; or beneficially own, directly or indirectly, any securities of the company or of any affiliate.
5. This report is based on extensive work done on the Crown granted claims and in the adjacent area in June and July in 1966 and on work done from 1971 to date by Mr. Tom Kirk, his associates and ISLAND MINING & EXPLORATIONS CO. LTD.

Vancouver, B. C.
June 8, 1977



ISLAND MINING AND EXPLORATION CO. LTD. (N.P.L.)

HAYES MINE

PROGRESS REPORT

SUMMARY

This report is based on an examination made July 23, 1975 and updates a report dated October 29, 1974.

Work done this year was concentrated on the No. 1 or Beach Showing 200 to 900 feet from Alberni Canal. It appears to be thick, widespread and suitable for surface mining. It has not been assayed but many sections would assay 5% copper.

Road building and short hole diamond drilling is necessary to determine tonnages and grades.

TOPOGRAPHY:

The Hayes Mine Camp is on a small sandy beach at the mouth of Hayes Creek on Alberni Canal. Black Karmutsen volcanic cliffs 150 feet in height extend along the waterfront on each side of the bay. Behind the bay a steep road climbs through a glacial gravel deposit about 400 feet to the top of the cliff. It branches with a road northerly to near Hayes Creek and one southerly to a series of switchbacks to the mine tunnels and upper showings.

The Beach Showings are along these roads on a tilted bench with creek canyons to the north and south.

GEOLOGY

The Hayes showings are in faulted and folded Quatsino limestones with Bonanza agglomerates and tuffs above and hematitic tuff and Karmutsen basalts below. These rocks are intruded by granodiorite, diorite and quartz feldspar porphyry.

Chalcopyrite and bornite are found in limestones and fragmentals in skarn zones, both actinolite skarns and widespread epidote beds. Massive magnetite-chalcopyrite deposits occur in volcanics.

In addition a fine grained bedded chalcopyrite occurs in some beds.

Disseminated and fracture fillings of pyrite, chalcopyrite and sphalerite occur in places in the intrusives.

BEACH DEPOSIT

Magnetite-chalcopyrite deposits occur at the top of the cliff forming Karmutsen basalts. These were explored by a 20 foot long adit at elevation 200 feet and by several deep rock trenches. The magnetite is 5 to 8 feet thick and contains chalcopyrite.

Above these workings, over an area of 50 feet square a 10 foot tunnel and numerous shallow pits expose chalcopryite in skarn and bedded chalcopryite in tuffs and fragmentals. The workings are over a vertical range of 50 feet but do not show the thickness or depth of the mineralization. The copper content varies between 1 and 10%.

Similar mineralization has been found in small pits 300, 1,000 and 1,200 feet to the south west.

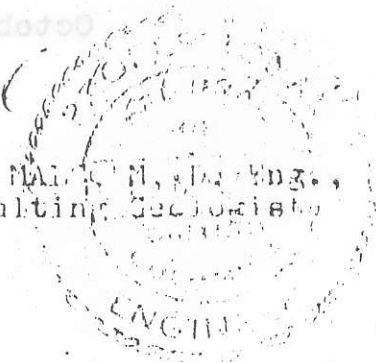
CONCLUSION

The Peach showing is attractive and ideally located near Alberni Canal.

The work recommended in the October report should, with short drill holes, determine the tonnage and grade of this deposit.

D.C. Report by
October 29, 1924

D.C. MALCOLM, Eng.,
Consulting Geologist



Vancouver, B.C.
July 28, 1925

REPORT

ON

ISLAND MINING AND EXPLORATION CO. LTD. (N.P.L.)

HAYES MINE

ALBERNI MINING DIVISION

BRITISH COLUMBIA

CONCLUSION

BY

D.C. MALCOLM, P. Eng.,
Consulting Geologist

Vancouver, B.C.
October 29, 1974

C O N T E N T S

ALBERTA MINING DIVISION

BRITISH COLUMBIA

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INTRODUCTION
The water did extensive geology
The Crown granted claims and the current
1966 and 1967 Since that time
area, a magnetometer survey was made and
has located
The old deposits were explored
levels over a vertical range of 750 feet
the surface by long raises. There has not been any
diamond drilling done on the property. The tunnels
are, more or less, accessible but the slopes and raises
lack ladders and timber.
The underground workings show mineral zones and
stepped areas and are reported by Minister of Mines
reports to contain 125,000 tons of first and second
class ore in 7 ore bodies but these cannot, at present,
be reached to confirm or discount these reserves.

ISLAND MINING AND EXPLORATION CO. LTD. (N.P.L.)

HAYES MINE

ALBERNI MINING DIVISION

BRITISH COLUMBIA

INTRODUCTION

The Hayes Mine is a former producer of copper well located near deep water on Alberni Inlet.

The writer did extensive geological mapping of the Crown granted claims and the surrounding area in 1966 and 1967. Since that time lines were cut in the area, a magnetometer survey was made and prospecting has located many new surface deposits.

The old deposits were explored by 3 underground levels over a vertical range of 750 feet connected to the surface by long raises. There has not been any diamond drilling done on the property. The tunnels are, more or less, accessible but the stopes and raises lack ladders and timber.

The underground workings show mineral zones and stoped areas and are reported by Minister of Mines reports to contain 123,000 tons of first and second class ore in 7 ore bodies but these cannot, at present, be reached to confirm or discount these reserves.

The deposits are chalcopyrite, bornite, epidote and garnet skarn deposits in extensively faulted and folded Triassic limestone, tuffs, basalts and andesites intruded by Jurassic granodiorite and by quartz feldspar porphyry dikes and sills.

The property requires extensive trenching, bulk sampling, diamond drilling and roadwork to allow the shipment of the massive chalcopyrite sections and the evaluation of the lower grade disseminated copper and massive magnetite sections.

CLAIMS

Twenty-two located and ten Crown granted claims as follows:

<u>Claim Name</u>	<u>Record No.</u>	<u>Assessment Due</u>
Ime No. 1	18,443	November 12, 1975
Ime No. 2	18,444	" " "
Ime No. 3	18,445	" " "
Ime No. 4	18,446	" " "
Ime No. 5	18,447	" " "
Ime No. 6	18,448	November 12, 1975
Ime No. 7	18,449	" " "
Ime No. 8	18,450	" " "
Ime No. 9	18,451	" " "
Ime No. 10	18,452	" " "
Ime No. 11	18,453	November 12, 1975

<u>Claim Name</u>	<u>Record No.</u>	<u>Assessment Due</u>
Ime No. 12	18,454	November 12, 1975
Ime No. 13	18,455	" " "
Ime No. 14	18,456	" " "
Ime No. 15	18,457	" " "
Ime No. 16	18,458	" " "
Ime No. 17	18,459	" " "
Ime No. 18	18,460	" " "
Ime No. 19	18,461	" " "
Ime No. 20	18,462	" " "
Ime No. 21	18,463	" " "
Ime No. 22	18,464	November 12, 1975

- Crown Grants
- Lot No. 519 Southern Cross
 - Lot No. 520 Pacific
 - Lot No. 521 Norway
 - Lot No. 523 Ballaret
 - Lot No. 524 Three Jays
 - Lot No. 525 Three Jays No. 2
 - Lot No. 526 Three Jays No. 3
 - Lot No. 527 Blue Jay

- Mineral Leases
- Lot No. 518 North Pole
 - Lot No. 522 Viking

LOCATION & ACCESS

Latitude: 49°03' North
 Longitude: 124°55' West
 Elevation: 0 to 2,500 Feet

The claims are on the west side of Alberni Inlet 17 miles wouth of Port Alberni.

VANCOUVER ISLAND

ALBERNI
HAYES MINE

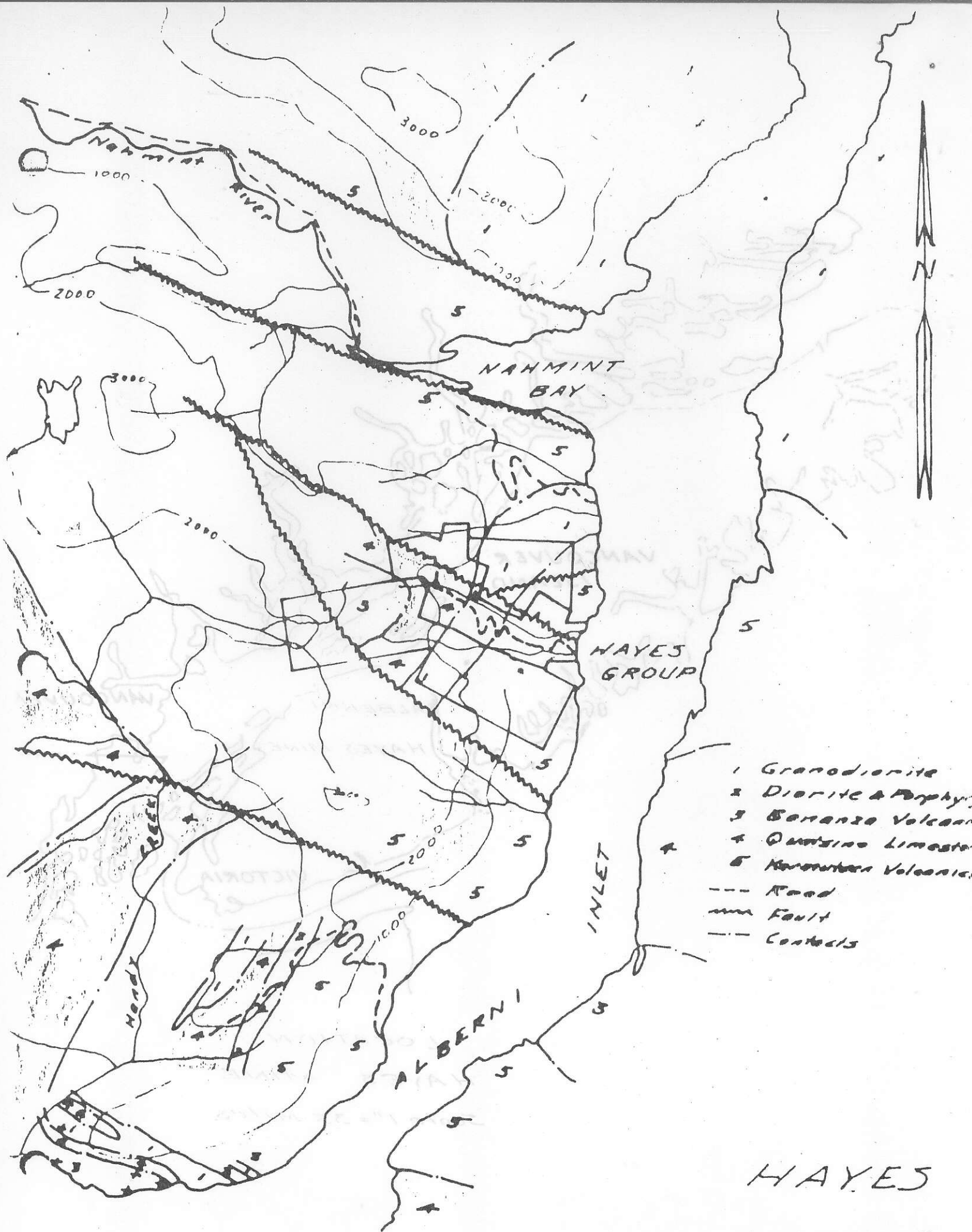
VANCOUVER

VICTORIA

LOCATION
HAYES MINE
Scale 1" = 35 miles

HAYES

Scale 1" = 20000'



HAYES

Scale 1" = 50,000"

Deep water shelves off to a sandy small bay where the claims come down to the beach and boats from Port Alberni can land one there. Port Alberni is a major Pacific Port.

A tractor road, now in disrepair, connects the mine to the beach.

CLIMATE

The climate is moderate with little or no snow at the beach but several feet at elevation of 2,000 feet at the top portal. The summers are warm.

TOPOGRAPHY

Alberni Inlet or Canal is a deep ocean fjord one half to two miles wide with rocky steep shorelines.

West of the Inlet the mountains rise quite steeply for a mile then flatten off to a rough plateau between elevations 2,000 to 2,800 feet. Hayes and South Creeks flow east off this plateau through canyons to the Inlet.

GENERAL GEOLOGY

Alberni Canal crosses a northwest trending granodiorite batholith and is generally underlain by Vancouver Volcanics south and west of the intrusives.

The Volcanic series are Karmutsen basalts, andesites with some interbedded limy tuffs near the top of the series. Quatsino or Sutton limestones overlie the basalts and Bonanza andesite, tuffs, breccias and shales are above the limestones.

These rocks are folded into an open anticline or series of folds with limestones covering large areas west of the Inlet. The rocks are faulted by a series of west and northwest striking faults and intruded by granodiorite dikes and quartz feldspar porphyry and diorite dikes and sills.

There are many massive chalcopyrite deposits in the limestones, in the overlying Bonanza rocks, in the tuff horizons at the top of the Karmutsen and some larger disseminated deposits in the intrusives or volcanics.

CLAIM GEOLOGY

The Hayes claims are underlain by Quatsino limestones with areas of the underlying Karmutsen basalts and interbedded tuffs and other areas of the lower Bonanza tuffs, agglomerates and andesite flows. These rocks are folded and faulted and intruded by a granodiorite dike 200 feet in width and by many diorite and quartz feldspar porphyry bodies.

Chalcopyrite occurs in skarn zones in tuff, agglomerate and limestone on the intrusive contacts. The intrusives in some places contain disseminated chalcopyrite and bornite.

Magnetite and chalcopyrite occurs in some skarns with epidote, garnets and actinolite.

DEPOSITS

The deposits are typical high grade chalcopyrite filled skarn zones with widths of a few inches to 18 feet. They occur in limestone, tuffs, agglomerates and massive volcanics on structures such as faults or folds. The chalcopyrite is fine grained, some times bedded, and fills cavities or coats fossils or skarn minerals such as garnet or actinolite.

The following is a description of this type of deposit found in three areas prospected:

1. Along Hayes Creek for 1,000 feet west of the beach and extending south there are fifteen small pits and tunnels exposing areas of massive chalcopyrite in epidote-actinolite skarns in brecciated volcanics intruded by irregular diorite dikes. In some sections Magnetite occurs in the skarn zones. The deposits have not been blasted or sampled.

2. On the south side of Hayes Creek on the Viking claims in an area 500 feet in width and several thousand feet in length covered by dense brush and windfalls, are many hundreds of tons of ore boulders varying in grade from 0.5 to 10% copper. Four deposits occur in place and are explored by

(a) A short tunnel at elevation 1,800' with 4 open cuts in an 8 foot mineralized bed assaying 0.94% Copper;

(b) A shaft and several pits in a zone 6 feet wide assaying 3.67% copper at elevation 1,800 feet;

(c) Several pits on an 8 foot zone assaying 1.12% copper at elevation 1,700 feet;

(d) A partly exposed outcrop of magnetite at elevation 1,600 feet with a short tunnel which shows good chalcopyrite over a width of 18 feet.

3. On the north side of Hayes Creek on the Hayes claims six deposits have been found in an area of steep cliffs over a 200 foot width and a 1,000 foot length as follows:

(a) At elevation 2,100' an outcrop shows a partly exposed zone with low copper values in skarn. No work has been done on it.

3.(b) At elevation 2,000 feet a shaft or raise has been stoped out along a 5 foot zone of mineralized skarn. The workings are in good condition but no ladders remain in the shaft. The grade appears to have been good.

(c) At elevation 1,950' one large pit has been mined on a 5 foot magnetite chalcopryrite zone. The grade appears low.

(d) The main surface deposit has been opened up in a glory hole at elevation 1,800 feet. The area is about 50 feet by 50 feet and contains skarn, magnetite with chalcopryrite, and disseminated chalcopryrite in altered porphyry and volcanics. Some small amounts of bornite were noticed. The 1,750 foot level with 1,000 feet of workings was driven beneath this and the ore has been stoped to the glory hole from the level. The level also explored deposits a and b underground and some stoping and raising has been done on these deposits. No sampling was done as the 1750' level portal caved during the examination period. The major part of the production came from these workings.

(e) At elevation 1,700 feet a small pit in a weak skarn deposit showed some malachite staining.

(f) At elevation 1,550 feet a shear zone contains disseminated pyrite and chalcopryrite in a porphyry intrusive. This was explored by a tunnel with 650 feet of drifts and crosscuts and some raises.

3.(g) At elevation 1,300 feet a shear zone in volcanics contains disseminated chalcopyrite. The surface exposure is on a steep cliff and could not be examined without ladders. Below this the 1,250' portal and 2,000 feet of drifts and crosscuts explore the area. A garnet skarn zone in limestone and tuffs 700 feet from the portal contained some sulphides in the limestone and tuff beds along the contacts of irregular northwest striking dikes and sills of feldspar porphyry and granodiorite. In some places these intrusives are well mineralized by chalcopyrite.

DEVELOPMENT

The claims were developed by surface pits, several short tunnels, one short shaft and by 3 adits at elevations 1,750, 1,550 and 1,250 with 1,000, 650 and 2,000 feet of development respectively. These levels were connected by raises which extended to the surface at a small glory hole at elevation 2,000 feet.

An aerial tramway connected the 1,750' level to the beach but this has now collapsed.

HISTORY

The claims were first worked in 1898 and this continued to 1902 when they were closed due to a drop in copper prices. Since that time several attempts have been made unsuccessfully to re-open the mine.

Production records are lacking although one 2,000 ton shipment assayed 8% copper.

The ISLAND MINING AND EXPLORATION CO. LTD., began work on the claims in 1971. They have thoroughly prospected the area, cut lines, made a magnetometer survey and have rehabilitated some of the workings.

SUMMARY

The Hayes Mine contains a number of good grade surface copper deposits and an unknown tonnage developed by underground workings. The property is ideally located for production.

RECOMMENDATIONS

The roads to the workings should be rebuilt and the new discoveries should be trenched and connected to the beach road. The deposits should be mapped, sampled and assayed.

If this work is successful I would recommend the diamond drilling of the surface deposits to determine their ore reserves.

ESTIMATED COSTS

I Road Building	
Including Rockwork	\$15,000.00
Trenching	5,000.00
Sampling & Assaying	1,000.00
Geology & Supervision	2,000.00
Transportation	2,000.00
Accommodation	1,500.00
Contingencies	<u>3,500.00</u>
TOTAL	<u>\$30,000.00</u>

II Diamond Drilling	
3,000' @ \$15/Ft.	\$45,000.00
Sampling & Assaying	2,000.00
Core Boxes, Storage & Logging	1,000.00
Mobilization	2,000.00
Transportation	3,000.00
Geology & Supervision	2,000.00
Accommodation	1,000.00
Contingencies	<u>4,000.00</u>
TOTAL	<u>\$60,000.00</u>

Report by



D.C. MALCOLM, P. Eng.,
Consulting Geologist

Vancouver, B.C.
October 29, 1974



C E R T I F I C A T E

This is to certify that:

1. I, DOUGLAS COLE MALCOLM am a resident of Vancouver, B.C., and live at 2290 West 23rd Avenue.
2. I am a graduate of the University of British Columbia with the degree of Bachelor of Applied Science in Geological Engineering (1935).
3. I am a member of the Association of Professional Engineers of British Columbia and Ontario and have practised my profession continuously since
4. I have not, directly or indirectly, received or expect to receive any interest, direct or indirect, in the property of ISLAND MINING AND EXPLORATIONS COMPANY LIMITED (N.P.L.), or of any affiliate; or beneficially own, directly or indirectly, any securities of the company or of any affiliate.
5. This report is based on extensive work done on the Crown granted claims and in the adjacent area in June and July in 1966 and on work done from 1971 to 1974 by Mr. TOM KIRK and associates.

D C Malcolm
D.C. MALCOLM, P. Eng.,
Consulting Geologist

Vancouver, B.C.
October 29, 1974



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.

June 3, 1977
(Date)

ISLAND MINING AND EXPLORATIONS CO. LTD.

_____ Bert Edworthy, Director

_____ W. S. Welch, Director

_____ Harry Gales, Director

_____ Thomas E. Kirk, Director

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.

June 3, 1977
(Date)

CONTINENTAL CARLISLE DOUGLAS LTD.

Per: _____

C. M. OLIVER & CO. LTD.

Per: EC Drake

ITEM 2 PARTICULARS CONTRIBUTING TO THE SPECULATIVE NATURE OF THE SECURITIES BEING OFFERED

Because of the stage of development of the Company and its properties, and the proposed use of the net proceeds of the shares hereby offered, this offering must be considered speculative since the entire portion of the proceeds will be applied to the exploration and development of mineral properties on which no known body of commercial ore exists.

ITEM 3 DETAILS OF ANY MATERIAL CHANGES OR PROPOSED MATERIAL CHANGES IN THE AFFAIRS OF THE ISSUER

There have been no material changes in the affairs of the Company since the date of the Company's most recent Statement of Material Facts accepted for filing on February 2, 1977, save to the extent of performance by the Company of ongoing work programs upon the Company's Three Jays property. It is not proposed to effect any material change in the Company's affairs other than as disclosed in the Company's Statement of Material Facts.

ITEM 4 HOW THE NET PROCEEDS OF THE COMPANY ARE TO BE SPENT

The Company will employ all funds raised under this offering to provide a reserve of \$5,000 for working capital purposes and the balance to continue with a diamond drilling program upon the Company's property interests as described in the reports of D.C. Malcolm, P.Eng., respectively dated October 29, 1974, July 28, 1975 and April 13, 1977. In the event that the option is exercised the proceeds from the sale of the shares will be used for general corporate purposes including the continued exploration and/or development of the Company's properties upon specific recommendations from the Company's consulting engineer and subject to the requirements of the Vancouver Curb Exchange.

ITEM 5 THE FULL NAME, HOME ADDRESS, CHIEF OCCUPATION AND THE NUMBER OF SHARES OF THE COMPANY BENEFICIALLY OWNED, DIRECTLY OR INDIRECTLY, BY EACH SENIOR OFFICER OR DIRECTOR OF THE COMPANY, AND, IF EMPLOYED DURING THE PAST FIVE YEARS, THE NAME OF EACH EMPLOYER

<u>Full Name Position with Company) and Address</u>	<u>Chief Occupation and Employer</u>	<u>Number of Shares</u>
Thomas Earl Kirk, (President & Director) 674 Fernhill Road, Victoria, B.C.	Prospector and Executive of various British Columbia based exploration companies	715,222

The following beneficially own, directly or indirectly in excess of 5% of each class of issued shares of the Underwriters:

(a) CONTINENTAL, CARLISLE, DOUGLAS LTD.

	<u>Name and Address</u>	<u>Number of Shares</u>	<u>Percentage</u>
c/o	Angus I. MacPhail 600, 789 W. Pender St., Vancouver, B. C.	256	25.6 %
c/o	G. Robert Fay 600, 789 W. Pender St., Vancouver, B. C.	256	25.6 %
c/o	Douglas A. Scammell 600, 789 W. Pender St., Vancouver, B. C.	122	12.2 %
c/o	John N. Carlisle 600, 789 W. Pender St., Vancouver, B. C.	61	6.1 %
c/o	David J. Douglas 600, 789 W. Pender St., Vancouver, B. C.	61	6.1 %
c/o	Thomas L. Taylor 600, 789 W. Pender St., Vancouver, B. C.	61	6.1 %
c/o	Dean Duggan 600, 789 W. Pender St., Vancouver, B. C.	61	6.1 %
c/o	J. Arthur Charpentier 600, 789 W. Pender St., Vancouver, B. C.	61	6.1 %
c/o	Richard J. Broad 600, 789 W. Pender St., Vancouver, B. C.	61	6.1 %

(b) C. M. OLIVER & CO. LTD.

	<u>Name and Address</u>	<u>Number of Shares</u>	<u>Percentage</u>
c/o	R.A. Chilcott 744 W. Hastings St., Vancouver, B. C.	7,719	58.1 %
c/o	R.P. Chilcott 744 W. Hastings St., Vancouver, B. C.	1,290	9.7 %
c/o	E.C. Drake 744 W. Hastings St., Vancouver, B. C.	1,280	9.6 %
c/o	C.H. Rowlett 744 W. Hastings St., Vancouver, B. C.	851	6.4 %
c/o	Edward C. Wark 744 W. Hastings St., Vancouver, B. C.	725	5.4 %

Wishart Staples Welch (Director and Secretary) 1281 Grant Street, Victoria, B.C.	Prospector, North Island Mines Ltd. (1969 to date)	50,001
Bert Emanuel Edworthy, (Director) c/o General Delivery, Malahat Post Office, Vancouver Island, B.C.	Retired (1973 to date) Electrician, Dept. of National Defence, Esquimalt, B.C. (1964 - 1973)	7,000 *
Harry Gales, (Director) 1115 - 13910 Stony Plain Rd. Crescent Place, Edmonton, Alta.	General Manager, R. Angus Ltd., Victoria, B.C. (1946 to date)	5,000 *

*The wives of the Directors also own in the aggregate 12,000 shares.

ITEM 6 PARTICULARS OF THE CORPORATE STANDING OF THE COMPANY

The Company was incorporated as a specially limited company by memorandum of the Association in British Columbia on March 29, 1962. By special resolutions passed on the 21st of August, 1975, the Company resolved to alter its memorandum to convert to a limited company and change its name accordingly and amend its Articles. The last Annual Report filed with the British Columbia Registrar of Companies was prepared as at July 29, 1976.

All filings required to be made by the Company under the Securities Act and the Companies Act of British Columbia are up to date. The latest audited Financial Statements placed before the last Annual Meeting of the Company, held July 29, 1976, were prepared as at March 31, 1976 being the Company's year end.

The Company is generally engaged in the business of acquiring and exploring mineral properties, with a view to developing the same to production.

ITEM 7 THE AUTHORIZED AND ISSUED SHARE CAPITAL OF THE COMPANY

The authorized capital of the Company consists of 5,000,000 common shares without par value, of which 1,443,723 are issued and outstanding.

ITEM 8 THE PRICES AT WHICH SECURITIES OF THE COMPANY HAVE BEEN ISSUED DURING THE PAST YEAR

Pursuant to a Prospectus bearing Effective Date of January 27, 1976, the Company sold 250,000 shares at 25¢ per share, and received therefor \$62,500.00 net, the Company not having paid any commissions in connection with that offering.

Pursuant to a Statement of Material Facts accepted for filing February 2, 1977, the Company sold 58,500 shares at 20¢ per share, and received therefor \$11,700 net.

ITEM 9 PARTICULARS OF ANY BONDS, DEBENTURES, NOTES, MORTGAGES, CHARGES, LIENS, OR HYPOTHECATIONS OF THE ISSUER

Nil.

ITEM 10 PARTICULARS OF IMPORTANT PROPERTIES PRESENTLY OWNED, LEASED, HELD UNDER OPTION, OR OPERATED BY THE COMPANY OR ANY SUBSIDIARY THEREOF, OR PROPOSED TO BE OWNED, LEASED, HELD UNDER OPTION OR OPERATED BY THE COMPANY OR ANY SUBSIDIARY THEREOF

The mineral properties of the Company, as described below, were acquired from Thomas E. Kirk, the President and a Director of the Company, and Meteor Mining Co. Ltd. (N.P.L.) ("Meteor") pursuant to an agreement dated the 21st day of August, 1975 (the "Acquisition Agreement"). Consideration for the properties acquired from Mr. Kirk was the allotment of 730,000 escrow shares in the capital of the Company, of which 680,000 shares were issued to Mr. Kirk and 50,000 shares were issued to Wishart S. Welch, the Secretary and a Director of the Company. Consideration for the properties acquired from Meteor was the allotment and issue of 20,000 shares in the capital of the Company to Meteor. The following Directors and Officers of the Company are also Directors and Officers of Meteor as described below:

Thomas E. Kirk	President, Director
Bert E. Edworthy	Secretary, Director
Wishart S. Welch	Director

(a) The Three Jays Property

The "Three Jays" property consists of eight Crown granted mineral claims and two mineral leases, totalling approximately 379.22 acres in the Alberni Mining Division of British Columbia:

Crown Granted Mineral Claims	-	Lot No. 519 Southern Cross
		Lot No. 520 Pacific
		Lot No. 521 Norway
		Lot No. 523 Ballaret
		Lot No. 524 Three Jays
		Lot No. 525 Three Jays No. 2
		Lot No. 526 Three Jays No. 3
		Lot No. 527 Blue Jay
Mineral Leases	-	Lot No. 518 North Pole Lease M 33
(Expiry Date August 5, 1977)		Lot No. 522 Viking Lease M34