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REPORT ON
THE
MT. SPENCER BLOCK
ALBERNI AND VICTORIA MINING DIVISION, B. C.

FOR

GOLD VALLEY RESOURCES LTD.
3rd Floor - 555 Howe St.
Vancouver, B.C.

by

J. P. ELWELL, P.Eng.
Consulting Mining Engineer

December 10th 1975

21. Give the aggregate direct remuneration, including amounts for services rendered, paid or payable by the issuer and its subsidiaries during the past year to the insiders of the issuer.	See Item 21 attached hereto
22. Give brief particulars of all options to purchase securities (other than such as are granted or proposed to be granted to shareholders as such on a <i>pro rata</i> basis) outstanding or proposed to be given by the issuer and its subsidiaries to any person or company, naming each such person or company and showing separately all such options outstanding or proposed to be given to the insiders of the issuer or its subsidiaries.	See Item 22 attached hereto
23. State the prices at which shares of the issuer have been issued for cash during the past year. If any shares have been issued for services, state the nature and value of the services and give the name and address of the person or company who received such shares. State the number of shares issued at each price.	See Item 23 attached hereto
24. Give the dates of and parties to and the general nature of every material contract entered into by the issuer or any subsidiary within the preceding two years which is still in effect and is not disclosed in the foregoing.	None
25. Give particulars of any other material facts relating to the shares proposed to be offered and not disclosed pursuant to the foregoing items.	None
26. If assets include investments in the shares or other securities of other companies, give an itemized statement thereof showing cost of book value and present market value.	See Item 26 attached hereto

VANCOUVER CURB
EXCHANGE LISTING

27. See Item 27 attached hereto

CERTIFICATE OF THE COMPANY

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

CERTIFICATE OF SELLING SHAREHOLDER)

Dated February 2, 1976

To the best of my 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. February 2, 1976
A. DONALD MacLEOD

GOLD VALLEY RESOURCES LTD.
A. DONALD MacLEOD
TERRANCE F. SCHORN
GORDON CLIFFORD HUNTER

[Corporate Seal.]

~~CERTIFICATE OF UNDERWRITER OR OPTIONEE~~ CERTIFICATE OF UNDERWRITER

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.

Dated February 2, 1976
CANARIM INVESTMENT CORPORATION LTD.

Peter M. Brown
PETER M. BROWN

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REPORT ON THE MT. SPENCER
BLOCK, ALBERNI AND VICTORIA
MINING DIVISIONS, B.C.

SUMMARY

The Mt. Spencer Block consists of a triangular area of 5,256 acres located in the Alberni and Victoria Mining Divisions of Vancouver Island, B.C., the geographical center being approximately Lat. $49^{\circ} 03' N$, Long. $124^{\circ} 39' W$. The property is held under option by Gold Valley Resources Ltd. from Can Pac Minerals Ltd. of Calgary, Alberta.

Geologically, the area is underlain by the Vancouver Group of sedimentary and volcanic rocks, the principal member being the Karmutsen Formation consisting of massive, fine grained volcanics and some medium grained gabbro rocks. These volcanics have been intruded by plutonics of the Coast Intrusives which appear on the southwest part of the block, and are also manifested by numerous feldspar porphyry dikes which cut the Karmutsen and other formations.

Mineralization consists of chalcopyrite and pyrrhotite occurring as disseminations thin films on fractures, and as massive pods and lenses following the jointing pattern of the Karmutsen volcanics. Minor copper mineralization is also found associated with a skarn zone in the overlying Quatsino Formation, and in the feldspar porphyry dikes. Copper - lead, and lead - zinc mineralization has been found associated with quartz veins, and minor molybdenite occurs with the chalcopyrite and pyrrhotite.

Exploration on the property by Gunnex Ltd. from 1964 - 1966 and by Cominco in 1967 consisted of geological mapping, soil sampling, S.P., I.P., E.M., and magnetometer surveys, and diamond drilling. This work delineated four principal mineral zones designated on the accompanying map as Zones 1, 2, 3, and 3A. Zone 1 appears to be a large area of disseminated mineralization but the indicated grade is submarginal. Zones 2 and 3 A consist of massive lenses and pods of chalcopyrite and pyrrhotite which have been tested by a few diamond drill holes to a depth of about 300 feet. Surface sampling indicates copper values up to 5.5% in widths up to 23 feet. Zone 3 to the N.W. of Zone 3 A has few surface outcrops and has not been tested by diamond drilling.

A new interpretation of the geophysical results of the previous work indicates possible lithologic controls running in a NNW - SSE direction. The previous drilling was programmed on an assumption of an east - west strike to the mineral zones and may have missed much of the downward extensions of the surface showings. It appears on the basis of these new studies that a modest economic tonnage in the 2 - 5 % Cu range should be the object of exploration rather than a large, porphyry type body.

The recommendations for renewed exploration include new, detailed I.P., E.M., and magnetometer surveys and detailed soil sampling. This phase of the program with auxiliary costs is estimated at \$25,000.

Based on the results obtained from this work, the next phase would consist of a diamond drill program at an estimated cost of \$50,000.

INTRODUCTION

At the request of Gold Valley Resources Ltd., the writer prepared this report on the Mt. Spencer block located in the Alberni and Victoria Mining Divisions of B.C., and which is under option by Gold Valley Resources Ltd. from Can Pac Minerals Ltd. Calgary, Alberta.

As the property will be under snow until at least May, and the boundaries of the property have been legally surveyed, it was felt that no useful purpose would be served by a personal examination, and the report therefore is based on an appraisal of several geological and geophysical reports and maps prepared by competent engineers and geologists, together with the logs and assays of the diamond drill holes completed to date. This data is acknowledged in the text of this report and under "References".

LOCATION AND ACCESS

The Mt. Spencer block is a triangle bounded to the west by the westerly boundary of the E and N Railway Land Grant, to the north by an east - west line at Lat. $49^{\circ}04'$, and on the east by the north - south boundary between the Alberni and Dunsmuir Land Districts. The peak of Mt. Spencer is slightly north of the center of this block, the geographical center being approximately Lat. $49^{\circ}03' N$, Long. $124^{\circ}39' W$.

Access to the property is by way of logging roads to the base of Mt. Spencer and from this point, the showings are reached by a steep pack trail or by helicopter. A location map accompanies this report.

TOPOGRAPHY, TIMBER, ETC.

The topography is typical of the center of Vancouver Island, rugged, and heavily timbered up to the summits. The stream valley to the south of Mt. Spencer has an average elevation of about 2,000 feet, and the peak of the mountain is 4791 feet.

Snowfall is heavy starting from the end of October, with some remnants of snow remaining until July. There is little permanent water at the higher elevations, but the spring run off should supply enough for exploration drilling.

PROPERTY

The property under consideration consists of:

1. The Mt. Spencer block of 5,256 acres held under option from Can Pac Minerals Ltd., Calgary, Alberta, which includes the mineral rights to all metallic minerals with the exception of gold and silver.

2. The Wine Claim of 4 units, record No. 3, staked in June 1975 within the Mt. Spencer block over the principal mineral area to secure rights to any possible gold and silver minerals.

HISTORY

The original discovery of the copper mineralization on Mt. Spencer was made by Gunnex Ltd. in 1964 by reconnaissance, soil sampling, and prospecting on an exploration permit from Canadian Pacific Oil and Gas. Eight claims were staked and some trenching and stripping completed.

In 1965 Gunnex carried out further trenching, soil sampling, a magnetometer survey, E.M. survey, S.P. survey, and geological mapping and

The claim area was increased to 66 claims.

In 1966 further soil sampling and magnetometer surveys were done, also a vertical loop E.M. survey and a Huntco I.P. survey. Eight A X diamond drill holes totalling 3,064 feet were drilled.

In 1967 Cominco Ltd. entered into agreement with Canadian Pacific Oil and Gas to continue exploration on the Gunnex permit area. During this year Cominco completed further geological mapping, E.M. surveys, and magnetometer surveys and drilled nine holes totalling 1,914 feet to test two of the mineral zones. All the holes were to a shallow depth.

On the completion of this program, Cominco dropped its option and eventually the ground reverted to C.P.O.G. The present Mt. Spencer block has been optioned by Gold Valley Resources Ltd. from Can Pac Minerals Ltd. a subsidiary of Canadian Pacific Ltd.

REGIONAL AND ECONOMIC GEOLOGY

The regional geology of the area is covered by C.S.C. Map 17 - 1968 "Alberni" on a scale of 1:250,000, and also by reconnaissance geological maps on a scale of 1" = ½ mile which were prepared by Gunnex Ltd. in 1966. In addition a report by R.J. Nicholson and J. Richardson dated February 12th 1968 covers the geology of the area which has been mapped in detail. The following description is taken from the above sources.

The maps show the Mt. Spencer block to be underlain by the Vancouver group of sedimentary and volcanic rocks ranging in age from Lower Jurassic to Upper Triassic in age. The lowest member of this group is the Karmutsen formation consisting of massive, dark grey, fine

grained volcanics, in places becoming medium grained and having the appearance of gabbro. The Karmutsen Formation covers the majority of the claim area, but a small area is overlain by the next higher member in the Vancouver Group, the Quatsino Formation, consisting of thinly bedded argillaceous limestone. At the contact between the Karmutsen and Quatsino formations is a skarn zone consisting of red to grey cherty or hornfelsic material. Minor disseminated pyrite, chalcopyrite, and pyrrhotite occur within the skarn and appears as a rusty weathered surface.

The Vancouver Group rocks have been intruded by plutonic rocks of the Coast Intrusions of Middle to Upper Jurassic age consisting of biotite-hornblende granodiorite and quartz diorite. According to the mapping by Gunnex Ltd., these intrusions occur along the west boundary of the property.

Numerous feldspar porphyry dikes cut both the Karmutsen and Quatsino formations. They occasionally contain minor amounts of disseminated pyrrhotite and chalcopyrite, and are believed related to the Coast Intrusions.

Structurally, the rocks are believed to form part of the western limb of a regional anticline, the layered volcanics having a northwesterly strike and a moderate dip to the southwest. Five sets of joints have been recorded, ranging in dip from horizontal to vertical, and striking from 5° to 135° .

Mineralization

Sulphide minerals occur in a variety of locations in the Karmutsen volcanics and in minor amounts in the Quatsino limestone. The principal minerals are pyrrhotite, chalcopyrite, and pyrite. These occur (a) as disseminations in sheared volcanics, (b) as thin films accompanied by minute quartz veinlets in coarse fracture zones produced by jointing, (c) as massive sulphide shoots related to jointing, and (d) in minor amounts as amygdules. The mineralization is believed to have emanated from the intrusives.

DISCUSSION OF EXPLORATION RESULTS

The exploration work carried out by Gunnex Ltd. in 1965 - 1966 consisted of geological mapping and sampling, a geochemical survey, magnetometer, E.M. and I.P. geophysical surveys and 3,064 feet of diamond drilling in 8 holes over the principal mineralized zones. Work done by Cominco consisted of further geophysical surveys and additional drilling totalling 1,914 feet.

The results of this work, plus the previous stripping and trenching have outlined four zones of copper mineralization plus numerous other minor showings in an area about 1,200 feet north - south by 4,000 feet east - west. These principal mineralized zones along with the other occurrences are shown on Map #1 which accompanies this report. A brief description of each zone is as follows:

Zone #1

Covers an area about 1,200 feet by 400 feet. The mineralization consists of pyrrhotite and chalcopyrite as disseminations, thin films on fracture planes, and occasional massive sulphides up to 2 feet in width.

Six diamond drill holes have been put down in a north - south direction to a shallow depth and covering a strike length of about 1,000 feet. Assay results from these preliminary holes indicated a large potential tonnage of copper mineralization, but of submarginal grade.

Zone #2

The Gunnex map shows this zone to cover an area about 1,000 feet by 100 feet. The surface mineralization exposed by trenching consists of massive pods and lenses of sulphides with copper assays running between 0.53 % to 3.4 % over widths of 40 feet. The six drill holes which traverse this zone cut numerous bands of heavy sulphides similar to the surface showings, but copper values were considerably lower. It is reported that core recovery of the sulphide zones was poor, so it may be that considerable copper values were lost in the sludges. The drill holes reached a maximum depth of about 400 feet below the surface.

Zone #3

According to the Cominco report, this zone has very little surface exposure, but from what can be seen, it appears to be similar to Zone #1. No drilling has been done in this area.

Zone #3 A

Consists of bands and lenses of massive sulphides similar to Zone #2. Assays of surface samples show 5.57 % Cu over 23 feet, 5.56 % Cu over 10 feet, 3.75 % Cu over 20 feet, and 1.48 % Cu over 30 feet. Two diamond drill holes were put down under this zone by Gunnex, and four holes were drilled by Cominco using a Winkie drill. The logs and sections of these holes show they all cut sections of sulphide mineralization with varying copper content, but there appears to be no correlation between the Gunnex and Cominco drilling, although they were both drilled in the

same general plane. The Gunnex sections show an interpretation of discontinuous lenses and veins of sulphides plunging steeply to the south, while the Cominco sections show a plunge to the north. It should be noted that Zone 3 A is about 1,000 feet lower in elevation than Zone 1, and therefore may be closer to the underlying intrusive. This may account for the more concentrated mineralization.

GEOPHYSICAL RESULTS

The geophysical data studied consisted of the results of the, Huntex I.P. survey conducted for Gunnex (Map #3), and magnetometer surveys by both Gunnex and Cominco (Map #2). In addition, there is a geochemical survey map of the same area by Gunnex (Map #4).

A study of the chargeability contours of the I.P. survey indicates a definite NNW - SSW trend, which may reflect structural or lithologic controls. This trend is also evident in the contours of the magnetometer survey. The original drilling by both Gunnex and Cominco on the 3 A zone was on the assumption that the mineralization would have an east-west trend, but if it follows the lithologic controls, drill holes would have intersected the zone at a very oblique angle, and hole 66 - 8 would be parallel to the zone and could have passed between the massive sulphide lenses which would account for the poor intersections encountered in the log of this hole.

Projecting this zone to the NNW along a strong chargeability contour leads to Zone #3 which is coincident with a prominent magnetic high. Surface and underground sampling shows that the copper mineralization is generally associated with pyrrhotite which could produce the magnetic highs, therefore the magnetic and I.P. response of this zone

make it an interesting exploration target. As previously mentioned, Zone #3 is reported to have limited outcroppings, and has never been tested by diamond drilling.

The I.P. survey indicates a chargeability source on line 76 E at 3 + 50 S which is coincident with a magnetic high and strong geochemical values. This zone has never been tested, but Gunnex hole 66 - 6 drilled on line 74 E may have passed over it.

The area of high magnetic intensity located between 60 E and 64 E and 7 N to 9 N coincides with the continuation of the NNW trend of the chargeability contours from Zone #3. A geochemical anomaly with values up to 3,000 p.p.m. in copper which lies just over the ridge on line 61 E, and thus makes this another target for exploration.

Regional Exploration

Apart from the main copper showings associated with the geophysical surveys, there are several other geological features and showings noted on the map which deserve further investigation. The principal of these are:

- (a) The belts of gabbro rocks having a NNW trend in line with Zone #1 and outcropping to the south of Mary Lake, and which also lie on the NNW trend between Zone 3 A and Zone 3. These rocks could be a source of copper mineralization.
- (b) Map #1 (Geology and Topography) shows several occurrences of copper and lead, and also zinc, associated with quartz veins. These have never been explored or sampled

to any extent, but their presence might lead to economic occurrences of these metals, especially if they carry gold and/or silver values.

CONCLUSIONS

An analysis of the reports and data available on this property, and from information obtained from engineers and geologists connected with the exploration program, leads to the following conclusions.

1. Previous exploration on this property was planned with a viewpoint of developing a porphyry type orebody. When the exploration results failed to meet the criteria for this type of deposit, the incentive for further exploration diminished.

2. Reliable verbal accounts of the drilling program indicate that the core recovery of the sulphide sections was poor in many cases, especially in the Winkie drill holes. None of the drill hole logs examined show any sludge sample assays, so it is possible that a good part of the copper mineralization cut by the drill holes was lost.

3. A new analysis and interpretation by Geophysical Consulting and Services Ltd. of the results of the magnetometer and I.P. surveys suggests a different theory as to the nature and trend of the mineralization than that assumed by Gunnex and Cominco. On the basis of this new interpretation, which is discussed in a previous section, it appears that the property offers possibilities for a modest tonnage of 2 to 5 % copper mineralization, rather than the large, low grade, porphyry type. Further exploration along these lines appears warranted.

4. There appear to have been few assays run for gold and silver, but those that were run indicated significant values in these metals associated with the chalcopyrite and pyrrhotite mineralization. Many occurrences of gold are shown on the regional geological map, and as only minor values in gold and silver at today's prices would add appreciably to the economic value of the copper mineralization, some re-sampling and assaying for these metals is certainly justified.

RECOMMENDATIONS

Phase I

This phase of the exploration program should be planned to test the theory of the NNW-SSE trend of mineralization indicated by a study of the geophysical results and referred to in paragraph 3 of "Conclusions". To do this, two additional diamond drill holes should be drilled under the high grade showings of Zone 3A. The location and bearing of these holes would be as follows:-

Hole #1 - Located at the collar of Gunnex hole #66-7, and drilled at a declination of -80° on a bearing of 37° .

Hole #2 - (Subject to satisfactory results from hole #1), located 100 ft. from hole #1 on a bearing of 127° and drilled at a declination of -45° on a bearing of 37° .

The depth of each hole will depend on the mineral intersections encountered, but projections indicate they will not exceed 500 feet, for a total of 1,000 feet of drilling in this phase.

Phase II

If the results of Phase I are favorable, then exploration should be continued to trace the high grade zone along strike to the NNW. Some additional geochemistry and geophysics should be applied to this selected zone to check the previous results and should be continued beyond the limits of the old survey to the N.N.W. This work would be followed up by a minimum of an additional 1,000 feet of diamond drilling.

Further work would be contingent upon favorable results from these initial phases.

ESTIMATE OF COSTS

Phase I

1.	1,000 feet of diamond drilling at \$15.00 per ft. all inclusive - - - - -	\$15,000.00
2.	Mobilization costs and service of drilling rig, including helicopter charter and road transportation - -	2,000.00
3.	Engineering and assays - - - - -	<u>1,000.00</u>
	Total	\$18,000.00

Phase II

1.	Additional geochemical and geophysical surveys - - -	\$ 5,000.00
2.	Diamond drilling, 1,000 feet at \$15.00 per ft. all inclusive - - - - -	15,000.00
3.	Engineering, assaying, etc. - - - - -	2,000.00
4.	Travel, administration and contingencies - - -	<u>3,000.00</u>
	Total	\$25,000.00

December 10th, 1975


J. P. Lowell, P. Eng.

REFERENCES

Geophysical-Geological-Geochemical Correlation Report,

Mt. Spencer Property, - Glen G. White, B.Sc.,

Geophysicist, November 17th 1975.

Report on an I.P. Survey for Gunnex Ltd. by

Huntec Ltd., Sept. 1966.

Report on the Mt. Spencer Project by R. J. Nicholson

& J. Richardson, Cominco Ltd., February 1968.

G.S.C. Map 17 - 1968 - Alberni.

Various geological, geophysical & geochemical

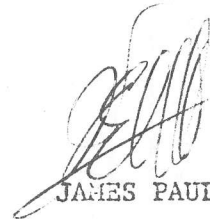
maps prepared by Gunnex Ltd. & Cominco Ltd.

C E R T I F I C A T E

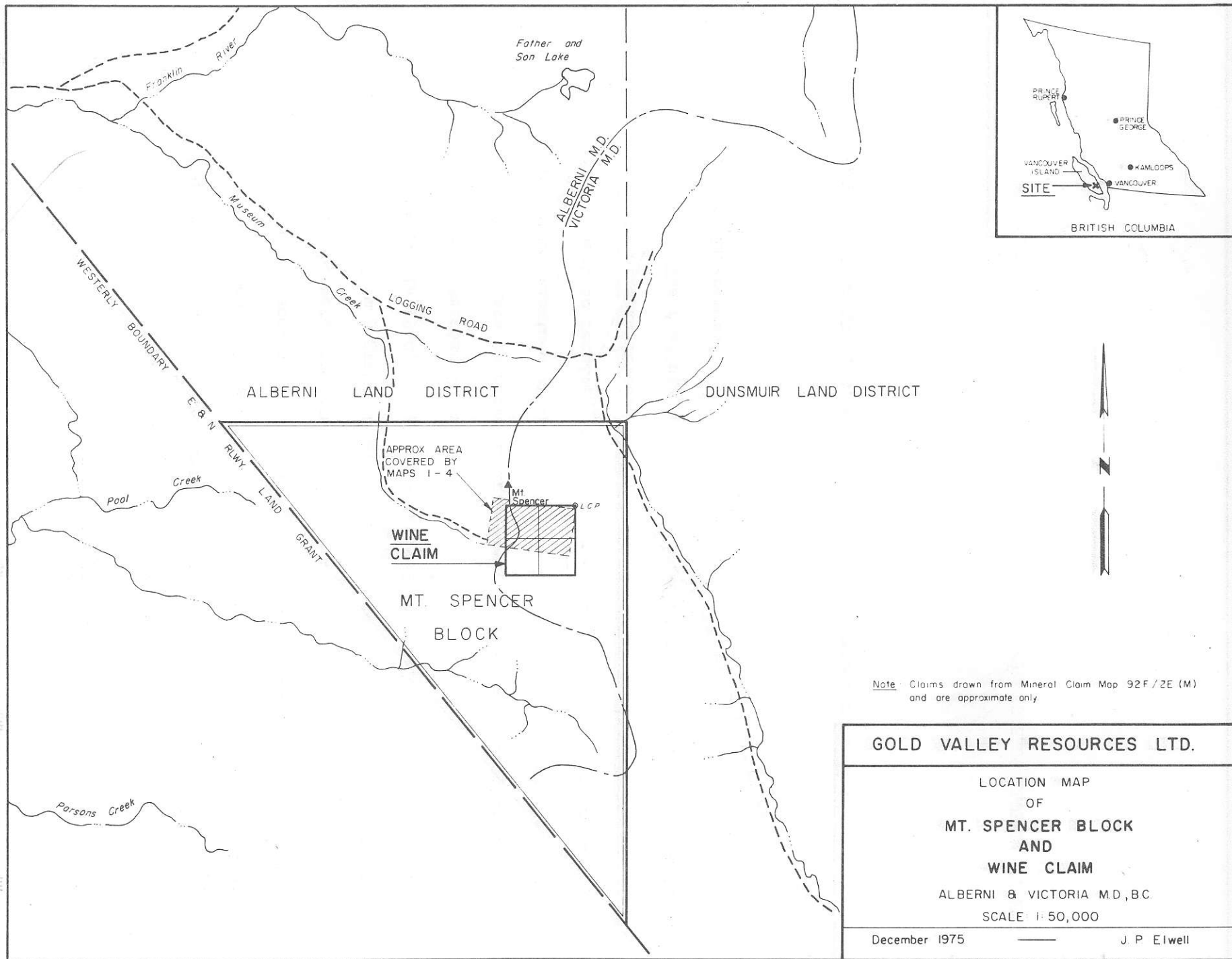
I, James Paul Elwell, of 4744 Caulfield Drive, West Vancouver, B.C., do hereby certify that:

1. I am a Consulting Mining Engineer residing at 4744 Caulfield Drive, West Vancouver, B.C., and with an office at 1030 - 510 West Hastings Street, Vancouver, B.C. V6B 1L3.
2. I am a graduate in Mining Engineering from the University of Alberta in 1940, and am a Registered Professional Engineer in the Province of British Columbia.
3. I have no personal interest, directly or indirectly in the properties examined or in Gold Valley Resources Ltd. securities, nor do I expect to receive directly or indirectly any interest in such property or securities.
4. The findings in the report are derived from data acknowledged under "References".

DATED at VANCOUVER, B. C. this 10th day of December, 1975.



JAMES PAUL ELWELL, P. ENG.



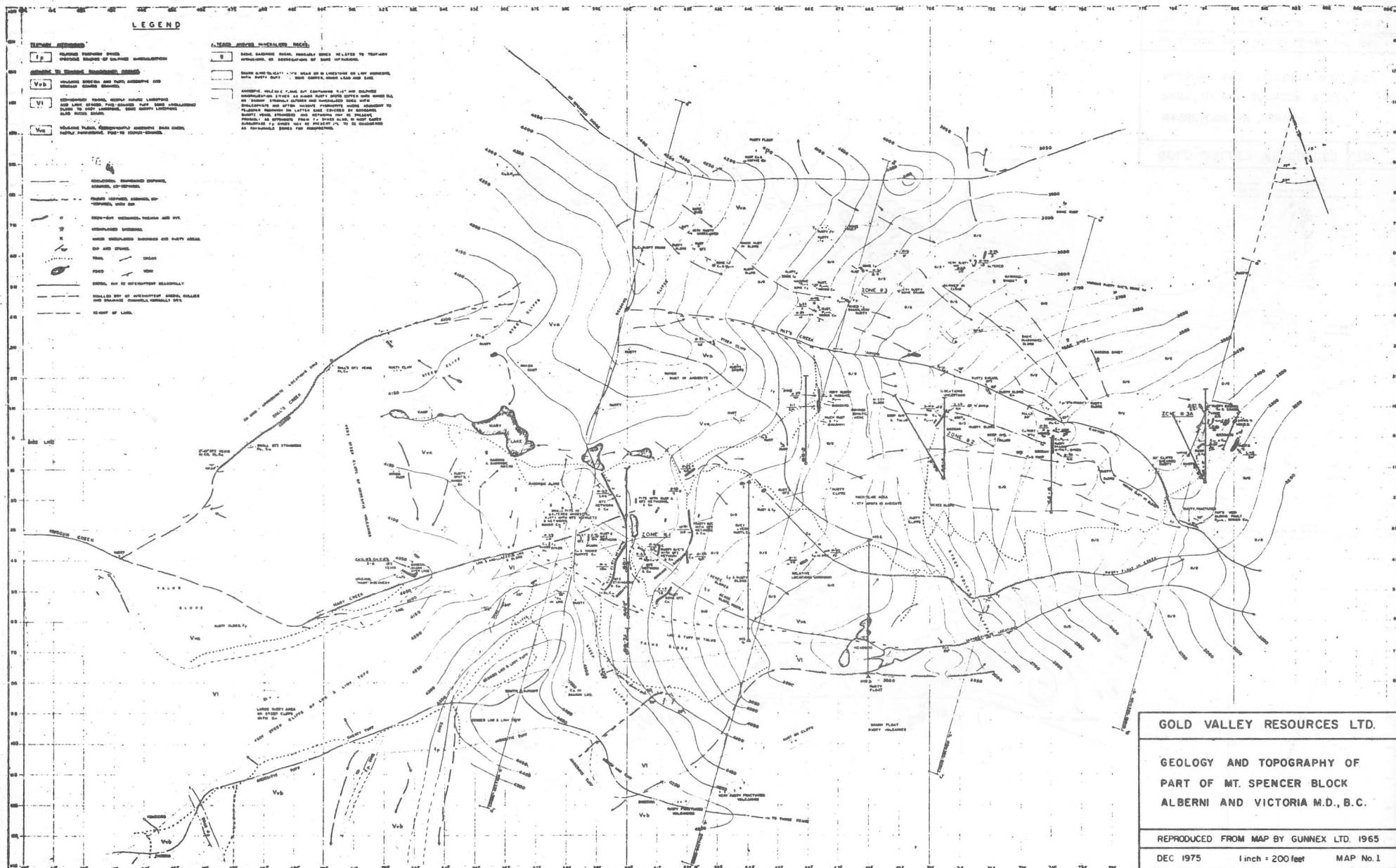
Note Claims drawn from Mineral Claim Map 92F/2E (M) and are approximate only.

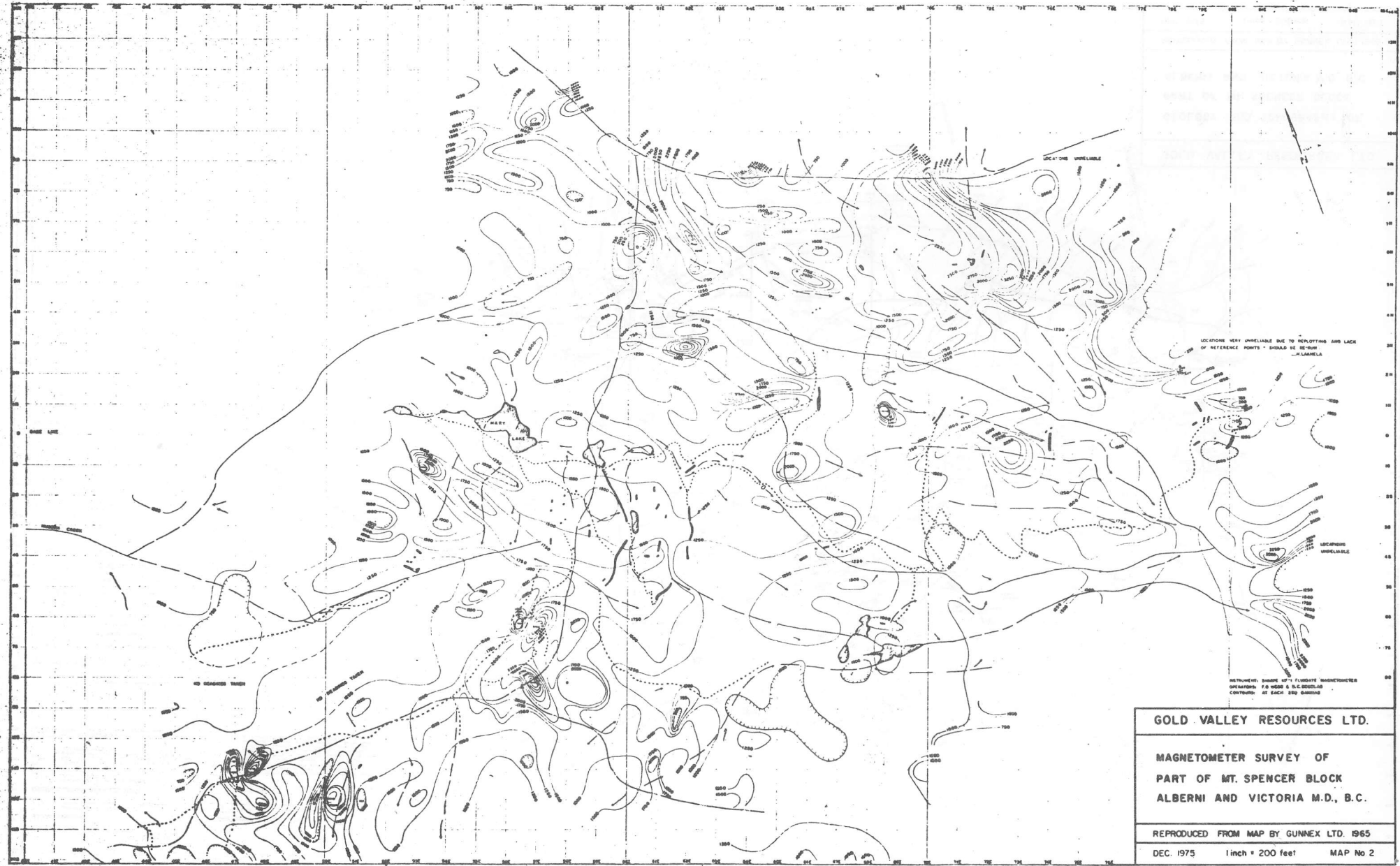
GOLD VALLEY RESOURCES LTD.

LOCATION MAP
OF
**MT. SPENCER BLOCK
AND
WINE CLAIM**

ALBERNI & VICTORIA M.D., BC
SCALE 1:50,000

December 1975 J. P. Elwell





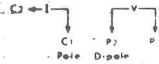
GOLD VALLEY RESOURCES LTD.

MAGNETOMETER SURVEY OF
 PART OF MT. SPENCER BLOCK
 ALBERNI AND VICTORIA M.D., B.C.

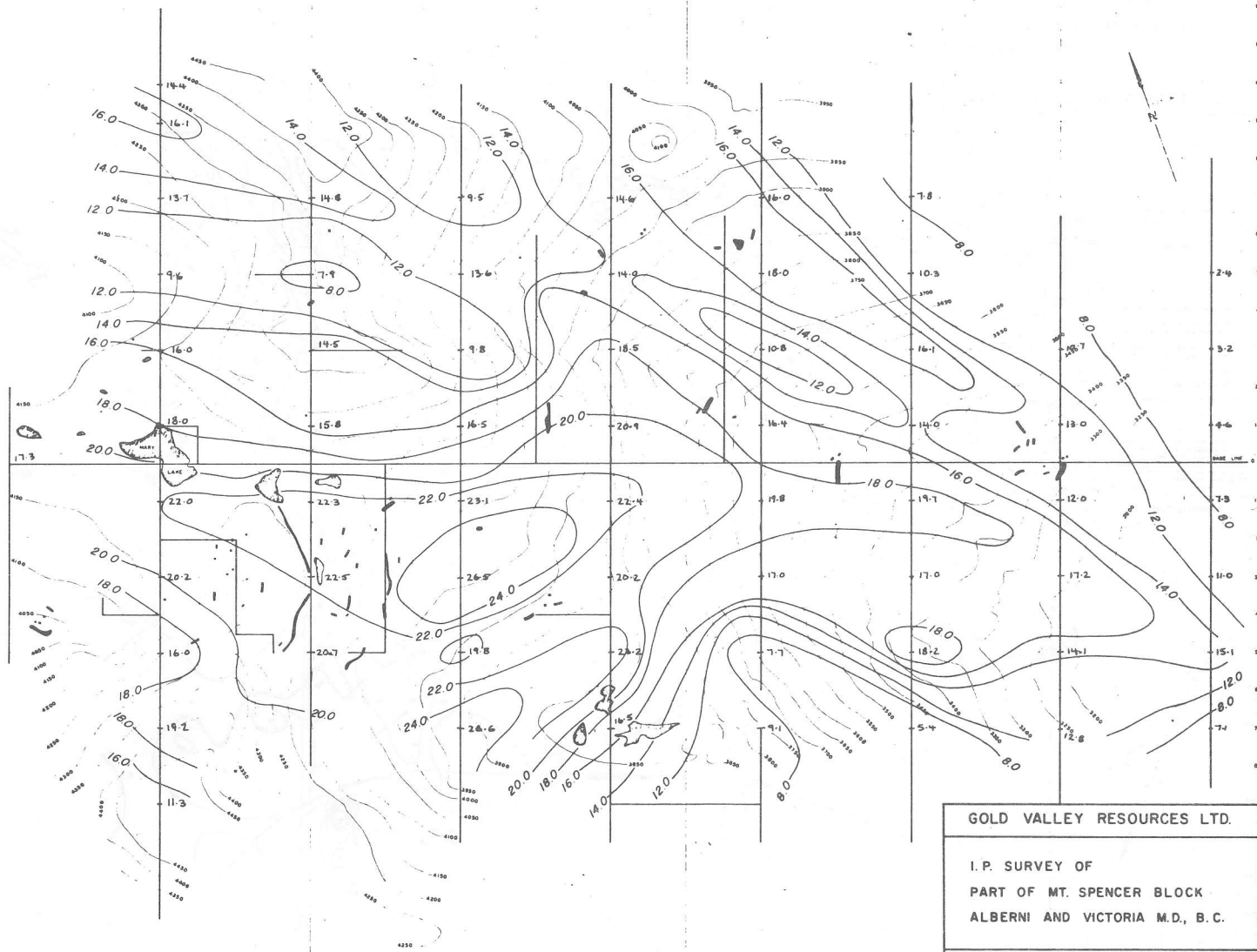
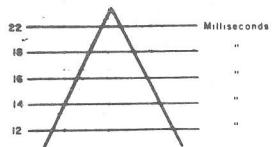
REPRODUCED FROM MAP BY GUNNEX LTD. 1965

DEC. 1975 1 inch = 200 feet MAP No 2

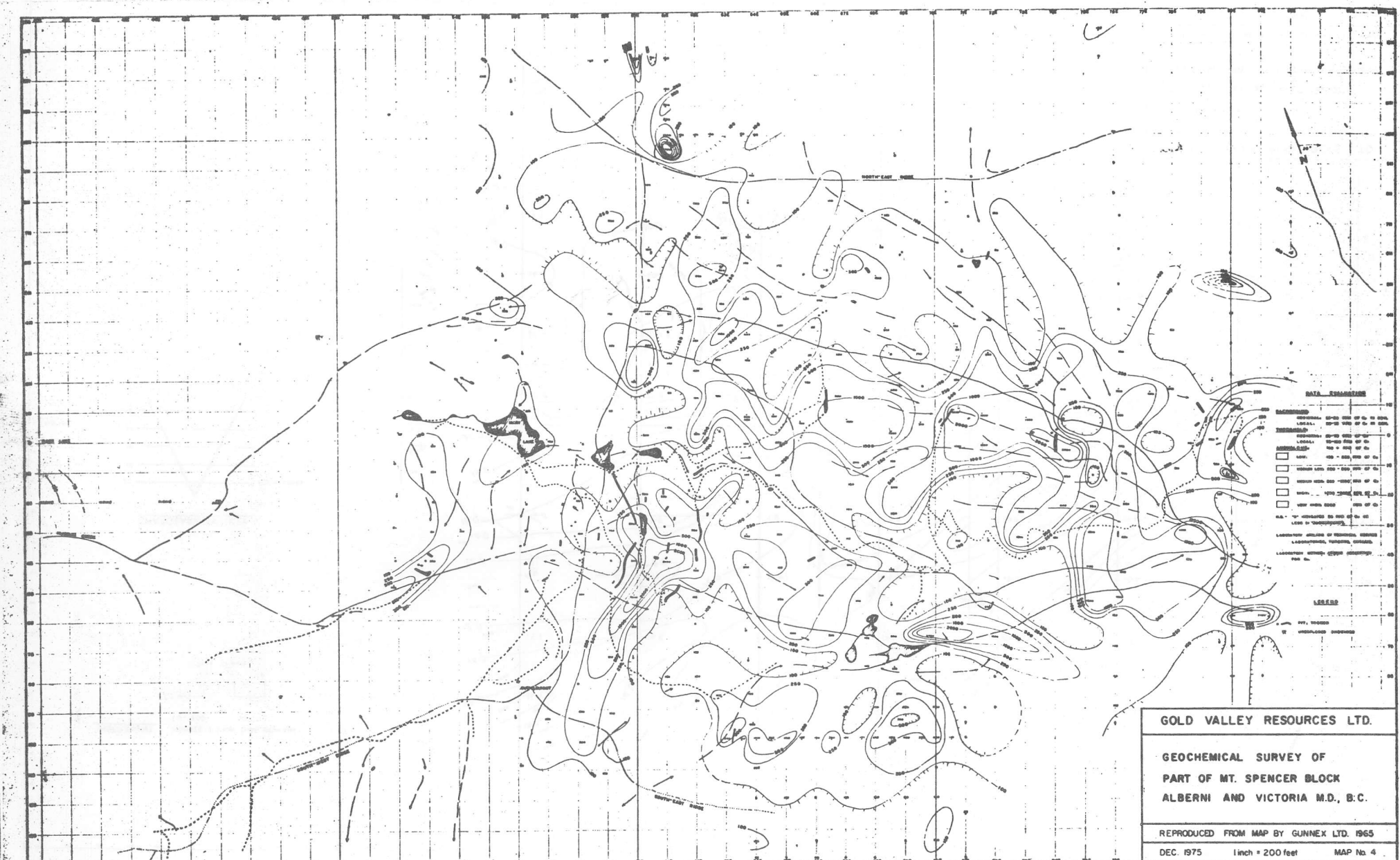
INSTRUMENT MUNTEC 2.5 KW TIME DOMAIN
($\alpha = 200$)



CHARGEABILITY KEY



GOLD VALLEY RESOURCES LTD.
I. P. SURVEY OF
PART OF MT. SPENCER BLOCK
ALBERNI AND VICTORIA M.D., B. C.
REPRODUCED FROM MAP BY GUNNEX LTD. 1965
DEC. 1975 1 inch = 200 feet MAP No. 3



DATA SUMMARY

BACKGROUND
 1950-55 1:50,000 OF G.C. & G.S.
 1956-60 1:50,000 OF G.C. & G.S.
 1961-65 1:50,000 OF G.C. & G.S.

STRUCTURE
 1950-55 1:50,000 OF G.C. & G.S.
 1956-60 1:50,000 OF G.C. & G.S.
 1961-65 1:50,000 OF G.C. & G.S.

GEOL.
 1950-55 1:50,000 OF G.C. & G.S.
 1956-60 1:50,000 OF G.C. & G.S.
 1961-65 1:50,000 OF G.C. & G.S.

LABORATORY ANALYSIS OF MINERAL SAMPLES
 LABORATORY: UNIVERSITY OF TORONTO
 LABORATORY: UNIVERSITY OF CALGARY

LEGEND
 1950-55 1:50,000 OF G.C. & G.S.
 1956-60 1:50,000 OF G.C. & G.S.
 1961-65 1:50,000 OF G.C. & G.S.

GOLD VALLEY RESOURCES LTD.

**GEOCHEMICAL SURVEY OF
 PART OF MT. SPENCER BLOCK
 ALBERNI AND VICTORIA M.D., B.C.**

REPRODUCED FROM MAP BY GUNNEX LTD. 1965
 DEC. 1975 1 inch = 200 feet MAP No. 4

No part of the proceeds from the sale of shares sold pursuant to the Underwriting Agreement will be spent on exploring or developing other mineral properties owned or acquired by the Company without the Company first submitting and having accepted for filing appropriate engineering reports with the Vancouver Stock Exchange.

VANCOUVER CURB
EXCHANGE LISTING

ITEM 6

The Company's directors and officers are as follows:

<u>Name and Address</u>	<u>Position Held</u>	<u>Occupation</u>
A. Donald MacLeod 526 Ballantree Place West Vancouver, B.C.	President and Director	Executive
Gordon Clifford Hunter 3350 Cedar Crescent Vancouver, B.C.	Director	Dentist
Terrence F. Schorn Suite 301 - 1201 West Pender Street, Vancouver, B.C.	Director	Executive
William E. Schmidt 2920 West 20th Avenue Vancouver, B.C.	Secretary	Barrister & Solicitor Hemsworth, Schmidt & Kotula

ITEM 8

The Company has a bank loan with the Bank of Montreal in the principal amount of \$4,000.00. This loan is guaranteed by A. Donald MacLeod, but is not otherwise secured.

ITEM 10

The beneficial shareholders of Canarim Investment Corporation Ltd. holding more than 5% of the issued shares are:

<u>Name and Address</u>	<u>No. of Shares</u>	<u>Percentage</u>
Peter M. Brown 424 Burrard Street Vancouver, B.C.	14,087	31%
Alfred E. Turton 424 Burrard Street Vancouver, B.C.	24,119	54%
Brian Harwood 424 Burrard Street Vancouver, B.C.	4,510	10%
Estate of Harold H. Hemsworth, 3rd Floor - 555 Howe Street Vancouver, B.C.	2,250	5%

ITEM 12

(a) Kamloops Mining Division - Province of British Columbia

The Company holds a twenty (20%) per cent interest in eight (8) mineral claims located in the Kamloops Mining Division in the Province of British Columbia. These are described as follows:

VANCOUVER CURB
EXCHANGE LISTING

KAMLOOPS MINING DIVISION

<u>Claim</u>	<u>Record Number</u>	<u>Expiry Date</u>
Roy #7	93739	December 15, 1980
Roy #8	93740	December 15, 1980
Roy #9	93741	December 15, 1980
Roy #10	93742	December 15, 1980
Roy #11	93743	December 15, 1980
Roy #12	93744	December 15, 1980
Roy #13	93745	December 15, 1980
Roy #14	93746	December 15, 1980

Prior to October 7, 1974, the Company was the beneficial owner of a One Hundred (100%) per cent interest in the above named claims. On October 7, 1974, the Company entered into an agreement with Bethlehem Copper Corporation of 2100 - 1055 West Hastings Street, Vancouver, B.C. whereby Bethlehem Copper received an Eighty (80%) per cent interest in the above named claims. The Company has delivered to Bethlehem Copper said Eighty (80%) per cent interest. Bethlehem Copper has the right to carry out operations on the above named property.

Under the Agreement, Bethlehem is required to pay the Company \$1,200.00 per annum for ninety-nine years, or until surrender back to the Company, provided that, if Bethlehem has then covered the property with tailings, a minimum payment of \$2,000.00 per annum must be paid for fifteen years. If Bethlehem decides to put the property into production, it obtains the right to buy the Company's remaining twenty (20%) per cent interest in exchange for a royalty of twenty (20%) per cent of residual net proceeds until Bethlehem recovers its development cost and thereafter a full twenty (20%) per cent royalty to the Company on all net proceeds from the property.

The Company has carried out no work on these claims during the last year.

These claims do not contain a known body of commercial ore.

(b) El Dorado County - State of
California

The Company has an option to acquire an undivided 100% interest in certain unpatented mineral claims located in the Lake Mountain Mining District (El Dorado National Forest) in the County of El Dorado, State of California. These claims are described as follows:

<u>Middle Mt. Group</u>	<u>Ballarat Group</u>	<u>North Star Group</u>
Hillside 1	Liberty	North Star 1
Hillside 2	Liberty 2	North Star 2
Hillside 3	Great Northern	North Star 3
Hillside 4	Eileen	North Star 5
Middle Mountain	Tomgirl 1	Blue Moon
Slate Canyon 1	Tomgirl 2	
Slate Canyon 2	Tomboy 1	
Slate Canyon 3	Tomboy 2	
Enriched Depth	Tomboy 3	
Hydrothermal	Ada 1	
	Ada 2	
	Ada 3	
	Ballarat 1	