

002594
EFFECTIVE DATE: AUGUST 17, 1973.

SECURITIES ACT, 1967

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

BRITISH COLUMBIA SECURITIES COMMISSION
VANCOUVER STOCK EXCHANGE

Cumont Mines Limited (N.P.L.)

(Full name of company.)

550 Burrard Street, Suite 401, Vancouver, B.C.

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

Statement of Material Facts

1. Give details of the circumstances relating to the offering of the securities and any material changes in the affairs of the issuer.	See Item 1 on attached schedule
2. Set out the description, designation, and number of shares being offered by the issuer or selling shareholder. If any of the shares being offered are to be offered for the account of a selling shareholder, name such shareholder and state the number of shares owned by him, the number to be offered for his account, and the number to be owned by him after the offering.	See Item 1 on attached schedule
3. Set out the price to the public, underwriting discounts or commissions and the estimated net proceeds to the issuer or selling shareholder, on both a per share and an aggregate basis. If it is not possible to state the price to the public or the underwriting discount or commissions, the method by which they are to be determined shall be explained. Give the range of the market price during the previous 90 days.	See Item 1 on attached schedule
4. State the principal purposes for which the estimated net proceeds to be derived by the issuer from the sale of the shares to be offered are intended to be used and the approximate amount intended to be used for each such purpose.	See Item 4 on attached schedule
5. State the laws under which the issuer was incorporated and whether incorporated by memorandum of association, Letters Patent, or otherwise or under a particular part of an incorporating Statute dealing with mining companies and the date thereof.	The Company was incorporated by Memorandum of Association under the laws of the Province of British Columbia on March 10, 1965
6. Give names, addresses, and chief occupations for the past five years of the officers and directors of the issuer.	See Item 6 on attached schedule
7. State the share capitalization of the issuer showing authorized and issued capital.	The authorized capital of the company is \$2,500,000 divided into 5,000,000 shares with a nominal or par value of 50¢, of which 1,942,980 shares are issued.
8. Give particulars of any bonds, debentures, notes, mortgages, charges, liens, or hypothecations of the issuer.	There are no bonds, debentures, notes, mortgages, charges, liens or hypothecations outstanding.
9. Outline briefly the manner in which the shares being offered are to be distributed, giving particulars of any outstanding or proposed underwriting, sale, or option agreement, including the name and address of each underwriter, purchaser, or optionee. Give similar particulars of sub-underwriting or sub-option agreements outstanding or proposed to be given and particulars of any assignments or proposed assignments of any such agreements. Give names and addresses of persons having any interest, direct or indirect, in underwritten or optioned shares.	See Item 1 on attached schedule.

<p>10. Give name and address of any person or company who beneficially owns, directly or indirectly, in excess of 5 per cent of each class of shares of any company named in answer to item 9 hereof and the number and percentage of each class of shares so owned.</p>	<p>See Item 10 on attached schedule</p>
<p>11. Give particulars of any payments in cash or securities of the issuer made or to be made to a promoter or finder in connection with the proposed underwriting.</p>	<p>None</p>
<p>12. Give brief particulars of properties owned, leased, held under option, or operated or presently intended to be owned, leased, held under option, or operated by the issuer.</p>	<p>See Item 12 on attached schedule</p>
<p>13. State whether any property referred to in item 12 has a known body of commercial ore or reserves of recoverable oil and gas. Give particulars.</p>	<p>None</p>
<p>14. Give brief particulars of the exploration and development work of the issuer during the past year and the results thereof on (1) its own properties and (2) other properties. State amounts spent on each.</p>	<p>See Item 14 on attached schedule</p>
<p>15. Give brief particulars of property proposed to be acquired by the issuer or any affiliate or acquired by the issuer or any affiliate within the previous three years, including the name and address of the vendor and the cost or proposed cost thereof to the issuer or any affiliate, and if any such vendor is or was an insider or promoter of the issuer or an associate or affiliate of any insider or promoter of the issuer, so state and indicate the nature of the relationship.</p>	<p>See Item 15 on attached schedule</p>
<p>16. State the name of any person or company who is or has been a promoter of the issuer within the preceding two years and, if not disclosed in item 15, the nature and amount of anything of value (including money, securities, property, contracts, options, or rights of any kind) received or to be received by each promoter.</p>	<p>None</p>
<p>17. If the property referred to in item 15 was or is to be paid for by the issuance of shares of the issuer or any subsidiary, give (a) the number of shares of the issuer and any subsidiary issued to or to be issued to the vendor after giving effect to such transaction, and (b) the number and, if more than 5 per cent of the shares presently outstanding, the percentage of shares of the issuer and any subsidiary owned or to be owned by the vendor after giving effect to the transaction. If the vendor is a company, give the names and addresses of the insiders of the company.</p>	<p>No shares issued for property referred to in Item 15</p>
<p>18. Give the number and, if more than 5 per cent, the percentage of the shares of the issuer held in escrow or in pool and a brief statement of the terms of the escrow or pooling agreement. Give the names and addresses of the beneficial owners of such shares.</p>	<p>See Item 18 on attached schedule</p>
<p>19. Give the number of shares of the issuer owned of record or beneficially, directly or indirectly, by each person or company who owns of record, or is known either by the issuer or the selling shareholder to own beneficially, directly or indirectly, more than 5 per cent of such shares, in each case within 10 days from the date hereof. Show separately whether the shares are owned both of record and beneficially, of record only or beneficially only, and show the respective amounts in percentages owned in each such manner. Give names and addresses of the owners referred to above.</p>	<p>See Item 19 on attached schedule</p>
<p>20. Give a brief statement of any legal proceedings to which the issuer or any of its subsidiaries is a party or of which any of their property is the subject. Make a similar statement as to any such proceedings known to be contemplated.</p>	<p>See Item 20 on attached schedule</p>

SCHEDULE TO ACCOMPANY STATEMENT OF MATERIAL FACTS

Item 1

The Company hereby qualifies 300,000 shares of its capital for sale to the public through the facilities of the Vancouver Stock Exchange. The shares will be sold for a period of thirty days from the effective date, at the market price prevailing from time to time, provided that no shares will be sold for less than 45¢ per share net to the treasury. The effective date shall be the date upon which this Statement of Material Facts is accepted for filing by the Vancouver Stock Exchange.

By an Agency Agreement dated July 20, 1973, Carlisle Douglas & Co. Ltd. has agreed to sell up to 300,000 shares of the Company on a best efforts basis and to receive therefor a commission on each sale in accordance with the regular rates established by the Vancouver Stock Exchange.

Since the revenue to be received by the Company is dependent upon the market price from time to time for its shares, the Company cannot provide an accurate estimate of the net proceeds to be derived from the offering, but if all of the shares offered hereunder are sold at 45¢ per share the Company would receive \$135,000 less brokerage commission.

The range of the market price for the last 90 days was a high of 75¢ and a low of 37¢.

Item 4

Although it is not possible to determine the actual net proceeds from the offering of shares pursuant to this Statement of Material Facts, in the event of all of the 300,000 shares are sold at the minimum price of \$0.45 per share the proceeds would be \$135,000 less the normal commission on sales as set by the Vancouver Stock Exchange. As proceeds become available they will be used as follows:

To pay the filing fees, legal and printing expenses of the offering	\$ 2,000
To pay accounts payable	4,177
To complete Phase 1 of the program recommended by A. D. Wilmot, P.Eng. on the Cumont property as recommended in his report dated July 3, 1973	33,350
Phase 2 of exploration program recommended by A. D. Wilmot - report of July 3, 1973	59,400
To repay interest free loan to parent company, Fort Reliance Minerals Limited	21,000
To pay broker's commission if all shares sold	3,000
To provide working capital	<u>12,073</u>
	<u>\$135,000</u>

Item 6

<u>Name and Address</u>	<u>Office Held</u>	<u>Chief Occupation</u>
J. J. Brown 2085 W. 35th Avenue Vancouver, B.C.	Director	Chartered Accountant
J. A. Brusset 110 - 19th Street West Vancouver, B.C.	Vice-President and Director	Consulting Engineer
J. A. Harquail 42 Glenallan Road Toronto, Ontario	President and Director	Consulting Engineer
R. D. A. Massie 44 Jackes Avenue Toronto, Ontario	Director	Barrister and Solicitor
T. B. Read 1739 Drummond Drive Vancouver, B.C.	Director	Investment Broker
S. Wisebrot 44 Charles Street West Toronto, Ontario	Secretary-Treasurer	Corporate Secretary

Item 10

The shareholders of Carlisle, Douglas & Co. Ltd. are as follows:

<u>Name and Address</u>	<u>Shares Held</u>	<u>Percentage</u>
G. Robert Fay 6850 Laurel Street Vancouver, B.C.	530 Class A Shares	50.73%
J. Arthur Charpentier 6026 Holland Street Vancouver, B.C.	99 Class A Shares	9.47%
Dean Duggan 4086 Yale Street Burnaby 2, B.C.	99 Class A Shares	9.47%
Robert B. Grey 4638 Woodgreen Drive West Vancouver, B.C.	99 Class A Shares	9.47%
Robert A. Lee 1490 Camelot Road West Vancouver, B.C.	99 Class A Shares	9.47%
Thomas L. Taylor 2441 Brock Street Vancouver 16, B.C.	99 Class A Shares	9.47%

Mineral Claims, Leases and Crown Grants owned by Cumont Mines Limited (N.P.L.)(a) Mineral Claims

<u>Claim Name</u>	<u>Record No.</u>	<u>Assessment Work Due by</u>
May 1	11923E	May 11, 1976
May 1 Fraction	12732E	October 27, 1978
May 2	11924E	May 11, 1976
May 3	11925E	May 11, 1979
May 4	11926E	May 11, 1979
May 5	11927E	May 11, 1978
May 6	11928E	May 11, 1976
May 7	11929E	May 11, 1978
May 8	11930E	May 11, 1978
May 9	11931E	May 11, 1978
May 10	11932E	May 11, 1978
Queen B	11647H	July 5, 1976
Queen B Fraction	11648H	July 5, 1976
Queen A	11649H	July 5, 1976
Queen A Fraction	11650H	July 5, 1976
Queen C	11651H	July 5, 1976
Queen C Fraction	11652H	July 5, 1976
Dot Fraction	12363E	May 3, 1978
Doug 1 Fraction	11921E	May 11, 1978
Doug 2 Fraction	11922E	May 11, 1978
Brian H Fraction	12461H	July 26, 1976
Maurice Fraction	12462H	July 26, 1976
Cougar Fraction	12494K	August 2, 1976
Queen E Fraction	11640H	July 8, 1980
Queen G Fraction	11641H	July 8, 1979
Queen G	11642H	July 8, 1979
Queen H Fraction	11643H	July 8, 1979
Queen J	11644H	July 8, 1979
Queen J Fraction	11645H	July 8, 1980
Queen I Fraction	11646H	July 8, 1979
Queen D Fraction	11639H	July 8, 1980
Elephant No. 1	11758M	September 11, 1983
Elephant No. 2 Fraction	11759M	September 11, 1983
Elephant No. 3	11760M	September 11, 1983
Elephant No. 4	11761M	September 11, 1983
Bem No. 1 Fraction	18184G	June 20, 1974
Bem No. 6 Fraction	18185G	June 20, 1974
Bem No. 9 Fraction	18196G	June 21, 1974
R. R. Fraction	11668H	July 22, 1978
R Fraction	11710K	August 22, 1978
Copper Bluff Fraction	18626K	August 15, 1983
Bem No. 1	12253R	December 23, 1973
Bem No. 2	12254R	December 23, 1973
Bem No. 3	12255R	December 23, 1973
Bem No. 4	12256R	December 23, 1973
Bem No. 5	12257R	December 23, 1973
Bem No. 6	12258R	December 23, 1973
Bem No. 7	12259R	December 23, 1973

(a) Mineral Claims (continued)

<u>Claim Name</u>	<u>Record No.</u>	<u>Assessment Work Due by</u>
Bem No. 8	12260R	December 23, 1973
Bem No. 9	12364E	December 23, 1973
Cut Fraction	32085	March 31, 1974
Cut No. 2 Fraction	32086	March 31, 1974

(b) Mineral Leases

<u>Lease No.</u>	<u>Claim Name</u>	<u>Lot No.</u>	<u>Assessment Work Due on lease by</u>
M-39	Lemon No. 5	374S	March 10, 1974
	Seniorita	2001S	
	Lemon No. 2	2006S	
	Irish Mag	2010S	
	Seniorita Fr.	2014S	
	Chicago	2264S	
	Lemon No. 18	2291S	
	Olivine No. 3 Fr.	2292S	
	Moore No. 1	2301S	
	First Chance No. 1	2302S	
	Last Chance No. 1	2303S	
	Copper Cent No. 1	2304S	
	Lowell No. 3	2578S	
	Lowell No. 4	2630S	
Granby No. 1 Fr.	3193S		
Granby No. 2 Fr.	3194S		
Granby No. 3 Fr.	3195S		
M-40	St. Elmo	3266S	May 12, 1976
M-42	August	366S	August 20, 1976
	No. 31	3566	
	No. 32	3567	
	No. 48 Fraction	3580	
M-44	Margaret No. 1 Fr.	2310S	August 20, 1979
M-45	Garden City	3586	June 23, 1978
	No. 66 Fraction	58S	
	No. 37 Fraction	334S	
	No. 67	59S	
	No. 68	60S	
	No. 23	3346	
	No. 40 Fraction B	2255S	
M-46	J.W. Hill Fr.	2149S	September 27, 1976
	No. 21	3571	
	No. 41 Fr.	3569	
	No. 39	3570	
M-47	August 12	2298S	September 27, 1976
	August 13	2299S	
	August 14	2300S	

(b) Mineral Leases (Continued)

<u>Lease No.</u>	<u>Claim No.</u>	<u>Lot No.</u>	<u>Assessment Work Due on lease by</u>
M-49	Trachyte	2016S	Jan. 13, 1974
	Independence	2017S	
	Idaho	2049S	
	Montana	2048S	
	Gouldie	708	
M-59	No. 47	3575	April 20, 1976
	No. 49	3581	
	United	1599S	
M-66	Bench Fraction	119	July 7, 1982

(c) Crown Grants

<u>Lot No.</u>	<u>Name</u>	<u>Taxes Due By</u>
L-3028	Kemley	July 2, 1974
L-3029	June Bug	"
L-3263	Honeysuckle	"
L-226	Fraser Fr.	"
S-386S	Adelaide Fr.	"
L-127	Hamilton	"
L-369S	Sunlight	"
L-416S	Falum	"
L-1939	Copper Cliff	"
L-1940	Copper Bluff	"
L-2158S	Oronoco	"
L-1777S	New Wolf Fr.*	"
L-443S	No. 73 Fr.*	"
L-413S	No. 51 Fr.*	"
L415S	No. 71*	"
L-417S	No. 50 Fr.*	"
L-414S	No. 52*	"
L-62	No. 70*	"
L-418S	No. 53*	"
L-2429	Alabama*	"
L-2428	Virginia*	"
L-1775S	Automatic Fr.*(S)	"
L-2256S	No. 18 Fr.*	"
L-3354	No. 5*	"
L-3288	No. 18*	"
L-1778S	Nelson Fr.* (S)	"
L-1776S	New No. 37 Fr.*	"
L-3349	No. 1*	"
L-3289	No. 14*	"
L-3359	No. 33*	"
L-61S	No. 69*	"
L-63S	Duke of York*	"
L-5198S	No. 15 Fr.*	"

(c) Crown Grants (Continued)

<u>Lot No.</u>	<u>Name</u>	<u>Taxes due by</u>
L-3265	Diamond Dot	July 2, 1974
L-3262	Olympia	"
L-322S	Great Western Fr.	"
L-3568	Robert Bryant	"
L-2340	Frisco	"
L-3357	R.S.	"

*Under terms of an Agreement, the Company must pay to Cominco Limited a royalty of 5% of the net smelter returns on all ore extracted from the said mining properties. (Total of 22 crown grants)

(s) Surface rights owned by Cumont Mines Limited (N.P.L.) (total of 2 crown grants)

(d) Option on Crown Grant

Under the terms of an agreement dated April 16, 1970, the company has an option, to be exercised within five years from the date of the agreement, to purchase from Similkameen Mining Company Limited, Vancouver, B.C., a 50% interest in mineral rights in the Daisy Crown Grant (Lot L-816), which adjoins to the east of the Cumont "Sunlight" crown grant, Lot L-369S, for \$3,000 plus the option to purchase at their cost the remaining mineral rights if purchased by Similkameen, subject to Similkameen obtaining all of the surface rights.

Item 14

The only exploration and development work done by the Company during the past year on its Copper Mountain properties near Princeton, B.C. comprised a surface trenching, mapping and sampling program during October, 1972, the cost of which was approximately \$8,000. The results of this program are reviewed in detail in the accompanying technical report by A. D. Wilmot, P.Eng., Consulting Engineer, dated July 3, 1973. Cumont owns no properties other than those at Copper Mountain.

Item 15

Under the terms of an agreement dated April 16, 1970, the Company acquired from Similkameen Mining Company Limited, Vancouver, B.C. the mineral rights of six crown granted claims located in the Similkameen Mining Division, as follows:

Lot 3568 - Robert Bryant
Lot 2430 - Frisco
Lot 3357 - R. S.
Lot 3263 - Olympia
Lot 3265 - Diamond Dot
Lot 322S - Great Western Fraction

Under the terms of the above agreement, the Company has an option, to be exercised within five years from the date of the agreement, to purchase from Similkameen Mining Company Limited, Vancouver, B.C., a 50% interest in mineral rights in the Daisy Crown Grant (Lot L-816), which adjoins to the east of the Cumont "Sunlight" Crown Grant (Lot L-369S), for \$3,000 plus the option to purchase from Similkameen, at their cost, the remaining mineral rights if purchased by Similkameen, subject to Similkameen obtaining all of the surface rights. A 50% interest in the mineral rights of the Daisy Crown Grant is now owned by parties other than Similkameen or Cumont Mines.

Item 18

A total of 440,000 shares, representing 22.6% of the issued capital of the Company, are held in escrow by the Guaranty Trust Company of Canada, 540 Burrard Street, Vancouver, B.C. and can be released only with the consent of the Company and the Vancouver Stock Exchange.

The names and addresses of the beneficial owners of such shares are:

<u>Name and Address</u>	<u>No. Shares</u>
Fort Reliance Minerals Limited 44 Victoria Street Toronto, Ontario M5C 1Y2	275,000
Mrs. Celia Ruth Alexander 41 Coolbrooke Place Dollard Des Oimeaux, Quebec	58,056
Gloria Linderholm 1441 Ottawa Street West Vancouver, B.C.	58,055
Gloria Ravey Texas Creek Road Lillooet, B.C.	<u>48,889</u>
	<u>440,000</u>

Item 19

<u>Name and Address</u>	<u>Ownership</u>	<u>Number of Shares</u>	<u>Percentage of Outstanding Shares</u>
Fort Reliance Minerals Limited 44 Victoria Street Toronto, Ontario	Of record and beneficial	1,029,979	53.0%
J. A. Harquail* 42 Glenallan Road Toronto, Ontario	Of record and beneficial	167,000	8.1%

*Includes 30,900 shares owned by Surveymin Limited, a controlled company.

PURCHASER'S RIGHT OF RESCISSION

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

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

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

Item 20

The issuer or any of its subsidiaries is not a party to any legal proceedings.

The matter of a trespassing action by the issuer with respect to the unauthorized drilling of the Company's property (See Item 25) is under consideration by the directors. No decision has been made to date regarding this matter.

Item 25

During May, 1973, a series of nine percussion holes were drilled on the Company's property. These holes had an average depth of about 70 feet and were drilled without the knowledge or approval of the Company's directors. None of these holes were drilled on the "V" Zone, in the No. 14 Shaft area, nor on the Mid-Ravey Zone. These three areas are reviewed in A. D. Wilmot's technical report dated July 3, 1973.

As a result of a visit to hole locations, and a study of assays apparently obtained from holes drilled in such locations, it is the opinion of the Company's consultant that the results are not material or relevant. This unauthorized drilling was reported to shareholders of the Company at the annual meeting held in Vancouver, B. C. on June 18, 1973.

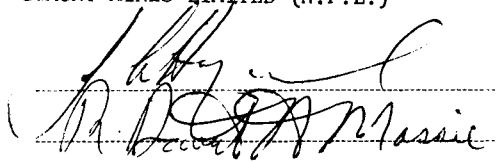
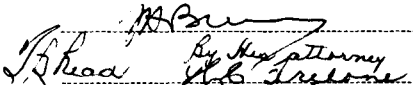
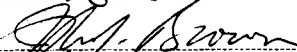
21. Give the aggregate direct remuneration, including amounts for services rendered, paid or payable by the issuer and its subsidiaries during the past year to the insiders of the issuer.	\$6,000 was paid to insiders of the Company during its last fiscal year.
22. Give brief particulars of all options 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.	None
23. State the prices at which shares of the issuer have been issued for cash during the past year. If any shares have been issued for services, state the nature and value of the services and give the name and address of the person or company who received such shares. State the number of shares issued at each price.	No shares were issued during the past year.
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.	See Item 25 on attached schedule
26. If assets include investments in the shares or other securities of other companies, give an itemized statement thereof showing cost of book value and present market value.	None

27.

CERTIFICATE OF THE COMPANY

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

CURIONT MINES LIMITED (N.P.L.) Dated July 20, 1973


 R. D. A. Massie
 By his attorney

 J. B. Head

 J. B. Brown

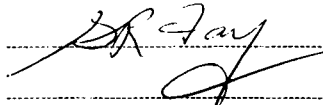
[Corporate Seal.]

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 UNDERWRITER OR OPTIONEE

Dated July 24, 1973.

CARLISLE, DOUGLAS & CO. LTD.


 J. B. Head

REPORT ON THE PROPERTIES OF CUMONT MINES LIMITED (N.P.L.)

BY A. D. WILMOT, P. Eng.

Introduction

During October, 1972, the writer supervised a program of exploratory trenching on the Cumont property which resulted in two surface discoveries of significant copper mineralization which should be further explored by percussion drilling. These two new discoveries are known as the "V" Zone on the Virginia Crown Grant and the "Mid-Ravey" Zone on the Frisco Crown Grant. These zones were mapped and sampled by the writer on the completion of the trenching and this report reviews the results of this program.

Property

All of the claims, leases and crown grants shown on Schedule "A" accompanying this report are owned as to 100% interest by Cumont Mines Limited (N.P.L.).

Location, Access and Topography

All the claims, with the exception of the Elephant Group, are located on Copper Mountain, some 12 miles south of Princeton, British Columbia, and surround to the north, east and south the old Granby property now owned by the Similkameen Mining Company Limited. The Elephant Group, which lies on the west side of the Similkameen River, and immediately south of the Ingerbelle open pit mine which is now being operated by the Similkameen Mining Company Limited at a rate of about 17,000 tons per day. Presently the north-west corner of the Elephant Group is about 200 feet from the edge of the Ingerbelle open pit.

The claims on both sides of the river may be reached by paved road from Princeton. You are referred to the General Location Map accompanying this report for detailed locations of the Cumont properties and various mineralized zones. These zones lie at elevations varying between a minimum of 2,550 feet at the Similkameen River on the west side of the property, to 3,370 feet at the Cumont Camp near the Frisco adit. The collar of the No. 14 Shaft is at an elevation of about 3,900 feet.

History of Exploration

The copper mineralization located mainly on Virginia, Frisco, Automatic and the No. 14 crown grants now owned by Cumont, was first discovered by Voigt, an early prospector on Copper Mountain, and later explored by Cominco Limited and by Granby Mining. From this work of surface prospecting, trenching, drilling, short adits and shafts along the "Ravey Zone" the following reserves were estimated from Granby's plans and sections:

<u>Shoot Location</u>	<u>Approximate Tonnage</u>	<u>Approximate Percent Copper and Gold (ounces per ton)</u>
(a) 150' East of Frisco Adit near Automatic-Frisco boundary	145,851	1.1% Cu. 0.03 oz. Au.
(b) 300' East (Frisco)	8,477	1.0% Cu. 0.02 oz. Au.
(c) 500' East (Frisco)	9,210	1.5% Cu. 0.01 oz. Au.
(d) 650' East(Frisco)	10,430	1.1% Cu. 0.03 oz. Au.
(e) 1450' East (Frisco)	6,340	0.9% Cu. 0.05 oz. Au.

<u>Shoot Location</u>	<u>Approximate Tonnage</u>	<u>Approximate Percent Copper and Gold (ounces per ton)</u>
(f) 1625' East (No. 14 Claim)	5,210	0.9% Cu. 0.04 oz. Au.
(g) 2150' East (No. 14 Shaft Area)	86,925	1.6% Cu. 0.10 oz. Au.

These reserves total about 242,943 tons averaging 1.21% Copper and 0.04 oz/ton Gold down to a minimum thoroughly explored depth of 300 feet. Several holes were drilled from the underground workings in an attempt to expand the known reserves but without significant results. The "Ravey Zone" is a major east-west trending structural feature on the Cumont property. The reserves estimated here simply cover a 2,000 foot strike length of the zone which has been subjected to intensive exploration.

The key ground, presently held by Cumont Mines Limited, was acquired from Fort Reliance Minerals Limited and the late Patricia Ravey on incorporation of the company in 1965. Additional ground was obtained after that date by staking, purchase and leasing.

The exploration of the claims by Cumont has consisted of geophysical and geochemical surveys over most of the accessible area. This was followed by Induced Polarization geophysical surveys over specific areas of interest. Surface trenching followed in well mineralized locations and then some percussion drilling and diamond drilling was done.

This work has located interesting zones of copper mineralization on the Virginia, No. 18, Oronoco and Honeysuckle Crown Grants that on the average are below ore grade, running between 0.3% and 0.4% copper. However, within these zones, there are shoots with widths of up to 100 feet and more, averaging upwards to 1% copper.

Recent Exploration

During October, 1972, the writer directed a trenching program using a D-6 bulldozer with rippers, to trench and strip certain geochemical and I.P. anomalies which had not previously been explored. This work uncovered two new zones of possible economic interest on the Frisco and Virginia Crown Grants which will be described in detail.

Frisco Crown Grant

About 300 feet east of the entrance to the Frisco Adit, and about 130 feet above it in elevation, a new zone (Mid-Ravey Zone) of copper mineralization was cut in two trenches one hundred feet apart. The most westerly, or lower trench, returned an average assay of 0.6% copper over a width of 75 feet, while a second trench 100 feet further east returned an assay of 0.9% copper over a width of 25 feet.

The weighted average of these two trenches along a strike length of 100 feet is 0.7% copper over an average width of 50 feet.

Virginia Crown Grant ("V" Zone)

An 800 foot trench was cut across a steep talus slope where previous geochemical surveys had indicated a high copper anomaly. The area had not been trenched as an Induced Polarization survey in the same area had returned no significant results. This trench, which cut oxidized tuff and andesite of the Nicola volcanics, returned an average of 0.50% copper over 575 feet of its length. The mineralization is mainly pyrite, chalcopyrite and malachite with occasional bands carrying 5% or more magnetite and hematite. The attitude or lateral extent of the mineralization exposed in this trench is not known at present.

No. 14 Shaft Area

This is not a new zone and no work was done here during the 1972 program. However, more drilling is recommended in an attempt to expand the tonnage of copper-gold bearing mineralization. The gold content seems to improve towards the east along the "Ravey Zone". The Cumont property holdings extend east one mile from the No. 14 Shaft. Several copper showings have been found in this eastern area but no detailed work has been done on them.

Recommendations

It is recommended that the two surface showings recently exposed by trenching, the "Mid-Ravey" and "V" Zones, be further explored by a series of percussion drill holes. At the same time the No. 14 Shaft area should be explored. Previous exploration here indicated 86,925 tons averaging 1.6% copper and having a significant gold content, at today's gold prices, of 0-10 oz/ton.

It is recommended that the "Phase One" of this exploration program consist of 5,000 feet of percussion drilling. Should this work meet with encouragement, then the "Phase Two" of exploration should be implemented. This would be a combination of 6,000 feet of percussion and diamond drilling. The diamond drilling would be designed to test under zones which have shown promising copper values in the initial percussion test.

Estimate of Costs of Two Phase Drilling Program

Phase One:

<u>Location</u>	<u>Percussion Drilling</u>	<u>Estimated Cost</u>
Virginia ("V" Zone)	2,000 ft. at \$4/foot (cost including access roads etc.)	\$ 8,000
No. 14 Shaft Zone	2,000 feet at \$4/foot	8,000
Frisco (Iliid-Ravey Zone)	1,000 feet at \$4/foot	4,000
Assaying		3,500
Consulting Services and field supervision (fees and expenses)		<u>5,500</u> \$29,000
Allow 15% for contingencies		<u>4,350</u>
Estimated Cost (Phase One)		<u>\$33,350</u>

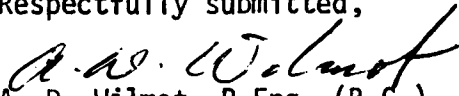
Phase Two: (subject to change following evaluation of Phase One results)

Various Zones	4,500 feet Percussion Drilling at \$4/foot	\$18,000
Various Zones	2,000 feet Diamond Drilling at \$12/foot	24,000
Assaying		5,000
Consulting Services and field supervision (fees and expenses)		<u>7,000</u> \$54,000
Allow 10% for contingencies		<u>5,400</u>
Estimated Cost (Phase Two)		<u>\$59,400</u>

TOTAL COST OF PROGRAM

\$92,750

Respectfully submitted,

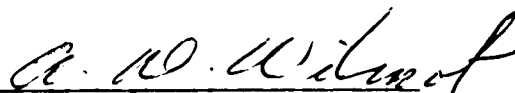

A. D. Wilmot, P.Eng. (B.C.)
Consulting Mining Engineer

Kelowna, B.C.
July 3, 1973

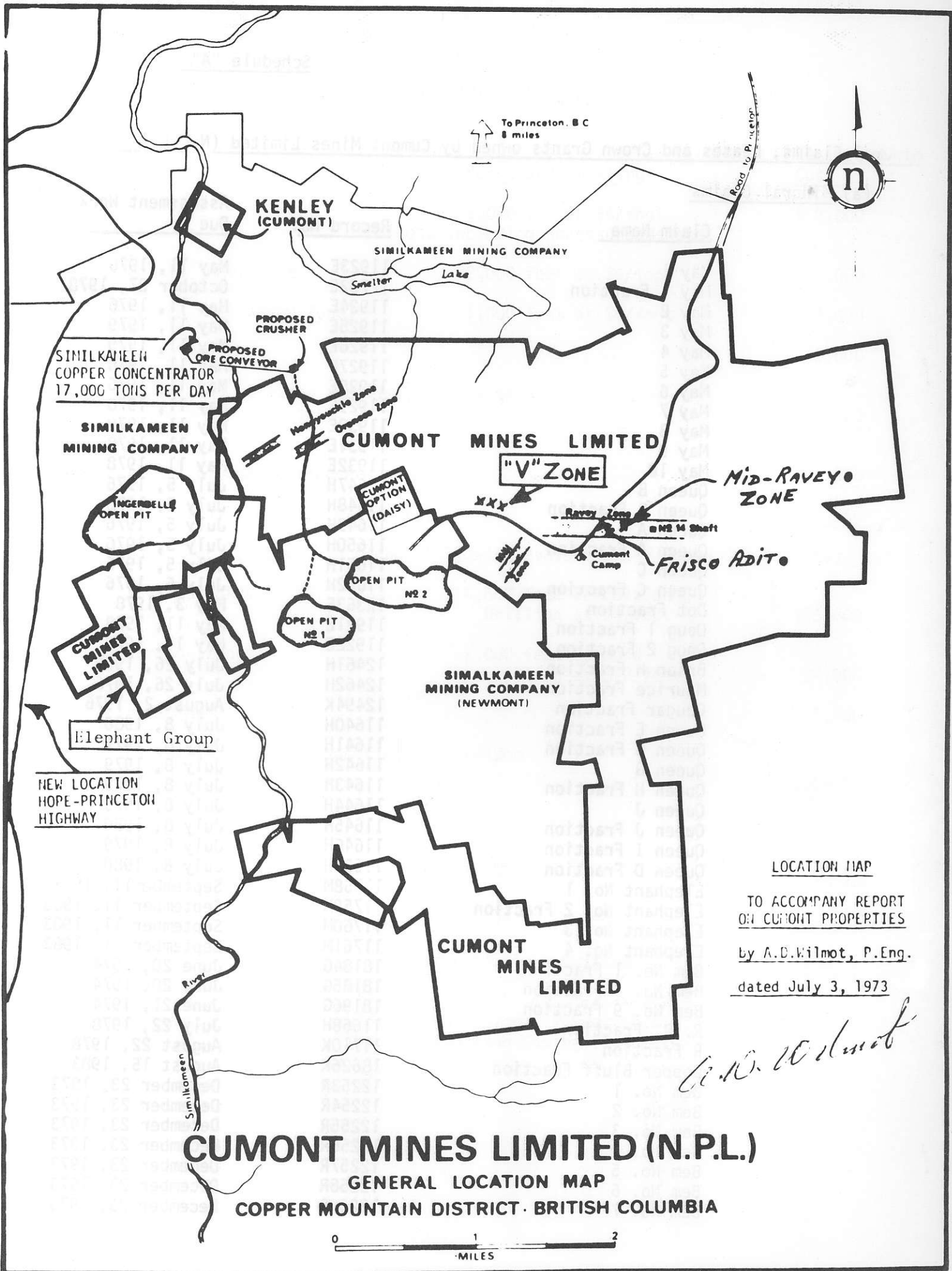
C E R T I F I C A T E

I, Ashley Douglas Wilmot, hereby certify:

1. That I am a Consulting Mining Engineer residing at 4364 Hobson Road, Kelowna, British Columbia.
2. That I am a graduate of Queens University at Kingston, Ontario, with a B.Sc. degree in Mining Engineering, and am a registered member of the Association of Professional Engineers of the Province of British Columbia.
3. That I have practiced my profession for 30 years.
4. That I have no financial interest, either direct or indirect in the subject properties, in the securities of Cumont Mines Limited (N.P.L.) nor in that of any of its affiliates, nor do I expect to obtain any such interest.
5. That the information contained in this report is based on my personal knowledge and examination of the Cumont properties during October, 1972, and June, 1973, and my evaluation of all technical data from various sources pertaining to the properties.


A. D. Wilmot, P.Eng.

Kelowna, B.C.
July 3, 1973



To Princeton, B.C.
 8 miles



**KENLEY
 (CUMONT)**

SIMILKAMEEN MINING COMPANY

Smelter Lake

SIMILKAMEEN
 COPPER CONCENTRATOR
 17,000 TONS PER DAY

SIMILKAMEEN
 MINING COMPANY

PROPOSED
 CRUSHER

PROPOSED
 ORE CONVEYOR

CUMONT MINES LIMITED

"V" ZONE

**MID-RAVEY
 ZONE**

INGERBELL
 OPEN PIT

CUMONT
 OPTION
 (DAISY)

Ravey Zone
 #2 Shaft

FRISCO ADIT

OPEN PIT
 #2

OPEN PIT
 #1

Cumont
 Camp

**CUMONT
 MINES
 LIMITED**

SIMILKAMEEN
 MINING COMPANY
 (NEWMONT)

Elephant Group

NEW LOCATION
 HOPE-PRINCETON
 HIGHWAY

LOCATION MAP

TO ACCOMPANY REPORT
 ON CUMONT PROPERTIES

by A.D. Wilmot, P.Eng.

dated July 3, 1973

A.D. Wilmot

Similkameen
 River

Manryouchto Zone
 Ornesso Zone

Schedule "A"

Mineral Claims, Leases and Crown Grants owned by Cumont Mines Limited (N.P.L.)(a) Mineral Claims

<u>Claim Name</u>	<u>Record No.</u>	<u>Assessment Work Due by</u>
May 1	11923E	May 11, 1976
May 1 Fraction	12732E	October 27, 1978
May 2	11924E	May 11, 1976
May 3	11925E	May 11, 1979
May 4	11926E	May 11, 1979
May 5	11927E	May 11, 1978
May 6	11928E	May 11, 1976
May 7	11929E	May 11, 1978
May 8	11930E	May 11, 1978
May 9	11931E	May 11, 1978
May 10	11932E	May 11, 1978
Queen B	11647H	July 5, 1976
Queen B Fraction	11648H	July 5, 1976
Queen A	11649H	July 5, 1976
Queen A Fraction	11650H	July 5, 1976
Queen C	11651H	July 5, 1976
Queen C Fraction	11652H	July 5, 1976
Dot Fraction	12363E	May 3, 1978
Doug 1 Fraction	11921E	May 11, 1978
Doug 2 Fraction	11922E	May 11, 1978
Brian H Fraction	12461H	July 26, 1976
Maurice Fraction	12462H	July 26, 1976
Cougar Fraction	12494K	August 2, 1976
Queen E Fraction	11640H	July 8, 1980
Queen G Fraction	11641H	July 8, 1979
Queen G	11642H	July 8, 1979
Queen H Fraction	11643H	July 8, 1979
Queen J	11644H	July 8, 1979
Queen J Fraction	11645H	July 8, 1980
Queen I Fraction	11646H	July 8, 1979
Queen D Fraction	11639H	July 8, 1980
Elephant No. 1	11758M	September 11, 1983
Elephant No. 2 Fraction	11759M	September 11, 1983
Elephant No. 3	11760M	September 11, 1983
Elephant No. 4	11761M	September 11, 1983
Bem No. 1 Fraction	18184G	June 20, 1974
Bem No. 6 Fraction	18185G	June 20, 1974
Bem No. 9 Fraction	18196G	June 21, 1974
R. R. Fraction	11668H	July 22, 1978
R Fraction	11710K	August 22, 1978
Copper Bluff Fraction	18626K	August 15, 1983
Bem No. 1	12253R	December 23, 1973
Bem No. 2	12254R	December 23, 1973
Bem No. 3	12255R	December 23, 1973
Bem No. 4	12256R	December 23, 1973
Bem No. 5	12257R	December 23, 1973
Bem No. 6	12258R	December 23, 1973
Bem No. 7	12259R	December 23, 1973

(a) Mineral Claims (continued)

<u>Claim Name</u>	<u>Record No.</u>	<u>Assessment Work Due by</u>
Bem No. 8	12260R	December 23, 1973
Bem No. 9	12364E	December 23, 1973
Cut Fraction	32085	March 31, 1974
Cut No. 2 Fraction	32086	March 31, 1974

(b) Mineral Leases

<u>Lease No.</u>	<u>Claim Name</u>	<u>Lot No.</u>	<u>Assessment Work Due on lease by</u>
M-39	Lemon No. 5	374S	March 10, 1974
	Seniorita	2001S	
	Lemon No. 2	2006S	
	Irish Mag	2010S	
	Seniorita Fr.	2014S	
	Chicago	2264S	
	Lemon No. 18	2291S	
	Olivine No. 3 Fr.	2292S	
	Moore No. 1	2301S	
	First Chance No. 1	2302S	
	Last Chance No. 1	2303S	
	Copper Cent No. 1	2304S	
	Lowell No. 3	2578S	
	Lowell No. 4	2630S	
	Granby No. 1 Fr.	3193S	
	Granby No. 2 Fr.	3194S	
	Granby No. 3 Fr.	3195S	
M-40	St. Elmo	3266S	May 12, 1976
M-42	August	366S	August 20, 1976
	No. 31	3566	
	No. 32	3567	
	No. 48 Fraction	3580	
M-44	Margaret No. 1 Fr.	2310S	August 20, 1979
M-45	Garden City	3586	June 23, 1978
	No. 66 Fraction	58S	
	No. 37 Fraction	334S	
	No. 67	59S	
	No. 68	60S	
	No. 23	3346	
	No. 40 Fraction B	2255S	
M-46	J.W. Hill Fr.	2149S	September 27, 1976
	No. 21	3571	
	No. 41 Fr.	3569	
	No. 39	3570	
M-47	August 12	2298S	September 27, 1976
	August 13	2299S	
	August 14	2300S	

(b) Mineral Leases (Continued)

<u>Lease No.</u>	<u>Claim No.</u>	<u>Lot No.</u>	<u>Assessment Work Due on lease by</u>
M-49	Trachyte	2016S	Jan. 13, 1974
	Independence	2017S	
	Idaho	2049S	
	Montana	2048S	
	Gouldie	708	
M-59	No. 47	3575	April 20, 1976
	No. 49	3581	
	United	1599S	
M-66	Bench Fraction	119	July 7, 1982

(c) Crown Grants

<u>Lot No.</u>	<u>Name</u>	<u>Taxes Due By</u>
L-3028	Kemley	July 2, 1974
L-3029	June Bug	"
L-3263	Honeysuckle	"
L-226	Fraser Fr.	"
S-386S	Adelaide Fr.	"
L-127	Hamilton	"
L-369S	Sunlight	"
L-416S	Falum	"
L-1939	Copper Cliff	"
L-1940	Copper Bluff	"
L-2158S	Oronoco	"
L-1777S	New Wolf Fr.*	"
L-443S	No. 73 Fr.*	"
L-413S	No. 51 Fr.*	"
L415S	No. 71*	"
L-417S	No. 50 Fr.*	"
L-414S	No. 52*	"
L-62	No. 70*	"
L-418S	No. 53*	"
L-2429	Alabama*	"
L-2428	Virginia*	"
L-1775S	Automatic Fr.*(S)	"
L-2256S	No. 18 Fr.*	"
L-3354	No. 5*	"
L-3288	No. 18*	"
L-1778S	Nelson Fr.* (S)	"
L-1776S	New No. 37 Fr.*	"
L-3349	No. 1*	"
L-3289	No. 14*	"
L-3359	No. 33*	"
L-61S	No. 69*	"
L-63S	Duke of York*	"
L-5198S	No. 15 Fr.*	"

(c) Crown Grants (Continued)

<u>Lot No.</u>	<u>Name</u>	<u>Taxes due by</u>
L-3265	Diamond Dot	July 2, 1974
L-3262	Olympia	"
L-322S	Great Western Fr.	"
L-3568	Robert Bryant	"
L-2340	Frisco	"
L-3357	R.S.	"

*Under terms of an Agreement, the Company must pay to Cominco Limited a royalty of 5% of the net smelter returns on all ore extracted from the said mining properties. (Total of 22 crown grants)

(s) Surface rights owned by Cumont Mines Limited (N.P.L.) (total of 2 crown grants)

(d) Option on Crown Grant

Under the terms of an agreement dated April 16, 1970, the company has an option, to be exercised within five years from the date of the agreement, to purchase from Similkameen Mining Company Limited, Vancouver, B.C., a 50% interest in mineral rights in the Daisy Crown Grant (Lot L-816), which adjoins to the east of the Cumont "Sunlight" crown grant, Lot L-369S, for \$3,000 plus the option to purchase at their cost the remaining mineral rights if purchased by Similkameen, subject to Similkameen obtaining all of the surface rights.

UNAUDITED

CUMONT MINES LIMITED (N.P.L.)
BALANCE SHEET AS AT JUNE 30, 1973

A S S E T S

CURRENT ASSETS

Cash \$ 1,042

MINERAL PROPERTIES - at cost (notes 1, 2 and 3) 103,711

FIXED ASSETS

	<u>Cost</u>	<u>Accumulated depreciation</u>	
Camp buildings	\$4,267	\$3,903	
Machinery and buildings	<u>1,974</u>	<u>1,785</u>	
	<u>6,241</u>	<u>5,688</u>	<u>553</u>

DEFERRED COSTS (note 2)

Exploration, development and administration 447,621
Incorporation expenses 1,350
448,971

\$554,277

L I A B I L I T I E S

CURRENT LIABILITIES

Accounts payable \$ 4,177

DUE TO PARENT COMPANY 21,000

SHAREHOLDERS' EQUITY

CAPITAL STOCK (note 3)

Authorized -
5,000,000 shares of the par value of 50 cents each

Issued -
1,942,980 shares 971,490
Discount - net 442,390

APPROVED ON BEHALF OF THE BOARD

529,100

 Director

\$554,277

 Director

UNAUDITED

CUMONT MINES LIMITED (N.P.L.)

STATEMENT OF DEFERRED EXPLORATION, DEVELOPMENT AND ADMINISTRATION COSTS

FOR THE SIX MONTHS ENDED JUNE 30, 1973

BALANCE - BEGINNING OF PERIOD	<u>\$439,030</u>
Licences and recording fees	1,103
Telephone and telegraph	220
Travel	621
	<u>1,944</u>
Administration costs - per schedule	<u>6,647</u>
Total expenses during period	<u>8,591</u>
BALANCE - END OF PERIOD	<u><u>\$447,621</u></u>

SCHEDULE OF ADMINISTRATION COSTS

FOR THE SIX MONTHS ENDED JUNE 30, 1973

Consulting and management fees	\$ 3,000
Legal fees	165
Transfer Agent's Fees	58
Rent, accounting and secretarial services	3,000
Shareholders' information	211
Miscellaneous expenses	213
	<u>213</u>
	<u><u>\$ 6,647</u></u>

UNAUDITED

CUMONT MINES LIMITED (N.P.L.)
STATEMENT OF SOURCE AND USE OF WORKING CAPITAL
FOR THE SIX MONTHS ENDED JUNE 30, 1973

SOURCE OF WORKING CAPITAL	
Loan from parent company	<u>\$5,000</u>
USE OF WORKING CAPITAL	
Exploration, development and administration expenses	<u>8,591</u>
DECREASE IN WORKING CAPITAL	3,591
WORK CAPITAL - BEGINNING OF PERIOD	<u>456</u>
WORKING CAPITAL DEFICIENCY - END OF PERIOD	<u>\$3,135</u>

CUMONT MINES LIMITED (N.P.L.)

NOTES TO FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED JUNE 30, 1973

1. MINERAL PROPERTIES

The company acquired the Copper Mountain Group of mineral claims and leases located in the Similkameen Mining Division of the Province of British Columbia for cash payments of \$10,711 and 800,000 shares of capital stock of the company having a value ascribed thereto of \$80,000. The company must pay Cominco Ltd. five percent of the net smelter returns on the ore extracted from specified mineral claims. During 1970 the company disposed of certain mineral and surface rights included in the aforementioned group in consideration for \$2,000. In addition, the company received \$23,000 for sale of a right of way.

Under the terms of an agreement dated April 16, 1970 the company acquired the mineral and surface rights of six crown granted claims located in the Similkameen Mining Division.

The agreement also provides for an option to be exercised within five years from April 16, 1970 to purchase the 50% interest in mineral rights now owned by Similkameen Mining Company in the Daisy Crown Grant for \$3,000 plus the option to purchase at their cost the remaining mineral rights if purchased by Similkameen, subject to Similkameen obtaining all of the surface rights.

2. VALUES

The amounts shown for mineral properties and deferred costs represent costs to date and are not intended to reflect present or future values.

3. SHARE CAPITAL

Shares issued and their related discounts and premiums are classified as follows:

	Shares issued	Par value \$	Discounts \$	Premiums \$	Net \$
For cash -					
to December 31, 1970	1,102,980	551,490	260,330	147,940	439,100
During 1971	<u>40,000</u>	<u>20,000</u>	<u>10,000</u>	<u>--</u>	<u>10,000</u>
	1,142,980	571,490	270,330	147,940	449,100
For properties -					
to December 31, 1970 and 1971	<u>800,000</u>	<u>400,000</u>	<u>320,000</u>	<u>--</u>	<u>80,000</u>
	<u>1,942,980</u>	<u>971,490</u>	<u>590,330</u>	<u>147,940</u>	<u>529,100</u>

MCDONALD, CURRIE & CO.

CHARTERED ACCOUNTANTS

COOPERS & LYBRAND
IN PRINCIPAL AREAS
OF THE WORLD

TELEPHONE (416) 366 2551
120 ADELAIDE STREET WEST
TORONTO 110, ONTARIO, CANADA

January 8, 1973

AUDITORS' REPORT TO THE SHAREHOLDERS

We have examined the balance sheet of Cumont Mines Limited (N.P.L.) as at December 31, 1972 and the statements of deferred exploration, development and administration costs and source and use of working capital for the year then ended. 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 these financial statements present fairly the financial position of the company as at December 31, 1972 and the results of its operations and the source and use of its working capital for the year then ended, in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

M^cDonald, Currie & Co.

CHARTERED ACCOUNTANTS

CUMONT MINES LIMITED (N. P. L.)

BALANCE SHEET AS AT DECEMBER 31, 1972

A S S E T S

	1972	1971
	\$	\$
CURRENT ASSETS		
Cash	981	6,687
Deposits on surface rights	-	<u>693</u>
	<u>981</u>	<u>7,380</u>
MINERAL PROPERTIES - at cost (notes 1, 2 and 3)	<u>103,711</u>	<u>103,711</u>
FIXED ASSETS		
	Cost	Accumulated
	\$	depreciation
		\$
Camp buildings	4,267	3,903
Machinery and equipment	<u>1,974</u>	<u>1,785</u>
	<u>6,241</u>	<u>5,688</u>
	553	<u>790</u>
DEFERRED COSTS (note 2)		
Exploration, development and administration	439,030	416,519
Incorporation expenses	<u>1,350</u>	<u>1,350</u>
	<u>440,380</u>	<u>417,869</u>
	<u>545,625</u>	<u>529,750</u>

SIGNED ON BEHALF OF THE BOARD

"J. A. Harquail"

Director

"J. J. Brown"

Director

CUMONT MINES LIMITED (N. P. L.)

BALANCE SHEET AS AT DECEMBER 31, 1972

L I A B I L I T I E S

	1972 \$	1971 \$
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	<u>525</u>	<u>650</u>
DUE TO PARENT COMPANY	<u>16,000</u>	<u>-</u>

S H A R E H O L D E R S ' E Q U I T Y

CAPITAL STOCK (note 3)

Authorized -

 5,000,000 shares of the par value of 50 cents each

Issued -

 1,942,980 shares

 Discount - net

971,490	971,490
<u>442,390</u>	<u>442,390</u>
<u>529,100</u>	<u>529,100</u>
<u>545,625</u>	<u>529,750</u>

CUMONT MINES LIMITED (N. P. L.)

STATEMENT OF DEFERRED EXPLORATION, DEVELOPMENT AND ADMINISTRATION COSTS

FOR THE YEAR ENDED DECEMBER 31, 1972

	1972 \$	1971 \$
BALANCE - BEGINNING OF YEAR	<u>416,519</u>	<u>398,869</u>
General	151	229
Assaying	205	-
Consulting and engineering	2,250	600
Depreciation	237	358
Repairs and maintenance	200	640
Insurance	-	53
Licences and taxes	1,787	803
Maps and blueprints	-	240
Stripping, trenching and bulldozing	2,502	-
Travel and accommodation	<u>1,452</u>	<u>399</u>
	8,784	3,322
Deduct:		
Equipment and property rental	<u>-</u>	<u>1,200</u>
	8,784	2,122
Administration costs - per schedule	<u>13,727</u>	<u>15,528</u>
Total expenses during the year	<u>22,511</u>	<u>17,650</u>
BALANCE - END OF YEAR	<u>439,030</u>	<u>416,519</u>

CUMONT MINES LIMITED (N. P. L.)

SCHEDULE OF ADMINISTRATION COSTS

FOR THE YEAR ENDED DECEMBER 31, 1972

	1972	1971
	\$	\$
Audit	400	800
Consulting and management fees	6,000	6,000
Dues and subscriptions	260	400
Legal fees	130	363
Miscellaneous	31	3
Office administration fees	6,000	6,000
Registrar and transfer agent	714	712
Shareholders' information and reports	192	961
Travel	-	461
	<u>13,727</u>	<u>15,700</u>
Less: Interest earned on investments	<u>-</u>	<u>172</u>
TOTAL, transferred to deferred costs	<u>13,727</u>	<u>15,528</u>

CUMONT MINES LIMITED (N. P. L.)

STATEMENT OF SOURCE AND USE OF WORKING CAPITAL

FOR THE YEAR ENDED DECEMBER 31, 1972

	1972	1971
	\$	\$
SOURCE OF WORKING CAPITAL		
Loan from parent company	16,000	-
Sale of fixed assets - proceeds	-	630
Capital stock issued	<u>-</u>	<u>10,000</u>
	<u>16,000</u>	<u>10,630</u>
USE OF WORKING CAPITAL		
Exploration, development and administration expenses	22,511	17,650
Less: Item included in costs which is not a use of working capital - Depreciation	<u>237</u>	<u>358</u>
	<u>22,274</u>	<u>17,292</u>
DECREASE IN WORKING CAPITAL	6,274	6,662
WORKING CAPITAL - BEGINNING OF YEAR	<u>6,730</u>	<u>13,392</u>
WORKING CAPITAL - END OF YEAR	<u>456</u>	<u>6,730</u>