

810507

AMALGAMATED

RESOURCES

LTD. N.P.L.

Prospectus

JULY 29, 1965

927 - 510 West Hastings Street
VANCOUVER, B.C.

The Securities offered by this Prospectus have not been approved or disapproved by the British Columbia Securities Commission. The Prospectus supplies the information required by the Securities Act but the British Columbia Securities Commission has not passed upon the accuracy of the Prospectus or the information.

Any representation to the effect that the British Columbia Securities Commission has in any way endorsed the offering of the Securities contained in this Prospectus, would be an offence under the Securities Act.

A purchase of shares offered by this prospectus must be considered a speculation.

AMALGAMATED RESOURCES LTD.

(NON-PERSONAL LIABILITY)

PROSPECTUS

(a) Amalgamated Resources Ltd. (Non-Personal Liability) (hereinafter called "the Company") has its head office at 927 - 510 West Hastings Street, in the City of Vancouver, Province of British Columbia.

(b) The Company was incorporated by Memorandum of Association under the Companies Act of the Province of British Columbia, on the 20th day of May, A.D. 1958.

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

(d) The full name, address and occupation of the Directors are:

<u>Name and Address</u>	<u>Occupation</u>
Paul Polischuk, Lillooet, B.C.	Prospector
Wallace A. McClelland, Merritt B.C.	Prospector
Sherwin F. Kelly, Merritt, B.C.	Geologist and Geophysicist.

There is no promoter of the Company as such and the original Vendors of the mineral claims acquired by the Company are Paul Polischuk and Wallace A. McClelland.

(e) The Auditors of the Company are Messrs. Griffiths & Griffiths, Chartered Accountants, 924 West Hastings Street, Vancouver 1, B.C.

(f) The Registrar and Transfer Agent is the National Trust Company Limited, 510 Burrard Street, Vancouver 1, B.C.

(g) The authorized capital of the Company is Two Million Five Hundred Thousand Dollars (\$2,500,000.00) divided into Five Million (5,000,000) shares of a par value of fifty cents (50c) each, of which One Million, Four Hundred and Five Thousand, Five Hundred and Ninety-six (1,405,596) shares have been issued as fully paid and non-assessable. There is no other class of shares.

(h) The Company has not created or issued any bonds or debentures, nor does it propose to do so, and no bonds or debentures are offered by this Prospectus.

(i) Certificates representing Seven Hundred and Thirty Thousand (730,000) shares of the Company are held in escrow by the National Trust Company Limited, Vancouver, B.C., subject to release only with the consent of the British Columbia Securities Commission.

(j) The Company has sold the following shares for cash to date:

No. of Shares	Price per Share	Discount	Tot. Cash Rec.
5	50c	Nil	2.50
605,050	10c	40c	60,505.00
27,200	20c	30c	5,440.00
15,200	25c	25c	3,800.00
8,141	50c	Nil	4,070.50
			<u>\$73,818.00</u>

A commission of \$2,384.00 has been paid on the allotment and issue of the 50c shares.

(k) No securities other than shares have been sold for cash to date.

(l) Paul Polischuk and Wallace A. McClelland, the Vendors of the claims originally acquired by the Company received 750,000 shares in the capital stock of the Company as fully paid and non-assessable. 730,000 of these 750,000 shares are the shares described in paragraph (i) herein.

(m) (i) The Company is the recorded owner of the following mineral claims in the Nicola Mining Division:

PORCUPINE No. 1 to No. 36 inclusive, Record numbers 19301 to 19324, 20557 to 20568 inclusive (hereinafter called "the said claims").

(m) (ii) The Vendors/Optionors of the said claims were Sherwin F. Kelly, John McGoran and Dianne Julia Gillespie, all of the town of Merritt, B.C. To purchase the said claims, the Company spent \$2,400.00 before July 15th, 1963 and transferred to the Optionors 252,000 shares in the capital stock of the Company as fully paid and non-assessable. The said 252,000 shares were transferred by the owners thereof from the remaining 675,000 shares of the capital stock of the Company referred to in paragraph (1) herein.

(m) (iii) Traders Investments Limited has received ten per cent (10%) of the said 750,000 shares allotted and issued to Paul Polischuk and Wallace A. McClelland. Such interest was received by Traders Investments Limited discharging approximately \$2,000.00 of liabilities of the Company existing prior to August, 1962.

(m) (iv) The said claims are located approximately 9 miles south east of Merritt, B.C. on the Merritt-Princeton Highway, and in close proximity to Corbett Lake. A secondary road leads from the main highway directly to the main working. The terrain at the end of the existing road is such that access is possible by any four-wheel drive vehicle.

(m) (v) No underground exploration or development work has yet been done by the Company on the said claims. The Company has no plant or equipment on the said claims at this date.

(m) (vi) For a description of the character and extent and condition of all surface exploration done on the said claims, see the Reports of R. E. Renshaw dated the 24th day of July, 1964 and Sherwin F. Kelly dated the 23rd day of July, 1964, and the Supplementary Report of Sherwin F. Kelly dated June 2, 1965 with the Statement of Concurrence of R. E. Renshaw dated June 6, 1965. The said Reports and Statement of Concurrence are attached hereto and form part of this Prospectus.

(m) (vii) Early work on the said claims is limited to the inclined shaft of 70 feet in length, driven on siliceous copper bearing zone. This work may have been carried out some forty years ago. During 1957 electromagnetic survey was carried out on the localized area near the shaft. During 1958 a limited amount of surface stripping was carried out, and subsequently a few holes were drilled to test the anomalous areas. The Company optioned the property during April, 1963 and have since drilled twelve short holes in the shaft area.

The Company has completed drilling of twelve holes carrying out approximately 2500 feet of bulldozer stripping and partially completed a geophysical survey on the said claims.

(n) (i) The Company offers by this Prospectus 150,000 shares. The amount payable on application for allotment of such shares is fifty cents (50c) per share. No discount will be allowed, but a maximum commission of twenty-five per cent (25%) may be payable.

(ii) There are no underwriting agreements or option agreements or sub-underwriting or sub-option agreements made in relation to the Company's shares.

(o) The Company intends to use the proceeds from the sale of the above shares as follows:

Payment of commissions (maximum)	\$18,750.00
To continue carrying out programme on Porcupine claims as recommended by Sherwin F. Kelly and R. E. Renshaw	45,000.00
General administration	5,000.00
Legal and audit	3,000.00
Reserve	3,250.00
	<hr/>
	\$75,000.00

(p) The Company has been incorporated for more than one year.

(q) There is no substantial indebtedness to be created or assumed that is not shown on the balance sheet dated the 31st day of March, 1965 attached hereto and forming part of this Prospectus.

(r) The principal business of each director for the past three years and the present business is as follows:-

Paul Polischuk	Prospector
Director	
Wallace A. McClelland	Prospector
Director	
Sherwin F. Kelly	Geologist and Geophysicist
Director	

(s) Paul Polischuk and Wallace A. McClelland are the Vendors of the mineral claims originally acquired by the Company and Sherwin F. Kelly is one of the Vendors/Optionors of the mineral claims described in paragraph (m) (i).

(t) No remuneration as such has been paid by the Company since incorporation to any of its directors or officers as such. Paul Polischuk and Wallace A. McClelland have been paid wages when working in the field for the Company, and Sherwin F. Kelly has been paid professional fees for professional services rendered to the Company.

(u) It is anticipated that no remuneration will be paid to the directors and officers as such during the current financial year. Mr. Polischuk will be paid for work on the Company's property at the going rate, and Mr. Kelly will be paid for any professional engineering services rendered by him to the Company.

(v) So far as the signatories hereto are aware, no individual or company by reason of beneficial ownership of shares, is in a position to elect, or cause to be elected, a majority of the directors of the Company.

(w) No dividends have been paid by the Company.

(x) (i) When the escrowed shares referred to in clause (l) herein are released by the British Columbia Securities Commission from time to time, those shares may be sold by the owners thereof at the offer price to the public from time to time in this or subsequent prospectuses without the proceeds of the sale accruing to the benefit of the treasury of the Company. In addition, if and when the shares owned by Traders Investments Limited purchased pursuant to paragraph (n) hereof are sold to the public, none of the proceeds of such sale will accrue to the benefit of the Company's treasury.

(ii) The Company is the owner of 250,000 shares of Canyon Copper Mines Ltd. (N.P.L.), a private company controlled by Hurley River Mines Ltd. (N.P.L.).

(iii) The Company holds records covering the North Star No. 1 to No. 20 mineral claims in the Lillooet Mining Division. A conflict arose between these claims and claims staked by other parties. The Company laid a Complaint and Request for Investigation pursuant to Section 80 of the Mineral Act of the Province of British Columbia to determine title to these claims. The Minister of Mines and Natural Resources for the Province of British Columbia found in favour of the other claimants pursuant to a decision issued the 7th day of December, A.D. 1964. As provided for in the Mineral Act the Company appealed the Minister's decision to the Supreme Court of British Columbia and the decision of that Court is that such of the North Star claims as overlie ground previously staked by the Grey Rock Mining Company Limited known as mineral claims Jean No. 1 and Jean No. 2 are valid. Certain other North Star claims were not in issue in this matter and remain in good standing. At the date hereof no appeal has been launched from this decision. A complaint under Section 80 of the Mineral Act has been lodged by Leonard Bellveau and G. Harold Clark that Certificates of Work obtained on the North Star No. 1 to No. 20 mineral claims were invalidly obtained. The said Complaint is being investigated by the Minister of Mines pursuant to the provisions of the Mineral Act. In the Company's opinion, there is no validity to the said Complaint.

(iv) There are no further material facts which are not disclosed in this Prospectus.

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

DATED at Vancouver, British Columbia, this 29th day of July, A.D. 1965.

Paul Polischuk
Sherwin F. Kelly
W. A. McClelland

Report on the "Porcupine Group"

Owned by Amalgamated Resources Ltd.

by

R. E. RENSHAW, P. Eng.

Geological Engineer - Mining Geologist

INTRODUCTION

This report is made at the request of Mr. Paul Polischuk, President of Amalgamated Resources Ltd. I was accompanied by Mr. Sherwin F. Kelly, Company Geologist and Geophysicist, 21 July 64.

The physical nature of the claims dealing with location, access, timber, etc. have been discussed in previous reports and will not be treated with now.

GEOLOGY

The claims are underlain by rocks of the Nicola group of Triassic age. The following types have been found on the property.

1. Fine to medium grained andesite and varying in colour red, purple, green. Chloritization and epidotization is a common alteration. Individual beds or flows may vary from a few feet to several hundred feet or more. The contents may be expressed as a narrow juncture line or as a porous, fragmental flow top breccia. This latter is the favourable zone for mineralization.

2. Fine grained tuff and fine to medium grained fragmental of andesitic composition. Chlorite and epidote are a common alteration.

3. Fine to medium grained porphyritic andesite. The phenocrysts are feldspar.

4. Quartz-calcite veins and veinlets. These may or may not be mineralized with chalcopyrite, bornite or pyrite.

Granitic rocks of the Guichon batholith which is believed to be the source of the mineralizing solutions have not been found on the claims but do occur to the south and no doubt at depth below the claims.

DEVELOPMENT WORK

A. **Pre-Company** - A shaft about 80 ft. deep and dipping with the formation at 35 degrees was sunk on a well mineralized flow top breccia about the year 1905. Company assays show 2.13% copper across an average width of 8 feet.

In 1957 an electromagnetic survey was run by the Shield Mining Surveys Ltd. over an area 5,000 feet square in the vicinity of the shaft. Several anomalous areas were outlined. Recommendations were made for further delineating these zones by a self potential survey, geochemical survey and several short diamond drill holes. This work was not done.

B. Company

1. **Trenching** - Early in the spring of 1964 the company bulldozed 13 trenches, varying from 75 ft. to 475 ft. in length. The total length trenched was 2475 ft. Most of this excavating was directed to cross cut the ore bearing formation in the vicinity of the shaft along a length of 1,000 ft. The results of the trenching show that the main zone extends for a length of 1,000 ft. with both ends still open and also that at least two other mineralized "flow tops" may be present.

2. **Diamond Drilling** - The company has completed 9 short X-Ray core diamond drill holes. The 10th hole has not been completed. Holes 1 to 7 and 9 and 10 are testing the main zone while Hole 8 was drilled for assessment purposes.

RESULTS

Hole 1 - located at the shaft and drilled down dip subparallel to zone disclosed a true width of 11 ft. which assayed 1.38% copper;

Hole 2 - located at shaft and drilled down dip subparallel to zone disclosed a true width of 10 ft. and averaged 1.65% copper;

The importance of Holes 1 and 2 is that they show that the tenor of the values from the collar to bottom is increasing. I. E. the near surface mineralization has probably been leached out. This is also shown by samples taken down the shaft to a depth of 60 ft.

Hole 3 - near shaft was abandoned due to caving ground and did not reach its objective.

Hole 4 - located 58 ft. NE of the shaft cut a 12 ft. intersection assaying 6.35% copper.

Hole 5 - located 30 ft. south of shaft cut 10 ft. which averaged 3.76% copper;

Hole 7 - located 175 ft. southeast of shaft cut 5½ ft. of mineralization which assayed 1.20% copper. This intersection is believed to be a different horizon from that found in the previous holes as the X-Ray equipment could not proceed deep enough to cut the main zone. Thus it substantiates the belief that several mineral bearing horizons are present.

Hole 9 - located 409 ft. southwest of the shaft cut 7 ft. which assayed 1.9% copper.

GEOLOGICAL INFERRED ORE

On the basis of the strike length probed by the drilling for a distance of 520 ft. a width of 10 ft. and an estimated depth of ⅔ of the length (346 ft.) there is a block of geologically inferred ore containing 138,400 tons of estimated 2% copper.

3. **Self Potential Survey** - A self Potential Survey is currently being made by Mr. Sherwin F. Kelly over a portion of the claims. The limited amount of work done to date shows the main zone to be outlined with both ends still open and also several other anomalous areas have been indicated but not yet defined.

CONCLUSIONS

1. The work done to date, stripping, diamond drilling, and SP Survey has indicated several target zones which must be explored to outline an economical mineral deposit.

RECOMMENDATIONS

1. Extend present grid to cover at least 4 claims;
2. Continue SP survey and at the same time take soil samples and test for copper content.
3. Using grid lines for control, do detail geological mapping on a scale of at least 1 inch to 200 ft. Considerable attention must be paid in this mapping to try and establish a suitable geological marker horizon so the position of the mineralized flow tops can be established.
4. Continue stripping.
5. Continue diamond drilling but switch to A size drill core so greater depth penetration can be made.

Signed:

R. E. Renshaw, P. Eng.
Consulting Geologist

24 Jul 64

TABLE OF ESTIMATED COSTS - PORCUPINE GROUP AMALGAMATED RESOURCES LTD.

1. Extend grid lines	\$ 2,000.00
2. Geophysical Survey	5,000.00
3. Geochemical Soil Samples Analyses	500.00
4. 4,000 feet of AX diamond drilling @ 5.50/ft.	22,000.00
5. Bulldozing and stripping	5,000.00
6. Administration and Engineering	5,000.00
7. Supplies and Equipment	1,500.00
8. Reserve and Contingencies	4,000.00
Total	<u>\$45,000.00</u>

Signed:

R. E. Renshaw, P. Eng.
Consulting Geologist

24 Jul 64

CERTIFICATE OF COMPETENCY

I, Rodney Edward Renshaw hereby certify that:

1. I reside and maintain an office at 1361 Kings Ave., West Vancouver, B.C.
2. I am a graduate of the University of British Columbia and hold a degree of Bachelor of Applied Science in Geological Engineering. I have also taken 2 years post graduate studies in specialized courses in geology and geophysics.
3. I am a Registered Professional Engineer of the Province of British Columbia.
4. That this report is based upon my personal examination of the property.
5. That I have no interest in the claims or shares of the Company either direct or indirect nor do I expect to receive any.

Signed:

R. E. Renshaw, P. Eng.
Consulting Geologist

24 Jul 64

Report to Amalgamated Resources Ltd. on the Porcupine Group of Mineral Claims

July 23, 1964

by

SHERWIN F. KELLY
Geophysicist and Geologist

PROPERTY DESCRIPTION

The Porcupine group of mineral claims (36) lies on the east side of the Merritt-Princeton Highway, at the north end of Corbett Lake, ten miles southeast of Merritt. It is underlain by volcanic flows, tuffs, and some sediments of the Nicola series, which dip southeast at about 35° and strike northeast.

Copper sulphides, chalcopyrite, bornite and some chalcocite, occur as veinlets and disseminations, principally in the flows, and appear to favor the calcified, broken tops of some of the old lavas.

EXPLORATION RESULTS

The assays on the various samplings of the old, inclined shaft, and the results of DDH No. 1 to No. 7, drilled in 1963, were set forth in my report of Jan. 15, 1964. That report was included in the last prospectus, issued shortly after that date.

Since the issuance of the above report, Amalgamated Resources Ltd. has prosecuted an intensive exploration program in the general area of the shaft showings. This has consisted of diamond drilling, stripping and trenching by bulldozer, some geological mapping, the laying out of a grid for geophysical work and the commencement of a geophysical survey by the spontaneous polarisation technique.

Three diamond drill holes No. 8, No. 9, No. 10 were drilled, each about 100 ft. deep. Extensive bulldozing was carried out, and thirteen trenches were dug, 75 ft. to 475 ft. in length. The total length of trenching was 2,475 ft.

Diamond drill hole No. 8 was put down in the northwestern part of the property for geological data and assessment work. DDH No. 9 was collared about 400 ft. southwest of the shaft, and cut 7 ft. of the mineralized formation assaying 1.9% copper. DDH No. 10, located some 200 ft. southwest of the shaft, is not yet completed.

The greater part of the trenching cross-cut the mineralized beds, within a span of about 1,000 ft. with the inclined shaft about in the middle. This showed the first copper-bearing bed to extend at least over that length with both ends still open. It also demonstrated that there are probably other mineralised beds in this series of Nicola flows, above and below the first one investigated.

The study and geological mapping of the trenches is not yet completed, but to date indicates at least one new copper-bearing bed about 50 ft. below the one under study, and possibly others as well. DDH No. 7 cut 5½ ft. of mineralised flow which appears to be 50 ft. above the bed at the shaft; it assayed 1.2% copper. Three copper-beds are therefore indicated, in a stratigraphic span of 100 ft.

The geophysical study is still in an early stage, but it has already indicated the possibility of finding other mineralised horizons, above and below those just mentioned.

The span along strike covered by the present drilling pattern, from DDH No. 4 to No. 9, is 460 ft. The results may be considered representative for a length of 520 ft., for ease of calculation. The average length of mineralised core (strongly mineralised) recovered is 10 ft. If the mineralised formation extends to a depth equal to ⅓ of the strike length assumed above, i.e. ⅓ of 520 ft., or 346 ft., then in the block 520 ft. long, 10 ft. thick and 346 ft. deep, there would be 138,400 tons of copper-bearing formation.

To arrive at an average value for this block, the high percentage of copper (6.35% across 12 ft.) encountered in DDH No. 4, was arbitrarily cut to 3.25%. This was the value returned from DDH No. 6, about the same distance the other side of the shaft. The average assay of the DDH core in this pattern, then comes to 2.51% copper. The occurrence may then be geologically inferred of 138,000 tons of copper-bearing formation averaging 2% to 2.5% copper.

CONCLUSIONS

The exploration to date has shown the presence of a well-mineralised formation of considerable extent, and which is not yet completely defined. The drilling, trenching and geophysical survey have produced results indicating the presence, in all probability, of other, similar beds. This is sufficiently encouraging to warrant a continued and intensive exploration program by the same technique.

RECOMMENDATIONS

The following program is recommended for the purpose of continuing to trace and define the mineralised formation already partially outlined, and to locate whatever other, overlying or underlying mineralised beds may occur which also contain copper, or other mineralisation. Further drilling, bulldozing, geological mapping, soil sampling, and extended geophysical coverage, detailed and reconnaissance, are recommended, as follows:

Geological mapping	\$1,000.00
Extending geophysical grid	1,000.00
Geochemical soil analysis	500.00
Diamond Drilling	22,000.00
Geophysical survey	5,000.00
Bulldozing	5,000.00
Supplies & equipment	1,500.00
Administration & engineering	5,000.00
Reserves for contingencies	4,000.00
Total	\$45,000.00

The implementation of this program should serve to demonstrate the potentialities of this property, which is one of considerable promise and deserving of intensive investigation.

Respectfully submitted

Signed:

Sherwin F. Kelly
Geologist and Geophysicist

P.O. Box 325,
Merritt, B.C.
July 23, 1964

SHERWIN F. KELLY
GEOPHYSICIST AND GEOLOGIST

CERTIFICATE OF COMPETENCE

I SHERWIN F. KELLY, residing at the Adelphi Hotel, in Merritt, B.C. certify that:

I am a graduate in engineering of the University of Kansas, holding the degree of B.Sc. in Mining Engineering, granted in 1917.

I followed post-graduate courses in geology and mineralogy for five years in France, Canada and the U.S.

I have practised as a geologist and geophysicist in North, Central and South America since 1921.

This report on the Porcupine claims is based on numerous visits to the property, and close association with the development work for the past year.

I am the holder of 84,000 registered and escrowed shares of Amalgamated Resources Ltd.

Signed:
Sherwin F. Kelly
Geologist and Geophysicist

Merritt, B.C.
July 23, 1964.

1361 Kings Ave.
West Vancouver, B.C.
24 July, 64

R. E. Renshaw, P. Eng.
Geological Engineer
Mining Geologist

I, Rodney E. Renshaw, P. Eng. Consulting Geological Engineer, have read the attached report by Mr. Sherwin F. Kelly, on the Porcupine Group of Mineral claims owned by Amalgamated Resources Ltd. and endorse the conclusions and recommendations set forth therein.

I have no interest directly or indirectly in the shares of Amalgamated Resources Ltd. or in the property nor do I expect to receive any such interest.

Signed :
R. E. Renshaw, P. Eng.

Supplement to Report of July 23, 1964

TO AMALGAMATED RESOURCES LTD.
ON ITS PORCUPINE GROUP OF MINERAL CLAIMS
NEAR MERRITT, B.C.

by
SHERWIN F. KELLY
Geophysicist and Geologist

SCOPE

The purpose of this supplement is to summarise the exploration results achieved on the Porcupine Group of mineral claims near Corbett Lake, southeast of Merritt, since the last reports by Sherwin F. Kelly on July 23, 1964, and R. E. Renshaw on July 24, 1964.

PRIOR REPORTS

The location, access, history, geological setting, mineralogy, results of drilling and stripping, and geologically inferred ore were variously covered in prior reports by Harvey H. Cohen, dated May 9, 1963; Sherwin F. Kelly, Jan. 15, 1964, and July 23, 1964; and R. E. Renshaw, July 24, 1964. Those data will not be repeated here.

RECENT DRILLING RESULTS

In the report of July 23, 1964, it was stated that DDH No. 10 was not completed. This drill hole was located 210 ft. southwest of the shaft, drilling northwesterly at -60° . The objective was to intersect a mineralised bed exposed nearby in a trench. A five foot section from 25 to 30 ft. assayed 0.37% copper, but the rock was much broken and the core recovery was low. The hole was drilled with EX bit and rods, which do not usually give good recovery in fractured formations. Additional drilling in this vicinity with AX rods would be advisable.

Drill hole No. 11 was spotted 670 ft. due north of the shaft, to test a spontaneous polarisation anomaly in that vicinity. It drilled northwesterly at -60° . The overburden was deeper than expected, and the presumably causative horizon was cut only about twenty-five feet down-dip from bedrock surface. It showed evidences of strong leaching and limonite staining. Although drilled with AX rods, core recovery in this section was poor. The five foot section, from 50 to 55 ft., gave an assay of 0.15% copper. This horizon is stratigraphically about 300 ft. below the main ore-bearing horizon exposed in the shaft.

It is planned to cut this horizon at a greater depth, below the leached zone, and also cut under an electro-magnetic anomaly (1957 survey) lying about 50 ft. SE of the collar of DDH No. 11. To do this, a hole is planned about 200 ft. southeasterly from No. 11, to drill in the same direction, under or nearly under that one.

Diamond drill hole No. 12 was spotted 60 ft. east of the shaft, between DDH No. 1 and No. 4. It was a confirmatory hole, for checking the location of, and values in the main mineralised horizon, and to gain additional information, such as the possibilities of finding other mineralised beds above or below the one under investigation. Such data would be useful in further evaluating the potentialities of the copper deposits on this property, and their amenability to exploitation either by traditional methods or by such processes as bacterial leaching.

The hole, drilled with AX equipment, was directed north-westerly at -60° to cut the beds approximately at right angles. From 7 ft. to 27 ft. the values lay between 0.10% and 0.20% copper. The weighted average for the 20 ft. was 0.16% copper. From 27 ft. to 41 ft. the values ranged from 0.72% to 1.65% copper, with a weighted average of 1.26% over the 14 ft. section. A 21½ ft section, from 27 ft. to 48½ ft. yielded a weighted average of 0.93% copper.

Below 48½ ft. to the bottom of the hole at 101 ft., copper mineralisation was still present, but in lesser quantity, with assays from 0.09% to 0.23%.

A second confirmatory hole has been spotted 150 ft. southerly from the shaft, but not yet drilled.

A surface showing of copper mineralisation on the edge of a gully about 1,000 feet westerly from the shaft, was investigated very briefly. The exposure is small, and though apparently sparsely mineralised, fragments picked up from the surface and assayed yielded 0.20% copper. This copper-bearing horizon is probably about 600 feet or more stratigraphically below the main one in the shaft. Further investigation is warranted in this vicinity.

CONCLUSIONS

The work accomplished since the summer of 1964, is only a small portion of the program recommended at that time. The results obtained require no important modifications of the conclusions or recommendations set forth then in my report and in the one by R. E. Renshaw. Trenching and drilling have indicated a well-mineralised formation of considerable extent, but whose dimensions are yet to be defined. Surface examination, geophysical results, trenching and drilling, have shown the possible existence of other mineralised beds, above and below the main one under study. Several target zones of promise are consequently presented for continued exploration.

RECOMMENDATIONS

The work accomplished since the summer of 1964, is only a small portion of the program recommended at that time. The results obtained require no important modifications of the conclusions or recommendations set forth then in my report and in the one by R. E. Renshaw. Trenching and drilling have indicated a well-mineralised formation of considerable extent, but whose dimensions are yet to be defined. Surface examination, geophysical results, trenching and drilling, have shown the possible existence of other mineralised beds, above and below the main one under study. Several target zones of promise are consequently presented for continued exploration.

The results of exploration to date are definitely encouraging by reason of the mineralised horizon already partially delineated, and the suggested presence of yet others. The property is therefore well worth a continued, intensive investigation in an effort to outline commercial deposits. The recommended work should be carried out under the supervision of a competent engineer or geologist.

Respectfully submitted,
Sherwin F. Kelly
Geologist & Geophysicist

Adelphi Hotel
Merritt, B.C.
June 2, 1965

CERTIFICATE OF COMPETENCY

I, Sherwin F. Kelly, residing at the Adelphi Hotel, in Merritt, B.C., certify that:-

I am a graduate in engineering from the University of Kansas, where I was awarded the degree of B. Sc. in Mining Engineering in 1917.

I followed post-graduate work in geology and mineralogy for five years, in Paris (at the Sorbonne, the Museum d'Histoire Naturelle, the Ecole des Mines), at the University of Kansas and the University of Toronto. I also instructed in those subjects at the University of Kansas and the University of Toronto.

I have practised as a geologist and geophysicist in North, Central and South America, and the Carribean, since 1921.

This report on the Porcupine claims of Amalgamated Resources Ltd. is based on close association with the exploration work on that property since I participated in the staking of the claims in 1962 and 1963, and on an examination of the showings in 1961.

I am the owner of 84,000 shares of Amalgamated Resources Ltd. of which 74,000 are still escrowed.

Respectfully submitted,
Sherwin F. Kelly
Geologist & Geophysicist

Adelphi Hotel
Merritt, B.C.
June 2, 1965

West Vancouver, B.C.
1361 Kings Ave.
6 June, 1965

Amalgamated Resources Ltd.
c/o Mr. Sherwin Kelly
Merritt, B.C.

Dear Sirs:

I concur with the findings and recommendation of Sherwin Kelly on the "Porcupine" Group, near Aspen Grove, B.C. in the Report of 2 Jun 65.

Yours very truly,
R. E. Renshaw, P. Eng.

Certificate of Qualification - Porcupine Group

I, Rodney E. Renshaw, hereby certify that:
I reside at and maintain an office at 1361 Kings Ave., West Vancouver, B.C.

I am a graduate of the University of British Columbia and hold the degree of Bachelor of Applied Science in Geological Engineering.

I am a Registered Professional Engineer of the Province of British Columbia and have been practising my profession during the past 17 years.

I have no shares of the Company or interest in the claims, either direct or indirect, nor do I expect to receive any.

R. E. Renshaw, P. Eng.
10 Jun 65

AMALGAMATED RESOURCES LTD. (Non-Personal Liability)

BALANCE SHEET
As at 31st March, 1965

A s s e t s

Cash in Bank	\$ 1,612.73
Recoverable Advances	52.50
Mining Claims - acquired for shares	375,000.00
Investment:	
250,000 Shares of Canyon Copper Mines Ltd. (Non-Personal Liability), at cost	1,010.00
Truck and Equipment, at cost	3,337.57
Preproduction Expenditure, per Exhibit "B"	75,905.76
Incorporation Expense, at cost	1,037.95
	<u>\$ 457,956.51</u>

Signed on behalf of the Board:
Paul Polischuk, Director
W. A. McLlelland, Director

REPORT OF AUDITORS

The Shareholders,
Amalgamated Resources Ltd.
(Non-Personal Liability),
Vancouver, Canada.

We have examined the balance sheet of Amalgamated Resources Ltd. (Non-Personal Liability) as at 31 March, 1965, and the statement of preproduction expenditure for the ten months ended on that date. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

In our opinion, the accompanying balance sheet and statement of preproduction expenditure present fairly the financial position of the company as at 31 March, 1965, and the results of its operations for the ten months ended on that date, in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Vancouver, Canada,
11 May, 1965.

Griffith & Griffith
Chartered Accountants

AMALGAMATED RESOURCES LTD. (Non-Personal Liability)

BALANCE SHEET
As at 31st March, 1965

Liabilities

Accounts payable	\$ 7,490.91
Conditional Sales Contract, payable \$60.20 per month	602.00
Share Capital:	
Authorized:	
5,000,000 shares of \$.50 each par value	<u>\$2,500,000.00</u>
Issued:	
655,596 shares for cash	\$327,798.00
Less: Discount	253,980.00
	\$ 73,818.00
750,000 shares issued for mining claims	<u>375,000.00</u>
	448,818.00
Surplus:	
Balance at 31 May, 1964 unchanged	1,045.60
	<u>\$457,956.51</u>

NOTES:

- 730,000 shares of the company are held in escrow, subject to the order of the Superintendent of Brokers of the Province of British Columbia.
- During the period ended 31 March, 1965, the company issued 318,341 shares for a net cash consideration of \$37,370.50.

**AMALGAMATED RESOURCES LTD.
(NON-PERSONAL LIABILITY)**

**STATEMENT OF PREPRODUCTION EXPENDITURE
FOR THE TEN MONTHS ENDED 31 MARCH, 1965**

Balance, 31 May, 1964		\$38,657.71
Expenditures for the period:		
Field costs:		
Assays	\$ 133.00	
Auto expense	2,182.73	
Claim development	8,312.77	
Engineering fees	825.00	
Telephone	263.11	
Travel and lodging	2,480.28	
Wages	<u>4,680.18</u>	
		\$18,877.07
Administrative costs:		
Advertising	2,844.75	
Bank charges and interest	228.03	
Legal and audit	1,044.79	
Office supplies and rent	551.88	
Printing and mailing	3,525.27	
Recording and licences	596.00	
Salaries and wages	8,164.84	
Telephone	1,052.42	
Workmen's compensation	<u>363.00</u>	
		<u>18,370.98</u>
		37,248.05
		<u>37,248.05</u>
Total Preproduction Expenditure, Per Exhibit "A"		<u><u>\$75,905.76</u></u>