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Debenture Group

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# PROSPECTUS



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**WANDA MINES & EXPLORATIONS LTD.**  
(NON-PERSONAL LIABILITY)

515 GRANVILLE ST., VANCOUVER 2, B.C.

# WANDA MINES & EXPLORATIONS LTD.

(Non-Personal Liability)

## PROSPECTUS

REGISTERED OFFICE  
SUITE 1322 625  
~~510 WEST HASTINGS STREET~~ 925 WEST GEORGIA ST.,  
VANCOUVER 2, B.C.

"No Securities Commission or similar authority in Canada has in any way passed upon the merits of the Securities offered hereunder and any representation to the contrary is an offence."

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

# WANDA MINES & EXPLORATIONS LTD.

(Non-Personal Liability)

## PROSPECTUS

(a) The full name of the Company is Wanda Mines & Explorations Ltd. (N.P.L.), with Head Office at #2, 515 Granville Street, in the City of Vancouver, Province of British Columbia.

(b) The Company was incorporated under the "Companies Act" of the Province of British Columbia by Certificate of Incorporation dated the 30th day of March A.D., 1966.

(c) There have been no amendments to the Memorandum of Association since the incorporation except the following: The Company increased its capital from One Million shares at a par value of One Dollar (\$1.00) each to Five Million Dollars (\$5,000,000.00) divided into Five Million (5,000,000) shares with a nominal or par value of One Dollar (\$1.00) each by Certificate dated the 25th day of May A.D., 1966 and did convert to a Public Company by Certificate dated the 4th day of July A.D., 1966.

(d) The Officers and Directors are as follows:

*T.S. RUSK*  
~~John Arthur Charles Carter~~, President - Director  
1906 West 1st Avenue, Vancouver, B.C.  
Journalist

*I.M. BURDITT*  
~~Sydney Hugh Konsmo~~, Secretary-Treasurer - Director  
1063 Balfour, Vancouver, B.C.

Laboratory Technician  
Charles Wilson, Director  
2520 Derbyshire Place, North Vancouver, B.C.  
Insurance Executive  
Frank Messner, Director  
10340 Trans-Canada Highway, Whalley, B.C.  
Prospector

Gordon T. Hutchinson, Director  
885 Fairfield Road, North Vancouver, B.C.  
Insurance Agent

The Promoters are as follows:

John Arthur Charles Carter  
Sydney Hugh Konsmo

(e) The Auditors of the Company are:

Collins & Collins, Chartered Accountants  
1030 West Georgia Street, Vancouver, B.C.

(f) The Registrar and Transfer Agent of the Company is:

Crown Trust Company  
455 Howe Street, Vancouver, B.C.

(g) The authorized capital of the Company is Five Million Dollars (\$5,000,000) divided into Five Million (5,000,000) shares with a nominal or par value of One Dollar (\$1.00) each out of which Six Hundred and Seventy Thousand and Five (670,005) are issued and paid up.

(h) There are no bonds or debentures outstanding or proposed to be issued.

(i) Certificates representing Six Hundred and Seventy Thousand and Five (670,005) shares are held in the Crown Trust Company. The above shares are not to be released from

Escrow and cannot be transferred or otherwise dealt with without the consent of the Superintendent of Brokers. It is a term of the Escrow Agreement by which these shares are held that they become liable to cancellation and return to the Company Treasury in the event the properties for which they were given become lost by the Company, by abandonment or otherwise.

(j) Shares sold for cash to date:

(i) (a) Five (5) shares at Ten Cents (\$.10) per share.  
(b) One Hundred and Twenty Thousand (120,000) shares at Fifteen Cents (\$.15) per share.

(ii) Total cash received for shares is Eighteen Thousand Dollars and 50/100 Cents (\$18,000.50).

(iii) No commission has been paid or allowed on the sale of the above shares.

(iv) The total discount that has been allowed to the purchasers in consideration of their subscribing for the above shares of the Company is One Hundred and Two Thousand and Four Dollars and 50/100 Cents (\$102,004.50).

(k) No security other than shares has been sold by the Company.

(l) There are no shares issued or cash paid or to be paid to any Promoter as such except the following:

Pursuant to an Option Agreement in writing dated the 1st day of April A.D., 1966 between B. F. Messner & Associates and Ronnad Investments Ltd., the said Ronnad Investments Ltd. acquired the rights to purchase the Mineral Claims set out in (m) (i) hereof by the payment of One Hundred Thousand Dollars (\$100,000.00) to B. F. Messner & Associates at the rate of Ten Thousand Dollars (\$10,000.00) per year or at the rate of Ten percent (10%) of net smelter returns and the assignment to B. F. Messner & Associates of Two-fifteenths (2/15) of the Vendor's consideration in accordance with the terms of the said Option Agreement. The said Ronnad Investments Ltd. assigned all its rights in the said Option Agreement to the Company in consideration of the allotment to Ronnad Investments Ltd. of Five Hundred and Fifty Thousand (550,000) shares at the present time and a contingent allotment of a further Two Hundred Thousand (200,000) in the event that the One Hundred Thousand Dollars (\$100,000.00) remaining payable under the Option Agreement to Messner & Associates shall be paid out of production and this latter allotment of Two Hundred Thousand (200,000) shares is to be reduced to the extent that this payment is made otherwise than out of production computed at the rate of Fifty Cents (\$.50) per share. The present allotment of Five Hundred and Fifty Thousand (550,000) shares in the Company is to the following persons, namely:

Ronnad Investments Ltd.	-	475,000 shares
Benjamin Franklin Messner	-	75,000 shares

- (m) (i) The Company is the holder of all rights by assignment by Ronnad Investments Ltd. to acquire the following described Crown Granted Mineral Claims upon performance of the Optionee covenants set out in an Option Agreement in writing dated the 1st day of April A.D., 1966 between B. F. Messner & Associates as Optionor and Ronnad Investments Ltd. as Optionee:

Claim Name	Lot Number
Debenture	6310
Galena	6311
Mogul	6312
B. and M.	6313
Right Rim	6314
Bison	6315
Center Fraction	6316

All situate in the Omineca Assessment District, Range Five (5), Coast Land District, in the Omineca Mining Division of the Province of British Columbia.

- (ii) The rights to purchase the Mineral Claims set out in (m) (i) were acquired from Ronnad Investments Ltd. by virtue of the Assignment by Ronnad Investments Ltd. to the Company of all its rights in and to the Option Agreement referred to in paragraph (m) (i) hereof, which Assignment in writing bears date the 27th day of May A.D., 1966.

The consideration paid and to be paid by the Company is the allotment of Five Hundred and Fifty Thousand (550,000) shares of the Company at present and the contingent allotment of a further Two Hundred Thousand (200,000) shares in the event that the balance of the purchase price for the Mineral Claims is paid out of production to the Vendors as set out in paragraph (l) hereof and the payment of One Hundred Thousand Dollars (\$100,000.00) to B. F. Messner & Associates. The additional Two Hundred Thousand (200,000) shares, if and when allotted and issued, will be subject to the same Escrow conditions as the shares referred to in paragraph (i) hereof.

- (iii) No person to the knowledge of the Company is to receive an interest in the consideration received by the Vendors in an amount greater than One-twentieth (1/20) thereof. The shareholders holding in excess of One-twentieth (1/20) of the outstanding shares of Ronnad Investments Ltd. are as follows:

~~Ivor Anthony Lee~~ T.S. RUSK  
~~Sydney Hugh Konsmo~~ I.M. BURNETT  
~~John Arthur Charles Carter~~ J.A. CHAPMAN

- (iv) For information as to the accessibility of the Company's properties reference may be made to the Engineering Report of James Mitchell, P.Eng., dated the 3rd day of May A.D., 1966 filed with the Superintendent of Brokers, a copy whereof accompanies this Prospectus.

- (v) There has been no underground workings carried out on the Company's properties and the Company owns no underground equipment.

- (vi) There has been no surface development work conducted on the Company's properties and the Company owns no surface equipment.

- (vii) For a history of the property reference may be had to the Engineering Report of James Mitchell, P.Eng., dated the 3rd day of May A.D., 1966 filed with the Superintendent of Brokers, a copy whereof accompanies this Prospectus.

- (viii) The present management has conducted no works in connection with the Company's properties.

- (n) The Company is offering by this Prospectus Two Hundred Thousand (200,000) shares at Fifty Cents (\$.50) per share payable in cash upon application and subject to the payment or allowance of a commission and not to exceed twelve and One-half Cents (\$.12½) per share.

The rate of commission is Twenty-five per cent (25%).

The amount of discount is Fifty Cents (\$.50) per share.

There have been no options given or to be given and there have been no underwriting agreements entered into or presently contemplated by the Company with respect to any of its securities.

- (o) The Company intends to follow the recommendations set out in the Report of James Mitchell, P.Eng., dated the 3rd day of May A.D., 1966 filed with the Superintendent of Brokers, a copy whereof accompanies this Prospectus. In these recommendations Mr. Mitchell estimates a budget of Seventy-five Thousand, Nine Hundred Dollars (\$75,900.00) which will be needed to complete the recommended work set out in his report. A general breakdown of this budget is as follows:

Establishment of camp for 10 men.....	\$ 3,000.00
Board .....	2,000.00
Labour other than contract.....	16,000.00
Compensation and fringe benefits.....	2,400.00
Contract drilling — surface.....	12,000.00
Underground .....	3,000.00
Equipment purchases .....	6,000.00
Rentals .....	1,500.00
Freighting of supplies (20 tons).....	3,000.00
Transportation of personnel.....	1,000.00
Engineering .....	2,000.00
<b>Total cost on property.....</b>	<b>\$59,900.00</b>
Contingencies .....	5,000.00
Road construction .....	20,000.00
	<b>\$75,900.00</b>

No part of the proceeds shall be used to invest, underwrite, or trade in securities other than those that qualify as investments in which Trust Funds may be invested under the laws of the jurisdiction in which the securities offered by this Prospectus may lawfully be sold.

Should the registrant propose to use the proceeds to acquire non-trustee type securities after the initial distribution of the securities offered by this Prospectus, approval by the shareholders must be obtained and disclosure made to the regulatory securities bodies having jurisdiction over the sale of the securities offered by this Prospectus.

- (p) The cost for incorporating the Company amounted to the sum of One Thousand, Nine Hundred and Sixty-one Dollars and 48/100 Cents (\$1,961.48) and has been paid.

- (q) There is no substantial indebtedness accrued or to be assumed that is not shown on the Balance Sheet filed

herein dated the 30th day of May A.D., 1966 filed with the Superintendent of Brokers, a copy whereof is attached forming part of this Prospectus other than the contingent liability for the payment of One Hundred Thousand Dollars (\$100,000.00) as referred to in paragraph (m) (ii) hereof.

(r) The principal business in which each Director of the Company has been engaged during the immediately preceding three years is as follows:

John Arthur Charles Carter—Self-employed journalist

Sydney Hugh Konsmo — Survey Engineer for B. C. Forest Services, Lab Technician for Trans Canada Film, Salesman for London Drugs Ltd.

Charles Wilson—Insurance Agent for Allstate Insurance Company

Frank Messner—Mining Explorations and development for Native Mines Ltd.

Gordon T. Hutchinson—Insurance Agent for Allstate Insurance Company

(s) The only interest, direct or indirect, of any of the Directors in any property at any time acquired or to be acquired by the Company is that set out in paragraphs (l) and (m) hereof, namely with respect to Four Hundred and Seventy-five Thousand (475,000) shares through their participation as shareholders in Ronnad Investments Ltd. and Frank Messner as Optionor of the property.

(t) The aggregate remuneration paid to the Directors during the fiscal year last ended amounts to NIL and to Officers during the fiscal year last ended: John Arthur Charles Carter, General Manager — \$412.00 per month.

(u) It is estimated that there will be paid as aggregate remuneration during the current fiscal year:

Directors — NIL

Officers — NIL

(v) Ronnad Investments Ltd., by virtue of beneficial ownership of securities in the Company, could elect or cause to be elected a majority of the Directors of the Company.

(w) There have been no dividends paid within the five (5) years preceding the date of this Prospectus.

(x) There is no other material fact not declared under any other provision of this Act.

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

(z) There are no underwriters or optionees of the securities of the Company.

DATED at Vancouver, British Columbia this 21st day of June A.D., 1966.

GORDON T. HUTCHINSON

C. WILSON

B. F. MESSNER

~~J. A. C. CARTER~~

S. H. KONSMO

T. S. RUSK  
I. M. BURNETT

**WANDA MINES & EXPLORATIONS LTD.**  
(Non-Personal Liability)

**BALANCE SHEET**  
as at May 30, 1966

**ASSETS**

Cash.....		\$10,808.08
Equipment – at cost.....		750.00
Option to Purchase Mining Claims (Note 1).....		76,500.00
Deferred Expenditures:		
Exploration and development.....		4,277.91
Incorporation Expense.....		1,961.48
		\$94,297.47

Approved on behalf of the Board:  
~~J. A. C. CARTER~~, Director  
~~SYDNEY KONSMO~~, Director

**LIABILITIES**

<b>CURRENT LIABILITIES:</b>		
Accounts payable.....	\$ 1,269.98	
Employees' deductions.....	26.99	\$ 1,296.97

**SHAREHOLDERS' EQUITY**

<b>SHARE CAPITAL:</b>		
Authorized —		
5,000,000 shares, par value \$1.00 each.....	\$5,000,000.00	
Issued (Note 2) —		
550,000 shares for option rights.....	75,000.00	
120,005 shares for cash.....	18,000.50	93,000.50
		\$94,297.47

**AUDITORS' REPORT**

To the Directors  
Wanda Mines & Explorations Ltd. (N.P.L.)

We have examined the balance sheet of Wanda Mines & Explorations Ltd. (N.P.L.) as at May 30, 1966. 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 presents fairly the financial position of the Company as at May 30, 1966 in accordance with generally accepted accounting principles.

June 20, 1966  
Vancouver, B.C.

COLLINS & COLLINS,  
Chartered Accountants

**WANDA MINES & EXPLORATIONS LTD.**  
(Non-Personal Liability)

**NOTES TO THE BALANCE SHEET**  
**as at May 30, 1966**

1. The Company has acquired an option to purchase certain mining claims in the Province of British Columbia. The consideration for this option is 550,000 fully paid shares of the Company plus \$100,000.00 payable as follows:

April 7, 1966 (paid).....	\$1,500.00
July 7, 1966.....	1,500.00
October 7, 1966.....	3,500.00
January 7, 1967.....	3,500.00

and then minimum quarterly instalments of \$2,500.00 provided that the balance is payable by October 1, 1976. In the event of the mine being brought into production the minimum payments may be increased dependent on ore production. There is a contingent allotment of 200,000 shares which, in the event the mine comes into production, may be issued. This contingent allotment is to be reduced to the extent that payment is made on the \$100,000 — otherwise than out of production at the rate of \$0.50 per share.

2. **Details of Shares Issued:**

Consideration	Par value of shares issued	Discounts	Net
Option to purchase mining claims.....	\$550,000.00	\$475,000.00	\$ 75,000.00
Cash .....	120,005.00	102,004.50	18,000.50
	<u>\$670,005.00</u>	<u>\$577,004.50</u>	<u>\$ 93,000.50</u>

## INTRODUCTION

Accompanied by R. Carter, representing Wanda Mines and Explorations Ltd., and F. Messner, owner of the group, and by M. Messner, the writer visited the Debenture Group of claims, which is under option to Wanada Mines and Explorations Ltd., on April 27, 1966 for the purpose of making an examination of the surface and underground workings on the property.

Snow covered the portal of the only tunnel on the property to a depth of eight feet or more and rendered the surface exposures inaccessible because of the dangerously steep slopes and the layered con-

dition of the snow. It was possible, however, to examine the tunnel once it was located and to get close enough to the surface showings to verify that reports by R. G. Clothier and G. C. McCartney, which are available for perusal, are correct as to the physical properties of the veins.

Samples were taken underground but could not be taken on the surface and so statements of grade and calculations of reserves of mineable ore cannot be made. Reference is therefore made to the earlier reports for this information.

## SUMMARY AND CONCLUSION

Located on the south side of Debenture Creek close to its source in the Babine Mountains 20 miles from Smithers, veins of high-grade silver ore outcrop on precipitous slopes underlying the Debenture Group of mineral claims. Because of some high silver assays and a generally good grade reported in old reports, the writer considers that a modest

program of diamond drilling, drifting and raising should be undertaken to determine if sufficient tonnage can be developed to warrant installation of a milling plant, and failing this, to determine whether there is enough salvage to warrant shipping to the New Cronin mill about 12 miles distant.

## PROPERTY AND OWNERSHIP

The Debenture Group consists of six crown-granted claims and one crown-granted fractional claim. These are the Debenture on which the main showing and tunnel are located, the Bison, B and M, Galena, Mogul, Right Rim and Center fraction,

which cover some 300 acres. Title to these claims is vested in the name of F. Messner and they (the claims) are under option to Wanda Mines and Explorations Ltd.

## LOCATION, ACCESSIBILITY AND FACILITIES

The claims are at elevations plus and minus 5,000 feet in rugged mountains, 20 air miles north-east of Smithers and some 11 miles from the nearest road. Smithers, on the CNR, is the nearest town at which the necessary facilities and supplies are available.

It is estimated that a winter cat-road will cost about \$20,000. Before any road is built, the ground should be reconnoitered carefully to avoid known

water-saturated ground as much as possible. A right-of-way at least one hundred feet wide should be cleared to allow the sun and air to penetrate to the road bed in this area. It will take time to build this road and, in the meantime, equipment and supplies for preliminary exploration should be flown in by the larger helicopters now based at Smithers. These aircraft are capable of carrying 1,500 pounds.

## HISTORY, PREVIOUS WORK AND RECOMMENDATIONS

It appears that the showings on which the claims were staked were found in 1913 by Mr. H. Bretzius. In 1916 George Clothier, who became resident mining engineer in 1917, recommended a crosscut tunnel which was apparently completed in that year, for in the following year he recommended additional work in the form of drifting on the vein, previously exposed in the crosscut. He also recommended that a winter road be located and built and that a start be made on a larger deep-level crosscut to conform to the site of a concentrator. No part of this latter

work has ever been done. In 1948, R. L. Clothier, a younger brother of George Clothier, employed Mr. G. C. McCartney of Toronto to write a report. Mr. McCartney made an excellent presentation and recommended a program of drifting, raising and diamond drilling. Again none of this work has been done. The price of silver is now higher than in 1916 or 1948 and the need for it is much more critical. It seems, therefore, that recommendations previously made are worthy of consideration with modifications to suit modern techniques.



## GEOLOGICAL CONSIDERATIONS

The rocks in the immediate vicinity of the vein occurrences are all rhyolites and are much shattered and in some places fractured. It is characteristic throughout the area that continuous ore structures are not to be expected but the ores are generally quite rich and, once made accessible by road, probably will warrant extraction. That better than average continuity may be expected on the Debenture property is indicated by old plans which show that veins No. 1 and 2 have a combined outcrop length of some 700'. An additional 100' length may be added to the No. 2 vein if an intersection in the tunnel at 325' from the portal is proved to be this vein. There is a fault about 400' below the outcrop and some 25' above the tunnel. In the tunnel below, there is a very narrow break which may or may not be related to the main lead. A vein showing

18" of good galena cuts across the tunnel with a slight displacement at 320' on the left wall and 325' on the right wall. It is probably irregular in width and would have to be followed by drifting before a reliable estimate of its average width could be obtained. This vein dips southerly, the same as No. 2 vein, whereas the No. 1 vein on the surface dips northerly. It may therefore be an offshoot from the main No. 1 vein, it may be part of No. 2 vein or it may be an entirely different oreshoot. It is also possible that all three are parts of one vein displaced by faulting. It is, of course, desirable that there are several veins as more tonnage may then be developed and it would be much easier to develop sufficient working faces to maintain a milling operation.

To answer these questions it is necessary that more work will be undertaken.

## PROPOSED PROGRAM

To gain adequate information on the veins at tunnel level and above, further drifting and raising would give the most reliable answer and would provide access for extraction purposes.

Below the tunnel level diamond drilling, preferably using "N" bits for better recovery on the vein, would give the quickest indication as to whether ore extends below the drift and under the gulches on either side of the outcrop ridge. If sufficient ore were found in the drilling, then and only then, would a deep-level, main-haulage crosscut from the valley of Debenture Creek be warranted.

It is proposed, therefore, that a row of holes be drilled to tap the No. 1 vein at 100 to 150 feet below the tunnel at intervals of 150 to 200 feet, depending on suitability of drill sites. This would require about 450 feet of drilling. If the vein is found in these holes another row of holes to tap the vein at 250 to 300 feet below the tunnel should be drilled. This would require an additional 750 feet of drilling. If these are successful in finding the vein and it is of ore grade, then there would be reasonably established about 32,000 tons of ore for every foot of vein thickness. Thus a vein averaging five feet in thickness would contain 160,000 tons with the possibility of more along strike or down dip.

The second vein described in old reports as No. 2 vein may very well contain a substantial additional tonnage even if it is only a faulted extension of No. 1 vein. This appears to be unlikely as it has an opposite dip which corresponds to the dip of the vein in the tunnel at 320 to 325 feet from the portal. On the basis of the 400 foot length and 400 foot

depth indicated for this vein, there is an indicated tonnage of 25,000 tons of good grade ore with an average width of 18 inches. Doubling the length and depth would give 100,000 tons. A grab sample of the vein material, representative of about 18 inches in the tunnel, assayed 44.6 ounces silver, 17.40% lead, 6.95% zinc and 0.08% copper. A channel sample across 18 inches of vein material and another across three feet of mineralized wall rock have been submitted for assay. The results, when obtained, will be added as an appendix. If the same silver-to-lead ratio is obtained as in the above sample, the possibilities of this vein are quite attractive and warrant a modest expenditure to prove continuity.

In addition to drifting on the vein, some diamond drilling from the face of the crosscut is indicated. At least one hole drilled vertically to tap the vein about 150 feet below the adit should be drilled. If this is successful in intersecting the vein two other holes should be drilled going east at -45 degrees and west at -45 degrees and each 275 feet long to tap the vein at a depth of 150 feet at 150 feet on each side of the adit. This would establish a reasonable certainty of continuity and would involve a total of 600 feet of drilling. Further depth exploration should be done from a crosscut from the valley bottom to be driven if the drilling has proved depth extensions of one or both veins.

At the same time as the outside drilling is underway, a program of raising and drifting could be undertaken to obtain a better evaluation of the average width and grade of the ore. A raise should

be driven to the bottom of the apparently faulted No. 1 vein and drifts driven each way for at least 50 feet. Drifts should also be driven each way for a similar distance on No. 2 vein.

The engineer in charge would geologically map the claims while the work was in progress. This program of work would take about two months to complete and would cost:

Establishment of camp	
for 10 men .....	\$ 2,000.00
Board .....	\$ 2,000.00
Labor other than contract .....	\$16,000.00
Compensation and fringe benefits	\$ 2,400.00
Contract drilling – surface .....	\$12,000.00
Underground .....	\$ 3,000.00
Equipment purchases .....	\$ 6,000.00

Rentals .....	\$ 1,500.00
Freighting of supplies (20 tons)....	\$ 3,000.00
Transportation of personnel .....	\$ 1,000.00
Engineering .....	\$ 2,000.00
<b>Total cost on property</b> .....	\$50,900.00
Contingencies .....	\$ 5,000.00
Road construction .....	\$20,000.00

On completion of this program it will be necessary to decide whether the results warrant further work to develop the veins before preparing for production, whether it will be advisable to undertake a salvage operation on the ore developed or whether the property should be abandoned.

Respectfully submitted,  
J. A. MITCHELL

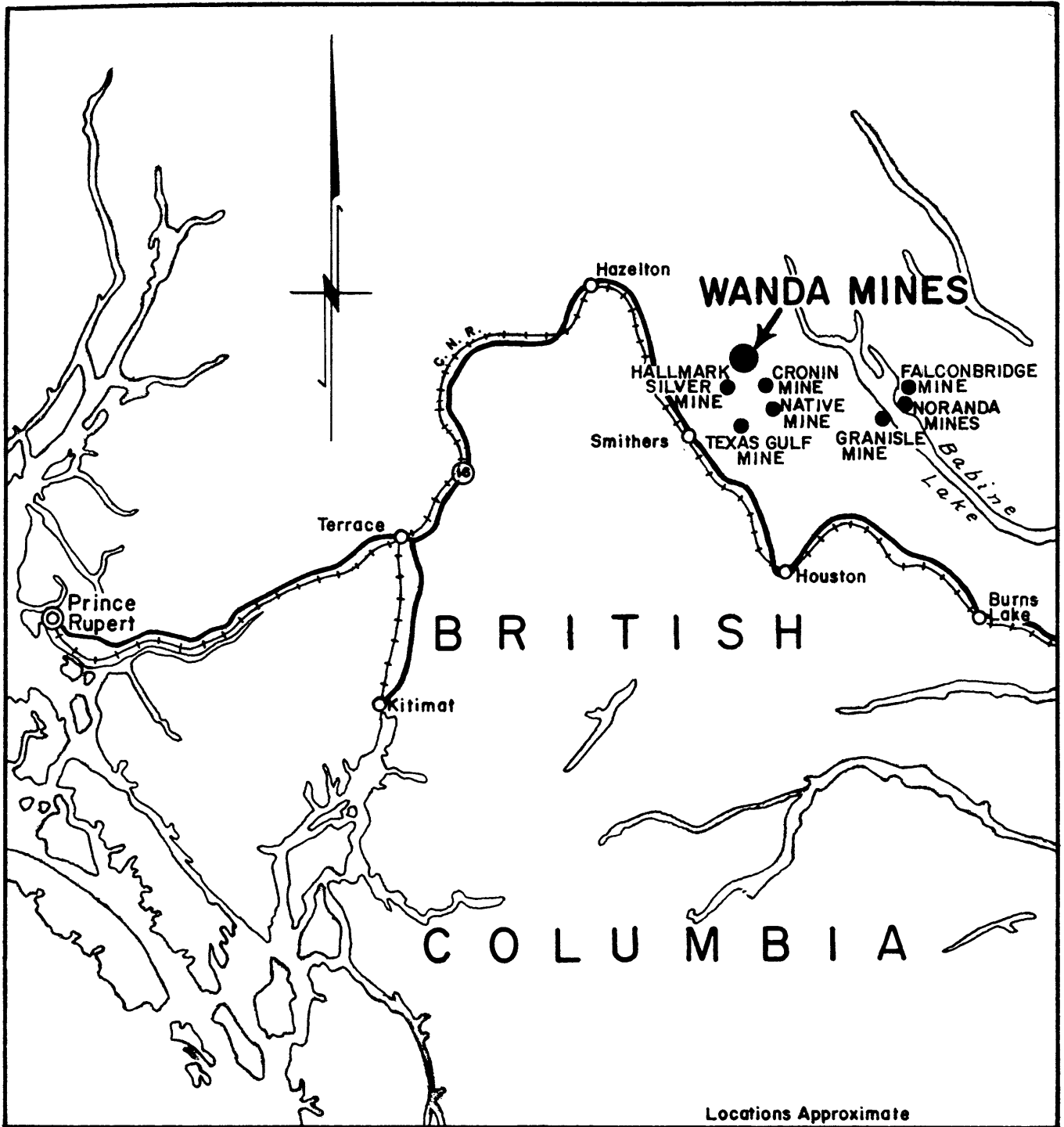
### **CERTIFICATION**

I, James A. Mitchell, of the City of West Vancouver, in the Province of British Columbia, hereby certify as follows:—

1. That I am a Registered Professional Engineer of the Province of British Columbia and reside at 2991 Mathers Avenue, West Vancouver, B.C.
2. That I graduated from the University of B.C. in 1932 with a Degree of Bachelor of Applied Science in Mining.
3. That I have no personal interest either directly or indirectly in the property known as the Debenture Group.
4. That this report is based on examinations made in June and July of 1964 and in March 1966 and is supplemented from other information submitted by the owner on reports by other engineers which I believe to be reliable.

J. A. MITCHELL, P.Eng.,  
Consulting Mining Engineer

Vancouver, B.C.  
May 3rd, 1966



Locations Approximate

