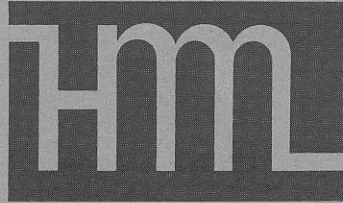
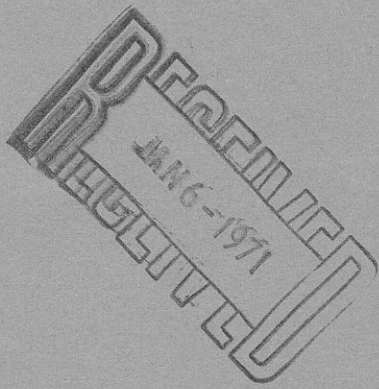


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HOGAN MINES LTD. (N.P.L.)



## FIFTH ANNUAL REPORT

For The Year Ended August 31, 1970



**HOGAN MINES LTD. (N.P.L.)**

811 - 850 WEST HASTINGS STREET  
VANCOUVER 112, B. C.  
(604) 684-5433

GEO. BLEILER, President

A. G. HODGSON, Vice-President



**HOGAN MINES LTD. (N.P.L.)**

811 - 850 WEST HASTINGS STREET  
VANCOUVER 1, B.C.  
(604) 684-5433

D. A. McLEOD  
Gen. Manager

Res. 926-4054

**H O G A N   M I N E S   L T D.   ( N . P . L . )**

**ANNUAL REPORT**

1970

**EXECUTIVE OFFICES**

Suite 811 – 850 West Hastings Street  
Vancouver 1, B. C.

**HEAD OFFICE**

Vancouver, Canada

**OFFICERS AND DIRECTORS**

GEORGE BLEILER	–	President
D. A. McLEOD	–	Gen. Manager
A. G. GRAHAM	–	Secretary-Treasurer
A. G. HODGSON	–	Director
B.G.E. GUICHON	–	Director
A. ALMOND	–	Director

**REGISTRAR AND TRANSFER AGENT**

Guaranty Trust Company of Canada,  
Vancouver, B. C.

**AUDITORS**

MacGillivray & Co.  
Vancouver, B.C.

**BANKERS**

The Toronto Dominion Bank  
839 W. Hastings at Hornby Street  
Vancouver, B. C.

**SOLICITORS**

Rodgers, Major & Company  
Vancouver, B. C.



## ANNUAL REPORT TO SHAREHOLDERS

The board of directors is pleased to present the fifth annual report of Hogan Mines Ltd. (N.P.L.) for the year ending August 31, 1970.

During the fiscal year 1969 – 1970 numerous new properties were examined resulting in the acquisition of four separate claim groups in Nevada U.S.A. all of which will be described later in this report, along with a brief description of the various activities of your Company by Mr. D. A. McLeod who joined Hogan Mines in April 1970 as a Director and General Manager.

Your Company intends to continue its aggressive search for worthwhile mining properties in western Canada and U.S.A., and at the present time several interesting situations are under consideration. Your Company will also continue its policy of seeking major Company participation whenever a property that justifies major capital expenditures is encountered.

Your directors take this opportunity to express their thanks to all the shareholders for their continued support.

Respectfully submitted,  
On Behalf of the Board,

“GEORGE BLEILER”

GEORGE BLEILER,  
President.

**THE DIRECTORS,  
HOGAN MINES LTD. (N.P.L.)**

**Gentlemen :**

The following is a brief description of your Company's activities on its various properties during the period September 1st, 1969 to August 31st, 1970.

**Kwanika Creek**

This potential large tonnage low grade copper property, consisting of 109 claims, is located on Kwanika Creek close to the P.G.E. railroad extension, now under construction, out of Fort St. James. A Calgary based Oil Company has had these claims under option since 1969. During the summer of 1970 this Company completed its work commitment by conducting an Induced Polarization survey over part of the claim group and the drilling of two 1,200 ft. diamond drill holes. The results of the diamond drilling are as follows:

	<b>Interval</b>	<b>Assay</b>
Hole No.1	30' - 610'	.169 % Cu
Hole No. 2	30' - 620'	.214 % Cu

**Grantsville Silver, Nevada, U.S.A.**

This property consists of 17 patented claims and 21 unpatented claims. They have been optioned from Lindsay and Gordon Smith of Gabbs, Nevada and at the same time an agreement was entered into with Croydon Mines Ltd. of Vancouver whereas Croydon would finance the initial expenditures on the property. A brief outline of the joint agreement is as follows:

- (a) A new Company called Hogan Mines (Nevada) Inc. has been incorporated under the laws of the state of Nevada with a fully paid up capital of 100 shares. Hogan Mines B. C. has received \$8,500.00 and 42 1/2 shares from Hogan Mines (Nevada) Inc. for the assignment to Hogan Nevada of the Smith option.
- (b) The option with the Smiths was renegotiated whereas the Smiths shall be paid \$150,000.00 over a period of 5 years or 6% of the net smelter returns to a maximum of \$150,000.00, whichever amount is greater and 15 shares in Hogan Mines (Nevada) Inc.
- (c) For 5 shares of Hogan Mines (Nevada) Croydon paid Hogan Nevada Inc. \$8,500.00.
- (d) Croydon agrees to spend up to \$45,000.00 on exploration on the claims, and for each unit of \$1,200.00 actually spent on the property, Croydon shall receive 1 share of Hogan Nevada.

Thus, if Croydon spends the \$45,000.00 mentioned above the division of ownership in Hogan Nevada would be Hogan B.C. 42 1/2 %/o, Croydon 42 1/2 %/o and the Smiths 15 %/o.

- (e) When Croydon has fully expended \$45,000.00 on the property then Croydon and Hogan can equally participate in future expenditures for exploration and development, by each Company contributing 50 %/o of the monies required. However, if either party elects not to proceed and the other party does, then whichever party expends \$50,000.00 on the property its interest shall increase by 10 %/o and the party that does not participate its interest shall decrease by 10 %/o, but in no case shall either parties interest become less than 10 %/o.
- (f) For every unit of 25 shares or part thereof each party is entitled to one director. The directors at the present are Mr. MacGonigle of Croydon, Mr. Bleiler and D. A. McLeod.

The property is located 24 miles east of Gabbs, Nevada, and work is based on a report by L. J. Manning & Associates Ltd., consultants. A program costing \$112,000.00 in sampling, geological mapping and an induced polarization survey to be followed by diamond drilling was recommended.

The consultant states, "Irregular shears and fracture zones in limestone are mineralized with quartz-calcite stringers and associated pyrite, galena and sphalerite, while replacement mineralization occurs in the limestone wall rocks. Some of the old stopes are up to 150 feet by 100 feet by 30 feet with mineralization observed in the walls and backs." One sample taken along a wall of an old stope returned the following: 7.02 oz. per ton silver, 1.02 %/o lead and 1.00 %/o zinc. All available records indicate that high grade sections were mined and grab assay of this better grade material returned the following: 0.03 oz. gold, 34.19 oz. silver, 4.25 %/o lead, 4.15 %/o zinc and 0.3 %/o bismuth. All sampling indicated a silver - lead ratio of 8 oz. silver to 1 %/o lead. The consultant concludes, "The structural control in the stratigraphic unit, the siliceous capping with the obvious exploration problems for the old timers, the indicated size of the old stopes for underground mining methods and the extensive replacement-type mineralization which may present an open pit potential present a favourable area for exploration."

The I.P. survey and geological mapping program was completed on September 10th, 1970 and subsequently on the recommendations of our consultants a first phase diamond drill program commenced on October 21st, with expected completion by November 30th, 1970. Results from this program will be evaluated and then reported to shareholders.

#### **Gerry Lake, Ontario**

The exploration agreement on these claims by Metalgesellschaft was terminated in August 1970. No further work is planned for this area.

**Pine Marten, North Bend, Washington, U.S.A.**

During the summer of 1970 McIntyre Porcupine Mines Ltd., completed 3 diamond drill holes totaling 2,000 feet on this option. The results of this program were considered discouraging and it is expected that McIntyre will terminate its agreement with Hogan and subsequently Hogan will terminate its agreement with Devil's Canyon Mining Company, the vendor of these claims.

**Sul Group, Nevada, U.S.A.**

Through its shareholdings in Mundo Mines Ltd., Hogan has approximately a 4 % interest in this group which is under option to McIntyre Porcupine Mines Ltd., McIntyre has advised Mundo that they have completed an extensive exploration program on this property and are presently evaluating the results, and will supply Mundo with an up to date report when this evaluation is completed.

**Bond & B.B. Claims, Cache Creek, B. C.**

A 10 % non assessable interest in 28 well located claims and fractions was acquired in partnership with Madrona Explorations of Vancouver who contributed most of the cost of staking and all of the cost of surveying this important claim group. The claims adjoin the north end of a reported new major discovery by Bethlehem Copper about 8 or 9 miles north of Cache Creek, B.C. Madrona is the manager of this property and due to a recent change in Madrona management we are unsure at this time of what Madrona's plans for exploration for this group will be.

**Luning Nevada Copper Properties**

Under three separate agreements Hogan Mines Ltd., has acquired by option 26 lode claims along with 28 placer claims near Luning, Nevada covering an area of extensive copper mineralization in silicified limestone and argillite, bleached limestone, quartz latite (skarn) and quartz monzonite porphyry.

In the silicified zone which is 300 – 600 feet in width extending along a length of 5,000 feet copper occurs along with low silver and tungsten values. The zone has been explored by surface sampling and sampling of an old adit. Assays on the weathered surface range from 0.06 % – 0.50 % Cu. with chips taken along 100 ft. intervals, and grab samples of vein material within the zone grading over 3 % Cu. Two trenches have been cut with a ripper equipped bulldozer. The first trench assayed 0.495 % Cu. over 40 ft. A grab sample from the other trench graded 1.68 % Cu.

Copper and powellite occur in the skarn zone which extends for a distance of 2,000 ft. across widths of 200 – 400 feet.

Mineralization is also present in the quartz monzonite porphyry but surface exposures are highly leached.

This property presents the possibility of a large tonnage of near surface ore, amenable to open pit mining methods and also the possibility of developing ore in underlying intrusive rocks. The area is near paved highways and in an area where exploration can be carried on without seasonal interruptions.

Several Companies with major finances have expressed an interest in providing financing for this project and negotiations are presently well underway with one of these major U.S. mining Companies and the terms of the agreement will be reported to the shareholders upon completion.

**Tchentlo Lake, Northern B.C.**

Of 140 claims held in this area all were allowed to lapse but 31 which are optioned to Senate Mining of Vancouver. Hogan and Marc Explorations of Prince George each hold a 50 % interest in these claims. The option agreement with Senate calls for \$20,000.00 over an 18 month period, \$10,000.00 of this amount has been received and due to adverse financing conditions a 6 month extension of the balance of the payments has been granted to Senate. Senate completed a geochemical survey and has filed one year's assessment work.

I would like to take this opportunity to express my thanks to all the Hogan Directors for their past co-operation and suggest we can all look forward to a continuing and successful future for the Company.

Respectfully submitted,

"D. A. McLEOD"

D. A. McLeod,  
Manager & Director.



VANCOUVER  
CALGARY  
TORONTO  
HAMILTON  
BRAMPTON  
ST. CATHARINES  
PORT COLBORNE  
MONTREAL

# MacGillivray & Co.

SUCCESSORS TO: BROWN, STEELE, JOHNSTONE & COMPANY

*Chartered Accountants*

550 BURRARD STREET, VANCOUVER 1, CANADA

J. J. BROWN, B.Com., C.A.

D. G. STEELE, B.A., C.A.

K. S. JOHNSTONE, C.A.

J. D. CRAIG, C.A.

W. D. Radbourne, C.A.

HOGAN MINES LTD. (N.P.L.)

Vancouver, B. C.

## AUDITORS' REPORT TO THE SHAREHOLDERS

We have examined the Balance Sheet of Hogan Mines Ltd. (N.P.L.) as at August 31st, 1970 and the Statement of Source and Application of Funds for the year then ended. Our examination included a general review of accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

We have not verified title to the mineral claims directly with the Government Registry Offices. We have received confirmation from the solicitor of the Company that the Company is the beneficial owner of all claims recorded in the books of the Company and that all claims owned or held under option are in good standing.

Subject to the foregoing, in our opinion, these financial statements present fairly the financial position of the Company as at August 31st, 1970 and the source and application of its funds for the year then ended, in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Vancouver, Canada  
October 2nd, 1970

"MacGillivray & Co."  
*Chartered Accountants*

HOGAN MINES LTD. (N.P.L.)  
Vancouver, B. C.

Exhibit "A"

BALANCE SHEET AS AT AUGUST 31st, 1970  
(with comparative figures for 1969)

A S S E T S			LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT ASSETS	1970	1969	CURRENT LIABILITIES	1970	1969
Investments	\$ 66,000	\$ 76,000	Bank overdraft	\$ 2,665	\$ 93
Accrued interest receivable	432	338	Accounts payable	3,838	4,000
Prepaid expenses and sundry receivables	5,386	1,139		<u>6,503</u>	<u>4,093</u>
	<u>71,818</u>	<u>77,477</u>			
INVESTMENT, at cost (Note 1)	<u>11,000</u>	<u>—</u>	SHAREHOLDERS' EQUITY		
MINERAL CLAIMS AND PROPERTIES HELD UNDER OPTION at cost (Note 2)	<u>26,596</u>	<u>7,017</u>	Share Capital (Note 4)		
FIXED ASSETS, at cost (Note 3)			Authorized:		
Camp buildings	2,992	2,992	5,000,000 common shares without par value		
Automotive equipment	5,464	4,924	Issued for cash:		
Camp equipment	1,016	1,016	1,958,377 shares	449,396	369,396
Office equipment	1,601	1,496	Issued for properties:		
	<u>11,073</u>	<u>10,428</u>	600,625 shares	<u>36,531</u>	<u>36,531</u>
DEFERRED COSTS			Total issued:	485,927	405,927
Exploration and development expense, per Schedule "1"	76,050	70,040	2,559,002 shares		
Administration expense, per Schedule "2"	43,613	25,677	Deficit (Note 5)		
Organization costs	1,603	1,603	Abandonment of mineral claims	( 250,677)	( 217,778)
	<u>121,266</u>	<u>97,320</u>		235,250	188,149
	<u>\$241,753</u>	<u>\$192,242</u>		<u>          </u>	<u>          </u>

APPROVED ON BEHALF OF THE BOARD

"A. G. HODGSON" — Director

"D. A. McLEOD" — Director

HOGAN MINES LTD. (N.P.L.)  
Vancouver, B. C.

Exhibit "B"

NOTES TO THE FINANCIAL STATEMENTS AS AT AUGUST 31st, 1970

1. INVESTMENT

During the year the Company purchased 40,000 shares of Mundo Mines Ltd. (N.P.L.) for \$.25 per share. Since Mundo Mines Ltd. (N.P.L.) is a private company there is no quoted market value for the shares.

\$10,000

In addition the Company acquired 150,000 escrow shares of Mundo Mines Ltd. (N.P.L.) for \$1,000 in costs attributed to the investment.

1,000

\$11,000

2. MINERAL CLAIMS AND OPTIONS

A. Pine Marten Group

The Company has acquired an option on 21 lode mining claims situate in the Beauna Vista Mining District, Washington, U.S.A. for \$500.

The agreement provided that \$15,000 must be expended on exploration and development by December 31st, 1969, and an additional \$50,000 by December 31st, 1970.

If these provisions are met, the Company can incorporate a new company to which the claims will be transferred and in which Hogan will indirectly have a controlling interest.

The Company entered into an agreement with McIntyre Porcupine Mines Limited whereby McIntyre will expend the \$50,000 on exploration and development required by December 31st, 1970 and will carry out an extended exploration program on the property.

\$ 500

B. Kwanika Group

The Company holds 111 mineral claims in the Kwanika district of the Omenica Mining District, British Columbia, acquired for 515,625 shares valued at \$.01 a share, and sundry costs of \$441.

The Company has assigned a 70 % interest in this property to Great Plains Development Company of Canada Ltd. In return for this interest, Great Plains expended \$25,000 on the property by December 31st, 1969 and must expend an additional \$50,000 by December 31st, 1970 and an additional \$100,000 by December 31st, 1971. If Great Plains meets these obligations it may incorporate a new company to which the claims will be transferred for 750,000 shares, of which 225,000 will be issued to Hogan Mines Ltd. (N.P.L.)

5,597

Carried forward

\$ 6,097

2. MINERAL CLAIMS AND OPTIONS (continued)

Brought forward \$ 6,097

C. **Red Lake Group**

During the year the Company entered into an option agreement whereby the optionee may, by December 31st, 1972, acquire a 75 % interest in the Company's 92 mineral claims situate in the Red Lake Mining Division of Ontario by spending \$150,000 on exploration work.

920

Subsequent to the year end the Company released the optionee from the agreement.

D. **Luning Group**

During the year the Company acquired options on 52 claims situate in the State of Nevada, with a total purchase price \$1,100,500 U.S. These options are payable as follows:

**E. Dawson Option** – \$300,000 U.S., of which \$1,750 U.S. has been paid to date with further installments of \$500 U.S. due every 90 days during the year ending July 2nd, 1971; \$1,000 U.S. due every 90 days during the year ending July 2nd, 1972; \$2,000 U.S. due every 90 days during the year ending July 2nd, 1973; \$3,000 U.S. due every 90 days during the year ending July 2nd, 1974. The balance of \$272,500 U.S. is to be paid at the rate of \$12,000 U.S. or 5 % of the net smelter returns, whichever is greater.

\$ 1,831

**G. Dawson Option** – \$300,000 U.S., of which \$1,000 U.S. was payable on August 31st, 1970, with two further installments of \$2,000 U.S. due January 1st, 1971 and July 1st, 1971 and two further installments of \$5,000 U.S. due January 1st, 1972 and July 1st, 1972. The balance of \$285,000 U.S. is to be paid at the rate of \$10,000 U.S. per annum or 5 % of the net smelter returns, whichever is greater.

1,000

**E. Johns Option** – \$500,500 U.S., of which \$5,500 U.S. has been paid to date, with further installments of \$10,000 U.S. due February 15th, 1971 and \$15,000 U.S. due February 15th, 1972. The balance of \$470,000 U.S. is to be paid at the rate of \$12,000 U.S. per year or 5 % of the net smelter returns, whichever is greater.

5,699

8,530

Carried forward

\$15,547

HOGAN MINES LTD. (N.P.L.)  
Vancouver, B. C.

Exhibit "B"

NOTES TO THE FINANCIAL STATEMENTS AS AT AUGUST 31st, 1970 *Cont'd.*

2. MINERAL CLAIMS AND OPTIONS (continued)

Brought forward \$15,547

E. Grantsville Group

During the year the Company acquired an option on 16 patented lode claims situate in the State of Nevada for a total consideration of \$252,200 U.S. of which \$10,400 U.S. has been paid. The balance is payable in annual installments, the last of which is due on April 28th, 1975.

In addition, the Company has staked a further 29 mineral claims adjacent to those under option. Subsequent to the year end this option was sold (Note 7).

10,956

F. Bon Group

During the year the Company acquired a 10<sup>0</sup>/<sub>o</sub> interest in 26 mineral claims situate in the Kamloops Mining District, British Columbia, for \$93 representing the Company's share of staking costs.

93

\$26,596

3. DEPRECIATION

No provision for depreciation of fixed assets has been made.

4. SHARE CAPITAL

The Company issued 300,000 shares for \$80,000 cash during the year.

An underwriting firm has an option to purchase 200,000 shares at \$.25 each on or before November 27th, 1970.

Two directors of the Company, under employment agreements, each have an option to purchase 58,500 shares of the Company at \$.25 per share. The options are offered in three annual amounts of 19,500 shares and may only be exercised in the applicable year. The expiry dates are May 15th, 1971, 1972 and 1973.

5. DEFICIT

Claim groups have been abandoned and the related costs have been written off to deficit as follows :

5. DEFICIT (continued)

Balance at August 31st, 1969		\$217,778
Abandoned during the year:		
Tchentlo Group	\$ 275	
Burney Group	1,079	
Exploration and development expenses	23,293	
Administration expenses	13,175	
	<u>37,822</u>	
Less : Gain on sale of properties	4,923	<u>32,899</u>
		<u>\$250,677</u>

6. DIRECTORS' REMUNERATION

During the year salaries totalling \$20,800 were paid to directors of the Company for services rendered.

7. SUBSEQUENT EVENTS

On September 24th, 1970 the Company received \$3,000 cash from the optionees of the Red Lake Group as consideration for their release from the option agreement. (Note 2-C)

The Company has entered an agreement whereby it is to receive \$8,500 cash and 68 <sup>0</sup>/<sub>o</sub> of the issued share capital of Hogan Mines (Nevada) Inc. as consideration for relinquishing all its right, title and interest to the option on the Grantsville Group. (Note 2-E) Upon completion of a work program by a third party the Company's interest will be reduced to 42 <sup>1</sup>/<sub>2</sub> <sup>0</sup>/<sub>o</sub> of the issued share capital.

**HOGAN MINES LTD. (N.P.L.)**  
**Vancouver, B. C.**

Exhibit "C"

STATEMENT OF SOURCE AND APPLICATION OF FUNDS  
 FOR THE YEAR ENDED AUGUST 31st, 1970  
 (with comparative figures for 1969)

SOURCE OF FUNDS	<u>1970</u>	<u>1969</u>
Sale of shares	\$80,000	\$78,750
Sale of properties	5,000	—
	<u>85,000</u>	<u>78,750</u>
<b>APPLICATION OF FUNDS</b>		
Acquisition of mineral claims and options	21,010	3,025
Organization costs	—	505
Purchase of fixed assets, net	645	130
Exploration and development expenses	29,303	63,472
Administration expenses	31,111	24,735
Investment (Note 1)	11,000	—
	<u>93,069</u>	<u>91,867</u>
INCREASE IN WORKING CAPITAL	( 8,069)	13,117
WORKING CAPITAL AT BEGINNING OF YEAR	<u>73,384</u>	<u>86,501</u>
WORKING CAPITAL AT END OF YEAR	<u><u>\$65,315</u></u>	<u><u>\$73,384</u></u>

**HOGAN MINES LTD. (N.P.L.)**  
**Vancouver, B. C.**

Schedule "1"

**EXPLORATION AND DEVELOPMENT EXPENSE**  
**FOR THE YEAR ENDED AUGUST 31st, 1970**

	Pine Marten Group	Kwanika Creek Group	Red Lake Group	Grantsville Group	Luning Group	Sul Group	Tchentlo Group	General Expense	Total
BALANCE, at August 31st, 1969	<u>\$5,564</u>	<u>\$54,645</u>	<u>\$5,930</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$3,901</u>	<u>\$ —</u>	<u>\$70,040</u>
<b>EXPENDITURES FOR YEAR</b>									
Assay and assessment	33	—	—	137	162	174	49	1,346	1,901
Board and lodging	—	—	—	287	124	—	26	—	437
Camp supplies	197	—	—	—	—	—	54	88	339
Consulting and engineering fees	400	—	—	824	610	—	1,173	1,450	4,457
Equipment repairs and maintenance	300	—	—	20	—	—	9	665	994
License and taxes	—	—	25	—	—	—	—	—	25
Maps and blueprinting	2	—	—	63	30	44	—	85	224
Miscellaneous	—	—	—	35	9	—	5	29	78
Prospecting and field expense	—	—	—	—	92	67	432	3,321	3,912
Recording	—	—	—	—	15	—	6	—	21
Staking	—	—	—	407	8	—	—	12	427
Salaries, wages and assessments	403	201	—	1,303	1,438	525	1,049	6,770	11,689
Stripping, trenching and bulldozing	—	—	—	350	180	—	—	—	530
Telephone	20	4	49	189	306	40	22	483	1,113
Travel and freight	48	—	—	636	1,004	772	380	1,316	4,156
	<u>1,403</u>	<u>205</u>	<u>74</u>	<u>4,251</u>	<u>3,978</u>	<u>1,622</u>	<u>3,205</u>	<u>15,565</u>	<u>30,303</u>
	<u>6,967</u>	<u>54,850</u>	<u>6,004</u>	<u>4,251</u>	<u>3,978</u>	<u>1,622</u>	<u>7,106</u>	<u>15,565</u>	<u>100,343</u>
Less: Transferred to deficit on abandonment of claims	—	—	—	—	—	1,622	7,106	14,565	23,293
Cost attributed to investment (Note 1)	—	—	—	—	—	—	—	1,000	1,000
	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>1,622</u>	<u>7,106</u>	<u>15,565</u>	<u>24,293</u>
TOTAL, to Exhibit "A"	<u>\$6,967</u>	<u>\$54,850</u>	<u>\$6,004</u>	<u>\$4,251</u>	<u>\$3,978</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$76,050</u>



HOGAN MINES LTD. (N.P.L.)  
Vancouver, B. C.

Schedule "2"

ADMINISTRATION EXPENSE  
FOR THE YEAR ENDED AUGUST 31st, 1970

TOTAL, to August 31st, 1969

\$25,677

EXPENSES FOR THE YEAR

Accounting	\$ 1,448
Bank charges and interest	234
Consulting	500
Dues and subscriptions	949
Filing fees	500
Insurance	115
Legal and audit	7,712
Licenses and taxes	543
Office rent	2,220
Promotion and advertising	1,646
Printing, stationery and office supplies	589
Registrar and transfer fees	568
Shareholders' information	2,107
Telephone and telegraph	807
Travel	1,061
Wages and assessments	<u>13,366</u>

34,365

Less: Interest on investments

3,254

31,111

Portion allocated to deficit

56,788

13,175

TOTAL, to Exhibit "A"

\$43,613

