

Property Submitted
92P-4

811562

November 22nd, 1971,

Mr. Gerald Budzinski,
6508 - 94A Avenue,
Edmonton, Alberta.

Dear Mr. Budzinski:

Our geologist has reviewed your Placer reports and recommends that no further action be taken on your properties as, in his opinion, not enough detailed sampling has been done to warrant recommending further work. After which time further testing and sampling may be accomplished, we would be interested in reviewing the property again.

Yours truly,

DYNASTY EXPLORATIONS LIMITED,

J. S. Brock,
Vice-President Exploration

JSB/mp

November 22nd, 1971,

Mr. Gerald Budzinski,
6508 - 94A Avenue,
Edmonton, Alberta.

Dear Mr. Budzinski:

Thank you for the opportunity of allowing us to examine your reports. Our geologist will endeavour to look at the ground within the next week, assuming that weather conditions permit. We will advise you of any further action we may wish to take.

Yours truly,

DYNASTY EXPLORATIONS LIMITED,

J. S. Brock,
Vice-President Exploration

JSB/mp

Shore Syndicate OF EDMONTON

P.O. BOX 2767 STATION-A, EDMONTON, ALBERTA

DRAFT OF PROPOSAL FOR PARTICIPATION FINANCING.

SHORE SYNDICATE of Edmonton, herein called "SHORE", do hereby offer participation to Companies and/or individuals within such Companies, as direct interest participants in the production financing of the SHORE SYNDICATE'S PLACER GOLD AND PLATINUM deposit on the following conditions:

- (a) The name of the operating Company is SHORE MINES LTD., which is now registered as a Private Company in Alberta and British Columbia. It will be Shore Syndicate's obligation to see that all conditions of this Agreement will be fulfilled.
- (b) It is estimated that \$300,000.00 will be required to equip the Company adequately and enable it to go into commercial production, including operating expenses, until returns from production become available for that purpose. Provided this sum is made available to the Company, it is proposed that the same shall be repaid in full out of the net production as herein outlined and that the financier who provides it shall receive a 30% interest in the Company, or if a group provides this sum, it will be a 10% interest per \$100,000.00. The assets of the Company shall consist of its Placer Mining Leases, all its production equipment acquired with these funds and its production and the proceeds from the sale of it.
- (c) It is proposed to give the participants or a Trustee for them a Chattel Mortgage on the fixed assets of the Company for the aggregate amount advanced to the Company, the same to be discharged upon completion of repayments of the advance, without interest.
- (d) A covenant will be given by the Company that the funds advanced shall be used only for the purchase or acquisition of equipment necessary to achieve production of precious metals from the Placer Leases of the Company and for working capital and reserves until Commercial Production is achieved and that repayment shall begin as soon as the Company has out of the net proceeds from production been enabled, after meeting operating expenses to build up a reserve of \$150,000.00 for future working capital if required, after which all

the net profits of the Company shall be paid to the Trustee in reduction of the Chattel Mortgage. Until the Chattel Mortgage has been fully paid, no dividends shall be paid to the Shareholders. In the operation of the Company, no funds of the Company shall be paid to any Officer or Director of the Company unless he be directly engaged in the production processes or in the active management of the Company and then only such amounts as are usually paid to persons performing similar services.

(e) The Directors feel that the above reserve of \$150,000.00 for working capital is reasonable, having regard to the vicissitudes of Placer Mining.

(f) The participants shall be entitled to a minimum of Two (2) Directors on the Board of Directors (of 5 or 7 members) of the Company until the above advance shall be fully repaid and thereafter to a minimum of one.

(g) Should the participants, or any of them desire to dispose of their shares in the Company, the Syndicate shall, subject to the Articles of the Company, have the first right of purchase of that interest at the lowest price the seller is willing to accept.

(h) The participants shall be entitled to and be furnished with full information of importance from time to time as to the operations of the Company and should a meeting of the Directors or Shareholders of the Company be desired by them at any time, the same shall be called by the Officers of the Company within ten (10) days from receipt of a request for such meeting at the Head Office of the Company.

(i) The property held by Shore consists of the original Thirteen (13) Placer Leases, which were prospected and staked by Shore and Babkirk Syndicate. These are presently being grouped into Group "B" and Group "C". Included in the property as well is an Option on Shore's own Fifteen (15) Leases adjoining to the North of Group "B" & "C". These will be called Group "D" and "E". Further possible Leases will be held under Option on original Babkirk Agreement. These are to the South of "B" & "C" and these Eight (8) Leases will be called Group "A".

(j) DEVELOPMENT PROGRAM: Shore proposes construction of the production barge unit in Six (6) transportable sections of 12' x 35'. These would be built here in Edmonton and trucked

out to site and assembled. A considerable saving in building costs are envisioned because of the experience of Mr. Roy Erickson in small draft marine craft construction (See personal background). We estimate that it would take approximately ninety (90) days, weather permitting, to be in production with full production shortly thereafter. The transportation of the concentrate to shipping point such as Vancouver is no problem as the P.G.E. railroad is within two or three miles, and a major highway link to the Cariboo is within twenty (20) miles.

(k) ADDITIONAL DEVELOPMENT: Upon achieving production, building up the reserve and payment of the Chattel Mortgage has been fully or substantially paid, if warranted, a second barge will be put into operation on the other side of the river. There is also a possibility of using hydraulic equipment on some rich bench deposits on another part of the Leases.

(l) APPLICATION OF FUNDS, adjusted November 1, 1971

Road construction	\$13,000.00
Production Barge 24' x 105'	50,000.00
D.8 Bulldozer,	30,000.00
Loader, Cat 955	18,000.00
Diesel Electric Plant,	5,000.00
Washing plant, tromel, pumps,	20,000.00
Electric motors & pumps,	18,000.00
Camp trailers, etc.	10,000.00
Truck 4 x 4, 1 Ton	6,000.00
Overallowance	25,000.00
	<hr/>
	195,000.00
Working capital requirements,	95,000.00
Head Office, etc.	10,000.00
	<hr/>
	\$300,000.00

(m) England, France and the U.S.A. are the principal buyers of concentrate containing platinum, gold, silver and magnetite, and as far as sales of this product the consulting firm of GORDON, SPRATT & ASSOCIATES LTD., in June of 1970, made a comment that the market for the precious metals is virtually guaranteed and only the establishment of the price structure is needed.

(n) BACKGROUND OF PRINCIPALS OF SHORE

President, Hugh R. Currie, 1021 Haythorne Road,
 Sherwood Park, Alberta. Presently employed with Ponderay Oil Venture Fund Ltd., as Sales Manager. Former Sales Manager with Pacific Western Securities, a brokerage firm in Edmonton, Alberta. Owner-Operator of Lake Resort and Construction Company.

Vice-President & Manager of Operations,
Roy L. Erickson (see background sheet).

Secretary-Treasurer, Alex Shore, 301 Northgate Bldg.
Edmonton, Alberta, Dental technician and businessman for 28
years in Edmonton.

Director-James H. Ogilvie Q.C. Senior partner of
Ogilvie & Company, Barristers and Solicitors, Barrister for
over 50 years in Edmonton.

Director-Gordon J. Gill, Box 502 Hay River N.W.T.
Employed with Northern Transportation Ltd., for many years.

(o) Shore Syndicate will be represented by the President,
Hugh R. Currie, and/or Vice-President, Roy L. Erickson on
general syndicate matters and operational decisions.

(p) Auditors: MacDonald, Currie & Co. Ltd., 1000
Chancery Hall, Edmonton, Alberta. Attention Mr. Richard Ogilvie.

(q) Geologist Engineer: Mr. K. Warren Geiger, 42
Glenmore Crescent, St. Albert, Alberta.

SHORE SYNDICATE

Per

Hugh R. Currie
President.

CAREER RESUME

of

Roy L. Erickson
101 Glenhaven Crescent
St. Albert, Alberta

Summary of qualifications and experience:

Marine Engineer:

- Practical experience since 1935.
- With Northern Transportation Co. Ltd. from 1935 to 1966 specializing in supervision and construction of tugs, barges, etc. in North West Territories.
- Owned and operated his own towboat in North West Territories.
- Harbour engineer at Hay River from 1965-66.
- Supervised design and construction of several boats for Dominion Government.
- Supervised construction of Fort Providence ferry on Yellowknife Highway.
- Supervised design and building, testing of boats and barges for Kaps Transport of Edmonton. See article in Oilweek, June 12, 1967.
- Supervised deep sea boats inspection for private interests in Halifax on two occasions.

Mining Experience - Prospecting:

- Several years experience in placer developments and production in Yukon, Montana, N.W.T.
- Brought Copper Pass Mines into production from claim stage into a producing nickel mine with sale contracts to French Company.
- Is an original shareholder and Director of Copper Pass Mines, which is listed on the Calgary Stock Exchange.
- Has prospected on part-time and full-time on different occasions in Alberta, British Columbia, Yukon and North West Territories.

Personal:

- Married - now separated
- Age 59 years
- 2 girls - 1 boy - all married

NORTHERN TRANSPORTATION COMPANY LIMITED



10040-105th Street
Edmonton
ALBERTA, CANADA

December 13, 1961

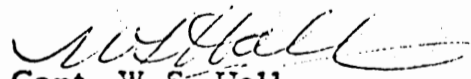
TO WHOM IT MAY CONCERN

The bearer, Mr. Roy Erickson, was employed by this Company during the seasons of navigation in the Mackenzie Watershed during the years 1935 to 1946 inclusive, except for three years in the Armed Forces.

Mr. Erickson was employed as a marine engineer and operator of shallow draft craft and, during this period, became quite experienced in the design and operation of this type of craft operating in the swift shallow rapids of the Bear River, Liard River and portions of the Mackenzie River.

Mr. Erickson left our services of his own accord, however, we have on several occasions found it necessary to recall Mr. Erickson for consultation on special jobs where we required his special experience.

We therefore have no hesitation in highly recommending this man as a consultant on any problem pertaining to shallow draft boat operations.


Capt. W.S. Hall
Superintendent of Operations.

WSH/mmt

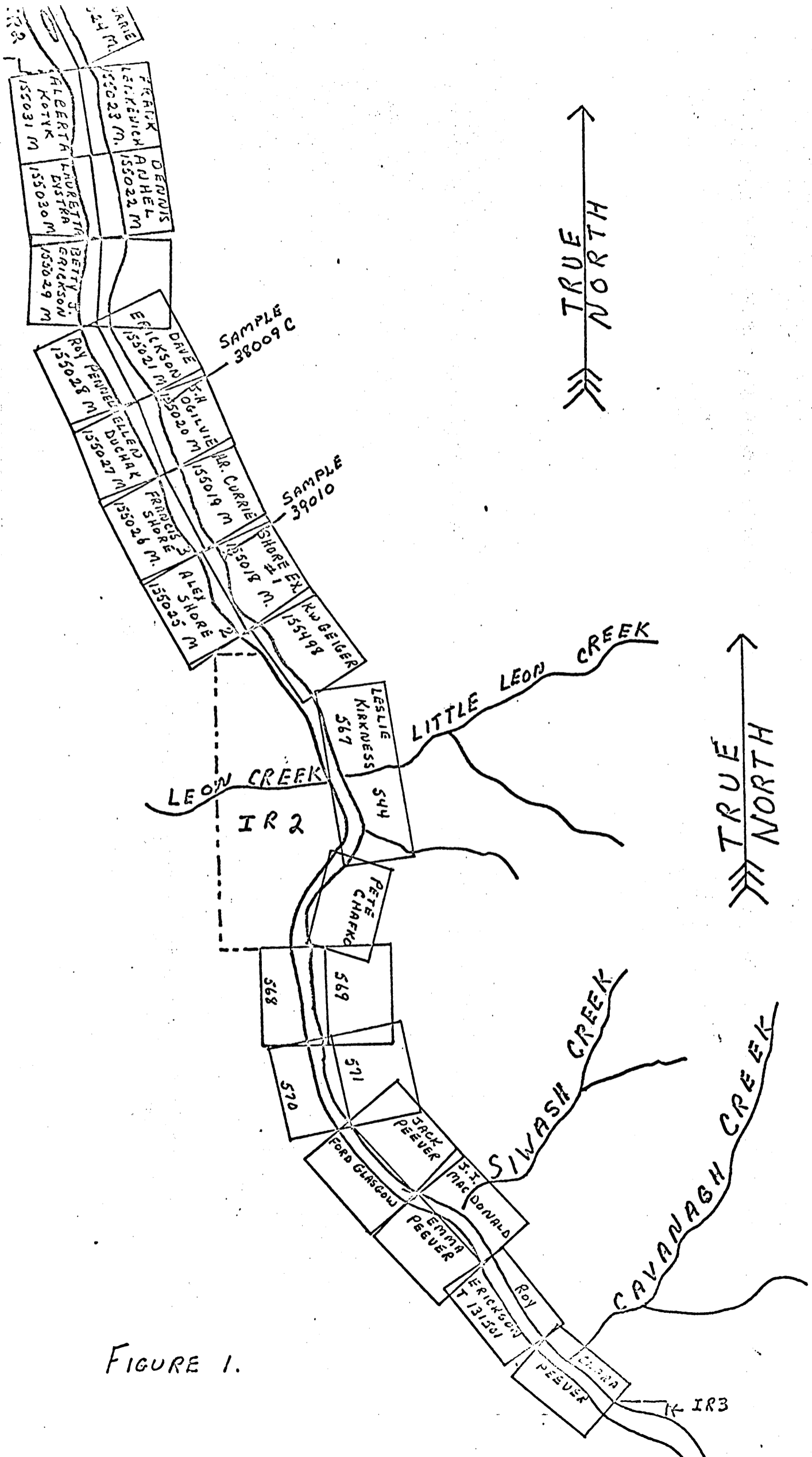


FIGURE 1.