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claims

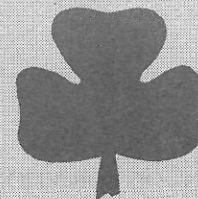


ERIN EXPLORATIONS LTD. (N.P.L.)

PROSPECTUS/APRIL 1967

ERIN EXPLORATIONS LTD. (N.P.L.)

INCORPORATED IN THE PROVINCE OF BRITISH COLUMBIA



DIRECTORS:

JULIAN BERKOSHA, NEAL J. VANDERHOOK,
ROBERT G. HUTCHINGS, S. DAVID ANFIELD

REGISTERED OFFICE:

201-846 WEST HASTINGS STREET
VANCOUVER 1, B.C.

CONSULTING ENGINEER:

A. F. REEVE, P. ENG.

TRANSFER AGENT:

GUARANTY TRUST COMPANY OF CANADA

AUDITOR:

JOHN C. OSWALD & CO.
CHARTERED ACCOUNTANTS

SOLICITORS:

MESSRS. ANFIELD & COMPANY

CAPITALIZATION:

\$2,500,000.00 DIVIDED INTO 5,000,000
SHARES WITH A NOMINAL OR PAR VALUE OF
50¢ EACH.

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 SECURITIES OFFERED BY THIS PROSPECTUS MUST BE CONSIDERED A SPECULATION.

THERE IS NO EXISTING MARKET FOR THE SECURITIES OF THE COMPANY

NOTICE:

NO SURVEY OF ANY PROPERTY OR PROPERTY INTEREST HELD BY THE COMPANY HAS BEEN MADE AND THEREFORE IN ACCORDANCE WITH THE MINING LAWS OF THE APPROPRIATE JURISDICTIONS IN WHICH SUCH PROPERTY IS SITUATED, THE EXISTENCE OF AND THE AREAS OF SUCH PROPERTIES COULD BE IN DOUBT.

ERIN EXPLORATIONS LTD. (N.P.L.)

STATUTORY INFORMATION

(a) Erin Explorations Ltd. (N.P.L.) (hereinafter called "the Company") has its registered office at #201 - 846 West Hastings Street, in the City of Vancouver, Province of British Columbia, and its head office or place of business at #3 - 425 Howe Street, in the said City of Vancouver.

(b) The Company was incorporated as a private company by Memorandum of Association by the Companies Act of the Province of British Columbia on the 3rd day of May, A.D. 1966.

(c) The Company was converted from a private company to a public company on the 11th day of April, A.D. 1967.

(d) The full name, occupation and home address of each Director and Promoter of the Company is as follows:-

<u>Name and Address</u>	<u>Occupation</u>
Julian Berkosha #3 - 425 Howe Street Vancouver, B.C.	Prospector
Robert G. Hutchings 903 - 1949 Comox Street Vancouver, B.C.	Store Owner
Neal J. Vanderhook 4878 5th Avenue R.R. #2, Ladner, B.C.	Manager, Helicopter Company
S. David Anfield 2010 Queens Avenue West Vancouver, B.C.	Barrister and Solicitor

The Promoter of the Company may be deemed to be Robert G. Hutchings and Julian Berkosha, whose addresses appear above.

(e) The Auditors for the Company are John C. Oswald & Co., Chartered Accountants, 475 Howe Street, Vancouver 1, B.C.

(f) The Registrar and Transfer Agent for the Company is:-
Guaranty Trust Company of Canada
624 Howe Street
Vancouver 1, B.C.

(g) The authorized capital of the Company is \$2,500,000.00 divided into 5,000,000 common shares with a nominal or par value of 50¢ each of which 765,504 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) (a) Pursuant to the terms of an escrow agreement, certificates representing 704,000 shares of the capital stock of the Company are held in escrow by the Guaranty Trust Company of Canada, Vancouver, B.C., subject to release or transfer only with the written consent of the British Columbia Securities Commission. If the Company loses, or does not obtain good and marketable title to, or abandons, or discontinues development of any of the property which was, or formed part of the consideration for any of the securities in escrow hereunder, or if the property is subsequently found not to be as represented, immediate notice thereof shall be given to the Superintendent of Brokers and there shall be surrendered by way of gift to the Company for cancellation, such number of escrow shares, as the Superintendent of Brokers in his sole discretion deems fair and equitable and in such manner or proportions as the Superintendent of Brokers may direct.

(i) (b) Certificates representing 61,504 shares in the capital stock of the Company are held in pool with Messrs. Anfield & Company, Barristers and Solicitors, 201 - 846 West Hastings Street, Vancouver, B.C. These shares represent the shares sold for cash referred to in paragraph (j) hereof and are held in pool until thirty days after the primary distribution of the shares offered in paragraph (n) hereof has been completed.

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

<u>Number of Shares</u>	<u>Price Per Share</u>	<u>Discount</u>	<u>Total Cash Received</u>
4	50¢	Nil	\$2.00
12,250	15¢	35¢	\$1,837.50
12,250	25¢	25¢	3,062.50
37,000	20¢	30¢	7,400.00
<u>61,504</u>			<u>\$12,302.00</u>

No commissions were paid on the allotment and issue of the above shares.

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

(l) Under the terms of an agreement in writing dated for reference the 26th day of January, A.D. 1967, Robert G. Hutchings and Hurley River Mines Ltd. (N.P.L.) sold all their right, title and interest in and to the MOS 2 #51 - MOS 2 #100 mineral claims in the Skeena Mining Division of the Province of British Columbia to the Company in consideration for the allotment and issue by the Company of 704,000 shares in the capital stock of the Company as fully paid and non-assessable as follows:-

Hurley River Mines Ltd. (N.P.L.) 201 - 846 West Hastings Street Vancouver 1, B.C.	156,444 shares
Robert G. Hutchings 903 - 1949 Comox Street Vancouver, B.C.	156,445 shares
Julian Berkosha #3 - 425 Howe Street Vancouver 1, B.C.	156,445 shares
Robert J. Gilroy 1002 - 1101 Pacific Street Vancouver, B.C.	156,444 shares
Alrae Explorations Ltd. 846 West Hastings Street Vancouver, B.C.	78,222 shares

Hurley River Mines Ltd. (N.P.L.) is a public company, the shares of which are listed for trading on the Vancouver Stock Exchange. Alrae Explorations Ltd. is a private company, the greater than 5% shareholders of which are:

H. Alexander Briden 3790 Southridge West Vancouver, B.C.	Rae G. Jury 4721 Caulfield Drive West Vancouver, B.C.
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A purchase price of \$15,000.00 is also payable under the agreement of which \$3,000.00 has been paid and the balance of \$12,000.00 is due on or before the 1st day of October, A.D. 1967.

(m) (i) The Company is the recorded owner of the following mineral claims which were acquired from Robert G. Hutchings and Hurley River Mines Ltd. (N.P.L.) on January 26th, 1967:-

<u>Name of Claim</u>	<u>Record Number</u>	<u>Mining Division</u>
MOS 2 #51	26555-26604	Skeena Mining Division
MOS 2 #100		

(the above mineral claims shall be hereinafter called "the said claims"). The said claims represent a molybdenum prospect located approximately 11 miles east of Stewart, B.C. on the east side of Bromley Glacier.

Records for approximately 10 of the said claims are marked "apparent contravention of Section 12(1) of the Mineral Act" and the Company does not intend to spend any monies raised from the sale of shares offered hereby on these claims.

In addition, the Company purchased the Tracy #1 - Tracy #20 mineral claims, record numbers 14328 - 14347, Clinton Mining Division of the Province of British Columbia, from Murray Swetz of Suite 107 - 620 Burnaby Street, Vancouver 5, B.C. by agreement dated for reference January 20th, 1967 for the sum of \$3,275.00. These claims are situated in the lower Peach Lake area but the Company does not intend to spend any monies raised from the sale of the securities offered hereby on these claims save and except such amounts as may be required to keep them in good standing in accordance with provisions of the mineral act. There is no surface or underground exploration development, plant, or equipment on these claims. So far as the signatories are aware, no person or company has received or will receive from the said Murray Swetz an interest in the consideration received by him greater in amount than one-twentieth (1/20th) thereof.

(m) (ii) The Vendors of the said claims to the Company are listed below, and the consideration received by them was the allotment and issue by the Company of 704,000 shares in its capital stock as fully paid and non-assessable as follows:

Hurley River Mines Ltd. (N.P.L.) 848 West Hastings Street Vancouver 1, B.C.	156,444 shares
Robert G. Hutchings 903 - 1949 Comox Street Vancouver, B.C.	156,445 shares
Julian Berkosha #3 - 425 Howe Street Vancouver 1, B.C.	156,445 shares
Alrae Explorations Ltd. 846 West Hastings Street Vancouver 1, B.C.	78,222 shares
Robert J. Gilroy 1002 - 1101 Pacific Street Vancouver, B.C.	156,444 shares

The above shares are the shares referred to in paragraphs (i) and (1) herein. A purchase price of \$15,000.00 is also payable to the Vendors, of which \$3,000.00 has been paid and \$12,000.00 is due on or before the 1st day of October, A.D. 1967.

(m) (iii) So far as the signatories hereto are aware, the only person or company who has received or will receive from the Vendors of the said claims an interest in the consideration received greater in amount than one-twentieth (1/20th) thereof is Neal Vanderhook, 4878 - 5th Avenue, R. R. #2, Ladner, B.C., who on January 27, 1967, purchased a total of 50,000 escrow shares from Messrs. Gilroy, Berkosha, and Hutchings at a price of 1¢ per share. Neal J. Vanderhook is a Director of the Company.

(m) (iv) For a description of the means of access to the said claims see the Report of Albert F. Reeve, P. Eng. dated January 20, 1967, attached hereto and forming part of this Prospectus.

(m) (v) There is no underground exploration, development, plant or equipment on the said claims.

(m) (vi) There is no surface plant or equipment on the said claims. For a description of the character, extent and condition of all surface exploration and development on the said claims, see the said report of Albert F. Reeve, P. Eng.

(m) (vii) For a history of the said claims, see the said Report of Albert F. Reeve, P. Eng.

(m) (viii) No work has been done or improvements made on the said claims by the Company under the present management.

(n) There are no underwriting, option, sub-option, or sub-underwriting agreements outstanding at the present time. The Company offers by this Prospectus 140,000 shares at a price of 40¢ per share. A discount of 10¢ per share will be allowed on the purchase price of the shares offered hereby and commissions of 25% (maximum) are payable.

(o) The Company intends to use \$56,000.00 being the proceeds from the sale of the aforesaid 140,000 shares as follows:-

1. Payment of Commissions (maximum)	\$14,000.00
2. To carry out Phase 1 of the recommended exploration programs of Albert F. Reeve in his Report dated January 20, 1967, attached hereto.	27,500.00
3. Property payment due October, 1967	12,000.00
4. Legal, Audit and General Administration	2,500.00
	<u>\$56,000.00</u>

No part of the proceeds will 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 jurisdictions 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 will be obtained and disclosure will be made to the regulatory securities bodies having jurisdiction over the sale of the securities offered by this Prospectus.

(p) The expense incurred in the formation or incorporation of the Company were approximately \$1,500.00 and the Company does not anticipate future expenditures on preliminary matters.

(q) No indebtedness is to be created or assumed by the Company that is not shown on the Balance Sheet reported on by John C. Oswald & Co., Chartered Accountants, dated the 31st day of January, A.D. 1967, attached hereto and forming part of this Prospectus, save and except costs that are incurred in carrying out the work program recommended by Albert F. Reeve, P. Eng.

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

<u>Name and Address of Director</u>	<u>Occupation</u>
Neal J. Vanderhook 4878 5th Avenue R.R. #2, Ladner, B.C.	Managing Director of Northwestern Whirlybirds Company Limited
Julian Berkosha #3 - 425 Howe Street Vancouver, B.C.	Prospector
Robert G. Hutchings 903 - 1949 Howe Street Vancouver, B.C.	Store Owner and Prospector
S. David Anfield 2010 Queens Avenue West Vancouver, B.C.	Self-employed as a Bar- rister and Solicitor, previously partner in legal firm, also officer and director of several mining companies and broker - dealer.

(s) Julian Berkosha and Robert G. Hutchings, both Directors of the Company, have an interest in the said claims which were acquired by the Company, in that they are both part Vendors of the said claims

to the Company.

- (t) No remuneration has been paid by the Company to any of its Directors or Officers.
- (u) It is not anticipated that any remuneration will be paid by the Company to any of its directors or officers as such during the current fiscal year, but if any of the Company's directors or officers are employed by the Company, they shall be paid a salary commensurate with their responsibilities.
- (v) Hurley River Mines Ltd. (N.P.L.), Robert G. Hutchings, Julian Berkosha, Robert J. Gilroy, and Alrae Exploration Ltd. the owners of 654,000 shares issued for a consideration other than cash could, if they voted their shares in concert, elect or cause to be elected a majority of the Board of Directors of the Company. So far as the signatories hereto are aware, there is no agreement written or unwritten to vote the said 654,000 shares in concert.
- (w) No dividends have been paid by the Company.
- (x) When the escrowed shares referred to in paragraph (i) are released from escrow by the British Columbia Securities Commission from time to time, those shares may be sold by the owners thereof as shown in paragraph (1) and (m) (iii) of this prospectus under this or subsequent prospectuses at the offering price to the public from time to time in those prospectuses without the proceeds of the sale accruing to the benefit of the treasury of the Company.

There are no further material facts which are not disclosed by this Prospectus.

- (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 or information applicable other than in the financial statements or reports where required.

DATED at Vancouver, B.C. this 11th day of April, A.D. 1967.

"JULIAN BERKOSHA"
Julian Berkosha, Director

"ROBERT G. HUTCHINGS"
Robert G. Hutchings, Director

"JULIAN BERKOSHA"
Julian Berkosha, Promoter
By his Attorney, R. Hutching

"NEAL J. VANDERHOOK"
Neal J. Vanderhook, Director

"ROBERT G. HUTCHINGS"
Robert G. Hutchings, Promoter

S. DAVID ANFIELD"
S. David Anfield, Director

REPORT ON THE MoS₂ MINERAL CLAIMS

Skeena Mining Division, British Columbia

to

ERIN EXPLORATIONS LTD.

by

Albert F. Reeve, P. Eng.,
Geological Engineer

Vancouver, B.C.

January 20, 1967

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INTRODUCTION

This report has been prepared on behalf of Erin Explorations Ltd. at the request of Messrs. R. Hutchings and J. Berkosha. It describes the "MoS₂" mineral claim group, and is based on a study of exploration records and literature published by the B.C. Department of Mines and Petroleum Resources.

The property was not visited.

Three diagrams and a list of references are included in the appendix. The writer's certificate and an affidavit verifying claim locations by a qualified witness are also appended.

PROPERTY

Fifty claims are included in the MoS₂ group. The effective area is reduced to about 40 claims by overstaked property held by others. (See Fig. 3)

<u>Claim Name</u>	<u>Record No.</u>	<u>Assessment Anniversary</u>
MoS ₂ # 51 to #100 inclusive	26555 to 26604 inclusive	June 17, 1968
Recorded holder	- Hurley River Mines Ltd.	
Locator	- R. Hutchings	
Record date	- June 17, 1965	

The above information was obtained from the Vancouver Mining Recorder's Office on January 12, 1967.

According to Mr. Hutchings, an option held by Hurley River Mines Ltd. on the property, expired on October 15, 1966 and the claims will be conveyed to Erin Explorations Ltd. of #3, 425 Howe St., Vancouver, B.C.

LOCATION

The MoS₂ property is located about 11 miles east of Stewart, B.C., on the east side of Bromley Glacier, approximately at 55° 57' north latitude, 129° 45' west longitude, and 3,000' to 5,000' A.S.L.

The community of Stewart is 110 miles north of Prince Rupert, B.C.

ACCESS

Stewart is accessible from the City of Prince Rupert by air and sea.

From Stewart present access to the property is by helicopter.

A foot trail extends 12 miles along Bitter Creek from the Stewart - Cassiar Road to the property.

CLIMATE

Annual precipitation is heavy in this area. The snow-free season on the property extends approximately from mid June to October.

TOPOGRAPHY

In this region the Coast Range Mountains rise from 4,000 feet to 7,000 feet above sea level.

The property lies in the northwest part of a 300 square mile glacial complex known as the Cambria Ice Field.

The area of interest, on the property, consists of steep rock bluffs and talus slopes along the northeast edge of Bromley Glacier and on the southwest flank of Red Mountain.

The surface of the glacier slopes gently but is dissected by numerous deep crevasses.

HISTORY

The Stewart area, including that part in which the "MoS₂" claims are situated, has been prospected since the early 1900's. The molybdenite occurrence on this property is relatively "new" however. It was discovered in rock outcrops recently exposed on the edge of a receding glacier.

Events associated with the discovery and subsequent exploration of the property are as follows:

- June 11, 1965 - Molybdenite mineralization was discovered by prospectors J. Berkosha, R. Hutchings and R. Gilroy and the "MoS₂" group of claims were staked.
- July, 1965 - The "MoS₂" property was optioned to Hurley River Mines Ltd.
- July 1965 to October 1965 - Alrae Explorations Ltd. conducted the following exploration programme for Hurley River Mines Ltd.:
 1. Prospecting
 2. Plane table mapping (1" - 40 ft.) in the vicinity of the discovery showings.
 3. Rock trenching - 11 shallow trenches were excavated for a total length of 500'.

- 4. Drilling - 1 Ax diamond drill hole was bored for a length of 229 ft.

Oct. 15, 1966 - Hurley River Mines forfeited their option in lieu of making a substantial cash payment to the vendors.

GEOLOGY

(a) Regional

The property is situated on the eastern edge of the Coast Range intrusive complex. Metasedimentary and volcanic rocks of the Hazelton group and intermediate to granitic plutonic rocks occupy most of the surrounding area.

(b) Local (See Fig. 2)

The claim group is underlain by greenish, thinly laminated quartzites, volcanic tuffs and siltstones which have a general north-west trend. The widespread presence of iron sulphides has produced a bright red weathering product on the surface of these rocks ("Red" mountain). Local zones of shearing, faulting and contortion appear to be relatives of intrusive activity.

A stock of coarse monzonite porphyry intrudes the above rocks. It is largely concealed beneath Bromley glacier and is estimated to be 1/4 mile to 1/2 mile in diameter. A number of dikes ranging in composition from dark lamprophyre to aplite occur in the vicinity of this pluton.

(c) Glacial

Bromley glacier has been a critical factor in the discovery and exploration of the MoS₂ property to date. The glacial ice is receding at a relatively rapid rate, 30' vertically and 150' horizontally at the toe per year. (See Fig. 2)

Mineralization on the property, discovered in 1965 was covered with ice in 1960 and it is suspected that additional mineralization is concealed beneath the ice at the present time.

MINERALIZATION AND ECONOMIC GEOLOGY

The zone of interest, as it is presently known, occurs in an area 3000 feet long and a few hundred feet wide at MacAdam Point along the edge of Bromley Glacier.

The contact of a monzonite porphyry pluton, which is largely concealed beneath the glacial ice, appears to have controlled the emplacement of molybdenite mineralization.

Both the intrusive and the adjacent sediments and volcanics are mineralized with pyrite and molybdenite. It occurs in quartz and aplite

veinlets, as fracture coatings, and as disseminations in aplitic phases of the intrusive. Significant amounts of gold are occasionally associated with veins variably composed of quartz calcite, siderite, pyrite, pyrrhotite and minor sphalerite and chalcopyrite.

The results of detailed work done by Alrae in an area 1000' x 500' along the intrusive contact are as follows:

1. The fractures which appear to control the MoS₂ mineralization have a preferred trend of N. to NNE.
2. Most of the significant mineralization is confined to within 75' of the intrusive contact.
3. Sampling: the numerical average of 85 chip and core samples, representing about 450 linear feet, is .0475% MoS₂.

The best 10 samples representing a length of 68 feet ranged from .283% to .078% MoS₂.

Gold assays of :	.8 oz/Ton	-	3'
	.9 oz/Ton	-	2'
	1.88 oz/Ton	-	2'

were obtained from one trench. Elsewhere gold values are insignificant.

A considerable number of monzonite boulders found in the moraines along both sides of the glacier are mineralized with molybdenite. In addition, mineralized talus occurs at the base of steep cliffs which are inaccessible by ordinary means.

An outcrop of meta-volcanics fractured and mineralized with quartz, epidote and pyrite occurs between 4,500 feet and 5,000 feet A.S.L. in the bed of the creek which flows westward into the glacier about one mile north of MacAdam Point. No molybdenite was seen at this location; however, the rock is similar in character to molybdenite bearing float found down stream. Intermediate intrusive rocks of unknown extent occur in the same general area.

SUMMARY AND CONCLUSIONS

1. Molybdenite occurrences on the "MoS₂" claim group have been known for less than two years and have been explored in a preliminary way.
2. The property is located in a geological setting similar to that in which important deposits of molybdenite have been developed 25 miles to the south at Alice Arm.
3. The local topography is rugged and the only practical means of access is by helicopter. For this reason any future exploration work should be carefully planned and phased to obtain the greatest efficiency per dollar expended.

4. Preliminary exploration work has indicated that a large part of the discovery showings represent material containing .05% MoS₂. This grade is not economically significant. However, the exploration potential of the area in general remains reasonably attractive because of the geological environment and the pervasive nature of the mineralization and because most of the exploration work to date has been concentrated on a small part of the property.
5. Gold is not a consistent associate of molybdenite mineralization and cannot be relied upon as an economic "helper" in the development of large volumes of low grade molybdenite mineralization. However, gold bearing shear controlled veins variably composed of quartz calcite, pyrite, pyrrhotite, minor galena and sphalerite are exploration targets of at least secondary importance.
6. The most apparent geological control of molybdenite mineralization are the contacts of intermediate intrusive bodies.
7. Outside of the molybdenite showings as they are presently known, there are two directions in which to pursue potential mineralization:
 - (a) Beneath the ice of Bromley Glacier immediately southwest of the showings.
 - (b) NNEward across the south end of Red Mountain and into the basin on the upper reaches of the first westward flowing creek north of MacAdam Point.

In the first case, (a), there is strong evidence, in the form of moraine boulders, which suggests that additional MoS₂ mineralization is covered by the ice. This may be an impractical consideration if the glacier is very thick. It is receding at a relatively rapid rate. An accurate estimate of the glacial profile would reduce this type of speculation into mathematical terms.

In the second case, (b), it is reported that this area has been prospected in a very general way. Evidence of favourable geological conditions and mineralized float have been reported in the upper parts of the previously mentioned creek basin. This possibly should be investigated in a systematic way.
8. A broadly based programme of geological, geochemical and geophysical investigations is justified to test the exploration potential of the MoS₂ property.

RECOMMENDATIONS

APPENDIX A

The following exploration programme is suggested. (Refer to Fig. 3)

PHASE I

1. Prepare a topographic contour plan of the exploration area from existing air photographs. (1" = 400'). This will provide control for various surveys.
2. Stake an additional 16 claims (2 x 8) along the present north boundary of the MoS₂ group.
3. Prepare a geological map of the entire property at 1" = 400' scale.
4. Conduct a broadly based geochemical survey over that part of the property lying north of the glacial ice, particularly the basin of the creek mentioned in (a) of the Summary and Conclusions. The physical environment is not suitable for a single sampling method. Therefore a combination of soil, rock chips, and stream sediments should be used. Sampling density of about 1 per 10,000 ft.² is suggested. All samples should be analyzed for molybdenum and tested for total heavy metals.
5. Complete detailed mapping of the discovery zone and inspect newly exposed rock along the glacier's edge.
6. Estimate the profile of the glacial channel immediately adjacent to the discovery showings by running at least three seismic profiles between Red Mountain and Lost Mountain.

PHASE II

Physical work in the form of drilling, trenching and sampling would constitute a second phase if justified by the results of Phase I. Periodic examination of outcrops along the glacier should be made on a long-term basis; the frequency of such examinations would be determined by part 6 of Phase I.

Respectfully submitted,

"A. F. Reeve"

Albert F. Reeve, P. Eng.
Geological Engineer

ESTIMATED COST OF RECOMMENDED EXPLORATION PROGRAMMEPHASE I (Total elapsed time - 60 days)

1.	Preparation of a topographic control map from air photographs		\$ 1,200
3 & 5	<u>Geological Mapping and Field Supervision</u>		
	- geologist 2 mo. @ \$1000 =	\$2,000	
	- assistant 2 mo. @ 500 =	1,000	
	- instrument rental and miscellaneous field supplies =	250	3,250
4.	<u>Geochemical Survey (contracted)</u>		
	- sampling crew	1,250	
	- analysis 750 samples @ \$1.50	1,125	
	- compilation of results	125	2,500
6.	<u>Seismic Profiles of Glacier</u>		4,000
7.	<u>Operational Overhead</u>		
	General supervision	1,500	
	Cook, 2 mo. @ \$550	1,100	
	Casual labour 15 days @ \$30	450	
	Travelling expense	2,500	
	Camp equipment	1,000	
	Camp operation -		
	300 man days @ \$4.00	1,200	
	Fuel and miscellaneous supplies	300	8,050
8.	Helicopter 50 hrs. @ \$125/hr.		6,250
			Sub total: \$25,250
	Contingency allowance		2,250
	<u>Total Maximum Cost of Phase I</u>		<u>\$27,500</u>

Note: Since Item 6 is not an integrated part of Phase I it could be postponed to Phase II for an immediate saving of \$4,000.

Total Minimum Cost of Phase I \$23,500

PHASE II

If the results of Phase II are encouraging a follow-up programme of exploratory drilling, trenching and sampling would be required at a cost of approximately \$ 75,000.

The total cost of an exploration programme including preliminary surveys and a physical follow-up work would be approximately \$100,000.

APPENDIX B

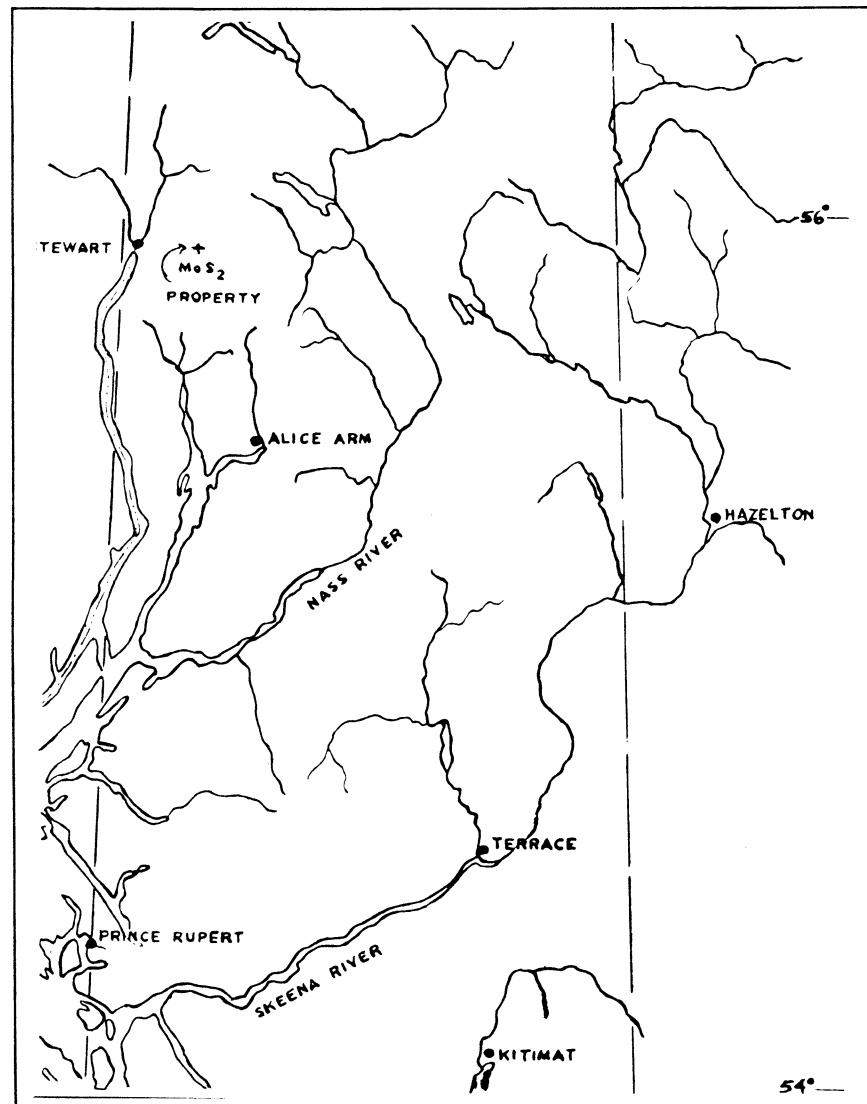


FIGURE 1
LOCATION MAP - MoS₂ MINERAL CLAIMS
TO ACCOMPANY A REPORT BY - ALBERT F. REEVE, P. ENG. JAN. 1967

BROMLEY GLACIER AREA SHOWING GEOLOGY AND ICE RECESSION

AFTER - E. W. GROVE, B. C. DEPT. OF MINES AND PETROLEUM
RESOURCES, 1965.

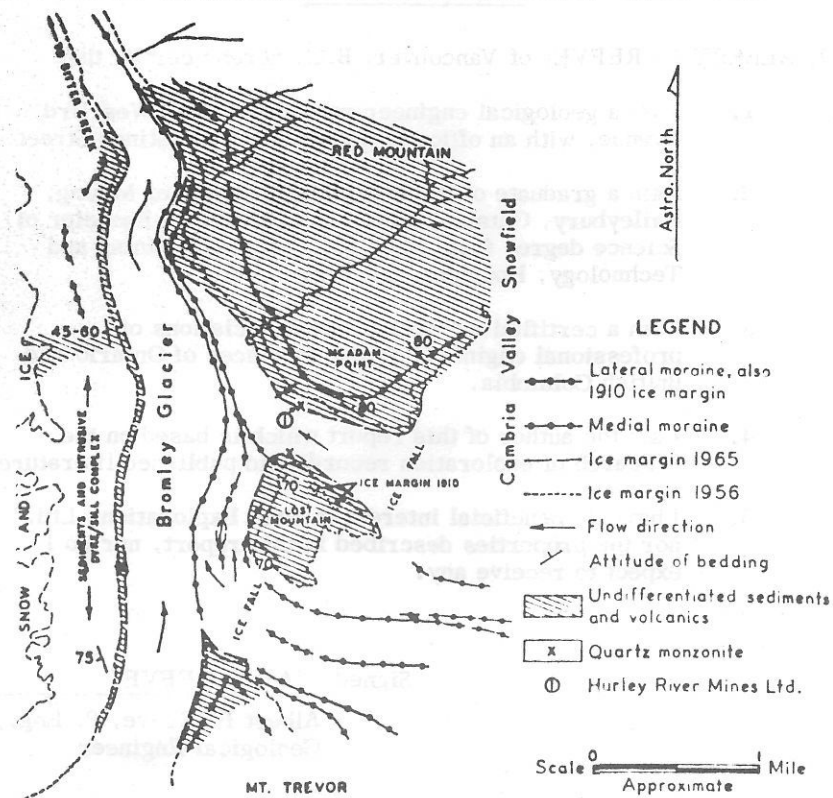


FIGURE 2

TO ACCOMPANY REPORT BY - ALBERT F. REEVE, P. ENG. JAN. 1967

- ⊗ MINERALIZED FLOAT
- MONZONITE STOCK (PROJECTED)
- ▣ MINERALIZED OUTCROP

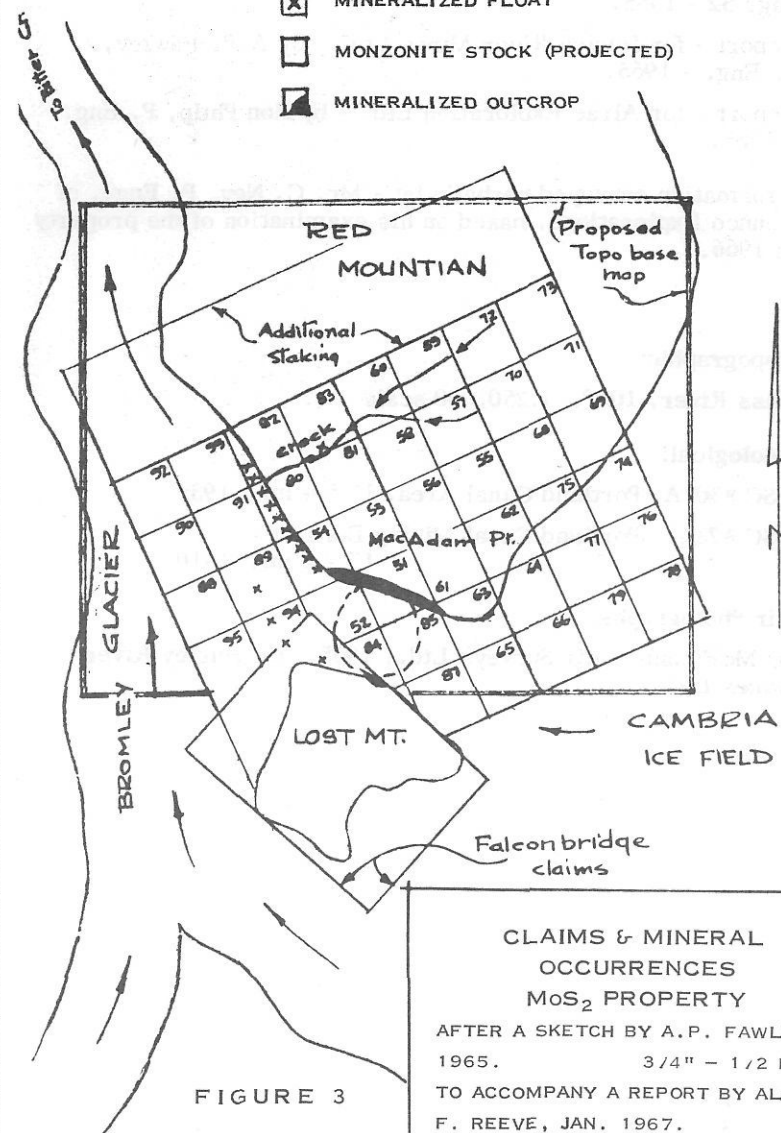


FIGURE 3

APPENDIX C

APPENDIX D

REFERENCES

Minister of Mines & Petroleum Resources Annual Report -
Page 52 - 1965.

Report - for Hurley River Mines Ltd. - by A.P. Fawley,
P. Eng. - 1965.

Report - for Alrae Exploration Ltd. - by Ron Philp, P. Eng.
- 1965.

Information conveyed verbally by - Mr. C. Ney, P. Eng., of
Kennco Explorations, based on his examination of the property
in 1966.

MAPS

Topographic:

Nass River, 103P, 1:250,000 scale

Geological:

GSC #307A, Portland Canal Area, 1" = 4 mi. 1935

GSC #28A, Portland Canal Mining District
1" = 2 mi. 1910

Air Photographs:

By McElhaney Air Surveys Ltd., 1965 - for Hurley River
Mines Ltd.

ALBERT F. REEVE, P. ENG.
Geological Engineer

400 - 837 West Hastings Street, Vancouver 1, B. C.

Associate

Ronald A. Granger

Phone 685-0167

CERTIFICATE

I, ALBERT F. REEVE, of Vancouver, B.C. hereby certify that:

1. I am a geological engineer residing at 2557 West 3rd Avenue, with an office at 400, 837 West Hastings Street.
2. I am a graduate of the Provincial Institute of Mining, Haileybury, Ontario, 1958; and received a Bachelor of Science degree from Michigan College of Mining and Technology, Houghton, Michigan, 1961.
3. I am a certified member of the associations of professional engineers in the provinces of Ontario and British Columbia.
4. I am the author of this report which is based on the research of exploration records and published literature.
5. I have no beneficial interest in Erin Explorations Ltd. nor the properties described in this report, nor do I expect to receive any.

Signed "A. F. REEVE"

Albert F. Reeve, P. Eng.,
Geological Engineer

January 20, 1967,
Vancouver, B.C.

PROVINCE OF BRITISH COLUMBIA)
)
)
 TO WIT:)

I, CHARLES S. NEY, Geologist, of 2044 Floralynn Crescent, in the District of North Vancouver, in the Province of British Columbia,

DO SOLEMNLY DECLARE THAT

1. I am a member of the Association of Professional Engineers of British Columbia, and that I am employed by Kencco Explorations (Western) Ltd.
2. That on September 10th, 1966, I examined certain mineral claims known as the MoS₂ Claim Group, located east of Bromley Glacier approximately 12 miles northeast of Stewart, B.C. by R. Hutchings.
3. That I observed a post mounted in rocks approximately 250 feet northeast of the margin of Bromley Glacier and about 1200 feet southeast of an abandoned campsite. This post bore several aluminium identification tags which appeared to be properly inscribed and indicated to me that the said post served as claim post for the following:
 - 1) Initial Post for Mineral Claims MoS₂ 51, 52.
 - 2) Witness Post for the Final Post of Mineral Claims MoS₂ 51, 52.
 - 3) Witness Post for Initial and Final Post of Mineral Claims MoS₂ 80, 81, 82, 83.
 - 4) Final Post for Mineral Claims MoS₂ 53, 54.
4. That the bearing of the location line as indicated on the metal tags was North 30° West.
5. That I observed another claim post mounted in rocks approximately 90 feet northeast of the margin of Bromley Glacier and about 4500 feet southeast of the abandoned campsite or 3500 feet southeast of the first mentioned post, and that this post bore several aluminium identification tags which indicated to me that the said post represented the following claim posts:
 - 1) Initial Post for Mineral Claims MoS₂ 55, 56; direction of location line North 30° West.
 - 2) Initial Post for Mineral Claim MoS₂ 61, 62; direction of location line South 30° East.

- 3) Witness Post for Final Post for Mineral Claims MoS₂ 55, 56; direction of location line North 30° West.
- 4) Witness Post for Final Post for Mineral Claims MoS₂ 61, 62; direction of location line South 30° East.
- 5) Witness Post for Initial and Final Post for Mineral Claims MoS₂ 57, 58, 59, 60; direction of location line North 30° West.
- 6) Witness Post for Initial Post and Final Post for Mineral Claims MoS₂ 63, 64, 65, 66; direction of location line South 30° East.

6. That the surrounding area of the claim post locations referred to herein was partly covered by a glacier to the south and steep terrain prevailed to the north.

AND I make this solemn Declaration conscientiously believing it to be true, and knowing that it is of the same force and effect as if made under oath, and by virtue of the Canada Evidence Act.

DECLARED before me)
at Vancouver, in the Province)
of British Columbia, this 24th)
day of January, A.D. 1967.)
)
"J. T. LAIR")
A Commissioner for taking)
Affidavits for British Columbia)

"CHARLES S. NEY"

ERIN EXPLORATIONS LTD.
(Non-Personal Liability)

(Incorporated under the B.C. Companies Act, May 3, 1966)

BALANCE SHEET, JANUARY 31, 1967

ASSETS

CURRENT:			
Cash		\$	4,747
MINING PROPERTIES:			
Located mineral claims at cost, including \$140,800 value placed on 704,000 shares issued therefor			159,075
DEFERRED CHARGES:			
Exploration and administration costs, per statement attached	\$	5,522	
Incorporation costs		<u>1,457</u>	<u>6,979</u>
			<u>\$170,801</u>

LIABILITIES

CURRENT:			
Payable for mineral claims		\$	13,675
Other payables			1,204
Loans from directors			<u>2,820</u>
			17,699
SHARE CAPITAL:			
Authorized -			
5,000,000 shares of 50¢ par value		\$2,500,000	
Issued -			
704,000 shares for mining properties		352,000	
61,504 shares for cash		<u>30,752</u>	
		382,752	
Discount on shares issued		<u>229,650</u>	<u>153,102</u>
			<u>\$170,801</u>

Approved on behalf of the Board:

"ROBERT G. HUTCHINGS" Director "S. DAVID ANFIELD" Director

To be read in conjunction with our report to the Shareholders dated February 10, 1967.

"JOHN C. OSWALD & CO." Chartered Accountants.

ERIN EXPLORATIONS LTD.
(Non-Personal Liability)

EXPLORATION AND ADMINISTRATION COSTS

for the period from May 3, 1966 (date of incorporation)
to January 31, 1967

EXPLORATION:

Diamond drilling	\$	500
Assaying		157
Surveying		1,007
Engineers' fees		576
Free Miner's Licences		400
Wages		420
Workmen's Compensation		64
Travel, camp provisions and supplies		<u>1,285</u>
		4,409

ADMINISTRATION:

Office wages	\$	50
Printing, stationery and office supplies		243
Telephone		135
Legal		250
Accounting and audit		325
Office rent		<u>110</u>
		1,113

TOTAL PER BALANCE SHEET \$5,522

AUDITORS' REPORT

To the Shareholders of
Erin Explorations Ltd. (Non-Personal Liability)

We have examined the balance sheet of Erin Explorations Ltd. (Non-Personal Liability) as at January 31, 1967, and the accompanying statement of exploration and administration costs for the period from May 3, 1966 (date of incorporation) to that date, and have obtained all the information and explanations we have required. 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, and according to the best of our information and the explanations given to us and as shown by the books of the company, the accompanying balance sheet and the related statement of exploration and administration costs present fairly the financial position of the company at January 31, 1967 and the costs incurred during the period then ended, in accordance with generally accepted accounting principles.

February 10, 1967

"JOHN C. OSWALD & CO."
Chartered Accountants