

WOODGREEN

HOLDINGS LTD.

PROMOTION AND DEVELOPEMENT

AQUISITION OF KEY ADJACENT GROUND

BASIC FINANCING NEW COPPER MILL

250,000 shares

WOODGREEN  
HOLDINGS  
LTD  
—//—  
204 - 569 HOWE ST.

Power Mining Corp Ltd

NEW MINING COMPANY  
~~5,000,000~~  
SHARES  
\$1.00

10,000,000

A NEW MINING  
COMPANY

~~1,000,000 B.~~  
SHARES  
25¢

750,000.  
ESCROW SHARES  
FOR DEVELOPEMENT

## INTRODUCTION AND HISTORY

Woodgreen Holdings Ltd. is a new private company that that has been formed to receive the assignment from Cumberland Mining Co. Ltd. of nine crown granted copper claims located at Greenwood, B.C. These claims collectively are known as the "Motherlode" properties and will be used to provide ore for our new open pit mine. This mine is designed to produce 2000 tons of raw ore per day.

The Cumberland Mining Company owns a copper mill of 750 tons capacity presently located at Mount Washington Milling Company at Courtenay, Vancouver Island. An adverse ratio of waste to ore persisted with the subsequent eventual closing of the mill in April, 1967. The resulting failure of the Mount Washington Milling Company was instrumental in our decision to re-locate the copper mill back on the old Motherlode property at Greenwood, B.C. This decision was based on a year's careful consideration as to potentialities of various other new properties in the Province. The basic thought pattern that developed our final decision was that the old Motherlode property at Greenwood, B.C. is a property that dates back to the turn of the century and that most of its existing ore bodies have been "time tested." The working data that has been taken from actual mine records of the companies that worked the mine through the years has reduced the risk to a minimum.

The Greenwood area is one of B.C.'s better known mining camps. Granby Consolidated have for the past ten years operated the Phoenix Mine which produces at 2000 tons per day from ore of similar grade and composition. West Coast Resources are readying a large deposit for production at the present time. Utah Mining and Construction Company, one of the largest on the continent are now drilling within one and one hlf miles of our property, and McInyre are active with geological crews in our area.

History has shown that this old ore body on which the town of Greenwood, British Columbia was founded and which is part of the folklore of the province itself, has produced over \$27,000,000.00 in copper, gold and silver. Though now considered low in grade, this particular ore has still a far

higher average grade than that of many of the current crop of low grade copper properties presently being developed in the province. A careful feasibility study concerning the re-working of this property has shown that the average grade of the remaining ore indicates 0.65% copper with an average of \$1.25 per ton for gold and silver values. Old records show 95% recovery from the mill operation which would yield \$6.00 per ton milled. When compared to present feasibility studies on some of the new open pit copper mines this looked like good ore to us. In fact it was observed that should a "new discovery" be made showing a similar grade, that such a situation would become immediately newsworthy. Further to this an option on a new property known as the "Greyhound" has been negotiated, which when combined with the Motherlode, will bring the average grade for the two properties up to approximately .8% copper plus recoverable gold and silver that would yield \$1.25 per ton. Surveys show remaining ore in the Motherlode to be 2,500,000 tons to the 200 foot level which can be open-pitted with a ratio of only one ton of waste to one ton of ore, and the reserves in the Greyhound to be 1,000,000 tons. Considering the average grade of the two properties to be .8% copper plus gold and silver and with the increased price of copper, not to mention increases in silver prices, the logic of moving our mill back to the Greenwood area seems apparent.

Our engineers suggest that the cost of our return to Greenwood would be greatly reduced because the original mill foundations are still in place and would require little modification to restore them to their original condition. The fact that the roads are still in good condition and have been maintained and that housing, water, and power are available

is also an obvious advantage. A new look at the old pit with a view to opening it up and modernizing it for higher production, provided us with further assurance that our new venture was a promising one. Further engineering studies have shown that it was possible without changing the basic concept of the mill and at moderate cost to increase its capacity from 750 tons per day to 2,000 tons per day.

It was shown that the combination of the Greyhound and the Motherlode properties would provide a reserve of three and a half million tons of mineable ore, or at 2,000 tons per day, approximately four and one third years supply. Figuring an average for the two properties of 0.75% copper ore plus \$1.00 per ton for gold and silver, the return for a ton of ore milled would be \$6.60. An estimated gross profit of \$196,000.00 per month is indicated for the total period of operation of four and one third years.

It has been asked why this operation which is now considered "feasible" was not feasible when it was closed in April, 1962. The reasons are three-fold; the price of copper has risen from the then \$0.28 per pound to the present price of \$0.46 per pound. The relatively higher grade Greyhound property has been acquired to strengthen the ore grade. The mill productivity will be increased from 750 tons per day to 2,000 tons per day.

When one considers that many major mining companies who are starting from scratch are presently investing hundreds of millions of dollars in extremely marginal copper properties in Western Canada, we then by comparison have a great deal to offer. Let us consider for instance the head start that we already have:

- (1) We own our own mill
- (2) We own or option our own properties outright

- (3) We have experienced mining personnel capable of engineering, managing, and promoting a venture of this nature.

We provide hereto a resume of the economics of this undertaking:-

RE-FINANCING

Cumberland Mining Company Limited has decided to increase the capacity of its present mill from 750 tons per day to 2,000 tons per day, and to re-install it at the Greenwood properties, where large reserves of ore are available for open pit mining.

ORE RESERVES

The Company has acquired an adjacent ore body that has over 1,000,000 tons of 0.9% copper ore now proved.

The Motherlode pit opened up to the 200 foot level would provide two and one half million tons, plus.

GRADE

The grade of the Motherlode ore will run 0.6% copper or better, with a minimum of gold and silver values of over \$1.00 per ton. The adjacent ore body carries similar gold and silver values.

ORE VALUES

Adjacent Property 0.9% cu. at 95% recovery, with gold and silver values of \$1.00 per ton would give a value per ton, with copper priced at \$0.40 per lb. of \$ 7.80 per ton

Motherlode Property

0.6% cu. at 95% recovery, with gold and silver values of \$1.00 per ton, would give a value per ton, with copper priced at \$0.40 per lb. of \$ 5.55 per ton

Average for both properties

Figuring an average of 0.75 cu. as overall guide of the ore, with \$1.00 per ton gold and silver values, the average value of the ore would be \$ 6.60 per ton

General

Two thousand (2,000) tons per day, or 60,000 tons per month would give a gross value of:

Less costs as follows:

Freight and smelter charges and deductions

17½% of the gross value \$ 70,000.00

Milling supplies and payroll 85,000.00

Cost of 60,000 tons of ore and renewal of

100,000 tons of waste per month, average 55,000.00

TOTAL COSTS \$210,000.00

Profit: 196,000.00 \$396,000.00

It therefore appears that a profit of approximately \$ 2,250,000 per year may be expected.

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Arrangements have now been made to finance the cost of moving the mill back to Greenwood, B. C., and the cost of acquisition of the additional machinery required to raise the capacity of the mill to 2,000 tons per day.

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RE WOODGREEN HOLDINGS LTD.

In order to provide the base financing to start this new project a new holding company has been formed, functioning under the name of Woodgreen

RE WOODGREEN HOLDINGS LTD. (continued)

Holdings Ltd.,. Offices of this company are at Suite 204, 569 Howe Street,  
Vancouver 1, B. C. Its Directors are as follows:-

R. A. Brossard	President
R. Morris	Director
L. Laatch	Director
F. M. Sharp	Director
J. Fullerton	Director

The establishment of our operation as a producing mine will give us access to new deals for new ore bodies in the area - either as partners, or as a custom milling company, to concentrate ore for other companies.

We are pleased to announce that arrangements are being made to cover major financing of our new company and its future operations. The underwriting for the new mining company is presently being negotiated.



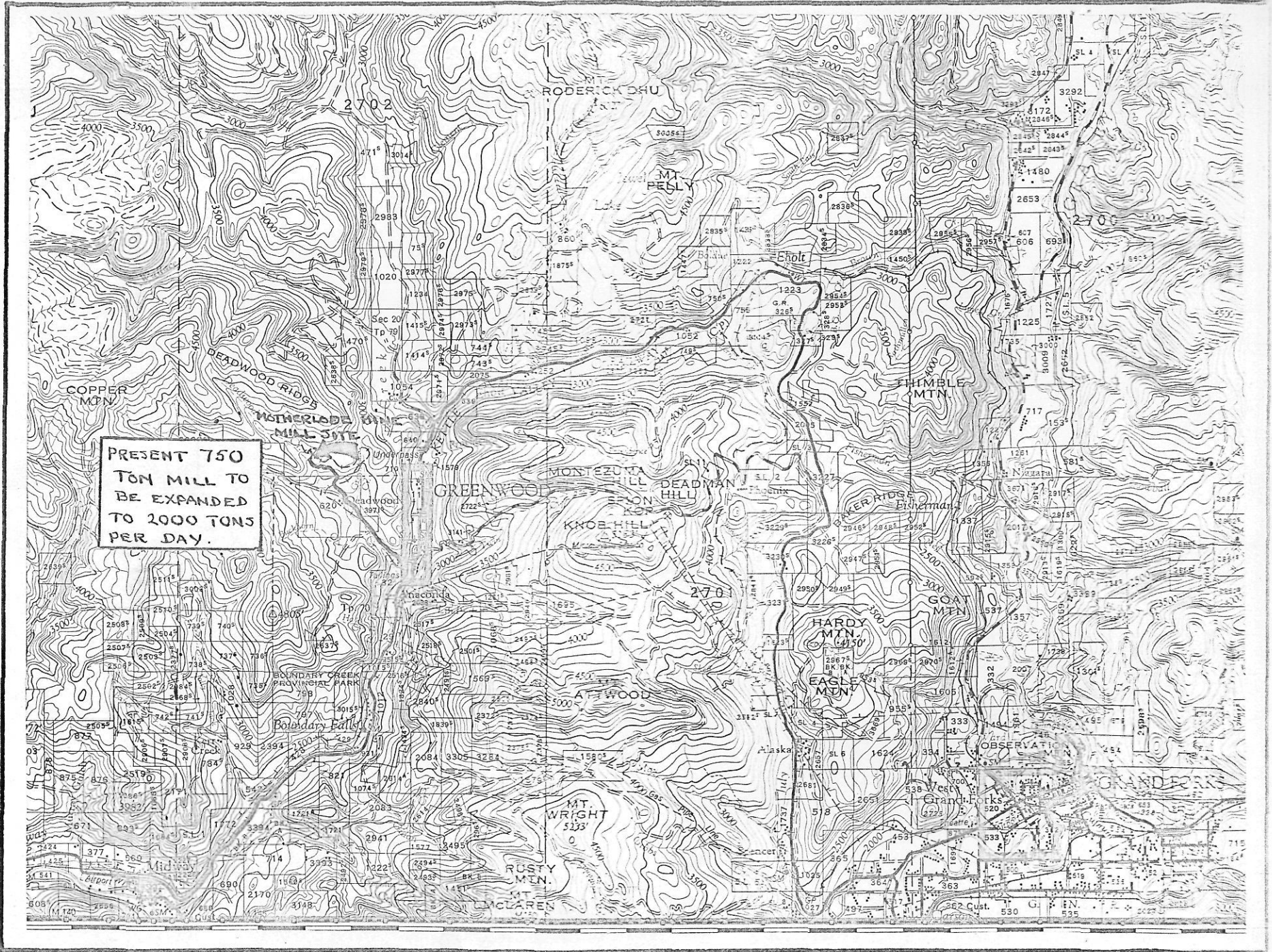
ESTIMATED CASH FLOW STATEMENT, CUMBERLAND OPERATION -GREYHOUND PROPERTY, GREENWOOD, B: C.-

This cash flow is prepared on the basis that the Greyhound pit will be prepared during the last month of mill installation and that only 12,000 tons of ore are stockpiled prior to the start of milling. Otherwise the figures of mining and milling as set out on Page 14 of the Feasibility Report will apply.

<u>First Month:</u>			<u>DEBIT</u>	<u>CREDIT</u>	<u>BALANCE</u>
Mining Cost	Labour	25,324			
	Materials	<u>31,581</u>			
		56,905	56,905		\$ 56,905 <u>Dr</u>
<u>SECOND MONTH:</u>					
Mining Cost		56,905			
Milling Cost		<u>51,200</u>	108,105		
Advance on 1/2 of concentrates produced at 90% of net value. Assumed that minimum of 2 weeks required to deliver to dock at Vancouver, or smelter at Tacoma and receive cheque for advance payment					
				104,940.	\$ 60,070 <u>Dr.</u>
<u>THIRD MONTH:</u>					
Mining Cost		56,905.			
Milling Cost		<u>51,200.</u>	108,105.		
Advance on full month production @ 90% of value					
				209,880	\$ 41,705 <u>CR.</u>
<u>FOURTH MONTH:</u>					
Mining & Milling Cost		108,105			
Advance on full month production @ 90% of value					
				209,880	
Final settlement on 2 months.					
				10,494	\$ 153,974
<u>FIFTH MONTH:</u>					
Mining & Milling Cost		108,105			
Advance on full month production @ 90% of value					
				209,880	
Final settlement on 3rd Month					
				20,988	\$ 276,737
<u>SIXTH MONTH - Same as 5th Month</u>					
	Net profit			122,863	\$ 399,600
<u>SEVENTH MONTH - do</u>					
				122,863	\$ 522,463

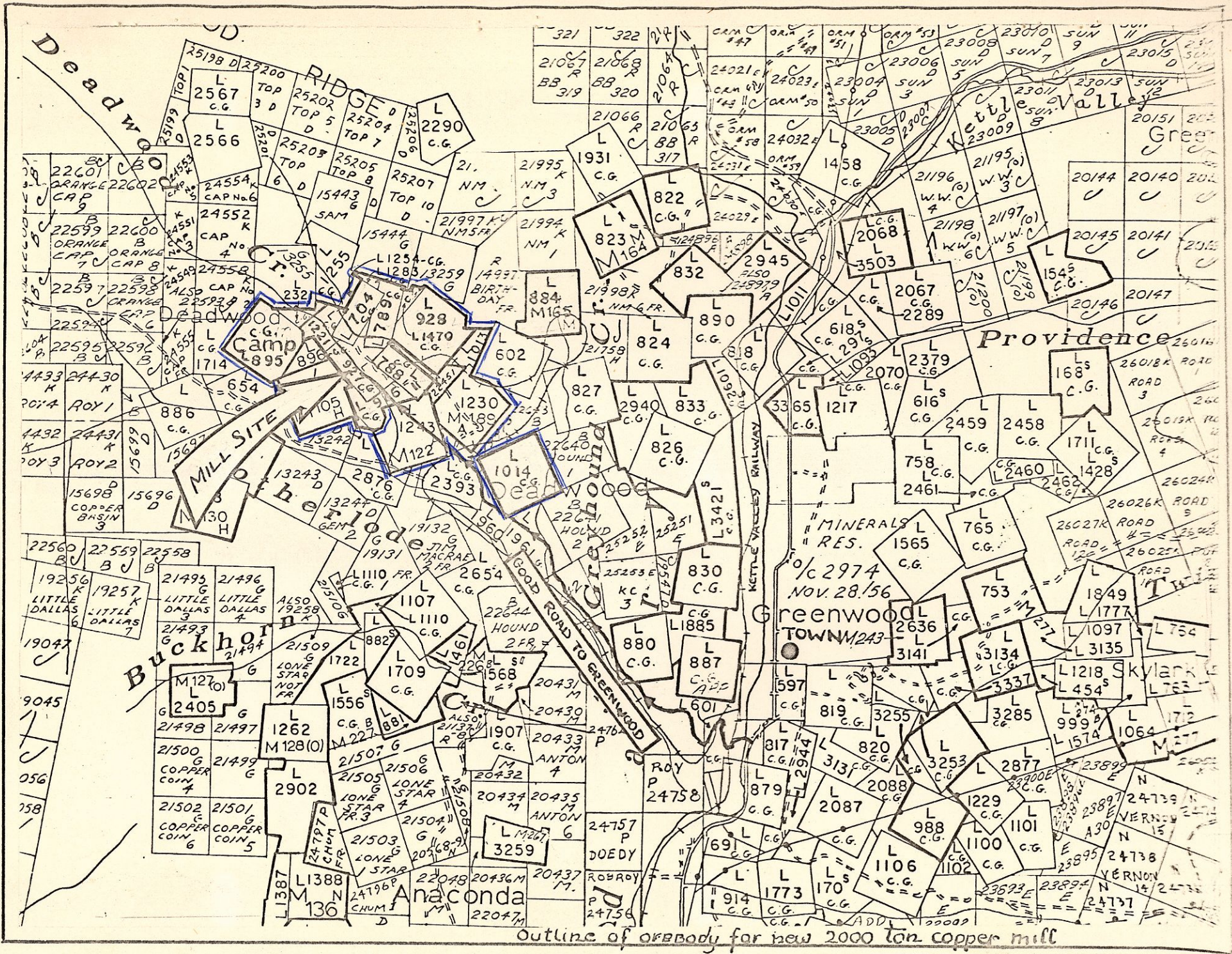
ESTIMATED CASH FLOW STATEMENT, CUMBERLAND OPERATION - GREYHOUND PROPERTY, GREENWOOD, D.C. - cont'd

	<u>DEBIT</u>	<u>CREDIT</u>	<u>BALANCE</u>
<u>EIGHTH MONTH:</u> Same as 5th, 6th & 7th Months		122,863	forward-\$522,463 645,326
<u>NINTH MONTH:</u> DO		122,863	768,189
<u>TENTH MONTH:</u> do		122,863	891,052
<u>ELEVENTH MONTH:</u> do		122,863	\$1,014,015
<u>TWELFTH MONTH:</u> do		122,863	\$1,136,878



PRESENT 750  
TON MILL TO  
BE EXPANDED  
TO 2000 TONS  
PER DAY.

Woodgreen Holdings Ltd.



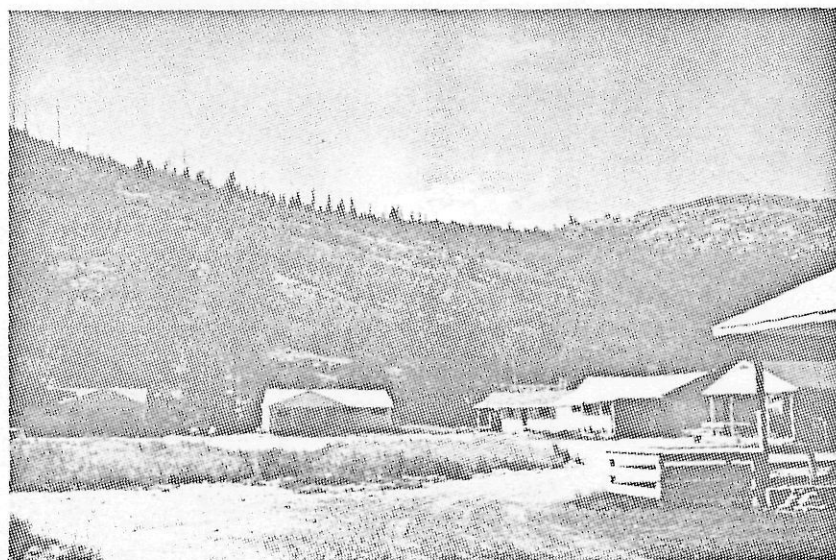
Outline of orbbody for new 2000 ton copper mill



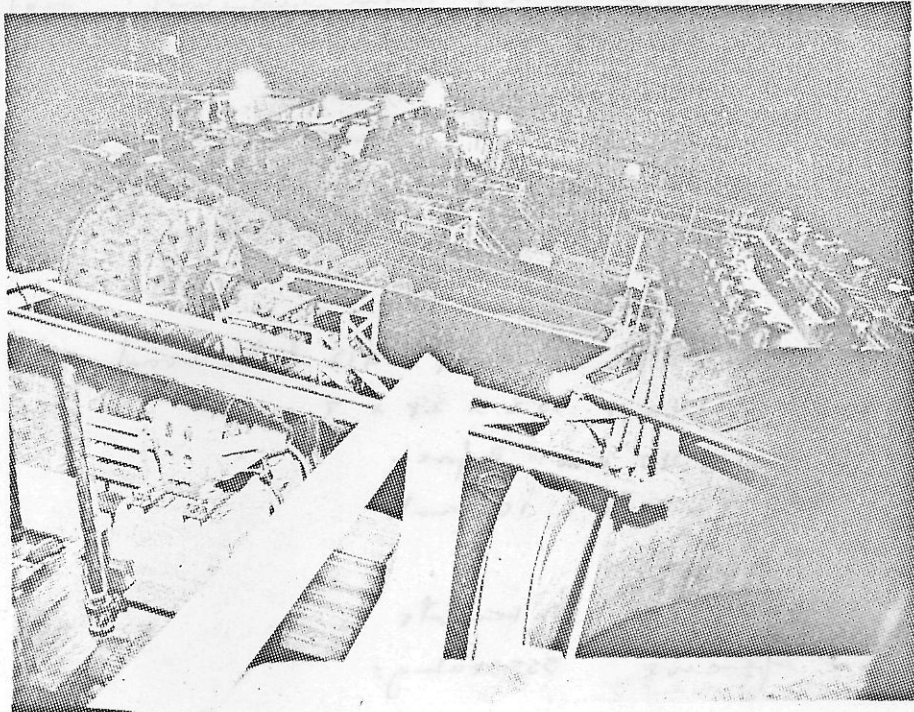
PIT LOOKING  
EAST



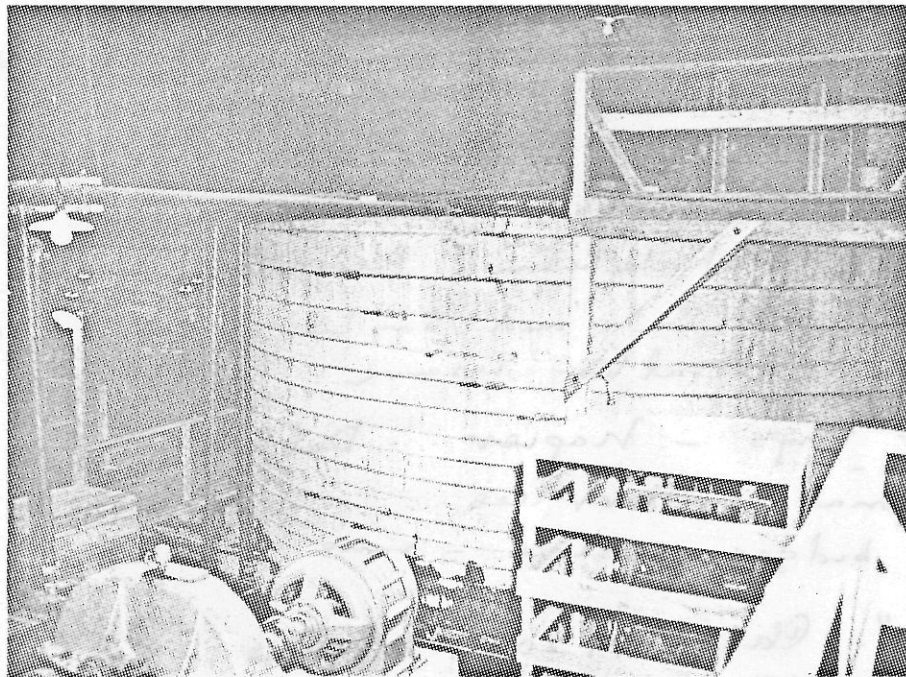
PIT LOOKING  
NORTH



COMPANY  
HOUSES



VIEW SHOWING  
INSIDE MILL



THICKENING  
TANK

Coastal Minesweepers (MCO)

6 "Bay" Class.

Names.	Chaleur # 164	Maine Industries	Sept 57
	Chiqueto 166	Geo T Davel	Aug 57
	Cuncheon 162	Yarrows	Dec 57
	Fundy 159	Davel Shipbuilding	Nov 56
	Miramichi 163	Victoria Machine	Oct 57
	Thunder 161	Port Arthur	" 57

Specs

Disp Tonnage 390 standard 412 full load

Dimensions 140 pp. 152 x 28 x 7

Quins - 140 mm. Rofor.

Power - GM 2 x 1200 = 16 knots

Oil - 52 Tons

Range - 4500 @ 11 knots

Crew 3 officers 35 ratings

At - frames decks

Surplus - Fortune, James Bay, Quinte & Resolute (Halifax)

5" Dark Class - 71.5' x 19.8 x 6.1 5000 SHP NAPIER Δ 46 knots  
70 Ton" Class.

Calton, Fenton, Floriston, Lepton - to be scrapped 1966 - 1967

Deerington, Heckleton, Kemerton, Lanton, Penston, Picton and Santon - sales 1967  
Repton - Gibraltar reserve.

Water ships - Napier - Deltic

Original - Mirrlees.

Some bridges enclose - some open

"Ley" Class M 2001 Series

Dim - 107 x 21.8 x 5.5

Power Paxman 700 - 13 knots.

21 - Ham Class M. 2001 M2701 M2777

2 Paxman 1100 bHP - 14 knots MAX

3 E Class Inshore Survey Class

106 x 22 x 5.6 F - 6.8 A.

700 BHP - Paxman - 14 knots 12 Cruise.

Echo  
Egna  
Enterprise