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SECURITIES ACT, 1967

Neither the British Columbia Securities Commission nor the Vancouver Stock Exchange has in any way passed upon the merits of the securities offered hereunder and any representation to the contrary is an offence.

BRITISH COLUMBIA SECURITIES COMMISSION
VANCOUVER STOCK EXCHANGE

PINE LAKE MINING CO. LTD. (N.P.L.)

(Full name of company.)

HEAD OFFICE: 717-402 West Pender Street, Vancouver, B.C.
REGISTERED OFFICE: 901-900 West Hastings Street, Vancouver, I.B.C.
(Address of head office and registered office of company.)

Statement of Material Facts

1. Give details of the circumstances relating to the offering of the securities and any material changes in the affairs of the issuer.	SEE SCHEDULE ATTACHED
2. Set out the description, designation, and number of shares being offered by the issuer or selling shareholder. If any of the shares being offered are to be offered for the account of a selling shareholder, name such shareholder and state the number of shares owned by him, the number to be offered for his account, and the number to be owned by him after the offering.	SEE ITEM 1.
3. Set out the price to the public, underwriting discounts or commissions and the estimated net proceeds to the issuer or selling shareholder, on both a per share and an aggregate basis. If it is not possible to state the price to the public or the underwriting discount or commissions, the method by which they are to be determined shall be explained. Give the range of the market price during the previous 90 days.	SEE ITEM 1.
4. State the principal purposes for which the estimated net proceeds to be derived by the issuer from the sale of the shares to be offered are intended to be used and the approximate amount intended to be used for each such purpose.	SEE SCHEDULE ATTACHED
5. State the laws under which the issuer was incorporated and whether incorporated by memorandum of association, Letters Patent, or otherwise or under a particular part of an incorporating Statute dealing with mining companies and the date thereof.	The Company was incorporated under the laws of the Province of British Columbia by memorandum of association on December 16, 1965.
6. Give names, addresses, and chief occupations for the past five years of the officers and directors of the issuer.	SEE SCHEDULE ATTACHED
7. State the share capitalization of the issuer showing authorized and issued capital.	5,000,000 shares no par value, maximum selling price \$1.50 each, of which 1,393,915 are issued, not including this offer.
8. Give particulars of any bonds, debentures, notes, mortgages, charges, liens, or hypothecations of the issuer.	NONE
9. Outline briefly the manner in which the shares being offered are to be distributed, giving particulars of any outstanding or proposed underwriting, sale, or option agreement, including the name and address of each underwriter, purchaser, or optionee. Give similar particulars of sub-underwriting or sub-option agreements outstanding or proposed to be given and particulars of any assignments or proposed assignments of any such agreements. Give names and addresses of persons having any interest, direct or indirect, in underwritten or optioned shares.	SEE ITEM 1.

<p>10. Give name and address of any person or company who beneficially owns, directly or indirectly, in excess of 5 per cent of each class of shares of any company named in answer to item 9 hereof and the number and percentage of each class of shares so owned.</p>	<p>SEE SCHEDULE ATTACHED</p>
<p>11. Give particulars of any payments in cash or securities of the issuer made or to be made to a promoter or finder in connection with the proposed underwriting.</p>	<p>NONE</p>
<p>12. Give brief particulars of properties owned, leased, held under option, or operated or presently intended to be owned, leased, held under option, or operated by the issuer.</p>	<p>SEE SCHEDULE ATTACHED</p>
<p>13. State whether any property referred to in item 12 has a known body of commercial ore or reserves of recoverable oil and gas. Give particulars.</p>	<p>None of the properties referred to in Item 12 has a known body of commercial ore.</p>
<p>14. Give brief particulars of the exploration and development work of the issuer during the past year and the results thereof on (1) its own properties and (2) other properties. State amounts spent on each.</p>	<p>SEE ITEM 12.</p>
<p>15. Give brief particulars of property proposed to be acquired by the issuer or any affiliate or acquired by the issuer or any affiliate within the previous three years, including the name and address of the vendor and the cost or proposed cost thereof to the issuer or any affiliate, and if any such vendor is or was an insider or promoter of the issuer or an associate or affiliate of any insider or promoter of the issuer, so state and indicate the nature of the relationship.</p>	<p>SEE ITEM 12.</p>
<p>16. State the name of any person or company who is or has been a promoter of the issuer within the preceding two years and, if not disclosed in item 15, the nature and amount of anything of value (including money, securities, property, contracts, options, or rights of any kind) received or to be received by each promoter.</p>	<p>The Company has had no promoter within the last 2 years. The management of it has been under the control of the Board of Directors. SEE ITEM 21.</p>
<p>17. If the property referred to in item 15 was or is to be paid for by the issuance of shares of the issuer or any subsidiary, give (a) the number of shares of the issuer and any subsidiary issued to or to be issued to the vendor after giving effect to such transaction, and (b) the number and, if more than 5 per cent of the shares presently outstanding, the percentage of shares of the issuer and any subsidiary owned or to be owned by the vendor after giving effect to the transaction. If the vendor is a company, give the names and addresses of the insiders of the company.</p>	<p>SEE ITEM 12.</p>
<p>18. Give the number and, if more than 5 per cent, the percentage of the shares of the issuer held in escrow or in pool and a brief statement of the terms of the escrow or pooling agreement. Give the names and addresses of the beneficial owners of such shares.</p>	<p>There are no escrowed or pooled shares in the Company</p>
<p>19. Give the number of shares of the issuer owned of record or beneficially, directly or indirectly, by each person or company who owns of record, or is known either by the issuer or the selling shareholder to own beneficially, directly or indirectly, more than 5 per cent of such shares, in each case within 10 days from the date hereof. Show separately whether the shares are owned both of record and beneficially, of record only or beneficially only, and show the respective amounts in percentages owned in each such manner. Give names and addresses of the owners referred to above.</p>	<p>SEE SCHEDULE ATTACHED</p>
<p>20. Give a brief statement of any legal proceedings to which the issuer or any of its subsidiaries is a party or of which any of their property is the subject. Make a similar statement as to any such proceedings known to be contemplated.</p>	<p>NONE</p>

SCHEDULE TO THE STATEMENT OF MATERIAL
FACTS OF PINE LAKE MINING CO.LTD. (N.P.L.)
DATED SEPTEMBER 29TH, 1970

ITEMS 1, 2, 3 and 9

By an agreement made and dated for reference September 29th, 1970, McDermid Miller & McDermid Limited of 675 West Hastings Street, Vancouver, B.C. agreed to underwrite 100,000 shares of the Company at 20¢ per share, to net the Company \$20,000.00, such shares being offered for primary distribution to the public in British Columbia. The price of such 100,000 shares to the public will be the market price at the time of offering through the facilities of the Vancouver Stock Exchange. The market range of the Company's shares during the last ninety days was a low of \$0.20 and a high of \$0.40.

In consideration of the purchase of the said 100,000 shares, the Company has granted an option to the Underwriter on 100,000 of the authorized and unissued shares of the Company, exercisable within sixty (60) days of the effective date of the Underwriting Agreement, at a price of 20¢ per share, to net the Company a further \$20,000.00, and in consideration of the purchase of the said 100,000 shares and subject to the exercise of the option hereinbefore mentioned, the Company has granted a further option to the Underwriter on 100,000 shares of the Company, exercisable within one hundred and twenty (120) days of the effective date of the Underwriting Agreement, at a price of 30¢ per share, to net the Company \$30,000.00. There are no sub-underwritings.

ITEM 4

The principal purposes for which the proceeds from the sale of the shares mentioned herein will be used are to provide additional funds to implement the exploration programme recommended for the Harrison or Owl Creek properties by the Company's consulting engineer, W.R. Bacon, Ph.D., P.Eng., in his report dated March 3, 1970, at an estimated cost of \$95,000.00.

Details of the costs and of the entire programme recommended by Mr. Bacon are contained in his Report, which is attached hereto.

The proceeds will not be used on other properties without obtaining the consent of and filing an up-to-date engineering report for such other properties with the Vancouver Stock Exchange.

ITEM 6

The Directors and Officers of the Company are as follows:

Names and Addresses

Occupations

Raymond A. Hrkac
181 - 908 Clarke Drive,
Port Moody, B.C.
Director/President

Geologist with the Company,
Rexony Mining Company Ltd. (N.P.L.),
and Bralorne Pioneer Mines Ltd.
(N.P.L.)

Alfred G. Bellinger
Ste. 812 - 235 Keith Road
West Vancouver, B.C.
Director/Secretary

Secretary-Treasurer of Canadian
Stevedoring Company Limited

Robert R. Dodd
901-900 West Hastings Street,
Vancouver. B.C.

Barrister and Solicitor

ITEM 10

The beneficial shareholders of McDermid Miller & McDermid Limited holding more than 5% of each class of shares are as follows:-

<u>Names and Addresses</u>	<u>Class of Shares</u>	<u>No. of Shares</u>	<u>Percentage Held</u>
W.P.Clarke 105-696 West 35th Ave. Vancouver,B.C.	Common	3,312	27.504 %
W.D.McGuire 4480 Ross Crescent West Vancouver.B.C.	Common	1,877	15.587 %
W.D.Taylor 735 Rochester Drive Coquitlam,B.C.	Common	1,876	15.579 %
C.J.Oliphant 3894 West 8th Ave., Vancouver,B.C.	Common	1,797	14.922 %
D.C.McDermid Ste.603 5455 Balsam Vancouver,B.C.	Common	1,555	12.913 %

ITEMS 12, 14, 15 and 17

1. Properties

The Company is the recorded and beneficial owner, free and clear of encumbrances, save as hereinafter provided, of the following 25 mineral claims in the Port Hardy area, Nanaimo Mining Division, Province of British Columbia:

<u>NAME OF CLAIM</u>	<u>RECORD NUMBER</u>	<u>EXPIRY DATE</u>
P.L. 1 - 8	20872 - 20879	October 30,1970
P.L.11 - 14	20882 - 20885	October 30,1970
J.R.1 - 7	20896 - 20902	October 30,1970
J.R.9	20904	October 30,1970
J.R.11	20906	October 30,1970
J.R.13 - 16	20908 - 20911	October 30,1970

Some portion of the claim recorded under No.20882 extends into Section 2 of Township 4, Rupert District. The extent of this and whether it would also affect some portions of the claims recorded under Nos. 20883 and 20884 can only be determined by a survey on the ground. The minerals, with the exceptions of gold and silver, contained within the said Section 2 were included within a prior grant from the Crown, so that to the extent any of these three claims may extend into the said Section 2 they include only gold and silver.

The Company has a 20% undivided interest, free and clear of all encumbrances, in the following mineral claims situate in the Lake LaBerge area, Whitehorse Mining District, Yukon Territory.

<u>NAME OF CLAIM</u>	<u>RECORD NUMBER</u>	<u>EXPIRY DATE</u>
B JAC 2 & 4	Y 8424 & Y 8426	June 9,1971
Tea 6 - 9	Y 11899 - Y 11902	Feb.9,1971
MTC 1 - 4	Y 11996 - Y 11999	Feb.10,1971
MTC 17 - 18	Y 12120 - Y 12121	Feb.10,1971
MTC 21	Y 12116	Feb.10,1971

The Company is the recorded owner of the following claims located in the Lillooet Mining Division, Province of British Columbia:

<u>NAME OF CLAIM</u>	<u>RECORD NUMBER</u>	<u>EXPIRY DATE</u>
OWL 1 & 2	30908 - 30909	August 11, 1974
OWL 3	28053	June 20, 1974
OWL 4	30910	August 11, 1974
OWL 5	28055	June 20, 1974
OWL 6	30911	August 11, 1974
OWL 7 & 8	28057 - 28058	June 20, 1974
O.C. 1 - 6	23736 - 23741	May 13, 1974
O.C. 43 - 48	23847 - 23852	June 18, 1974
K.B. 1 - 8	23853 - 23860	June 18, 1974
K.B. 9 - 14	23887 - 23892	July 15, 1974
O.L.N. 1 - 16	29614 - 29629	Dec. 20, 1970
O.L. 1 - 2	29588 - 29589	Nov. 13, 1974
O.L. 3 - 12	30888 - 30897	August 11, 1974
O.C.S. 1 - 10	29597 - 29606	Nov. 27, 1971
O.C.S. 11 - 12	29607 - 29608	Nov. 27, 1970
O.L.S. 3 - 12	30898 - 30907	August 11, 1974
O.L.S. 13 - 30	31957 - 31974	Sept. 23, 1974
O.L. 13 - 22	31975 - 31984	Sept. 23, 1974
B.O. 1 - 12	31985 - 31996	Sept. 23, 1974
O.C.S. 15 - 17	31195 - 31197	Sept. 26, 1974
O.C.S. 20 - 26	32198 - 32204	Sept. 26, 1974
O.L.S. 1 - 2	32205 - 32206	Sept. 26, 1974
O.L.N. 17 - 24	32207 - 32214	Sept. 26, 1974
O.C.S. 18 - 19	32215 - 32216	Sept. 26, 1974

The Company is the beneficial owner of all the immediately aforesaid claims subject to its paying and performing the payments and conditions of that certain Option Agreement dated October 16, 1968, granted by James Stuart Scott and Leslie R. Harrison to the Company.

According to the records of the Mining Recorder at Lillooet the following claims appear to be located over or partially over other mineral claims in contravention of Section 12 (1) of the Mineral Act.

<u>CLAIM NUMBER</u>	<u>RECORD NUMBER</u>
O.L. 14	31976
O.L. 16	31978
B.O. 5	31989
B.O. 7 - 12	31991 - 6
O.L. 17	31979
O.L. 19	31981
OWL 8	28058
O.L.N. 16	29629
O.L.N. 17	32207
O.L.N. 19	32209

The Company is the beneficial owner of the following mineral claims located in the Liard Mining Division, Province of British Columbia:

<u>NAME OF CLAIM</u>	<u>RECORD NUMBER</u>	<u>EXPIRY DATE</u>
APEX 1 - 41	42265 - 42305	March 9, 1971

The Company acquired the foregoing mineral claims for the cost of staking and recording in the amount of \$505.00.

2. Development of Properties

(a) Port Hardy Properties

The Company has installed no plant or equipment on the property except camp facilities required in exploration. To date the Company has carried out the programme recommended by R.H.D. Philp, P.Eng., of Agilis Exploration Services Ltd., in his Report dated February 29, 1968. It is the Company's intention to perform only required assessment work on these properties during 1970.

(b) Lake LaBerge Properties

The Company has no plant or equipment on the properties. The Company has caused an engineering evaluation of the properties to be made during the 1967 season, and as a result, has decided not to undertake any further work on the properties.

(c) Harrison Property

At the date hereof the Company has installed full camp facilities including tent and trailer equipment on the property. Arrangements are being completed to move a rented bulldozer and a contract wireline diamond drill owned by Arason Explorations Ltd. on site. The Company has carried out preliminary examinations of the property, camp construction, assaying, and road work. The Company has completed a geo-chemical survey of the "C" zone of the property with its own staff. An I.P. Survey was conducted on behalf of the Company by Scintrex Ltd. in 1969 on the "C" zone of the property. In 1970 Scintrex Ltd. also carried out an I.P. survey on the "D" zone.

The Company has also carried out the first phase of the programme recommended by W.R.Bacon, Ph.D., P.Eng., in his Engineering Report dated September 22, 1969 as supplemented October 2, 1969, which recommended a programme in two phases, consisting primarily of diamond drilling and surface investigation at a total estimated cost of \$196,000.00. The first phase has been completed at a cost of approximately \$100,000.00. The Company has obtained a further Engineering Report from W.R.Bacon dated March 3, 1970, which recommends a further programme consisting primarily of diamond drilling at a cost of \$95,000.00.

(d) Apex Property

No work has been performed on this property and no work is planned at this time and no commercial ore bodies have been found on this Property.

ITEM 19

The following are shareholders of record beneficially holding more than 5% of the issued shares of the Company as of September 25, 1970:

<u>Name and Address</u>	<u>Designation of Shares</u>	<u>Type of Ownership</u>	<u>No. of Shares held</u>	<u>Percentage of class</u>
Bongard Leslie & Co.Ltd. 20 King St.West, Toronto.1.Ontario.	Common	Direct of record	72,700	5.2%
Doherty Roadhouse & McCuaig, Simpson Tower, Toronto.Ontario.	Common	Direct of record	70,700	5.1%
William D.McGuire, c/o McDermid Miller & McDermid Ltd., 1003 The Royal Bank Building, Vancouver.B.C.	Common	Direct of record and beneficial	124,500	8.9%
Wardon Company, 1003 The Royal Bank Building, Vancouver.B.C.	Common	Direct of record	160,840	11.5%

The Company has no knowledge of the beneficial holders of the shares in the name of Bongard Leslie & Co., Doherty Roadhouse & McCuaig or Wardon Company.

ITEM 21

Directors' remuneration for the past year totalled \$19,904.00 which consists of the salary and holiday pay paid to the Company's President and the salary and holiday pay paid to another Director for further engineering services.

PURCHASER'S RIGHT OF RESCISSION

Section 61 of the Securities Act, 1967 contains provisions enabling a purchaser of securities offered in the course of primary distribution to rescind the contract of purchase in certain events. The Purchaser may rescind where:

- (a) Section 60 has not been complied with;
- (b) Written notice of intention to commence an action for rescission of the contract is served upon the person who contracted to sell the securities within 60 days of the date of delivery of the written confirmation of the sale of the securities; and
- (c) The Purchaser is still the owner of the security.

This statement of the Purchaser's right of rescission is indicative only, and not intended to be comprehensive. For complete details, reference should be made to the sections of the Act.

Thorne,
Gunn,
Helliwell
& Christenson

HELLIWELL, MACLACHLAN & CO.
GUNN, ROBERTS & CO.

CHARTERED ACCOUNTANTS

VANCOUVER PARTNERS

W R C PATRICK	D J KELSEY	G M MILLER
J M MOYNES	B FAHY	W G MITCHELL
H B SMITH	R E BURRELL	G SPARE
R G STEWART	J C MCKINNEY	K S GUNNING
D G USHER		J G HALPIN

CONSULTANTS

J L HELLIWELL H H ADAIR

ACCOUNTANTS' COMMENTS

The accompanying balance sheet of Pine Lake Mining Co. Ltd. (N.P.L.) as at August 31, 1970 and the statements of deferred exploration, development and administration expenditures and application of funds for the seven month period then ended have been prepared from the books and records of the company and from information given to us. We did not perform an audit and accordingly are not in a position to express an opinion on these financial statements.



Vancouver, B. C.
September 21, 1970

Chartered Accountants

BOARD OF TRADE TOWER
1177 WEST HASTINGS STREET
VANCOUVER 1, B.C.
TELEPHONE: (604) 685-3511

OFFICES THROUGHOUT CANADA AND ASSOCIATES THROUGHOUT THE WORLD

PINE LAKE MINING CO. LTD. (N.P.L.)
(Incorporated under the laws of the Province of British Columbia)

BALANCE SHEET - AUGUST 31, 1970
(prepared without audit)

ASSETS

CURRENT ASSETS

Cash	\$ 7,184	
Accounts receivable	284	
Deposit	5,000	
	<u> </u>	\$ 12,468

FIXED ASSETS, at cost

8,939

MINING PROPERTIES, at cost

La Berge area	10,155	
Port Hardy area	310	
Pemberton area (note 1)	21,741	
Apex area	505	
	<u> </u>	32,711

DEFERRED CHARGES

Incorporation expenses	2,057	
Exploration, development and administration expenditures	281,247	
	<u> </u>	283,304
		<u> </u>
		\$337,422
		<u> </u>

LIABILITIES

CURRENT LIABILITIES

Accounts payable		\$ 1,678
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SHAREHOLDERS' EQUITY

CAPITAL STOCK

Authorized		
5,000,000 Common shares of no par value		
Issued		
1,393,915 Shares	\$414,758	

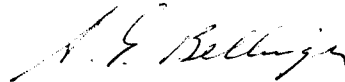
DEFICIT

(79,014) 335,744


\$337,422

Approved by the Board

Director



Director



PINE LAKE MINING CO. LTD. (N.P.L.)
STATEMENT OF DEFERRED EXPLORATION, DEVELOPMENT
AND ADMINISTRATION EXPENDITURES
SEVEN MONTH PERIOD ENDED AUGUST 31, 1970
(prepared without audit)

Balance deferred at beginning of period		\$263,361
Expenditures during period		
Exploration and development		
Pemberton area	\$13,323	
Administration	4,563	
	<u> </u>	<u>17,886</u>
BALANCE DEFERRED AT END OF PERIOD		<u>\$281,247</u>

PINE LAKE MINING CO. LTD. (N.P.L.)

STATEMENT OF APPLICATION OF FUNDS

SEVEN MONTH PERIOD ENDED AUGUST 31, 1970
(prepared without audit)

APPLICATION OF FUNDS	
Acquisition of mining properties	\$ 505
Exploration, development and administration expenditures	<u>17,886</u>
DECREASE IN WORKING CAPITAL	18,391
WORKING CAPITAL AT BEGINNING OF PERIOD	<u>29,181</u>
WORKING CAPITAL AT END OF PERIOD	<u><u>\$10,790</u></u>

PINE LAKE MINING CO. LTD. (N.P.L.)

NOTES TO FINANCIAL STATEMENTS

SEVEN MONTH PERIOD ENDED AUGUST 31, 1970
(prepared without audit)

1. PEMBERTON AREA MINING PROPERTY

By agreement dated October 16, 1968 the company obtained an exclusive five year option to purchase certain mineral claims in the Pemberton area of British Columbia. The purchase price is \$100,000 and 100,000 common shares from the company's treasury on exercising the option and \$1,000,000 at the rate of five cents for each short ton of ore mined and concentrated from the claims.

In order to keep the option in good standing the company is required, during the period of the option, to spend \$20,000 on development of the claims, make cash instalments of \$100,000 and deliver 100,000 shares; all of which will be applied against the purchase price if the option is exercised. Cash instalments totalling \$20,000 have been made to date.

2. CAPITAL STOCK

Capital stock issued at August 31, 1970 may be summarized as follows:

	<u>Number of shares</u>	<u>Value of consideration</u>
For cash	1,261,915	\$400,758
For mineral claims	130,000	13,000
In settlement of liabilities	2,000	1,000
	<u>1,393,915</u>	<u>\$414,758</u>

PINE LAKE MINING CO. LTD. (N.P.L.)

EXPLORATION, DEVELOPMENT AND ADMINISTRATION EXPENDITURES SCHEDULE

SEVEN MONTH PERIOD ENDED AUGUST 31, 1970
(prepared without audit)

Exploration and development			
Pemberton area			
Camp operation	\$	263	
Consulting		775	
Recording and registration of claims		2,329	
Survey		1,671	
Roads (1970 amount includes government share of costs amounting to \$2,925)		(1,921)	
Truck operation		421	
Wages and salaries		9,785	
		<u> </u>	\$13,323
Administration			
Accounting		1,050	
General administration		1,582	
Legal and audit		2,353	
Shareholders' information		226	
Transfer agent's fees and expenses		260	
		<u> </u>	
		5,471	
Deduct miscellaneous revenue		908	
		<u> </u>	4,563
			<u> </u>
			\$17,886
			<u> </u>

BACON & CROWHURST LTD.
CONSULTING ENGINEERS

1720 - 1055 W. Hastings St.,
Vancouver, 1, B.C.

March 3rd, 1970.

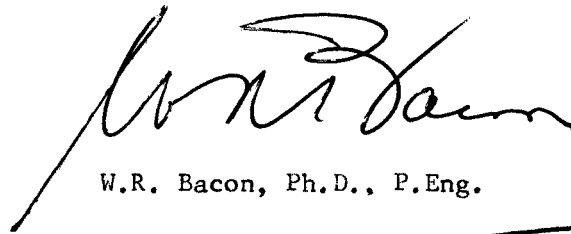
Pine Lake Mining Co. Ltd. (N.P.L.),
717 - 402 West Pender St.,
Vancouver, 3, B.C.

Dear Sirs:

I hereby consent to the use of my report
dated March 3rd, 1970, on your Harrison Property in any
statement of material facts filed by your Company.

Yours very truly,

BACON & CROWHURST LTD.

A handwritten signature in black ink, appearing to read 'W.R. Bacon', is written over a diagonal line that extends from the bottom left towards the center.

W.R. Bacon, Ph.D., P.Eng.

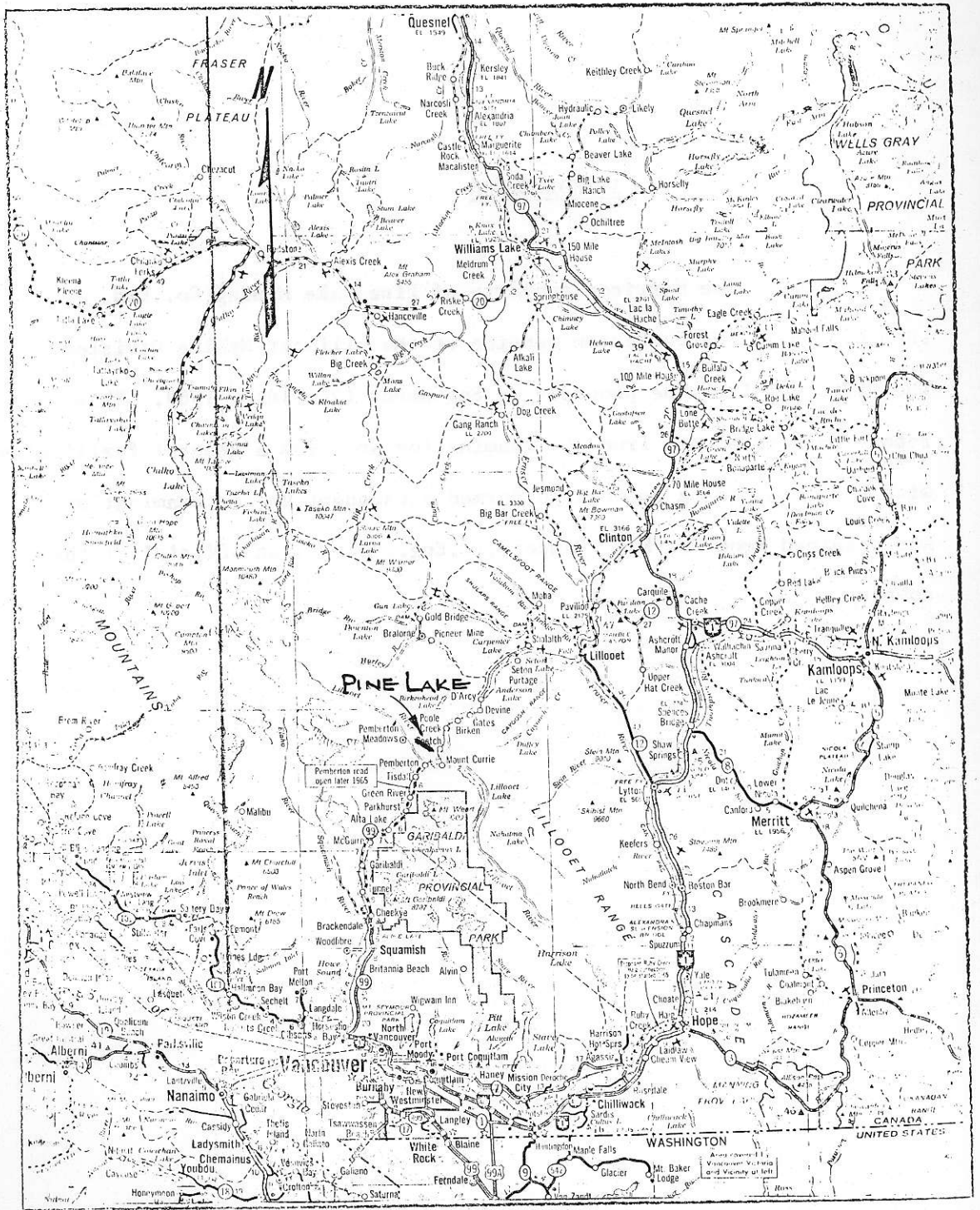
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REPORT
on the
HARRISON PROPERTY
LILLOOET MINING DIVISION
of
PINE LAKE MINING CO. LTD. (N.P.L.)

by
W.R. BACON, Ph.D., P.Eng.

Vancouver, B.C.

March 3rd, 1970.



Scale: 1" = 30 Miles

INTRODUCTION

The Harrison property of Pine Lake Mining Co. Ltd. (N.P.L.) is in the Pemberton section of the Lillooet Mining Division. The writer visited the property on September 17th-18th, 1969. This report results mainly from the examination and from a general familiarity with the area; data on work performed subsequent to the examination was obtained from Mr. K.G. Sanders, P.Eng., who is an official of the company.

PROPERTY

On September 18th, 1969, the Company was the recorded owner of the following claims located in the Lillooet Mining Division:

<u>NAME OF CLAIM</u>	<u>RECORD NUMBER</u>	<u>EXPIRY DATE</u>
OWL 1 & 2	30908-30909	August 11, 1970
OWL 3	28053	June 20, 1971
OWL 4	30910	August 11, 1970
OWL 5	28055	June 20, 1971
OWL 6	30911	August 11, 1970
OWL 7 - 8	28057 - 28058	June 20, 1971
O.C. 1 - 6	23736 - 23741	May 13, 1970
O.C. 43 - 48	23847 - 23852	June 18, 1970
K.B. 1 - 8	23853 - 23860	June 18, 1970
K.B. 9 - 14	23887 - 23892	July 15, 1970
O.L.N. 1 - 16	29614 - 29629	December 29, 1969
O.L. 1 - 2	29588 - 29589	November 13, 1969
O.L. 3 - 12	30888 - 30897	August 11, 1970
O.C.S. 1 - 12	29597 - 29608	November 27, 1969
O.L.S. 3 - 12	30898 - 30907	August 11, 1970

Assessment work has been filed on the above claims and the entire 84 are in good standing.

Subsequent to the examination 62 additional claims were located as follows:

<u>NAME OF CLAIM</u>	<u>RECORD NUMBER</u>	<u>EXPIRY DATE</u>
O.L.S. 13 - 30	31957 - 31974	September 23, 1970
O.L. 13 - 22	31975 - 31984	"
B.O. 1 - 12	31985 - 31996	"
O.C.S. 15 - 17	31195 - 31197	September 26, 1970
O.C.S. 20 - 26	32198 - 32204	"
O.L.S. 1 - 2	32205 - 32206	"
O.L.N. 17 - 24	32207 - 32214	"
O.C.S. 18 - 19	32215 - 32216	"

LOCATION AND ACCESS

The claims are in and flanking Owl Creek, a southeasterly flowing tributary of the Birkenhead River which drains into the northwestern end of Lillooet Lake, east of Pemberton. They extend from close to the Pemberton-D'Arcy road for a distance of six miles up Owl Creek valley.

Access from Pemberton is by 7 miles of gravel road to Owl Creek, thence by 5.5 miles of steep dirt road to a tent camp at the upper or "C" showing.

Highway, railway and power lines cross Owl Creek near its mouth.

GENERAL FEATURES

Owl Creek flows in a deeply incised valley in typical Coast Mountains terrain. The elevation of Owl Creek at its mouth is about 800 feet whereas, at the tent camp, the elevation is approximately 3600 feet.

The vegetation is characteristic of the coastal rain forest. It is exceedingly dense and extensive; outcrops are scarce except in the creek bottom and on the ridges that rise to 5500 feet.

The topography is rugged.

HISTORY

Three showings occur on the property, the lowermost of which has been known for many years. This showing, known originally as the Copper Queen, was probably discovered in 1913 when considerable prospecting was undertaken in Owl Creek. Subsequently an adit was driven 217 feet in a N 50 degrees E direction beneath the mineralization exposed at the surface.

The Copper Queen showing is two miles upstream from the mouth of Owl Creek. In the period 1928-29, the Britannia Mining and Smelting Co. Ltd. drilled three short holes to test the Copper Queen.

In 1963 The Mining Corporation of Canada Ltd. staked claims in Owl Creek and undertook a program of road building, geological mapping, trenching and silt sampling of the creek and its tributary streams. In 1967 the 26 claims then held were transferred to

L.R. Harrison of Garibaldi who had done the staking for the aforementioned mining company.

Pine Lake Mining Co. Ltd. assumed direction of work on the property in 1968 under an option agreement with Harrison and J.S. Scott of Vancouver.

GENERAL GEOLOGY

The only published geological map of the area under consideration is of a preliminary nature, occurring as Figure 6 in the Geological Survey of Canada Summary Report, 1924, Part A, facing Page 76A. This map shows rock distribution and indicates that the Pemberton area is underlain by the Coast Intrusives and substantial areas of older, layered rocks - both volcanic and sedimentary.

In Owl Creek, as is often the case in the Coast Mountains, the valley is worn in the relatively soft, layered rocks whereas the ridges flanking the valley are composed of durable granitic rocks.

The layered rocks comprise dark green volcanic types and lesser amounts of argillaceous and other sedimentary rocks. As inferred above, these rocks trend with the valley, i.e. NW-SE. They dip steeply, generally northeastward. Evidence of shearing is abundant in the layered rocks.

Rather limited exposures of diorite occur in the bed of Owl Creek. The mineralized showings are associated with these intrusives and volcanic inclusions therein.

THE SHOWINGS
(See Figure 2)

A (Lower)

The Lower showing has been adequately tested by the old adit, the 3 Britannia drill holes, and a long hole drilled by Pine Lake.

The copper occurs in diorite and altered green volcanics.

Channel sampling by The Mining Corporation of Canada Limited along the northwest wall of the adit may be summarized as follows:

217 feet grading 0.33% copper which contains 90 feet grading 0.41% copper.

The Pine Lake hole was drilled S 48 degrees W, parallel to the adit, at a dip of 72°30' for a distance of 958 feet. This surface hole was collared 185 feet directly above the face of the adit and traverses the ground 30 feet southeast of the adit. The purpose of this hole was to penetrate beneath any possible leaching or enrichment (much limonite and copper stain are evident in the adit). Values in the Pine Lake hole, D.D.H. A-1, were generally quite low with 600 feet averaging 0.20% copper. Molybdenite is quite sparse.

The grades mentioned above plus the steep terrain (which precludes a possible surface operation) add up to an uneconomic situation.

B (Middle)

The Middle showing, like the Lower, is in the bed of Owl Creek. A few samples were taken by The Mining Corporation of Canada Limited and they indicate the presence of copper in the intrusive here. No work of any consequence has been done on the B showing.

C (Upper)

This showing occurs in a canyon section of Owl Creek. Here the intrusive which is diorite occurs in cliffs for a lineal distance of 1400 feet across a width of 400 feet. It is, however, presumed to be much wider on the basis of small, isolated outcrops and, by the same token, may be as much as 2500 feet long.

The diorite in the canyon is much weathered, iron stained in some places and copper stained in others. Pyrite is common and lesser amounts of chalcopyrite and molybdenite can be found here and there.

Soil sampling indicated an anomalous copper-molybdenum area with dimensions of 2500 feet by 1200 feet which contains the intrusive outcrops. This area is roughly elliptical with the major axis trending S.65°E. The rocks on the north of the diorite are green, highly altered volcanics; those on the south are argillaceous sediments.

At the time of the examination two drill holes, bearing S.25 degrees W and dipping at 60 degrees had just been completed at depths of 1112 feet and 896 feet. These parallel holes, collared 200 feet apart, were the first to be drilled on the C showing. They

encountered similar sections although the longer hole was continued into the argillaceous sediments on the south side of the intrusive.

In these two holes, the intrusive is much altered diorite - silicified, epidotized, chloritized and cut by numerous quartz stringers. Calcite and gypsum are also present in veinlets and patches.

Considerable sections of the diorite are porphyritic and these appear to be only slightly mineralized, if at all.

The principal sulphide is pyrite; it is at least 10 times as prevalent as chalcopyrite. Both are extremely fine grained and, in actual fact, the presence of the latter can sometimes be detected with the pyrite only by means of a hand lens.

The chalcopyrite occurs with the pyrite and separately, in streaks and in patches. It is also found occasionally with quartz in vugs which are not uncommon.

Bornite, amounting to 2%-3%, occurs in D.D.H. C-2, at 191'-194'.

Molybdenite occurs sparsely on fractures whereas magnetite is sporadically distributed in irregular patches not generally associated with the sulphides.

Only a few drill core assays were available at the time of the examination and, in fact, much core remained to be split. It was obvious, however, that much of the intrusive is pyritized and considerable sections of it, at least in the vicinity of the first two drill holes would contain 0.15-0.35 per cent copper. There were lesser,

but still significant, sections which, in the opinion of the writer, would run 0.35-0.60 per cent copper.

Subsequent to the examination, six more holes were drilled S. 25 degrees W, all dipping at minus 60 degrees with the exception of C-8 which was drilled at minus 45 degrees. The holes are spaced at 200 foot intervals except for C-5 which is drilled parallel to the others but represents a 600 foot eastward stepout.

Mr. K.C. Sanders, P.Eng., supplied the writer with the results of the drilling on the C showing. They are reported as follows:

HOLE C-1 - Depth 1,112 ft.

90'-140'	=	50'	-	0.150%	Cu	-	0.004%	MoS ₂
320'-650'	=	330'	-	0.399			0.029	

HOLE C-2 - Depth 896 ft.

100'-144'	=	44'	-	0.207%	Cu	-	0.008%	MoS ₂
150'-220'	=	70'	-	0.402			0.002	
220'-275'	=	55'	-	0.239			0.002	
360'-410'	=	50'	-	0.346			0.004	
560'-690'	=	130'	-	0.539			0.031	

HOLE C-3 - Depth 929 ft.

280'-290'	=	10'	-	0.210%	Cu	-	0.006%	MoS ₂
320'-330'	=	10'	-	0.200			0.004	
360'-380'	=	20'	-	0.205			0.001	
500'-520'	=	20'	-	0.215			0.006	
810'-820'	=	10'	-	0.210			0.007	
850'-900'	=	50'	-	0.250			0.003	

HOLE C-4 - Depth 976 ft.

240'-270'	=	30'	-	0.226%	Cu	-	0.002%	MoS ₂
420'-460'	=	40'	-	0.205			0.009	
810'-835'	=	25'	-	0.222			0.006	

HOLE C-5 - Depth 735 ft.

Nothing over 0.20% Cu

HOLE C-6 - Depth 705 ft.

50'-100'	=	50'	-	0.272% Cu	-	0.004% MoS ₂
290'-490'	=	200'	-	0.231		0.007
540'-550'	=	10'	-	0.220		0.001
560'-590'	=	30'	-	0.200		0.001

HOLE C-7 - Depth 800 ft.

295'-305'	=	10'	-	0.07% Cu	-	0.055% MoS ₂
335'-345'	=	10'	-	0.14		0.042
470'-506'	=	36'	-	0.277		0.014
550'-645'	=	95'	-	0.223		0.015
690'-700'	=	10'	-	0.25		0.010

HOLE C-8 - Depth 664 ft.

55'-100'	=	45'	-	0.293% Cu	-	0.012% MoS ₂
130'-190'	=	60'	-	0.258		0.007
220'-250'	=	30'	-	0.220		0.007
580'-630'	=	50'	-	0.214		0.018

D

The D showing is on the northeast shore of Little Owl Lake, approximately 2500 feet upstream from the C.

Strictly the D should not be called a showing as it is a geochemical anomaly in an area of complete overburden. In size and intensity the anomaly is similar to C.

This area has not been examined by the writer.

RECOMMENDATIONS

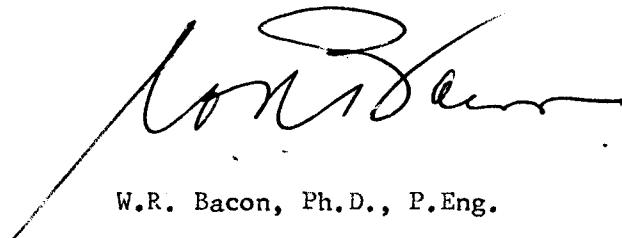
The writer recommended 7000 feet of diamond drilling for the C showing and 6,817 feet was done.

The writer now recommends 7000 feet of drilling for the D showing. Experience drilling the C showing has proven that the writer's cost estimate of \$12.50 per foot for a combination of NQ and BQ wire-line was accurate. Therefore drilling the D should cost \$87,500.

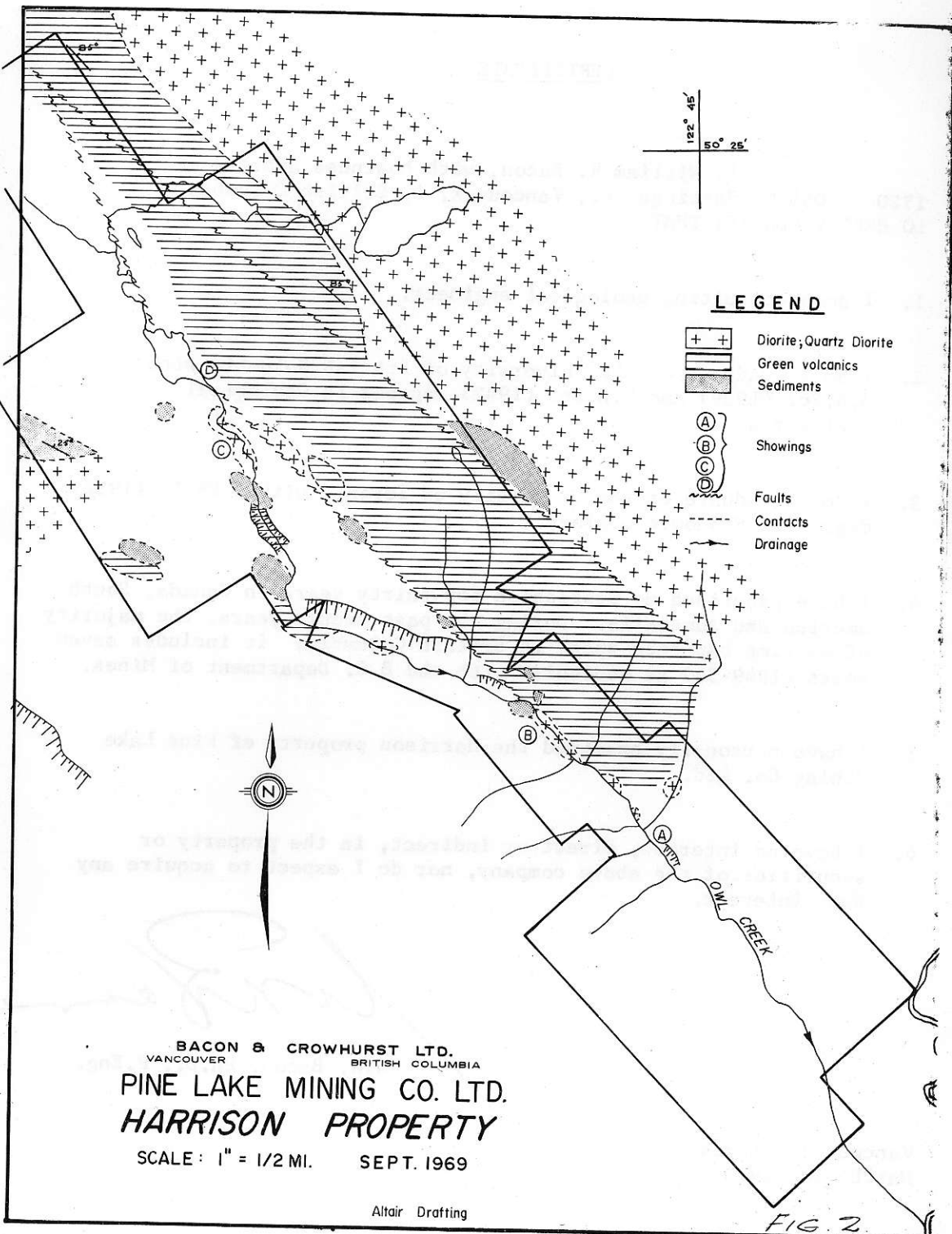
It is reasonable to allow an amount of \$7,500 for road and camp rehabilitation plus contingencies. Thus the total expenditure for the proposed program is \$95,000.

Respectfully submitted,








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W.R. Bacon, Ph.D., P.Eng.



LEGEND

-  Diorite, Quartz Diorite
-  Green volcanics
-  Sediments
-  Showings
-  Faults
-  Contacts
-  Drainage

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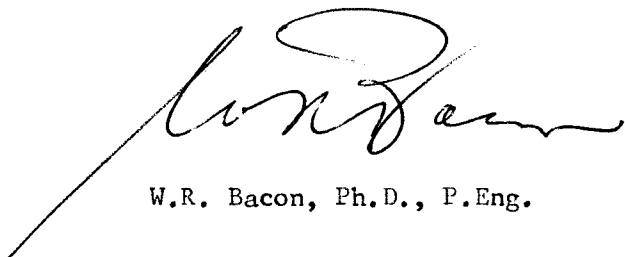
Altair Drafting

FIG. 2

CERTIFICATE

I, William R. Bacon, with business address at
1720 - 1055 W. Hastings St., Vancouver, 1, British Columbia,
DO HEREBY CERTIFY THAT:

1. I am a consulting geological engineer.
2. I am a graduate of the University of British Columbia with
B.A.Sc. (1939) and M.A.Sc. (1942) degrees in Geological
Engineering.
3. I am a graduate of the University of Toronto with a Ph.D. (1952)
degree in Economic Geology.
4. I have practised my profession for thirty years in Canada, South
America and Australia. During the past twenty years, the majority
of my time has been spent in British Columbia; it includes seven
years (1949-56) as geologist with the B.C. Department of Mines.
5. I have personally examined the Harrison property of Pine Lake
Mining Co. Ltd.
6. I have no interest, direct or indirect, in the property or
securities of the above company, nor do I expect to acquire any
such interest.



W.R. Bacon, Ph.D., P.Eng.

Vancouver, Canada.
March 3rd, 1970.