

James V. Collette

800-600

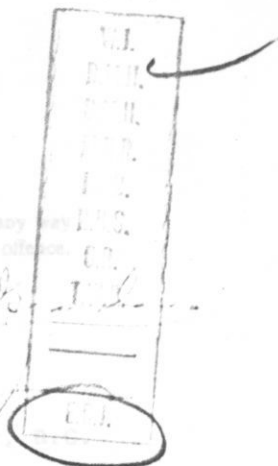
limited

Area 93

Grandara Explorations Ltd re  
properties in BC Y1 a NWT

August 7th, 1974

822324



Sept 4 1974

Two Files

① 6 acres  
1.1 mill

② U.S. Oil Prospect - Mc Ginnan Lake  
160 miles S.E. of Yellowknife

400' x 2000' - 50 4 lbs U.S. Oil

③ Addington Prospect (Au) - Bonnyft area

for 250000 of 100 Au -  
to 700 foot level  
near K. Dader.

Private Plan 600,000 shares 220¢

Copyright

2.5 million  
600,000

5,000,000

John & Company

+ 200,000 250¢

+ 200,000 275¢

+ but might enter

Geo V. Lottli 2200 S. ...

822324

867-6034  
located Shively - N. ...  
have ...



Two Files

① Birmingham Trgs. - optional to ...  
1.1 shell 3% area 2 5/8 - 2 5/8 (per ...)

② U.S. Project - Mc ...  
160 miles S.E. of ...  
400' x 2000' - ...

- optional to shell (20-50' ...)

③ Adlington Project (Au) - ...

Ar 250000 of ...  
to 200 foot ...  
near ...

Principle Plan 600,000 ...  
Copyright 2,5 million - 5,000,000  
600,000 ...  
+ 200,000 250000  
+ 200,000 2750  
+ ...

FORM 12



## 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

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

(Full name of company.)

Head Office: 107-325 Howe Street, Vancouver, B.C.

Registered Office: 202-900 West Pender Street, Vancouver, 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
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.	Not Applicable, Save as set out in Item 9.
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 Schedule
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
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 as a specially limited company by Memorandum of Association under the laws of the Province of B.C. on August 25, 1966.
6. Give names, addresses, and chief occupations for the past five years of the officers and directors of the issuer.	See Schedule
7. State the share capitalization of the issuer showing authorized and issued capital.	The authorized capital of the Company is \$2,500,000.00 divided into 5,000,000 common shares with par value of 50¢ each, of which 1,509,702 are issued.
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 Schedule

<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</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</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>See Schedule</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 Schedule</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 Schedule</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>None</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 Schedule</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>See Schedule</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</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>Thomas Beard of Prescott, Arizona has brought an action against the Company pursuant to its Agreement dated May 8, 1973. The Company is defending this action.</p>

SCHEDULE TO THE STATEMENT OF MATERIAL FACTS OF

GRANDORA EXPLORATIONS LTD. (NPL)

DATED: July 25th, 1974

---

ITEM 1 (A)

Underwriting Agreement dated the 25th day of July, 1974.

Canarim Investment Corporation Ltd.  
424 Burrard Street  
Vancouver, B.C.

Underwriting: 300,000 shares at 15¢ per  
share payable forthwith  
upon the approval of the Agreement  
by the Vancouver Stock Exchange  
("effective date")

Option on: 200,000 shares at 20¢ per share  
exercisable 90 days from the  
effective date.

Shares underwritten and shares with respect to which the option may be exercised will be sold to the public through the facilities of the Vancouver Stock Exchange at market prices from time to time prevailing.

There are no underwriting discounts or commissions.

Net proceeds from the underwriting - \$ 45,000

Net proceeds from the underwriting if  
the option is exercised in full - \$ 85,000

The market price established in the last 90 days is as follows:

Grandora Explorations Ltd. (N.P.L.)

High - 15¢                      Low - 7¢

There are no sub-underwriting agreements. To the knowledge of the signatories only the contracting Underwriters have any interest direct or indirect, in the underwritten and optioned shares.

ITEM 1 (B)

By Agreement dated July 25th, 1974 between Harman Management Limited and the Company, the Company purchased the NET 1 - 32 mineral claims in the Mayo Mining District of the Yukon Territory, the purchase price being \$9,600.00 and the allotment and issuance of 70,000 shares in the Purchaser's capital stock subject to the approval of the Vancouver Stock Exchange.

During the currency of this Statement of Material Facts or for a period of 60 days, whichever, is earlier, Harman Management Limited may sell the 70,000 shares allotted and issued to it at market prices from time to time prevailing through the facilities of the Vancouver Stock Exchange. In the event that all shares are sold at the conclusion of the offering Harman Management Limited shall own no shares in the Company.

Reference is made to Item 4 of the Statement of Material Facts setting out the proposed work program on the subject claims.

ITEM 4

The principal purposes for which the proceeds from the sale of the shares sold pursuant to the Underwriting and Option Agreement will be used are as follows:

- (a) To commence the recommendations of E. Chisholm, P. Eng. in his report dated July 24th, 1974 on the Net Claims. The recommendations are as follows:

The geological indications on the Net Claims justifies a program of detailed prospecting, geological mapping and geochemical investigation.

<u>Wages</u>	1 geologist	\$ 2,000	
	1 geologist assistant	1,200	
	1 prospector	2,000	
	1 prospector assistant	<u>1,000</u>	\$ 6,200
<u>Camp</u>	equipment	800	
	supplies - 100 man days		
	@ 15.00	<u>1,500</u>	2,300
<u>Mobilization and Demob.</u>		2,000	
<u>Service Aircraft</u>	fixed wing	1,000	
	helicopter	<u>2,000</u>	3,000
<u>Consulting</u>			1,000
<u>Assaying</u>			500
	20% contingency		<u>3,000</u>
	Total		\$ 18,000
(b)	To make property payment to Harmon Management Limited		9,600
(c)	To meet corporate expenses and pay outstanding accounts		<u>17,400</u>
	TOTAL:		<u>\$ 45,000</u>

If the options under the Underwriting and Option Agreement are exercised by the Underwriter, the Company will use the funds derived therefrom to continue exploration work on the Net Claims, as well as its other properties and to meet corporate expenses.

No part of the proceeds raised from the sale of securities offered hereby will be spent on exploring or developing other mineral properties owned or acquired by the Company without first submitting and having accepted for filing the appropriate engineering reports with the Vancouver Stock Exchange.

ITEM 6

Names, addresses and chief occupations for the past five years of the officers and directors of the Company are:

<u>NAME AND ADDRESS</u>	<u>OCCUPATIONS</u>
Ronald H. D. Philp c/o Gammon Chau & Co. P.O. Box 1359 Suva, Fiji PRESIDENT/DIRECTOR	Consulting Engineer
Valerie McKee 3589 Douglas Road Burnaby, B.C. SECRETARY	
Richard W. Hughes 257 East St. James Street North Vancouver, B.C. DIRECTOR	Business Executive
Frank A. Lang 1575 Rena Crescent West Vancouver, B.C. DIRECTOR	Engineer

ITEM 10

The beneficial shareholders of Canarim Investment Corporation Ltd. are:

<u>Name and Address of Shareholder</u>	<u>Class of Shares</u>	<u>Number of Shares</u>	<u>Percentage of Shares held</u>
Harold H. Hemsworth 424 Burrard Street Vancouver, B.C.	Common	14,086	31%
Alfred E. Turton 424 Burrard Street Vancouver, B.C.	Common	24,119	54%
Peter M. Brown 424 Burrard Street Vancouver, B.C.	Common	6,751	15%

ITEMS 12, 13, 14, 15 and 17

(A) HIGHLAND VALLEY PROPERTY

By Agreement dated March 29, 1972 and subsequent amendment, between Adera Mining Ltd. and the Company, the Company purchased an undivided 90% interest in and to 61 mineral claims in the Highland Valley in the Province of British Columbia. The claims are more particularly described as follows:

Ned 1 Fr. to 4 Fr. inclusive,  
Den 47 to 62 inclusive  
Den 78 to 80 inclusive  
Den 84 and Den 85  
FC 1 Fr. to 4 Fr. inclusive  
Lem Fr.,  
Elke 1 Fr. and Elke 2 Fr.  
DN 1 Fr. - 5 Fr. inclusive

The purchase price for the 90% undivided interest in and to the Highland Valley Property was the payment of \$6,000 by the Company to Adera Mining Ltd.

In May 1972, the Company granted an option to Abadon Holdings NL whereby Abadon could acquire an undivided 45% interest in and to the property. This Agreement was terminated in February, 1973.

Subsequently, by Agreement dated February 23, 1973 the Company has granted an option to Acheron Mines Ltd. (N.P.L.) to acquire an undivided 45% interest in and to the property. This interest may be earned by Acheron if Acheron expends the sum of not less than \$60,000 on or before August 31, 1974 on exploration and development work as set out in the report of David R. Morgan, P. Eng. dated March 24, 1972.

If Acheron earns the undivided 45% interest in and to the Highland Valley Property, then there is a provision in the Agreement for Acheron and the Company to continue with the joint exploration and development of the Property. If either party fails to contribute to exploration and development of the claims after Acheron earns its interest, then such non-contributing party shall lose an undivided 1% interest in and to the property for every \$2,000 expended for exploration and development on the claims by the other party.

When the Highland Valley Property was owned by Adera Mining Ltd., a considerable amount of exploration and development work was done on the Property. In the past year, Acheron has carried out surface exploration and surveys, trenching and percussion drilling.

(B) LIARD PROPERTY - Trim Claims

Pursuant to an Agreement dated August 16, 1972 between Robert A. Pollock, the Company, Cream Silver Mines Ltd. (N.P.L.) and Juniper Mines Ltd. (N.P.L.) the Companies purchased the Trim #42, 44, 46, 48, 50, 52, 54, 56, 58, 60 to 80 Mineral Claims in the Liard Mining Division of the Province of British Columbia for a purchase price of \$1,600 each and 17,500 shares in the capital stock of each Company. The Company plans to abandon these claims.

During 1972, the Company carried out surface surveys on the Property.

(C) OMENICA PROPERTY

By Joint Venture Agreement dated August 23, 1973 between the Company and Granex Mines Ltd. (N.P.L.) covering the NH #1 to #4 mineral claims, NH Fractions #1 and #2, and the EL #1 to #36 mineral claims in the Omineca Mining Division of the Province of British Columbia, the Company acquired a fifty percent interest in and to the above properties.

In order to acquire a fifty percent interest in the joint venture, the Company was required to spend \$35,000 on exploration and development work prior to December 31, 1972. The Company has now expended in excess of \$35,000 on the property. The Agreement provides that Granex and the Company shall now contribute equally to the exploration and financing of the property. The Agreement further provides that if either Granex or the Company fails to contribute, the respective interest of Granex and the Company in the property shall be adjusted accordingly.

During 1972 the Company has done the following work on the Omineca Property at a cost of in excess of \$35,000: staking and diamond drilling. The staking resulted in the acquisition of the following mineral claims: BD 1 - 26; AB 1 - 29; TB 1 - 25, 27 - 36; NB 1, 10, 11, 15 - 28; DB 1 - 24; JB 1 - 19; PD 1 - 20 and RB 1 - 18.

During 1973, additional surface surveys were completed and a large portion of the claims was relinquished. No work is planned on the property during the 1974 season.

(D) NAHANNI PROPERTY

By Agreement dated March 29, 1973 between Cream Silver Mines Ltd. (N.P.L.) Acheron Mines Ltd. (N.P.L.) and the Company, the Company has acquired an undivided 90% interest in and to the NOR 76 to 113 mineral claims, inclusive, in the Nahanni Mining District of the Northwest Territories. The purchase price being \$4,000 and the allotment and issuance by the Company of 100,000 shares in its capital stock, subject to the approval of both the Vancouver Stock Exchange and the British Columbia Securities Commission. The said shares shall be allotted and issued subject to the Company filing acceptable engineering reports with the Vancouver Stock Exchange. The shares to be allotted as follows: 25,000 shares on the above



approvals, 25,000 shares 90 days after the above approvals, 25,000 shares 180 days after the above approvals and 25,000 shares 270 days after the above approvals. To date 75,000 shares of the 100,000 shares have been allotted and issued.

Under the Agreement, the Company has undertaken to perform an exploration and development program up to a maximum expenditure of \$200,000.00. Subsequent to the completion of this exploration and development program, the Vendors have the right to purchase back from the Company a 20% interest in and to the Nahanni Property for a purchase price of 20% of the amount expended on the Property up to a maximum of \$40,000.

During 1973, the Company carried out a program of gridding, geological and geochemical surveys and at present, a program of further surveys, trenching and drilling has been recommended.

(E) LIARD PROPERTY - MOSQ and T'ANG Claims

By Agreement dated June 20, 1973 between John A. Greig of #1502 - 11111-87th Avenue, Edmonton, Alberta, and Belmoral Mines Ltd. (N.P.L.) and the Company, the Company and Belmoral Mines Ltd. (N.P.L.) have purchased an undivided 90% interest (each as to 45%) in and to certain mineral claims in the Liard Mining Division of the Province of British Columbia as follows: T'Ang Nos. 1 to 20 and Mosq Nos. 1 to 18, the purchase price being \$1,900 each and 6,000 shares in each purchaser's capital stock.

During 1973, the Claims were re-staked and surface surveys carried out.

No further work is planned on the Property at the present time.

In the past year, the Company has participated in the Interior and Selwyn Syndicates and through same, has an interest in several mineral claims in British Columbia, Yukon Territory and the Northwest Territories.

No body of commercial ore is located on any of the Company's properties, nor is any plant or equipment located on any of the properties.

The Company has decided to drop its option to purchase its Nevada Property which it had obtained from Thomas Beard of Prescott, Arizona by Agreement dated May 8, 1973. A total of \$8,000 was paid to Mr. Beard pursuant to the terms of the Option Agreement.

ITEM 18

No shares of the Company are presently held in escrow.

ITEM 19

The greater than five percent shareholders of the Company are:

<u>NAME AND ADDRESS</u>	<u>NO. OF SHARES</u>	<u>PERCENTAGE</u>
Canarim Investment Corp- oration Ltd. 424 Burrard Street Vancouver, B.C.	176,000 shares (Of Record)	11.6%
Continental Securities Corporation (1971) Ltd. 789 West Pender Street Vancouver, B.C.	110,850 shares (Of Record)	7.3%
Doherty, McCuaig Ltd. 505 Burrard Street Vancouver, B.C.	131,000 shares (Of Record)	8.6%
Donaldson Securities Ltd. 535 Thurlow Street Vancouver, B.C.	178,000 shares (Of Record)	11.8%

Draper, Dobie & Company Ltd. 1055 West Hastings Street Vancouver, B.C.	105,500 shares (Of Record)	6.8%
West Coast Securities Ltd. 845 West Pender Street Vancouver, B.C.	120,000 shares (Of Record)	7.9%

ITEM 21

A Director of the Company is a shareholder of a company which supervises exploration and development work on the Company's benefit. Consequently, the said Director participates in fees paid by the Company for exploration and development work. All three Directors of the Company have an interest in companies which carry out the day-to-day administration of the Company's affairs and consequently they participate in fees paid by the Company to these companies.

ITEM 22

By Agreement dated October 1, 1973 between the Company, Ronald Philp and Richard W. Hughes, each has an option to purchase 37,500 shares, 18,750 shares on or before October 1, 1974 at 15¢ per share and 18,750 shares on or before October 1, 1974 at 20¢ per share.

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.

ITEM 25

The Company has entered into an Agreement dated March 19th, 1974 with Ann Stevenson and John McGoran covering the purchase of 26 mineral claims in the Vancouver Mining District of the Province of British Columbia. The Company intends to terminate this Agreement.

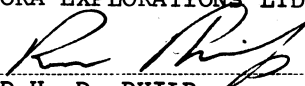
21. Give the aggregate direct remuneration, including amounts for services rendered, paid or payable by the issuer and its subsidiaries during the past year to the insiders of the issuer.	See Schedule
22. Give brief particulars of all options to purchase securities (other than such as are granted or proposed to be granted to shareholders as such on a <i>pro rata</i> basis) outstanding or proposed to be given by the issuer and its subsidiaries to any person or company, naming each such person or company and showing separately all such options outstanding or proposed to be given to the insiders of the issuer or its subsidiaries.	See Schedule
23. State the prices at which shares of the issuer have been issued for cash during the past year. If any shares have been issued for services, state the nature and value of the services and give the name and address of the person or company who received such shares. State the number of shares issued at each price.	Underwriting & Option Agreement with Canarim Investment Corporation Ltd. and Donaldson Securities Ltd. dated April 3, 1973: 200,000 shares at 20¢; 200,000 shares at 25¢.
24. Give the dates of and parties to and the general nature of every material contract entered into by the issuer or any subsidiary within the preceding two years which is still in effect and is not disclosed in the foregoing.	There are no other material contracts not disclosed in the foregoing.
25. Give particulars of any other material facts relating to the shares proposed to be offered and not disclosed pursuant to the foregoing items.	There are no other material facts. See Schedule
26. If assets include investments in the shares or other securities of other companies, give an itemized statement thereof showing cost of book value and present market value.	None

The foregoing constitutes full, true and plain disclosure of all material facts relating to the securities offered by this Statement of Material Facts.

CERTIFICATE OF THE COMPANY

Dated July 25, 1974

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

  
RONALD H. D. PHILP

  
RICHARD W. HUGHES

  
FRANK A. LANG

[Corporate Seal.]

CERTIFICATE OF UNDERWRITER OR OPTIONEE

To the best of our knowledge, information and belief, the foregoing constitutes full, true and plain disclosure of all material facts relating to securities offered by this Statement of Material Facts.

Dated July 25, 1974

CANARIM INVESTMENT CORPORATION LTD.

Per: 

Harman Management Limited  
Offering Shareholder



**GRANDORA EXPLORATIONS LTD. (N.P.L.)**

**FINANCIAL STATEMENTS**

**AS AT DECEMBER 31, 1973**

**LIVERANT, YIP & CO.**

**CHARTERED ACCOUNTANTS**

**SUITE 880 - 777 HORNBY STREET  
VANCOUVER, B.C. CANADA V6Z 1S4**

# LIVERANT, YIP & CO.

Chartered Accountants

ROBERT LIVERANT, B.A., C.A.  
WEI W. YIP, B.S.A. C.A.

850 - 777 HORNBY STREET  
VANCOUVER 1, B.C.  
TELEPHONE 682-7141

## AUDITORS' REPORT

To the Shareholders,  
Grandora Explorations Ltd. (N.P.L.)

We have examined the Balance Sheet of Grandora Explorations Ltd. (N.P.L.) as at December 31, 1973 and the Statements of Exploration and Administrative Expenditures and Source and Application of Funds for the six months then ended. 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.

We have not verified title to the mineral claims directly with the Government Registry Office.

Subject to the foregoing, in our opinion, these financial statements present fairly the financial position of the Company as at December 31, 1973 and the results of its operations and the source and application of its funds for the period then ended in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding period.

Vancouver, B.C.  
March 21, 1974.

*Liverant, Yip & Co.*  
Chartered Accountants.

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

BALANCE SHEET

AS AT DECEMBER 31, 1973

ASSETS

<u>Current</u>			
Cash	\$	833	
Advance - Juniper Mines Ltd. (N.P.L.)		<u>3,992</u>	\$ 4,825
<u>Interest in and Advances to Selwyn Syndicate</u>			3,970
<u>Interest in and Advances to Interior Exploration Syndicate</u>			2,000
<u>Mineral Claims - at cost (Note 1)</u>			22,650
<u>Fixed - at cost</u>			
Equipment and Leasehold Improvements			2,796
<u>Other</u>			
Incorporation		1,198	
Commissions on Sale of Shares		22,813	
Exploration and Administrative Expenses		<u>218,727</u>	<u>242,738</u>
			\$ <u>278,979</u>

The accompanying notes are an integral part of this financial statement

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

BALANCE SHEET

AS AT DECEMBER 31, 1973

LIABILITIES AND SHAREHOLDERS' EQUITY

Current

Accounts Payable

\$ 2,975

Shareholders' Equity

Share Capital -

Authorized:

5,000,000 Shares of 50¢ each

Issued and Fully Paid:

1,509,702

\$ 349,494

(June 30, 1973 - 1,303,702 Shares)

Deficit -

Mineral claims abandoned and  
Exploration and Administrative  
Expenses Written Off

- Beginning of Period

\$ 54,145

- During the Period

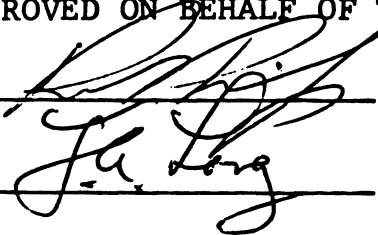
19,345

(73,490)

276,004

\$ 278,979

APPROVED ON BEHALF OF THE BOARD:



DIRECTOR

DIRECTOR

The accompanying notes are an integral  
part of this financial statement

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

STATEMENT OF EXPLORATION AND ADMINISTRATIVE EXPENSES

FOR THE SIX-MONTH PERIOD - JULY 1, 1973 TO DECEMBER 31, 1973

	<u>To</u> <u>June 30</u> <u>1973</u>	<u>Six Months</u> <u>Ended</u> <u>Dec.31/73</u>	<u>Written</u> <u>Off</u> <u>To Deficit</u>	<u>Total</u>
<u>Exploration</u>				
Assaying	\$ 1,282	\$ 2,525	\$ 775	\$ 3,032
Camp Supplies and Expense	1,332	5,331	851	5,812
Drilling	28,170	4,241	4,241	28,170
Engineering	18,612	19,224	7,711	30,125
Geophysical, Geological and Surface Survey	21,645			21,645
Line Cutting, Trenching and Mapping	18,569			18,569
Staking and Prospecting	8,847			8,847
Recording Fees, Licenses and Assessment Work	6,949	1,168		8,117
Magnetometer Survey	2,829			2,829
Travel, Hotels, Meals and Sundry	5,716	7,159	1,766	11,109
Equipment Rentals	1,167			1,167
Helicopter Rental	9,881			9,881
	<u>124,999</u>	<u>39,648</u>	<u>15,344</u>	<u>149,303</u>
<u>Administrative</u>				
Audit, Accounting and Legal	19,513	3,000		22,513
Listing Fees	3,963	685		4,648
Office and Sundry	10,945	3,007		13,952
Office, Administration and Secretarial Services	1,000	3,000		4,000
Management Fees	22,300			22,300
Transfer Fees	3,807	1,169		4,976
Interest Earned	(2,965)			(2,965)
	<u>58,563</u>	<u>10,861</u>	<u>-</u>	<u>69,424</u>
<u>Total Exploration and Administrative Expenses</u>	<u>\$ 183,562</u>	<u>\$ 50,509</u>	<u>\$ 15,344</u>	<u>\$ 218,727</u>

The accompanying notes are an integral  
part of this financial statement



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

STATEMENT OF SOURCE AND APPLICATION OF FUNDS

FOR THE SIX MONTHS ENDED DECEMBER 31, 1973

Source

Proceeds from Sale of Shares

\$ 50,000

Application

Acquisition of Mineral Claims

\$ 5,500

Less: Paid by Issuance of Shares

600

\$ 4,900

Exploration and Administrative  
Expenses

50,509

Investment in Selwyn Syndicate

2,095

Investment in Interior Exploration  
Syndicate

1,000

Advances to Interior Exploration  
Syndicate

1,000

59,504

Increase (Decrease) in Working Capital

(9,504)

Working Capital - Beginning of Period

13,229

Working Capital - End of Period

\$ 3,725

The accompanying notes are an integral  
part of this financial statement

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

NOTES TO THE FINANCIAL STATEMENTS

AS AT DECEMBER 31, 1973

1. Mineral Properties

The Company is the owner of the following:

- (a) An undivided 90% interest in mineral claims in the Kamloops Mining Division, Province of British Columbia, acquired for cash \$ 6,000

By agreement dated February 23, 1973, the Company granted an option to Acheron Mines Ltd. (N.P.L.) to acquire an undivided 45% interest in the Property. The optionee may earn this interest by expending \$60,000 on the property on or before August 31, 1974.

- (b) An undivided 33 1/3% interest in mineral claims in the Liard Mining Division, Province of British Columbia, acquired for \$1,600 cash and 17,500 shares at 1¢ per share 1,775

- (c) An undivided 42 1/2% interest in mineral claims in the Liard Mining Division acquired as follows:

\$2,500	(already paid)	
37,500	Shares (already issued)	2,875
37,500	Shares were to be issued equally at intervals of 60, 120 and 180 days after the date of acceptance of the agreement.	

At the date of these financial statements, none of the shares have been issued.

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

NOTES TO THE FINANCIAL STATEMENTS

AS AT DECEMBER 31, 1973

1. Mineral Properties - Continued

(d) An undivided 50% interest in mineral claims in the Omenica Mining Division, Province of British Columbia acquired by work commitment under a joint venture agreement.

(e) An undivided 90% interest in mining claims in the Nahanni Mining District of the Northwest Territories acquired as follows:

\$4,000 (already paid)	
25,000 Shares (already issued)	\$ 9,500
25,000 Shares, within 90 days of May 9, 1973	
25,000 Shares, within 180 days of May 9, 1973	
25,000 Shares, within 270 days of May 9, 1973	

At the date of these financial statements, the balance of 75,000 shares have not been issued.

(f) An undivided 45% interest in mineral claims in the Liard Mining Division of British Columbia acquired for \$1,900 and 6,000 shares at 10¢ per share

	<u>2,500</u>
	<u>\$ 22,650</u>

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

NOTES TO THE FINANCIAL STATEMENTS

AS AT DECEMBER 31, 1973

2. Share Capital

During the period ended December 31, 1973, 200,000 shares were issued for \$50,000 cash and 6,000 shares at 10¢ per share were issued for properties.

Since incorporation, shares have been issued as follows:

	<u>Number Of Shares</u>	<u>Par Value</u>	<u>Discount</u>	<u>Net</u>
For Cash	1,348,702	\$ 674,351	\$ 339,007	\$ 335,344
For Properties	<u>836,000</u>	<u>418,000</u>	<u>336,350</u>	<u>81,650</u>
	2,184,702	1,092,351	675,357	416,994
<u>Less:</u>				
Surrendered by way of Gift	<u>675,000</u>	<u>337,500</u>	<u>270,000</u>	<u>67,500</u>
	<u>1,509,702</u>	<u>\$ 754,851</u>	<u>\$ 405,357</u>	<u>\$ 349,494</u>

The mineral claims acquired by the Company for 750,000 shares have been abandoned. Of the 750,000 shares, 75,000 were released from escrow and 675,000 have been surrendered by way of gift and subsequently cancelled.

3. Remuneration of Directors and Officers

During the six-month period ended December 31, 1973, remuneration of \$3,000 was paid to a Company controlled by two directors of Grandora Explorations Ltd. (N.P.L.).

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

FINANCIAL STATEMENTS

JUNE 30, 1974

---

# Morgan & Company

---

**Chartered Accountants**

1210-675 West Hastings Street  
Vancouver 1, British Columbia  
Telephone (604) 687-5841

---

John F. Morgan  
Tor B. Barth  
Lorne M. Beauchamp

---


## DISCLAIMER OF OPINION

We have prepared the accompanying balance sheet as at June 30, 1974 and statement of source and application of funds for the year then ended from the records of Grandora Explorations Ltd. (N.P.L.) and from information given to us.

In accordance with the terms of our engagement, we have not performed an audit, and consequently do not express an opinion on these financial statements.

Vancouver, Canada

July 25, 1974

  
Chartered Accountants

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

BALANCE SHEET

AS AT JUNE 30, 1974  
(prepared without audit)

ASSETS

CURRENT ASSETS		
Cash	\$ 1,972	
Advance - Juniper Mines Ltd. (N.P.L.)	<u>3,992</u>	
		\$ 5,964
INTEREST IN AND ADVANCE TO INTERIOR EXPLORATION SYNDICATE		2,000
INVESTMENT IN SHARES OF TRIDENT RESOURCES INC. (N.P.L.) (Note 1)		
OFFICE FURNITURE AND EQUIPMENT, at cost		587
INTEREST IN MINERAL PROPERTIES, at cost (Note 2)		22,525
DEFERRED EXPLORATION AND ADMINISTRATIVE EXPENDITURES		
Exploration	150,979	
Administrative	<u>78,758</u>	
		229,737
INCORPORATION COSTS		1,198
		<u>\$ 262,011</u>

LIABILITIES

CURRENT LIABILITIES		
Accounts payable		\$ 11,966
CONTINGENT LIABILITY (Note 4)		
SHAREHOLDERS' EQUITY		
SHARE CAPITAL		
Authorized		
5,000,000 shares of 50¢ each		
Issued (Note 3)		
1,348,702 shares for cash	\$ 674,351	
Less discount and commission	<u>361,820</u>	
		\$ 312,531
186,000 shares for mineral properties	93,000	
Less discount	<u>76,100</u>	
		<u>16,900</u>
<u>1,534,702</u> shares		<u>329,431</u>
DEFICIT		
Balance at beginning of year		54,145
Cost of and expenditures on mineral properties abandoned:		
Azurite claims, State of Nevada, U.S.A.	\$ 19,344	
Similkameen Mining Division, Province of B.C.	1	
ASH claims, Liard Mining Division, Province of B.C.	<u>3,688</u>	
		23,033
Sundry equipment, office furniture and improvements written off		<u>2,208</u>
		<u>79,386</u>
		<u>250,045</u>
		<u>\$ 262,011</u>

APPROVED ON BEHALF OF THE BOARD:

..... Director

..... Director

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

NOTES TO THE FINANCIAL STATEMENTS

AS AT JUNE 30, 1974  
(prepared without audit)

1. The company is the registered owner of 20,950 shares of Trident Resources Inc. and also owns beneficially another 36,740 shares representing together a 5.7% interest in that company which holds certain mineral claims in the Yukon and Northwest Territories. The shares were acquired in consideration for services rendered by the company through the Selwyn Exploration Syndicate.

2. Mineral Properties

The Company has the following interest in mineral properties:

- a) An undivided 90% interest in mineral claims in the Kamloops Mining Division, Province of British Columbia, acquired for cash \$ 6,000

By agreement dated February 23, 1973, the Company granted an option to Acheron Mines Ltd. (N.P.L.) to acquire an undivided 45% interest in the Property. The optionee may earn this interest by expending \$ 60,000 on the property on or before August 31, 1974.

- b) An undivided 33 1/3% interest in mineral claims in the Liard Mining Division, Province of British Columbia, acquired for \$ 1,600 cash and 17,500 shares at 1¢ per share 1,775

- c) An undivided 50% interest in mineral claims in the Omenica Mining Division, Province of British Columbia acquired by work commitment under a joint venture agreement.

- d) An undivided 90% interest in mining claims in the Nahanni Mining District of the Northwest Territories acquired as follows:

\$ 4,000 (already paid)	\$ 4,000	
50,000 shares - issued	<u>8,250</u>	
25,000 shares, within 180 days of May 9, 1973		12,250
25,000 shares, within 270 days of May 9, 1973		

At the date of these financial statements, the balance of 50,000 shares have not been issued.

- e) An undivided 45% interest in mineral claims in the Liard Mining Division of British Columbia acquired for \$ 1,900 and 6,000 shares at 10¢ per share 2,500

Forward \$ 22,525



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

NOTES TO THE FINANCIAL STATEMENTS

AS AT JUNE 30, 1974  
(prepared without audit)

Forward

\$ 22,525

f) Subsequent to June 30, 1974 the company entered into an agreement to acquire the NET claims in the Yukon Territory for \$ 9,600 cash and the issue of 70,000 shares of the company upon approval of the agreement by the regulatory authorities.

3. During the year the company issued 200,000 shares from the treasury for net cash proceeds of \$ 50,000 while 31,000 shares were issued for mineral properties at an attributed value of \$ 3,350.

\$ 22,525

Under a purchase agreement entered into for the acquisition of mineral claims a total of 37,500 shares which were to have been issued prior to June 30, 1974 had not been issued at that date. No liability has been recorded for the 37,500 shares as there may be some uncertainty as to the company's obligations in this respect.

Stock options are outstanding to two of the company's directors as follows:

37,500 shares at 15¢ each to be exercised before October 1, 1974  
37,500 shares at 20¢ each to be exercised before October 1, 1975

4. The company has been sued for damages for breach of contract for approximately \$ 6,000 in connection with an option agreement to acquire certain mineral claims in the State of Nevada, U.S.A. The company has abandoned its interest in the agreement and is defending the action.

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

STATEMENT OF SOURCE AND APPLICATION OF FUNDS

FOR THE YEAR ENDED JUNE 30, 1974  
(prepared without audit)

SOURCE OF FUNDS

Proceeds from the issue of shares from the treasury \$ 50,000

APPLICATION OF FUNDS

Acquisition of interest in mineral claims \$ 4,900

Acquisition of interest in and advances to  
Interior Syndicate 2,000

Exploration expenditures

Assaying \$ 2,599

Camp supplies and expense 5,489

Drilling 4,241

Engineering 20,334

Recording fees, licences and assessment work 1,591

Travel and accommodation and sundry 7,883

42,137

Administrative expenditures

Audit, accounting and legal 6,731

Stock exchange fees 1,485

Office and sundry 4,591

Office, administration and secretarial services 5,750

Transfer agent fees 1,637

20,194

69,231

19,231

DECREASE IN WORKING CAPITAL

WORKING CAPITAL AT BEGINNING OF YEAR

13,229

WORKING CAPITAL DEFICIENCY AT END OF YEAR

\$ 6,002

REPRESENTED BY

CURRENT LIABILITIES

\$ 11,966

CURRENT ASSETS

5,964

\$ 6,002

Report on  
HET (1-32) CLAIMS  
Bonnet Plume Area, Yukon Territory  
106 C 10 & 11

For

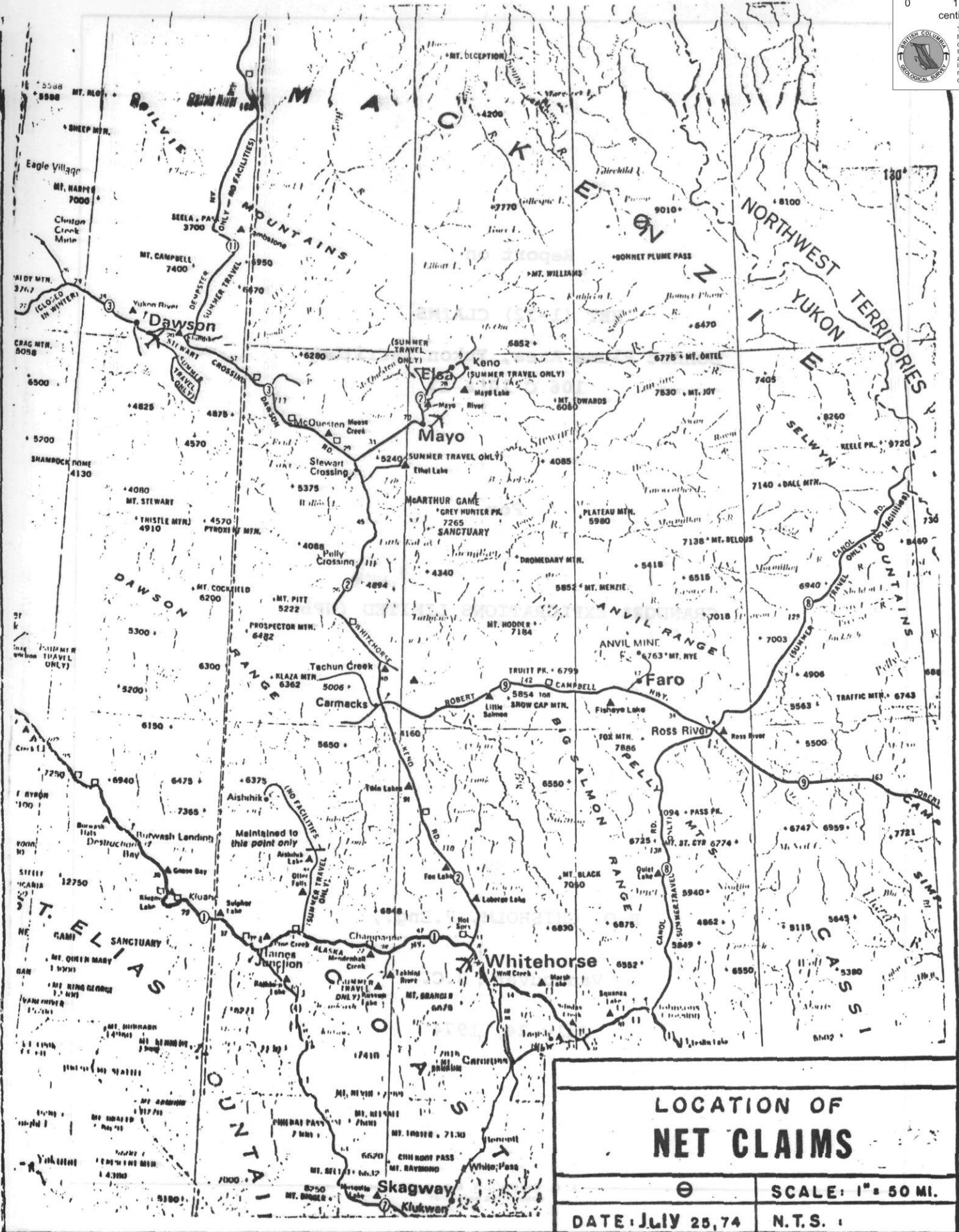
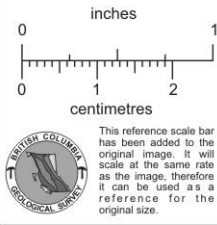
GRANDORA EXPLORATIONS LIMITED (NPL)

By

E.O. CHISHOLM, P.Eng.,

Vancouver, B.C.

July 24, 1974



**LOCATION OF  
NET CLAIMS**

⊙

SCALE: 1" = 50 MI.	N.T.S.
DATE: JULY 25, 74	

TABLE OF CONTENTS

	<u>PAGES</u>
INTRODUCTION.....	1
SUMMARY & CONCLUSIONS.....	2
PROPERTY.....	3
LOCATION.....	3
ACCESS.....	4
GENERAL.....	5
GEOLOGY.....	5
MINERAL OCCURRENCES.....	6
RECOMMENDATIONS.....	6
COST ESTIMATE.....	7
CERTIFICATE.....	8

ILLUSTRATIONS

	<u>SCALE</u>
LOCATION MAP	1" = 50 miles
GEOLOGY - HET CLAIMS	1" = 50,000 feet
PLAN - HET CLAIMS	1" = 2,640 feet

HET CLAIMS  
Bonnet Plume Area, Y.T.

GRANDORA EXPLORATIONS LIMITED (NPL)

INTRODUCTION:

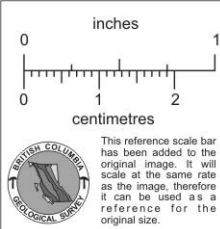
The following report is compiled from a personal experience in the area, review of available data and verbal communication with other people who have worked in the area.

Recommendations are based on the indications that a portion of the HET claims are underlain by formations favourable to the deposition of stratabound lead/zinc mineral occurrences.

SUMMARY & CONCLUSIONS:

During the 1973 field season crews employed by Barrier Reef Mines and Cypress Explorations located significant occurrences of zinc mineralization in the Bonnet Plume Area, Yukon Territory. The initial drilling reports on the discoveries suggest the presence of a large tonnage potential which would justify production.

The HET claims are a result of the staking rush following the Barrier Reef discovery and since there is evidence of favourable geological conditions and lead/zinc float on the property, detailed investigation of the claims is warranted. An initial exploration programme totalling \$18,000.00 is recommended.



**STAKING MAP OF NET CLAIMS**  
Part of Sheet 106 C 11  
Lat. 64.30 to 64.45  
Long 133 00 to 133 30.  
Scale 1/2 mile to 1 inch



PROPERTY:

The property under consideration is made up of the following group totalling 32 claims.

<u>CLAIMS</u>	<u>RECORD NO.'S</u>	<u>DATE OF STAKING</u>
HET (1-32)	Y86400 - Y86431	February 15, 1974

The claim will be due in February, 1975.

LOCATION:

The Bonnet Plume Area is located in the northeastern part of the Yukon near the headwaters of the Bonnet Plume River.

Some 60 miles of the mapped favorable carbonate horizons has been staked and the HET claims are centrally located on this belt, in the vicinity of Black Canyon and Corn Creeks. They are shown on sheets 106 C 10 and 11 in the Whitehorse Mining District.

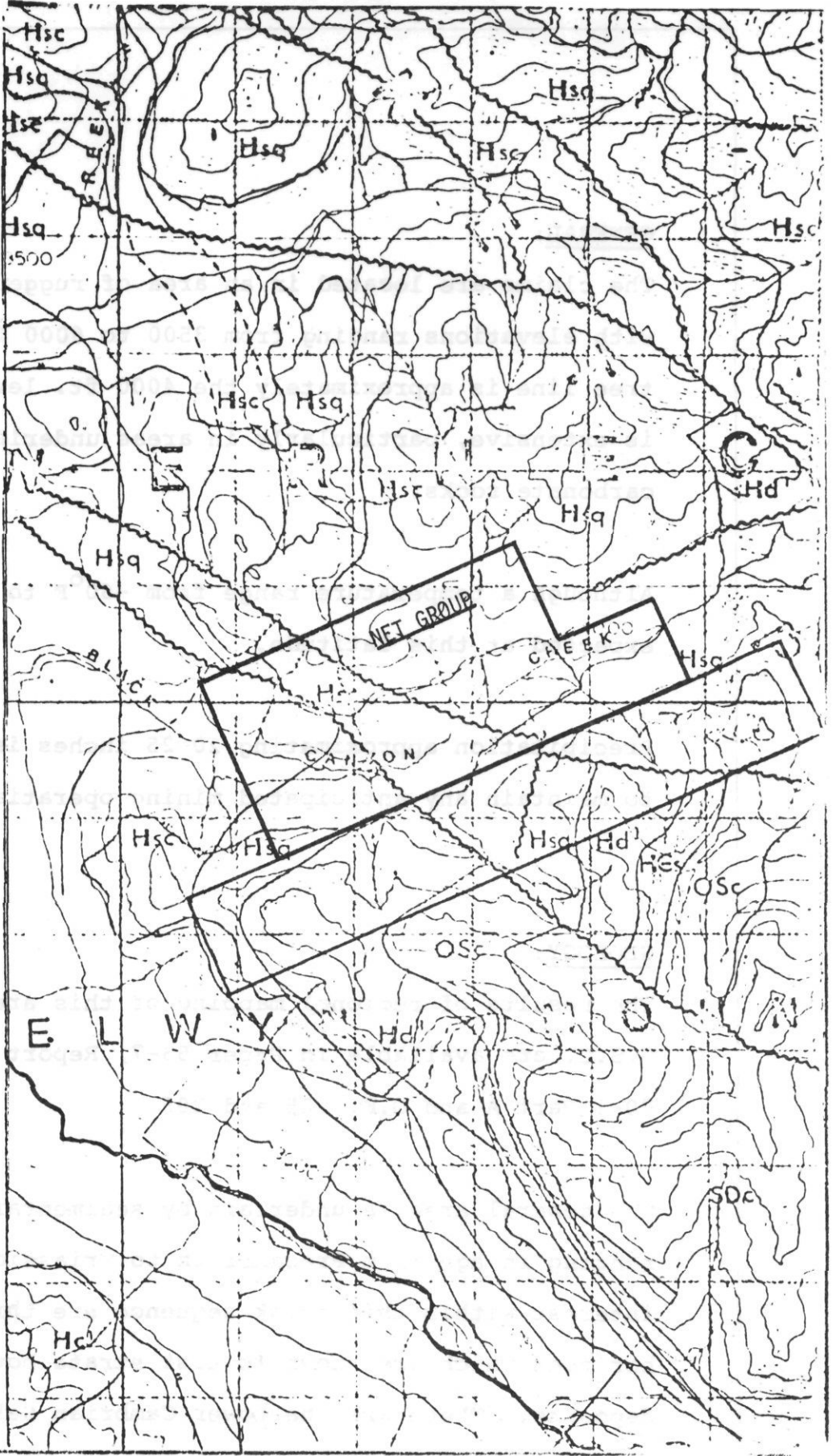
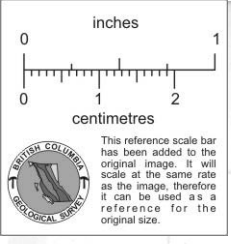
Co-ordinates of the property are  $64^{\circ}40'$  North and  $133^{\circ}00'$  West.

ACCESS:

The community of Mayo, 120 miles to the southwest of the property, is serviced by scheduled flights from Whitehorse. Mayo is also accessible by road 170 miles from Whitehorse.

The initial exploration of the claims will require servicing from Mayo to Pinguicula Lake by float aircraft, then by helicopter the remaining 5 to 15 miles east to the claims.

**GEOLOGICAL PLAN NET CLAIMS**



LOWER GAMBRIAN DOLOMITE (Ecs)

TRIADRYNIAN SLATE

" DOLOMITE (Hsc)

" SHALE, ETC. (Hsq)

FROM G.S.G. O.F. 205

Scale 1 in.=50,000

E L W Y W O U A

GENERAL:

The claims are located in an area of rugged topography with elevations ranging from 3500 to 6000 feet. The tree line is approximately the 4000 ft. level. Outcrop is extensive, particularly in areas underlain by the carbonate rocks.

Although a temperature range from  $-60^{\circ}\text{F}$  to  $+80^{\circ}\text{F}$  can be expected at this latitude.

Precipitation approximating 20-25 inches is sufficient to maintain any anticipated mining operations.

GEOLOGY:

The results of regional mapping of this area by the G.S.C. are available in Paper 53-7, Report of Activities 70-1 Part A and O.F. 205 and 206.

The general area is underlain by sedimentary rocks ranging in age from Precambrian to Triassic. Of particular interest within this thick sequence are three carbonate horizons which are known to host strata bound zinc deposits. These are the Lower Cambrian Sekwi and Backbone

Ranges Formations and the dolomite horizon near the top of the Hadrynian. The Cambrian and Hadrynian carbonates are separated by a recessive black slate known as the Sheepbed Formation.

MINERAL OCCURRENCES:

Significant occurrences of strata bound zinc mineralization have been located on the Barrier Reef and Cypress Resources properties some 20 miles to the east of the HET claims. Available geology suggests that the horizons that host the Barrier and Cypress occurrences are to be found on the HET claims. A.H. Harman, the staker of the claims reported to me that a considerable amount of good grade lead-zinc float was found on the hill slope of the Black Canyon Creek which passes the claim group.

RECOMMENDATIONS:

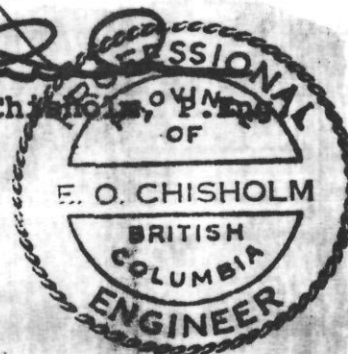
The geological indications on the HET claims justifies a program of detailed prospecting, geological mapping and geochemical investigation.

COST ESTIMATE:

<u>Wages</u>	1 geologist	\$ 2,000.00	
	1 geologist assistant	1,200.00	
	1 prospector	2,000.00	
	1 prospector assistant	<u>1,000.00</u>	\$ 6,200.00
<u>Camp</u>	equipment	800.00	
	supplies - 100 man days		
	@ 15.00	<u>1,500.00</u>	2,300.00
<u>Mobilization and Demob.</u>		2,000.00	
<u>Service Aircraft</u>	fixed wing	1,000.00	
	helicopter	<u>2,000.00</u>	3,000.00
<u>Consulting</u>			1,000.00
<u>Assaying</u>			500.00
<u>Contingency @ 20%</u>			<u>3,000.00</u>
	<b>TOTAL</b>		<u><u>\$18,000.00</u></u>

Respectfully submitted,

Edward O. Chisholm, P. Eng.




July 24, 1974  
Vancouver, B.C.

## CERTIFICATE

I, EDWARD O. CHISHOLM, of 1349 West 32nd Avenue,  
City of Vancouver, in the Province of British Columbia,  
DO HEREBY CERTIFY:

1. That I am a Consulting Engineer, with a business address at #821 - 602 West Hastings Street, in the City of Vancouver, in the Province of British Columbia.
2. That I am a graduate of the University of Toronto with the degree of M.A. in Geology.
3. That I have actively practiced my profession in mineral exploration since graduation in 1939.
4. That I am a registered Professional Engineer in the Province of British Columbia and Ontario.
5. That this report of the HET Claims of Grandora Explorations Limited is based on a review of available data on the general area and verbal communication with personnel active in the area.
6. That I have no interest in the property with which this report is concerned, nor do I expect to receive any such interest. I have no interest in the securities of Grandora Explorations Limited (NPL).

  
Edward O. Chisholm, P. Eng.

Dated at the City of Vancouver, Province of British Columbia,  
this 24th day of July, 1974.

