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Sherwood

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"And it Assayed \$347.90 in Gold to the Ton"

No wonder prospector Walter J. Sherwood said "This is it"

Since 1930 Sherwood had prospected in many parts of British Columbia; had found and seen many good gold outcrops but never before had he discovered anything like this.

In 1937 he went prospecting in the Drinkwater Valley area some 36 miles north-west of Port Alberni on Vancouver Island. The earliest claims in this district had been recorded in 1899 and hundreds of prospectors had since been through this region. A number of promising discoveries had been made in the area, but due to the rugged terrain and inaccessibility they were not quite good enough to attract big development money. Sherwood found several interesting gold outcrops in 1938, staked one group of claims, but it was not until the following year he discovered what is now known as the "Sherwood Vein."

It happened one morning in July, 1939. He had worked his way up through from the valley floor on the south side of a deep gorge and had finally reached a very high elevation. What he had not been able to see from the valley below was now visible across the gorge in a steep slide—a long orange streak showed straight as an arrow. It was a long way across and lots of prospectors might have thought it was too much trouble to investigate, but Sherwood figured differently. It took two days of tough travelling to get over and up the north side to a point where he could examine the rusty-looking outcrop and it was quite a tricky and risky job to get close enough to examine and sample the vein. But sample it he did, across 37 inches, and when he got his assay returns of 9.94 ounces to the ton, he was convinced that nine long years of intelligent prospecting was finally going to pay off.



Mining interests heard of his find—sent engineers in to examine the showing—made a deal on his claims and started development work. Results were more than good. It is reported that more than \$100,000.00 was expended in development work in 1940 and 1941. Three levels were driven into the mountain side and a sizeable tonnage of high grade ore was established. Many more veins were discovered carrying very good values, and the project began shaping up very big.

The year 1941 was tense. The War news was far from good. The Armed Forces and War industries needed all available man power, and gold mining development just had to wait. War conditions and substantial property payments forced the mining interests to withdraw.

However, a mining project of such unusual merit was not destined to remain dormant for long. With the end of War in sight there was soon a pressing need for the production of gold, and other mining interests could visualize tremendous ore possibilities in the Sherwood property. Blocked out and possible ore already developed was conservatively estimated at 27,830 tons averaging .65 ounces per ton with a gross value of \$633,000.00. Some estimates valued this ore, that could be mined and milled, closer to the million dollar figure. Many additional veins had been discovered and one mining engineer had described it as a "stock work of cross veins." Every qualified mining man who had examined the property had been impressed with the huge development possibilities.

Here could be one of the really BIG mines of British Columbia waiting to be opened up.

In 1944 a new mining group took over the Sherwood project and formed the

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with substantial finances made available, in 1945 got its construction and development program under way.

Transportation for all mining projects is most essential.

To handle equipment and supplies by water from the east to the west end of Great Central Lake, a self-propelled landing barge was purchased from War Assets Corporation and placed in operation. Landing dock and sea plane float was also built.

A nine-mile truck road running north-west from the landing dock at west end of Great Central Lake to the Cangold mining camp was laid out.

Bulldozers and road making equipment were brought in—bridges built to cross streams—\$65,000.00 spent in labour and supplies and the nine-mile truck road was completed in 1946.

Timber of every required kind is readily available on the Cangold property.

A portable saw-mill, complete with edger and planer, has been constructed, 40,000 feet of lumber has already been cut of the estimated 400,000 feet of full camp requirements.

The camp-site has been surveyed and some buildings already constructed. Camp buildings, designed by North Coast Engineering Ltd., include warehouses, blacksmith shop, miner's dry, office, cookhouse and 15 dwellings and bunkhouses. The latter will be completely modern, including plumbing and electric lighting.

Ample sources of hydro-electric power development for large scale mining operations are readily available. Plant site has been surveyed and building designed. 350 KVA Hydro Electric plant with all necessary equipment has been purchased. The installation will be supervised by Electric Power Equipment Company Ltd.

The mill site has been surveyed and building also designed.

A flotation and amalgamation type mill of 50 ton daily capacity has been especially built for Cangold by the Denver Equipment Company Ltd. and is now ready for delivery. Provision has been made to increase mill capacity as required.

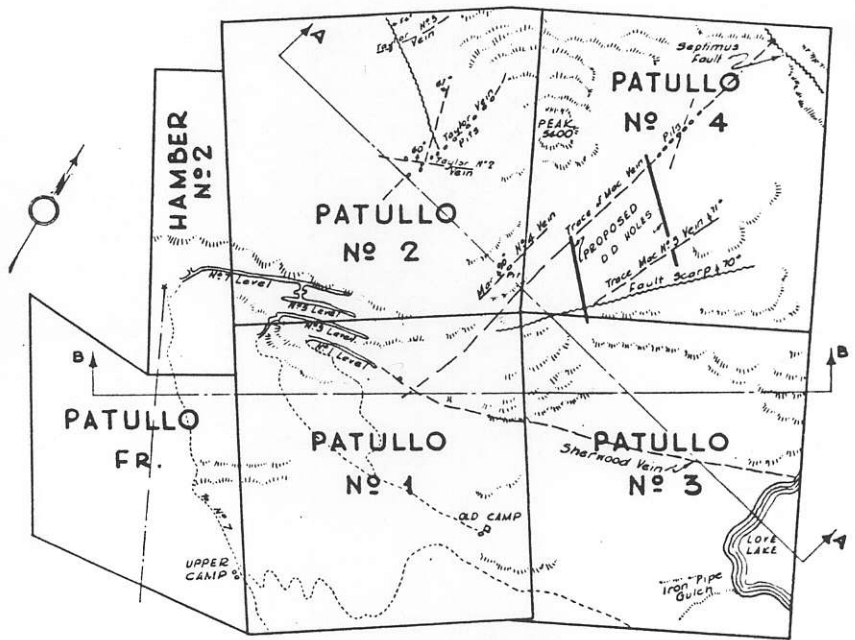
The 4000 foot tramline has been surveyed and engineered, also by North Coast Engineering Ltd.

Approximately \$83,000.00 worth of machinery and equipment, including hydro-electric plant, 4000-foot tramline, 600 cu. ft. compressor, hoists, drills and miscellaneous hardware and supplies have been purchased and paid for. Much of this equipment is now on the property.

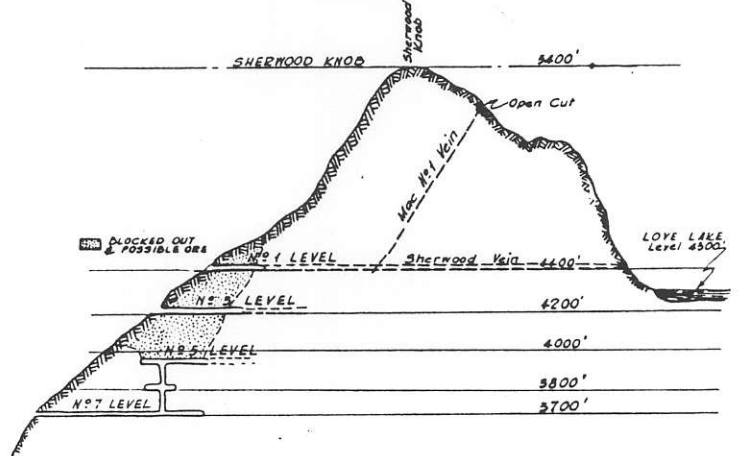
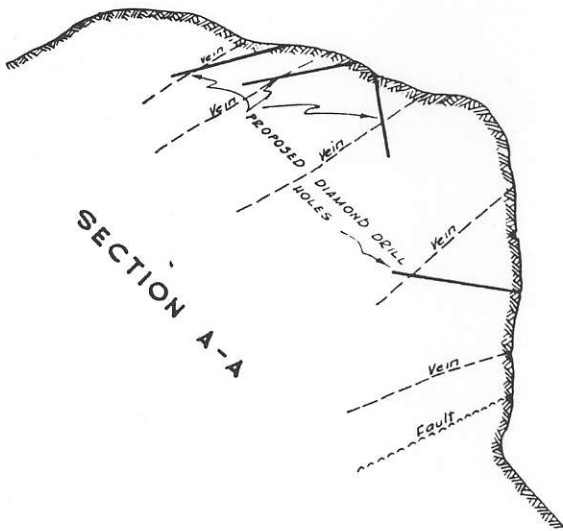
An additional \$61,000.00 worth of necessary equipment and supplies are also on order and ready for delivery when required.



The property of Cangold Mining and Exploration Co. Ltd. comprises a total of 28 mineral claims in one group; 8 claims being owned outright by the Company and the balance on long term option. It is located in Drinkwater Valley in Strathcona Park, about 36 miles north-west of Port Alberni on Vancouver Island, British Columbia.



PLAN



SECTION B-B

The above sketches may help you to visualize the huge ore development possibilities on Cangold. In the Plan at top are shown the numerous veins which have been discovered and partly explored on the surface. The length, width and assays on these are substantial.

Bear in mind that only about 2000 feet of development work underground has already proven a sizeable tonnage of high-grade ore.

Visualize the potential ore that can be developed above and below the 4000 foot elevation as present workings are extended further into this mountain.

To assist YOU to visualize the immense ore development possibilities of just four of the Cangold group of claims, plan of which is to the left, we quote from the March 5th, 1946, Report of Cangold's Consulting Engineer, Mr. B. W. W. McDougall, B.A., B.Sc.

"Some little attention was given to the study of the geological structure of that portion of the property on and in the immediate neighbourhood of the Sherwood Knob, and included in the Patullo Nos. 1, 2, 3 and 4 mineral claims."

"The Sherwood vein, on which all of the underground work effected on the property has been done, and which has been partly developed to a depth of more than 750 feet below the outcrop, is traceable on the surface for a distance of more than 1500 feet beyond the limits of the present workings, and it is believed that the possibilities for further ore shoots in this large undeveloped vein area are promising. Some 200 feet easterly from the face of the No. 1 level another and interesting (Mac) vein has been discovered. The surface trace of this vein can be followed for a distance of more than 2000 feet on the Patullo Nos. 1 and 4 claims, and it is believed that it persists to the Septimus fault, which is a regional feature of the area and which, for the most part, lies immediately beyond the north limits of the property. Gold assays up to a maximum amount of nearly one ounce to the ton have been returned from near-surface samples. Two other narrow vein fractures, more or less parallel to the first, have also been found and these, too, show gold-bearing mineralization though very little prospecting has yet been done on them. On the Patullo No. 2 claim 5 more vein fractures have been found and from one of these an assay of 1.5 ounces to the ton has been obtained."

"Due to the exposed positions of these several vein fractures oxidation has been severe, and this is also the case with the Sherwood vein outcrop. For this reason it is, for the most part, impractical to determine true average values by ordinary pitting and open cutting. The outcrops of the newly-found vein fractures are from 1000 to more than 1500 feet higher than the No. 7 drift adit on the Sherwood vein, and they can be explored to good advantage by extending this working. They are also well situated for exploration by diamond drilling from the surface or from extensions of any of the existing adits."

"The several discoveries made during the year just concluded thus provide exploration and development objectives of definite promise in territory which is within reasonable reach of the present underground workings and from which such ore bodies as may be found may be mined and milled by means as the same facilities now being planned for exploiting the ore body already developed in the Sherwood vein."



Informational Bulletin, Nov. 15th, 1947

Quite frankly we prepared this Informational Bulletin on Cangold Mining & Exploration Company Ltd., for the definite purpose of interesting YOU in the purchase of Cangold shares.

That's our business.

Finding "Venture Capital" for sound mining development.

We believe you'll make money buying Cangold at the present market price.

We believe you'll make a lot of money, and make it in the very near future.

We believe Cangold is one of the best "Venture Capital" investments of its kind in Canada today.

We believe all this because we **know** the Cangold situation very thoroughly.

When we became associated in the financing of Cangold in 1945, we checked the whole project from every conceivable angle.

Spent days on the property—discussed it with the Company engineer—with men working underground and on surface—examined the showings—checked Government Reports and the Consulting Engineer's Report—analyzed its **real** mine making possibilities in every possible way.

Then we helped place \$150,000.00 in the Company's Treasury for development purposes.

Most of the preliminary construction and engineering problems have been met—Cangold should develop into another B. C. producing mine in 1948.

And as diamond drilling and the much larger development programme gets under way, we can visualize Cangold enlarging into one of the really big gold mines of British Columbia.

To those people of vision with "Venture Capital" available, we say:

"The fortunes of Tomorrow are being built
on the 'Venture Capital' Investments of Today."

Buy Cangold shares at the market, in large or small amounts, according to your means. Put your money to work in Cangold and watch it grow.

Cangold shares are traded on the Unlisted Section of the Vancouver Stock Exchange—see your daily paper for quotations.

Buy through your own Bank, Broker, or direct from

ERNEST HENDERSON AND COMPANY

Investment Brokers

711 Credit Foncier Building, 850 West Hastings Street

VANCOUVER, B. C.

Telephone **Pacific 1985**

The information contained herein has been obtained from sources considered reliable but is not guaranteed by us.

A copy of the Prospectus of Cangold Mining & Exploration Co. Ltd. dated Sept. 17th, 1947, as filed with the Registrar of Companies may be obtained upon request.

CANGOLD MINING AND EXPLORATION CO. LTD.

(Non-Personal Liability)

Capital Authorized	3,000,000 shares N.P.V.
Issued for properties (held in escrow).....	600,000 " "
Issued for cash.....	1,133,051 " "
In Treasury	1,266,949 " "
(First Mortgage 5% Sinking Fund Debentures Due Oct. 1st, 1952) Authorized to be issued.....	\$160,000

President

MARK M. CONNELLY,
Fraser Lake, B. C.

Vice-President and Managing Director

HARVEY T. COWAN
Vancouver, B. C.

Secretary-Treasurer

CHARLES E. BRUDER
Vancouver, B. C.

Directors

Hon. **FRANK H. PUTNAM, M.L.A.**
Creston, B. C.

ERNEST HENDERSON
Vancouver, B. C.

EDWARD L. ROBSON
Duncan, V. I., B. C.

CHARLES H. WIGLEY
Yorkton, Sask.

JAMES T. TAYLOR
Vancouver, B. C.

Consulting Mining Engineer

B. W. W. McDOUGALL, B.A., B.Sc.
Vancouver, B. C.

Solicitors

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208 Yorkshire Bldg.
Vancouver, B. C.

Auditors

**RIDDELL, STEAD, GRAHAM &
HUTCHINSON**
626 West Pender St.,
Vancouver, B. C.

Registrar and Transfer Agents

PRUDENTIAL TRUST COMPANY LTD.
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Vancouver, B. C.

Head Office

711-12 Credit Foncier Bldg.
Vancouver, B. C.

Mine Office

Strathcona Park
Vancouver Island, B.C.