

Copper Beach Estates Ltd.



NELMACO

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NELSON MACHINERY COMPANY LTD.

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MINING CLAIMS

Copper Beach Estates Ltd. owns 242 Crown-granted mineral claims covering over 10,000 acres as located in Appendix I. The claims include all of the old workings of the Britannia Mine but much of the acreage held is undeveloped and unexplored.

A very substantial area immediately north and immediately east of the Company's claim block has been extensively staked in the past year, as shown in Appendices I and II. To the best of our knowledge some of the principals involved in this staking are:

Maggie Mines Ltd. - owns War Eagle and other claims as identified in Appendix 1.

Seagull Resources Ltd. - has a position in many of the more recently staked claims to the north.

Anaconda Canada Exploration Ltd. - owns the Crown-granted claims identified in Appendices I and II to the south and east of the Company's claims. Anaconda has been conducting a major exploration programme in the Indian River area of these claims.

Kidd Creek Mines Ltd./Billiton Canada Ltd. - reportedly holds a position just east of the Company's claims.

The Canadian Mines Handbook reports on the above companies are attached together with reports on the gold property held by Maggie Mines Ltd.

The Copper Beach holdings offer two opportunities:

- (1) Grass-roots exploration potential in an area of high current exploration interest.
- (2) Good potential for production of 9 million pounds to 15 million pounds per year of copper by biological leaching from the existing Britannia Mine which has known deposits of 300 million pounds of copper.

A recent report by B.C. Research Council which has carried out extensive investigation of the leaching characteristics of the Britannia ore suggests that if certain leach-rate assumptions can be confirmed, production of the magnitude of 9 to 15 million pounds of copper annually could be achieved. Initial cash flow projections suggest a breakeven price of 70 cents per pound in U.S. dollars may be feasible if the research results are favourable. (The Britannia Mine used to produce up to 2.5 million lbs. of copper annually from its leaching plant. The plant is still in operation for pollution control purposes stripping 20,000 to 40,000 lbs. of copper annually from acidic, copper-rich mine water).

Other assets of Copper Beach Estates Ltd. which enhance the economics of mine redevelopment in the area are:

- (1) Existing private access roads to much of the claim area owned by Copper Beach Estates Ltd.
- (2) Current designation as an operating mine under the Mines Regulation Act.
- (3) Existing permits for marine discharge of leaching plant tails.
- (4) Existing hydro-electricity generating system capable of delivering up to 32 million kilowatt-hours per year at 30 to 40% below B.C. Hydro rates.
- (5) Extensive surface holdings in area for location of plants and rail sidings.
- (6) Existing permits for process water.
- (7) Existing facilities for marine shipments of concentrates.
- (8) Much of the infrastructure required for a large scale copper leaching plant.
- (9) Most of the geological and production records relating to the Britannia Mine which operated from 1905 to 1974 and produced up to 29 million pounds of copper, 8,000 ounces of gold and 132,000 ounces of silver annually.

per: F. A. Alexander
February 16th 1983.

FATHER & SON PROSPECTING TEAM DISCOVER GOLD BEARING ZONES ON THE INDIAN RIVER DIVIDE ANTICLINE



Dr. R.H. Seraphim & Discoverer Clarke Hopkins

Maggie Mines Proving Au/Ag Deposits After Five Year Exploration Program

by David O'Keefe

Ten miles southeast of Squamish, British Columbia and 24 air miles north of Vancouver, a five year mineral exploration is starting to bear fruit.

Prospector-Miner Harold Hopkins, President of Squamish-based Maggie Mines Ltd. has recently announced results of the latest samples from their Slumach gold zone on the Falcon War Eagle claim group taken over an eight foot width as 0.070 ounces gold per ton to 0.220 ounces gold per ton with silver ranging from 1.80 ounces to .36 ounces per ton with copper from 0.95% to 5.20%, zinc 22.30% to a low of 0.92%. Two earlier August '82 grab samples from this zone of high mineralization were valued by Assayer-Chemists Bondar Legg at 3.065 ounces gold per ton and 1.605 ounces gold per ton with silver, copper and zinc values.

* Maggie Mines exploration program began in 1977 on a seven square mile massive sulphide volcanogenic belt that sub-parallel 4 miles to the northeast the Britannia zone, site of one of British Columbia's most prolific former copper producers. By June '82 a total of 37 diamond drill holes had been completed for a total exploration cost at end of '81 of \$753,000.

Hopkins and his prospector son Clarke had long been of the opinion that a mineralized zone at least 3000 feet wide existed on the southern flank of the Indian River Divide anticline. The first discovery, the Slumach zone, was made by Clarke Hopkins and was described by engineer Dr. R. Seraphim as being "a quartz vein with pyrite and chalcopyrite making up a possible 10 - 20% of the vein material in the sections of best grade." One section taken from the original outcrop across 0.75 meters assayed 2,560 ounces gold per ton and another across 0.3 meters returned 0.094 ounces gold per ton.

Rock blasting in an area 200 feet to the north of the original Slumach zone exposed a further area of mineralization with similar characteristics. Out of three samples sent for assay two turned encouraging results. 0.105 ounces gold per ton, 0.52 ounces silver, 1.60% copper and 28.50% zinc and 0.294 ounces gold per ton, 0.87 ounces silver, 3.00% copper and 27.80% zinc. Blasting and rock removal is continuing to define this new concentration.

The Hopkins' contention that the property contained additional mineralized zones was strongly re-inforced by the discovery of a further vein 400 feet to the east of the Slumach zone exposed by rock blasting during Maggie's road building program. A sample from this new vein assayed 0.140 ounces gold per ton, 0.67 ounces silver, 2.30% copper, 7.50% zinc and lead traces. Hopkins feels that these sub-parallel veins follow a stress zone and are related in a north-south direction.

During this interview with International Prospector & Developer Hopkins' satisfaction was clear that his assessment of this area as a

potential gold producer was being vindicated. His many years of experience, personal observation of the terrain and study of previous mine operations, including attempting to track down a Native People's legend of a lost gold mine some 25 miles to the south that would theoretically have been on this same north-south trend.

* At press time exploration, road building and rock removal was continuing with Hopkins making plans for the 1983 season. Maggie Mines trades on the Vancouver Stock Exchange Symbol MAG



The main portal of the Falcon War Eagle at the 2,700 foot level



Clarke Hopkins surveys the Slumach Reprieve vein, initial discovery arrowed

* Seagull Resources Limited

Head Off.—301, 615 3rd Ave. S.W., Calgary, Alta. T2P 0G6.
 Trans. Agent—Canada Trust Co., Calgary. Listed—AL.
 Company—(Alta. 1980, by amalg.). Directly and through wholly-owned Seagull Resources, Inc., holds ints. in producing and prospective oil and gas leases in Canada, U.S., Australia and the North Sea. Mineral ints. incl. coal leases in Alberta and Australia and a base metal prospect in Ont.
 Formed Oct. 31, 1980 on amalgamation of Seagull Resources Ltd. and Seatu Exploration Ltd.
 In Feb. 1982, Taiyo Oil Co., Ltd. of Japan agreed to purch. 200,000 com. shs. for \$1,000,000.

Oil and Gas

Property—Landholdings at Oct. 31, 1981, comprise the following:

	Gross Acres	Net Acres
U.S.: Developed	14,202	2,672
Undeveloped	437,445	56,856
	451,647	59,528
Canada: Developed	87,856	9,695
Undeveloped	142,844	45,379
	230,700	55,074
Total	682,347	114,602

Reserves—Net proven and probable reserves estimated in Feb. 1982 at 741,000 bbls. oil and 23,345,000 mcf. natural gas.

Production—Net prod. for fiscal 1982 comprised as follows:

	Oil Bbls.	Natural Gas Mcf.
U.S.	71,411	1,040,500
Canada	7,950	442,400
	79,361	1,482,900

U.S. prod. from 43 wells. Cdn. from 23 wells and sh. in 4 prod. units while 6 wells (7.5 to 50% int.) are shut-in.

Minerals

In the Sturgeon Lake area, Ont. co. holds base metal prospect, 12,800 acres where d.d. continued in 1981.

At Buffalo Hills, Alta., co. holds some 43,000 acres where d.d. to date indicated 700,000,000 tons high quality thermal coal. Studies continue toward prod.

Directors—J. M. Brady, chm., Vancouver; H. C. Findahl, pres. & chief exec. officer; A. F. Coody, sec. treas.; L. F. Fyffe, mgr. explor. & asst. sec.; Eric Nissen, asst. sec.; J. A. Downing, all Calgary; R. J. Farano, Toronto.

Capital Stock— Author. Outstand. Per Pref. 1,000,000 sh. \$10

9% Ser. A Common 15,000,000 sh. 4,303,284 sh. n.p.v.

*At Apr. 2, 1982; 1,981,486 com. shs. reserved for wts., options and conversions.

9% Ser. A pref.—Redeem. at \$10.50 per sh., June 15, 1984, reducing to \$10 June 15, 1989 and thereafter. Redeem. earlier subject to certain conditions. Convertible into com. shs. at \$6.50 per sh. June 15, 1982, increasing incrementally to \$10.50 per sh. to June 15, 1989.

Major Shareholders—At Apr. 2, 1982, Eric Nissen held 18.6% and J. M. Brady, 15.5% int.

Long-Term Debt—O/s at Oct. 31, 1981, \$15,356,231, of which \$11,145 due in 1 yr., comprising \$10,320,669 in production bank loans; \$4,000,000 in 12% convert. promissory notes, convert. at \$5 per sh. to maturity, Nov. 2, 1982; \$1,000,000 in convert. debts. due Mar. 16, 1988 and convert. at \$6.50 per sh. to maturity; and \$35,562 in promissory note due Dec. 1, 1984.

FINANCIAL STATEMENTS

(As shown in the latest annual report)

Fiscal years ended Oct. 31:	1981	1980
	\$000	
Revenue	1,206	809
Deprec. & amort., etc.	547	467
Interest charges	1,074	715
Income tax provision		
Equity income		
Net income, operations	d2,237	d1,557
Extraordinary items		
Net income	d2,237	d1,557
Earnings per com. share:		
On net income, oper.	\$d0.58	\$d0.55
On net income	\$d0.58	\$d0.55
	\$000	
Cash & equivalent		317
Inventories		
Investments	651	261
Fixed assets, net	20,006	11,711
Total assets	25,793	14,722
Current liabilities	3,796	1,953
Long-term debt, net	15,345	7,081
Shareholders' equity	6,653	5,688
Working capital	280	285
Cash Flow	d1,195	d1,154

Kidd Creek Mines Ltd.

Address—C/o P.O. Box 175, 5000 Commerce Court W., Toronto, Ont. M5L 1E7.

Company—Wholly-owned subsid. of Canada Development Corporation representing the Canadian mining assets acquired from Texasgulf, Inc. in 1981.

Owns and operates the prod. Kidd Creek mine, Kidd twp., Ont.; holds 40% int. in the Allan potash mine, Saskatoon, Sask.; 35% net profits int. in the Nanisivik mine, Baffin Island (see Minerals Resources International) and is devel. a gold prospect at Owl Creek near Timmins, Ont.

Properties—The Kidd Creek mine, Kidd twp., Ont. is 15 mi. n.w. of Timmins. A 13,500 ton concentrator electrolytic zinc plant and 59,000 tonne copper refinery completed in 1981 are located at Hoyle twp., Ont. some 15 mi. distant. The copper refinery was completed on budget at \$300,000,000.

Development—Kidd Creek oper. as open pit to 1977. Underground mining commenced in 1973. Prop. devel. by 3,050 ft. shaft with 6 levels and 5,105 ft. shaft completed in 1981.

Reserves—At Dec. 31 in recent fiscal years, proven and probable reserves reported as follows:

Fiscal Year	Tons	Copper	Lead	Zinc	Silver
		%		oz./ton	
1981	85,400,000	2.82	0.17	4.85	1.89
1980	96,900,000	2.86	0.18	5.06	1.91
1979	101,000,000	2.82	0.18	5.13	1.93
1978	104,000,000	2.81	0.18	5.10	2.03
1977	78,200,000	2.77	0.23	6.19	2.37

*Metric tons.

Production—Oper. commenced Nov. 16, 1966. In recent fiscal years the co. reported prod. as follows:

Fiscal Year	Tons	Concentrates	Tons
	Milled	Zinc	Lead Copper
1977	3,636,800	438,900	31:100 243,500
1978	3,308,300	335,400	20:200 221,500
1979	4,057,500	342,100	13:700 285,900
1980	4,298,800	387,800	30:000 unstated
1981	4,076,400	118,600	18:100 unstated

Smelter Operations commenced in 1972. Details as follows for recent years:

Fiscal Year	Zinc	Copper	Cadmium	Silver
	Tons	Tons		oz.
1977	91,100	57,100	1,086	8,924,000
1978	80,300	53,000	840	7,825,000
1979	117,600	68,100	870	6,965,700
1980	112,000	68,000	977	8,575,600
1981*	109,200	80,400	483	114,900

*Metric tons for zinc, copper and cadmium. Kilograms for silver in 1981.

Exploration—Co. conducted explor. on some 43 projects across Canada in 1981 at a cost of some \$9,800,000. At Owl Creek, near Timmins, co. is developing a gold prospect. Ore will be shipped to the Kidd Creek concentrator. Drill-indicated reserves estimated at 2,900,000 tons aver. 0.15 oz. gold per ton. The prop. is jointly owned (Kidd Creek 60%) with Inco Limited.

Other Interest—Allan Potash Mine—40% int. Operates a Saskatoon potash mine recently expanded to 1,400,000 tonnes p.a. Co.'s share of prod. for 1981 487,000 tons of which 435,000 were sold.

BILLITON CANADA LTD.—2802, 130 Adelaide St W, Toronto M5H 3P5. J. W. G. Gilbey, pres.; J. A. Bailey, v.p. fin.; W. Filipiuk, v.p. all Toronto; J. M. Bowen, A. Vermeij, both Holland; dir. H. P. Hands, sec. inc. 1971, Ont. chart.

Major Shareholder: Private co. wholly owned subsid. of Billiton B.V., The Hague, Holland.

Operations: Engaged in exploration & development of minerals in Canada & participates in ventures with similar objectives.

(1) Tungsten-molybdenum pros. 50% (Brunswick Tin Mines L 50%), 4.498 ac. S of Fredericton, Mount Pleasant, Charlotte ct. NB; jt vent agreement 1977; metallurgical testing & feasibility study 1977-78; late 1979, prod decision & construction began, with Billiton arranging tin; prod scheduled for early 1982 with 2,000 m tpd mill. Under agreement, Billiton rec \$2 per ton treated to \$1,000,000 a yr until costs recouped, then 50% of profits.

Ore Reserves: Fire Tower zone has proven res of 9,353,000 tonnes aver 0.393% tungsten oxide & 0.204% molybdenite; additional d indic res in 1 section of N zone of 11,350,000 tonnes aver 0.241% tungsten oxide & 0.08% molybdenite, & further 2,400,000 tonnes in another section aver 0.42% tin, 0.077% tungsten oxide & 0.05% molybdenite.

(2) Silver-lead-zinc pros. 50% int (Texasgulf Inc 50%), 2 licences. Half Mile Lake, Northumberland ct. NB; 1979, d d over 70,000 ft.; 1980-81, d d.

(3) Tungsten-tin pros. 33 1/3% int (Campbell Resources Inc & Canadian Nickel Co L each 33 1/3%), several cl blocks, Mayo area, YT; 1980-81, regional evaluation, reconnaissance, geochem work, mapping, d d; full field program 1981.

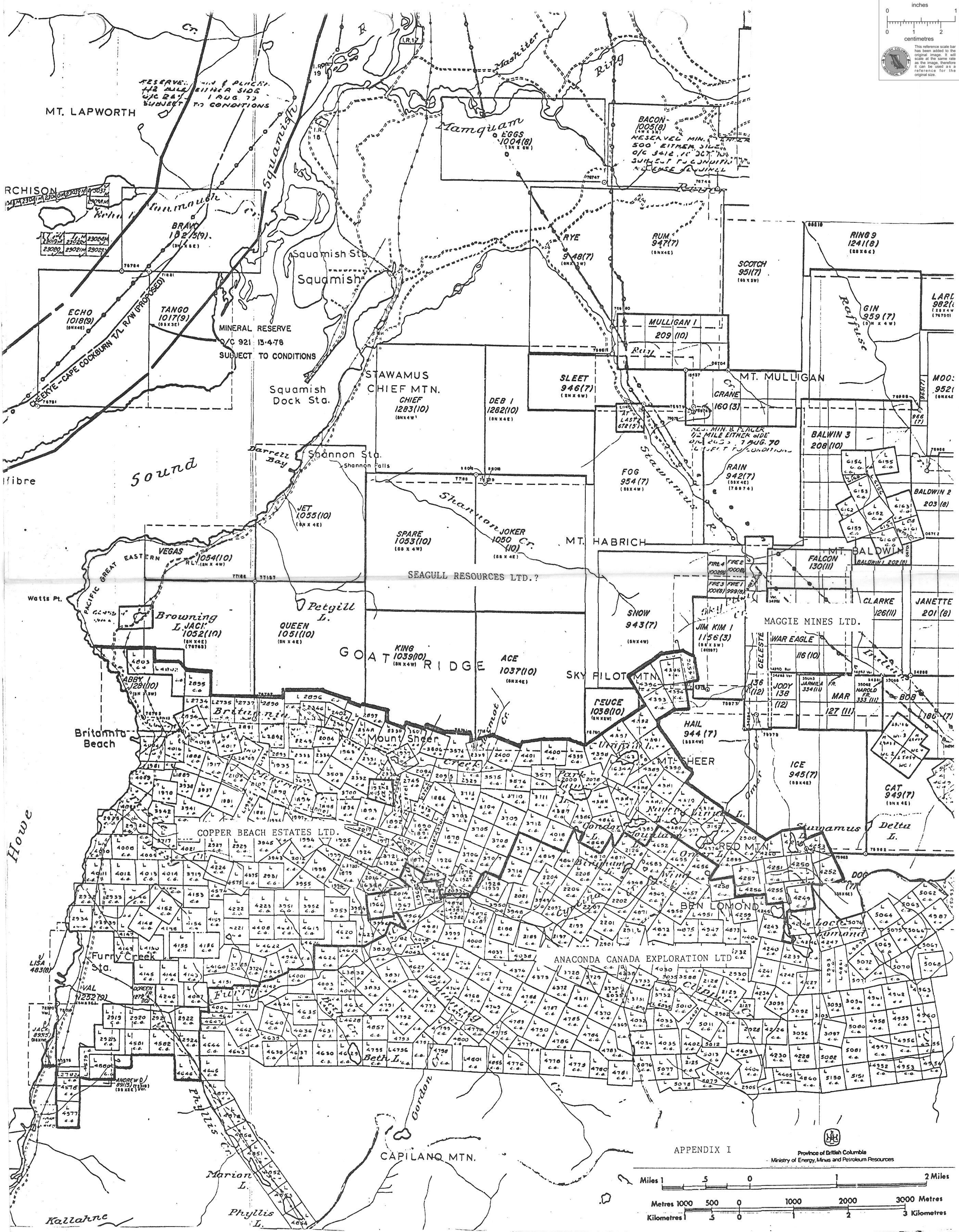
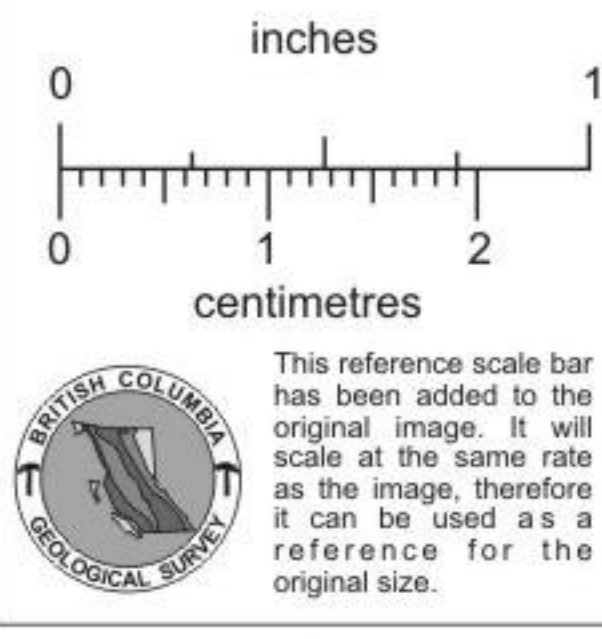
(4) Molybdenum-tungsten-tin pros. several cl blocks, near Mount Pleasant, NB; 1980-81, mapping, sampling, geophys. limited d.

(5) Lead-zinc-silver pros. optioned from Placer Development L, April 1980 (Gowganda Silver Mines holds 24% carried n p i). Restigouche ct. NB; 1980, d d; 1981, re-evaluation by Billiton, d d. Res est 1980, 1,800,000 tons aver 10.5% combined lead-zinc & 2.7 oz silver per ton.

(6) Tungsten-molybdenum-tin pros. optioned, 76 cl. 1 lease, Shin Creek, sunbury ct. NB; 1980-81, geophys. survey, possible d d.

MAGGIE MINES LTD (VSE) — 41849 Government Rd, Brackendale, BC V0N 1H0. H. H. Hopkins, pres; J. C. Collins, M. P. Dickson, G. F. Archibald; dirs M. F. Hopkins, sec. Inc: 1977, BC chart. Cap: 10,000,000 shs; iss 2,818,506 (\$25,000 escrowed). Tr Ag: Guaranty Trust, Vancouver.
Property: (1) Holds 84 units, Indian River area, Vancouver div, BC, d d, geol mapping, 1980, d d & IP planned 1981. (2) Owns 12 cts, Alberni div, BC.
Finances: Aug 31, 1980, curr assets \$8,242; curr liabs \$10,996.

ANACONDA CANADA EXPLORATION LTD — 600, 55 University Ave, Toronto M5J 2H7. W. T. Chamberlain, Waterbury, Conn, pres; G. P. H. Vernon, v p; D. H. Gordon, sec; both Toronto, dirs.
Co is wholly owned subsid of The Anaconda Co, Waterbury, Conn, & is engaged in mineral explor & in metal hose operations of Continental Cables & Conduits, Colborne, Ont.



APPENDIX I

Province of British Columbia
Ministry of Energy, Mines and Petroleum Resources

