

*This prospectus constitutes a public offering of these securities only in jurisdictions where they may be lawfully offered for sale. No securities commission or similar authority in Canada has in any way passed upon the merits of the securities offered hereunder and any representation to the contrary is an offence.*

## **NEW ISSUE**

# **TINTINA SILVER MINES LIMITED**

*(Incorporated under the laws of Canada)*

**1,000,000 common shares**

*(without par value)*

800,000 of the common shares have been firmly underwritten and options to acquire 200,000 of the common shares are held by the Underwriter-Optionee.

<u>800,000 Underwritten Shares</u>	<u>Maximum Price to Public</u>	<u>Maximum Underwriting Discount</u>	<u>Proceeds to Com- pany (2)</u>
Per share	\$0.65	\$0.075	\$0.575
Total	\$520,000	\$60,000	\$460,000
<u>100,000 Optioned Shares (1)</u>			
Per share	(3)	(3)	\$0.75
Total			\$75,000
<u>100,000 Optioned Shares (1)</u>			
Per share	(3)	(3)	\$0.95
Total			\$95,000

1. These common shares are under option and the amount indicated as Proceeds to Company will be received by the Company only to the extent that the option is exercised.
2. Before deducting expenses of the issue estimated at \$12,000.
3. 100,000 common shares are under option at \$0.75 per share and 100,000 common shares at \$0.95 per share exercisable as set forth under the heading "Plan of Distribution" on page 10. The price to the public of common shares taken down under option will be no greater than \$0.9375 per share and \$1.1875 per share respectively.

**THESE SECURITIES ARE SPECULATIVE AND THERE IS NO MARKET FOR THEM.** Reference is made to the heading "Speculative Nature of Securities" on page 12.

We, as principals, conditionally offer these common shares, subject to prior sale, if, as and when issued by the Company and accepted by us in accordance with the conditions contained in the underwriting agreement referred to under "Plan of Distribution" and subject to the approval of all legal matters on behalf of the Company by Messrs. Fasken and Calvin, Toronto, and on our behalf by Messrs. Lang, Michener, Cranston, Farquharson & Wright, Toronto.

It is expected that definitive share certificates representing the underwritten shares will be available for delivery in Toronto on or about May 21, 1974.

### **UNDERWRITER-OPTIONEE**

## **WILLS, BICKLE & COMPANY LIMITED**

Toronto-Dominion Centre

Toronto, Ontario

M5K 1C3

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# TINTINA SILVER MINES LIMITED

## THE COMPANY

Tintina Silver Mines Limited (the "Company") was incorporated under the laws of Canada by Letters Patent dated December 6, 1961. Supplementary Letters Patent dated December 14, 1973 have been issued to the Company increasing the authorized capital of the Company. Except where otherwise indicated, all references to authorized capital of the Company give effect to such an increase. Reference is made to the heading "Capitalization" on page 10.

The Company's head office and principal office are located at Suite 200, 931 Yonge Street, Toronto, Ontario.

The Company has no subsidiaries.

## BUSINESS AND PROPERTIES OF THE COMPANY

Since its inception the Company has been engaged in the exploration and development of a mining property held by it. The Company holds 70 mineral claims staked subject to the provisions of the Yukon Quartz Mining Act consisting of The Eagle Mineral Claims 1-50 (grant numbers 76323-76372), 57-58 (grant numbers 76379-76380), 66 (grant number 76414), 73-74 (grant numbers 76421-76422), 77-78 (grant numbers 76425-76426), 81-85 (grant numbers 76429-76433), 115-122 (grant numbers 76463-76470), as shown in the records of the Mining Recorder for the Watson Lake Mining District, Yukon Territory.

### Location, Access and Area of Property

The Company's property is located in southeastern Yukon Territory some 110 miles northwest of Watson Lake and 140 miles slightly north of east from Whitehorse. There is an airstrip 8 miles west of the property and float aircraft can land on Junkers Lake 10½ miles to the west. A swamp vehicle is required to reach the property from the lake or airstrip. There is a tote trail from the Watson Lake - Ross River road to a point 20 miles northwest of the property. The road could be extended to the property in winter and converted to a 4 wheel drive access road in summer.

The 70 contiguous claims owned by the Company comprise an area of approximately 3,500 acres. The claim group is roughly square in configuration centred on the main mineralized zones.

### History

In July 1961, prospectors in the employ of Conwest Exploration Co. Ltd. ("Conwest") and Central Patricia Gold Mines Limited ("Central Patricia") made the original silver-lead-zinc discovery. A number of claims were immediately staked, and eight zones were discovered during the initial period of exploration. Preliminary mapping, sampling, trenching and pack sack drilling were undertaken to determine their character and extent.

The Company was incorporated to acquire these claims, which included the Eagle Mineral Claims described above, and by an agreement dated December 29, 1961:

- (a) Conwest and Central Patricia transferred all 302 claims to the Company;
- (b) the Company issued for the claims 750,000 shares as fully paid and non-assessable, all of which shares are held in escrow. (Reference is made to the heading "Escrowed Shares" on page 11.)
- (c) the Company issued 1,250,000 shares as fully paid and non-assessable at \$0.40 per share, satisfied by Conwest and Central Patricia by expenditures in the amount of \$500,000 for work performed on the claims; and
- (d) certain other rights to acquire shares of the Company were granted to Conwest and Central Patricia, which rights have since lapsed or been cancelled.

Due to the high grade of the silver mineralization, an immediate decision was made to initiate underground development and an adit was commenced in late January, 1962. Approximately 1,830 feet of underground development was completed. Some 22 underground diamond drill holes totalling 3,201 feet and 6 surface holes totalling 625 feet were drilled principally to explore the 5, 6 and 8 zones. During the entire 1962 field season, detailed geological and structural mapping was carried out. Fourteen other silver-lead-zinc veins were discovered although they received little work. The underground program was suspended in July, 1962 due to the failure to locate the No. 8 zone.

In 1968, the Company conducted a soil and silt geochemical survey over the claim group. This survey confirmed the presence of the certain mineralized zones and indicated other areas warranting further investigation.

There have been no developments at the property since 1968, and there is no surface or underground plant or equipment now on the site. Between 1962 and 1968, the claim group was reduced from 302 claims to the current 70 claims, which are and will be in good standing to August 22, 1974.

### **Regional Geology**

The area has been mapped in a reconnaissance manner by the Geological Survey of Canada with the results published as Map 8-1960, Finlayson Lake Sheet, Yukon Territory.

The area lies to the southwest of the Tintina Fault which is the continuation into the Yukon of the Rocky Mountain Trench. Formations in the area are primarily sediments of early Paleozoic age. The strata have been folded and faulted with the result that the area is quite mountainous. Glaciation has been moderate with normally smooth sloped hillsides and occasional hogsback ridges.

North of the claims area, a large granodiorite plug has intruded the sedimentary series. Adjacent to the intrusive are highly metamorphosed hornfels. South of this, and within the claims area, are a repetitious series of limestones and argillites.

The general area has been subjected to intense folding and thrust faulting which has produced a complex structural pattern.

### **Local Geology**

The main mineralized area lies within a north facing cirque at elevations from 5,300 to 5,500 feet. The rock types within this area are sediments of Middle and Lower Cambrian age. They are classified as graphitic slates, limestones and argillites. The calcareous slate, or phyllite, is recorded by government geologists as being of middle Cambrian age. Intrusives within the area consist of lamprophyre and diorite dykes.

The general trend of the local formations is northwest in compliance with the regional trend. On surface the formations appear to lie conformably upon one another and to some extent this was borne out underground. The surface contacts show a normal continuity broken by a few faults.

The major structure within the claims area is that of a recumbent anticlinal fold. The underground workings appear to lie within the central and right limb of an anticline overturned to the north.

The property displays two sets of complementary slip patterns. One set strikes  $010^{\circ}$ , whereas the other runs  $060^{\circ}$  azimuth. Both sets dip steeply to northwest. Shearing tends to parallel the structural trend, that is, to the northwest.

Bedding in many instances is obliterated due to schistosity. Where observed, the beds are relatively flat. Cross folding and doming are other structural features of the area. The doming is quite noticeable in the 1, 2 and 3 mineralized zones. Here, a relatively flat limestone dome dips away gently under the slates and argillites.

Faulting can be quite severe and in one case, the 5A zone, it completely cut off the structure. There is a strong fault system at the north end of the cirque known as the "Mineral Fault".

### **Mineral Occurrences**

Within the Company's claims, silver-lead-zinc mineralization occurs as vein structures, lenses and, occasionally, disseminations in the limestone and argillaceous limestone beds. The principal sulphide minerals are freibergite, galena and sphalerite with minor quantities of pyrite, pyrrhotite and chalcopyrite. Twenty-six showings of silver-lead-zinc mineralization are known to exist within the claim group. They occur intermittently within an area of 7,000 feet by 2,000 feet and within a vertical range of 800 feet.

Surface sampling was performed in 1961 and in 1962. In some instances, the samples were taken in different trenches and over varying widths. The results, as described below, are consistent with the usual minor variations in grade that may be expected along mineralized structures of this type.

A description of the various mineralized zones follows:

**Zones 1 and 2:** Six trenches in 1961 exposed heavy amounts of zinc and lead mineralization. Fourteen pack sack holes that year showed mineralization extending to varying depths. In 1962, four diamond drill holes were drilled across this and zone 3. The results showed the mineralization to be erratic in distribution but high in zinc content. Core recovery was poor.

**Zone 3:** Three trenches showed silver values averaging 31 oz/ton across an average width of 8 feet. The mineralization lies in limestone along a limestone-argillite contact.

Zone 4: Three trenches gave an average silver grade of 32 oz/ton from eight shallow samples. Three pack sack holes obtained mineralization at shallow depths.

Zone 5: This crescent-shaped zone lies completely within the limestones and dips flatly south. Nine samples assayed 32 oz/ton silver with the width varying from 2 feet at the tapered end of the lens to 10½ feet in the thicker central section. Seven underground holes demonstrated the possibility of an eastern rake to the structure although underground drill values were lower than surface sampling.

Zone 5A: The 5A zone was encountered only in the underground workings. The zone some 125 feet in length and varying from 1.5 feet to 4.6 feet in width showed a character varying from massive, through poorly disseminated to a stringer type mineralization. The silver grade varied according to the structural type, being low grade (5-10 oz/ton) in the vein type to high grade (39 oz/ton) in the more massive type.

Zone 5B: Zone 5B is an east trending shear in the limestone uncovered in surface trenching. No sample values are available.

Zone 6: Zone 6 is a mineralized structure lying close to the contact with the argillites and limestone. Nine samples from the six trenches on this flat structure averaged 69 oz/ton silver. Drilling from underground in five holes failed to establish the down-dip trend of the mineralization.

Zone 6E: This zone is contained within argillaceous limestones and extends over 70 feet in an east-west direction. No sampling was carried out.

Zone 7: Several heavily mineralized quartz veins form this zone. Located in the southern portion of the cirque, the veins lie within the limestone close to the slate contact. Samples taken across the two vein structures averaged 54 oz/ton silver over a six inch width.

Zone 8: This is the major zone of the property and was the main target of the underground workings. It strikes N 40° and dips very flatly to the southwest away from the adit. The vein structure extends some 250 feet within the argillaceous limestone unit. Sampling of the zone gave an average weighted grade of 34 oz/ton silver.

Underground drilling picked up weak values 150 feet below the showing. Unfortunately, no opportunity existed during the previous programme to trace the values further down dip.

Zone 9: The 9 zone is a short structure located in an argillaceous limestone close to the Mineral Fault at the north end of the cirque. The wider zone carried an average value of 66 oz/ton silver in two character samples.

Zone 10: Zone 10 is a weakly mineralized exposure of uncertain nature.

Zone 11: This zone consists of spotty silver-lead mineralization in altered limestone along an argillite contact near a diorite dyke.

Zone 11N: Zone 11N is a quartz vein one foot in width lying along the folded contact of the brown argillites with limestone. Some sulphides are present.

Zone 12: Zone 12 is a series of en echelon lenses of massive sulphides with disseminated sulphides occurring in the enclosing limestone. The zone is about 2½ feet in width along a strike length of 22 feet.

Zone 13: Several trenches disclosed lens-like structures of massive sulphides within the recrystallized limestone. No sampling results are available.

Zone 14: The contact mineralization occurs here in lenses between the limestone and argillites.

Zone 15: The 15 zone consists of narrow fracture fillings of zinc and lead in limestone.

Cornice zone: The Cornice zone is located in a talus slope between 5,900 feet and 6,000 feet elevations on Cornice Ridge. Lenses of massive and streaky mineralization occur in the limestone and a channel sample across 2 feet assayed 69.0 oz/ton silver.

Fall zone: The Fall zone consists of seams of sphalerite in a breccia zone within argillaceous limestone. The zone is exposed in the bed of a creek near the Mineral Fault along the East slope. The steep pitch of the slope makes most of the 120 feet length difficult to inspect.

Ridge zone: The presence of mineralized float led to trenching in this location which revealed zinc veinlets cutting fractured argillaceous limestone.

Sidehill zone: A small sulphide lens was exposed in a trench in the upper limestone beds. A chip sample across the three foot exposure yielded 10 oz/ton silver and heavy zinc mineralization. Outcroppings showed no extension of the exposure.

West Mountain zone: This is a rather prominent showing located in late 1962. It is situated westward across the valley from the main area of mineralization some 2,500 feet south of Ice Lake. The contact of the argillaceous limestone and black argillite have produced a zone some 400 feet in length and up to 100 feet in width which carries low grade silver values.

Quartz Veins at Head of Cirque: A network of mineralized quartz veins, striking east-west lies at the south end of the cirque within the argillite beds. They average 6 inches in width and in some respects are similar to the quartz veins in the Zone 7 area.

East Boundary Veins: About a mile east of the adit portal two quartz lenses occur which strike roughly east-west. The lenses contain streaks of silver-lead mineralization but require further work to determine their significance.

Of special interest is the original sampling of the main mineralized area. The assays are from channel samples obtained in 1961 from the trenches exposing unoxidized mineralization and taken by professional engineers employed by the Conwest organization.

#### Summary of Assays taken in 1961

Vein	Width in ft.	Length in ft.	No. of Samples	Silver (oz./ton)	Lead (%)	Zinc (%)
1	Not sampled		—			
2	Not sampled		—			
3	6.6	95	11	36.8	13.4	9.2
4	2.2	25	8	35.6	17.9	10.3
5	4.8	75	9	36.9	15.1	16.0
6	4.3	70	9	88.9	24.8	4.5
7	0.7	50	11	54.3	20.0	15.8
8A	6.4	52	17	35.1	19.9	4.9
8B	3.7	112	19	33.0	15.7	10.6
9	4.0	15	2	66.0	17.3	21.4
Average	4.1	(494)	—	46.8	17.6	10.6

#### Past Diamond Drilling

In 1961, pack sack drilling was carried out on the northern showings in the cirque. Eighteen holes totaling 249 feet were drilled.

Hole No.	Target	Intersection
1	Zone 1	25.0 feet of 14.2 oz/ton Silver
2	Zone 1	9.0 feet of 1.7 oz/ton Silver
3	Zone 1	10.0 feet of 18.3 oz/ton Silver
4	Zone 1	13.0 feet of 2.26 oz/ton Silver; 13.9% Zinc
5	Zone 1	No ledge
6	Zone 1	9.5 feet of 24.0 oz/ton Silver; 13.4% Zinc
7	Zone 1	8.6 feet of 5.9 oz/ton Silver; 6.0% Zinc
8	Zone 1	1.5 feet of 10.8 oz/ton Silver; 26.3% Zinc
9	Zone 1	No ledge
10	Zone 2	Shallow depth (5 feet) No intersection
11	Zone 2	Shallow depth (5 feet) No intersection
12	Zone 2	4.0 feet of 17.4 oz/ton Silver; 17.8% Lead; 22% Zinc
13	Zone 2	22.0 feet of 12.0 oz/ton Silver; 7.7% Lead; 8.2% Zinc
14	Zone 2	No intersection
15	Zone 4	6.0 feet of 48.1 oz/ton Silver; 22.5% Lead; 8.8% Zinc
16	Zone 4	No intersection
17	Zone 4	3.3 feet of 25.0 oz/ton Silver; 17.5% Lead; 15.6% Zinc
18	Zone 7	6.5 feet of 16.0 oz/ton Silver; 17.7% Lead; 11.7% Zinc

Due to the friability of the mineralization, core recovery in the above programme was poor amounting to 20%.

In 1962, surface drilling with a large machine giving AX size core was employed. Six holes totalling 625 feet were put down.

S-1	Zones 1, 2 & 3	Erratic Zinc mineralization
S-2	Zones 1, 2 & 3	Erratic Zinc mineralization
S-3	Zones 1, 2 & 3	Erratic Zinc mineralization
S-4	Zones 1, 2 & 3	Light Mineral
S-5	Zone 7	No intersection
S-6	Zone 7	No intersection

(Note: Assay results not available on above drilling.)

### Underground Drilling

The 1962 underground drilling followed the shutdown of the underground mining operation. It was initiated because the workings failed to locate their initial targets. A total of 3,201 feet in 22 holes was drilled. Not all the results of the underground core assaying are available.

Hole No.	Target	Intersection
U1-1	Zone 8	1.5 feet of 0.28 oz/ton Silver; 5.7% Zinc
U1-2	Zone 8	7.5 feet of 1.16 oz/ton Silver
U1-3	Zone 8	3.0 feet of 0.68 oz/ton Silver; 7.3% Zinc
U1-4	Zone 8	No intersection
U1-5	Zone 8	1.0 foot of 0.40 oz/ton Silver
U1-6	Zone 5	2.0 feet of 10.0 oz/ton Silver; 12% Lead; 9% Zinc
U1-7	Zone 5	No intersection
U1-8	Zone 5	No intersection
U1-9	Zone 5	No intersection
U1-10	Zone 5	No intersection
U1-11	Zone 5	No intersection
U1-12	Zone 5	No intersection
U1-13	Zone 5A	1.0 foot of 5.0 oz/ton Silver; Heavy Zinc
U1-14	Zone 5A	3.0 feet of 6.7 oz/ton Silver; 18.6% Zinc
U1-15	Zone 5A	No intersection
U1-16	Zone 5A	No intersection
U1-17	Zone 5	9.0 feet of 21.0 oz/ton Silver; 10.9% Zinc
U1-18	Zone 6	No intersection
U1-19	Zone 6	No intersection
U1-20	Zone 6	No intersection
U1-21	Zone 6	No intersection
U1-22	Zone 6	No intersection

### Conclusions

The following are the conclusions of W. G. Hainsworth, P.Eng., in his report to the Company dated November 8, 1973. The full report is available for inspection during business hours of the Ontario Securities Commission at 555 Yonge Street, Toronto, Ontario and during normal business hours at the offices of the Company at Suite 200, 931 Yonge Street, Toronto, Ontario during the period of distribution to the public of the shares offered by this prospectus:

It is my opinion, stated in a private report to the company following cessation of activities at the property in 1962, that insufficient geological information had been obtained prior to underground operations being ordered. What appeared to be relatively simple structure after the first discoveries were made, developed into a complex geological problem when detailed geological and structural mapping were later completed. Many of the mineralized structures have a flatter attitude than originally presumed.

Twenty-six occurrences of mineralization are known to occur on the property in an area of approximately 7,000 feet by 2,000 feet and over a vertical range of 900 feet. I cannot visualize so much mineralization being confined to within 20 or 30 feet of the surface. Consequently, I believe that there could be a continuation of these mineralized structures to depth.

The #8 zone, the main target of the underground workings, lies some 275 feet above the adit back. Drilling intersected minor mineralization some 150 feet above the back, which could be remnants of the #8 or offshoots from the structure.

The underground workings and the drilling have not proven the absence or presence of the downward extension of the #8 zone. Its remarkably long surface exposure (250') leads one to the belief that there should be a substantial downward extension.

The mineralization on the Tintina ground is primarily associated with two controls. The primary control appears to be a combination of the limestone beds as host rocks and their proximity to the limestone-argillite contact. The majority of the mineralized showings lie close to this contact.

The second control is the Mineral Fault. Although not proven, as yet, to have been instrumental in the localization of the sulphide bodies, it is noted that a number of the showings lie in close proximity to this structure. The #1, 2, 3, 4, 8, 9 and the Fall zones are closely associated with the Mineral Fault. Only the surface expression of this structure has been examined. No sub-surface investigation has been carried out.

The Tintina ground has numerous showings which are associated with minor faulting other than the Mineral Fault. These zones have not been investigated in any but a cursory manner. As examples of this, zones 10 to 15, have only had surface mapping and in a few instances, sampling.

The mountainous slopes have developed heavy talus areas which in many cases have hindered further surface investigation of such zones as the Cornice and the Ridge. In other locations a lack of outcropping prevented further extension of the zones.

Concentration of work in the past has been in the cirque area where initial trenching revealed good grade mineralization. The showings out from the cirque have been given little specific attention other than for geological investigation.

It is my conclusion that based on the number of mineralized showings contained within the claim group, a major diamond drilling program is warranted.

### **Recommendations**

Mr. Hainsworth's recommendations are below: (Reference made in Mr. Hainsworth's report to sketch maps are to maps attached to the original copy of his report, a copy of which is on file with the Ontario Securities Commission.)

I recommend the following program for the Eagle claims of the Tintina Silver Mines Ltd.:

- (1) An intensive diamond drill program.
- (2) A trenching program aimed at supplementing drill information and to guide further drilling.
- (3) A detailed geological mapping program confined to the immediate showing being investigated.

### **Diamond Drilling**

In the investigation of a property of this type, diamond drilling is usually the first method of exploration and consequently a major drilling program is recommended. Due to the location, short field season and expense of transporting equipment to the site, a concentrated, intensive program is essential. Two drill rigs should be employed entailing 18,000 feet of BQ wireline drilling.

At this stage, it is not possible to allot a precise footage to each mineralized zone, but rather to provide approximate estimates as a guide to be modified as the results of each hole become available. The project is designed to be a comprehensive investigation of the significant mineral occurrences existing on the property as indicated below. The drilling would be supervised at all times by experienced Professional Engineers.

It is recommended that the distribution of this drilling be made in the following manner:

**#8 Zone** — One drill should be deployed to carry out approximately 7,000 feet of drilling. This would consist of two tiers of holes along the strike of the structure. At each set-up there would be two holes — a vertical and an inclined hole. This arrangement cuts the number of drill moves and also supplies faster information concerning the down dip extension. (Refer to sketch map.)

**#5 Zone** — Previous underground drilling cut spotty values. To supplement this information, it is recommended that tier drilling of vertical holes be applied to this zone. Recommendations are for 1,500 feet in 10 holes. (Refer to sketch map.)

**#6 Zone** — No information exists as to the dip of this structure. As a consequence it is recommended that drilling first be directed to ascertain the attitude of the zone. Once this has been gained, tier drilling

of vertical holes along the strike should be conducted. This would entail some 1,500 feet in 10 holes. (Refer to sketch map.)

**#1, 2, 3 & 4 Zones** — Line drilling of vertical holes at close spacing is recommended for this zone. The lines would progress to the north to penetrate the overlying argillites. 2,500 feet of drilling is recommended. (Refer to sketch map.)

**Mineral Fault** — This structure is believed to play a major role in the supply and implantation of the mineralized bodies. Its depth situation is unknown. It represents a good "geological bet" for exploration drilling purposes. It is recommended that 5 holes involving some 2,500 feet of drilling be laid out along its strike to probe the structure at depth.

**Other Zones** — There are numerous other showings that should be investigated by drilling. For some showings possibly only one drill hole will supply the necessary answer. For others, it may take more or results may well dictate an enlarged program. 3,000 feet of drilling should be allocated to the testing of the various showings.

**Trenching Program** — As stated this is not a major program implementation but an auxiliary program. The object of the program is to open up extensions of known zones for assay and geological purposes. The geological assistants can best carry out this program under supervision of the resident geologist.

**Detailed Geological Mapping** — This program need only be applied to the immediate areas of the showings. The details it would supply can be incorporated into the information supplied by the drills. This can be the duties of the resident geologist or an assistant can be supplied him for this direct purpose.

**Geologist's Cost Estimates (3 months' time)**

Mr. Hainsworth has estimated the costs of the program described above as follows:

Diamond Drilling: .....	\$261,000
18,000 feet @ \$14.50/foot	
(includes camp maintenance,	
fuel, core-boxes, etc.)	
Mobilization and demobilization .....	24,000
Salary — geologist .....	4,500
Wages — 3 assistants .....	8,000
Cobra drill and explosives .....	750
Assaying .....	2,500
Management personnel boarding	
@ \$20/day/man .....	7,200
Engineering and supervision .....	7,000
Travel expenses .....	45,000
Camp equipment, etc. ....	1,000
	\$360,950
	Contingency — 10%   36,000
	Total   \$396,950

**USE OF PROCEEDS**

The Company intends to apply the estimated net proceeds (after expenses of the issue) of the offering of the 800,000 underwritten common shares, (amounting to approximately \$448,000) to the liquidation of current liabilities including a loan of \$39,000 guaranteed by Minaco Equipment Limited and to the exploration and development program recommended by Mr. Hainsworth, P.Eng. Pending use of the proceeds of this issue as aforesaid, such proceeds will be invested by the Company in short-term chartered bank receipts or bank accounts. Surplus funds and any additional funds received by the Company on the issue of the optioned shares will be added to working capital.

Dependent upon results achieved and availability of surplus funds, the Company may carry out additional exploration and development of the Eagle claims. While the Company has no plans at present, funds may also be used to defray the cost of programs of acquiring, staking, exploring and developing other properties, but no

properties will be acquired and no funds expended thereon without an amendment to this Prospectus being filed if the securities of the Company are then in the course of distribution to the public.

## PLAN OF DISTRIBUTION

### Underwriting

Under an agreement dated as of May 10, 1974 (the "Underwriting Agreement") the Company has agreed to issue and sell, and Wills, Bickle & Company Limited, P.O. Box 32, Toronto-Dominion Centre, Toronto, Ontario M5K 1C3 (the "Underwriter-Optionee") has agreed to take up and pay for 800,000 common shares for an aggregate consideration of \$460,000 on the third business day following the date upon which the Ontario Securities Commission has issued to the Company a receipt for the prospectus (the "closing date").

In consideration of such underwriting commitment, the Company has granted to the Underwriter-Optionee the option to take up and pay for all or any part of an additional 100,000 common shares at \$0.75 per share at any time and from time to time within a period of three months from the closing date and upon the completion of the exercise of this option an additional option to take up and pay for all or any part of an additional 100,000 common shares at \$0.95 per share at any time and from time to time within a period of six months from the closing date.

The Underwriter-Optionee will either sell the shares purchased by it to the public itself or through registered security dealers acting as its agents.

The prices for the underwritten shares and the optioned shares were determined by negotiations between the Company and the Underwriter-Optionee.

The common shares are offered subject to withdrawal or cancellation of the offer without notice and subject to the right to reject any order. The obligations of the Underwriter-Optionee under the Underwriting Agreement are subject to the fulfilment of necessary legal requirements and may be terminated at its discretion on the basis of, among other things, its assessment of the state of the financial markets and on the occurrence of certain stated events. The Underwriter-Optionee is, however, obligated to take up and pay for all of the 800,000 common shares to be underwritten if any of them are purchased pursuant to the Underwriting Agreement. There is no obligation in any event on the Underwriter-Optionee to take up and pay for any of the 200,000 common shares under option and there is no assurance that any of such shares will be purchased.

## CAPITALIZATION

<u>Share Capital</u>	<u>Amount Authorized</u>	<u>Outstanding as at Dec. 31, 1973</u>	<u>Outstanding as at Mar. 1, 1974</u>	<u>Outstanding as at Mar. 1, 1974 after giving effect to this issue</u>
Common shares without par value (1)	5,000,000	2,100,005	2,100,005	2,900,005 (2)
	(\$5,000,000)	(\$615,005)	(\$615,005)	(\$1,075,005)

### Notes

(1) Prior to December 14th, 1973 the authorized capital of the Company was 3,000,000 common shares without par value not to be issued for a consideration in excess of \$3,000,000 of which 2,100,005 were issued and outstanding as fully paid.

On December 14, 1973 Supplementary Letters Patent were granted to the Company increasing the authorized capital to 5,000,000 common shares without nominal or par value by the creation of two million (2,000,000) common shares, provided that the said five million (5,000,000) common shares not exceed in amount or value the sum of five million (\$5,000,000) dollars or such greater sum as the Board of Directors of the Company may deem expedient and as may be authorized by the Minister of Consumer and Corporate Affairs on payment of the requisite fees applicable to such greater amount.

(2) This amount does not include the optioned shares. If the options are exercised in full there will be 3,100,005 common shares outstanding as fully paid and non-assessable for which the Company will have received \$1,245,005.

## DESCRIPTION OF COMMON SHARES

The issued common shares of the Company are fully paid and non-assessable and the holders thereof are entitled to one vote for each share held at all meetings of shareholders. Each common share ranks equally with all other common shares with respect to dividend rights and upon winding-up or dissolution of the Company. The holders of common shares have no pre-emptive, conversion, or subscription rights.

## DIVIDEND RECORD

No dividends have been paid by the Company since its incorporation.

## MANAGEMENT

### Directors and Officers

<u>Name and position and office held</u>	<u>Home address</u>	<u>Principal occupation</u>
Cecil Hammond Franklin President and Director	27 Country Lane, Willowdale, Ontario.	Chairman, Hardee Farms International Ltd. and Federal Diversiplex Limited, President, Minaco Equipment Limited and Algonquin Building Credits Limited and Director of several Canadian corporations.
Wilfrid Ross Abbott Secretary-Treasurer and Director	18 Larkfield Drive, Don Mills, Ontario.	Director and Secretary-Treasurer, Algonquin Building Credits Limited, Vice-President, Hardee Farms International Ltd., Vice-President and Director, Federal Diversiplex Limited and President and Director, New Senator-Rouyn Limited.
William Paul Hammond Vice-President and Director	5 Noel Avenue, Toronto, Ontario.	Consulting Mining Geologist since January, 1973; Vice-President Exploration, McIntyre Porcupine Mines Ltd., October, 1969 to January, 1973; prior thereto Exploration Manager, McIntyre Porcupine Mines Ltd.
Robert Michael Franklin Director	64 Glen Road, #D, Toronto, Ontario.	President and Director, Coupco Limited since June 1, 1971; prior thereto Director, Coupco Limited and student, Hillsdale College, Hillsdale, Michigan.
Scott Cameron MacKenzie Director	50 Graydon Hall Drive, Don Mills, Ontario.	Assistant Secretary, Algonquin Building Credits Limited since May, 1973 and Vice-President and Director, New Senator-Rouyn Limited; Internal Auditor, Bell Canada, June, 1972 to May, 1973; Professor, Royal Oak School Board, Royal Oak, Michigan, June, 1971 to June, 1972, prior thereto Student, Bowling Green State University, Bowling Green, Ohio.

### Remuneration of Directors and Officers

No remuneration was paid or is payable by the Company to directors and senior officers of the Company as such for the last completed financial year of the Company and no remuneration was paid or is payable for the period from the last completed financial year to the date hereof. No pension or retirement benefits are payable by the Company to directors or senior officers. Mr. W. Paul Hammond, a director, has received fees totalling \$1,500 from the Company in his capacity as Consulting Mining Geologist.

### ESCROWED SHARES

As of the date hereof, a total of 750,000 issued shares of the Company are held in escrow by Crown Trust Company, Toronto, ("the Trustee"). The Company understands that upon the sale of the shares offered under this prospectus, application will be made for the release from escrow of 75,000 of the presently escrowed common shares, but these common shares, if released from escrow, are not being offered for sale under this Prospectus. The escrowed common shares are held by the Trustee subject to release, transfer, hypothecation, or other alienation only upon the prior written consent of the Ontario Securities Commission, and the Board of Directors of the Company.

<u>Designation of Security</u>	<u>No. of Shares Held in Escrow</u>	<u>Percentage of Class</u>
Common shares	750,000	35.7

## PRINCIPAL SHAREHOLDERS

Name and Address	Number of Shares owned beneficially and of record March 12, 1974	Approximate percentage of class	Following Completion of Underwriting*	
			No. of shares owned	Percentage of class
Minaco Equipment Limited, Suite 200, 931 Yonge Street, Toronto, Ontario	1,825,005	86.9%	1,825,005	62.9%

\* If the optioned shares are exercised in full, Minaco Equipment Limited will own 58.9% of all of the common shares outstanding.

Cecil H. Franklin beneficially owns 100% of the outstanding common shares of Minaco Equipment Limited.

As at January 31, 1974 the directors and senior officers of the Company, as a group, owned directly or indirectly, of record and beneficially, 93.6% of the outstanding common shares of the Company. The above table reflects the sale of the 800,000 common shares offered under this Prospectus, in which event the directors and senior officers, as a group, will own directly or indirectly of record and beneficially approximately 67.7% of the outstanding common shares.

## PROMOTER

Under the terms of applicable securities legislation Minaco Equipment Limited may be considered a promoter of the Company.

## SPECULATIVE NATURE OF SECURITIES

The Company has no earnings record. Future earnings will depend upon the success of the exploration program described herein and its subsequent financing to production. The shares offered by this prospectus are being offered as a speculative investment. Risk factors which should be carefully considered by prospective investors include the following:

1. Based upon the recommendations of an independent registered professional engineer, it is the opinion of the Company that an exploration program is warranted upon the Company's mining claims. There can be no assurance that this exploration will be successful.
2. Exploration for minerals is inherently highly speculative and entails the expenditure of substantial sums of money which will not be recovered unless commercially suitable mineral deposits are discovered and developed or sold. There can be no assurance that the Company will be able to discover and develop mineral deposits suitable for commercial production or profitable operation.
3. The operations of the Company may require additional financing and there can be no assurance of the availability or the terms of any such financing.
4. There is presently no market for the Company's securities and there can be no assurance that any market will develop.
5. The Company has not paid dividends and there can be no assurance that it will do so in the future.

## MATERIAL CONTRACTS

1. Minaco Equipment Limited has guaranteed a loan to the Company from a Canadian Chartered Bank. This guarantee is for the total amount of the loan outstanding up to \$40,000.
2. The Company has entered into the Underwriting Agreement referred to under the heading "Plan of Distribution".

Copies of the foregoing agreements may be examined during normal business hours at the Head Office of the Company, Suite 200, 931 Yonge Street, Toronto, Ontario during the period of distribution of the securities offered by this prospectus and for a period of thirty days thereafter.

## OTHER MATERIAL FACTS

Minaco has granted to the Underwriter-Optionee the option to purchase from it all or part of 100,000 common shares of the Company at the price of \$0.65 per share at any time and from time to time within a period of 12 months after the closing date.

## AUDITORS, TRANSFER AGENT AND REGISTRAR

The auditors of the Company are Clarkson, Gordon & Co., Chartered Accountants, Box 251, Toronto-Dominion Centre, Toronto, Ontario.

The transfer agent and registrar for the common shares is Crown Trust Company, 302 Bay Street, Toronto, Ontario.

# TINTINA SILVER MINES LIMITED

(Incorporated under the Laws of Canada)

## Balance Sheet — December 31, 1973

### ASSETS

Cash .....	\$ 204
Mining claims acquired for 750,000 shares of the company's capital stock valued at 10¢ per share by the Board of Directors (note 1) .....	75,000
Deferred exploration, development, general and administrative expenditures (note 1) .....	581,250
Incorporation expenses .....	979
	<u>\$657,433</u>

### LIABILITIES

Bank loan .....	\$ 37,000
Accounts payable .....	1,928
Advances from shareholder .....	3,500
	<u>42,428</u>

#### Capital stock:

##### Authorized —

5,000,000 shares without par value (note 2)

##### Issued —

750,000 shares for mining claims .....

75,000

100,005 shares for cash .....

40,005

1,250,000 shares for exploration and incorporation costs .....

500,000

2,100,005

615,005

\$657,433

On behalf of the Board of Directors:

C. H. FRANKLIN, Director

W. ROSS ABBOTT, Director

(See accompanying notes to financial statements)

### AUDITORS' REPORT

To the Directors of  
TINTINA SILVER MINES LIMITED:

We have examined the balance sheet of Tintina Silver Mines Limited as at December 31, 1973, the statement of deferred exploration, development, general and administrative expenditures for the period from December 6, 1961 (date of incorporation) to December 31, 1973 and the statement of cash receipts and disbursements for the five years ended December 31, 1973. 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.

In our opinion these financial statements present fairly the financial position of the company as at December 31, 1973, its deferred exploration, development, general and administrative expenditures for the period from December 6, 1961 (date of incorporation) to December 31, 1973 and its cash receipts and disbursements for the five years ended December 31, 1973, in accordance with generally accepted accounting principles applied on a consistent basis.

Toronto, Canada,  
February 14, 1974

(Except for note 3 as to which the date is May 10, 1974).

"CLARKSON GORDON & CO."

Chartered Accountants

# TINTINA SILVER MINES LIMITED

## STATEMENT OF DEFERRED EXPLORATION, DEVELOPMENT, GENERAL AND ADMINISTRATIVE EXPENDITURES For the Period from December 6, 1961 (Date of Incorporation) to December 31, 1973

	Dec. 6, 1961 to Dec. 31, 1968	Years Ended December 31					Total
		1969	1970	1971	1972	1973	
<b>Exploration and development:</b>							
Assaying .....	\$ 3,360						\$ 3,360
Camp and cookery ..	27,708						27,708
Camp road .....	20,233						20,233
Diamond drilling ....	7,061						7,061
Engineering salaries ..	36,354	\$ 54					36,408
Equipment rental and repairs .....	94,572						94,572
Fuel and other supplies	59,193						59,193
Labour .....	83,958						83,958
Road and airstrip ...	45,215						45,215
Transportation and freight .....	84,677					\$ 631	85,308
Travelling expense ...	10,499					930	11,429
General expense ....	27,247	204	\$ 27			133	27,611
Fees in lieu of work ..	10,800	7,000	7,000	\$ 7,011	\$ 7,350	7,350	46,511
Geochemical survey ..	18,838	(1,000)					17,838
Consulting fees .....						2,649	2,649
	<u>529,715</u>	<u>6,258</u>	<u>7,027</u>	<u>7,011</u>	<u>7,350</u>	<u>11,693</u>	<u>569,054</u>
<b>General and administrative:</b>							
Legal fees .....	182	4,401	50		100	1,283	6,016
Audit fees .....	300	500	425	575		500	2,300
Capital tax .....	80	20	50	50	50	50	300
Filing fees .....	433	21	31	82	20	85	672
Stationery and office supplies .....	393						393
Transfer agency fees ..	640	434	250		(190)	150	1,284
Miscellaneous .....	33	59	66		65	1,008	1,231
	<u>2,061</u>	<u>5,435</u>	<u>872</u>	<u>707</u>	<u>45</u>	<u>3,076</u>	<u>12,196</u>
	<u>\$531,776</u>	<u>\$ 11,693</u>	<u>\$ 7,899</u>	<u>\$ 7,718</u>	<u>\$ 7,395</u>	<u>\$ 14,769</u>	<u>\$581,250</u>

(See accompanying notes to financial statements)

# TINTINA SILVER MINES LIMITED

## STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS For the Five Years Ended December 31, 1973

	Years Ended December 31				
	1969	1970	1971	1972	1973
<b>Receipts:</b>					
Issue of common shares .....	\$ 40,000				
Advances from shareholders .....	7,699	\$ 3,924	\$ 7,586	\$ 7,400	
Bank loan .....					\$ 37,000
Total receipts .....	47,699	3,924	7,586	7,400	37,000
<b>Disbursements:</b>					
Deferred expenditures .....	39,425	11,942	7,718	7,254	13,550
Repayment of advances from shareholders .....					23,246
Excess of cash receipts over disbursements .....	8,274	(8,018)	(132)	(124)	204
Cash on hand, beginning of period .....	ϕ	8,274	256	124	ϕ
Cash on hand, end of period .....	\$ 8,274	\$ 256	\$ 124	ϕ	\$ 204

(See accompanying notes to financial statements)

### NOTES TO FINANCIAL STATEMENTS December 31, 1973

1. The mining claims consist of 70 mineral claims located in the Watson Lake Mining District, Yukon Territory. All of the deferred exploration, development, general and administrative expenditures relate to these claims.
2. During 1973 the company obtained supplementary letters patent increasing its authorized capital stock from 3,000,000 shares without par value to 5,000,000 shares without par value.
3. On May 10, 1974, the company entered into an agreement with Wills, Bickle & Company Limited (the Underwriter-Optionee) providing for the sale of 1,000,000 common shares, of which 800,000 common shares are to be sold for the sum of \$520,000 from which will be deducted the underwriting discount of \$60,000 and expenses of issue estimated at \$12,000. As part of this agreement, the company has granted to the Underwriter-Optionee options on 100,000 common shares at \$.75 per share and 100,000 common shares at \$.95 per share, expiring after approximately three months and six months, respectively, from the date of the prospectus.

## **PURCHASERS' STATUTORY RIGHTS OF WITHDRAWAL AND RESCISSION**

Sections 64 and 65 of The Securities Act (Ontario) provide, in effect, that where a security is offered in the course of distribution to the public as referred to in those sections:

(a) a purchaser will not be bound by a contract for the purchase of such security if written or telegraphic notice of his intention not to be bound is received by the vendor or his agent no later than midnight on the second business day after the prospectus or amended prospectus offering such security is received or is deemed to be received by him or his agent; and

(b) a purchaser has the right to rescind a contract for the purchase of such security, while still the owner thereof, if the prospectus or any amended prospectus offering such security, as of the date of receipt or deemed receipt, contains an untrue statement of a material fact or omits to state a material fact necessary in order to make any statement therein not misleading in the light of the circumstances in which it was made, but no action to enforce this right can be commenced by a purchaser after the expiration of 90 days from the date of such contract or the date on which such prospectus or amended prospectus is received or is deemed to be received by him or his agent, whichever is later.

Reference is made to the aforesaid Act, for the complete text of the provisions under which the foregoing rights are conferred and the foregoing summary is subject to the express provisions thereof.

DATED: May 15th, 1974.

## **CERTIFICATE OF THE COMPANY**

The foregoing constitutes full, true and plain disclosure of all material facts relating to the securities offered by this prospectus as required by Part VII of The Securities Act (Ontario), and the regulations thereunder.

(Signed) C. H. FRANKLIN  
Chief Executive

(Signed) W. ROSS ABBOTT  
Chief Financial Officer

On behalf of the Board of Directors

(Signed) R. M. FRANKLIN  
Director

(Signed) W. P. HAMMOND  
Director

## **PROMOTER**

Minaco Equipment Limited

By: (Signed) C. H. FRANKLIN

## **CERTIFICATE OF THE UNDERWRITER**

To the best of our knowledge, information, and belief, the foregoing constitutes full, true and plain disclosure of all material facts relating to the securities offered by this prospectus as required by Part VII of The Securities Act (Ontario), and the regulations thereunder.

Wills, Bickle & Company Limited

By: (Signed) J. BARRY CURTIS

The following includes the names of every person having an interest either directly or indirectly, to the extent of not less than 5%, in the capital of Wills, Bickle & Company Limited: Alastair Stevenson, Peter S. Gooderham, J. Barry Curtis, Richard A. G. Robinson, Jeremy M. Colman, Edward J. Ead, John A. Skublics.