

November 23, 1973

REPORT TO SHAREHOLDERS

Dear Shareholder:

Exploration for the 1973 field season has been completed. The following is a summary of the work carried out and the results obtained.

A. YUKON PROSPECTING PROJECT

As noted in the August 17, 1973 report to the shareholders the company has acquired, by staking 3 properties, in the Bonnet Plume River Region, Yukon Territory.

Goz Creek Property

The Goz Creek property consists of 192 claims in an east-west trending block that is seven miles long and an average of two miles wide. It is located approximately 125 miles NE of Mayo, Y.T. Extensive outcrops containing zinc sulphides in bedded carbonate rocks have been found on the claims by preliminary prospecting. These outcrops represent a mineralized "belt" about 5 1/2 miles in length.

One mineralized bed has been mapped for a distance of 4,400' along strike. It appears to have an average thickness of 25 to 40 feet and dips at 27° southward approximately parallel to the hillside on which it occurs. The following are averaged assays of continuous chip samples taken across outcrops within this 4,400 foot interval. An assay plan showing the sample locations is attached.

<u>Sample Location</u>	<u>Sample Length</u>	<u>% Pb</u>	<u>% Zn in sulphides</u>	<u>% Zn Total</u>
N	10'	0.1	33.8	34.5
N	15'	0.1	49.8	51.6
N	35'	0.3	29.1	30.2
M	10'	1.0	36.4	37.2
J	10'	0.7	30.6	31.0
J	30'	1.0	13.6	15.4
L	30'	0.1	4.0	38.5
L	10'	0.2	17.1	19.6
E	10'	0.1	28.9	30.6
E	10'	0.1	21.1	22.4
D	50'	0.4	1.7	13.4
I	10'	2.7	14.9	19.4
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H	10'	0.1	12.2	16.9
80'	30'	0.1	1.6	15.1
Section	40'	0.1	1.3	11.8

Ch. Herb Cox

1506

44 King St. West

106-C-8

<u>Sample Location</u>	<u>Sam Length</u>	<u>% Pb</u>	<u>% Zn in sulphides</u>	<u>% Zn Total</u>
K	10'	-	25.9	26.8
<hr/>				
A				
100'	40'	0.1	1.5	13.8
Section	60'	0.2	24.4	25.3
<hr/>				
A				
120'	60'	0.2	30.1	30.7
Section	60'	0.1	4.2	29.0
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A	70'	0.1	1.6	31.4
B	15'	0.1	3.7	28.0
B	40'	0.3	17.4	18.0
C	40'	3.0	17.5	19.1

The "percent Zinc in sulphides" represents recoverable metal. "Total Zinc" includes metal contained in secondary minerals formed by surface oxidation. The relative content of recoverable zinc is expected to increase substantially a few feet below the weathered surface.

An exploration programme consisting of geological mapping and diamond drilling is planned for 1974. It is estimated that this work will cost approximately \$375,000, less any Northern Mineral Assistant Grant the company may obtain.

#### Harrison Creek Property

This is a group of 40 claims located about 10 miles west of Goz Creek. An extensive pyritic dolomite breccia zone occurs on the property. A surface sample 35 feet in length averaged 2.5% combined lead and zinc.

#### Corn Creek Property

This is a group of 56 claims. Lead, zinc and silver mineralization in carbonate rocks has been found at three locations on the claim group. The following assay results were obtained from chip samples:

<u>Sample Length</u>	<u>oz/T Ag.</u>	<u>% Pb</u>	<u>% Zn</u>
10'	0.96	1.35	8.10
10'	2.30	2.55	30.70
5'	17.50	19.50	41.75

#### B. ROBB LAKE JOINT VENTURE

The company owns a 20% carried interest in a lead-zinc prospect situated near Robb Lake in the northern Rocky Mountains, British Columbia. Ecstall Mining Limited, a subsidiary of Texasgulf Inc., and Arrow Inter-America Corporation, a subsidiary of W.R. Grace & Co., each have a 40% interest and are providing the funds for exploration and development work.

During the past field season holes #30 to #40 inclusive were drilled and #26 was deepened for a total footage of 8,975'. Eleven line-miles of induced polarization survey was completed. The drilling and geophysical surveys were

carried out in the "Webb Ridge" area at a cost of approximately \$190,000. More than \$700,000 has been spent on exploration at Robb Lake during the past 2 years.

The results of holes #30 to #35 were included in the report to shareholders dated August 17, 1973.

All of the following drill holes are vertical and the mineralized beds have a dip of 0° to 10°.

Approximate Co-ordinates

<u>Hole No.</u>	<u>North</u>	<u>East</u>	<u>From</u>	<u>To</u>	<u>Length</u>	<u>% Pb-Zn</u>
73-36	74,270	58,430	No significant		mineralization	
73-37	74,120	60,000	557.5-567.5'		10.0'	5.4%
73-38	73,980	59,170	780.0-792.5'		12.5'	2.4%
73-39	73,750	60,320	486.0-500.0'		14.0'	2.6%
73-40	74,750	59,430	285.0-298.5'		13.5'	1.5%
72-26 Deepened	74,504	57,080	491.5-501.7'		10.2'	5.2%

The average estimated thickness of 23 drill hole inter-sections and 10 trench sections reported to date is 13.8' with an average grade of 8.1% combined lead and zinc.

Numerous geological targets on the property remain to be explored and it is anticipated that further drilling will be done in 1974.

C. OTHER INTERESTS IN THE ROBB LAKE AREA

The company owns 8 claims covering a lead prospect near Redfern Lake. No work was done on this property in 1973. The company also holds a 25% participating interest in two lead-zinc prospects south of Robb Lake; at the head of the Nabesche River (44 claims) and at Wicked Lake (64 claims). Thirty-two additional claims were staked in the Wicked Lake area this year. No exploration work was done in 1973.

D. MACKENZIE PROJECT

No work was done on this project in 1973. In 1974 the company plans to investigate a number of geochemical anomalies in the Mackenzie District outlined by reconnaissance work carried out in 1972.

E. DEER LAKE PROJECT

Deer Lake Mines Ltd. (N.P.L.), 70% owned by the company has optioned 46 of its 128 claims in the Little Fort area to Rio Tinto Canadian Exploration. Deer Lake retains a "20% net proceeds royalty" interest.

During 1973 Rio carried out an airborne magnetic survey, an induced polarization survey, geochemical sampling and geological mapping on the property. Copper mineralization has been found in an area of anomalous geochemical response. Further work which may include diamond drilling is planned by Rio.

F. ESP PROJECT

Tech Corporation carried out; soil sampling, a magnetometer survey, and an electromagnetic survey on the company's ESP claim group in the Aspen Grove area. The results of this work were negative and Tech has terminated its option on the ESP claims.

G. ARCTIC ISLANDS

The company is participating with Kapvik Exploration Ltd., a private British Columbia company, in a three year reconnaissance exploration project for lead and zinc in the Canadian Arctic Islands. The company's interest in this project is 4%. No mineral properties were acquired as a result of this years work.

H. CHURCHILL - RACING RIVER AREA

The company owns five copper prospects covered by three blocks of claims in the Churchill-Racing River area of Northern British Columbia. No work is planned for these properties in the immediate future.

FINANCIAL

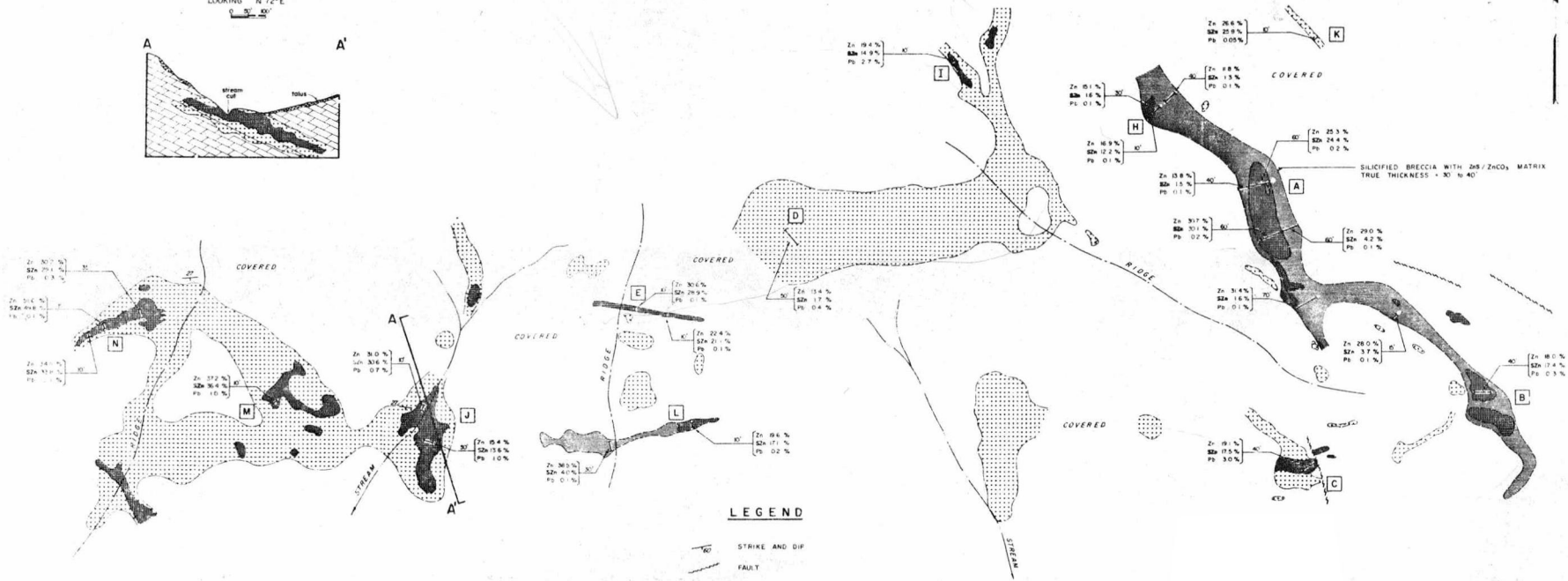
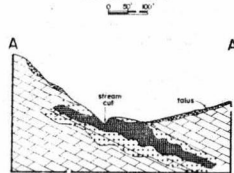
During 1973 the company expended \$170,000 on its exploration projects. Working capital of \$150,000 is presently on hand. Conwest Exploration Ltd. and Brinco Limited have each agreed, subject to approval of the British Columbia Securities Commission and the Vancouver Stock Exchange, to purchase 150,000 treasury shares from the company at \$1.10 to provide \$330,000 for drilling and mapping on the Goz Creek property in 1974.

On behalf of the Board

A handwritten signature in dark ink, appearing to read 'A.F. Reeve', written in a cursive style.

A.F. Reeve, President

**X-SECTION**  
LOOKING N 72°E



**LEGEND**

- STRIKE AND DIP
- FAULT
- ZINC AND/OR LEAD SULFIDE MINERALIZATION  
ASSAY AVERAGE 6 TO 30% COMBINED Pb-Zn
- ZINC AND/OR LEAD SULFIDE MINERALIZATION  
ASSAY AVERAGE 0.5 TO 6% COMBINED Pb-Zn
- ZINC CARBONATE MINERALIZATION  
ASSAY AVERAGE 6 TO 30% COMBINED Pb-Zn
- SAMPLE LOCATION WITH SAMPLE LENGTHS AND  
ASSAYS FOR TOTAL ZINC, SULFUR %, AND LEAD
- LEAD-ZINC SHOWING DESIGNATION

**NOTES**

MAP BASED ON BRUNTON COMPASS AND  
TAPE TRAVERSE  
MAGNETIC DECLINATION 34°30' E (1973)

BARRIER REEF RESOURCES LTD (NPL)

**ASSAY PLAN**

GOZ CREEK PROPERTY  
NADALENE RIVER AREA (NTS 106C)

MAYO MINING DISTRICT, YUKON TERRITORY

