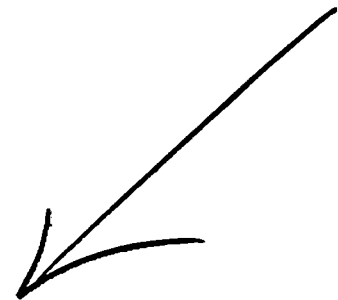
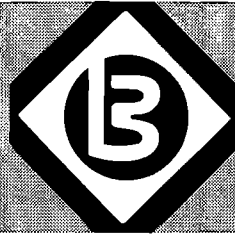




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**BOSWELL RIVER
MINES LTD. (N.P.L.)**

PROSPECTUS-AUGUST 1967

With the Compliments of

Neil D.A. Crumb

BRINK, HUDSON & LEFEVER LTD.

837 WEST HASTINGS STREET
VANCOUVER 1, B.C.

BRINK, HUDSON & LEFEVER LTD.

TEL. 684-5884

PROSPECTUS
of
BOSWELL RIVER MINES LTD. (N.P.L.)

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.

A PURCHASE OF THE SECURITIES OFFERED BY THIS PROSPECTUS MUST BE CONSIDERED A SPECULATION.

THERE IS NO EXISTING MARKET FOR THE SECURITIES OF THE COMPANY.

NOTICE:

NO SURVEY OF ANY PROPERTY OR PROPERTY INTEREST HELD BY THE COMPANY HAS BEEN MADE AND THEREFORE IN ACCORDANCE WITH THE MINING LAWS OF THE APPROPRIATE JURISDICTIONS IN WHICH SUCH PROPERTY IS SITUATED, THE EXISTENCE OF AND THE AREAS OF SUCH PROPERTIES COULD BE IN DOUBT.

(a) Boswell River Mines Ltd. (N.P.L.) (hereinafter called "the Company") has its registered office at #201 - 846 West Hastings Street, in the City of Vancouver, Province of British Columbia, and its business office at Box 145, Sunset Beach, West Vancouver, B.C.

(b) The Company was incorporated as a private company by Memorandum of Association under the Companies Act of the Province of British Columbia on the 14th day of March, A.D. 1966.

(c) On the 12th day of May, 1966, the Company converted its authorized capital of \$10,000.00 divided into 20,000 shares with a nominal or par value of 50¢ each to 20,000 shares without nominal or par value and with a maximum selling price of \$5.00 each. The Company then sub-divided the said 20,000 shares with a maximum selling price of \$5.00 each into 200,000 shares without nominal or par value with a maximum selling price of 50¢ each and further increased the number of shares to 5,000,000 so that the Company is now authorized to issue 5,000,000 shares without nominal or par value with a maximum selling price or consideration of 50¢ each. On the 15th day of June, A.D. 1967 the Company was converted from a private company to a public company.

There have been no further amendments to the Memorandum of Association of the Company.

(d) The full name, occupation and home address of each Director and Promoter of the Company is:

| <u>Name and Address</u> | <u>Occupation</u> |
|--------------------------------------------------------------------|------------------------------|
| Reginald E. Davis Box 145 Sunset Beach, West Vancouver, B.C. | Prospector |
| George Murdoch Box 238 Whitehorse, Y.T. | |
| John Mohagen Box 2778 Whitehorse, Y.T. | Retired, formerly prospector |
| S. David Anfield 2010 Queens Avenue West Vancouver, B.C. | Barrister and Solicitor |

Eric Osborne Isfeld
#3 - 137 West 20th Street
North Vancouver, B.C.

Department of Public Works
Canada; Civil Engineer now
qualified as P. Eng.

The promoter of the Company may be deemed to be Reginald E. Davis, Box 145, Sunset Beach, West Vancouver, B.C.

- (e) The Auditor of the Company is John F. Morgan, Chartered Accountant, 846 West Hastings Street, Vancouver 1, B.C.
- (f) The Registrar and Transfer Agent for the Company is National Trust Company Limited, 510 Burrard Street, Vancouver, B.C.
- (g) The Company is authorized to issue 5,000,000 common shares without nominal or par value, with the maximum selling price or consideration of 50¢ each, of which 1,253,373 shares have been issued as fully paid and non-assessable. There is no other class of shares.
- (h) The Company has not created or issued any bonds or debentures, nor does it propose to do so, and no bonds or debentures are offered by this Prospectus.
- (i) Pursuant to the terms of an escrow agreement between National Trust Company Limited and the owners of shares issued for mineral properties, certificates representing 750,000 shares in the capital stock of the Company are held in escrow by the National Trust Company Limited, Vancouver, B.C. subject to release or transfer only with the written consent of the British Columbia Securities Commission.

If the Company loses or does not obtain good and marketable title to, or abandons or discontinues development of any of the property which was, or formed part of the consideration for any of the securities in escrow hereunder, or if the properties are subsequently found to be not as represented herein, immediate notice thereof shall be given to the Superintendent of Brokers, and there shall be surrendered by way of gift to the Company, for cancellation, such number of escrow shares, as the Superintendent of Brokers in his sole discretion deems fair and equitable, in such manner or proportion as the Superintendent of Brokers may direct.

Certificates representing a majority of the 434,163 shares issued for cash, and a majority of the 69,210 shares issued for services are held in pool by Anfield & Company, Barristers and Solicitors, 201 - 846 West Hastings Street, Vancouver, British Columbia, subject to the terms and conditions of a pooling arrangement required by the British Columbia Securities Commission. All owners of shares issued for cash and services have been advised of the pooling requirements, and it is anticipated that all certificates will be deposited in pool. All certificates so deposited will not be released from pool without receipt of written consent of the British Columbia Securities Commission.

- (j) Shares sold for cash to date are as follows:

| <u>Number of Shares</u> | <u>Price Per Share</u> | <u>Discount</u> | <u>Total cash Received</u> |
|-------------------------|------------------------|-----------------|----------------------------|
| 20 | 5¢ | NIL | \$ 1.00 |
| 253,500 | 10¢ | NIL | 25,350.00 |
| 180,643 | 17-1/2¢ | NIL | 31,612.53 |
| | | | <u>\$56,963.53</u> |

No commissions were paid on the allotment and issue of the above shares. The 20 shares sold at 5¢ were originally allotted as 2 shares at 50¢ and of the 253,500 shares sold at 10¢, 48,500 of these were originally allotted as 4,850 shares at \$1.00. In both cases, the shares have been converted 10 for 1.

- (k) No securities other than shares have been sold for cash to date.

(l) Pursuant to the terms of an agreement in writing dated for reference the 24th day of March, 1966 between John Mohagen and Reginald E. Davis, therein called the Optionors, and the Company, therein called the Optionee, the Company acquired the Wapus #1, Wapus #2, Wapus #19, Wapus #20, Gopher #1 - Gopher #3, Star #1 - Star #16 mineral claims, situate in the Yukon Territory, in consideration of the allotment and issue by the Company to John Mohagen and Reginald E. Davis of 750,000 shares in the capital stock of the Company as fully paid and non-assessable, as follows:

| | |
|-------------------|---------|
| John Mohagen | 375,000 |
| Reginald E. Davis | 375,000 |

Mohagen and Davis are both directors of the Company, and Davis may be considered to be Promoter of the Company.

(m) (i) The Company is the recorded owner of the following mineral claims, which were acquired from John Mohagen and Reginald E. Davis on March 24th, 1966:

| <u>Name of Claim</u> | <u>Record Number</u> |
|-----------------------|----------------------|
| WAPUS #1 | 77914 |
| WAPUS #2 | 77915 |
| WAPUS #19 | 77932 |
| WAPUS #20 | 77933 |
| GOPHER #1 - GOPHER #3 | 92660 - 92662 |
| STAR #1 - STAR #16 | Y743 - Y758 |

(hereinafter called "the Star Claims").

The Star Claims are situate north of the Boswell River in the Yukon Territory.

(m) (i) The Company is also the recorded owner of the Fox #3 - Fox 26 mineral claims, grant numbers Y11814 - Y11837 and the Star #17 - Star #24 mineral claims, grant numbers Y8003 - Y8010. Further, the Company is the beneficial owner of the Star #25 - Star #31 mineral claims, grant numbers Y8011 - Y8017. All of these claims were acquired by staking and were discovered by the Company near the original Star group. They were acquired at the approximate cost of \$3,000.00 and they will be hereinafter described as the "Star claims". Until such time as the Company records its 100% interest in the Star #25 - Star #31 mineral claims it will spend no monies on the ground covered by these claims.

(m) (ii) The Vendors of the Star claims are John Mohagen and Reginald E. Davis; and the consideration received by each for the sale of the Star claims was the allotment and issue by the Company of 375,000 shares of its capital stock as fully paid and non-assessable. These are the shares referred to in paragraph (i) and (l) herein.

(m) (iii) So far as the signatories hereto are aware the only person or company which has received or will receive from the Vendors of the Star claims an interest in the consideration received by them greater in amount than 1/20th thereof its Wilfred McKinnon of Teslin, Yukon Territory, and Joyce A. Davis of Box 145, Sunset Beach, West Vancouver, B.C.

(m) (iv) The Star and staked claims are located about fifty (50) miles E.N.E. of Whitehorse on either side of the Boswell River. The claims are accessible by following the old Sidney Creek road for ten miles to Iron Creek and from there for twenty miles over gentle passes nowhere exceeding 4900 feet in elevation. This access trail can be used by a cat, and passes near lakes suitable for float planes.

(m) (v) For a description of all underground exploration and development, plant and equipment on the Star and staked claims, see the said Report of P. H. Sevensma Consultants Ltd.

(m) (vi) For a description of all surface exploration, development, plant and equipment on the Star and staked claims, see the said Report of P. H. Sevensma Consultants Ltd.

(m) (vii) Some of the Star claims were staked and worked by persons unknown some time ago, while the staked claims were staked in late Spring and in the Fall of 1966 by the Company.

(m) (viii) For a description of the work carried out on the Star and staked claims by the Company under present management see the said Report of P. H. Sevensma Consultants Ltd.

(m) (i) (a) The Company is the recorded owner of the Dan #1 - Dan #10 mineral claims situate in the Watson Lake Mining District of the Yukon Territory, and which it acquired from Wilfred McKinnon of Teslin, Yukon Territory, on July 26th, 1966; (the above claims shall hereinafter be called "the Dan claims").

The Dan claims are located in the Swift River area of the Yukon Territory, near Mile 722 of the Alaska Highway.

(m) (ii) (a) The Vendor of the Dan claims is Wilfred McKinnon, of Teslin, Yukon Territory who transferred the claims to the Company free and clear of any consideration by the Company. Coincident with this transfer, John Mohagen agreed to transfer to Wilfred McKinnon 75,000 of the escrow shares received by him as consideration for the Star claims as described in paragraph (m) (ii) herein.

(m) (iii) (a) So far as the signatories hereto are aware, no person or company has received or will receive from the Vendor of the Dan claims an interest in the consideration received greater in amount than 1/20th thereof.

(m) (iv) (a) For a description of the means of access to the Dan claims, see the Report of P. H. Sevensma Consultants Ltd.

(m) (v) (a) There is no underground exploration, development, plant or equipment on the Dan claims.

(m) (vi) (a) For a description of all surface exploration, development, plant and equipment on the Dan claims, see the said Report of P. H. Sevensma Consultants Ltd.

(m) (vii) (a) For a history of the Dan claims, and of the general area, see the said Report of P. H. Sevensma Consultants Ltd.

(m) (viii) (a) The Company under present management, has carried out no work on the Dan claims.

(m) (i) (b) Under and by virtue of an agreement in writing dated for reference the 17th day of April, A.D. 1967 between A. Ed Asp and Reginald Davis, therein called "the Vendors" and the Company therein called "the Purchaser", the Company has acquired the Staf #1 - Staf #30 mineral claims all situate in the Skeena Mining Division of the Province of British Columbia for the sum of \$1,000 which has been paid to Ed Asp. Under the terms of the agreement, the Company is to carry out exploration and development work on the Staf claims and if warranted, assign them to a new Company to be incorporated prior to December 31st, 1968 for 750,000 shares in the capital stock of the new company, of which A. Ed Asp is to receive 180,000 shares. The Staf claims are situate in the Alice Arm area of the Province of British Columbia, and there is no known history to the claims as such. It is not the immediate intention of the Company to carry out exhaustive exploration and development work on the Staf claims at present, however, steps will be taken to carry out the minimum work required to qualify as assessment work for the purposes of keeping the Staf group of mineral claims in good standing under the Provisions of the Mineral Act of the Province of British Columbia. The Company has also staked for its own account the Sun #1 - Sun #20 mineral claims at an approximate cost to the Company of \$1500.00. The Sun group of claims is located near the Staf group in the Skeena Mining Division and assessment work only will be performed on the Sun claims by the Company in the immediate future. Staf claims Nos. 16, 18, 20, 22 and 24 have a notation of contravention of Section (12) (1) of the Mineral Act while Sun Nos. 7 - 10 have a notation to exclude a portion of those claims within a reserve established by Order in Council No. 309. The Company will establish title to the claims marked as being in contravention prior to performing exploration and development work thereon.

(n) There are no underwriting, option or sub-option underwriting or sub-option agreements outstanding at the present time.

The Company offers by this Prospectus 200,000 shares at a price of 50¢ per share. No discount will be allowed on the purchase of the shares offered hereby. Commissions of 25% (maximum) are payable. The Company will offer these shares through Broker-Dealers registered under the Securities Act of the Province of British Columbia for trading in securities in the Province of British Columbia.

(o) The Company intends to use \$100,000.00 being the proceeds from the sale of the aforesaid 200,000 shares as follows:

| | |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|
| 1. Payment of Commissions (maximum) | \$ 25,000.00 |
| 2. To commence the programs as recommended by P. H. Sevensma, P. Eng. in his report dated November 24th, 1966 attached hereto on each of the Star, staked and Dan groups | 60,000.00 |
| 3. Property payment, Staf claims | 2,000.00 |
| 4. Assessment work on Staf claims | 3,000.00 |
| 5. Legal and Audit | 2,500.00 |
| 6. General Administration | 7,500.00 |
| | <u>\$100,000.00</u> |

No part of the proceeds will be used to invest, underwrite or trade in securities other than those that qualify as investments in which trust funds may be invested under the laws of the jurisdictions in which the securities offered by this Prospectus may lawfully be sold.

Should the registrant propose to use the proceeds to acquire the non-trustee type securities after the initial distribution of the securities offered by this Prospectus, approval by the shareholders will be obtained and disclosure will be made to the regulatory securities bodies having jurisdiction over the sale of the securities offered by this Prospectus.

(p) The expenses incurred in the formation or incorporation of the Company were approximately \$1,500.00, and the Company does not anticipate future expenditures on preliminary matters.

(q) No indebtedness is to be created or assumed by the Company that is not shown on the Balance Sheet of the Company as at the 30th day of April A.D. 1967 reported on by John F. Morgan, Chartered Accountant on the 29th day of May, A.D. 1967 attached hereto and forming part of this

Prospectus, save and except costs that are incurred in carrying out the work program recommended by the said P. H. Sevensma, Consultants Ltd.

(r) The principal business of each Director of the Company for the past three years and the present business is as follows:

| <u>Name and Address</u> | <u>Occupation</u> |
|---------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Reginald E. Davis Box 145 Sunset Beach West Vancouver, B.C. | Contractor, North Diamond Drilling, Whitehorse, Y.T. and Prospector |
| John Mohagen Box 2778 Whitehorse, Y.T. | Prospector, now retired |
| S. David Anfield 2010 Queens Avenue West Vancouver, B.C. | Partner in law firm of Russell & DuMoulin, now partner in law firm of Anfield & Company, Director and/or officer of various mining companies, and Director and officer of McLaughlin, Briden & Associates, registered Broker-Dealer. |
| George Murdoch Box 238 Whitehorse, Y.T. | |
| Eric Osborne Isfeld #3 - 137 West 20th Street North Vancouver, B.C. | Civil Engineer |

(s) John Mohagen and Reginald E. Davis both directors of the Company have an interest in the Star mineral claims acquired by the Company in that they were the Vendors of those claims and they received from the Company 750,000 shares in its capital stock as fully paid and non-assessable for selling these claims to the Company.

(t) No remuneration has been paid by the Company to any of its directors or officers as such. However, Reginald E. Davis, a director of the Company, has received the sum of \$1,000.00 per month from the Company since the first day of April, 1966 for acting as general manager and exploration supervisor for the Company.

(u) It is not anticipated that any remuneration will be paid by the Company to any of its Directors or Officers as such during the current fiscal year. However, Reginald E. Davis, a Director of the Company will receive the sum of \$1,000.00 per month for acting as general manager for the Company and for supervising the Company's work programs in the field.

(v) Reginald E. Davis, John Mohagen and Wilfred McKinnon the owners of 673,000 shares issued by the Company for consideration other than cash could if they voted their shares in concert, elect or cause to be elected a majority of the Board of Directors of the Company. So far as the signatories hereto are aware, there is no written or unwritten agreement to vote the said 673,000 shares in concert. By agreement dated April 22, 1966, Reginald E. Davis and any of his associates now or in the future concerned in the affairs of the Company have agreed to vote their shares so that Eric Isfeld shall continue to be a director of the Company for so long as the said Isfeld and North Star Ventures Ltd., a private Company, hold not less than 150,000 issued shares in the capital stock of the Company.

(w) No dividends have been paid by the Company.

(x) (i) When the escrowed shares referred to in paragraphs (i) and (l) herein are released from escrow by the British Columbia Securities Commission from time to time, those shares may be sold by the owners thereof under this or subsequent Prospectuses at the offering price to the public from time to time in those Prospectuses without the proceeds of the sale accruing to the benefit of the treasury of the Company. There are no further material facts which are not disclosed by this Prospectus.

(x) (ii) Reginald E. Davis has surrendered to the Company by way of gift for cancellation 2,000 shares, the certificate for which is held in escrow by the National Trust Company Limited, Vancouver,

B.C. The said 2,000 shares will be cancelled at the Company's next general meeting of shareholders.

(y) The foregoing constitutes full, true and plain disclosure of all material facts in respect of the offering of the securities referred to above, as required by the Securities Act of the Province of British Columbia, and there is no further material information applicable other than in the financial statements or reports where required.

DATED at Vancouver, B.C. this 10th day of August, A.D. 1967.

"R. E. DAVIS"

Reginald E. Davis, Director

"S. DAVID ANFIELD"

S. David Anfield, Director

"R. E. DAVIS"

Reginald E. Davis, Promoter

"JOHN MOHAGEN"

John Mohagen, Director

"E. O. ISFELD"

Eric Osborne Isfeld, Director

"GEORGE MURDOCH"

George Murdoch, Director

BOSWELL RIVER MINES LTD.

SUMMARY REPORT ON YUKON HOLDINGS

by

P. H. Sevensma Consultants Limited
Vancouver, B.C.

November 24, 1966

1. INTRODUCTION

During the 1966 exploration season, Boswell River Mines have completed initial work on the Star Group, which includes the Gopher, Wopus and Star mineral claims North of the Boswell River. Further prospecting in this general area led to the discovery of a new silver-lead showing on Slate Creek. The Fox claims were located on this showing.

In the Swift River area, Boswell River Mines have acquired an option on the Dan Group of claims.

Several other areas have been examined or considered by the writer on behalf of Boswell River Mines. Three properties were investigated but not recommended, one in the Sixty Mile area West of Dawson City, one in the Upper Liard River and one in the Rancheria area.

A copper property in the Kluane Range is under active consideration.

Boswell River Mines have several experienced prospectors in their employ and are in an excellent position to take immediate advantage of available opportunities.

This report intends to give a brief summary of the holdings of Boswell River Mines. For details regarding the Star Group and the Dan Group, the reader is referred to the writer's reports of March 9th, 1966, July 29th, 1966 and August 25th, 1966.

The writer has visited the Star Group several times during the season and has examined the Dan Group in July of 1966.

Heavy snow conditions precluded an examination of the Fox Group.

2. PROPERTIES

The location of Boswell River Mines properties is shown on figure 1. Appendix A shows the claim status.

3. STAR GROUP

Figures 2, 3 and 4 provide the pertinent details on this group.

A 2-1/2 mile base-line was cut on the West half of the group and picket-lines were flagged, every 400'. Trenching, geological mapping and geophysical surveying were carried out.

Results of the trenching were as follows: (see figure 3 for location of the showings)

| Type | Attitude | Sample Number | True Width | oz/t Ag | % Pb. | % Zn. | Remarks |
|----------------------------------|-------------|----------------|------------|------------|------------|----------|-----------------------------------------------------------|
| <u>Wopus 1, 2</u> not sampled | | | | | | | |
| <u>Wopus 19, 20</u> | | | | | | | |
| Quartz vein, samples 60' apart | E-W60°S | (8101 8102) | 42" 36" | 2.1 2.2 | 2.1 2.2 | tr tr | Good exposure for 75'; 8102 60'W of 8101. |
| <u>Gopher 1-3</u> | | | | | | | |
| A. in dolomite | N40°W/40°NE | 8104 | 6" | 45.8 | 20.2 | tr | Length 36". Mixed with quartz. |
| B. Quartz vein | N20°W/65°NE | 8105 | 4"-16" | 9.5 | 4.3 | n.s. | Exposed for 8' length, previously assumed to be 10' wide. |
| C. Quartz vein | N-S/70°E | 8106 | 24" | 2.2 | 1.5 | | Exposed for 12'. Continuation of 8105 vein |

| Type | Attitude | Sample Number | True Width | Oz/t Ag | % Pb. | % Zn. | Remarks |
|----------------|-------------|---------------|------------|---------|-------|-------|----------------------------------------------------|
| D. Quartz vein | N40°W/50°NE | 8107 | 16" | 2.6 | 1.2 | | Exposed for 9' . 35' SE of 8106 |
| E. Quartz vein | N40°W/60°NE | 8108 | 24" | 3.9 | 2.5 | | Exposed for 9' . 50' SE of 8107 |
| F. in dolomite | N55°W/80°W | 8109 | 4" | 157.4 | 63.0 | | Reported 24" and 18" wide in 1965 before trenching |
| G. Quartz vein | N75°W/70°S | 8110 | 8"-24" | 3.4 | 1.3 | | |

All samples were taken by the writer and assayed by the Whitehorse Assay Office.

The average grade of the quartz veins on the Gopher is 4.3 Ag and 2.1 Pb. On Wopus 19 and 20, two quartz vein samples were 2.1 Ag and 2.1 Pb over 3'3".

Geologically, the Star Group is underlain by steeply dipping biotite-quartz and chlorite schists, intruded by small ultrabasics and by sill-like porphyry bodies. At the East end of the group, the veins approach the granodiorite batholith.

On the Gopher claims the results of geological mapping and geophysical surveying with a Crone electromagnetic instrument showed a moderately conductive zone lying for a length of 1500' along the unexposed near-vertical contact zone between a dolomite bed and a porphyry sill.

The contact zone forms a talus covered depression. It is geologically and geophysically the most attractive zone and warrants detailed investigation by soil sampling for Pb and Ag as well as some drilling with a light machine.

If a near massive ore shoot is assumed - as is characteristic in this type of deposit, grades could fall in a range of between 25 and 50% Pb with a silver:lead ratio of from 1:1 to 2.5:1. Pinching and swelling along the 1600 foot strike length indicated by geophysics would undoubtedly reduce the area of commercial significance and dictate a program of several holes to test the zone. An estimate of the potential at this stage suggests a body in the 100,000 to 200,000 ton range with the favourable zone open at depth.

On the Wopus 19 and 20 claims and the adjacent Star claims to the West, there are various quartz zones. One of these, just West of the Wopus claims, has not yet been stripped. It is intermittently exposed for 120' adjacent to a large porphyry intrusive. As this zone could be much larger than the usual uneconomical 2' - 4' wide quartz veins assaying 2-4 oz/t Ag and 2% Pb, and could also be of better grade, stripping is recommended to determine size and grade.

On the Wopus 1 and 2 claims, an old 120' long adit, now caved, was driven to find the downward extension of a rumoured 5' wide massive vein with 130 oz/t Ag, exposed some 250' higher on the hill near the granodiorite contact. The adit was not completed and the old trenches on this exposure could not be sufficiently opened up by Boswell River Mines to expose rock in place and the adit is inaccessible.

A Ronka EM15 showed strong conductivity in the trenched area and an EM survey with a Crone instrument is warranted on this part of the property, as well as detailed mapping followed by trenching in the most promising location.

The possibilities of this situation are estimated to be about the same as on the Gopher.

In summary, there are three interesting situations on the Star Group; in addition, both large porphyry masses and dolomite beds are known to occur East of the Gopher claims and more detailed mapping is necessary. At least one quartz body requires stripping and sampling and both on the Gopher claims and on the Wopus 1 and 2 there is an estimated possibility of two high grade near-massive shoots of from 100,000 to 200,000 tons of a grade lying in the 25 to 50% Pb range with a silver:lead ratio in the range of 1 to 2.5:1.

So far, no zinc has been encountered in any of the samples from the Star Group.

4. FOX GROUP

The Fox Group was staked late in the season, after heavy snowfalls had started. The writer had strongly recommended prospecting in this area, as there were reports of an old silver showing and the area is characterized by a large and heavily pyritized porphyry mass exposed in a summit appropriately called Red Mountain.

A heavily pyritized porphyry constitutes an eminently favourable indication of nearby

mineralization and silver-lead float has been found in locations several thousand feet apart.

The porphyry intrudes chlorite schists and the writer considers this a very favourable environment for the occurrence of a good-size mineral body.

Samples collected so far are as follows:

| <u>Sample by</u> | <u>Sample No.</u> | <u>Ag</u> | <u>Pb</u> | <u>Zinc</u> | <u>Type</u> |
|------------------|-------------------|-----------|-----------|-------------|-------------|
| Prospectors | 1 | 98.5 | 66.5 | not assayed | float |
| R. E. Davis | 8100 | 84.2 | 64.6 | 2.1 | float |
| R. E. Davis | 8101 | 36.9 | 31.5 | 6.6 | 24" vein |
| R. E. Davis | 8102 | 14.9 | 13.3 | 5.2 | 12" vein |

The last three samples were submitted to the writer who had them assayed at the Whitehorse Assay Office.

The exposures occur in a 3' to 4' wide creek (figure 5) which has cut a narrow canyon. In addition to the narrow veins in place, there is high grade float scattered over a length of several hundred feet. Other galena float has been found in other locations, but no assays are available.

The mineralization occurs in sheared schists and there is no quartz.

The 1" = 4 mile map of the area by E. J. Lees, 1935, G.S.C. map 350A shows a porphyry body about 3 miles long and several thousand feet wide. The porphyry carries some 5% pyrite and is very highly oxidized. It has intruded steeply dipping chlorite schists.

The surrounding schists appear to be of a somewhat lower grade metamorphism than to the North of the Boswell River, and in many places they are reported to carry pyrite as well.

The intensity and extent of the pyritization indicates that any commercial sulphide body in this environment has a good chance of being of significant size, and the writer has no hesitation in assessing the possible target in this situation as one that may measure well over half a million tons of a grade of the order of 25 oz/t Ag, 20% Pb and 5% zinc.

In fact, the Red Mountain porphyry is obviously the focus of mineralization in an area about 4.5 miles long by 3 miles wide, i.e. measuring over 12 square miles, where silver-lead mineralization is wide-spread and always located near porphyries.

The showings near the Red Mountain porphyry area are therefore a prime exploration target and in the context of the search for silver-bearing galena, this is one of the few areas known to the writer in the Yukon where one can visualize a discovery of a million or more tons of 20-25 oz/t silver ore.

5. DAN GROUP

Figures 6, 7 and 8 provide details of the Dan Group. The showings occur in an area of relatively thick overburden and heavy timber. The property is accessible by a jeep-road, but a 30' log bridge over the Swift River requires rebuilding.

Other properties have been staked nearby, suggesting a mineral belt, but only the Dan Group has had work done on it. Discovered by Hudson Bay prospectors in 1946, a Boliden EM survey was run, and strong EM anomalies not related to the showing were drilled without success.

The main showing is a NW striking bedded pyrrhotite-sphalerite zone, dipping about 70° SW. The wall rock is a slightly skarny siltified thin-bedded argillite. The exposure averages 8.0% Zn over a width of 5.7' and an exposed length of 40'.

Float 700' to the ESE consists of 4' blocks of massive pyrrhotite, an average assay of which by the writer, gave 0.75 Ag, 0.25 Pb and 3.2 Zn (trench 4).

An overburden terrace covers the area between these two occurrences.

Little is known about other showings in the area, but massive pyrrhotite float, zinc and silver-bearing galena are reported. Several of these occurrences have been staked by other parties, and there is a definite mineral belt outlined by these claim holdings (figure 6).

The known exposures are strata-controlled; the pyrrhotite is typically fine-grained and massive; the surrounding wall rock is of the approximate same. Devonian-Mississippian age as the country rock in the Vangorda Creek area.

Besides these favourable factors, the following broad geological considerations are of importance.

- (1) The showings lie just South of the major Swift River Fault, which separates the Cassiar granodiorite on the NE from a large "slice" of Cambrian to Devonian sediments on the SW.
- (2) This sedimentary "slice" forms a thrust-block, or perhaps a roof-pendant, between the Cassiar and Seagull batholiths, and is in reality an elongated dome some 15 miles long. Major ore deposits are frequently related to the domal uplift of the oldest rocks in a mining district.
- (3) Between the two main batholiths of Cassiar and Seagull, the sediments are intruded by a saussuritized quartz-monzonite, known as the Ram stock, both extremities of which terminate in diorite intrusives of apparent older age. The saussuritization, consisting of alteration of the feldspars by solutions, may be indicative of regional mineralizing activity.
- (4) Of the three known areas of diorite intrusions, two are associated with mineralization, i.e. in Logjam Creek and on Swift River. The third intrusion near Slim Lake, is 75% surrounded by overburden.

The Logjam Creek intrusions, 16 miles SW of the Dan Group, are associated with high silver-gold-bearing quartz veins with galena and sphalerite. A typical assay is: 1.9' wide 0.18 oz/t Au, 30.6 oz/t Ag, 2.7% Pb, 6.5% Zn.

These diorites thus appear related to zinc-lead mineralization with high silver.

In view of these various favourable factors, it is the writer's considered opinion that the Dan Group area stands an excellent chance to reveal significant size strata-bound sulphide bodies with commercial values of zinc-lead-silver.

It should be remembered that many, if not most, of the large sulphide bodies being mined on either the Precambrian Shield or in the Western Cordillera were discovered as a result of work on properties on which hindsight has revealed a relationship to geologically favourable environmental conditions such as are found here now, but did not have a surface expression of sufficient commercial value to encourage the larger mining organizations to participate in the original exploration.

The presence of strata-bound base metal deposits in the Yukon has recently been established and much attention has been directed toward the location of these deposits by indirect techniques in areas adjacent to the major discoveries. A more fruitful approach might be the detailed exploration of showings where a combination of favourable geological conditions and a sulphide-mineralized outcrop provide direct evidence of mineral deposition. The Dan Group is of this latter type and hence a situation having an above average chance of success.

6. TRANSPORTATION

The Dan Group is accessible by a 15 mile jeep-road starting at mile 722 on the Alaska Highway.

The Star and Fox Groups are located about 50 airmiles ENE of Whitehorse on either side of the Boswell River. The Fox Group is nearest the Canol Road and is accessible by following the old Sidney Creek Road for 10 miles to Iron Creek and from there for 20 miles over gentle passes nowhere exceeding 4900' in elevation. This access trail can be used by a cat, and passes near a lake suitable for float planes about 12 miles SE of the Fox Group.

The Star Group is easily accessible from the cabin at the junction of the Boswell and the Teslin Rivers by 15 miles of trail which follows many long jack-pine flats suitable for building a road or an airstrip.

There are several alternative solutions to the transportation problem in the Boswell River area. Use of fixed wing plus helicopter has been previously recommended. However, as stripping with a cat will likely be required on the Fox Group, consideration will be given to cat access via Sidney Creek.

A total sum of \$13,000 has previously been allocated for transportation both into the Boswell River camp and to move the various crews.

It is the writer's opinion that an additional \$12,000 will take care of the transportation required for the Fox Group and that bids by local contractors should be requested for a truck road up Sidney Creek to the lake at the head of this creek, a distance of 18 miles, 10 of which follow the old road.

A road of this type would qualify for government assistance up to about 50% of its cost and would provide considerable flexibility and economy in the movement of men and supplies, for stripping, trenching and/or diamond drilling.

Scouting of this proposed road and of the trail from the lake to the camp should be done in the near future.

7. ADDITIONAL RECOMMENDATIONS

In addition to the previous recommendations, an allocation of \$12,000 for access to the Fox Group and \$7,000 for property examination and acquisition should be included.

Drilling in the Boswell River area should proceed only on the most promising situations and the previous allocation is therefore maintained as originally proposed.

8. SUMMARY OF PROPERTIES

A. The Star Group is considered to have a potential for the discovery of relatively small high-grade shoots of silver-lead ore.

Tonnage possibilities are one or two bodies in the 100,000 to 200,000 ton range in single or multiple shoots.

Grades may be of the order of 25-50% Pb with a 1:1 to 2.5:1 ratio of Ag:Pb, with very little or no zinc.

B. The Fox Group is considered to have an excellent possibility for the discovery of a much larger body of perhaps 20-25 oz/t of silver in lead with smaller amounts of zinc.

C. The Dan Group is a prospect with a good possibility of finding a bedding-controlled large pyrrhotite-zinc-lead-silver body of several million tons.

The purpose of the proposed program is to translate these possibilities into a definite potential and to pursue actively those situations where encouragement is obtained.

Expenditures should therefore be made in the sequence dictated by circumstances and not on all three groups at once.

As Boswell River Mines has experienced prospectors on its payroll, other good opportunities can be investigated as they arise.

9. SUMMARY OF RECOMMENDED EXPENDITURES

A. Star Group

| | |
|---------------------|--------------|
| Soil sampling | \$ 1,500 |
| Geological mapping | 1,500 |
| Trenching | 2,000 |
| EM Survey | 1,500 |
| X-Ray drilling | 12,000 |
| Transportation | 13,000 |
| Radio Communication | 2,000 |
| Contingencies | <u>6,500</u> |

Total \$35,000

B. Fox Group

Transportation \$12,000

C. Star & Fox Groups

Contingent diamond drilling \$40,000

D. Dan Group

| | |
|--------------------|--------------|
| Linecutting | \$ 1,000 |
| Geological mapping | 2,000 |
| Road improvement | 3,000 |
| Stripping | 2,000 |
| EM Survey | 1,500 |
| Prospecting | 2,000 |
| Diamond drilling | 14,500 |
| Engineering | 2,000 |
| Contingencies | <u>3,000</u> |

Total \$31,000

E. Property Acquisition

Added recommendation \$ 7,000

Total Program \$125,000

10. SUMMARY AND RECOMMENDATIONS

Boswell River Mines have acquired three-properties of excellent promise and are actively engaged in continuing prospecting.

All three groups have showings and the possibilities vary from relatively small high-grade silver-lead shoots on the Star Group, through a good-sized medium-grade silver-lead-zinc deposit on the Fox Group, to a large size bedding-controlled pyrrhotite-zinc-silver-lead body on the Dan Group.

On all properties, silver is either the principal economic mineral or a very significant by-product.

A total allocation of \$125,000 is recommended for further exploration of these properties and for continuing property examination.

Respectfully submitted,

P. H. SEVENSMA CONSULTANTS LTD.

"P. H. Sevensma"

P. H. Sevensma, Ph.D., P. Eng.

Vancouver, B.C.
November 24, 1966
/lz

CERTIFICATE

I, PETER H. SEVENSMA, of Vancouver, B.C. do hereby certify that:

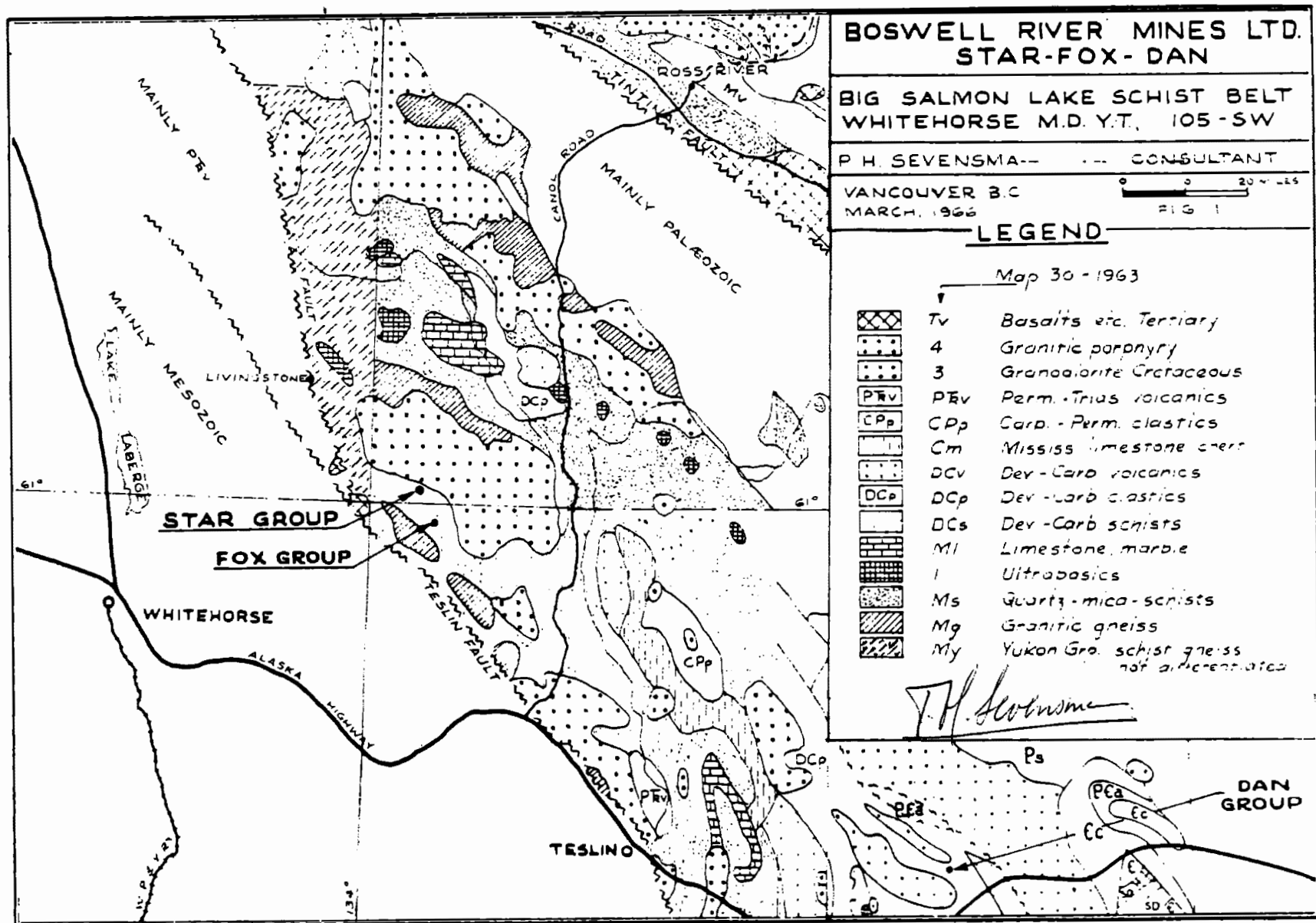
1. I am a graduate of the University of Geneva, Switzerland (Physics and Chemistry 1937, Geology and Mineralogy 1937), where I obtained my Ph.D. in Geological and Mineralogical Sciences in 1941.
2. I am a Consulting Geological Engineer and a registered member in good standing of the Association of Professional Engineers of British Columbia and of the Association of Professional Engineers of Yukon Territory.
3. From February 1948 until December 1965 I have been engaged continuously in mining and exploration geology in the employ of the Consolidated Mining and Smelting Company of Canada Ltd. As a Senior Exploration Geologist, I have worked extensively both in Eastern and Western Canada.
4. I have visited the property which is the subject of this report on May 10th, 15th and 16th, 1966 and on June 9th and 10th, 1966.
5. I have not received or acquired, any interest, directly or indirectly, in any of the properties or securities of Boswell River Mines Ltd.

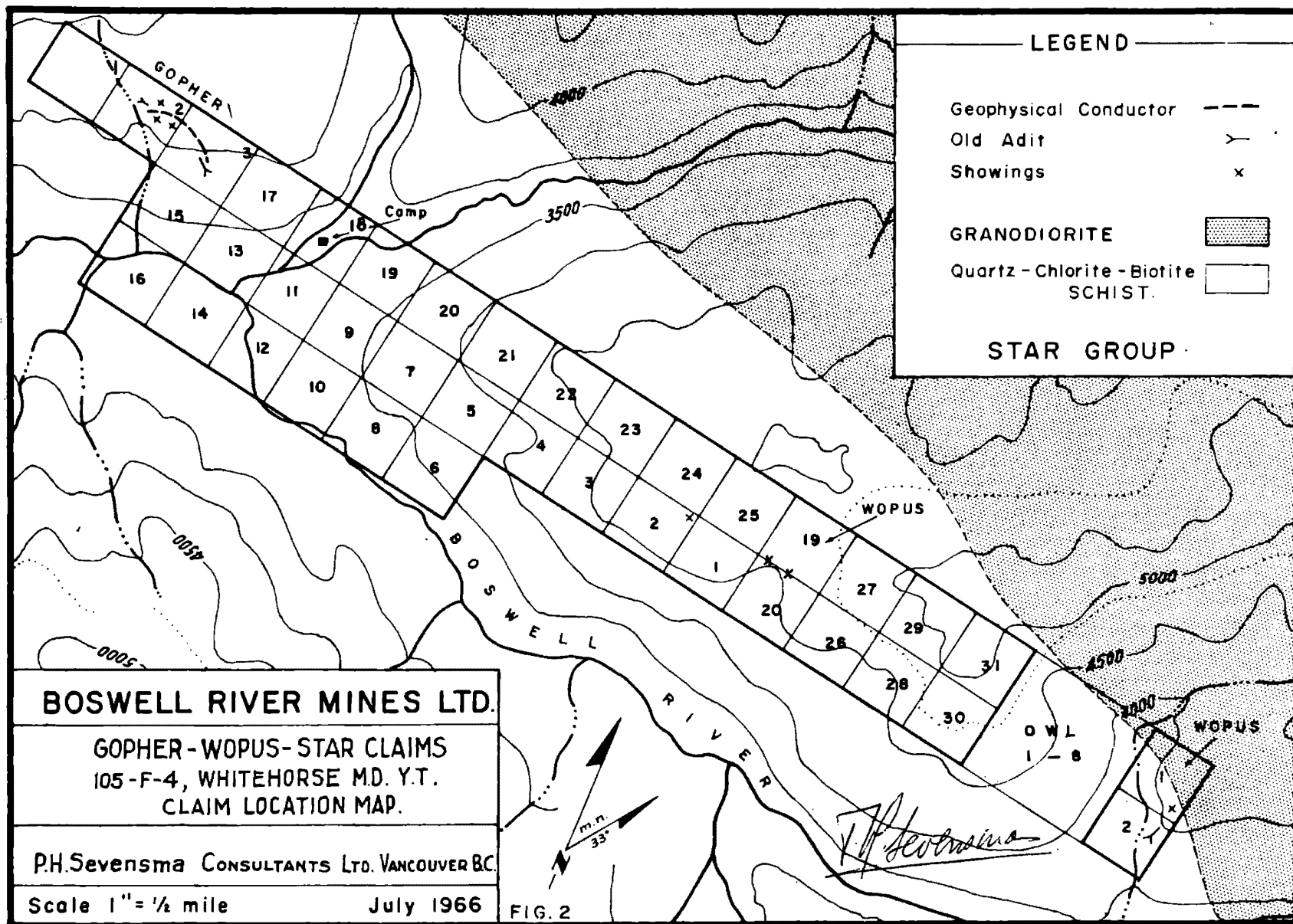
Respectfully submitted,

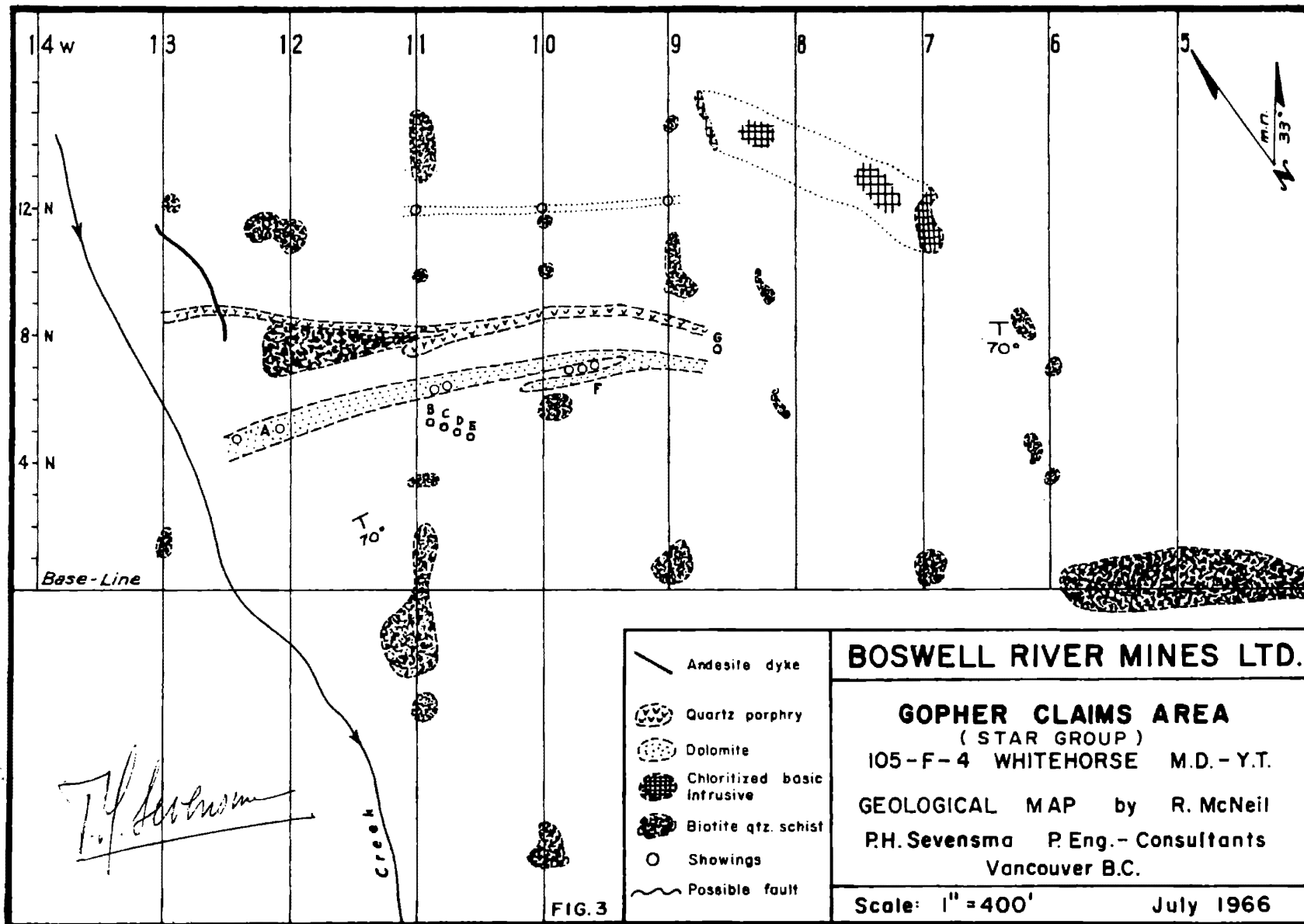
"P. H. SEVENSMA"

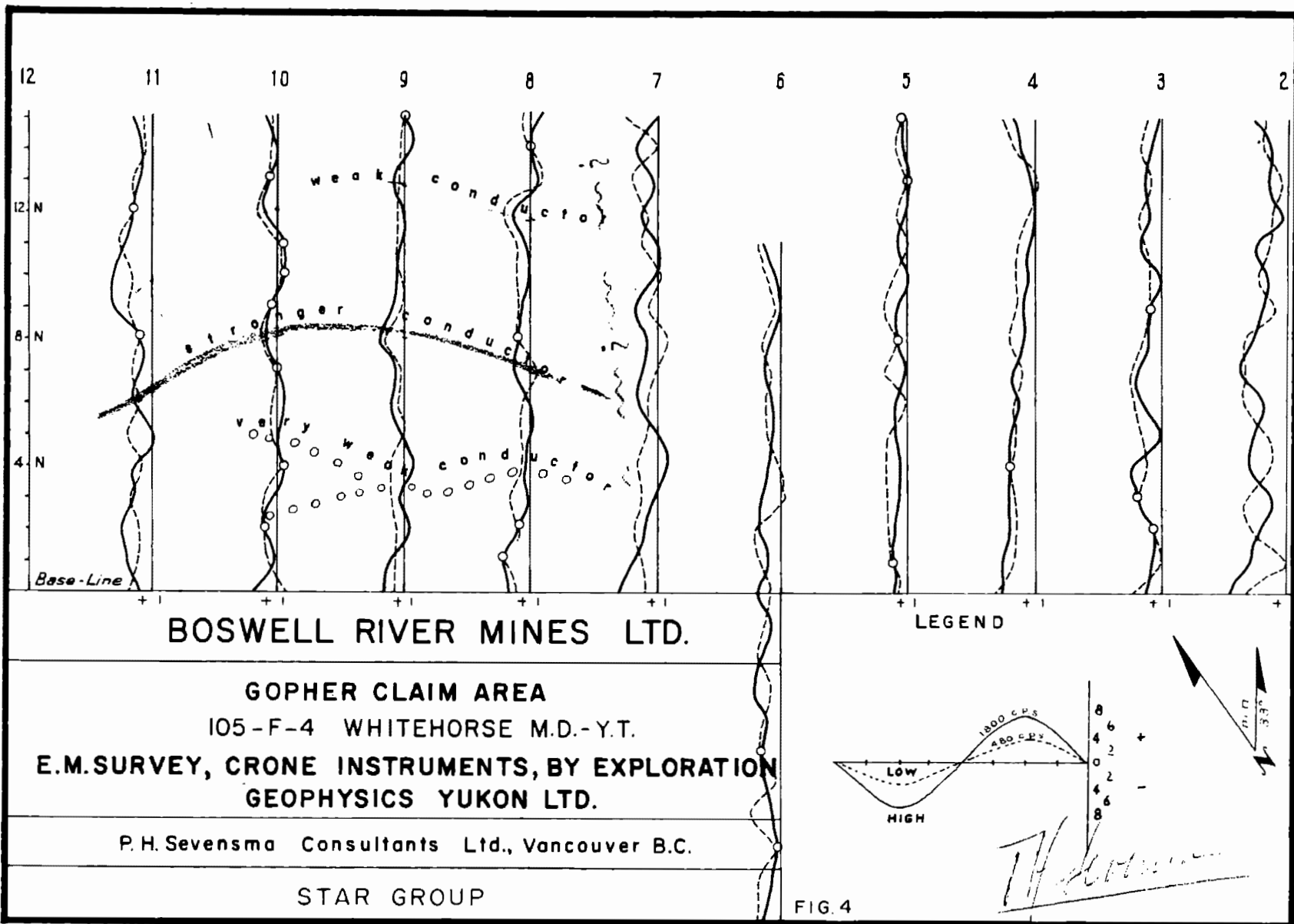
P. H. Sevensma, Ph.D., P. Eng.

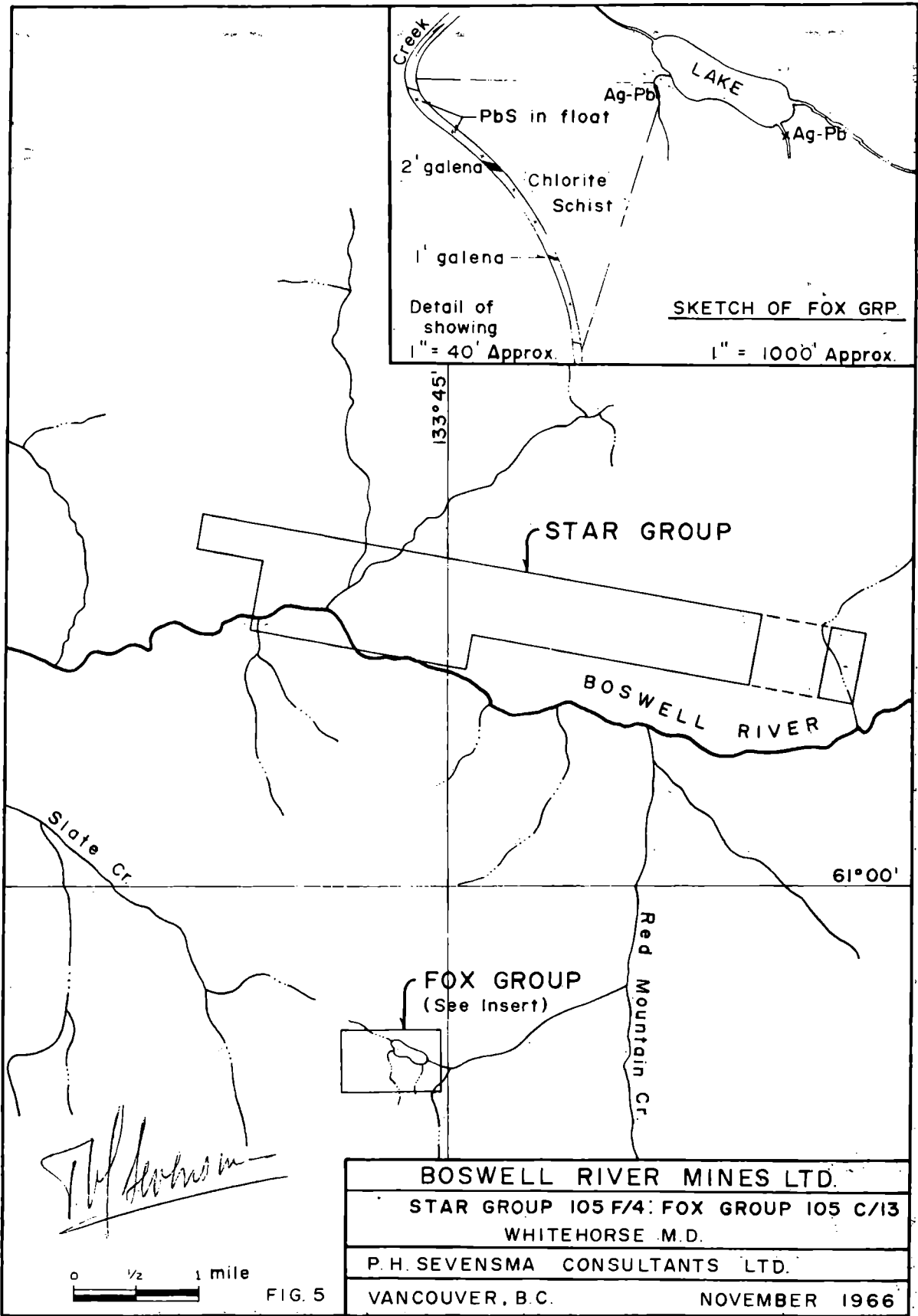
November 24, 1966











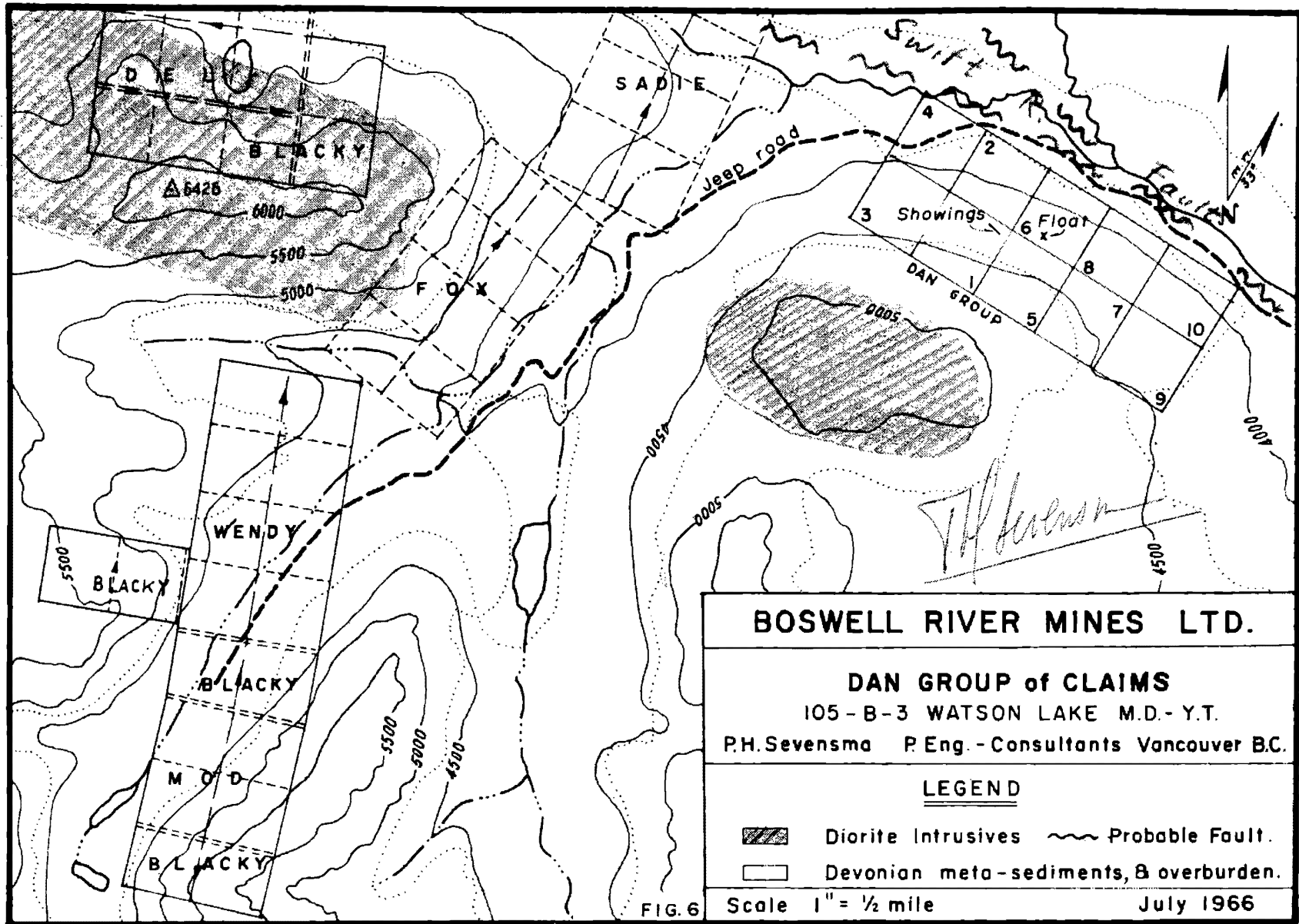
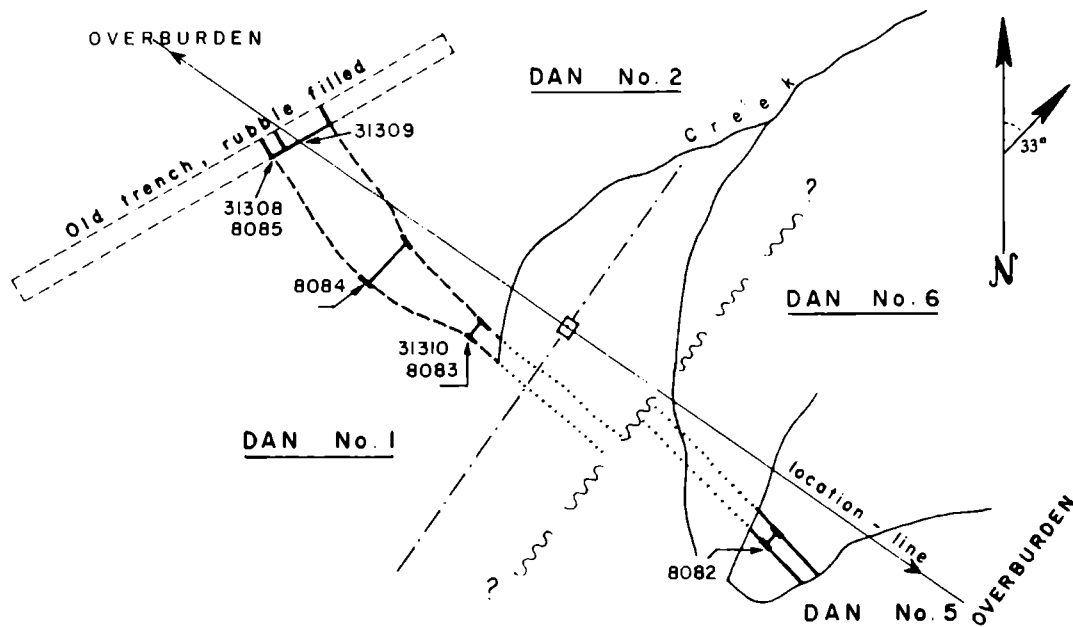


FIG. 6



| | | Width | Ag | Pb | Zn | Cu |
|-------|--------------|--------|------|-----|------|-----|
| 8082 | Main showing | 2' | Tr. | Tr. | Tr. | Tr. |
| 8083 | | 2' | Tr. | Tr. | 8.8 | Tr. |
| 31310 | | 20" | .12 | nil | 3.0 | nil |
| 8084 | | 7' | .20 | Tr. | 10.0 | Tr. |
| 8085 | | 2' | Tr. | Tr. | 6.1 | Tr. |
| 31308 | | 2' | .08 | nil | 1.6 | nil |
| 31309 | | 6' | .54 | nil | 6.1 | nil |
| 8086 | Trench 4 | Float? | Tr. | Tr. | 3.6 | Tr. |
| 31311 | | Float? | 1.50 | 0.5 | 2.8 | nil |

* Trench 4 is about 700' due East from the Main showing.

31308 - 311 Samples taken JUNE 24, 1962
 8082 - 8086 " " JULY 22, 1966

BOSWELL RIVER MINES LTD.

DAN GROUP of CLAIMS

105-B-3 WATSON LAKE M.D. Y.T.

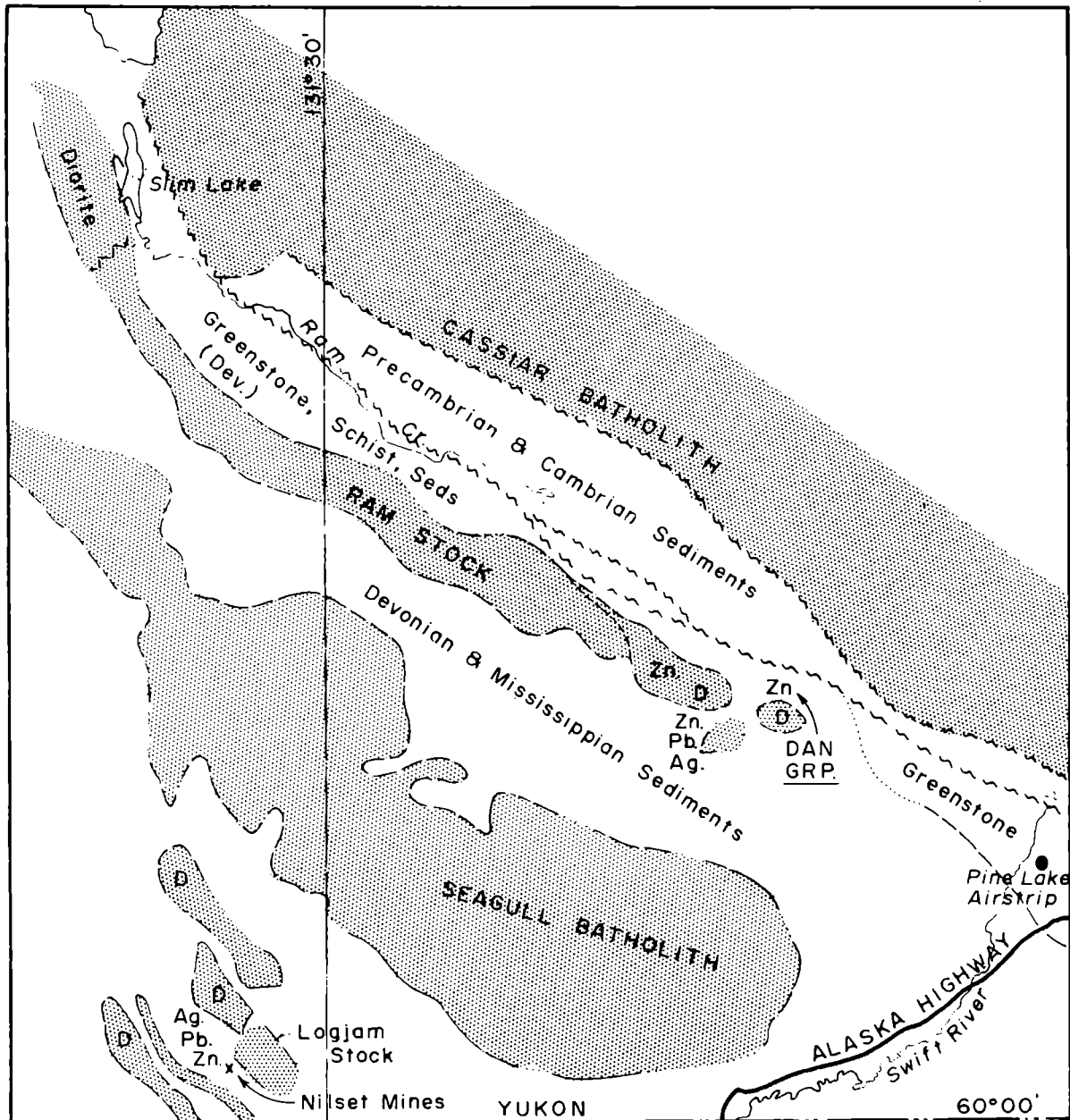
LOCATION OF SAMPLES TAKEN BY P.H. SEVENSMA

JUNE 24, 1962 and JULY 22, 1966

1" = 20' JULY 1966

P.H. SEVENSMA ——— CONSULTANTS LTD. ——— VANCOUVER, B.C.

FIG. 7



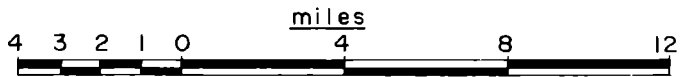
Ref: G.S.C. Map 10-1960

YUKON B.C.

D = Diorite

INTRUSIVE ROCKS 

P. H. Sevensma



| | |
|---------------------------------|-----------|
| BOSWELL RIVER MINES LTD. | |
| DAN GROUP | |
| Watson Lake M.D | 105 B-3 |
| P. H. SEVENSMA CONSULTANTS LTD. | |
| VANCOUVER, B.C. | NOV. 1966 |

FIG 8

BOSWELL RIVER MINES LTD.
(Non-Personal Liability)

BALANCE SHEET

APRIL 30, 1967

ASSETS

| | | | |
|------------------------------------------------------------------------|-----------------|----|---------------------|
| Subscriptions receivable | | \$ | 500.00 |
| Account receivable | | | 67.31 |
| Mineral claims: | | | |
| Acquired for the issue of 750,000 shares (see Note 3) | \$ 75,000.00 | | |
| Purchased for cash (see Note 1) | <u>1,000.00</u> | | 76,000.00 |
| Equipment, at cost | | | 6,425.00 |
| Exploration and development expenditure, per accompanying statement | | | 50,617.52 |
| Incorporation expense | | | <u>1,351.00</u> |
| | | | <u>\$134,960.83</u> |

LIABILITIES AND SHARE CAPITAL

| | | | |
|------------------------------------------------------------------|------------------|----|---------------------|
| Excess of cheques issued over funds on deposit | | \$ | 99.90 |
| Accounts payable | | | 3,436.72 |
| Due to a director | | | 1,911.31 |
| Share capital (see Note 2): | | | |
| Authorized: | | | |
| 5,000,000 shares of no par value | | | |
| Issued: | | | |
| 370,878 shares for cash | \$ 45,888.50 | | |
| 69,210 shares in payment for services and equipment purchases | 8,624.40 | | |
| <u>750,000 shares for mineral claims</u> | <u>75,000.00</u> | | 129,512.90 |
| <u>1,190,088</u> | | | <u>\$134,960.83</u> |

See accompanying Notes to Financial Statements

Approved on behalf of the Board

"R. E. DAVIS" Director

"S. DAVID ANFIELD" Director

AUDITOR'S REPORT

The Shareholders
Boswell River Mines Ltd. (Non-Personal Liability)
Vancouver, B. C.

I have examined the balance sheet of Boswell River Mines Ltd. (Non-Personal Liability) as at April 30, 1967 and the statement of exploration and development expenditure for the period from date of incorporation, March 14, 1966 to April 30, 1967. My examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as I considered necessary in the circumstances.

In my opinion the accompanying balance sheet and statement of exploration and development expenditure present fairly the financial position of the company as at April 30, 1967 and the results of its operations for the period ended on that date, in accordance with generally accepted accounting principles.

"JOHN F. MORGAN"

Chartered Accountant

Vancouver, Canada
May 29, 1967

BOSWELL RIVER MINES LTD.
(Non-Personal Liability)

NOTES TO FINANCIAL STATEMENTS

APRIL 30, 1967

1. The company has acquired certain mineral claims in the Alice Arm area of British Columbia for a cost of \$1,000.00. As further consideration for the purchase of these claims the company has agreed to carry out exploration and development work on them and, if warranted, prior to December 31, 1968, transfer the claims to a new company with an authorized capital of 5,000,000 shares in which the original vendor of the claims will receive 180,000 fully paid shares.
2. The company was incorporated on March 14, 1966 with an authorized capital of 20,000 shares of \$1.00 par value per share. By special resolution dated May 7, 1966 the authorized capital was altered to 5,000,000 shares of no par value. Outstanding shares at that time were converted 10 for 1.
3. Titles to certain of the company's Yukon mineral claims are registered in the names of individuals who have provided the company with bills of sale transferring title to the company. These bills of sale have not yet been delivered to the Mining Recorder for recording.

STATEMENT OF EXPLORATION AND DEVELOPMENT EXPENDITURE

For the period from date of incorporation, March 14, 1966 to April 30, 1967

| | | |
|------------------------------------------------------------------|-----------------|---------------------|
| Yukon claims: | | |
| Wages and payroll expense | \$ 19,754.94 | |
| Camp supplies and sundry expense | 8,149.73 | |
| Air transportation | 4,092.37 | |
| Engineering | 5,941.60 | |
| Staking and claim recording | <u>2,074.75</u> | \$ 40,013.39 |
| Alice Arm claims: | | |
| Air transportation | 388.00 | |
| Claim recording fees | <u>250.00</u> | 638.00 |
| Administrative expense: | | |
| Wages | 3,000.00 | |
| Travel | 4,489.50 | |
| Legal and accounting fees | 1,494.77 | |
| Other | <u>981.86</u> | 9,966.13 |
| Total exploration and development expenditure, per Balance Sheet | | <u>\$ 50,617.52</u> |