DRILLING

ASSESSMENT REPORT

on

a) East Group &

b) West Group Mineral Claims

WINDY-CRAGG M.C.

ATLIN, M.D.

NTS 114P/12

59°44' ; 137°45

FALCONBRIDGE LTD.

June 25, 1982

T.E. Chandler

TABLE OF CONTENTS

FIGURES

INTRODUCTION

The East Group Mineral Claims now consist of the #2, #4 and #6 two-post Located Claims and the W.C. 2, 3, W-C-9, W-C-14, W-C-15 and W-C-16 Modified Grid Located Claims, (for clarification purposes W-C-14, W-C-15 and W-C-16 are relocated claims replacing W-C-4, W-C-5 and W-C-6 of the original East Group which were abandoned and restaked in December/81. A supplementary Notice to Group for the East Group is included in this report amending the claims in the group to reflect the replacement of W-C-4, W-C-5 and W-C-6 by W-C-14, W-C-15 and W-C-16 respectively after the aforesaid abandonment and relocation. The number of units involved in the Group has increased and as per discussions at the Chief Gold Commissioner's Office prior to relocation, this procedure is acceptable.

The West Group Mineral Claims consist of the Windy #1, #3, #5, #7, #8 and the Craggy #1, #2 and #4 two-post Located Claims and the W.C. #1, #7 and #8 Modified Grid Located Claims.

The property is located on the height of land between two glaciers 28km due north of the junction of the Alsek and Tatshenshini Rivers in extreme NW British Columbia. It is accessible by helicopter from the Haines Road (66km) or Whitehorse (200km) or by a combination of float plane to the Driller's Camp at Tats Lake and thence by helicopter 12km to the property at elevations 1550 to 1800m.

The area is totally without road or trail or telephone communication access. Daily crew changes and drill moves were made entirely by helicopter. Moves were supplemented by a J.D. 450 tractor flown to the property by large helicopter and re-assembled.

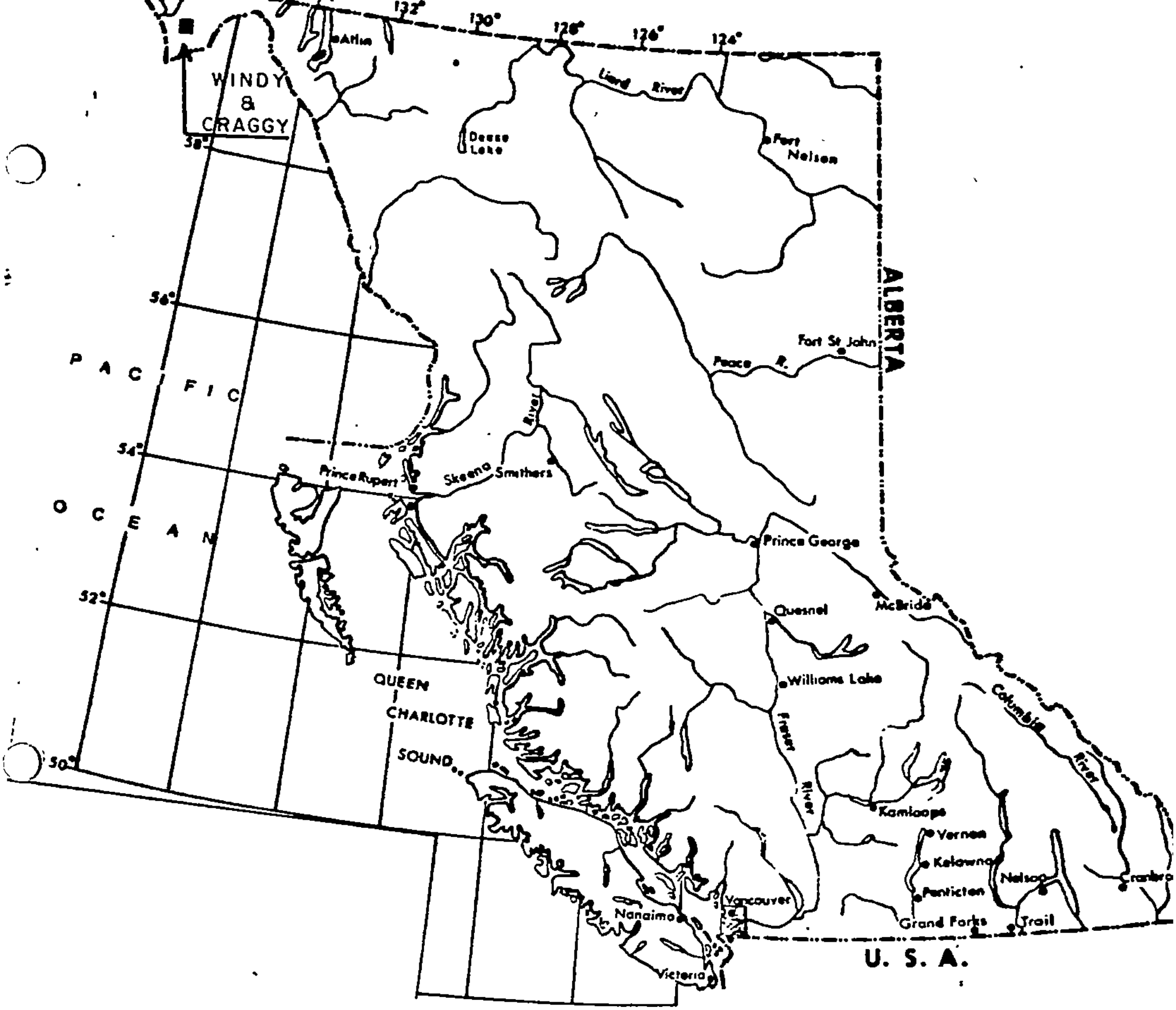
Financing for the operation, administered by Falconbridge Limited was made available through a Drilling Fund whose expenditures were authorized following application to Provincial Securities Commissions, etc.. All costs are directly drill-related, as specified in the involved agreements, (Figure 034-81-31, appendix).

INTRODUCTION (contd)

and are similar or identical to those allowable for assessment credit for drilling in B.C..

A total of 2540.96m (8336.48 ft) of diamond drilling (10 holes) was completed in the period July - September, 1981, at a total drill-related and tabulated (Fig. 034-81-30) cost exceeding $900,000.00 or $354/m ($108/ft). Costs of drilling the last two holes on the project (#9 and #10) greatly exceeded the average due to temperature problems resulting in lack of drilling water. Hole #9 was drilled twice with costs approximating $139/ft ($463/m), but the average costs (made up more than 50% by transportation to this remote site) are used in this submission.

This submission and Statement of Exploration and Deveopment refers only to those portions of holes #9 and #10 not already submitted by J.J. McDougall in an earlier assessment report dated January 21, 1982. The costs submitted refer to the average costs per foot over the project multiplied by the number of feet drilled in each hole during the applicable period for application of assessment credits to the following claims as detailed in the accompanying Statement of costs.



INDEX MAP

BRITISH COLUMBIA

150 0 150 300 450 Km.

SCALE 1: 7·500·000

FIG. NO.:034-81-19

GENERAL GEOLOGY

The Windy-Craggy deposit is classified as a massive sulphide of the Anyox Type, defined as being more related to basic than acidic volcanics. It occurs in Late Paleozoic (or Triassic?) shales and calcareous units related to volcanics of similar age, the most important of which appear to be pillow lava complexes with which it appears conformable. In most respects, except size, it most nearly resembles the Cyprus Massive sulphides. The main metallic minerals, in order of abundance, are pyrrhotite, pyrite, and chalcopyrite. The first two sulphides are cobaltiferous. Non-metallics present are largely carbonate and/or chert.

The sulphide-rich deposit, whose attitude appears steep (vertical?), attains thicknesses exceeding several hundreds of feet. Only a fraction along the western contact is exposed, the remainder being covered by a snow and ice cap along an inferred northwesterly trending strike length exceeding several thousand feet. Drill site locations are extremely limited and precipitous requiring that extra caution be exercised. Drill hole #9 (log enclosed) has not yet penetrated the inferred sulphide zone, and #10 appears to have intersected an "offshoot"? body at depth.

DIAMOND DRILLING

Drill Logs for Diamond Drill holes #9-81 (174.9m) and #10 (399.6m) totalling 574.5m (1,884.8 ft) are enclosed. Two Longyear LY 38 drills were employed with Longyear Canada as the Contractor. The Logs are self explanatory. Measurements related to the drilling remain in the Imperial System, with conversion to metric where consistency is required.

Hole #9 was drilled with BQ wireline, was lost at 175.8m,and was redrilled using NQ equipment to 166.4m. The hole is not yet completed and will be deepened in 1982. Hole #10 was drilled off the ice cap (35.3m thick) thus the collar was lost on completion.

All core splits are stored at the Maid of Erin Camp near the Haines Highway 70 km east of the property. The remainder of the core is presently stored at the Tats Lake camp. Assaying was done by Bondar-Clegg, Whitehorse Y.T..

DRILL LOGS

Drilling of the Windy-Craggy deposit is being done along northeast (or southwest) sections within a metric grid to which "coordinates" refer in the Drill Logs. The grid is oriented True North. Holes may, however, be off-section due to lack of suitable set-ups.

Dip tests were conducted using etch tubes. Due to magnetics, tro-pari tests for bearing at depth proved unreliable.

Sulphides (S_2) were determined by assaying for sulphur and assuming an average 40% sulphur content for the sulphides involved.

Copper and cobalt were determined by normal assay methods and gold, silver and zinc were determined geochemically. Cobalt was assayed for in composites as well as in individual samples.

DRILL HOLE RECORD

FALCONBRIDGE NICKEL MINES LIMITED

	Inclination	Bearing
Collar	-58° 45'	N 48° 24 E
492 ft	-58°	
542 ft	-58°	

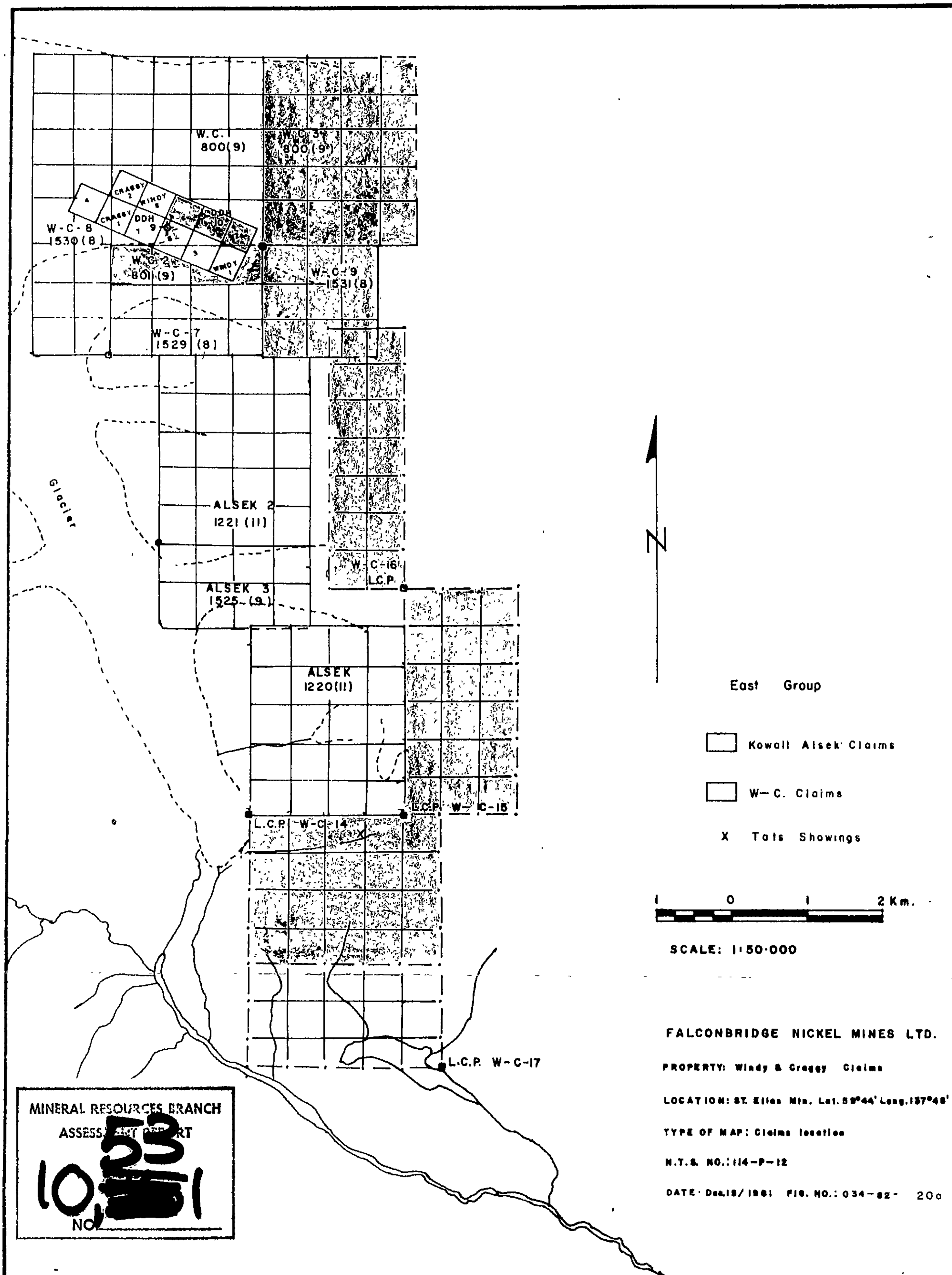
PROPERTY WINDY-CRAGGY
Location Section C-C'
Elevation 1812.00m
Coordinates 10,466.70 N
9,656.01 E

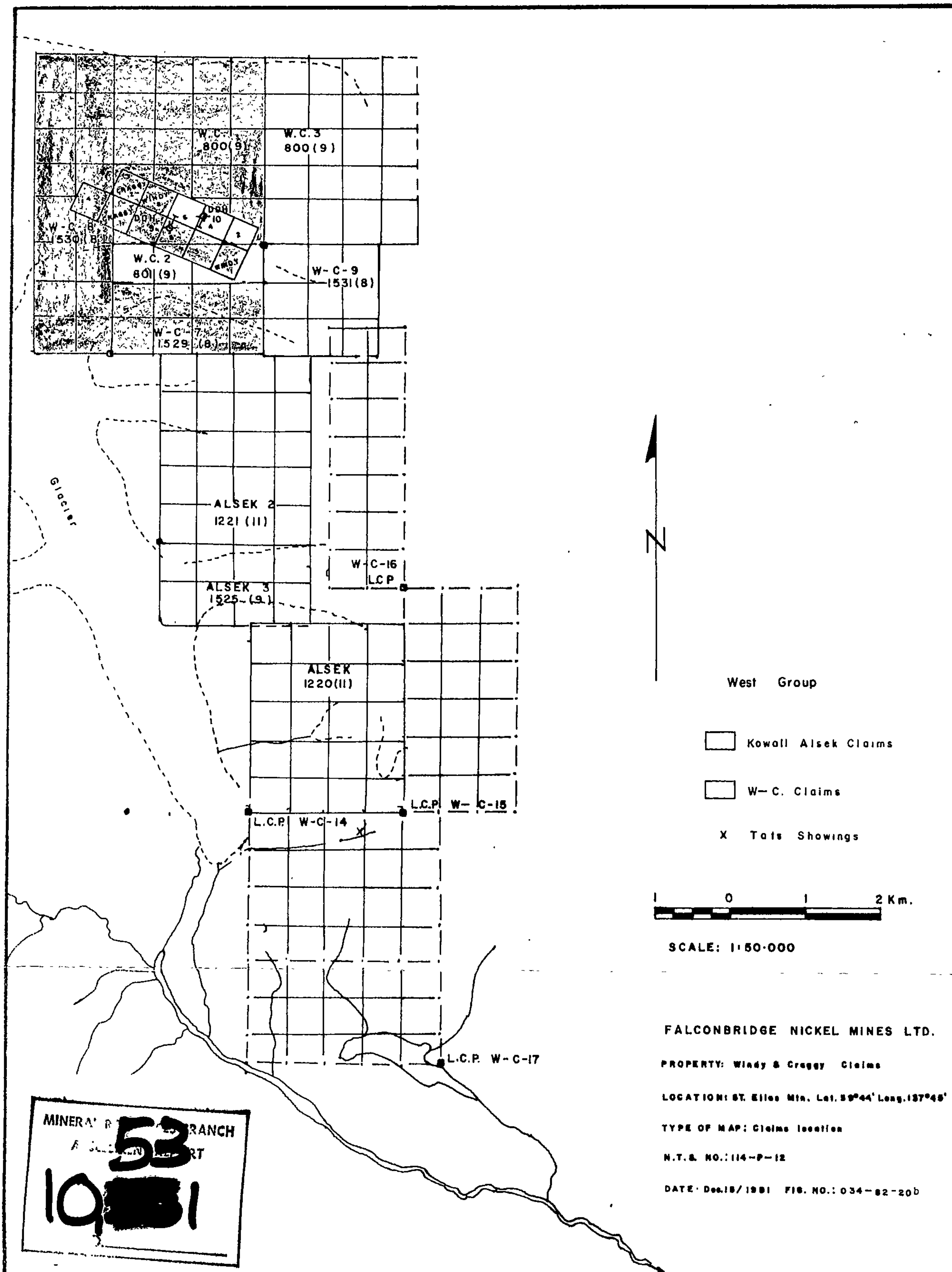
Length (-1981) 174.9 m (574 ft)
Hor. Comp. /Vert Comp.
Bearing N 48° 24 E
Begun 8/26/81/Completed *****
Core size BQ, NQ /Recovery ±80 %

HOLE No. 9-81 PAGE 4
Sheet of
Logged by Don Hoy
Sampled by "
DRILLERS LY JB RIG# 2

page 39

FOOTAGE From	FOOTAGE To	RECOV'Y Run	RECOV'Y Core	DESCRIPTION	GRAPHIC	SAMPLES No.	SAMPLES From	SAMPLES To	SAMPLES Ft	ASSAYS Cu%	ASSAYS Co%	COMPOSITES
				NOTE: NQ rods drilled to a depth of 546', BQ to 577' with NQ rods acting as casing. Hole to be completed in 1982.								
0	27		20%	Poor core recovery, mud, small pebbles								
27	95		60%	Highly fractured grey to black limestone & interbedded calcareous argillite, carbonate veinlets, somewhat oxidized, bedding at 150-160°, fault gouging & local shearing								
95	120.5		80%	Medium grained grey andesite, locally sheared and fractured, calcareous, lightly oxidized, minor Fe carbonate veinlets, and disseminated sulphide.								
120.5	174		50%	Black massive & laminated calcareous shale & limestone, bedding at 150°, spheroidal pyrite, carbonate veinlets @ 25-30°								
174	217		60%	Grey, sheared cherty volcanic, carbonate veinlets, interbedded argillaceous units, pyrite stringers.								
217	237		50%	Oxidized, sheared volcanic, interbedded argillaceous horizons, fault zone								
237	258		95%	Interbedded green chert and fine grained chlorite rich volcanics, 10% sulphides (po) related to fracture fillings.								
258	276		90%	Medium grained grey andesite, amygdaloidal, calcareous								
276	373		100	Relatively unaltered fine grained basic volcanics, cherty in places, minor po stringers & py related to fractures, carbonate veining generally parallel to core, locally amygdaloidal								
373	574		98%	Relatively unaltered fine - medium grained basic volcanic, chlorite rich horizons locally present, quartz-carbonate veins & veinlets, isolated stringer & disseminated sulphides associated with carbonates.								
				466 - 469' - sheared, fractured alteration zone, chlorite rich volcanic, shearing @ 70° cataclastic pyrite								
				493 - 528' - Quartz-carbonate veining, 2-3" width								
				528 - 546' - zone of prominent quartz & carbonate veining, primary direction @ 90°, secondary veinlets @ 40°, minor associated po & cpy								
				BQ EQUIPMENT LOST DOWN HOLE. THEN RE-DRILLED WITH NQ TO RECOVER HOLE AND EQUIPMENT.								
				SUBSEQUENT BQ DRILLING CEASED FINALLY DUE LACK OF WATER. SULPHIDE ZONE NOT REACHED. DRILL STILL SET UP ON HOLE FOR 1982 COMPLETION.								
				RECOVERY***** Not completed. Drilling suspended September 20, 1981								


W.C.
800(9)
W-C-3
800(9)
CRAGGY 2
WINDY 6
CRAGGY 1
DDH 1
DDH 10
WINDY
W-C-8
1530(8)
W-C-2
801(9)
W-C-9
1531(8)
W-C-7
1529 (8)
Glacier
ALSEK 2
1221 (11)
ALSEK 3
1525 (9)
W-C-16
L.C.P.
ALSEK
1220(11)
L.C.P. W-C-15
L.C.P. W-C-14
L.C.P. W-C-17
N
East Group
Kowall Alsek Claims
W-C. Claims
X Tats Showings
1 0 1 2 Km.
SCALE: 1:50·000
FALCONBRIDGE NICKEL MINES LTD.
PROPERTY: Windy & Craggy Claims
LOCATION: St. Elias Mtn. Lat. 59°44' Long. 137°48'
TYPE OF MAP: Claims location
N.T.S. NO.: 114-P-12
DATE: Dec.15/1981 FIG. NO.: 034-82- 20a


W.C. 1
800(9)
W.C.3
800(9)
W-C-8
1530(8)
W.C.2
801(9)
W-C-9
1531(8)
W-C-7
1529(8)
DDH 10
Glacier
ALSEK 2
1221 (11)
W-C-16
LCP
ALSEK 3
1525 (9)
ALSEK
1220(11)
L.C.P. W-C-15
L.C.P. W-C-14
L.C.P. W-C-17
N
West Group
Kowall Alsek Claims
W-C. Claims
X Tats Showings
0 1 2 Km.
SCALE: 1:50·000
FALCONBRIDGE NICKEL MINES LTD.
PROPERTY: Windy & Craggy Claims
LOCATION: ST. Elias Mtn. Lat. 59°44' Long. 137°45'
TYPE OF MAP: Claims location
N.T.S. NO.: 114-P-12
DATE: Dec.15/1981 FIG. NO.: 034-82-20b
MINERAL ... BRANCH
... REPORT
53
10[redacted]1

DRILL HOLE RECORD

FALCONBRIDGE NICKEL MINES LIMITED

	Inclination	Bearing
Collar	-63° 07'	S 52° 22' W
516 ft	-63°	
780 ft	-62°	
1226 ft	-61°	

PROPERTY WINDY - CRAGGY
Location Section C-C' 40m North
Elevation 1612.00m
Coordinates 10,415.71 N
10,131.50 E

Length 399.59m (1311 ft)
Hor. Comp. /Vert Comp.
Bearing S 52° 22 W
Begun 11/9/81 /Completed 9/20/81
Core size NQ + BQ /Recovery 90 %

HOLE No. 10-81 PAGE 4
Sheet of
Logged by Don Hoy
Sampled by Don Hoy
DRILLERS LY (FLY & JB) RIG# 1

Footage From	Footage To	Recov'y Run	Recov'y Core	Description
0	116		0%	Snow & ice
116	150		30%	Highly oxidized conglomerate-breccia, small subrounded-subangular clasts, (volcanic?) porous & vuggy in nature, reddish-brown to chocolate brown in colour, poor core recovery
150	164		80%	Oxidized conglomerate-breccia, subangular clasts include prominent ivory coloured material volcanics, shale & chert.
				153 - 156' - clasts much smaller than in remainder of interval, subangular clasts embedded in oxidized fine grained matrix
				151 - 152' - ivory coloured vein material, highly altered
164	166			Volcanic breccia, slightly oxidized, grey fine grained matrix traces of cuprite
166	216		30%	Highly fractured basic volcanic fine to medium grained, (andesitic?), locally fault gouged, disseminated sulphides, poor core recovery.
				191 - 193' - Fe stained pitted volcanic, native copper & cuprite in fracture surfaces
216	302		95%	Grey fine to medium grained andesitic? volcanics, locally amygdaloidal calcareous, minor disseminated sulphide, stringer po & py trending generally @ 020°-050°
				232.5' - stringer po & cpy @ 020° assoc. with carbonate veining
				255 - 295' - stringer & banded po & minor cpy trending @ 020° to 035°
302	795		100	Black thinly bedded, calcareous argillite, extremely fine grained, bedding @ 0-20°, disseminated & patchy po up to 10%
				302 - 315' - stringer po & py @ 30-45°, calcite veinlets
				346 - 358' - pyrite cubes lineated with bedding
				367 - 369' - pyrite cubes
				387 - 389' - framboidal py & py cubes aligned with bedding
				411 - 416' - abundant pyrite cubes, sediment bedding @ 010°
				441 - 445' - small slivers of po
				724 - 726' - large relatively pure quartz vein, sediment bedding @ 155°
				756 - 782' - small intervals of banded & stringer po trending @ 135°-150°, also finely disseminated po
				781 - 782' - Chloritic chert horizon, CO_2 veining & stringer po @ 135°
795	875		80%	Dark green to black metavolcanic, interbedded argillaceous horizons, locally sheared, 5-10% sulfides
				800 - 804' - patchy po, minor cpy, extremely chloritic
				826 - 870' - heavily sheared & fractured, chloritic, po banding @ 135°
				853 - 855' - po rich zone, appreciable cpy, patchy mineralization
				869 - 870' - small massive po zone, appreciable cpy
875	922		95%	Interbedded chlorite-epidote fine grained volcanic and black fine grained volcanic-metavolcanic 10% sulphide as stringer, gobby & disseminated po
				897' - beginning of ore zone, 30-50% sulphide banded & stringer po, with appreciable cpy banding @ 30-50°
				918 - 919' - cpy banding @ 45°
				920 - 922' - banded & stringer po & cpy @ 135°
922	1026		100	Heavy sulphide mineralization hosted in dark green chlorite-epidote basalts and interbedded green cherty volcanics dominantly patchy & gobby po, minor to appreciable cpy & py prominant quartz-carbonate veining
				994' - chalcopyrite banding in massive po
				998' - appreciable cpy assoc. with quartz & po
				1015-1025' - cpy stringers assoc. with po @ 30°

GRAPHIC

Samples No.	From	To	Ft	Assays Cu%	Co%	Composites Au ppb	Ag ppm	S%	Zn ppm	Co%	Composite Assay #	
28694	116	126	10	.17	.005							
95	126	136	10	.16	L005							
96	136	150	14	.09	L005							
97	150	160	10	.06	L005	L 5	1.0	7	10	.005	50	249
98	160	166	6	.12	L005							
99	166	176	10	.45	.007							
700	176	186	10	.11	.008							
01	186	196	10	.65	.008	155	0.1	2	48	.007	50	250
02	196	206	10	.01	.008							
03	294	305	11	.22	.005							
04	305	315	10	.16	.010	L 5	0.5	1	55	.007	50	251
05	403	413	10	.01	.005							
06	413	424	11	.01	.005	20	0.3	10	28	.005	50	252
07	724	734	10	.03	.005							
08	734	744	10	.04	.009	[illegible]	[illegible]	[illegible]	[illegible]			
09	744	754	10	.04	.005							
10	754	764	10	.03	.005	L 5	0.2	4	20	.005	50	253
11	764	774	10	.08	.005							
12	774	784	10	.08	.005							
13	784	795	11	.07	.05	5	0.3	7	20	.005	50	254
14	795	805	10	.19	.011							
15	805	815	10	.07	.005							
16	815	825	10	.06	.005	5	0.1	8	24	.007	50	255
17	825	835	10	.05	.005							
18	835	845	10	.17	.009							
19	845	855	10	.49	.015	5	0.2	17	32	.016	50	256
20	855	865	10	.48	.018							
21	865	875	10	.07								
22	875	885	10	.13	.026							
23	885	895	10	.14	.014							
24	895	905	10	.28	.021							
25	905	915	10	.28	.025	5	0.3	25	15	.014	50	257
26	915	922	7	.61	.060							
27	922	930	8	.29	.090							
28	930	940	10	.22	.110							
29	940	950	10	.42	.140	10	0.4	46	20	.11	50	258
30	950	960	10	.26	.100	[illegible]	[illegible]	[illegible]	[illegible]			
31	960	970	10	.27	.110							
32	970	980	10	.12	.081							
33	980	990	10	.25	.120							
34	990	1000	10	.39	.150	5	0.4	41	15	.095	50	259
35	1000	1010	10	.21	.091							
36	1010	1020	10	.38	.055							
37	1020	1026	6	.16	.028							
38	1026	1036	10	.68	.026							
39	1036	1046	10	.09	.013	5	0.3	13	25	.020	50	260

DRILL HOLE RECORD

FALCONBRIDGE NICKEL MINES LIMITED

Collar	Inclination	Bearing

PROPERTY
Location
Elevation
Coordinates N E

Length
Hor. Comp. /Vert. Comp.
Bearing
Begun /Completed
Core size /Recovery %

HOLE No. 10-31 PAGE 2
Sheet of
Logged by
Sampled by
DRILLERS RIG

FOOTAGE From	FOOTAGE To	RECOV'Y Run	RECOV'Y Core	DESCRIPTION
1026	1311		100	Fine to medium grained, dark green chlorite volcanic, stringer and banded po & cpy up to 10% sulphide.
				1043' - banded po @ 90°
				1053 - 1054' - cpy gobs & stringers assoc. with quartz & po
				1072 - cpy assoc with patchy quartz & po
				1082 - 1084' - host rock coarser grained, more siliceous
				1101 - 1120' - banded and stringer po & assoc. cpy trending @ 125°
				1139 - 1142' - fault gouge, highly sheared, chlorite
				1144 - 1183' - host rock coarser grained equivalent, diorite-gabbroi ?
				1183 - 1197' - cherty subunit, appreciable po & minor cpy @ 90°
				1197 - 1269' - fine grained, chlorite-epidote rich volcanic, interbedded chert horizons appreciable patchy & gobby po 10-20%
				1248 - 1252' - appreciable patchy po in sheared, altered chloritic volcanic
				1269 - 1311' - coarser grained equivalent, chloritic, contains disseminated po
				1309 - 1311' - stringer po
				HOLE MAY NOT HAVE PENETRATED MAIN SULPHIDE ZONE AS ROCKS STILL MORE CHLORITIC THAN FOUND TO THE WEST. POSSIBLE FAULT OFFSET? HOLE FAILED TO FLATTEN AS ANTICIPATED AND WAS ABANDONED DUE LACK OF WATER.

GRAPHIC

SAMPLES No.	From	To	Ft	ASSAYS Cu%	Co%	COMPOSITES Au ppb	Ag ppm	S%	Zn ppm	Co%	ASSAY CERTIFICATE	
28740	1046	1056	10	.66	.017							
41	1056	1066	10	.07	.013	5	0.3	13	25	.020		
42	1066	1076	10	.13	.016							
43	1076	1086	10	.14	.015							
44	1086	1096	10	.28	.015	5	0.4	11	20	.018	50	261
45	1096	1106	10	.09	.012							
46	1106	1116	10	.21	.034							
47	1116	1126	10	.10	.020							
48	1126	1136	10	.05	.017							
49	1136	1146	10	.12	.016	5	0.4	7	20	.016	60	262
50	1146	1156	10	.16	.018							
51	1156	1166	10	.02	.017							
52	1166	1176	10	.04	.024							
53	1176	1186	10	.25	.022							
54	1186	1196	10	.15	.041	5	0.2	15	20	.032	50	263
55	1196	1206	10	.05	.023							
56	1206	1216	10	.04	.016							
57	1216	1226	10	.06	.045							
58	1226	1236	10	.17	.050							
59	1236	1246	10	.12	.022	5	.03	14	115	.029	50	264
60	1246	1256	10	.23	.027							
61	1256	1266	10	.03	.008							
62	1266	1276	10	.04	.009							
63	1276	1286	10	.05	.014							
64	1286	1296	10	.02	.015	5	0.1	6	20	.014	50	265
65	1296	1306	10	.03	.014							
66	1306	1311	5	.08	.025							

Assayed Section
116 - 724 (122 ft sampled), 724 - 1311 (587 ft)

Total 709 ft (216m)

a) Sulphide Range 1% to 46%
   1) Average (in main volcanic section (+845 ft) = 32.2% (165 ft)

b) Copper
   1) Range - .01 to 1.13%
   2) Average (845 - 1311) = 0.23% (466 ft) including
   3) 10 ft @ 1.13%

STATEMENT OF COSTS

As stated in the introduction total drill-related costs for Holes #9 and #10 exceeded $108/ft in direct proportion to the overall drill related expenses of $900,000.00 for 8,336.48ft of drilling (Fig. 034-81-30 enclosed). Included in these expenses were helicopter costs incurred in transportation of equipment, fuel supplies and field personnel to and from the drill operation sites exceeding $400,000.00 (Pacific Helicopters Ltd. and Shirley Air Transport). Tractor rental andoperating charges in excess of $62,000.00 (Jedway Enterprises Ltd.) and direct drill-related costs exceeding $400,000.00 to Longyear Canada. Assay costs (Bondar Clegg primarily), mobilization, report preparation and supervision account for the remainder. All charges were accepted as drill-related by Regulatory Authorities responsible for ensuring that drilling funds be used entirely for that purpose (see Fig. 034-81-31 Appendix). The expenditures have been calculated on an average cost per foot basis as the most realistic approximation of the the costs incurred on a totally drilling oriented programme. This submission is supplementary to an earlier assessment report filed Jan. 21, 1982 by J.J. McDougall who applied expenditures from 241 feet of DDH No. 9 on Mineral Claim Windy #5 of the West Group and 544 feet of DDH No. 10 on Windy #4 (stated in error in his report as Windy #6) of the East Group. The following explanation and reference to sections Fig. 034-81-32 and 33 as well as Fig. 034-81-21, the drill hole location map in pocket, details the basis for apportionment of costs for assessment credits in this submission.

TO BE APPLIED TO EAST GROUP

1) DDH No. 10: A total of 1311 feet were drilled on Windy #4 of the East Group. 544 feet of this hole were submitted in J.J. McDougall's earlier report. The remaining 767 feet or 233.8 metres are now submitted.
   767 feet x $108/foot = $82,836.00

Drilling and associated move time and breakdown period on the hole occurred between Aug. 30, 1981 and Sept. 20, 1981 when drilling operations were suspended for the 1981 season.

2) DDH No. 9: As per section 034-81-33 the footage between 447.5 feet and 574 feet (end of hole) were drilled on Windy #6 of East Group (at depth below surface). This drilling and subsequent breakdown and equipment storage occurred between Aug. 30 1981 and September 20 when drill operations were suspended.
126.5 feet (38.6m) x $108.00/ft = $13,662.00

TOTAL APPLICABLE TO EAST GROUP $96,498.00

TO BE APPLIED TO WEST GROUP

1) DDH No. 9: 447.5 feet were drilled in this hole on Windy #5 of the West Group as per section 034-81-33. 241 feet of this drilling has already been submitted by J.J. McDougall. Jan 21, 1982. The remaining 206.5 feet are now submitted.
206.5 feet (61.7m) @ $108/foot = $22,302.00

This footage was drilled in the period Aug. 28 to Aug. 30, 1981.

TOTAL OF ALL APPLICABLE COSTS (of above) $118,800.00

Terence Chandler

T.E. Chandler

EXPEND. PRIOR YEARS - $
FORECAST CURRENT YEAR - $
GEOGRAPHIC LOCATION
001 001 CANADA - BRITISH COLUMBIA

FALCONBRIDGE NICKEL MINES LIMITED
EXPLORATION PROJECT STATEMENT - 1981 TO DATE

PROJECT NUMBER 135 -00
NAME ALSEK/GEDDES RESOURCES LIMITED

	JULY 31 $	AUG. 31 $	SEPT 30 $	OCT. 31 $	NOV. 30 $	DEC. 31 $
701 GENERAL & GEOLOGY						
- 001 SALARIES						
- 120 TRAVELLING & EXPENSES						
- 600 CONTRACT PAYMENTS						
- 604 FIELD EXPENSES	17.87	17.87	17.87	17.87	17.87	17.87
- 608 ASSAYS			363.00	594.00	627.00	627.00
TOTAL	17.87	17.87	380.87	611.87	644.87	644.87
702 GEOPHYSICS						
- 001 SALARIES						
- 120 TRAVELLING & EXPENSES						
- 600 CONTRACT PAYMENTS						
- 604 FIELD EXPENSES						
TOTAL						
703 GEOCHEMISTRY						
- 001 SALARIES						
- 120 TRAVELLING & EXPENSES						
- 600 CONTRACT PAYMENTS						
- 604 FIELD EXPENSES						
- 608 ASSAYS						
TOTAL						
705 DIAMOND DRILLING						
- 001 SALARIES	8,570.89	15,699.84	19,939.90	21,383.92	24,085.14	27,725.59
- 120 TRAVELLING & EXPENSES	1,414.60	1,466.47	2,742.21	4,350.12	4,923.03	5,272.01
- 600 CONTRACT PAYMENTS	67,920.00	321,425.64	470,737.54	370,560.83	377,610.83	377,035.50
- 604 FIELD EXPENSES	138,543.90	180,276.02	343,752.69	388,810.39	390,465.94	393,870.73
- 608 ASSAYS			473.50	1,400.63	8,179.30	16,780.53
TOTAL	216,449.39	518,867.97	837,645.84	786,505.89	805,264.32	820,684.36
710 CAMP OPERATION						
- 001 SALARIES	4,107.44	6,715.40	9,175.92	12,654.61	13,443.62	13,443.62
- 616 CAMP SUPPLIES	21,743.54	23,189.93	27,839.97	32,834.87	35,154.05	35,193.57
- 620 HOTELS & MEALS	1,406.81	1,815.86	3,103.16	3,951.54	3,968.54	4,469.34
TOTAL	27,257.79	31,721.19	40,119.05	49,441.02	52,566.21	53,106.53
720 METALLURGY & MINERALOGY						
725 FEASIBILITY STUDIES						
730 OPTION PAYMENTS & PARTIC						
740 PROPERTY MAINTENANCE						
750 DRAUGHTING			294.00	294.00	294.00	294.00
755 REGIONAL OFFICE EXPENSES						25,738.74
780 OTHER EXPENSES						
790 PARTICIPANTS SHARE	(243,725.05)	(550,607.03)	(878,439.76)	(836,852.78)	(858,769.40)	(900,468.50)
PROJECT TOTAL						
CUMUL. FORECAST OF EXPENDITURE						
VARIANCE						

FALCONBRIDGE NICKEL MINES LIMITED
6415 - 64th Street, Delta, B.C., Canada V4K 4E2
Tel. (604) 946-0441
Telex 04-357583

Mining Recorder
Box 100
Atlin, B.C.

STATEMENT OF QUALIFICATIONS

Dear Sir,

This is to state that I am a geology graduate of Carleton University, Ottawa, Ontario, (B.Sc Hons. 1975) and have worked for Falconbridge Limited as a geologist since 1976.

Don Hoy the geologist in charge of logging core on the 1981 Windy Craggy programme is a geology graduate of the University of Western Ontario (B.Sc 1980).

Yours truly,
FALCONBRIDGE LIMITED

Terence Chandler

T.E. Chandler

APPENDIX

DRILL FINANCING

FIG. 034-81-31

New Issue December 14, 1981

$7,725,000

Geddes Resources Limited

1,500 Units each consisting of 500 Common Shares and the right to earn Class A Convertible Preferred Shares

Subscription Price: $5,150 per Unit

	Units	Price to Public	Commission	Proceeds to the Company (1)
Per Unit	1	$ 5,150	$ 412	$ 4,738
Minimum Offering	1,000	$ 5,150,000	$412,000	$4,738,000
Maximum Offering	1,500	$ 7,725,000	$618,000	$7,107,000
With Over-Allotment	2,000	$10,300,000	$824,000	$9,476,000

(1) Before deducting expenses of issue, estimated at $170,000.

The Company has agreed with Walwyn Stodgell Cochran Murray Limited, as Agent, that the Company will offer up to an additional 500 Units (the "Additional Units") at a price of $5,150 per Unit in the event of over-allotment of this offering. The Agent will have the right exercisable not later than February 9, 1982, to decide how many Additional Units will be offered for the purpose of covering over-allotments, if any, made in connection with this offer.

The subscription price of each Unit will be applied as follows:

(i) $150 to purchase 500 Common Shares at $ .30 per share, and

(ii) $5,000 to incur expenditures which will entitle the subscriber to deduct a substantial portion of his investment against his income. (See "Canadian Income Tax Consequences" and "Use of Proceeds"). Subscribers will earn one Class A Convertible Preferred Share for each $10 of expenditures so incurred.

The aggregate subscription price will be paid to Guaranty Trust Company of Canada (the "Trustee") as trustee. If less than 1,000 Units are sold by February 11, 1982, the subscription price will be promptly returned to the subscriber without interest or deduction; otherwise the subscription proceeds will be paid out to the Company as provided in the agreement with the Trustee. (See "Trust Agreement"). Subscriptions will be accepted for whole Units only.

These securities are considered to be speculative. There is no present market for any of the securities offered hereunder. The transferability of the Class A Convertible Preferred Shares may be restricted prior to the first anniversary date of the issuance of a receipt by the Ontario Securities Commission for this prospectus. (See "Risk Factors"). Subscribers may become directly liable for damages arising out of activities conducted with proceeds of this offering to the extent that the same are not covered by insurance. (See "Risk Factors").

The Units are designed for Canadian resident investors in higher income tax brackets who are prepared to accept the high risk inherent in the mineral exploration and development business. The Company has no business history except as described under "Business of the Company" and was incorporated for the purpose of carrying out exploration drilling to earn interests in mineral properties located in Canada. Subscribers will be relying solely on the ability of the management of the Company to evaluate and select worthwhile properties for exploration drilling. Upon completion of this offering, the Common Shares offered hereby will represent approximately 51 per cent of the then outstanding Common Shares based upon the maximum subscription (approximately 41 per cent based upon the minimum subscription). If the Class A Convertible Preferred Shares to be issued pursuant to the rights offered hereby (excluding any such shares to be issued in consideration for interest and other income earned on subscription proceeds) were issued upon completion of this offering, such shares would represent approximately 91 per cent of the outstanding Class A Convertible Preferred Shares based upon the maximum subscription (approximately 87 per cent based upon the minimum subscription). Upon completion of the offering, the officers and directors will own, directly or indirectly, approximately 24 per cent of the Common Shares of the Company based upon the maximum subscription (approximately 29 per cent based upon the minimum subscription) and will own no Class A Convertible Preferred Shares of the Company.

We, as Agent, offer these units on a "best efforts" basis subject to prior sale, if, as and when issued, in accordance with the conditions contained in the agreement referred to under "Plan of Distribution" and subject to the approval of all legal matters on behalf of the Company by Lang, Michener, Cranston, Farquharson & Wright, Toronto, Ontario and on behalf of ourselves by Osler, Hoskin & Harcourt, Toronto, Ontario.

Subscriptions for Units will be received subject to rejection or allotment in whole or in part and the right is reserved to close the subscription book without notice. It is expected that the closing will take place on or about February 11, 1982. Share certificates for Common Shares will be available for delivery as soon as possible after the closing. Certificates for Class A Convertible Preferred Shares will be issued annually and available for delivery as soon as possible after December 31 in the applicable year.

Prospectus Summary

This summary describes the principal features of the offering. Detailed information is contained elsewhere in this prospectus.

Purpose of Issue: The purpose of the issue is to raise funds for drilling of mineral properties in Canada in a manner which provides subscribers with an opportunity to participate in mineral exploration in Canada and deduct a substantial portion of their investment in computing their incomes for tax purposes in the years in which the funds are expended.

Public Offering: The issue consists of 1500 Units, each Unit consisting of 500 Common Shares and the right to earn Class A Convertible Preferred Shares of the Company (the "Class A Shares"). Up to an additional 500 Units may be offered in the event of over-allotment.

Subscription Price: $5,150 per Unit.

Description of Units: Each Unit consists of 500 Common Shares at 30¢ per share and the right to earn Class A Shares to be issued on the basis of one Class A Share for every $10 of expenditures incurred by the subscribers. The Common Shares are voting and the Class A Shares have no right to vote. The Class A Shares will be convertible into Common Shares after December 31, 1983 on terms set out under "Details of the Offering". At the close of business on January 4, 1988, the Class A Shares then outstanding will be automatically converted to Common Shares. The Class A Shares will be redeemable by the Company at any time from and after January 1, 1984 at the par value of $10 per share plus any dividends declared thereon and unpaid. The Class A Shares will rank equally with, and will be entitled to the same dividends as on, the Common Shares.

Minimum Offering: If the Company fails to sell a minimum of 1,000 Units before February 11, 1982, it will withdraw the offering in its entirety and all monies paid by subscribers will be refunded without interest or deduction.

Commitment: HCI Holdings Ltd. ("HCI") pursuant to an agreement with the Company dated June 4, 1981 agreed to assume and pay certain expenditures described in the agreement between the Company and Falconbridge Nickel Mines Limited ("Falconbridge") dated June 4, 1981, as amended August 21, 1981, up to an initial amount of $750,000 in consideration of receiving up to 75,000 Class A Shares and the right to purchase up to 75,000 Common Shares at 30¢ per share. As of the date hereof HCI has expended $749,107 on a drilling program pursuant to such agreement. (See "Business of the Company"). In addition, HCI has agreed to purchase 50 Units of this issue.

Company and Management: The Company has no property interests except an undivided 35% interest in, and a right to acquire a further undivided 14% interest in, a certain property pursuant t the agreement between the Company and Falconbridge referred to above. (See "Business of the Company").

The Company intends to carry on the business of acquiring interests in mineralized properties across Canada by means of drilling projects on properties which have known indications of potential ore bodies. The Company's drilling budget will be expended on testing and delineating structures or zones where substantial or economic mineralization can normally be expected, based on management's assessment of existing technical information and the assistance of qualified geological consultants.

With respect to the financing of drilling programs, a recognized practice in the mining industry used by mineral property owners, including major producing mine owners, involves "farm-in" or "earn-in" agreements with companies which carry on activities similar to that of the Company. Under a farm-in or earn-in agreement the property owner grants to the drilling company the right to earn an interest in its property if a prescribed drilling program is financed by such company. By undertaking these commitments the Company will acquire interests in mineral properties with the expectation that these interests will appreciate in value to the future benefit of the Company and its shareholders. It is anticipated that property interests which are acquired by the Company may be further drilled and developed by the Company in concert with the various owners. In that event, the Company and owners may share responsibility for such future expenditures to drill, develop or bring to production such properties.

The Company

Geddes Resources Limited (the "Company") was incorporated under the laws of Ontario by a Certificate of Incorporation dated June 3, 1981. A Certificate of Amendment was issued on December 11, 1981 which provides for the terms of the Class A Convertible Preferred Shares (the "Class A Shares"). The address of the Company's head office and principal office is Suite 1604, 7 King Street East, Toronto, Ontario M5C 1A2. The Company was incorporated to engage in the acquisition, exploration and development and operation of mines and mineral resources throughout Canada. Management services to the Company are provided by Geddes Webster Company Limited pursuant to a management agreement dated as of July 1, 1981 as amended December 7, 1981. (See "Management of the Company"). The Company has carried on no activities other than a drilling program referred to hereafter with respect to a certain property owned by Falconbridge Nickel Mines Limited ("Falconbridge").

Business of the Company

Proposed Activities

The Income Tax Act (Canada) provides income tax incentives designed to encourage exploration of mineral properties in Canada. Certain qualifying expenditures on drilling exploration, which are defined in the Income Tax Act (Canada) as Canadian Exploration Expense, may be deducted from the income of persons incurring such expenditures. By using the proceeds of this offering, the Company will undertake drilling programs and become active in the business of drilling for minerals in Canada. To the extent that such proceeds are expended on Canadian Exploration Expense, such proceeds will be expended by the Company as agent for the subscribers in order that such Canadian Exploration Expense is deductible by the subscribers. (See "Use of Proceeds" and "Canadian Income Tax Consequences").

The Company will begin by searching out mineral drilling projects and evaluating such prospects having regard to their technical merit. When management and its consultants are satisfied that the mineral occurrences have sufficient technical merit and potential economic merit, negotiations will be undertaken with the property owner with a view to securing a significant interest in the property for monies expended on drilling specific targets. Occasionally the resulting earn-in agreement may also require the Company to conduct some other mineralogical, geological or geophysical program on the property before ordering drilling, but in most cases it is anticipated that the Company will earn its interests in the property in question solely through the funding of drilling programs.

It is anticipated that in most cases the owners of the property will be the operators. The Company will advance funds from time to time as required and the operators will report back on progress with an analysis of drilling results, expense details, findings and future recommendations.

The selection of possible properties, analysis of technical and geological information, negotiation of exploration agreements, monitoring of terms, programming and supervision of work and the analytical review of the results will be under the direct supervision of Geddes Webster Company Limited. Technical consultants will be engaged when required. While the number of projects undertaken with the proceeds of this offering will be limited in number, management expects that all of the programs will be completed by the end of 1983.

It is anticipated that some, if not most, of the drilling projects undertaken by the Company will be carried out on property owned by companies generally viewed as being majors in the mining industry. Many of these companies have inventories of properties which have had varying degrees of preliminary exploration, geophysical, geological and diamond drilling work done on them but now require further exploration to determine their inherent potential for economic mineral occurrences. Principally by funding exploration drilling on these properties, the Company will acquire interests in them, which if they prove to have economic potential, will create appreciated asset values for the Company. Through the Company's involvement in this stage of the exploration drilling process and the risk-taking that this entails, the Company will have an opportunity to participate in the benefits of resource ownership with a variety of established co-owners as managers which would not otherwise be available to it. The Company does not intend to undertake prospecting and intends only to become involved with mineral properties with known mineral occurrences believed to have unusual or exceptional merit.

The amount of expenditures for each exploration project undertaken will depend on the requirements and terms of the drilling programs. These may be adjusted during the course of drilling, depending on project and technical developments. The amounts of follow-up expenditures on each project will depend on the results of the initial drilling program and will be planned in accordance with management's view of sound engineering and geological assessments. Each program, however, will be designed in anticipation that subsequent programs of drilling or development will evolve from the initial drilling program.

As stated above, the Company will become a co-owner in projects because of participation in drilling programs selected by it which in the judgment of management show technical promise of viable mineral resources by letter dated August 21, 1981, the Company has been granted the sole exclusive right and option until June 4, 1983 to earn up to an undivided 49% interest in the Property in consideration of the Company providing to Falconbridge up to $1,500,000 to be expended by Falconbridge as operator of the Property on programs proposed by Falconbridge and approved by the Company. The 1981 drilling program was completed within the short season when field activity was possible on the Property. Prior to September 30, 1981, ten holes were drilled for a total of 2,520 meters at a cost of $749,107. Approximately $140,000 of expenditures under the Falconbridge Agreement have been incurred subsequent to September 30, 1981 and an additional $30,000 of expenditures is expected to be incurred by the Company prior to completion of this offering. Accordingly, the Company has satisfied its obligation to incur expenditures on the Property in an amount of not less than $750,000 on or before June 4, 1982 (the "First Program") and is entitled to become the recorded beneficial owner of an undivided 35% interest in the Property.

The complete assessment of drill results and assays is expected to take at least a further two months because of the present backlog of assayer's work. The geological interpretation of data cannot be completed until a computer program has been designed and all the material processed for this large complex mineralized structure. Approximately 2.5 tons of split drill core are now in the process of assay for copper, cobalt and precious metals. Mineralogical and geological evaluations are also planned. It appears by visual examination, however, that the mineral grades are consistent with those of the earlier work done by Falconbridge. Management of both Falconbridge and the Company are well satisfied with the First Program's preliminary findings.

The Company and Falconbridge have concluded that the results of the First Program warrant further drilling; accordingly, Falconbridge will present to the Company on or before January 31, 1982 a further program (the "Second Program") to be conducted on or before June 4, 1983. If the Company approves the Second Program, it will provide on or before June 4, 1983 that portion of the further $750,000 not already provided, whereupon it will earn a further 14% undivided interest in the Property, bringing the Company's total interest to 49%. If the Company acquires a 49% undivided interest in the Property, then it will have the right to participate in future mining operations on the Property in the ratio of 49% for the Company and 51% for Falconbridge.

If the Company elects not to participate in such future mining operations, then the interest of the Company in the Property will be reduced as future expenditures are incurred provided that the interest of the Company will not be reduced below 10% of the total interest in the Property. If the interest of the Company is reduced to 10%, then this interest will be automatically converted into a royalty interest equal to 5% of the net proceeds of production. The Falconbridge Agreement defines "net proceeds of production" as the excess of gross cash income (after Falconbridge has recovered all of its capital investment and pre-production expenditures) received by Falconbridge from the sale of minerals, metals or concentrates derived from the Property over the expenses properly incurred with respect thereto, but excluding provincial and federal income taxes.

The Falconbridge Agreement also gives each of Falconbridge and the Company a right of first refusal to acquire the other party's interest in the Property in the event that a bona fide third party purchaser wishes to acquire an interest in the Property.

Drilling Fund Agreement with HCI Holdings Ltd.

To fund the obligations of the Company under the Falconbridge Agreement, the Company entered into a drilling fund agreement (the "HCI Agreement") with HCI Holdings Ltd. ("HCI") dated as of June 4, 1981 whereunder HCI agreed to pay certain of the expenditures under the Falconbridge Agreement in consideration of Class A Shares of the Company.

Specifically, HCI agreed to pay up to $750,000 of expenditures required in connection with the First Program under the Falconbridge Agreement provided such expenditures were incurred on or before September 30, 1981. The Company has agreed to incur the expenditures on behalf of HCI and to allot and issue one Class A Share of the Company for each $10 of expenditures incurred. The Company has also agreed with HCI that at the time Class A Shares are issued, it will allot and issue to HCI Common Shares on a one-for-one basis with the Class A Shares for 30¢ per Common Share. HCI has also agreed in the event that this public offering is completed before June 15, 1982 to subscribe for 50 Units of this offering. In the event, however, that this offering is not completed by June 15, 1982, HCI has agreed to pay up to a further $750,000 of the expenditures to be incurred in connection with the Second Program under the Falconbridge Agreement provided HCI is reasonably

Dated: December 14, 1981

The foregoing constitutes full, true and plain disclosure of all material facts relating to the securities offered by this prospectus as required by Part 7 of the Securities Act (British Columbia), by Part 7 of The Securities Act (Alberta), by Part VIII of The Securities Act (Saskatchewan), by Part VII of The Securities Act, (Manitoba) by Part XIV of the Securities Act (Ontario) and the respective regulations thereunder, and by Section 13 of The Securities Act (New Brunswick).

(Signed) G. M. WEBSTER
President and Chief
Executive Officer

(Signed) K. R. SWINTON
Chief Financial Officer

On behalf of the Board of Directors

(Signed) W. M. GILCHRIST
Director

(Signed) M. F. K. CARTER
Director

Promoters

(Signed) G. M. WEBSTER

(Signed) K. R. SWINTON

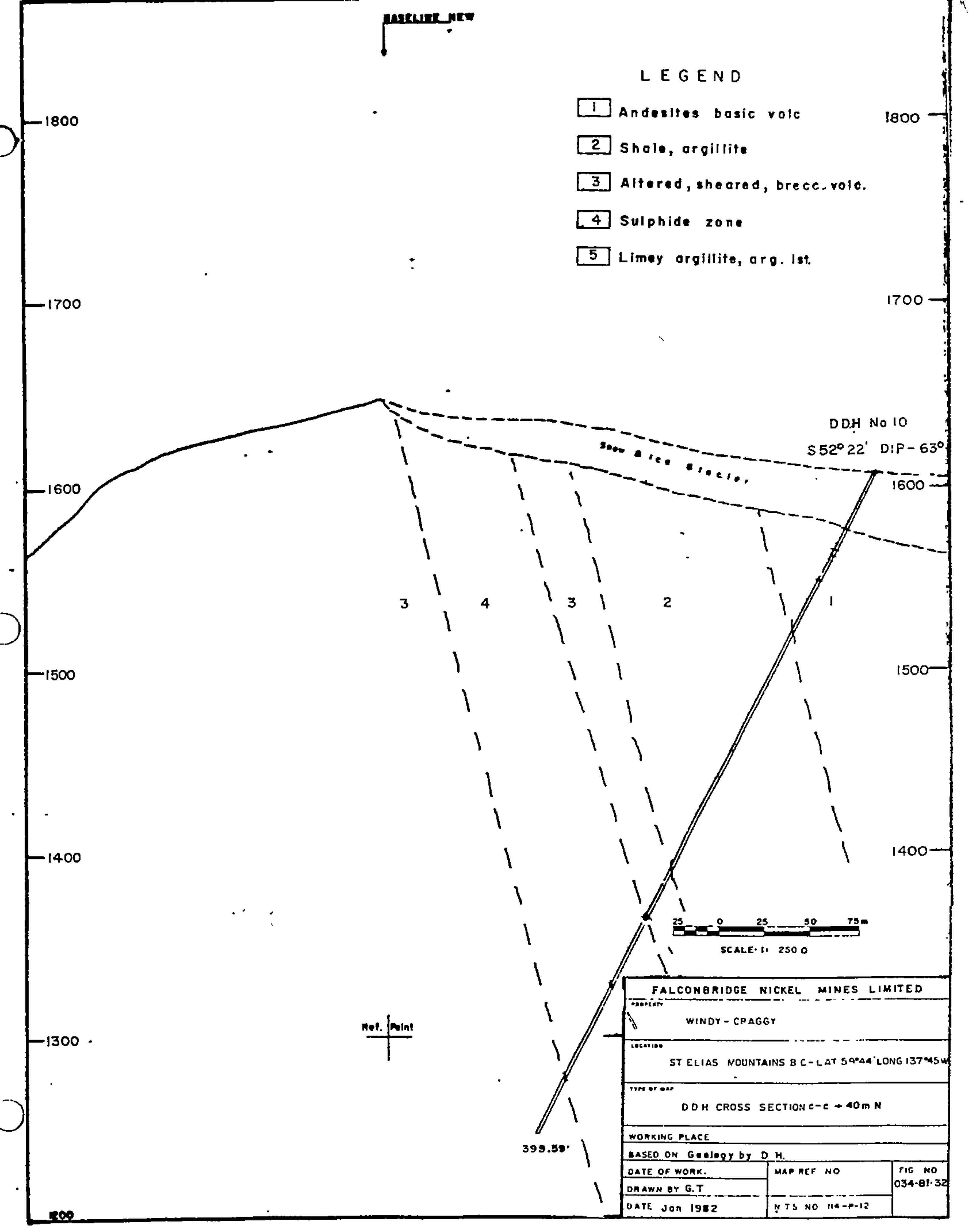
L & M Carter Management Ltd.
Per: (Signed) M. F. K. CARTER
President

HCI Holdings Ltd.
Per: (Signed) J. P. S. MACKENZIE
Chairman of the Board

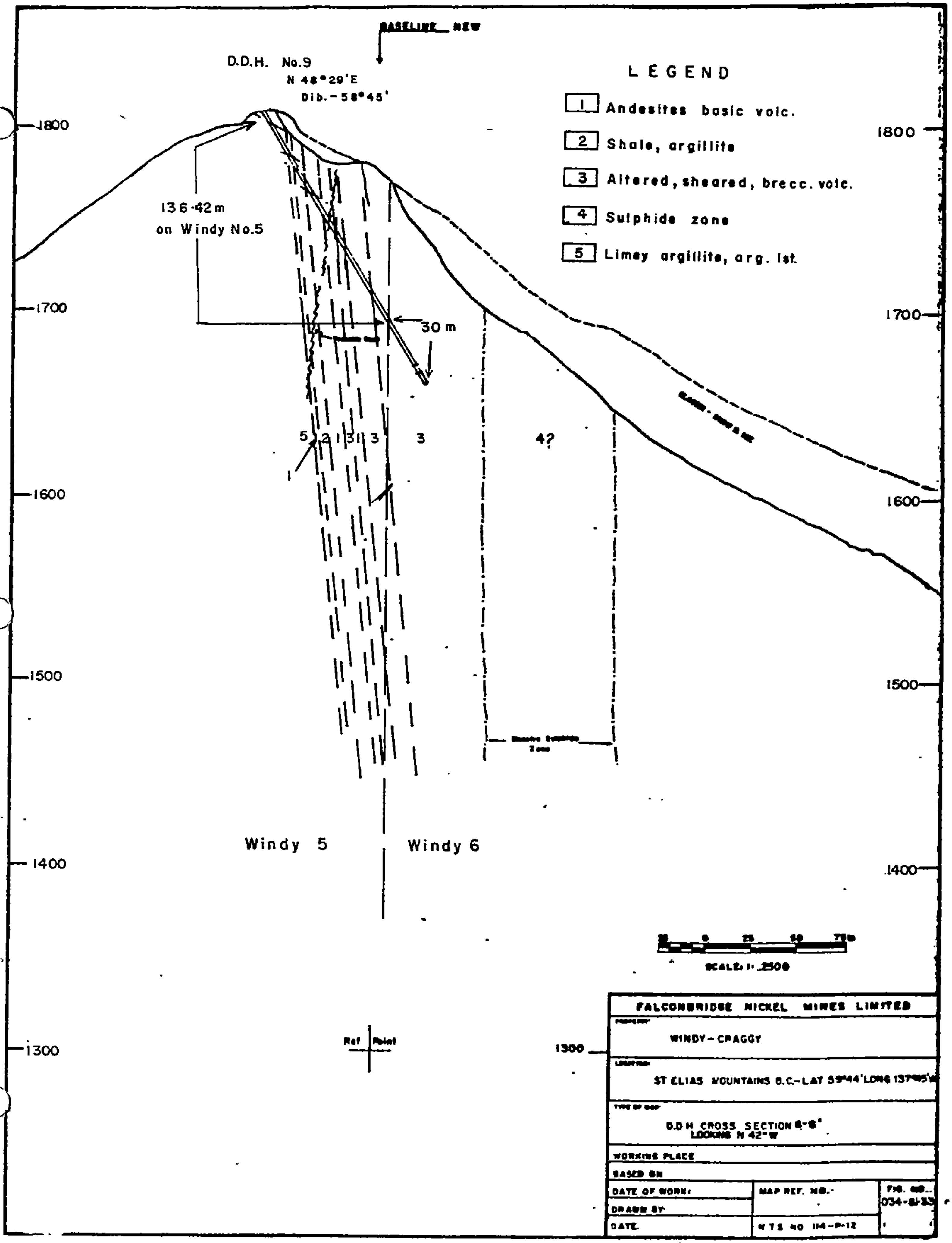
To the best of our knowledge, information and belief, the foregoing constitutes full, true and plain disclosure of all material facts relating to the securities offered by this prospectus as required by Part 7 of the Securities Act (British Columbia), by Part 7 of The Securities Act (Alberta), by Part VIII of The Securities Act (Saskatchewan), by Part VII of The Securities Act (Manitoba), by Part XIV of the Securities Act, (Ontario) and the respective regulations thereunder, and by Section 13 of The Securities Act (New Brunswick).

Walwyn Stodgell Cochran Murray Limited
Per: (Signed) M. ST. B. HARRISON
Director

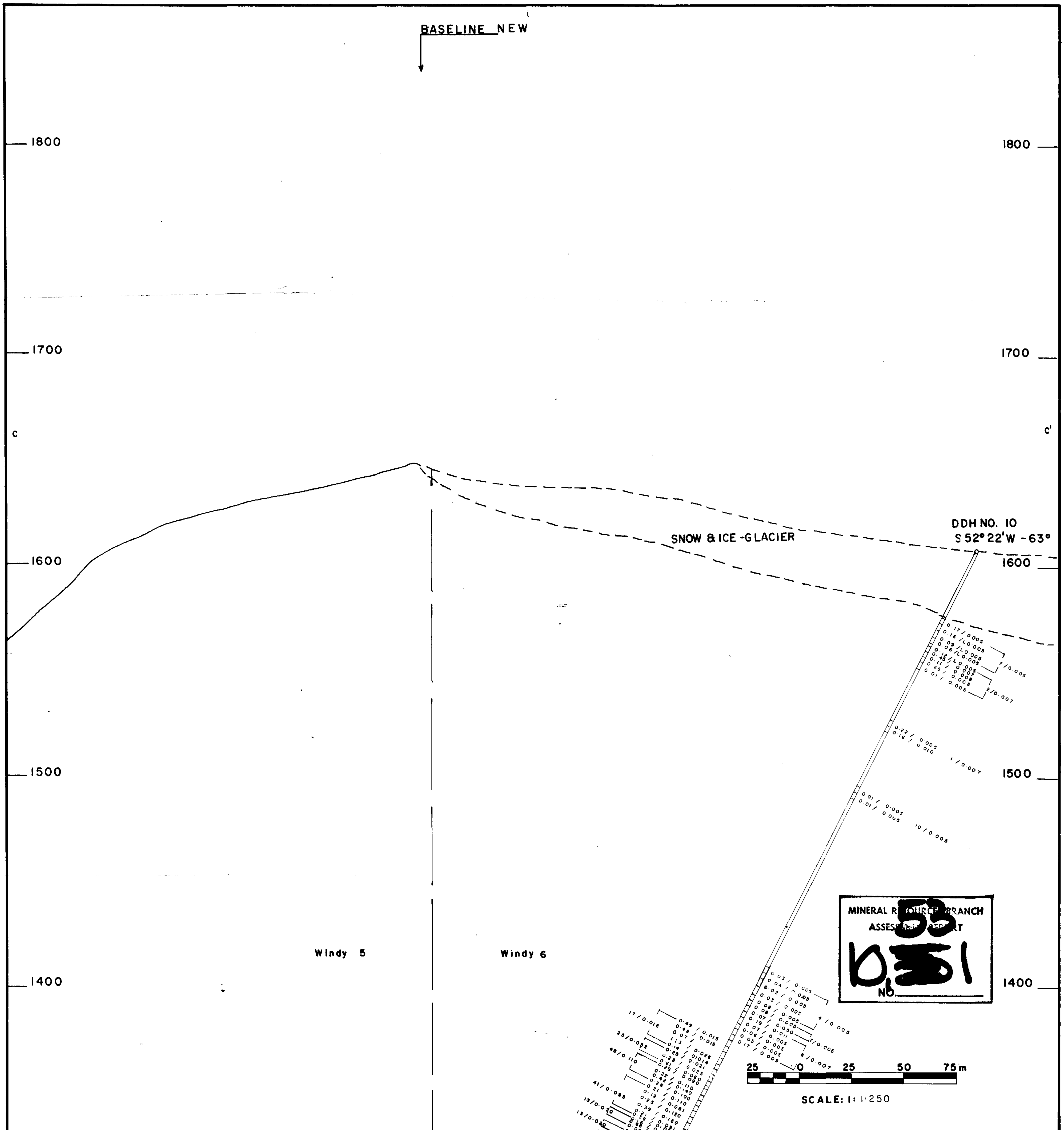
The following includes the name of every person having an interest either directly or indirectly to the extent of not less than 5% in the capital of Walwyn Stodgell Cochran Murray Limited: J. C. Stodgell, R. R. Sale and M. St. B. Harrison.



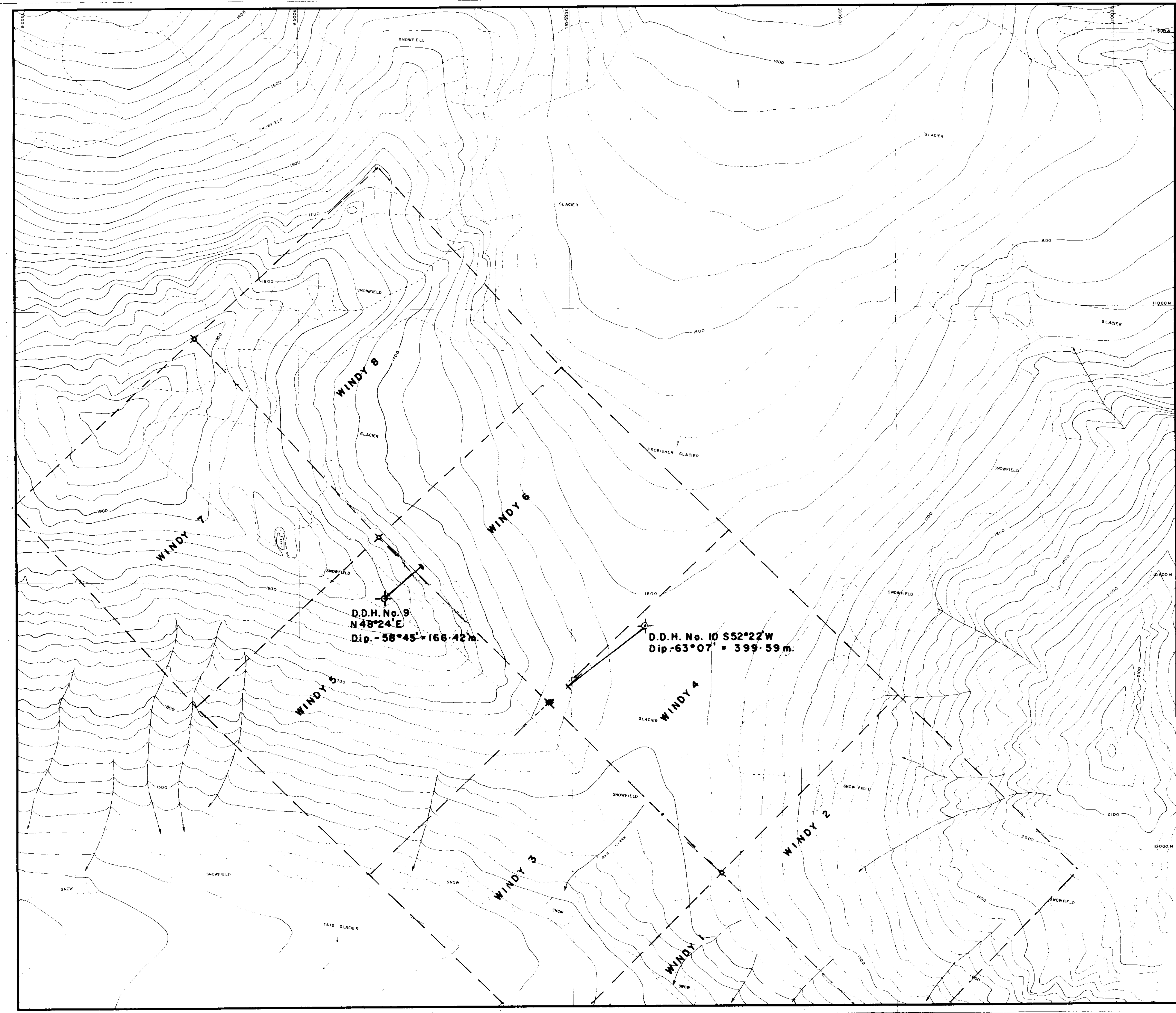
BASELINE NEW
LEGEND
1 Andesites basic volc
2 Shale, argillite
3 Altered, sheared, brecc. volc.
4 Sulphide zone
5 Limey argillite, arg. lst.
1800
1700
1600
1500
1400
1300
1200
DDH No 10
S52° 22' DIP - 63°
Snow & Ice Glacier
3
4
3
2
1
399.59'
Ref. Point
25 0 25 50 75m
SCALE 1: 2500
FALCONBRIDGE NICKEL MINES LIMITED
PROPERTY
WINDY - CRAGGY
LOCATION
ST ELIAS MOUNTAINS B C - LAT 59°44' LONG 137°45'W
TYPE OF MAP
DDH CROSS SECTION C-C + 40m N
WORKING PLACE
BASED ON Geology by D H.
DATE OF WORK.
DRAWN BY G.T
DATE Jan 1982
MAP REF NO
NTS NO 114-P-12
FIG NO
034-81-32

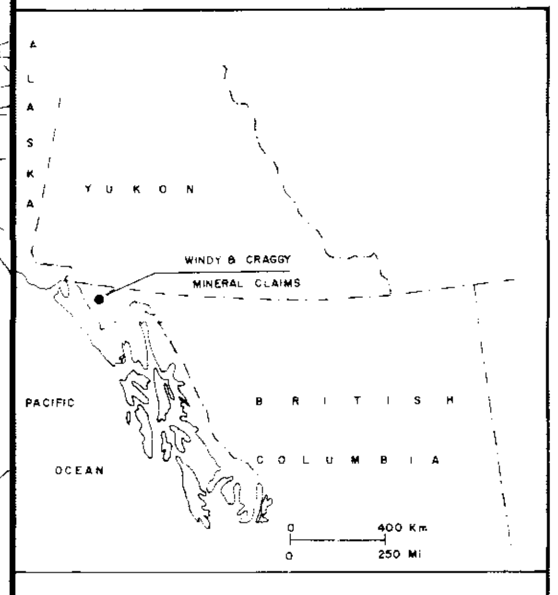


BASELINE NEW
D.D.H. No.9
N 48°29'E
Dib.-58°45'
LEGEND
1 Andesites basic volc.
2 Shale, argillite
3 Altered, sheared, brecc. volc.
4 Sulphide zone
5 Limey argillite, arg. lst.
1800
1700
1600
1500
1400
1300
136.42m
on Windy No.5
30 m
5 2 1 3 1 3 3
1
4?
Windy 5
Windy 6
Ref Point
SCALE: 1: 2500
FALCONBRIDGE NICKEL MINES LIMITED
WINDY - CRAGGY
ST ELIAS MOUNTAINS B.C.-LAT 59°44' LONG 137°45'W
D.D.H CROSS SECTION 6-6'
LOOKING N 42°W
WORKING PLACE
BASED ON
DATE OF WORK:
DRAWN BY
DATE
MAP REF. NO.
N.T.S. NO 114-P-12
FIG. NO.
034-81-33



FALCONBRIDGE NICKEL MINES LIMITED		
PROPERTY: WINDY - CRAGGY		
LOCATION: ST. ELIAS MOUNTAINS B.C. - LAT. 59°44' LONG. 137°45' W		
TYPE OF MAP: D.D.H. CROSS SECTION c - c' + 40m N		
WORKING PLACE:		
BASED ON:		
DATE OF WORK: SEP. 1981	MAP REF. NO.:	FIG. NO.: 034-81-34
DRAWN BY: G. T.		
DATE: DEC 1981	N.T.S. NO.: 114-P-12	





INDEX MAP 114-A/80 SCALE: 1:60 000

MINERAL RESOURCES BRANCH
ASSESSMENT REPORT
NO. 10,531

200 0 200 400 Feet
50 0 50 100 150 Metres
SCALE: 1:5000

FALCONBRIDGE NICKEL MINES LIMITED		
PROPERTY: WINDY & CRAGGY COPPER–COBALT		PROJECT No.: 034
LOCATION: ST ELIAS MOUNTAINS B.C. Lat. 59°44' Long W.137°45'		
TYPE OF MAP: DH + CLAIM LOCATION		
WORKING PLACE:		
BASED ON:		
DATE OF WORK: 1981	MAP REF. NO.:	FIG. NO.:
DRAWN BY: G.T.		
DATE: JAN 1982	N.T.S. NO.: 114-P-12	034-81-21