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Dear Sirs,

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KLONDIKE REEF MINES  
JAMES SHAW

Central P.O. Box 2173,  
Vancouver 3, B.C.

"KLONDIKE" now owns the "LONE SILVER MINE" 100% with 14 claims. In 1965 LOU De Kock ran a mag and electrical survey about 1100 feet wide east and west over the tunnels and fault system. In 1969 when I optioned the one "LONE SILVER" claim I ran a survey over 8 claims and to the south another 1000 feet past the claim boundaries with a new explorer model Geisler M Scope Geomei model. In 1970 Lou De Kock made a new find on the property about 10 feet wide on a fault. This find is about 200 feet S.E. of our most easterly tunnel. Since then we have done assessment work only and enlarged our claim group.

In 1969 I paid professional engineer William J. Weymark for a preliminary report of which I enclose a copy. I also paid him for a 28 page report suitable for a prospectus, but neither reports do the property justice as the sampling report on the bottom tunnel was taken from old Minister

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of mines reports. Since our syndicate was formed we have had 6 properties staked, under option, and have dropped them all except the "LONE SILVER" and have 14 claims on Toad Mountain 6 miles south of Nelson and east west of the railway track. This is east south of the old "California mine" which is near the "Siber King". These are newly staked and have no work on them.

I would send a copy of the 28 page report of William J. Waymark but I have only one copy.

This company and mining has given me very little wages in the last two years so I am going to apply for the prospectors grubstake as being President of a private mining company doesn't mean that I have a fat roll of money. If you wish any additional details please let me know. My M Dope survey covered all the property.

Yours sincerely  
James A. Shaw.

NEWS RELEASE

Dear Sir:

We appreciate your enquiry concerning our "LONE SILVER MINE" and exploration program in other mineralized areas of B.C. We welcome you as a syndicate member and as "Gold Lode Syndicate" has sponsored this entire mining venture your participation could be profitable. Our syndicate has purchased a 3,000,000 share company charter and the syndicate is recorded in THE NORTHERN MINER'S "CANADIAN MINES HANDBOOK" on page 219 of the 1971-1972 edition under the heading of "KLONDIKE REEF MINES."

The "LONE SILVER MINE" claim group consists of 7 claims - 6 of which were staked at cost by our syndicate with one additional claim having an option agreement purchase price to a prospector of \$12,000. Of this we have paid \$8,000 with the balance of \$4,000 due on December 20th, 1972. The above payment is due to Mr. LOU DeKOCK of Nelson, B.C. for the one claim optioned from him.

On the "LONE SILVER MINE" there are four tunnels. From the bottom No. 1 tunnel, elevation 2,600 feet above sea level and three additional tunnels above it, ore shipments to the smelter at Trail, B.C. 52 miles distance by excellent highway, totalled 251 tons with a gross value of \$75,000, equivalent to \$315.00 per ton at present day metal prices. This was done years ago by high graders who selected rich parts of the ore zones. In the cross-cut of the No. 1 tunnel there is a 40 feet vertical shaft which has a 3 foot width of ore in the adjacent ore stope. This No. 1 tunnel, 8 feet in diameter has 80 feet of rail track for ore cars to run to the ore dump. The entrance to No. 2 tunnel has just been cleared and a 3 foot width of solid galena has been sampled for assay for values in silver, lead and zinc. Copper is visible also.

Also, our new surface find 200 feet from the easterly No. 4 tunnel in the south east ore zone in a 10 foot wide rock trench runs \$35.00 a ton in silver and gold plus values in lead, zinc, and copper. The mine is estimated to contain approximately 50,000 tons of ore grading \$40.00 per ton totalling \$2,000,000 from the surface to shaft bottom. The property has never been diamond drilled and there is every geological indication that the ore will continue below our present workings. Our professional consulting engineer has made a 28 page detailed report on "THE LONE SILVER MINE" which illustrates that the mine is on the geological rock structure known as the Black Bluff Fault which extends in length horizontally and is visible on surface for 11 miles with two producing mines on this fault system described as follows. The "EMERALD MINE" of Canadian Exploration 2 miles north east and "REEVES MacDONALD MINES" 5 miles southwest of our MINE.

I now quote from our engineer's latest report as follows: "Regionally the Black Bluff Fault strikes northeastward and dips to the southwest. In the "LONE SILVER MINE" workings, the Black Bluff Fault is a zone of faults with a wide variety of attitudes. The mineral zones designated to date in the four tunnels appear to be related to cross transecting fault-shear structures dipping at 70° or steeper and branching off the Black Bluff Fault. This tends to infer that there is a good possibility of locating other zones with similar characteristics in unexplored sections of the mineral property.

Your President can state from all information received that no diamond drilling has been done but a geo-physical survey using an excellent flux-gate magnetometer over the ore zones gave good readings over the 1,100 foot length; the survey was run with strong readings continuing easterly, near our new surface find.

The above survey was done by Mr. LOU DeKOCK and your President did a reconnaissance survey of the claim group using an electro-magnetic instrument. Emphasis will be given to the short range objective with a high potential for early production. Your President is also testing a gold-platinum placer prospect to properly evaluate its potential.

Under current circumstances with world currencies being revalued and the resulting price rise in gold and silver plus the fact our property holds both silver and gold metals you are hereby offered one (1) Syndicate unit at \$100.00 which will also carry 1,000 shares, duly registered in your name, and at no additional cost. An aggressive exploration and development program is planned, so I recommend the purchase of as much as convenient. Please remit your purchase cheque for \$100.00 per unit in the name of "GOLD LODE SYNDICATE" for as many units as you wish, but please advise us promptly by mail to our P.O. Box 2183, Vancouver 3, British Columbia, Canada.

Yours very truly,  
GOLD LODE SYNDICATE

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