

June 20, 1978

Dr. W. R. Bacon, Co-ordinator, Accelerated Mineral Development Program, Ministry of Mines and Petroleum Resources, VICTORIA, B. C. V8V 1X4

Dear Bill:

RE: ACCELERATED MINERAL DEVELOPMENT APPLICATION

There has been a misunderstanding regarding Western Mines' application for a grant under the Accelerated Mineral Development program of the British Columbia Ministry of Mines and Petroleum Resources. Our application was intended for submission under the Accelerated Mine Development program, but somehow through an error in our office it was originally submitted as an Accelerated Mineral Exploration application - Can this be transferred into the proper category at this time.

Sorry for the inconvenience.

Best personal regards,

WESTERN MINES LIMITED

A. E. Soregaroli

Vice-President, Exploration

AES:dt.

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DEPT. OF MINES



Province of British Columbia Ministry of Mines and Petroleum Resources

ACCELERATED MINERAL EXPLORATION

APPLICATION FORM 1978-79

(PLEASE PRINT OR TYPE)

DATEJune 5, 1978
Name and job title of person submitting application A. E. Soregaroli
Vice-President, Exploration
Name of Company Western Mines Limited
Mining Division
Number of units/claims .23 Crown-granted claims / 184 Located Claims / .2 Mineral Leases
Program to be carried out between June 1978 and .March.31 1979
Number of additional employees required to implement the project
Expected increase in man/months employed during the project
Are any permanent jobs likely to be created? Yes 2
PLEASE PROVIDE BRIEF DESCRIPTION OF PROPOSED PROJECT, ADEQUATE DOCUMENTATION OF ORIGINAL PLANS FOR 1978, AND INCREASE TO RESULT FROM FUNDING BY ACCELERATED MINERAL DEVELOPMENT.
NOTE:
1. Program must have a minimum employment life of three months.
 Only salaries and wages are to be considered for funding to a maximum of \$10 per hour. 'Units' refer to units of performance such as metres of drilling, kilometres of survey, etc.
Return to: Co-ordinator,
Accelerated Mineral Development,
Ministry of Mines and Petroleum Resources, Victoria, B.C. V8V 1X4
08/
SIGNATURE OF APPLICANT
Western Mines Limited

	PLANNED			A.M.D. INCREMENT			ACTUAL INCREMENT		
MINERAL EXPLORATION PROGRAM	UNITS	TOTAL EXPEN- DITURE	LABOUR EXPEN- DITURE	UNITS	TOTAL EXPEN— DITURE	LABOUR EXPEN- DITURE	UNITS	TOTAL EXPEN- DITURE	LABOUI EXPEN- DITURE
(1) Field Work									
a. prospecting									
b. surveys — geological mapping					\$50,000	\$50,000			
- geophysical									
- geochemical	:				5,000	5,000			
c. trenching									-
d. drillingsurface				2743.2 n	197,000	62,300			
e. bulk sampling						.			
f. drilling, underground	823 m	\$23,382	\$7,794	3048 m	60,000	20,000			
(2) Office									
a. evaluation of data					17,640	17,640	٠.		
b. reserve calculations									
c. report preparation		·			3,310	3,310			
d. draughting, compilation					8,950	8,950			
e. consulting fees & expen	ses				14,000				
(3) Research						·			
a. anakyalwassaying anckowalahog					10,000	3,300			
b. petrography, mineralogy, etc	}								
c. rock mechanics studies									
d. rock geochem major and minor elements					35,000	12,000			
9					4	182500			



Province of British Columbia Ministry of Mines and Petroleum Resources

ACCELERATED MINERAL EXPLORATION

APPLICATION FORM 1978-79

(PLEASE PRINT OR TYPE)

•	DATEJune 5, 1978
Name and job title of person	submitting application A. E. Soregaroli
	Vice-President, Exploration
Name of Company W	estern Mines Limited
Mining Division Alber	ni NTS Location92F/11-12
Number of units/claims . 23	Crown-granted claims / 184 Located Claims / 2 Mineral Lease
Program to be carried out be	tween
Number of additional employ	yees required to implement the project3
Expected increase in man/mo	onths employed during the project 30
Are any permanent jobs likel	y to be created? Yes2
DOCUMENTATION RESULT FROM NOTE: 1. Program mu 2. Only salarie:	E BRIEF DESCRIPTION OF PROPOSED PROJECT, ADEQUATE N OF ORIGINAL PLANS FOR 1978, AND INCREASE TO FUNDING BY ACCELERATED MINERAL DEVELOPMENT. Inst have a minimum employment life of three months. Is and wages are to be considered for funding to a maximum of \$10 per hour. It to units of performance such as metres of drilling, kilometres of survey, etc.
•	Return to: Co-ordinator, Accelerated Mineral Development, Ministry of Mines and Petroleum Resources, Victoria, B.C. V8V 1X4 SIGNATURE OF APPLICANT Western Mines Limited

(over)

	PLANNED		A.M.D. INCREMENT			ACTUAL INCREMENT			
MINERAL EXPLORATION PROGRAM	UNITS	TOTAL EXPEN- DITURE	LABOUR EXPEN- DITURE	UNITS	TOTAL EXPEN— DITURE	LABOUR EXPEN- DITURE	UNITS	TOTAL EXPEN- DITURE	LABOUF EXPEN- DITURE
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c. rock mechanics studies									
d. rock geochem major and minor elements					35,000	12,000			
e					#	182500			<u> </u>

DEPARTMENT OF MINES AND PETROLEUM RESOURCES

Date: 201 ay 17-78 From Prepare reply for my signature. ☐ For your approval. ☐ For your information. ☐ Prepare draft of reply. ☐ For necessary action. Return to me. ☐ Send me copy of reply. ☐ Return to file. ☐ For your comments. ☐ For signature. 1135 Wish to discuss. DEPUTY MINISTER OF & P R REMARKS: REC'D NW 18 78 REFERRED TO DATE INTERAL A.D.M. A.D.P. A.S. M.R. FILE

May 16, 1978

HANDED TO MINISTER "IN PERSON"

Hon. J. R. Chabot
Minister of Mines and
Petroleum Resources
Government of the Province of
British Columbia
Parliament Buildings
VICTORIA, British Columbia
V8V 1X4

MINISTER'S OFFICE RECEIVED

LAY 1 7 1978

PARLIAMENT BUILDINGS VICTORIA, B.C.

Dear Mr. Chabot:

As I mentioned to you during our meeting at the end of last year, we have had to cut back severely on mine development and exploration work at our Buttle Lake property to ensure a mine operating profit. Action taken since our December meeting has resulted in the loss of approximately 50 jobs at the Buttle Lake property.

For the ten years preceding 1977 sufficient new ore reserves were generally found each year to take the place of those mined and concentrated during the year. However, during 1977, the results of the exploratory program were negative and total ore reserves fell from 1,731,000 tons to 1,459,000. This is the largest decline in reserves in any single year since the mine commenced production in 1967.

The mine converted from principally open-pit ore to ore principally from underground operations in 1973. This change was of course accompanied by a sharp increase in mine operating costs. Fortunately, in late 1972 a small ore zone was discovered in the Myra Mine containing much higher values in metals, particularly silver and gold, than the regular grade of ore from the other ore bodies in the Lynx and Myra Mines.

The addition of the Myra High Grade ore each year, in varying quantities, served to raise mill heads sufficiently to provide a surplus of operating revenues over operating costs during the intervening six years when operating costs were escalating rapidly, due mainly to increasing labour costs. Now, however, it is estimated that the Myra High Grade ore will be exhausted by the end of 1980. None of the efforts to date have succeeded in finding additional

reserves of high grade ore. Current operating costs have now reached a point where, together with the depressed copper and zinc prices, the mine can no longer be operated at a profit with only regular grade ore.

To better understand ways in which the mine could be kept operating, the major shareholder, in March of this year, engaged three consultants, a mining engineer, a metallurgist and a geologist, to examine the mine and determine whether the mine's operation could be made more efficient by using different methods and equipment, etc., and to determine the potential for finding additional reserves of ore. The reports indicated little can be done to increase the efficiency or reduce operating costs at the mine. However, the consulting geologist, Dr. Paul Gilmour, a recognized worldwide authority on massive sulphide deposits of volcanogenic origin, has concluded in his report the following:

"Numerous exploration 'leads' exist in and around Buttle Lake mine. Accordingly, the chances that additional reserves of commercial tonnage and grade remain to be found might be described as excellent - although the subjective term 'excellent' cannot be quantified. Some of the exploration possibilities involve the Myra area, and what may be the horizon which contains the Myra High Grade ore, so there seems a reasonable chance that additional high grade material may be discovered. Once again, however, it is not realistic to try to predict what the 'chance' is."

However, recent (1976 and 1977) ore finding and development costs of \$8.26/ton all but exceed the mine's projected cash operating margin, and as stated earlier, to ensure a cash operating profit in 1978, the level of mine exploration and development planned for 1978 has been severely curtailed and is well below that of 1977. This action would most certainly lead to a reduction in tonnage milled and consequent further loss of jobs from 1981 on.

It is for these reasons, therefore, that application is being made for financial assistance pursuant to Bill 5 to fund an accelerated exploratory program at the Buttle Lake mine. It is our considered opinion, based both on our own observations and upon the study by Dr. Paul Gilmour, that a thoroughly comprehensive re-study of the mine geology, coupled with a carefully planned diamond drilling program, over a two year period, may succeed in finding the additional reserves of ore necessary to permit the mine to continue operating and might therefore not only slow down the rate of lay-offs of the workers but could permit in due course the re-employment of some of those already laid off.

The proposed program, extending over the two years from mid-1978 to mid-1980, would involve the setting up of a new "Mine Exploration Unit" independent of the mine production geology staff and reporting directly to the Vice-President, Exploration, Dr. A. E. Soregaroli. The new unit would undertake a comprehensive review of the geology of the mine, with emphasis on stratigraphic and structural analyses, that could lead to the development of new concepts on which to base further exploration for new ore reserves at the mine.

The total program cost would be \$.75 million, of which, based on data forwarded to us, \$272,000 could be eligible for assistance pursuant to Bill 5.

Trusting you can give this matter your favourable consideration,

Yours very truly,

WESTERN MINES LIMITED

Hugh R. Shyder

President

HRS/lmb

June 7, 1978

Dr. W. R. Bacon Co-ordinator Accelerated Mineral Development Ministry of Mines and Petroleum Resources VICTORIA, British Columbia V8V 1X4

Dear Bill:

Re: Application for Accelerated Mineral Exploration

Enclosed are two copies of Western Mines Limited application for an Accelerated Mineral Exploration grant from the British Columbia Ministry of Mines and Petroleum Resources for exploration work at the Buttle Lake Mine. Supportive data appended includes:

- Excerpts from the 1978 Operating Budget of Western Mines Limited. This budget contains but one exploration item - all other items are strictly mine development. The Electric wireline diamond drilling totalling 2700 feet (823 m) was an extension of our 1977 program and was completed in March.
- 2. Proposed Exploratory Program Buttle Lake Mine -1978 to 1980. The first part of this proposed program has not been changed because we feel a program of the scope necessary to establish additional ore reserves at the Buttle Lake Mine will require more than one year to achieve its goals.

Part 2 of the proposal is a somewhat detailed outline of our program covering the 10-month period from June, 1978 through March, 1979. You will note a few changes from an earlier draught. Diamond drill charges have been raised to \$18.00 per foot due to bids received from drilling contractors.

Additional moneys will be expended on chemical analyses of rock samples required to help establish marker units within this complexly altered and deformed pile of volcanic and sedimentary rocks.

Should you require additional information or supportive data, please do not hesitate to call.

Yours very truly,

WESTERN MINES LIMITED

A. E. Some garoli

Vice-President, Exploration

AES/lmb Enclosures



June 19, 1978

Dr. W. R. Bacon Co-ordinator Accelerated Mineral Development Ministry of Mines & Petroleum Resources VICTORIA, British Columbia V8V 1x4

Dear Bill:

Re: Accelerated Mineral Exploration

Enclosed are two copies of the revised application by Western Mines for an Accelerated Mineral Exploration grant for exploration work at the Buttle Lake Mine. Thank you for drawing the discrepancy to my attention.

Best personal regards.

Yours sincerely,

WESTERN MINES LIMITED

A. E. Soregaroli

Vice-President, Exploration

AES/lmb Enclosure

JUN 21 '78 PM

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WESTERN MINES LIMITED

HEAD OFFICE: 1103 THREE BENTALL CENTRE, P.O. BOX 49066 595 BURRARD STREET, VANCOUVER, B.C. V7X 1C4 PHONE: (604) 681-2253 TELEX: 04-51573

October 3, 1978

OCT 5 '78 AM

Dr. W. R. Bacon, Co-ordinator, Accelerated Mineral Development, Ministry of Mines and Petroleum Resources, VICTORIA, B. C. V8V 1X4



Dear Bill :

RE: BUTTLE LAKE EXPLORATION

DEPT. OF MINES

AND PETROLEUM RESOURCES

The exploration program at Buttle Lake is progressing well - though not very successfully yet. During the course of exploration, we've had to alter our program. As you well know, one drill hole can immediately change the orientation of any one phase of the program.

In the Price area we had originally contemplated about 3000 feet of diamond drilling (4 holes) around a high-grade gold-silver intercept in a previous hole. One of these holes intercepted 3.8 feet grading 0.23 oz. Au, 10.65 oz. Ag, 1.9% Pb and 3.5% Zn - obviously necessitating additional drilling. The end result was eight drill holes totalling 7159 feet in the Price area - without further encouragement. However, for the first time at Buttle Lake our geological exploration staff have been able to define some of the volcanic stratigraphy in the Price area well enough to predict stratigraphic intercepts in drill holes. This is a very important breakthrough - due largely to Rick Walker our project geologist. With this handle on the stratigraphy, the presence of rhyolites in the package and our "crunch" on new reserves at the mine, we decided to expand the drilling project to complete our surface evaluation of the entire Price area. Thus we expanded our drill program to 14,000 feet. To accomplish this, we decided to:

- 1. reduce the Philipps drilling to 4000 feet from 6000 feet.
- 2. redirect the underground drilling budget to Price surface drilling (underground drilling will be rescheduled for 1979).
- 3. acquire additional funds from Western Mines Limited, The Board of Directors have provided an additional \$120,000 for the project, bringing Western's contribution to about \$340,000. B.C.D.M. commitment remains at \$182,500.

With the increased footage at Price, we moved a second drill on the property in September to drill two surface holes in the Philipps area. Drilling must be completed here before the snow flies, because the rapid accumulation is a major problem and eliminates the necessary helicopter support. Once the snows start, the weather usually closes in and prevents further work.

Geological studies have been progressing slowly - our two geologists are hard-pressed to keep up with the drilling program. As a result we have hired another geologist for the project, Dr. Jahak Koo, and we may add additional staff to really hit the geology hard.

This is a very brief summary of our project, but I will be happy to elaborate when we can visit the project in the near future.

Best regards,

WESTERN MINES LIMITED

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A. E. Soregaroli

Vice-President, Exploration

AES:dt.

WESTERN MINES LIMITED METAL PRICES

	1976	1977	1978	<u>1979</u>	1980
Copper (\$/lb)	.64	.59	.58	.75	.92
Lead (\$/lb)	.20	.28	.27	.27	.29
Zinc (\$/lb) S.H.G.	.38	.34	.295	. 36	.405
Silver (\$/oz)	4.35	4.62	5.03	5.20	5.55
Gold (\$/oz)	124.84	147.98	176.58	170.00	175.00

APPENDIX II

MINE OPERATIONS 1976 - 1980

	1976	1977	1978	1979	1980
Ore Tons Milled	296,846	296,598	290,000	290,000	290,000
Net Smelter Return:					
\$	15,657	14,960	13,089	13,687	14,756
\$/ton ore	52.74	50.44	45.13	47.20	50.88
Operating Costs					
\$	10,113	11,363	10,999	11,903	12,207
\$/ton ore	34.07	38.31	37.93	41.05	42.09
of which Mine Exploration					
and Development:		•			
\$	1,108	1,542	852	842	262
\$/ton ore	3.73	5.20	2.94	2.91	.90
Cash Operating Margin					•
\$	5,544	3,597	2,090	1,784	2,549
\$/ton ore	18.67	12.13	7.20	6.15	8.79

APPENDIX I

The proposed program would include the following:

<u>Year 197</u>	8/1979			Labour Content at \$10/hour
1.	Geologist, with experience in the	study of		
	massive sulphide volcanogenic type	deposits.		•
	12 months at \$40,000			
	Expenses at 5,000	Ś	45,000	\$ 21,000
2.	Transfer of one mine geologist fro	m produc-		
	tion geology to exploration geolog	у.		
	12 months at \$32,000		•	
	One technical assistant	÷		
	12 months at \$20,000	<u> </u>	52,000	41,000
3.	Four surface located diamond drill	holes,		
	helicopter serviced, totalling 3,0	00 feet		
	and averaging 750 feet in depth, i	n the Price		
	Creek Block, as a follow up to the	high grade		•
	intersections (gold59 ozs. and	silver 17		
	ozs.) encountered in surface drill	hole,		
	P.R. No. 7 at a depth of 590 feet.		•	
	Estimated cost:			say
•	Drilling at \$15.00 per foot = \$4	5,000		15,000
	Helicopter, 30 hours at \$400 per hour = \$1	2,000	57,000	300
4.	Mobilizing and demobilizing diamon	d drill		0.24
	and drill crew	\$	3,000	say 1,000
5.	Two surface located diamond drill	holes,		
	helicopter serviced, totalling 6,0	00 feet,		
	in the western portion of the Lynx	Mine and		
	near surface drill hole W73, to fo	llow up the		
	ore grade mineralization intersect	ed in that	•	
	hole at a depth of 2,573 feet which	h lies		
	approximately 2,000 feet west of p	resent		
	underground workings.			
	Estimated cost:			
	Drilling at \$15.00 per foot = \$	90,000		say 20,000
	Helicopter, 50 hours at \$400		•	500
	per hour \$	20,000	3110,000	

6.	Ten thousand feet of underground diamond		
	drilling (Wire line \$8.00, conventional		
	\$3.00) Estimated cost:		
	Drilling at \$6.00 per foot	\$ 60,000	say 20,000
7.	Rock geochemistry analyses, assays,		
•	supplies, etc.	\$ 18,000	
8.	Fee and expenses of Dr. Paul Gilmour for		
	four visits to mine to review and provide		
	guidance for the geological studies at the		
	mine, estimated at \$3,500 per visit	\$ 14,000	
	Total Year 1978/1979	\$359,000	\$128,800
		•	
<u>Year 1979</u>	9/1980		
1.	Geologist, with experience in studying		
	massive sulphide volcanogenic type deposits.		
	12 months at \$40,000		
	Expenses at 5,000	\$ 45,000	21,000
2.	Transfer of mine geologist to exploration		
	12 months at \$32,000	•	
	One technical assistant		
	12 months at \$20,000	\$ 52,000	41,000
3.	Five surface diamond drill holes in area		
	between the Lynx and Myra mines and in the		
	vicinity of massive sulphide intersections		
	encountered in surface holes W-37, W-39, W-75		
	and W-78, totalling 5,000 feet conventional		
	surface drilling.		
	Estimated cost:		say
	Drilling at \$15.00 per foot	\$ 75,000	25,000

4.	Mobilizing and demobilizing diamond drill and drilling crew	\$	3,000	say 1,000
	-	*	5,000	1,000
5.	The possibility for a repetition of the 'G'			
	Zone existing south of the 'S' Zone would be			
	critically studied and drilling undertaken to			•
	find the other side of the structure. Four			•
	surface drill holes totalling 3,000 feet.			
	Estimated cost:			say
	Diamond drilling at \$15.00 per foot = \$45,000			15,000
	Helicopter, 30 hours at \$400 per hr.= \$12,000	\$	57,000	300
6.	Resolution of the geological structure of the			
	Myra block by drilling to locate the other side			
	of this structure, which could have mineralized		•	,
	zones associated with it, as is the case in the			
	Lynx mine. Four drill holes, totalling 3,000			
	feet at an average cost of \$10.00 per foot,			
	(partly surface drilling).			
	Estimated cost:			an
	Diamond drilling at \$10.00 per foot	\$	30,000	say 10,000
7.	Fifteen thousand feet of underground diamond			
	drilling at average cost of \$6.00 per foot			
	Estimated total:			a >
	Diamond drilling at \$6.00 per foot	\$	90,000	say 30,000
8.	Cost of rock geochemistry analyses, assays			
	and supplies	\$	18,000	-
9.	Fee and expenses for Dr. Paul Gilmour for			
	four visits to mine to review and guide the			
	geological studies at the mine, estimated			
	at \$3,500 per visit.	\$	14,000	
	Total Year 1979/1980	\$3	384,000	\$143,300
-	Brought forward for 1978/1979	\$:	359,000	\$128,800
	TOTAL TWO-YEAR PROGRAM	\$	743,000	\$272,100



August 11, 1978

Western Mines Limited 1103 Three Bentall Centre P.O. Box 49066 595 Burrard St. Vancouver, B.C. V7X 1C4

Dear Sirs:

Re: Accelerated Mine Development
Accelerated Mineral Exploration
Bill 5 Program - Ministry of
Mines and Petroleum Resources

The successful applicants for Accelerated Mineral Development grants have been notified of the amounts of their grants and the Ministry has received monthly accounts from seven of the companies receiving grants.

For those companies with grants who have yet to initiate the procedure of monthly accounts, we enclose another brochure and draw our attention to the terms and conditions outlined on pages 2 and 3. Specifically, we want to emphasize the following:

- 1. You may consider your grant for "x" dollars to be in place, which it is, but you will receive only an amount that is a total of the accounts you turn in to the Ministry—and these accounts will be only for salaries and wages and then only to a maximum of \$10 per hour (including fringe benefits), and will not include bonuses and overtime.
- 2. Your accounts should "include an employee list, Social Insurance numbers, hourly rate, number of hours worked."
- 3. The end of the fiscal year is March 31, 1979 and, therefore, this is the end of the Accelerated Mineral Development program. Accounts for March 1979 will be honoured by payment in April 1979.

Please signify receipt of this letter by signing the enclosed copy, having it witnessed, and returning it to this office at your earliest convenience.

In closing I wish to point out that the amount of your grant is an estimate, based mainly on your application. It is a maximum figure and what you actually receive will be based on the accounts you submit--which may be scrutinized by a person from our Accounting Branch at some unspecified time.

Yours truly,

W. R. Bacon Co-ordinator

WRB:bmh Enc.

sacid -Witness

January 4, 1979

Dr. W. R. Bacon Co-ordinator Ministry of Energy, Mines and Petroleum Resources Parliament Buildings VICTORIA, British Columbia V8V 1X4

Dear Dr. Bacon:

Re: Price Mountain Road Buttle Lake Area

Thank you for your letter of December 29 which was received today.

By this letter we are undertaking to proceed with the program of road construction as outlined to you on December 20 and in accordance with the plans and sections submitted at that time.

As discussed, we will forward an analysis of the labour content to Mr. Phil Olson shortly.

Start of construction will depend of course on weather conditions. We feel, however, that if the weather is similar to that experienced in the past few years, we should be able to commence construction, at least on the lower levels, early in February.

Thanking you, we remain,

Yours very truly,

WESTERN MINES LIMITED

G. M. Furnival

President

GMF/lmb

cc: Mr. Gunnar Dziny

JAN 9'79 PM

DEPT. OF MINES

AND PETROLEUM RESOURCES

December 29, 1978

Dr. Geo Furnival
President
Western Mines Limited
1103 Three Bentall Centre
P.O. Box 49066
595 Burrard Street
Vancouver, B.C.
V7X 1C4

Dear Sir:

This letter is confirming our meeting in Victoria of December 20th and that I have authorized a grant in the amount of \$100,000 for the construction of a road from the Price 13 level adit up to PR 7.

The grant will consist of two \$50,000 payments - February 28th and March 31st, 1979.

Yours truly,

W. R. Bacon Co-ordinator

WRB:bmh



Province of **British Columbia**

NUMBEROUSE XMARKED IN REMODERNINGENDERS

Ministry of Energy, Mines and Petroleum Resources

Parliament Buildings Victoria **British Columbia** V8V 1X4

January 24, 1979

Coopers and Lybrand, Chartered Accountants, P.O. Box 11128, Royal Centre, 1055 West Georgia Street, Vancouver, B.C. V6E 9Z9

Dear Sirs:

Western Mines Limited Accelerated Mine Development Program

Mr. Ross A. Mitchell, Comptroller of the above noted company has requested that confirmation be made directly to you, of the amount of funds paid, and approved to be paid to the company under the terms of the above noted program.

It is certified that funds in the amount of \$91,481.94 have been paid, and funds in the amount of \$43,183.48 have been approved for payment. These amounts totalling \$134,665.42 are in respect to the participation by the company, up to 31 December 1978 in the Accelerated Mine Development Program.

A copy of Mr. Mitchell's letter is attached.

Yours very truly,

Director,

Finance and Administration.

RRD:sqn Attachment

Dr. W.R. Bacon Co-ordinator, Accelerated Mineral Development Program

January 17, 1979

Dr. W. R. Bacon, Co-ordinator, Accelerated Mineral Development Program, Ministry of Mines and Petroleum Resources, Room 409, Douglas Building, 617 Government Street, VICTORIA, B. C. V8V 1X4

Dear Dr. Bacon:

RE: ACCELERATED MINE DEVELOPMENT PROGRAM

Our auditors, Messrs. Coopers & Lybrand, P.O. Box 11128, Royal Centre, 1055 West Georgia Street, Vancouver, B. C. V6E 3R2, of the above named program have asked that you confirm the amount of total capital contributed to the program by yourselves for the year ended December 31, 1978.

According to our records your total contributions for 1978 were \$91,481.94. An additional amount of \$43,183.48 was owing by you (statement attached) at December 31, 1978. Would you please confirm your agreement with these amounts by signing in the space indicated below and returning this letter direct to our auditors in the envelope enclosed. We also enclose a copy of this letter for your records.

Yours very truly,

WESTERN MINES LIMITED

Ross A. Mi^ttchell Comptroller

RAM:dt. Encl.

WE ARE IN AGREEMENT WITH THE ABOVE

ACCELERATED MINERAL DEVELOPMENT PROGRAM

$\mathsf{S} \; \mathsf{T} \; \mathsf{A} \; \mathsf{T} \; \mathsf{E} \; \mathsf{M} \; \mathsf{E} \; \mathsf{N} \; \mathsf{T}$

DATE	INVOICE NO.	AMOUNT
JULY 20/78	WML 78-199	\$ 3,074.32
AUG. 21	78-204	4,818.00
OCT. 2	78-216	42,529.62
OCT. 10	78-224	41,060.00
NOV. 27	78-232	25,676.50 *
DEC. 19	78-239	10,241.86 *
JAN. 17/79	78-244	7,265.12 *

^{*} These items were outstanding at December 31, 1978.

JAN 23 79 AM



DEPT. OF MINES

AND PETROLEUM RESOURCES

DEPARTMENT OF MINES AND PETROLEUM RESOURCES

Date:

From:

To:

INSTRUCTIONS

☐ For your approval.	☐ Prepare reply for my signature.
☐ For your information.	☐ Prepare draft of reply.
☐ For necessary action.	☐ Return to me.
☐ Send me copy of reply.	☐ Return to file.
For your comments.	☐ For signature.
	h to discuss

REMARKS:

0 (100)

