52ISF=149

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#### INTER OFFICE CORRESPONDENCE

# TO:Ray DeyardinLOCATION:VancouverDATE:May 17/72FROM:Jay MurphyLOCATION:KamloopsFile:

SUBJECT:

Aquisition of I.R. #15

Darkhawk is ready to deal this ground as we discussed yesterday. I recommend that it be optioned if possible along the lines outlined below. If a working option is obtained on I.R. #15, I would also recommend approaching Kalco Valley with the object of getting control of the Alakon Metals property.

My approach would be to try deep I.P. on the property initially, possibly augmented by mercury soil geochem if results from the orientation survey indicate tht this may be useful. If geophysical and/or geochem targets are outlined these would take priority in the follow up drilling. However, if the surface work yields no target of if the initial targets drilled show no mineralization the property should still be grid drilled in such a manner as to be reasonably certain that nothing economic is being overlooked.

With this in mind, the following work programme is recommended.

### PHASE I

Linecutting	- 10.6 miles @ \$100. say	\$ 1,100.
I.P.	- 10.6 miles @ \$500.	5,500.
M.V. Geochem	- Collect and Analyse 300 samples @ \$2.50	300.
		\$ 7,400. Say \$10,000.

Assuming no targets are obtained from Phase I, the next stage would consist of grid drilling as follows: -

PHASE II A (1600' sq. grid) (See sketch).

6 holes to	<b>1500'</b>		9,000'	
9 holes to	b 1000'	**	9,000'	

18,000' @ \$ 10.00

\$180,000.00

## **PROPERTY FILE**

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### PHASE III A (If required.)

Fill in holes to give a grid pattern about 1100' x 1100'.

holes holes			 ÷	4,500. 4,000				•					
2 <sup>1</sup> -	. 1	<b>Fotal</b>		8,500	- 14 	0	\$ 10.	00	5	• •	\$85	,000.	.00

Assuming Phase I does give drill targets the following is recommended.

### PHASE II B

Drill a pattern of 5 holes, four in an  $800 \times 800$  pattern, the fifth in the centre of this pattern.

5 holes @  $1500' = 7,500' \times 10.00 = $75,000.00$ 

### PHASE III B

Same as for Phases II A and II B, if no mimeralization encountered less

4 holes drilled in pattern = \$205,000.00

If mineralization located, keep expanding 800' x 800' patterns as results dictate. Allow some expenditure.

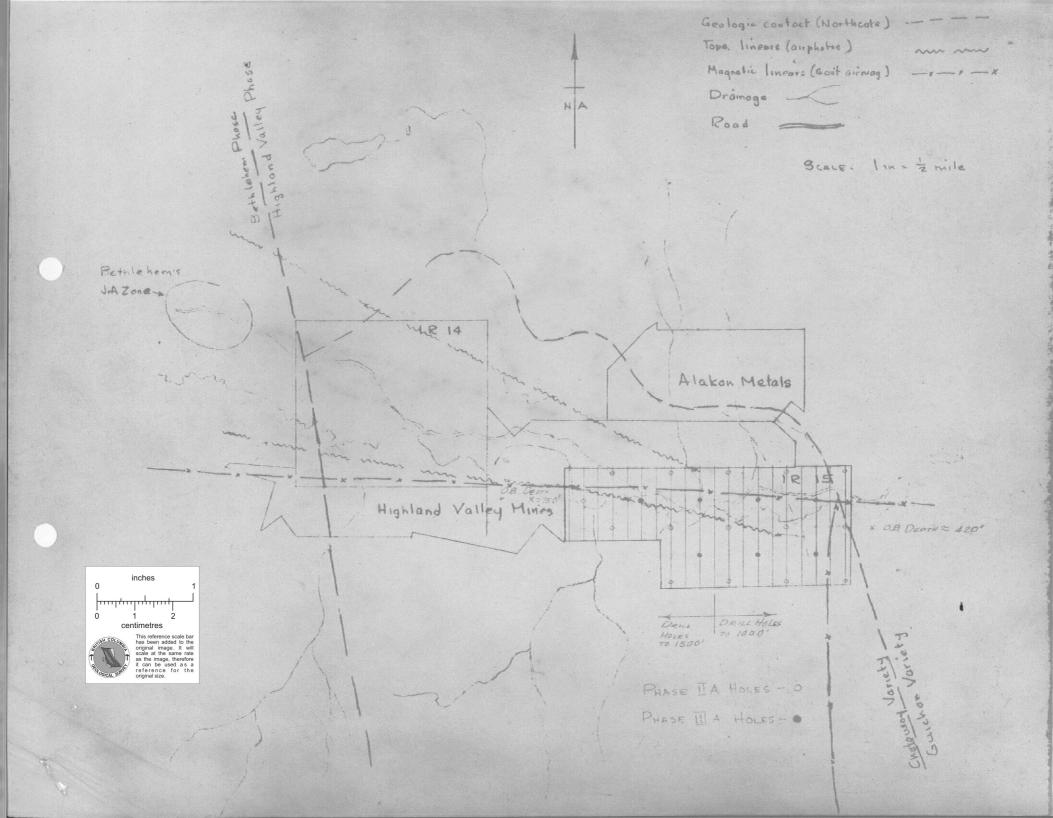
The whole programme as outlined would cost \$275,000. to \$300,000.

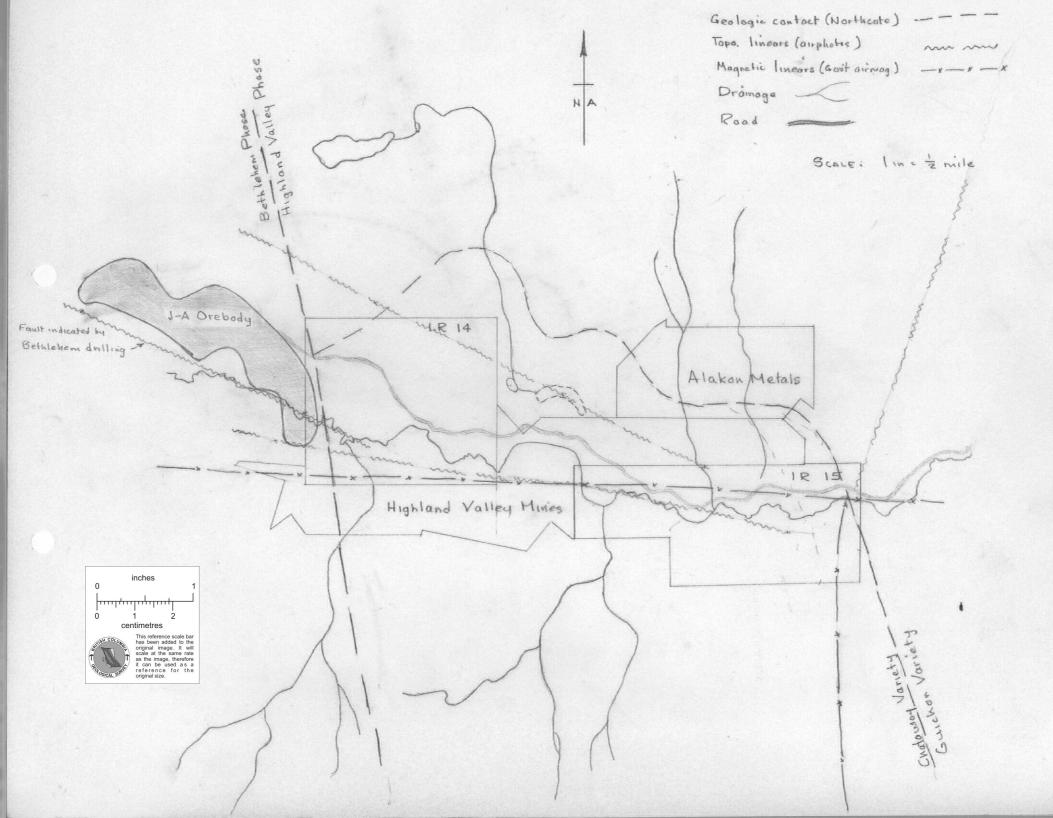
I feel that a work commitment of \$200,000. to the end of the current year would be reasonable. This would enable us to complete Phase I and Phase II A or II B. At this stage we should be in a good position to know whether we want to retain as much interest as possible or share costs with a partner to complete Phase III. If we were fortunate enough to get mineralization in the initial drilling of an I.P. or geochem target, we would be in this position after an expenditure of \$95,000. (Phase I and IIB.)

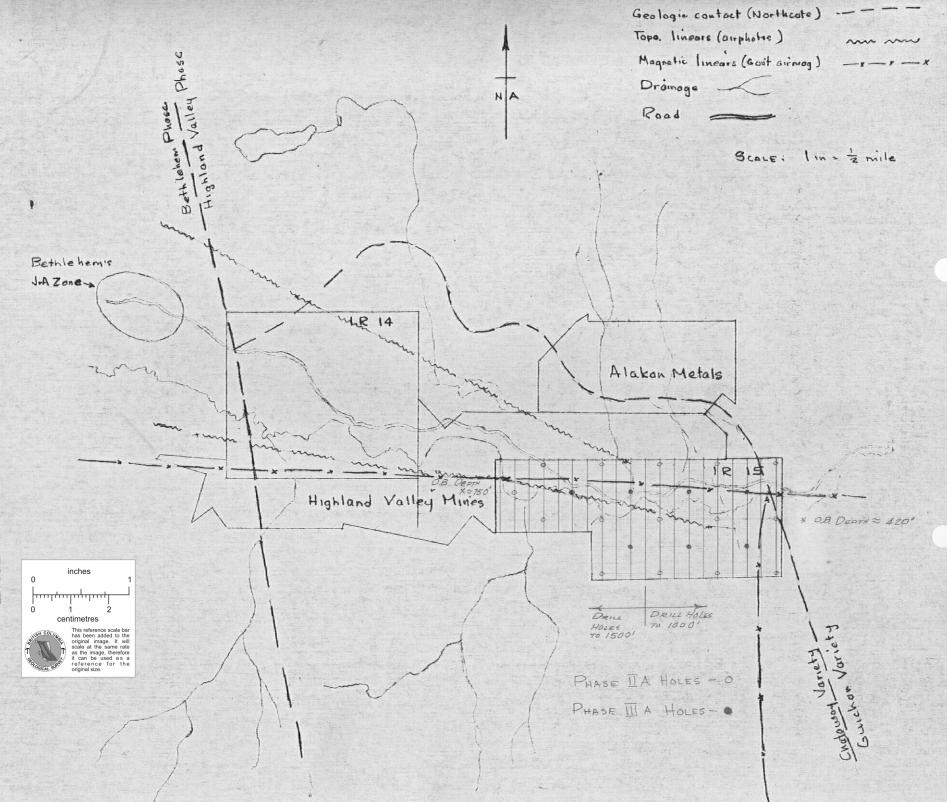
I'd recommend allowing sufficient funds to complte Phase II A if necessary because once committed to evaluating the property by drilling, you wouldn't want to stop part way through.

I already mentioned a figure of \$20,000. as a reasonable down payment if you feel this is required, also that giving Darkhawk the option of obtaining say an additional 10% (for a max. of 30%) by participating in the cost of Phase III, might be an inducement for them to deal with us.

**PROPERTY FILE** 







PROPERTY FILE 92156149 (7W)

