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HUESTIS MOLYBDENUM CORPORATION LTD. (N.P.L.)

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VANCOUVER 3, B.C.

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July 14th, 1959.

PROGRESS REPORT TO THE SHAREHOLDERS

In order to familiarize our shareholders with the location of our molybdenum property and the work being conducted there, I am enclosing a map showing the molybdenum occurrences exposed to the date of this report. The map was prepared under the direction of Dr. W.H. White, Technical Engineer, The University of British Columbia, who has charge of our exploration programme.

In May of this year we established a tent camp one half mile west of Pitman, B.C., which is approximately 113 miles east of Prince Rupert. The superintendent of the camp is an old time and well-known mining man, Mr. G.R. Griffith.

Eight men, including three geologists, are continuously on the property and mapping and trenching of the mineralized areas is continuing. One drilling crew has been employed, but starting next week this will be increased to two drilling crews.

Results to date have been most encouraging but, of course, considerably more work will be required before any conclusive results are obtained. We have asked Dr. W.H. White to prepare a progress report for us in about one month's time, and we hope to have a copy of his report in the mail to all our shareholders on or about August 15th, 1959.

Molybdenum is used by the worlds steel industry to give strength and heat resistance to steel. Approximately 90% of the worlds supply of molybdenum is produced in the United States.

Until very recently molybdenum could not be classed as a metal itself, but metallurgists now report success in a process to cast metallic molybdenum. New uses can therefore be anticipated.

Uses include tool steels, steel for gears and axles, an additive for greases, auto finishes and skins for high speed aircraft. Experiments in its use as a soil additive have proven successful.

Molybdenum is priced at \$1.18 a pound for concentrates of 90% molybdenic oxide or 76¢ a pound for MoS₂. As stated above, it is too early to assess our findings. However, it is interesting to note that mineralization of our property is spread over an area 5,000 feet long by 2,000 feet wide.

HUESTIS MOLYBDENUM CORPORATION LTD. (N.P.L.)

Per: A. H. Huestis
President.

*Thought you would
be interested
Spud*