

Annable Road,
R. R. #1,
Nelson, B. C.
V1L 5P4

520045
82K/14
Denny

February 27, 1985.

Irene:
Please see last
section (P.S.)

Mr. John McClintock, P.Eng.,
Welcome North Mines Ltd.,
1027 - 470 Granville St.,
Vancouver, B. C.
V6C 1V5

Dear John:

Thank you for sending our copy of the Agreement and returning the mylars, etc. I copied your map and put some additions on it and one change you will note is the Little Robert which is on the divide between Ferguson and McDonald Creeks and on the Black Warrior structure. My most recent research has led to the discovery of a shipment from the Black Warrior.

Lardeau Mining Review December 28, 1905 "Sam Shannon and his associates are working the Black Warrior under lease. Over 30 tons of ore was shipped giving values of \$96. per ton". This is almost certain to be the S. Shannon who was an assayer in Ferguson for many years and who helped compile the 1901 map (a copy of which I am enclosing). At 1905 silver price of 51¢ and lead at 4.2 ¢ this ore probably ran just over 100 ozs. of silver and 50% lead as Black Warrior ore seems to run 2 oz. = 1%.

The additional assay on the Horn Ledge is from a grab sample of a small stock pile on the outcrop above the Rob Roy tunnels. A smelter test in 1900 gave \$101.77 in all values.

The sample on the Silver Leaf #1 is from underground on the Primrose tunnel. A test shipment from here in 1900 was supposed to run \$320./ton.

I do not know the size of the 1899 shipment from the Silver Leaf (Minister of Mines 1899-page 684) but it was small but evidently pretty good ore at \$80./ton at the then existing prices. According to the Ferguson Eagle of September 19, 1902 -- 2800 pounds was packed over the divide from the Silver Leaf with 14 horses. Cominco was unable to come up with any information on shipments from this area when Jack asked them last year.

My best gold assay on the property has been almost 1/3 ounce not 1/2 ounce and that was .303 ozs. from the Black Warrior from a sample containing at least 20% copper and 23.2 ozs. silver --- see August 30, 1984 certificate no. K-6596. I may have mentioned to John about the high assay that Jim Main told John Marquis about from the Canadian Lardeau claims which were N.W. of the Ellsmere and may or may not be on our ground. The old Comstock and SilverBullion claims were supposed to run from \$8. to \$10. in gold (.4 - .5 oz.) According to the old map they were between Circle City and the Vera and Josie. We found an old cabin while running our line east from our L.C.P. in this area but could see no workings, although there was supposed to be a 50 foot tunnel on these claims. (Minister of Mines 1901-page 1019.).

There are many more showings, adits, shafts, trenches, etc. on the property but we have not sampled them or in many cases have not found them as yet. I feel sure that by the time the season starts I will have come up with quite a lot more information than we have now. Hoping you find the enclosed helpful.

Sincerely,

Eric Denny

Eric Denny.

P.S. - Re: Schedule "A". - Edna No.2 lot no. is 5698.

Re: Note below Schedule "A". - Actually a claim can be only recorded in one mining division and that is the one in which the Legal Corner Post or Initial Post is situated. The Grouping Notice is filed separately in both mining divisions. When recording work of a physical nature two copies must be filed so that each division will get one or when submitting geological, etc. reports for assessment work three copies must be filed instead of the usual two. The above applies to the Galena Group only.

E. D.