J.C. STEPHEN EXPLORATION LTD.

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July 5, 1977.

Mr. Colin Harivel, Box 233, Smithers B.C.

Dear Colin:

We are sending two parcels of maps and reports on the LION group north of Takla Landing to Joan pending your arrival.

There are 38 units staked in April this year, on which we would like to have sufficient work done to -

- 1) File geology, line cutting and magnetometer work for 1 years assessment work.
- 2) Establish some idea of the trend and structure of the geology so that a later more permanent and extensive grid may be established for geophysical work.

Mr. Bruce of Dome Exploration and I spent part of June 28 on the property at No.1 and No.2 showings and on the geochem anomaly west of No. 2 showing. Although no ore grade bodies are immediately evident there is massive pyrite chalcopyrite mineralization at the top of the No. 2 showing west of the east bounding fault as well as chalcopyrite in the rhyolite breccia in the geochem anomaly.

We would like you to find 2 helpers and arrange for the necessary camp gear.

Establish a grid (using lath) on the high ridge above No. 2 and No. 3 showings as well as in the open areas to the west on the ridge. This grid is to assist in geological mapping and as a control grid for magnetometer readings.

The contour map is at 1" - 500' and should be adequate for the property geology although you might want to enlarge part of it in some portions for detail work.

On the rusty slopes west of No. 2 showing we would like to have the loose talus trenched away by hand along the contour of the hill.

It should be possible to uncover outcrop most of the way and that outcrop should be chip sampled in 10' or 15' sections for assay.

The grid we propose initially is to aid mapping only. After you have established some structure or trend for the geology we will have to get together about a permanent grid. That will probably be a job for Auger if we can get him.

As usual our budget is very limited but we need \$ 7600.00 worth of assessment work.

Northern Mountain has a 3B-1 helicopter at Driftwood working for Northern Central Plywood and for McIntyre Mines. It may be possible to use a fixed wing on wheels from Smithers to Driftwood strip or another strip a few miles south on the north east side of Takla Lake and use Northern Mountains machine to move you onto the property. When you are considering this call Ed MacPherson or Don Buchanan in Prince George to set it up. They did many favors for Bruce and I when we were in the area and we would like to give them the work unless it is quite impossible.

Camp can probably best be made at the junction of the creeks west of No. 1 showing and west of the main ridge containing No. 2

showing and the geochem anomaly.

We are interested in having you make some assessment of the 500 ppm kick for Cu in the main creek and the geochem area in the north west corner of the property where two IP lines were run.

Somehow we will have to make an appointment for a phone call or a meeting.

I am going to Prince George July 5, Watson Lake July 6, and to our base at Pine Lake airstrip, Mile 721, Alaska Highway. Our radio tel is in the truck since it won't work from the base camp so phoning is a problem.

Yours very truly,

m.A.

for

J.C. Stephen

JCS/ms