

USA

672620

October 3rd, 1968.

Mr. Guy B. Allen,  
Great Plains Development Company of Canada, Ltd.,  
736 Eighth Avenue Southwest,  
Calgary, Alberta.

Dear Sir:

Re: White Knight-Lone Pine property,  
Osoyoos, B.C.

Armed with the reports and maps you sent me, I examined the White Knight (Mineral Lease M39) and surrounding Lone Pine claims on October 1st. As Mr. Ken Butler was physically unable to guide me to the property, I hired Mr. Charles Mathers to do so.

The pertinent showings, including the Submarine which is on the American side of the border just 750 feet southwest of the White Knight, are at a general elevation of 2500 feet above sea level in mountainous, sage brush country. The showings are milky quartz veins that occupy a shear fracture zone, striking north-easterly and dipping southeasterly, in the Kruger syenite batholith. These constitute the only known mineral occurrences on the property and vicinity.

In the aforementioned reports, the Submarine is described by Milnor Roberts, by Pentland and Ainsworth (on behalf of

Utica Mines Ltd.) and by N.D. McKechnie (on behalf of the B.C. Department of Mines). It is mentioned here because it occupies the same shear fracture zone as the White Knight and because work has exposed it to a greater extent than the White Knight.

The Submarine appears to be an all round stronger showing than the White Knight but this may be due in part to the greater amount of work performed. Pentland and Ainsworth refer to "the quartz vein on the Submarine" which is certainly an oversimplification of the fact that there are a number of adjacent or connected quartz veins present. Their estimate of 75,000 tons of vein material is probably low.

Pentland and Ainsworth give an adequate description of the White Knight showings but they "strongly" suggest a continuity, not only between the various White Knight showings but between the White Knight and the Submarine. The writer would not argue against a continuity of structure but a continuity of vein material is a different matter. There is nothing to warrant this assumption.

As the veins slope gently uphill from their outcrops, surface drilling downward to intersect the vein structures would be the logical method of exploration. Complications to drilling would be the lack of any water whatsoever in the immediate vicinity (it would have to come from Kilpoola Lake, 2 miles distant) and the highly fractured nature of the quartz vein material which would tend to make it core poorly.

The writer, however, is recommending strongly that Great Plains drop their option for the most logical reason of all - there is no indication of any ore on any of the claims. The only metal of possible economic significance, silver, is associated with the sulphides in the quartz veins, and the sulphides, unfortunately, are distributed erratically in very minor amounts. In this regard, Roberts' 27 samples of Submarine vein material are quite enlightening; all returned silver assays in sub-marginal amounts, the majority showing 2-4 oz. silver per ton (and 0.02 oz. gold per ton). Considering the nature of the deposit, anything assaying less than 14 oz. silver per ton could hardly be mined profitably.

Respectfully submitted,

BACON and CROWHURST

W.R. Bacon, PhD, P.Eng.



GREAT PLAINS DEVELOPMENT COMPANY OF CANADA, LTD.

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736 EIGHTH AVENUE SOUTHWEST, CALGARY, CANADA

19th September, 1968.

Dr. William Bacon,  
Bacon and Crowhurst,  
Suite 102,  
1111 West Georgia Street,  
VANCOUVER, B. C.

Dear Dr. Bacon,

With reference to our telephone conversation of September 18th, Great Plains would like you to make a property investigation of a prospect in the Osoyoos Mining Division, on which we have recently taken the first right of refusal, which expires on October 15, 1968. The property is known as the White Knight group (Lone Pine) of 7 claims, and Mineral Lease No. 39. The owner is Mr. Ken Butler, R. R. No. 1, Osoyoos. Mr. Butler's phone number is 495-6069.

I am enclosing pertinent technical data relating to this property, some of which belongs to Mr. Butler. Would it be possible for you to return this material?

The deal we have made with Mr. Butler is as follows: \$250 retained a right of first refusal on the property for Great Plains to October 15, 1968. At that time a cash payment of \$1,750 is required for a 3 month option, with subsequent \$750 payments every 3 months, as well as a \$2,000 payment at the end of year number 1, and a \$4,000 payment at the end of year 2. Should Great Plains decide to exercise the option, additional payments for a total aggregate of \$80,000 are required. Mr. Butler would also receive 10% of the shares of the new company formed.

We are primarily interested, of course, in whether you feel this property warrants optioning. If so, whether any additional ground should be picked up and what method of exploration attack you would suggest for evaluating the property.

Please feel free to contact me any time, if you should require additional information.

Yours truly,

GREAT PLAINS DEVELOPMENT COMPANY OF CANADA, LTD.

Guy B. Allen.

GBA/sgb

WHITE KNIGHT PROSPECT

Assay Results

<u>Sample No.</u>	<u>MoS<sub>2</sub></u>	<u>Au</u>	<u>Ag</u>	<u>Cu</u>	<u>Location</u>
12413	.006%	.01 oz.	3.5 oz.	.28%	Chip sample from mouth of adit of White Knight. Related fresh material.
12414	.004%	Tr.	0.6 oz.	.04%	Dump sample - White Knight - Highly leached.
12417	.004%	Tr.	0.82 oz.	.12%	Submarine property - upper adit dump.
12418	.003%	.01 oz.	2.16 oz.	1.31%	Submarine property - lower adit dump.
12416	.07% Co + Tr. Ni				This is hb-gabbro country rock.