673138

November 15th, 1974.

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To: J.J. Crowhurst

From: W.R. Bacon

Re: ANCHOR-TAKLA

I have reviewed the geology and exploration work undertaken on the Takla Silver property and, subsequently, had a session with Harry Mitchell (681-7731).

Mitchell advises that the property, or important parts of it, was re-staked recently upon expiry of the claims as we knew them. The restaker was a chap by the name of Lipinski of Ashcroft who is notorious, particularly in the Kamloops area - where he staked over the top of thousands of claims, including Afton, during the Afton rush a couple of years ago.

Mitchell says he can make a deal with Lipinski on two Takla claims and these claims apparently would cover the No. 1 Zone, i.e. the Main Zone on which the underground work was done and at least 90% of the diamond drilling.

Mitchell was talking about high-grading the No. 1 Zone and putting it through a mill that he would set up on the property - but he wanted our advice as to the feasibility of such a venture and what the numbers might be. I didn't discourage him but suggested that we have another session upon your return. Mitchell is in no hurry whatsoever.

There are many maps, reports, diagrams, etc., on the property and I am leaving out on your table a copy of the Jamieson-Douglas 1" = 50' surface plan on which I doodled back in 1968 - particularly with respect to the drilling. I laid out 12 surface holes, 10 of which were for the purpose of drilling the Main Zone at some considerable depth - to see if there was any improvement in size or grade. Going over the logs, I find data on 9 surface holes, logged by Gilbert and re-logged by Phendler at my request. However, on Page 3 of your report dated February 26th, 1969. I note you refer to Hole 68-S-11A so, possibly, all the 12 holes were drilled.

Incidentally, it would be worthwhile your going over the assays obtained in the drill holes on this same Page 3.

W.R. Bacon /

WRB/ic