

TAKLA SILVER MINES LTD. (N.P.L.)
ROOM 217, 402 WEST PENDER STREET
VANCOUVER 3, B. C. PHONE 684-8917

May 2, 1966

Takla Silver Mines Ltd.,
Rm. 440 - 890 West Pender St.,
Vancouver, B. C.

Dear Jim:

I am sending samples from holes M 12 - 13 & 14. I have not put on what to assay for, but would suggest lead, gold, zinc and silver.

M 12 is only two feet showing zinc and I do not think it is worth running - it only shows the zone is there. M 13 only cut a few stringers at about 80 feet, but cut 8 feet of the M zone, which carries a lot of sulphide besides perotite. I also tested these cores for nickel, there is a very little. M 14 cut 13 feet of sulphides which look good to me. There is some small amounts of antimony, arsenical and jamisonite.

The drill magneto broke down so we moved the drill to the moly while waiting for one off John Rasmussen's welder. Ernie is brining it in when he moves the boys from Wasi Lake. In the meantime we will see what we have going south on the M zone and 4 B from the assays. The 4 B is definitely dipping east at this point, so we may be able to get depth on it. We cut 100 feet of a chert bed in M 10 and used 4 bits. We have to drill this somehow and keep in the lime. We are getting over 200 feet per bit in the lime and high footage - more than 100 feet per day.

I do not think the magnetic anomaly deal is anything but a bit of a guide. Where Bronlund's map peaks is pure perotite. There is a minor amount of magnetic in some of the cores and I believe these will carry gold and silver. From our drilling it appears that the zone dips west on the north end, and dipping east going south. If these samples run I would like to go south on this zone and strip ahead with the cat.

Our big need is money. We will need \$25,000.00 a month to run one shift in the tunnel and 2000 feet of drilling in the lime and to run the camp.

continued . . .

TAKLA SILVER MINES LTD. (N.P.L.)
ROOM 217, 402 WEST PENDER STREET
VANCOUVER 3, B. C. PHONE 684-8917

- page 2 -

I hope we are lucky on the moly as I think we can get a deal with Southwest Potash to provide us with this money to get a 40 - 60 deal on the moly. Have you talked to Doug. Little re a deal ? I am going over the accounts when I go out, and unless we have the money to carry on we will have to close up. I hate to do this but I see no alternative. We need a \$7500.00 cat overhaul. I have Glen up here, and it keeps him busy patching up the cat and the Scootcrete. Our tunnel is getting too long for the Scootcrete. The vein we are following is badly pushed around at the place we are and is ground up by strike faulting and definitely some post mineral faulting. It has been turned from N 15 West to N 10° east in 50 feet. This bend shows on the surface. I also notice on Campbell's map he has the No 2 hole 40 feet N of 33. Bronlund told me that No 2 was south of 33. Campbell got his information from a map I have not seen. This makes a hell of a difference and explains to some extent the drilling results last summer. I would like to push the face where Pädley got 110 oz. another 100 feet to No 2 hole area. I hope we get a deal with someone in order to do this. These breaks seem continuous now that the mapping shows just where we are.

All footages and tag numbers I have put on the map. You will have to fill in the assays. Will you send these back to me from 3 to 14 ?

This M zone seems to have no ore where these islands of chert are in the lime. Below the open cut that we did last fall shows chert, also north 50 feet from 1, 2 and 3 hole is chert. As about 90% of the rock is lime and the zone is open north, south and down, we have an excellent chance of coming up with at least a million tons in this zone. I have roughly figured the drilling to 250 feet would give us around 350,000 tons from the open cut to M 14 intersection.

I have paid some bills for the staking at Klawlie Copper and also at Osilenma. There are other bills to come re wages and recording. I estimate the costs at \$2,000.00 including the helicopter.

LB:mb
Encls.

Best of luck,

