

{ Permanent buildings
Amt of money spent }

673173
TAKLA

April 10th, 1969.

Mr. H.E. Jacques,
Anchor Mines Ltd. (N.P.L.),
807 - 409 Granville St.,
Vancouver, 2, B.C.

Dear Sir:

Anchor Mines Ltd. holds an interest in the Takla claims
in the Omineca Mining Division and has been actively engaged in exploring
the property for the last year.

Price of silver

The property consists of 35 mineral claims which are *now*
registered in the name of Anchor-Takla Mines Ltd. ~~By virtue of an~~
Anchor Mines received ~~shares of capital stock of A.T.~~
~~agreement signed July 22nd, 1968,~~ *Takla Silver Mines received* 450,000
~~shares of capital stock of Anchor-Takla~~ as vendor of the Takla claims.
na the right
~~while~~ Anchor Mines Ltd. agreed to purchase various amounts of capital
stock of Anchor-Takla Mines Ltd. at different prices to provide working
capital. *Some parts* ~~to support a new~~
It ~~An aggressive exploration program~~
is planned for

The property was first staked in the early 1940's and
~~was~~ optioned to Leta Explorations Ltd., a wholly owned subsidiary of
a steeply dipping vein,
Leitch Gold Mines. A 300 foot adit was driven to explore the zone ~~at the~~
carrying lead-zinc-silver-gold-silver values,
that had been exposed in various surface trenches. The option was eventually
by ~~dropped~~ and the claims allowed to lapse. *at regular intervals.*

Mr. J. O'Regan restaked the claim group in 1950-1951
and optioned the ground to Bralorne Mines Ltd. ~~Up to 1960~~ Bralorne
resulting in the discovery of.
carried out a great deal of work ~~coming up with~~ four interesting mineral
(one of which represents the extension of the "Leta" vein)
zones. Two are vein type silver-lead zones and two are replacement
type zinc mineral zones. The work accomplished was as follows:
5000 lineal feet of bulldozer trenching; 41 exploration trenches; 19
diamond drill holes; ~~and~~ extensive geological mapping, ~~and~~ 3.5 miles of

new road. No underground work was done ~~up to the time~~ ^{by} Bralorne ~~dropped~~
~~the option.~~ *and the option agreement was allowed to*
expire in 1960

then The property was idle up to 1964, ~~when~~ ^{in view of the increase in the price of} Takla Silver Mines
 Ltd. was formed to further explore the property. ^{Silver from} During the next two ^{90% per ounce}
 years further bulldozer stripping was carried out. 750' of underground ^{up to its}
 development was completed and 3250' of surface and underground diamond ^{present level:}
 drilling was carried out. The most encouraging mineral showing was the ^{of approx.}
 No. 1 zone which was exposed in numerous trenches and assayed 0.13 oz. Au ^{2.00/ounce}
 and 23.4 oz. Ag across 7.0' width for a strike length of 255'. Under-
 ground development was hampered by the presence of complex faulting but
 managed to expose about eighty feet of the No. 1 vein - averaging 0.10
 oz. Au and 27.5 oz. Ag across 1.75'.

The No. 2 zone has been exposed for 300' on surface and
 samples average 0.10 oz. Au, 5.8 oz. Ag, 1.8% Zn and 4.1% Pb across 3.5'.

Recent appraisal of the work carried out on the #3 and #4
 zones under the control of Takla Silver Mines indicates the following:

<u>Zone No.</u>	<u>Content of Block</u>	<u>Oz. Au</u>	<u>Oz. Ag</u>	<u>% Zn</u>
#3	257,000 tons	0.070	1.84	1.5
#4	81,700	0.095	0.81	6.6

During 1968 a program of surface and underground diamond
 drilling was carried out under Anchor-Takla Mines Ltd. totalling 6268
 feet. The program was primarily designed to investigate the No. 1 zone
 and to clarify the vein-fault relationship. The drilling undoubtedly
 proved the continuity of the No. 1 vein in depth but lack of adequate

core recovery in the mineral zone gave unreliable assay results, it is felt. However, the continuity of the structure has been proved. On the basis of surface and underground evidence to date, strike length of 1200' is indicated.

The presence of antimony in the No. 1 and No. 2 zones in the 5% range suggests that the possibility exists that it could represent an attractive addition to the gold and silver values, under today's marketing and price conditions.

CONCLUSIONS

Evaluation of the property's potential as a possible gold, silver and antimony producer shows that further exploration is warranted.

Drifting and raising ^{on the 4300 level along the principal No. 1 vein has been} ~~on the principal No. 1 vein in the 4300 level will~~ *recommended in order to determine the metal values in the vein and* ~~effectively determine~~ whether the property can support a mining operation. *generally as to*

The proximity of the No. 2 zone to the No. 1 zone indicates that some exploration of this vein be carried out in conjunction with the No. 1 vein program.

The fact that widespread mineralization has been discovered, even though of apparently modest size and grade, warrants further exploration work on the No. 3 and the No. 4 zone as a potential lead-zinc-silver producer.

Respectfully submitted,

BACON & CROWHURST LTD.