TASEKO MINES LTD. (N.P.L.)

248 SECOND AVENUE KAMLOOPS. B.C.

PRESIDENT: DR. L. E. ROSS

EXECUTIVE VICE-PRESIDENT: J. AA. B. WHIST

SECRETARY-TREASURER. C. W. DANSAY

PHONE 372-7147

CARRYING ON ACTIVE EXPLORATION IN THE TASEKO LAKE AREA AND IN THE HIGHLAND VALLEY

ATTENTION:

Mr. Jaques

FILE:

850 (60)

January 16th, 1969.

Alwin Mining Co. Ltd. (N.P.L.), 409 Granville Street, Vancouver, B. C.

Re: <u>Transvaal</u>

Dear Sir:

Further to our telephone conversation I am enclosing a photo-copy of a report received from our consultant engineer and a photo-copy of an old report on the claim group. In developing the property we tried to establish a large how grade ore body but our trenching was not very successful due to overburden. We then employed a geo-x to run a survey over part of the claim group and drilled 1500' on the targets outlined. We found the survey to be of no use to us because it did not even outline targets where we know that there ought to be ore according to the old reports and where the cuts also show ore to be present.

If you read the old report you will see why we believe this property is good. We can easily get an average of 3% copper across the dumps of the two shafts. The best ore seems to occur in a very black turmalin. Sometimes the turmalin is rich in chalcopyrite. Other times no mineral is visible but yet it will assay better than 3%. It could possibly be very fine bornite or chalcocite that causes these good assays.

After our disappointing surface program we decided to take some assays ourselves in the only adit which is accessible. We are enclosing a copy of the assay plan. As you can see, even in this adit, very good grade ore is present and this adit is located more than 2000' from the main shaft. The old report refers to the work done underground from the bottom of the shaft and the assays are fascinating to say the least. The assay results are given on the last page of the old report.

Our company would be willing to sell an interest in the property to you on the condition that our cash expenditures of approximately \$50,000.00 were repaid, either in cash or in stock. In order to earn your

interest you would then also have to pay off our option agreement, a copy of which is also enclosed. You would then have to comit yourselves to a work program to be decided after which you would have earned such interest as we may be mutually able to agree upon.

If you are interested I will come in and discuss the matter with you on the coming Monday when I have to go to Vancouver in any event to discuss the property with another company. As I did inform you, we are also negotiating with a major company about a joint development program on this property.

Best regards and good luck with the development of your main property.

Yours very truly,

TASERO MINES LTD. (N.P.L.)

Per

Jarl Aa. B. Whist Executive Vice-President

JABW/pjs

A. D. FORMAN, P. Eng.

MINING CONSULTANT

5008 (1)

601 - 850 WEST HASTINGS VANCOUVER, B. C. PHONE 683-0913

AINSWORTH HOT SPRINGS, B. C. PHONE 229-4940
May II/68
Osoppos

Taseko Silver Mines Ltd. Mr. J.A.B.Whist 248- 2nd. Ave. Kamloops B.C.

Dear Mr Whist:

The following brief report summarises the trenching operations carried out on your company,s Highland Valley claims during the passed month.

Glenora Claim

Number one pit was put in on the southwest corner of this claim, it has a length of 170' and extends in north-west direction.

Bedrock is exposed only in the centre of the pit where a ridge of massive granodiorite shows a few zones of brecciation with sooty tourmaline and copper staining.

Pits two and three are near the old Highland shaft on the boundary of the Highland and Glenora claims. Again trenching failed to fully expose the rock, but a forty foot width in pit three shows a well brecciated oxide zone. This zone shows not only copper staining along fracture planes, but has sufficent chalcopyrite to warrant hand clean-of the pit and careful sampling.

Highland Claim

Highland ts two and three are just orth of the shaft and again great difficulty was encountered in baring the rock. Where bedrock is seen zones of fracturing are in evidence and considerable copper staining.

Pretoria Claim

The number one pit is over 400' in length and runs west from the claim boundary. Bedrock is exposed on the extreme western end and over a short length in the pit's centre. Copper staining and chalcopyrite are in evidence in the western end of this pit and this is believed to be the northern extension of the fracture zone found in the old tunnel some two hundred feet to the south of this pit.

Pit number two lies on the claim boundary and due to heavy overburden only thirty feet of bedrock was exposed.

This exposure shows well altered and fractured granodiorite and considerable copper staining with some chalopyrite. It is unfortinate the heavy overburden prevents further exposure of this zone.

Summaty

Trenching operations in general were not too successful since the hard ridges of bedrock prevent the doser from exposing the interlying valleys. The work did however indicated wide spread weak copper mineralization which is worthy of further exploration.

Recommended

- A- The E.M. survey made by Rio Tinto Mines in 1960

Indicates a strong annomally approaching the Glenora boundary in the southeast corner. Two trenches should be attempted here. Reported tried and failed due to heavy overburden.

-B- The grid cutting and geological mapping should be completed as the next step.

-C- Step three should be the completion of an E.M. survey throughout the full claim group.

/D- Diamond drilling will be necessary for the explonation of any anomallies located since it has been shown that be trenching is not able to provide the information.

Enclosed is a copy from a report made by B. Bash M.E. of Greenwood in 1917. If the ore occurences on the claims live up to this report then it should be possible to locate these outcroppings as soon as the snow clears.

Kindly return this report to the writer.

Yours very truly,

H.D. Forman P. Eng.

