Laramide Resources Ltd.

904 - 675 WEST HASTINGS STREET, VANCOUVER, B.C. V6B 1N2 TELEPHONE (604) 688-3584 FAX (604) 688-0378 LISTED: TORONTO STOCK EXCHANGE (LAM)

MEMORANDUM

DATE: September 20, 1995

TO: Marc Henderson, Christian von Hessert

FROM: Albert F. Reeve

RE: Smith Claim, <u>Lara Project</u> Vancouver Island, British Columbia

The Smith claim was staked on August 25, 1995 as recommended by Mark Bailey, to cover the northwest extension of the Randy zone on the Lara property (see enclosed map).

The claim consists of 20 mineral claim units totalling 500 hectares. The holding costs for assessment work and filing fees are \$2,200 per year for the first three years and \$4,200 per year thereafter. Assessment work may be applied for a maximum of 10 years in advance.

The Randy zone is a pyrite horizon accompanied by weak base metal concentrations in rhyolite volcaniclastic rocks on the north limb of the Cowichan uplift anticlinorium, referred to on page 17 of the Walker-Peatfield report. It has been explored by 11 drill holes on the Lara property and by 5 holes on the Falconbridge ground to the southeast. However, to the northwest on the Smith claim and the Falconbridge west block, no drilling or detailed surface exploration has been done due to rough terrain conditions.

Only weak base metal values have been encountered in the Randy horizon; however, it remains a very attractive geological target because it is encompassed by a very strong alteration trend (sodium depletion) over a 200 metre thickness and lies down section from a well defined oxide iron formation that crosses the Smith claim.

In addition, an open syncline that crosses the southwest corner of the Smith claim is a favourable location for the occurrence of a large "HW type" massive sulphide deposit.

Albert F. Reeve, Director

cc: Mark Bailey

