VANCO EXPLORATIONS LIMITED

(NO PERSONAL LIABILITY)

TELEPHONE NO. (416) 868-0455
SUITE 601, P.O. BOX 221
COMMERCE COURT EAST
TORONTO, ONTARIO M5L 1E8

October 21, 1982

Mr. B. Gallant
President
Canorex Minerals Ltd.
510 - 840 6th Avenue
Calgary, Alberta
T2P 3E5

Dear Sir,

Re: Canorex-Vanco Joint Venture Slide Mountain Project Progress to Sept. 31, 1982

I.M. Watson's progress report for the month of September is summarized as follows:

"Field work on the Slide property was concluded for the season on the 5th October 1982.

Work done since the end of August has consisted of the following:

- Completion of a 47.3 kms westerly extension of the Canorex grid.
- 2) VLF EM magnetometer surveys of the grid extension.
- 3) Completion of the geochemical soil sampling of the Canorex grid and the extension.
- 4) Completion of geological mapping of the grid areas.
- 5) Reconnaissance (mapping/prospecting) of the outcrop areas south of the Canorex grid along the north bank of the Quesnel River.

Progress is summarized below:

	Sept.	<u>Total</u>
Magnetometer survey (line kms)	47.3	189.3
VLF EM survey " "	47.3	189.3
Soil sampling survey " "	75.3 (or 1505 samples)	189.3 (or 3790 samples)
Line cutting	47.3	

Time loss due to weather was insignificant during the final weeks of field work, reflecting improved weather conditions.

The concentration of work on the western area of the Slide property was resulting in excessive costs due to longer travelling distances, deteriorating road conditions, increasing vehicle maintenance costs and time loss.

As favourable rates were offered by the Valhalla Motel in Quesnel, the QR camp was shut down on the 8th September and the programme was completed using the motel as a base.

The crew returned to Vancouver on the 6th.

Results of the geophysical, geochemical, and geological surveys are currently being compiled and plotted, and preparation of a final report is underway."

Yours truly,

VANCO EXPLORATIONS LIMITED

J. Mchonal - file copy

J. McDonald