

104 H/13 W

WESTERVELT ENGINEERING LTD

401 - 1112 WEST PENDER STREET

VANCOUVER, B.C. V6E 2S1

February 10, 1977

International Pyramid Mines Inc.,
Suite 2560
Toronto Dominion Bank Tower
700 West Georgia Street
Vancouver, B.C.

Gentlemen:

Re: Schussler Mineral Claims
Ealue Lake, British Columbia

At the request of Mr. Carl Zuber, I have briefly reviewed the limited technical data on Mr. Schussler's claims at Ealue Lake and have checked the current claim records in Vancouver.

As shown on the attached location map and itemized on the claim record sheet enclosed, Mr. Schussler is the recorded owner of 10 mineral claims (27 units) forming a single contiguous group located immediately north of Ealue Lake. To avoid fractions, his westernmost claims were purposely located to partially overlap the Rose Group claims held by Texasgulf adjoining to the west. Along this mutual boundary, the Texasgulf claims would have precedence - elsewhere, Schussler appears to hold valid mineral rights with no evidence of conflict.

The Schussler property is situated 5 miles due north of Texasgulf's Red-Chris Group where substantial drilling over the past two years has outlined a potentially significant new porphyry copper deposit. A second, probably similar, new porphyry copper discovery has only recently been made by Texasgulf on the Rose Group claims immediately west of the Schussler property (ref: Western Miner, December 1976, pg. 50)

No comprehensive work has been carried out on the Schussler claims. The available technical information is quite limited and preliminary in nature but does include some reconnaissance mapping, some local geophysical and geochemical data, and the diamond drill logs from three holes drilled for assessment purposes by Schussler in 1976.

In summary, the property is reported to be underlain by northwesterly striking volcanics and sediments which are variably altered and moderately metamorphosed. No granite rocks are reported from the surface mapping but some porphyry dyke material was intersected in one of the holes drilled by Schussler.

Widespread disseminated pyrite mineralization with minor chalcopyrite is reported throughout much of the area and several lenses of high-grade copper mineralization (with pyrite, hematite, and pyrrhotite) have been noted within a locally skarnified meta-sediment. These high grade showings have

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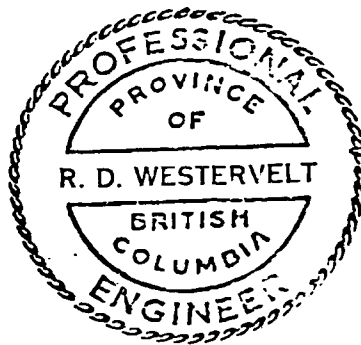
International Pyramid Mines Inc.

been tested by a series of old trenches and two adits and appear to be quite discontinuous and lensey. A chip sample across 15 feet on the main high-grade showing assayed 3.9% copper, 0.10 Oz. gold, and 0.5 oz. silver.

The geophysical and geochemical coverage is quite limited. The initial data indicates some local anomalous magnetic and electromagnetic features and a substantial area of very high copper soil values. The cause of these anomalous conditions has yet to be established.

The present data is consistent with the features that might be found peripheral to or immediately overlying a buried porphyry deposit.

On the basis of this initial information and the location close to a new discovery, I recommend that the Schussler property be acquired under option as a porphyry copper prospect if suitable terms can be obtained. A subsequent work program will undoubtedly involve additional ground surveys and drilling at an early stage but final recommendations will be dependent on an initial ground examination when the snow is clear.



Yours very truly
WESTERVELT ENGINEERING LTD.

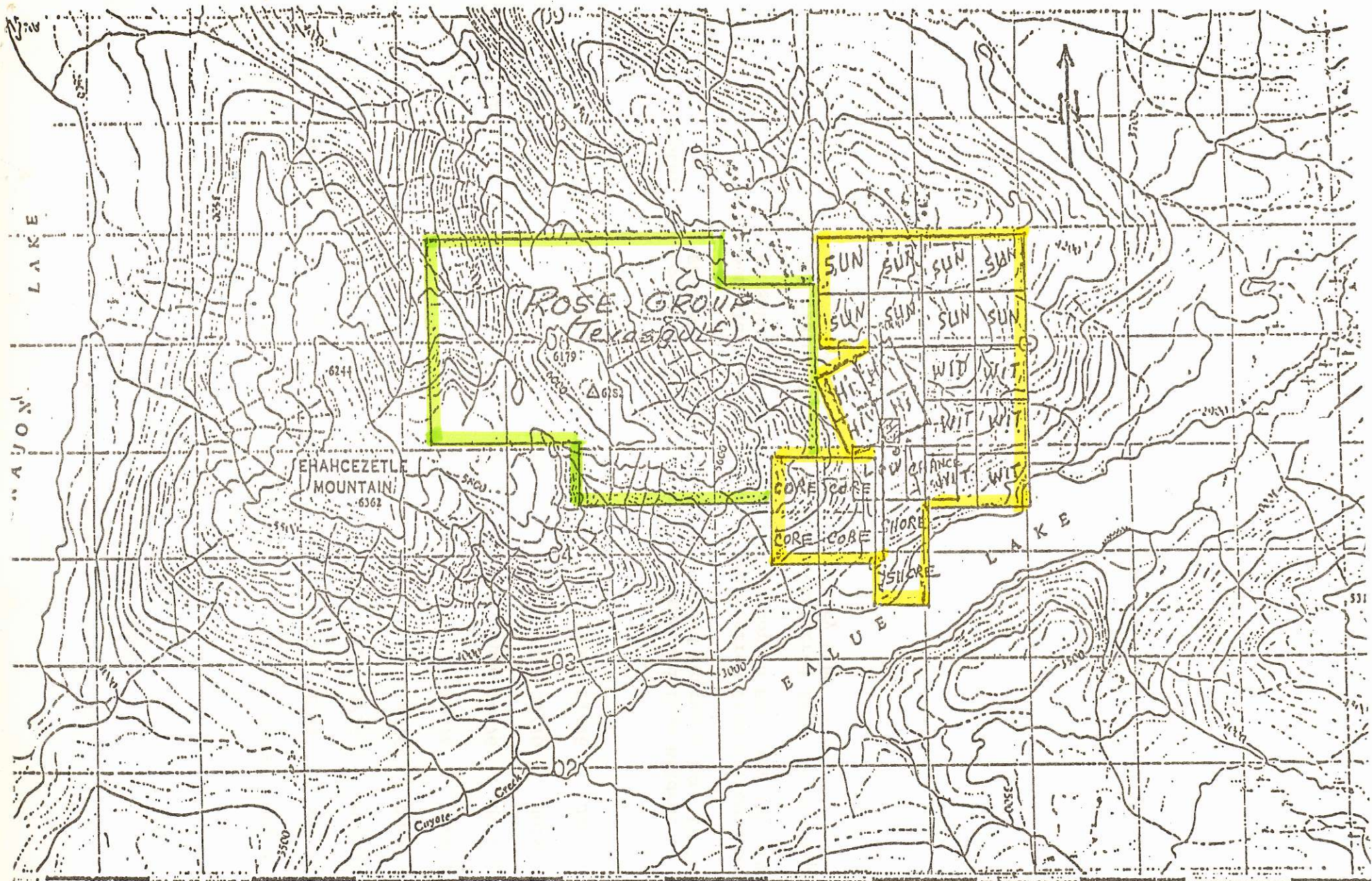
R. D. Westervelt
R. D. Westervelt

SCHUSSLER CLAIM DATA, EALUE LAKE, B.C.

LIARD MINING DIVISION

Claim Name	Units	Record No	Record Date	Expiry	Owner
Hi #1-4 incl.	4	72290-93 incl	Nov 21/74	Nov 21/82	Schussler
Low	1	114	May 25/76	May 25/83	Schussler;
Core	4	123	June 14/76	June 14/83	Schussler
Shore	3	122	June 14/76	June 14/83	Schussler
Chance	1	121	June 14/76	June 14/83	Schussler
Sun	8	150	July 20/76	July 20/77	Schussler;
Wit	6	153	July 21/76	July 21/77	Schussler;

- Note:
1. Low claim - 100% interest transferred from Bridcut to Schussler by Bill of Sale recorded February 1st, 1977
 2. Sun claim - 100% interest transferred from Zastavnikovich to Schussler by Bill of Sale recorded February 9th, 1977
 3. Wit claim - 100% interest transferred from Christensen to Schussler by Bill of Sale recorded February 9th, 1977



11. E. 43 44 45 55' 46 47 48 49 50 50' 51, 52 53 54 55

SRVEYS AND MAPPING BRANCH,
 ESTABLISHMENT, R.C.E., 1960

EALUE LAKE
 CASSIAR DISTRICT
 BRITISH COLUMBIA

MAGNETIC DECLINATION 5° 00'
 AT CENTRE OF MAP. J
 Annual magnetic change 3.6 westerly