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August 3, 1967

President & Directors,
Molybdenum Explorations Ltd. (N.P.L.),
#201 - 535 Thurlow Street,
Vancouver 5, B.C.

Incl.

Mineral Hill
Microwave "
Hall

Attention: Messrs. D.W. Small,
W.D. Yorke-Hardy

Dear Sirs:

INTERIM REPORT, JULY 21-22, 1967 REVIEW
OF CURRENT EXPLORATION

GENERAL:

The writer assembled and reviewed his field files on July 21st morning, and arrived in Smithers - via C.P.A. - in the late afternoon. The evening was spent on general preparations for visiting the company's projects, and in discussions with Mr. Yorke-Hardy concerning exploration accomplished and in-progress.

On July 22nd the Mineral Hill and Microwave projects were visited, during which time the writer reviewed current exploration with Messrs. Beley, Wetherley, and Kellner; overburden drill sample details were discussed with Mr. W. Shaw of Canadian Longyear. Because of the limited time available, and for reasons of his general unfamiliarity with field aspects of the Hall Cu-Fe project, the writer did not visit this property during his visit. However, adequately detailed plans of exploration accomplished this year facilitated general discussions of this, and of proposals re further exploration of the group.

A reconnaissance trip, with Mr. Yorke-Hardy, to the Byman Creek section of the Black Mtn. property was cancelled in order to meet with Messrs. Small, Yorke-Hardy, and all Manex field staff during the late afternoon-evening. At this conference exploration results and procedures were reviewed, and further general exploration discussed and planned.

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MINERAL HILL PROJECT

NORTH ZONE

By July 22nd, a total of 11 "O.D." holes had been completed on exploration of inferred northerly extensions of the quartz-breccia zone. Of these, 8 were on line 6N, and 3 on line 10N, all appeared to have intersected quartz-breccia with pyrite and subordinate Cu-Mo mineralization. Since the writer's visit, additional step-out holes on line 10 East indicate a further extension of the zone in this direction.

The well-mineralized quartz-breccia showings on line 0N, 6-8E were also inspected. It was recommended that these creek outcrops be blasted, without further dozer stripping, to permit more detailed examination and sampling. Following this, or concurrent with it, the O.D. equipment should be moved into this area for depth exploration-sampling. There is some evidence that the quartz-breccia occurs as a flatly-sheeted structure in this area, as had been previously inferred at other parts of the zone.

With respect to the current O.D. sampling, it was suggested that detergent might be added to the 1/8-split of the slurry, if it became evident (by overflow assays) that a very finely-dispersed fraction of the MoS_2 was not being settled by the current flocculent.

Messrs. Beley and Wetherly have compiled the results of the Mo, Cu, and Hg geochemical data on a set of 200-scale maps. These will serve to guide further O.D. exploration. It is proposed to bracket significant anomalies with an appropriate number of holes @ 100-foot line-spacing. The writer has requested a schedule of the proposed drilling, after due consideration by Messrs. Beley and Wetherly.

Extension of the geochem. (Cu & Mo) survey into adjacent areas has been planned. This is to be done on reconnaissance, or detail-spacing, as indicated by features of the local geology and probable extensions of current geochemically-significant areas. In general, the current grid will be covered, with supplementary coverage over an area to the south and east of the main quartz-feldspar porphyry body; the previously-explored "Alaskite" area is to be generally excluded from further geochem. testing.

With the Cu & Mo geochem. data plotted, the maps may be sent to Dr. J.L. Walker of Barringer Research Ltd. for his perusal and detailed comments. A copy of his July 27, 1967 memo, pertaining to the Mineral Hill geochem. data, accompanies this report.

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MICROWAVE HILL PROJECT

The Barringer report covering the analysis of 332 samples - all run for Zn, p.p.m., with specific samples from the "Copper Zone" run for copper - has been compiled by the Company's field staff. This has indicated several extensive, markedly anomalous zones (400-5900 p.p.m.); however, the writer does not yet have a copy of the above field map showing all current geological-geochemical data.

From an examination and discussion of the above geochemical-geological data, supplemented by personal observations of the local geology and mineralization accruing from his July 22nd visit, the writer has recommended that:

1. Trench exposures situated within major anomalous zone be drilled and blasted to permit evaluation-sampling.
2. The indicated extensions of geochemically-anomalous zones be covered by additional soil-sampling. The extent of this work should be governed largely by appraisal of the results obtained in (1).
3. The above data be compiled for evaluation at the earliest opportunity.

*Feb/68
recommend
no further
work be
done on
this project*

HALL Cu-Fe PROJECT

Prior to the writer's visit Mr. John Irvine had completed geological and magnetometer survey maps covering the areas of known mineralization and also of southerly and easterly areas including the general volcanic-diorite contact zone. The principal sources of the geological data were the creek canyon walls and the series of trenches excavated by Cominco during the 1966 season.

Mr. Irvine notes that the east-west trending rhyolite-tuff contacts may form a principal geological control of the local chalcopyrite-magnetite mineralization; in addition the main northeasterly-to-northerly trending volcanic-diorite contact may provide an additional control.

The magnetic survey has re-delineated the preliminary anomaly; also, it has outlined a number of larger anomalous areas of generally lower intensity.

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It was decided to commence direct exploratory work by means of a moderate program of bulldozer trenching. Information resulting from this work will permit decisions on the adviseability and nature of further exploration. The latter work could comprise one, or more diamond drill holes to investigate trench exposures of mineralization at depth.

The approved trenching program, which is estimated at \$2,500.00, was scheduled to commence on about the end of July, 1967 - depending on equipment availability.

Respectfully submitted,



W.M. Sharp, P.Eng.

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