



**Kam-Kotia** mines limited

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TELEPHONE 362-4581

801471

March 31, 1970.

Mr. W. M. Sharp, P.Eng.,  
171 West Esplanade,  
North Vancouver, B.C.

Dear Mr. Sharp:

I have your letter of March 21 and four copies of your report dated March 15 for Kam-Kotia - Burkham joint venture.

I am sorry we did not have a chance to discuss this project at New Denver as planned.

As you know, I am sure, Bill Hogg and I developed a basic plan for evaluating the lode and a development approach that would allow an assessment of the potential to be made as quickly as possible and at a reasonable cost. This plan is based on along-strike cross sectional development by f.w.drifting and diamond drilling.

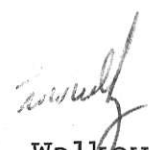
I was, frankly, interested in having another viewpoint on this approach, from someone with background experience in the Slocan.

Any program requires close attention and must be flexible, to be successful in working on the Slocan lode deposits.

I plan to go to New Denver April 15, 16 and 17 and will call you in Vancouver on my way thro and perhaps we can get together for a short time then. In any event, Bill Hogg or myself will be in touch with you if we think you can be of further assistance.

Yours very truly,

KAM-KOTIA MINES LIMITED,



G. W. Walkey,  
Vice-Pres. and Gen. Mgr.

GWW/H  
CC - Mr. W. Hogg,  
New Denver, B.C.

MINE OFFICE: BOX 290, TIMMINS, ONTARIO

COBALT REFINERY OFFICE: R.R. 1, COBALT, ONTARIO

Letterhead

Mr. G. W. Walkey,  
Vice-Pres. and Gen. Mgr.,  
Kam-Kotia Mines Limited,  
Suite 416-25 Adelaide St. West,  
Toronto 1, Ontario.

Dear Mr. Walkey:

Thank you for your letter of March 31, 1970; this is offered in reply - particularly with reference to paragraph 3 of yours:

During my visit to New Denver Bill Hogg clearly apprised me of the Company's underground objectives - clearly aimed at proving up sufficient ore to get into production as soon as possible. However, beyond the point of reviewing the local geology and providing independent tonnage-grade-average width estimates of the then-delineated ore blocks, I was not aware of the fact that this might be the principal concern of my report and recommendations. Actually I received the impression that development and exploration of the current ore zones were well in hand.

The approach to, and scope of my report were primarily influenced by a letter from Jack early in January in which he implied --- that the K.K.-B.V.V group were not impressed with the then-current recommendations, in that they were far work under way, except for the 4690 West drive (in which recommendation he did not concur), etc ---.

From the above, and in the absence of clearly, <sup>or officially</sup> stated terms of reference, I assumed that my

report should be concerned with general geological possibilities, and recommendations relating to longer-termed exploration objectives - but suggesting the geological limitations of such a program.

In line with the above, I suggested the contoured-structure method of depicting lode-fault-wall rock features - which I believe is most applicable to a flattened lode and the general Slocan-type geology. Earlier application of this approach might have precluded the earlier recommendation pertaining to the h.w. crosscut and down-hole exploration of an inferred target zone 300 feet below 4625 level.

With this I am enclosing my invoice, with vouchers attached, for consulting services and expenses relating to my recent assignment.

Thank you again,  
Yours very truly,

W. M. Sharp, P. Eng.

Copy: Wm Hogg.