

MASTODON-HIGHLAND BELL MINES LTD.

682-4255
AREA CODE 604

300-999 WEST PENDER STREET
VANCOUVER 1, B.C.

October 27, 1969

Mr. R.V. Kirkham
Geological Survey of Canada
601 - Booth Street
OTTAWA, Ontario

Dear Rod:

I spent a few days traversing in the vicinity of the showing on the "Lou Group" and am enclosing a sketch of what I saw. The only difference from what was shown on the map that you and Nick published last summer is the basic tuff breccia to the north of the feldspar porphyry.

The dācite is a field term that I used for a fine-grained equivalent of the feldspar porphyry. Because the dācite has some prismatic crystals that show a preferred alignment, I believe that this is a boarder phase of the feldspar porphyry body which itself is a flow. The matrixes of both rock types are very similar.

The latite is a light colored rock, and is characterized by biotite flakes. These are probably late dykes, since similar angular float has been found within the mineralized and altered zone.

The property has been optioned to Canadian Superiyr Exploration who are committed to the following expenditures:

1970 -	\$ 75,000.00
1971 -	150,000.00
1972 -	200,000.00

by which time a new company will be formed with Highland-Bell having a 24% carried interest or 30% interest if we put up 30% of the production costs.

Some of the mineralogy has finally been resolved, the problem was created entirely by misleading spectrographic analysis which always indicated that As and Sb were not detectable. I took a specimen to Gower and had an X-ray done, this showed that the mineral was tenantite. A chemical assay of the pulps used for the specs showed up to 0.24% As and 0.04% Sb.

No doubt you have probably read by now that we have been taken over by Teck Corporation. About 10 days ago the office staff were called into the Library at 4:55 p.m. by John Springer. He gave us the following news: All the directors of Mastodon-Highland Bell Mines have sold their stock to Dr. N. B. Keevil of Teck Corporation. The only changes taking place were he and Karl leaving in a few days.

Since then the Keevil Group have been in and out constantly. Apparently they now have management control of Silver Standard. Dr. Bil Bergey is Vice-President in charge of Exploration. I have had several long talks with him, he seems to be a very active field man. He has been with the Teck Group only two months, previous to that he worked with King Resources. Having worked in Chile and S.W. States he is thoroughly familiar with porphyry copper geological environments. I must say that it is a God send to have him Vice-President of Exploration after dealing with John Springer this summer.

Now about some hot market tips!

Alwin:- 1.5 million tons of 2% Cu. completing a 500 t.p.d. feasibility then will carry out a 750 t.p.d. feasibility.

Cariboo-Bell:- Have found a new zone by bulldozer stripping just the past couple of weeks. I just talked to Dan Munday this morning, who is going to Winnipeg to get married and then to Thompson to work for Inco. He says they have found a new zone 1000 ft. across that carries chalcopryite mineralization. He estimates that some samples will be over 1% cu., also that chalcopryite occurs in veins $\frac{1}{2}$ " wide. Sounds good to me. Assay result from this should be in next week.

Casino:- Have zone 1800 x 3000 with 0.50% Cu. in 200 ft. thick chalcocite bank, overlain by 150 ft of completely leached material. Protore is as high as 0.38% to 1400 ft. depth. Carries minor Au., Ag., & MoS₂ values. Are supposed to carry out an underground bulk sampling program this winter. If this pans out it could really go. The Brynelson Group behind it are experienced at this sort of thing i.e. promoting low grade (nearly sub-economic ore deposits).

Churchill:- Say they will be mining 3% and 4% copper - thus the high price, I suppose.

Highmont:- Teck Corporation will be spending \$500,000.00 during this coming year on further diamond drilling which should give the answer. Bill Bergey thinks the property has a good chance.

Lornex:- Enclosed is a report, looks good if copper price stays up. I've also enclosed a report on Bethlehem by Brian Backler which you may find interesting.

Native:- ???

Sileurian:- Might have a stock play when and if they go underground. Don't think they have a potential mine.

W. Mines: Looks like a dog (just my guess).

Cominco: Fertilizer business rotten, lead and zinc could go down. Valley Copper will be their big money maker. There is talk of it being brought into production during the 1970s.

Inco: Good buy. (But Falconbridge is better.)

McInnes says that he is holding the Gossely ground in trust for someone who wishes to remain anonymous. The court case re the staking should be coming up soon.

Don't forget to cut me in on your stock market profits as a result of my detailed analysis. The least you can do is let me know where to find the next ore deposit.

Yours very truly,

MASTODON-HIGHLAND BELL MINES LTD.



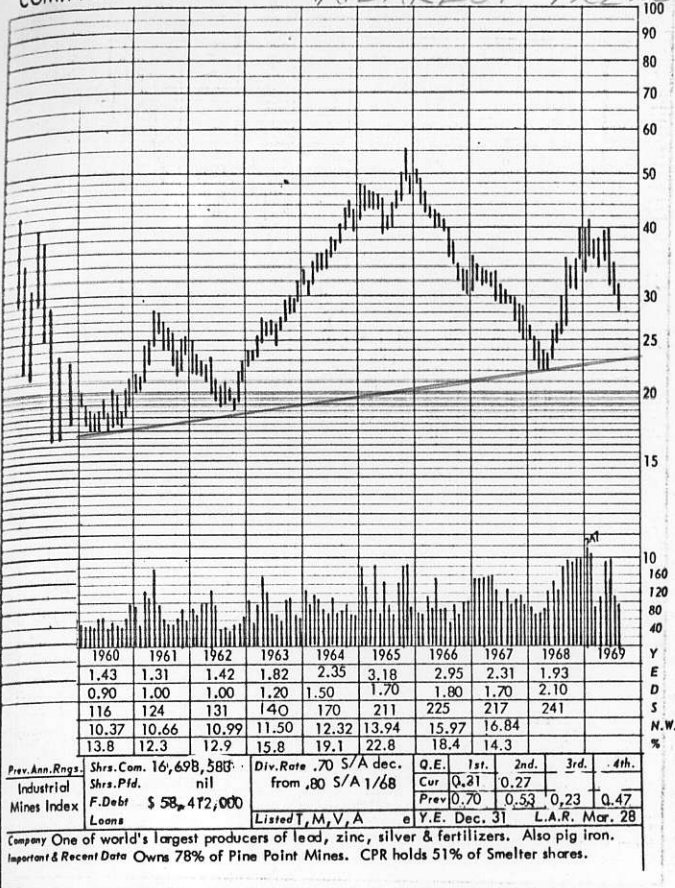
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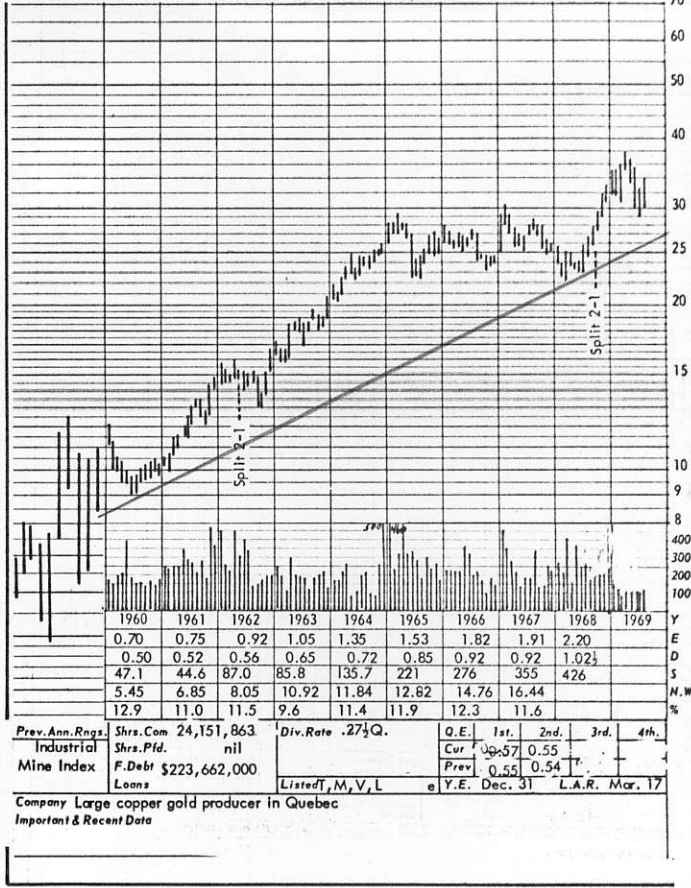
COMIN CO - CLT

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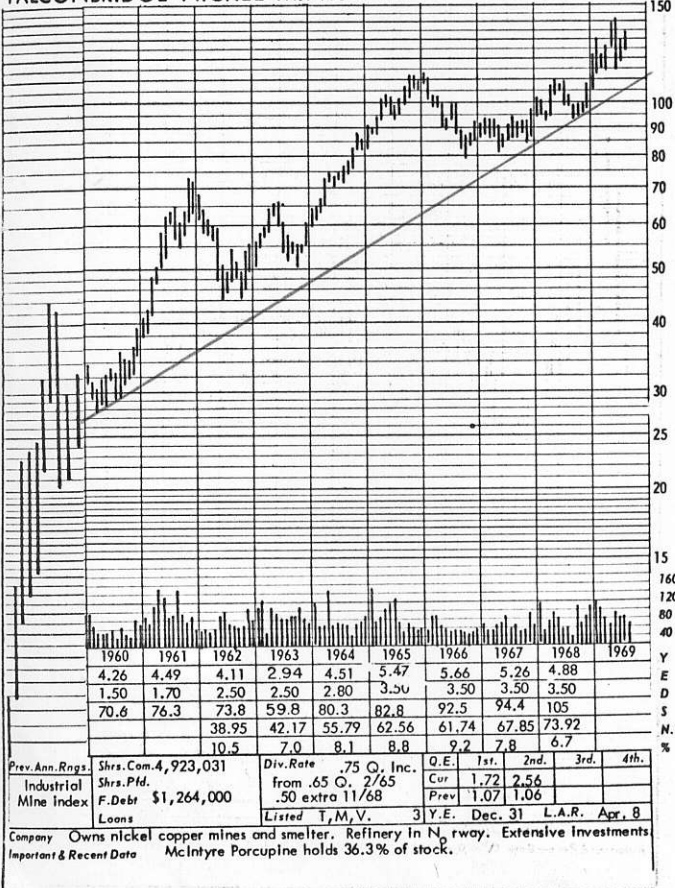
NORANDA MINES - NOR

P:E 14:1



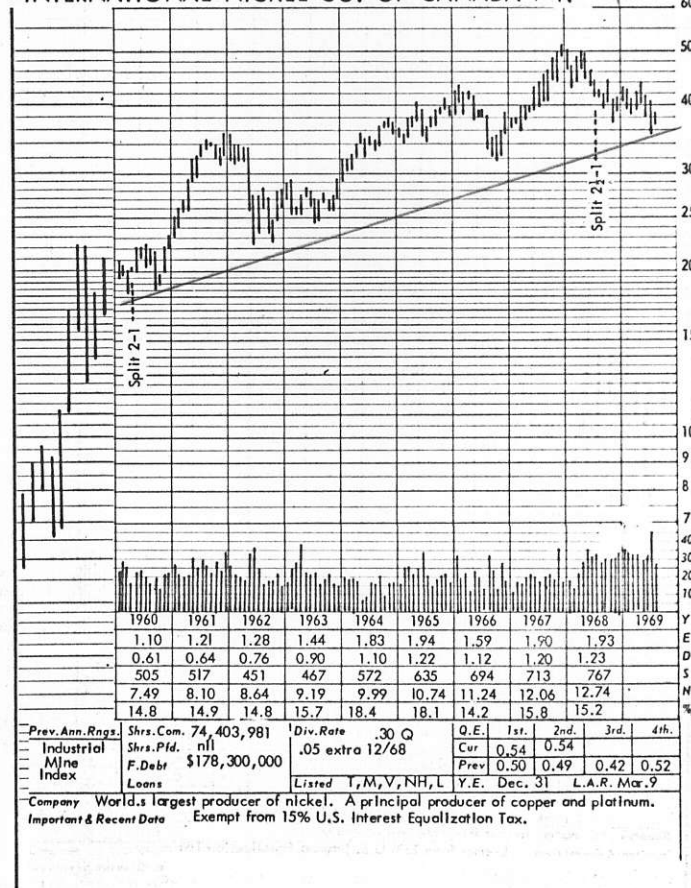
FALCONBRIDGE NICKEL MINES - FL

STRONGEST TREND



INTERNATIONAL NICKEL CO. OF CANADA - N

P:E 18:1



Earnings
 Dividend
 Sales
 Net worth per share
 % earned on net worth.