



Energy, Mines and
Resources Canada

Geological Survey
of Canada Sector

601 Booth Street
Ottawa, Ontario
K1A 0E8

Énergie, Mines et
Ressources Canada

Secteur de la Commission
géologique du Canada

803981

May 30, 1988

Mr. D. Forster
United Mineral Services Ltd.
Continental Gold
Suite 1020 - 800 W. Pender St.
Vancouver, British Columbia
V6C 2V6

Dear Doug:

I hope all is going well for you in NTS 104G, specifically, the Trophy Gold Project.

This coming summer I will be working west of Atlin for a couple of weeks and then I will meet up with Rod Kirkham and Don Harris of GSC and we will be finishing off our research at Sulphurets Creek. As you may know this project is mainly litho-geochemical and mineralogical within an alteration-geologic mapping framework. So far, including underground, drill hole and surface regional traverse samples, we have collected approximately 1300 samples from the Newhawk claim group. They have been analyzed. Detailed microprobe, SEM and petrographic work is also defining haloes, alteration and ore zones as compared to background unaltered? rock types. This summer a greater emphasis will be made on the Kerr property since they have now completed more detailed trenching and drilling on their property. Hopefully, Newhawk's and other's data and results plus our own investigations will lead to a better understanding of genesis and ore control within this important precious metal camp. An important aspect of our study is "Can, what we learn here be applied elsewhere?"

Orientation surveys often help in this regard and prior to the 1987 field work R. Kirkham initiated regional and local rock sampling traverses. The companies (1986) supplied samples and information so that we could better design our program. Considering the initial focus of your program, namely, porphyry Cu-Mo, equals precious metals near syenite intrusions, we wish to approach you from an orientation study aspect.

Considering the 80-60:1 silver/gold ratios within the Eagle, Hummingbird and Ptarmigan it would appear that mineralogy, micro-probe geochemistry and detailed litho-geochemistry would give a clearer idea as to zoning laterally and vertically. Also considering the varying styles of your mineralization, MS, quartz-breccia sulphide-oxide, skarn, and shear, it would appear that the project area is complex.

.../2

Canada

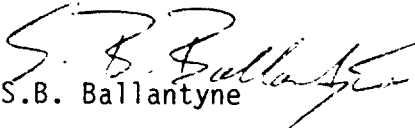
We would be very interested in doing preliminary work on some unaltered and altered syenitic intrusions? and examples of the varying styles of ore grade material from your property.

Confidentiality will be maintained and naturally all data and results will be sent to you. Permission to publish will be requested in the future if it is warranted by the results.

If you wish, you can send samples collect, to the GSC; my business card is enclosed.

Thank you for your cooperation.

Yours sincerely,


S.B. Ballantyne

SBB/mab

c.c. D. Harris
R. Kirkham