

810771

June 7, 1966.

Cyprus Mines Corporation,
523 West 6th Avenue,
Los Angeles, California,
U.S.A.

Attention: J.G. Hansen,
Vice-president i/c
Exploration.

Gentlemen:

Progress Summary - Cal Group
Highland Valley, B.C. to June 3, 1966

SUMMARY

Diamond drill hole #1 was at 435', having dropped to BX wireline, at the end of the work period June 3, 1966. Heavy faulting characteristic of the more favourable areas of the Highland Valley necessitated cementing then drilling with mud and finally the reduction in core size. No sulphides of economic importance were encountered.

DRILLING

From May 18th to June 3rd, 295 ft. of hole was drilled using two drill shifts. Heavy faulting necessitated frequent rod pulls and eventually cementing. This method worked until the next fault was encountered. Recovery was poor in most fault gouges. Drill mud was used in place of cement but the gouge clay combined with the drill mud to make excessive mud.

The hole was reduced to BX wireline at 361 ft.

Drill costs to May 31st were \$3,897.56 including \$674.16

cementing labor and materials. Costs were \$10.95 per ft. for the first 354 ft.

GEOLOGY

Enclosed is a summarized drill log of the hole. It shows the characteristic quartz-diorite of the Highland Valley with associated alteration, faulting and broad aplite dykes. It indicates that drill hole #1 is penetrating an important fault system.

There seems little doubt that at least part of the IP response is due to ionic fault clays and kaolinization, a factor not acknowledged in the McPhar IP report.

ASSAY RESULTS

13426	33'-40'	sludge	0.13% Cu
13427	50'-60'	sludge	0.13% Cu
13428	120'-130'	sludge	0.05% Cu

Additional sludges and split core have been sent in for routine check assays.

FUTURE PROGRAM

There seems little doubt that drill hole #1 has penetrated the first target even with the latitude possible with the IP spread, 100 ft. in this case.

When completed all data will be reviewed to determine the next best location, either designated DD #2 or #3.

The program will be terminated when the objectives are not being realized.

Mr. Don Tully inspected the core on May 30th at the site.

Respectfully submitted,



R.B. Stokes, P.Eng.,
Senior Engineer.

RBS/jm
c.c. W.K. Brown
Don Tully