

ANNIS *Mines Ltd.*

(Non-Personal Liability)

Phone: 372-2434

Suite 280,
180 Seymour Street,
Kamloops, B. C.

November 18, 1966

REPORT TO SHAREHOLDER'S AND FRIENDS OF
ANNIS MINES LTD. (N.P.L.)

Numerous developments have taken place with respect to the Annis Mines operations, since our last report to the shareholders. This letter is to bring you information on these recent events, including the establishment of an office in Vancouver and the interesting progress being made in the exploration of the property, near Sicamous, B. C.

A new office has been opened in Room 225, of the Standard Building at 510 West Hastings Street, Vancouver, B. C. where the telephone number is 688 1910. This office will be under the management of William Alley, a Director of Annis Mines Ltd. It will be utilized also as a sales office for Annis shares, and the Sales Manager is Charles Henry Banks.

In the previous letter, we informed you that a substantial supply of used mine equipment had been acquired at an attractive price. Since then, a shop and a warehouse have been built to house it, and to provide space for working on such material. This has facilitated the overhaul of the equipment and will make it easier to maintain the machinery in good working order, for the upcoming program of diamond drilling and underground development.

The newly acquired air drills and larger compressor have already had a complete overhaul and have been advantageously put to work, in opening up several rock trenches. A bulldozer was first employed, however, to strip several areas down-hill, (to the northwest) from the prior workings. This was to investigate the possible extensions, beyond the limits of the area previously investigated, or mineralized zones already revealed, or indicated. Several veins had been uncovered, or

geophysically indicated, near the northwest boundary of the spontaneous polarisation (geophysical) grid. To the northwest, outside of that grid, trenches have just been blasted open which have revealed extensions of those zones.

These trenches, blasted out of the bedrock, measure about 12 to 18 feet long, five to six feet deep and three or four feet wide. They have just been inspected by our Consulting Geologist, Sherwin F. Kelly, who reports impressive showings of lead, zinc and copper minerals. He has sampled the most important trenches, and has recommended that two of them be extended, as the width of the mineralization in them had evidently not yet been completely revealed. Assays of the samples taken should be available soon.

Trenches further down the hill showed heavily faulted formations, with evident displacement of the beds. This demonstrated the inadvisability of attempting to project the already known mineralized zones any further in that direction until the spontaneous polarisation survey can be conducted over that area. This geophysical work has been so successful in discovering and delineating new veins in the first area studied, that it is reasonable to expect that it will be equally effective in the domain of the extended grid.

In the meantime, trenching is continuing within the area of the geophysical grid, as recommended by our Consultant, Sherwin F. Kelly. Some anomalies remain to be investigated in that zone, and extensions of veins partially uncovered, still await exploration.

When the above program of stripping and rock trenching is well advanced, present plans call for continuing the underground work, extending the present cross-cut and also drifting on the veins already intersected.

Our Sales Manager, Charles H. Banks, will have information on the progress of work, for shareholders and any others who may be interested in the developments at the Annis Mine.

We will keep you informed as to what is happening at the property, and believe the program laid out will continue to produce encouraging results.

Reference:
Donn Spankes,
Annis Mines Ltd. (.N.P.L.)
180 Seymour St.,
Kamloops, B. C.
Phone 372-2434

Sincerely yours,

ANNIS MINES LTD. (N.P.L.)



Donn Spankes, Pres.

Charles Henry Banks,
Annis Mines Ltd. (N.P.L.)
510 West Hastings Str.
Vancouver, B. C.
Phone 688-1910