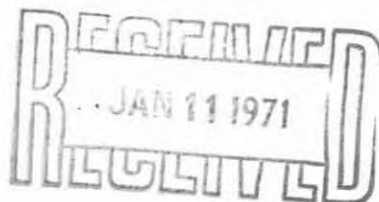


**NEW JERSEY ZINC EXPLORATION COMPANY (CANADA) LTD.**

January 8, 1971.



PLEASE ADDRESS REPLY TO  
905-525 Seymour St.  
Vancouver 2, B.C.

Cyprus Exploration Corp/ Ltd.,  
822 - 510 West Hastings St.,  
Vancouver, B.C.  
Attn. J.B. Sawyer.

**RE - JOINT VENTURE PROPOSAL - Atlin Mining Division**

The attached geological report by J. Ariz describes the IRV group of claims where our prospecting crews made some interesting copper discoveries in 1970. This prospect is located in NTS map 104/Q some 90 miles NW of Dease Lake settlement, straddling and adjacent to Christmas Creek. Access is by helicopter.

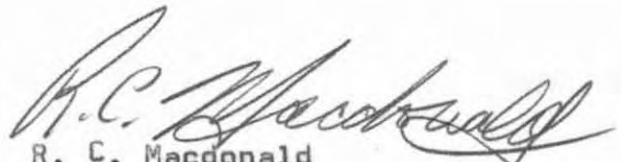
Because of the rather remote location, this group of claims is expected to be fairly expensive to explore and develop. Mineralization of the porphyry copper type is widespread, but apparently low grade. Nevertheless, it can not be ignored, and we propose a preliminary prospecting program during 1971 that would be at least sufficiently extensive to cover one year's assessment work on the 72 claims.

Due to other exploration commitments we would prefer to spread our risks somewhat and have a joint venturer with us on this property to help supply some of the exploration costs.

This is our invitation to your company to consider this venture which envisages some sort of a deal wherein

you would be obligated to expend at least \$10,000. on the property before August 1st, 1971, and thereby cover the assessment work requirements for one year. Then you could withdraw, or elect to continue the option by doubling the work commitment each year for two additional years to gain 50% interest in the claims. In other words, a total expenditure of \$70,000. spread over 3 years would give you 50% interest, but no interest would be retained if you withdraw before that total. If staffing such a venture would present any problem to your company, a geologist from our staff who is familiar with the showings could probably be available to organize and conduct the necessary work program.

Would you please advise us of your possible interest at your earliest convenience so we may submit this same proposition to another party if you don't wish to participate.

  
R. C. Macdonald  
Assistant Manager

**CYPRUS EXPLORATION CORPORATION, LTD.**  
310 WEST HASTINGS STREET  
VANCOUVER 2, BRITISH COLUMBIA  
TELEPHONE: 688-8204

JBS → CCM → File

*JBS* *CCM*

January 27, 1971

Mr. R. C. MacDonald,  
Assistant Manager,  
New Jersey Zinc Exploration Company (Canada) Ltd.,  
905 - 522 Seymour Street,  
Vancouver 2, B.C.

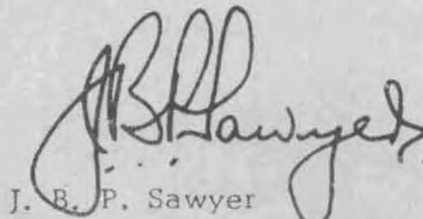
Dear Mr. MacDonald:

This will confirm our telephone conversation of yesterday concerning the Storie Molybdenite deposit in the Cassiar area on which you submitted some preliminary data for our consideration recently. As I mentioned to you we have reviewed the three sections which you left with us and would be interested in studying this deposit in a little more detail. We would be very pleased to receive any further maps and reports etc. which in your judgment will assist us in evaluating this further. We would also be interested to discuss this with yourself and Mr. Ariz at your convenience.

With regard to your Christmas Creek prospect proposal, we understand that this is now under serious consideration by another party and will therefore, suspend our consideration of it further, at least for the time being. If it should happen that this again becomes available we would be interested to discuss it with you, with a view to a joint venture as outlined in your proposal.

Yours very truly,

CYPRUS EXPLORATION CORPORATION, LTD.



J. B. P. Sawyer  
Manager - Canadian Exploration

JBPS:rj

cc: C. A. Mark