



Apr 10 68

Cyprus mines
822 - 510 W.
Hastings St -
Van. B.C.

Dear Sir.

We are in possession of Spa mines

and are now preparing to raise funds -

Spa mines are on Siwash Creek - are joined on the west by several groups, now being optioned.

See Geo Cross letter #52 - March 14-68. The values exceed this statement I am sure -

The area is large - & a large open pit mine is indicated,

Also we have just received engineers report to-day on Karex.

This is a high grade Copper, Moly, Silver prospect near Utrica, however, veins are much larger - & not so broken.

Sending letters & reports is not too satisfactory. and so I trust you can send an engineer to see us soon

Yours truly
Keith, Pitt

CYPRUS EXPLORATION CORP. LTD.	
VANCOUVER, B. C.	
RECEIVED	
13-9-68	
TO BWT	REPLY
	COMMENT
RETURN TO	
1 JBPS	3
2	4

112 NARAMATA ROAD - PENTICTON, B. C.
Phone: 493-0129 or 492-0603

R. E. RENSHAW P.ENG.
GEOLOGICAL ENGINEER
MINING GEOLOGIST

735 Ross Ave.,
Penticton, B.C.
16 Apr 68

Kerex Mines Ltd. (NPL)
C/O Mr. Walter J. Kapp
Box 248 Kelowna, B.C.

Dear Sir:

Today I visited your Molycot property at Olalla, B.C. with the object of appraising the potential of your claims, substantiating the report of 9 Apr 68 by Mr. A. Allen, P. Eng., your Consulting Geologist, and to recommend and layout further exploration work.

In essence I concur with Mr. Allen with below additions.

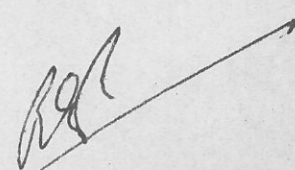
My knowledge of the property dates back to 1957-58 when I made detailed studies of the property then known as Golconda for the Craigmont Mines group. I recommended the property at that time as having a very good potential. However, at that date the molybdenum economics were not favourable and the option was dropped.

Since that time considerable work has been done during the past consisting of the erection of a 30 ton per day mill for the treatment of some 2000 tons from the quartz fissure ore shoots on the Dave #1 tunnel (Golconda), several other short adits and the driving of a new cross-cut now working, some 275 feet vertically below the Dave as well as several thousand feet of surface stripping southwest of the adits. This stripping has also opened up several new showings.

The Joe #1 cross-cut adit has disclosed a new 30 feet wide, well mineralized shear zone as reported by Allen and tested by a footwall and hanging wall drifts. Also by short raises (not reported by Allen). Thirty feet beyond the footwall is also another disseminated zone of fine grained sulphides (not reported by Allen or sampled as the raises and new zone were located after his report)

In my opinion neither of these two zones are connected with the Dave #1 vein zone and are a new find.

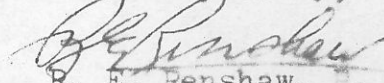
In the best interests of your Company I recommend that:



1. The present Joe cross-cut exploration tunnel be stopped until such time as a complete transit survey of all your workings and showings be made.
2. Such a survey will indicate the footage and direction the present tunnel will intersect the fissure vein of Dave #1. In my opinion that further tunneling is foolish and an unnecessary and a waste of money.
3. From the present face of the Joe #1 drill at least two diamond drill holes, one flat and one inclined to reach the projected intersection of the fissure vein. Further drilling may also be required.
4. Further drifting is not warranted until this is done.
5. My opinion of the property is now further increased by the presence of new fissure veins of quartz- copper- molybdenite, exposed by surface stripping and short adits, These offer a potential of high grade ore.

The presence of low to medium grade shear zones, as found in the new Joe #1 cross-cut, and which have a much larger tonnage potential.

Yours very truly,


R. E. Renshaw, P. Eng.