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CYPRUS EXPLORATION CORPORATION, LTD.

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VANCOUVER 2, BRITISH COLUMBIA

TELEPHONE: 683-9304

May 30, 1973

Mr. Stanley C. Farquharson,
842 McEachran Avenue,
MONTREAL 154, Quebec

Dear Stan:

I was interested to receive your recent letter and to hear of your recent activities.

I agree with you that the Summit Lake and adjacent areas of Yukon could well become a major mining area and, of course, this summer will see a lot of activity up there. As far as your proposal for a consortium or syndicate on several groups with which you are involved is concerned, I am afraid that I must tell you it is unlikely that we would have any money to put into that this year. However, we are in general terms interested in the area and would be interested in discussing this further with you. Unless you have a program planned and underway already, I would think that you may be a little late to do very much this year anyway. Placer will be starting drilling within the next day or so on their holdings and the area generally is probably going to be crawling with people from here on in. One additional adverse factor is that there has been relatively little snow this past winter and the countryside generally up there is extremely dry, thus there is a high fire danger which will probably foul up the transportation availability. As I say, we probably can't participate this year because most of our budget is committed, but if you feel like sending along any additional information, we would certainly be interested to talk to you about it perhaps with a view to mounting a larger program next season.

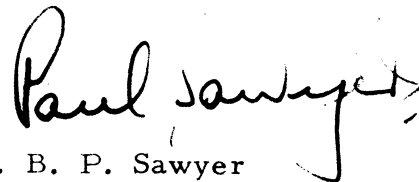
The general exploration picture around Vancouver just now is a mixed one. Because of the political situation in this Province, the general trend for exploration expenditures in B. C. is quite strongly downward right now, however, most of the companies working in the Yukon direct this work from their Vancouver offices and so the cutback is perhaps not as marked as might be in terms of general activity. Most of the major companies, of course, have by now committed their funds for this year, however, there are some of the larger ones, particularly the oil companies whose financial resources are very substantial and who may still have money to commit.

With regard to your query on the Greenwood area, I enclose herewith a claim map of the area as requested. Your information regarding a drill program is correct; we understand that they are presently engaged in a percussion drilling program which is supposed to total 3,000 feet and which is aimed at testing a rather tenuous projection of a zone held by Granby in the general area although apparently not immediately adjacent to the open pit. Our information is that their results have been very disappointing and that they intend shortly to move the drill onto some known, old veins nearby, presumably to run the market. I don't really know who the promoter is, though apparently Ted Chapman from Vancouver is running the company. I guess it may be good for a ride if you can get the correct inside information.

Sorry, no, I don't have any rich uncles who could be of any help to your client, Dasson Copper. As you know, Cyprus is not very keen on going the stock route.

I get to Montreal once in a while and may be there in the not too distant future. Perhaps it will be possible for us to meet on one of these occasions.

Yours very truly,



J. B. P. Sawyer
Manager - Canadian Exploration
Cyprus Exploration Corporation, Ltd.

JBPS/jel

Encl.

STANLEY C. FARQUHARSON P.ENG.
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May 19, 1973

Paul: Re: San Jacinto Mines

I understand that this company is starting a drill program for low grade copper with gold values at Greenwadd beside Granby Mines.-open pit.

Could you get me a claim map for the area. Preferably a $\frac{1}{2}$ mile scale.

Have you studied this property? Who is the promoter? I have been tipped that it could be a buy.

It has been rather pleasant to have a few Cuvier shares go from 20 to 80 cents in the past few weeks. Just/makes up for the other hundred that never got going. helps

I have a client Dasson Copper that I have been nursing along and I would like to put them into Summit Lake with a good property. Have you got a rich uncle who could spare \$50,000 for 500,000 treasury shares, all to be used on the property. Trades on the Canadian Stock Exchange.


Stan F.

SC#8

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STANLEY C. FARQUHARSON

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May 19, 1973

Mr. J.B.Paul Sawyer
Cyprus Exploration Corp. Ltd
1101 510 West Hastings Street
Vancouver, 2, B.C.

Dear Paul:

It is probably three years now since we met at Toronto and you mentioned that Cyprus would be interested in another Anvil. I may be on the tract of one that big in Quebec but it will have to wait a bit until I can get a drill test made.

The part I played in the discoveries of the lead-zinc deposits at Bathurst, N.B. has kept me on the alert for another virgin area where the exploration engineer has room to roam. From what I have heard, I believe that the lead-zinc discoveries at Summit Lake by Placer Development, points to just such a mineralized area where several important deposits may be found.

I am directly or indirectly involved in several blocks of claims in the area. It is my intention to acquire additional groups by option or staking. My thinking is to have a group of companies, say 4 or 5, form a consortium or syndicate to finance the work. The program could be a 2 or 3 year limit with a budget of \$100,000 per year. This is based on acquiring about 500 claims for examination. Ultimate ownership in the claims to average about 75% prior to development of deposits.

I am prepared to undertake supervision or management of the work but I would be quite agreeable to fall in with the wishes of the financing group should they wish to employ other consultants. I believe that the successful method used by Placer of geochemical soil and rock testing plus geology should be used in the first stages.

No doubt you have your finger on the pulse of the exploration people around Vancouver. What is the possibility of raising the required funds from Mining Companies? It probably could be easy if Placer give out exciting drill results but this information might not come soon enough to get organized and field work advanced sufficiently this year. I feel that Summit Lake could provide much more excitement than the present developments at Gays River in N.S. by Cuvier Mines and Imperial Oil.

I am hoping that we may have the opportunity to cross paths again in the near future and in the meantime I will be interested in any comments which you may wish to pass along on my proposal.

Best regards, Yours very truly


S.C. Farquharson

