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TWIN PEAK RESOURCES LTD.

P. O. Box 604,
Smithers, B. C.
November 16, 1972.

TO OUR SHAREHOLDERS:

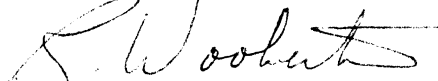
The 1972 field season was probably the second most active year on record in the Babine Lake Area. Most of the activity was generated by major mining groups with well-funded programs. Your Company was involved in three joint ventures during the season, one with Ducanex Resources Ltd., one with Selco Mining Corporation Limited, and one with Cobre Exploration Ltd. When the exploration data collected during the field season has been evaluated and the 1973 field program established, you will be advised.

Two properties, the Lynn Group and the Kate Group, are being diamond drilled. The Lynn anomaly was described in a previous letter. The first diamond drill hole, which has just been completed, discovered a new porphyry copper deposit under 75 feet of overburden and leached capping. The extent of the mineralized porphyry environment will be established by a series of widely spaced, short drill holes into the half-mile wide geophysically anomalous area.

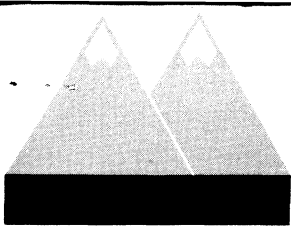
Work on the Kate property is being financed by Selco Mining Corporation Limited. Your Company has a 20% non-assessable interest up to a total expenditure by Selco of \$2 million. The property was originally owned by Mastodon-Highland Bell in the late 60's when two diamond drill holes were completed, but the claims were subsequently allowed to lapse. During the past season, thin sections from the old holes were examined microscopically, and the area was extensively surveyed with I.P. and Mag. This work indicates a much larger porphyry environment than was anticipated by Mastodon and suggests that their holes were drilled into the iron rim. A series of widely spaced, shallow drill holes will be started soon.

You will note that we are still working out of our field office in Smithers; however, our next letter to you will carry our new Vancouver Office address which we hope to have established by mid-December.

On behalf of the Board,


R. W. Woolverton, P. Eng.,
President.

RWW/cwc



TWIN PEAK RESOURCES LTD.

P. O. Box 604,
Smithers, B. C.,

July 27, 1973.

TO OUR SHAREHOLDERS:

During the past 4 years, your Company has shared in a copper-moly exploration program near Babine Lake, B. C., which has cost \$1 million. About 75% of this sum was contributed by Ducanex Resources Ltd., and more recently, by Selco Mining Corporation Ltd. Details of this financing were described in previous letters. So far in this program, 4 new mineralized porphyry deposits have been discovered (Red Top, Dorothy, Lynn, and Friday Lake), and 3 previously known copper-moly zones (Sunsets, Kate, and Jill), were acquired. Four of these seven deposits have been adequately drill tested and although currently uneconomic grades were obtained, assessment credits were applied, in several cases until the year 2,000.

Prospecting of the nearly 2,000 square miles within the project areas continues both on the ground and in the air. Nearly 5,000 line miles of airborne surveying has been completed to date. Twin Peak currently has an interest in about 900 mineral claims covering 24 properties in the Babine copper-moly camp.

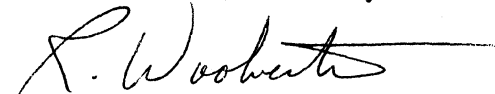
Of special interest currently is the Friday Lake property which was found last year. Although completely covered by overburden and cap rock, the Ducanex and Twin Peak management believe that the I.P. anomaly and adjacent pyritized porphyry rubble reflect a buried mineral deposit. Twin Peak's contribution to this find was its airborne equipment and exploration expertise and, in return, it will receive a 10% non-assessable interest in any mine developed on this claim group.

Last winter, Selco drilled 5 holes on the Kate property (please see the November 19, 1972, letter for details). Altered porphyry and graphite in this core revealed a geophysically and geologically complex environment. Microscopic examination of the core by the writer suggests an area of interest southeast of the drilled area. Consequently, the I.P. survey has recently been extended.

To our Shareholders,
July 27, 1973,
Page 2.

Your Company examines properties and prospects on its own behalf outside the Selco-Ducanex joint venture areas. An option on the Big Onion copper-moly zone near the Babine Lake Road about 15 miles from Smithers is currently being considered. Three major companies have worked the area previously. Recently, Cyprus Exploration Corporation spent about \$300,000 drill testing this mile long mineral zone. They estimate about "93 million tons of 0.245% copper plus moly credits;" however, most of the holes are at least 500 feet apart. Significantly, short sections of 1% and 2% copper were recorded in a few of the holes. The deposit is open to the north where the last hole returned a section running 0.4% copper over 120 feet.

On behalf of the Board,



R. W. Woolverton, P. Eng.,
President.

RWW/cwc

TWIN PEAK RESOURCES LTD.

Statement of source and use of funds

for the period from December 11, 1972, date of amalgamation of
Twin Peak Mines Ltd. with Whitesail Mines Ltd. (N.P.L.),
to May 31, 1973

SOURCE OF FUNDS :

Exploration funds from -	
Ducanex Resources Limited re Babine Project	\$ 41,380
Selco Mining Corporation Limited re Blunt Mountain Project	18,669
Option payment received re Topley Joint Venture	1,503
Rental of housing unit and field equipment	<u>1,185</u>
	<u>62,737</u>

USE OF FUNDS :

Deferred expenditures -	
Exploration -	
Babine Project	41,380
Blunt Mountain Project	18,669
Other prospects	<u>3,462</u>
	<u>63,511</u>

Administration -	
Management fees	3,462
Audit and accounting	1,000
Legal	552
Trust Co. fees	1,362
Postage, stationery & office	561
Telephone	55
Shareholders' information	39
Travel, meetings and entertaining	742
Promotion and advertising	160
Share issue expense	<u>366</u>
	<u>8,299</u>
Total deferred expenditures	<u>71,810</u>

INCREASE in working capital deficiency	9,073
WORKING CAPITAL DEFICIENCY, beginning of period	<u>30,507</u>
WORKING CAPITAL DEFICIENCY, end of period	<u>\$ 39,580</u>


REPRESENTED BY :

Current liabilities -	
Evergreen Explorations Ltd.	\$ 42,456
Less current assets	<u>2,876</u>
As above	<u>\$ 39,580</u>

Approved on behalf of the Board :



Director



Director

The above statement has been prepared from the
books of account which are subject to year end audit.

Vancouver, B.C.
June 29, 1973.