



July 20, 1990



Mr. Alex Davidson  
Minnova Inc.  
311 Water Street, 4th Floor  
Vancouver, B.C.  
V6B 1B8

Dear Alex,

Equinox has recently acquired a property near the Midway deposit in northern B.C. which was held for several years by Regional Resources. It covers base metal stream sediment and soil anomalies, airborne geophysical anomalies and the probable source of large massive sulfide float boulders discovered in 1981 and containing up to 10% Zn. Detailed surface exploration was carried out in 1981, 1982 and 1984 but the poor zinc market in the mid-1980's forced termination of Regional's program before the property could be drilled.

Equinox believes the potential is excellent for stratiform shale hosted massive sulphide deposits both on the property and regionally. Exploration efforts in the late 1970's and early 1980's in the Gataya-Selwyn Basin axis were highly successful with the discovery of many large deposits such as Cirque, Midway, Mt. Alcock and Mt. Hundere. Exploration waned in about 1984 and little work has been done in the region since, other than on the major known deposits.

A 1990 program could include:

**Phase I**

1.	Mobilization, re-establish camp	\$7,000
2.	Re-establish grid	10,000
3.	Complete mag survey	10,000
4.	Surface trenching with small excavator	18,000
5.	Ancillary	<u>5,000</u>
	<b>Total</b>	<b>\$50,000</b>

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Alternatively, drilling may be done immediately on the co-incident airborne EM, mag and soil geochemical anomalies that now exist.

We have a full data package in our office if the property may be of interest to you. Proposed terms are attached, though we are quite flexible on alternative arrangements. Please let me know as soon as possible.

Yours sincerely,

EQUINOX RESOURCES LTD.



Ross J. Beaty,  
President

RB/lb

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