

COPY

Mr. Glen Hogg

W.M. Sirola

Adonis Mines Ltd., Axe Group, Princeton Area, B.C.

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During the course of our work in the Princeton area last summer both John Lund and I visited this property. At that time it was optioned to Amax Exploration. Amax held this option for several years and I think they made a thorough evaluation of the copper potential. They calculated an ore reserve in 3 zones of 41 million tons of 0.48% copper to a depth of 300 feet.

Approximately one month ago Amax dropped their option and Adonis Mines, which is a New Westminster company, hired Doug Malcolm to lay out some further drilling. The first of these new holes intersected 220 feet of 0.87 copper.

We have not attempted to contact the Adonis people regarding the possibility of optioning the ground because we don't think the deposit is economic. The combination of tonnage and grade at the present copper prices is such that it would barely pay for the cost of the necessary mining and drilling facilities. I am speaking now of a plant of 20,000 t.p.d. or larger. I am well aware of Doug Malcolm's ability to design a good drill hole for the purpose of obtaining underwritings but it appears from the enclosed article from George Cross that the adjacent holes may not be as spectacular as his first drill hole.

Perhaps I should not be as skeptic but I can hardly believe that all of the zones are still open as implied in the enclosed article. In any case, I wanted you to know that we were aware of the goings-on through our work last summer.

WMS/bw

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Encl.:

Copy of article on Adonis Mines