208 South Van Horne St. Cranbrook, B.C. (Phone 426-2071) February 22, 1971

Falconbridge Nickel Mines Ltd. Exploration Division (112 West Pender Street VANCCUVER, B.C.

Gentlemen:

I have taken the liberty of sending to your company, for your consideration, these three property reports.

The report on the Tepee Property was prepared by Mr. Bob Gifford. He conducted the exploration work on the property for Mercury Exploration Ltd. in 1988. Although he recommended more work on the property, Mercury decided not to contine with their option agreement.

The reports on the Cedar and Star Properties were prepared by the writer.

In regards to the report on the Cedar Property, I have neglected to answer the first question that will come to mind. That will be, why did Cominco drop the property? They felt that they had not found enough mineralization to warrant a rather heavy option payment that was due.

Their exploration program was rather limited and was conducted for the most part by a 4 or 5 year geology student. He thought the mineralization was controlled by Tectonic Structures breccia zones etc. Their exploration program that was conducted on this hypothesis failed even to find the structures.

However all the evidence in my opinion points to a lithological control of the mineralization, trenching along the favorable units may have proved more rewarding.

Should you find that your company would like to examine these properties, would you drop me a note to that effect. This would allow me the opportunity to notify you as soon as the properties are free of snow.

The Cedar Property should be free of snow by the middle of May. The other two by the middle of June.

Yours sincerely,

D. L. Pighin

Dave I. Piglin

lmf