

PROJECTS: TOMMY B21  
WESTERLING B22

827012

I MAPPING: No additions to work completed in June

II SAMPLING: Detailed sampling was carried out over exposures of sheeted vein swarms on Westerling and Tommy by Seto & Stroes. Most of the samples are of 3 meter sections cut by hammer and mail across the veined structures (wallrock) and along individual veins (vein samples). Thickness, attitudes and vein percentages were noted. As drilling commenced samples were taken of vein material only.

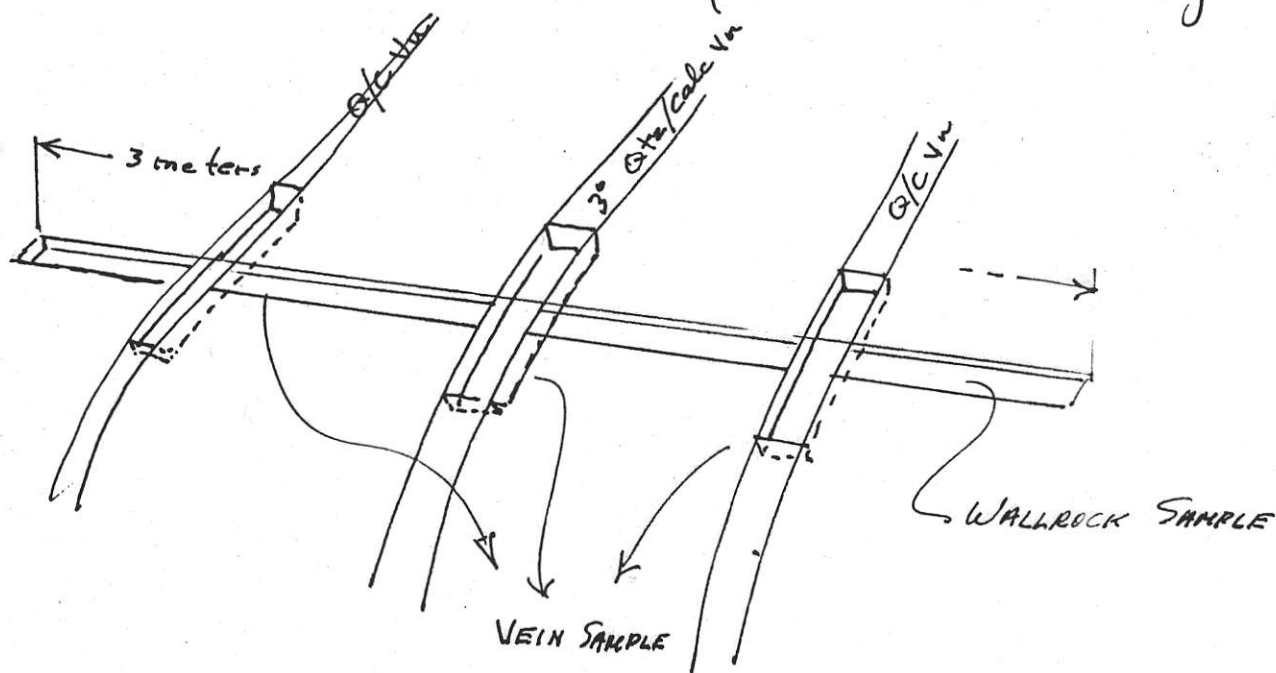


Illustration of sampling procedure

Plots of sampled sections with analytical results available to date are attached.

III DRILLING:

Advanced Diamond Drilling began operations on the Tommy property on July 6

Hole T87-1 was completed on July 17 at 557 feet. This intersected the main Tommy sheeted quartz zone.

Hole T87-2 was cored on July 18 and completed on July 26 at 647 ft. This also intersected the main Tommy zone.

Hole T87-3 was cored on July 27)

Drill logs and "BORESURF" printouts for holes 1 & 2 are appended

Current and projected hole locations are shown on the attached map.

Total footage to July 26, 1204 ft  
Average drilling rate (1 shift) 57 ft/day.

IV CLAIMS AND SUBMITTALS

LOST CANYON (VIVA VENTURES)

Letter received from George Kunneard received July 10 (Copy attached) offering property to Ken

July 17 Visit to property RP & RAD Discussion of potential, exploration ideas and Ken interest.

July 28 Telephone conversation with Kunneard during which the following option terms were offered to Viva for their consideration:

- Option period 5 years
- Graduated payments:
 

year	1	payment
		\$ 5,000
	2	\$ 8,000

LOST CANYON CONT

Year	Payment
3	11,000
4	14,000
5	17,000

Work Commitments :

Year	Commitment
1	50,000 Geol, sampling, Mag/VLF
2	Contingent upon results of year 1

End Price : \$ 200,000

Response : Favorable. <sup>Kinnear</sup> Will discuss with partners Whittles and Loring. They will negotiate for some increase in payments and end price plus some contractual participation in project.

IV PERSONNEL

Jandra Seto transferred to Windpass project on July 22

Byron Miller employed as temporary core splitter (\$45/day) for the seven days July 19 to 25 inclusive.

Were currently looking for two hardy souls to split core.

*[Signature]*  
 Uclakt  
 July 28/87

