



July 29, 1981

830251

Mr. John Lund, P. Eng.,
E & B Mining Ltd.,
2900 Cascade Building,
300-5th Avenue S.W.,
CALGARY, Alberta,
T2P 3C4

Dear Mr. Lund:

Re: Toodoggone Joint Venture -
Progress Report

Toodoggone Joint Venture got underway June 1 with construction at the combined G.W.P. - Lacana camp on Saunders Creek. The writer, Louise Eccles and a crew of nine began field work June 9 with most effort the first week directed to G.W.P. 1-9 claims owned 100% by Great Western Petroleum Corporation. Charles Kowall, vendor of the Graves claims spent six days with the crew, two of which were directed to investigation of the Graves claims.

This expanded crew succeeded in getting the program off to a good start. As of July 3, a core crew of seven remained on the project.

Area Covered

Essentially all of the T.J.V. ground shown on the accompanying diagram has been covered on at least a reconnaissance basis. Analytical results for more than 1,800 soil, rock and silt samples are in hand.

We have experienced excellent turnaround time from Min-En (results available in six or seven days from time of receipt of shipments).

Results

Several geochemically anomalous areas have been defined of which at least two are potentially significant. These include:

G.W.P. 29 & 30 claims - Moosehorn Creek

A brecciated, silicified zone containing amethystine quartz, and at least 200 metres in length with an exposed width

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GREAT WESTERN PETROLEUM CORPORATION

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of up to 10 metres, we discovered in the lower reaches of Moosehorn Creek. We are awaiting assay results of 10 metre spaced samples but five previously collected rock samples yielded values ranging from 6.8-60 p.p.m. silver and 20-1,100 p.p.b. gold. Soils collected from grid lines adjacent to the creek also yielded some anomalous values.

Graves Claims

A silicified zone at the head of the cirque on the northeast side of Mount Graves has been recently sampled in detail. Initial rock geochemistry suggests a polymetallic association with precious metals -- values range from 2.2 to 7,500 p.p.m. silver and 20 to 11,000 p.p.b. gold, generally with significant values in copper, lead and zinc. Soils collected on the southeast and southwest side of the mountain also have anomalous values in lead and silver.

Other Claims

Precious metal values in soils requiring follow-up occur on G.W.P. 19, 20, 25, 26, 27, 28, 40 and 41 claims. Claims generally showing only background values in soils include G.W.P. 11-18.

Expenditures to Date

These are listed with receipts on an attached sheet. Significant bills for helicopter and fixed wing support, geochemical analysis and general camp costs are in hand and will be paid at month-end. Projected costs to July 31 are in order of \$90,000 to \$100,000.00, consequently another cash call of \$25,000 is in order.

General Comments

The shared camp with Lacana appears to be working well. I believe we have the most efficient and dedicated crew in British Columbia at work on T.J.V.

I look forward to accompanying you on a tour of the area July 30.

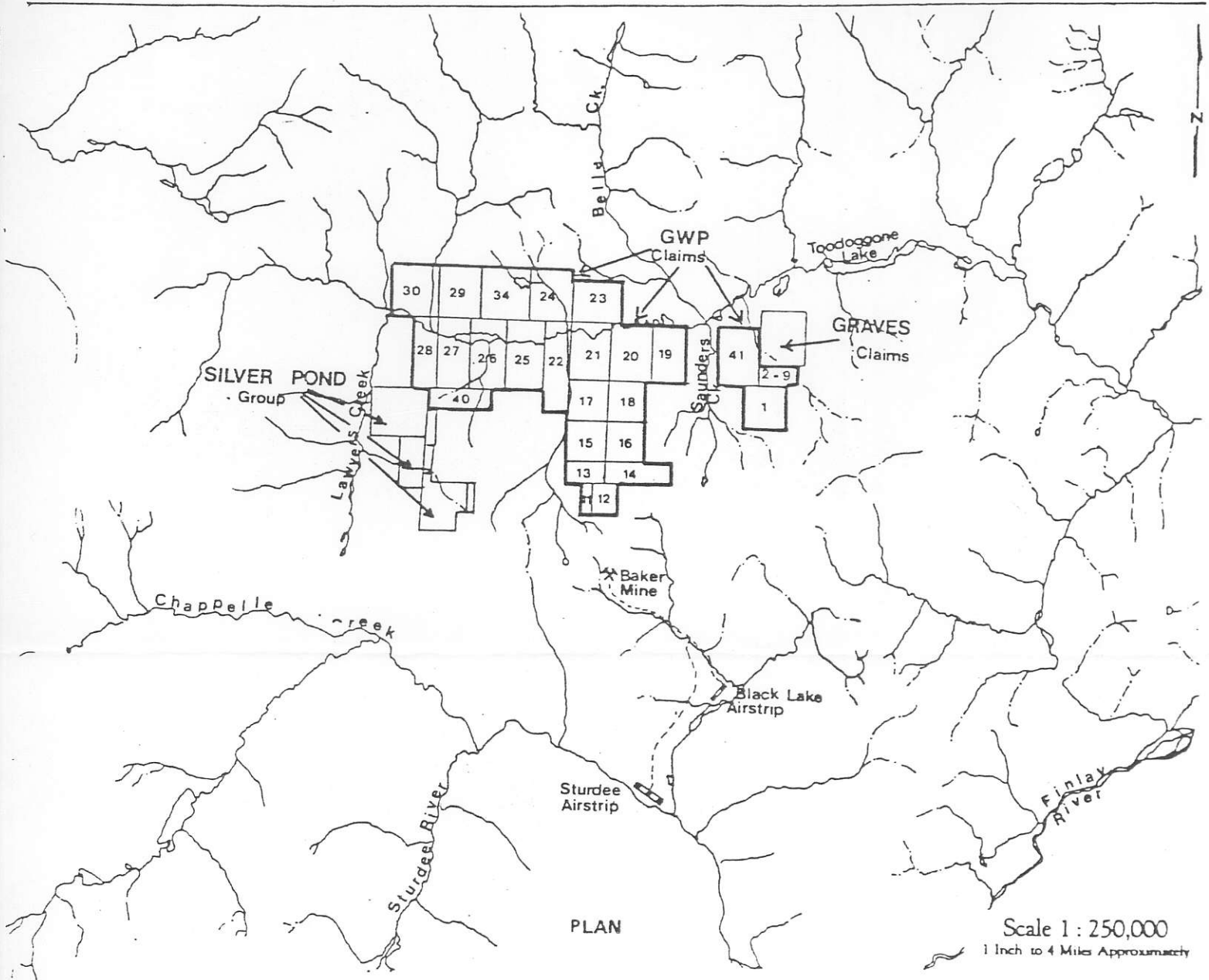
Yours very truly

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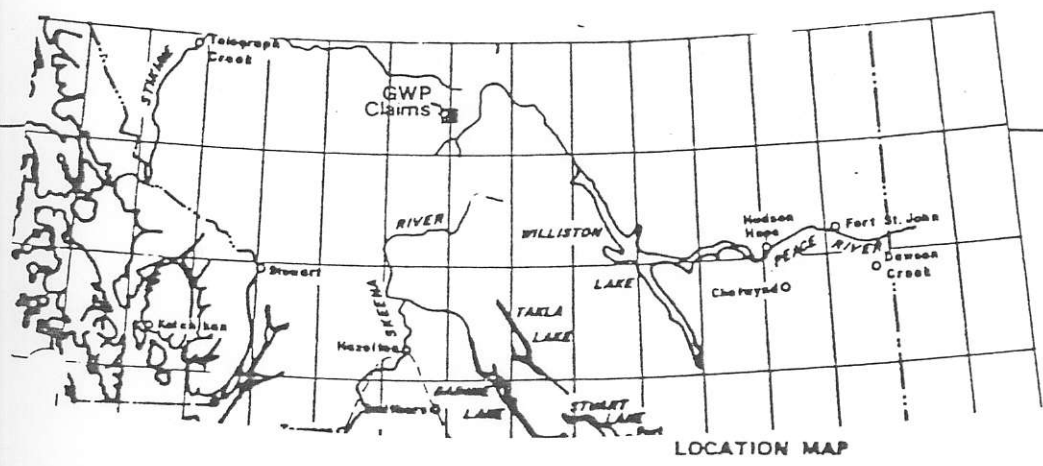
N.C. Carter

NCC/sem
Enclosure
c.c. A.L.J. MacDonald



PLAN

Scale 1 : 250,000
1 Inch to 4 Miles Approximately



LOCATION MAP

