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February 20, 1989

Mr. John Hamilton,
Cominco Ltd.,
Exploration - Western Canada,
700 - 409 Granville Street,
Vancouver, B. C.
V6C 1T2

Dear Mr. Hamilton:

Chevron Minerals Ltd. controls the Ursa property in central British Columbia which covers much of the Mt. Bison alkaline complex. Early stage exploration by Chevron has disclosed two styles of potentially economic rare earth mineralization. The first are pegmatites with local concentrations of up to 7% REM (in allanite, cerorthite and monazite) over 1 - 2 m widths and 30 m lengths at surface. The second style of mineralization occurs in series of major aegerin - augite - alkali feldspar syenite bodies. Numerous grab and chip samples indicate that the rare earth metal content varies from 0.07 to 0.64%.

Chevron is seeking an experienced partner on this project who would fund exploration in order to earn 50% of the project. A brief summary and location map are attached. If Cominco is interested in pursuing this opportunity, please contact either myself or Mr. Colin Dyson.

Thank you for your attention.

Sincerely,

CHEVRON MINERALS LTD.

MURRAY W. HITZMAN
Staff Geologist

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