Vancouver, B. C. 1986-05-13

Re: Surrender of SHAM, ROCK Claims Northern Gold - M504

EARL D. DODSON:

The SHAM ROCK claims are located 110 miles south of Atlin, British Columbia. They were staked in 1983 and are due to lapse on July 4, 1986.

These claims were staked to cover a geological target similar to the Bear-Totem. The claims are within 15 kilometers of Bear and are underlain by Permian limestones, Pre-Upper Triassic mafic volcanics and Triassic diorites. Careful geological mapping, soil geochemistry and prospecting was carried out on the claims without any indications of highly anomalous gold values. One location of silicified phyllite was located; however, numerous samples from the location provide no anomalous gold values.

This property, although having a suitable geological setting, does have the grade and alteration associated with intense hydrothermal alteration. The property has been suitably explored and I, therefore, recommend we allow the claims to lapse. Our expenditure on these claims is \$20,000. US.

G. WALTON

GW:am