

*Holiday Tue -
Thurs Friday, write*

860087

March 2, 1967.

Mr Kryczka

Memorandum re: Cree Lake -
K. P. Bottoms-
Terrace, B. C.

To: G. S. W. Bruce

From: J. B. Redpath

Attached is a letter from Con Hage (Dome Petroleum) which is self explanatory. On Thursday, March 2nd I was visited by K. P. Bottoms and A. A. W. Kryczka, both of Resource Management Limited, Guinness House, Calgary, Telephone 264-3222.

Beyond the material forwarded to me by Con Hage they also left a number of samples and some large maps and a geological report with coloured photographs, all of which they would like to have returned in due course.

They say that the group or Syndicate mentioned in the report which included Bralorne Pioneer, A. S & R., Columbia Celulose, Union Carbide, etc. worked on these claims for several months, completing magnetometer surveys and all without having a firm arrangement with the prospector. Their story is that the prospector then wanted so much that the Syndicate withdrew. You might be able to find out from one of the people involved the correctness of this assumption.

5.0 million 5,000 shares. In any event they optioned the claims from the prospector putting them into the Cree Lake Company which is capitalized at 200,000 vendors shares and \$5,000 cash together with a 5% royalty on net smelter returns. I told them that I did not like the royalty and they said they thought this is something that might possibly be re-negotiated.

They say that in Calgary they have all their basic data including the results and plotting of the geochemistry.

Many of the samples they showed me were very impressive though they themselves stated that they were character samples and far above average grade.

I told them that I would ask you to look all this material over and if at that time we felt it worthwhile the next step would be for you to go to Calgary and spend a day or so going over their basic data. If this was satisfactory the

"net proceeds"

G. S. W. Bruce

-2-

March 2, 1967.

Cree Lake

the next step would be an examination on the ground itself which could be undertaken as soon as the snow goes. They said that the snow goes relatively early due to low elevation and proximity to the ocean.

I asked them what sort of a deal they expected and they said they were flexible but they would like an undertaking to do a substantial amount of work. They would also like to have the program discussed with them during its early stages. They realize that any company doing major financing would want complete control.

We had better talk about this on your return.


JBR/pm
Encl.

Clause 12 p. 7 Agreement between
K. Mayner and Kenad Developments
Limited

12/ "In further consideration of the transfer to Kenad of the Mineral Claims by the Vendor, the said Vendor shall be entitled to receive a five percent (5%) interest in all of the net proceeds which may be earned by Cree Lake Mining Ltd (n.p.l.) in whatever manner and from whatever source, provided only that the said net proceeds must be earned from work done on or from the sale of the Mineral Claims."