



Interestingly, geochemical and geophysical (demagnetization) surveys suggest that the mineralization dies out to the north, along the strike of host shears. It is restricted to an extensive area immediately to the south of the granite pluton. This may indicate a source intrusion at depth. We should probably be looking for either a mineralized stockwork or a high-grade lens within the confines of the overall anomaly.

At risk of prejudging the data, I would suggest that this may require an IP survey over the southern portion of the grid followed by a drill programme. It would be best to conduct the geophysical survey this fall, if the money is available.

Our option agreement with Silver Tusk Mines Ltd. calls for a work expenditure \$50,000 by 19th August, 1989. Clearly we will have exceeded this amount. I would estimate that our total expenditure to date must be approximately \$150,000. It also calls for a payment of \$15,000 on 19th August, 1989. I recommend that we make this payment and proceed to further exploration of the property.



R. H. Pinsent