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DELIVERED

January 14, 1982

Mr. J. J. Rankin, President
Jorex Limited
Suite 600 - 35 Richmond St. W.
Toronto, Ontario
M5H 2E8

Dear Joe:

Re: Fire Mountain & Avalanche Creek,
Atlin Mining Division, B.C.

I now return with thanks the two reports written by Dick Woodcock on these two properties.

As I explained to you on the telephone on January 13, I regret to say that we are so fully committed that we are unable to take on these very interesting projects.

Once again I would like to thank you for giving us the opportunity to study them.

With best wishes for 1982,

Yours sincerely,

DOMEX EXPLORATION (CANADA) LIMITED

G. S. W. Bruce

CSWB:rb
Enclosures

MEMO TO: File

DATE: January 12, 1982

FROM: G. S. W. Bruce

SUBJECT: Avalanche Creek Property, Atlin Mining Division, 103-N-10

BACKGROUND

As a result of conversations with J.J. Rankin on January 8, and Dick Woodcock on January 6, 1982, I have been given the opportunity to look at the data on this prospect in the Atlin Mining Division, north of the Fire Mountain prospect described in the memorandum of this date.

CONCLUSIONS

This property is underlain by a series of sedimentary rocks including cherts, shales, limestones, etc. In the most interesting part of the property there is a large brown hornfelsed zone with a coincident fluorine geochemical anomaly. Geochemical surveys have been done for various lithophile elements in the vicinity of the hornfelsed zone and there are anomalies of varying magnitudes in tin, tungsten, lead, zinc, bismuth, fluorine, copper and silver.

The exploration bet here is that there is probably a stock at moderate depth beneath the hornfelsed zone and that in the hood zone of this stock there may be concentrations of lithophile elements on the logtung model.

Woodcock's proposal is to drill a 2,000-foot inclined hole beneath the hornfelsed zone where he feels the apex of the postulated stock would occur. He suggests that such a hole might cost in the order of \$200,000.

Although the property has intriguing aspects, it is not considered appropriate at this time to make this type of expenditure in this area for these metals.

RECOMMENDATIONS

No further action.

OWNERSHIP

As in the case of the Fire Mountain property, the core claims here are owned by Johns Manville and are under option to Messrs. Rankin and McDonald. Additional claims have been staked around the core claims and also in a continuous group to join with the Fire Mountain molybdenum prospect described in a memorandum of even date.

G. S. W. Bruce

GSWB:rb