

POPLAR LAKE PROPERTY30 MILES SOUTH - SOUTHWEST OF HOUSTON

I have today talked with George Cargill, Senior Geologist with Utah Mines Ltd., and a surveyor with Underhill and Underhill Surveys of Vancouver regarding the Poplar Lake property located approximately 30 miles south-southwest of Houston on the north shore of Poplar (Tagetochlain) Lake. The property is owned by three prospectors: Frank Onucki, Clide Critchlow, and Mike Callaghan. The original "Discovery" claims (Poplar 1-6) were staked prior to 1971. During 1971 and 1972 El Paso Mining and Milling staked a further 30 (?) claims. Most of these (if not all) were allowed to lapse and Mike Callaghan restaked them. The claims surround the original claim block. A dispute regarding the legality of some of the claims is now arising. The three prospectors put the property up for option in early September. Noranda, Getty, Utah, Canadian Superior, Hudson's Bay Oil and Gas, Quintana, Texas Gulf, and Cities Service Minerals Corp. have all examined the property and have made written offers. Frank Onucki has worked for Utah before and this is probably the main reason that Utah has secured the option on the property. However, the prospectors appear to have been remiss in informing the other companies involved that an option has been secured, much to their displeasure.

Utah and Underhill have had crews on the property for the past two weeks. Utah has three geologists, Alex Ascencios, Bob Potter, and Gerry Clouthier, plus assistants and Underhill have 6 men. They are commuting to the property from the Pleasant Valley Motel in Houston. Utah is conducting a detailed geological mapping program. They would like to find out the correlation of overlying lavas and the geochemical survey performed by El Paso. An induced polarization (I.P.) crew will be moving onto the property very soon. A drilling program consisting of a minimum of 1000 ft. is planned, weather permitting.

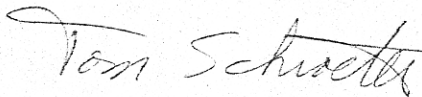
Underhill has been restaking Callaghan's contentious claims surrounding the "Discovery" claims in the name of Utah. At the same time, Underhill

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is staking claims surrounding the area. Apparently the option agreement allows Frank Onucki to also stake more claims. The Underhill surveyor estimates there may be a total of nearly 400 claims staked over the property.

Underhill intend to contact Mr. Milton, the Government Agent in Smithers, regarding the claims covering the property.



Tom Schroeter,  
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