

I N T E R O F F I C E M E M O R A N D U M

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 Subject: Redfern resources - Tulsequah Chief

I spoke to Nick Agnew yesterday about his Tulsequah project. Redfern has the opportunity to option out Cominco through more work on this deposit and have developed some reasonably good geological data. They estimate the property has 8.6 million tonnes of reserves with grades as follows:

6.5% zn
 1.23% pb
 1.6 ~~2.0~~% cu
 3.2 oz ag
 * of 2.74 gpt Au

Short tons or 7.82 metric t
109 gpt Au

Redfern has 100% as of Dec

the implied value is over \$1.0 billion in place. Nick suggested that the similarities to Westmin's Myra falls are incredible.

They have been talking to Alaska about road and power. The Alaskans want to build a road to ATlin from Juneau which would go within 3 miles of Nick's property.

the have also agreed to reserve 20 megawattss power for tulsequah. They are not yet ready to submit a pre-application for the project but it is getting close. Probably another summer worth's work. they do have to spend about \$1 million to clean up old AMD problem as a result of a pollution abatement order slapped on Cominco 1.5 years ago.

Interestingly the new Valhala green map identifies this area and the proposed ALaska road corridor to atlin as a candidate park and heritage river corridor. Another Windy Craggy???

Brian