

MAY 8 1997

Geological Survey Branch
MEMPR

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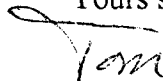
Dear Lionel: **Re: Discovery/Cost Info - Exploration to Mine**

I'm glad you found Preliminary Map #66 useful, albeit a little out of date. Unfortunately with recent staff and budget cuts, there doesn't appear to be any chance of updating this map/data in the very near future. Nonetheless, I try and capture data with the view of updating some day. I contacted Ron Smyth in our Victoria office regarding your request for information and after a brief discussion, we think it best that I request some more specific information from you as to then type and scope of info you require. Now that you have info from some of the other provinces, perhaps you've spotted something specific which might pertain to our response?

Ex. Myra Falls Operation (Vancouver Island): Over the past 27 years Westmin has spent \$39 million on "mine-site" exploration resulting in the delineation of approx. 30 million tonnes of ore. Mining to date has produced approx. \$2 billion in value of concentrates (from 17 million tonnes of ore) (i.e. average cost of discovery = \$1.30/tonne OR <2% of the value of ore discovered). Another 13 million tonnes of ore have been identified as resources, with a mine life of at least 11 years. The overall potential is probably more like 50 million tonnes - truly a "world class" deposit.

We look forward to assisting you with your project and sharing in your revelations.

Yours sincerely,



Tom G. Schroeter, P.Eng.
Senior Regional Geologist

cc. R. Smyth