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Office: 23 East First Street

July 5, 1967

Mr. R. E. Thurmond
Vice President & General Manager
Anvil Mining Corporation Limited
523 West Sixth Street, 12th Floor
Los Angeles, California 90014

Dear Bob:

I have studied available data covering the results of sampling the Faro adit by barrel lots as compared with the results obtained from nearby diamond drill holes (65-11, 66-12, 66-16, 66-32, and 66-44). My comparison is only for combined lead plus zinc assays. Inasmuch as the general average from car samples is about the same as the general average for barrel samples, the former were not studied (also because no data were available other than the general average result.)

Comparison was made for successive segments of the adit. An important point to be kept in mind is that the Faro No. 1 ore body is not flat; on the contrary, it has a definite dip. Consequently layers from drill holes were projected along dip to the adit for the comparison.

The results of sampling the cross-cuts by barrel lots were not used because the average for each cross-cut just about matched the grade of the area in the adit from which the cross-cut took off.

The following results were obtained:

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Mr. R. E. Thurmond - 2 - July 5, 1967

Length of Segment of Adit, in Feet	Average of Barrel Samples Combined Pb+Zn	Grade Derived From Nearby Drill Holes	Diff
110	14.67%	15.93	+1.26%
100	13.94	14.20	+0.26%
100	12.12	13.73	+1.61%
35	9.41	14.78	+5.37%
60	11.87	11.23	-0.64%
155	11.42	11.50	-0.08%
Average	12.56 * 12.99	13.43 14.16	+0.87% +1.17%

* The first five items of the above may be somewhat more reliable than the last item. Results from the first five are also set forth above and are marked by an asterisk.

Consequently it appears that the test by the adit as applied only to the limited area nearby indicates that results from diamond drilling are about 1.00% higher for combined lead and zinc than are results from sampling the adit by barrel lots.

Yours very truly

E. N. Pennebaker
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ENP:mc

cc - Mr. R. E. Thurmond, ✓
Canada

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