

cc: M.O. Hampton

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June 8th, 1967

Mr. Colin Macdonald,  
Project Manager,  
Anvil Mining Corp. Ltd.,  
Box 2470,  
Whitehorse, Yukon.

Dear Colin:

During my four day trip to Whitehorse and Faro I was able to review exploration work carried out to date and to assess the schedule of exploration for the next month. Most of my thoughts on the program have been fully discussed with Murray prior to my return to Vancouver. However this letter will summarize these discussions.

1967 Exploration to Date: The initial hole on the RICH property was virtually completed upon my departure from Faro. Numerous seams of pyrrhotite carrying minor amounts of chalcopyrite account for the magnetic anomaly at this point. However, nothing was observed in the core which would account for the electromagnetic responses. A remote possibility exists that the pyrrhotite seams have enough continuity to exhibit some electromagnetic response. Two further holes have been spotted which will test conductors, so that hope remains that massive sulphides will be intersected.

However in the event nothing potentially economic is cut after three holes, then it may be necessary to consider the merits of using more definitive electromagnetic equipment on the hillside and using these three drill holes to enhance our interpretation. To help with this possible interpretation I have asked Murray to establish good topographic control on the hillside and to geologically map the hillside in considerable detail. This will also be necessary should a favourable intersection be cut in one of the remaining two drill holes.

Besides drilling the RICH property, linecutting and picketing was pretty well complete on the FARO. In this regard I have suggested to Murray that he initiate his levelling and gravity on this property with as little delay as possible. This is vitally important from a standpoint of scheduling continuous targets for the IP crew when they arrive in July.

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*Surveyors*

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Planned work for June and early July:

Murray presented an outline of his plans to be carried out during the next month or so and my understanding of it is as follows:-

- FARO - complete linecutting, run level survey, initiate the gravity survey.
- RICH - continue diamond drilling (total of three holes only), develop 200 scale geological map and contour plan, develop geological sections ( 2 for each drill hole), and give consideration to geochemical analysis of the diamond drill core. This latter possibility should be related to this type of work on the Faro core. The Geological Survey would be able to carry out the Faro analysis.
- GAL - carry out linecutting on the J Zone.
- SEA - initiate linecutting on the Central zone, overlapping onto Kerr-Addison's ground should they be agreeable. Also carry out a combined magnetic and electromagnetic survey over the linecutting grid.
- MULTI - Linecutting, geochemistry, magnetics and electromagnetics to be undertaken on the B Zone.

Planned work for Option Properties:

A gravity survey of the LEE ground is to be undertaken after the Faro is completed. Any gravity anomalies located, both on the LEE and Faro, are to be further investigated by IP survey prior to diamond drilling.

Should the JO claims be optioned by Anvil from Kim Explorations gravity work on the Faro is to be suspended and the gravity crew placed on the JO grid. Levelling on this grid should be initiated as soon as a deal is firm and signed. Stress is placed upon pursuing work on this property relatively quickly in view of the anticipated large work commitment and relatively close decision date at year end.

WHITWORTH

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Additional:

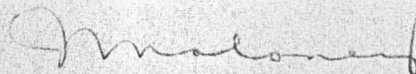
If possible, I would like to have a copy of Murray's period progress reports so that I can be in touch with exploration developments on a current basis.

With regard to that letter of Don Smellie's, I feel that assessment of the airborne data by him at this time is unnecessary. The idea when we broached this a year ago was to have the information available in time to use this season. In that we had to pursue our 1967 exploration without it that kind of thing would contribute nothing at this late date.

Finally, two good exploration drill targets still remain in the immediate vicinity of the Faro orebodies; that is the Zone C area. I think these two proposed holes should be drilled immediately after the RICH drilling, a target is developed by gravity on the Kim's JO ground or Flagstone's LEE ground.

Unless I hear differently from you, I planto return to Whitehorse on July 17 for a week. At that time considerable geophysical and geochemical material should be available for appraisal. Murray advised me that that week would be most suitable from his point of view. However, should I be in Whitehorse on another account prior to the 17th, I will contact you regarding possible brief review of interim material.

Yours very truly,



*for*  
R.S. Adamson

RSA/jm

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