

December 10, 1964

Mr. J. A. Simmons  
Arctic Mining and Exploration Co. Ltd.  
1633 Marine Bbuilding  
355 Burrard Street  
Vancouver, B.C.

013158

Dear Mr. Simmons:

We are writing to you with regard to the recent meeting held at your office on December 9th between yourself, your company and directors, Mr. Shinoda, Mr. Hakari of Nippon Mining, and the undersigned.

First, we would like to express our thanks for your trouble and effort to provide us with a <sup>OUTLINE</sup> ~~clear picture~~ of your Yukon property.

After the meeting we ~~(Tokomaka Inc.)~~ had a discussion <sup>between</sup> with Nippon Mining Co. Ltd. <sup>and Tokomaka Inc.</sup> in which we agreed to draft a letter to confirm our willingness and readiness to offer financial and technical assistance to you. <sup>in the following manners.</sup> ~~We do, however, place particular~~

~~emphasis on the following points:~~

- <sup>provided</sup>
- 1) ~~Your~~ exploration work, which is slated to commence next spring, should prove the feasibility of putting the property into production profitably and that there will be no great technical difficulties arising which could hazard such an operation. We are prepared to extend financial and technical assistance in manner and scope as is mutually considered and agreed upon as being most suitable to start the operation. ~~but will, for the most part, depend upon the final findings with regard to the quality and quantity of ore, etc.~~
  - 2) We shall make a field survey of your property in April or May 1965 or earlier if weather permits and depending on the findings, we shall extend money in the neighborhood of \$100,000 to be used for exploration work on terms agreeable to both yourselves and us.

We, depending on the circumstances we would be pleased in

3) ~~We would like some assurance that you will be open to~~  
~~shall consider to supply mill and/or machines~~  
~~further negotiations which may permit us to participate~~  
~~on a certain terms which is agreeable for you and~~  
~~in financing the mill and/or supply machines from Japan~~  
~~us~~  
~~of a type suitable and required for this project.~~

4) In extending the above propositions we would like ~~also~~ to ask for the right of first refusal to deal with you since it was we who made the initial approach in connection with this project. We would appreciate very much a confirmation by you on this point.

P If you have any suggestions or propositions to make additionally to those stated above we would be pleased to sit down and discuss them with you.

P We sincerely hope that the plans for this project materialize soon so that we can be of service to you in a mutually profitable venture. We assure you of our utmost co-operation and efforts to make it so and are confident that we will receive the same from you.

P For your reference we are enclosing copies of company brochures from Nippon Mining and Toyomenka Inc. which give a very brief outline of our respective activities.

P We thank you again for your co-operation and anxiously look forward to hearing your comments on this matter.

Yours very truly,

NIPPON MINING CO

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TOYOMENKA INC

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