

Rio Plata Silver Mines Ltd. (N.P.L.)

014874

July 25, 1962

Dear Shareholder:

This report is for the information of the shareholders of Rio Plata Silver Mines Ltd. (N.P.L.) a private Mining Company and is not to be circulated publicly.

Your Company owns the Rio Plata Group of 56 mineral claims adjoining and South of Peso Silver Mines, an agreement to purchase the Strebchuck Group of 18 claims approximately 3 miles west of the Elsa Mine of the United Keno Company and adjoining the Mayo -Elsa road, and an agreement to purchase 4 claims east of United Keno Hill.

An extensive surface exploration program on the Rio Plata group under the direction of Hans Buhr and Edwin Chase commenced early in June and has revealed widespread mineralization in strong North-Easterly striking shear zones.

Stripping operations with a D9 bulldozer equipped with a ripper uncovered a narrow but persistent galena lead assaying between 149.2 and 200.55 oz. silver to the ton near the western end of the group. At Haggart Creek in a 50 foot wide shear, trenching revealed a 35' wide seepage zone assaying 15 oz. silver per unit of lead, but the steep terrain and permafrost will delay work on this showing until later in the summer. Three thousand feet east of Haggart Creek an arsenopyrite vein carrying gold values was traced at intervals for a 1,000 feet with surface float showing free gold with assays to 3.5 oz. gold per ton.

During the last 2 weeks a five man crew, assisted when possible by the bulldozer, have cut approximately 20 miles of line for a TURAM SURVEY * to be commenced by Hunting Survey Corporation in a few days.

In addition to the Turam Survey a Major International Mining Company is going to do a Geochemical survey of the Rio Plata Group at their own expense.


A RESISTIVITY SURVEY * of Alberta #2 claim of your company's Strebchuck Group revealed 3 anomalies. One of these anomalies designated as "C" was drilled by a rotary drill and indicated an ore width of 40 feet, this zone is now being stripped by a bulldozer. Character samples from galena outcrops near this area assayed between 43.6 oz. and 98.1 oz. silver per ton.

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A graduated Student geologist is presently mapping the Rio Plata Group and the Company's consulting Geologist Dr. Skerl will visit the property when the Turam survey is completed to plan the next phase of operation.

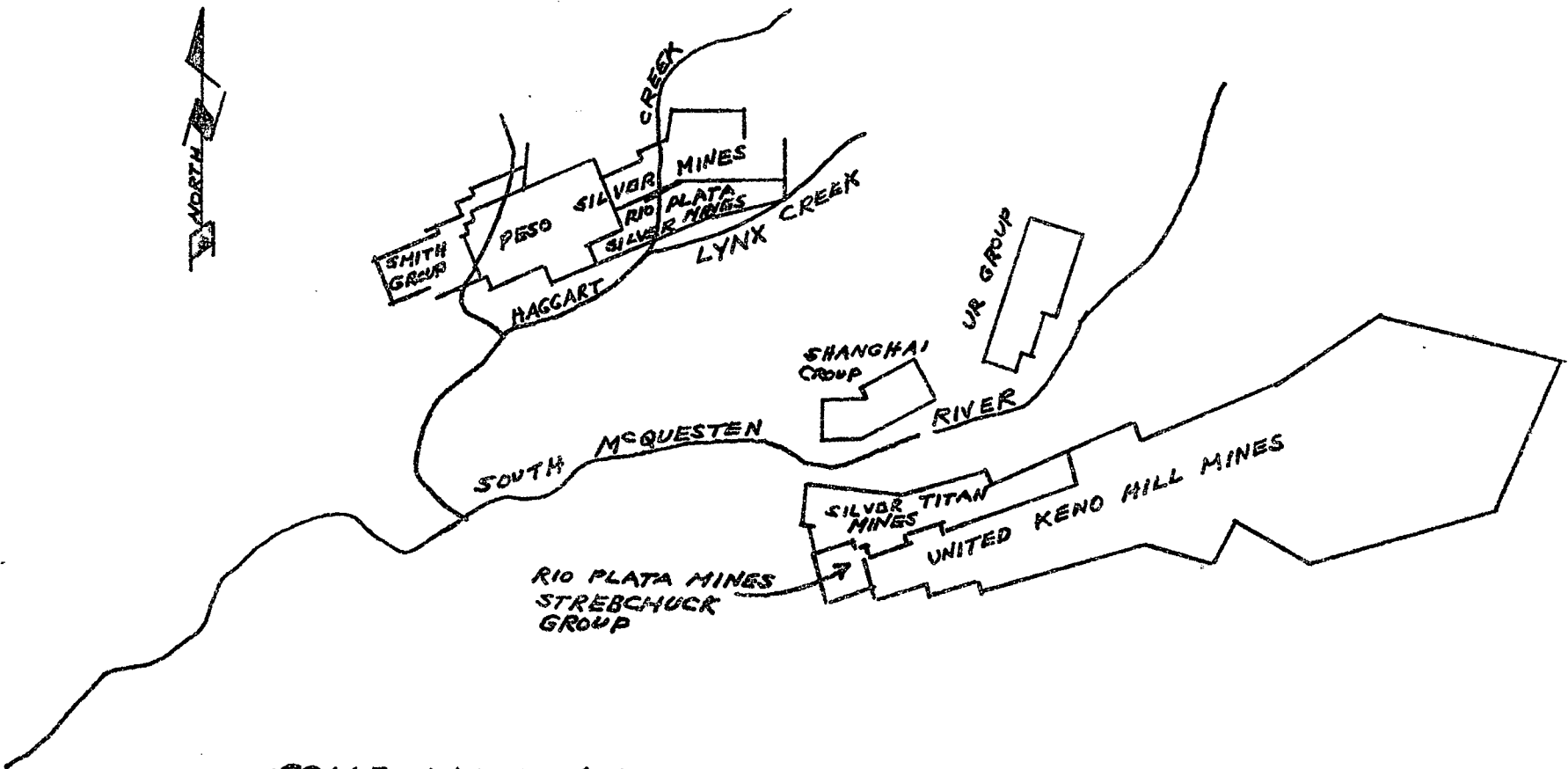
Upon completion of the work outlined in this report a further progress report will be sent out.

PRESIDENT


RIO PLATA SILVER MINES LTD. (N.P.L.)

* A TURAM SURVEY is a combination of the Electromagnetic and Resistivity methods which are devised to locate hidden ore bodies. Briefly electromagnetic exploration is based on electricity and magnetism. A current passed through the ground between metal stakes or an alternating current flowing through a loop of wire above the surface of the earth will, if there is a subsurface conductor such as metallic sulphides, create a surface magnetic field which can be measured. The areas indicated by the magnetic fields are called anomalies. * In the RESISTIVITY METHOD the resistivity of a substance is the measure of the resistance offered by the substance to a flow of current fed into the ground. When dry most rock materials are good insulators and their resistivity is very high, however in rocks the individual grains or minerals are separated by spaces, and as these pore spaces contain minute amounts of water with salts in solution, rock will conduct electricity. The greater the porosity of the different rocks the more water they will hold and the lower their resistance to an electric current. Because of this, rock formations can be identified by their resistivity. Since metallic sulphides are conductors of electricity they offer much less resistance than rock to a flow of current and thus can be identified by their low resistivity readings. These areas of low resistivity are called anomalies and become the targets for stripping, shaft sinking, and drilling to prove their ore potential.

Bill [Signature]



SCALE 1 INCH = 4 MILES
THIS MAP IS COMPILED FROM
INFORMATION BELIEVED TO BE
CORRECT BUT OWNERSHIP AND
EXACT LOCATIONS ARE NOT
CERTIFIED