



Exploration Department

Great Basin Division

Peter G. Vikre

Manager

September 13, 1988

Mr. Dennis LaPrairie  
Bristlecone Mining Co.  
2525 Sharon Way  
Reno, NV 89509

Bristlecone's Paiute and  
Ruby Hill Projects  
western Nevada

Dear Dennis:

I have reviewed the information that you supplied on the Paiute drill hole (Washoe County) and the Ruby Hill Project (Douglas County). The Paiute P-88-1 assay results are not very encouraging. From a geologic standpoint, however, the Paiute vein system appears to have considerable lateral and vertical dimensions, but finding ore within it would involve very expensive drilling and underground exploration programs and any mining would almost certainly be underground. These restrictions immediately place severe limits on the grade and volume of ore required to make a profitable mine, assuming one can find any such ore. Virgin veins outside of established districts are not something ASARCO is prepared to explore at present. You need to find a junior company that can acquire high-risk capital.

The Ruby Hill Projects sounds moderately interesting inasmuch as I am not familiar with the area. I am retaining the data you supplied in the event that I am able to look at the property this fall.

Even though we have not gotten together on any of your properties yet, I greatly appreciate that you allow ASARCO to review them. I hope that you will succeed in getting one developed.

Yours truly,

A handwritten signature in dark ink, appearing to read "Peter Vikre", is written over the typed name.

Peter G. Vikre

PGV;mar

September 25, 1987

Mr. Erik Andersen  
Queenston Gold Mines Ltd.  
P.O. Box 193  
Kirkland Lake, Ont. P2N 3H7

Dear Erik:

It was good to talk to you after four years have passed, I happened to notice your picture in Queenston's annual report, thus my call. The job I took in Idaho when I left the Gooseberry only lasted one year, the tonnage just wasn't there. The last three years have been spent on various consulting projects and Bristlecone Mining. I am currently in the middle of a drilling program on the Rocky Hill property, we pulled 60' of sulphides the other day (hope there is some gold in it).

The property I spoke to you about is a farm out we picked up from Denison, who pulled out of the States last year. They acquired the property by staking in 1981. They conducted some sampling and did some mapping in 81, 82 and 83 and did some shallow, low angle core drilling in 84. A fluid inclusion and lithogeochem sampling program was conducted in 1985 and 1986. We picked up the claims this year. I have included copies of the two Denison reports with a set of five maps. These claims surround a set of fifteen patented claims which Denison totally ignored. These claims are available for a low price. I took some samples on the patent claims and have included the results with sample descriptions. The last item enclosed is our private placement memorandum for Bristlecone.

This property is fairly grass roots however it has a lot of potential and we would like to find a partner for this project who would be willing to fund the continuation of Denison's drilling and the acquisition, mapping and sampling of the patent

claims. The option with Denison calls for spending \$100,000 to earn 60% of the property. There is no time limit on this expenditure and there is no bottom limit to how far Denison can be diluted following the earn in. If Queenston is interested in the project, we would turn over 50% of the project and keep 10% if Queenston will fund the \$100,000 earn in, after that expenditures would be 50% Queenston, 40% Denison and 10% Bristlecone. I am sure that Denison will elect to be diluted so that as an example, if \$200,000 were spent to date, Denison would be diluted down to 25%, Queenston would have 62.5% for a total expenditure of \$166,667 and Bristlecone would have 12.5% for an

expenditure of \$33,333.

We have had trouble pushing this project down here as no one wants part of an underground mine, they all want open pit heap leach projects. Denison had some pretty good intercepts but they were shallow. The best model to use for this property would be the Gooseberry as the ore there was at least 400' below surface. These properties are both transverse to the Walker Lane and exhibit similar strike lengths.

I apologize for taking so long on getting this material to you but I have been sitting on a drill rig 12 hours a day for the last two weeks. Now I am sitting waiting for assays which is even worse. Let me know if Queenston is interested in expanding into the great basin, we have other properties waiting for funding.

Sincerely,

Dennis LaPrairie

encl.



PLACER U.S. INC.

August 21, 1987

Mr. Dennis S. LaPrairie  
Bristlecone Mining Company  
2525 Sharon Way  
Reno, Nevada 89509

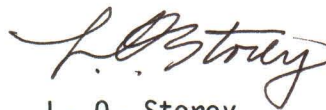
Dear Dennis,

Re: Paiute Project

Enclosed please find that we are returning the package of data which you sent concerning this project. At the present time our company would not be interested in pursuing it further.

We are sorry not to have responded to you sooner and hope that it has not inconvenienced you too much.

Sincerely Yours,

  
L. O. Storey

LOS:ac

Encl.

cc: M.J.A.

*A subsidiary of Placer Development Limited*

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Telex 33-0488 • Telecopier (415) 397-0747





PLACER U.S. INC.

JUL 2 1987

BRISTLECONE MINING CO.

2525 Sharon Way, Reno, Nevada 89509

(702) 826-2838

July 1, 1987

Mr. Jack Bush, V.P.  
Placer U.S. Inc.  
One California Street, Suite 2500  
San Francisco, CA 94111-5472

Dear Mr. Bush:

As per Mark Abrams' request I am forwarding to you copies of some of the available materials concerning the Paiute/Secret Canyon property. The option agreement between ourselves and Denison has not been returned to us for recording as of this date but will be as soon as Denison's people get back from their July 1st holidays. We are in possession of the drill cores and air photos which are in a warehouse here in Reno as well as a volume of written materials which were in the warehouse.

There are two reports in this package. The first is the 1985 summary report with various plates showing sample locations etc. The second is a 1986 report on the results of a program of lithogeochemical sampling and fluid inclusion studies.

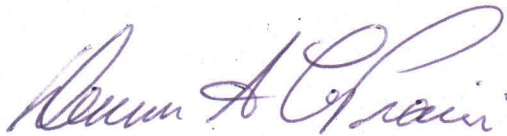
I have outlined the property status on the large geology map. There are 15 patent claims outlined in orange which are split into two groups. One group of claims is held by some local people from Reno who would like a 5% NSR and some sort of minimum payment (say \$5,000 first year). The other group of patents is owned by some people well known to Placer, a Mr. Bill Wilson et al., formerly the Idaho Mining Company. I have spoken to Bill and he is open to any reasonable offer on his six claims. The 79 claims we have picked up from Denison are to the west and north of the patents. I have included some results of the sampling we did on the dumps on the patent claims, with descriptions of the samples.

Our agreement with Denison gives us a 60% interest in the property upon the expenditure of \$100,000. Following our earn-in, we can dilute Denison down or they have the option to retain their 40% by providing 40% of all funds until the commencement of production whereupon their interest reverts to a net profit royalty. If Placer is interested could I suggest the following arrangement; Placer will spend the \$100,000 to earn 50% of the project leaving Denison with 40% and Bristlecone with 10%. Following this earn-in all three parties are responsible for their proportion of the funding. Denison's interest is fully

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dilutable, i.e. there is no limit to how far down they can be diluted. We would require that there would be a bottom limit for Bristlecone of say 5%. As an example, if the project goes to production at a cost of \$20,000,000 and Denison did not elect to contribute, their resultant net profit royalty would end up being about 0.3%. For Bristlecone to maintain a 10% NPR would require a contribution of \$2,000,000. If Bristlecone made no contribution, their NPR would dilute to the minimum 5%.

If you have another type of arrangement in mind we are open to suggestions, no reasonable offer will be refused. We are hopeful that you will be interested in this project and await your reply.

Sincerely,



Dennis S. LaPrairie

encl.





# VANCOUVER VENTURE CORP.

508 - 736 Granville St., Vancouver, B.C. V6Z 1G3 Tel. (604) 681-1967

June 12, 1987

Mr. Dennis S. LaPrarire  
Bristlecone Mining Co.  
2525 Sharon Way,  
Reno, Nev. 89509.

Dear Mr. LaPrarire:

Thanks very much for sending us the Report on the Paiute Project. It is quite an interesting project.

Since we got a number of proposals on open-pit type and much more developed projects submitted to us in response to our ad. this project will have to be passed over by us at this time. I am, therefore, returning your Report. I have retained your letter and the Resume for our reference in the event that we may be able to do some business in the future.

Thanks again.

Yours truly,

Brij Sharan  
President

Encl.:





BRISTLECONE MINING CO.

2525 Sharon Way, Reno, Nevada 89509

(702) 826-2838

June 1, 1987

Mr. Brij Sharan  
Vancouver Venture Corp.  
508-736 Granville St.  
Vancouver, B.C. V6Z 1G3  
CANADA

Dear Sir:

In response to your advertisement in the May 31 edition of the Reno Gazette Journal and our telephone conversation, please find enclosed a 1983 report on Denison Mines Ltd.'s Paiute Project in Washoe County, Nevada. We have acquired 79 claims from Denison under an option agreement which will become effective on July 1st, 1987. These 79 claims surround a group of 15 patented claims which Denison never evaluated. We took 12 samples on the patented claims and I have enclosed a copy of the results. The patent claims are available for \$10,000 per year and a 5% NSR royalty.

The target on this property is narrow vein, underground and high grade - similar to the Gooseberry Mine. As we discussed, the Gooseberry orebody was buried some 400' below the surface. There is quite a volume of additional data available including fluid inclusion studies, air photos, geochemical sampling and mapping all of which are being forwarded to us by Denison.

This property is easily accessible from Reno and is about one hour's drive from downtown. The location is well documented in Denison's report. This property requires that \$7,900 be spent on work by September 1st for assessment work.

We are looking for a partner to finance the continued exploration of this property and the acquisition of the patented claims. We feel that a first year budget of \$25,000 (U.S.) would be sufficient. We are not asking for any front money, simply a work commitment. Our agreement with Denison is that we will spend \$100,000 on the property to earn a 60% interest in their claims. There is no time limit on the expenditures. Following the 60% earn in, Denison is required to fund 40% of all further work or suffer dilution. Upon reaching production, Denison's interest will revert to a Net Proceeds Royalty. There is no lower limit for dilution. I feel that this is an excellent exploration project and would suggest a site visit if you are interested.

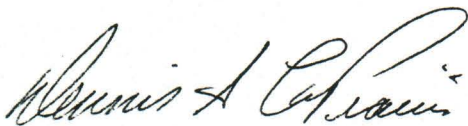
Bristlecone is willing to become the minority partner as I am sure Vancouver Venture Corp. would need controlling interest in any property which would be used for going public on the V.S.E.

LaPrairie Mining Ltd. is available on a consulting basis to run the project and I have included our resume for your consideration. LaPrairie Mining has authored several Engineer's Reports for the V.S.E. although, as a related company to Bristlecone, we could do the work on the property but not the final report for submission to the Superintendent of Brokers. In any event, we are available.

I have enclosed a copy of LaPrairie Mining Ltd.'s resume and a photo copy of the geology map compiled by Denison, we are waiting for them to forward reproducible copies or originals, thus the lack of prints.

I look forward to hearing from you, and if this property is not suitable, we have several others of merit which may be of interest to you.

Sincerely,



Dennis S. LaPrairie  
Mining Engineer

encl.





BRISTLECONE MINING CO.

2525 Sharon Way, Reno, Nevada 89509

(702) 826-2838

April 28, 1987

Mr. Chris Westerman  
Terrane Resource Management Inc.  
1010 - 470 Granville St.  
Vancouver, B.C. V6C 1V5  
CANADA

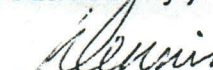
Dear Chris:

Please find enclosed an assortment of materials concerning Denison's Piute Project in Washoe County, NV.

I visited this property in 1980, the year before Denison came in and staked 92 claims in an area of highly altered volcanics. The property I visited was the group of fifteen patented claims known as the secret canyon group. For some reason, Denison never contacted the patent owners but staked and explored to the north and west of the patents. I have included a copy of their report with the drilling results. I think that they missed the boat as the main mineralized area is along a major north south fault while they were looking at an east west splay from the main fault - they didn't even map the patent area. I have included some excerpts from the Washoe Co. Bulletin. The geologic map shows the main fault in section 20 and a large intrusive rhyolite in section 16. Denison's work was all in sections 17 & 18 while the patents are in section 20. Pegasus and Meridian are currently exploring a similar altered area two miles to the south known as coal canyon (see the enclosed land status plat & pages 29 & 30 of the county report).

If this is interesting, I would propose that Bristlecone acquire the Denison ground and the Patent ground on favourable terms and then option the property on a joint venture basis to one of your clients in return for a payment to cover our costs of acquisition. We can acquire the Denison ground for a work commitment and a carried interest. We will attempt to tie up the patents for under \$5,000 for the first year. I'll work on negotiating with the owners while you digest this pile of info and if you can see enough encouragement, we will pick the thing up as long as we don't get beaten to the punch.

Sincerely,

  
Dennis LaPrairie







7:00 P.M. NOV 3 1981  
Div of Land Management  
NEVADA LAND OFFICE  
NEVADA STATE OFFICE  
RENO, NEVADA