

NOV 23 1970

KERR ADDISON MINES LIMITED

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To P.M. Kavanagh

From W.M. Sirola

Subject Trans Columbia Property
Casino Area, Yukon Territory

Date November 19, 1970.

We have reviewed at some length the results of Trans Columbia's 1970 work on their property situated on the west side of the Casino claim block.

Our study consisted of reviewing a report submitted to Trans Columbia by Geo-X Surveys of Vancouver. In addition, John Lund and I looked at rock samples in the office of John Godfrey, who is President of Trans Columbia. You will recall that we contemplated making a deal on this property last year.

The Geo-X report describes the geochemical work done on the property last summer and indicates that a total of five molybdenum and five copper soil anomalies were located. The report also recommends that a detailed aeromagnetic survey be done to outline structure, and this should be accompanied by detailed geological mapping. I.P. surveys are recommended over the geochemical anomalies. Trenching and diamond drilling are then suggested for coincident anomalous zones.

The report suggests that the sum of \$50,000 be allotted for geophysical work and \$100,000 for bulldozer work and diamond drilling.

In order to put the Trans Columbia property into some perspective with the Casino property, we compared the results of the Casino geochemistry with the geochemical results obtained on the Trans Columbia ground. Of the ten geochemical anomalies located by Geo-X, molybdenum anomalies ~~1~~, 2 and 3 appear to be of interest, as does copper anomaly number 2. It should be pointed out that molybdenum anomalies 1 and 3 have more or less coincident copper anomalies.

Casino's cross section aa which trends northwesterly across the core of the deposit, was compared with Trans Columbia's molybdenum anomalies 2 and 3. Trans Columbia's molybdenum anomaly M02 compares well with the Casino molybdenum profile and in fact shows higher peaks. Trans Columbia anomaly M03 has approximately the same width as the Casino M0 profile but does not quite have the same amplitude. It should be mentioned in passing that neither the Casino nor the Trans Columbia anomalies compare favourably with the anomalies on the Adanac ground. On the Adanac ground considerable areas are contained in the 200 ppm contour, whereas on Casino and Trans Columbia broad highs are in the order of 50 ppm.

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| JHS. |
| ✓ BMR ✓ |
| GMH ✓ |
| RDS |
| RCR |
| LDL |
| MAR |
| JHR |
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| E.C.J. |

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Subject Trans Columbia Property - PAGE 2

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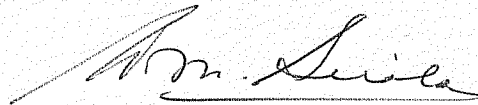
Since the Trans Columbia ground has not been geologically mapped, it was not possible to make geological comparisons. We are not aware from the limited amount of rock sample obtained from Trans Columbia that a leached capping occurs anywhere on Trans Columbia's ground. It would not however be fair to assume that such a capping does not exist.

The samples that we saw in Godfrey's office suggest that much of the claim area is underlain by unaltered granodiorite. The only exception was the vicinity of copper anomaly number 1 where some rocks showed considerable kaolinization and silicification.

We have concluded that it would not be wise to make a deal on the Trans Columbia ground without first being able to visit the property to determine what outcrop could be found in the vicinity of each potentially important geochemical anomaly. Mr. Godfrey has been so advised.

A copy of John Lund's report is enclosed, together with a copy of Geo-X's report and accompanying maps.

WMS/jm



W.M. Sirola.