

004967

105 L.

Glendon fence to blame.

Each have Kelly fence area Y.T.

Dec 21 1967

KERR ADDISON MINES LIMITED

(FOR INTER-OFFICE USE ONLY)

To.....W. M. Sirola.....From.....P. M. Kavanagh.....
Subject.....Glenlyon Mines Limited, Pine Hub & JH Claim.....Date.....December 21st, 1967.....
Groups, Earn Lake, Pelly River Area, 105-L-10.

W.S.R.
K.C.G.
J.H.S.
E.F.
R.D.S.
B.C.B.
P.M.K. ✓
G.W.M.
K.U.M.
C.K.W.
J.B.S.
G.P.R.
K.F.L.
J.L.B.
E.C.I.

Attached is the Sevensma report which was attached to your memorandum on the above property dated December 14th.

I wish to confirm the comments I made to you over the phone on the 18th, i.e. that I entirely approve your views. We would definitely want to make an examination next spring before considering any other aspect of the situation. If we were encouraged by our examination we would probably be willing to make some sort of a payment prior to carrying out a gravity survey.



Paul M. Kavanagh

PMK:sw

Enc.

KERR ALDISON MINES LIMITED

(FOR INTER-OFFICE USE ONLY)

1052

attach DEC 27 1967

To Previous

Dec 1967

To P. M. Kavanagh From W. M. Sirola

Subject Glenlyon Mines Limited, Pine, Hub & JH Date December 20, 1967
Claim Groups, Earn Lake Area, Y.T. (105-L-10)

W.S.R.
K.C.G.
J.H.S.
E.F.
R.D.S.
B.C.B.
P.M.K. ✓
G.W.M.
R.O.M.
C.K.W.
J.B.S.
G.P.R.
K.F.L.
E.C.J.

I have advised Peter Sevensma that we would take no action regarding this property until such time as we have been able to see the ground.

Since the reports are expensive to duplicate, Peter would like his report returned when it has served your purpose.

*This has been returned
PMK
Dec 27/67*

W.M. Sirola
W. M. Sirola.

WMS/1k

KERR ADDISON MINES LIMITED

(FOR INTER-OFFICE USE ONLY)

DEC 18 1967

To P. M. Kavanagh From W. M. Sirola

Subject Glenlyon Mines Limited, Pine, Hub & JH Claim Grps Date December 14, 1967.
Earn Lake, Pelly River Area, 105-L-10

W.S.R.
K.C.G.
J.H.S.
E.F.
R.D.S.
B.C.B.
P.M.K. ✓
G.W.M.
R.O.M.
C.K.W.
J.B.S.
G.P.R.
K.F.L.
J.I.B.
E.C.J.

Accompanying this memorandum is Peter Sevensma's report and a two-page Option proposal.

Peter and a Mr. McCowan brought this information to this office along with two samples showing bornite in a carbonated-chlorite-schist. Peter seems to feel that the combination of small amounts of outcropping mineralization combined with a limited geochemical and EM-16 anomaly are sufficient grounds for some company to make a payment of \$25,000.00 on the signing of an agreement and that a work commitment of \$100,000.00 within the first year is justifiable. Furthermore, if the \$100,000.00 were not expended within this year, one-half of the difference between the amount expended and the \$100,000.00 should be paid to Glenlyon. The work commitment of the second year would be \$250,000.00 and for the third year, \$350,000.00. Within this three year period, the Optionee may give a production commitment which would earn him a 60% interest, or he could drop out entirely and retain no interest.

Peter's premise seems to be that the criteria submitted in the report are suggestive of a large underlying base metal deposit. I am really not in a position to dispute what he says but I am not at all interested in recommending a property to Kerr Addison with terms such as those mentioned in the Option Proposal. At this stage of the game, I would go no further than to say that the property is deserving of an examination when it is free of snow and if this examination were encouraging, we could consider offering to do a gravity survey without agreeing to any of the other commitments set forth in the proposal. We could decide for ourselves what terms would be most suitable.

I thought you might want to have a brief skirmish with this material before anything further is said to Mr. Sevensma and Mr. McCowan.

*Advised Sirola by phone
on Dec 18th that I approved his thoughts
on this property; we definitely would want to make
an examination next spring before ~~any~~ considering ~~any~~ other
aspect of the situation.*

WMS/1k
Encl.

*PMK
Dec 21/67.*

Bice
W. M. Sirola.