

File 105 D

Glen Wilton - Aeromagnetic

Anomalies - Whitehorse area

005254 Feb 28 1963

KERR-ADDISON GOLD MINES LIMITED

(FOR INTER-OFFICE USE ONLY)

105. D.

MAR 1 1963

To..... C. K. WILTON..... From..... W. M. SIROLA.....

Subject..... AEROMAGNETIC ANOMALIES NEAR WHITEHORSE..... Date..... February 28th, 1963.....

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

We managed to finalize our thinking on the above subject this afternoon and I return herewith your sketch showing the four anomaly locations. I have lettered these "A", "B", "C" and "D".

We believe that "A" and "B" are topographic highs in granodiorite, "C" is probably caused by basalt and "D" is probably caused by a somewhat more basic phase of the hornblende diorite.

None of the known copper deposits exhibited a magnetic high anywhere near the magnitude of the anomalies in question.

It is my opinion that if we wanted ground in that area, we could go and stake better ground than that represented by the groups already staked. Consequently, I cannot recommend any further effort on these claim groups.

R.S.

William M. Sirola.

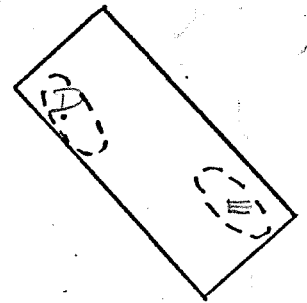
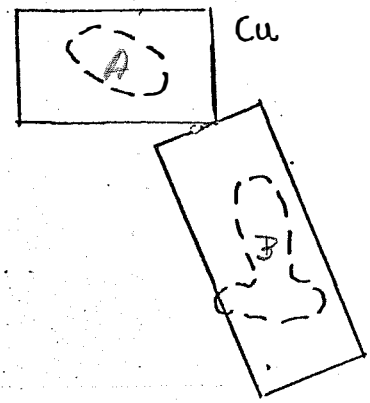
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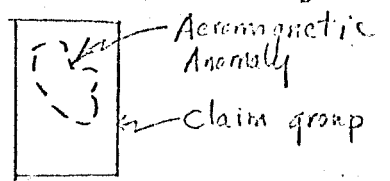
WHITEHORSE

Cu
Cu
Cu
Cu
Cu
Whitehorse
Copper Belt

A+B - Topographic Highs in granite
C - Probably basalt
D+E - Probably hornblende dikes



LEGEND



J. McCall
Claim Groups
near
Whitehorse, Yukon
Scale 1" = 2 mi.
Jan 31/63
CKW

KERR-ADDISON GOLD MINES LIMITED

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105 P
attach to
previous
correspondence

To W. M. Sirola

From C. K. Wilton

Subject Aeromagnetic Anomalies near Whitehorse

Date February 26, 1963.

On his return from Chile Paul showed little interest in the claim groups near Whitehorse.

However, McCall and Glen Wilton have phoned recently to ask whether we are interested and have been told that we had not yet heard from you or Al Kulan.

I inquired about the terms for a deal. They claim to have spent \$10,000. to acquire the claims and would like to get \$10,000. down but they realize this is unrealistic. They would want \$17,000. worth of work done in the first year. This amount has been arrived at by calculating the cost of the amount of work required to do the first year's assessment work by doing a magnetometer survey over the 170 claims with a line spacing of 750'. After the first year they would want a payment of \$10,000. (their cost of acquiring the claims) and if the claims were retained under option they would want a royalty deal, rather than shares, which would provide for an annual advance of money which would be deducted from royalty payments made after production was reached.

W.S.R.	
K.C.G.	
G.H.M.	
R.D.S.	
S.C.B.	
P.M.K.	✓
CKW	✓
CCC	
H.A.P.	
I.P.S.	
G.P.R.	
E.L.D.	
J.L.B.	
E.C.J.	
D.V.B.	

For your convenience I enclose a copy of my original memo. May we have your comments?

Yours sincerely,

CKW

CKW:dt
Encl.
c.c. A. Kulan
P. M. Kavanagh

C. K. Wilton,
Senior Geologist - Exploration.

I asked Kulan to comment independently if he does not hear from Sirola concerning these groups

CKW

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W.S.R.	
K.C.G.	
C.M.W.	
R.T.S.	
C.B.	
C.M.K.	<input checked="" type="checkbox"/>
C.K.W.	<input checked="" type="checkbox"/>
F.C.P.	
H.P.S.	
G.E.R.	
E.T.D.	
M.	
E.C.J.	<input checked="" type="checkbox"/>
D.N.B.	

105 D
Kavanagh files
105.D

To..... M. M. Sirala..... From..... C. K. Wilton.....

Subject..... Aeromagnetic Anomalies Near Whitehorse, Yukon Territory (105D)..... Date..... January 31, 1963.....

A Toronto prospector, Mr. J. McCall, associated with Mr. Glen Wilton, a Toronto lawyer with mining associations (not related to me) has submitted the four claim groups, totalling 170 claims, shown on the attached sketch. These anomalies which have relief of a few hundred gammas are associated with intrusive sediments contacts and are near and in part on strike with the Whitehorse copper belt. I realize that you are probably familiar with the Whitehorse copper belt but in any case you will find enclosed a copy of a memo about it which I wrote some time ago after studying the data.

Mr. McCall is in no great hurry and will wait for our decision until Kavanagh's return to this office (about February 12th). However it would be useful if by that time we had from you a memo with your recommendations as to whether or not Kerr should be interested in these groups. If you think they are of some interest please indicate what type of deal you think should be acceptable.

I have not yet asked Mr. McCall his terms for a deal but will inquire about them tomorrow.

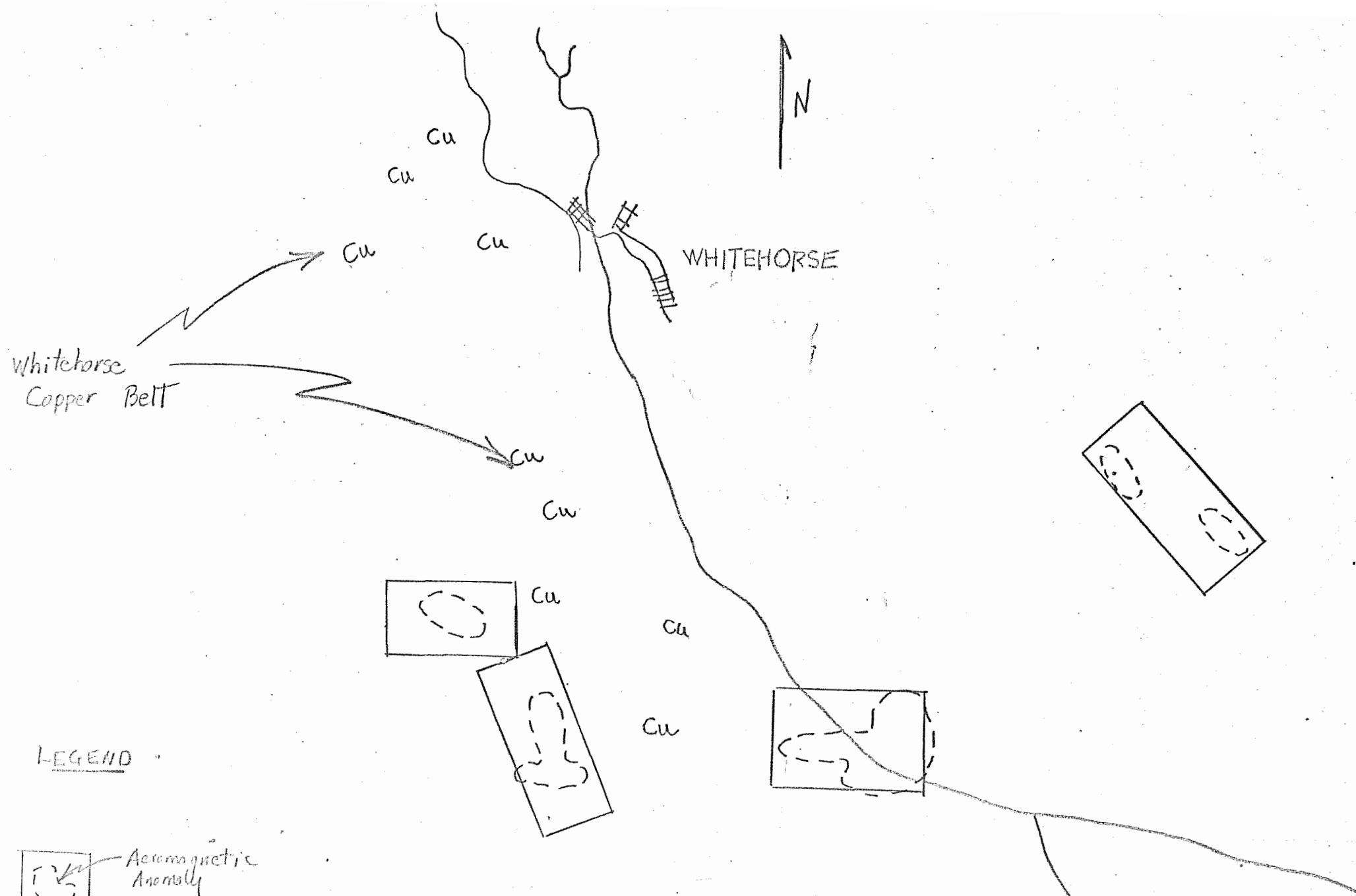
Along with the aeromagnetic maps Mr. McCall submitted a report by Dr. J. P. Sijpkens on the claim groups. The report contains a map showing that the anomalies are in part covered by alluvium and that only intrusive rocks outcrop on the claim groups. Dr. Sijpkens suggests geological mapping, magnetic surveys and drilling. He gives the following list of maps pertaining to the area.

Aeromagnetic maps	1341G, 1413G
Geological Maps	52-30-A, 1093-A
Topographic Maps	105--D/10, 105--D/11
Claim Maps	105-D-10, 105-D-11



C. K. Wilton
Senior Geologist - Exploration

CKW:ry

cc: A. Kulan
P. M. Kavanagh



LEGEND

-  Aeromagnetic Anomaly
-  Claim group

J. McCall
 Claim Groups
 near
 Whitehorse, Yukon
 Scale 1" = 2 miles
 Jan 31/63 CKW

REFERENCE MEMORANDUM

105/D

DATE

Oct. 5

1961

THE ATTACHED PAPERS ARE REFERRED



TO Mr. W. S. Row

BY PMK

PLEASE REPLY DIRECT

PLEASE HANDLE

PLEASE SEE ME RE THIS

YOUR COMMENTS

FOR YOUR INFORMATION

FOR APPROVAL

PLEASE RETAIN

PLEASE RETURN

Attached is a report by Wilton based on his study of the data provided by Mr. Fiske. Wilton has confirmed what have been my long-standing impressions of the Whitehorse Copper belt, i.e. that it contains either very small deposits of good-grade copper or larger deposits of only marginal grade.

I told Mr. Fiske that I would recommend to you that we don't take any interest in the situation.

PMK.

KERR-ADDISON GOLD MINES LIMITED

(FOR INTER-OFFICE USE ONLY)

105/D

NEW FILE

A	
W.S.R.	
K.C.G.	
P.M.K.	✓
C.K.W.	✓
G.H.M.	
B.C.R.	
D.W.	
ELD.	
J.I.B.	
E.C.I.	

To..... P. M. Kavanagh..... From..... C. K. Wilton.....

Subject..... Whitehorse Copper Belt, Yukon Territory (105 D)..... Date..... October 5, 1961.....

Two reports by A. C. Skerl, dated March 1956 and February 1957, as well as a report dated November 1956 by P. R. Wilson and a report dated August 1, 1961 by H. Priske, and accompanying maps, may be summarized as follows.

The Whitehorse copper belt is at least 18 miles in length along a granite ~~stone~~^{line} contact which is the locus for over twenty distinct copper deposits with a little gold, silver and in some cases magnetite. This type of deposit is unpredictable and the mineralization varies from Nil to 25% or more in copper.

Work on the belt started in 1899 and has been carried on intermittently ever since. Some production came from the camp during the first world war. Production is tabulated by Skerl and totals 163,613 tons of which 140,000 tons came from the Pueblo mine.

*What grade?
WSK
Apparently
not quite pmk.*

The Valerie deposit had some lenses of ore from which 40 tons of 18% copper were shipped. Work by Noranda to the north found 4 magnetic anomalies. An attempt was made by Noranda to drill under one of the anomalies but the hole was lost in overburden. Skerl recommends drilling the anomalies.

At the Big Chief deposit 3 trenches average 1% copper across 30' for 100' of length and 200' to the south, 2 trenches average 0.90% copper across 62' for 100' of length. One trench in between averages 0.40% copper. No drilling was done.

The Middle Chief deposit averages 1.47% copper across 56' in one trench. Hole C-4 50' to the north averages 0.25% copper across 78' and hole C-3 150' south averages 0.4% copper across 60'.

The Little Chief deposit in 3 trenches averages in copper 2.3% across 77', 0.65% across 105' and 1.2% across 25'. Hole C-1 under the best trench averages 0.6% copper across 135'. Hole C-2, about 200' north averaged about 0.52% copper across 102'. Skerl notes that the mineralization in the surface showings is erratic but recommends more drilling by holes 50' apart to sample the deposit thoroughly.

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To..... P. M. Kavanagh..... From..... C. K. Wilton.....

Subject..... Whitehorse Copper Belt, Yukon Territory (105 D)..... Date..... October 5, 1961.....

- 2 -

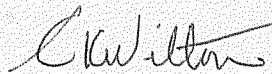
The Arctic Chief Best Chance deposit was drilled by 12 holes on sections 50' apart with 2 holes on most sections. The holes indicate an average grade of 0.75% copper over a maximum width of about 180' for a length of 150 feet. Another 100' of length was drilled but averaged only 0.25% copper.

Wilson estimated three possible ore shoots over a length of about 100 feet which total 34,000 tons of 1.8% copper down to 120 feet. Skerl considered that an open pit to a depth of 80 feet might produce 70,000 tons of 1.6% copper out of 230,000 tons excavated by a controlled blasting and shovelling operation.

Numerous other showings or deposits produced a few thousand tons of 5 to 10% copper and Skerl recommended work on some.

Skerl estimates that if 2,000,000 tons with an average grade of 1% copper were developed net profit would be \$1.00 per ton assuming copper at 34¢ per pound. A grade of 0.8% copper would reduce this net profit to zero.

The reports suggest that further work on the copper belt would probably develop only small tonnages of high grade copper ore or large tonnages of sub-marginal ore. Further work at this time is therefore not attractive and is not recommended.



C. K. Wilton
Senior Geologist - Exploration

CKW:ry