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LYLE GATENBY GOLD PLACER

OPERATIONS DAWSON AREA

005691 DECEMBER 7, 1977

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KERR ADDISON MINES LIMITED

(FOR INTER-OFFICE USE ONLY)

To D.A. Lowrie **From** W.M. Sirola

Subject LYLE GATENBY PLACER OPERATIONS - DAWSON AREA, YUKON TERRITORY **Date** December 7, 1977

GOLD PLACER - YUKON

FILE

Some time ago you enquired about Gatenby's placer operation and I have not seen him in recent time but managed to reach him on the phone today.

Most of the work this year was in the order of development work preparatory to next summer's mining. They excavated 4,000 ft. of 40' x 25' plus 7,800 ft. of water ditch. The only actual mining was done late in the Fall and they recovered 200 ozs. of gold from the 10 day run. Apart from this work, they did finish up another nearby placer and it is now worked out.

Next year they will have to rent or lease a 12 yd. loader and some conveyor belts, but he does not know how this will be financed as yet.

Thus far, nothing has been done on the Gold Run placer, on which the reserves are 6 ml. yds. with a grade of $4 to $5 per yd. Apparently this yardage could be increased to 30 ml. by dropping the grade and including some of the tailings from prior work.

The ground would have to be thawed and there is not much water in the creek. Consequently, very little in the way of productive yardage is readily available. He does not think that they will be tackling this particular deposit for another two years, but he is fairly optimistic about the possibilities, using his method of lowering the water table, thereby encouraging thawing of the ground.

Lyle sends his regards. He says that he would be interested in any proposition you might have in mind for this deposit.

Bill

W.M. Sirola

WMS:meb