

005935

COPY

D.A. Lowrie

W.M. Sirola

Shale Claims Finlayson Lake Area
Yukon Territory
105G - 14

May 19, 1978

In reviewing the results of the gravity survey done on the 41-48 mineral claims, I am enclosing the following:

1. Bouger gravity plan - scale: 1:3000.
2. Topographic plan - scale: 1:3000.
3. Composite gravity sections: scale: horizontal 1:3000
vertical 2.5 cm. = 0.5 mg.
4. Bouger gravity cross sections of lines 0 + 00
28W 32W and 40W scale: horizontal 1:3000
vertical 2.54 = 1 mg.
5. Magnetic cross section line 32W - scale: horizontal 1:3000
vertical 2.54 = 500 gammas

Approximately one week ago, we had been told by Al Carlos that they had a two mgal. Bouger gravity anomaly with a length of 4,000 ft. and a width of approximately 2,000 ft. Since this anomaly was in the immediate vicinity of the mineralized float found by Carlos, it became a matter of some urgency to obtain the data. Fortunately, Carlos had the Bouger map and was looking for help in interpretation.

A visit to the property revealed that the anomaly occurs on a 50 ft. high knoll with a steep embankment to a creek on the south side, and sloping towards a swamp on the north side. Examination of the float boulders indicated that the mineralized rock is an augen gneiss with an average grade of perhaps 10% combined lead zinc sitting on a chlorite phyllite schist sloping gently north-eastward. Unlike the Anvil deposits, pyrite is relatively scarce (2%).

The convex-upward shape of the gravity profiles, indicates in my view, nothing but the proximity of bedrock over the low knoll. The only line on which there could be a very small residual anomaly is line 40W and perhaps an even smaller one on line 0 + 00. This does not particularly surprise me because I think the overall sulfide content of any mineralized zone which might be found, would be too low to reflect itself as a high gravity response. Be that as it may, the mineralization in the float is most impressive, and other means of detecting this mineralization should be sought.

COPY

page 2

Al Carlos did some geochemical work on the property but, on looking at some hand trenches, I found that the immediate overburden is a fluvial or lacustrine sand and there does not appear to be any mature soil.

Carlos and Harris are, I believe, in the process of drilling their first hole on what looks like a gravity anomaly on line 0 + 00 at Station 3S. I am not very optimistic over the outcome of this drill hole. I suggested to them that they trace the graphitic phyllite which crosses to the north-east of the float area and they have readily agreed to this concept. In this regard I very much appreciate your forwarding the Crone VLF set which should be arriving here at any time.

If and when the property becomes available to us, we may find it necessary to go to something like induced polarization to trace the type of mineralization found in the float, but that is something to be determined if the need arises. I am almost certain that we can get first refusal on this ground, but we will have to wait and see.

Despite the lack of gravity response, this property is most intriguing and I would certainly recommend optioning it if the terms are at all reasonable, and if we get the opportunity.

W.M. Sirola.

WMS:ps
enclosures

1/11

KERR ADDISON MINES LIMITED

(FOR INTER-OFFICE USE ONLY)

To W.M. Sirola From J.W. Murton
Subject CALL FROM GLEN HARRIS - WHITEHORSE Date April 24, 1978

Glen Harris called this morning and I told him that we were interested in optioning the ground at DOL (Tom) Lake and if he and Al could have some idea what they wanted for terms.

I told him that Dave Lowrie was coming out tomorrow, and that we would try and give him a call between 4.30 - 5.00 tomorrow afternoon. We could actually call him anytime, but Glen Harris will be gone after tomorrow, while Al Carlos will be around longer.

There is additional staking going on to the west of their ground by Yukon Revenue and someone else is staking in the area.

They do not have the gravity results yet (strange!) on their ground, and have the diamond drill across the river at their camp.

Glen White is about to do Vector E.M. on DuPont ground.


J.W. Murton

Frinkayson L. Project

MARGE EXPLORATION DDH TO 281' @ DOL (TOM) LAKE.

0-44' OB
44-180 CHL SER PHYL

180-220 GR PHYL. QUARTZ VEINING & SILICIFICATION

220-281 BLEACHED SER PHYL.

END HOLE - RAN OUT OF MONEY.

Core stored @ lake @ site except for 2 boxes (170? - 240?) stored in Whitehorse @ A. Carlos' house.

Earlier drill hole (Spartan Expl) core stored @ Dol (Tom) Lake.

COPY

D.A. Lowrie

W.M. Sirola

BLACK 1 - 36 MINERAL CLAIMS (FORMERLY KERR
ADDISON DAVIE GROUP, 1966) - FINLAYSON LAKE,
SHEET 105G

April 17, 1978

These claims are located on Tom Lake, over a block of claims which Kerr Addison staked in 1966 as the Davie Group. We staked these claims as part of what was then known as the Pelly River project. You may recall that last year we were presented with samples from the Gem claims, held by Yukon Revenue and these claims were staked originally by Kerr Addison as the Kay Group as part of the Pelly River project.

During the Pelly River project, we conducted airborne magnetic, ground magnetic, ground electro-magnetic and geochemical surveys on the then Davie group (now called the Black Group) and we finished all of those surveys off with a gravity survey of the otherwise geophysically anomalous ground. The gravity survey did not, in my opinion, indicate anything anomalous and we dropped the ground.

Clyde Smith, our project manager, who was a great enthusiast for the Davie Group (named after his son), joined Spartan Explorations in 1967 and that company drilled one hole to a depth of 254 ft. on the coincident geophysical anomalies. This hole did not encounter any sulphides and the property was dropped.

The claims were later picked up by Carlos and Harris and optioned to Marge Exploration of Vancouver in 1977. They drilled one hole to a depth of 281 ft. and the last 60 ft. of this drill hole encountered bleached sericite phyllite after penetrating 40 ft. of graphitic phyllite. In our experience, bleached sericite phyllite occurs only in the vicinity of sulphide mineralization and hence it would appear that this drill hole stopped just short of the target.

In such geological mapping as we did during the Pelly River project, we found this area contained lithologically similar and tectonically similar rocks to those encountered in the productive parts of the Anvil Range. In other words, the typical sericitic and graphitic phyllites indicated the same deformations (D1 and D2) and while these rocks are now considered to be allochthonous by Tempelmann-Kluit, I think it is very much of a fad these days to explain unresolved geological problems by saying that the rocks have been shifted some unknown distance and so cataclized that the litho-stratigraphic sequence is completely lost.

The presence of mineralization in this area, located approximately 40 miles south-east of Ross River, is indicated by the leached and weakly mineralized graphite phyllites on the Gem property (our former Kay Group), by the geochemical anomalies we detected in 1966 and by the float found by Carlos and Harris on the Shale claims located 6 miles east of the former Davie Group.

COPY

- 2 -

The most prominent foliation in this area, as in the Anvil Range, is flat to gently dipping. This foliation would be axial planar to any mineralization subject to the same deformation and hence the mineralization would probably occur as open, nearly isoclinal, sigmoidal folds. I suspect that such a mineralized fold underlies the bleached phyllite of the Black (Davie) Group and that it occurs at a vertical depth of perhaps 300 ft. or more, depending on whether the bleached phyllite is above or to one side of the deposit. Such a deposit would have its long axis oriented north-west. Since there is no gravity anomaly at this location, one must suppose that the mineralization is not heavy in sulphides (less than 30%) or that it is too deep to be detected by gravity (> 300 ft.) or some combination of these two factors.

I recommend that we option and drill the Black Group if we can make a reasonable deal with Carlos and Harris. I would imagine the cost of the option to be \$5,000 and that drilling one 1,000 ft. hole would cost \$25,000. These are, of course, very minimal estimates and perhaps one drill hole would not be adequate. I have enclosed all of the pertinent geophysical and geochemical data and hope that this will provide you with an adequate basis for reaching a decision. All of the deposits in which we have found sulphides in the Anvil Range have contained bleached phyllite envelopes, but we have not found it in drill holes remote from mineralized zones.

W.M. Sirola

- Encls.:
- (1) Davie Group ground magnetic map, scale 1" = 400 ft.
 - (2) Claim map showing location of Black Group and position of Kerr Addison air and ground magnetics. Also float location on Shale Group. 1" = $\frac{1}{2}$ mile.
 - (3) Government aero magnetics showing location of mineralized float and location of magnetic anomaly of Black Group. 1" = 1 mile.
 - (4) Geochemical map showing distribution of zn/cu/pb in vicinity of Tom Lake. Also location of drill holes.
 - (5) Composite Plan. Scale 1" = 400 ft.

COPY

D.A. Lowrie

W.M. Sirola

FINLAYSON LAKE PROJECT - WATSON LAKE MINING
DISTRICT, Y.T. (105G)

April 7, 1978

Herewith a brief but concise report by Wayne Murton on the acquisition of the Pelly claims.

This ground was acquired on the basis of our past experience in this area and because of the possibility that the source of the mineralized float found on the west side of the Pelly River may lie some distance to the east and indeed there could be other similar float in the relatively low area in which the Pelly claims occur.

The acquisition of this ground also led to a good relationship with the owners of the Shale claims on which the float occurs, largely because of the co-operative attitude of the owners and of both Wayne and Alex.

Most of the ground to the west of the Pelly River is owned by Al Carlos and Glen Harris and they have optioned part of the ground to Dupont in recent time. At the moment a gravity survey is being completed on the Shale claims and drilling should commence this month. This work is being financed entirely by the sale of units by Carlos and Harris.

It may well be that their gravity work will not locate the source of the float and, should this be the case, Harris and Carlos will probably be amenable to option arrangements. If that occurs, our position would be highly competitive, provided we have funds available for that purpose.

W.M. Sirola

Encl.

WMS:mcb

COPY *File*

April 5, 1978

Mr. Al Carlos,
13 Aspen Drive,
WHITEHORSE, Y.T.

Dear Al:

Enclosed is a miscellaneous batch of data on Kerr Addison's old Davie Group. Some of the maps are in a pretty rough form, but the data is valid and you may be able to make something out of it.

Would you be kind enough to roughly spot your diamond drill hole (Marge Exploration) and Spartan's holes on the xerox copy of the Mag map that I enclose. Could you also please send us a small piece of drill core from near the bottom of your drill hole that shows the bleached sericite phyllite so that we can show this to Bill Sirola.

I hope you have your gravity data back now and it is as you hoped so that you are able to keep your hat on your head and not in your hand, so to speak.

Good luck with your work and I hope to see you again this summer.

Yours truly,

J.W. Murton, P. Eng.
Assistant Exploration Manager

c.c. Mr. G. Harris

Encl.

JWM:meb

COPY

D.A. Lowrie

W.M. Sirola

Finlayson Lake Project - Pelly Claims

July 18, 1978

Please find attached a plan on a scale of 1:5000 showing EM results to date. Accompanying the plan are profiles of line 510E in two segments.

Since all of this ground is low and flat, there is the possibility that the conductors may be due to a particular type of clay. However, the negative portion of the western part of the anomaly, between base line 00 and base line 872N, is irregular, and the ratios between the low and high frequencies are in the order of 0.6. I would think that a clay anomaly would be a somewhat smoother profile, but I have never actually investigated any clay anomalies, so I don't know for sure. Possibly one way of checking the nature of these conductors would be to run an SP line over the strongest portion of the EM anomaly, and if the source is carbonaceous, or graphitic, material then there should be an equally good response with the SP set. This is particularly true because I don't think the depth of the conductor exceeds 50 ft. and this would be within the capabilities of an SP unit in the case of a strong conductor.

The enclosed claim map indicates the outline of the -10^0 contours of the three conductors, but does not represent the total extent of these conductors. A great deal of electrical work remains to be done and very little magnetic work has been carried out to date. What has been done indicates that the conductor areas are magnetically flat.

By way of interpretation and looking for the moment at the profile of 510E, just south of base line 872N, the conductor looks to be dipping 20^0 or 30^0 northward and, as I mentioned before, is less than 100 ft. deep.

We will dig for pits in an attempt to obtain the geochemical soil profile. If this shows nothing (which it may easily do in the muskeg), we may have to resort to something like gravity to develop another parameter on which to base a drilling programme. We will hold off, however, until all of the EM work is complete.

W.M. Sirola

WMS:ps
enclosures