

RECEIVED

OCT 2 - 1978

KERR ADDISON MINES LTD.

*file Kelly
class*

005940

BEMA INDUSTRIES LTD.

19790-88 AVENUE, R.R. 4 ^{PER} LANGLEY, B.C. V3A 4P7 (604) 530-7772

Sept. 28, 1978
Project no. 7823

Mr. W.M. Sirola
Kerr Addison Mines Ltd.
703 - 1112 West Pender St.
Vancouver B.C.

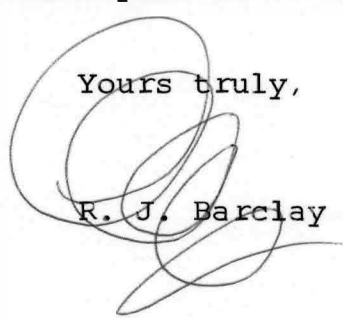
Re: Overburden Drilling, Ross River, Y. T.

On September 27th, 1978 overburden drilling equipment was shipped to Whitehorse via C.P. Air Cargo to your account. Mr. Beley and our driller, Mr. Dean Lockwood will pick this equipment up in Whitehorse Saturday, September 30th, 1978, and drive to your property location in the vicinity of Ross River via rented 4x4 crew cab. They will have with them a two to three man camp which has been warehoused in Whitehorse.

As expediently as conditions permit a test drilling will be made on your grid to ascertain the practicality of the overburden method in permafrost, under the direction of your geologist Mr. Wayne Murton. Upon completion of the test a decision will be made by Mr. Murton as to the continuation of the drilling. Sufficient equipment will be on hand for an extensive overburden drilling program.

You will find our 1978 rate sheets enclosed. Thank you for this opportunity to be of service.

Yours truly,


R. J. Barclay

RJB;mes

BEMA INDUSTRIES LTD
19790-88th Ave. R.R.#4
Langley B.C. V3A 4P7
Telephone 530-7772

OVERBURDEN DRILLING RATES

Overburden Drilling: \$ 40.00/hour

This includes 2 men, 1 drill, adequate rods, samplers, jacks and miscellaneous small tools. All drilling time and travel time from the work-site is charged at this rate. This includes sufficient tools and spare parts to facilitate minor repairs in the field.

Mobilization and Demobilization: \$ 30.00/hour

This includes all travel time from Vancouver or other point of mobilization to the field camp and return.

Charges for Materials Lost or Destroyed:

This includes all rods, samplers, and round points which are destroyed or lost due to ground conditions. The rates for these items are as follows:

Large Sampler	\$174.80	each
Medium Sampler	\$174.80	each
Small Sampler	\$155.25	each
Round Point	\$ 18.75	each
Rods and Couplings	\$ 20.00	each