

cc → S. Pilcher

007622

COPY 1983 Oct 6

MEMORANDUM

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possibly use bulldozer rather than helicopter support

APR 12 1984
KERR ADDISON MINES LTD.

VANCOUVER

1983 October 06

TO: D. A. Barr

FROM: J. M. Kowalchuk

Klinkit - 1984 Field Program and Budget

The Klinkit project has five targets distributed over three properties that require drilling in order to evaluate their potential for economic tin mineralization. The targets are all magnetic anomalies and except for showings over the Val A anomaly, no economic grades of mineralization have been found on any of them. On the Swift-Slip properties two anomalous areas look favourable for tin mineralization. Both areas are covered by up to 20 metres of overburden and no method of testing them other than diamond drilling is possible. On the Val B group, skarn outcrop is present, however, the lowest outcrop is still 50 metres above the skarn-granite contact, and the most favourable location for tin mineralization is along the contact. A tin-rich system is certainly present in Val B as the skarns contain abundant tin silicates. Val A as mentioned before, actually contains outcrop carrying economic grades of tin and drilling would be required to check on magnetic anomalies where the skarn is covered by barren limestone. The program for each project area will be considered individually, starting with the Swift-Slip group of claims.

Swift-Slip

Three anomalies each requiring two short holes fanning from one set-up. The anomalies and proposed drill holes are as follows:

Line 0+00	13+10S	2 holes totalling 100 m
Line 6+00W	11+00S	2 holes totalling 100 m
Line 12+00W	4+80S	2 holes totalling 150 m

Val B

One set-up with two holes will give a preliminary test of this property. The holes will each be 50 metres long.

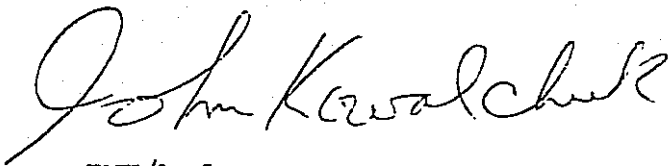
Line 0+50E 1+00N 2 holes totalling 100 m

Val A

Four holes totalling 150 metres are proposed for this location. Proposed locations are:

Line 4+00W	1+00N	40 metres	150 m
Line 3+00W	2+00N	50 metres	
Line 1+00W	0+75S	30 metres	
Line 1+00E	0+75S	30 metres	

The total drill program would entail 600 metres of drilling and would cost \$205,000.



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attach.

BUDGET - KLINKIT 1984

1.	<u>Diamond Drilling:</u> 600 metres @ \$100/m	\$ 60,000
2.	<u>Drill Site Preparation:</u> 8 sites @ \$800/site	\$ 6,400
3.	<u>Helicopter Support:</u> 120 hrs @ \$550/hr	\$ 66,000
4.	<u>Analyses:</u> 100 samples @ \$15/ea	<u>\$ 1,500</u>
	Total contract costs:	\$133,900
	Administration on contracts (7%):	\$ 9,373
5.	<u>Personnel:</u> 1 Cook	\$ 2,200
6.	<u>Supervision, Preparation and Report Writing:</u> 2 months @ \$6,000/month	\$ 12,000
7.	<u>Camp Costs:</u> 160 crew days @ \$50/crew day	\$ 8,000
8.	<u>Transportation:</u> Air Fares - 2 return fares @ \$500/ea Freight	\$ 1,000 4,000
9.	<u>Equipment Rental:</u> Truck Radio	\$ 1,500 400
10.	<u>Telephone and Stationery</u>	\$ 200
11.	<u>Drafting</u>	\$ 1,000
12.	<u>Depreciation</u>	1,500
13.	<u>Property Costs</u>	<u>500</u>
	Total non-contract costs:	\$ 32,300
	Administration on non-contract (10%):	\$ 3,230
	Option payments:	<u>\$ 7,500</u>
	TOTAL COSTS:	\$186,303
	10% Contingency	<u>\$ 18,630</u>
	TOTAL COST:	<u>\$204,933</u>
		say, <u><u>\$205,000</u></u>

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