

KERR ADDISON MINES LIMITED

SUITE 405 - 1112 WEST PENDER STREET
 VANCOUVER 1, B.C.
 PHONE 682-7401

3rd October 1975

TO: GLEN M. HOGG
 FROM: W. M. SIROLA
 SUBJECT: HAL GROUP, ANVIL RANGE, Y.T. (105K-11)

OCT 8 1975

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

SUMMARY

I have reviewed all of the technical data submitted by Paul Sawyer on the Hal 1-24 mineral claims currently held by Northern Homestake Mines. I understand that interest in this property was instigated by a telephone call from Charlie Robbins.

The technical data includes a report by Simpson and Jilson of Anvil Mining Corporation dated April 1975, plus IP, magnetic, geochemical and geological maps.

In order to keep this memorandum uncluttered, the pertinent facts are summarized below in the usual report sequence.

Location

The Hal claims are located 15 miles North of the Anvil mine at 62°34'N 133°20'W.

Ownership

Northern Homestake Mines, an unlisted B.C. company.

History

The claims were staked in 1965 and optioned to an affiliate of Cyprus Mines Corporation in 1973. The claims were returned to Northern Homestake in 1975, after conducting geological and geophysical surveys as stated above.

Geology

The rocks on the property are North Westerly striking quartzites, cherts, calc-silicate rocks and minor limestones which dip gently South Westward. They are considered to be Devonian in age. The East side of the Anvil batholith is probably just off the West boundary of the Hal claims, judging by regional aeromagnetic data.

I.D.B.
T.W.B.
J.K.C.
D.M.H.
G.M.H.
E.C.J.
W.J.
~~B.M.N.~~
S.P.
G.R.
M.D.R.
J.S.S.
C.K.W.

I have advised C. Robbins
by telephone that we are
not interested in optioning the
Hal Group at this time

G. Webb

Oct 8/75

There is one prominent North Westerly trending airphoto lineament on the South West corner of the claim group and there appears to be a conjugate set of fractures trending North Easterly.

Mineralization

Early trenching has revealed small quantities of copper-zinc mineralization in fairly abundant disseminated pyrrhotite. This mineralization appears to be largely in rusty weathering fine grained siliceous rocks, or in quartzites. According to Jilson the mineralization is stratiform but controlled by fractures within a particular stratum. Sampling of these trenches revealed only trace amounts of copper, lead, zinc and silver.

Results of Magnetic Survey

The pyrrhotite mineralization is clearly indicated by di-polar 500 gamma lenticular anomalies. The lenses are discontinuous and the greatest length of any one lens is about 900'.

Results of IP Survey

A frequency type survey using an electrode separation of $A=200'$, $N=2$ clearly defined both conductive rock units and pyrrhotite mineralization. The conductive rocks are argillaceous limestones which gave a p.f.e. value of up to 20%. The pyrrhotite mineralization produced p.f.e. effects of 7.5 to 10%. The maximum length of the 7.5% contour was approximately 2000' and of the 10% contour, 1000'. There are four distinct anomalies but two of these are on the East boundary of the Hal group and the more Southerly of these two is, in any case, caused by conductive rocks with some pyrrhotite mineralization.

Geochemical Results

Soil samples were analyzed for copper, zinc and lead. Anomalous copper values in the order of 200 to 1800 ppm are coincident with the two IP anomalies which reflect mineralization. These anomalies are on line 20W - 24W at 118N and on line 4W at 105N. The anomalous copper values are distinctly limited in extent with the largest being approximately 800' long and 400' wide.

Zinc distribution matches the copper distribution but is more widespread and more prominent on the East boundary of the Hal claims with the adjacent Dana claims which belong to Cyprus Anvil. On line 4W110N the zinc content exceeds 13,000ppm but the high values are confined to one line over a width of 300'. Certainly the Dana claims would appear to have more promise for zinc mineralization than the Hal claims.

Drilling Results

Paul Sawyer advised by telephone that Northern Homestake had drilled a total of three diamond drill holes this summer. The first of these holes was drilled on line 4W109N on a bearing of N15°E. This hole was weakly mineralized (presumably in copper) from the collar to the bottom of the hole at 553'. Two drill holes were drilled from line 19W115N, on the IP anomaly and these were directed N15°E and N15°W. The first hole encountered 109.5' of 0.42% Cu and the second encountered 116' of similar grade.

Conclusions

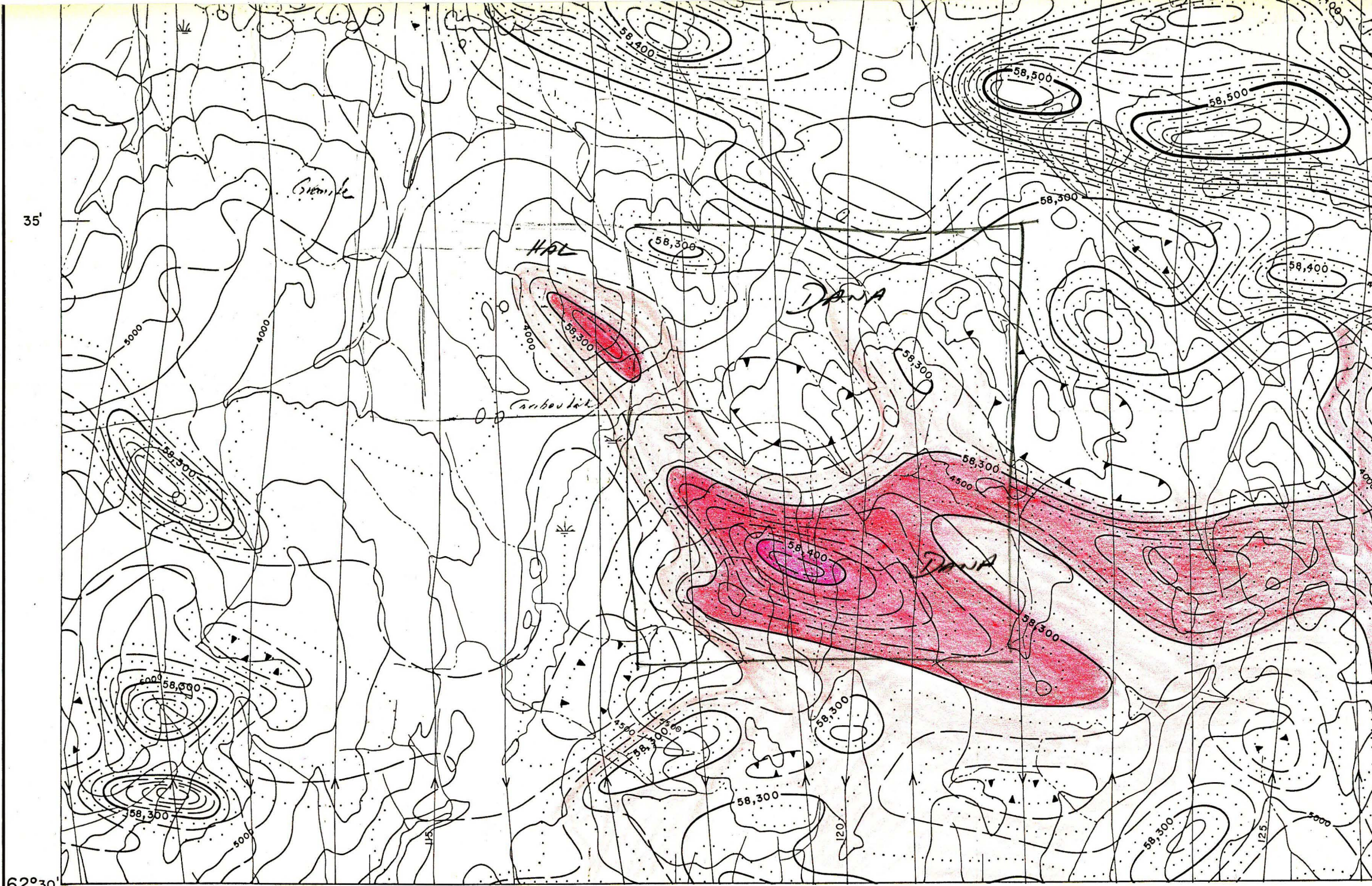
Despite the rather interesting copper content of the two drill holes, the outlook for major tonnage is poor. Obviously, for grades of that order to be economic, very large tonnages would be needed, together with a lesser tonnage of higher grade.

In trying to place the Hal claims into some kind of perspective, it is fairly obvious that these claims are located on the North Westerly end of a much larger magnetic feature which would be encompassed by the Dana claims. ~~It would also appear that the geochemistry on the Dana ground is much more suggestive of higher values (at least in zinc) than anything encountered on the Hal group.~~

I am, therefore, unable to recommend optioning of this property by Kerr Addison Mines Limited.



W. M. Sirola



35'

62°30'

133°30'

25'

20'

4363G "Mount Mye"

10'

KERR ADDISON MINES LIMITED

(FOR INTER-OFFICE USE ONLY)

I.D.B.
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C.K.W.

To..... G. M. Hogg From..... B. M. Nichols
Subject..... Hal Claims, Whitehorse Mining Date..... September 30, 1975
District, Yukon -- C. D. Robbins Submission

Mr. Robbins has submitted rough drill logs and selected split core for three holes which tested a mineralized cherty and limey sequence of metasediments in the Faro, Yukon area. The exact location as well as the size of the property is unknown.

As per the attached assay sheets, drill hole 75-3 yielded the highest assays, those being 4.3 feet of 1.03% Cu and 1.94% Zn and 13.0 feet of 2.42% Zn. While the results are not outstanding, the implication of the mineralization being "layered" (ie. stratabound) and probably located in the Anvil-Grum-Vangorda sequence of rocks makes the property's potential for substantial sulphide mineralization reasonable.

Without knowing more about the property in terms of geology, geophysics or geochemistry, I would recommend that Mr. Sirola evaluate the situation from the Vancouver office.



B. M. Nichols

BMN:jas
Attachments

September 12, 1975

Mr. C. D. Robbins,
President,
Northern Homestake Mines Ltd.,
130 Brunelle Street,
BELOEIL, Quebec.

Dear Mr. Robbins:

I enclose for your information and files, copies of the tabulated Assay results for Drill Holes 75-1 to 75-3 inclusive, on the Hal claims, Whitehorse Mining District, Yukon. I also enclose tabulations of the averaged Assays over a series of different lengths of the cores from Holes 75-1 and 75-3. These are the same figures which I gave to you verbally by telephone yesterday.

Also enclosed are copies of the preliminary handwritten logs made by Marv Mitchell on these three holes. These are being retyped in final form and copies will be forwarded to you later. I also made fairly quick logs of the last two holes and part of Hole 75-2 which are still on tape. As soon as I have these transcribed I will forward copies to you.

I mentioned to you on the telephone that one of the things which had struck me about this particular area of Yukon in the past when looking at some of the core from the Giant Yellowknife Mercury Exploration ground which I optioned for Cyprus in early 1970 (this is the ground on which we found something in the order of 10 million tons of around 2% zinc), and also in looking at the core from the Dana claims this summer, and now on the Hal claims, is that there are some similarities with the type of alterations and mineralization which one finds in the Needle Mountain deposit of Gaspé Copper.

J. B. P. Sawyer, P. Eng.

CONSULTING GEOLOGIST

(604) 684-5433

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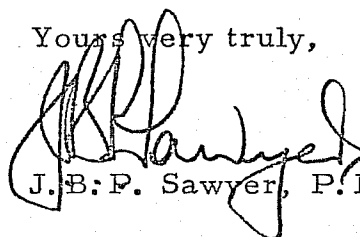
Mr. C. D. Robbins,
Beloeil, Quebec

September 12, 1975

At Gaspé there is essentially a very wide zone of strong hydrothermal alteration of a series of sediments and minor volcanics which are in part limy. The alteration has produced in places highly siliceous rocks and in places rocks with some development of skarn mineralogy, and the sulphide mineralization which accompanied the altering solutions has preferentially replaced certain beds in this sequence. At Hal claims, and Dana, we have the original rocks which are perhaps more cherty, than those in Gaspé but also include siltstones and argillites which are in places limy. The strong silicification which we see in these I believe to be the result of a hydrothermal alteration probably from the intrusive rocks which outcrop, at the nearest point, near Caribou Lake. The layered nature of the mineralization due to preferential replacement of a certain bed at the Hal area appears to be similar to that at Gaspé and the overall picture is, I think, quite comparable. Knowing what Gaspé Copper turned out to be, and when one considers also the large amount of work required to prove out the Gaspé deposit the work we have completed so far on Hal is just a fairly small beginning. I personally feel that this property has a lot of merit and is well worth considerably more exploration.

Under separate cover I am sending a small package of samples of split drill core from the three drill holes so that you can see the style of mineralization.

Yours very truly,


J. B. P. Sawyer, P. Eng.

J. B. P. Sawyer, P. Eng.

CONSULTING GEOLOGIST

(604) 684-5433

September 18th, 1975.

1 - 425 Howe Street,
Vancouver, B.C.
V6C 2A9

Mr. C. D. Robbins,
President,
Northern Homestake Mines Ltd.,
130 Brunelle Street,
BELOEIL, Quebec.

Dear Mr. Robbins:

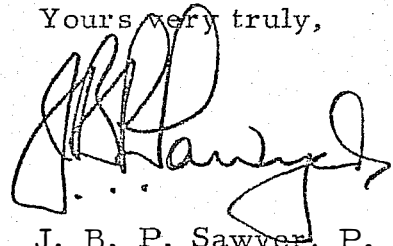
I am enclosing herewith copies of the Assay Certificate received yesterday from Bondar Clegg & Co. in Vancouver reporting assay results on eight samples of rejects from the drill core from DDH 75-1 on the Hal claims. As you will see these show excellent agreement with the original assays received from Whitehorse Assay Laboratories and so it is probably not necessary to run further checks. I also received this morning from Whitehorse Assay Laboratories tungsten assays on six of the samples selected by them after they had lamped the crushed core. As you can see these values are quite low although there apparently is some scheelite in this core.

Mike Saville is in town today and I have this morning reviewed with him the work he completed on the Mat claims. I will be incorporating this information in a fairly brief summary report which I hope to get out to you within the next few days. Unfortunately, he did not get the core samples into Whitehorse Assay Laboratory as quickly as I would have liked, however, the samples are I understand now on the way to Whitehorse and I have alerted Roy at the Whitehorse Assay Lab to pick them up as soon as possible. Mike did complete a small grid of soil sampling over the immediate area which includes the showings and these samples are being handled by the Whitehorse Assay Lab. I will make plots of the result as soon as I have them and forward copies to you. I understand because of the lateness of the season they were unable to carry out as extensive a program as we had hoped but I am sure that the work completed will provide some useful basic information.

I have prepared a summary sheet showing Assay tag numbers and footages for the three packsack drill holes Mike completed on the Mat claims and enclose a copy herewith for your use when the assay reports are available. As soon as I have these assays I will call you in Montreal.

I understand from Mary and Marv that you would like to have a summary report updating the recent work on Hal Claim Group as soon as possible. I think the quickest way to do this is to use the basic information in the report I prepared for you last month and up-date it in connection with the drilling program and results, and I will have this completed for you as soon as possible.

Yours very truly,

A handwritten signature in dark ink, appearing to read 'J. B. P. Sawyer', written in a cursive style.

J. B. P. Sawyer, P. Eng.

JBPS:dc
Encls.