

NOV 21 1966

**KERR ADDISON MINES LIMITED**

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W.S.A.
K.C.B.
J.H.S.
F.H.
R.D.E.
D.C.P.
P.H.A.
J.H.M.
R.C.M.
C.R.W.
J.B.S.
G.P.R.
K.F.L.
J.P.
E.C.J.

To Mr. P. M. Kavanagh From W. M. Sirola

Subject Your telegram re Atlas Exploration dated November 15, 1966. Date November 18, 1966

The only information we have is that there have been recent Press Releases in the following papers: George Cross, October 28th, Financial Record, November 14th, the Northern Miner and the Vancouver daily papers. These releases describe the recent work by Atlas in the Traffic Mountain - Sheldon Lake area (105-J).

It would appear that Atlas has done a great deal of work involving 50 people and approximately \$500,000.00 in expenditures. The Press Releases suggest that porphyry copper type mineralization containing silver values has been found in the intrusive rocks. Associated with this type of mineralization are lead-zinc-silver veins. There are no widths given in the releases and the only mention of grades is that the rocks contain from .25 to 3% copper.

You may recall that back in 1962, Kulan staked 24 claims adjacent to the property held by Yukon Canadian Exploration. These claims were called the Top group. This property was located four miles southeast of Stall Lake (62° 12' - 130° 37') or eight miles northwest of Traffic Mountain. (This is the location given for the Atlas "Pike" group). We also examined what was called the Andrews Prospect which was located four miles southwest of the Top group.

Angus McDonald examined the Top group in September, 1962 and reported no anomalous values in the soils or silts. He ran one magnetometer traverse in a north-south direction on one of the claim lines and he mentions only that the readings ranged from 2,600 to 3,200 gammas with no abrupt changes. Actually, the magnetic range could be significant if it forms a broad anomaly.

McDonald also examined the showing on the Andrews Prospect and found several narrow discontinuous fractures in a quartz porphyry. The largest was 6" wide and 10 feet long. These fractures were under 1" in width and were separated by several feet of barren porphyry. In summary, he said that the average for the mineralized zone would be 1% total sulphides consisting mainly of pyrrhotite, pyrite, arsenopyrite, galena and sphalerite. His conclusion was that he could see nothing which would justify a large exploration program in the area.

It would appear that Kulan has initiated a program in this area based on the float occurrences which he has seen in the past and, perhaps, on his knowledge of what was found on the ground held by Yukon Canadian Exploration. I have never heard what was located on that property. McDonald, in his examination, saw no evidence of porphyry copper type mineralization but since the area is largely overburdened, it is quite probable that low grade mineralization of this type does occur.

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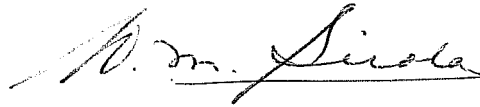
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To.....From.....

Subject.....Date.....

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In addition to the Sheldon Lake area, the Atlas people are, of course, working on a total of 2,500 other claims scattered throughout the Yukon.



W. M. Sirola.

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