

SEP 26 1977

4-5
10

KERR ADDISON MINES LIMITED

(FOR INTER-OFFICE USE ONLY)

015489

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
FILE

To D.A. Lowrie From W.M. Sirola

Subject SWIM LAKES "A" GROUP - PROPOSED 1978 Date September 22, 1977
DIAMOND DRILLING

As a result of our work on the Grum deposit and with the help of regional mapping that has been done by Cyprus Anvil, we are now in a better position to postulate drilling targets than we have been in the past.

On the claims excluded from the joint venture agreement with Canadian Natural Resources, we have the possibility of the fold structure on the "A" zone being the upper half of a crudely S-shaped deposit and we should drill one hole to determine whether or not the lower half of the S occurs directly beneath the deposit.

Since the F2 foliation has been warped along the axis marked F4 on the accompanying cross section, there would have been some movement of upper beds toward the axial plane of the fold. Consequently it is possible that the lower part of the "A" zone structure could be shifted south-westward against the graphite contact; consequently a drill hole should be placed at that location. This is shown as No. 2 on the cross section.

Because second deformation folds (F2) have as their axial planes the F2 foliation (shown as dipping gently south-westward on the cross section), there should be a graphitic "nose" somewhere in the vicinity of the drill hole marked No. 3. These graphitic "noses" have been favourable drill targets on the Grum and Dy deposits and I feel that this possibility should be tested here.

Mapping indicates that there is a large F1 (first stage) fold structure centred on the topographic depression on the cross section. It does not necessarily conform to the theoretical shape shown on the section, but think of it simply as first stage antiform. I have shown a target area on the east flank of this fold which has a combination of favourable rock structures plus a 1.3 milligal gravity anomaly. I am fully aware that this anomaly may result purely from overburden contrast and we will have to look carefully at that site in an effort to determine whether or not such things as bleached phyllite exist. It could be reasoned that the mineralization on the Swim "A" zone could be folded into the position shown as "target area", but this would call for perhaps a larger mineralized structure (6,000 ft.) than we have ever seen in cross sections in that camp.

KERR ADDISON MINES LIMITED

(FOR INTER-OFFICE USE ONLY)

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

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

PAGE 2

I appreciate that it may or may not be feasible to do this drilling in 1978, but the accompanying maps will at least give you some indication of what I have in mind. The budget for the three holes on the "A" zone is estimated at \$112,500 and on the target area to the north-east the figure was \$30,000. The cost of drilling the latter target would be shared by C.N.R. but the "A" zone drilling would be entirely to Kerr Addison's account.


W.M. Sirola

- Enc.:
- (1) Geological Plan - Swim Lakes Area - Scale 1" = 4,000 ft.
 - (2) Cross Section through Swim Lakes "A" zone
Scale 1" = 1,000 ft.
 - (3) Claim map, Swim Lakes "A" Group showing location of Swim deposit on retained claims, plus target area on claims Swim 67 and 69.
 - (4) Preliminary sketch of residual gravity, north east corner of Swim "A" Group.

WMS:meb