

015492

JUL 22 1971

## KERR ADDISON MINES LIMITED

(FOR INTER-OFFICE USE ONLY)

OR Y/S  
10

To... G.M. Hogg  
 From... W.M. Sirola  
 SWIM LAKES 'A' GROUP  
 Subject... Assessment Diamond Drilling (Y-5) Date July 20, 1971.

J.H.S.	✓
P.M.K.V.	✓
G.M.H.	✓
R.D.S.	
S.C.B.	
L.D.B.	
M.D.R.	
A.H.F.	

E.S.J.

Ted LaRose reported by telephone today that drill hole A-41 had reached a depth of 229'.

The hole penetrated 17' of overburden and from 17' to 229' is in rusty sericite schist with four or five thin layers of graphitic schist. They have reamed casing to 150' and will continue to 200', at which point the rock becomes more massive and will probably stand on its own. As anticipated there is no mineralization thus far but progress should be good from here on in.

The water supply is at drill hole A-1, which is approximately 2,100' east of A-41. The supply is not good but I have suggested that they dig a sump with the D-4 cat.

LaRose has encountered one 400 to 700 gamma magnetic anomaly on line 18W at 3,100 north, and the anomaly extends to the adjacent line on either side. As yet he has done no EM work.



W.M. Sirola.

WMS/jm



JUL 23 1971

## KERR ADDISON MINES LIMITED

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To G.M. Hogg

From W.M. Sirola

Subject SWIM LAKES 'A' GROUP, Y.T. - 105K-3  
Diamond Drilling 1971

Date July 27, 1971

Y.S.

J.W.S.
M.K.V.
G.M.H.
S.J.S.
T.C.B.
H.B.
H.F.
E.C.J.

I have negotiated a blanket drilling price of \$15.00 per foot for the drilling at Swim Lakes. Our estimate of the cost of this drilling was \$18.55 per foot, but this did include \$400 for supervision, \$700 for a junior geologist and \$700 for assaying.

My purpose in doing this arose from my concern over the cost of the long move to drill hole A-43 and because the supply of water at the job site is somewhat meagre. In addition, we usually get involved in no end bookkeeping with the typical diamond drilling contract. Arctic will redraw the agreement based on an overall cost of \$15.00 per foot.

It may be that a similar arrangement can be made for the Lyn Group when it is ready for drilling, but much will depend on how the equipment has to be taken to the property. Helicopter costs, as you know, can be very high.

As of yesterday, drill hole A-41 had reached a depth of 553'. A crude log of this drill hole is as follows:

0 to 17 feet	Overburden .
17 to 59.6 feet	Rusty sericite schist.
59.6 to 106 feet	Sericite schist with 30% pyrite and minor chalcopyrite.
106 to 408 feet	Bleached sericite schist.
408 to 553 feet	Relatively compact unmineralized sericite schist. Average Core = 65°

We will terminate this hole at 650' if unmineralized.

*W. M. Sirola / j.m.*

WMS/jm

W.M. Sirola.

# KERR ADDISON MINES LIMITED

(FOR INTER-OFFICE USE ONLY)

JUL - 2 1971

-15  
y-5/10

*Tender 1/2*

J.H.S.
W.M.K.M.
S.M.H.
R.D.S.
B.C.B.
I.D.B.
M.D.R.
J.H.F.
(E.C.J.)

To: G.M. Hogg

From: W.M. Sirola

SWIM LAKES 'A' GROUP

Subject: Assessment Diamond Drilling 1971

Date: June 29, 1971.

We have two tenders from Arctic Diamond Drilling for the three holes at Swim Lakes. Tender No. 1 calls for a price per foot of \$9.65 to \$10.65, depending on the depth of the drill hole. Tender No. 2 lowers the price per foot to a range of \$7.25 to \$8.25, again depending on the depth of the hole. If we do a total of 2,500' of drilling between Swim Lakes and Lyn Group, then there is a difference of \$6,000 between the two bids. However, Tender No. 2 (the lower bid) states that all moves to and from the property and between drill holes would be at the company's expense, whereas, Tender No. 1 states that the contractor pays for the move to the nearest point on the highway and the contractor pays for the first 20 man hours plus 10 machine hours involved in moving between drill holes.

In our own estimate of drilling costs on the 'A' Group we calculated that mobilization would be \$3,500 and demobilization \$2,500 which works out, strangely enough, to exactly \$6,000. It would, therefore, appear that there is little to be gained by accepting the lower figure shown in Tender No. 2. There is also a tendency for diamond drillers to drag their feet when the move is entirely at company expense. It is my recommendation, therefore, that we accept Tender No. 1.

Ted LaRose, having returned to the fold, has been shipped to Whitehorse where he will pick up an assistant hired for us by Ken Thompson on a temporary basis. We will pay the assistant \$450 per month. The purpose in hiring this man is that I have asked LaRose to do EM and mag work on those claims in the 'A' Group which were not previously covered by these types of surveys. This would include the claims covered in the Overland gravity survey of 1970. The Overland survey may not be as bad as the survey on the Lyn Group, but we have no reason to feel that it is a masterpiece of precision since again there was almost a direct correlation between topography and bouguer gravity. Quite apart from that, the airborne EM work done by Dynasty indicates that the graphitic rocks extend northwestward from the mineralized zone into claims not covered by any form of ground survey. This type of activity will also keep LaRose occupied and perhaps even interested.

I have changed the location of drill hole A41 to section 128 southeast, 112 northeast, which would put it on line with drill holes A16 and A22 and 400' southeast of A22. It will be drilled along section 128 southeast at minus 60'. The other two locations remain unchanged. The drill should get underway to the property today.

WMS/jm  
Encl.

*① Tender #1 looks OK*  
*② Hole location change should allow for continuity at base footage.*

*Sirola*

*Sirola*  
W.M. Sirola.

# - KERR ADDISON MINES LIMITED -

13/1 Loc.

## SWIM LAKE GROUP

### SWIM LAKE AREA WHITEHORSE MINING DIV.

#### YUKON TERRITORY

SCALE: 1" = 1/2 MILE

ASSESSMENT DUE DATE

Oct. 18, 1971 39.0

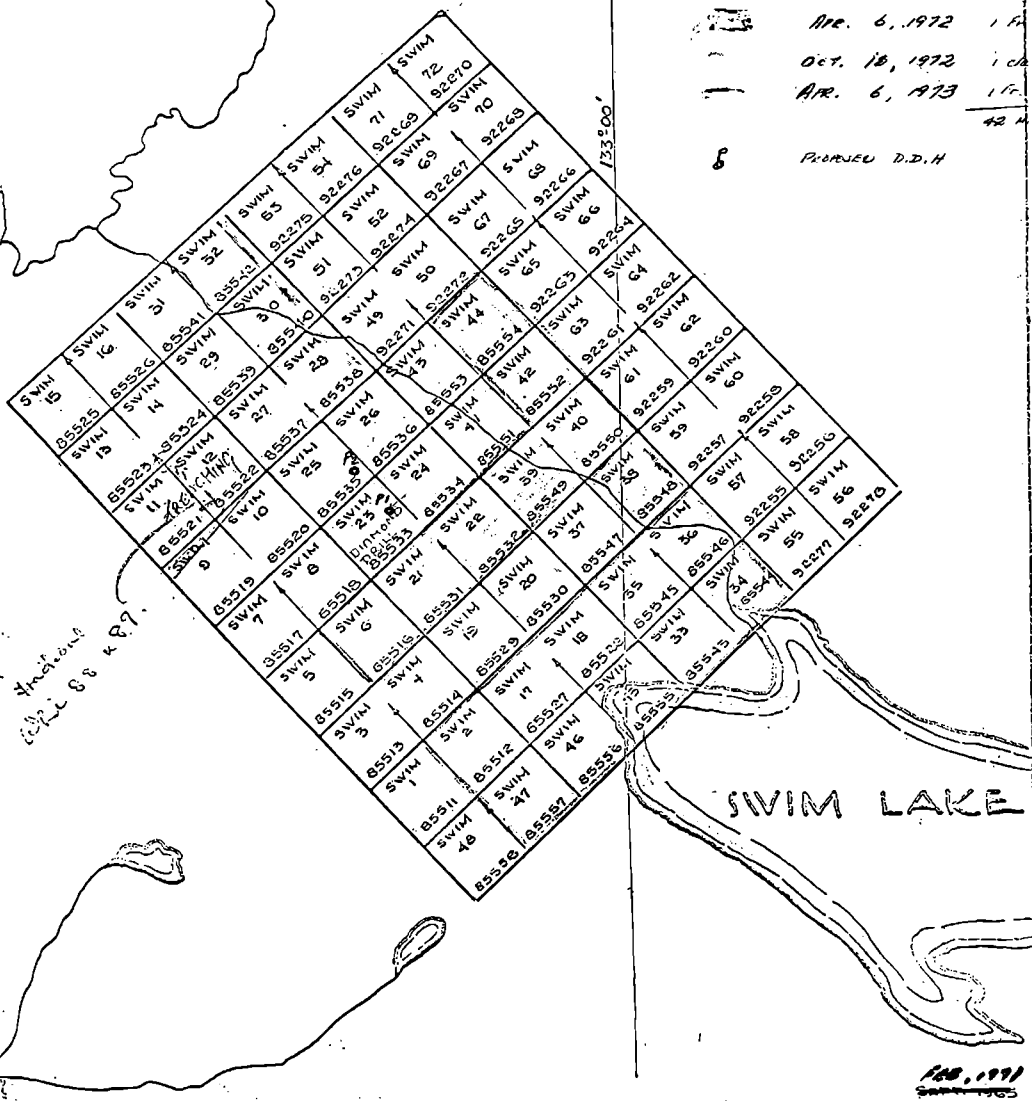
Apr. 6, 1972 1.0

Oct. 18, 1972 1.0

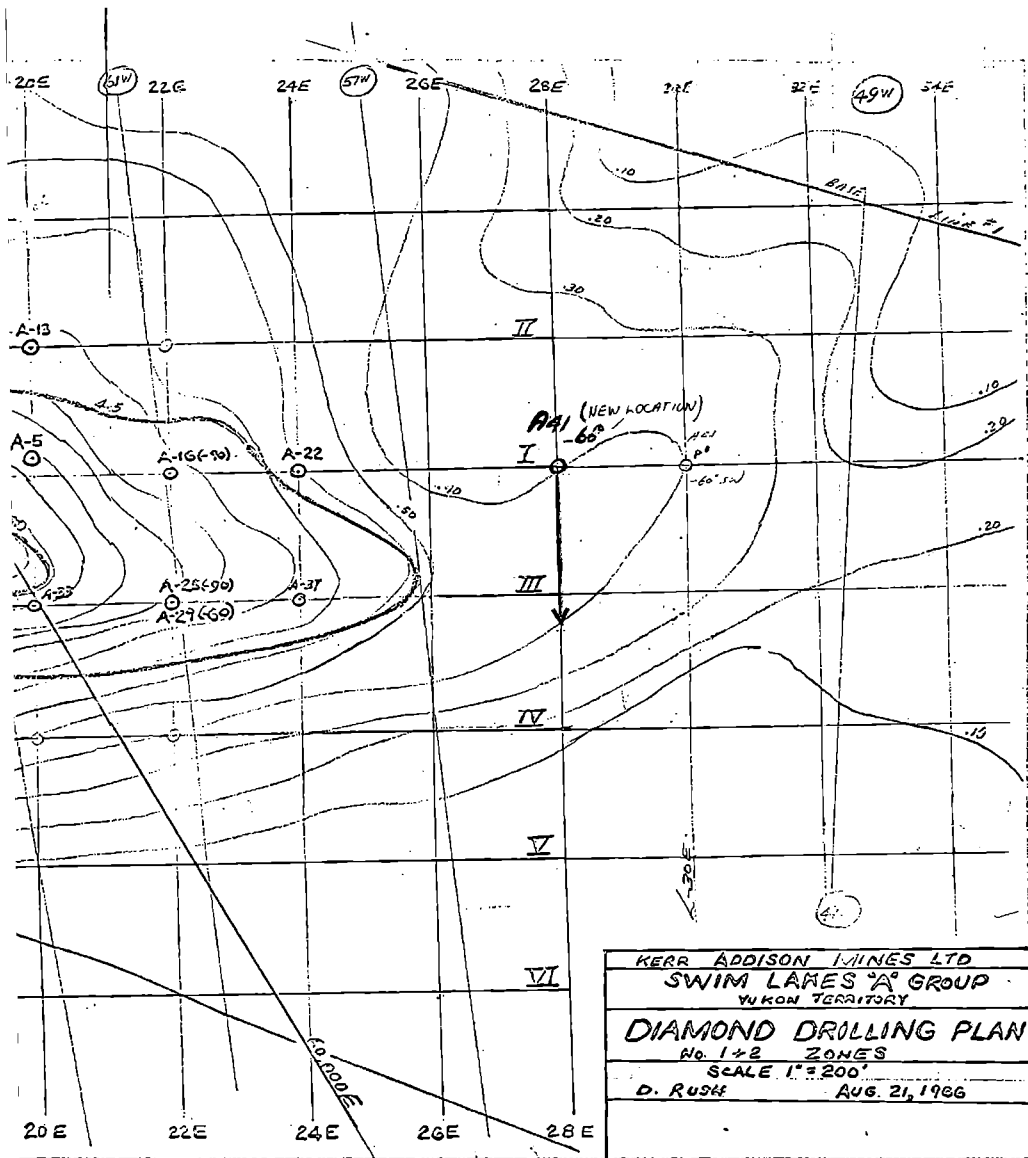
Apr. 6, 1973 1.0

42.0

PROMISED D.D.H.



128, 1971  
S.M.M.S.



1971 PROPOSED DIAMOND DRILLING  
 FOR EXPLORATION & ASSESSMENT WORK  
 P#1 & P#2 ERN 500' DEPTH

AUG. 5/71 D.R.