KERR-ADDISON GOLD MINES LIMITED 015498

(FOR INTER-OFFICE USE ONLY)

To Messrs P. Kavanagh W. Siroki From F. Chew, Swim Lake 'A' Group, Y.T.

Subject D.D. Holes – Location – Bearing – Dip Date Aug. 30, 1965

Dear Sirs:

The locations and bearings of the following diamond drill holes are based on the given location of D.D.H. #A-2 Collar (14,517.00 N and 60,013.00 E) and bearing of Line 65 W (facing north-east) from D.D.H. #A-2 (N20E). A semi-permanent line, A-2 to Hub #4, has been established on the ground which has the bearing (assumed) of N 25°52'E, and all surveys from now on will use this for basis of calculation.

D.D.H. No	LATITUDE	DEPARTURE	BEARING	ELEVATION	DIP	DIP TESTS
A-1	~~14,517~~					
A-2	14,517.00 N	60,013.00 E	S33°19'W	3535.05	-60°	
A-3	14,500.14 N	59,801.59 E	(-90)	3559.52	-90°	
A-4	14,548.70 N	59,917.55 E	S33°19'W (assumed)	3538.40	-60°	
A-5	14,475.63 N	60,102.93 E	S43°41'W	3529.60	-60°	@200' = 61°15'
A-6	14,627.22 N	59,849.83 E	S31°43'W	3537.10	-60°	@200' = 60°15'

All elevations are based on the assumed elevation of 3683.00' at the Hub, BASE "E" on Lines 65W and Base Line 2.

Yours truly

F. Chew

QB Y/5 K

Swim Lake "A" Group, Y.T.
August 28, 1965
1 p.m.

Mr. P. Kavanagh
Kerr Addison Mines Ltd.
Whitehorse, Y. T.

Dear Paul:

The drilling program at Swim Lake is (back) on its feet, with a total of 3 drill crews working about 12 hours each shift.

Presently, the advance in D.D.H. #6 is progressing slowly due to caving conditions. At the start of each run, the rods nearly always have to be drilled to bottom. Often this causes core to be ground within the core tube. This condition was getting worse at footage 208', when I saw it at 11 AM this morning. Also, the hole was beginning to lose water. The core recovery on the last run from 203-208' is 20%, and sludge return is reasonable. There is danger of no sludge return coupled with high core lost. The following is the log of the core from 174 - 208 feet.

174 - 183 Quartz-Sericite Schist, 20% pyrite, 8-10% Pb+Zn;
183 - 194 " " " , 40% " , 5% Pb+Zn; and
194 - 208 " " " , 15% " , 10-12% Pb+Zn.

I have decided to cement this hole, but have given instructions to proceed cautiously with the

OB Y/5K

drilling until the cement arrives.

D.D.H. #A-5 is a challenge to our resources. The continuous problems are: caving, loss of water return (on and off), no sludge return and blocking of the hole near the bottom with 3-10' of cave material and cuttings plus sludge. Upon drilling to the bottom of the hole it has been found that the drill rods could not be turned anymore.

The AX casing had previously been lowered to 290' and drilled to 305', but subsequently dropped slowly by its own weight to 307 feet. This casing also can not be turned.

In both cases the trouble is likely caused by the binding effect of the loose material upon the rods and casing. Continued washing of the hole produced no results - clear return water, or no return water and once or twice some sludge

There is also the possibility that the drill machine lacks power or Mr. Davis does not want to take the chance of breaking the rods or casing.

Before I left the drill site at 11 AM today, a new approach was being tried: drilling ahead with the core barrel minus the tube. At the time, the hole was advanced 6' and sludge was returning.

This is the situation at the moment.

Yours truly,

Copy to:
Mr. W.M. Sirola