

KERR ADDISON MINES LIMITED

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For Release Thursday, December 30th, 1965.

To - *Special Advertising Services*
Northern Miner
Financial Post
Telegraph
Star
Week & Mail
Toronto Stock Exchange (3)

PRESS RELEASE

Diamond drilling late last summer indicated a zone of sulphide mineralization near Swim Lakes in the Yukon, some six miles southeast of the Kerr Addison controlled Vangorda property. An airborne geophysical survey in 1963 followed by groundwork in 1964 disclosed an extensive gravity anomaly, which has been tested by five diamond drill holes. Due to mechanical breakdowns, caving problems, and a shortage of diamond drillers, only three of these holes reached the sulphide zone with the following intersections being obtained:

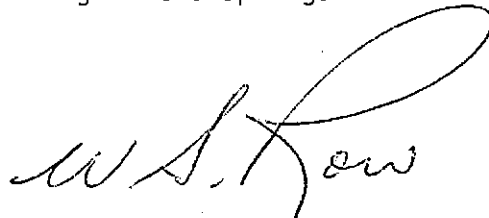
	Footage	Core Length	Pb%	Zn%	Ag oz/ton
Hole A4 - 60°	193 - 237	44	3.5	4.2	1.1
	279 - 314	35	1.0	5.2	1.5
	375 - 472	97	3.1	3.5	1.2
Hole A5 - 60°	200 feet east of and parallel to A4				
	276 - 320	44	5.6	4.6	2.1
	357 - 368	11	5.1	4.1	1.4
	393 - 400	7	3.3	6.0	1.7
Hole A6 - 60°	200 feet west of and parallel to A4				
	160 - 252.5	92.5	3.9	5.8	2.0

Hole A6 was still in similar mineralization when it was stopped at 252.5 ft. due to a mechanical breakdown.

The sulphide zone is continuous in each hole between the intersections reported above, carrying low values in lead, zinc and silver.

On the basis of results to date, the grade appears to be similar to that at Vangorda, where 9.4 million tons (apparently delineated) has been outlined, averaging 3.18% lead, 4.96% zinc, 0.27% copper, 1.76 oz. silver and 0.02 oz. gold per ton. Due to lack of adequate transportation, lack of power and distance to smelters, it has not been considered feasible to bring the Vangorda property into production.

A great deal of work will be required before the economic significance of the sulphide zones at Swim Lakes can be assessed. It is planned to continue diamond drilling in the spring.

A handwritten signature in cursive script, reading "W. S. Row". The signature is written in dark ink and is positioned above the typed name and title.

W. S. Row
President.

Draft of Proposed Press Release for Late in Dec /65.

Diamond drilling late last summer disclosed a sulphide body near the Swim Lakes in the Yukon some six miles from the Vangorda property. Five diamond drill holes were put down to test an anomaly discovered in 1963 in an air-borne geophysical survey. Field work in 1964 disclosed a strong gravity anomaly within the area outlined by the air-borne survey. Due to mechanical breakdowns and caving ^{problems} in the hole, and a shortage of diamond drillers, only three holes reached ^{the} sulphide bodies ^{mineralization and} where the following intersections were obtained:

	Footage	Core Length	Pb%	Zn%	Ag oz/ton
Hole A4 - 60°					
	193 - 241.5	48.5	3.3	3.9	1.0
	279 - 314	35.0	1.0	5.2	1.50
	375 - 395	20.0	4.5	4.3	1.07
	395 - 425	30.0	2.1	2.0	.53
	425 - 450	25.0	4.3	4.1	.77
	450 - 472	22.0	1.3	4.3	1.45
Hole A5 - 60°	200 feet east of and parallel to A4				
	276 - 320	44	5.6	4.6	2.10
	393 - 400	7	3.3	6.0	1.76
	415 - 423	8	1.5	5.3	1.90
Hole A6 - 60°	200 feet west of and parallel to A4				
	160 - 252.5	92.5	3.9	5.8	2.0

This hole was still in similar material when it was stopped due to a mechanical breakdown.

The sulphide zone is continuous and carries low values in lead, zinc and silver in each hole between the intersections reported above.

A great deal of work will be required before the economic significance of these intersections can be assessed. It is planned to continue diamond drilling as soon as possible after the spring breakup.