

Dr. J.T. Fyles,
Associate Deputy Minister.

June 20th

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P-8 & PF.94K/10W

Re: L.2198, GRB 1-4, Bar 1, 7, 9, 11, Rab Fr. & 1
claims in Stone Mountain Park (94K/10W)

Western Barite Mines Ltd. (55% owned by Kerr Addison) holds Mineral Lease No. 1 (L.2198) and Grand Reserve Barite 1 to 4 claims in Stone Mountain Park. M.L.1 and the four GRB claims were acquired by bill of sale in March 1962. Since then they have been held by payment of cash in lieu of assessment work, the payment on M.L.1 being \$2,340 and on the four GRB claims \$5,200, a total of \$7,540.00. Kerr Addison Mines Ltd. hold the Bar 1, 7, 9, 11 claims and the Rab Fr. and No. 1 claims in Stone Mountain Park. The Bar and Rab claims were acquired by Kerr Addison in 1964 and since then have been held by payment of cash in lieu of assessment work. This has amounted to \$6,600.00 to date.

It would appear that the total cost of holding the claims since 1962 and 1964 respectively amounts to \$14,140.00. An explanation of the discrepancy between this amount and that quoted on Mr. Jacka's memo. of April 9th, 1974 to Mr. Sirola should be requested.

My recommendation is that the minimum compensation to the claim owners for acquisition of their claims should be the cost to the holders of acquiring the claims plus the cost of holding the ground since their acquisition.

The presence of the 200,000 ton barite orebody on which a profit could be realized on mining should enhance the value of the property and requires a decision on whether or not compensation for it will be paid.

STUART S. HOLLAND,
Chief Geologist, Geological Division,
Mineral Resources Branch.

SSH/jr