## KERR ADDISON MINES LIMITED

(FOR INTER-OFFICE USE ONLY)

To G. M. Hogg

From W. M. Sirola HAINES JUNE

Squaw Creek - Rainy Hollow Area North Western B.C. Subject.

October 23, 1972

Approximately two months ago, Tom Smith of Canex examined Copper showings developed by Panther Mines Limited approximately four miles north of Rainy Hollow on the Haines cut-off road. These showings were the result of a geochemical survey which had got off in the wrong direction and which was anomalous in copper on ground not held by Panther. Panther very quickly rectified the error however, and ended up with approximately 400 claims.

J.H.F.

LD.B.

M.D.R.

I contacted the company President, Mr. Fichtner who lives in Prince George, regarding examination of the property but he advised that unlike some people we know, he deals with only one company at a time. I then checked with Jim Wallis at Atlin and Jim advised that some Indian who works for Canex had invited him to look at property. I asked Jim if he would do a couple of days consulting for us. He agreed and has just finished an examination of the property aided and abetted by a Canex geologist who is still on the property.

According to Jim, Canex has done some I.P. work in the vicinity of the geochem highs and is in the process of a 3 hole diamond drilling programme.

Over the telephone, Jim advised that the better mineralization was confined to an area 1,500 feet by 1,500 feet and he described this as a body of altered bleached grandiorite located within a biotite rich granodiorite intrusive. He also mentioned that aerial photographs indicated a distinct circular lineation at the mineralized area.

Apparently, grades in surface workings and drilling core are thus far not impressive. Samples from 14 shallow test pits averaged 0.3% Cu and drill hole # 1 had visual grades of 0.2% to 0.25% to a depth of 100 feet at which point it was abandon ded.

## SUMMARY AND CONCLUSION:

Wallis sent three specimens to this office along with his report. One of these was a skarn-type containing galena and the other two were quartz rich alaskites very similar to the Adanac medium grain rocks and in point of fact, these two specimens contained more molybdenite than chalcopyrite. If these rocks are indicative of the better mineralized area of the Panther ground then the ground would appear to be better suited to molybdenite mineralization and I would not be too optimistic of the copper potential.

In the light of the evidence presented by Jim Wallis, I do not feel that we should initiate a staking programme in the winter time. We are, however, attempting to borrow such aerial photographs as do exist for this area from the British Columbia Department of Mines and will spend a limited amount of time on an aerial photo study.

OK- pending the resulte of Bill Side's study we will not plan any invadiale staley

WMS/ah

hut at 3dri

Box 59
Atlin, B. C.
October 20, 1972

Mr. Wm. Sirola

Kerr Addison Mines Limited

1112 West Pender Street

VANCOUVER 1, B. C.

## Dear Bill:

Enclosed is a short field examination report on the Cat Group, Rainy Hollow. Due to snow conditions in the area very little outcrop is available. Most of the information was gathered from talking to the geologist on the property.

Surface indications are that the property is not particularly a high grade one. However, the circular lineations which are apparent on aerial photos of the area may mean that things will improve with depth.

I am also air mailing samples taken on the property which I hope will arrive with this letter.

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Regards,

J. E. Wallis

