

KERR ADDISON MINES LIMITED

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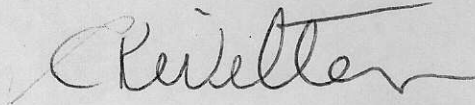
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I.D.B.
A.H.C.
P.S.C.
D.M.H.
W.J.
A.S.A.
J.B.S.
FILE

To..... D. A. Lowrie From..... C. K. Wilton

Subject..... Hudbay's LH & Truax Groups Date..... June 28, 1982

Ed Burgan phoned to say their Calgary office asked him to phone around and let people know that their deadline is still July 15, 1982. He is aware that you phoned him recently but just wanted to let everyone know. I said I would advise you.



C. K. Wilton

CKW/sm

921

HBOG / DOME PETE'S HJ CLAIMS,

TRUAX CREEK, LILLOOET M.D., B.C.

MAY 1982

TO DA Lowrie

FROM C. K. Wilton

DATE June 1 19 82

PLEASE REPLY DIRECT

PLEASE HANDLE

PLEASE SEE ME

YOUR COMMENTS

FOR YOUR INFORMATION

FOR APPROVAL

PLEASE RETAIN

PLEASE RETURN

Since we were sending Sirda a copy I thought he would give us a better opinion because of his experience in B.C.V.

However I could agree with drilling shallow holes to test strike and dip extension of the main showing area which assayed 7.64 g/t Au & 1.71 g/t Ag across 5 m if the deal was attractive.

The other two "potential gold zones" are not attractive at this time because of the very low grade.
C.K.W.

→ CKW what's your opinion of this?

KERR ADDISON MINES LIMITED

M E M O R A N D U M

LDB
A.H.C.
P.S.C.
D.M.H.
W.J.
P.A.
J.B.S.

FILE

TO: D. A. Lowrie

DATE: May 28, 1982

FROM: C. K. Wilton

SUBJECT: HJ Claims, Truax Creek, Lillooet Mining Division, B.C.

Attached are notes made from reports examined on May 27 in the Toronto office of Hudbay Mining Ltd., a subsidiary of Hudson's Bay Oil and Gas Company.

The claims cover an area of gold bearing stibnite veins closely associated with molybdenite bearing F.P. dykes.

In May and July of 1980 geological and geochemical surveys were carried out. There is a suggested large molybdenite mineralized intrusive and peripheral gold-stibnite - arsenopyrite system of veins.

The main gold stibnite vein is at most 2 m. wide and traceable for 115'.

In 1981 bulldozed drill access roads were put in on the Au-Mo-As anomaly. Soil sampling gave weak anomalies in Au and Mo. Rock sampling indicated that the gold is sporadic and unpredictable. The main showing area on the east side of Truax creek has the highest values of 7.64 g/t Au and 17.1 g/t Ag across 5 m. associated with the contact zone between Feldspar porphyry and cherty volcanics. Silver is with the stibnite; gold is not. Shallow drill holes to test strike and dip extension were recommended. On the west side of Truax creek is a separate showing which gave 2200 ppb Au across 1 m. in a NE shear in feldspar porphyry.

In 1982 mapping and sampling of bulldozed roads found a contact shear zone which assayed 2095 ppb Au/4 m. Another zone of ribbon quartz and stibnite assayed 1153 ppb Au across 11 m. It was concluded that three potential ore grade gold zones occur. Recommendations were that bulldozer, mapping and sampling be extended, a detailed magnetometer survey be done near gold and ultramafic occurrences, and short shallow holes be drilled to test the continuity of the three gold bearing zones.

C. K. Wilton

C. K. Wilton

CKW/sm
Attachments
cc: W. M. Sirola

HOD BAV

HJ claims, Truax Creek, Lillooet Mining Division

Report of Nov. 18/80 by W. Gruenwald of Ken, Dawson & Assoc.

Intro - Location 10.5 km. ENE of Goldbridge, B.C. - 20Kms by road from Goldbridge
- clms. cover an area of gold bearing stibnite veins closely assoc^{td} with molybdenite bearing F.P. dykes
- May - July /80 - geology & geochem surveys carried out

Summary & Concls. -

- small scale mining attempted late 1960's, abandoned - uneconomic
- geol. - metaseds & metavols ~~of~~ with area containing gold bearing stibnite veins and fault zones in metavols. - closely assoc^{td} are F.P. dykes with MoS_2
- geochem. outlined several large areas with highly anomalous values for Mo & As.
- two overlapping anomalies are ~~the~~ ^{immediately} SE of the stibnite - Au show
- there is a suggested large Mo mineralized intrusive and peripheral Au - Sb \pm As system ^{small} exists.

History - several small adits and open cuts during operation of mill in late 60's

Topography - Relief 5300. Shrug is between 4500' & 6000' elevations

Geology - located S & SW of the Truax area is the Badome - Premier gold camp.

- outcrops very scarce on the property
- assoc with a 65' wide F.P. "dyke" is a WNW trending vein system at most 2m. wide and traceable for 115'. There is fault gouge on the footwall - dip 40-65 N. The vein system strikes 270-290 (A2) and dip 36-40 N.
- a 10-50 cm. ash layer covers the clms. except on extremely steep slopes.

Geochem - From May - July /1980 soil samples from the B horizon below the ash layer were collected at 100' intervals on lines 500 m. apart - stream sediment and rock chips were also taken

Analysis was for Mo, As, Sb & Au

Mo anomaly 400m x 600m. from 5-74 ppm with 25 values 716 ppm found
SE uphill from stibnite vein area

As anomaly 400m x 600m. partially overlaps S part of Mo anomaly -
values to 6500 ppm many having high Au & Sb.

- scattered anomalous values in area of main stibnite vein

- several large (?) As anomalies noted northwest of the detailed grid

Au anomalous values ^{are} scattered with no definite pattern -
range from 5-2500 ppb. with 9 > 146 ppb - many with
corresponding anomalous arsenic + Sb values suggestive
of ~~the~~ zones other than the ~~stibnite~~ zone

Sb - largest area is E to SE of the known stibnite vein

- measures 250 x 300 m. situated between L-2E & L-5E.

- has coincident Au which may be eastward uphill
extension of the known stibnite vein

Grid in the stibnite vein area gave anomalous Mo, As, Sb & Au.

In summary there are two mineralogical environments of separate
ages yet possibly closely related - one environment of Mo
mineralized intrusive (source of F.P. dykes) and the other a
system of gold bearing veins peripheral to the main intrusive body.

Recommendations

1. Analyze all anomalous As for Au & follow up any Au values
in detail
2. Road building and trenches over the main Mo-As
anomaly + geology & sampling
3. Possible drilling contingent on (1) & (2).

Report on Road Preparation, Geology, and Geochemistry
by G.I. Hall Nov. 13/81

Summary & Conclusions

1. Bulldozed drill access roads were put in on the Au-Mo-Ag anomaly. A thick sequence of f.g. pyritic, cherty tuffs strike 100-110 and dip 80-80 S and is cut by numerous steep sills and dykes of F.P. or Hb diorite up to 5m. thick trending ESE. Soil sampling along cut banks reveal weak anomalies in Au+Mo. Rock sampling indicates that gold is sporadic and unpredictable within the tuffs. There is a close association between Au & Ag values.

2. Highest values are 7.64 g/t gold and 17.1 g/t Ag across 5m th across with the contact zone between F.P. and cherty rocks in the Main Showing area. Silver is with the stibnite; gold is not. Strike extension was not encountered.

Recommendations

- Shallow d.d. holes in the main showing area to test strike and dip extensions of the Sb-Au vein system.

Fig 81-5

^{main} shows the showing ~~on~~ the east side of Truax creek (7.64 g/t Au & 17.1 g/t Ag across 5m.) and the showing on the other side of Truax creek which gave 2200 ppb Au across 1m. in a NE striking shear in F.P.

Hudson's Bay Oil and Gas
 PROGRESS REPORT ON GEOL., GEOCHEM
 HJ Claims Feb 15/82

- re mapping & rock sampling on bulldozed roads in Oct/81 along T-max Creek and upslope from old workings
- highest values in an area from part of two separate continuous chip sampling intervals near 6+60S/1+90E and near 6+50S/2+30E. Results are 4000 ppb Au & 5000 ppb Au / 2m. respectively.

The first zone is a contact shear zone several m. wide, striking 130 AZ between cherty tuff & F.P. The ave. value for the entire zone was 2095 ppb Au / 4m. Assoc Ag & Mo were up to 1.8 ppm. Ag and 10 ppm. Mo.

The second zone is ribbon qtz & S6S striking 030 AZ and dipping 70E in F.P. ave value is 1153 ppb Au across 11m. Assoc. Ag & Mo were up to 2 ppm Ag & 90 ppm. Mo.

Another zone gave 647 ppb Au / 4m.

Conclusions - Three potential separate Au zones occur.

Remaining tasks - Extend bulldozer work north or the east side of T-max Creek, accompanied by mapping and detailed rock sampling.

- ~~do~~ complete a detailed map survey near known Au & ultramafic occurrences
- drill ~~test~~ short shallow holes to test continuity of the three Au bearing zones

MAY 25 1982

Hudson's Bay Oil and Gas Company Limited

Telephone (403) 231-3711 - 700 Second Street S.W. - Calgary, Alberta, Canada T2P 0X5



1982 05 19

Mr. D. Lowrie
Vice-President Exploration
Kerr Addison Mines Limited
P.O. Box 91, Commerce Court West
TORONTO, Ontario
M5L 1C7

Dear Mr. Lowrie

RE: DOME PETROLEUM LIMITED - MINERAL EXPLORATION PROPERTIES

Further to our telephone conversation of May 19, 1982 in which you expressed an interest in the Truax and LH gold prospects, I wish to confirm that the related technical data will be made available to you at our Toronto office. We will be sending material on the two properties to Toronto this week. Please check with our Toronto Manager, Ed Burgan at 361-0272, to arrange a review. We request that this data inspection follow the protocol as described on the attachment. This is basically the same as requested for your previous Selbaie mine data review.

Thank you for your interest in this regard.

Yours very truly

MINERALS EXPLORATION DEPARTMENT

A. A. Brown
Manager, Uranium

AAB/gs

cc: Mr. E. L. Forgues
cc: Mr. H. M. Visagie
cc: Mr. D. B. Agnew
cc: Mr. E. C. Burgan

DOME PETROLEUM LIMITED
MISCELLANEOUS MINERAL PROPERTIES
DATA ROOM PROTOCOL

1. The Data Rooms are located at Hudbay Mining Ltd., 12th Floor, 10 King Street East, Toronto, Ontario and Hudson's Bay Oil and Gas Company Limited, 8th Floor, 703 - 6th Avenue S.W., Calgary, Alberta.
2. Representatives of interested parties may gain access to the Data Rooms by specific prior appointment only. This may be obtained by contacting Ed Burgan at (416)-361-0272 or Tony Brown at (403)-263-9640 or in their absence D. B. Agnew (Bud), Dome Petroleum at (403)-260-5889.
3. Access will only be permitted to officially designated representatives of interested parties who will have previously completed the Confidentiality Agreement with Dome Petroleum Limited.
4. Certain data will be given to the visiting party under the terms of the Confidentiality Agreement.
5. Each person gaining entry to the Data Room will both log-in and log-out.
6. A representative of Dome Petroleum shall be present at all times while the data room is in use.
7. Any information queries following the presentation period can be directed to any of the gentlemen mentioned under No. 2.
8. Offers to purchase should be addressed to:

E. L. Forgues
Dome Petroleum Limited
P.O. Box 200
CALGARY, Alberta
T2P 2H8

(Telex: 038-22626; Telephone No. (403)-260-5886) or in his absence Bud Agnew.)