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May 4, 1971

Dr. P.M. Kavanagh
Vice-President
Kerr Addison Mines Ltd.
1600 - 44 King Street West
TORONTO, Ontario

Dear Dr. Kavanagh:

Acting upon Bill Sirola's request, I enclose for your files a short report by R.H. Seraphin which summarizes results of the Hecla work at Liard Copper in 1970.

J.H. McAusland, a mining engineer on our staff, has approached the ore reserve calculation from a somewhat different angle and has come up with an almost identical reserve in the main pit area. I have not yet had a look at the figures Hecla has developed.

Hecla has stated recently that the program on Paramount ground this year will be quite limited. This is contrary to what they had in mind earlier in the year, and is undoubtedly the results of the higher stripping ratio and questionable slope stability that is encountered at the north end of the mineralized zone. They have stated they will do 15,000 to 20,000 feet of fill-in drilling on the Liard Zone, with the object of proving a mineable ore reserve as soon as possible.

Yours very truly,


A.C. Ritchie
Executive Vice-President

ACR:dn
Encl.

c.c. W.M. Sirola
Vancouver Office

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KERR ADDISON MINES LTD.

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