

KERR ADDISON MINES LIMITED
405 - 1112 WEST PENDER STREET
VANCOUVER 1. B. C.

MAY 1 1968

PMK

COPY

April 26, 1968

821103

W.S.R.
J.H.S.
E.F.
R.D.S.
B.C.B.
P.M.K. ✓
G.W.M.
R.O.M.
C.K.W.
J.B.S.
G.P.R.
K.F.L.
J.B.
E.C.J.

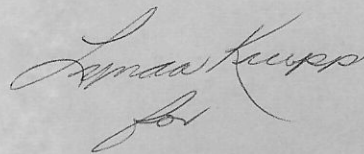
Mr. T. G. Muth,
Bella Coola Exploration Corp.,
P.O. Box 1338,
Laguna Beach, California, 92652,
U. S. A.

Dear Mr. Muth:

Thank you very much for your letter of April 18th.

We will make a careful examination of your property as soon as weather conditions in that area permit and will advise you promptly regarding the desirability of further work on your ground.

Yours sincerely,



W. M. Sirola.

WMS/lk

bcc/ W. M. Sirola. File
P. M. Kavanagh

93 D

Bella Coola Exploration Corp.
ref. claims on Salloom Creek
Weedsmuir Park Area BC

April 15 1968

T.G. NUTH
BELLA COOLA MI CORP
P.O. BOX 1338
LAGUNA BEACH, CALIF.

April 18, 1968

RECEIVED
APR 22 1968

KERR ADDISON
MILLS LTD.
Per.....

Mr. W.M. Sirela
Kerr Addison Mines Ltd.
1112 West Pender St., Suite 405
Vancouver 1, B.C. Canada

Dear Mr. Sirela:

Thank you for your letter of April 15th regarding Bella Coola area and the 3 Crown grants.

You have herewith our permission to examine this property and you can be sure we can arrive at terms agreeable to both parties concerned, should you desire to carry on further exploration.

As you know the area is somewhat difficult of access. However some work has been done on the trail last summer. Cominco had a plywood shelter at their helicopter landing. The old mine cabin had a tree fall across the roof.

Cominco drilled a hole in vicinity of their helicopter landing and in my opinion, this work was not intelligently performed in that the work was done below horizon of possible commercial mineralization.

The old diggings (where 50 ton of ore is stockpiled) which is about 600 feet up the trail is also too low in elevation, and consists of mineralization that lagged behind along lines of weakness in the invaded rocks, away from the parent granitic magma. I assume the highly volatile nature of the occurrence has caused the solutions to ascend considerable vertical height.

or samples from open cut showed numerous MicroLithic cavities.

In the vicinity of the old diggings to the left of a granite porphyry dike (with feldspar phenocrysts, about 10 feet wide) I had dug an open cut (since filled with slide), which showed good values. Now this meta Andesite offers as a receiver an impervious barrier to the ascending mineral solutions. A drill hole could be made laterally at this elevation in Cliff or 20° upwards angle (left side dike).

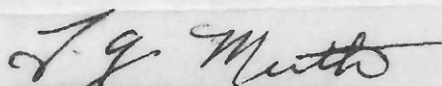
About 700 feet above this is a widespread disseminated chalcopyrite mineralization which I don't believe the Cominco

exploration crew looked at.

You no doubt had sufficient indication of the strongpoint of mineralization from the air survey to indicate it is below disseminated chalcopyrite outcrop.

I affix the company seal to this letter of our authorization to make preliminary examination of this property — 3 crown grants situated approximately 12 miles up Salloont River from Hagensberg, B.C. Canada — Bella Coola Chief L. 177, Sulpher L. 179, Queen 176.

Respectfully submitted



F.G. Muth
President-Treasurer

TGM/ad

93D
APR 16 1968
KERR ADDISON MINES LIMITED

(FOR INTER-OFFICE USE ONLY)

To P. M. Kavanagh From W. M. Sirola
Subject Bella Coola Exploration Corp.,
Crown Granted Claims on Salloomt Creek, Date April 15, 1968.
Tweedsmuir Project Area, B.C.

W.S.R.
K.C.G.
EF.
R.D.S.
B.C.B.
P.M.K. ✓
G.W.M.
R.O.M.
C.K.W.
J.B.S.
G.P.R.
K.F.L.
J.B.
E.C.J.

Enclosed is a report received from Mr. T. G. Muth of Laguna Beach, California.

This property has been examined and worked to a limited degree by Noranda, Silver Standard and Cominco. Each of these companies dropped their options.

These claims are not in the area which was covered by our aeromagnetic survey and consequently, we do not know if there is associated magnetite. We propose next summer to have a very close look at this situation, not so much because of existing mineralization, but because there may be other occurrences somewhere along the strike. It would not be the first time that contact type mineralization occurred in a number of widely separated lenses and sometimes these blossom into very good situations such as the Pima Mine near Tucson and the Utah Copper Deposit near Port Hardy.

There is a fourth Crown Grant owned by Naomie Epp of Bella Coola and we will also contact Mrs. Epp regarding a property examination.

John Lund accompanied by Dr. Delavault attempted to reach the property last summer but I believe the Delavault Avoirdupois was too much for the trip. Geologically, the deposit occurs near the nose of a pear-shaped intrusive but at this stage, we do not even know anything about the strike of the deposit. One thing is for sure, the deposit is high grade.

W. M. Sirola.

WMS/lk
Encl. - Report.

COPY

April 15, 1968.

Mr. T. G. Muth,
Bella Coola Exploration Corp.,
P.O. Box 1338,
Laguna Beach, California,
U. S. A.

Dear Mr. Muth:

Thank you very much for your letter of April 1st regarding your property in the Bella Coola area.

We will continue our exploration efforts in this area next summer and would at that time welcome the opportunity to thoroughly examine your three Crown Grants. Should our examination be encouraging, I am sure we could arrive at mutually agreeable terms for additional work on this ground.

If such an arrangement is satisfactory to you, we will carry out an examination as soon as snow conditions permit.

Yours very truly,

W. M. Sirola.

WMS/lk

bcc/ P. M. Kavanagh

KERR ADDISON MINES LIMITED
405 - 1112 WEST PENDER STREET
VANCOUVER 1, B.C.

COPY

April 3, 1968.

Mr. T. G. Muth,
Bella Coala Exploration Corp.,
P.O. Box 1338,
Lagune Beach, California.

Dear Mr. Muth:

Thank you for your letter dated April 1st.

Mr. Sirola is out of town for a few days but
will be returning to Vancouver early next week and will
contact you at that time.

Yours very truly,

Lynda Krupp, (Mrs. W.),
Secretary.

LJK/sel

T. G. MUTH
Bella Coola Exploration Corp.
P.O. BOX #1338
LAGUNA BEACH CALIF.
April - 1 - 1968

RECEIVED
APR 3 1968

Kerr-Addison Mines Ltd
#405 - 1112 W. Pender
Vancouver B.C.

Dear Sir:-
Enclosed please find
report which you may keep in your
files or destroy

I understand your company has
made some considerable aerial survey
of this Area and any time
you consider acquiring property described
My company will sell the 3
Crown grants for \$20,000 cash.

yours truly
T. G. Muth pres
Bella Coola Corp.
P.O. BOX #1338
LAGUNA BEACH CALIF.

STACK PEAK
▲

For Topography see -93^d Maps 9 & 10
Old Topography see 18 & 19 + 2 Topographic Tray
5T219, 4T339, F24861/03, & F. 6360/IT
* New Dom Govt. Bella Coola Sheet 153^d

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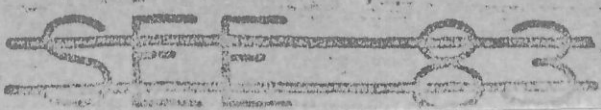
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REPORT
on
BELLA COOLA EXPLORATION CORPORATION
MINING CLAIM

EXHIBIT 4

PROPERTY

The area of the property consists of three Crown Grants described as

Sulphur #202284-G
Queen #202281G
Bella Coola Chief #202283G

Two more adjoining claims have been put on record - 1958.

LOCATION

The property is located some 300 miles northerly from Vancouver, and about 12 miles northerly from Hagensborg in the Bella Coola Valley, B.C., Canada.

DEVELOPMENT

The only work of importance, completed, and all work to date consists of sampling and exploration of structural and petrographical features above and below a 500-foot cliff face in which the mineralization is situated. The mineralization follows a 500-foot vertical height of outcrop on face of the cliff along strike of a quartz feldspar porphyry dike. The dike is 8 to 10 feet in width. The mineralization is on both sides of the dike. Approximately 200 feet of diamond drill work has been done on uplifted fault block across the ravine from the mineralization. Some 50 tons have been removed from cliff face in 1958. One 15 foot x 25 foot open cut exposing mineralization made left side dike, 1958. 7 x 10 face right side dike made 1958. 300 foot trench on right side dike in unconsolidated material. A total of 500 feet trench has been made by Silver Standard Ltd. of Vancouver, B.C. 30 feet x 40 feet disseminated mineralization exposed by blasting in 1958. The only underground work consists of upper adit, 25 feet in length, lower adit 65 feet in length. Total of 90 feet of tunnel. Mineralized material in excess of 50 tons is stock-piled to right of workings and at head of trail. Assaying (Minister Mine 1910 Report) Gold 0.25 oz. silver 5 oz. CU - 9 per cent.

Sampling consists of the following: 1948 - seven grab samples averaging 10.34% copper/0.46 oz. of gold/29.40 oz. of silver from 7 foot x 7 foot open cut mineralization exposure. (Smith-Emery, Los Angeles, California.)

1954 M.M. Menzies M.E.

- #16403 - right side upper adit, 10 foot cut sample length:
AU 0.01 AG 1.90 CU 8.15 (#2 Adit)
- #16405 - right of dike, 3 foot cut sample:
AU 0.01 AG 2.00 CU 7.75
- #16406 - Below Upper adit, 5 foot length cut sample
AU 0.01 AG 0.95 CU 4.60

2

#16409 - Disseminated mineralization in quartz, 60 feet above upper adit left, length of sample 5 feet;
 AU trace AG 1.50 CU 5.25
 Knute #1 - Mineralization above upper adit, 18 foot sample:
 AU 0.04 3.70

ASSAY RESULT OF 1958 WORK

ABBOT A. HANKS, INC., 1300 Sansome Street, San Francisco 11

REPORT OF ASSAY
February 19, 1959

(cut sample means "channel sample" as #1 - 25 foot length of sample)

<u>Labty No.</u>	<u>Mark</u>	<u>SILVER, per ton</u>		<u>Percentages</u>
		<u>of 2,000 lbs</u>	<u>Value</u>	
		<u>Troy Oz.</u>		<u>COPPER</u>
C100096	#1 Left side Dike - 25 ft Cut sample	1.00	.90	3.267
	From 15 x 25' open cut			
	From same level as #2 adit across dike from #2 adit			
97	#2 Left Side of Dike 25 ft. cut sample	4.20	3.78	12.98
	From 15 x 25' open cut			
	From same level as adit across dike from #2 adit			
98	#3 Left Side of Dike 25 ft. cut sample	3.20	2.88	10.65
	From 15 x 25' open cut			
	From same level as adit across dike from #2 adit			
99	#4 Left side of Dike - 25 ft. cut sample	3.80	3.42	12.89
	From 15 x 25' open cut			
	From same level as adit across dike from #2 adit			
C100100	#5 - 7 ft. cut 70 feet above long adit (#1 adit) Sample - new open cut	2.20	1.98	2.74
01	#6 - 40 ton (conservative estimate) Stockpile - 28 foot cut sample taken across top	2.20	1.98	8.31
	Stockpile upper end trail 60 feet west of #1 adit			
02	#7 - 12 ft cut sample down side of stock- pile	3.20	2.78	12.64
	From stockpile upper end trail 60 ft. west #1 adit			

C100103 #8-30 foot length cut sample right side Dike 3.00 2.70 10.03 Starting sampling lateral to westward above short #2 adit

04 #9- Right of Dike Guage Hanging wall- 15 feet length cut sample 3.20 2.88 5.03

This sample was taken 5 feet above #2 adit starting from dike to point 15 ft. westerly

05 #10 right side 10 ft. length cut sample on trench 1.40 1.26 4.13 200 feet above adits (A ten foot length of cut sampling)

06 #11 - 20 ft. cut sample 100 ft. above #2 adit 5.20 4.68 16.84 Left side dike, a 20 ft. length cut sample taken eastward from dike

07 #12 - Left Hanging Wall (fault) Grab .40 .36 -- From 15 x 25' open cut left side dike

08 #13 "Bella Coola Explorer" Trace From 1958 location 800 ft. S.E. of mine cabin

09 #14 -130 ft. above #1 Adit new cut 3.00 2.70 8.21 (grab sample)

10 #15-30 ft. length cut sample foot wall right side dike 6.60 5.94 23.63 From portal roof #2 adit to point 30 feet west

11 #16 Enriched Zone left side 25 ft. length cut sample 6.20 5.58 23.78 From 15 x 25 foot open cut across from dike same level as #2 adit

12 #17 - 400 ft. above #2 adit left side of dike 3.60 3.24 12.64 20 ft. cut sample from dike east 20 feet

Conclusion 1958 Assays

Gold content negligible; not deemed of sufficient importance to mention in this report of 1958 assays. Due to steep gradient of cliff, only accessible mineralization has been sampled and such sampling cannot be classed as representing commercial quantity of ore.

(4)

BUILDINGS

Buildings consist of a mine cabin, housing bunk and cook house.

TOPOGRAPHY AND CLIMATE

The property is located in the rugged coast range mountains of British Columbia. There is considerable timber that is considered as commercial, but as it has never been cruised, no value can be placed on same. It is the usual coast range type of cedar and fir.

The climate is typical of the coast area, mild but wet. At present operations can be carried on during seven to eight months of the year. However, after completion of about five miles of road, operations can be conducted on a yearly basis.

ACCESSIBILITY

From the mine camp, it is some 24 miles to Bella Coola, a port on tide water. With the exception of 5 miles of road to be built, the road is a first-class substantial highway, over which heavy loads can be transported. Elevation of mine cabin, 1,150 feet; elevation at mine, 2,250 feet.

GEOLOGY

An extensive area surrounding this mineralization is composed of altered volcanics. The mineralization is associated with stock of biotite granite and biotite granite porphyry consistency, associated with which is a granite porphyry dike of which a 500 face vertical height is visible with mineralization on both sides of the dike, enclosed by older meta andesite.

MINERALIZATION

Contact metamorphic mineralization is indicated for a 500-foot vertical height on 15 to 30 foot width. The mineralization on the left side of the dike shows evidence of being undisturbed by later fault movement. Mineralization on right side of dike shows latter fault movement, but is of a similar occurrence as that on the left.

The character of the mineralization is pyrrhotite, chalcopyrite with pyrite representing very small crystal form up to crystals as large as one-half inch square. There is evidence of numerous cavities and some covelite enrichment of the chalcopyrite.

The values consist of gold, silver and copper. A 60-foot lateral length and 40-foot thickness of disseminated mineralization in quartz feldspar ground mass is visible and has been sampled on both sides of dike. Some fault movement is in evidence on the right side of the dike and a zone of mineralization 5 feet to 1 foot width along a 30-foot length dips up 60° into the cliff. The disseminated mineralization shows more area of occurrence on said right side of dike.

A number of sulphide (pyrrhotite) and chalcopyrite veins outcrop on the Bella Coola Chief and Queen Crown Grants, only one of which has been sample or explored to any extent. A grab sample assays as follows:

5

	Ounces	Value
Copper:		
Silver:	195.72	\$177.12
Gold:	3.08	107.80

This sample taken from approximately 200 feet down ravine from #1 adit.

CONCLUSION

Diamond drill work in past:

There has been approximately 200 feet of diamond drilling, made under lease by Silver Standard Corp. of Vancouver, B.C. This work was done under snow conditions. Only two holes out of total of nine holes were made in a strongly mineralized zone. Seven holes were made across ravine in an uplift block away from area of pronounced mineralization. Not much knowledge of extent of mineralization was gained. Work done by the writer is of a limited nature, and since the property is currently classed as a prospect with potential instead of positive extent of commercial values I recommend as follows:

Tunneling and Diamond Drilling:

The disseminated mineralization in quartz mass on cliff be explored via tunneling or diamond drilling for lateral continuation; that a number of diamond drill holes be made along left side of upper adit through dike into massive sulphide mineralization, most importantly, an angle hole be made bearing approximately 145 degrees from left side of dike (hanging wall of #2 adit). 60 feet vertical height of striping shall be made above the open cut left side of dike. A number of diamond drill holes to be made laterally along strike of mineralization left side of dike, also drill holes along dip of mineralization right side of dike.

Sampling:

That more sampling be made along 500 vertical height left side of the dike via block and rope tackle hung from trees or "dead man" anchor on cliff.

SUMMARY

While it is presently impossible to make estimates of tonnage possibilities, grade of mineralization is sufficiently good to provide incentive for further exploration work. Such work in so far as is possible, should be for purpose of determining of mineralized conditions along strike of dike and on both sides of the dike, where mineralization outcrops on face of the cliff. However, work should concentrate on left side of the dike where latter movement is indicated to be of a very negligible nature. Such work shall be determined by amount of initial funds made available and be kept under total of \$10,000.00 expenditure until at least two sides of mineralization have been proven, in particular, the mineralization on left side of the dike.

6

SUMMARY OF PAST WORK BY LEASEE

It is the opinion of the writer that diamond drill work in the past was mismanaged and misdirected. The main error of work in the past has been failure to recognize mineralization on left side of dike which was covered by slide (in ravine) and heavy moss on cliff. The trench 550 feet above upper adit was not made deep enough. However, it would have proved or disproved more by being made more to the eastward. #2 adit should have been driven through the dike to left.

SUMMARY OF 1958 WORK

The 1958 work done on left side of the dike has enhanced knowledge of a potential commercially mineralized zone. The 1958 work right side of the dike has proven fault conditions but points to mineralization in place along strike of dike, back into the cliff. In the opinion of the writer, a general exploration program would certainly be justified, provided a major portion of the funds allotted were expended in proving and searching for compact mineralized areas and mineable ore bodies.

Respectfully submitted,

s/ T.G. Muth

T.G. Muth

Somes Bar, California

August 25, 1959

1966 Cominco Took a lease and option 1966 and 2" core drill Hole WAS made ^{600'} below the HORIZON of MINERALIZATION, near there Helicopter LANDING strip. Some Specimens C.W. was encountered. After \$2,500 payment was made on the \$50,000 option to BUY the company gave up the exploration program. Mr. Richardson was engineer in charge of work and he advised against any further exploration after the one hole ~~was~~ was made.

This work was enclosed 600 feet below area of this report.