$\qquad$ PoM. M. KAVANAGH From

Subject $\qquad$
 Date $\qquad$ July...25th,

This will reply to your July 20th memorandum on the above subject. I am glad you noticed the omission of the date on my Report. The Report was done on July 13th, 1961. Would you please date it for me. The Topographic Index should read 93-L, not 93-57.

Herewith the replies to your questions in the order in which you presented them.

I have no reason to think that the untested ground will produce anything more than has been found thus far. I can only reiterate that the property has some impressive alteration which I feel should be investigated. Other things being equal, I would consider it dangerous to assume that no ore would be found on say the South half of any Claim Group because work on the North half had failed to locate ore. The largest anomaly, and by this I mean largest in extent, was not tested because the Self-Potential data were not completed on a composite map at the time the bulldozer was brought in, and the extent of the anomalous zone was not realized. By the time the information was completed, the bull-dozer had been trucked out to Houston. In addition, we were concentrating more on amplitudes of anomalies rather than on their extent.

The untested claims have virtually no outcrop and consequently there is no Geological Map.

The Self-Potential Survey was confined to the 5 claims closest to the Canex ground. The Survey was confined to these claims because it was felt that the extensions, if any, of most of the veins found in the Owen Lake adit would be on these claims. I no longer have much interest in the veins as such; I would hope for a large shear zone containing a replacement deposit. The Survey was really meant to be confined to 4 claims because of budget limitations.

The status of the McGowan Claims is as follows:

## Kerr-Addison Gold Mines Limited

## (FOR INTER-OFFICE USE ONLY)

To. $\qquad$ P...M. KAVANAGH $\qquad$ From $\qquad$ WTLLIAM.M. SIROLA

Subject. $\qquad$ McGOWAN.CLAIMS/Cont. $\qquad$ Date $\qquad$ July 26th, 1961............. $-2-$

EXPIRY DATES of MCGOWAN CLAIMS

| OWL CLAIMS | RECORD NUMBER | DATE |
| :---: | :---: | :---: |
| 2 | 12688 H | July 15/63 |
| 3 | 12689 H | July 15/63 |
| 4 | 12690 H | July 15/63 |
| 5 | 12691 H | July 15/62 |
| 6 | 12692 H | July 15/62 |
| 7 | 12693 H | July 15/62 |
| 8 | 12694 H | July 15/62 |
| 9 | 12695 H | July 15/62 |
| 10 | 12696 H | July 15/62 |
| 11 | 12697 H | July 15/63 |
| 12 | 12698 H | July 15/62 |

## MADINA CLAIMS

| 1 | 12780 K | Aug. $17 / 62$ |
| :--- | :--- | :--- |
| 2 | 12781 K | Aug. 17/62 |
| 3 | 12782 K | Aug. 17/62 |
| 4 | 12783 K | Aug. 17/62 |

ANGUS CLAIMS

| 1 | $12856 ~ M$ | Sept. $16 / 62$ |
| :--- | :--- | :--- |
| 2 | 12857 M | Sept. 16/62 |
| 3 | 12858 M | Sept. 16/62 |
| 4 | 12859 M | Sept. 16/62 |

Mr. McGowan is out of telephone contact today, but I would assume his terms remain $\$ 350$ in cash and 350,000 shares in any new Company which might be formed. I expect to hear from him tomorrow.

## Kerr-Addison Gold Mines Limited

(FOR INTER-OFFICE USE ONLY)

From $\qquad$ WILLIAM .M. SIROLA

Date $\qquad$ July 26th........ 1961

Because of the rapidity of Self-Potential work, I would be prone to cover all of the remaining claims. This would take about two weeks if lines were 400' apart. The anomalies found would then have to be stripped or diamond drilled.

The bulldozer rental would run about $\$ 400.00$ per day and I would estimate 45 days' work, or a total cost of $\$ 2,000.00$.


Please realize that I look upon the McGowan ground as simply a logical place for inexpensive geophysical prospecting. I think that if we found another type of situation in the Bush, we would try to cover most of it with a Geophysical Survey of one type or another. The limits of the micro-diorite are not necessarily accurate because of paucity of outcrop.

