821247 KERR-ADDISON GOLD MINES LIMITED 44 KING STREET WEST TORONTO 1. ONTARIO P. M. Kavanagh W. M. Sirola McGowan Prospect, Owen Lake, B. C. July 20, 1961 This is prompted by your memorandum of July 10th, on this subject. Although your previous self-potential survey only covered 5 claims of the 20 claim property now available, Map No. 2 accompanying your recent undated report on the Houston Project Indicates that somewhat less than a total of ten claims are underlain by the improtant micro-diorite. In other words your previous work appears to have tested somewhat more than 50% of the important part of the property. Do you have any reasons why the other 50% should have any better mineralization than that already found? What was the reason why you did not test the largest S. P. anomaly before testing the ones you did? Although not tested by S. P., were the other claims prospected or geologically - mapped during your previous programme; why was the S. P. survey confined to only 5 of the claims? In addition to answering the above questions. I wish that to assist my further consideration of this property, you would submit the following. 1. Information re. the present standing of the claims. 2. The terms on which McGowan would presently be prepared to deal. 3. A program you would propose we carry out, with an estimated cost. Paul M. Kavanagh, Chief Geologist - Exploration PMK: Id

REC'L JUL 12 1961

## KERR-ADDISON GOLD MINES LIMITED

W.S.R.

P.M.K

G.H.M.

E.C.J.

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To	P. M. KAVANAGH	From	WILLIAM M. SIROLA	E.O.C. H.A.P. R.D.S.	
Subject	McGOWAN PROSPECT, OWEN LAKE, B.C.		Date July 10th, 1961.	B.C.B. D.W.P. 	
			Dare	E.L.D. J.I.B.	

Accompanying this memo is my 1960 Report on the selfpotential survey of 5 of the McGowan claims: There are 20 claims in all. The Report does not dwell on the following pertinent aspects of this prospect:

- The alteration at Owen Lake is a combination of silicification, sericitization and kaolinization.
- One of the largest anomalies on the property was not explored. In the main, anomalies on the property are caused by large disseminations of pyrite.
- 3) Any silver present in the oxydized zone could be partially, or completely, removed by leaching.
- 4) Exploration of the property can be done rapidly and at relatively low cost.

Most of the trenches on the property show considerable leaching of sulphides and, while the resultant leached capping resembles the capping of the porphyry coppers, there is little likelihood of a commercial copper deposit. Copper was not detected by soil testing, and the voids in the leached capping are practically free of indigenous limonite.

I feel that the real justification for additional work lies in the possibility that a replacement-type silver deposit might be found, and because I feel that areas of considerable hydrothermal alteration are always good areas for mineral search.

WILLIAM M. SIROLA

Enc.