

821354

93L/14
93M.

OCT - 7 1977

KERR ADDISON MINES LIMITED

(FOR INTER-OFFICE USE ONLY)

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

To D.A. Lowrie From W.M. Sirola

Subject HUDSON BAY MOUNTAIN (GLACIER GULCH) Date October 4, 1977
MOLYBDENUM PROSPECT - SMITHERS AREA, B.C.

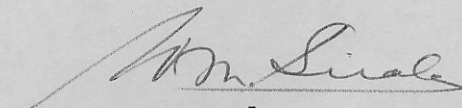
I spoke with Ed Piker this morning about the possibility of joint venturing this property and he advised that Amax would be pleased to entertain any proposals we might make in that direction.

He seemed unwilling to state any tonnage figures, but did say that the grade was 0.3% MoS₂. This translates to a molybdenum grade of 0.18% and this would be marginal for an underground operation unless there is a nucleus of higher grade. Tungsten would be a potentially important by-product but I have no figures on the actual tungsten content.

There is quite a good description in "Porphyry Deposits of the Canadian Cordillera" on page 455. This article describes a U-shaped zone of 0.2% MoS₂. The zone appears to be slightly tipped on edge.

One approach would be to determine accurately the size of that zone, estimate the mining and capital costs and consider making a proposal on that basis.

I will put something further together on this as opportunity permits.


W.M. Sirola

WMS:mcb

This was done at my suggestion
