

FEB 7 1967

KERR ADDISON MINES LIMITED

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To Mr. P. M. Kavanagh From W. M. Sirola

Subject Meroniuk - Demmitt Properties, Quesnel Region, B.C. (93-B & G). Date February 6, 1967.

Vertical stamp with initials: S.R., C.G., J.S., R.C.S., E.S., J.M.K., G.W.M., R.O.M., C.K.W., J.B.S., G.P.R., K.F.L., B., E.C.J.

These properties are well located if we are to give some credence to the currently popular Coast Silver Property, however, I am advised by Nicholas Bird who prospected this immediate area for us in 1963, that drill hole No. 1 in Dr. Seigel's formidable I.P. anomaly contained pyrite but little else. This would be in keeping with what we already knew from our previous work.

The above comments could not possibly rule out the presence of economic minerals on the subject properties, but by the same token, the Coast Silver drilling to date does not particularly enhance this ground.

I think that the prospectors who own these claims are to be commended in acquiring the ground but I do not see any particular reason for us to take an option on either group. Were we a small promotional company I would be inclined to take a different view.

Handwritten notes: original data submitted by Donaldson returned to him. Copy of [unclear] Feb. 13/67.

Signature of W. M. Sirola and typed name W. M. Sirola.

WMS/lk

Handwritten notes on a separate sheet: Property Submission 93. G. Meroniuk - Demmitt Properties Quesnel Area B.C. Feb 6 1967

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

To..... W. H. Sirola ..... From..... P. M. Kavanagh .....

Subject..... Meroniuk - Demmitt Properties, ..... Date..... January 26th, 1967.  
Quesnel Region, B.C. (93-B & G).

Attached are some data forwarded to me by our close contact  
Evan Donaldson to whom they were sent.

Would you please let me have your comments concerning the  
submitted properties and the exploration activity in the area in  
general, and return the data.

Paul M. Kavanagh  
Chief Geologist - Exploration.

PMK:sw

Enc.

24000

*NORTH VAN :  
MINES  
DEC 29/66*

## Coast Silver Mines Improves Treasury

Coast Silver Mines has received registration to sell 250,000 shares at 75¢ per share to Continental Investment Corp. and Belvedere Investments by prospectus dated Nov. 23, 1966. Of the authorized capital of 3,000,000 shares, 2,121,606 shares, including the current sale, have now been issued. Of these, 680,000 remain in escrow.

High-intensity anomalies have been reported discovered through an I.P. survey conducted by H. O. Selgel & Associates on the company's properties, a short distance northwest of the property of Gibraltar Mines in the Cariboo mining division of central British Columbia.

**River Drons**



*B. H. D.*

Dear Sirs:

In the contents of this letter you will find a map of Coast Silver Mines Ltd., Quesnel B.C. staking program, also a report by Georget Cross, describing a strong 'Seigel' anomaly. This property is being drilled at the present time and a report will be released in the very near future.

My partner and I have staked the property which is colored in red consisting of an area of 26 claims. These claims are tied on to Coast Silver, Highland Bell, and Pyramid. According to the local geology these claims are right on strike.

We have prospected this property and found the outcroppings to carry values in calco, silver, lead, gold zinc, and iron pyrites. We believe that an exploration program would be rewarding at this time. We also have an option on the Luddit group of 24 claims, colored in blue. At this time we have not carried out any prospecting program due to snow condition.

Directly to the south, Gibraltar Mining Co. are engaged in a extensive exploration program, and Highland Bell on the south east, these are just a few that are directly associated, In view of this as you no doubt know, Central B.C. will be of major importance in the mining field this year. However we are in no position to carry out any exploration, therefore, the above mentioned properties are up for sale at this immediate time.

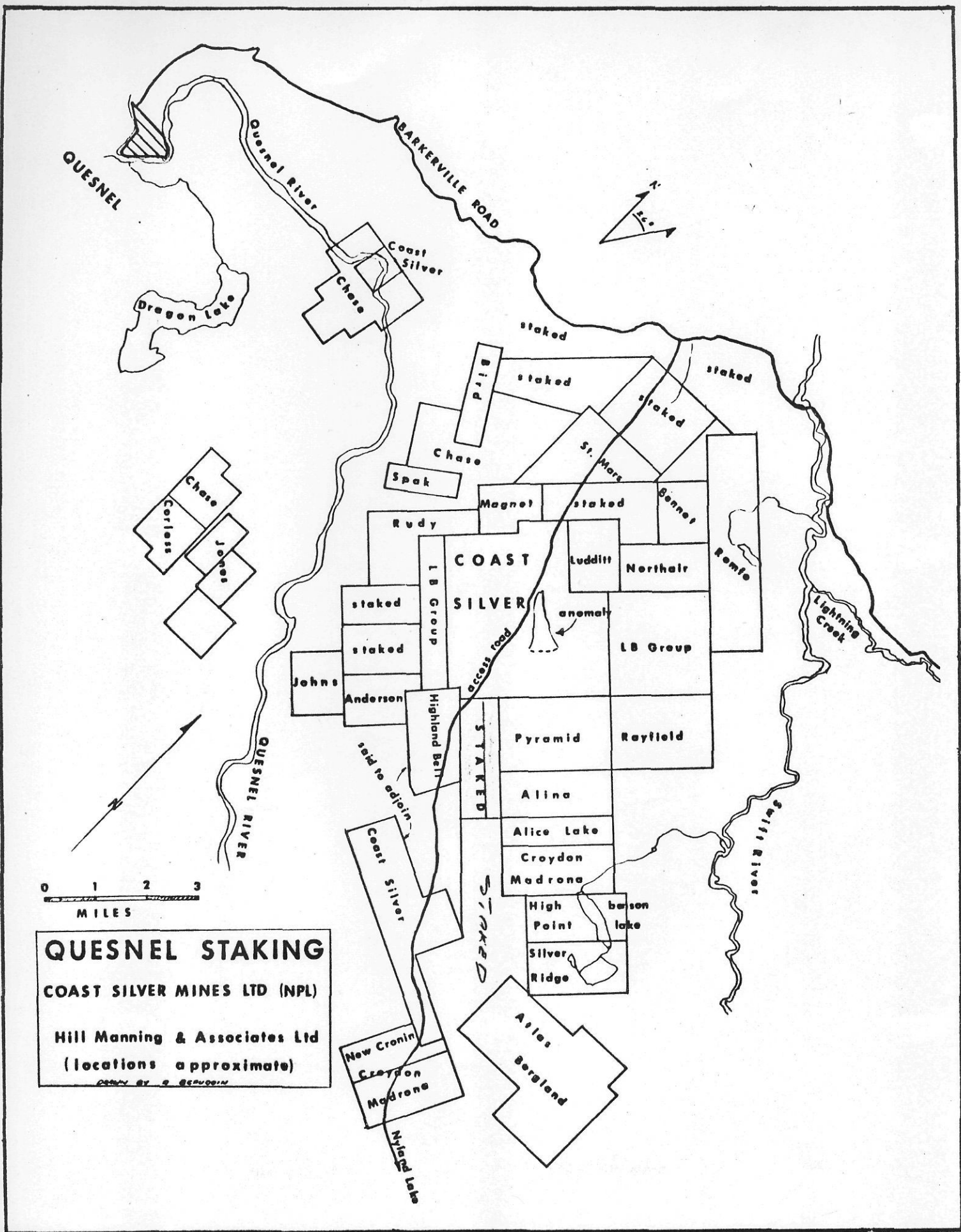
Through the years of prospecting and research we have accumulated several large low grade moly, copper, gold and silver properties, also one uranium property which ran 10 on the scale over one mile, we are very enthused as to the potential of this area.

All queries will be acknowledged immediately and should any of this information be of value, please do not hesitate to call or write us at any time.

*Recd. 6/67  
copy retained  
for Vancouver files  
LH*

Very truly yours,  
*L. Meroniuk*  
Larry Meroniuk

Bill Demmitt  
Prospectors



**QUESNEL STAKING**  
**COAST SILVER MINES LTD (NPL)**  
 Hill Manning & Associates Ltd  
 (locations approximate)  
copy by 2/8/2009

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NO. 232 (1966)

WESTERN CANADIAN INVESTMENTS

DECEMBER 1, 1966

## COAST SILVER MINES LTD.

### + Large Strong 'Seigel' Anomaly Near Quesnel, B.C. To Be Tested By Drilling

Three diamond drill hole locations have been set and bulldozers are currently preparing the drill sites on a large strong anomaly located on claims held by Coast Silver Mines Ltd. in the area 15 miles southeast of Quesnel, B.C.

The induced polarization work was done by H.O. Seigel & Associates Ltd. The important section of the report on the survey by Seigel is quoted below:

"In area three a prominent zone of high chargeability at least 4,000 feet in minimum length and up to 1,700 feet in width has been revealed by the induced polarization survey. Interpretation of the chargeability and resistivity data suggests an intrinsic metallically conducting content of at least 10% by volume over substantial widths within this zone.

The geological information available in the area suggests that both metallic sulphide mineralization and carbonaceous sediments may be present in the region so that the ambiguity of the source cannot be resolved without further investigation.

"It is accordingly recommended that a minimum of three holes totalling 2,100 feet in length, with the third hole contingent on the results of the first two, should be drilled to reveal the nature of the high polarization material. Additional holes will be predicated upon the results of this minimum program."

In an interview with: Orville L. Baker, president of Coast Silver Mines; Alex H. Lenec, secretary treasurer, L. Manning of Hill Manning & Associates Ltd. and Dick Crosby, Vancouver representative of H.O. Seigel & Associates the following additional information on the property and company was gained.

On October 14, 1966, following completion of the survey work on a group of claims in the general Quesnel area, Armond Beaudoin, field man for Hill, Manning & Associates, who had been working in the area for four years convinced Mr. Baker that the survey should be run along a section of road where the geology had appeared to be of special interest to him. The survey was run and very high readings were obtained on what was then open ground. On October 15, the president and Armond Beaudoin staked a total of 20 claims to cover the most interesting area of the initial survey work. Since then Coast Silver has continued to stake in the area and a total of 150 claims are now held by the company.

When the staking was completed a big induced polarization machine was moved to the area to grid the area on 500 and 250 foot lines. To date a very large target has been indicated which is open on both ends.

The geology of the area indicates that the anomaly is in the region of an important contact between pegmatite granite plug and volcanic rocks. There are two mineralized outcrops in the region of the anomaly which contain silver-lead-copper and pyrite mineralization. The limited surface prospecting and geological mapping of the area has specifically not encountered graphitic material which is considered of considerable importance.

The engineers stated that the area was flown with a magnetic survey in 1961 which was published in 1963, by the B.C. Government and that these magnetic maps have been of considerable importance and use in the recent work in the area.

The indications from the induced polarization survey are that the overburden does not exceed 100 feet and the other indications are for relatively shallow overburden.

Bids have been received from a number of diamond drilling contractors and the first hole will be drilled as soon as conditions permit.

Coast Silver Mines Ltd. recently completed an underwriting agreement with Continental Investment Corporation Limited and Belvedere Investments Limited covering the purchase by them of 250,000 treasury shares of the company at 75¢ per share to place \$187,500 in the treasury and to bring the issued shares to 2,121,606 of the 3,000,000 shares of 50¢ par value authorized. There are 775,000 shares in escrow.