

KERR ADDISON MINES LIMITED

(FOR INTER-OFFICE USE ONLY)

NOV 28 1973

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To G. M. Hogg From W. M. Sirola
Subject GOLD RIVER MINES AND ENTERPRISES LIMITED
ASPEN GROVE COPPER PROPERTY 92H/15E Date November 23, 1973
TULAMEEN AREA, B. C.

In your absence Dale Hendrick telephoned to say that Dr. James was interested in the Gold River Mines property. Herewith what we have been able to assemble to date:

Location

Property is located fifteen miles south of Merritt, B. C. near Alleyne Lake.

History

1963 - drilling by Payco Mines Limited and Alscope Consolidated Limited.
1967 - Alscope drilled nineteen short drill holes totalling 1800 feet plus three percussion drill holes totalling 700 feet. In addition carried out bulldozer trenching, I.P. surveys and geological mapping.

Claims are now called E.M. 1-12, Mike, Joey 1-4 and Kiwi.

Geology

The Aspen Grove camp is noted for numerous small occurrences of bornite, chalcopryite, malachite, hematite and sometimes malachite in Triassic Nicola series volcanics.

The area being drilled at the moment has an old shaft and the drilling is, I believe, to pick up extensions of mineralization in this shaft.

Old trenches on the property contained the same assemblage of copper minerals and it is not too difficult to get values of 1% copper across 30 feet in some of the trenches.

While the Aspen Grove type mineralization has never proved rewarding in the past we must nonetheless be very cautious about discounting any work in this particular area. I say this because there is a very impressive fracture pattern which has just recently been mapped by the B. C. Department of Mines and there is also the possibility of Sustut type "Lahar" mineralization within the claim block. The significance of Lahar volcanics is simply that these come in very large angular blocks and could well represent proximity to a volcanic center. In addition the claim block is situated between a massive diorite to the north and a similar mass to the south so that all of the necessary ingredients for good rock preparation seem to be there.

✓ WS ✓
J.H.S.
P.M.K.
G.M.H. ✓
R.D.S.
B.C.B.
I.D.B.
M.D.R.
J.F.
✓ DMH ✓
E.C.J.

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Current Work

The Gold River people have carried out I.P. and E.M. surveys and have located what they call four significant zones. One zone being drilled is 1600 feet long and 400 feet wide. I.P. anomalies as such are not necessarily diagnostic of copper mineralization since there is a small amount of pyrite in volcanic rocks. The drill hole pattern to date is such as to suggest that one small pod has been drilled and another pod 8000 feet to the north will be the next target. The first drill hole was aimed to the south at -45° and this was reported as having intersected 128 feet of 1.09% copper. The second hole was located 100 feet west of the first hole and was drilled east toward No. 1 at -45° . This hole reportedly cut 60 feet of 1% copper. The third hole was drilled at the same location as No. 2 but was vertical. The fourth hole was located 100 feet north of hole No. 1 and was drilled south at -45° . We have no results for drill holes 3 and 4. A fifth hole (according to George Cross) has been moved to another showing 8000 feet to the north.

Conclusions

If the drill hole data obtained from George Cross is accurate (and I have no reason to think that it is not), then this effort on the part of Gold River is simply drilling of old showings and certainly the drilling pattern indicates that they have not wandered too far from the old shaft. I understand that the Placer people are rerunning the pulps from the first drill hole to check the authenticity of the assay results.

The stock market performance of Gold River has been such as to indicate a rigged market. I say this because the chart indicates an increase in the price of the sales at a time when volume was dropping. The market is run by a Mr. Caverini who hails from St. Catherines, Ontario and apparently Caverini has a certain expertise in these matters. This morning trading in Gold River was suspended.

There does not appear to be anything of great importance or anything very different from the results obtained by other people in the Aspen Grove camp in the past but the geology being what it is, the possibilities of important intersections are always there.

At the moment the need for optioning the property is not apparent.

WMS/rb

*I agree with this
recommendation.*

Bill
W. M. Sirola
Nov 28/73



Diorite

Bracer's Pond

Gold River Mine Drill Site (approx)

Units 5a-5f are volcanic breccias, volcanic conglomerates & lahar deposits.

Gold River Prop. Boundary

Scale 1" = 1320'

altered zone, is in excess of 500,000 tons. Moreover, the altered zone could eventually produce another 500,000 tons making a total potential for the claim group of 1,000,000 tons grading 0.25 oz. per ton gold or better.

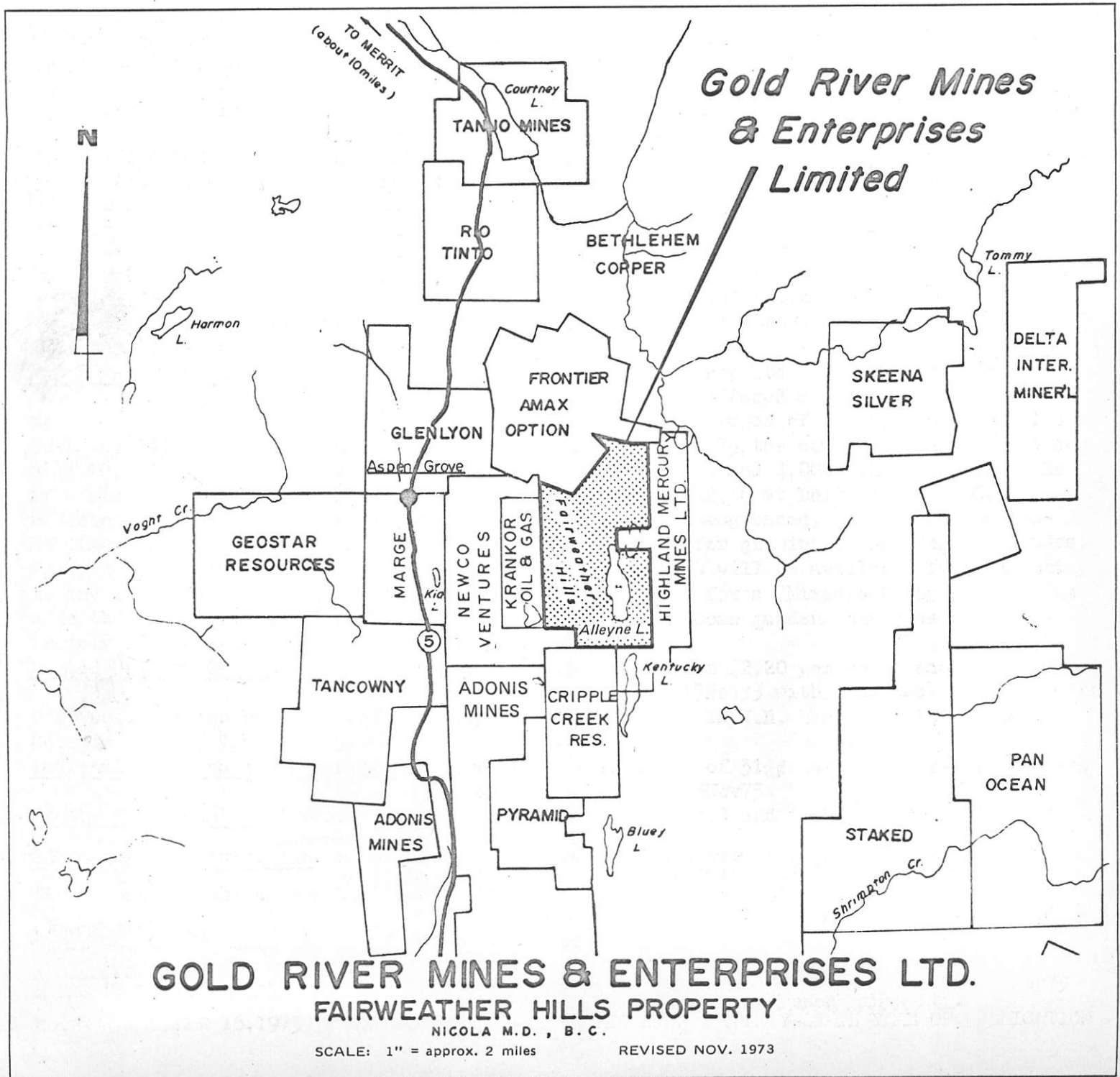
Mr. Thomson recommends trenching across the two gold bearing structures. If results are encouraging, the extension of the gold mineralization along the Mackenzie fault would be checked by a series of percussion holes. Kalco has the right to earn a 70% interest in the property.

GOLD RIVER MINES & ENTERPRISES LIMITED

**TWO DRILL RIGS EXPLORING
COPPER SHOWINGS NEAR MERRITT**

- The map below shows the location of the Fairweather Hills claims of Gold River Mines & Enterprises Limited. The claims are around Alleyne Lake, 10 miles south of Merritt, B.C.

The company has been acquiring by option to purchase and staking since mid-summer. As reported GCNL No.222, Nov.13,1973, the company has been drilling a number of surface showings and geophysical targets on the property. The assay results of the No.1 hole have been reported with the No.2 hole results expected in the next week. Since Nov.13,1973, two diamond drill rigs have been working to test several showings at depth.



GOLD RIVER MINES & ENTERPRISES LTD.

FAIRWEATHER HILLS PROPERTY

NICOLA M.D., B.C.

SCALE: 1" = approx. 2 miles

REVISED NOV. 1973