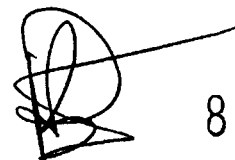


KERR ADDISON MINES LIMITED

(FOR INTER-OFFICE USE ONLY)



823688

To File 82 L 1 W From A. D. Clendenan

Subject Kelly 1 Claims 82 L 1W Date March 12, 1984

Located on Yeoward Mtn - 63.3 km East of Vernon.

Plotted on attached xerox of Claim Map.

Owned by David King, Box 904 Vernon, B.C. Phone 545 2579.

Submitted to Fred Chow December 20, 1983

(Also submitted was Vernon Hill Report)

Recommendation. Decline with thanks.

Summary - Anomalous Au in Fipke heavy mineral samples of creeks draining an area of known glacial dispersion of Au. No other significant anomalous metals. No showing on property.

Background -

King originally held the Verna and Nugget claims (1978) which were staked over his earlier Fox & DK claims (1974). His (former!) partner now holds the Nugget and Nugget 2 claims which cover the old shaft and "showing" area. See figure 2 "Silver Profiles".

Ken Daughtry & Associates hold adjoining ground to the west (Monashee and St. Paul claims). Vic Hardy holds the Dona claims to the south which cover to Old El Paso showing.

Daughtry has mapped and examined the Kelly area in conjunction with their regional work (heavy mineral sampling and prospecting) and concluded that the Kelly 1 area anomalous Au in Fipke's samples is due to placer Au transported from known showings on Monashee Mtn. (K. Daughtry & Assoc. claims)

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To..... From.....
Subject Kelly 1 Claims 82 L. 1 W. Date March 12, 1984

- 2 -

as well as other known showings surrounding the Kelly 1 claims.

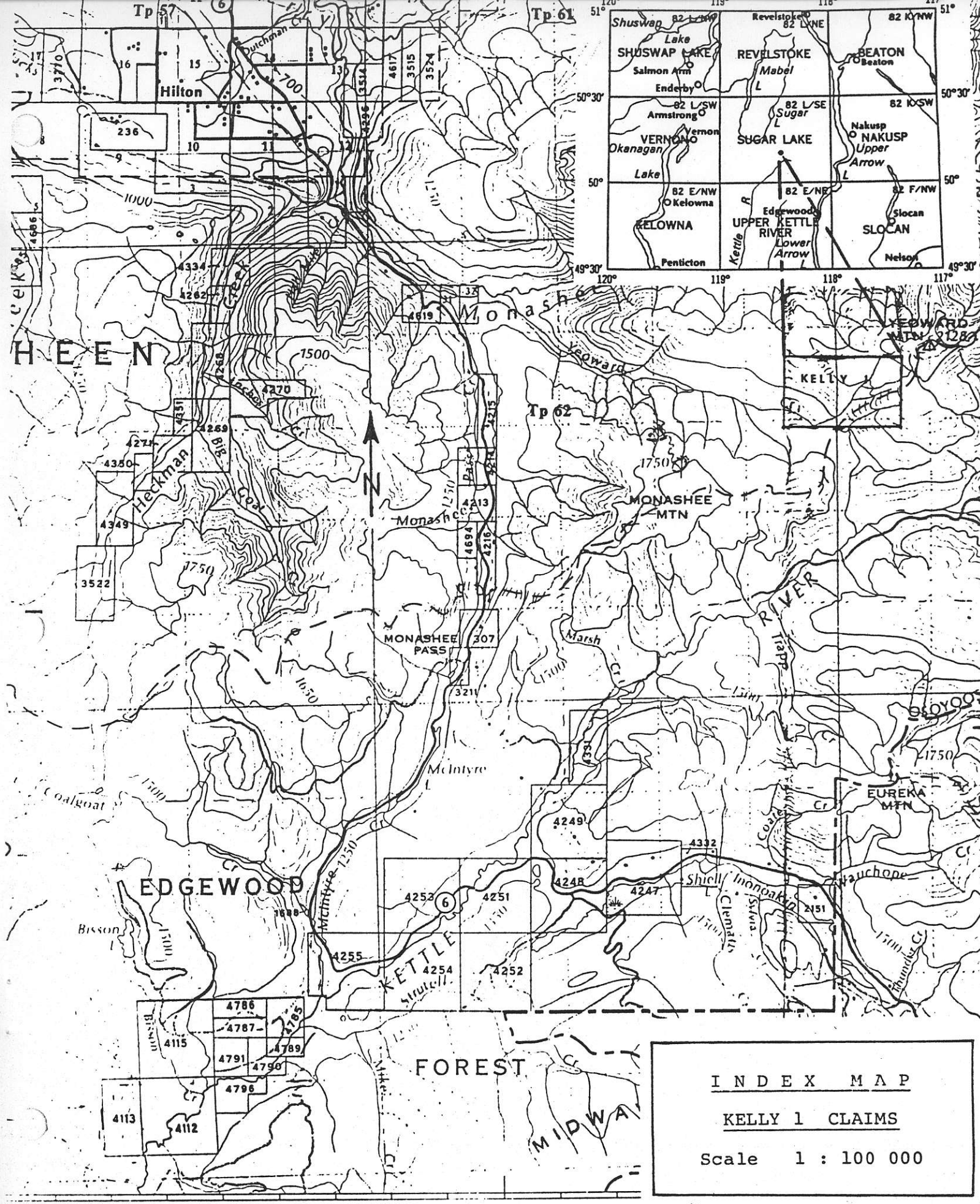
This is in a 15 - 20 foot snowfall area so even if a field exam were warranted it is not likely Bob Potter and crew could look at the ground in conjunction with their exam of the rest of the Top Property.

Daughtry & Assoc. have not yet decided if they are going to do one more years work on the Monashee Mtn. claims before offering it for option. If their claims are offered this summer we should also examine the Nugget, Kelly and Dona claims (after contacting the owners).

The Kelly 1 claim alone does not appear to be of further interest.



A. D. Clendenan



I N D E X M A P
K E L L Y 1 C L A I M S
 Scale 1 : 100 000

To Christian Valley - 56 km

FIGURE 1

KELLY 1 CLAIMS

SAMPLE SITES

Sample # and site A3 •

Scale 1 : 50,000

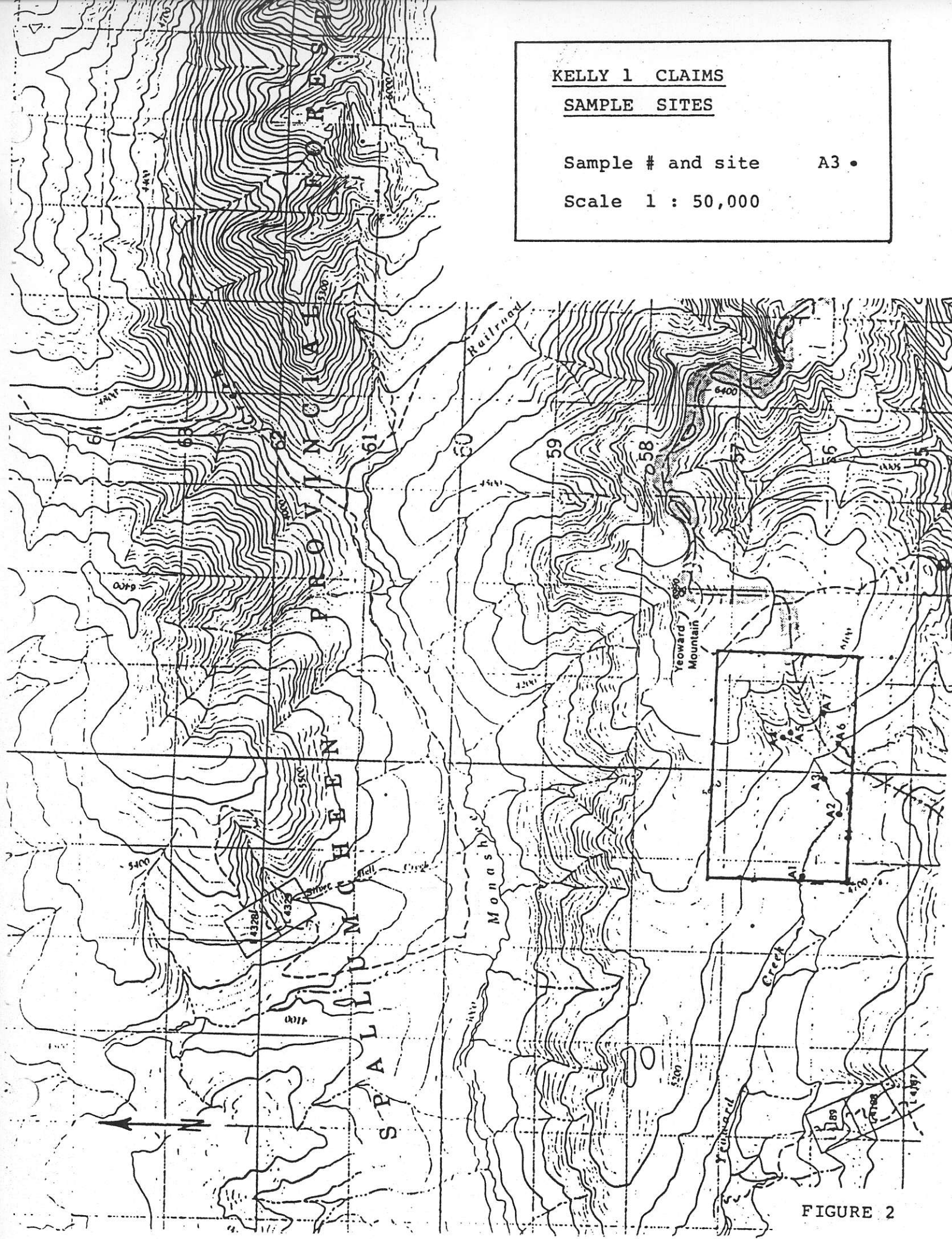


FIGURE 2

NUCLEAR ACTIVATION SERVICES 03-NOV-83 REPORT 2059 REF. FILE 3255-

SAMPLE	AS PPM	AS PPM	SB PPM	SB PPM	BA %
A-1 -35+150 IP	33	--	8	--	--
A-2 -35+150 IP	47	--	8	--	--
A-3 -35+150 IP	64	--	9	--	--
A-4 -35+150 IP	39	--	12	--	--
A-5 -35+150 IP	44	--	5	--	--
A-6 -35+150 IP	14	--	3	--	--
A-7 -35+150 IP	11	--	2	--	--
A-1 -35+150 HP	360	--	72	--	--
A-2 -35+150 HP	420	--	96	--	--
A-3 -35+150 HP	420	--	98	--	--
A-4 -35+150 HP	470	--	110	--	--
A-5 -35+150 HP	410	--	73	--	--
A-6 -35+150 HP	180	--	46	--	--
A-7 -35+150 HP	200	--	43	--	--
A-1 -35+150 HN	--	120	--	20	--
A-2 -35+150 HN	--	71	--	23	--
A-3 -35+150 HN	--	110	--	23	--
A-4 -35+150 HN	--	270	--	26	--
A-5 -35+150 HN	--	130	--	28	--
A-6 -35+150 HN	--	23	--	19	--
A-7 -35+150 HN	--	31	--	17	--
A-1 -150 HN	130	--	9	--	0.13
A-2 -150 HN	57	--	9	--	0.16
A-3 -150 HN	52	--	4	--	<0.04
A-4 -150 HN	210	--	11	--	0.34
A-5 -150 HN	3	--	1	--	<0.09
A-6 -150 HN	4	--	9	--	<0.20
A-7 -150 HN	11	--	6	--	<0.10

TABLE 1

NUCLEAR ACTIVATION SERVICES 08-NOV-83 REPORT 2059 REF. FILE 3255-

SAMPLE	BA %	W PPM	W PPM	AU PPB	AU PPB
A-1 -35+150 IP	--	--	--	--	--
A-2 -35+150 IP	--	--	--	--	--
A-3 -35+150 IP	--	--	--	--	--
A-4 -35+150 IP	--	--	--	--	--
A-5 -35+150 IP	--	--	--	--	--
A-6 -35+150 IP	--	--	--	--	--
A-7 -35+150 IP	--	--	--	--	--
A-1 -35+150 HP	--	--	--	--	--
A-2 -35+150 HP	--	--	--	--	--
A-3 -35+150 HP	--	--	--	--	--
A-4 -35+150 HP	--	--	--	--	--
A-5 -35+150 HP	--	--	--	--	--
A-6 -35+150 HP	--	--	--	--	--
A-7 -35+150 HP	--	--	--	--	--
A-1 -35+150 HN	0.03	--	16	--	5300
A-2 -35+150 HN	0.05	--	29	--	5900
A-3 -35+150 HN	0.06	--	5	--	7500
A-4 -35+150 HN	0.19	--	8	--	140000
A-5 -35+150 HN	0.13	--	6	--	26000
A-6 -35+150 HN	0.04	--	8	--	2400
A-7 -35+150 HN	0.04	--	4	--	7100
A-1 -150 HN	--	6	--	40000	--
A-2 -150 HN	--	7	--	64000	--
A-3 -150 HN	--	3	--	9700	--
A-4 -150 HN	--	12	--	59000	--
A-5 -150 HN	--	<6	--	3300	--
A-6 -150 HN	--	20	--	43000	--
A-7 -150 HN	--	4	--	2000	--

A
\$

① D. P. Small Cash Payment (No Deduction)

② Greg Smith Small Cash. ✓

↳ Deducted from \$ at Commencement of Production

③ \$ at Production Commencement to be
deducted from Net Profit
Royalty.

B
Worker Program

Over period 5 years.

Joint program.

Your Co - 400,000 - 80%

Overshare - 100,000 - 20%

In Stages.

Acceptable -

to your Co.

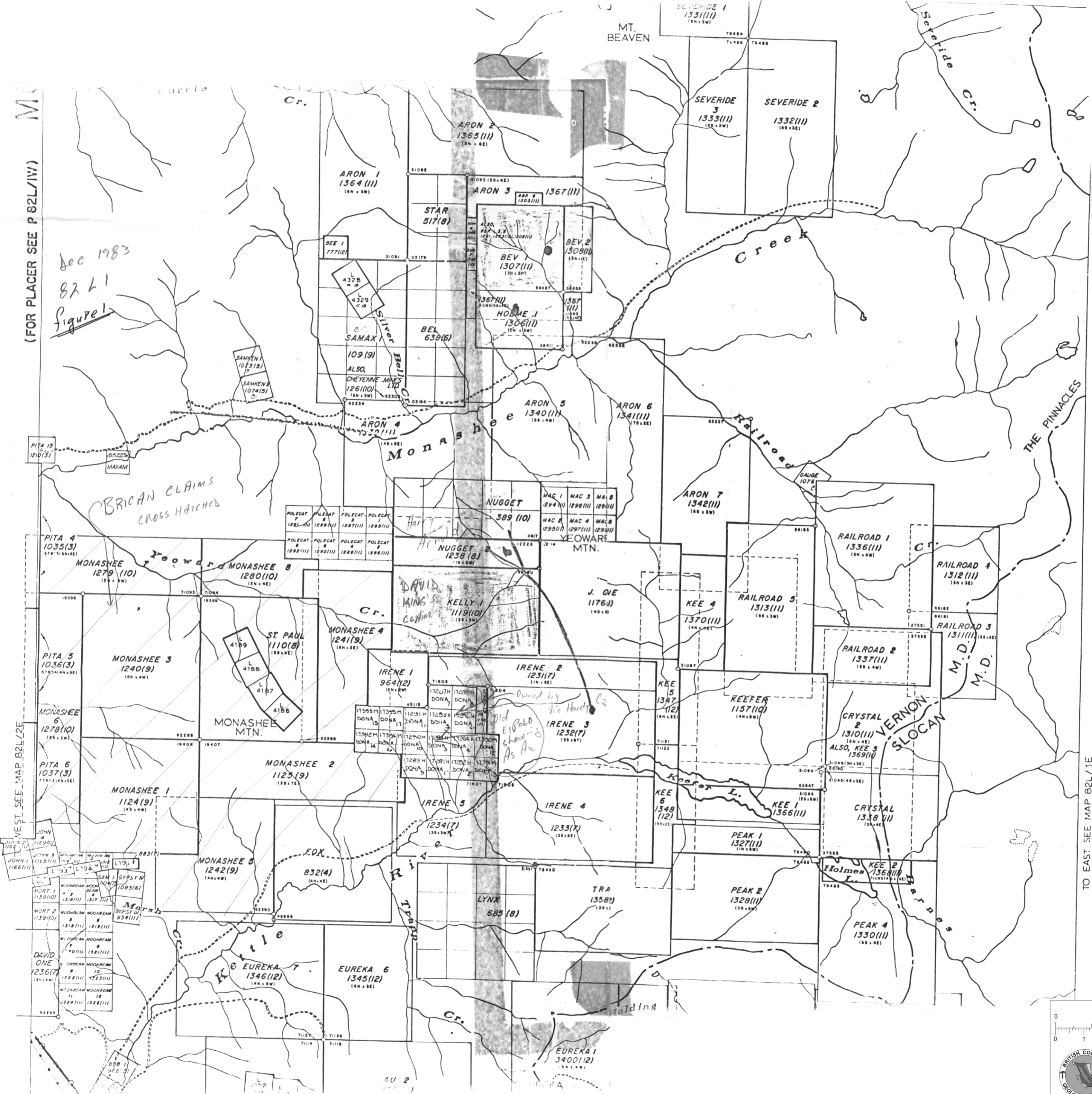
C
Royalty for life Property - Net Profit

Your Co - 80%

Over Int - 20%

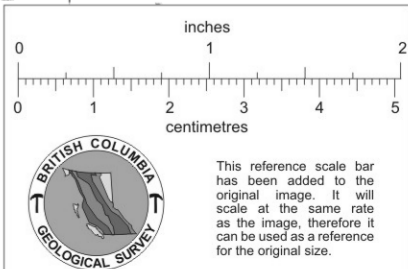
MC
(FOR PLACER SEE P 82L/1W)

Dec 1983
82 L 1
Figure 1



TO EAST SEE MAP 82L/1E
TO WEST SEE MAP 82L/2E

LEGAL CORNER POST & TAD NUMBER 6-24



This reference scale bar has been added to the original image. It will scale at the same rate as the image, therefore it can be used as a reference for the original size.

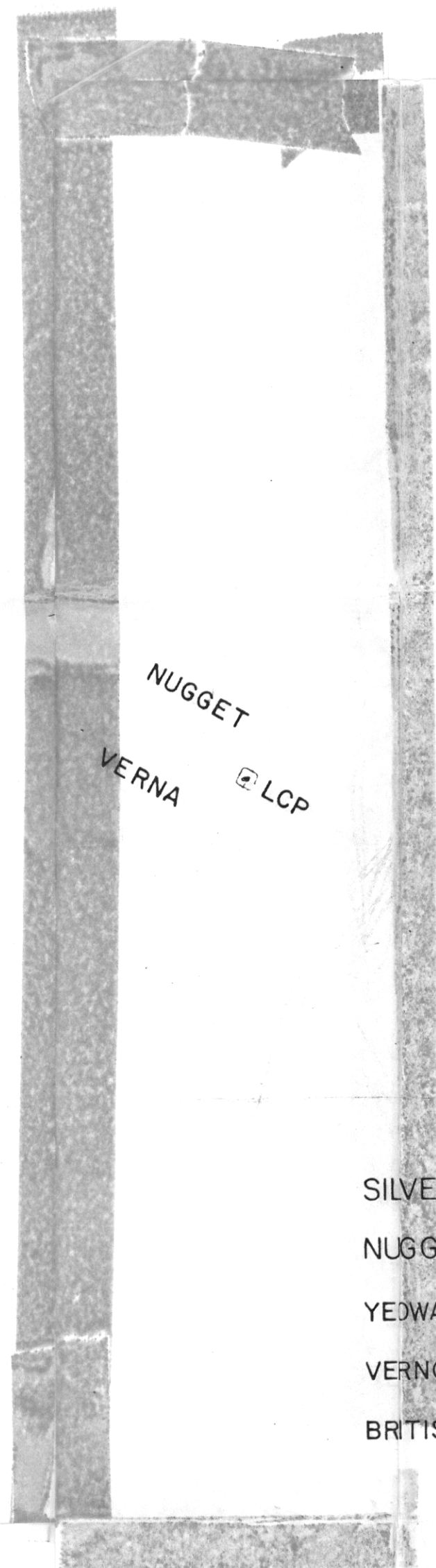
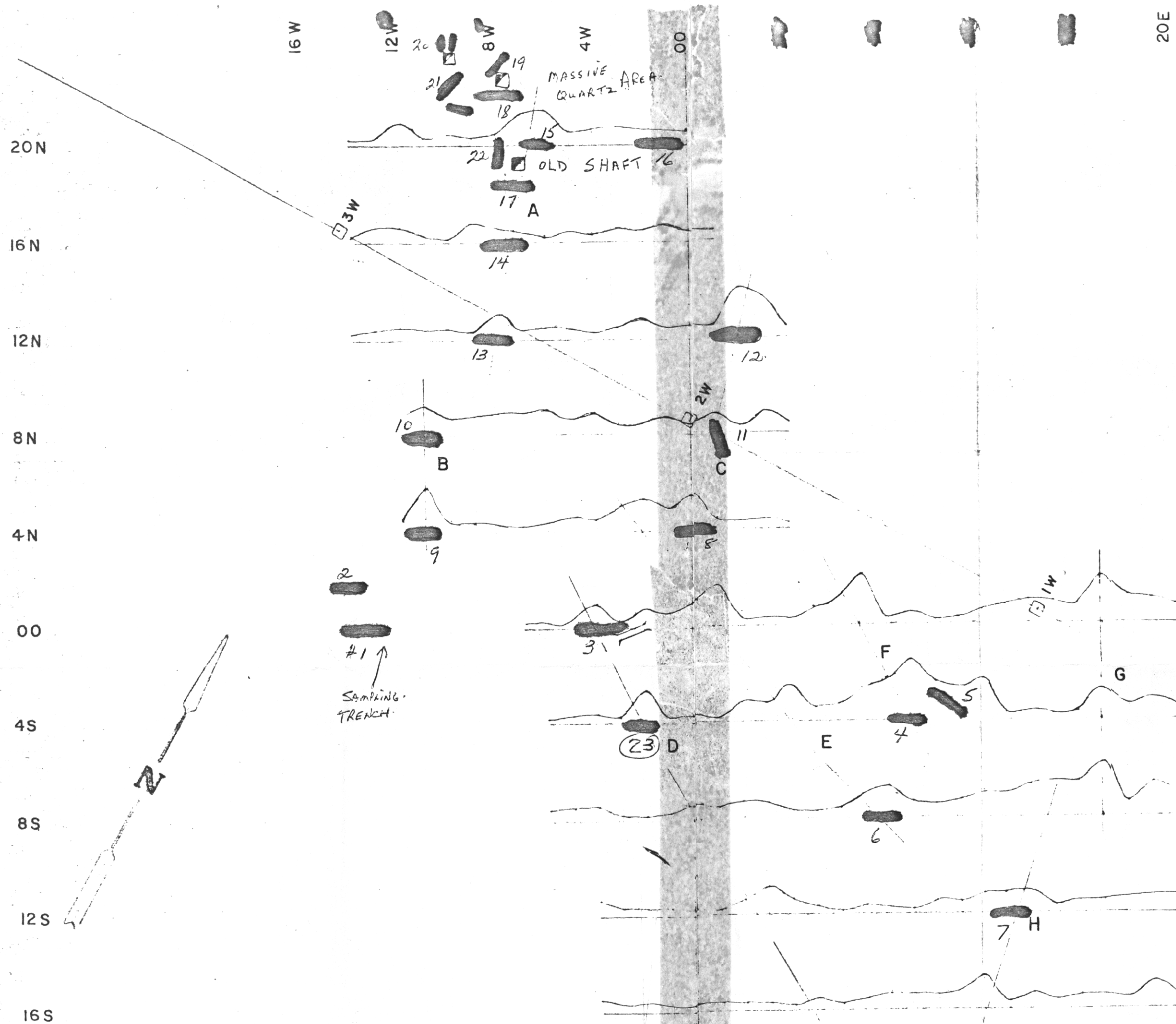


Figure 2

SILVER PROFILES
 NUGGET & VERNA CLAIMS
 YEDWARD MOUNTAIN AREA
 VERNON MINING DIVISION
 BRITISH COLUMBIA

VERTICAL SCALE 1" = 10ppm
 HORIZONTAL SCALE 1" = 120m = 400'

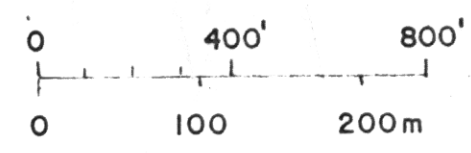
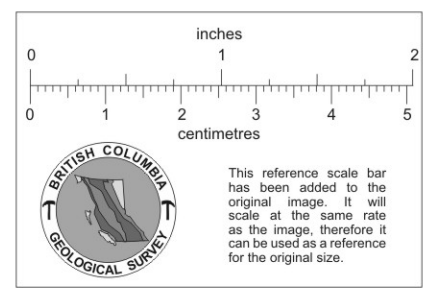


Figure 2