KERR ADDISON MINES

SUITE 703 - 1112 WEST PENDER STREET VANCOUVER, B.C. V6E 2S1 PHONE 682-7401

Crescent 82L 823694

October 17th, 1979.

Mr. K.L. Daughtry, K.L. Daughtry & Associates Ltd., Box 795, VERNON, B.C., V1T 6M7.

Dear Ken:

Re: Crescent Claims 1979 Drilling -Vernon Area, B.C.

David Lowrie agrees that no assessment work need be declared on the Crescent Claims in the light of the recent negative results from the drilling program conducted during the past summer by the Sun Oil Company. As far as Kerr Addison is concerned, these claims may be allowed to lapse. Best regards.

Yours truly,

W.M. Sirola

WMS:1g

cc: D. Lowrie

KERR ADDISON MINES LIMIT_D

(FOR INTER-OFFICE USE ONLY)

To_____ D. Lowrie From W.M. Sirola

Subject CRESCENT CLAIMS - Vernon Area, B.C. Date September 27th, 1979.

Ken Daughtry advised this morning that the Sun Oil company has completed roughly 1,000 metres of drilling on the Crescent Claims and has found nothing in the drill holes.

The Crescent Claims are due for work in December of this year but two claims are good until sometime in 1980. Ken wondered if there was any point in declaring assessment work on the ground in the light of the totally negative results. As far as I am concerned, there is no particular point but legally it would depend on what was written into Ken's agreement with Sun Oil company.

Should you want to retain this ground for any reason, please let me know and I will get back to Ken on the subject.

nu

W.M. Sirola

WMS:1g

KERR ADDISON MINES LIMITED

SUITE 703 - 1112 WEST PENDER STREET VANCOUVER, B.C. V6E 2S5 PHONE 682-7401

bapes sent to: Dr. Black 2 now.7/ Mr. Launie J 1977

November 3, 1977

TO: W.M. Sirola

FROM: J.C. Lund

SUBJECT: Exploration Report - Crescent Property, Vernon, B.C.

Introduction

The Crescent Claim Group includes the Crescent #1 - #4 which are contiguous and the Crescent #5 which lies 500m north west of the north west corner of Crescent #2. With the exception of Crescent #4, all the claims cover areas in part underlain by Miocene lavas.

Basis for staking these claims was (a) the projection of mapped faults into lava covered areas and (b) the projection of topographic linears that might represent fault zones. It was felt that since present drainages often follow zones of faulting, pre-lava stream channels might well occur along the projected faults. Recent drilling in the Crescent 1 and 2 claims has found this to be the case.

Topography and Access

The claims lie at about 4600 ft. elevation on a plateau marked by northerly elongated granitic and gneissic ridges and rounded lava hills. Access is good. A number of logging roads cut through the claims making most areas readily accessible. Main access from Lavington is via the Dees Lakes road to 12 miles, then westerly on the 12 mile road.

Exploration Method

Method of exploration was very simply geological mapping and diamond drilling. Early reconnaissance mapping by the writer indicated sediments exposed along the western edge of the Tavas in the Crescent #1, suggesting a possible sedimentary basin under the Tavas. Mapping by K.L. Daughtry confirmed the sediments and outlined possible areas for drilling. A panel of holes were drilled at near right angles to the northerly trending projected basin. Six holes were drilled on Crescent #1 and one hole on Crescent #2. Three holes planned for Crescent #2 and #3 were not drilled. Holes were probed through the NQ drill rods using an Exploranium GR 410 spectrometer. The range multiplier was set at 800 cps full scale on the down run, with 400 or 200 cps full scale over selected sections on the up run. Random digital readouts were taken on the four channels for total count, potassium, uranium and thorium. The probe was lowered at a rate of 2m/minute. For a further check, a hand scint was run over the core during logging.

Geology

The surface geology has been described by K.L. Daughtry in his preliminary report dated August 30, 1977. The description here will be a summary only of that work.

Oldest rocks are the high grade matamorphic sequence which form part of the Monashee Group. These are leucocratic to mafic banded gneisses and pegmatites.

The above sequence is intruded by a relatively coarse grained monzonite and a gneissic medium grained granodiorite. These are believed to be Mesozoic in age. The monzonite has a slight gneissosity in the core, becoming more gneissic near its margins. The gneissic granodiorite is included by Daughtry in the Monashee Group possibly because the rock is uniformly gneissic and may be regarded as an orthogneiss.

Cutting all of the above rocks are fine grained leucocratic dykes. These strike north easterly to north westerly and give readings of up to 160 cps on the scintillometer over a background of 36 to 44 cps. These may be Tertiary in age.

Unconformably overlying the above units are post metamorphic Tertiary sediments and volcanic rocks, believed to be Miocene in age. There are four distinct lava flows with one pre-lava and two interlava periods of sedimentation.

The lower sedimentary unit consists mainly of a greenish plagioclase-rich lithic sandstone with thin interbedded pebble conglomerates. These sediments are semi-consolidated and poorly sized. Near the upper part of this unit is interbedded dark thinly laminated peat-like organic shales and siltstones. Plant and wood fragments occur throughout the section. Leaf imprints have been noted. The thickest section of sediments is in hole 77 - Cr.7, where the sedimentary basin is deepest. Between holes 77 - Cr.5 and 77 - Cr.1 the basement rises sharply and the sediments start to thin. At hole 77 - Cr.2, 100m east of 77 - Cr.1, there is only a thin regolith of basement material sitting on the gneisses.

The interlava sediments are similar in composition and character, but may contain more tuffaceous or volcanic material. The predominance of gneissic material and feldspars in the interlava sands suggests that even during this period of sedimentation, the source area was the gneissic basement. It would suggest a fairly steep rise to the basement topography to the south during Miocene time. The volcanic rocks are massive, dark, fine grained, basaltic flows with vesicular and amygdaloidal tops. Each flow is marked by a flow top breccia. With the exception of the upper breccia unit, these flow top units consist of fragments of vesicular lava in a soft dark green waxy matrix. This matrix is likely tuffaceous material now altered to clay. The upper flow top breccia fragments have a similar matrix but are not vesicular.

The lavas form sheet-like flows that cover large areas and appear to thicken to the north.

Summary and Conclusions

- 1. The premise on which these claims were staked was correct. A sharp basin of sedimentation was found by drilling. The extent as yet is unknown.
- 2. The sedimentary rocks contained considerable peat-like and carbonized plant remains but no anomalous amounts of the radio-active elements.
- 3. There is generally less than 0.5% py in any section of the sediments. Pyrite is noticeably lacking.
- 4. Results of the probing have indicated background amounts of radiogenic elements with no noticeable difference between the volcanic, sedimentary or basement rocks on the scale used.
- 5. Although no radio-activity has been found in the areas drilled, the three holes planned to the north east should be completed.
- 6. Before any decision is made to abandon the property, a study should be made on the distribution of uranium on the Tyee deposit and others to determine how close a drill hole can be located to known mineralization without giving any indication on the probe. Results of this study could direct plans for further exploration along the drill indicated sedimentary basin, should it be found that a test hole could be, say, 200 - 300m from a mineralized zone without showing on the probe chart.

John C. Lund

KERR ADDISON MINES LIMITED SUITE 703 - 1112 WEST PENDER STREET VANCOUVER, B.C. VGE 2S5

D.A. Lowrie

W.M. Sirola

September 19, 1977

CRESCENT CLAIMS, VERNON AREA, B.C. -PROPOSED DRILLING PROGRAMME

Enclosed please find sketch plans on a scale of 1:50,000 and 1:5,000 showing the locations of the proposed drilling on the Crescent claims. This drilling, by the way, should commence early this week.

The topography in the vicinity of the exposed gravels is such as to make likely a north-south channel through the Crescent 1 and Crescent 2 mineral claims. Accordingly, I have laid out a pattern of six drill holes to be drilled on 100 meter centres on an east-west line. The first hole will be on the road and we will move east and west from that as drilling results dictate.

Our current drilling contract is a basic \$14/ft. for NQ size drill holes but associated costs could raise this figure to \$16/ft. If the holes average 350 ft. (105 meters) in depth, the drilling would cost \$33,700 barring any unanticipated costs. Overall costs would be closer to \$40,000.

It would appear that the drilling on the Channel is drawing to a close and we may be able to use both machines on the Crescent. However, we will have to check all of the assessment requirements first.

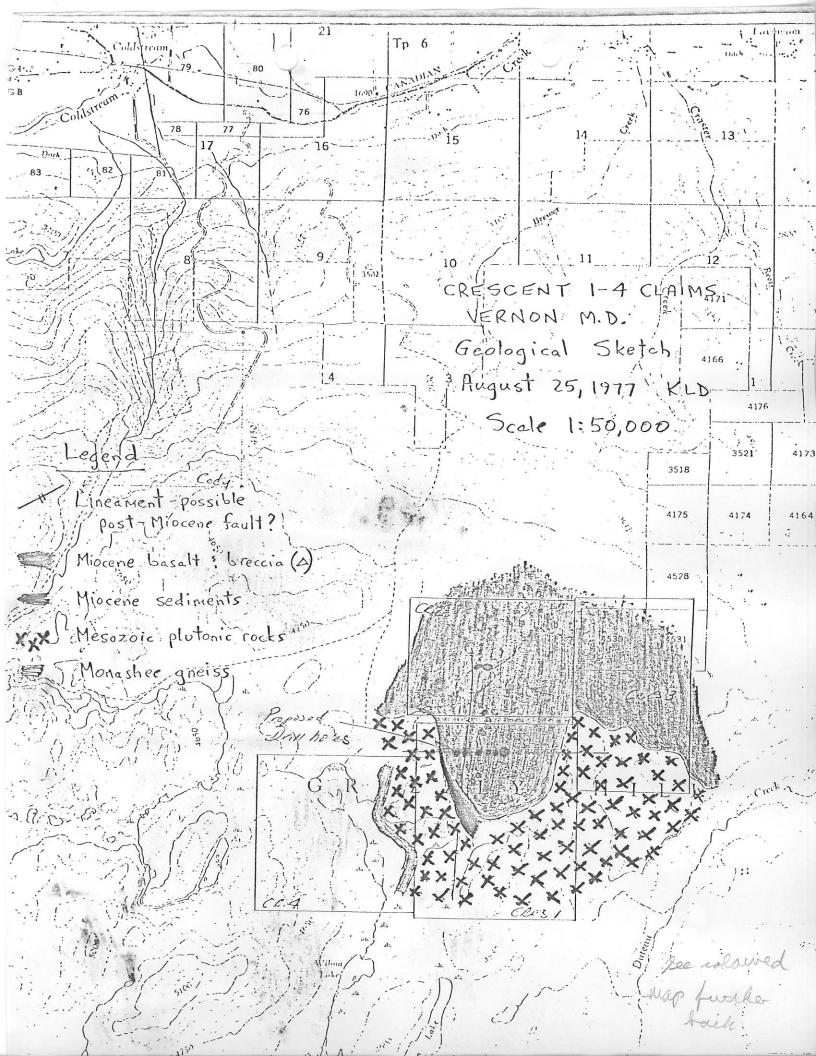
W.M. Sirola

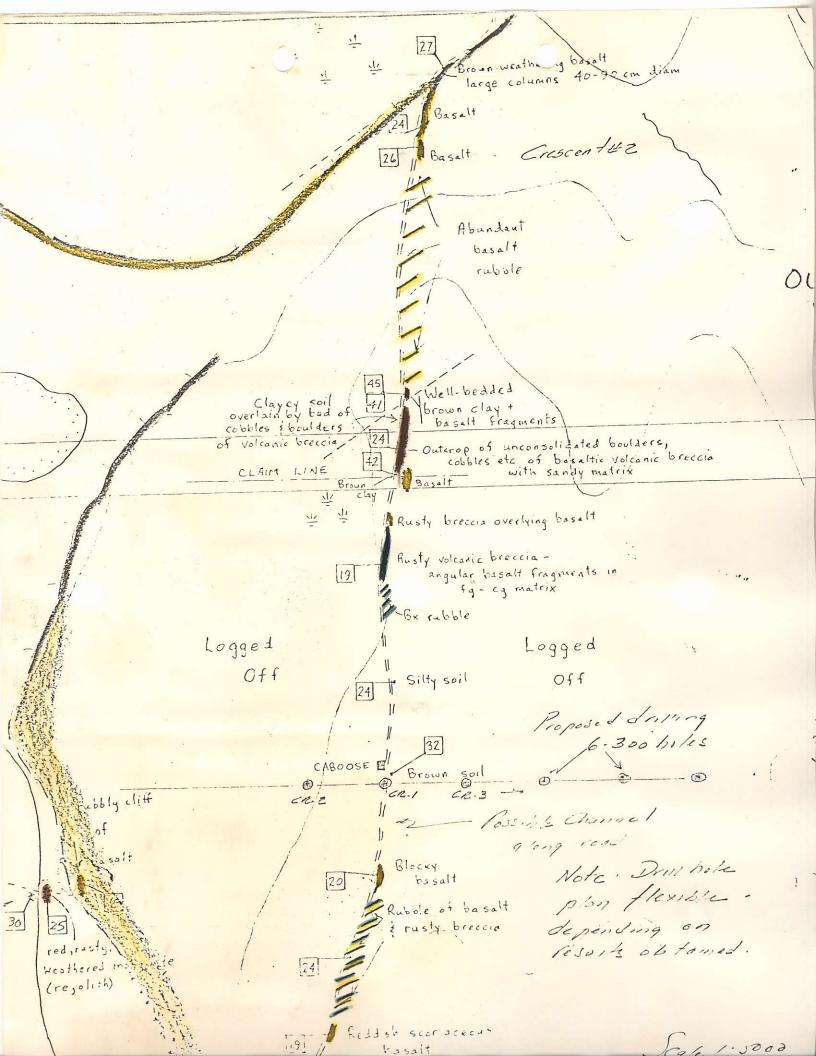
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WMS:meb

loapy to

to Dr. Black Sent. 19/77





KERR ADDISON MINES LIMITED SUITE 703 - 1112 WEST PENDER STREET VANCOUVER, B.C. V6E 2S5

D. A. Lowrie

COPY

W. M. Sirola

Crescent 1-4 M.C.'s, Vernon M.D., B. C.

7th September 1977

The geology as depicted by K. L. Daughtry and Associates suggests that most of the necessary ingredients for a drilling target exist on the property. These ingredients are:

- (a) A coarse grained monzonite intrusion into older Monashee gneisses.
- (b) Miocene gravels derived from the weathering of this intrusion.
- (c) A possible north south fracture zone.
- (d) A thin overlying basaltic capping.
- (e) Some suggestion of fluvial action in the gravels.
- (f) Some radioactivity in pegmatite in the Monashee rocks.

We plan to drill this property as soon as a second machine becomes available from assessment drilling on the Channel property.

W. M. Sirola

WMS:1mp enc;

cc: P. Black Hudson Bay Oil & Gas Co. Ltd.

D.ALOWRIE P. BLACK

K. L. Daughtry & Associates Ltd.

MINERAL EXPLORATION CONSULTANTS

BOX 795 • VERNON, BRITISH COLUMBIA VIT 6M7 • TELEPHONE 542-8960

SEP - 6 1977 KERR ADDISON MILLO LTD.

RECEIVED

Initial Report on CRESCENT #1-4 Claims, Vernon M.D., B.C. to Accompany Preliminary Geological Map

GENERAL

Kerr Addison Mines Ltd. owns the CRESCENT #1-4 claims in the Grizzly Hills southeast of Vernon, B.C. At the request of W.M. Sirola of Kerr Addison, K.L. Daughtry and Associates Ltd. commenced a programme of geological mapping and a radiometric survey of the property on August 15, 1977.

A base map was prepared at 1:5000 scale from a blow-up of the published 1:50,000 topographic map of the area. Ground control was provided by a chain and compass survey of roads and trails, with prominent topographic features and claim markers tied in.

Roadside geology was mapped with emphasis on lithology of bedrock and overburden types. Photogeology was used as an aid in extrapolation of contacts through unmapped areas.

A radiometric survey of outcrop and overburden material was made with an Exploranium GRS 101 scintillometer and average readings in counts per second were recorded and plotted.

Water samples were collected wherever possible from creeks and seeps, and submitted to Bondar-Clegg and Co. for uranium analysis. Some representative rock samples were also submitted for analysis.

GEOLOGY

Rock types on the CRESCENT property may be conveniently subdivided into two groups.

(a) Pre-Tertiary rocks comprise high-grade metamorphic rocks intruded by Mesozoic plutons. The metamorphic rocks are part of the Monashee Group, and on the claim block, include leucocratic to mafic gneiss and pegmatite. The predominant Mesozoic plutonic rock type is a relatively coarse-grained monzonite. Varieties range from a greenishgrey medium-grained foliated mafic type near the margins of the pluton, to a pinkish coarse-grained felsic type, commonly with large pink feldspar phenocrysts, near the centre. A leucocratic white to pinkish fine-grained granite, or aplite, occurs in dykes at several parts of the property. The aplite is generally intensely fractured, with a slabby texture, and is often rusty weathering.

(b) Tertiary rocks overlie all above rock types with profound unconformity. These rocks are clearly post-metamorphism and are believed to be Miocene in age. The predominant rock type is dark grey to black fine-grained, commonly amygdaloidal plateau basalt which was extruded over large areas in sheet-like flows a few metres thick. The edges of individual flows commonly form sharp bluffs, visible on air photos, in which columnar jointing is generally apparent.

Underlying the basalt in at least two places is a gritty to sandy unconsolidated sediment, composed of basement material, which appears to be of local origin. Layers of clay and carbonaceous material are also present. This horizon may be a regolith, but the well-bedded nature of the sediment suggests some fluvial action.

Other sedimentary horizons were observed between basaltic layers. These rocks range from clay to semi-consolidated mudstone with plant fragments, to cobbles and boulders of basaltic material in a finegrained matrix.

A volcanic breccia was noted in several places. It is composed of angular fragments of basalt, up to 10 cm in diameter, in a rusty to light brown matrix of volcanic material. The breccia may be in stratiform units or may be related to a pipe or fissure vent.

Pre-Tertiary topography was dominated by north-northeasterly trending ridges and hollows. Any sub-basalt channels would presumably be controlled by this trend.

A few prominent lineaments can be seen on air photos, which suggest post-Miocene faulting. Also, a zone of fracturing and rusty weathering monzonite and aplite south of CRESCENT #3 claim may be related to a fault trending west-southwest. Such a fault would explain the offset in the contact between the Monashee gneiss and the monzonite near the eastern edge of the CRESCENT #4 claim.

RADIOMETRIC SURVEY

...2

About 175 readings were taken on all rock types and on overburden in areas of no outcrop. No anomalies were discovered. The highest values were on the aplite dykes, with roadings as high as 140 cps. The Monashee rocks ranged between 20 and 60 cps, averaging 40 cps, with some pegmatites registering up to 110 cps. Monzonite ranged from 20 to 70 cps, averaging 40-45 cps. Basalts were typically low, 18-36 cps, but the sub-basalt and inter-basalt sediments were higher, 38-45 cps.

GEOCHEMISTRY

Water and rock samples have been submitted for analysis but no results are yet available.

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CONCLUSIONS

The CRESCENT #1-4 property exhibits geology favourable for the localization of "Okanagan-type" uranium occurrences. Basement lithologies constitute favourable source rocks, topographic depressions in the basement may contain unconsolidated carbonaceous sediments, and plateau basalt is sufficiently widespread to cap the sediments. There is some evidence of faulting.

RECOMMENDATIONS

- 1. Mapping should be extended to better delineate the basalt contact of the Miocene rocks. Claim lines and flagged compass lines could be used for ground control.
- Detailed mapping, radiometric surveying, and geochemical sampling should be carried out in areas where sub-basalt sediments are known or suspected to occur.
- 3. The area north of the multiple road junctions near the centre of CRESCENT #1 claim constitutes a geological drill target. The first hole should be collared in the basalt north of the basalt/sediment contact. Only a few metres of basalt need be drilled before sediments are intersected.

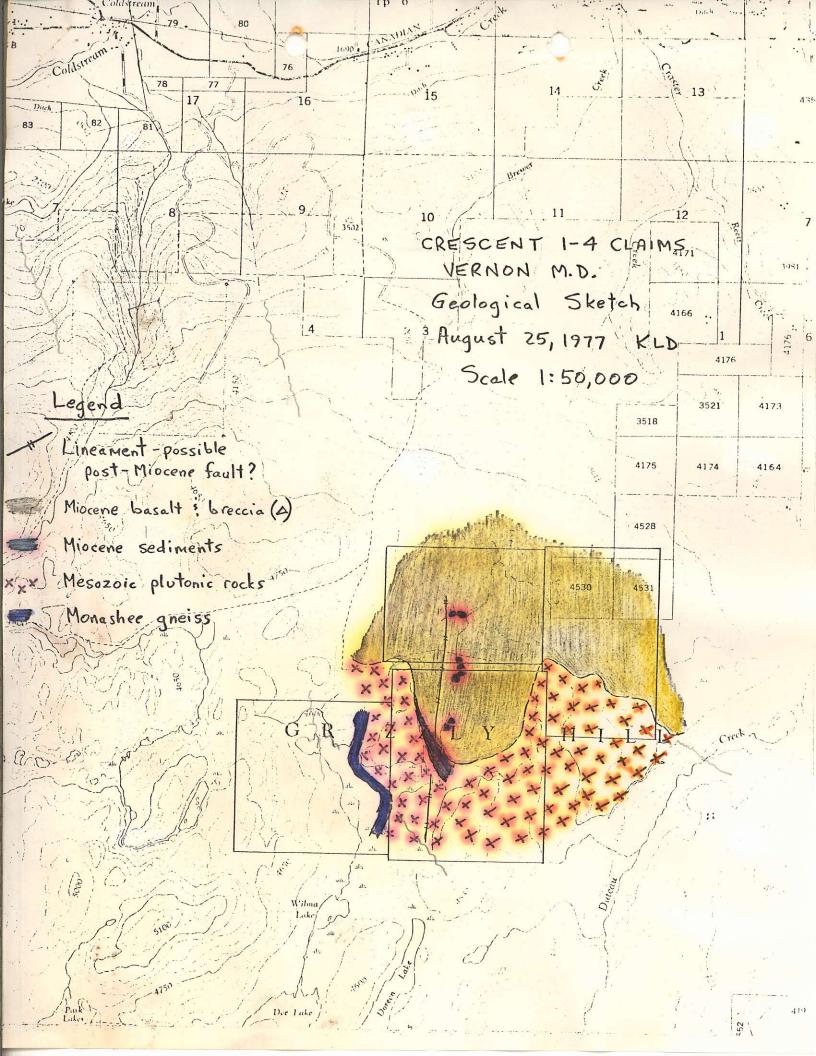
Vernon, B.C. August 30, 1977

KLD:emp

Respectfully submitted K.L. Daughtry and Associates/Ltd.

K.L. Daughtry P.Eng.

loopy in loves; map file (copy send to D. framie ang 29/77 K. L. Daughtry & Associates Ltd. MINERAL EXPLORATION CONSULTANTS Hugust 25, 1977 BOX 795 • VERNON, BRITISH COLUMBIA VIT 6M7 • TELEPHONE 542-8960 W. M. Sirola RECENTER Kerr Addion Mines Uld AUG 291977 Vancouver, BC. KERR ADDISON MINES LID. Dear Bill -Endored is a sketch summarizing our interpretation of the geology on the CRESCENT 1-4 claims to date. A 1:5,000 map of the roadside peology will be put in the mail to you on Monday, August 28. Please note the following points of interest: O An apparently post-basalt lineament-possibly a fault-@ The selements shown planking the basalt libe on the south are sults, sands and grits. The coursest pelables are definitely derived from basement rocks. The sediments are unconsolidated. 3 The other small exposures of sedement are tentatively placed between bacalt layers. @ The widespread occurrence of breccia may be related to a vert near the fault(?). Regards. Ken.



KERR ADDISON MINES LIMITED

SUITE 703 - 1112 WEST PENDER STREET VANCOUVER, B.C. V6E 2S5 PHONE 682-7401

August 23, 1977

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TO: W.M. Sirola

FROM: J.C. Lund

SUBJECT: EXPLORATION REPORT TO AUGUST 15, 1977

Drilling was stopped on the Vidler property on July 26 with the completion of hole 77 - V5 to 114.3m. The hole ended in pale green Rhyolite tuff. No distinctly anomalous readings were obtained on the geiger probe.

The hole was stopped at 114.3m because of drilling problems. The rotary lost 2 wheels from the bit at about 91.4m - a new bit was put on and at 114.3m all three wheels from the new bit were lost preventing further drilling in this hole.

Drilling started on the Channel Option on July 29, 1977. The first hole was collared on the lavas above the placer diggings. The rotary was unable to penetrate the lavas and the drill was moved to site no. 2, immediately south of the diggings and collared in the gravels.

Drill hole 77 - C2 intersected sand and gravels to about 27.4m, then large boulders in a sand and clay matrix to 33.5m. From 33.5m to about 40m the material is mainly clay with scattered large boulders. The hole bottomed in a brown qtz - bi gneiss at 42.36m. Loss of water prevented continuous sampling. However, in the lower section from 33.5m to the bottom, samples were collected and sent to Vangeochem to be assayed for U plus Au.

A sampler was used that gave a 1/8 split of the sludge return.

One anomalous reading was obtained at 35.05m. The reading is a point anomaly that is repeatable by backing the probe up and moving slowly over this point again. The geiger reaches a maximum of 1500 cpm then drops back to range between 100 and 450 cpm. An average is difficult to determine - a reasonable guess would be around 400 cpm. Since our probe is non-discriminatory the source of the radiometric reading remains unknown. In addition the sample taken here is a 1.5m sample and dilution could easily wash any Uranium that might be present at the "point" anomaly.

Drill hole 77 - C3 was started on August 9, 1977 and completed to 64m on August 10, 1977. The unconsolidated material is mainly clay with boulders of gneiss, foliated

grandiorite and quartzite. There would appear to be some Pre Miocene volc. debris. Basement rock is a chloritic gneiss. The drill went about 2.5m into the basement.

This hole was probed by Noranda with their discriminating probe. Nothing of interest was encountered and was not expected, since the material is primarily Pleistocene.

A Longyear 38 diamond drill was moved onto hole 77 - C1 on the lava bluffs on August 15, 1977. This hole will be cored to the base of the gravels then a tricone (N size) will be used through the gravels.

Considerable trouble was encountered with the drilling causing delays and consuming much of my time. Consequently, the mapping of both the Channel and Crescent properties suffered. In addition, the use of non-coring drilling in areas of complex and unknown geology adds the additional burden of determining rock types on bases of chip samples. Time is needed to study these under microscope to give some confidence to the rock name applied. Each 3m section examined is contaminated by material washed from the walls of all the sections above and rock type changes are made on first appearance of different material.

Geological mapping on the Channel Claims is almost complete at $1'' = \frac{1}{4}$ mi. This will be transferred to the expanded topo map at a scale of 1 : 5000 when it arrives from Vancouver.

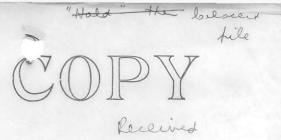
Daughtry & Associates will complete mapping the Crescent claims.

Geology of the Vidler property will be adjusted as necessary from new information when the topo map is received from Vancouver.

The introduction of Daughtry in the Crescent Cl. mapping will allow more time on my part for the development and expansion of ideas on the Channel and Vidler Option and, hopefully, in the area generally.

John C. Lund

KERR ADDISON MINES LIMITED SUITE 703 - 1112 WEST PENDER STREET VANCOUVER, B.C. VGE 2S5



March 23, 1977

Mr. Doug Thorlakson, Lavington Planar Mills, Lavington, B.C.

Dear Mr. Thorlakson:

Our Company has staked a group of mineral claims west of Duteau Cr. straddling your 12 mile road near Crescent Lake. If it is convenient, we would appreciate a copy of your map showing the existing logging roads and proposed roads in this area. An accurate map of the roads is a tremendous help in our initial exploration phase.

If there is any charge, please enclose an invoice with the map.

Thank you.

Yours truly, KERR ADDISON MINES LIMITED

John C. Lund, P. Eng. Sr. Expl. Geol.

JCL:meb

KERR ADDISON MINES LIMITED

SUITE 405 - 1112 WEST PENDER STREET VANCOUVER 1, B.C. PHONE 682-7401

1st November 1976

ac Knight file

TO: W. M. SIROLA

FROM: J. C. LUND

SUBJECT:

OKANAGAN PROJECT - KNIGHT & CRESCENT CLAIMS

Two areas were selected for staking in the Kelowna-Vernon region which have miocene cover and are therefore potential exploration targets for uranium search.

Area 1

Lies 3 miles NE of Black Knight Mountain, about 8 miles east of Kelowna. Two claims, the Knight 1 and 2 consisting of 15 and 20 units respectively were staked to cover a north-south ridge which is capped by miocene lavas. The reasonsfor staking here were:

- (a) presence of miocene capping.
- (b) these lavas lie near the same elevation as those at McCulloch Lake where the Tyee-PNC deposit occurs.
- (c) area is mapped as pre Cambrian Monashee gneisses and the possibility of Nelson or Coryell granitic intrusives exists.
- (d) this miocene cover is on the possible extension of a major north north western fault that goes through both the McCulloch Lake and Kallis Creek uranium occurrences.

Extensive overburden cover limits interpretation of geology. About one third of the claim group is visible covered by miocene lavas with an additional 10-15% in which miocene boulders predominate. Miocene is at least 250' thick at its maximum, or apparent thickest, point. Gneissic rock outcrops near an old mill site near the south central claim boundary and gneissic boulders predominate in this area. Scattered intrusive boulders of unknown source occur in the south part of the claim.

Lavas appear to be flat lying on basis of possible flow banding (?), however outcrop pattern suggests a thickening to the east and south south east. Detailed mapping should confirm this. Variations in scintillometer were minimal across the margin area of the miocene. This may be due to overburden masking rather than absence of uranium. Access is good. Logging roads extend well into the south central area of the Knight #2 and along the east boundary of the Knight #1.

The claims are thickly wooded in part with pine and fir, with some areas of deciduous trees occurring mainly on the south and west. Daves Creek on the east and a prominent tributary, Prathen Creek, on the west are the main drainages. Small tributaries which dry up in the summer extend from the miocene covered ridge to the main creeks. These might provide sample sites for silting.

Area 2

The Crescent claim consisting of 20 units was staked on the southern contact of the miocene cover lying south of the Coldstream River. The claim lies about 7 miles SSW of Lavington, 14 miles via the Blue Nose Mountain logging road from Lavington. The road is a good gravel road that crosses the claim from east to west.

Claims were staked here because:

- (a) reconnaissance work during the first week in September revealed more intrusive rock here than was mapped by the GSC.
- (b) The claim block fell adjacent to a projected NNWesterly failt.
- (c) presence of Monashee gneisses.
- (d) presence of miocene lavas.

On a preliminary examination, the lavas were found to be not as extensive as shown on the GSC map. They probably cover between one quarter and one third of the claim area and are probably less than 100 ft. thick. A biotite granodiorite covers the central part of the claim with gneissic rocks to the west. A fine grained intrusive, possibly related to the Coryell intrusions to the south, cuts the biotite granodiorite. This rock outcrops just inside the eastern claim boundary. Outcrop is much more abundant here than on the Knight claims.

Scintillometer readings indicate a background of 3 to 4 cps in the biotite granodiorite and gneiss with a high of 9 cps in the fine grained intrusive.

The lava is finely vesicular and relatively flat lying. Volcanic breccia somewhat crumply, underlies the lava. The breccia is more extensive than the lava.

kn le bund

John C. Lund, P.Eng.

