

KERR ADDISON MINES LIMITED
44 KING STREET WEST
TORONTO 1, ONTARIO

Dr. P. M. Kavanagh

823788
Rexspar
sam

COPY

July 20, 1966

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

Rexspar Minerals & Chemicals Limited
550 Sherbrooke Street West
Montreal, Quebec

Attention: Dr. Phillip Joseph

Dear Sirs:

Rexspar

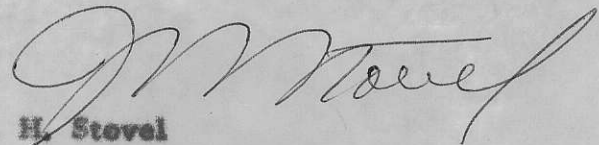
We were advised yesterday by Mr. McMillan that the ground recently staked by the other party east of the Rexspar Crown grant has been recorded in the Mining Recorder's office in Kamloops. Naturally this has proved a disappointment to us as we consider this ground to hold promise as an exploration area.

Without this area we do not consider the remainder of the ground held by Rexspar and the claims recently staked by Rexspar for Kerr Addison of sufficient exploration potential to warrant the further expenditure on the Rexspar property as previously proposed by us.

If, however, Rexspar can acquire, at no cost to Kerr Addison, the ground referred to in the first paragraph we would be willing to reactivate our study of the Rexspar property and its economic merits and, if satisfied, to enter into a mutually satisfactory agreement between Rexspar and Kerr Addison.

Yours very truly,

KERR ADDISON MINES LIMITED



J. H. Stovel
Executive Vice-President

JHS/mdh

KERR ADDISON MINES LIMITED
44 KING STREET WEST
TORONTO 1, ONTARIO

COPY

September 21, 1966

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Rexspar Minerals & Chemicals Limited
550 Sherbrooke Street West
Montreal, Quebec

Attention: Dr. Philip Joseph

Dear Sirs:

I regret to inform you that Kerr Addison Mines Limited is no longer interested in making a deal on the Rexspar ground near Birch Island, B. C.

Our own recent results in diamond drilling in the area north of Nairn, Ontario and the unfortunate delay in Rexspar getting all the geologically favourable ground put together has left us in a position where we cannot, at this time, undertake the necessary evaluation of the economic merits of your property.

Yours very truly,

KERR ADDISON MINES LIMITED



J. H. Stovel
Executive Vice-President

JHS/mdh

c.c. W. Siola