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KERR ADDISON MINES LIMITED

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FILE

To..... D. A. Lowrie From..... C. K. Wilton

Subject..... OB., Bean, and Dome claim groups near and
northwest of Specogna Gold Prospect, Masset, Date December 21, 1981
Queen Charlotte Island

Roy Woolverton submitted maps showing their location and geology together with geochemical maps of the Charlotte Joint Venture showing geochemical map of As, Sb, Au and Hg in p.p.m. He also submitted Bulletin 54 on the geology of the Queen Charlotte Islands by A. Sutherland Brown.

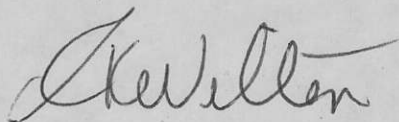
Attached are recent reports in the Northern Miner. The report of May 14th/81 shows that Cons. Cinola, at that date, was driving an 550 m. adit to get metallurgical research material and the 50 ton/day pilot mill was in operation. On June 18th the Miner reported the Cons. Cinola - Energy Reserves Canada joint venture had indications that it could support a 10,000 ton/day operation at an estimated cost of \$170 million. The Miner hasn't reported on Cons. Cinola since June/81.

The CMH 81-82 report shows a preliminary feasibility estimate of open pit mineable reserves of 43,365,000 tons averaging 0.054 ozs. Au/ton.

See previous memos by Sirola, Wilton, and estimates by Carrington for other data.

The geochemical surveys indicate occasional spotty anomalous gold and mercury.

It may be prudent not to become involved in this area unless or until Specogna shows some indication of being profitable.



C. K. Wilton

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Attachments