

File 104. I / 7

Retain Asbestos Kutcho Creek

Sept 13 1962.

826004

Legless War Hero In Mining Dispute

Whitehorse Star, Sept. 13/62

Battle of Britain air hero Douglas Bader has become involved in a legal dispute over British Colum-

bia mining claims.

The legless RAF ace, now a 52-year-old oil company executive in London, is a member of a syndicate involved in an ownership dispute over northern B.C. asbestos claims.

The group filed a writ in B.C. Supreme Court Thursday seeking first rights to 18 claims in the Cassiar district.

Named defendants in the action are prospector Felix Letain, Conwest Exploration Company, Cassiar Asbestos Corporation, Kutcho Creek Asbestos Company and Nicolet Asbestos Mines.

Ownership of the asbestos properties discovered by Letain had been the subject of lawsuits in B.C. courts for years.

But the Court of Appeal recently settled the issue, taking the \$3 million claims from Conwest Exploration and placing them back in Letain's hands.

LONG BATTLE

For Letain, a 66-year-old prospector who has walked over B.C. bushland for three decades in search of minerals,

the court decision was a personal victory in a long and involved legal battle.

Then last month, the B.C. Supreme Court made an order to Nicolet Asbestos to protect that company's right to buy Letain's properties under an



DOUGLAS BADER
... in legal fight

option agreement.

That's where the matter stood until Bader's group entered the picture Thursday.

His syndicate, which also includes three Greater Vancouver men, claims to have a prior option on Letain's properties, giving Nicolet only second rights.

Bader and his partners, Robert Dolphin, of 1151 West Eighth, Charles M. Munro, of 1272 Comox, and Albert William Taylor, of 1032 Arlington, North Vancouver, want court judgment confirming their priority.

SETTLEMENT POSSIBLE

Vancouver lawyer C. C. I. Merritt, VC, QC, named in the writ as trustee for the syndicate, told The Sun a settlement could be reached before the suit goes to trial.

The writ was filed at this time to preserve the syndicate's right to court action under a limitations law, he said.

Bader was last in Vancouver in 1959 when he was studying a helicopter company's bush flying techniques.

The legless flyer won wide acclaim during the last war for shooting down 22 Nazi planes.

VANCOUVER SUN

IN COURT BATTLE

Lone Prospector Nearer to Goal

Felix Letain, 66-year-old prospector, has moved a short step closer to cashing in on his asbestos claims, worth an estimated \$3 million.

A caveat was granted by Mr. Justice Lord last week to Nicolet Asbestos Mines Ltd., to protect that company's right to buy Letain's much-disputed claims in the Cassiar district.

The property was returned to Letain recently by the Appeal Court of B.C., reversing an order of the B.C. Supreme Court last December which gave the claims to Conwest Exploration Co., Ltd. The ac-

tion followed Letain's suit against Conwest when he was granted permission by the Supreme Court of Canada to sue for return of the disputed claims.

LONG DISPUTE

The dispute hinged on the date Conwest incorporated a subsidiary to develop the asbestos property near King Mountain, about 50 miles east of Dease Lake in northern B.C.



FELIX LETAIN
... nearer to goal

Letain, a lone prospector who has spent three decades searching for minerals, has pursued his demands through a succession of court actions.

Last week in B.C. Supreme Court Letain's counsel, John Lakes, said a number of mining firms have been trying to buy the disputed claims. His application for a caveat was sought to protect a prior agreement between Letain and Nicolet.

STOP ORDER

On his argument a stop order was granted by Mr. Justice Lord to prohibit any dealings with, or registration of the claims until the caveat is withdrawn or lifted by court order.

The claims are now registered by Kutcho Creek Asbestos Co. Ltd., a defendant with Conwest and Cassiar Asbestos Corp. Ltd., in the previous action. Conwest and Cassiar are closely linked by financially and by an inter-locking directorate.

Only officers of Nicolet named here were E. L. Deacon, vice-president and treasurer and Frank Mancuso, secretary, both of Florham Park, New Jersey. Registered office is at 470 Granville.

THE VANCOUVER SUN:

KERR-ADDISON GOLD MINES LIMITED

(FOR INTER-OFFICE USE ONLY)

104/I

attach to previous corr.

W.S.R.	
R.S.G.	
L.A.A.	✓
C.K.W.	
G.H.H.	
R.D.S.	
B.C.B.	
D.W.P.	
G.P.R.	
E.L.D.	
J.L.B.	
E.C.J.	

To..... W. M. Sirola..... From..... P. M. Kavanagh.....

Subject..... Letain Asbestos..... Date..... February 13, 1962.....

Mr. Connell advised me this noon that Cassiar Asbestos had won its action against Letain in the B. C. court some three weeks ago. He described the decision as being a "hands down" one in favour of the company. The scene now moves to the B. C. Court of Appeal.

PMK

Paul M. Kavanagh
Chief Geologist - Exploration

PMK:ry



Telecommunications

See Sept 6

Telephoned

Previous Correspondence 104/T

A	N
	W.S.R.
	K.C.B.
<input checked="" type="checkbox"/>	P.M.K.
	C.K.W.
	G.H.M.
	R.D.S.
	B.C.B.
	D.W.P.
	G.P.R.
	E.L.D.
	M.P.
	<u>E.C.J.</u>

local time

1961 SEP 5 PM 4 45

VA245

V LLA333 15=FD VANCOUVER BC 5 123P=

KERR=ADDISON GOLD MINES LTD=

ATTN P KAVANAGH STE 1600 44 KING ST WEST TOR=

NO STRINGS HERE TO LETAIN EXAMINATION BUT LETAIN

TEMPORARILY INCOMMUNICADO AT LOWER POST OR VICINITY=

WILLIAM SIROLA===

TEL. NO. *3-3474* TIME *10:18P*
 TO *CRW* BY *me*
 CALLS LEFT *no one to take 530*
 ATTEMPTS
 FILE MAIL DELIVER

LETAIN INCOMMUNICADO.

AM

REC'd AUG 25 1961

KERR-ADDISON GOLD MINES LIMITED

(FOR INTER-OFFICE USE ONLY)

A		N
✓	W.S.R.	✓
	P.M.K.	✓
	G.H.M.	
	E.O.C.	
	H.A.P.	
	R.D.S.	
	B.C.B.	
	G.W.P.	
	G.P.R.	
	E.L.D.	
	J.P.	
	E.C.J.	

To..... P. M. KAVANAGH..... From..... WILLIAM M. SIROLA.....

Subject..... LETAIN ASBESTOS PROPERTY..... Date..... August 23rd, 1961.....

Regarding our forthcoming trip into this property, I should advise that Noranda is still toying with the idea of paying Letain the sum of \$20,000.00 to hold the property until the legal problem has been resolved.

Apparently, one of the stipulations in this Agreement is that a representative of the Bader-Munro Syndicate, a man by the name of Dolphin, should accompany us to the Letain property when we go. I have not, of course, agreed to this and felt that you should be informed before making any plans in this direction. Presumably Noranda would pay 50% of the cost of having Dolphin accompany us, but the Toronto Office of Noranda has not as yet approved of the whole proceeding. If you can clarify this matter before you leave it would be very helpful. At this moment I have not the slightest idea as to whether or not Kerr-Addison is interested in any aspect of this deal.

R.R.

PP WILLIAM M. SIROLA.

Aug. 25/61

WMS:rl

Told Sirola by phone Aug. 25/61 that Noranda Toronto office not interested in making \$20,000 payment & that I would only want to visit property if able to do so completely free of any obligation to Letain:

P.M.K.

REFERENCE MEMORANDUM

DATE July 28 1961

THE ATTACHED PAPERS ARE REFERRED

TO Ms. W.S. Row

BY PMK

PLEASE REPLY DIRECT PLEASE HANDLE

PLEASE SEE ME RE THIS YOUR COMMENTS

FOR YOUR INFORMATION FOR APPROVAL

PLEASE RETAIN PLEASE RETURN REC'D

Attached are data on the ketain
 asbestos deposit which Sirola has
 summarized from a recent
 B.C. Dept. of Mines bulletin on
 the property.

PMK.

KERR-ADDISON GOLD MINES LIMITED

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	P.M.K.	✓
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	D.W.P.	
	G.P.R.	
	E.L.D.	
	J.I.B.	
	E.C.J.	

To..... P. M. KAVANAGH..... From..... WILLIAM M. SIROLA.....

Subject..... LETAIN ASBESTOS..... Date..... July 26th, 1961.....

There is only one copy of the recent Government Release on this property and it cannot be removed from the Mining Recorder's Office here. However, I have made notes on the pertinent data and these are as follows:

LOCATION:

Latitude 58° North and Longitude 128° West, 15 miles East of South end of Dease Lake.

SIZE of PROPERTY:

28 Crown Grants

ACCESS:

By float 'plane to Letain Lake

GEOLOGY:

There is abundant fibre in an area 1200' by 200' - 400'. The fibre varies from microscopic to 1 1/4". Most of the fibre is in 1/8" - 1/4" widths and some of the fibre contains partings of magnetite or serpentine. The fibre occurs in an ultra-basic rock 1-7 1/2 miles in area. The rock has been altered to a light green serpentine which weathers grey in the fibre-bearing areas. Serpentine without fibre is generally darker green and weathers brown.

The Report gives two estimates of fibre content. In one 10' exposure 7.7% of fibre was found. In another 7' exposure 9.6% fibre was found.

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To..... P. M. KAVANAGH..... From..... WILLIAM M. SIROLA.....

Subject..... LETAIN ASBESTOS..... Date..... July 26th, 1961.....

-2-

TONNAGE:

Assuming that all the rock in the fibre area is mineable to a depth of 300', the tonnage content therein would be:

$$\frac{1200 \times 300 \times 300}{12} = 9,000,000 \text{ Tons.}$$

R.S.

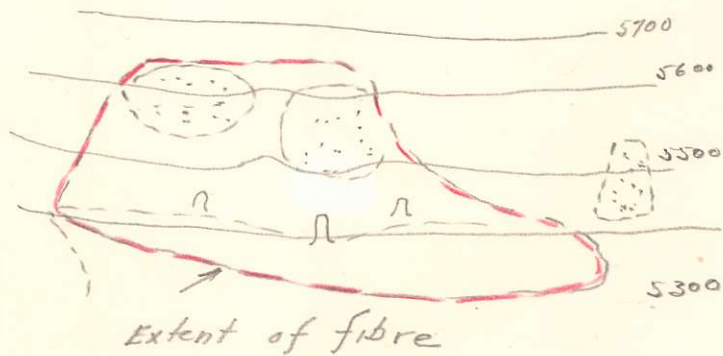
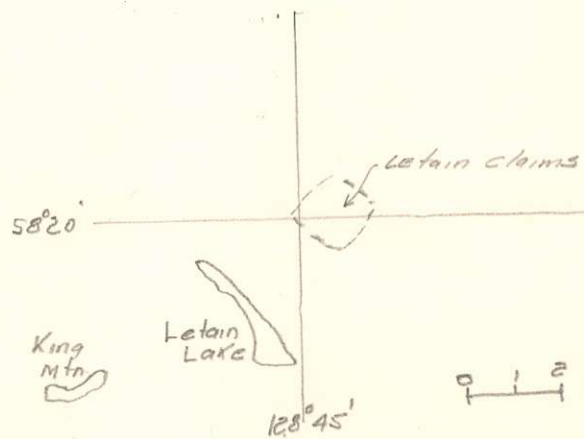
pp. WILLIAM M. SIROLA

Enc. Sketch Map showing location and extent of fibre.

WMS:rl

LETAİN ASBESTOS

104/I



⊙ Serp.

⊔ Limit of visible fibre

n trench

⊔ trail

KERR-ADDISON GOLD MINES LIMITED

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104 I.

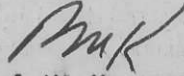
Attach to
previous corresp.

To W. M. Sirola From P. M. Kavanagh

Subject Letain Asbestos Property Date July 26, 1961

My intention is to examine this property with you before the end of this field season. During the same trip I would hope that we would be able to visit with Kulan.

Please inform both Letain and Brynelson of my plans re. the Letain.


Paul M. Kavanagh,
Chief Geologist - Exploration

A		N
<input checked="" type="checkbox"/>	W.S.R.	<input checked="" type="checkbox"/>
	P.M.K.	<input checked="" type="checkbox"/>
	G.H.M.	
	E.O.C.	
	H.A.P.	
	R.D.S.	
	B.C.B.	
	D.W.P.	
	G.P.R.	
	E.L.D.	
	H.S.	
	E.C.J.	

104/I

W. M. Sirola

P. M. Kavanagh

Letain Asbestos

July 24, 1961

A	N
W.S.R.	
P.M.K.	✓
G.H.M.	
E.O.C.	
H.A.P.	
R.O.S.	
B.C.B.	
D.W.P.	
G.P.R.	
E.L.D.	
J.L.B.	
E.C.J.	

Please send me a copy of the recent Government information release on this property. Thank you for your recent memorandum re. the present state of the legal action.

C
O
P
Y

PMK

Paul M. Kavanagh,
Chief Geologist - Exploration

PMK:ld

REFERENCE MEMORANDUM

DATE July 24 1961

THE ATTACHED PAPERS ARE REFERRED

TO Mr. W. S. Row

BY PMK.

PLEASE REPLY DIRECT

PLEASE HANDLE

PLEASE SEE ME RE THIS

YOUR COMMENTS

FOR YOUR INFORMATION

FOR APPROVAL

PLEASE RETAIN

PLEASE RETURN ~~_____~~

Attached are two memos from Seida re. the
betain asbestos deposit in northern B.C.

In my opinion there is no need for
urgency in examining it. Cassini Asbestos
will fight the case to the very end and it
will be long drawn out. According to Byrneson
Noranda has just refused from betain if he wins (and)

back the property from Cassiar Asbestos,
and he (Baynes) would favor a
Kerr-Addison participation.

PAK

- | | | | |
|-------------------------------------|---------------|-------------------------------------|-----------------------|
| <input type="checkbox"/> | PLEASE HANDLE | <input type="checkbox"/> | PLEASE REPLY DIRECT |
| <input type="checkbox"/> | YOUR COMMENTS | <input type="checkbox"/> | PLEASE SEE ME RE THIS |
| <input type="checkbox"/> | FOR APPROVAL | <input checked="" type="checkbox"/> | FOR YOUR INFORMATION |
| <input checked="" type="checkbox"/> | PLEASE RETURN | <input type="checkbox"/> | PLEASE RETAIN |

KERR-ADDISON GOLD MINES LIMITED

(FOR INTER-OFFICE USE ONLY)

*Letain
Asbestos*

To..... P. M. KAVANAGH..... From..... WILLIAM M. SIROLA.....

Subject..... LETAIN ASBESTOS..... Date..... July 21st, 1961.....

A	N
W.S.R.	<input checked="" type="checkbox"/>
P.M.K.	<input checked="" type="checkbox"/>
G.H.M.	<input type="checkbox"/>
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G.P.R.	<input type="checkbox"/>
E.L.D.	<input type="checkbox"/>
J.B.	<input type="checkbox"/>
E.C.J.	<input type="checkbox"/>

I called Letain's Lawyer this afternoon and he advised that the Letain trial will take place sometime in November, but of course the whole problem could go to a Higher Court after that.

As far as I know, therefore, there is no urgency about examining the property.

R.L.

pp. WILLIAM M. SIROLA

WMS:rl

KERR-ADDISON GOLD MINES LIMITED

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104/I

A	N
✓	✓
	W.S.R.
	P.M.K. ✓
	G.H.M.
	E.O.C.
	H.A.P.
	R.D.S.
	B.C.E.
	D.W.P.
	G.P.R.
	E.I.D.
	J.I.B.
	E.C.J.

To..... P. M. KAVANAGH..... From..... WILLIAM M. SIROLA.....

Subject..... LETAIN ASBESTOS..... Date..... July 19th, 1961.....

I attended a meeting in the Noranda Offices on July 11th regarding examination of the Letain property. Present at the meeting was a man by the name of Munroe, who professes to have an option on this property through having advanced funds to Letain several years' ago.

At the time of the meeting both Brynelson & Menzies thought that they would be going to visit the property with Archie Bell, but I 'phoned Brynelson yesterday from Williams Lake and he advised me that they would leave the examination of the property to Kerr-Addison, and would be guided by our impressions thereon. I think they would probably like to have you visit the property personally in view of your experience with asbestos.

I believe Letain is now at Watson Lake, and that there is a helicopter available at Dease.

Munroe said that an examination of the property had been done by a Department of Mines engineer, and that the engineer had estimated 70 to 80 million tons of 12% fibre. I called Hartley Seargent in Victoria today and he said that the Report would be available at the Mines Department Office here in Vancouver tomorrow.

I do not know the status of the litigation at the moment, but believe the ruling will be sometime in September. Presumably, the first refusal of which Brynelson speaks arises from the fact that Munroe contacted Noranda sometime ago. I do not know anything of Munroe except that he has promoted several properties in B.C. before.

R.L.

PP. WILLIAM M. SIROLA.

P.S. Brynelson advises that if Letain wins his case, and assuming that we could come to terms with him, he is in favour of a 50-50 participation with Kerr-Addison.

Attach to
previous
correspondence

104/I

A	N
W.S.R.	
P.M.K.	✓
G.H.M.	
E.O.C.	
H.A.P.	
R.D.S.	
B.C.B.	
D.W.P.	
G.P.R.	
E.L.D.	
J.L.B.	
<u>E.C.J.</u>	

CANADA
 DEPARTMENT OF MINES AND TECHNICAL SURVEYS
 MINES BRANCH
 OTTAWA

*Letain Asbestos Property
 Keetcho Lake, Northern B.C.*

ANALYSIS OF ASBESTOS FIBRE FROM LETAIN NUMBER 1 SAMPLE

Submitted by
 GEMMET EXPLORATIVE COMPANY LIMITED
 by
 R. H. WYBROUFE
 INDUSTRIAL MINERALS DIVISION.

20 December 1956

I.R. Report No. 616

Recovery of Asbestos Fibre from Letain Number 1 Sample
Submitted by Comest Exploration Company Limited

A half-ton sample of asbestos bearing rock from the Letain group of claims in northwestern British Columbia was submitted by Comest Exploration Company Limited for analysis of recovery and grade of contained asbestos fibre. The sample weighing as received 1192 pounds had been crushed to approximately $1\frac{1}{2}$ -inches top size prior to shipment.

Visual Examination

Visual inspection revealed that the fibre was strong and tough chrysotile, rather firmly attached to the gangue rock. When flexed sufficiently it separated into a white fibre more closely resembling those of the Eastern Townships than that of the Caley sample.

Although the sample had been crushed prior to shipment there were numerous long fibre bundles present with lengths to $3\frac{1}{2}$ -inch. Considerable magnetite was noted both at the ends of the fibre and disseminated between fibres across the vein. In this respect it was similar to the asbestos of the Eastern Townships. Texture was judged to be semi-harsh and free of talcose material.

Conclusion

Recovery of good quality spinning fibre and other desirable commercial grades is possible in this deposit. Total yield was 17.1% with a recovery of 10.18% in grades 5 and above. The strength and toughness of this fibre was exhibited during milling.

Milling Procedure

Since the initial crushing stage had released considerable fibre the sample was immediately screened on a 4 mesh hooded unit for an initial fibre recovery. The -4 mesh product was milled in a Sturtevant Swing Sledge unit without grates and returned to the above screen. This cycle was again repeated. Further stages of hammer mill reduction, using grates, followed by intermediate screening for fibre recovery was carried out until a virtually complete recovery had been accomplished. The detail of the flow sheet followed and the distribution of products at each stage is detailed in Table 3.

The various fibre products from each stage were cleaned and where necessary gently opened to more closely approximate commercial equivalent. Analyses of the finished fibres are included in Table 2. Quebec test, Bauer McNett, wet classification and Suter Webb Comb, where practical, were completed on the fibres in order to establish appropriate grading. Milling data and final fibre recoveries are summarized in Table 1.

General Observations

The fibre in the sample responded to milling satisfactorily and demonstrated its quality of toughness and strength. Since the fibre veins were firmly attached to the gangue, which in itself was tough, more intensive milling was required to release it from the gangue than in the case of either Cassiar or Galey fibres. The intensive milling required for fibre release is shown by the number of hammer mill passes required in test milling. In view of this experience higher recovery of fibre may only be expected if an intensive milling circuit is developed.

No problem was experienced with the adherence of fine dust to the fibre and, therefore, it is not expected that in commercial milling any difficulty will be experienced in securing a low dust fibre.

The freedom of talcose material in the gangue was also noted.

Remarks on Grading of Fibre

The JK fibre recovered was considered to be above commercial quality. This is reflected in the high average length shown by the combing test. Of particular interest is the high percentage of fibre between 3/16 and 7/16 inch in length.

The JT-K grade would probably be more acceptable when considered to be a K. It is expected that in commercial milling proper grading procedures would result in an increase in yield of JK and hK and that this grade would virtually disappear.

The hK fibre was well within the limits set in discussions with Mr. Tigert. A SK fibre is considered to be somewhat better than that required for SR. Remaining fibres are no better than standard quality.

H. H. Woodroffe,
Head,
Non-Metallic Minerals Section

(a) Distribution of Mill Products

	<u>Weight lb.</u>	<u>% of Sample</u>
Asbestos Fibre Recovered	203-3/4	17.1
Rejects - 4 mesh	68 1/2	5.7
-14 "	108	9.1
-20 "	143	12.0
-30 "	150	12.6
-30 "	491	41.2
Losses in Processing	<u>28</u>	<u>2.3</u>
Total Sample Weight	1192	100.0

(b) Fibre Recovery

<u>Classification</u>	<u>Fibre Identification</u>	<u>Weight lb.</u>	<u>% of Sample</u>
3K	G-4-1, 2, 3 Combined	10	0.84
3T - 3Z	G-10-1	25	2.10
4K	G-10-2	36	3.02
5K	G-10-3 & 4, G-14-1, 2 & 3 Combined	35-3/4	3.00
5R	G-20-1	14 1/2	1.22
6D	G-20-2	40 1/2	3.40
7M	G-30-1	<u>42</u>	<u>3.53</u>
		203-3/4	17.1

Table 2

Fibre Analyses

(a) Bauer McNett Wet Classification

<u>Fibre Identification</u>	<u>Fibre Weight</u>	<u>-8 mesh</u>	<u>-8 -14 mesh</u>	<u>-14 -35 mesh</u>	<u>-35 -200 mesh</u>	<u>-200 mesh</u>
	<u>lb</u>	<u>%</u>	<u>%</u>	<u>%</u>	<u>%</u>	<u>%</u>
G-1-1, 2, 3	10	63.2	4.7	3.6	4.1	24.4
G-10-1	25	29.4	28.9	12.4	4.7	24.6
G-10-2	36	21.0	28.2	13.2	7.5	30.1
G-10-3, 4	13 $\frac{1}{2}$	5.1	27.0	10.3	6.2	51.4
G-11-1	12 $\frac{1}{2}$	0.6	21.8	37.2	7.1	33.3
G-11-2 & 3	9-3/4	0.9	16.7	27.2	7.5	47.7
G-20-1	11 $\frac{1}{2}$	0.8	2.3	32.2	8.6	56.1
G-20-2	40 $\frac{1}{2}$	0.4	0.6	12.1	13.7	73.2
G-30-1	42	0.4	0.5	5.8	19.3	74.0
G-10-3, 4, Combined with G-11-1, 2 & 3		4.8	21.6	23.7	16.7	33.2

(b) Suhar Webb Comb.

	<u>13/16</u>	<u>11/16</u>	<u>9/16</u>	<u>7/16</u>	<u>5/16</u>	<u>3/16</u>	<u>1/16</u>	<u>Ave. Length</u>
	<u>in.</u>	<u>in.</u>	<u>in.</u>	<u>in.</u>	<u>in.</u>	<u>in.</u>	<u>in.</u>	<u>in.</u>
	<u>%</u>	<u>%</u>	<u>%</u>	<u>%</u>	<u>%</u>	<u>%</u>	<u>%</u>	
G-1-1, 2, 3	0.5	2.5	7.5	13.8	21.9	34.7	19.1	.269
G-10-1	-	-	-	3.2	19.1	48.6	29.1	.183
G-10-2	-	-	-	4.3	13.2	31.2	51.3	.151
G-10-3 & 4	-	-	-	-	12.0	36.0	52.0	.137
G-11-1							Approx.	.065
G-11-2 & 3							Approx.	.065

(c) Quebec Test

<u>Fibre</u>	
G-1-1, 2, 3	10.5-3.7- 1.1-0.7
G-10-1	1.2-9.9- 4.0-1.0
G-10-2	0 -8.1- 5.9-2.0
G-10-3 & 4	0 -9.3- 5.0-1.7
G-11-1	0 -6.0- 7.3-2.7
G-11-2 & 3	0 -2.3-10.6-3.1
G-20-1	0 -0 -10.4-5.6
G-20-2	0 -0 - 8.7-7.3
G-30-1	0 -0 - 2.5-11.0-2.5
G-10-3 & 4 Combined with G-11-1, 2 & 3	0 -4.3- 9.1-2.6

Screen. n. two included 35 mesh screen

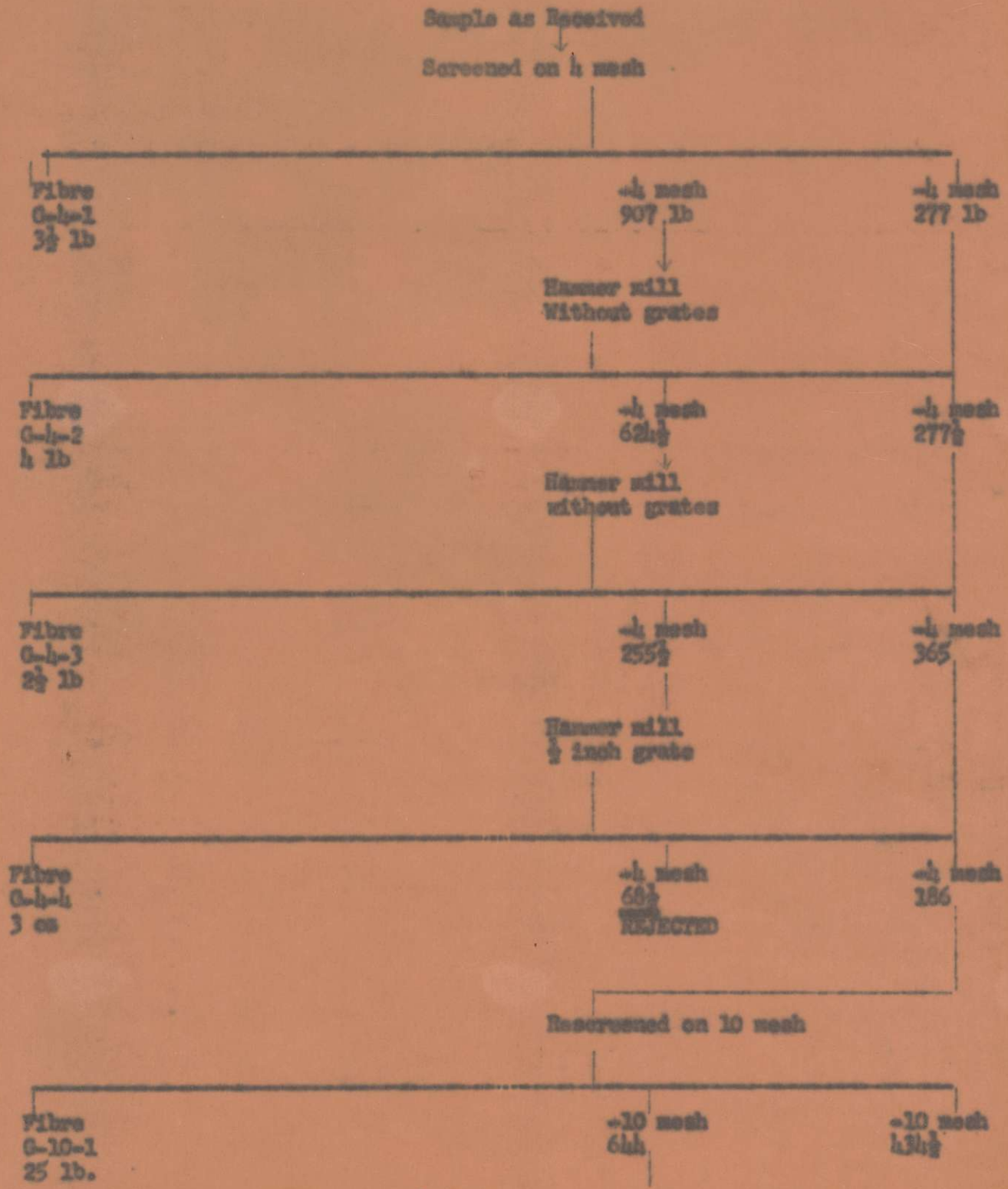
Table 3
Flow Sheet

Sample as Received

Screened on 1/4 mesh

Fibre G-1-1 3 1/2 lb	-1/4 mesh 907 lb	-1/4 mesh 277 lb
Hammer mill Without grates		
Fibre G-1-2 4 lb	-1/4 mesh 62 1/2	-1/4 mesh 277 1/2
Hammer mill without grates		
Fibre G-1-3 2 1/2 lb	-1/4 mesh 255 1/2	-1/4 mesh 165
Hammer mill 1/2 inch grate		
Fibre G-1-4 3 oz	-1/4 mesh 68 1/2 REFLECTED	-1/4 mesh 186
Rescreened on 10 mesh		
Fibre G-10-1 25 lb.	+10 mesh 6 1/2	+10 mesh 43 1/2

Table 3
Flow Sheet



Hammer mill
 $\frac{1}{2}$ inch grates

Fibre G-10-2 36	-10 mesh 426	-10 mesh 180 $\frac{1}{2}$
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Hammer mill
 $\frac{1}{2}$ inch grates

Fibre G-10-3 6 $\frac{1}{2}$	-10 mesh 317	-10 mesh 102 $\frac{1}{2}$
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Hammer mill
 $\frac{1}{2}$ inch grates

Fibre G-10-4 7	+10 mesh 163	-10 mesh 146
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Rescreened on 1 $\frac{1}{2}$ mesh

Fibre G-1 $\frac{1}{2}$ -1 12 $\frac{1}{2}$	-1 $\frac{1}{2}$ mesh 241 $\frac{1}{2}$	-1 $\frac{1}{2}$ mesh 608
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Hammer mill
 $\frac{1}{2}$ inch grates

Fibre G-1 $\frac{1}{2}$ -2	-1 $\frac{1}{2}$ mesh 258 $\frac{1}{2}$	-1 $\frac{1}{2}$ mesh 138
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Hammer mill
 $\frac{1}{8}$ inch grates

Fibre
G-1h-3
2-3/4

-1h mesh
108
REJECTED

-1h mesh
147

All -1h mesh rescreened on 20 mesh

Fibre
G-20-1
1 1/2

+20 mesh
277 1/2

-20 mesh
597

Hammer mill
1/16 inch grates

Fibre
G-20-2
10 1/2

+20 mesh
143
REJECTED

-20 mesh
687

Rescreened on 30 mesh

Fibre
G-30-1
4 2 1/2

+30 mesh
150
REJECTED

-30 mesh
491
REJECTED

KERR-ADDISON GOLD MINES LIMITED

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104/I

To W. M. Sirola From P. M. Kavanagh

Subject Letain Asbestos Property Date January 5, 1961

While speaking over the phone to Joe Rankin yesterday - Joe was exploration manager for Conwest at the time of the Letain agreement - I asked him if The Northern Miner had reported the situation accurately. He said no, that in fact all the Supreme Court had ruled was that Letain had grounds for a legal action against Conwest. Apparently the B. C. Court and the B. C. Court of Appeal had previously ruled that Letain did not have sufficient grounds for an action.

I respect Rankin's information very much, and therefore I consider that the present situation is simply this: Letain's action will now be tried before the B. C. Court just as he hoped it would be.

The point Letain is making according to Rankin, is that although the date of the Letters Patent satisfied the date requirement in the agreement, the new Company did not act corporately before the date in question, and therefore the new Company was not legally completely formed before the critical date.

A	N
	W.S.R. <input checked="" type="checkbox"/>
	P.M.K. <input checked="" type="checkbox"/>
	G.H.M.
	E.O.C.
	H.A.P.
	R.D.S.
	B.C.B.
	D.W.P.
	G.P.R.
	E.L.D.
	J.I.B.
	<u>E.C.I.</u>

Paul M. Kavanagh
Chief Geologist - Exploration.

PMK:ry

Attach to previous correspondence

104/I

KERR-ADDISON GOLD MINES LIMITED

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A	N
	W.S.R. <input checked="" type="checkbox"/>
	P.M.K. <input checked="" type="checkbox"/>
	G.H.M.
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	R.D.S.
	B.C.B.
	D.W.P.
	G.P.R.
	E.L.D.
	J.I.B.
<input checked="" type="checkbox"/>	E.C.J.

To.....W. M. Sirola.....From.....P. M. Kavanagh.....

Subject.....Letain Asbestos Property.....Date.....January 3, 1961.....

This memorandum is prompted by your telegram of January 2nd on this subject.

I do not have any report on the Letain property. As Chief Geologist with Asbestos Corporation Limited I paid a brief visit to the prospect in June 1956 shortly after Conwest had established a small crew on it for a trenching and mapping programme. I was not overly impressed, particularly as I thought that the asbestos was too directly related to small dunitic bodies in the serpentinized peridotite containing the asbestos. However, Al Storey who directed the Conwest work told me in the fall of 1956 that the work had enhanced the prospect. I think that Conwest or Cassiar also did some work on the prospect in 1957. I am quite sure that of the three asbestos prospects which Conwest turned over to Cassiar Asbestos in 1957 ie. the Clinton Creek and Caley near Dawson City, and the Letain, the Letain was considered by everyone concerned to be the least impressive.

It would be quite something to get hold of an economic asbestos deposit in western Canada, and re the present situation, I consider the Letain prospect well worth an examination principally to determine the results of the 1956 and 1957 work on it. I would much prefer to examine the prospect no sooner than June 1st before deciding on the terms of a deal. I don't consider than any large cash payment to Letain prior to an examination in order to reserve the right of first refusal is justified, and I would much prefer not to have to make such a payment if at all possible.

Please let me know your impressions of the situation as it presently exists.

Paul M. Kavanagh
Chief Geologist - Exploration

PMK:ry



EXCLUSIVE CONNECTION WITH WESTERN UNION CABLE SERVICE

FORM 6122

CANADIAN NATIONAL



TELEGRAPHS

J. R. WHITE, GENERAL MANAGER
TORONTO

Phone

STANDARD TIME

1961 JAN 2 PM 3 08

VA028

LLA078 32 DL GET REPLY=FDCNT VANCOUVER BC 2 1157AMP

=DR PAUL KAVANAGH=

SUITE 1616 BANK OF NOVA SCOTIA BLDG 44 KING ST

DO WE HAVE REPORT ON LETAIN PROPERTY WHICH COULD BE USED
AS A BASIS FOR MAKNG HIM AN OFFER STOP IF NOT CAN

PROBABLY OBTAIN REPORT THROUGH LETAIN WHICH MIGHT BE

HELPFUL=

WILLIAM SIROLA.

A	N
W.S.R.	
P.M.K.	✓
G.H.M.	
E.O.C.	
S.H.A.W.	TOR=
R.D.S.	
B.C.U.	USED
D.W.P.	
G.P.R.	
E.L.D.	
J.B.	
E.C.S.	

asked bc 36593
 TO: *BCS* BY: *Nancy*
 CALLS LEFT
 ATTEMPTS
 FILE MAIL DELIVER

3401
A



EXCLUSIVE CONNECTION WITH WESTERN UNION CABLE SERVICE

Form 6102

CANADIAN NATIONAL



TELEGRAPHS

J. R. WHITE, GENERAL MANAGER
TORONTO

PLACE X OPPOSITE SERVICE DESIRED	
FULL RATE	X
DAY LETTER	
NIGHT LETTER	

CHECK

CHARGE ACCOUNT NO. : 3-100-37860

TOLLS

TIME AND DATE FILED

December 23, 1960

COMPANY **Kerr-Addison Gold Mines Limited**
ADDRESS **Suite 1600 - 44 King Street West**
CITY **Toronto 1, Ontario**

A		N
	W.S.R.	<input checked="" type="checkbox"/>
	P.M.K.	<input checked="" type="checkbox"/>
	G.H.M.	
	E.O.C.	
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	B.C.B.	
	D.W.P.	
	G.P.R.	
	E.L.D.	
	J.I.B.	
	E.C.J.	

Send the following message, subject to the terms on back hereof, which are hereby agreed to

W. M. Sirola
1766 Ottawa Place
West Vancouver, B. C.

Re Letain asbestos two things I have heard which may not be correct and first that Letain is asking for a million dollar deal and secondly from Paul Hammond of Conwest that the Northern Miner's report on the situation was not correct stop still consider you should contact Letain stop regards

P.M.K.
P. M. Kavanagh

Gen
9/6

PHONED

KERR-ADDISON GOLD MINES LIMITED

(FOR INTER-OFFICE USE ONLY)

Gen
9/6

To..... P. M. Kavanagh From..... W. M. Sirola

Subject... Letain Asbestos Property Date... December 23, 1960.

Had a long talk with Letain this morning. He does not feel that his legal position is such as yet that he could enter into negotiations with anyone. I will contact his lawyer this afternoon to see if this is the case.

Letain tells me that he won his case on the basis of the time is of the essence clause in his contract with Cassiar. Seemingly they moved too slowly.

Whatever happens, he is now well aware of our interest and I expect to see him from time to time because he is an aggressive prospector and has quite a number of claim groups.

Will write more on this matter soon.

Regards,

W. M. Sirola

REC'D DEC 27 1960

KERR-ADDISON GOLD MINES LIMITED

(FOR INTER-OFFICE USE ONLY)

Gen
9/6

To P.M. KAVANAGH

From William Siegel

Subject RETAIN REBERTS PROPERTY

Date Dec 23, 1960

Had a long talk with Retain this morning. He does not feel that his legal position is such as yet that he could enter into negotiations with anyone. I will contact his lawyer this afternoon to see if this is the case.

Retain tells me that he won his case on the basis of the "time is of the essence" clause in his contract with Cassiar. Seemingly they moved too slowly.

Whatever happens, he is now well aware of our interest and I expect to see him from time to time because he is an aggressive prospector and has quite a number of claim groups.

Will write more on this matter soon.

Regards

Billy



EXCLUSIVE CONNECTION WITH WESTERN UNION CABLE SERVICE

FORM 6122

CANADIAN NATIONAL



J. R. WHITE, GENERAL MANAGER
TORONTO

TELEGRAPHS

STANDARD TIME

Telephoned
1920 DEC 24 PM 2 49 *Letain*

VA086

V LLA259 61 DL=FD VANCOUVER BC 24 1129AMP=

DR P M KAVANAGH PH TU 47577=

STE 1616 BANK OF NOVA SCOTIA BLDG=

44 KING ST WEST TORO:

E.O.C.
H.A.P.
R.D.S.
B.C.B.
D.W.P.
G.P.R.
E.L.D.
J.B.

TEL. NO. 7447524
TO Mrs Kavanagh BY Letain
CALLS LEFT 4

258P
Letain
47577

=HAVE CONTACTED BOTH LETAIN AND LETAINS LAWYER (4N) PERSON • A KEY POINT OF CONSTITUTIONAL LAW DECIDED IN LETAINS FAVOUR BY SUPREME COURT BUT CASE NOW REVERTS TO BC COURTS • NEITHER LETAIN OR LETAINS LAWYER WILL QUOTE PRICE OF PROPERTY UNDER CIRCUMSTANCES BUT WILL OF COURSE ACCEPT BIDS FOR THEIR OWN PURPOSES. MANY MINING COMPANIES APPEAR INTERESTED. WILL KEEP YOU POSTED

REGARDS= WILLIAM SIROLA

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

REC'D DEC 27 1960

104/I

XX
XX
XX

506, United Kingdom Building,
Granville Street,
VANCOUVER. B. C.

Telephone Number
MUTual---15646

A	N
	W.S.R.
	P.M.K. ✓
	G.H.M.
	E.O.C.
	H.A.P.
	R.D.S.
	B.C.B.
	D.W.P.
	G.P.R.
	E.L.D.
	J.I.B.
	<u>E.C.J.</u>

December 22nd, 1960

Mr. Felix Letain,
Grandview Hotel,
618, W. Cordova Street,
VANCOUVER. B. C.

Letain Asbestos

C
O
P
Y

Dear Mr. Letain,

The purpose of this letter is to express our interest in the Asbestos property which has been the subject of litigation between yourself and Cassiar Asbestos. We understand that the Supreme Court has ruled in your favor and we would welcome the opportunity of discussing the possibility of an option with you at your earliest convenience. The phone number of this office is MUTuall-5646 and my home phone number is WALnut2-7171.

We appreciate that it may take some time to complete the legal transactions which have been in process but nontheless would like to review the picture in general with you.

Yours very truly,

p.p. WILLIAM SIROLA,
Exploration Geologist,

Secretary.

WS:cg

KERR-ADDISON GOLD MINES LIMITED

SUITE 1600 - BANK OF NOVA SCOTIA BUILDING
44 KING STREET WEST
TORONTO 1, ONTARIO

104/1
December 23, 1960.

A	N
	W.S.R. ✓
	P.M.K.
	G.H.M.
	E.O.C.
	H.A.P.
	R.D.S.
	B.C.B.
	D.W.P.
	G.P.R.
	E.L.D.
✓	CKW ✓
	E.C.J.

MEMORANDUM:

To: Mr. W. S. Row

From: P. M. Kavanagh

Letain Asbestos Prospect, Kutcho Creek,
Northern British Columbia

Immediately upon reading - early in the morning of Thursday, December 22nd - in the December 22nd issue of The Northern Miner (page 12) that the Supreme Court of Canada had ruled in favor of Felix Letain in his action to regain control of his Kutcho Creek asbestos deposit in northern B.C. from Conwest, I phoned Sirola in Vancouver and instructed him to contact Letain and to tell him that Kerr would like to make an examination of the property.

Letain optioned the asbestos occurrence to Conwest either late in 1955 or early in 1956. In June 1956, as Chief Geologist of Asbestos Corp. Ltd., I made a brief visit to the prospect accompanied by Al Storey, who was Conwest's man in charge of a trenching programme just getting under way. I was not overly impressed with the possibilities of developing any economic tonnage, although the chrysotile fiber was of good quality and length. The fiber, which occurs in serpentinized peridotite, appeared to me to be too directly associated with the contacts of dunitic masses within the peridotite. However, at the end of the summer of 1956, Al Storey told me that the summer's work had enhanced the deposit and that it was fairly encouraging.

I think it was late in 1957 that Conwest turned over to Cassiar Asbestos the Letain deposit together with the Caley and Clinton Creek asbestos deposits west of Dawson City. Late in 1958 Cassiar formed a new company - Kutcho Creek Mines - to take over the Letain deposit.

Letain brought his action against Conwest arguing that the new company had not been formed before a prescribed date. Actually I think he was very disappointed to realize that his vendor stock in the new company would be worthless for a very long time, considering that Cassiar has great reserves of excellent ore at Cassiar, and also that even the Clinton deposit west of Dawson is considered by all to be better than Letain's. The B.C. Court and the B.C. Court of Appeals gave decisions in favor of Conwest, but the Supreme Court of Canada has ruled in favor of Letain.

I consider that the Letain deposit is well worth an examination. I have not seen it since before Conwest did its 1956 and some 1957 work.

Sirola is to let me know what he has been able to arrange with Letain.

PMK:ly



Paul M. Kavanagh
Chief Geologist - Exploration