KERR-ADDISON GOLD MINES LIMITED

(FOR INTER-OFFICE USE ONLY) To Mr. P. M. Kavanagh From W. M. Sirola R.O.M. C.K.W. Subject Stikine River - Field Project, 1965 Date January 18, 1967 CPR Spann Crech Group - 1965. Mount Barrington. This memorandum is pursuant to this mornings telephone conversation in which you pointed out that on page 5 of Clyde's report he mentions that "The highest grade encountered was 0.25% Cu over a 125-foot length". I presume that he is referring to diamond drill hole S.C. #1 wherein the section from 80 feet to 205 feet was estimated to contain somewhere in the vicinity of 0.22% Cu together with a trivial amount of molybdenite. These estimates are shown adjacent to the cross section of drill hole number 1 on plate 3. My criticism of the data shown is that I think Smith showed the estimated percentages after we had assayed the better looking sections of core. I am not able to deduce from his drill logs that chalcopyrite occurred as regularly as he has indicated on plate 3. My version of this section of the drill hole is that we shipped out for assay the best looking sections, none of which assayed more than 0.25% Cu. Patently, the mineralization between the sections assayed would be considerably less. I have no qualms whatsoever about having dropped the claims on Mt. Barrington and I think that everyone should rest easy about the potential thereof. WMS/1k