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KERR-ADDISON GOLD MINES LIMITED

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

July 26, 1962

MEMORANDUM:

To: Mr. W. S. Row

From: P. M. Kavanagh

Opal Lake Nickel Area, Northern British Columbia

This is the area Bill Dunn of Silver Standard wanted to discuss when I visited him in his office on Saturday morning, July 14th. The area is approximately 100 miles southeast of Atlin, and was the scene of considerable staking activity in the fall of 1956 prompted by millerite (NiS) mineralization found by a small exploration company headed by the late Mr. George Webster. Subsequent work indicated that mineralization was of little or no importance, being probably a near surface phenomenon caused when late volcanics flowed over peridotites containing minor accessory nickel; probably heat from the volcanics mobilized the nickel which finally resettled in the form of millerite in small cherty veinlets.

Recently Silver Standard, prompted by a B.C. Mines report, have staked a considerable number of claims west of the earlier known mineralized zone. Dunn has traced an altered zone for some 9000 feet along which he has picked up samples consistently containing very low nickel values (less than .1 percent). He considers that along the zone there are probably millerite concentrations (he has not seen any millerite), and that there could well be substantial deposits.

I agree that there may be some millerite present, but I don't think there are any substantial deposits. If anything the millerite mineralization is probably scanty and shallow.

I recommend that we decline the invitation to participate in the exploration of Silver Standard's claims.



Paul M. Kavanagh
Chief Geologist - Exploration

PMK:ry

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