

KERR ADDISON MINES LIMITED

SUITE 703 - 1112 WEST PENDER STREET
VANCOUVER, B.C. V6E 2S1
PHONE 682-7401

Property Examination - MAR 30 1979
Gambier Island
826151 92G



March 27th, 1979.

Mr. Leonard Zrnica,
President,
20th Century Energy Corporation,
c/o Fox Geological Consultants Ltd.,
714 - 510 West Hastings Street,
VANCOUVER, B.C.

Dear Mr. Zrnica:

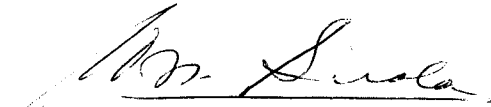
Thank you very much for the opportunity of visiting your Gambier Island property.

We had a very good look at the drill core and at the outcrops in the vicinity of the camp. The drill core in particular, was sufficiently mineralized to justify considerably more drilling, but from the rumours we have heard, we would find it a little difficult to compete with some of the very prosperous oil companies with whom you have already had discussions.

We would however, be interested in knowing what type of deal you are seeking for this ground.

Again, our sincere thanks for your co-operation.

Yours very truly,


W.M. Sirola

WMS:lg
cc: D. Lowrie

March 10th, 1979.

PROPERTY EXAMINATION - GAMBIER ISLAND, B.C.

Lat. 49° 31' - Long. 123° 22'

NTS 92 G 11 W

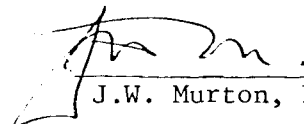
A one day examination was made by W.M. Sirola and W. Murton on March 8th, 1979, on a porphyry Cu-Mo showing that was receiving attention in the press.

The property is owned by 20th Century Mining Company based in Vancouver. No background will be given as voluminous reports are enclosed with this summary. Access is by helicopter from the pad at the foot of Granville Street.

The environment is a diorite - andesite type with propylitic alteration evident in an andesite and andesite breccia. Extensive pyritization is present, and copper values of up to 0.1% are widespread. Mineralization extends to at least 500' depth (150 m) which would place it at about sea level as the property is @ 500'.

The best hole drilled to date (78-3) and closest to the centre of the copper- molly soil anomaly, averaged 0.36% Cu, 0.04% MoS₂, and .07 oz/ton Ag over 150 m. There is still room for further drilling which will surely be done by 20th Century or an optioning company, but the potential for developing an economic tonnage of > 0.5% Cu is considered minimal.

Problems of mining and disposing of tailings in this very visible area will be extensive, and it is recommended that no further investigation be done by Kerr Addison at this time. The area should be watched however, for further developments.



J.W. Murton, P. Eng.