



EXCLUSIVE CONNECTION WITH WESTERN

CANADIAN NATIONAL TELEGRAPHS



J. R. WHITE, GENERAL MANAGER
TORONTO

TELEGRAPHS

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

CHECK

CHARGE ACCOUNT NO. : 3-100-37860

TOLLS

TIME AND DATE FILED

January 9, 1961

COMPANY
ADDRESS
CITY

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

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>

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

Mr. W. M. Sirola
506 United Kingdom Bldg.,
409 Granville Street
Vancouver 2, B. C.
Mu. 1-5646

92/M
826419

Greatly appreciate Merilea Passage memo and approve plans contained therein.

P.M.K.
P. M. Kavanagh

PHONED

REFERENCE MEMORANDUM

DATE Jan 23 1961

THE ATTACHED PAPERS ARE REFERRED

TO Mr. W. S. Row ✓

BY Prnk.

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

PLEASE REPLY DIRECT

PLEASE HANDLE

PLEASE SEE ME RE THIS

YOUR COMMENTS

FOR YOUR INFORMATION

FOR APPROVAL

PLEASE RETAIN

PLEASE RETURN

Attached is Seiola's report on an iron possibility he examined near Ocean Falls, B.C. He found no encouragement.

The report is Seiola's first one for Kerr.

Prnk.

KERR-ADDISON GOLD MINES LIMITED

(FOR INTER-OFFICE USE ONLY)

92/11

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.	
E.C.J.	

To..... P. M. Kavanagh..... *From*..... W. M. Sirola.....
Subject... Examination of Compass..... *Date*..... January 7, 1961.....
 Deflection in Merilea
 Passage East of Price Island

The presence of this compass deflection was brought to my attention recently by Mr. W. S. McGowan of West Vancouver. Apparently vessels cannot navigate by compass through Merilea Passage. I don't believe anything but magnetite could cause the deflection. I propose to investigate this situation because it was the brief mention of such a deflection on Vancouver Island which led Ed Chase to the discovery of the Kennedy Lake Iron deposit which Noranda now holds. There is no record of staking in this area at any time.

During the summer it is possible to charter B. C. airlines out of Ocean Falls but to the best of my knowledge and that of B. C. airlines, no one operates an aircraft (for hire) from Ocean Falls at this time. Northland Navigation operates one boat a week up the Coast but at time of writing I have not been able to ascertain their schedule since their offices are closed today. In any case a coastal vessel would only get us to Ocean Falls and we would then have to hire a water taxi to take us fifty miles west. This could be done under proper weather conditions.

At the moment my thinking is catch a scheduled flight to Port Hardy and then at daylight the following day, charter a Cessna from B. C. Airlines to fly us the 125 miles or so up the coast. Conceivably we could evaluate the situation that day and decide whether or not further work is indicated. If it is not we could stay overnight in Ocean Falls and return by Cessna the next morning. Such an evaluation could be done for less than \$400. If however, it becomes obvious that more time is necessary we will then have to determine what the best procedure will be. We cannot make all the decisions until we see the actual terrain involved.

A helicopter would be ideal for the job but would have to be from Vancouver or Prince Rupert. Consequently I am trying to determine the most practical approach bearing in mind that time could be of the essence since the ground is not staked.

I am fully aware that the magnetite could be all under water or that it could be on one of several small islands. I am also aware that it may not be commercial. However, I do not think we can afford to overlook a bet like this.

KERR-ADDISON GOLD MINES LIMITED

(FOR INTER-OFFICE USE ONLY)

92/M

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

Subject..... Examination of Compass..... Date..... January 7, 1961.....
Deflection in Merilea
Passage East of Price Island

- 2 -

I have known Bill McGowan for 5 years and am not in the least concerned about being able to make a reasonable deal with him and I know he never expects large cash handouts.

If it is at all feasible to make use of Coastal steamers we will do so but I doubt that this will be feasible.

In all probability my original estimate of \$1500 to evaluate the situation will prove high but it depends on many factors such as weather, terrain, size of deposit etc.

Please advise at your earliest if you have any objection to my proceeding as planned. The sooner we move, the better.

Regards,

W. M. Sirola

XXXXXXXXXXXXXXXXXXXX
XXXXXXXXXXXXXXXXXXXX

92/01

Room 506, United Kingdom Building
409 Granville Street, Vancouver 2, B.C.

Coastal Steamer we will do so but I don't think this will be feasible.

In all probability my original estimate of ¹⁸1500 to evaluate the situation will prove high but it depends on many factors such as weather, terrain, size of deposit etc.

Please advise at your earliest if you have any objection to my proceeding as planned. The sooner we move, the better.

Regards.
Bill

C
O
P
Y

REC'D JAN 9 1961

JAN 7, 1961

Of 1

92/M

To: P.M.K.

From: W.M.S.

SUBJECT: EXAMINATION OF COMPASS
DEFLECTION IN MERILEA
PASSAGE EAST OF PRICE ISLAND

C
O
P
The presence of this compass deflection was brought to my attention recently by Mr. W.S. McGowan of West Vancouver. Apparently vessels cannot navigate by compass through Merilea Passage. I don't believe anything but magnetite could cause the deflection. I propose to investigate this situation because it was the being mentioned of such a deflection on Vancouver Island which led Ed Chase to the discovery of the Kennedy Lake Iron deposit which Noranda now holds. There is no record of staking in this area at any time.

Y
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At the moment my thinking is to catch a scheduled flight to Port Hardy and then at daylight the following day, charter a Cessna from B.C. Airlines

Room 506, United Kingdom Building
409 Granville Street, Vancouver 2, B.C.

92/M

To fly us the 125 Helicopter up the coast. Conceivably we could evaluate the situation that day and decide whether or not further work is indicated. If it is not we could stay overnight in Ocean Falls & return by Comair the next morning. Such an evaluation could be done for less than \$400. If however, it becomes obvious that more time is necessary we will then have to determine what the best procedure will be. We cannot make all the decisions until we see the actual terrain involved.

A helicopter would be ideal for the job but would have to be ferried from Vancouver or Prince Rupert. Consequently I am trying to determine the most practical approach having in mind that time could be of the essence since the ground is not staked.

I am fully aware that the Magnetite could be all under water or that it could be on one of several small islands. I am also aware that it may not be commercial. However, I do not think we can afford to overlook a bet like this.

I have known Phil McGowan for 5 years and am not in the least concerned about being able to make a reasonable deal with him and I know he never expects large cash handouts.

If it is at all feasible to make use of

XXXXXXXXXXXXXXXXXXXX
XXXXXXXXXXXXXXXXXXXX

Room 506, United Kingdom Building
409 Granville Street, Vancouver 2, B.C.

92/M

Coastal Steamer we will do so but I don't think this will be feasible.

In all probability my original estimate of ⁸1500 to evaluate the situation will prove high but it depends on many factors such as weather, terrain, size of deposit etc.

C

O

P

Y

Please advise at your earliest if you have any objection to my proceeding as planned. The sooner the more, the better.

Regards

Bell



EXCLUSIVE CONNECTION WITH WESTERN

CANADIAN NATIONAL TELEGRAPHS



J. R. WHITE, GENERAL MANAGER
TORONTO

TELEGRAPHS

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

CHECK

CHARGE ACCOUNT NO. : 3-100-37860

TOLLS

TIME AND DATE FILED

January 6, 1961

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

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

Mr. W. M. Sirola
 1766 Ottawa Place
 West Vancouver, B. C.
 WA. 2-7171

92/M

Would appreciate your forwarding memorandum containing all your present information on McGowan occurrence and your examination plans before you leave on examination trip stop is it not possible to use Ocean Falls as jumping off spot rather than Port Hardy stop good luck on trip.

P.M.K.

P. M. Kavanagh

PHONED

Jan. 6/61

Notes from Phone Call from Seisla,
afternoon of Fri, Jan. 6/61

- he phoned with particular reference to a potential iron prospect which a Bill McLowan had very recently brought into him
- area is on west coast of B.C. mainland at approx $52^{\circ} 30' \text{ lat.}$
 - i.e. due east of south tip of Queen Charlotte Islands.
- first ~~indications~~ ^{notices} obtained by effects on ships compasses (I think)
- McLowan has just known about this for several days
- apparently no other info except that something is affecting compasses on ships
- Seisla estimated \$1500 cost for first examination - might stay a week using Sharpe dip needle as examination tool
- preferred to take Williamson along as assistant
- I gave him go ahead ~~and~~ to make an examination as quickly and economically as possible, and yet obtain results ~~one way or the other~~
- subsequently wired him (later same afternoon) to forward all his present info re. occurrence & his examination plans before leaving on trip.
- he planned on going by boat to Pt Hardy, then taking helicopter,
 - I asked him in wire whether he could not use Ocean Falls rather than Pt. Hardy as a jumping-off spot.