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KERR-ADDISON GOLD MINES LIMITED

(FOR INTER-OFFICE USE ONLY)

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

Subject..... Cam Mines Limited Date..... April 14/66

W.S.R.
K.C.G.
J.H.S.
E.F.
R.D.S.

P.M.K. ✓
G.W.M.
R.O.M.
C.K.W.
J.B.S.
G.P.R.
K.F.L.
J.B.
E.C.J.

This memorandum is in response to your phone call yesterday morning. The claims known as the Nel Group were acquired by Don Smellie and turned over to Cam Mines through Dan Bateman. Smellie's purpose in staking the ground was that this area appeared as a magnetic low in an aeromagnetic map. In the Highland Valley, this usually means one of two things: a) the overburden is excessively deep (up to 500 feet) or, b) the area is underlain by rock units containing less magnetite than the rocks typical of the Guichon batholith. These less magnetic rocks are usually young quartz diorite or porphyry or both.

Jim Scott wrote a preliminary report on the property and recommended the expenditure of \$5,000.00. A ground magnetic survey and an IP survey were subsequently performed. Anomalies derived from this work are currently being drilled. Status of the drilling is as follows: Number 1 drill hole reached bedrock at 146 feet and was drilled to a total depth of 272 feet; it is now complete. The top 26 feet of bedrock was drilled with a non-coring bit. The next 11 feet has been shipped to Vancouver for assay, the remainder is still at the property. According to Smellie, the core he has seen to date is non-commercial but does contain some amounts of chalcopyrite in an altered diorite. The alteration is mainly epidote and chlorite. There is very little sericite.

Drill hole number 2 was, I think, abandoned in overburden.

Drill hole number 3 is being drilled on a different IP anomaly and overburden depth is thought to be 50 feet. This hole was not in bedrock as of today.

Smellie has, as yet, no good explanation for the IP anomalies. He likes to think that these are being caused by a conductor either below 272 feet or off to one side. He is not prepared to concede that the cause lies in anything they have seen to date.

From my experience in the Highland Valley, I feel that unless mineralization is found in rocks other than the typical Guichon rocks, the mineralization is usually superficial.

Story It might be interesting to call Nobel Harbinson to see if his ~~variation~~ differs in any way. I feel; however, that Don Smellie gave me the facts as he knows them.

Wm. Sirola
Wm. M. Sirola.

WMS/lk