

KERR-ADDISON GOLD MINES LIMITED

(FOR INTER-OFFICE USE ONLY)

92/J

826946

REC'D APR 6 1961

To..... P. M. KAVANAGH..... From..... WILLIAM M. SIROLA.....

Subject..... GOLD IN CONGLOMERATES - LOCATION SOMEWHERE..... Date..... April 5th, 1961.....
 BETWEEN VANCOUVER AND BRALORNE

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.	

We spoke on the telephone yesterday about a prospect presented by Bill McGowan which had to do with gold occurrences in conglomerates.

Mr. McGowan did not state the name of the gentleman who presented the project to him, nor was he at liberty to disclose the exact location thereof. We do not even know if any ground is staked. Mr. McGowan had an excerpt from an old, private Report - vintage about 1900 - which reads as follows:

'This ore consists of a very large deposit of a conglomerate, which to the ordinary eye looks exactly like sandstone, but is in reality a fine quartz conglomerate. I forwarded samples of this to the Department at Ottawa and am advised by Dr. Hoffman that the matter is a yellowish white conglomerate carrying fine parts of native gold. I understand assays have been made which go as high as \$3.75 per ton and judging from the very easy way in which the material could be worked, and the enormous deposit which exists, it might pay very handsomely, although as a matter of course operations would have to be conducted on a large scale.'

(at \$20.67 gold price)

Material assaying \$3.75 per ton would now have a value of \$6.55 per ton. Assuming for the moment that this would be a maximum, but that the average grade might be somewhere between \$4.00 and \$5.00 per ton, a large, easily accessible deposit would be worth investigating. Since, however, the deposit has been known for some 60 years, conceivably it will last until such time as I return from the Houston Area.

As/

PMK
20% of Total
shares is pretty
tough!
WR

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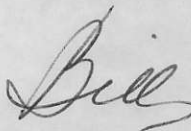
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between Vancouver and Bralorne

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As mentioned over the telephone yesterday, the unknown Vendor wanted 20% of the total shares in any Company that may be formed and there would also have to be some understanding with Mr. McGowan for a Finder's Fee.



WILLIAM M. SIROLA.

WMS:rl