

Letter Nov. 1976

862293

MEMO TO: Mr. G.S.W. Bruce

DATE: November 19th, 1976

FROM: J. B. Redpath

*also
See
File 2259*

SUBJECT: Telephone call from Charlie Dunkley on November 18, 1976, relative to

- (a) Peregrine Petroleum Ltd.
- (b) The old Island Mountain mine.
- (c) Tyee Lake Resources and Kerr Addison in the Kelowna area.

On the 18th of November, I had a call from Charlie Dunkley who said that he had a friend in Calgary who was one of the old-time entrepreneurs. This man has a small company called Peregrine Petroleum. Apparently Peregrine Petroleum now has made some arrangement with an outfit called Mosquito Creek whose President is, I think, Andy Dakes. In any event they are selling participations in future exploration of the old Island Mountain mine, which as you know, is in the Cariboo District in B.C. Charlie Dunkley is informed that Home Oil spent about \$1-1/2 million on this property and according to him found indications of a considerable amount of "two-thirds of an ounce" ore.

Apparently this is being syndicated with \$100,000 buying 5% or \$500,000 buying 25% of the action. In the meantime, \$20,000 units are being sold.

From what he is told, Charlie Dunkley feels that this property has considerable merit and he says that Charlie Mitchener here in Toronto, has all the dope on the property, etc.

He suggests that we see Charlie Mitchener in this connection.

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You will remember that Island Mountain was a small gold mine, which I think was profitable and which was operated by Newmont in the 1930's. As I remember, Ben Benedict was the geologist who did considerable work on this property and my impressions would be that he left very few obvious bets uninvestigated. I had no knowledge that Home Oil had done this amount of work.

I am not very optimistic, however, you may have some knowledge that I have not of recent date.

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Charlie Dunkley is also informed by his Peregrine Petroleum men, that an outfit working in the Kelowna area of British Columbia called Tye Lake Resources are financed and run by Japanese interests. The story is that they have filed work records in Victoria which are open for anybody to examine. They had been obtaining sections of up to 85 feet of 1.2 lbs. U₃O₈ on the Tye Lake ground.

Peregrine has ground in the same neighbourhood on which they have obtained values of 8 lbs. U₃O₈ over a width of 10 feet. This is on Peregrine's own ground.

I think from what Charlie told me that Kerr Addison have an option on the Peregrine ground.

Charlie says that the uranium occurrences are in old river channels, etc.

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I told Charlie that we appreciated getting information of this kind and that I will try to make a memorandum to bring all this to your attention.

Perhaps we should talk about this at your convenience.

JBR*im

