

KERR ADDISON MINES LIMITED

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

HAILSTORM

822788

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January 3, 1984

CC/  
AC/ JC/RAD

Mr. A.F. Shearcroft  
President  
Roxwell Gold Mines Ltd.  
5108 Franklin Avenue  
Yellowknife, N.W.T.

Dear Mr. Shearcroft:

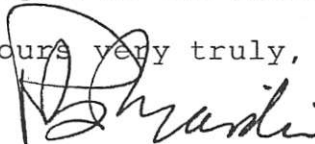
I have reviewed the copies of reports you left with me concerning the Hailstorm Crown Grants which your company is exploring with Suncoast Petroleum Corp.

While the tenor of mineralisation is certainly impressive, in the absence of a field examination I would have to conclude that the quantity of ore indicated is too small to be of interest to Kerr Addison. My view is tempered by two of the various features that remain untested:

- the face sample assaying 10.3 ozs/ton Ag, 0.10 ozs/ton Au in the short drift off of the main adit, which appears to indicate an untested zone
- the low grade gold values over at least 40 metres width in the zone near 10+00S/Baseline.

While these features are insufficient to warrant our participation in the project at this time I would certainly like the chance to make a field examination when the ridge is snow free. Meanwhile, best wishes in your plans to finance an interesting programme on this property and many thanks for bringing it to our attention.

Yours very truly,



R. A. Dujardin  
Regional Exploration Manager

RAD/lk