

OCT 15 1973

KERR ADDISON MINES LIMITED

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To G. M. Hogg From W. M. Sirola

CONSOLIDATED REXSPAR PROPERTY

Subject BIRCH ISLAND, B. C. (BC-4) Date October 11, 1973

John Lund's summary of results of this year's drilling on Rexspar has been delayed somewhat by our decision to acquire some ground in the Minto area of the Yukon and that being the case we thought we would present you with a relatively simple picture of the mineralized zones, the molybdenite soil anomalies and the drilling which has been done to date. I mentioned molybdenite soil anomalies particularly since these appear to reflect well the areas of fluorite mineralization as well as molybdenite mineralization.

J.S.
P.V.
G.M. ✓
R.D.S.
B.C.B.
L.S.
✓
✓ DMW ✓
E.S.J.

We have to think of the fluorite zone as being a narrow north-easterly structure dipping rather gently northwesterly. Consequently our drill hole 73-4 which did encounter weak fluorite mineralization, appears to define the northeasterly extent of the mineralization in as much as the row of drill holes to the north (69-2 to 69-6) are essentially devoid of any fluorite mineralization. To the extreme southwest and again on the trend of the fluorite zone we drilled hole 73-5 which is similar in fluorite content to 73-4. The fluorite zone cannot extend further to the southwest because of the abrupt change from trachyte to schist which occurs about 400 feet southwest of 73-5.

Approximately 1000 feet southeast of the "A" zone there is a north-easterly trending string of MoS₂ soil anomalies and the trend of these anomalies is roughly parallel to the fluorite zone. This trend however has been thoroughly explored by previous diamond drilling; for example at the southwest end of the zone a clutch of ten drill holes have been drilled in an effort to define a fluorite zone in that location. Pursuing this zone northeastward drill holes 69-21 and 69-19 were drilled on or near MoS₂ anomalies without finding ore.

The property if anything has in my view been "over-drilled" and I find it extremely difficult to recommend any additional drilling. It is not just a matter of finding some additional ore. It is a matter of doubling the known tonnage and the likelihood of this happening is negligible.

I suspect that there is a direct relationship between the amount of silicification and the amount of fluorite in the rocks. I think if we were to map silicification in detail it would be relatively easy to demonstrate this point. The upper part of the trachyte has been well fractured and silicified but this is probably not true throughout the trachyte mass as a whole. I must admit however that this is largely conjecture on my part since I would have to do a lot of digging to supply the evidence. Nonetheless this was my feeling when I went over the property with John Lund late in August.

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The other rocks (schist and dacite) contain minor amounts of pyrite-pyrrhotite but virtually no CaF_2 or U_3O_8 .

I realize that you are disappointed at the outcome of this work but I really do feel that the mineralization has been well defined by the extensive work done to date. ?

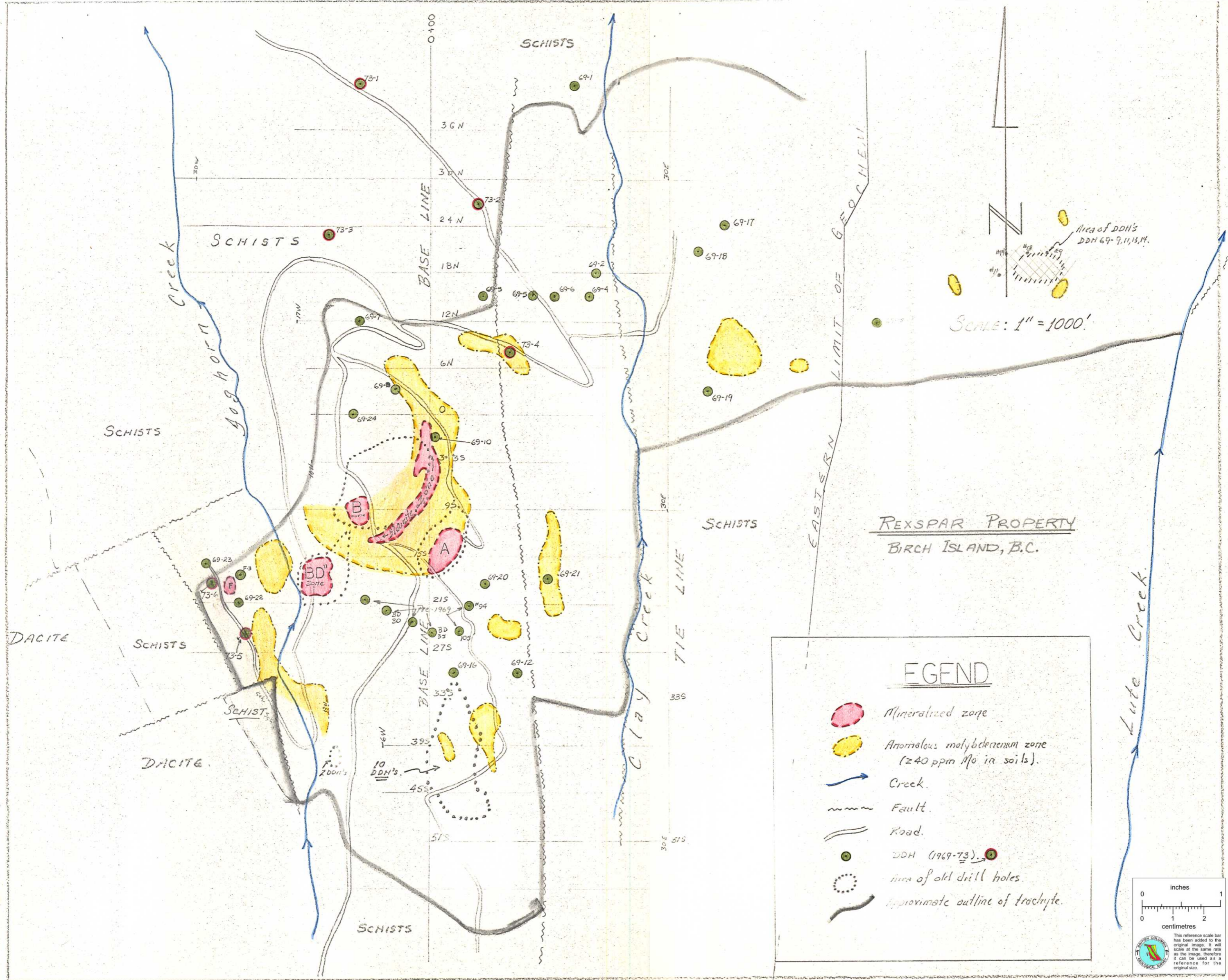
WMS/rb

W. M. Sirola
W. M. Sirola

Encl.: Map showing mineralized zones, anomalous molybdenum soils and drill holes - scale 1" = 1000'.

It appears that there is not much chance of developing tonnages of fluorospar, or sufficient to justify a mining operation. It might be noted that my concern is not a matter of disappointment, but rather to insure that a thorough evaluation of the property be completed.

WMS Oct 15/73.



Jor.