

85-999-14626
12/86

1985 ASSESSMENT REPORT
ON THE
RN GOLD PROPERTY
(Comprised of 11 Claims)

RN+MB1 owned by R.B. Pincombe and N.H. Williams
FF + HOT 1-8 owned by Kerr Addison Mines Limited

Located at Harrison Hot Springs, B.C.

NTS 92 H/5

LAT 49° 20' N, LONG. 121°45' W

in the

NEW WESTMINSTER MINING DIVISION

By

Greg Fortin

For

Kerr Addison Mines Limited

November, 1985

FILMED

**GEOLOGICAL BRANCH
ASSESSMENT REPORT**

14,626

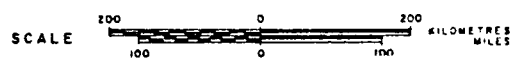
TABLE OF CONTENTS

	<u>PAGE</u>
INTRODUCTION	2
SUMMARY	2
LOCATION AND ACCESS	3
PHYSIOGRAPHY	3
PROPERTY HISTORY	3
ECONOMIC ASSESSMENT OF PROPERTY	6
SUMMARY OF WORK DONE	6
GEOLOGY	
REGIONAL	6
LOCAL	7
MINERALIZATION	9
RESULTS	9
RECOMMENDATIONS	9
COST STATEMENT	13
REFERENCES	14
AUTHOR'S QUALIFICATIONS	15

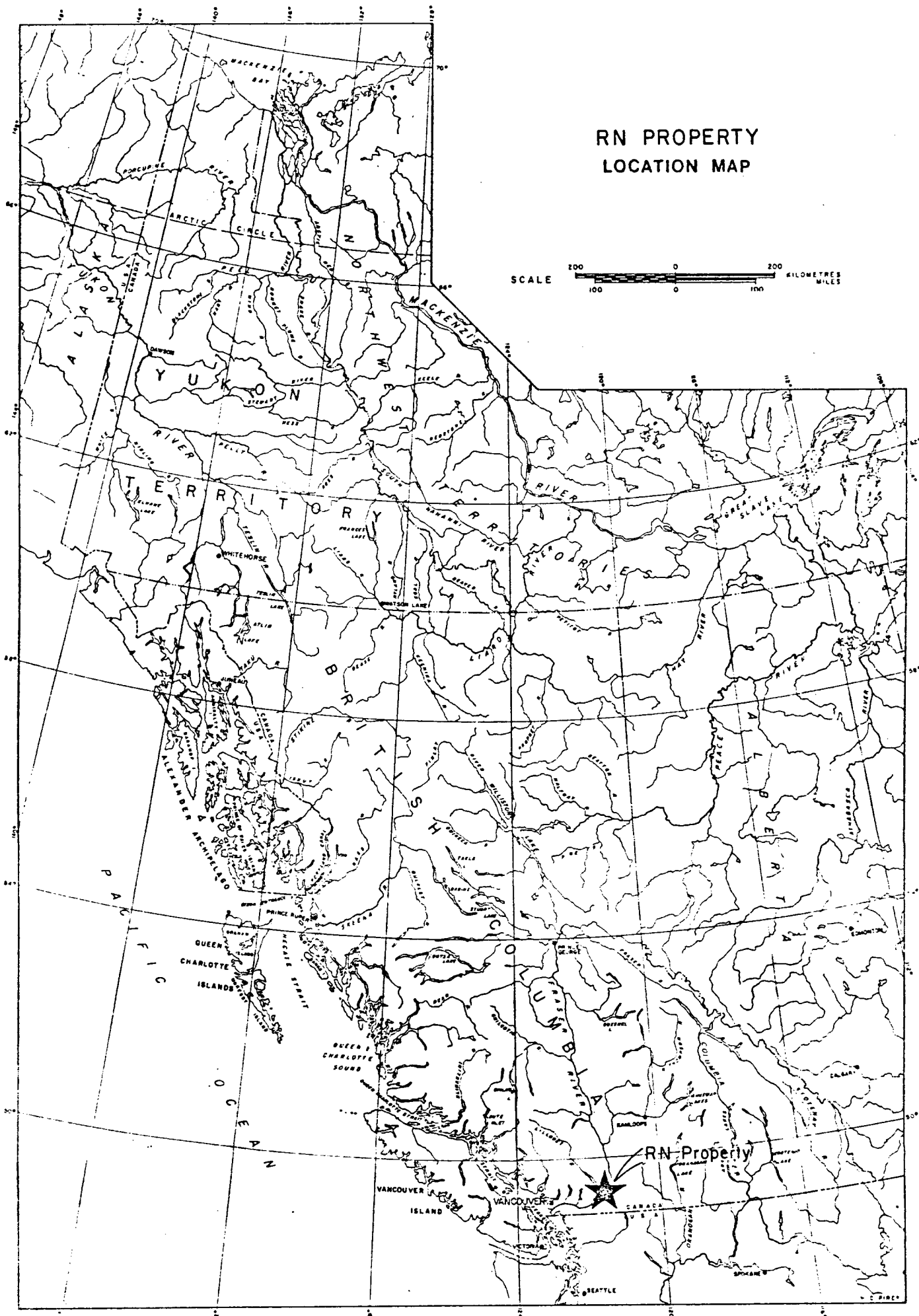
LIST OF TABLES AND FIGURES

TABLE 1	CLAIM STATUS	4
TABLE 2	SAMPLE GEOCHEMICAL RESULTS	10
FIGURE 1	GEOLOGY 1:5000 SOUTH PORTION	(in pocket)
FIGURE 2	GEOLOGY 1:5000 NORTH PORTION	(in pocket)
FIGURE 3	LOCATION MAP	1
FIGURE 4	CLAIMS MAP 1:50,000	5

RN PROPERTY LOCATION MAP



RN Property



INTRODUCTION

In November of 1984 Kerr Addison Mines Limited entered a joint venture with ABO Oil Corporation, to diamond drill and explore further the gold zone of the RN Property. This report covers the 1985 geological mapping program undertaken by Kerr Addison Mines Limited. The RN Property contains two known quartz veins (10+ cm thick) which contain free gold associated with pyrrhotite, pyrite, and a few minor sulphides. The gold bearing quartz veins occur within separate stocks of quartz diorite (250 m apart), which intrude into the sediments underlying the property. The purpose of the 1985 mapping program was to locate similar quartz diorite stocks and sample mineralized quartz veins where they occurred.

SUMMMARY

The RN Property is underlain by Lower Pennsylvanian to Lower Permian pelites which have been intruded by Late Cretaceous to Miocene age quartz diorite stocks. Two quartz diorite stocks (250 m apart) are found to contain gold bearing quartz veins with similar mineralization. The RN Property was mapped at a scale of 1:5,000 covering an area of 16+ sq. km over a period of 45 man/days, during which 69 quartz vein samples were collected and analysed for gold content. The mapping program discovered a few new exposures of quartz diorite stocks, however samples of quartz veining from all over the property were found not to contain anomalous gold. The occurrence of gold in the RN Property appears to be restricted to only two closely related stocks of quartz diorite.

LOCATION AND ACCESS

The RN Property is located at the southeastern corner of Harrison Lake, 4.5 km northeast of the Village of Harrison Hot Springs, B.C. The claims cover the northern four-fifths of Bear Mountain, bounded to the west by Harrison Lake, and by Hicks Lake to the east, with Sasquatch Provincial Park cutting across the north half of the claim group. Access to the property is easily facilitated by a paved road connecting Harrison Village to the Park entrance, as well as a network of gravel roads which switch back over most of the claim areas. See Location Map Page 1.

PHYSIOGRAPHY

The RN Property is located in the Coast Mountain Physiographic Province of B.C., with slopes varying from 10° to 40° (averaging 25°), and elevations from a few meters above sea level up to 1035 meters on top of Bear Mountain. The area has been previously logged off, resulting in a thick cover of second-growth comprised of small (less than 20cm diameter) mixed deciduous and coniferous trees, as well as numerous patches of "devil's club". The mean annual precipitation for the area ranges from 150 to 250 cm per year.

PROPERTY HISTORY

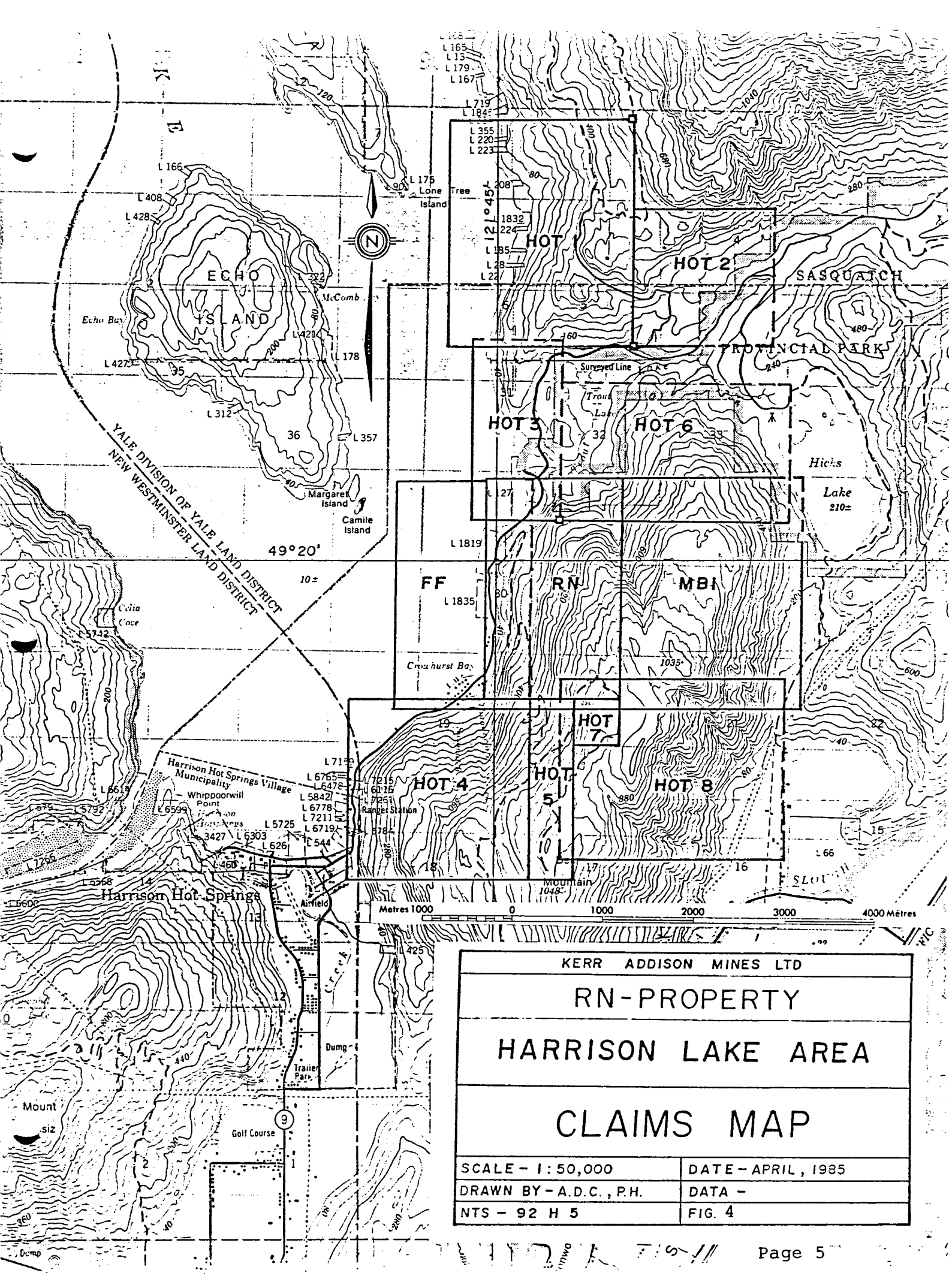
The RN Property was previously known as the GEO Claim, until August of 1975 when it was restaked as the RN Claim. Occurring in the RN Claim is a 10 to 40 cm thick pyrrhotite-quartz vein containing visible gold. This vein has been mined on a small scale on and off in recent years, leaving a 50+ meter long adit which follows the vein into the hillside. In September of 1979, a second claim, the MBl was added to the eastern flank of the RN Claim. In 1982 and 1983 A & M Exploration, working for ABO Oil Corporation conducted geological mapping, soil sampling, diamond drilling (8,163 ft in 27 holes), and an EM Survey. In March of 1983 the ABO 1 to 7 Claims were added, as well as the FF Claim in May, 1983.

In 1984 Sawyer Consultants Inc., of Vancouver reviewed the property data for ABO Oil Corporation and made recommendations for future work on the property. In the fall of 1984 Kerr Addison Mines limited entered into a joint venture with ABO Oil Corporation to diamond drill and explore the property further.

In November of 1984 the ABO 1 to 7 Claims were restaked as the HOT 6 Claim and seven more claims; HOT 1-5 and HOT 7 and 8 were added. In 1985 extensive mapping and sampling of the RN Property, as well as a diamond drilling program were undertaken by Kerr Addison Mines Limited. Currently the RN Property is comprised of 11 claims totalling 143 units in the New Westminster Mining Division. See Table 1 below for pertinent details of the claims.

TABLE 1 CLAIM STATUS

Claim	Record No.	No. of Units	Recording Date	Expiry Date	Registered Owner
RN	46	15	Aug 26/75	Aug 26/94	R.B. Pincombe 50% N.H. Williams 50%
MB1	592	20	Sept 20/79	Sept 20/94	R.B. Pincombe 50% N.H. Williams 50%
FF	2051	15	May 3/83	May 3/94	Kerr Addison Mines
HOT 1	2579	20	Dec 17/84	Dec 17/85	" " "
HOT 2	2580	9	" " "	" " "	" " "
HOT 3	2581	8	" " "	" " "	" " "
HOT 4	2582	16	" " "	" " "	" " "
HOT 5	2583	4	" " "	" " "	" " "
HOT 6	2584	15	Dec 17/84	Dec 17/90	" " "
HOT 7	2585	1	"	" " "	" " "
HOT 8	2587	20	Jan 10/85	Jan 10/86	" " "



YALE DIVISION OF YALE LAND DISTRICT
 NEW WESTMINSTER LAND DISTRICT

L 355
 L 220
 L 223

HOT 1

HOT 2

SASQUATCH

PROVINCIAL PARK

HOT 3

HOT 6

L 27

L 1819

L 1835

FF

RN

MBI

Lake 210

HOT 4

HOT 5

HOT 7

HOT 8

L 715

L 6765

L 6478

L 5842

L 6778

L 7211

L 6719

L 544

L 7215

L 6125

L 7251

L 784

L 66

Harrison Hot Springs Village

Whippoorwill Point

L 6599

L 5725

L 3427

L 6303

L 626

L 544

Harrison Hot Springs

Metres 1000 0 1000 2000 3000 4000 Metres

KERR ADDISON MINES LTD	
RN-PROPERTY	
HARRISON LAKE AREA	
CLAIMS MAP	
SCALE - 1:50,000	DATE - APRIL, 1985
DRAWN BY - A.D.C., P.H.	DATA -
NTS - 92 H 5	FIG. 4

ECONOMIC ASSESSMENT OF PROPERTY

To date there are two known quartz veins (10+cm thick) which contain free gold exposed on surface, and diamond drilling has intersected several zones (less than 25cm thick) with assays over 1 oz/ per ton Au. The extent however, and effective grade of the deposit has yet to be determined. The veins commonly pinch and swell very erratically, resulting in a major sampling problem to evaluate the true grade and tonnage potential. A diamond drilling program is currently under way to outline the major zone of gold mineralization.

SUMMARY OF WORK DONE

The RN Property was mapped at a scale of 1:5000, covering an area of 16+ sq. km, over a period of 45 man/days, during which 69 quartz vein samples were collected and analysed for gold content. Mapping was performed on all eleven claims of the property as shown in the Cost Statement Page 12 . The vein samples were analysed by Chemex Laboratories of North Vancouver, B.C.

REGIONAL GEOLOGY

The RN Property lies near the western edge of the Hope Map Sheet, mapped by J.W.H. Monger (1970) for the G.S.C. Monger's map shows the RN Property to be underlain by the Mysterious Creek Formation, described as Middle Jurassic Pelites (metamorphosed fine grained, argillaceous sediments). The Mysterious Creek Formation is part of the western belt of the Cascade Mountain System in which the rocks range from Pennsylvanian to Lower Cretaceous in age, and include sedimentary; shale, sandstone, limestone etc., as well as volcanic rocks. The RN Property is underlain by sediments which are part of the older rocks in the area and have been assigned to the Chilliwack Group of lower Pennsylvanian to Lower Permian Age by Allen and Allen, 1983.

The formation has subsequently been elevated by regional metamorphism to a low greenschist facies in Mid Cretaceous to Early Tertiary time, and intruded by granite stocks of Late Cretaceous to Miocene Age. The Harrison Lake Fault System is a major structure involved in the control of intrusions in the area, as well as separating the older strata to the northeast from the younger rocks to the southwest. The Harrison Lake Fault System is also associated with active hot spring activity at the Harrison Resort, and there are eight other known gold deposits along the length of the fault.

LOCAL GEOLOGY

The RN Property is underlain by phyllitic shale, argillite, and slate of the Lower Pennsylvanian to Lower Permian Chilliwack Group which have been intruded by irregular dykes and stocks of quartz diorite and gabbros of Miocene Age (as well as numerous felsite dykes).

The Chilliwack Group sediments underlying the Bear Mountain portion of the property are consistently bedded (and foliated) with northwesterly strikes and moderate northeasterly dips. The sediments found north of the Sasquatch Provincial Park boundaries tend to be more intensely folded with numerous felsite dykes cutting through the strata. The sediments usually occur as fine grained black argillites, which in several locations grade into brittle shales and some slate. There are a few grey-black siltstone layers (less than 10m thick), which tend to be discontinuous. Lower portions of the strata include some andesite as well as some dacite, found in western exposures of the northern claims, and in the southwestern exposures of the southern claims. Regional metamorphism is mildly apparent on the property, usually exemplified by a dark green coloration on fresh fractures (due to

chloritization), which is more commonly found in the intensely folded northern part of the property. The most common alteration of the black argillites is strong contact thermal metamorphism resulting from quartz diorite intrusions, which resulted in strong silicification, usually accompanied by disseminated pyrite (~10%) with the appearance of a dark black hornfels. In two locations red almandine garnets were found within the altered argillites.

The northeastern flank of Bear Mountain, down to the western shore of Hicks Lake, is a coarse grained batholith of granodiorite which is most likely a common source of the several apophyses of quartz diorite found intruding the sediments. The apophyses are generally globular in shape, with average diameters of 100 to 300 meters. The quartz diorite is usually coarse to moderate grained with a hypidiomorphic texture of biotite and hornblende crystals, along with 10% quartz. The quartz diorite commonly contains 5% sulphides, comprised mostly of pyrrhotite, pyrite, as well as minor occurrences of chalcopyrite and arsenopyrite. The pyrrhotite is commonly magnetic.

The gabbros and basalt intrusions range from coarse grained ultramafic counterparts of the quartz diorite, to fine grained black dykes of basalt. These intrusions tend to occur as dykes, generally small in size (less than 10 meters thick). A third type of intrusive of minor importance are small (less than 1 meter thick), grey, fine grained felsite dykes which occur sporadically over Bear Mountain and more frequently in the northern section of the property.

MINERALIZATION

The mineralization of the RN Property occurs as free gold in quartz veins associated with pyrrhotite, pyrite, and to lesser degrees chalcopyrite, arsenopyrite, sphalerite, and an unidentified silver telluride. The sulphide content of the veining is on the average 5% but can range as high as 20% in the vein material. The quartz veins commonly pinch and swell irregularly and range in thickness from 1mm to over 40cm thick. The quartz is usually massive, milky white and vuggy in some places. Quartz veining occurs all over the RN Property, most commonly as tension fracture fillings, however gold mineralization is only found within the confines of two closely related stocks of quartz diorite. Quartz veining and tension fracture fillings found in the sediments are usually unmineralized, white and barren, whereas quartz veining found within bodies of quartz diorite frequently contain pyrrhotite, pyrite, and sometimes chalcopyrite and/or arsenopyrite. The mineralization of quartz veins found within quartz diorite stocks is most likely remobilized sulphides from the stocks themselves.

RESULTS

The 1985 mapping program discovered only a few new exposures of the quartz diorite stocks, none of which contained anomalous gold values within quartz veining. The gold is only found to occur within the quartz veining and quartz fracture fillings of two closely related stocks of quartz diorite.

RECOMMENDATIONS

Areas that should be explored further are the eastern flanks of the HOT 6, MB1 and HOT 8 Claims. These slopes are very steep and require dry conditions for a safe reconnaissance.

TABLE II
SAMPLE GEOCHEMICAL RESULTS

NOTE: Detection Limits : NAA <1 ppb, FA+AA <5 ppb

SAMPLE NO.	LOCATION	METHOD	Au (ppb)
05714	RN	NAA	106
05715	RN	"	68
05716	RN	"	101
05717	RN	"	45
05718	RN	"	15
05719	RN	"	59
05720	RN	"	11
05721	RN	"	3
05722	RN	"	1
05723	HOT 4	"	16
05724	HOT 4	"	3
05725	HOT 4	"	1
05726	HOT 4	"	2
05727	RN	"	<1
05728	HOT 1	"	2
05729	HOT 1	"	<1
05730	HOT 1	"	<1
05731	HOT 2	"	2
05732	HOT 4	"	<1
05733	HOT 4	"	2
05734	HOT 5	"	2
05735	MB1	FAA+AA	<5
05736	MB1	" "	45
05737	RN	" "	<5
05738	RN	" "	<5
05739	RN	" "	<5

TABLE II
 SAMPLE GEOCHEMICAL RESULTS

NOTE: Detection Limits : NAA <1 ppb, FA+AA <5 ppb

SAMPLE NO.	LOCATION	METHOD	Au (ppb)
05740	RN	FA+AA	<5
05741	RN	" "	<5
05742	RN	" "	<5
05743	RN	" "	<5
05744	HOT 2	" "	<5
05747	HOT 1	" "	50.
05748	HOT 1	" "	5
05749	HOT 1	" "	15
05750	HOT 1	" "	<5
70901	RN	" "	50
70902	RN	" "	20
70903	HOT 4	" "	15
70904	HOT 4	" "	10
70905	HOT 4	" "	5
70906	HOT 5	" "	<5
8451	RN	" "	<5
8452	RN	" "	<5
8453	RN	" "	50
8454	RN	" "	25
85T178	MB1	" "	<5
85T179	MB1	" "	<5
85T180	MB1	" "	<5
85T181	MB1	" "	<5
85T182	RN	" "	25
85T183	HOT 3	" "	15

TABLE II

SAMPLE GEOCHEMICAL RESULTS

NOTE: Detection Limits: NAA 1 ppb, FA+AA 5 ppb (Aqua R)

SAMPLE NO.	LOCATION	METHOD	Au(ppb)	Ag(ppm)
85T155	HOT 2	FAA+AA	<5	0.1
85T156	HOT 2	" "	<5	0.1
85T157	HOT 2	" "	<5	0.1
85T158	HOT 2	" "	<5	0.1
85T159	HOT 2	" "	<5	0.1
85T160	HOT 2	" "	<5	0.1
85T161	HOT 2	" "	30	0.5
85T162	HOT 2	" "	<5	0.3
85T163	HOT 2	" "	<5	0.1
85T164	HOT 2	" "	<5	0.1
85T165	HOT 2	" "	<5	0.1
85T166	HOT 2	" "	<5	0.1
85T167	HOT 2	" "	<5	0.2
85T168	HOT 2	" "	<5	0.1
85T169	HOT 2	" "	<5	0.1
85T170	HOT 2	" "	<5	0.1
85T171	HOT 2	" "	<5	0.2
85T172	HOT 2	" "	<5	0.1

COST STATEMENT

<u>CLAIM</u>	<u>MAPPING (Man/Days)</u>	<u>OFFICE(Man/Days)</u>
RN	10.5)
MB1	4.0)
FF	1.66)
HOT 1	8.33)
HOT 2	6.33)
HOT 3	2.0)--- 13.33
HOT 4	3.0)
HOT 5	4.17)
HOT 6	1.66)
HOT 7	1.17)
HOT 8	.5)
	<hr/>	<hr/>
TOTAL	43.33	13.33
+REPORT	6.0	

TOTAL = 62.66 Man/Days

	<u>Field</u>	<u>Office</u>	<u>Total</u>	<u>Wages</u>	<u>Room & Board</u>
R. Potter Geologist	9	8.5	17.5	\$2695.00	\$437.50
G. Fortin Geologist	22.17	10.83	33.0	3267.00	700.00
M. Lowrie Assistant	9.17		9.17	706.09	229.25
T. Bruland Geologist	3.		<u>3.</u>	<u>363.00</u>	<u>75.00</u>
		Total	62.67	\$7031.09	\$1441.75

Vein samples analysed by Chemex Labs of North Vancouver, B.C.

52 samples @ \$7.00/sample	= \$364.00
18 samples @ \$9.68/sample	= <u>\$174.24</u>
Total	\$538.24

TOTAL EXPENDITURES \$9011.08

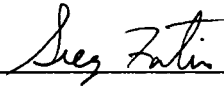
APPENDIX

REFERENCES

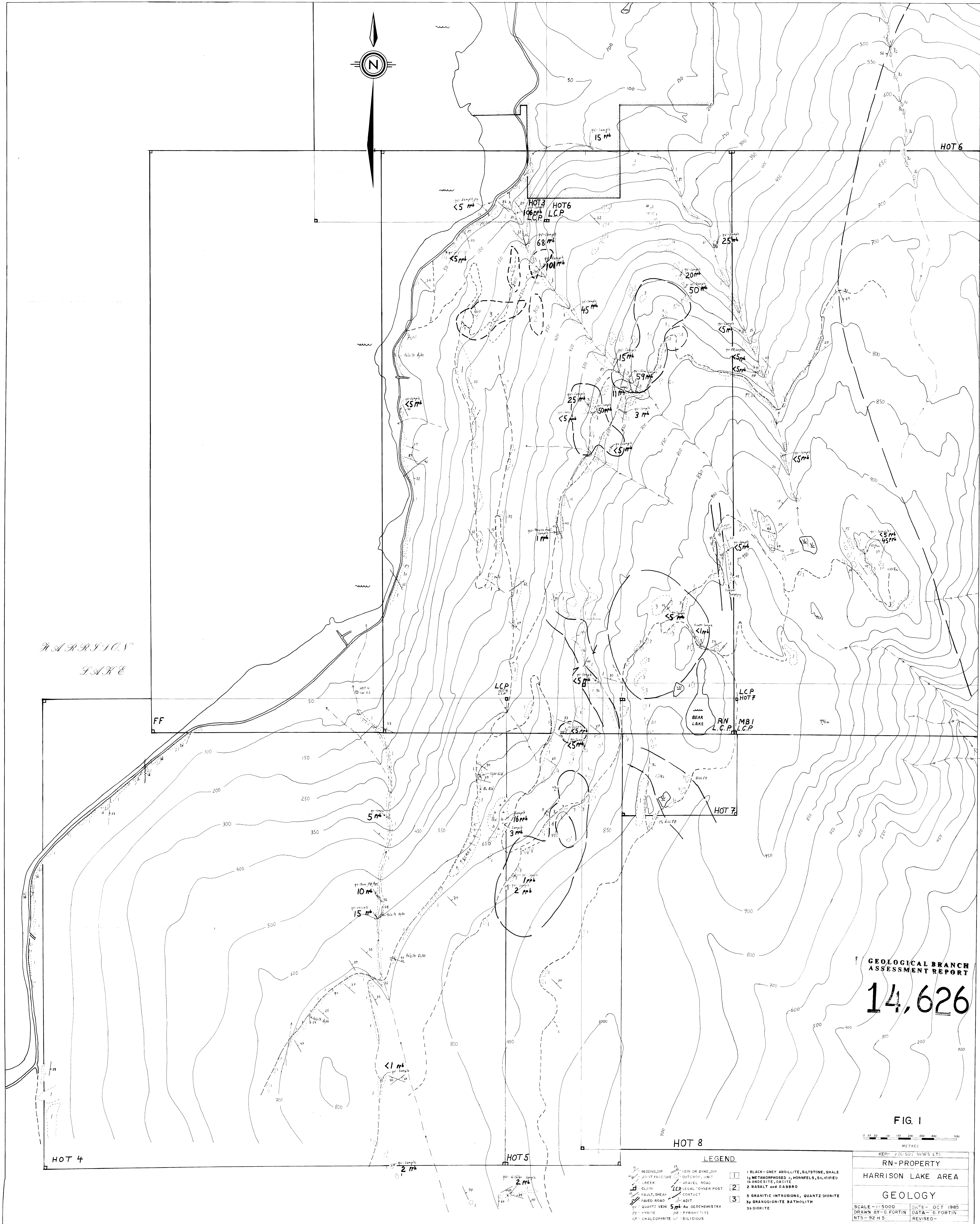
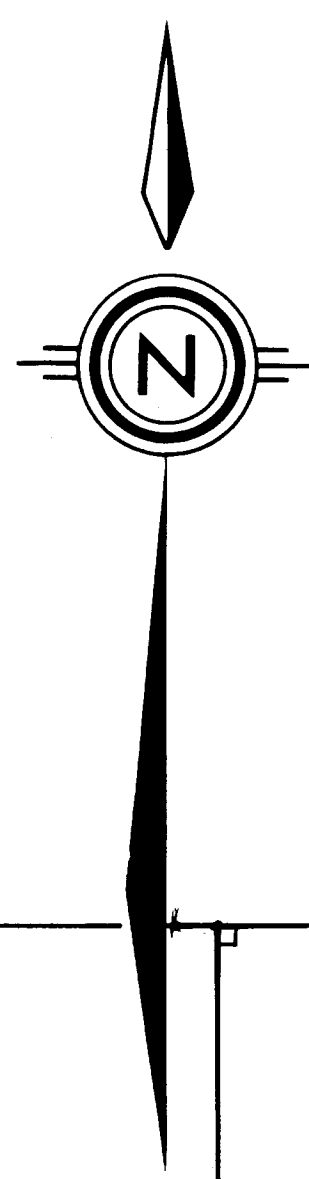
- Allen, D.G., and
Allen, G.M., 1983 Summary report and exploration and
development proposal on the Harrison
Lake gold prospect (RN Property);
A & M Exploration Ltd., Internal
Company Report, August 24, 1983.
- Monger, J.W.H. (1970) Hope Map Area, West Half; G.S. of
Canada, Paper 69-47.
- Sawyer, J.B.P. (1984) Report on a Review of the Exploration
of Gold Occurrences on the RN Property,
ABO Oil Corporation. Internal Company
Report, May 14, 1984.

AUTHOR'S QUALIFICATIONS

This is to Certify that I, Greg Fortin, graduated from the University of British Columbia in an Honors Geology Program in 1981. I have worked for five years in the Mining Industry, specifically on Gold properties and Gold reconnaissance programs in British Columbia.



Greg Fortin, B.Sc.



HARRISON
LAKE

GEOLOGICAL BRANCH
ASSESSMENT REPORT
14,626

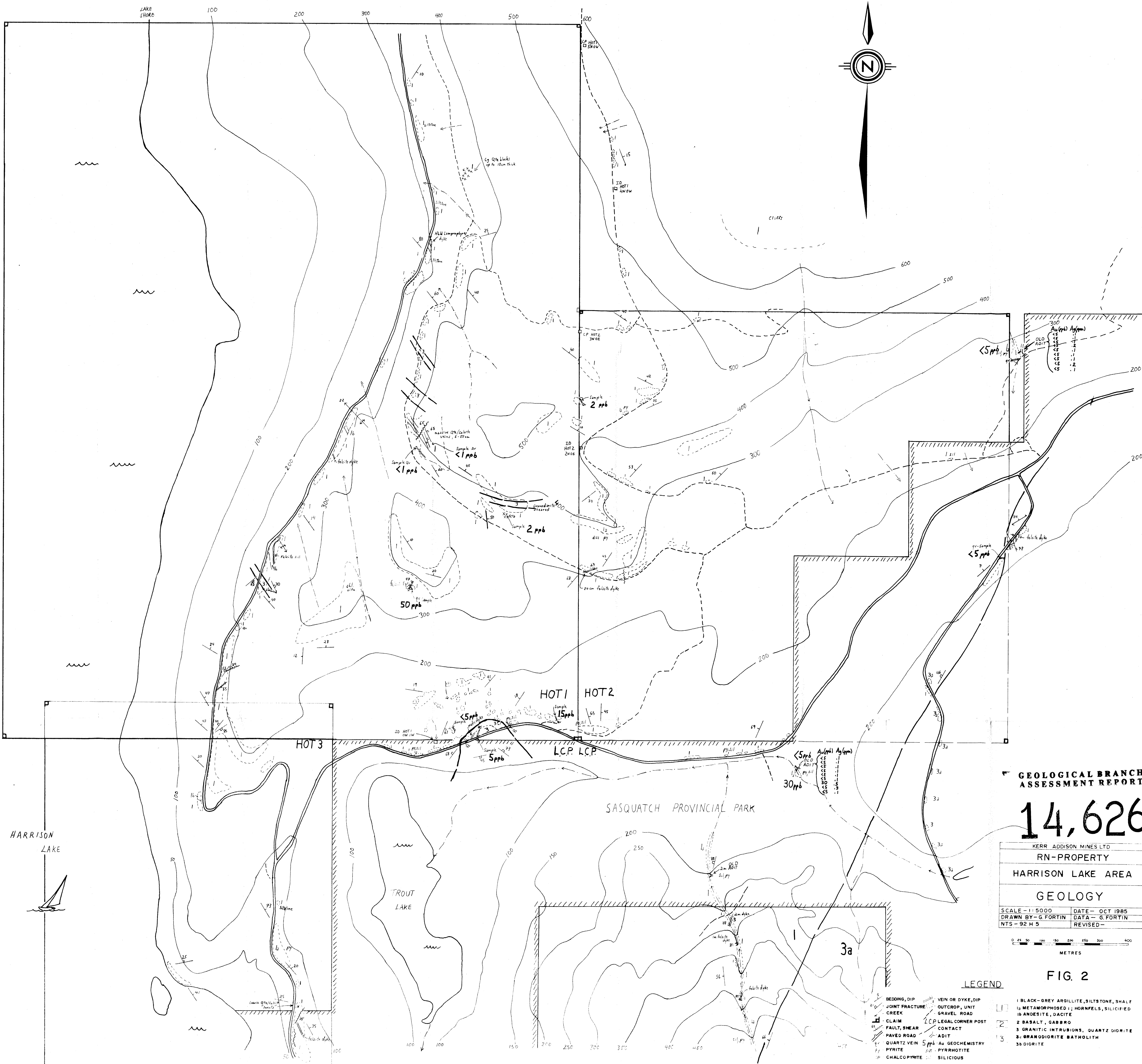
FIG. 1

0 20 40 60 80 100 120 140 160 180 200
METRES

- LEGEND**
- 1 BLACK-GREY ARGILLITE, SILTSTONE, SHALE
 - 2 METAMORPHOSSED L. HORNFELS, SILICIFIED ANDESITE, DACITE
 - 3 GRANITIC INTRUSIONS, QUARTZ DIORITE
 - 3a GRANODIORITE BATHOLITH
 - 3b DIORITE
 - 1a LEIN OR DYKE, DIP
 - 1b OUTCROP UNIT
 - 2 GRAVEL ROAD
 - 3 EQUAL TOWER POST
 - CONTACT
 - ADIT
 - 5m Au GEOCHEMISTRY
 - py PYRITE
 - cp CHALCOPYRITE
 - si SILICIOUS

RN-PROPERTY	
HARRISON LAKE AREA	
GEOLOGY	
SCALE=1:5000	DATE= OCT 1985
DRAWN BY-G FORTIN	DATA- G FORTIN
NTS-92 H 5	REVISED-

A-66



**GEOLOGICAL BRANCH
ASSESSMENT REPORT**

14,626

KERR ADDISON MINES LTD	
RN-PROPERTY	
HARRISON LAKE AREA	
GEOLOGY	
SCALE - 1:5000	DATE - OCT 1985
DRAWN BY - G. FORTIN	DATA - G. FORTIN
NTS - 92 H 5	REVISED -

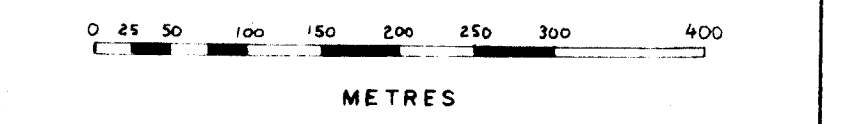


FIG. 2

LEGEND

—	BEDDING, DIP	—	VEIN OR DYKE, DIP
—	JOINT FRACTURE	—	OUTCROP, UNIT
—	CREEK	—	GRAVEL ROAD
—	CLAIM	—	LCP LEGAL CORNER POST
—	FAULT, SHEAR	—	CONTACT
—	PAVED ROAD	—	ADIT
—	QUARTZ VEIN	—	5 ppb Au GEOCHEMISTRY
—	PYRITE	—	PP - PYRRHOTITE
—	CHALCOPYRITE	—	SILICIOUS

- 1 BLACK-GRAY ARGILLITE, SILTSTONE, SHALE
- 2 METAMORPHOSSED 1; HORNFELS, SILICIFIED
- 3 ANDESITE, DACITE
- 4 BASALT, GABBRO
- 5 GRANITIC INTRUSIONS, QUARTZ DIORITE
- 6 GRANODIORITE BATHOLITH
- 7 DIORITE