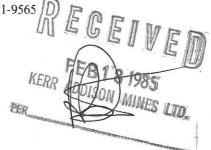
## NIRVANA OIL & GAS LTD.

1020-475 Howe Street, Vancouver, B.C. V6C 2B3 - Telephone: (604) 681-9565



February 12, 1985

Kerr Addison Mines Limited 703 - 1112 West Pender St. Vancouver, B. C. V6E 2S1

Attn: Mr. R. A. Dujardin

## KUSK MINERAL CLAIMS

Dear Sirs:

We wish to introduce you to the Kusk mineral claims held under option by Nirvana Oil & Gas Ltd. and Roddy Resources These claims adjoin to the south-east, the Eureka/-Amoco Frasergold Property near Horsefly, B.C., sixty miles east of Williams Lake.

G.D. Belik of G. Belik and Associates Ltd. reported on the work program carried out on the Kusk claims in 1984:

"The Kusk Property, consisting of 11 MGS claims totalling 154 units (3850 hectares), is situated in the MacKay River area, Cariboo Mining Division, British Columbia. The claim area occurs adjacent to Eureka Resources' Frasergold Property, where diamond drilling, carried out by Amoco Canada in 1983 and 1984, has identified significant gold-bearing zones hosted within a strongly deformed, steeply dipping, black phyllite sequence of Upper Triassic age. The gold mineralization, which appears to be stratigraphically controlled, is associated with a "knotted phyllite" unit characterized by the presence of abundant augen and boudins of rusty ankerite and/or siderite up to 8 mm in size. Native gold occurs disseminated within phyllite with higher-grade values marginal to synmetamorphic quartz/carbonate veins and lenses - a result of partial remobilization of gold during regional metamorphism and deformation of the host rocks.

"The gold-bearing knotted phyllite unit has been traced southeasterly through the Fraser gold Property into the Kusk 3 and Kusk 5 claim area. Near the center of the Kusk 5 claim the unit deflects westerly around the nose of a major southeasterly-trending syncline. phyllite is also exposed along the trace of the syncline further to the southeast. Here, a flat-lying

remnant of the unit appears to be preserved in the keel of the syncline within an area measuring approximately 1200 meters by 400 meters.

"Detailed soil sampling has identified several targets within the Kusk claim area. Of main interest is a large zone of weakly anomalous to highly anomalous gold values. This anomalous zone, which is about 1.5 km long and up to 700 meters wide, extends from the boundary of the Frasergold Property southerly into the Kusk 3 and Kusk 5 claim area. A close spacial association between the anomaly and the trace of the knotted phyllite unit is apparent.

"In view of the confirmation of a large zone of anomalous gold values in soil, associated with a unique facies of phyllite which is known to host significant zones of gold mineralization on the adjacent property, the Kusk claims are viewed as having an excellent exploration potential. Further work is recommended."

The above information provides a summary description of the Kusk claims and copies of the Belik report on the property are available for your inspection, should you be interested.

MMA

Nirvana and Roddy are interested in obtaining a partner to further explore the Kusk Property and are open to offers.

If you wish further information, please contact Mr. G. Kokonis or Mr. E. Schorn at (604) 681-9565.

Yours truly,

NIRVANA OIL & GAS LTD.

G. Kokonis President

GK : dd

