

KERR ADDISON MINES LIMITED

(FOR INTER-OFFICE USE ONLY)

46
pls hold
forme
826944

IDB.
P.B.
J.K.C.
A.H.C.
P.S.C.
D.M.H.
J.B.S.
FILE

To..... D. A. Lowrie

From..... C. K. Wilton

Subject..... Pacific Eastern Property

Date April 27, 1984

BRALORNE AREA, B.C.

Without knowing the area described, one is attracted to this project, based on Arscott's report.

Dujardin's approach seems quite reasonable.

I can appreciate your comparison of this area with the Larder Lake area west of the Kerr mine.

I recommend further consideration.

S. Moore

pp. C. K. Wilton

CKW/sm

The concept is excellent. The deal is impossible - We need to be able to perform low cost reconnaissance work followed by geochem, geophs? and occasional drill testing without any serious payments

CKW

Pls look at this
and determine whether
or not you agree
~~to~~ with me that
this is a "grass roots"
project.

A handwritten signature in cursive script, appearing to be 'J. B. L.' with a long horizontal stroke extending to the right.

KERR ADDISON MINES LIMITED

(FOR INTER-OFFICE USE ONLY)

DL

APR 28 1984

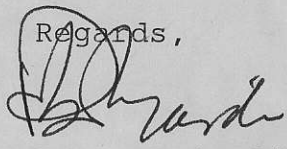
LOG.
A.M.C.
P.S.C.
D.M.H.
W.A.
D.A.L.
J.S.S.
~~C.W.~~
FILE

To.....D. A. Lowrie.....From.....R. A. Dujardin.....

Subject.....Pacific Eastern Property, B.C.....Date.....April 23, 1984.....

Enclosed please find a proposal I have drafted for the Pacific Eastern Property. The terms are what I think are the "bottom line" for Normine, which is one of Mike Beley's companies. I would appreciate your suggestions on this and will do nothing further until I hear from you. At the moment all Beley knows is that I will put a proposal to him in writing, that we can't accept the high payments due to the Optionors and that we plan a long range basic program. Beyond that he does not know the amounts of payments and expenditures we have in mind. The first years' work will consist of geological mapping, detailed geochemical sampling, magnetometer and EM 16 Surveys all on a grid to be established - a base line 5 miles long, cross lines every 500 feet.

I also enclose Dave Arscott's final report on the subject which is additional to the one you already have in hand.

Regards,

R. A. Dujardin

DRAFT - FOR INTERNAL DISCUSSION
PURPOSES ONLY

Normine Resources Ltd.
510 - 475 Howe Street
Vancouver, B.C.
V6C 2B3

Dear Sirs:

Re: Pacific Eastern Mineral Property, Bralorne Area, British Columbia

1. We understand that Normine Resources Ltd ("Normine") has the exclusive option to purchase 86 crown granted mineral claims and fractions located immediately east of the dormant Bralorne-Pioneer Mine, such claims being collectively known as the Pacific Eastern Property ("the Property").
2. Normine acquired its option to purchase the Property pursuant to an agreement (the "Option Agreement") between it and B.R.H. Investments Ltd ("BRH") of 20269 Fraser Highway, Langley, B.C. and J.T.M. Enterprises Ltd ("JTM") of Floor 27-595 Burrard Street, Vancouver, B.C. dated _____, 1983. JTM and BRH (the "Optionors") are the sole legal and beneficial owners of the Property.
3. Under the terms of the Option Agreement, Normine has the exclusive right to enter the Property and to conduct any and all mining activities thereon including the extraction of ore, providing that Normine is not in default in the making of certain annual payments specified in the Option Agreement. When all of such annual payments have been made, the total of which is \$8,525,000 including the \$15,000 paid on signing the Option Agreement, Normine will have purchased 100% of the Property from the Optionors. The annual schedule of twelve consecutive payments extends from April 30, 1984 through to April 30, 1995.

4. Kerr Addison Mines Limited ("Kerr") is desirous of negotiating an agreement with Normine whereby it could earn a controlling interest in the Property but is deterred by the onerous annual payments due under the Agreement. Kerr feels that while the Property has potential value due to its proximity to former producers, previous exploration efforts failed and the Property has remained dormant for a long time. Future success and real value for the Property will only come from long range, methodical programs the outcome of which is purely speculative at this time. Kerr's view is that the payment schedule should be considerably moderated so as to encourage the continuance of exploration without the overhang of heavy payments. Kerr further suggests that the Optionors' major returns should come after production commences.

5. The following basic terms would be acceptable to Kerr in an agreement with Normine concerning the future development of the Property:

(a) Under the agreement Kerr would have the right to earn a 60% interest in the Property and the right to manage and control all work programs conducted thereon.

(b) Until Kerr had spent \$1,500,000 on the Property, it would bear all expenditures related thereto and Normine would not be required to contribute.

(c) When total expenditures with respect to the Property equalled \$1,500,000, Normine would have to elect either to maintain a 40% participating interest or reduce its interest to a 15% carried net profits interest.

(d) Kerr would commit to expenditures of \$150,000 in 1984 and cumulative expenditures would have to be \$400,000 by December 31, 1985, \$750,000 by 1986, \$1,100,000 by December 31, 1987 and \$1,500,000 by December 31, 1988 to keep the agreement in good standing.

(e) Annual payments to the Optionors would be \$25,000 in each of 1985, 1986 and 1987, \$35,000 in 1988 and \$50,000 thereafter until start of production.

(f) On production the Optionors would receive 5% of net proceeds until they had recouped \$5,000,000.

Please let us know if the above terms are acceptable and whether it is likely that the Optionors will agree to the proposed new conditions.

The above suggestions are not meant as an attempt to interfere in your affairs but are set out only to indicate Kerr's views. We respectfully solicit your further comments.

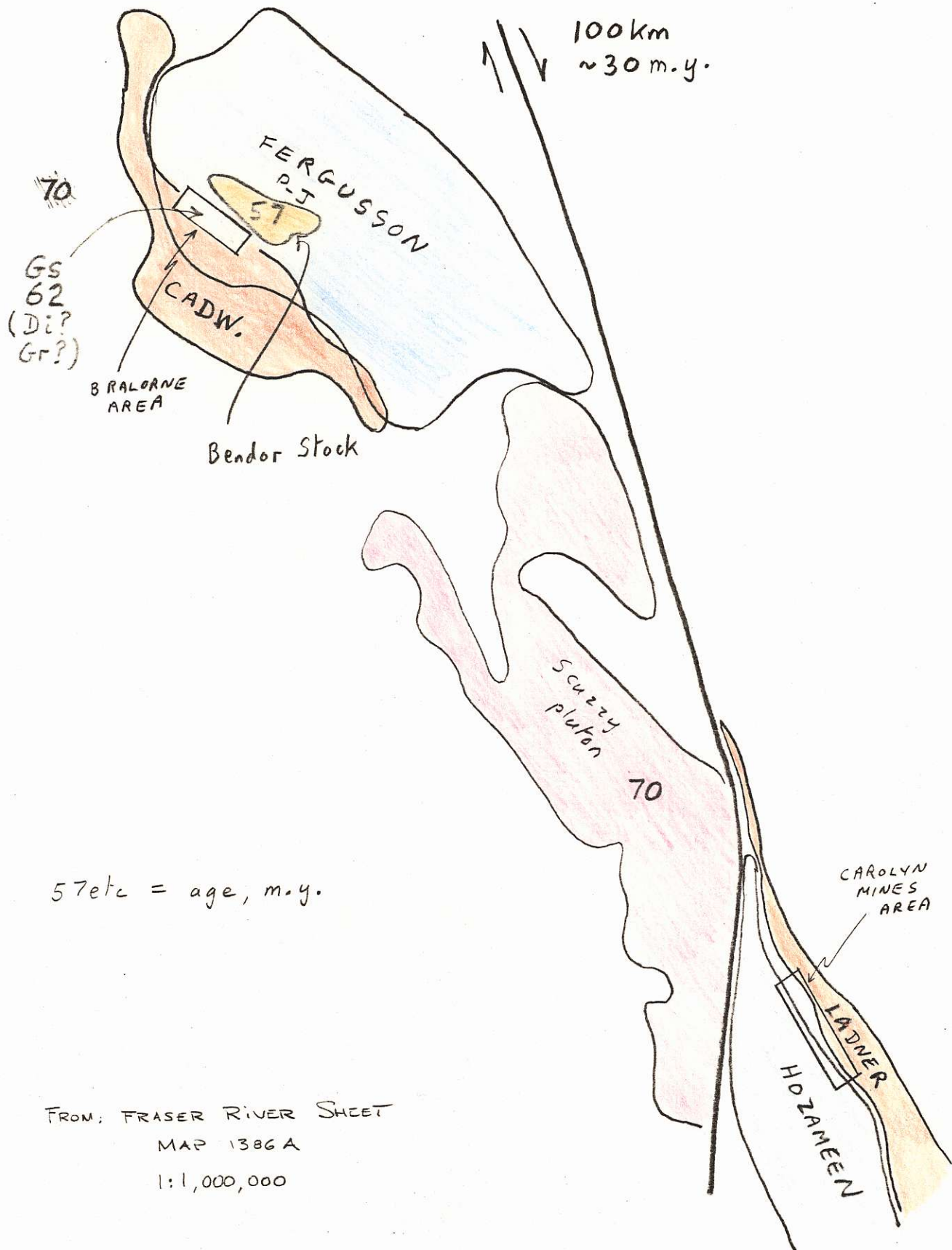
Yours very truly,

RAD/lk

APR 26 1984

MAP INDEX

- FIG. 1 - FRASER RIVER SHEET , MAP 1386 A 1:1,000,000 (OVERLAY)
- 2 - TABLE FORMATION FOR BRIDGE RIVER AREA
- 3 - GEOLOGY OF BRIDGE RIVER 1:125,000
- 4 - GEOLOGY OF BRIDGE RIVER MINERAL AREA
- 5 - GENERAL GEOLOGY
- 6 - GEOLOGY AND PROPERTY AREA - MAP 431 A . 1" = 1/2 MILE
- 7 - GEOLOGY OF BRALORNE - PIONEER EXTENSION AREA
- 8 - DISTRICT GEOLOGY
- 9 - COMPOSITE OF BRALORNE 8 AND PIONEER 5 LEVELS.
- 10 - COMPOSITE OF BRALORNE 20 AND PIONEER 17 LEVELS
- 11 - GEOLOGICAL X-SECTION C-D OF PACIFIC EASTERN WORKINGS.
- 12 - " " OF PIONEER MINE
- 13 - PIONEER EXTENSION GEOLOGY - 520 LEVEL
- 14 - X-SECTION OF UNDERGROUND WORKING AREA.



FROM: FRASER RIVER SHEET
MAP 1386A
1:1,000,000

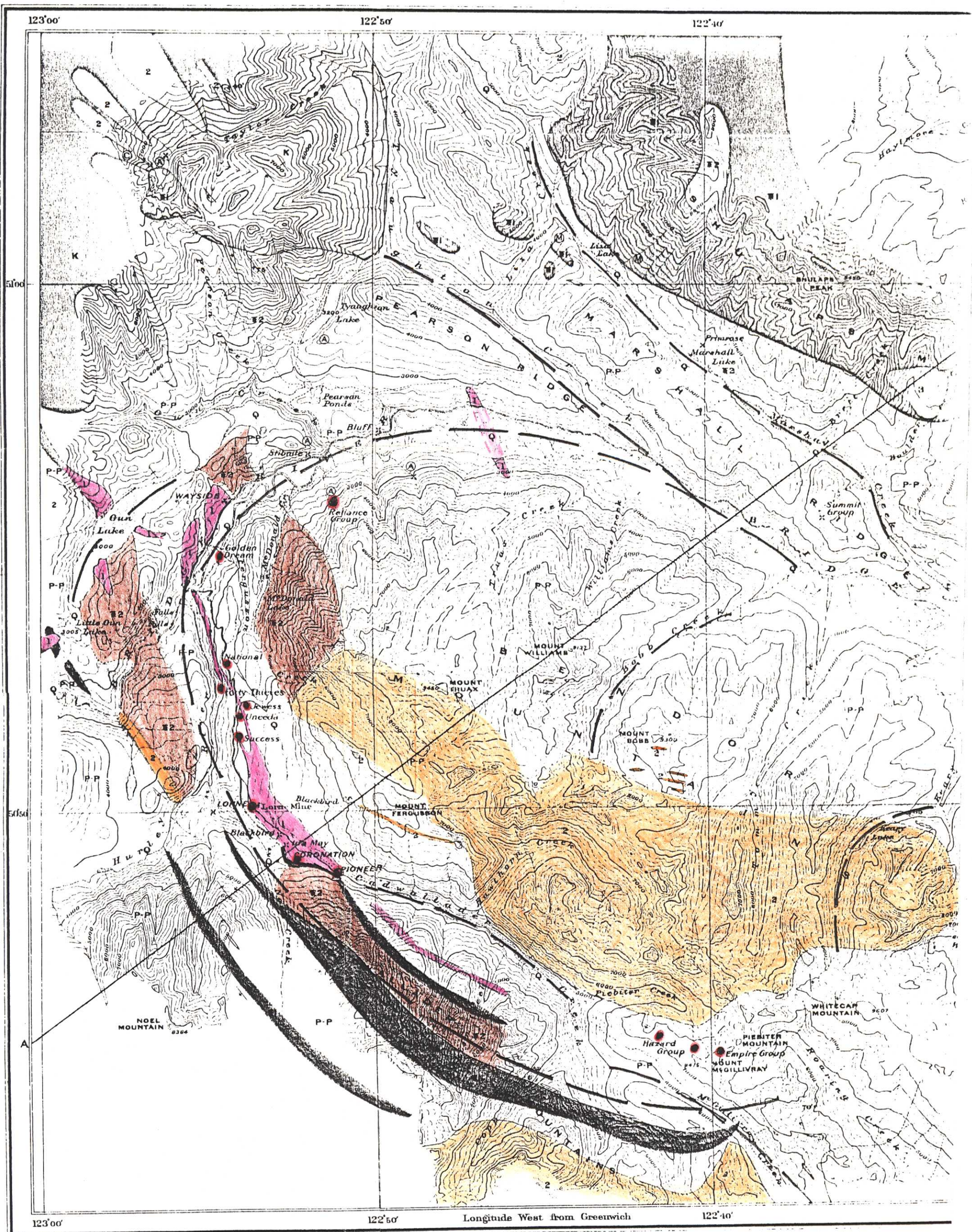
FIG. 1

Fig. 2.

PERIOD	FORMATION	LITHOLOGY	ALTERATION	VEIN HOST	
	MINTO UN 47m.y. BENDOR intrusives 57 m.y.	Granodiorite,* related dykes	None	Never	
TERTIARY		Albitite dykes*(quartz feldspar porphyry, feldspar hornblende porphyry, and other felsites)	Minor quartz-sericite-py-asp	Rarely	
	Serpentine	Serpentine	Carbonate-silica (unrelated to Au) Talc(near W.end of veins)	Rarely	
CRETACEOUS	BRALORNE intrusives 62m.y. (near Arizona mine, 67 m.y. on dyke at Minto)	Soda granite(sodaclase tonalite* or albite quartz diorite)* Augite diorite*(augite sodaclase diorite)	Quartz-sericite-carbonate Early stage: clinozoisite or prehnite + quartz Later: ankerite, sericite, silica, local py and chlorite	Sometimes Often	
	COAST PLUTONIC COMPLEX (73 to 78 m.y.)	Quartz diorite			
	TRIASSIC	Cadwallader Series	HURLEY group	Sediments: argillaceous, tuffaceous and limy	
PIONEER formation			Greenstone lavas*(possible minor rhyolite ?) (possible u m flows) ?	Early?: carbonate Later: quartz-albite py-asp Local: Kaolin(BRX) Biotite (Pioneer)	Often
NOEL			Sediments: argillaceous and tuffaceous .(Possibly correlate with Ferguson)		
Permian (to mid Jurassic?)	FERGUSON group (Bridge River Series)	Cherty sediments and some lavas	Lavas have ankerite, py, asp.		

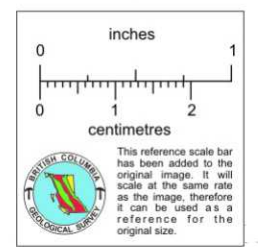
LEGEND

- CENT Q Fluvio glacial deposits
 - OCENE? S REXMOUNT porphyry underlain by remnants of sediments containing lignite
 - LOWER CRETACEOUS E Bendor batholith (quartz-diorite)
 - LOWER CRETACEOUS K Eldorado series
 - UPPER CRETACEOUS L Augite-diorite stock + sodic granite
 - UPPER CRETACEOUS L Limestone lenses
 - UPPER CRETACEOUS T2 Cabwallader series
 - UPPER CRETACEOUS? S Shulaps volcanics (serpentine) incl. greenstone
 - OLYMPIAN L Limestone lenses
 - OLYMPIAN P-P Bridge River series
- Symbols**
- Geological boundary (defined)
 - Geological boundary (assumed)
 - ↘ Dip and strike
 - | Vertical strata
 - Glacial striae
 - Chromite
 - Ⓜ Magnesite
 - Ⓐ Antimony
 - † Placer claims
 - x Prospects



G.O. Senecal, Geographer and Chief Draughtsman.
A. Braidwood and A. Jones, Draughtsmen.

G.S.C. Mem. 130



Geology by Drysdale.
BRIDGE RIVER $\frac{1}{125,000}$
(BETWEEN REXMOUNT AND GUN LAKE) $\approx 2 \text{ mi} = 1 \text{ in.}$
LILLOOET DISTRICT
BRITISH COLUMBIA

Geology by C.W. Dr.
W.H.H.
Surveys and







FIG. 3

BRALORNE PIONEER MINES LTD.

FIGURE 1
BRIDGE RIVER MINERAL AREA
GEOLOGY

After C.E. Cairnes G.S.C.

LEGEND

-  Serpentinite
-  Coast Range Intrusives
-  Bralorne Diorite
Pioneer Greenstone
-  Jurassic Beds
-  Hurley-Noel
-  Ferguson

1 mile

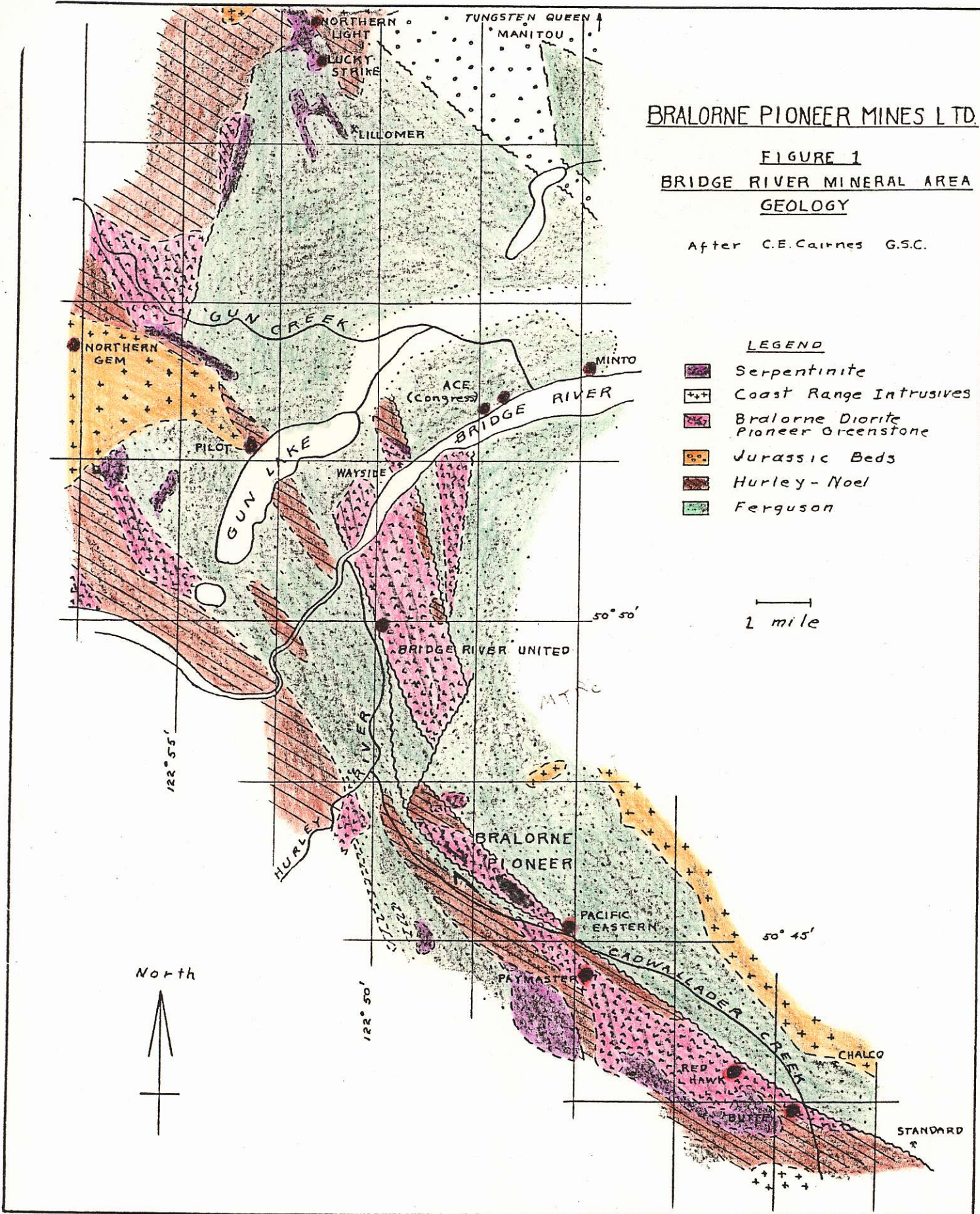
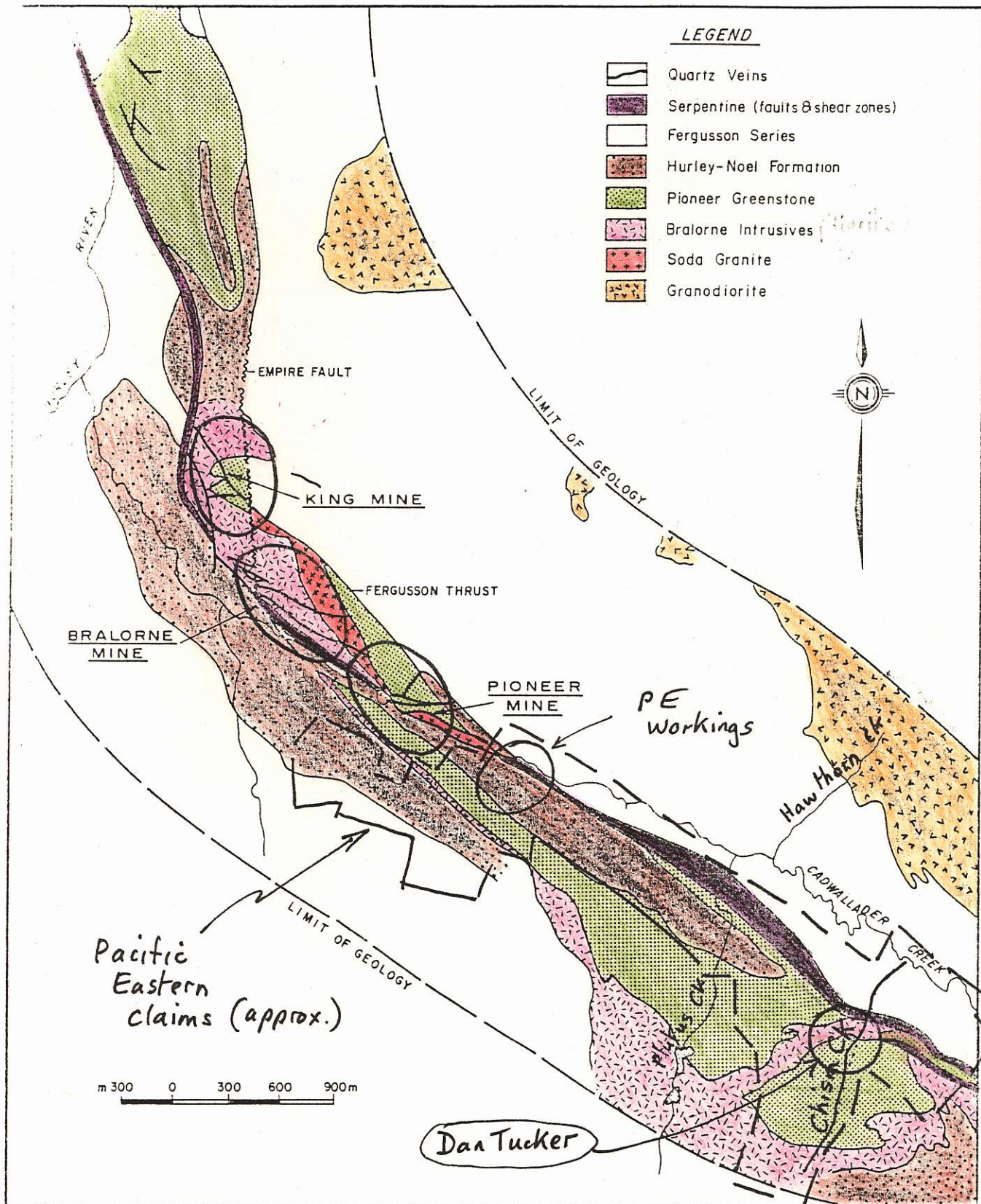


Fig. 4

Fig. 5




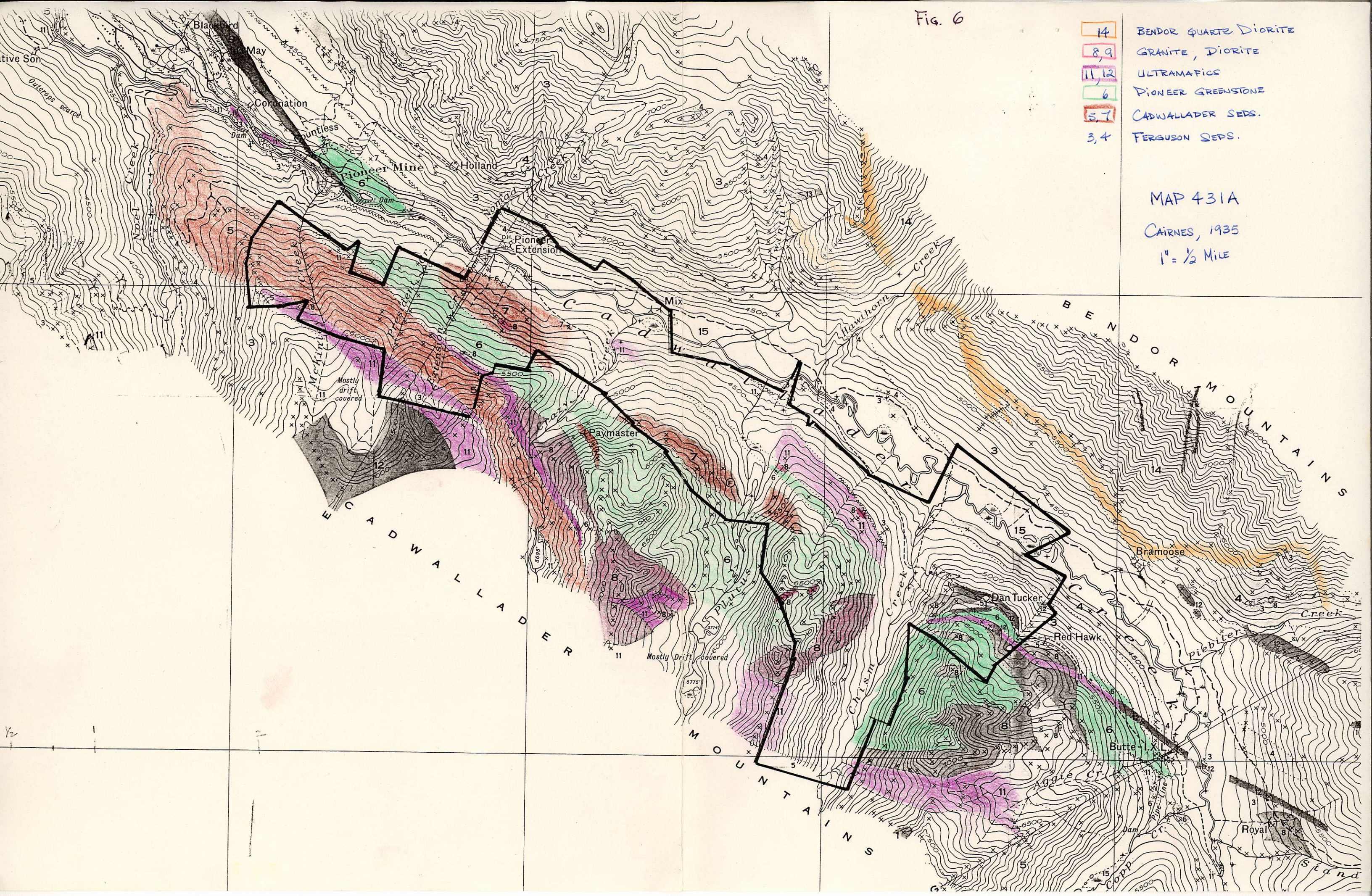
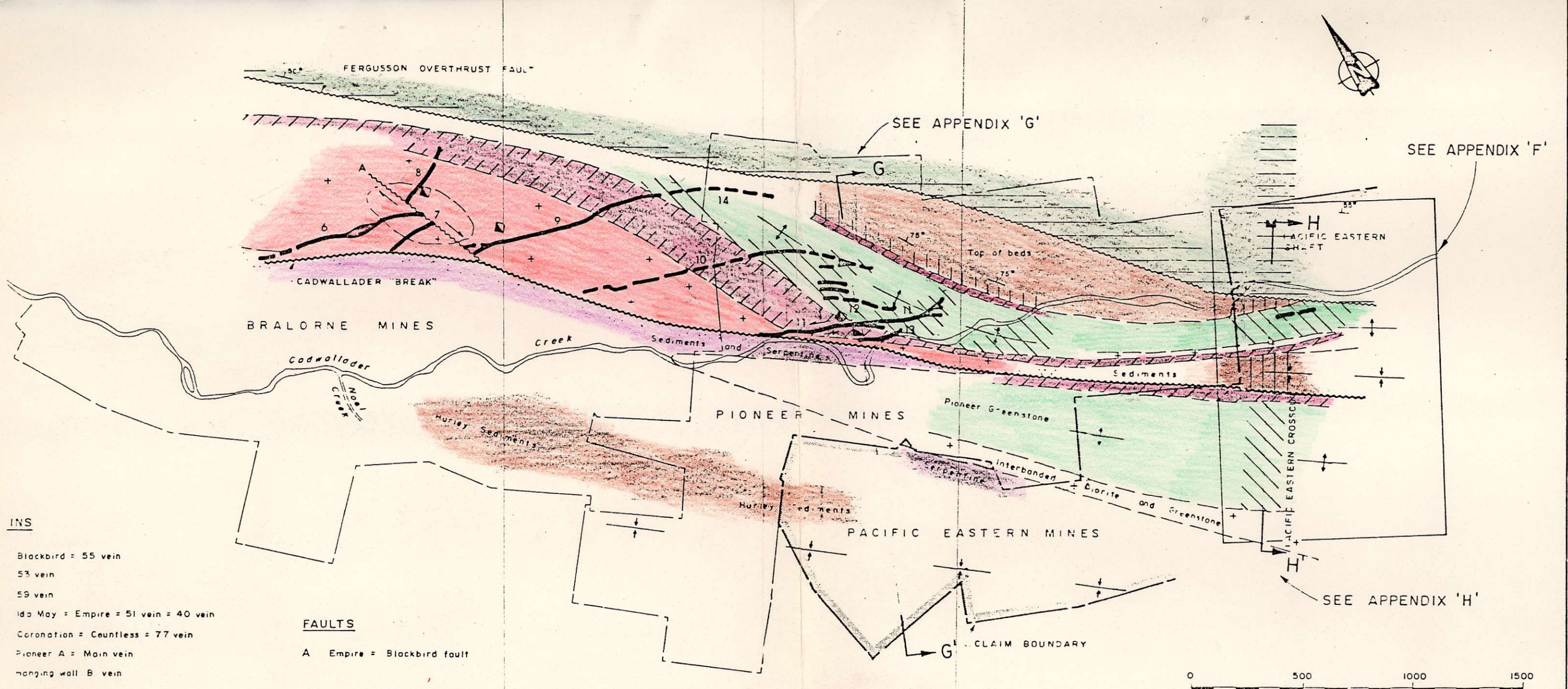
 E & B EXPLORATIONS INC. VANCOUVER CANADA		BRALORNE PROJECT			
		GENERAL GEOLOGY			
DATE	OFFICE	DEPARTMENT	MAP INDEX NO.	SCALE	DRAWING NO.
				1:31680 or 1" = 1/2 mi.	FIG 3:2

Fig. 6

- 14 BENDOR QUARTZ DIORITE
- 8,9 GRANITE, DIORITE
- 11,12 ULTRAMAFICS
- 6 PIONEER GREENSTONE
- 5,7 CADWALLADER SEDS.
- 3,4 FERGUSON SEDS.

MAP 431A
 CAIRNES, 1935
 1" = 1/2 MILE



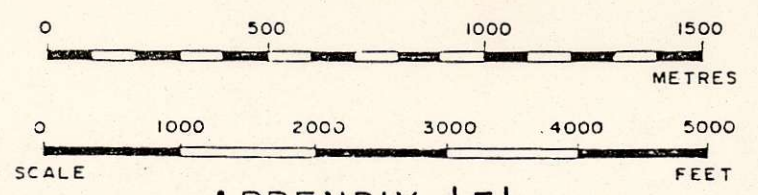


- INS**
- Blackbird = 55 vein
 - 53 vein
 - 59 vein
 - Ida May = Empire = 51 vein = 40 vein
 - Coronation = Countless = 77 vein
 - Pioneer A = Main vein
 - hanging wall B vein
 - Footwall vein
 - 40 vein (projected)

- FAULTS**
- A Empire = Blackbird fault

GEOLOGY BY:
 J. S. Stevenson correspondence 1983
 G. Nordin, BEMA INDUSTRIES, 1983
 F. R. Joubin 1948,
 STRUCTURE OF CANADIAN ORE DEPOSITS,
 C. I. M. M. JUBILEE VOLUME

WITH MODIFICATIONS BY
 W. G. STEVENSON, P. ENG.



APPENDIX 'E'

LEGEND	
	Soda granite
	Diorite
	Serpentine
	Hurley sediments
	Pioneer greenstone
	Fergusson series
	Pacific Eastern claim boundary
	Fault
	Geological contact
	Synclinal axis; anticlinal axis
	Vein
	Bedding
	Shaft

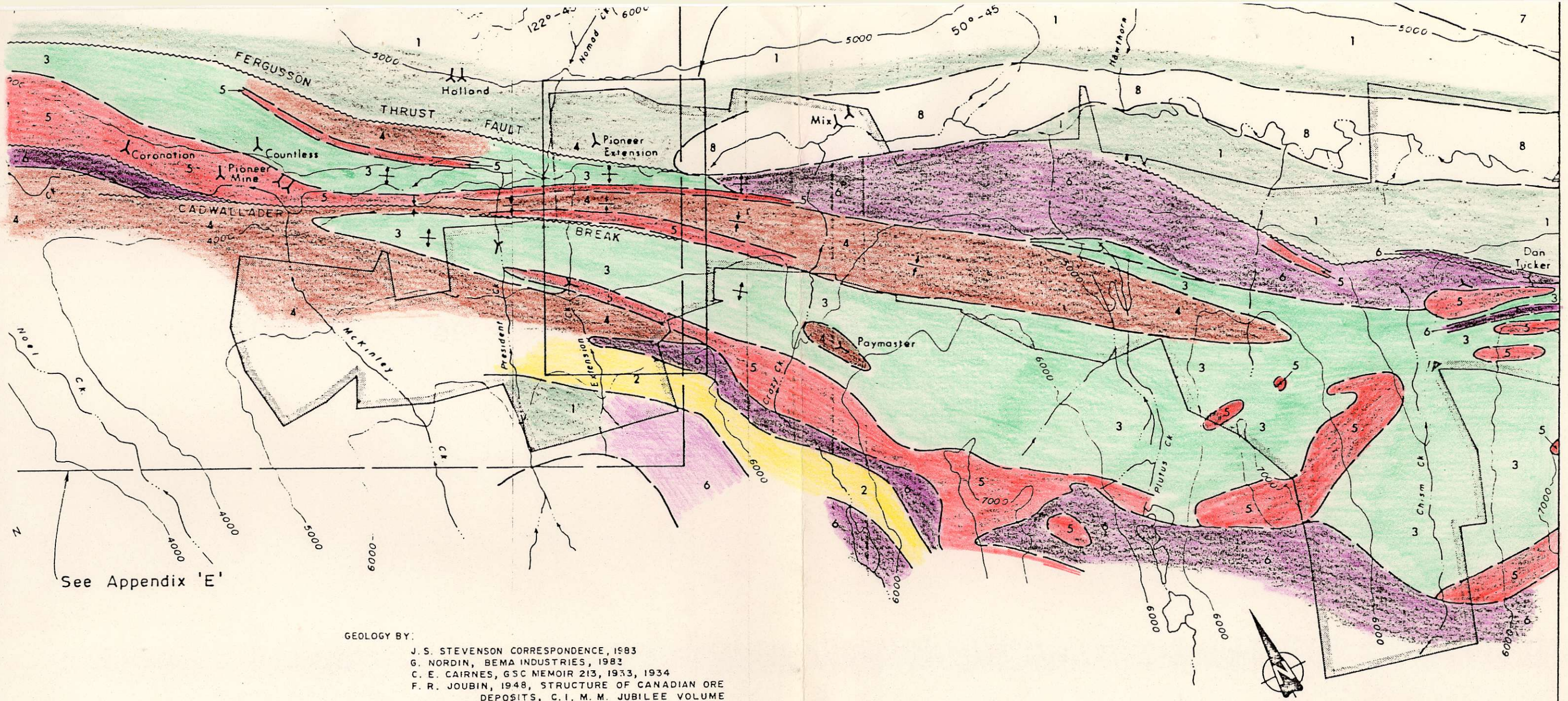
NORMINE RESOURCES LTD.
 PACIFIC EASTERN PROJECT

GEOLOGY
 BRALORNE-PIONEER-
 PIONEER EXTENSION AREA

DATE: 83-06-14	JOB NO.: 83-16
APPROVED BY:	FIG. NO.: 5

W. G. STEVENSON AND ASSOCIATES LTD.
 CONSULTING GEOLOGISTS

Fig. 7

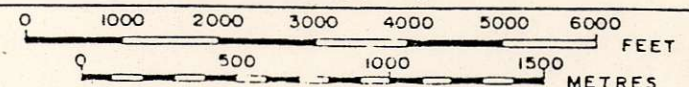


See Appendix 'E'

GEOLOGY BY:
 J. S. STEVENSON CORRESPONDENCE, 1983
 G. NORDIN, BEMA INDUSTRIES, 1983
 C. E. CAIRNES, GSC MEMOIR 213, 1933, 1934
 F. R. JOUBIN, 1948, STRUCTURE OF CANADIAN ORE DEPOSITS, C.I. M. M. JUBILEE VOLUME
 J. S. STEVENSON, 1983

WITH MODIFICATIONS BY W. G. STEVENSON, P. ENG.

APPENDIX 'D'



NORMINE RESOURCES LTD.
 PACIFIC EASTERN PROJECT

DISTRICT GEOLOGY

DATE: 83-11-03 JOB NO.: 83-16
 APPROVED BY: FIG NO.: 4

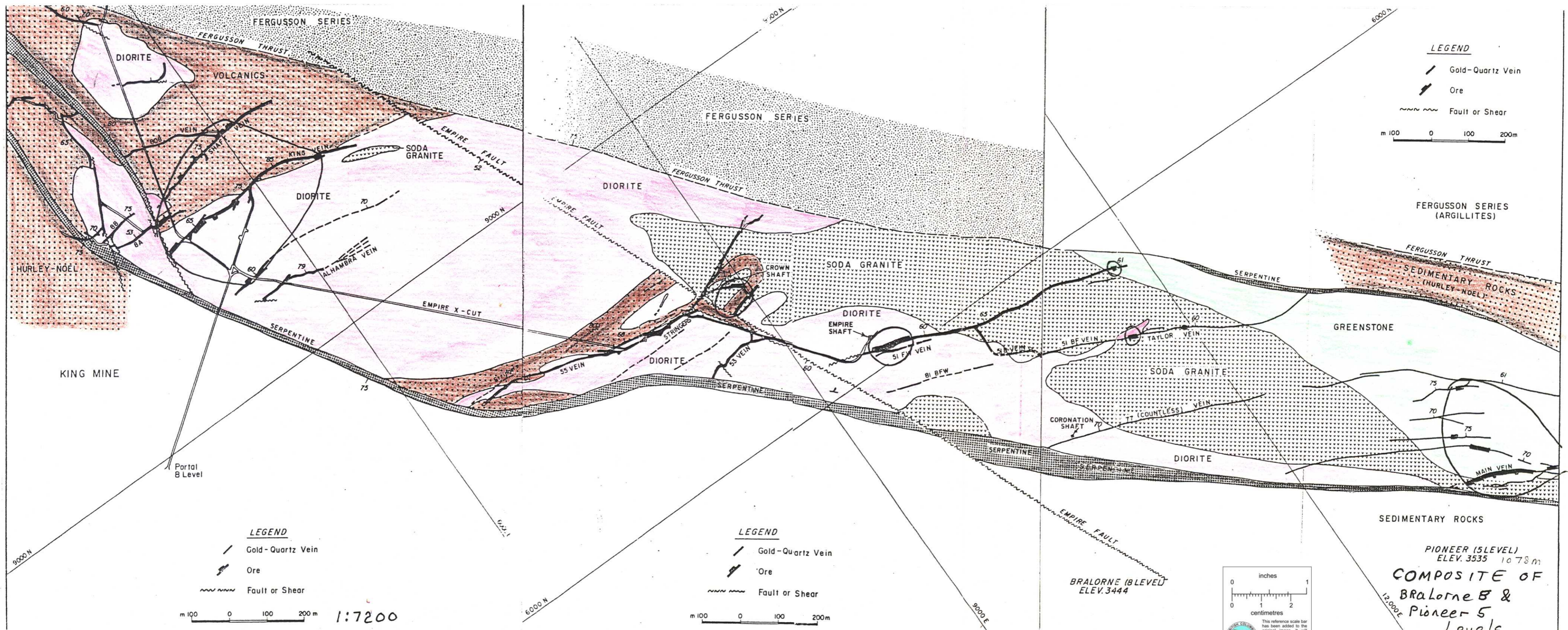
W. G. STEVENSON AND ASSOCIATES LTD.
 CONSULTING GEOLOGISTS

LEGEND

- | | | |
|---|---|--|
| <p>ANTICLINE AXIS</p> <p>SYNCLINE AXIS</p> <p>ADIT</p> <p>GEOLOGICAL CONTACT</p> <p>CREEK</p> <p>CLAIM BOUNDARY</p> <p>CONTOURS (IN FEET)</p> | <p>CENOZOIC</p> <p>8 PLEISTOCENE TO RECENT
CRETACEOUS</p> <p>BENDOR INTRUSIVES</p> <p>7 Hornblende - biotite quartz diorite</p> <p>PRESIDENT</p> <p>6 Peridotite, dunite, serpentine</p> <p>JURASSIC</p> <p>5 BRALORNE INTRUSIVE
Soda granite, augite diorite, gabbro</p> | <p>JURASSIC - TRIASSIC</p> <p>HURLEY FORMATION - argillaceous-tuffaceous sediments, minor limestone, conglomerate</p> <p>3 PIONEER FORMATION - andesite, greenstone, tuff, breccia</p> <p>2 NOEL FORMATION - argillaceous-tuffaceous sediments, conglomerate, tuff breccia</p> <p>PERMIAN</p> <p>1 FERGUSON SERIES
Basalt, andesite, thin bedded chert, argillite.</p> |
|---|---|--|

Fig. 8

Fig. 9



LEGEND

- Gold-Quartz Vein
- Ore
- Fault or Shear

m 100 0 100 200m

FERGUSSON SERIES (ARGILLITES)

FERGUSSON THRUST

SEDIMENTARY ROCKS (HURLEY-NOEL)

GREENSTONE

SEDIMENTARY ROCKS

PIONEER (5 LEVEL)
ELEV. 3535 1078m

COMPOSITE OF
BRALORNE &
Pioneer 5
Levels

LEGEND

- Gold-Quartz Vein
- Ore
- Fault or Shear

m 100 0 100 200m

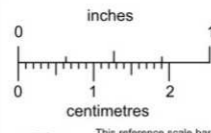
1:7200

LEGEND

- Gold-Quartz Vein
- Ore
- Fault or Shear

m 100 0 100 200m

BRALORNE (8 LEVEL)
ELEV. 3444



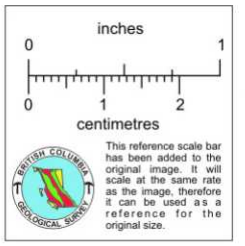
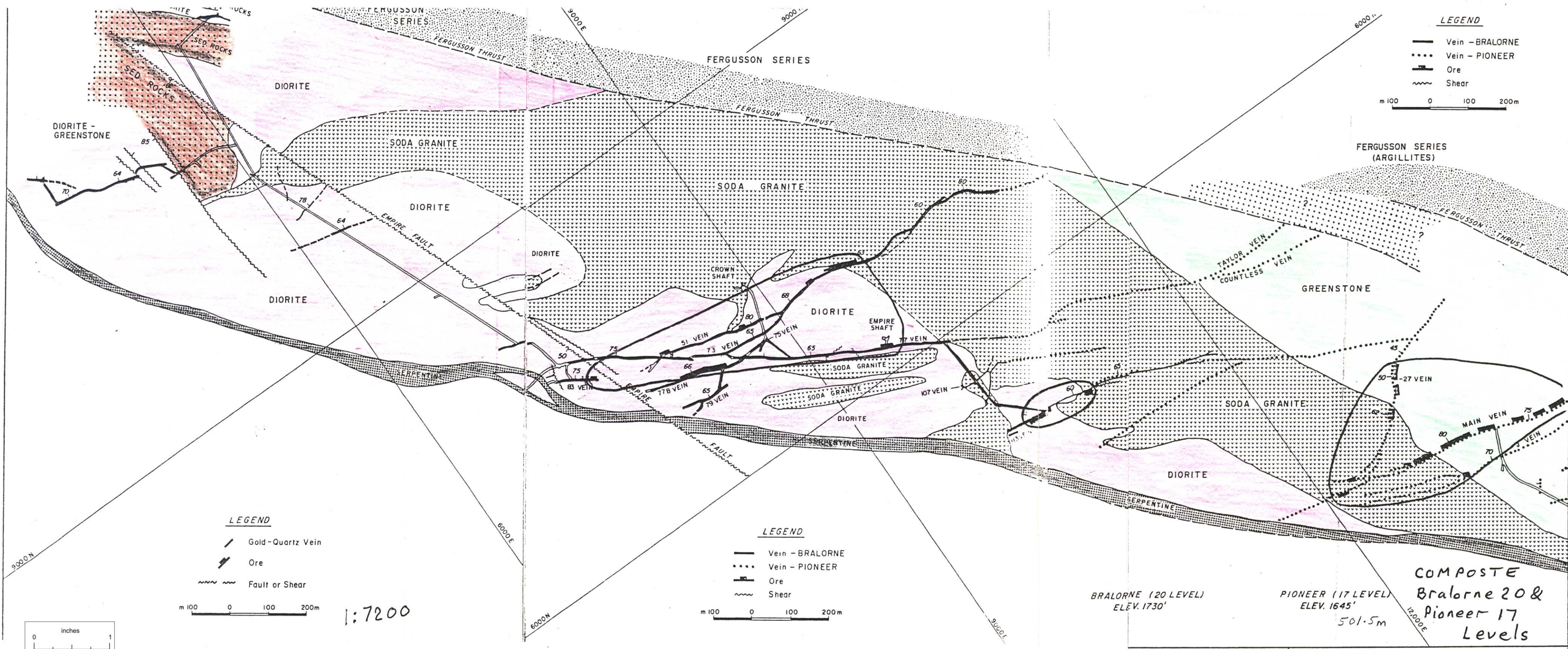
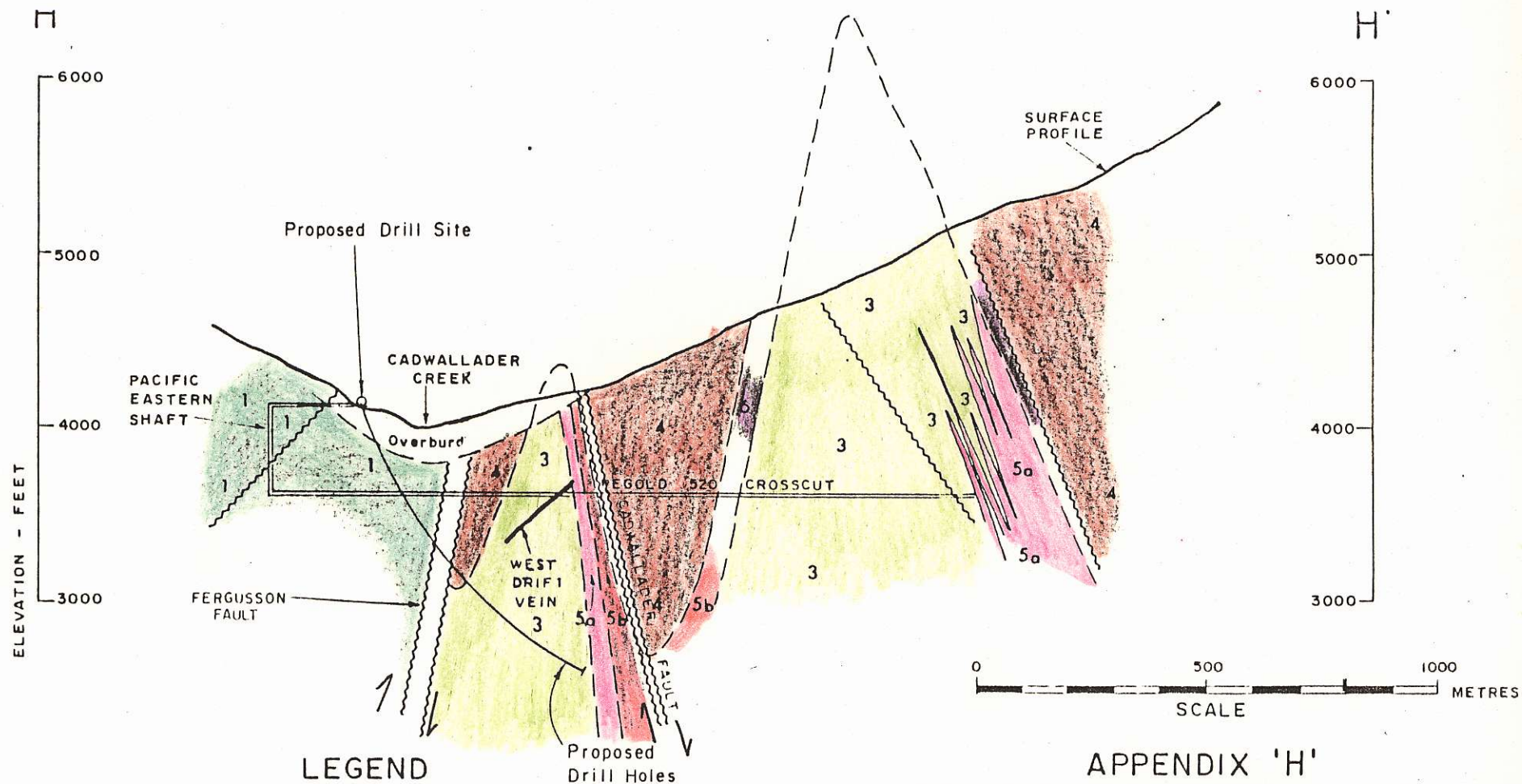



Fig. 10



LEGEND

- | | |
|---|---|
| <p>CRETACEOUS</p> <p>6 Serpentine</p> <p>JURASSIC</p> <p>BRALORNE INTRUSIVES</p> <p>5b Soda granite</p> <p>5a Augite diorite</p> | <p>JURASSIC - TRIASSIC</p> <p>4 HURLEY FORMATION - sediments</p> <p>3 PIONEER FORMATION - greenstone</p> <p>PERMIAN</p> <p>1 FERGUSSON SERIES - greenstone, sediments</p> |
|---|---|
-  GOLD VEIN

GEOLOGY BY:

J. S. STEVENSON CORRESPONDENCE, 1983
 G. NORCIN, BEMA INDUSTRIES, 1983
 F. R. JOUBIN, 1948, STRUCTURE OF CANADIAN ORE DEPOSITS,
 C. I. M. M. JUBILEE VOLUME

WITH MODIFICATIONS BY W.G. STEVENSON,
 P. ENG.

APPENDIX 'H'

NORMINE RESOURCES LTD.

PACIFIC EASTERN PROJECT

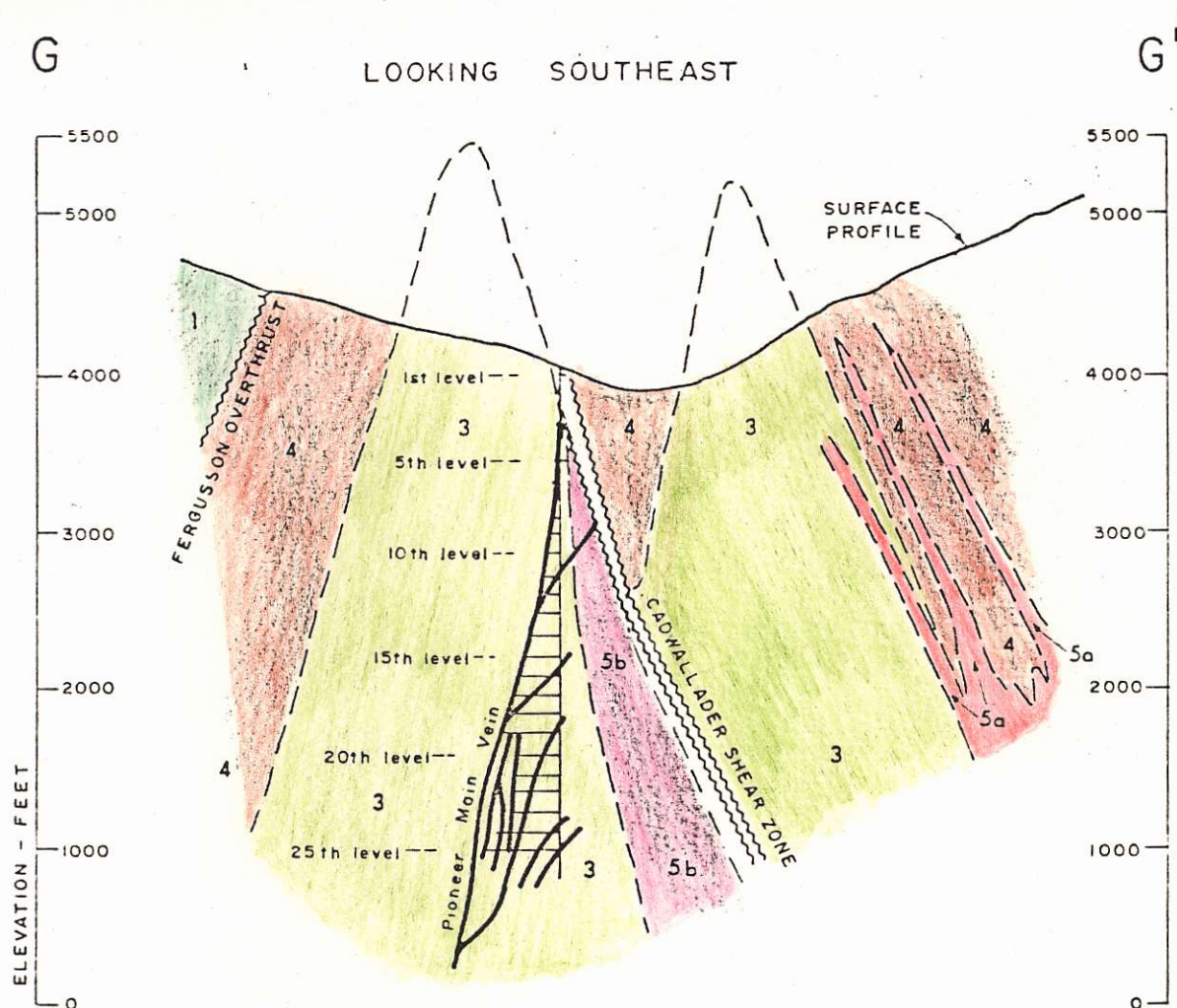
SECTION C - D
 GEOLOGICAL CROSS SECTION OF
 PACIFIC EASTERN WORKINGS

DATE: 83-11-03 JOB NO.: 83-16


APPROVED BY: FIG. NO.: 8

W. G. STEVENSON AND ASSOCIATES LTD.
 CONSULTING GEOLOGISTS

Fig. 11



LEGEND

- | | | | |
|---|---|--|---|
| <p>6
Serpentine</p> <p>5b
Soda granite</p> <p>5a
Augite diorite</p> | <p>JURASSIC
BRALORNE INTRUSIVES</p> | <p>4
HURLEY FORMATION - sediments</p> <p>3
PIONEER FORMATION - greenstone</p> <p>1
FERGUSON SERIES - greenstone, sediments</p> | <p>JURASSIC - TRIASSIC</p> <p>PERMIAN</p> |
|---|---|--|---|
-  GOLD VEINS

APPENDIX 'G'

NORMINE RESOURCES LTD.
PACIFIC EASTERN PROJECT

SECTION A-B
GEOLOGICAL CROSS-SECTION OF
PIONEER MINE

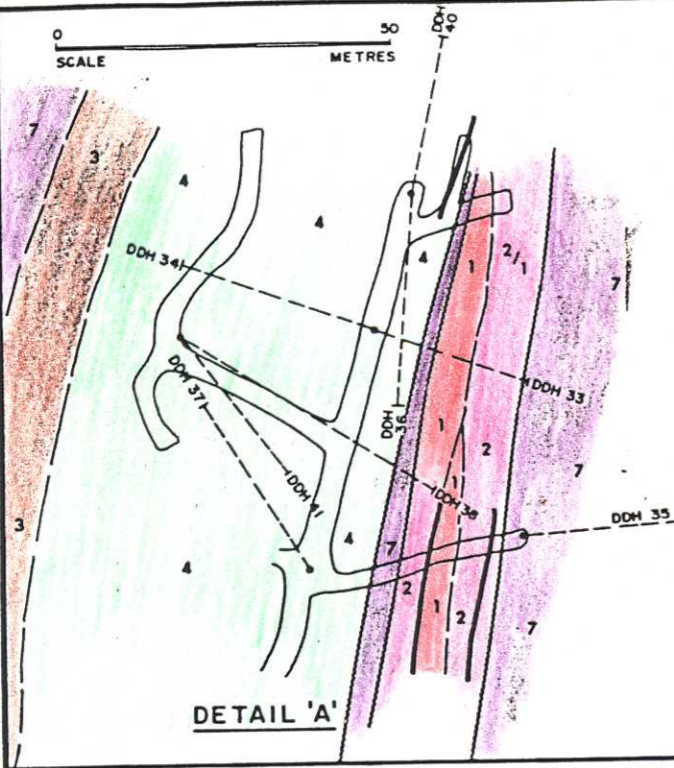
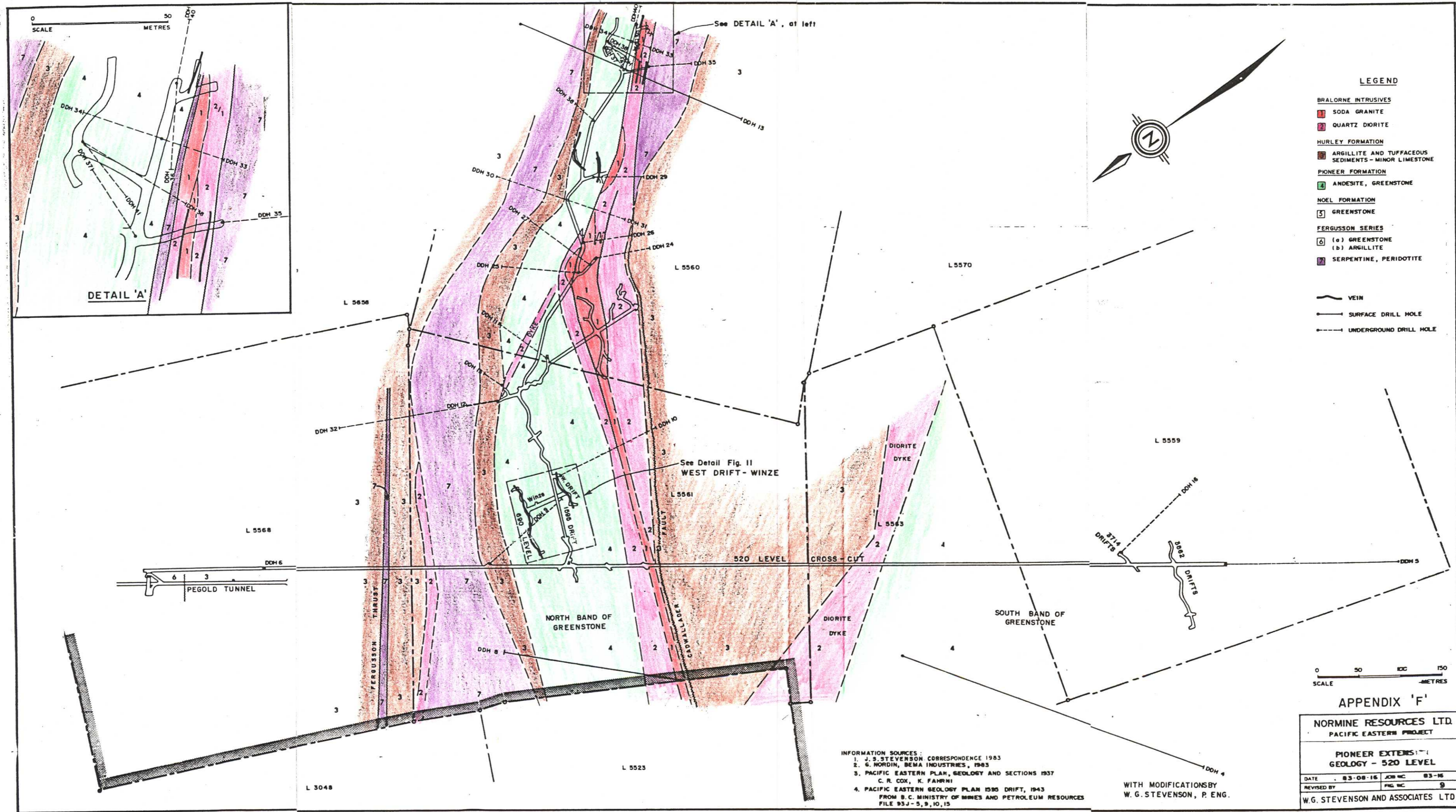
DATE: 83-11-03 JOB NO.: 83-16

APPROVED BY: FIG. NO.: 6

W. G. STEVENSON AND ASSOCIATES LTD.
CONSULTING GEOLOGISTS

GEOLOGY BY:
G. NORDIN, BEMA INDUSTRIES, 1983
F. R. JOUBIN, 1948
STRUCTURE OF CANADIAN ORE DEPOSITS,
C. I. M. M. JUBILEE VOLUME

Fig. 12



- LEGEND**
- BRALORNE INTRUSIVES**
- 1 SODA GRANITE
 - 2 QUARTZ DIORITE
- HURLEY FORMATION**
- 3 ARGILLITE AND TUFFACEOUS SEDIMENTS - MINOR LIMESTONE
- PIONEER FORMATION**
- 4 ANDESITE, GREENSTONE
- NOEL FORMATION**
- 5 GREENSTONE
- FERGUSSON SERIES**
- 6 (a) GREENSTONE
 - 6 (b) ARGILLITE
 - 7 SERPENTINE, PERIDOTITE
- VEIN
- SURFACE DRILL HOLE
- - - UNDERGROUND DRILL HOLE

INFORMATION SOURCES:

1. J. S. STEVENSON CORRESPONDENCE 1983
2. G. NORDIN, BEMA INDUSTRIES, 1983
3. PACIFIC EASTERN PLAN, GEOLOGY AND SECTIONS 1937
C. R. COX, K. FAHRNI
4. PACIFIC EASTERN GEOLOGY PLAN 1936 DRIFT, 1943
FROM B. C. MINISTRY OF MINES AND PETROLEUM RESOURCES
FILE 93J-5, 9, 10, 15

WITH MODIFICATIONS BY
W. G. STEVENSON, P. ENG.

APPENDIX 'F'

NORMINE RESOURCES LTD.
PACIFIC EASTERN PROJECT

PIONEER EXTENS 1-1
GEOLOGY - 520 LEVEL

DATE	83-08-16	JOB NO.	83-16
REVISED BY	W.G.S.	FIG. NO.	9

W.G. STEVENSON AND ASSOCIATES LTD.

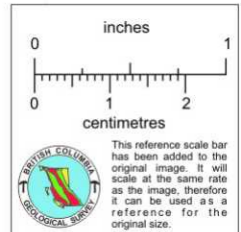


Fig. 13

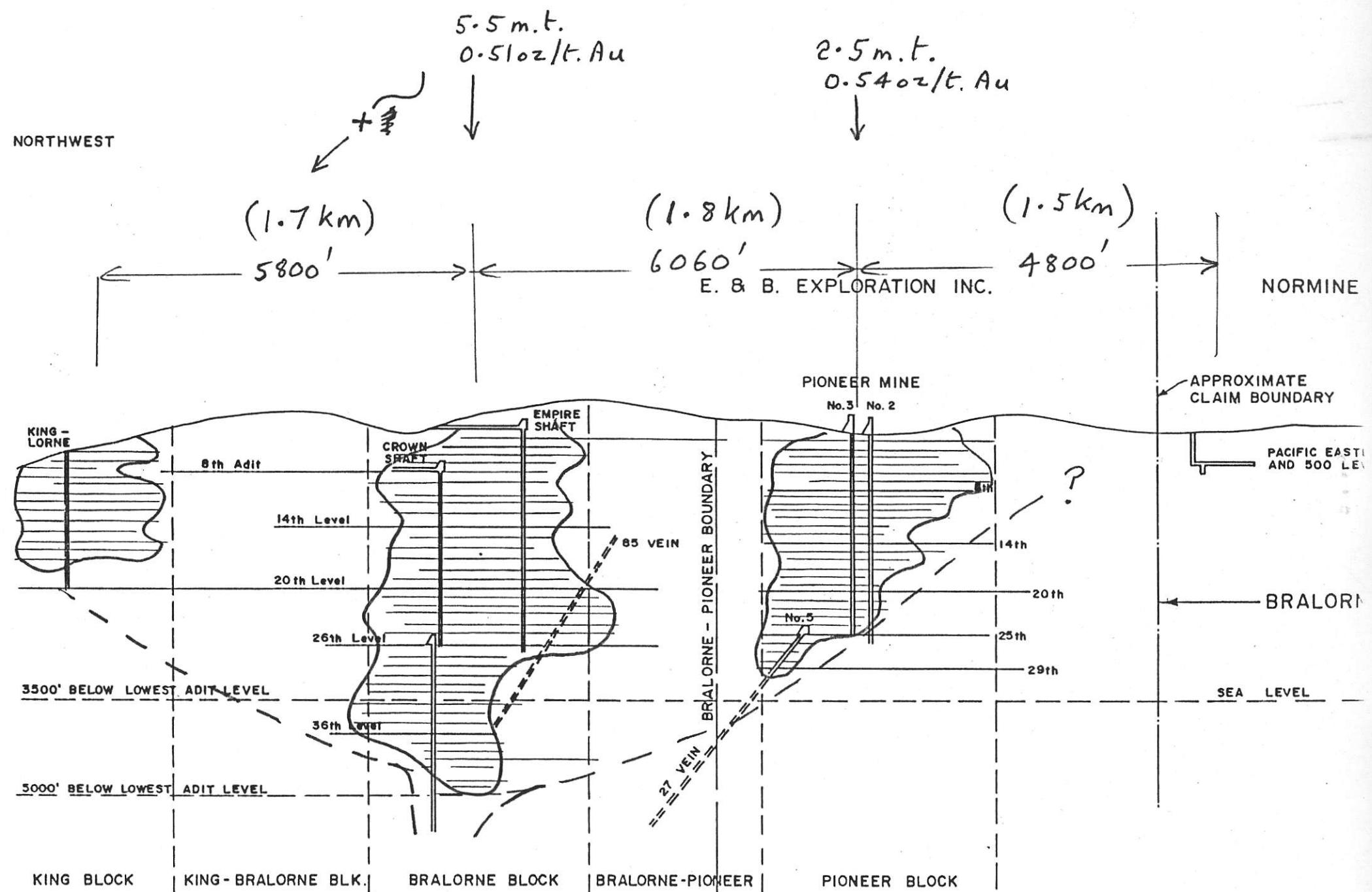


Fig. 14