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30 JAN 1986
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ABO PROPERTY, B 17
N.T.S. 92 H 5
Harrison Hot Springs, B.C.

STAGE II, 1986, EXPLORATION PROGRAM, BUDGET and TIMING.

SUMMARY

Exploration on the ABO Property, 100 km east of Vancouver, (Figure 1) indicates the property has potential for one or more large tonnage, low grade Gold deposits amenable to low cost underground mining methods. Kerr Addison Mines Limited optioned the property in December, 1984.

This style of mineralization is believed to have developed through micro-faulting and fracturing of the brittle subvertical, plug shaped quartz diorite apophysis followed by the injection of gold bearing quartz solutions along the fractures.

The main thrust of the 1986 program will be to outline the available tonnage and grade of the gold zone(s) previously intersected in the Jenner apophysis.

The drill program will be carried out in three phases. Phase I and III drilling will test the upper portion of the Jenner apophysis, which is estimated to contain 3,680,000 tonnes. The Phase II drilling will test the extent of the indicated gold mineralization in the eastern end of the Portal apophysis. Details of the proposed drill program are given in the appended "Proposed 1986 Drill Program, ABO" by Tor Bruland and shown on the attached plan and cross sections, Figures 2 to 8.

Plans also include continuing the check assay study; metallurgical bench testing in conjunction with check assaying; engineering and environmental evaluation of potential portal sites for underground exploration and bulk sample collection and for pilot plant location; detailed sampling of at least two other quartz diorite

Stage II, 1986.

apophyses with anomalous gold values; and additional mapping and/or re mapping of the remainder of the claim block.

Cost Estimates and Timing.

1. Planning 1986 Program
   Cost: $6,400.
   Timing: 25 days, Jan 2 to Feb.7

2. Evaluate 1985 re assay data.
   Cost: $3,600.
   Timing: 10 days between Jan 2 to Feb. 15

3. Reports
   Assessment and In House reports on 1985 Program
   Cost: $3,200.
   Timing: 10 days from Jan. 27 to Feb.7

4. Water Sampling - continuation of program started in 1985.
   Cost: $2,300.
   Timing: 1 day between Jan. 30 and Feb.7.

5. Drilling Phase I, Jenner Stock, 5 holes, Section 9500N.
   Cost: 605 meters (1985 ft.) at $100 total cost per meter $60,500.
   Timing: 25 days from Feb.10 to March 11

6. Drilling Phase II, Portal Stock, 2 holes, Section 9275N
   Cost: 500 meters (1641 ft.) @ $100 total cost per meter $50,000
   Timing: 21 days, March 13 to April 5.

Stage II, 1986.

7.	Evaluate Phase I Drill Pattern & Results	
	Cost:	$ 1,900.
	Timing: 10 days between March 17 and April 5.	
8.	Drilling Phase III, Jenner Stock. 8 holes, 3 sections: 9475N, 9450N, 9425N.	
	Cost: 925 meters (3035 ft.) @ $100 total cost per meter	$92,500.
	Timing: 38 days from April 8 to May 17.	
9.	Re Assay. checks of 1986 drilling	
	Cost:	$ 1,200.
	Timing: 10 days, May 26 to June 7.	
10.	Metallurgical Testing	
	Cost:	$ 2,800.
	Timing: 5 days, June 10 to June 30.	
11.	Compile and Evaluate results of drilling to date.	
	Cost:	$ 2,200.
	Timing: 10 days, June 25 to July 9.	
12.	Calculate Reserves	
	Cost:	$ 1,000.
	Timing: 5 days, July 10 to July 16	
	Sub total	$227,600.
13.	Engineering Site Study	
	Cost:	$ 3,000
	Timing: 5 days, June 24 to July 11.	
14.	Mapping and Sampling anomalous Apophyses	
	Cost:	$ 4,000.
	Timing: 10 days, June 3 to June 28	

Stage II, 1986

15. Map and Sample HOT 8
    Cost: $ 1,200.
    Timing: 3 days, July 2 to July 8

16. Environmental Water Sample & Site Study
    Cost: Including report $ 4,800.
    Timing: 3 days, July 7-9.

17. Plan Next Stage of Exploration, Jenner & Portal/area
    Cost: $ 1,000.
    Timing: 5 days, July 2 to July 15.

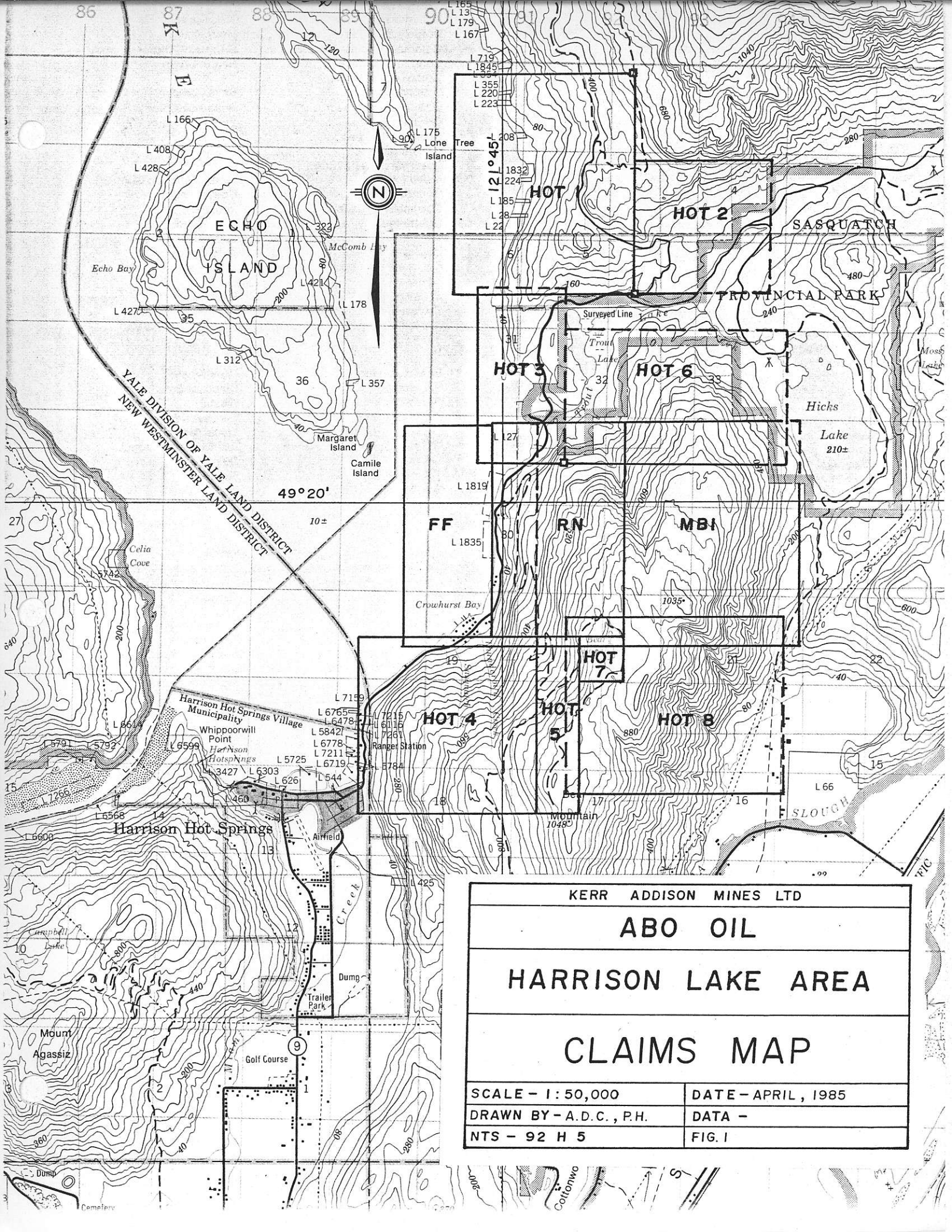
18. Map and Evaluate remaining HOT Claims
    Cost: $ 4,250.
    Timing: 10 days, August 1 to August 15

19. Final reports on Project to date.
    Cost: $ 3,000.
    Timing: 10 days, August 18 to 29.

20. Filing Assessment Reports for 1986 work.
    Cost: $ 1,150.
    Timing: November

TOTAL $250,000.

30/JAN 86



KERR ADDISON MINES LTD

ABO OIL

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. 1

PROPOSED 1986 DRILL PROGRAM ABO

Drilling on the ABO property in 1986 will be concentrated on the Jenner Stock to outline the mineralized zones (1.0 g/tonne Au) intersected in the quartz diorite during the 1985 program. The mineralized zones in the footwall diorite of the Jenner Stock intersected during the 1984 and 1985 programs will not be further tested during this program, but this should be done at a later stage. Maybe with underground drilling if we later go underground to test the quartz diorite.

The 1986 drill program will be done in 3 phases. The first phase will be a fan of 5 holes from the set up of 85-35 and 85-36. The holes will be drilled on section with an azimuth of N090E with dip varying between -68° and +10°. The data from this phase should be evaluated before we initiate Phase III to see if this drill pattern can be used successfully on the other sections in the Jenner Stock planned for Phase III.

The second phase will be to test the extent of the mineralization in the east end of the Portal Stock intersected in the 1983 program and during road blasting in 1985.

The third phase will be to further test the Jenner Stock from three set ups with drilling of several holes in a fan from each set up on the same pattern as Phase I. All these set ups will be south of the set up in Phase I.

PHASE I:

This phase will be drilled 6m S. of section 9500N on the set-up of 85-35 and 85-36 to fill in between these two holes and to outline the extent of the mineralized zone intersected in 85-35 and 85-36. This phase will also be a test to see if the quartz vein stockwork can be drilled off with a fan of holes varying between -68° and +10° or if the more gentle dipping holes will end up drilled subparallel to the veins. If the latter is the case the

Proposed 1986 Drill Program

drilling will not reflect the true potential of the stock and a different drill pattern has to be designed for Phase III. The third aspect of Phase I is to check if the quartz vein stockwork as indicated from 1985 drilling is better developed along the footwall contact and centre of the quartz diorite stock than along the hanging wall contact.

Hole 86-A N090E - 68° 250m (NDB), to test the mineralized zone along the footwall contact and check high grade in 85-36, and check reliability of BQ intersection of quartz diorite in 85-18.

Hole 86-B N090E -41° 120m (NDB) to check high grade in 85-36 and mineralized zone in centre and towards hanging wall contact.

Hole 86-C N090E -24° 90m (NDB)
Hole 86-D N090E -7° 75m (NDB?)
Hole 86-E N090E +10° 70m (NQ)
) to test mineralized zone in upper eastern part of stock and check if these holes intersect the quartz veins or are subparallel to the veins.

COST OF PHASE I

Drilling Phase I 5 holes , 605m (1,985') @$100/m= $60,500.

Drilcor about 80' a day, Phase I, 1,985':80 → 25 days or 4 1/6 weeks.

PHASE II

This phase will be drilled while Phase I is evaluated. This phase will check the extent of mineralized zones in the eastern end of the Portal Stock intersected in the 1983 program by holes 83-23, 83-26, 83-27, 83-6 and 83-8. The untested northern part of the Portal Stock will also be tested in this phase.

Proposed 1986 Drill Program

Hole 86-N N090E -70° 250m (NDB) to test mineralized zones in eastern part of Portal Stock.

Hole 86-0 N270E -55° 250m (NDB), to test mineralized zones in eastern part of Portal Stock and test the untested northern part of Portal Stock.

COST OF PHASE II

Drilling Phase II - 2 holes 500m (1,641') @$100/m = $50,000

Drilcor about 80' a day, Phase II, 1,641:80 → 21 days or 3½ weeks.

PHASE III:

This phase may be modified after completion of Phase I if the shallow holes do not intersect the quartz veins. This phase is planned to drill off the Jenner Stock quartz diorite on 25m sections south of section 9500N with fanned out holes 50m apart down dip to check the extent of the mineralized zone north-south in the stock.

Hole 86-F	N090E	-85° 95m (NDB)	holes to test extent of mineralized zone on section 9475N in the quartz diorite and establish the western and eastern contact of the stock
Hole 86-G	N090E	-60° 250m (NDB)	
Hole 86-H	N090E	-30° 110m (NDB)	
Hole 86-I	N090E	+10° 70m (NQ)	
Hole 86-J	N090E	-68° 90m (NDB)	holes to test extent of mineralized zone in upper part of stock on section 9450N intersected at depth with hole 85-38.
Hole 86-K	N090E	-54° 150m (NDB)	
Hole 86-L	N090E	-30° 50m (NDB)	
Hole 86-M	N090E	-47° 110m (NDB)	to establish western and eastern contact of stock and extent of mineralized zone on section 9425N

COST PHASE III

Drilling Phase III,8 holes, 925m (3,035')@$100/m = $92,500

Drilcor about 80' day, Phase III, 3,035:80 → 38 days or 6 1/3 weeks.

Proposed 1986 Drill Program

SUMMARY

Drilling during 1986 of the Jenner Stock and Portal Stock in three phases and 15 holes for a total of 2,030 m. -

Phase I	Jenner Stock	605m @$100/m	$60,500
Phase II	Portal Stock	500m @$100/m	$50,000
Phase III	Jenner Stock	925m @$100/m	$92,500
			$203,000

Total drilling time for Phase I, II and III is estimated at 14 weeks.

Tor Bruland
January 27, 1986

PROPOSED 1986

DRILL PLAN AND SECTIONS

FIGURES 2 to 8

PREVIOUS DRILLING

1983 to 1985

DRILL PLAN FIGURE 9

SECTIONS A to F

HARRISON LAKE

TO SASQUATCH PARK

Proposed DDH 86

Proposed DDH 86 - J, L, K

Proposed DDH 86 - M

Proposed DDH 86 - N

Proposed DDH 86 - O

E D C A, B Proposed DDH 86

SECT. 9525 N

SECT. 9500 N

SECT. 9475 N

SECT. 9450 N

SECT. 9425 N

SECT. 9275 N

CORE SHACK

CORE RACKS

DRILL HUT

Felsic dyke.

mafic dyke

DEAD END

TO MAIN ROAD

TO R57 & BEAR LAKE

GEOLOGY

1	ARGILLITE , CHERT , SILTSTONE , SANDSTONE , QUARTZITE , HORNFELS .
1g 2b	ARGILLITE - DIORITE CONTACT METAMORPHIC
2b	DIORITE
3	QUARTZ DIORITE
	Drivable road .
	Undrivable road .

SYMBOLS

60	Quartz vein , dip
70	Bedding , dip & mafic dykes , felsic dykes & shear , dip .
40	Joint , fracture .
35	Foliation .
18	Foldaxis , plunge .
Oc10	Outcrop and outcrop number .
	Fault .
	Geological contact (observed , assumed) .
DDH 5	Drill hole (surveyed) .
61	Alan Olson Survey .
KA-S10	Kerr Addison Survey .
R4	Road survey .
83-3	Drill hole (not surveyed) .

FIG. 2

0 5 10 20 30 40 50 60 80

METRES

KERR ADDISON MINES LTD

ABO OIL

GEOLOGICAL PLAN

PROPOSED 1986 DDHs

SCALE - 1 : 1000	DATE - AUGUST, 1985
DRAWN BY - P.H., T.B.	DATA - T.B.
NTS - 92 H 5	REVISED - JANUARY, 1985

inches 0 1 2

centimetres 0 1 2 3 4 5

BRITISH COLUMBIA GEOLOGICAL SURVEY

This reference scale bar has been added to the original image. It will scale at the same rate as the image, therefore it can be used as a reference for the original size.

Jenner Creek

400 m
350 m
300 m
250 m
200 m
150 m
100 m
50 m
0 m
- 50 m
- 100 m
- 150 m

1
2b
3
PORTAL STOCK

Proposed DDH 86-0
250 m , - 55°.

Proposed DDH 86 - N
250 m , - 70°.

10900 E
11000 E
11100 E
11200 E
11300 E
11400 E

LEGEND

- 4 — 4a – Intrusive breccia (Quartz Diorite – Sediments).
  - 4b – Quartz flooded Granite dyke.
  - 4c – Carbonate vein.
  - 4d – Quartz vein.
- 3 — Quartz Diorite
  - 3a – Hornblende porphyry dyke.
  - 3b – Felsic dyke.
- 2 — 2a – Gabbro.
  - 2b – Diorite.
  - 2c – Feldspar porphyry.
- 1 — 1a – Argillite.
  - 1b – Slate.
  - 1c – Phyllite.
  - 1d – Cherty Siltstone.
  - 1e – Siltstone.
  - 1f – Sandstone.
  - 1g – Hornfels.
- Drill hole intersection in plane of section.
- Visible Au located in veins of drill core.

SECTION LOOKING N 000 E

inches
0 1 2
0 1 2 3 4 5
centimetres

BRITISH COLUMBIA GEOLOGICAL SURVEY

This reference scale bar has been added to the original image. It will scale at the same rate as the image, therefore it can be used as a reference for the original size.

FIG. 3

0 10 20 30 40 60 80
METERS

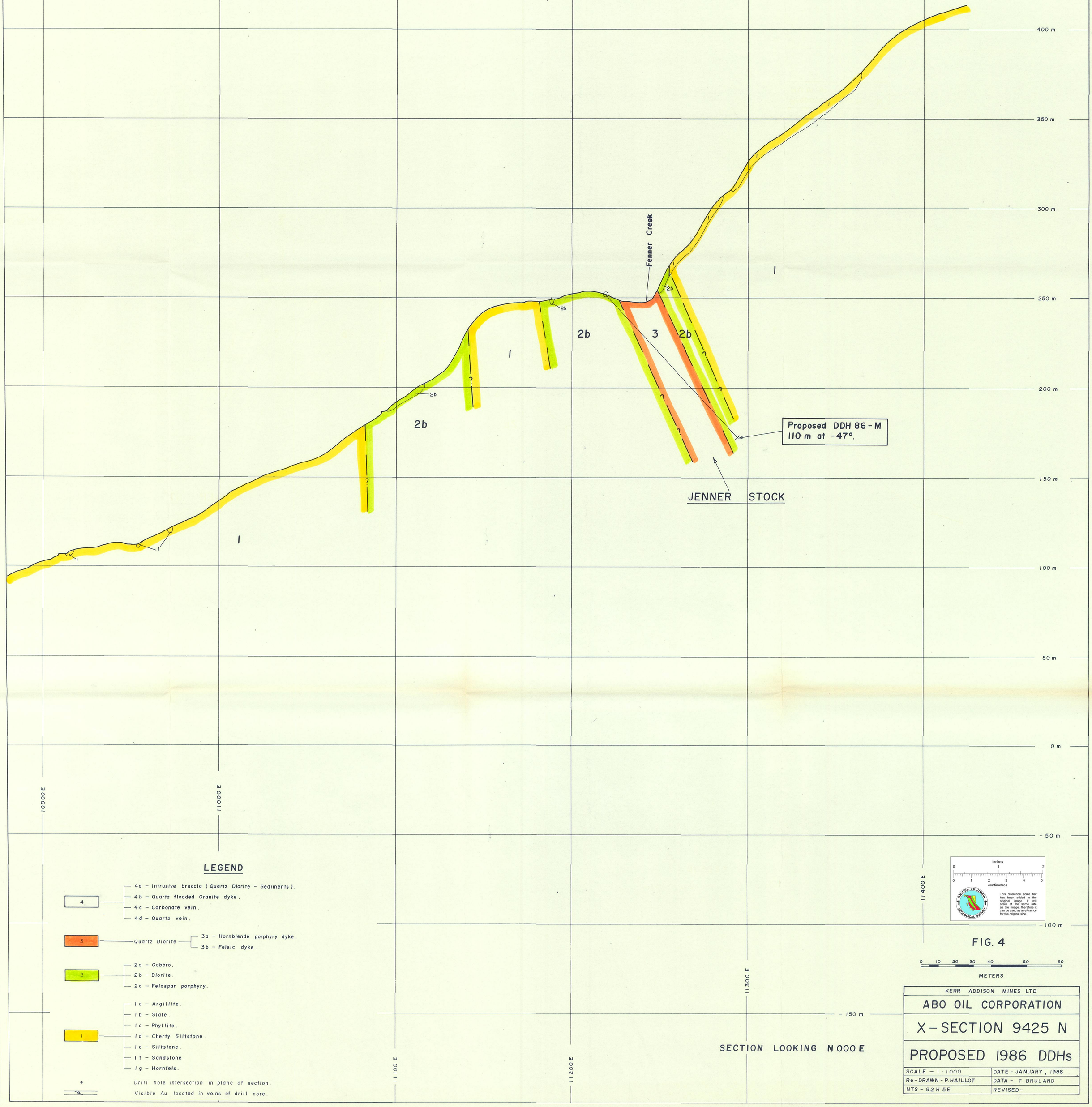
KERR ADDISON MINES LTD

ABO OIL CORPORATION

X - SECTION 9275 N

PROPOSED 1986 DDHs

SCALE – 1 : 1000	DATE – JANUARY , 1986
Re-DRAWN - P.HAILLOT	DATA – T. BRULAND
NTS - 92 H 5E	REVISED-



LEGEND

- 4 — Intrusive
  - 4a – Intrusive breccia (Quartz Diorite – Sediments).
  - 4b – Quartz flooded Granite dyke.
  - 4c – Carbonate vein.
  - 4d – Quartz vein.
- 3 — Quartz Diorite
  - 3a – Hornblende porphyry dyke.
  - 3b – Felsic dyke.
- 2 — Gabbro
  - 2a – Gabbro.
  - 2b – Diorite.
  - 2c – Feldspar porphyry.
- 1
  - 1a – Argillite.
  - 1b – Slate.
  - 1c – Phyllite.
  - 1d – Cherty Siltstone.
  - 1e – Siltstone.
  - 1f – Sandstone.
  - 1g – Hornfels.

• Drill hole intersection in plane of section.

Visible Au located in veins of drill core.

SECTION LOOKING N 000 E

FIG. 4

0 10 20 30 40 60 80

METERS

KERR ADDISON MINES LTD	
ABO OIL CORPORATION	
X – SECTION 9425 N	
PROPOSED 1986 DDHs	
SCALE – 1 : 1000	DATE - JANUARY, 1986
Re-DRAWN - P.HAILLOT	DATA - T. BRULAND
NTS - 92 H 5E	REVISED-

DDH 84 - 30 : collar 13.2 m N of sect., N045 E , - 45°.

DDH 84 - 29 : collar 12.1 m N of sect., N122 E , - 55°.

DDH 84 - 28 : collar 12.6 m N of sect., N341 E , - 73°.

DDH 85 - 38 : collar 3.7 m S of sect., N089 E , - 44.7°.

DDH 85 - 37 : collar 3.7 m S of sect., N087.3 E , - 62.6°.

Jenner Creek

Proposed DDH 86 - L
50 m , - 30°.

Proposed DDH 86 - J
90 m , - 68°.

Proposed DDH 86 - K
150 m , - 54°.

99.5 m
40.1 m N of sect.

140.7 m
83.6 m N of sect.

122.0 m
25.0 m S of sect.

202.0 m
1.3 m S of sect.

263.0 m
3.0 m S of sect.

JENNER STOCK

400 m
350 m
300 m
250 m
200 m
150 m
100 m
50 m
0 m

10900 E
11000 E
11100 E
11200 E
11300 E
11400 E

LEGEND

- 4a - Intrusive breccia (Quartz Diorite - Sediments)
- 4b - Quartz flooded Granite dyke
- 4c - Carbonate vein
- 4d - Quartz vein

4 — Quartz Diorite

- 3a - Hornblende porphyry dyke
- 3b - Felsic dyke

2 — Gabbro

- 2a - Gabbro
- 2b - Diorite
- 2c - Feldspar porphyry

1 — Argillite

- 1a - Argillite
- 1b - Slate
- 1c - Phyllite
- 1d - Thinly Bedded Siltstone
- 1e - Siltstone
- 1f - Sandstone
- 1g - Hornfels

Mineralized zone > 1.0 gm/tonne Au.

SECTION LOOKING N 000 E.
DDHs PROJECTED 25 m N & S OF SECT.

inches
0 1 2
0 1 2 3 4 5
centimetres

This reference scale bar has been added to the original image. It will scale at the same rate as the image, therefore it can be used as a reference for the original size.

FIG. 5

0 10 20 30 40 60 80
METERS

KERR ADDISON MINES LTD
ABO OIL CORPORATION
X - SECTION 9450 N
PROPOSED 1986 DDHs

Proposed DDH 86-I
70 m , +10°.

Proposed DDH 86-H
110 m , -30°.

Proposed DDH 86-F
95 m , -85°.

Proposed DDH 86-G
250 m , -60°.

Proposed DDH86-
-F, G, H, I.

Jenner Creek

JENNER STOCK

400 m
350 m
300 m
250 m
200 m
150 m
100 m
50 m
0 m
- 50 m
- 100 m
- 150 m

10900 E
11000 E
11100 E
11200 E
11300 E
11400 E

LEGEND

- 4 — Intrusive breccia (Quartz Diorite - Sediments).
  - 4a — Intrusive breccia (Quartz Diorite - Sediments).
  - 4b — Quartz flooded Granite dyke.
  - 4c — Carbonate vein.
  - 4d — Quartz vein.
- 3 — Quartz Diorite
  - 3a — Hornblende porphyry dyke.
  - 3b — Felsic dyke.
- 2 — 2a — Gabbro.
  - 2b — Diorite.
  - 2c — Feldspar porphyry.
- 1 — 1a — Argillite.
  - 1b — Slate.
  - 1c — Phyllite.
  - 1d — Cherty Siltstone.
  - 1e — Siltstone.
  - 1f — Sandstone.
  - 1g — Hornfels.

Drill hole intersection in plane of section.

Visible Au located in veins of drill core.

inches
0 1 2
0 1 2 3 4 5
centimetres

This reference scale bar has been added to the original image. It will scale at the same rate as the image, therefore it can be used as a reference for the original size.

FIG. 6

0 10 20 30 40 60 80
METERS

SECTION LOOKING N 000 E

KERR ADDISON MINES LTD	
ABO OIL CORPORATION	
X-SECTION 9475 N	
PROPOSED 1986 DDHs	
SCALE - 1 : 1000	DATE - JANUARY, 1986
Re-DRAWN - P.HAILLOT	DATA - T. BRULAND
NTS - 92 H 5E	REVISED-

DDH 84 - 30 : collar 36.8 m S of sect., N045E , - 45°.

DDH84 - 28 : collar 37.4 m S of sect., N 341 E , - 73°.

DDH 85 - 36 : collar 6.2 m S of sect., N 090 E , - 57°.

DDH 85 - 35 : collar 6.2 m S of sect., N 187 E , - 88°.

DDH 83,84,85 - 18 : collar 5.0 m N of sect., N 090 E , - 46.5°.

DDH 83 - 17 : collar 5.0 m N of sect. , - 90°.

Jenner Creek

Proposed DDH 86 - E
70 m , + 10°.

Proposed DDH 86 - D
75 m , - 7°.

Proposed DDH 86 - C
90 m , - 24°.

Proposed DDH 86 - B
120 m , - 41°.

Proposed DDH 86 - A
250 m , - 68°.

25.0 m
7.1 m S of sect.

34.4 m

99.5 m
9.9 m S of sect.

140.7 m
33.6 m N of sect.

193.5 m
8.8 m S of sect.

340.8 m
6.7 m N of sect.

fault

JENNER STOCK

400 m
350 m
300 m
250 m
200 m
150 m
100 m
50 m
0 m
- 50 m
- 100 m
- 150 m

10900 E
11000 E
11100 E
11200 E
11300 E
11400 E

LEGEND

- 4 — 4a – Intrusive breccia (Quartz Diorite - Sediments).
  - 4b – Quartz flooded Granite dyke.
  - 4c – Carbonate vein.
  - 4d – Quartz vein.
- 3 — Quartz Diorite
  - 3a – Hornblende porphyry dyke.
  - 3b – Felsic dyke.
- 2 — 2a – Gabbro.
  - 2b – Diorite.
  - 2c – Feldspar porphyry.
- 1 — 1a – Argillite
  - 1b – Slate.
  - 1c – Phyllite.
  - 1d – Cherty Siltstone.
  - 1e – Siltstone.
  - 1f – Sandstone.
  - 1g – Hornfels.

Mineralized zone > 1.0 gm/tonne Au.

Drill hole intersection in plane of section

Visible Au located in veins of drill core

SECTION LOOKING N 000 E.
DDHs PROJECTED 25 m N & S OF SECT.

inches 0 1 2
centimetres 0 1 2 3 4 5

BRITISH COLUMBIA GEOLOGICAL SURVEY

This reference scale bar has been added to the original image. It will scale at the same rate as the image, therefore it can be used as a reference for the original size.

FIG. 7

0 10 20 30 40 60 80
METERS

KERR ADDISON MINES LTD

ABO OIL CORPORATION

X - SECTION 9500 N

PROPOSED 1986 DDHs

SCALE - 1 : 1000	DATE - DEC. - JAN , 85 - 86
Re - DRAWN - P. HAILLOT	DATA - T. BRULAND
NTS - 92 H 5E	REVISED -

400 m
350 m
300 m
250 m
200 m
150 m
100 m
50 m
0 m
- 50 m
- 100 m
- 150 m

Jenner Creek

1g/2b
2b
3
1
2b
1g/2b
2b
1g/2b
3
1
3
1
3
1
3
1
1

JENNER STOCK

10900 E
11000 E
11100 E
11200 E
11300 E
11400 E

LEGEND

- 4 — Quartz Diorite
  - 4a – Intrusive breccia (Quartz Diorite – Sediments).
  - 4b – Quartz flooded Granite dyke.
  - 4c – Carbonate vein.
  - 4d – Quartz vein.
- 3 — Quartz Diorite
  - 3a – Hornblende porphyry dyke.
  - 3b – Felsic dyke.
- 2 — Gabbro
  - 2a – Gabbro.
  - 2b – Diorite.
  - 2c – Feldspar porphyry.
- 1 — Argillite
  - 1a – Argillite.
  - 1b – Slate.
  - 1c – Phyllite.
  - 1d – Cherty Siltstone.
  - 1e – Siltstone.
  - 1f – Sandstone.
  - 1g – Hornfels.

Drill hole intersection in plane of section.

Visible Au located in veins of drill core.

inches
0 1 2
0 1 2 3 4 5
centimetres

BRITISH COLUMBIA GEOLOGICAL SURVEY

This reference scale bar has been added to the original image. It will scale at the same rate as the image, therefore it can be used as a reference for the original size.

FIG. 8

0 10 20 30 40 60 80
METERS

SECTION LOOKING N 000 E

KERR ADDISON MINES LTD

ABO OIL CORPORATION

X - SECTION 9525 N

PROPOSED 1986 DDHs

SCALE – 1 : 1000	DATE - JANUARY , 1986
Re-DRAWN - P.HAILLOT	DATA - T. BRULAND
NTS - 92 H 5E	REVISED -