A SUMMARY REVIEW REPORT

ON THE

VIC GOLD PROPERTY
TASEKO LAKE AREA, B.C.

For

KINGSVALE RESOURCES LTD.,
Suite 904 - 675 West Hastings Street
Vancouver, B.C. V6B 1N2

by

R.D. Westervelt, M.Sc., P.Eng.

March 19, 1987

WESTERVELT ENGINEERING LTD.
401-1112 West Pender Street
Vancouver, B.C. V6E 2S1

-DAFR

WESTERVELT ENGINEERING LTD.

401 - 1112 West Pender Street, Vancouver, B.C. V6E 2S1
Telephone: (604) 683-3910

Briant, Angus, McClellan & Rubenstein
World Trade Centre
550 - 999 Canada Place
Vancouver, B.C. V6C 3C8

September 29, 1987

Attention: Mr. R. Stuart Angus

Dear Sir,

Re: Kingsvale Resources Ltd.

Persuant to the letter received from the Superintendent of Brokers office dated September 16th regarding the Kingsvale report, we are herewith enclosing 5 fully executed copies of an addendum letter to out report which hopefully will be considered a satisfactory response by the S.O.B.'s office.

In the meantime, we are attempting to contact the S.O.B.'s office to allay their concerns and will keep you further advised.

Yours very truly,
WESTERVELT ENGINEERING LTD.

R. D. Westervelt, P. Eng.

Copies with enclosures

Ms. Annikki Puusaari, Kingsvale
Mr. John Stollery

Addendum to report entitled
"A Summary Review Report on the Vic Gold Property, Taseko Lake Area, B.C.
for
KINGSVALE RESOURCES LTD.
by
R.D. Westervelt, M.Sc., P.Eng.
dated June 22nd, 1987

Due to the extremely precipitous and hazardous working conditions on the eastern slope of Vic Mountain, no detailed geological mapping or sampling has yet been carried out and no meaningfull assay plans or sections are available.

Since Dolmage's original examination in 1934-35, the property has been examined by the various property owners and their Consulting Engineers with a great number of quartz vein samples having been taken. Most of these samples are only described vaguely by general area and cannot be located with any accuracy on any existing survey plans.

As outlined in my June 22nd report, Dolmage's data published in 1935 documented several high grade samples from vein exposures scattered from the lower adit level up the east face to the summit. These include:

a) a 12" quartz vein grading 0.68oz Au/ton.
b) a second 12" quartz vein grading 1.10oz Au/ton.
c) a selected heavy sulphide sample from a vein assaying 9.34oz Au/ton.
d) a 16" quartz vein grading 5.52oz Au/ton over 6" with the adjacent 10" grading 0.51oz Au/ton.

A summary of representative samples taken by various operators during the period 1975-80 was included in a report for Stryker Resources by Gerhard Von-Rosen, P.Eng., dated December 3, 1980 and is presented herewith in amended form:

Sample Number	Taken By	Width Metres	Width ft. or inches	Gold (oz/ton)	Silver (oz/ton)	Copper %
R 1	GVR	0.15	6"	0.10	0.03	-
R 2	"	2.13	7'	tr.	tr.	-
R 3	"	0.91	3'	0.40	0.03	-
R 4	"	0.61	2'	tr.	0.03	-
R 5	"	0.86	34"	0.20	0.05	-
R 6	"	0.61	24"	tr.	tr.	-
R 9	"	0.15	6"	0.17	0.43	-
R 10	"	0.86	34"	2.23	3.73	-
R 11	"	0.30	12"	0.32	0.03	-
R 12	"	0.61	24"	0.05	0.13	-
R 13	"	0.61	24"	0.03	tr.	-

Hole No.	Width Metres	Width ft. or inches	Gold (oz/ton)	Silver (oz/ton)	Copper %
75-1	0.61	2'.0	1.09	10.28	0.11
	0.40	1'.3	3.64	13.38	5.50
	0.52	1'.7	1.84	3.10	0.18
	average	5'.0	2.01	8.64	1.54
75-2	0.61	2'.0	14.52	12.26	9.95
	0.61	2'.0	3.53	5.75	0.96
	0.61	2'.0	3.89	3.57	0.97
	average	6'.0	7.31	7.19	3.96
75-3	0.24	0'.8	3.65	7.81	0.49
	0.67	2'.2	2.31	4.08	1.70
	0.30	1'.0	0.25	3.73	0.06
	average	4'.0	2.62	4.74	1.05

These three holes were drilled above the upper adit at shallow angles to the mineralization so the respective lengths as shown are meaningless as to true width.

Two additional holes were subsequently drilled by Cop-Ex Mining in 1976 using the same GSC sampler with results as follows:

76-1	0.46	1'.5	4.21	5.25	5.18
	0.76	2'.5	2.36	3.52	3.05
	average	4'.0	3.06	4.17	3.85
76-2	1.22	4'.0	1.76	2.06	3.01
	1.22	4'.0	0.03	0.01	0.08
	1.07	3'.5	0.09	0.42	0.07
	1.37	4'.5	0.81	1.19	2.52
	average	16'.0	0.69	0.94	1.50

In a more recent report by M. K.Lorimer, P.Eng., dated June 10, 1983, samples taken by Mr. Lorimer gave assay results as follows:

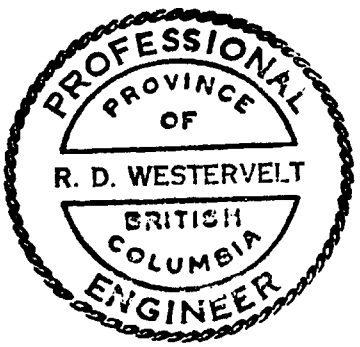
	Gold oz/ton	Silver oz/ton
Summit oxidized zone	0.53	2.4
Summit selected sulphides	0.96	4.1
Lower adit gouge	0.01	0.1
Selected sulphides upper-adit area.	1.48	8.8

Sample Number	Taken by	Width Metres	Width ft. or inches	Gold (oz/ton)	Silver (oz/ton)	Copper %
S 6	GVR	0.91	36"	0.94	2.58	0.45
S 7	"	0.91	36"	2.32	0.59	0.07
B 1	BFW	0.13	5"	0.21	1.32	0.68
B 2	"	0.61	24"	0.04	0.32	0.34
B 3	"	0.61	24"	0.03	tr.	0.10
B 4	"	0.28	11"	0.28	0.12	0.02
B 5	"	0.25	10"	0.06	0.03	0.01
B 6	"	0.23	9"	0.11	0.05	0.07
B 7	"	0.13	5"	1.21	0.80	2.74
B 8	"	0.10	4"	0.08	0.03	0.09
B 9	"	0.30	12"	0.03	tr.	0.03
B 12	"	0.61	24"	0.05	0.05	0.18
U	"	0.46	18"	tr.	0.03	0.03
U 1	"	1.02	40"	tr.	0.08	0.01
U 3	"	face	face	tr.	0.18	0.01
61	CZ	0.20	8"	0.27	0.24	0.13
62	"	0.66	27"	0.24	0.55	0.12
63	"	0.76	30"	3.54	2.68	7.0
64	"	0.15	6"	5.35	5.17	2.5
65	"	0.15	6"	2.80	8.10	5.0
82	"	0.41	16"	0.07	0.03	0.01
83	"	0.15	6"	0.15	0.08	0.01
92	"	0.76	30"	0.10	0.15	0.78
94	"	0.86	34"	0.25	0.14	0.15
95	"	0.46	18"	0.25	0.16	0.27
252	WGC	grab	grab	0.26	0.10	-
254	"	0.20	0'.67	1.65	3.87	3.60
255	"	0.25	0'.83	0.81	2.97	2.75
256	"	0.25	0'.83	0.76	2.68	3.71
257	"	0.25	0'.83	0.77	0.18	-

Notes: GVR - samples taken by Gerhard VonRosen, P.Eng.
BFW - samples taken by Brian Fenwick-Wilson, a prospector for New Pyramid Mines.
CZ - samples taken by Carl Zuber, exploration manager for New Pyramid Mines.
WGC - samples taken by W.G. Clark of Stryker Resources - summit trenches taken in 1980.

In addition to the above sampling, a series of short drill holes using a GSC rock geochem sampler were completed and the cores were logged, split, and assayed under the writer's immediate supervision with results as follows:

The above noted sample results are from a series of scattered fissure vein exposures extending up the eastern slope of Vic Mountain to the summit over a strike length of 800 metres and through a vertical range of 700 metres. They are clearly indicative of a gold-bearing vein system within the major fault structure but continuity of the various veins and showings has yet to be established.



Respectfully submitted
WESTERVELT ENGINEERING LTD.

R. D. Westervelt, P.Eng.

Vancouver, B.C.
September 29, 1987

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APPENDIX

Figure

WESTERVELT ENGINEERING LTD.

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The President and Directors,
Kingsvale Resources Ltd.,
Suite 904 - 675 West Hastings Street,
Vancouver, British Columbia
Canada V6B 1N2

March 19, 1987

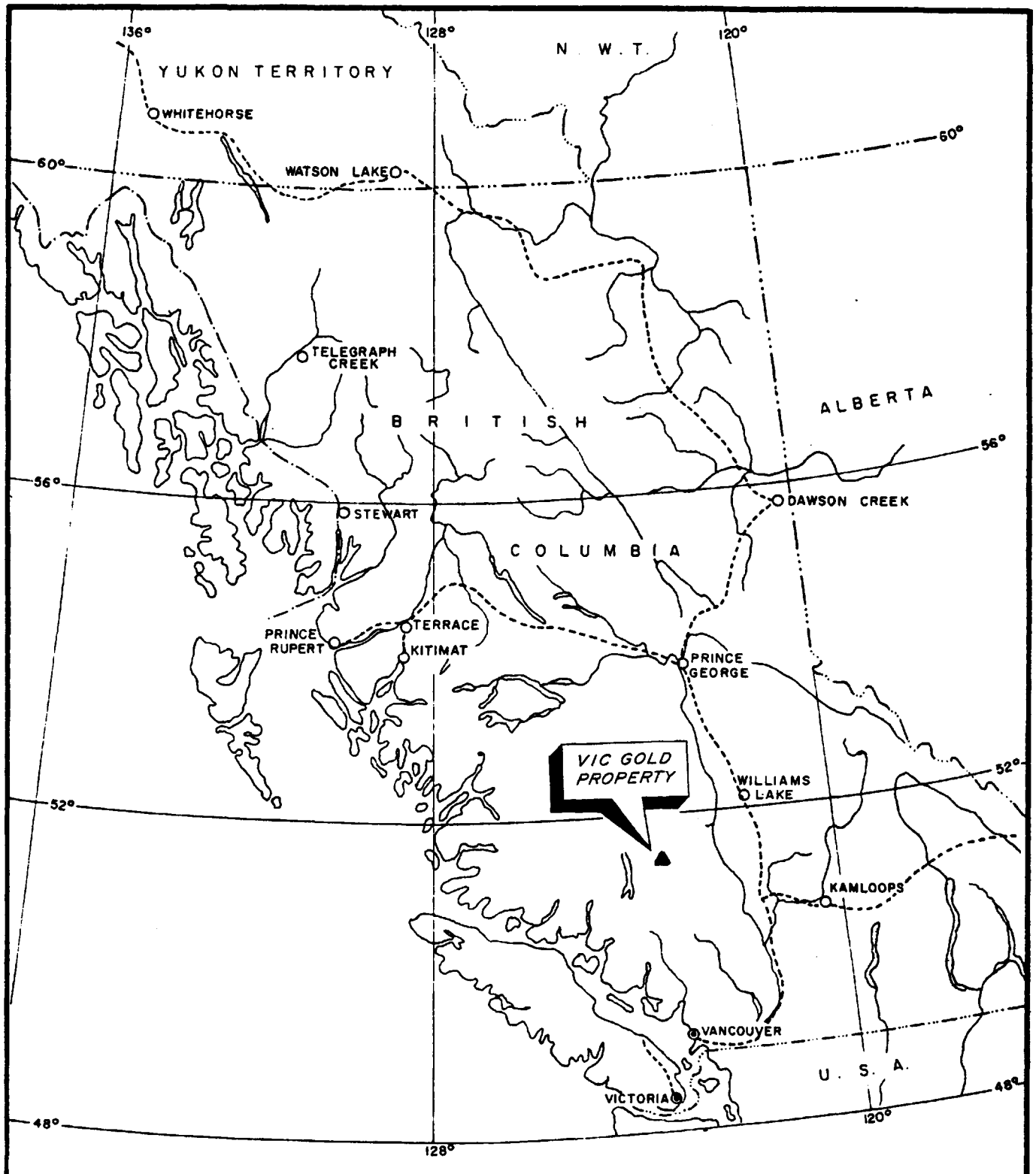
Gentlemen;

Re: The Vic Gold Property
Taseko Lake Area, B.C.

At your request, I have reviewed the available technical information and historic data on your recently acquired Vic Gold Property situated near Taseko Lake, B.C.. I had previously visited this property on several occassions during 1976 as a consultant to New Pyramid Gold Mines and have now up-dated this prior background with the more recent exploration results obtained by Stryker Resources and Sunmark Mines on the claims over the past seven years.

In summary, the Vic property covers an old gold prospect originally discovered in 1932. Exploratory work to date has been inhibited by the steep and hazardous terrain but has defined a major gold-bearing fault zone extending up the eastern face of Vic Mountain. Within and peripheral to this steeply dipping structure, quartz-sulphide veins with values from trace up to 14oz Au, 13oz Ag per ton and 10% copper have been reported with vein widths from 1" up to 7 feet. The higher gold grades are almost invariably associated with well-ribboned and heavily disseminated chalcopyrite - pyrite within the veins.

On the eastern scarp, the known showings are scattered along the poorly exposed fault structure over a strike length in excess of 800 metres and thro -ugh a vertical range of 700 metres up to the summit. The present data



PROFESSIONAL ENGINEER
PROVINCE OF BRITISH COLUMBIA
R. D. WESTERVELT

R. D. Westervelt, P. Eng.

Westervelt Engineering Ltd.

Kingsvale Resources Ltd.

VIC GOLD PROPERTY

Taseko Lake Area, B.C.

INDEX MAP

50 0 100 200 miles

SCALE 1" = 125 miles

MARCH, 1987 | FIGURE 1

indicates some southwestern extension of this favourable structure under heavy talus and cover down the more moderate western slope of the mountain.

Although little continuity to the individual showings has yet been established, detailed work has been quite restricted and considerable exploration potential remains virtually untested. In view of the strong and persistent structure and associated mineralization, a comprehensive axploration program is proposed concentrating on the more moderate western slope.

My summary review report outlining a surface exploration program to in-clude mapping, geophysical and geochemical surveys, and trenching at a total estimated cost of $250,000 is herewith submitted for your consideration.

PROPERTY:

The present Vic property consists of four contiguous claims totalling 72 units which have been recorded in the Clinton Mining Division as follows:

Claim Name	Record No.	Units	Record Date	Expiration
VIC	1269	20	Oct. 14, 1982	Oct. 14, 1987
NUM I	2135	16	Jan. 22, 1987	Jan. 22, 1988
NUM II	2136	16	Jan. 22, 1987	Jan. 22, 1988
NUM III	2137	20	Jan. 22, 1987	Jan. 22, 1988
	Total	72		

There are no known conflicting claims with this group but an outstanding lien is currently registered against the VIC claim. This is presently being resolved and should be cleared in the near future.

The VIC claim covers all the original showings known on the east facing slope of the mountain and includes all the property previously held by New Pyramid Gold Mines during the 1976 - 77 program.

LOCATION AND ACCESS:

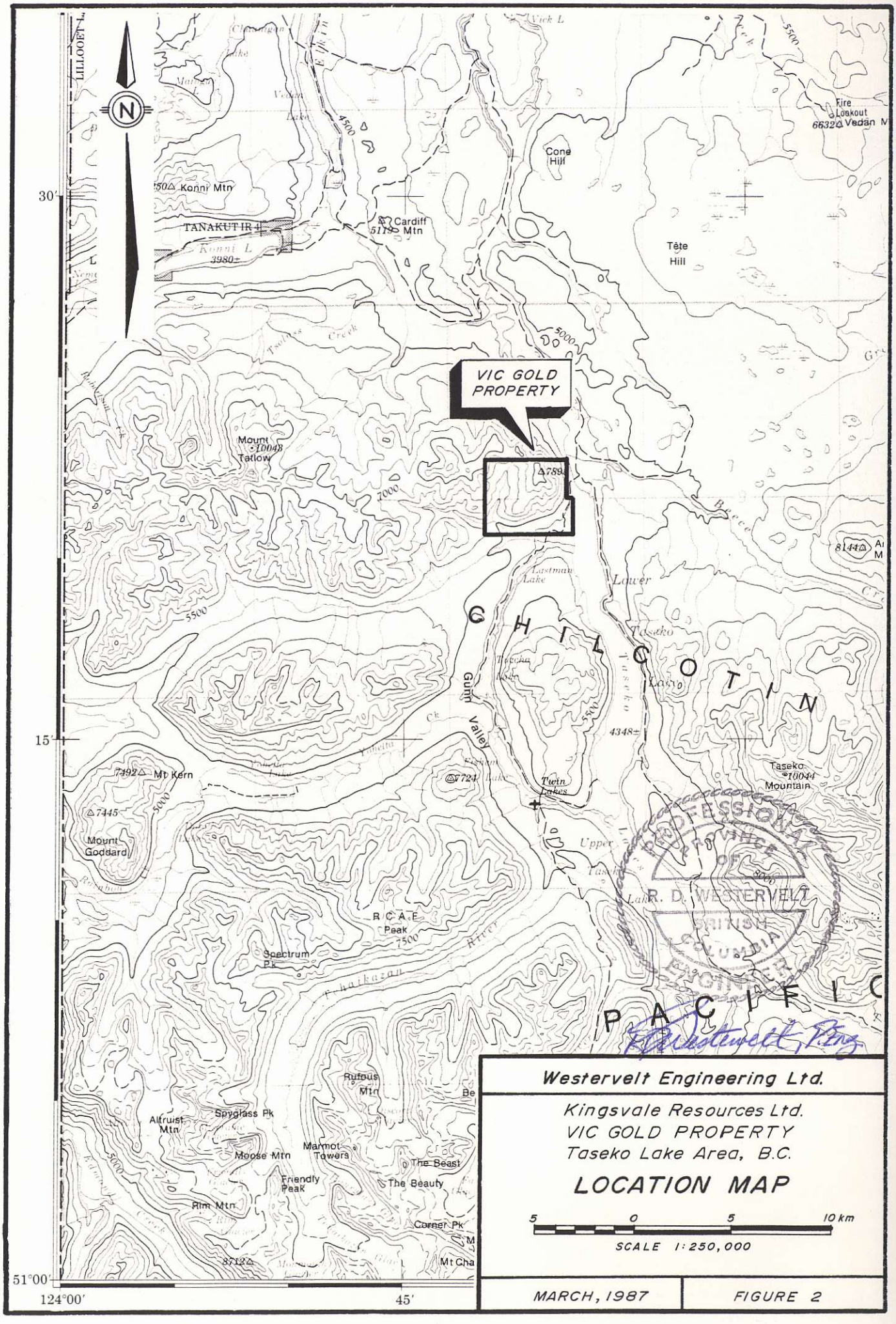
As shown on the accompanying maps (figures 1 and 2), the Vic property is situated immediately west of the outlet of Lower Taseko Lake 140 kilometres southwest of Williams Lake and approximately 75 kilometres northwest from the Bralorne gold camp.

Within the past few years, ground access to the property has been greatly enhanced by the construction of a development road partially financed by the Department of Mines along the west side of the Taseko River and passing directly below the original Vic workings. This road links up with two earlier 4-wheel drive roads built in the mid '70s to provide local property access. The one road climbs rapidly from Taseko Lake up the east facing slope to within a 1000 feet of the lowermost Vic workings. The second road curves around south of Vic Mountain and then climbs on a moderate grade into the upland meadow area on the backside of the mountain close to the summit. The present condition of these two older roads has yet to be determined but only minor renovation will probably be required.

Total road distance from the property to Williams Lake is approximately 200 kilometres with most of this being on a good gravel surface. For supplies and field visits, the property is quite accessible by float aircraft directly from Vancouver to the north end of Lower Taseko Lake - a direct flight distance of some 225 kilometres.

PHYSIOGRAPHY, VEGETATION, AND CLIMATE:

The Vic property is located along the eastern edge of the Chilcotin Range within an area of moderate to extreme relief. The dominant topographic feature is Vic Mountain which rises steeply to the west from the elevation of Taseko Lake (4348 feet or 1325 metres) to the summit at 7898 feet (2400 metres) above sea level. The eastern and southern faces of this mountain are extremely rugged with shear bluffs, sharp ledges, and numerous steeply incised gullies. Much of this area is accessible only to highly experienced mountaineers.



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R. D. WESTERVELT

R. D. Westervelt, P.Eng.

Westervelt Engineering Ltd.

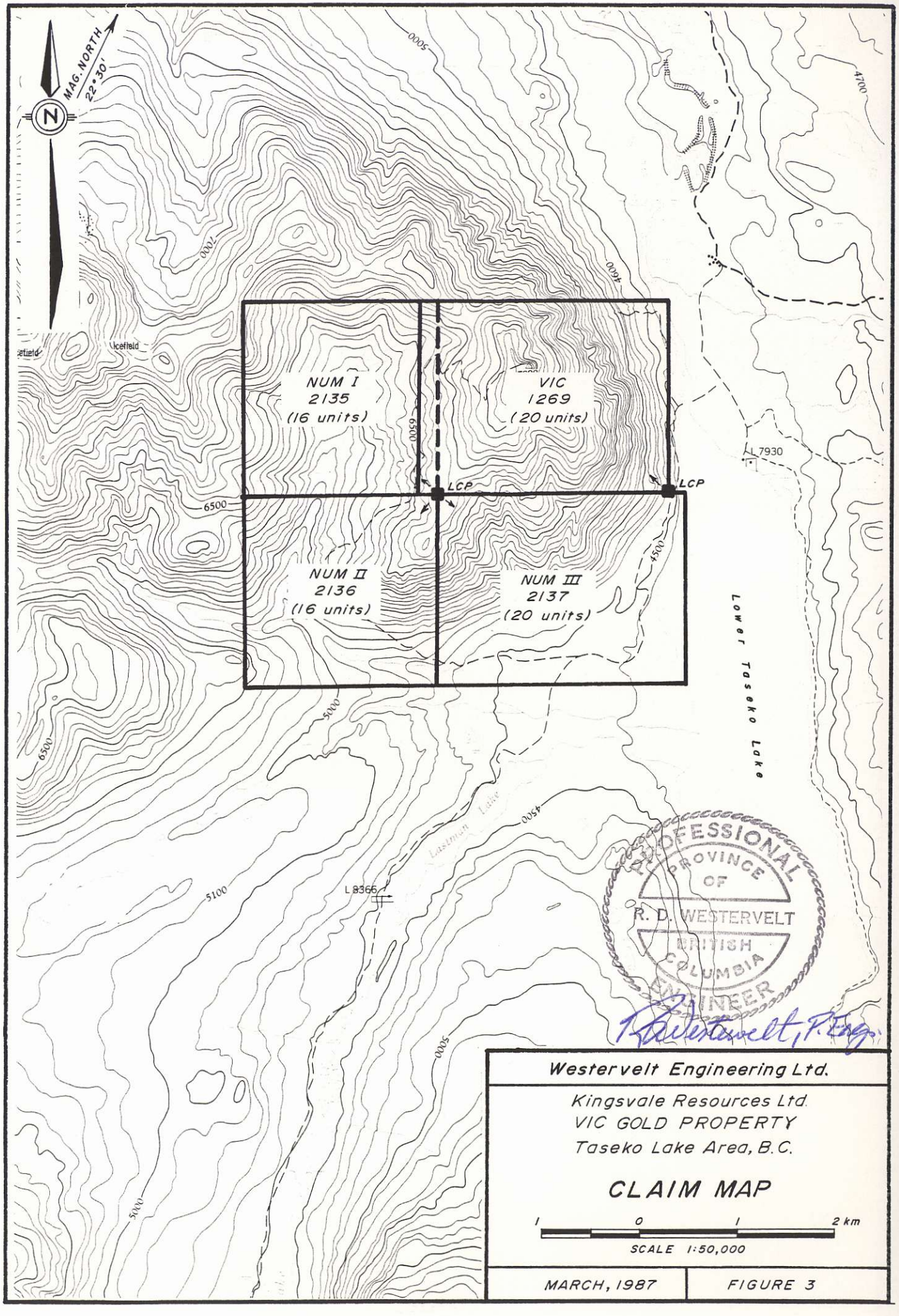
Kingsvale Resources Ltd.
VIC GOLD PROPERTY
Taseko Lake Area, B.C.

LOCATION MAP

5 0 5 10 km

SCALE 1:250,000

MARCH, 1987 | FIGURE 2


MAG. NORTH
22°30'
NUM I
2135
(16 units)
VIC
1269
(20 units)
NUM II
2136
(16 units)
NUM III
2137
(20 units)
LCP
LCP
L 7930
L 8366
Lower Taseko Lake
Lastman Lake
5000
4700
4600
6500
4500
5100
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R. D. WESTERVELT
R. Westervelt, P. Eng.
Westervelt Engineering Ltd.
Kingsvale Resources Ltd.
VIC GOLD PROPERTY
Taseko Lake Area, B.C.
CLAIM MAP
1 0 1 2 km
SCALE 1:50,000
MARCH, 1987
FIGURE 3

The western half of the claims cover the less severe western slope of the mountain and a broad open valley. The slopes are generally moderate to steep but are reasonably traverseable throughout most of the area west of the summit.

Whereas the eastern facing slope of Vic Mountain is largely bare rock and rubble, the western slope and open valley are mainly covered by extensive overburden, talus slides, and local glacial debris. Although some rock exposure is evident within the western area, outcrops are generally sparse and widely spaced.

Within the claim group, the lower valleys and drainages are choked with heavy willow and alder growth. Scrub pine and poplar forests are prevalent on the lower slopes grading abruptly into upland meadows and grassland at elevations above 2000 metres.

The climate is typical of the British Columbia interior plateau with long severe winters and cool pleasant summers. Although winter snow depths in excess of 2 metres have frequently been reported from the Taseko Lake area, the summers tend to be dry with only minimal rain showers. Under the alpine conditions on the Vic property, steady strong winds are common and snowflurries can be encountered even in mid-August at the higher elevations.

HISTORY:

The initial claims on Vic Mountain were staked in 1932 by C.M. Vick to cover several gold showings found while prospecting the steep eastern face. During the period 1935-37, two adits were driven by the owner - C.E. Cartwright, to test two of the gold bearing veins exposed on surface. Both the upper adit (elevation 1765 metres, length 38 metres) and the lower adit (elevation 1687 metres, length 113 metres) were driven along separate shear structures but encountered only spotty low values within the structures beneath the high grade surface showings.

In 1939, Cartwright reportedly sluiced a gully from the summit and uncovered 800 feet of vein material up to 7 feet in width with an average grade of 8.66 ounces Au per ton over the entire 800 foot strike length. Although this has provided a tantalizing target for subsequent programs, no confirmatory evidence of this activity or mineralization has yet been found.

Cartwright reportedly disappeared in Europe during World War II, his claims eventually lapsed, and interest in the area remained virtually dormant for many years.

In 1974, the main showing area was re-staked by Carl Zuber and Brian Fenwick-Wilson under an agreement with Nemco Explorations. Subsequent exploration funding over the next three years was provided by New Pyramid Gold Mines and its associated companies - Gilford Resources and Cop-Ex Mining. Numerous reports by L.J. Manning and Associates, Gerhard Von Rosen, P.Eng., and the present writer are available outlining the work completed during the 1974-77 period which included:

(a) prospecting and sampling of the previously reported showings on the eastern face of Vic Mountain.

(b) sampling and surveying of the two short adits which confirmed they had effectively tested the adjacent high-grade showings.

(c) the construction of the two 4 wheel drive roads up the eastern and western flanks of the mountain.

(d) limited short hole drilling of some of the more spectacular showings on the eastern face.

(e) a concentrated effort to remove the accumulated snow and ice in the gully near the summit using a slusher and scraper. This attempt failed and even hand trenching and blasting of the underlying blue ice failed to expose definite bedrock.

(f) limited EM-16 and geochem test profiling on the west slope of the mountain near the summit which suggested these systems might be useful in tracing the southwest extension of the favourable fault structure.

(g) the completion of three BQ wireline drill holes on the western slope close to the summit. These confirmed a steeply dipping structure underlying three old pits along the anticipated extension but returned only highly oxidized intercepts with variable quartz and low gold values. Poor core recoveries were encountered through the structure ranging from 30% - 60%.

In his final report for the New Pyramid Group in November '77, Mr. Von Rosen proposed an exploration adit be collared on the east face and driven out to the favourable fault structure to permit underground exploratory drilling. Additional funding was not forthcoming, the New Pyramid Group dropped their interest, and the claims eventually lapsed.

In 1980, an expanded claim group was staked by Stryker Resources Ltd. to cover the original Vic showings and additional peripheral ground. As documented in reports by Von Rosen, D.A. Perkins, and M.K. Lorimer, exploratory work completed by Stryker and Sunmark Mines over the past six years has included:

(a) confirmatory sampling of the known showings.

(b) additional prospecting which resulted in several new showings.

(c) re-opening of the old trenches on the west slope near the summit which confirmed strong but narrow quartz veins with significant gold values.

(d) the drilling of four flat diamond drill holes from the face of the lower adit which effectively tested the structure for 65 metres to the north and found no mineralization.

(e) the commencement of a VLF-EM and mag survey which covered the north western portion of the claim group but failed to cover the anticipated southwest extension of the favourable fault structure.

(f) an air-photo fracture density study by Von Rosen covering the entire property.

Sufficient work was carried out to maintain the main VIC claim but the peripheral claims eventually lapsed and have recently been re-staked to the benefit of Kingsvale Resources Ltd.

GEOLOGY:

As shown on the most recent published geological map (GSC Open File 534, Taseko Lakes, by H.W. Tipper, scale 1:125,000), the Vic property is situated

immediately west of the major, northwesterly trending, Taseko Fault which separates the low interior plateau terrain from the high Chilcotin Ranges to the southwest. The entire property is indicated to be underlain by the Kingsvale Group - a thick Upper Cretaceous sequence of varicoloured andesitic, dacitic and basaltic pyroclastics with minor flows and volcanic sediments. The sequence strikes generally westerly with dips ranging from 40° - 70° to the south.

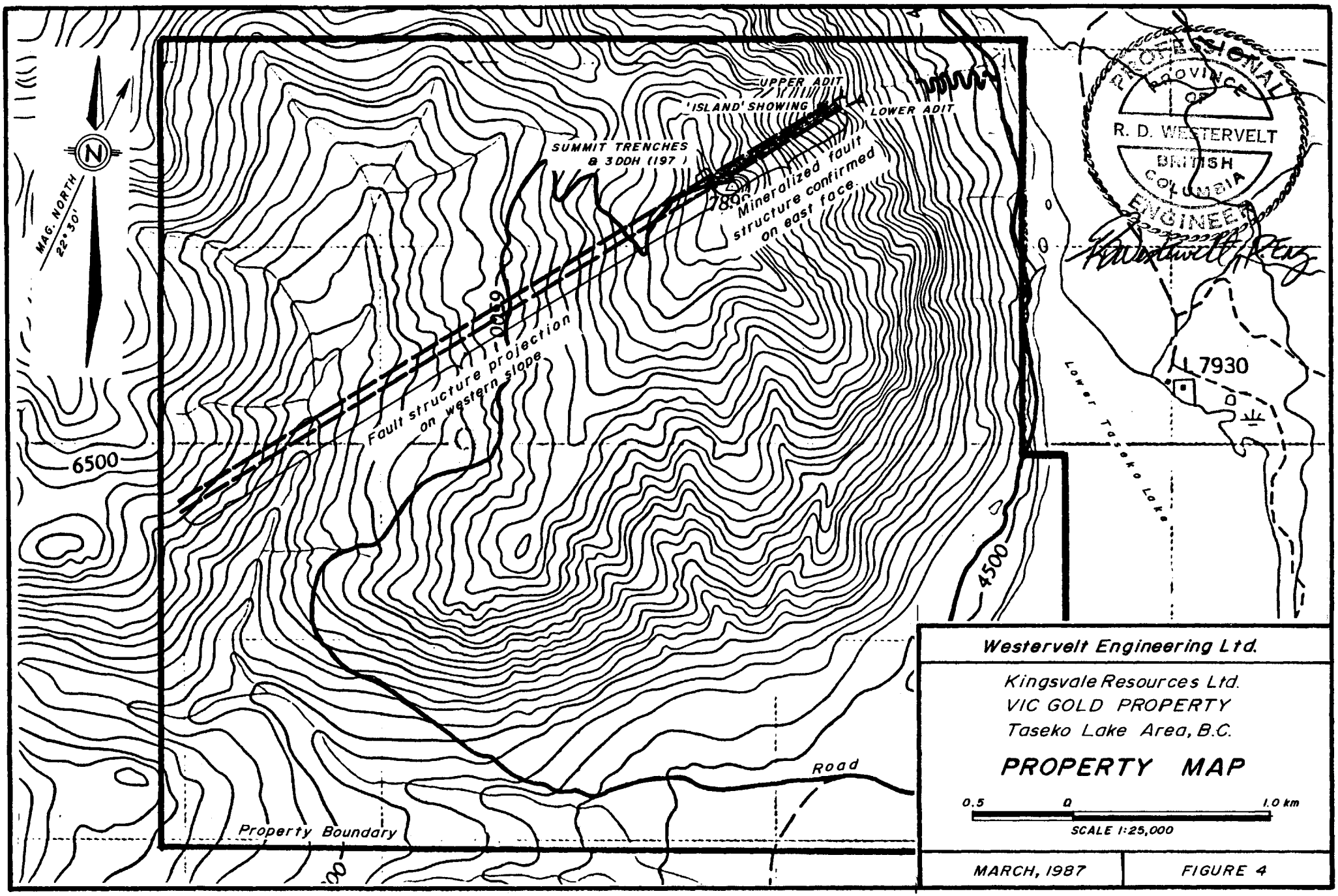
Detailed geological mapping is lacking on the property and is limited to a single reconnaissance map by Victor Dolmage covering the main showing area on the steep east face of Vic Mountain (B.C. Department of Mines, Annual Report for 1935, page F 27). As described by Dolmage, the formation on the cliff in the vicinity of the showings consists of andesites, tuffs, and mass -ive flow breccias striking northerly and dipping shallowly to the west. Cutting the cliff face in the vicinity of the showings are a series of south -westerly trending, steeply dipping diorite dykes from 5 - 30 metres in width which branch and coalesce irregularly up the slope.

The available data suggest these dykes occur as a local swarm up to 150 metres wide within the showing area but additional dykes are reported as well elsewhere on the property.

A complex zone of shearing, fracturing, and faulting dipping steeply to the southeast transects the dyke swarm at a shallow angle. Individual faults up to 8 metres in width are locally well defined but many branches and sub-parallel structures are evident over widths up to 150 metres. The major structures clearly cut both the pyroclastic assemblage and the diorite intru -sive dykes.

MINERALIZATION:

Known mineralization on the Vic property is confined to a system of steeply dipping, southwest trending, quartz-sulphide fissure veins. Although scattered veins have been reported elsewhere on the claims, most of the


UPPER ADIT
'ISLAND' SHOWING
LOWER ADIT
SUMMIT TRENCHES
& 3 DDH (197)
Mineralized fault
structure confirmed
on east face
Fault structure projection
on western slope
MAG. NORTH
22° 30'
N
6500
4500
7930
Lower Taseko Lake
Road
Property Boundary
PROFESSIONAL ENGINEER
PROVINCE OF
R. D. WESTERVELT
BRITISH
COLUMBIA
Westervelt Engineering Ltd.
Kingsvale Resources Ltd.
VIC GOLD PROPERTY
Taseko Lake Area, B.C.
PROPERTY MAP
0.5
0
1.0 km
SCALE 1:25,000
MARCH, 1987
FIGURE 4

prominent and well developed veins are concentrated within the steeply dipping complex fault zone transecting the dyke swarm on the eastern oliff face.

The veins - varying from a few centimetres up to 1.7 metres in width, are typically well banded quartz fissures with sulphide content ranging from trace up to 30%. The sulphides - dominantly mixed pyrite and chalcopyrite, occur within the quartz as fine to heavy disseminations and massive ribbons paralleling the fissure walls.

The veins frequently occur along the sheared diorite contacts but locally cut the diorite intrusive bodies and extend into the adjacent wall -rocks along well defined fault structures.

Wallrock alteretion adjacent the veins is restricted to patchy moderate to strong silicification with bleaching and local epidote development over distances rarely exceeding 0.5 metres.

Dolmage's published report in 1935 documented several high grade gold samples from vein exposures scattered from the lower adit elevation on the east face up to the summit (eg: 12" wide quartz vein grading 0.68oz Au/ton, a second 12" vein assaying 1.10oz Au/ton, a selected heavy sulphide sample assaying 9.34oz Au/ton, and a 16" vein grading 5.52 ounces over 6" followed by 10" grading 0.51oz Au/ton). Confirmatory sampling by the more recent property owners and their consulting engineers (L.J. Manning and Associates, Von Rosen, M.K. Lorimer, and the present writer) have certainly substantiated these results with many assays over 1 ounce being reported from scattered vein exposures up to 1 metre in width. An abundance of assays in excess of 0.3oz Au/ton from fissure vein material are recorded in the various engineering reports.

The available assay data establish a definite pattern - the higher gold values are confined to the high sulphide sections with the non-sulphide bear -ing banded quartz rarely assaying over traces of gold and silver.

Although the available assay results are highly encouraging, most of the known showings remain as relatively untested prospects due to their inaccessible locations, the hazardous conditions, and the rubble and snow cover prevalent in the steep walled gullies. The lateral and vertical continuity of these showings remains very much in doubt and the ore control for the higher grade sections has yet to be established.

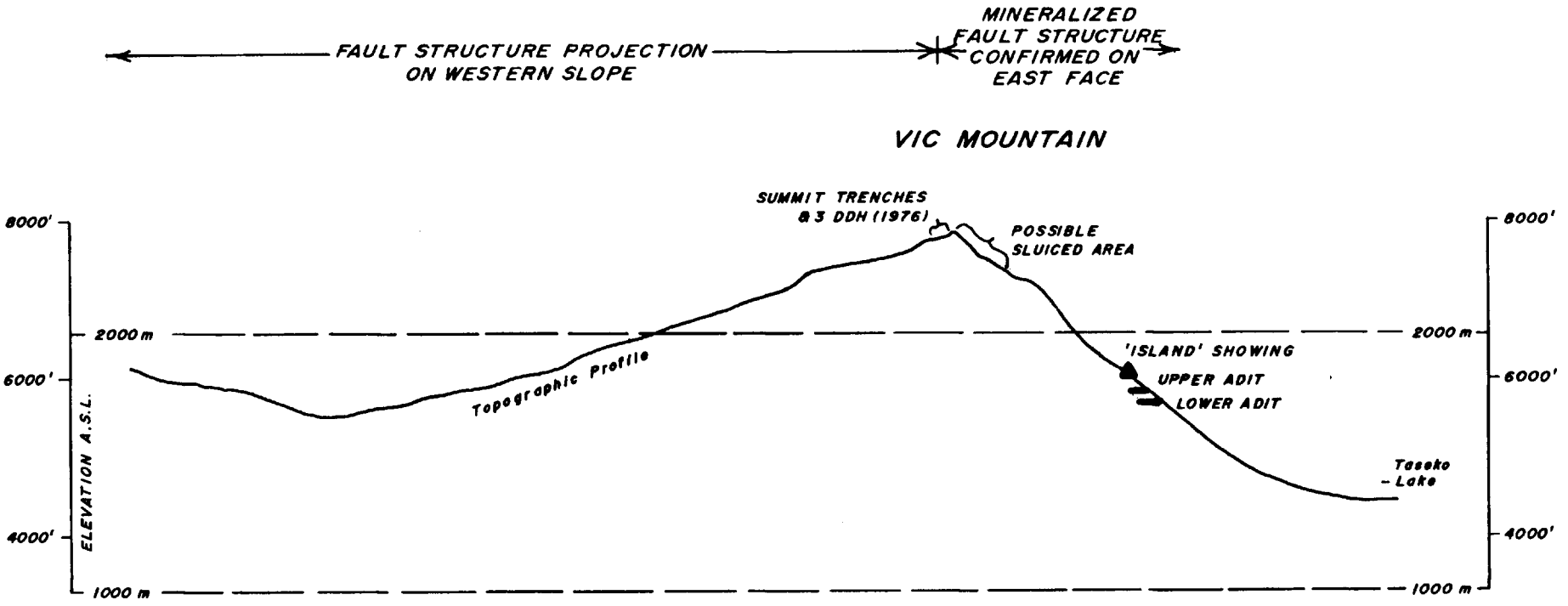
The two original adits driven to test high-grade surface showings on the steep eastern mountain face did not encounter significant mineralization.

DISCUSSION:

Although considerable work has been carried out on this property, there is little evidence of any comprehensive exploration. Most of the effort to date has been restricted to the testing of specific individual showings.

The dyke swarm and related fault structure most probably represent a major volcanic fissure system along which later gold mineralization has been emplaced. The structure is remarkably persistent having been traced through a vertical range of 700 metres, over a strike length of 800 metres on the east face alone. A further extension of the structure for 500 metres southwesterly beyond the summit can be postulated on the basis of the limited trenching and three drill holes completed to date high on the western slope.

Some considerable persistence to depth and additional extensions along strike can reasonably be anticipated for the favourable mineralized fault structure. The pattern of assay values returned in the past suggests the possibility of very high-grade mineralized "shoots" or lenses within the fault structure. To the northeast, the structure disappears below a heavy talus slide area but to the southwest, the zone projects through an area of relatively shallow cover and moderate relief. There is no evidence or record of any exploratory work having been carried out along this immediate southwestern extension.



PROFESSIONAL ENGINEER
PROVINCE OF BRITISH COLUMBIA
R. D. WESTERVELT

R.D. Westervelt, P.Eng.

Westervelt Engineering Ltd.

Kingsvale Resources Ltd.
VIC GOLD PROPERTY
Taseko Lake Area, B.C.

LONGITUDINAL SECTION
ALONG PROJECTED FAULT
(looking northwesterly)

0.5 0 1.0 km

SCALE 1:25,000

MARCH, 1987

FIGURE 5

Any reserves found within the area would most probably be amenable to low-cost adit development with substantial "backs" being developed even with a short drive.

CONCLUSIONS AND RECOMMENDATIONS:

Although no reserves have yet been defined, the earlier work has outlined a favourable geological environment with widespread epithermal gold showings with much exploration potential remaining virtually untested.

A comprehensive property exploration program is recommended with the prime target being the southwest extension of the mineralized fault zone and any sub-parallel structures. The proposed work will be concentrated on the more moderate western slope of Vic Mountain which is reasonably accessible but will include some limited additional examination of the steep eastern face.

The recommended program is briefly outlined as follows:

(a) renovation of the existing road up the western face of Vic Mountain (10 kilometres).

(b) construction of a field camp on the western slope.

(c) completion of a picketed and flagged grid over the entire western half of the property covering the area west of the summit. The baseline should be placed down the projected southwesterly traces of the fault structure with cross lines at 200 metre intervals with stations every 50 metres. Including baseline, tie lines, and crosslines, the total grid is estimated at 61 kilometres.

(d) reconnaissance contour soil sampling (Au, Cu) over the entire grid area at 500' (150 metre) elevational intervals (16 kilometres).

(e) magnetic and VLF-EM surveys (using both the Seattle and Hawaii stations) of the entire grid area with additional detail (at 25 metre intervals or less) along the immediate trace of the known fault structure (51 kilometres).

(f) soil geochem sampling (Au, Cu) of the grid where applicable with additional fill-in where anomalous results obtained.

(g) geological mapping of all exposures and detailed prospecting of the entire grid area with particular attention to recording and tracing any quartz, gossan, or sulphide rubble found along the talus slopes.

(h) detailed trenching using a bulldozer or heavy backhoe to trace the surface exposure of the known fault structure southwesterly from the summit.

(i) additional trenching as warranted to test geophysical or geochemical anomalies and potential talus source areas.

(j) further reconnaissance and sampling on the east scarp of Vic Mountain with particular attention to the face close to the upper rim where additional data might be obtained directly applicable to exploration on the western slope. This work should be undertaken only by a very experienced geological mountaineer and assistant as the terrain is extremely steep and hazardous.

(k) a follow-up examination of the upper and lower adit areas to define whether a very shallow westerly plunge to the high-grade material might have resulted in the adits encountering only low-grade values on structure.

With adequate preparation and reasonable weather, this field program should be completed in a 3 month period (June, July, August) with an 8 - 10 man crew including outside contractors.

PROGRAM COST ESTIMATE:

Project costs for the program as recommended above are estimated as follows:

SALARIES

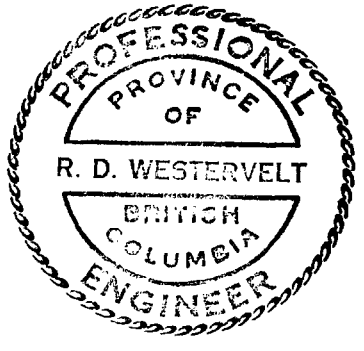
1	Senior Geologist	2 mo.	x	3,500/mo.	7,000	
1	Geologist	6 mo.	x	2,600/mo.	15,600	
1	Prospector	1 mo.	x	2,500/mo.	2,500	
1	Sampler	3 mo.	x	1,700/mo.	5,100	
1	Cook/Sampler	3 mo.	x	2,200/mo.	6,600	
1	Backhoe Operator			Sub Total	36,800	
2	Linecutters			Overtime	5,100	
2	Mountaineers			Benefits	4,600	
10	Crew Total				$46,500	$ 46,500

PROFESSIONAL AND TECHNICAL SERVICES			
Project Engineering, Consulting	30 days x 500/day		$ 15,000
PHOTO BASE MAP PREPARATION			
1:5000 Photographic enlargements			$ 1,000
GRID PREPARATION			
Cutting, Picketting, Secant Chaining	16 km x 350/km		$ 5,600
MOUNTAINEERING GEOLOGICAL CONTRACTOR			
1 Geologist and 1 Assistant	30 days x 300/day		$ 9,000
GEOPHYSICAL SURVEYS			
VLF-EM, Mag	Rental	500	
Consultant	Report Preparation	500	
		1,000	$ 1,000
GEOCHEMICAL ANALYSIS			
Grid Soil Samples (Au)	3,000 x 8.00	24,000	
Trench Soil Samples (Au)	500 x 8.00	4,000	
Trench Rock Samples (Au)	700 x 10.00	7,000	
		$35,000	$ 35,000
ASSAYS			
Rock Samples (Au, AG, Cu)	200 x 25.00		$ 5,000
HELICOPTER	16 hrs x 550/hr.		$ 8,800
EXCAVATOR			
Trenching, Road Building	50 days x 1,000/day		$ 50,000
RENTALS			
Radio Telephone	2 x 3 mo. x 200/mo.	1,200	
Camp Equipment	3 mo. x 2,000/mo.	6,000	
Trucks	2 x 3 mo. x 1,200/mo.	7,200	
		$14,400	$ 14,400

GENERAL EXPENSES

Camp Equipment		2,000	
Camp Supplies		3,000	
Drafting & Computer Plotting		8,000	
Food	500 man days @ $20.00/day	10,000	
Freight & Express		2,500	
Fuel & Oil		1,200	
Maps & Publications		300	
Office Supplies & Printing		2,000	
Petrographic Studies		500	
Propane		500	
Recording Fees	(5 years)	2,800	
Telephone & Postage		500	
Travel		1,000	
Trucking		900	
Vehicle Operating, Maintenance		500	
		$35,700	$ 35,700
		Sub Total	$227,000
		Management Fees	$ 23,000
		TOTAL	$250,000

In view of the available data and remaining untested exploration potential, I am of the opinion that this expenditure is well warranted on the Vic Gold Property at the present time.



Yours very truly,
WESTERVELT ENGINEERING LTD.

R.D. Westervelt, P.Eng.

R.D. Westervelt, M.Sc.,P.Eng.

Vancouver, B.C.
March 19, 1987

Selected References

1935 - B.C. Minister of Mines Annual Report, pgs. F26-28.

1974 - Progress Report on the Vic Gold Property for Nemco Explorations. Private report by L.J. Manning & Associates dated November 28, 1974.

1976 - Exploration Report on the Vic Claim Group for Cop-Ex Mining Corp. Private report by R.D. Westervelt, P.Eng., dated July 23, 1976.

1977 - Summary Report on the Vic Gold Holdings for Gilford Mines Ltd. Private report by G. Von Rosen, P.Eng., dated November 24, 1977.

1980 - Summary Report on "Vic" Gold Property for Stryker Resources. Private report by G. Von Rosen, P.Eng., Dated December 3, 1980.

1983 - Engineering Report on the Vic Propery by M.K. Lorimer, P.Eng., June 10, 1983.

1984 - Summary Report on the Vic Gold Property for Sunmark Mines Ltd. Private report by G. Von Rosen, P.Eng., dated May 25, 1984.

1984 - Assessment Report on the Underground Diamond Drilling on the Vic Claim. Prepared by G. Von Rosen, P.Eng., dated June 7, 1984.

1984 - Assessment Report on Airphoto Fracture Density Analyses on the Vic mineral claim. Prepared by G. Von Rosen, P.Eng., dated December 12, 1984.

1986 - Geophysical Report on the Vic Mineral Claim for Stryker Resources by D.A. Perkins. Date uncertain - probably January, 1986.

CERTIFICATE

I, Ralph D. Westervelt, M.Sc., P.Eng., Geological Consultant of

#401 - 1112 West Pender Street
Vancouver, B.C. V6E 2S1

do hereby certify that:

1. I am a Mining Geology graduate from the University of Toronto (B.A. Sc., 1956) and an Economic Geology graduate from Queen's University (M.Sc., 1960).

2. I am a registered member of the Association of Professional Engineers in the Provinces of Ontario and British Columbia.

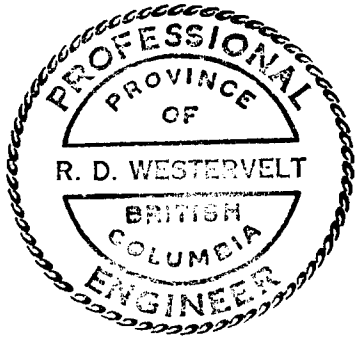
3. I have practiced my profession as a Geologist continuously since grad -uation in mining and exploration for various companies in Canada and commenced private geological consulting in Vancouver in 1969.

4. My report is based on my personal field examination of the Vic property herin described during the summer of 1976 and on my review of the his -torical and technical data now available on the property.

5. I have no interest, nor do I expect to receive any interest, either directly or indirectly, in the securities of Kingsvale Resources Ltd. or in the Vic Gold Property as herein described.

6. I herewith grant my permission for Kingsvale Resources Ltd. to use this report in a Prospectus or in a Statement of Material Facts relat-ed to the raising of funds.

Dated at Vancouver, B.C. on this 19th day of March, 1987.



R.D. Westervelt, P.Eng.

R.D. Westervelt,M.Sc.,P.Eng.