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GEOLOGICAL ENGINEERING

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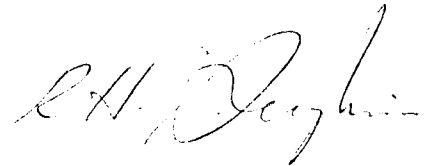
Re: Bayonne Gold Prospect

I have reviewed the reports by W. Hainsworth, R. Henshaw and George Mill, as well as a report of my own. These reports provide an estimate of possible reserves, and of the nature of the gold quartz veins. They indicate that eighteen areas would have to be worked to provide 11,000 tons of 0.76 Au (pre-dilution). They also indicate that the opening up of the old mine could be expensive.

The surface, however, does not appear to have been well explored. No evidence of any organized program of bulldozer trenching is found in the reports. In fact George Mill's report of July 26, 1962 states that "exploration is fully warranted-----on the north vein on which a very small amount of surface trenching has been done. Mill also states "The area lying south and southeast of 8 A E portal-----is considered as potential area for another vein". His report of July 5, 1968 recommends that cat surface trenches should be completed at various locations across the strike of the North Vein and in the depressions lying south and southeast of 8 A Portal to check the possible existence of other vein systems.

The area has other crown granted claims to the east, and these should be investigated to determine the nature of the mineralization therein. A field check is also necessary to determine to what extent a bulldozer trenching program is practicable, but certainly some surface trenching appears to be an attractive venture if the property can be controlled under appropriate financial terms.

April 13, 1973.



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