

TARGET SURVEYS INC.  
4584 Langara Avenue  
Vancouver, B.C.  
V6R 1C8

Telephone: (604) 732-0375

June 7, 1988

Ian Pirie  
Minnova Inc.  
4th Floor, 311 Water Street  
Vancouver, B.C.  
V6B 1B8

Dear Ian:

Enclosed is the gravity profile from our test line over your Rea Gold, Adams Lake property. We measured along line 98N and a very short test line directly over the zone along the pit floor near the face of the pit. The results of the latter line are not included as the data was not interesting enough to warrant its reduction and analysis. No surveying over the zones within the Rea Gold concession was done and, therefore, no results of our test have been sent to them.

We used a La Coste and Romberg Model G gravimeter and followed standard survey procedures. Station spacing was 10 meters over the zone and 25 meters on the flanks. Stations were leveled optically and tied to a survey monument adjacent to the line. Inner zone terrain corrections were applied using 8 inclinometer readings taken at each station. The terrain corrections are substantial (almost up to 1 mgals) but we feel that they have correctly removed the local terrain effects from the data. The data was assessed on site by hand, and then reduced and profiled on computer back in Vancouver.

The results did not meet our expectations. We were anticipating a large sharp anomaly directly over the mineralized zone as had been suggested in a former gravity test. The former gravity test profile does not appear to be of much value, however, as the station spacing was too large and there was not enough coverage to the east on the hanging wall side. Also, it is uncertain how the data reduction and the all important terrain corrections were done. Our results were interesting, even if the anomaly was not as strong as hoped. If the two main blips at 520 and 550 East should be shown by further exploration to correlate the mineralized zone, then gravity surveying may indeed be a useful exploration tool in your area. The high at 650 East corresponds with the previous survey and may deserve some further exploration as well.

Time permitting, we may do some more data manipulation including some modelling of massive sulphide lenses exemplified by your case. If we should happen to obtain further interesting results we shall inform you.

Thank you very much for granting us permission to try this experiment. Should your exploration happen to show that this gravity survey has been useful, we would appreciate hearing from you.

As you may be aware, Tam Mitchell is from Barriere and hence we are keen to work in the area on our "home turf". Target Surveys can provide full exploration services including geophysics, geology, geochem, surveying, geostatistics and ore reserves, report preparation and drafting, etc. If you would like any further information, please don't hesitate to call.

Yours sincerely,

A handwritten signature in black ink, appearing to read "D. A. Warren", with a long horizontal flourish extending to the right.

David A. Warren

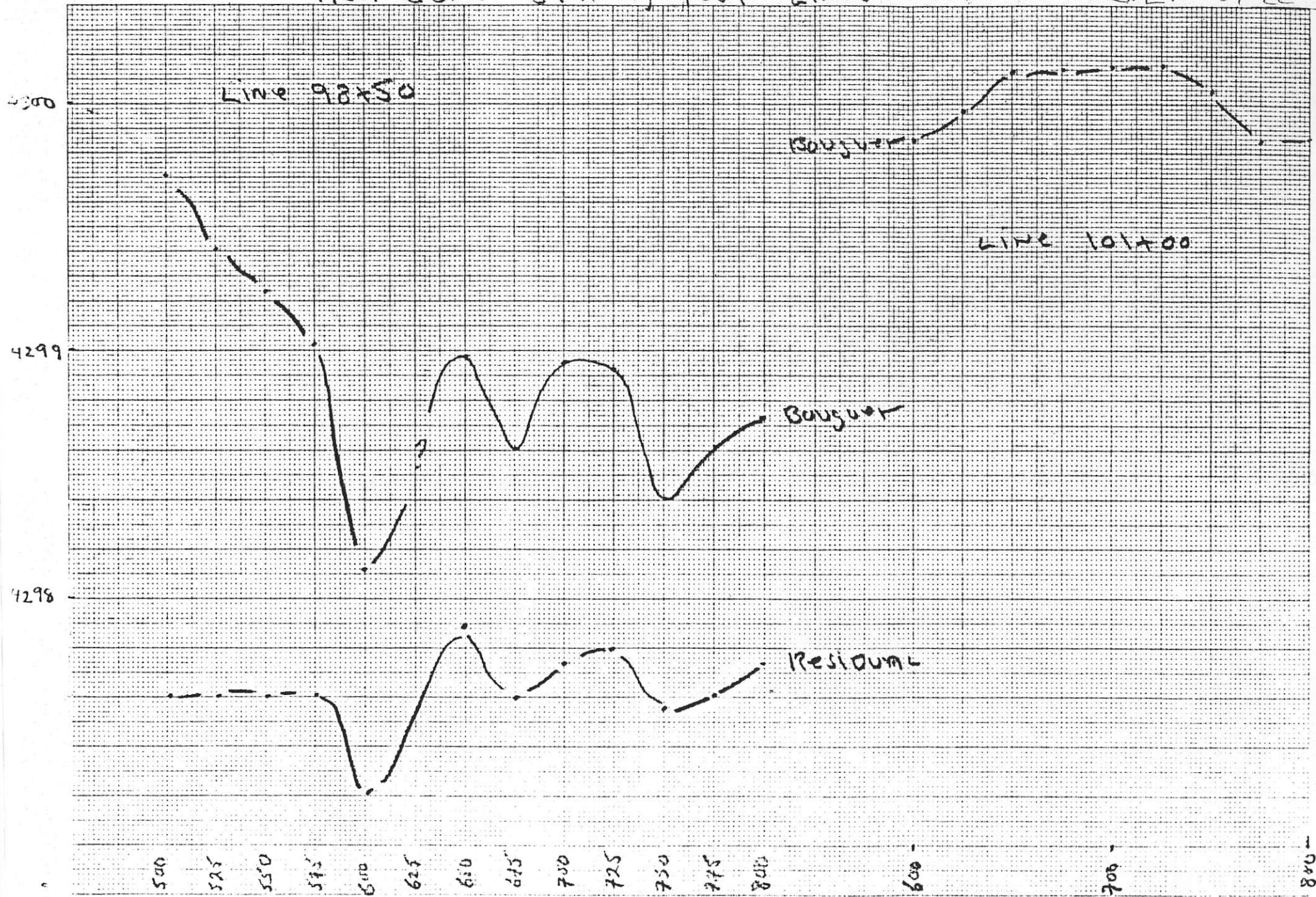
REA GOLD Gravity Test Lines

11 km

J.L. By CC

500 ROAD

100  
03



125~