

ARANLEE RESOURCES LTD.

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Dec 11, 1990

Ian Pirrie,
Minnova Inc.,
3rd Floor,3ll Water St.,
Vancouver, B.C.,
V6B 1B8

MEETING 3pm, Dec 11. RE: QUET PROPERTY

Dear Mr. Pirrie,

Further to our conversation yesterday, and for the purpose of todays meeting I am enclosing a data package which I can summarise here, with a short history of the project.

Briefly the Quet property was optioned by Aranlee in 1987 and is now owned 100% by us. After prospecting/field programs in 1987 and 1988 two main showings were discovered with high gold, lead and zinc values, Dan's showing and the Simpson Creek showing. In 1989 Dan's showing was followed up with rock sampling, trenching, mapping, soil geochemistry and ground VLF-EM and magnetics. This led to the outlining of an area of pyritic, altered felsic volcanics with strongly anomalous gold geochemistry over an area 1,500m by 100m. In April 1990 Noranda optioned the property and carried out a program of soil geochemistry, airborne and ground geophysics and six diamond drill holes. Four of the holes returned 'significant results' (2,3,4,5) similar to surface values, of the remaining three holes, one was lost (6), one collared below the target (1) and one appears to have intersected an upthrown fault wedge (7). Almost all the Noranda work was concentrated on the 'South Ridge' area, with drilling and IP confined to the eastern half of that area.

Data:1) Aranlee Prospectus

Includes 1987 Report by McClaren and Hill on Quet

2) Summary Maps

- i) Location and Land Holdingsii) Compilation Geology/Results
- 3) Aranlee Annual Report 1990 Includes Quet summary
- 4) Noranda Report Geology, Geochemistry Geophysics on Quet Claims*
- 5) Noranda Drill Plan Geological Map and 4 Sections, with compiled data
- 6) Noranda Project Update Drill Results/Logs

* Copies of all the report maps can be provided if required.

Yours sincerely,

Koenraad Verbruggen, Senior Geologist

Senior Geologist 548 Beatty Street, Vancouver, B.C., Canada V6B 13 Tel 604 - 684-4039 Fax 604 - 684-3854



ARANLEE RESOURCES LTD.

March 5, 1991

Colin Burge, Minnova Inc., 3rd Floor, 3ll Water St., Vancouver, B.C., V6B 1B8

Dear Colin,

Further to our recent conversation, I enclose some additional data on our Quet Project in British Columbia.

This consists of the text and relevant maps and sections from Noranda's final report on the project (Inclusions indicated on List of Figures in Text). All detailed sampling, ground geophysics and drilling were concentrated on a relatively small part of the north facing slope of the Southridge area.

I would draw attention to the following points from the text;

Page 18, Sec 3.3 Geology - Interpretation

"A blue-grey silicified felsic tuff unit (unit 3) had been shown by past surveys to contain sphalerite - galena showings. Although surface mapping confined the showings to this unit and defined it to be the most potentially economic horizon on the Southridge, diamond drilling showed that mineralization was not restricted to one lithological unit. Instead it appears to be related to a structural zone which crosses two separate units."

Page 20, Sec 4.2 Rock Sampling

"The western limit of mineralisation was not reached geochemically even though alteration and mineralization visually appeared to (be) dying out"

Page 29, Sec 6.0 Diamond Drilling

"The source area of the quartz vein/flood zones was not discovered during drilling. Further investigation of this zone should be directed towards locating same in an effort to find smaller tonnage, higher grade mineralization."

As I mentioned we have obtained from Noranda representative drill core sections from all of the holes and I propose to lay them out here on Thursday and Friday of next week (14th/15th). I will call you to confirm this, if in the meantime you require copies of any of the appendices or other information you can contact me at the number below,

Yours sincerely,

Koenraad M. Verbruggen

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December 21, 1990

Arranlee Resources Ltd., 548 Beatty St., Vancouver, B.C., V6B 2L3

Attention Mr. Koenraad Verbruggen

Dear Mr. Verbruggen:

Thank you very much for submitting the Quet property data for our examination. The property certainly is of merit and we would like to make a more detailed field examination in the spring. Hopefully we will be able to do this in April or May when the snow has melted in the upper reaches of the valleys.

Yours truly

Colin Burge Project Geologist