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TO: GEORGE HEARD  
Global Mineral & Chemical Ltd.

FROM: NICK CARTER

RE: RECENT DRILLING PROGRAM - LOUISE LAKE

As I understand it, Global's recent three hole program was designed to test the high IP chargeability zone immediately north of Louise Lake. This area is about 11000E on the property grid or about 1.3 km northeast of the main area of trenching and drilling. A previous Equity hole in this area returned 2.9 metres grading 1.46% Cu, 1.15% Zn, 1.9 g/t Au and 121.7 g/t Ag.

I understand that recent drilling returned enhanced Zn (+Ag) values but little Cu. While the IP response here is similar to that of the main zone, this particular area may be within a "pyrite halo" marginal to a typical porphyry system. These commonly feature higher Zn+Pb+Ag values.

Soil sampling in 1995 along roads south of Louise Lake and Coal Creek returned enhanced Zn values. 10 contiguous samples at 50 metre intervals 2 km south of Equity hole LL-10 contained average value of 249 ppm Zn, 85 ppm Pb and 1 ppm Ag all of which are moderately anomalous.

By contrast, Global 1996 drill hole GM-1, near the centre of the main zone, included a 73 metres section grading 0.36% Cu and 0.35 g/t Au. This same section contained an average of 125 ppm Zn. It would be interesting to check the Zn values for Equity hole LL-9 which was drilled about midway between the main zone and the recent area of drilling and intersected less than 1000 ppm Cu. The Zn values here may be similar to those from the recent drilling.

The main zone is still open to the west - high IP chargeabilities extend several hundred metres west of the limits of drilling.

