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The Directors
Consolidated Taywin Resources Ltd.
Suite 203 - 960 Richards Street
Vancouver, B.C. V6B 3C1

Dear Sirs:

**Re: Past Expenditures - JASPER, TOFINO NICKEL
and MT. DIADEM Mineral Properties**

The following estimates of historic expenditures incurred on the three subject properties are based on documented costs as reported in various assessment reports filed with the B.C. Ministry of Energy Mines and Petroleum Resources. Traditionally, these documents do not constitute a full reporting of all work done, consequently the following estimates may be considered conservative. For example, it is known that diamond drilling was done on both the JASPER and MT. DIADEM properties although no assessment reports detailing these programs were filed. In both cases, estimates of costs involved in carrying out these programs have been included.

The reported historic expenditures include only those incurred over the past 25 years. It is well known that exploratory work has been carried out on both the TOFINO NICKEL and MT. DIADEM properties since the early part of this century.

Note that expenditure estimates for the three properties have been recast to reflect present day dollars.

JASPER

Hudson Bay Exploration and Development Ltd. (1970-1975)	
Line-cutting, geological mapping, soil and rock geochemistry, Induced Polarization survey, 180 metres of diamond drilling in 7 inclined holes	\$170,500
Marshal Creek Copper Mining Co. Ltd. (1971)	
Soil geochemistry	\$28,800

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Malabar Minerals Ltd. (1981)	
Soil geochemistry	\$7,975
R. Bilquist (1983-1984)	
Prospecting	\$3,385
Falconbridge Limited (1984-1985)	
Geological mapping, rock and soil sampling, VLF-EM and Genie HLEM surveys, 188 metres of Winkie diamond drilling	\$41,700
Asamera Inc. (1987)	
Geological mapping, soil and rock geochemistry	<u>\$26,500</u>
Total, Jasper Property	\$278,860

TOFINO NICKEL

Cominco Ltd. (1984-1986)	
Line cutting, detailed geological mapping, petrographic studies, trenching, bedrock sampling, soil geochemistry, magnetometer, VLF-EM and HLEM surveys	\$63,500
Stag Explorations Ltd. (1988)	
Geological mapping, rock and soil geochemistry	<u>\$22,350</u>
Total, Tofino Nickel Property	\$85,850

MT. DIADEM

Tiger Silver Mines Ltd. (1970)	
Soil geochemistry, magnetometer survey	\$3,900
Brittain River Syndicate (1971)	
Geological mapping, soil geochemistry, EM and magnetometer surveys	\$30,600
Fury Explorations Ltd. (1979)	
VLF-EM survey, rock geochemistry	\$4,100

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Anaconda Canada Exploration Ltd. (1983-1984) Geological mapping, soil and rock geochemistry, magnetometer and HLEM surveys, 900 metres of diamond drilling in 9 holes	\$290,000
Covenant Resources Ltd. (1988) Prospecting, geological mapping, soil and rock geochemistry	<u>\$9,460</u>
Total, Mt. Diadem Property	\$338,060

Respectfully submitted,

N.C. Carter, Ph.D. P.Eng.