830499

PROGRESS REPORT

ON THE

NORTH 40 PROPERTY

Blazed Creek Area
Nelson Mining Division
British Columbia

NTS: 82F/2W
Latitude: 49°10' North
Longitude: 116°56' West

FOR

BLUEBIRD MINERALS LTD.

BY

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May 15,1998

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SUMMARY

Bluebird Resources Ltd. owns the North 40 property which consists of nine contiguous mineral claims located in the Nelson Mining Division midway between Salmo and Creston in southeastern British Columbia.

The North 40 property includes several known gold-bearing quartz veins hosted by granodiorite of the mid-Jurassic Mine Stock. Previous work, undertaken by Bluebird Minerals Ltd., identified significant gold values hosted by narrow quartz vein structures. Geophysical and geochemical surveys suggested good potential for extensions to known structures and for the discovery of additional veins.

A 1997 program included diamond drilling (1137.1 metres) which tested the principal geochemical-geophysical target. Numerous narrow (2-15 cm) quartz stringers containing low gold values were intersected. Additional soil geochemistry did not extend the known anomalous areas substantially but limited prospecting did identify some additional narrow gold-bearing vein structures.

The 1997 exploratory program essentially conforms to the writer's initial recommendations for Phase I work. Results to date are not particularly encouraging and it is recommended that possible additional work be directed to surface investigation of other known vein structures on the property.

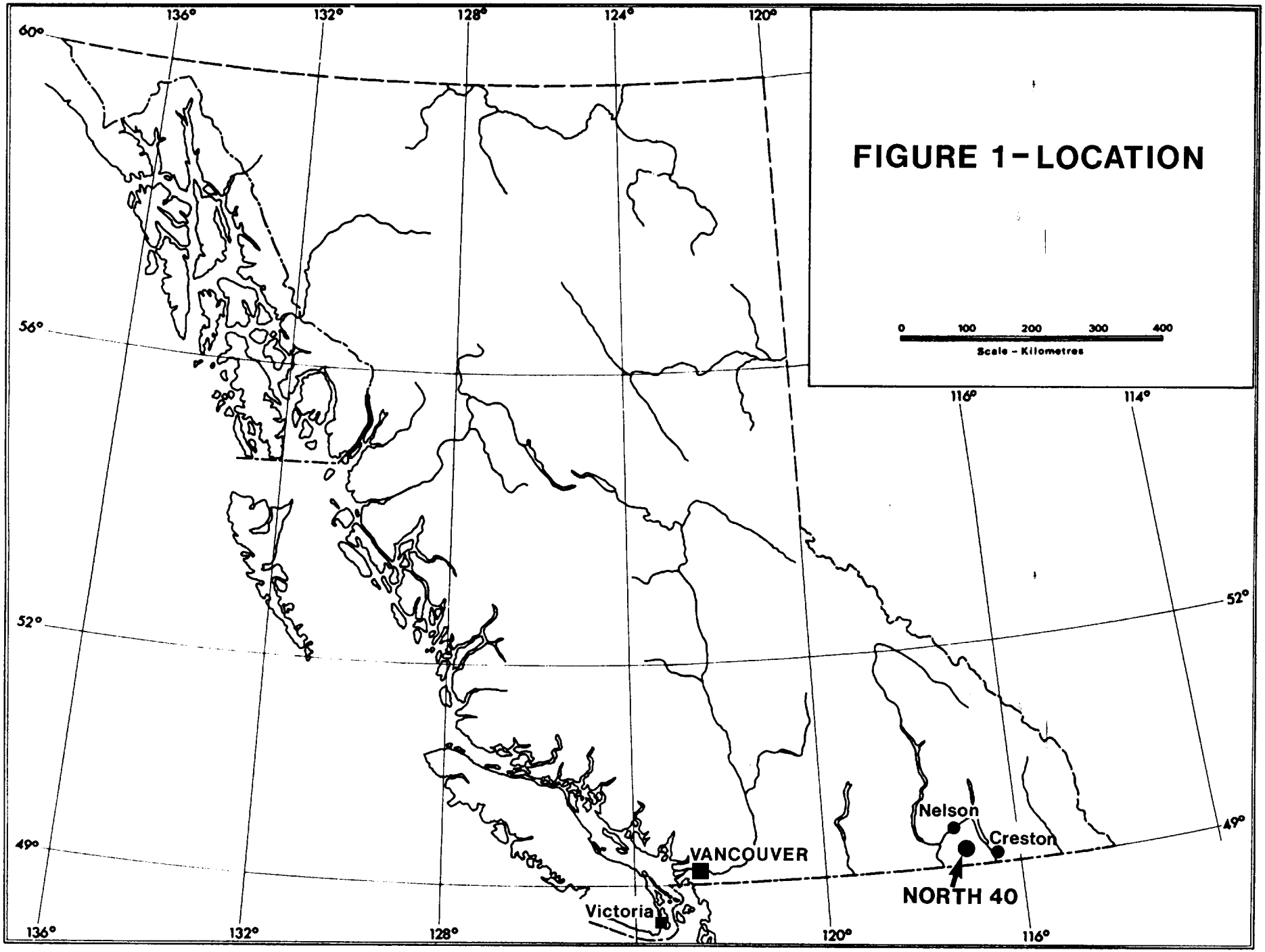
FIGURE 1 - LOCATION
0 100 200 300 400
Scale - Kilometres
136°
132°
128°
124°
120°
116°
114°
60°
56°
52°
49°
VANCOUVER
Victoria
Nelson
Creston
NORTH 40

INTRODUCTION

Bluebird Minerals Ltd. is the owner of the North 40 property which consists of nine mineral claims situated south of Nelson in southeastern British Columbia. The mineral claims include several gold-bearing quartz veins which are similar to nearby structures that have yielded production in the past.

This progress report, which incorporates a review of results obtained from a 1997 exploration program on the property, has been prepared at the request of Bluebird Minerals Ltd. The report is based in part on a Geological Report on the North 40 Property, prepared by the writer January 25,1996, and an addendum to same dated November 1,1996. Results of the 1997 exploration program are detailed in a February,1998 Report on Diamond Drilling and Soil Geochemistry, prepared by B.E.K. Augaten, and made available to the writer by Bluebird Minerals Ltd.

The writer has not personally examined the North 40 property but has a reasonably good knowledge of the area gained by way of a numerous mineral property examinations throughout southeastern British Columbia over the past 25 years. This work has involved examination of, and reporting on, several gold prospects in the south Slocan area which have a geological setting similar to that of the North 40

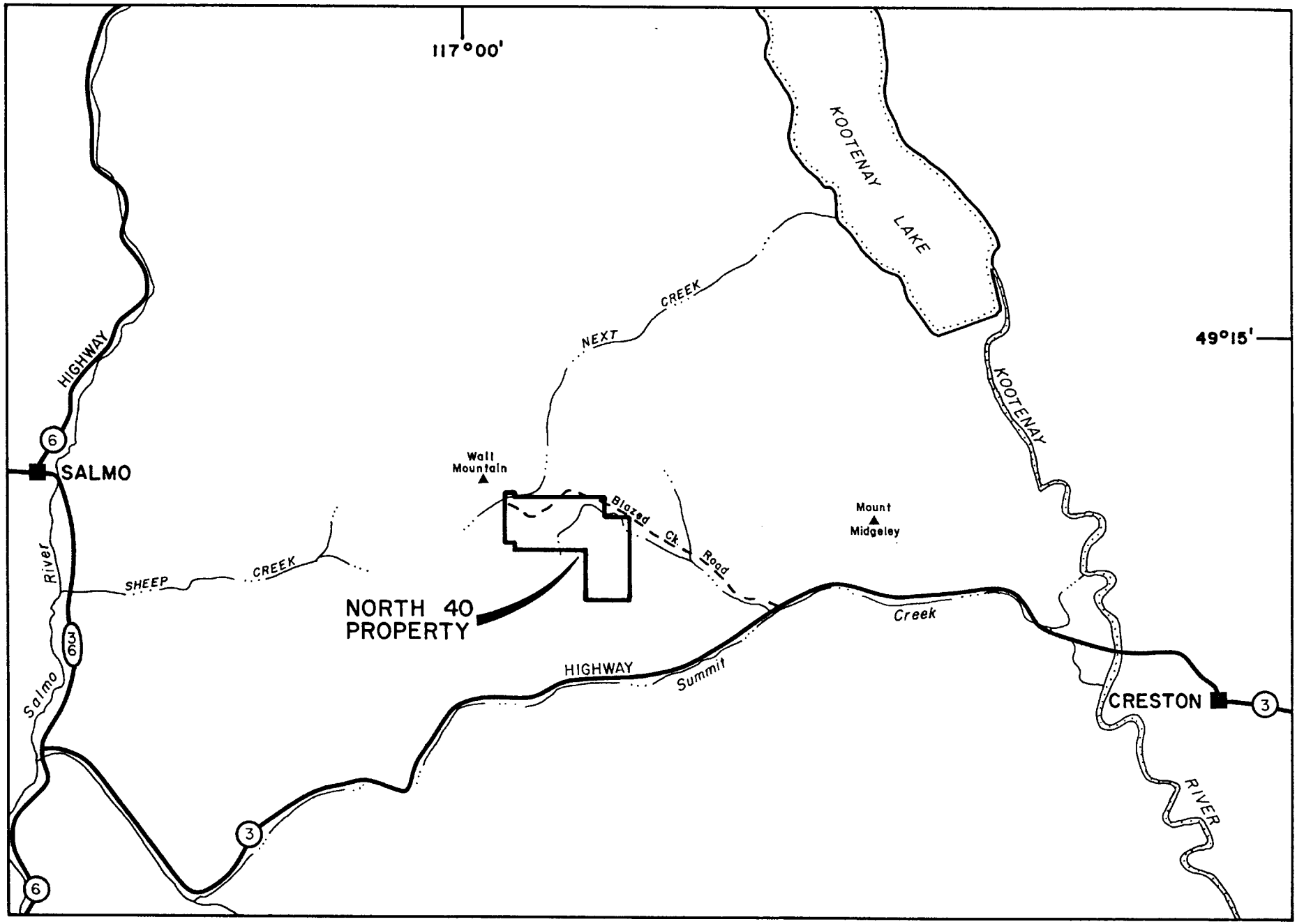

FIGURE 2 – NORTH 40 PROPERTY – LOCATION

property and environs.

LOCATION AND ACCESS

The North 40 property is situated 40 km southeast of Nelson and 30 km west of Creston in southeastern British Columbia (Figure 1). The geographic centre of the property is at latitude 49°10' North and longitude 116°56' West in NTS map-area 82F/2W.

Mineral claims comprising the property are located at the headwaters of Blazed Creek and access is afforded by a 12 km secondary road extending up Blazed Creek from highway 3 some 23 km west Creston (Figure 2). Parts of the northern, western and eastern claims areas are accessible by way of a number of branch roads.

MINERAL PROPERTY

The mineral property held by Bluebird Minerals Ltd. consists of four 4-post and five 2-post mineral claims (80 mineral claim units) located in the Nelson Mining Division. These are shown on Figure 3 and details are as follows:

Claim Name	Record Number	Units	Expiry Date
NORTH 40	324215	20	March 26,2001
NORTH 42	325570	20	May 15,2001
SOUTH 40	333099	20	December 19,2001
BLAZE	340604	15	September 24,1998
ARK 1	340605	1	September 26,1999
ARK 2	340606	1	September 26,1999

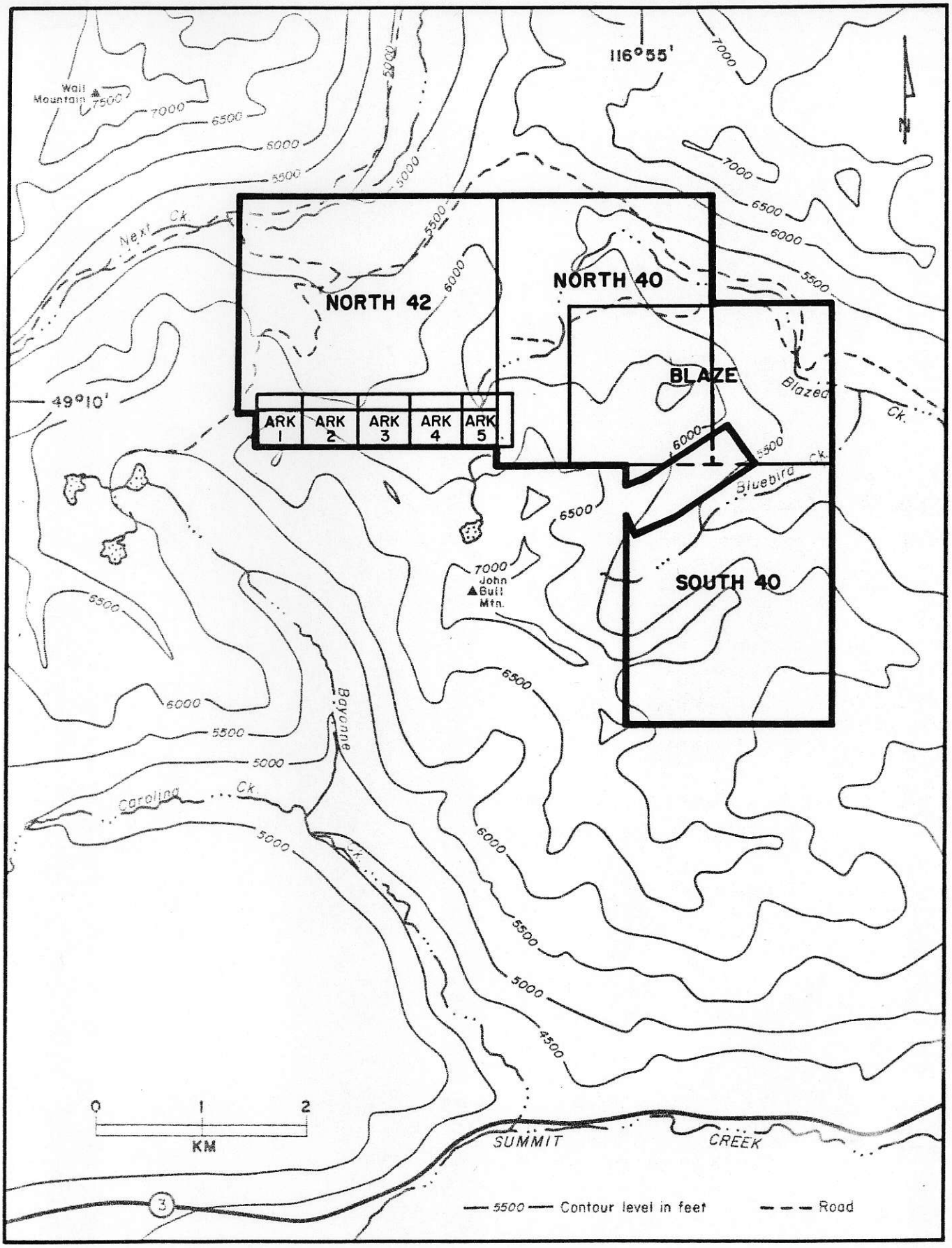

FIGURE 3 – NORTH 40 PROPERTY – MINERAL CLAIMS

Claim Name	Record Number	Units	Expiry Date
ARK 3	340607	1	September 26,1999
ARK 4	340608	1	September 26,1999
ARK 5	340609	1	September 26,1999

PHYSICAL SETTING

The North 40 property is situated in relatively rugged terrain typical of the southern Selkirk Mountains. Elevations range from about 1500 metres above sea level along the lower reaches of Bluebird Creek in the southeastern property area (Figure 3) to between 1800 and 2100 metres in the western claims. The principal areas of interest on the property are in relatively subdued topography between elevations of 1600 and 1900 metres.

Large parts of the property have been logged; remaining forest cover consists of mature balsam fir and spruce with locally thick underbrush. Topographically higher areas within the claims area feature typical alpine terrain.

PREVIOUS WORK

Initial prospecting in the headwaters areas of Blazed and Next Creeks was undertaken in the early part of this century. Mineral claims covering the Bayonne gold property were located in 1901 (Sargent,1938). Gold-bearing quartz veins on the Spokane, Virginia, Echo, Montana and Summit Bell properties were discovered at about the same time and work

over the subsequent 20 years included underground development on the Bayonne, Spokane and Summit Bell properties.

Renewed activity in the area in the 1930's and early 1940's was in response to higher gold prices. A truck road along the route of the original trail was extended into the Bayonne property, a 60 tpd cyanide mill was constructed and most of the production from this property took place between 1936 and 1942. Ore shipments were also made from the Spokane and Virginia properties during the same time period.

Post World War II activity included limited ore shipments from the Bayonne and Spokane properties between 1946 and 1956. Additional investigation of the Bayonne deposits included some diamond drilling in 1963 and 1964 when completion of the Salmo - Creston highway afforded more convenient access into the area.

More recent investigation of the Bayonne property, undertaken by several junior companies between 1980 and 1990, included some diamond drilling and various geological, geochemical and geophysical surveys and some ore shipments to the Cominco Trail smelter (Hitchins,1987; Sykes and Allen,1989).

Production from the area between 1915 and 1984 is summarized in the following table. Noteworthy is the fact that more than 90% of this production was recorded between

1936 and 1942.

Property	Tonnes Mined	Gold(g)	Silver(g)	Lead(kg)	Zinc(kg)
Bayonne	81678	1311295	3743671	42754	23349
Spokane	1733	29639	570988	304046	12943
Virginia	19	373	591	-	-
Totals	83430	1341307	4315250	346800	36292

(Imperial units - 91,966 tons mined, yielding 43,131 oz.gold, 138,732 oz.silver, 764,563 lb.lead, and 80,010 lb.zinc)

Previous work within the area now included in the North 40 property dates back to the early 1900's when some investigation of the Virginia vein was undertaken. (This prospect is believed to be located near the southwestern corner of the present North 42 claim - Figures 3 and 4). Subsequent work on this prospect reportedly included about 60 metres of drift adit and some limited production in the late 1930's.

Cima Resources Ltd. held 4 mineral claim units in the northeast quarter of the current North 42 claim in 1983 Corvalen,1983). A stream sediment survey lead to the discovery of what was referred to as the Yukon vein structure which was further explored by several hand trenches, bedrock sampling, geological mapping and the collection of 278 soil samples.

Principals of Bluebird Resources Ltd. undertook prospecting of the area immediately north of the Bayonne

property in 1992. This work resulted in the discovery of two gold-bearing vein structures and mineral claims were located in 1994. Bedrock sampling was undertaken and a small grid was established around one of the vein structures to facilitate the collection of 63 soil samples (Cukavac,1995). Two short diamond drill holes were completed with the aid of a Winkie portable drill. Some geological investigation and sampling was also carried out in the area of an old adit believed at that time to be near the south boundary of the North 40 claim. Subsequent investigation demonstrated that the underground workings were in fact situated on the adjoining Summit Bell Crown granted claims.

A comprehensive program on the North 40 property in the fall of 1995 included prospecting, limited bedrock sampling, soil geochemistry and geophysical surveys. Two grid areas were established, the larger being the West Grid which consisted of a 1 km picketed baseline and 33 km of flagged, north-south cross lines at 50 metres spacings. 1,297 soil samples, collected at 25 metre intervals along the cross lines, were subsequently analyzed for geochemical concentrations of gold, lead and a number of other elements. A combined magnetometer - very low frequency electromagnetic (VLF-EM) survey was also conducted over 22 km of the West grid.

The East Grid consisted of 13.7 km of flagged north-south lines spaced 100 metres apart. Work here in 1995 included the collection and subsequent analyses of 308 soil samples.

RECENT WORK

Additional exploratory work, undertaken by Bluebird Minerals Ltd. in July and August of 1997, included 1131.7 metres of diamond drilling in six inclined holes. NQ-size (4.76 cm diameter) drill core was recovered by a track-mounted Longyear 38 drill owned by contractor Leber Mines Ltd. of Nelson, B.C.

The West Grid was extended to the east by way of flagged north-south compass lines at 50 metres spacings. Some 28.4 line-km of grid was established and 1172 soil samples were collected at 25 metre intervals. Some prospecting was also completed and a number of bedrock and float samples were collected for analyses.

Drill core, soil, and rock samples were submitted to Eco-Tech Laboratories Ltd. of Kamloops, B.C. for determination of gold contents by geochemical methods and for 28 major and trace elements by ICP methods.

Program expenditures in 1997 totalled $137,790 (Augsten,1998).

REGIONAL GEOLOGICAL SETTING

The region southwest of Kootenay Lake, including the Blazed Creek - Next Creek areas, is within Kootenay Terrane a short distance east of the Kootenay Arc. Layered rocks underlying this area include a thick succession of clastic and lesser carbonate sediments and some volcanics, all part of the Windermere Supergroup of late Proterozoic age (Brown et al,1995). These are intruded by middle to late Jurassic granitic plutons and by the mid-Cretaceous Bayonne granitic batholith which extends west and east of the southern part of Kootenay Lake.

The Blazed Creek - Next Creek area is principally underlain by two granitic stocks, one of which, the Mine Stock, is in intrusive contact with the Bayonne batholith. Both the Mine Stock and the nearby Wall Stock (Rice,1941) are elongate bodies, approximately 12 by 8 km in plan, and are of mid- to late Jurassic age or similar to the nearby Nelson batholith. Both stocks consist of fine- to medium-grained, equigranular, light grey granodiorite. The Mine Stock features numerous, narrow aplite and pegmatite dykes, particularly along its margins.

Mining and mineral exploration in this region has been mainly directed to gold mineralization associated with narrow, fissure-filling quartz veins developed in both the

Mine and Wall Stocks. Examples include the Bayonne, Spokane and Summit Bell properties (Figure 4).

The Bayonne mine, in the central part of the Mine Stock, includes several gold-bearing quartz veins which occupy east-northeast striking, near vertical, shear zones in granodiorite. Quartz veining within the shear zones ranges in width from 5 cm to 3 metres and averages 0.5 metre. Granitic wallrocks 0.6 to 1 metre outward from the veins feature abundant talc-carbonate alteration (Rice,1941).

The Bayonne veins are oxidized from surface to depths of about 140 metres and consist mainly of vuggy quartz with abundant limonite. Below this level, the quartz veins contain varying amounts of pyrite, galena, sphalerite and chalcopyrite (Hitchins,1987).

Past mining included seven drift adits which developed several veins over strike lengths of between 300 and 750 metres and over a vertical range of 180 metres (Sargent,1938). Most mining was within the oxidized zone and average recovered grades from 81678 tonnes mined were 16.1 g/t gold, 45.8 g/t silver, 0.05% lead and 0.03% zinc. (Imperial units - 0.466 oz/ton gold and 1.33 oz/ton silver).

Remaining proven and inferred reserves in 3 veins are reported (Sykes and Allen,1989) as 125,000 tonnes grading 14 g/t gold.

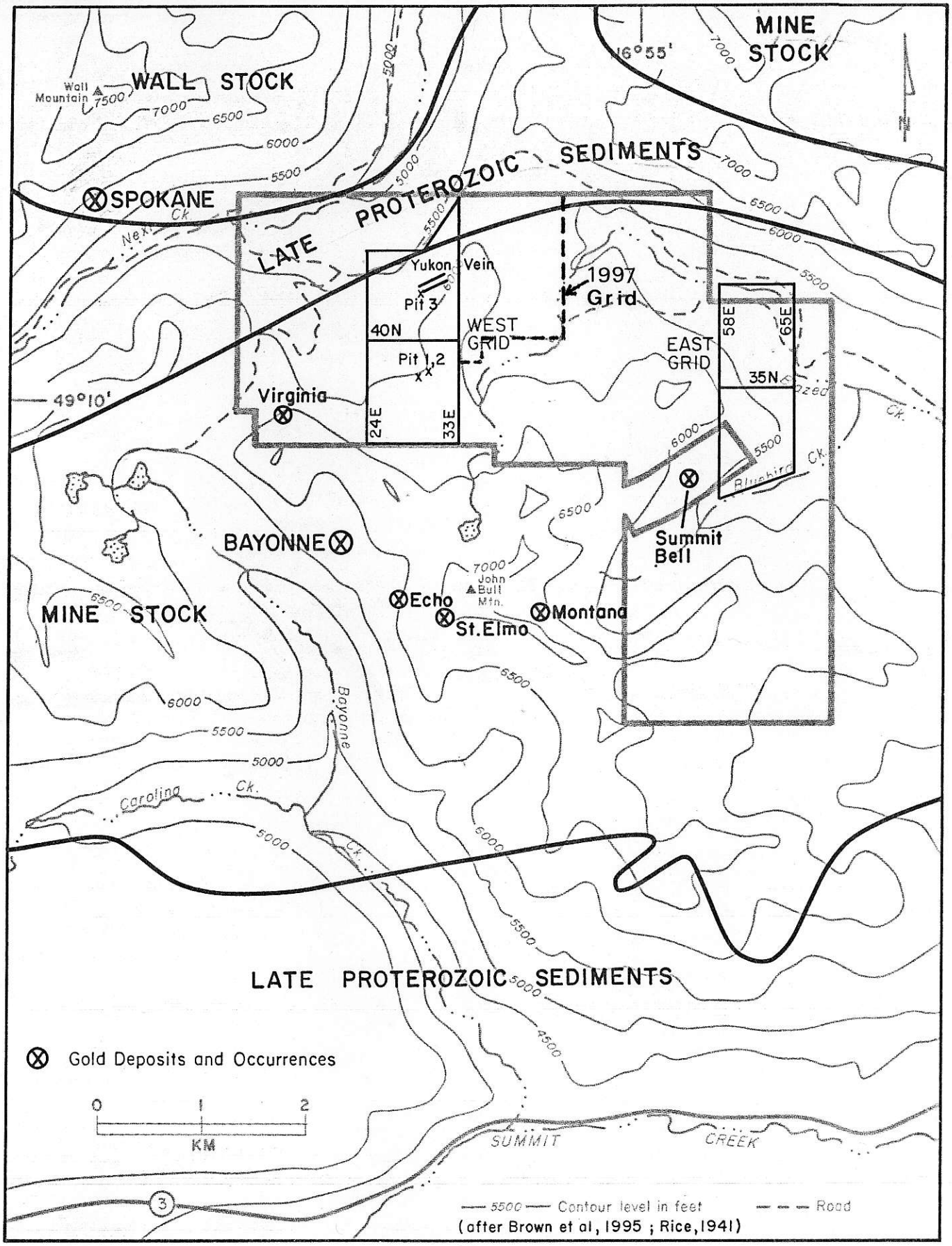

FIGURE 4 – NORTH 40 PROPERTY – GEOLOGICAL SETTING

The Spokane property, northwest of the Bayonne mine and near the southern margin of the Wall Stock (Figure 4), is similar to the Bayonne. Quartz veining is developed in a less than 1 metre wide, steeply south-dipping shear zone which trends easterly or parallel to the southern stock contact. Secondary lead,zinc and copper minerals are present within an oxidized zone extending to depths of about 100 metres. Narrow, north-trending lamprophyre dykes were noted cutting the vein structure in the underground workings (Sargent,1938).

Five adit levels developed the Spokane vein structure over a strike length of 200 metres and a vertical range of 100 metres. Average recovered grades from 1733 tonnes shipped since the early 1900's were 17.1 g/t gold, 329.5 g/t silver, 17.5% lead and 0.7% zinc.

The Summit Bell prospect, 3.5 km east of the Bayonne and also within the Mine Stock (Figure 4), includes two parallel quartz veins exposed in several surface cuts and one drift adit over a strike length of 100 metres. Vein widths range from 0.20 to 0.60 metres. In contrast to the Bayonne and Spokane veins, pyrite is the dominant sulphide mineral with only minor galena and sphalerite. Oxidation of the Summit Bell veins is not nearly as intense, possibly due in part to the lower elevation of the main workings as opposed to those

at the Bayonne and Spokane properties. Hitchins (1987) noted that the Summit Bell vein resembled those exposed in the lower, less oxidized portions of the Bayonne vein systems.

Previous surface and underground sampling of the Summit Bell structure has yielded gold grades of between 4.8 and 24.7 g/t over sample intervals of 0.27 to 0.56 metres (Sargent,1938) and 0.77 to 20.69 g/t over intervals of between 0.30 and 3 metres (Cukavac,1995).

PROPERTY GEOLOGY, MINERALIZATION AND GEOPHYSICAL AND GEOCHEMICAL SIGNATURES

Geology

The geological setting of the North 40 property area is similar to the nearby Bayonne mine. As indicated on Figure 4, the property is mainly underlain by granitic rocks of the Mine Stock which has been described as consisting of fine- to medium-grained, light grey, equigranular granodiorite of uniform texture and composition. The Mine Stock is in contact with Late Proterozoic, Windermere Supergroup sedimentary rocks in the northwestern property area (Figure 4); these underlie the area between the Mine and Wall Stocks.

Mineralization

Several gold-bearing quartz vein structures have been identified on the North 42 claim in the western property area. These include the Yukon vein, veins exposed in Pits 1,2

and 3 and the Virginia (Figure 4). The Yukon vein and the Pit 1 - 3 occurrences occupy northeast trending fissures in granodiorite, dip steeply south, and consist of vuggy and locally ribbon-textured quartz containing variable amounts of pyrite, galena, sphalerite and chalcopyrite. Wallrocks exhibit intense clay-sericite-carbonate alteration over intervals of nearly a metre outward from the vein contacts; these zones usually feature abundant iron oxide and hematite (Cukavac,1995).

The Yukon vein (Corvalen,1983) is a northeast-striking, subvertical quartz-pyrite-galena fissure vein intermittently exposed in outcrop and 10 hand trenches over a strike length of 300 metres (Figure 5). Exposed vein widths range from 5 cm to 0.40 metre. The weighted average grade of 17 bedrock samples collected by Corvalen(1983) at intervals along the exposed strike length is 12.37 g/t gold (0.359 oz/ton) over an average sample width of 0.20 metre. Silver values are generally less than 15 g/t and better lead grades (up to 0.67%) are coincident with higher gold values. Wallrocks apparently do not contain significant gold contents.

Narrow, northeast trending quartz-pyrite-galena fissures are exposed in two hand trenches which are on trend with, and 200 metres southwest of the Yukon vein (Corvalen,1983). The weighted average of 5 samples collected over a restricted

area is 5.08 g/t gold (0.148 oz/ton) over an average sample width of 0.17 metre.

The Pit 3 occurrence appears to be very close to the aforementioned locality (Figure 5). Sampling of a narrow quartz vein exposed in a small trench (Cukavac,1995) returned values of 1.37 g/t gold (0.04 oz/ton), 10.3 g/t silver and 0.31% lead over a 0.13 metre width. Prospecting along the northeast trend of this structure located a vein exposure some 200 metres northeast of Pit 3 (Ken Murray, personal communication) from which a grab sample yielded 13.33 g/t gold (0.387 oz/ton) and 22.8 g/t silver.

Pits 1 and 2 are situated 750 metres south of Pit 3 (Figures 4 and 5). Pit 1 exposes a fissure-filling, vuggy quartz vein, up to 0.70 metre wide, and striking east-northeast with a steep southerly dip. A chip sample across a width of 0.60 metre (Cukavac,1995) returned 9.43 g/t gold (0.25 oz/ton), 75.6 g/t silver, 1.09% copper. 2.25% lead and 0.44% zinc. Gold values in altered wallrock marginal to the ranged between 33 and 62 ppb. A short (14 metres) Winkie diamond drill hole, drilled below Pit 1, did not intersect the structure.

Pit 2, 30 metres southwest of Pit 1, exposes a 0.13 metre wide quart-sulphide vein from which one sample returned 3.09 g/t gold (0.09 oz/ton), 6.9 g/t silver and 1.17% lead

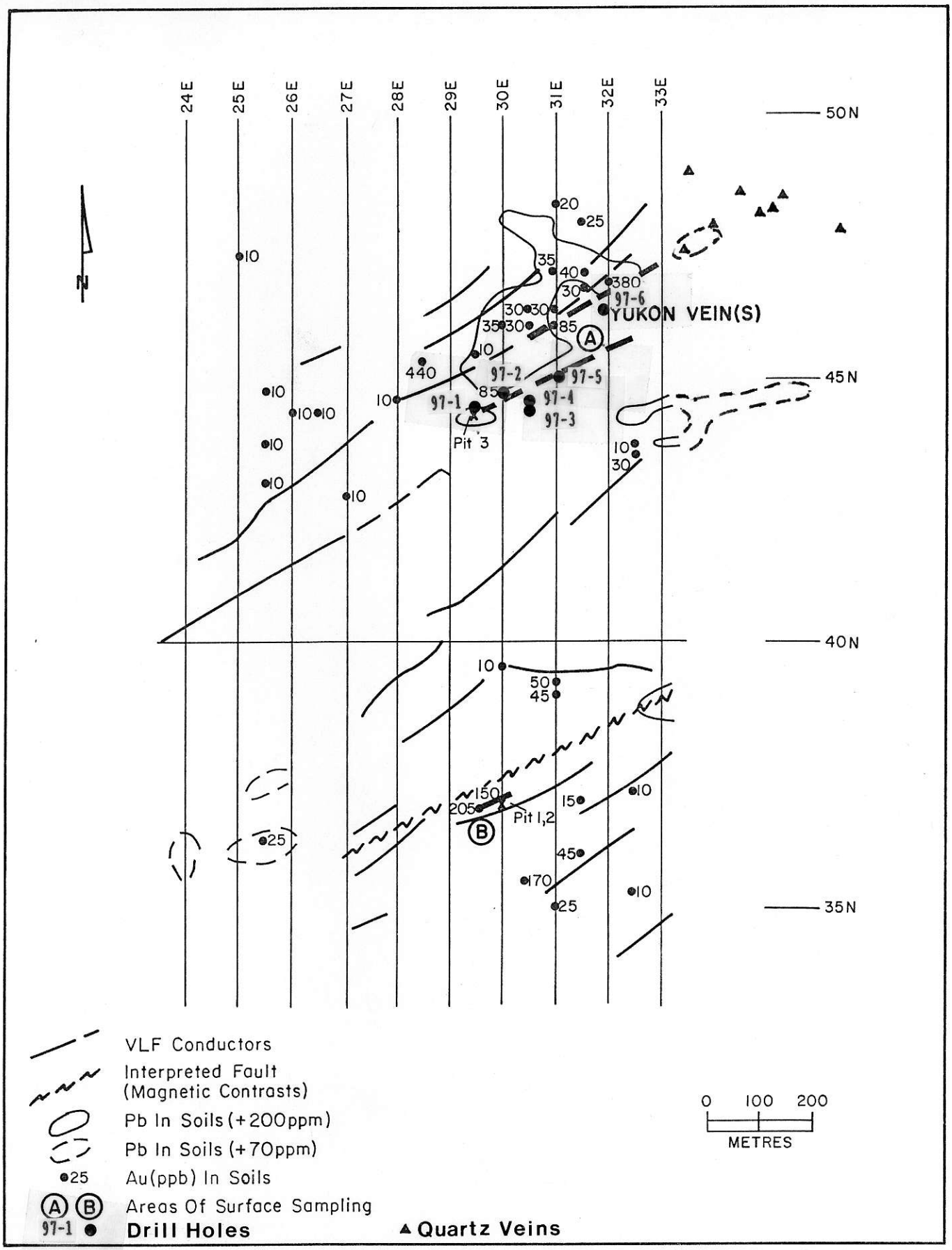

FIGURE 5 – NORTH 40 PROPERTY – WEST GRID AREA

(Cukavac,1995). Again, gold values in wallrock were very low.

There has been some confusion in the past regarding the precise location of the Virginia prospect. A review of published and unpublished descriptions indicates it to be situated near the southwestern limits of the North 42 claim (Figure 4).

An unpublished report by Sargent(1937) refers to two short adits driven along an east-southeast striking, steeply north-dipping, 0.30 to 1 metre wide fissure containing variable amounts of honey-combed, rusty quartz. Sheared granodiorite marginal to the structure exhibits abundant iron oxide. While Sargent reports only traces of gold within the structure, the Minister of Mines Annual Report for 1938 refers to 60 metres of drifting and production in that year of 18 tonnes. Total recorded production from the Virginia was 19 tonnes yielding recovered grades of 19.63 g/t gold (0.57 oz/ton) and 31.1 g/t silver.

Geophysics

A surface magnetometer and VLF-EM survey was conducted on behalf of the Company by Lloyd Geophysics Inc. over 22 line-km of the West Grid (Figure 4) in October of 1995 (Cornock and Lloyd,1995). The magnetometer survey identified a subtle magnetic high in the central part of the grid which appears to be slightly offset by an east-northeast trending

fault (Figure 5).

Of more immediate interest are the great number of VLF-EM conductors defined throughout the survey area. As indicated on Figure 5, the majority of these trend in a northeasterly direction, conforming to the strike of known quartz veins, and were interpreted as being indicative of both parallel structures and extensions to known veins.

Geochemistry

Soil geochemical surveys were conducted over the West and East (Blaze) Grids (Figure 4) in late 1995. Samples were analyzed for gold by geochemical methods and for major and trace elements by ICP methods. The ICP analyses indicated a fairly good correlation between higher gold and lead (+ zinc) values. Mainly low values were obtained for other elements including copper, arsenic and antimony. Consequently, lead values may be used as possible indicators of gold mineralization in this area.

A statistical analysis of the soil sample results from the West Grid area (Ken Murray, personal communication) showed strongly anomalous lead values to be +200 ppm while gold values in excess of 10 ppb were considered to be significant.

Overall lead values in soils from the East Grid area were found to be lower than those in the West Grid area;

statistically anomalous values were +40 ppm. Several areas of anomalous lead values were identified and these, along with some spot gold highs, suggest a possible northeastern extension of the Summit Bell vein structure (Figure 4).

Better results were obtained from West Grid soil sampling (Figure 5). Of particular interest is an elongate (350 x 150 metres) area of +200 ppm lead (up to +600 ppm) in soils which includes a number of spot high gold values and which is coincident with, and downslope from the Yukon vein and the parallel structure exposed in Pit 3. Other anomalous gold values (including one of 440 ppb -Figure 5) occur in a cluster along the same structural trend to the southwest and are downslope from northeast trending VLF-EM conductors.

More restricted, partially defined areas with +200 ppm lead in soils occur along the eastern grid boundary (Figure 5). Anomalous gold values are locally coincident with these but appear to be more widespread northeast and southeast of Pit 1.

The southwestern portion of the West Grid is characterized by three areas with +70 ppm lead in soils and one 25 ppb gold value.

RESULTS OF 1997 EXPLORATION PROGRAM

Diamond Drilling

The six hole, 1137.1 metres diamond drilling program was designed to test the area of known gold-bearing quartz veins in the northeastern part of the West Grid. These northeast-trending veins are central to the prominent lead in soils anomaly which includes a number of spot gold highs. Several unexplained VLF-EM conductors, parallel to the known vein structures, extend through the area of anomalous lead in soil values.

The locations of the six drill holes completed in July of 1997 are shown on Figure 5; details are as follows:

Hole No.	Grid Coordinates		Dip°	Azimuth°	Length(m)
97-1	44+45N	29+50E	-45	000	153.31
97-2	44+65N	30+00E	-50	000	171.60
97-3	44+50N	30+50E	-45	000	222.50
97-4	44+39N	30+50E	-45	135	153.31
97-5	45+02N	31+00E	-50	000	222.50
97-6	46+27N	31+88E	-50	000	208.48
					1131.70

As noted, all but one of the holes were drilled on a northerly azimuth. Uniform, medium-grained, equigranular, light grey granodiorite was the principal rock unit. These are cut by basic (lamprophyre) dykes and minor aplite dykes (Augsten,1998).

Numerous, narrow (2 - 10 cm) quartz veins and stringers containing galena, sphalerite and some chalcopyrite, were noted cutting the granodiorite in the six holes drilled.

These veins and stringers are enveloped by up to 50 cm of sericite-carbonate alteration which commonly exhibits limonite staining (Augsten,1988). Significant sample results are as follows:

Hole	Interval(m)	Length(m)	Au(ppb)	Au(g/t)	Pb(ppm)	Zn(ppm)
97-2	92.35-92.70	0.35	>1000	1.28	1578	3682
	153.00-154.00	1.00	>1000	1.77	6	37
97-3	70.80-71.10	0.30	>1000	4.02	5416	1457
	129.70-131.40	1.70	>1000	1.33	1862	1363
97-4	125.40-125.75	0.35	>1000	2.21	1746	2636
97-5	24.40-25.40	1.00	980	-	40	52
	37.00-38.00	1.00	25	-	8506	7530
	40.00-41.00	1.00	910	-	128	622
	71.35-71.75	0.40	970	-	1166	5164
	73.40-74.00	0.60	810	-	1152	1457
	119.50-120.50	1.00	>1000	1.71	2546	524
97-6	119.40-119.60	0.20	>1000	2.52	176	287
	175.56-175.80	0.24	>1000	3.52	626	2003
	190.95-191.25	0.30	>1000	3.72	410	5780

Analytical results further demonstrate the correlation between gold and anomalous lead values. All of the sample intervals containing better gold values included one or more narrow (2-10 cm) quartz (+carbonate) veinlets and stringers but it is also apparent that the sericite-carbonate-pyrite alteration selvages between and marginal to the veinlets also carry some gold values.

Soil Geochemistry

The soil sampling program, completed in August of 1997, was intended to test for possible extensions to anomalous lead and gold values in soils identified by earlier surveys.

Anomalous lead in soil values (+70 ppm) occur in a few

areas within a few hundred metres of the pre-existing grid (Figure 5). A number of spot gold highs (up to 120 ppb) are crudely coincident with the higher lead values and scattered anomalous values of between 40 and 505 ppb were also identified in the east-central part of the 1997 grid.

Prospecting

Several narrow (<60 cm wide) quartz veins containing pyrite and galena were mapped and sampled during the course of the soil geochemical program. Some of these had been investigated previously, as evidenced by old adits and dumps. These veins (Figure 5) may represent extensions to the Yukon vein structure. Ten grab samples returned values of between 110 ppb and 21.35 g/t gold; lead values were between 32 ppm and 3.18% (Augsten,1988).

CONCLUSIONS AND RECOMMENDATIONS

The 1997 diamond drilling program confirmed the correlation between anomalous lead and higher gold values but failed to intersect wider quartz vein structures in the area of some of the known surface vein exposures.

The cause of the conductive zones identified by earlier remains unknown and it may well be that this geophysical technique has limited application in this geological environment. Similarly, the lack of apparent magnetic

contrasts in the underlying bedrock suggests that magnetometer surveys are of limited value.

Soil sampling conducted over the extended West Grid identified a few, restricted areas with anomalous lead and gold values. Prospecting in the northwestern part of the extended grid was successful in identifying a number of quartz veins, some of which yielded significant gold values.

The 1997 program, which incurred expenditures of $137,790, incorporated much of the writer's recommendations for Phase I work (Carter,1996a,b). More drilling was completed (1137.1 vs. 750 metres), but the recommended geophysical program was not undertaken. As noted, drilling results suggest that these surveys would have been of limited value.

The writer is of the opinion that the principal known target on the North 40 property has been adequately tested. Areas that might be considered for additional surface investigation include the area of gold-bearing quartz veins identified in 1997 and relocation and assessment of the Virginia prospect.

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CERTIFICATE

I, NICHOLAS C. CARTER, with residence and business address at 1410 Wende Road, Victoria, British Columbia, do hereby certify that:

1. I am a Consulting Geologist and have been registered with the Association of Professional Engineers and Geoscientists of British Columbia since 1966.

2. I am a graduate of the University of New Brunswick with B.Sc.(1960), Michigan Technological University with M.S.(1962) and the University of British Columbia with Ph.D.(1974).

3. I have practised my profession in eastern and western Canada and in parts of the United States and abroad for more than 30 years.

4. I am the author of the foregoing Progress Report on the North 40 Property, Blazed Creek Area, Nelson Mining Division, British Columbia, prepared on behalf of Bluebird Minerals Ltd. The report is based in part on previous reports on the North 40 property prepared by the writer in 1996 and on results of a 1997 exploration program as provided by the Company. The writer has not visited the subject property.

5. I hold no interest, directly or indirectly, in the mineral claims comprising the North 40 property or in the securities of Bluebird Minerals Ltd. nor do I expect to receive any such interest.

6. Permission is hereby granted to Bluebird Minerals Ltd. to use the foregoing progress report in support of any necessary filings with the Alberta Securities Commission and the Alberta Stock Exchange and any other regulatory agencies as may be required.

Dated at Victoria, British Columbia, this 15th day of May,1998:

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