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The Directors
Foran Mining Corporation
c/o Bernhard Zinkhofer
Lang Michener Lawrence & Shaw
1500 - 1055 West Georgia Street
Vancouver, B.C. V6E 4N7

Dear Sirs:

Re: Summary of 1996 Exploration Work
E-D 1 Property, Birk Creek Area
Kamloops Mining Division, British Columbia

Summary

The 1996 exploratory program on the E-D 1 property consisted of soil geochemistry, various geophysical surveys in selected parts of the property and seven diamond drill holes which tested a surface sulphide zone in the northern claims and several geophysical/geochemical anomalies in the central property area.

Results obtained suggest that further work in the northern claims area be restricted to mapping and prospecting. Geophysical anomalies in the central property area warrant further, limited drill-testing and geochemical and geophysical work is recommended for the southern claims, possibly followed by diamond drilling.

Costs for this additional work are estimated to be in the order of $150,000.

Introduction

This summary of exploratory work completed on the Company's E-D 1 property in 1996 is intended to provide an overview of the nature, scope and results of work to date. Costs incurred in carrying out the 1996 program, which included 945 metres of diamond drilling, were in the order of $200,000.

1996 Exploration Program

Nature and Scope

Work between June and December,1996 has included the

collection and analyses of 1,000 soil samples from the southern (JW, WJ, MF) claims area encompassing the Energite-Northstar zones and 400 soil samples from the northern (TS claims) property area which includes a small massive sulphide showing. Geophysical work has included VLF-EM and magnetometer surveys over 5.5 line-km of grid in the northern (TS) claims area and over 6.2 line-km in the southwestern part of the E-D #1 claim. This latter area was also tested by 3.7 line-km of Induced Polarization survey and by a 5.8 line-km gravity survey.

Diamond drilling consisted of approximately 900 metres in 7 holes; two of these were designed to test the "sulphide showing" on the TS claims and the remaining five were drilled to test coincident geophysical and geochemical anomalies in the southwestern part of the E-D #1 claim.

Results

Soil Geochemistry - (a) TS claims area - soil samples were collected in 1995 and 1996 over 10 km of grid (centred on the "sulphide showing") at 25 metres stations and along 100 metres spaced east-west lines. Analyses of these samples, performed in 1996, indicated only low values for most elements.

(b) JW, WJ, MF claims area - samples were collected from 22 km of grid which included both the Energite and Northstar mineralized zones in 1995. The 1,000 samples, subsequently analyzed in 1996, were collected at 25 metres stations along 200 metres spaced lines. Results indicate several areas with anomalous (+10 ppb) gold values, most featuring coincident enhanced silver values. These include a 500 metres section along line 20N (500 metres southeast of the Energite showings) with gold values of between 20 and 225 ppb, a 200 metres section along line 22N (immediately west of Birk Creek) with values of between 30 and 160 ppb gold and a number of spot highs (15 - 55 ppb gold) in the southeastern part of the grid in the area of previous limited drilling by other parties. Two samples, west of the main access road and along line 16N, returned 55 and 110 ppb gold, 548 and 2492 ppm lead and enhanced arsenic values.

VLF-EM, Magnetometer Surveys - (a) TS claims area, centred on "sulphide showing" - two parallel, northerly trending conductors, each several hundred metres in length and partially coincident with magnetic highs, were identified. The easternmost conductor is in part coincident

with the "sulphide showing" while the westerly conductor roughly parallels the thrust fault contact between Fennell Formation volcanic rocks and Eagle Bay Assemblage sediments.

(b) E-D #1 claim - Limited work done generally confirmed results of previous surveys.

Induced Polarization Survey - E-D #1 claim - several trial lines in the southwestern portion of this claim indicated that extensions to the grid lines would be necessary to better define the strong background resistivities and chargeabilities.

Gravity Survey - E-D #1 claim - 5.8 km of gravity survey over portions of 12 lines in the southwestern claim area was undertaken to better define the significance of parallel conductors identified by previous VLF-EM and Genie HLEM surveys. Six residual of Bouger gravity anomalies were indicated, with maximum amplitudes of between 0.25 and 0.6 mgal. The best of these, near the southwestern limits of line 11N, is near old bulldozer trenches and is coincident with the southern limits of one of the better EM conductors. Soil samples collected in this area contained anomalous concentrations of copper and zinc.

Diamond Drilling - (a) TS claims - "sulphide showing"- Two inclined holes from one set-up were drilled in an easterly direction in an attempt to determine the down-dip extent of the sulphide zone exposed on surface. This zone, which consists of a lens of massive to semi-massive pyrite-pyrrhotite with some chalcopyrite, is up to 2 metres thick and is exposed over a length of 5 metres. The zone strikes northwesterly, dips steeply southwest and is concordant with enclosing wallrocks which include a band of recrystallised limestone on the hangingwall. Previous sampling had yielded values of up to 0.15% copper and 3.75 grams/tonne (0.109 oz/ton) gold.

The first hole, drilled to a depth of 450 ft., intersected a badly broken, rusty zone in limestone between 305 and 331 ft. which may be the down-dip projection of the surface zone, assuming a flattening of the zone with depth. Two 10 ft. samples from this zone contained anomalous concentrations of arsenic (up to 300 ppm) but low values for other elements. The second hole, drilled at a steeper angle, had to be abandoned at a depth of 62 ft.

(b) E-D #1 claim - 3 holes were drilled on grid lines

16N and 18N to test strong HLEM conductors and coincident magnetic highs; the remaining 2 holes were drilled from the same set-up on line 11N to test the stronger gravity anomaly which is coincident with one of the HLEM conductors. All holes intersected graphitic siltstones with some quartz veining and locally abundant pyrite on narrow fracture planes. The two holes drilled to test the gravity anomaly featured locally abundant pyrite on fracture planes, particularly in proximity to narrow felsic dykes which themselves were quartz veined and contained disseminated pyrite. Samples selected from three of the holes drilled on the E-D #1 claim contained no significant values.

Conclusions and Recommendations

Work to date on the E-D property has returned results which in part are inconclusive. Limited drilling to test the "sulphide showing" in the northern claims area suggests that the zone exposed on surface has no appreciable down-dip extent and no further drilling is warranted at this time. Additional work in this area should be directed to geological mapping and prospecting of other known sulphide-bearing zones and to explaining the two VLF-EM conductors.

Drilling in the central property area (E-D #1 claim) has partially explained the strong HLEM conductors (graphitic siltstone plus some pyrite on fractures) but the cause of the gravity anomalies remains unknown. Additional short hole diamond drilling is recommended to test several of the other gravity highs in the southwestern part of the existing grid area.

The southern property area, encompassing the Energite and Northstar showings, includes several areas with anomalous gold values in soils which warrant further investigation. More detailed soil sampling is recommended for these areas and VLF-EM and magnetometer surveys should be undertaken over the entire grid area. A limited diamond drill program could be considered, based on the results of the surface work.

Estimated costs for the additional work recommended for the E-D property would be in the order of $150,000.

Respectfully submitted,

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CONSULTING GEOLOGIST

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).

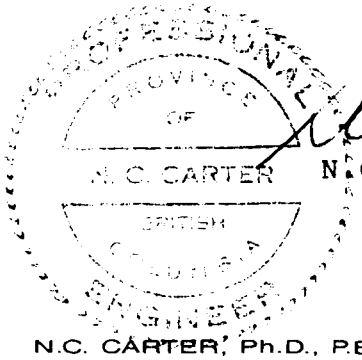
3. I have practised my profession in eastern and western Canada and in parts of the United States for more than 30 years.

4. The foregoing Summary of 1996 Exploration Work, E-D 1 Property, Kamloops Mining Division, British Columbia, is based on the writer's background knowledge of the property which dates back to 1989, on visits to the subject property in July and December,1996 while exploration work was underway and on information provided to the writer by principals of Foran Mining Corporation.

5. I hold no interest, directly or indirectly, in the mineral claims comprising the E-D 1 property or in or in the securities of Foran Mining Corporation nor do I expect to receive any such interest.

6. Permission is hereby granted to Foran Mining Corporation to use the foregoing letter report in support of any necessary filings with the British Columbia Securities Commission and the Vancouver Stock Exchange.

Dated at Victoria, British Columbia, this 17th day of April,1997:



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