

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

Consulting Geologist

830877
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1410 Wende Road
Victoria, B.C. V8P 3T5
(604) 477-0419

July 26, 1993

Mr. Massoud Shariatmadari
President
Leo D'Or Marble Inc.
Main Floor
1177 Hornby Street
Vancouver, B.C. V6Z 2E9

Fax: 689-2013

Dear Massoud:

Re: Geological Program and Land Application

Geological Exploration Program

Upon review of work to date, it is apparent that additional work is necessary to complete the Phase I program.

I believe that the central and northern portions of the claim, in which one additional area was identified for detailed investigation, are fairly well covered for first phase purposes but some additional fill-in work is required.

The position of the granite contact in the eastern claim area (ie - north, east and south of Onyx Hill) should be delineated in detail. Access to the southern claim area can be by road but Onyx Hill is best reached by helicopter. Reynolds and I feel that work here can be most expeditiously carried out from a fly camp at the 1991 campsite and I estimate a 3 - 4 day program for which Reynolds will require a helper.

About 1.5 hours helicopter time would be required in total and while neither this nor the services of a helper were included in my initial estimate, project expenditures to date (\$4,923.26 plus an estimated \$500 for motel and meal expenses = approximately \$5,500) and anticipated future field expenditures should still leave us well within the original estimate of \$16,700.

As of July 19, Leo D'Or had credit of \$1,460.11 in my account but another advance of \$2,000 would be welcome.

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Timing

I have been in touch with Kresho Galovich and understand that he will be away from the project for several days centred on the upcoming long weekend. In addition, because of other commitments, I have suggested to Reynolds that he proceed to the site towards the end of next week, get the Onyx Hill section done and then finish up the lower sections a plot the results prior to my arrival August 11.

Application for License of Occupation

I am forwarding material regarding back-up documentation to accompany the application to Kresho Galovich for his input. A fairly detailed development plan, accompanied by maps and diagrams at various scales, is required and is similar to documentation required by the Mine Development Assessment Process and with which Kresho is familiar.

Doug Berry of Lands has recommended that the current work site be the subject of an initial application. With reference to your suggestion, if we were to apply for one claim unit, the area would be 500 x 500 metres = 25 hectares (61 acres) and probably more than Lands would consider initially. Nevertheless it may be worth a try.

Regardless of the size of the area to be applied for initially, we need a survey showing the position of the claim Legal Corner Post relative to identifiable topographic features along the northeast shore of Bonanza Lake plus the position of the present work area, camp, etc. relative to the LCP. A few spot elevations within the current work area would also be useful.

Kresho is still attempting to secure a surveyor; hopefully this job should be completed this week.

I would like to spend some time with yourself and Kresho concerning the drafting of the development plan - perhaps we can do this on site August 12 or 13.

I enclose sections of the Mineral Tenure Act as brought to my attention by Denis Lieutard, Chief Gold Commissioner, regarding surface rights on mineral claims.

Yours very truly,

