

July 29, 1993

Mr. Paul Reynolds
4034 West 39th Street
Vancouver, B.C. V6N 3B2

Dear Paul:

Re: Leo D'Or Marble Project

I am enclosing some suggestions for future work on the site. I have marked up xerox copies of your mapping to date to show areas requiring additional work - most of these are obvious and comments follow.

In addition, Madari advised me this morning that not only is the Hydracore drill on the property but it is in fact drilling on the upper part of the current work area. One of Hydracore's senior drillers is on site and is training some of the Leo D'Or crew. Madari would like these holes logged with particular reference to colour, texture and frequency of joints and/or fractures. It's unclear just how much drilling is scheduled for this area but Madari wants to get going on your area B. Necessarily this may have to take precedence over completion of our first phase program and one or two days may have to be spent initially in further defining this area and spotting a couple of holes.

As far as completion of first phase work is concerned, Onyx Hill should be the main priority. As noted on the xerox copies, definition of the granite contact is required (Area 1) north, east and south of Onyx Hill. Where accessible, mapping of the porphyry sills is also required, including the large one (Area 2) immediately south of Onyx Hill. Some of this work may be most easily carried out from below, but I can see 3 to 4 days work from a fly camp on Onyx Hill. Madari is aware of the necessity of a helper and helicopter access for this part of the job. Two landing sites are available on top including the swamp near the camp and a pad on the south end of the hill. Both are shown on my sketch map in the 1992 report. The creek nearby the 1991 campsite should have water in it - it was used for drilling in August of 1991.

I am enclosing some survey data for some of the 1991 drill holes -note that elevations are "guesstimates" and do not correspond to what I believe to be more accurate

elevations shown on the sketch diagram in my 1992 drilling report. The surveyor's sketch makes reference to a grid which is partially flagged.

A few fill-in traverses are also required - Traverse 3 as marked on the copy may be altered to pick up part of the large quartz porphyry sill. Traverse 4, in the northeastern claim area may not be necessary if you do detailed work on your area B.

Area 5 is in the area of Karmutsen volcanics - work here might also include the southern portion of the granite contact.

Kresho Galovich is going to be away from the project until about next Wednesday. His phone numbers by the way are as follows:

Apartment Phone: 956-2779
" Fax: 956-4046
Mobile Phone: 949-4202

He is aware that you will be returning to Port McNeill next week. I would suggest you travel to Port McNeill next Wednesday, August 4, and perhaps spend a day or two in the lower sections of the property logging core and defining Area B prior to going up top for a few days. I'll be in Ontario between August 3 and 10 and plan to come up to Port McNeill the evening of the 11th to see how you're doing and also to get together with Kresho re the development plan for the Lands permit.