

TO: ROBBIE FLEMING - LANG MICHENER (1 page) 685-7084  
FROM: N.C. CARTER, JAN. 9 194

**HARVARD CAPITAL CORPORATION**

Suite 402, 1311 Beach Avenue  
Vancouver, B.C. V6E 1V6

Tel: (604) 688-4883 Fax: (604) 688-4887

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Leodór  
Marble

Date: July 25, 1991

To: Bruin, Mike  
Carter, Nick  
King, Gordon  
Rebak, David  
Wilson, Trevor

# of pages attached: 3

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Gentlemen,

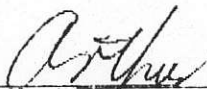
Please find attached for your records a press release dated July 24, 1991.

We have examined approximately 50 different acquisition opportunities in the past seven months. Most of them were disqualified at the outset. But we did encounter some industrial acquisition prospects which we pursued at length. Our observation was that the viability of the projects decreased in inverse proportion to the amount of due diligence done. We were unable, therefore, to give a final strong recommendation to the Board of Directors to consummate any of the possible transactions.

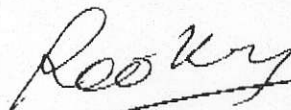
The marble property referred to in the attached news release was introduced to us by the partner in charge of the mergers and acquisitions group in the Vancouver office of Coopers & Lybrand, Chartered Accountants.

The news release was carefully worded so as to allow the public to obtain full disclosure in the most conservative manner possible. If you require further detailed information please feel free to call us directly. This property has outstanding potential, and as the work on the property commences, you will be receiving regular progress reports.

Yours sincerely,



Arthur Dalfen, President and Chief Executive Officer



Rocky Driver, C.A., Vice President Finance and Corporate Development

## Harvard Capital Corporation

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### NEWS RELEASE

July 24, 1991

Trading Symbol: HCC

Harvard Capital Corporation announces the acquisition, subject to acceptance for filing by the Vancouver Stock Exchange, of the right to earn an undivided 49% interest in the nine unit Leo D'Or mineral claim located near Port McNeill on Vancouver Island in British Columbia. A preliminary engineering study conducted by Klohn Leonoff Ltd., consulting geological engineers, of Richmond, B.C., has reported extensive massive marble deposits on this property and has recommended a program of geological mapping and diamond drilling in order to assess the extent and the consistency of colour, purity and density of the deposit.

For the purposes of its preliminary study, Klohn Leonoff Ltd. isolated a four acre site on the 555 acre claim and estimated the presence on that site of 660,000 tonnes of marble of consistent colour and texture to be available for quarrying. At current prices, this deposit would have a value in excess of \$200 million. Samples analyzed from other parts of the property suggest that the marble mineralization is widespread.

In order to earn its 49% interest, Harvard must

- (i) demonstrate, by August 13, 1991 unallocated capital sufficient to fund a minimum of \$350,000 in expenditures related to the property,
- (ii) spend, by October 23, 1991, a minimum of \$250,000 on geological surveys and development drilling on the property,
- (iii) spend, by December 31, 1991, up to \$100,000 on the preparation of feasibility studies to determine the commercial viability of marble quarrying and the processing of slabs and tiles, and
- (iv) 90 days after the receipt of acceptable feasibility studies recommending the commercial exploitation of the property, provide capital funding of \$3,600,000 for that purpose.

Upon Harvard having earned its interest, it will enter into a joint venture with the owner of the property, Leo D'Or Mining Inc., of Vancouver, for the commercial quarrying of the property and the establishment of a marble slab and tile processing plant. By the terms of the joint venture agreement, Harvard's interest in the property and the joint venture will increase to 50% one year after the commencement of marble quarrying and processing.

Harvard will be responsible, with the cooperation of Leo D'Or Mining Inc., for securing the capital funding necessary for the commercial exploitation of the project as recommended by the feasibility studies. It is estimated that this funding will total \$15,300,000, of which Harvard's initial \$3,600,000 will form part. It is expected that the initial \$3,600,000 will be sufficient to permit the commencement of block quarrying operations.

Leo D'Or Mining Inc. is a Vancouver company, the principals of which are Massoud Shariat Madari and his wife, Denise Nouvelle Shariatmadari. Mr. Shariat Madari, 64, is a geologist with extensive experience in the operation of marble quarries. Prior to his immigration to Canada in 1980, he discovered, owned and operated, in Iran, four marble quarries and several open pit and underground lead, zinc and copper mines. Harvard has engaged Mr. Shariat Madari as a full-time consultant to advise on the development and commercialization of the property.

Harvard believes that this marble property has the potential to be a major discovery. It is estimated that white marble, which represents 90% of world demand, will account for at least one-quarter of the deposit. The 660,000 tonnes of marble located on the four acre site studied by Klohn Leonoff Ltd. varies in colour from light grey to black, to mottled grey and white. Grain size varies from fine to course, with 75% of the marble being medium grained. Petrographic analysis of random marble samples taken from this site indicates a composition of approximately 99.5% calcium carbonate.

The property is well located, on an existing logging road, within fifteen miles of tidewater. Electric power is available from B.C. Hydro powerlines which cross the property. Appropriate approvals from the British Columbia Ministry of Energy, Mines and Petroleum Resources for exploration and limited production are in place. The moderate local climate will permit year round operation.

Harvard intends to proceed immediately with mapping and drilling in order to determine the full extent of this discovery.

On behalf of the Board  
of Directors

  
Arthur Dalfen, President

For further information with respect to the affairs of Harvard Capital Corporation, please contact Arthur Dalfen at (604) 688-4883.

The Vancouver Stock Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this news release.