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August 15, 1993

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

Dear Sir:

**Re: Potential Value of Leo D'Or Mineral Claim
Nanaimo Mining Division, British Columbia**

Pursuant to your recent request, I am providing some preliminary estimates of the potential value of the Leo D'Or mineral claim. Information used in preparing the following includes estimates of the gross value per tonne of material extracted and the anticipated costs of extraction as provided by yourself plus estimates of potentially mineable material as provided by Messrs. Scott E. Broughton and Iain G. Bruce of Klohn Leonoff, Consulting Engineers, in a report on the property dated April 8, 1988.

Any estimate of the value of the Leo D'Or property at this juncture must be considered to be preliminary at best. Current test work on the property, which is being directed to an area initially defined by Klohn Leonoff in 1988, is intended to provide detailed information regarding the consistency of colour and texture of the marble resource in addition to an assessment of actual costs of quarrying. Finally, the gross value of the resource is entirely dependent on market factors including demand for the product and the price a potential buyer is willing to pay.

Klohn Leonoff personnel in 1988 estimated a potentially exploitable volume of marble with consistency of colour within the present work area of some 240000 cubic metres. Assuming a specific gravity of 2.7, this would equate to 648000 tonnes. Marble is usually extracted in standard size blocks measuring 2.05 x 1.50 x 1.85 metres weighing some 15 tonnes. Assuming 50% of the aforementioned tonnage of 648000 tonnes is recoverable as 15 tonne blocks of marble with consistent colour and texture, some 324000 tonnes of potentially marketable material could be exploited.

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Gross value per tonne of this material could be as much as \$300/tonne or \$4,500 per 15 tonne block. Capital and operating costs are estimated to be in the \$200/tonne range or \$3,000 per 15 tonne block. Potential net value could be \$100/tonne or \$1,500 per block.

Assuming a resource of 324000 tonnes, potential net value could be in the range of \$30 million.

The foregoing estimates of potential value apply to one area of the claim only. Ongoing test work and other technical studies will determine if these estimates are applicable for this particular area of the claim and if other areas of the claim have potential for the extraction of commercial quantities of marble and/or limestone.

Yours truly,

A handwritten signature in cursive script, appearing to read 'N.C. Carter', written in black ink.

N.C. Carter