

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

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Consulting Geologist

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

September 6, 1994

The Directors
Hera Resources Inc.
P.O. Box 11611
1200 - 650 West Georgia Street
Vancouver, B.C. V6B 4N9

Dear Sirs:

Re: **Addendum to Summary Report on the Nakinilerak Lake Property (NAK 1 - 5 Mineral Claims), Babine Lake Area, Omineca Mining Division, British Columbia**

Introduction

Pursuant to your recent request, I have prepared this letter report which incorporates conclusions and a cost estimate for a recommended work program on the Nakinilerak Lake porphyry copper-gold prospect. This letter report is intended as an addendum to a summary report prepared by me and dated March, 1992 (revised June, 1994).

The following comments are based on the principal findings as outlined in the summary report and on observations gained from an aerial inspection of the subject property in the company of William A. Howell, P.Geo. on September 3.

Conclusions and Recommendations

The current mineral claims comprising the Nakinilerak Lake property cover a porphyry copper-gold environment which is typical of the Babine Lake area of west-central British Columbia. Copper (gold) mineralization is associated with distinctive biotite-(hornblende)-feldspar (BFP) porphyries of Eocene age which are identical to the intrusions hosting mineralization at Bell Copper, Granisle and ten other known deposits and occurrences in the general area.

Previous exploratory work between 1964 and 1970 was carried out within a restricted area in the central part of the present property. Limited shallow drilling (1835 metres in 28 holes) yielded copper grades of between 0.15 and 1.14%; only a few analyses for gold were undertaken at this time

with assays for two samples in the 1-2 g/t range. Three of six drill core samples collected in 1993 returned values of 180,230 and 440 ppb gold.

Better copper grades ((+0.25%), indicated by previous drilling, are contained within a 1000 x 600 metre area along the southwestern margin of a large BFP stock. This area, which is apparently open to the west and south, represents one of several untested targets within the most areally extensive hydrothermal alteration system known in the Babine Lake area. Recent petrographic studies and past geophysical and geochemical surveys of limited extent both suggest that more than one porphyry copper system may be present within this large alteration zone.

A comprehensive program of exploratory work is warranted for the Nakinilerak Lake property. It is recommended that this work program be carried out in two stages including an initial geophysical survey followed by a second phase diamond drilling program. Additional work would be predicated on the results of the following recommended program which could be completed over the next several months.

An active logging road, part of a network of roads linking this area with the east side of Babine Lake, extends to within 1 km of the south end of Nakinilerak Lake. A tote road links the present logging road with a 1960's tractor road which extends from the south end of the lake through the central part of the present property. Clearing out this old road and constructing a short branch road preparatory to the exploration program would provide conventional access to the central parts of the current property. Road distance between the property and the east side of Babine Lake opposite Topley Landing is estimated to be 75 km.

The first phase of the proposed work program is recommended to include the the construction of a cut grid centred on the NAK 1 mineral claim and consisting of 12 east-west lines, each 3000 metres in length and 200 metres apart off a north-south baseline. This grid, covering the central part of the hydrothermal alteration zone, would provide control for an Induced Polarization survey to define targets for a subsequent diamond drilling program.

Cost Estimate*Phase I*

Line-cutting - 40 km @ \$600/line km	\$25,000.00
IP Survey - 40 km @ \$1200/line km	\$48,000.00
Support - Camp construction and rental	\$5,000.00
- Camp operation and food costs	\$9,000.00
Transportation - clearing and rehabilitation of old roads; construction of 2 km of tote road	\$2,500.00
- Truck rental - 30 days	\$3,000.00
- 2 ATV rentals - 30 days	\$3,000.00
- Air support - fixed wing and helicopter	\$7,500.00
Supervision, reporting	\$10,000.00
Contingencies (@ 15%)	<u>\$16,950.00</u>
Total, Phase I	\$129,950.00

Phase II

Diamond Drilling - 1500 metres @ \$130/metre (all-inclusive - includes supervision, core logging, sampling, analyses, etc.)	\$195,000.00
Contingencies (@ 15%)	<u>\$29,250.00</u>
Total, Phase II	\$224,250.00
Total, Phases I and II	\$354,200.00

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

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 25 years.
4. The foregoing letter report is intended as an addendum to a Summary Report on the Nakinilerak Lake Property, prepared by the undersigned and dated March, 1992 (revised June, 1994). The summary report is based on previous field examinations and published reports by the undersigned, on records of previous exploration work made available by Noranda Exploration Company, Limited and on results of 1993 airborne geophysical surveys and geochemical and petrographic studies conducted over parts of the subject property by Noranda Exploration Company, Limited and Teck Exploration Ltd. respectively.
5. I do not currently own, directly or indirectly, any securities of Hera Resources Inc. I do own a minority interest (25%) in the mineral claims comprising the Nakinilerak Lake property.
6. Permission is hereby granted to Hera Resources Inc. to use the foregoing letter report on the Nakinilerak Lake property in support of any documentation to be filed with the Vancouver Stock Exchange and the British Columbia Securities Commission.

Dated at Victoria, British Columbia, this 6th day of September, 1994:

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

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

September 6, 1994

TO: BILL HOWELL

Fax: 685-7100

(4 pages)

FROM: NICK CARTER

Fax: 477-0419

RE: DRAFT CONCLUSIONS, RECOMMENDATIONS AND COST ESTIMATE
- NAK PROPERTY

Have a look at this draft which is intended to close off requirements for VSE approval of filing statement as suggested by Bob Holland - if OK, I'll have it done up on letterhead, attach a certificate page and sign and stamp 4 copies and forward to Hera for submission to VSE.

By the way, I checked on that gossan area 600 metres north of bend in N-S creek - it's the northwest extension of a BFP dyke parallelling the western stock contact as mapped by me in 1966 - memory is great, isn't it? Jim Oliver (Teck) in 1993 described it as a chloritized, carbonatized BFP with disseminated pyrite and chalcopyrite -analysis showed 1145 ppm Cu, 20 ppb Au.

Nick

