

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

Consulting Geologist

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

April 11, 1988

The Directors
Blue Chip Resources Inc.
307 - 475 Howe Street
Vancouver, B.C.
V6C 2B3

Dear Sirs:

Re: Egmont Gold Property, British Columbia
(Chalice I-III, Wally I-II, H.D.,
Bacon II and Stein Mineral Claims,
Vancouver Mining Division)

At the request of Blue Chip Resources Inc., the writer made an examination of the Egmont gold property April 6, 1988 in the company of Dr. Peter Christopher, P.Eng. and Mr. Bill Chase who was the contractor for the 1987/88 exploration program. A report on the property, prepared by William A. Howell, B.Sc. and dated February 29, 1988, has been reviewed and the following comments pertain to the aforementioned report and observations based on the property examination.

Gold-bearing zones examined during the property visit included the NL, 3V and JR showings areas on the Chalice I mineral claim and a newly logged area near an old adit on the Stein claim.

Gold values on the Egmont property are associated with northeast to east striking quartz-marcasite veins in Coast granitic rocks. Several of the known zones are exposed over strike lengths of more than 40 metres and while individual quartz veins are narrow (0.5 metres or less), they display a notable increase in widths marginal to cross-cutting, northwest striking 1-2 metre wide andesite dykes.

The recent exploration program, carried out between November 1987 and February 1988, included re-mapping and sampling of the original showings areas on the Chalice I claim and establishment of a 7.7 km grid over an area to the southwest. An IP survey was carried out and 271 soil samples were collected and analysed for 32 elements by the ICP method with gold and silver determined by fire assay. Expenditures totalled more than \$60,000.00.

Coincident chargeability highs and anomalous arsenic, copper and lead values in soils trend north-south in the area surveyed. Some quartz float with sulfides was noted in the area of chargeability highs. This area is considered to have potential and additional work is warranted in the future.

The principal showings, which occur in a 1 km² area in the central part of the Chalice I claim, were found by prospecting exposed bedrock. Considering that much of the area is mantled by overburden, and the fact that the principal structural features including dyke swarms occupy the more deeply eroded areas, the initial discoveries may be considered fortuitous and the overburden covered areas are considered to be highly prospective. Consequently, the writer agrees with Mr. Howell's recommendations that initial work be directed to trenching within and north of the area of known showings.

In summary, the writer considers the Egmont gold property to be one of merit and warranting additional exploratory work as recommended by Mr. Howell in his report of February 29, 1988.

Respectfully submitted,

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

CERTIFICATE

I, NICHOLAS C. CARTER, of 1410 Wende Road, Victoria, B.C., do hereby certify that:

1. I am a Consulting Geologist registered with the Association of Professional Engineers 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 based on an examination of the Egmont gold property April 6, 1988 and on a review of a report prepared by William A. Howell dated February 29, 1988. I have known Mr. Howell for more than 15 years and consider him to be a competent and thorough geologist.
5. I hold no interest, direct or indirect, in the Egmont property, or in the securities of Blue Chip Resources Inc.
6. Permission is hereby granted to Blue Chip Resources Inc. to use the foregoing letter report in support of a Prospectus to be submitted to the British Columbia Securities Commission and the Vancouver Stock Exchange.

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