

VANCOUVER STOCK EXCHANGE



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November 25, 1986

DuMoulin Black
Barristers & Solicitors
1004 - 595 Howe Street
Vancouver, B.C.
V6C 2T5

Attention: Cheri L. Nataros

Dear Sirs:

Re: Fenway Resources Ltd.

We acknowledge receipt of your letters dated November 20, 1986 and November 24, 1986, and the enclosed documents pursuant to the Company's Wrap-Around Listing.

We provide the following comments:

Proprietors Dream, Old Pan 1 to 8, Ben D'O, etc.

- 1) How was the news of the Company's decision to drop the "Frost Mineral Claims" disclosed to the shareholders?
- 2) We request that Mr. W.G. Hainsworth, P. Eng. update each section of his Report on the Fort Steele Mining Division Mineral Claims that has been affected by the Company's decision to drop the "Frost Mineral Claims". Specifically, we request that Mr. Hainsworth address his recommended Phase II Work Program and whether it will change in view of the Company's decision. We also request Mr. Hainsworth's opinion, which should take into consideration the results of the Phase I Work Program, on the Company's decision to abandon the "Frost Mineral Claims", i.e., is the decision detrimental to the well-being of the Company.

If you should have any questions please contact the writer.

Yours truly,

VANCOUVER STOCK EXCHANGE

Michael J.R. Gilley, C.A.
Listing Officer

*Leaves Handily Claim
Weaver 1, 3, 5
Weaver 2, 4, 7 & 8.*

MJRG/cavn
cc: Superintendent of Brokers

W. G. HAINSWORTH & ASSOCIATES LTD.

Mining Consultants

SUITE 905
837 WEST HASTINGS STREET
VANCOUVER, BRITISH COLUMBIA
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December 5, 1986

DuMoulin Black
Barristers & Solicitors
10th Floor - 595 Howe Street
Vancouver, B. C.
V6C 2T5

Attention: Michael L. DuMoulin

Dear Sirs:

Re: Fenway Resources Ltd.

I am in receipt of a copy of the Vancouver Stock Exchange letter dated November 25, 1986 and forwarded to you, concerning Fenway Resources's decision to drop the "Frost Mineral Claims".

My response is directed toward the second comment of the letter as it would pertain to the property minus the above removed claims.

A) Those parts of the April 11, 1984 report entitled "Introduction" and "Location and Access" would basically not be affected. Other than for changing the claim unit number to 112 units in line 2 of "Summary and Conclusion", this section would be unaltered. That portion pertaining to "Property" should state that "The property herewith consists of 7 claims which total 112 units with an east-west arrangement of some 6.5 kilometers (4.0 miles) and a north-south length of 4 kilometers (2.5 miles). In total the property occupies approximately 2600 hectares (6425 acres)....". The Ken #1 to #8, Prospectors Dream, Old Abe and Ben d'Or should be deleted from the claim chart.

Concerning the "History" the third paragraph should start out "In April of 1983, Fenway under its president Wm. Inverarity, completed a transaction which saw it acquire several contiguous claim blocks west of the Prospectors Dream claim, all of which straddle the Old Baldy Mountain Ridge."

The section "Previous Exploration" should eliminate reference to the Prospectors vein as in the second and fourth paragraphs. That page devoted to "Geology" remains as is.

Concerning that portion of the report referring to "Showings", the four paragraphs describing past and present work on the "Prospectors Dream Vein" should be entirely deleted.

B) The "Recommendations" are broad reference to the property and do not specifically zero in on any target. However, an "Addendum" to the report, dated January 27, 1986, refers to work carried out on the property in the Phase I approach and reference is sited to the Prospectors Dream claim. "Further sampling and possible trench work or air track drilling should be considered for the area" is the recommendation applied to this location. In the "Recommendation" section of that addendum it is suggested that Fenway Resources Ltd. advance into a Phase II operation. This recommendation is based on the numerous targets outlined in the Phase I operation within the five areas (including the Prospectors Dream). The writer considers the property to have sufficient interesting targets in the remaining areas (4) to continue with the recommended air track drilling and sampling program. The cost estimate - \$45,900 - remains, as the inflation factor despite the loss of one target area would probably represent an off-setting condition.

C) Considering the Company's decision. -- The election to drop the Frost Mineral claims which includes the Prospectors Dream, eliminates an historical target from the Company's main group of targets. It is not overly serious as the stated claim had been investigated in the past by an underground approach (2 short adits and 2 shallow winzes or pits). No data is available as to results generated by this previous approach. In the same light no production records exist, if indeed, production was undertaken. The decision has eliminated an interesting target but it has not rendered the remaining targets as worthless. In short the decision, despite the timing, is not detrimental to the well-being of the Company from the standpoint of the property.

Respectfully submitted,

W. G. Hainsworth, P. Eng.

c.c. Mr. Michael J.R. Gilley, C.A.
Listing Officer
Vancouver Stock Exchange