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February 12, 1975.

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Officers & Directors,
Gateford Mines Limited,
Suite 1402, 390 Bay Street,
Toronto, Ont. M5H 2Y2.

Gentlemen:

Re: Interim Report - Teck & Otto Twps.

Enclosed please find maps and drill logs for 8 drill holes totalling 2,333 linear feet of AXT drilling which was completed between November 10, 1974 and January 20, 1975. The drilling has been done in different parts of the property and each part will be commented upon separately.

A West of Crescent Workings.

Four drill holes (G74-A2 and G75-A3, A4, & A5) totalling 1,071 feet were drilled in this area. The formations intersected consisted of sheared and carbonated sediments and flows intruded by strongly brecciated syenite. Molly slips are common. The formations look attractive and favourable. At the present time a major re-sampling of the drill cores for this area is being planned and a substantive report will be submitted in the near future.

B Northwest of Gateford Shaft

One hole, G74-A1, having a length of 157 feet was drilled on claim L317480 for assessment purposes. The rocks intersected were pyritized syenite and green carbonates none of which carried significant gold values.

C Area West of Main Shaft and Diabase Dike

Three holes (G74-11, 12 & 14) were drilled in this area for a total footage of 1,105 feet. These holes were drilled in an unsuccessful attempt to trace a high grade

intersection found in hole G74-6. Although modest values were located in G74-11, these did not correlate with the values in G74-6. Holes G74-12, G74-11 returned nothing of interest. On hindsight, one can opine that the three follow-up drill holes were not drilled in a manner most likely to locate an extension of the values in hole G74-6. Therefore, the importance of this area is very much an open question and a drill hole now underway will further probe this area.

Gateford Mines Limited has announced that it is seriously considering the de-watering of the Main Shaft and undertaking a program of underground appraisal. The Company has also announced that some of the published results of the current drill program are subject to question. Therefore, the Company's immediate plans call for a full and complete re-appraisal of its drill results and it is anticipated that this work will be undertaken shortly.

Respectfully submitted,

H. G. Harpa.

L 317495

L. 317496

REGISTERED PROFESSIONAL ENGINEER
MINING
H. C. HARPER
PROVINCE OF ONTARIO

GEOLOGICAL ASSOCIATION OF CANADA
H. C. HARPER
FELLOW

H. C. Harper.

Goteford Mines Ltd.
Assessment Drill Plan
1" = 200'
Feb 1/75 H.C. Harper.
AREA WEST OF THE
CRESCENT WORKINGS

Highway 66

G74-A2 -45
G75-A1 -45
G75-A3 -45
G75-A5 -45

200'

400'

N