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July 6, 2001

CANADIAN VENTURE EXCHANGE
P.O. Box 498, Suite 600
6th Floor, 130 King Street West
Toronto, ON Canada M5X 1E5
Attention: Mr. Tim Babcock
Corporate Analyst, Corporate Finance

Dear Sirs,

Re: Valuation Letter - Key property, Liard M.D., British Columbia

This Valuation Letter has been prepared by me and sent to you at the request of Senator Minerals Inc, which retained me to prepare a valuation pursuant to a requirement of your office.

Qualification:
I am registered as a member in good standing with the Association of Professional Engineers and Geoscientists of British Columbia.

Independence:
I have no interest, direct or indirect, in the Key property or securities of the optionee, Senator Minerals Inc, or the optionor, Seguro Projects Inc, nor do I expect to receive any.

National Instrument 43-101:
I am a Qualified Person as defined in National Instrument 43-101.

Frame of Reference:
Mineral exploration concessions are not "properties" in the usual sense of the identification of that term with "assets", and valuations cannot be equated to the appraisals used in the real estate industry. As the holding of concessions granted by the government is accompanied by time-limited responsibilities for completing work ("assessment work"), the concept of value necessarily lies elsewhere. Value can be measured in the right to exclusive access for the purpose of exploration, the existing intellectual property in the form of reported technical knowledge, the infrastructure available for future exploration and mining activities, the state of the capital markets, and the related deemed value of resources identified and quantified. Some of these factors can be measured; others are subject to personal opinion.

Research:
I am familiar with the subject property as I have prepared an Evaluation Report which summarizes all work done to date and makes recommendations for further work. This report is dated May 6, 2001. I have been advised that a copy of this report has been delivered to the Canadian Venture Exchange, so no copy is included as an attachment to this Valuation Letter.

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<u>Type of Property:</u>
The Key property is considered an advanced mineral exploration property because a significant amount of documented work has been completed, including geological mapping, geochemical sampling, road-building, trenching, diamond drilling, and over 7000 meters of underground development. This work resulted in the completion of a positive feasibility study, carried out by Macdonald Consultants in 1970.

<u>Right to Exclusive Access:</u>
The Key (formerly Davis-Keays) property is located in an area of northeastern British Columbia off the Alaska Highway where the most practical access is by helicopter. The property is located in a recognized zone of legitimate copper exploration targets, being in close proximity to and geologically similar to the Churchill Copper mine, and to other documented significant copper prospects including the Neil vein (Okey property) and the Reliance vein (Fort Reliance property). The estimated cost of researching and staking the Key property is $24,000, based on an update of the previous staking cost, which was approximately $21,000 in 1992.

<u>Existing Intellectual Property:</u>
Significant work has been documented previous to the present ownership by Seguro Projects Inc, with several assessment reports on file with the British Columbia Ministry of Energy & Mines, and a feasibility study by Macdonald Consultants. The reports and feasibility study document work which could be duplicated by spending in the range of $18,000,000. An estimate of present value of these reports could be in the $150,000 to $200,000 range.

Based on the five Key claims totaling 50 units, which is equal to 1,250 hectares, the annual assessment work needed to maintain this claim is now $10,000, plus government fees. Assessment reports have been filed and accepted so that the claims are currently in good standing until August 31, 2001, which means the Key property has been maintained by the present owner for a nine year period. The cost of that maintenance has been approximately $105,000, including $55,000 in the last 5 years.

<u>Infrastructure:</u>
There is significant infrastructure that will contribute to ongoing exploration, development, and mining activities, and to the competitive advantage of this property over similar but less developed alternatives. The main work that remains directly relevant to the future is the more than 7000 meters of high quality underground development. Value of this development based on current underground work quotations is between $14,000,000 and $16,000,000. In addition, there is exploration road access to various levels of the development. Value of the road, measured by projected future cost savings, is estimated at between $50,000 and $70,000.

<u>State of Capital Markets:</u>
At present, no premium is being placed on copper properties. While copper prices are comparatively low compared to past experience, in fact, with the exception of diamonds and certain platinum group metals, almost the entire mineral exploration market is depressed relative to historical values, or inactive. Therefore no value is assigned to the property's attractiveness in raising capital in the present exploration capital market.

Value of Proven/Probable Resources:
The feasibility study carried out in 1970 showed that the Eagle vein on the Key property hosts a high-grade vein-type copper deposit that will require underground mining, concentration of ore by flotation, and refining by smelting. This study concluded that, "it is apparent that a gross operating profit of the [expected] magnitude justifies the additional capital expenditure…to bring the property into production."

It is therefore reasonable to place some value on the identified reserves. Applying the performance standards of the Association of Professional Engineers of the Province of Ontario, 1969, the proven-probable reserve was calculated as in excess of 100 millions pounds of copper. A possible reserve that was calculated from areas close to the underground workings would add over 36 millions pounds of copper to the mineral inventory.

Assigning no value to the possible resource, and based on estimates of proven-probable resources of 100,000,000 of copper and an estimated net value of in-ground copper of between 2¢ and 4¢ per pound, the value assigned to the in situ resource would be in the range of $2,000,000 to $4,000,000.

A summary of the factors and my opinion of value ranges is as follows:

	Range	
Factor:	Low:	High:
Right to exclusive access	$ 24,000	$ 24,000
Existing intellectual property	$ 150,000	$ 200,000
Recent maintenance cost	$ 55,000	$ 105,000
Existing Infrastructure	$ 14,050,000	$ 16,070,000
State of capital markets	$ -0-	$ -0-
Proven/probable resources	$ 2,000,000	$ 4,000,000
Totals	$ 16,279,000	$ 20,399,000

Conclusion:
Based on the factors considered above, I estimate the value of the Key claims at between $16,279,000 and $20,399,000.

I trust that the above will be satisfactory for your requirements. If you have any questions, please contact me at your convenience.

Yours truly,

Edward Harrington, P.Geo.

Copies to:
Senator Minerals Inc
Seguro Projects Inc
W.D. Latimer Company Ltd