

ANVIL RANGE MINING CORPORATION

INTEROFFICE MEMO

Date: January 26, 1996

To: Mine Operations Foreman
Geology
Engineering
Mill Foreman

From: Dick Arndt - Chief Engineer

Subject: Responsibility for Ore Quality and Blending Requirements

cc: Don Hindy Orval Walmsely Ken Ball

There appears, at times, to be some confusion as to who should be making the calls on, and taking responsibility for, blending of ore at the Transfer Pad and at the Crusher Stockpile.

The only way we can insure that the mill is fed the material they need at any given time is to have the Shift Geotechs make any calls on, or be consulted with, changes of ore blends and material quality that is fed into the crusher. Generally, this system works well. However, at times, others are making judgements on blend without having all the facts.

The Geotechs job is to know what grade of material is available in the pit to be mined, know the grade of ore in any given stockpile and to know the requirements that the Mill needs at any one time. This information is based on knowing not only the current OSA readings, but what the mill feed grade trends are and what will be a reasonable estimate of the overall mill feed grade at the end of the day.

Any changes in ore blends that go into the crusher **MUST** be made by the Geology Group. At times to facilitate communications, the Geotechs may have the Mine Foreman pass this data to the loader operators or to the ore haul contractor. But the call has to come from Geology, since they are responsible for any grade deviations to the mill. **We cannot operate effectively or efficiently any other way.**

Please help ARMC produce the proper mill product by letting those whose job it is to make these ore related calls.

Thank you for your consideration in this matter.