

1987 08 25

MEMORANDUM

TO: Jim Moore
Greg Jilson ✓
Roy Bourke

FROM: Kurt Forgaard

SUBJECT: COAL SUPPLY

I spoke with Keith Byram today regarding coal supply from the Ross River area. The point of the meeting was to get his agreement to share the cost of any exploration required to ensure future years of supply. Without getting into detail, Keith agreed, providing they are given the contract to supply.

Keith felt that with some drilling down slope towards the road that there is quite likely up to three years additional coal in that area. At Nadahini's expense they have engaged a survey company to lay out a grid in this area and are talking to potential drillers. I agreed that when Greg Jilson gets back into the office, we would sit down together and agree on a coal exploration program; probably early next week (Sept. 1-4).

Regarding this past years coal delivery, there are a few items that need Nadahini's attention.

1. A reconciliation was to be provided by Nadahini on diesel fuel usage, equipment hours and allocation.
2. A drill and blast summary is to be provided by Nadahini so as to confirm volumes and strip ratio.
3. In future years, a better arrangement will have to be worked out for explosives so as to conform to the existing mines regulations.
4. There may be some discrepancy as to who owns the coal leases. Title to the coal leases was supposed to be transferred to Nadahini at their expense. Keith will look into his files for transfer agreements (titles).

KAS.

c.c.: K. Byram
Nadahini Mining Co.