

017401

November 15, 1978

Mr. P. J. Brown,
Met Engineers Ltd.,
#401, 8210 - 111th Street,
Edmonton, Alberta.

Dear Peter,

Re: DY - Preliminary Laboratory Testwork
Your Report of August 23, 1978

On page 5 you make the following statement:-

"Although the mercury assays are quite high, especially in the zinc concentrates, the levels are not excessive and do not pose a significant threat to saleability. (Mercury in the Grum zinc concentrate is reported to average 650 ppm)"

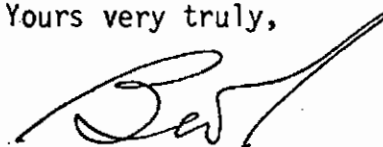
This is effectively repeated in the summary:-

"An examination of high grade products derived from the laboratory tests failed to show the presence of deleterious elements in quantities which could affect marketability of concentrates."

I find these statements very interesting and would appreciate receiving some more information as to how you reached this conclusion.

Best regards.

Yours very truly,



R. L. Cook,
Vice President & Treasurer.