

To: Jim Christie ^{Fx.} 683-4350
McElhanney

22/07/95 ①
900350

From: Daniele Heon
VTG Geologist

re: Eagle Plains RGS

3 pages

Jim,

Karen Pelletier has let me know that you request more money than what was agreed in the contribution agreement. I drove 1.5 hours in order to get to a phone, not realizing that this was Saturday. Luckily, the hotel has a fax machine.

- First of all, our contract is with the GSC, not with McElhanney, any proposed changes to the signed contribution agreement should come from them.
- I was told that an extra \$5/sample was already allowed for mobilization costs. $5 \times 320 =$
\$1600
- The ~~area~~ location of the survey ~~area~~ was known to you from the start, I believe.
- It is one long day's drive from Whitehorse to Eagle plains. (~10 hours)
- Your breakdown of costs includes \$5000 for mobilization of helicopter + \$520 for ^{related} meals and expenses.

ctd on p. 2

- what I had proposed to Karen was to share with you the ferry time from Dawson, which is \approx 2 hours plus fuel, comes out to \approx \$1400 each way. From reading your fax, I think you were under the impression that I would pay for all the ferry time. And still more than \$5,000 in ^{mob/demob} helicopter expenses?

- If I take that \$13,240 for mob expenses and subtract - 5520 for chopper expenses it brings it down to 7720
 if I then add + 1400 - your half of ferry time from Dawson

it brings mob demob total to \$9120
 divided by 320 samples \div 28.50 /sample.

if we add that to \$119 /sample (other survey costs) \rightarrow your breakdown

we have a grand total of \$147.50 /sample, which is quite close to your quoted figure on which the agreement was signed.

How is my math so far?
 Should I switch to accounting?

Let me add that 4 days for ~~E~~mob demob seems high and that I do not

③

think that Trans-North will
be supplying an engineer for such
a short job.

So, I do think that the agreed terms
of the contract are fair and reasonable.
I realize it would be better if
I could talk to you directly but
having a fax machine at the Arctic
Circle isn't so bad after all. I do
find it strange that you are trying to
negotiate with us and not the GSC.
Anyways, I'm in touch with Karen daily
through radio contact.

If you decide at this stage in the game
to back out of the contract, please let
her know as soon as possible. If you
have any other questions or comments, please
let her know, I will call her Monday
morning to find out your response.
Hope we can settle this promptly and easily.

Sincerely

Danièle Héon