

ENVIRONMENTAL SOLUTIONS

SOLUCORP Industries Ltd.  
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October 13, 1997

Royal Oak Mine  
P.O. Bag 3000,  
Yellowknife, NT. X1A 2M2

Attention: Mr. Stephen Schultz

Re: Solucorp Industries / MBS Technology

Dear Stephen,

Thank you for providing me with some insight into the ongoing concerns that you have with Arsenic contamination at your location. Following our conversation, I confirmed with our technical staff that the type of contaminate that you produce would be successfully treated with our MBS technology. Our recently completed Site demonstration for the U S EPA at a Superfund site in Midvale, Utah confirmed that MBS surpassed TCLP (5mg / L), SPLP and MEP test standards for Arsenic, Lead and Cadmium, the EPA's three (3) highest priority metals. The MEP laboratory tests indicate that MBS renders the treated material stable for a period in excess of 1000 yr.

The information enclosed shows how Solucorp can custom design an "in-line" system for you which will deal with the daily production of Arsenic contaminant. As well, because there is no change to the physical characteristics of the soil, treatment of the stockpiled material and reclamation at some point in time of the valuable ore maybe a cost effective alternative for you.

I appreciate the opportunity to provide this information and look forward to discussing the options that MBS may present to Royal Oak Mine. As you suggested, I have sent a similar package to Mr. Rick Allen for his review. I will call you in the near future to answer any questions you may have.

Best regards,



D. R. (Don) Reddick

enclosures

DR / cr

- ratio of Regent to Arsenic  
- more mixed to low grade contaminated  
soil - ?