

July 18, 1997

Mr. Stephen Schultz,
Mine Engineering Dept.,
Giant Mine,
P.O. Box 3000,
Yellowknife, NT
X1A 2M2

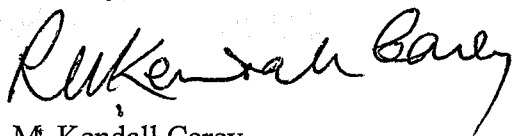
Dear Stephen:

Further to our brief telephone conversation about the arsenic trioxide problem I enclose herewith some papers, a sample and other information about MineguardTM.

It is easy to apply since it is sprayed on and can be used to fill cracks and fissures as well as providing an impermeable membrane to water, gas and most chemicals. The chemicals that cause problems are generally solvents and some acids especially if they are warm.

If you would like further information or a quote on how much it would cost to apply MineguardTM please give me a call.

Yours truly,



R. M. Kendall Carey,
President

encl.

/db