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August 23, 1977

Mr. R. V. Kirkham
Energy, Mines and Resources Canada
Science and Technology
Geological Survey of Canada
601 Booth Street
Ottawa, Ontario
Canada
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Dear Rod:

This is in reference to your letter of July 26, 1977.

I am sorry for the delay in answering the letter, but I have been out of the office. In addition, the press of business has kept me from discussing your letter with Don Davidson. I appreciate your need and do recognize that there is a problem with the present information.

Quite frankly, we are of the opinion that the difficulty occurred because someone leaked what we consider to be confidential information to the Mines Branch. However, that well fits into the category of "water under the bridge."

Our mining plans are very much a function of a variety of economic factors. Therefore, we do not feel it appropriate to probe anything other than the geologic reserves: 101 million tons at .297% MoS₂ in what is definitely an underground mining situation. Tungsten, copper, etc., do exist; however, they are in such random and ill-defined quantities that for the present we do not feel it appropriate to make any kind of an average grade statement with regard to the whole orebody.

We are presently continuing to work on tungsten recoveries at several properties, and these results may well prove beneficial for the Glacier Gulch property.

I hope this information is satisfactory. If you have any further thoughts, please give me a call.

Sincerely,



Edwin W. Peiker, Jr.
Vice President

EWP:CB