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July 5, 1966

KERR ADDISON

MINES LTD.

Per.....

Kerr Addison Mines Ltd.
1600 - 44 King Street West
TORONTO, Ontario

Dear Sirs:

I have enclosed firstly, a copy of a summary of the Liard share distribution as set out in the Vendors Agreement, and secondly, a copy which incorporates some changes we feel have been made necessary and desirable by pressure from Scurry-Rainbow Oil and from one of the prospectors.

In the matter of the re-allotment of the 45,000 shares that Asarco received by virtue of its interest in the Bud Group, Scurry protested that they should have rightly been distributed between the remaining parties in the group, that is, between Scurry-Rainbow and Silver Standard. Without re-hashing the details, we believe that we were acting fairly. However, we also agree that Scurry has a point, and have agreed to allot to them an additional 2250 shares, representing their 2.75 percent interest in the Buds.

One of the prospectors demanded that his interest in the Bird Group be extended to the surrounding properties. His claim was not without merit, for originally the Bird Group consisted of 60 claims and covered all the area now contained in the Bird, Sno and Bud Groups. Once this was agreed to, in all fairness it had to be extended to the other prospectors.

I hope you will concur with our actions with respect to the prospectors' equities, and that you see fit to forego the small pro rata number of shares we now suggest allotting to Scurry-Rainbow.

At an early meeting of the Liard Directors a decision will be reached regarding the allotment of shares for work done and the sale of shares for cash. The proposed method of distribution is set out at the bottom of the amended summary sheet.

Yours very truly,

SILVER STANDARD MINES LTD. (N.P.L.)

A.C. Ritchie
Assistant to the President

ACR:dn
Encl.
c.c. Wm. Sirola
Vancouver Office