

MINNOVA

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Duthie Mines 821277

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March 14, 1989

Mr. W. J. Cummer
P.O. Box FL 356
FLATTS FLBX
Bermuda

Dear Mr. Cummer:

Thank you very much for your proposal on the Duthie Mine near Smithers B.C. It appears to be an attractive target and could provide near term cash flow.

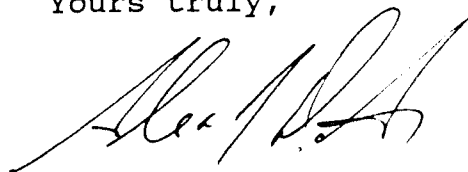
Minnova Inc is currently actively exploring for base and precious metals in B.C. and will be bringing its Samatosum property near Kamloops into production in mid-1989. Unfortunately, the Samatosum deposit only has a projected life of 5 years and thus we are expending a major part of our annual budget to find additional reserves at Samatosum.

Thus, at this time, I regret that your Duthie Mine project does not fit with our near term objectives and we will be unable to make an offer to participate.

However, I would be interested in keeping up to date on the project and visiting it, if possible, in the summer.

Thank you again for the proposal.

Yours truly,



A. J. Davidson
Exploration Manager
W. Canada and USA

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