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True Blue

CORPORATION FALCONBRIDGE COPPER  
6415 - 64th Street  
Delta, B. C.  
V4K 4E2

February 18, 1983

Mark Rebagliati  
SMD Mining Co.  
1130 W. Pender Street  
Vancouver, B. C.

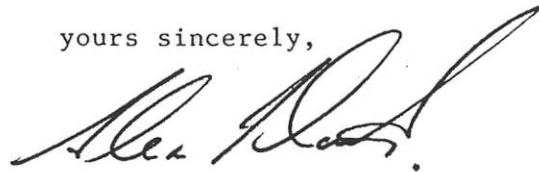
Dear Mark,

I wish to thank you for taking the time last month to review SMD's available properties with Dave Watkins and myself. The various properties have merit and look worthy of a determined effort.

However we do not feel that we can act on any of these properties at this time. As you are no doubt aware setting up in a new environment is a slow process. Also, since we have received quite a number of property submissions we are taking the time to try and evaluate them all before making any final decisions. Thus we may wish to reconsider your properties at a later date and we would be in touch at that time.

Thank you for considering Falconbridge Copper.

yours sincerely,



Alex J. Davidson  
Senior Exploration Geologist

AJD/ik