

MINNOVA

DATE:

OCT 28/87

A
TO:

D. H. WATKINS

COPIES A
COPIES TO:

J K CARRINGTON

DE
FROM:

A. J. DAVIDSON

SUJET
SUBJECT:

ATTACHED FIND COPY SHOWING
REA GOLD'S "PROPOSED ADIT + MUCK
SITE" AND THE OUTLINE OF
THE REA GOLD DISCOVERY
CONCESSION. ALSO ATTACHED
IS A COPY OF THE PERTINENT
PAGE OF THE AGREEMENT.
REA IS MEETING WITH ENVIROS,
WASTE MANAGEMENT, + FED
FISHERIES ON OCT 29. TO DISCUSS
THIS. ~~THE~~ REA ARE AFTER US
TO GIVE PERMISSION ON THIS.

and conditions nearly the same as possible as those on which the public, a private placee or a lender, as the case may be, would have provided such funds in which case Rea shall obtain the funds required by it from CFC; and

- (c) if CFC does not exercise such right, Rea during a period of 60 days after the termination of the 30 day period referred to in subparagraph 6.3(b) may obtain the funds on the terms of the commitment referred to in subparagraph 6.3(a).

THE DEPOSIT

7.1 CFC shall be entitled to and Rea shall pay to CFC 10% of the Net Proceeds of Production from the Deposit for each calendar year to be determined and paid in accordance with Part 2 of Schedule D hereto.

7.2 Rea may from time to time submit to CFC a written request for the right of passage across the Property to the Deposit or for permission to utilize portions of the Property for surface facilities and tailings disposal related to production on the Deposit which request shall include a map showing the part of the Property to be utilized or over which Rea wishes to pass and detailed particulars as to the extent and nature of the use proposed. CFC may request such further particulars as it may deemed requisite and Rea shall provide such particulars. If CFC gives approval in writing to such request, Rea shall then have the right (insofar as CFC has the right to grant it) of passage for persons and vehicles across the Property to the Deposit or to utilize portions of the Property as aforesaid as and when set forth in the approved request.

7.3 CFC shall not unreasonably withhold or delay its approval of any request submitted by Rea pursuant to paragraph 7.2. Without limiting the grounds on which CFC may withhold its approval, it shall be reasonable for CFC to do so if the granting of such approval could result in material interference with CFC's intended operations on the Property.

7.4 Rea shall not seek to obtain or exercise any right of passage across the Property to the Deposit or to utilize the Property or portions thereof other than as provided for in paragraph 7.2. Without limiting the generality of the foregoing, Rea shall not exercise any rights it may now or hereafter have with respect to the Mineral Claims under the Mining Right of Way Act.

**PROPOSED
ADIT SHUCK
SITE**

PCP10

CAMP
514

PCP9

SB 1420

WOLISS GOLD
RECON ACCESS
ROAD

PCP7