

MINNOVA

June 20, 1989

Ministry of Energy Mines and
Petroleum Resources
#1A - 3411 Shenton Rd.
Nanaimo, B.C.
V9T 2H1

Attn: Mr. R. Bone

• • • • •
Minnova Inc.
Mining Innovation
4th Floor
311 Water Street
Vancouver, British Columbia
V6B 1B8
Telephone (604) 681-3771
Telecopier (604) 681-3360

LARA
827418
92B/13

Dear Sir,

With respect to the waste rock and ore stockpiled on the Lara property, please note the following;

1. Minnova Inc. only assumed operatorship of the Lara Property in November 1988 and thus was not a participant in the original underground program.

2. As operator, Minnova Inc. is continuing to carry out the monthly water sampling and as can be seen from the latest results (attached), samples from the adit, ore pile and monitoring pond are all alkaline while Solly Creek itself, both upstream and downstream from the property, remain naturally near neutral. Thus the stockpile is currently non-acid generating. In fact, only one sample, from a stagnant pool of surface water at the base of the pile, has ever been non-alkaline and we believe that to be an unrepresentative one-time sample.

3. Since the major proportion of Abermin's underground program was carried out in the hangingwall of the mineralized zone the vast majority of the stockpile is simply waste rock. Of the 13,000 tons on surface, less than 500 tons is ore.

4. Minnova Inc. is currently carrying out a sampling program of the various piles of rock to test for acid generating potential

and will be planning a reclamation program on the basis of the results of this sampling.

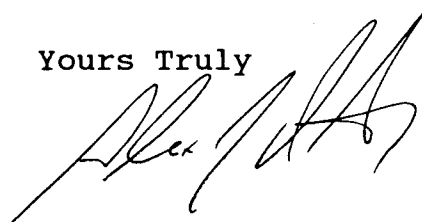
5. As the run-off is currently alkaline, we see no reason to rush into a reclamation program without a complete data base and a well thought out plan with input from all parties concerned. We would prefer to take the time to collect and analyse the samples and then to examine the options available on the basis of the data received to ensure that the reclamation is permanent, safe and cost effective.

6. As indicated in Mr Snow's May 16, 1989 letter, Minnova is quite prepared to post replacement bonds to facilitate the return to Abermin of its bonds. However, in light of the statement regarding the associated assumption of liability set forth in the last paragraph of Mr. Beresford's letter to Mr. Snow of May 16, 1989, Minnova wishes to ensure that all parties are agreed upon the work required to be undertaken prior to posting any such bond.

7. We propose that a meeting be arranged between representatives of Minnova Inc. and the Vancouver Island Reclamation Committee as soon as we have the necessary data. I hope that we can work together on this.

Please call or write if you have any questions or comments.

Yours Truly



A.J. Davidson
Exploration Manager
Western Canada and U.S.A.

CC: Laramide Resources
Ted Oldham - Ministry of Environment
R.W. McGinn - Ministry of Mines



CHEMICAL ANALYSIS REPORT

ASL

Date: May 31, 1989
File No. 7724A
Report On: Water Analysis From Lara Project
Report To: Minnova Inc.
Box 720
Chemainus, B.C.
V0R 1K0
Attention: Roy Knight cc: Minnova - Vancouver
B. Hallam

DATE OF SUBMISSION:

May 1, 1989

SAMPLE IDENTIFICATION

Labelled as shown in RESULTS section.

METHODOLOGY

Analysed in accordance with "Standard Methods for the Examination of Water and Wastewater" published by the American Public Health Association, 1985.

RESULTS OF ANALYSIS


Results are presented in the table(s) attached.

ASL ANALYTICAL SERVICE LABORATORIES LTD.


A. W. Maynard, M.Sc.
Senior Partner

BS/AWM/jh

.../report/may/minnova7724


Barbara Szczachor, B.Sc.
Supervisor
Water Quality Laboratory



analytical service laboratories ltd.

CONSULTING CHEMISTS & ANALYSTS
1650 Pandora Street
Vancouver, B.C. • V5L 1L6
Fax (604) 253-6700 • Tel. (604) 253-4188

RESULTS OF ANALYSIS

File No. 7724A

Page 2 of 2

Adit	Ore Pile	Mon. Pond	Up Sol	Low Sol
May 15/89	May 15/89	May 15/89	May 15/89	May 15/89

PHYSICAL TESTS

pH		7.11	7.66	7.38	6.72	6.35
Alkalinity CaCO ₃		17.0	106.	51.0	6.0	7.0
Sulphate SO ₄		2.6	1620.	689.	<1.0	4.3

TOTAL METALS

Aluminium	T Al	0.041	0.009	<0.005	0.083	0.026
Arsenic	T As	0.0005	0.0017	0.0010	0.0002	0.0002
Copper	T Cu	0.002	0.034	0.005	0.002	0.001
Iron	T Fe	0.044	0.13	0.015	<0.015	0.019
Lead	T Pb	0.001	0.021	0.008	<0.001	<0.001
Zinc	T Zn	0.21	21.4	9.25	<0.005	<0.005

DISSOLVED METALS

Aluminium	D Al	0.007	0.006	<0.005	0.070	0.022
Arsenic	D As	0.0003	0.0011	0.0007	<0.0001	0.0001
Copper	D Cu	0.002	0.029	0.004	0.002	0.001
Iron	D Fe	<0.015	<0.015	<0.015	<0.015	<0.015
Lead	D Pb	<0.001	0.015	0.006	<0.001	<0.001
Zinc	D Zn	0.16	19.9	8.78	<0.005	<0.005

< = Less than

Results expressed as milligrams per litre except for pH.