



Province of
British Columbia

Ministry of
Energy, Mines and
Petroleum Resources

Log 5000
Smithers, B. C.
VOJ 2N0

Yellow Giant
889835

May 15, 1985

Mr. Murray McClaren
TRM Engineering Ltd.
701 - 744 W. Hastings Street
Vancouver, B. C.
V6C 1A5

Dear Murray:

Thank you for the samples from Banks Island. I will submit them to Victoria for possible k-Ar age dating.

With regard to your memo dated May 1, 1985 I can tell you that there were very few copies of papers available.

I checked my brief notes concerning the talks you were interested in and offer the following:

(a) Constraints to Small Mine Development

- Dennis Milbourne - good general talk on topics including labour force, flow through shares, tax credits, working with Government and the need for "roads to resources"
- Murray Crowther - very general but did state that water taxes were too high

(b) Government Capital Assistance Programs

- Brian Fenoulhet - spoke about 100 to 200 t.p.d. custom mills with a forgivable interest free loan up to \$1 million for a period of five years

The agreement includes:

1. Definition
2. Loan Payment
3. Conditions Precedent

To: M. McClaren
May 15, 1985

4. Covenants of the Custom Miller
5. Security
6. Operating Conditions
7. Default
8. Schedule of Forgiveness
9. Miscellaneous

I have since received the entire agreement package which is about five inches thick. You are welcome to view this any time you are in our office.

Al Clark did not attend.

Cheers,

Tom Schroeter, P. Eng.
District Geologist

TS/jh