From:
 Mark Valeriote

 To:
 Rykaart, Maritz

 Cc:
 Wade, Lowell

 Subject:
 Drill and Blast

Date: Tuesday, February 01, 2011 8:43:56 AM

Maritz,

I would like to do a trial blast (small area, limited number of holes, etc.) to assess what we may ultimately require for hole spacing, depth, load factor, etc. I acknowledge and appreciate the ultimate need to assess the percolation data; however, I personally do not believe we will see any surprises in the NE area of the dam. I am prepared to drill and blast a small area to what you now show as your design depth to start the process.

I don't feel that there is risk with this suggestion.

Ultimately, I hoping we may possibly reduce the current key trench depth based on the verbal information that I was given regarding the percolation testing.

Mark Valeriote Construction Manager

JDS Energy & Mining Inc.





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