plateau resources
LIMITED

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Shootaring Canyon Operat

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ACT/017/001

August 24, 1982

Utah Division of Oil, Gas, and Mining
4241 State Office Building
Salt Lake City, Utah 84114

Attention: Mr. Ron Daniels

RE: REDUCTION OF MINING AND MILLING OPERATIONS AT THE SHOOTARING CANYON URANIUM PROJECT.

Dear Ron:

This letter confirms my conversation with you on August 18, 1982, in which I informed you of the suspension of operations at Plateau's Shootaring Canyon Uranium Processing Facility near Ticaboo, Garfield County, Utah, and the scale-back of operations at the nearby Tony M Mine to one shift per day from the present level of two shifts.

This operational status change will be fully implemented by September 1, 1982. The processing facility will be maintained by a reduced staff so operations may eventually be resumed. At present, Plateau plans to resume milling and return to normal mining levels in late 1984 in order to meet existing commitments for the delivery of concentrates in 1985.

During our conversation, you requested that I assess the impacts of this reduction as it relates to our notices of intent for the processing facility, Tony M Mine, Frank M Mine, and exploration drilling. No changes in any of the notices of intent should be needed because all of the operations will continue, albeit on a reduced scale, except for the Frank M Mine which will remain in its present status of being a temporarily suspended operation. Development drilling associated with the Tony M and Frank M Mines and exploration drilling will continue on a yearly basis.

Ore haulage from the Tony M Mine will continue until the processing facility ore storage area reaches capacity. Then the ore will be stockpiled near the mine.

If you have any questions, please call me at (303 245-5460).

Sincerely,

Fred W. Gerdeman

Fred W. Gerdeman
Governmental Affairs Supervisor
Plateau Resources Limited

FWG/kjm

cc: Mr. Thomas N. Tetting