m/37/026

From: Joelle Burns
To: Doug; Wayne Hedberg
Subject: International Uranium Corp.

Wayne / Doug: I received another phone call today, so thought I'd better send this note so you will be aware of what is happening. I'll also send a copy of this to the file.

9/21/2001 - Received phone call from Jim Butt (voice message). I called back and talked to his secretary and was informed that Jim is with a group that is forming a new company and they are going to take over four of IUC's mining projects (Hecla Shaft, LaSal-Snowball, Rim-Columbus, & Pandora). I sent transfer, RC, LOC, CD, & surety forms. Asked that they send "draft" copies of all documents for our review before finalizing them.

9/27/2001 - Received phone call from Clay Thomas, one of the partners with Jim Butt. He was inquiring into the surety bond forms Jim forwarded to him. Mr. Thomas is the one handling the financing of the company. He said they have about $25,000,000 assets between all the partners. He has checked into surety bonds and the surety company wants the company to sign, and each individual in the company to also sign as an individual. They do not want to do that, so they may be looking at other forms of surety other than surety bonds. He figures it will take a couple of months to get everything in place.

I informed him that our five-year review would be due in May and June on these projects and if he wanted to, we could do our review before that time, so the new company could post surety for the five year escalation, then they wouldn't have to adjust the surety again in just a few months. He thought that would probably be what they would want to do. He said Jim told him a lot of the reclamation work had been done at these mines, so the bond amount could possibly be lower. I told him they would have to provide maps, etc. so that could be evaluated and determined at the time of the review. I asked him also to send us copies of the documents so we could check over them before they are finalized.