

APPENDIX D

MoreTrench American Corporation Preliminary Design

Michel Noel

From: Sheila Kelly [skelly@mtac.com]
Sent: August 5, 2002 12:27
To: Michel Noel
Cc: Art Corwin; Joe McCann; John Donohoe
Subject: Yellow Knife N.W.T.

Dictated (but not read) by Derek Maishman 8/5/02:

Confirming Derek Maishman's telephone conversation with you last Friday, August 2nd, our preliminary study of the proposed freezing operation in Yellow Knife, NWT leads to the following budget estimates.

Cost to Install Freeze System - Fifteen Million U.S.
Dollars

This amount is an estimated net cost and does not include engineering design, contractors/engineer's overheads and profit.

The cost to operate the freezing system may be calculated using the following estimated data:

Labor - a two-man maintenance crew (full time) plus a refrigeration foreman/mechanic.

Spares, repairs, scheduled maintenance chores will cost approximately \$5,000 U.S. Dollars per month.

Average Power - 2,300 kW

* More during the first 15 months, during which time segments are under active freeze.

* Less during prolonged maintenance when all segments are completely frozen

We trust this will suffice for your present needs. I am arranging for a Moretrench company brochure (with relevant technical information on our freezeWALL operations) to be forwarded to you by regular mail. Please keep us informed on the progress of this interesting project.

Regards,
Derek Maishman