

FACSIMILE MEMO

To : Mr Marcel Vallee, President, CIM Geological Society
c/o Geoconseil Marcel Vallee
From : J W Merks, President, Matrix Consultants Limited
Date : 1998 12 12
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Pages : four (4)

Subject : Correspondence with Dr Yves Harvey, CIM President

In his response on December 9th to my letter of November 16th Dr Harvey suggests I discuss my concerns directly with you in your capacity of President, CIM Geological Society, with Mr John T Postle, Chairman, CIM *Ad Hoc* Committee on Reserves, and with Mr Keith N Spence, President, CIM Mineral Economics Society.

In addition to the question whether all Members of the CIM Geological Society share your views on applied statistics and analysis of variance, your responses to the following questions would assist me to better comprehend geostatistical theory and practice:

1. Do you agree or disagree that each of the sixteen points within B is a functionally or mathematically dependent variable of the same nine holes? (see attached Figure 203 – Geostatistical Ore Reserve Estimation, Michel David).
2. Why does the kriging variance "*drop off*"? (see attached summary of *A study on kriging small blocks*).
3. Can you disambiguate what happened to degrees of freedom in geostatistics? (attached are several geostatistical thoughts on this topic).

While I look forward to your reply with anticipation, I remain,

Yours truly,

J W Merks
President

Attachments :

Figure 203 – *Geostatistical Ore Reserve Estimation*
Summary of *A study on kriging small blocks*
Geostatistical thoughts on degrees of freedom