

LETTER OF INTENT
for mutual cooperation

August 13, 1997

Yakutsk

This Letter of intent has been signed between the Ministry of Material Resources, Trade and Transportation of the Republic of Sakha (Yakutia), represented by the Deputy Chairman of the Government of the Republic of Sakha (Yakutia) - Minister of Material Resources, Trade and Transportation Mr. Vladimir Chlenov and the Ministry of Economic Development of the Yukon Territory of Canada Mr. Trevor Harding.

The objective of the present Letter of intent is to promote cooperation in developing and establishing interregional relations between the Republic of Sakha (Yakutia) and the Yukon Territory in areas of small aviation and tourism.

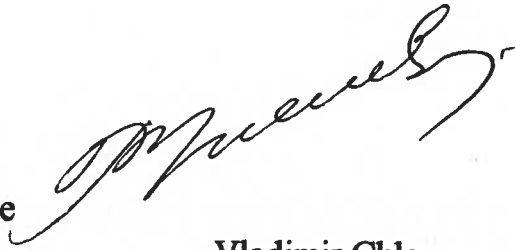
The Parties have agreed to the following:

1. To consider the possibility of exchanging experience in using small aircraft in extreme Northern conditions and adapting them for organizing business-tours in Yakutia.
2. To realize the items of the present Letter of intent the Parties agreed to exchange the appropriate information.
3. The present Letter of intent is preliminary and doesn't assume any legal or financial obligations and serves as the basis of the signing of agreements between enterprises and companies from the Yukon Territory and the Republic of Sakha (Yakutia).
4. The present Letter of intent is provided in Russian and English versions.

5. The present Letter of intent is provided in two copies, one for each party.

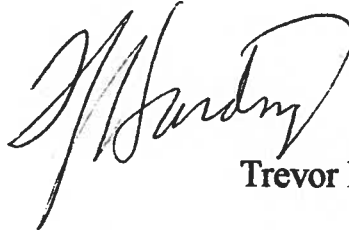
Signatures of the Parties:

Deputy Chairman of the Government
of the Republic of Sakha (Yakutia) -
Minister of Material Resources, Trade
and Transportation



Vladimir Chlenov

Ministry of Economic Development
of the Yukon Territory of Canada



Trevor Harding