

June 7, 2004

Mr. Don Hannu  
Cladding Technology Inc.

Dear Mr. Hannu,

This letter is to inform you that the Cladding Technology Inc. tungsten carbide wear material filled into grooves surrounded by 100HC material is continuing to outperform any other material that we have tried on our grinding rolls to date.

We installed our first set of 743 journal rolls, rebuilt using your technology, in May 2002. To date, they only have a 1/4" wear on the profile after 14,016 hrs of operation, aprox. 319,775 tons of Lignite coal. We are normally changing out our rolls @14,000 hrs. Given the wear that we have at present on the Tungsten rolls, I estimate that we could receive double the life from the Tungsten compared to the other wear materials that we have tried.

We will be able to give you a more definitive answer in the future, as we get a broader reference base.



Sincerely,  
Clayton Toner  
Coordinator - Production Support - Pulverizers  
SaskPower Boundary Dam Power Station