SECRET - ATOMIC cc HO 10 DOWNING STREET 16 June 1982 From the Principal Private Secretary NO10 A.R. 49 Der Dani, Special Nuclear Materials (MISC 7(82)3) The Prime Minister has read your Secretary of State's paper on the supply of Special Nuclear Materials for the Defence Programme (MISC 7(82)3). She has also seen the Chancellor of the Exchequer's minute of 2 June, the Foreign and Commonwealth Secretary's minute FCS/82/78 and the Secretary of State for Energy's letter of 5 June. The Prime Minister agrees with the recommendations in paragraph 12 of Mr. Nott's paper, subject to his acceptance of the points made by the Chancellor of the Exchequer in his minute of 2 June. She is content for him, in consultation with the Chancellor of the Exchequer, the Foreign and Commonwealth Secretary and the Secretary of State for Energy, to announce the cancellation of Destiny and the new arrangements for purchasing plutonium and Low Enriched Uranium from BNFL. I am sending copies of this letter to the Private Secretaries to the other members of MISC 7, to Julian West (Department of Energy) and to David Wright (Cabinet Office). Turs m, Shrie Whim. David Omand, Esq., Ministry of Defence. SECRET - ATOMIC