

FALCONBRIDGE NICKEL MINES LIMITED

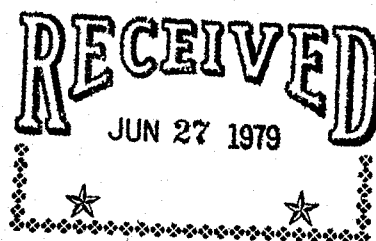
INTER-OFFICE MEMORANDUM

DATE: June 22, 1979

TO: D.J. Emery

COPIES TO: H.T. Evans

FROM: P.J. Raleigh

SUBJECT: ARSENIC AT THE SALSIGNÉ GOLD MINE - SOUTHERN FRANCE

In an attempt to get a fix on the product size delivered by various arsenic producers to customers, I contacted Mr. G.R. Cunningham Dunlop at Silver Eureka Corporation in Toronto. I asked him a few questions about the volumes and quality of arsenic that is being produced at the subject gold mine. Mr. Dunlop indicated that currently they are producing a fumed arsenic and they are packaging it into drums and pressing it satisfactorily, which enables them to ship the material to various users, including users in the United States such as KOPPERS and others we have contacted. They also sell to HITSON in Britain the KOPPERS' associate that has been mentioned to us on several occasions.

The product is essentially 99% pure arsenic and is readily marketed at the present time. The mine currently produces 6,000 tons of arsenic per year. Up to this year they have not sold all of their production, as about half of it is low grade but currently they have none of the product on hand and are running behind on orders.

The market for the arsenious product is not all in the As_2O_3 form. They make some sodium arsenide which they peddle as an insecticide to the nearby grape farmers for killing slugs and things on the grape vines. There is also a growing market for this product in Southern Europe for other uses.

In pursuing more details on the subject of arsenic production, Mr. Dunlop indicated the mining organization is in a position to develop a new orebody with twice as much arsenic in the ore as is currently being treated. Should they reach full production then output would be approximately 25,000 tons/year of arsenic trioxide which would be about half of the total world requirement as it stands now.

The mine is for sale and some basic information has been obtained for your review.

A handwritten signature in dark ink, appearing to read "P.J. Raleigh". The signature is fluid and stylized, with a long horizontal stroke extending to the right.

P.J. Raleigh

PJR/ft