

AGCHEM DIVISION

P. O. BOX 3608, BRYAN, TEXAS 77801



(713) 779-0069

February 14, 1979

Mr. D. N. Zeraldo
Falconbridge Canada
P. O. Box 40
Commerce Court West
Toronto, Ontario
Canada M5L 1B4

Dear Mr. Zeraldo:

As a result of February 13, 1979 visit to our office during which the planned production of refined arsenic trioxide by Giant Yellowknife Mines Ltd. was discussed; we are happy to confirm to you by means of this letter Pennwalt Corporation's interest in this product.

Pennwalt Corporation is interested in purchasing up to 3,000 tons annually of Giant Yellowknife arsenic trioxide, provided that:

- (a) the f.o.b. receiving plant price of refined arsenic trioxide is acceptable to Pennwalt, and
- (b) the quality of full-scale production proves acceptable to Pennwalt.

We are interested in securing a long term, stable source of arsenic trioxide and look forward to developing this potential business with you.

Yours truly,

PENNWALT CORPORATION

Charles Munday
Charles Munday
Plant Manager

CM:lv