

Notes of a Phone Call
To P. J. Raleigh
Re Arsenic Project
June 19, 1979

Copy to C. 10/22
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He had received word from Koppers wanting to know whether we would be producing product in 1980. Raleigh is concerned about our ability to do this as Pickard has indicated we will require four months of pilot plant work. He is also concerned about the long delivery requirement on some equipment and feels we should be going for a process that doesn't require such equipment.

He noted that the HSA reactor was another week late and should be up in Yellowknife this week.

I indicated that word at the mine is we should have things on the pilot plant cleaned up within the month. Ed Foster is coming in next week to help.

Raleigh said that he had heard Cooper wouldn't agree to the As plant until at least four months of testing had been done. I suggested that possibly as a result of his visit he might change his mind on this as he was shown the pilot plant and told that we are now able to produce 100 pounds of good product per day. We discussed briefly crystal size. I told him that I thought it was appropriate as it seemed to run freely in the vial that we were shown the other day.

Raleigh has called Cunningham-Dunlop who is involved in the French gold deposit that he had mentioned to me on my last trip. They have two ore-bodies; one with indicated reserves of some 10,000,000 tons of grading 0.27 ounces Au/ton, 1.02 ounces silver, .07% Cu, .54% bismuth, 12.6% As and 12.6% S. Proven reserve is about 2,500,000 tons.

The other ore-body has something like 2,000,000 tons at 0.36 ounce Au/ton, .87 ounce Ag, .15% Cu, 4.3% Arsenic and 10.7% sulfur.

The orebodies are relatively thick and at a 30° slope. The company is looking for money to redevelop and may require as much as \$30 million. Control of the company can be obtained for about \$3 million and the Directors, most of whom are old, are said to be willing to sell. The French Government is also after the company to have them bring in a mining company with experience especially relative to arsenic so that a tie-in with Giant might be a natural.

I told Raleigh to get more information on the company and also to touch base with Gordon Walker who I had alerted earlier about the possibility of getting involved with this property.

Pat noted that Cunningham-Dunlop had cautioned Giant about getting into the arsenic market as they have enough to supply 50% of the world market at their property. Pat feels this is another reason why we should seriously consider taking over their company if we are going to have a problem in marketing arsenic because of them. I asked if Tony Desanti was aware of this problem to which he replied he hadn't talked to Desanti yet.

AS

Notes of a Phone Call
To Frank Pickard
Re Pilot Plant
September 28, 1979

He has been talking to Larry Connell and there has been good progress made in producing product. They are now treating Cottrell dust but having some wash problems with it. They are hoping to solve it with a centrifuge but may have to go to something else such as counter-current washing.

MS

D. J. Emery

/vb