

copy to call

Notes of a Phone Call  
To P.J. Raleigh - March 16, 1979  
Re: Arsenic Upgrading

I called Pat in response to an earlier call from Kent Morton concerning a possible trip to Potash Company of America in Saskatoon to view their leach process. Pat stated that he would have someone there with Kent.

We discussed timing and the need to get the process going, otherwise we will be forced to provide more underground storage. Raleigh feels that we may want to go with the hot water process and adapt it at a later date to the Koppers process. The hot water process is proven and is something that we could present to the Board with some assurance. The other process will require further research and a possible six-month delay in getting it on stream.

Raleigh noted that Hite of Koppers wanted to meet me on March 26 in Toronto to discuss a deal on the purchase of all of our arsenic. Hite is concerned that if we try to market 6,000 tons we would be cutting into Asarco's sales and their reaction would be to cut prices. Raleigh is concerned if this were to happen because our scheme is very price sensitive. Raleigh noted that marketing may not agree and I suggested that we should keep them informed of this possibility.

Raleigh went on to say that what Koppers has in mind is to licence us their technology and to set up a drumming plant at Hay River to sell about half our production overseas. This would avoid getting into conflict with the Asarco sales.

I discussed with Raleigh the strategy of me meeting with Hite at this time as I didn't feel we would want to make a commitment. Raleigh feels that all they are looking for is a basis for agreement. I suggested if that were the case, we should meet prior to Hite coming to Toronto in order that all concerned are agreed as to the direction we want to go.

We discussed the secrecy agreement of Koppers and I stated that I would bring it with me to Toronto rather than sending it.



D. J. Emery

DJE:jc