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GIANT YK

FALCONBRIDGE TOR

SEPT 13/78 MSG NO 664

D J EMERY

THE FOLLOWING IS A DRAFT OF A PROPOSED LETTER TO MR. GIEGERICH
OF COMINCO FOR YOUR COMMENTS.

D R A F T

SEPTEMBER 8, 1978

COMINGO LIMITED
YELLOWKNIFE, N.W.T.

ATTENTION: MR. H. GIEGERICH
MANAGER OF PROJECTS

DEAR HANK:

IT WAS A PLEASURE TO MEET YOU AGAIN IN YOUR OLD HOME TOWN OF
YELLOWKNIFE. I WANT TO THANK YOU AND JIM GOWAN^S FOR YOUR
HOSPITALITY DURING OUR RECENT VISIT TO YOUR MILL AND OFFICES.
WE ALSO WISH TO CONFIRM OUR CONTINUING INTEREST IN WORKING
TOWARD A SOLUTION OF YOUR ARSENIC DISPOSAL PROBLEM. THE
INFORMATION RECEIVED DURING OUR DISCUSSIONS IN JULY GIVES US
A BETTER UNDERSTANDING OF WHAT THE PROBLEM ACTUALLY
CONSTITUTES.

WE HAVE INITIATED A RESEARCH PROGRAMME AT FALCONBRIDGE NICKEL
MINES, THORNHILL LABORATORY WHICH IS DESIGNED TO COVER SEVERAL
POSSIBLE SYSTEMS FOR THE SEPARATION OF THE ARSENIC DILUENT
FROM THE RECOVERABLE GOLD AND SILVER IN MATERIAL IN STORAGE
IN THE YELLOWKNIFE AREA. THE TEST WORK HAS JUST GOT PAST
THE INITIAL PHASE AT THIS TIME.

DAVE EMERY HAS REPORTED ON YOUR RECENT CONVERSATIONS AND IT IS
CERTAINLY IN KEEPING WITH OUR THINKING TO CONSIDER A COMBINED
REPROCESSING FACILITY, IF AND WHEN, THIS EVER BECOMES
METALLURGICALLY AND ECONOMICALLY ATTRACTIVE. GIANT'S OPERATING
KNOWLEDGE DEVELOPED OVER THE 20 YEARS OF ROASTING THEIR
ARSENICAL ORES LEADS US TO BE VERY CAUTIOUS IN PROJECTING EITHER
GOLD RECOVERIES, TREATMENT PROCESS OR OPERATING COSTS FOR GOLD
RECOVERY FROM STORED DUSTS WITHOUT CONSIDERABLE LABORATORY
WORK.

DISPOSAL OF THE ARSENIC TRIOXIDE WITHOUT TREATMENT OF THE
RESIDUE FOR GOLD AND SILVER RECOVERY IS AN AREA THAT IS ALSO
UNDER STUDY. THE RECENT TEST SHIPMENT OF THE CURRENT BAGHOUSE
PRODUCT FROM THE GIANT PLANT WAS PART OF OUR CURRENT ATTEMPT
TO GET ADDITIONAL KNOWLEDGE OF THE ALTERNATES AVAILABLE TO US
FOR ARSENIC DISPOSAL. WE HAVE BEEN ACTIVE IN THIS AREA FOR
ABOUT A YEAR, AND HAVE DETERMINED THAT A GREAT DEAL OF
ADDITIONAL WORK WILL BE NEEDED TO PROVIDE AN ALTERNATIVE TO
THE PRESENT GIANT METHOD OF DISPOSAL, PARTICULARLY FROM THE
ENVIRONMENTALISTS STAND POINT.

WE PLAN TO CONTINUE TO WORK ON THE TWO MAJOR AREAS DISCUSSED
IN ORDER TO BE IN A BETTER POSITION TO TAKE ADVANTAGE OF ANY
OPERATING COST ADVANTAGES THAT MAY BE AVAILABLE FROM SECONDARY
GOLD RECOVERY, OR BY REDUCING UNDERGROUND STORAGE FACILITY
COSTS.

AS SOME OF OUR OBJECTIVES APPEAR TO BE OF MUTUAL INTEREST, WE
WOULD BE AVAILABLE TO EXPLORE THESE INTERESTS IN GREATER
DEPTH AFTER THE NEXT PHASE OF OUR RESEARCH HAS GIVEN US A
CLEARER PICTURE OF THE AVENUES OPEN TO US.

P J RALEIGH

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*Approved and
sent 9/18/78*