

NWT Division
P.O. Bag 3000
Yellowknife, NWT
X1A 2M2

Tel: (403) 873-6301
Fax: (604) 873-2980 (Management)
(403) 873-8983 (Purchasing)
(403) 873-2914 (Administration)
(403) 920-2133 (Colomac)

July 15, 1996

Mr. Dave Lovell, Mayor
City of Yellowknife,
Box 580
Yellowknife, NWT,
X1A 2N4
CANADA

FAX # 403 920-5649

Dear Sir:

Re: Stakeholder Comment on the Proposed "Gold Roaster Discharge Control Regulations" under the N.W.T. Environmental Protection Act

Please find attached a copy of a submission made by Royal Oak Mines to the NWT Department of Renewable Resources in response to the proposed "Gold Roaster Discharge Control Regulations" issued earlier this summer by the NWT Department of Renewable Resources for public comment.

The proposed regulation will have a significant impact on the future viability of the Giant Mine. In reality the proposed regulation has the net effect of establishing June 30, 2006 as the probable date for closure of the Giant mine.

The proposed regulation stipulates that emissions of sulphur dioxide from the Giant mine must be reduced by 90% on or before June 30, 2006. This level of reduction cannot be achieved using the existing roaster and gas cleaning plant. To remain in compliance with the law, Royal Oak would be forced to shut down its concentrate roasting facilities under this regulation.

Suitable replacement equipment would cost in the order of \$50 to \$60 million dollars. The remaining economic ore reserve at the Giant Mine will not sustain this level of capital expenditure. In essence complying with the regulation would render the mine uneconomic.

Concurrent with this initiative, the federal Department of Environment is considering new regulations that would require arsenic emissions from the Giant roasting plant to be reduced. The combined impact of the Territorial and Federal initiatives in this area may have the impact of further shortening the expected mine life.

