

Notes of a Meeting held with P. J. Raleigh and S. Fekete  
September 29th, 1980, Toronto Office

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Fekete reported back on his trip to Giant. It now looks like the time is coming for us to develop a proposal for the pilot plant. The method being considered is a fluid bed reactor, and there are two alternatives for supplying heat; electric or gas.

Fekete proposed to put together some programme notes and costs. He would submit these to DJE who would, in turn, take these to the Board as overall costs of the project amounting to something like \$250,000. It should last something like four months. Capital requirements for the proposal will be in the order of \$35,000.

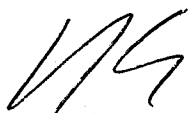
I asked that in the proposal he put down the justification for going to the pilot plant work. This would involve going back over a bit of the history and saying why we are leaving the hot water leach process and going to the fuming method. I also asked that a timetable be developed, and some indication of profitability for the venture.

We discussed the Con material. Raleigh is going up tomorrow with Coggan of Koppers. There should be some discussion started on the Con material. Fekete warned about playing it fairly cagey as he had already indicated to them the Con material is difficult to treat and, therefore, we should not be making the argument that the whole fuming method hinges on being able to treat their material.

We talked briefly about the terms of a deal. Previously, it had been indicated that we would get all the arsenic and pay for half the gold. I suggested, in view of the high capital costs and what not, we may want to go back a bit and suggest that they get only 1/4 of the gold. The other possibility Fekete brought up was that they share in the profits, but then contribute to capital. It was agreed that it would be better for us to handle the whole affair.

Fekete indicated that there is pressure for us to come up with a proposal soon that would be acceptable to Con because they have a deadline of June, 1982, to do something about this stored material.

We had a brief discussion on the Salsigne programme. I asked Pat Raleigh to approve the telex going to Michel on the 30th. We also discussed the timetable for the French visit, and agreed that with the strike on, it would not be appropriate for a visit at this time by their technical people.

  
D. J. Emery

DJE:kg