

We met to briefly discuss the fuming project.

Raleigh reported that he had been disappointed with his meeting with the Con people (Gigerich) in Yellowknife, as they are now intending to do their own research for the possible upgrading of their stored material by hot water leach. He noted that W. A. Moore was quite happy about this development as he had not been too keen on going after that product in any case. I indicated that Moore was concerned about the amount of sludge that might be produced.

Raleigh also noted a reluctance on the part of my staff to recover the stored material underground at Giant. They will be doing a clean-up with the vacuum truck for material that was temporarily put into one of the arsenic drifts. The silo that will be erected will be fitted with a baghouse which will be useful if we can recover arsenic from underground. He stated that he was surprised to see this baghouse addition to the silo as the present baghouses probably could do the trick. The modifications to the truck have also been expensive. The capital cost of these two items might be in the area of \$100,000. I asked if funding had been approved for the project. Raleigh did not know.

Raleigh went on to say that if Cominco is going to hot water leach process, it takes the pressure off us for developing fuming, as it may be to our advantage just to recover crude arsenic for sale. Con had said that we should come back to them after six months after they have done their experimentation.

I suggested that we somehow let Con know that we are not going to carry on with fuming experiments, or pilot plant work, if it looks like we may not get their material-they should not be counting on us. We should indicate to them that they may have a timing problem, if their hot water leach programme does not work, and we have put off the pilot plant work on fuming.

We also discussed the need for us to develop a means of getting arsenic up from underground if we are serious about fuming before getting into the pilot plant work.

Fekete was asked to prepare the numbers for the fuming, assuming we go it alone and to see whether it stands. Also, to then include the Con material and finally to assess what Con might be getting out of their project if it works. After these numbers are put together, we should be in a better position to know what to say to Con.

We discussed rough figures for putting in a fuming plant. It looks like a \$1 million installation. Increased revenues over crude arsenic would be in the order of \$750,000 but operating costs would eat up half of that. On this basis, Raleigh thought it might be a touch and go situation. Fekete's numbers should tell us whether this is the case.