

rpc

research and productivity council
conseil de recherche et de productivité

May 23, 1989

Mr. Kent Morton
Giant Yellowknife Mines Ltd.
P.O. Bag 3000
Yellowknife, NWT
X1A 2M2

Dear Kent:

In response to your request, I have had several telephone conversations with Ben Willenstynn, Pall Corporation, regarding their time frame with respect to design and construction of a modified hot baghouse. Initial conversations with Pall indicated that once they received a purchase order, the engineering and drawings would take 4 weeks. Upon receiving approved drawings, construction would take an additional 12-16 weeks.

Not considering any additional time required while either equipment or drawings are in transit I have told Pall that this time frame would not be acceptable. I suggested that a better arrangement would be to have Pall do the engineering and prepare construction drawings. If Pall were to complete the modifications, the baghouse head would probably have to be shipped to Pall and, therefore, if the modifications were to take place in our machine shop the whole process would be expedited. The modifications could be done under their supervision if deemed necessary.

On Friday, May 26th, I contacted Ben Willenstynn and he stated that Kurt Shattenburg was willing to expedite their end by reducing the engineering time to 2 weeks with delivery of the modified baghouse (head and tubesheet) within 8-10 weeks. Pall was also willing to allow RPC to complete the construction phase, however, they did not see any advantage as far as time or cost. Pall said that the engineering and drawings will take 4-6 weeks in this case because they will require more detail if fabrication is done by others.

Pall will want a fee of \$US 10-11 K for engineering if RPC completes the modifications and the elements will cost \$US 500 each (4 required). Their original quote of \$US 27K if Pall completes the modification, stands.

RPC has a well equipped machine shop and are more than capable of making any modifications required. I question the "additional detail" required if fabrication by others and the shipping of the baghouse head to Pall for modification which I believe at this stage are only minor.

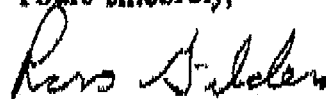
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In another matter, on Friday, May 19th, we shipped 16 pallets (63 barrels) of arsenic trioxide and contaminated garbage from last years test program to your attention in Yellowknife.

I await your direction in this matter.

Yours sincerely,



Ross Gilders
Pilot Plant Manager
Minerals & Fuel Technology

RG:cm

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