

Giant
YELLOWKNIFE MINES LIMITED

YELLOWKNIFE, N.W.T.
X1A 2M2

TELEPHONE 403-873-6301

TELEX:

PURCHASING 034-45503

OTHER DEPT. 034-45514

URGENT! ☐ AS SOON AS POSSIBLE ☐

06657

FROM

L. Milton

DEPT.

COPY TO

SEND TO

*K. Blomer -
cc. S. El Alfy
S. McAlpine.*

DATE

Mar 15 '88

SUBJECT

MESSAGE

Ken -

*I reworked the cash flow based
on 48¢ / lb (US 38¢) As₂O₃.*

*Makes a difference of \$^{16.5}~~17.5~~ million
over the life of the project.*

REPLY

[Signature]

4500E - 1

← SPEEDIMEMO →

4500E BROOMS® SPEEDIFY® 1 CIB MOORE CLEAN PRINT® • Quality 2010 PRINTED 1983, 1988, 1979

REPLY
FROM

DATE

LIFT THIS SHEET TO REMOVE
(RETAIN FOR YOUR FOLLOW-UP)

ARSENIC RECLAIM PROJECT, CASH FLOW ANALYSIS

Sensitivities

1988 Canadian dollars
 Arsenic trioxide price \$0.40 lb.
 Gold price \$540 CDN
 Operating cost \$282/s.t
 Freight cost \$248/s.t
 As recovery 100%
 Au recovery 85%
 Production rate 7,000 stpy
 Growth rate 5%/yr.
 Reclaim sequence years 1 to 6 B2 30-36
 years 6 to 11 B2 12/13/14
 years 11 to 14 B2 08
 years 14 to 16 C10-12
 years 16 to 17 C9 - B11 etc.

A	B	C	D	E	F	G	H	I	J	K	L	M	N
Year	Capital Cost	Operating Cost	Revenue As203	Revenue Au	Combined Revenue	Cash Flow	Deprec.	Taxable Revenue	Tax	Net of Tax	Cash Flow (after tax)	NPV	ROR
input	input	input	input	input	D+E	F-(B+C)	B/# yrs	G-H	I X.43	I-J	H+K	ENPV*ROR (L6.L22)	input
1	5,902,615	3,710,000	5,600,000	5,488,020	11,088,020	1,475,405	347,213	1,128,192	485,123	643,070	990,282	22,416,607	15%
2		3,895,500	5,880,000	5,762,340	11,642,340	7,746,840	347,213	7,399,627	3,181,840	4,217,788	4,565,000		
3		4,090,010	6,173,600	6,050,160	12,223,760	8,133,750	347,213	7,786,537	3,348,211	4,438,326	4,785,539	17,683,257	20%
4		4,294,590	6,482,400	6,352,560	12,834,960	8,540,370	347,213	8,193,157	3,523,058	4,670,100	5,017,312		
5		4,509,240	6,806,400	6,670,080	13,476,480	8,967,240	347,213	8,620,027	3,706,612	4,913,416	5,260,628	14,386,821	25%
6		4,734,490	7,146,400	7,003,260	14,149,660	9,415,170	347,213	9,067,957	3,899,222	5,168,736	5,515,948		
7		4,971,400	7,504,000	7,315,520	14,819,520	9,848,120	347,213	9,500,907	4,135,390	5,365,517	5,792,730		
8		5,219,970	7,879,200	7,630,000	15,509,200	10,289,230	347,213	10,172,017	4,399,067	5,772,950	6,050,163		
9		5,480,730	8,272,800	8,022,040	16,294,840	10,744,110	347,213	10,996,897	4,698,666	6,298,231	6,319,444		
10		5,754,740	8,686,400	8,479,480	17,155,880	11,261,140	347,213	11,263,927	4,993,489	6,270,439	6,347,651		
11		6,042,530	9,120,800	8,913,400	18,026,800	11,793,670	347,213	11,544,457	5,284,117	6,260,341	6,307,553		
12		6,344,630	9,576,800	9,317,800	18,894,600	12,324,970	347,213	11,822,757	5,585,586	6,237,172	6,244,384		
13		6,662,100	10,056,000	9,808,500	19,864,500	12,864,400	347,213	12,355,187	5,882,731	6,472,457	6,399,669		
14		6,995,470	10,559,200	10,307,060	20,866,260	13,410,790	347,213	12,863,577	6,183,338	6,680,239	6,777,452		
15		7,345,270	11,087,200	10,899,440	21,988,640	13,981,370	347,213	13,494,157	6,493,488	6,996,670	6,908,882		
16		7,712,560	11,641,600	11,442,300	23,183,900	14,571,340	347,213	14,124,127	6,845,375	7,278,753	7,225,965		
17		8,098,400	12,224,000	12,028,280	24,252,280	15,114,880	347,213	14,767,667	7,195,097	7,572,570	7,364,783		
95,861,630						144,696,800	58,701,240	203,398,040	101,633,795	Total profit		60,469,388	

1988 Canadian dollars
Arsenic trioxide price
Gold price
Operating cost
Freight cost
As recovery
Au recovery
Production rate
Growth rate
Reclaim sequence

\$0.48 lb.
\$540 CDN
\$282/s.t
\$248/s.t
100%
85%
7,000 stpy
5%/yr.
B2 30-36
B2 12/13/14
B2 08
C10-12
C9 - B11 etc.

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input	input	input	input	input	D+E	F-(B+C)	B/# yrs	G-H	I X.43	I-J	H+K	@NPV*ROR (L6.L22)	input
1	5,902,615	3,710,000	6,720,000	5,488,020	12,208,020	2,595,405	347,213	2,248,192	966,723	1,281,470	1,628,682	27,440,595	15%
2		3,895,500	7,056,000	5,762,340	12,818,340	8,922,840	347,213	8,575,627	3,687,520	4,888,108	5,235,320		
3		4,090,010	7,408,320	6,050,160	13,458,480	9,368,470	347,213	9,021,257	3,879,141	5,142,117	5,489,329	21,499,362	20%
4		4,294,590	7,778,880	6,352,560	14,131,440	9,836,850	347,213	9,489,637	4,080,544	5,409,093	5,756,306		
5		4,509,240	8,167,680	6,670,080	14,837,760	10,328,520	347,213	9,981,307	4,291,962	5,689,345	6,036,558	17,413,920	25%
6		4,734,490	8,575,680	7,003,260	15,578,940	10,844,450	347,213	10,497,237	4,513,812	5,983,425	6,330,638		
7		4,971,400	9,004,800	7,315,520	16,320,320	11,348,920	347,213	11,053,167	4,747,684	6,235,743	6,566,186		
8		5,219,970	9,455,040	7,643,000	17,098,040	11,885,040	347,213	11,609,757	4,982,520	6,427,237	6,798,391		
9		5,480,730	9,927,360	7,992,040	17,919,400	12,479,400	347,213	12,166,977	5,232,127	6,695,350	7,043,543		
10		5,754,740	10,423,680	8,367,480	18,791,160	13,103,160	347,213	12,724,420	5,496,519	6,927,901	7,300,901		
11		6,042,530	10,944,960	8,778,400	19,723,360	13,758,360	347,213	13,293,830	5,770,190	7,183,710	7,566,325		
12		6,344,630	11,492,160	9,249,800	20,741,960	14,449,960	347,213	13,874,117	6,074,190	7,458,927	7,866,140		
13		6,662,100	12,067,200	9,772,500	21,839,700	15,172,700	347,213	14,465,387	6,397,547	7,761,841	8,166,053		
14		6,995,470	12,671,040	1,047,060	22,718,100	15,918,100	347,213	15,067,417	6,741,429	8,086,688	8,471,201		
15		7,345,270	13,304,640	1,099,440	23,404,080	16,704,080	347,213	15,681,597	7,095,987	8,416,610	8,786,823		
16		7,712,560	13,969,920	942,300	24,112,220	17,512,220	347,213	16,324,447	7,466,552	8,758,695	9,092,108		
17		8,098,400	14,668,800	989,280	24,658,080	17,559,680	347,213	16,987,467	7,851,361	9,037,106	9,392,319		
		95,861,630	173,636,160	58,701,240	232,337,400	130,572,155		Total profit			76,964,823		