



Yellowknife Division

Tel: 403/873-6301 • Telex: 034-45514 • Fax No: 403/873-2980

January 21, 1988

Enterprise Settlement Council,
P.O. Box 1447,
Hay River, N.W.T.
X0E 0R0

Attention: Bonnie Kimbol
Settlement Secretary

Dear Sir:

Re: Lease 5284T, Keen Industries, Enterprise, N.W.T.

Though no longer active in the area, Keen Industries of Calgary is the registered lessee of a 31 acre site 1.6 miles southwest of Enterprise. Keen Industries have offered to assign the lease to Giant for certain considerations.

The reason for Giant's interest in the property is that it is adjacent to the CN railway line and it already has a spur line into the property. Giant intends to use the property as a transfer site for bulk shipments of arsenic trioxide where truck loads of high grade arsenic trioxide will be transferred to hopper rail cars for shipments to points south. The transfer will be totally contained within a building using state of the art materials handling technology. The possibility of fugitive emissions or accidental spill is extremely remote. The facility will be subject to regular inspections by environmental and occupational health regulatory agencies.

The facility is intended to be unmanned except when the actual transfer is taking place (1 to 3 hours per day) and so there will be no direct employment benefit to the community. Indirectly however, the facility will contribute to the continued existence of the rail line which will benefit residents of Enterprise and Hay River, and indeed most residents of Mackenzie District of the N.W.T.

...2

Municipal & Community Affairs

Page Two

January 21, 1988

Though production testwork is still underway, Giant is optimistic that the need for a bulk transfer facility will soon exist and requests that a positive recommendation for the installation of the facility at the Enterprise site be made.

If we can provide more information that would assist in deciding upon a recommendation, we would be please to do so. Thank you.

Yours truly,

GIANT YELLOWKNIFE MINES LIMITED

Original Signed By

K. Morton,
Technical Project
Supervisor.

KM:kid

cc: S. E. El-Alfy
J. S. McAlpine✓
K. Blower
B. Becker (Lands)