

CONFIDENTIAL.

NORTHWEST
TERRITORIES
WATER BOARD



ALBERTA
N.W.T.

WATER REGISTER: N1L2-0043

February 5, 1997

Margaret K. Witte
President and C.E.O.
Royal Oak Mines
Corporate Office
5501 Lakeview Drive
Kirkland, WA 98033

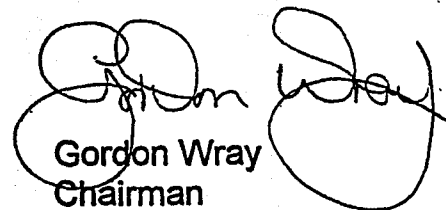
Dear Ms. Witte:

RE: Underground Storage of Arsenic Bearing Materials

Thank you for your recent letter regarding underground storage of arsenic material at your Giant minesite in Yellowknife, NT. As you requested, I will respect the confidentiality of the information contained in the letter. I am very concerned, however, that a solution to the problem will not be forthcoming during the term of the Water Licence. The Licence requires a final Abandonment and Restoration Plan by March 31, 1998, one month before the Licence expires. As you indicated in your letter, you expect that you may apply for a five-year renewal some time this spring. The unresolved matter of arsenic storage will come under intense public scrutiny during the renewal process and it is advisable that you can state with certainty, the final disposition of this material.

The next annual Restoration Report is due on March 31, 1997 and I would appreciate a firmer Plan from you.

Yours sincerely,


Gordon Wray
Chairman
NWT Water Board