SUBJECT:
Canadian report of sales of Argentine uranium concentrate to Israel and with
originates in France (ref 35). Our Canadian
Charge d'Affaires has confirmed information.

Encl copy of:
- ER 1865

MINUTES
I attach report (ref 35) and shall send by Air Mail.
I agree to discuss this material later with the
Canadian high

AEELS

Mr. O'Malley

P. V. S. Coates

have checked with the State Dept.

M. McManus

A Miss A. M. McManus. (ref 35).

The original Canadian report is very interesting
and is listed for future reference — see the
American (ref 35).
2. I have discussed Flos's suggestion with the Chancellor. As neither of us seemed to want to go without bringing undue suspicion to the country 7th the advice, namely the information it would not be worth communicating to the Germans and this was the Chancellor's view to look at the problem again with benefit of the papers, in conversation with us later.

3. I attach a draft to Annex A and

Gen. R.G. [to Chancellor]

R.G.

[Note: Handwritten text that is partially legible.]

"My friend, I have been right to bring

of a way of doing this without telling the

German news at the time of"

4/9

14/9
Dear Goodison,

With reference to your letter of April 29 concerning an agreement for the sale of Argentine uranium concentrate to Israel, we have made enquiries here to Mr. B.R. Bellemare, the Canadian Chargé d'Affaires. Mr. Bellemare confirms that the information supplied by the Canadian Intelligence authorities did not originate in Buenos Aires. He is, however, in fairly close touch with the Argentine National Atomic Energy Commission which has volunteered information to him that the Commission has recently made sales of uranium concentrate both to Israel and to West Germany. An offer to sell uranium concentrate to Japan has apparently been unsuccessful because the Canadian Government offered Japan the same material at a lower price.

2. We have not been able to establish exact facts and figures for these uranium sales to Israel and West Germany. A previous sale of uranium concentrate to Israel on January 18, 1962, was covered by a Government Decree, published in the Official Bulletin, but no Decree has come to our notice on the sales under discussion. Should we hear more, I will keep you informed.

3. I am copying this letter to the addressees of yours.

yours sincerely,

Christopher Audland

(C. J. Audland)

A. C. Goodison, Esq.,
Eastern Department,
Foreign Office,
London, S.W. 1.

CIA/hf

SECRET & GUARD