

**CURRAGH RESOURCES INC.**  
**GEOLOGY DEPARTMENT**  
**1990 FARD ORE RECONCILIATION**

000468

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 January 28 1990 M. Wasel

TOTAL F9003 + F9008 MINED HIGH GRADE > 6%  
 DEC. 28TH\1989 TO DEC. 28TH\1990

HIGH GRADE ORE > 6%

BLASTHOLE INVENTORY MINED HIGH GRADE > 6%  
 DEC. 28TH\1989 TO DEC. 28TH\1990

BENCH VOLUME	DENSITY	TONNAGE	Pb+Zn%	Pb%	Zn%	tonnes	tonnes	BENCH VOLUME	DENSITY	TONNAGE	Pb+Zn%	Pb%	Zn%	tonnes	tonnes		
bcy	t/bcy					Pb	Zn	bcy	t/bcy					Pb	Zn		
3830	0	0.00	0	0.00	0.00	0	0	3830	0	0.00	0	0.00	0.00	0	0		
3810	0	0.00	0	0.00	0.00	0	0	3810	0	0.00	0	0.00	0.00	0	0		
3790	327	2.99	980	10.21	3.59	6.62	35	65	3790	0	0.00	0	0.00	0	0		
3770	131	3.05	400	8.94	3.39	5.55	14	22	3770	2,953	3.35	9,901	7.54	3.33	4.21	330	417
3750	0	0.00	0	0.00	0.00	0	0	3750	3,557	3.32	11,798	9.43	3.67	5.76	433	680	
3730	0	0.00	0	0.00	0.00	0	0	3730	0	0.00	0	0.00	0.00	0	0	0	0
3710	0	0.00	0	0.00	0.00	0	0	3710	0	0.00	0	0.00	0.00	0	0	0	0
3690	917	2.98	2,730	6.75	2.51	4.24	68	116	3690	7,492	3.34	25,056	8.63	3.31	5.32	829	1,333
3670	9,133	3.04	27,720	6.72	2.78	3.94	770	1,093	3670	14,144	3.04	42,980	10.33	3.43	6.90	1,474	2,966
3650	22,850	2.83	64,740	7.00	2.68	4.32	1,734	2,795	3650	24,935	3.10	77,413	7.74	2.97	4.77	2,299	3,693
3630	24,389	2.67	65,190	6.94	2.23	4.72	1,453	3,074	3630	27,852	2.79	77,619	7.57	2.31	5.26	1,793	4,083
3610	34,046	2.73	92,870	7.05	2.57	4.48	2,389	4,157	3610	11,076	3.16	35,038	9.91	3.65	6.26	1,279	2,193
3590	39,578	2.85	112,600	7.79	2.74	5.05	3,090	5,685	3590	19,997	3.06	61,170	9.92	3.79	6.14	2,316	3,753
3570	48,123	2.91	140,210	8.12	3.16	4.96	4,429	6,951	3570	68,831	2.93	201,575	8.81	3.26	5.55	6,568	11,195
3550	41,641	2.89	120,490	7.60	3.05	4.55	3,675	5,482	3550	32,123	2.91	93,479	8.43	3.17	5.26	2,965	4,914
3530	62,232	3.07	191,190	7.87	3.74	4.13	7,154	7,892	3530	71,086	3.04	216,094	7.96	3.33	4.63	7,196	10,005
3510	152,486	3.10	473,140	8.06	3.24	4.82	15,349	22,786	3510	113,412	3.05	345,667	8.72	3.45	5.27	11,926	18,217
3490	147,052	3.26	479,970	8.76	3.55	5.22	17,029	25,035	3490	184,957	3.24	599,042	9.18	3.60	5.58	21,566	33,427
3470	139,949	3.21	448,860	9.27	3.73	5.54	16,729	24,867	3470	180,215	3.22	580,274	8.94	3.33	5.61	19,323	32,553
3450	143,876	3.35	481,610	8.89	3.44	5.45	16,571	26,234	3450	144,515	3.34	483,004	9.20	3.40	5.80	16,422	28,014
3430	118,931	3.13	372,320	8.93	3.29	5.64	12,250	21,009	3430	87,039	3.38	293,993	9.34	3.54	5.80	10,407	17,052
3410	60,824	3.11	189,200	7.82	2.90	4.92	5,489	9,307	3410	81,740	3.30	270,067	7.88	2.88	5.00	7,778	13,503
3390	524	3.24	1,700	7.91	2.76	5.16	47	88	3390	0	0.00	0	0.00	0.00	0	0	0
3370	229	3.23	740	9.25	3.19	6.06	24	45	3370	0	0.00	0	0.00	0.00	0	0	0
3350	327	3.15	1,030	8.48	2.92	5.56	30	57	3350	0	0.00	0	0.00	0.00	0	0	0
3330	0	0.00	0	0.00	0.00	0	0	3330	0	0.00	0	0.00	0.00	0	0	0	0

VOLUME	DENSITY	TONNAGE	Pb+Zn%	Pb%	Zn%	tonnes	tonnes	VOLUME	DENSITY	TONNAGE	Pb+Zn%	Pb%	Zn%	tonnes	tonnes		
bcy	t/bcy					Pb	Zn	bcy	t/bcy					Pb	Zn		
TOTALS	1,047,566	3.12	3,267,690	8.42	3.32	5.10	108,330	166,761	TOTALS	1,075,924	3.18	3,424,170	8.85	3.36	5.49	114,903	187,996
- Model Tonnages and Volumes adjusted for a 5% Mining Loss.																	
TOTALS	995,188	3.12	3,104,306	8.42	3.32	5.10	102,913	158,423	TOTALS	1,075,924	3.18	3,424,170	8.85	3.36	5.49	114,903	187,996

1990 MINED ORE RESERVE VARIANCES															
VOLUME	DENSITY	TONNAGE	Pb+Zn%	Pb%	Zn%	tonnes	tonnes	VOLUME	DENSITY	TONNAGE	Pb+Zn%	Pb%	Zn%	tonnes	tonnes
bcy	t/bcy					Pb	Zn	bcy	t/bcy					Pb	Zn
Variance in +6% Pb+Zn Ore (blastholes-(F9003+F9008 model))															
						80,736	0.06	319,865	0.43	0.04	0.39	11,990	29,573		
Variance in +6% Pb+Zn Ore (blastholes-(F9003+F9008 model)) / (F9003+F9008 Model)															
						8	2	10	5	1	8	12	19		

- The F9003 Model Was used From December 28, 1989 to July 31, 1990.  
 - The F9008 Model Was Used From August 1, 1990 To December 28, 1990.

MEDIUM GRADE ORE 5 - 6 %

TOTAL F9003 + F9008 MINED MEDIUM GRADE 5 - 6 %  
DEC. 28TH\1989 TO DEC. 28TH\1990

BLASTHOLE INVENTORY MINED MEDIUM GRADE 5 - 6 %  
DEC. 28TH\1989 TO DEC. 26TH\1990

BENCH	VOLUME	DENSITY	TONNAGE	Pb+Zn%	Pb%	Zn%	tonnes	tonnes	BENCH	VOLUME	DENSITY	TONNAGE	Pb+Zn%	Pb%	Zn%	tonnes	tonnes
	bcy	t/bcy					Pb	Zn		bcy	t/bcy					Pb	Zn
3830	0	0.00	0	0.00	0.00	0.00	0	0	3830	0	0.00	0	0.00	0.00	0.00	0	0
3810	0	0.00	0	0.00	0.00	0.00	0	0	3810	0	0.00	0	0.00	0.00	0.00	0	0
3790	0	0.00	0	0.00	0.00	0.00	0	0	3790	0	0.00	0	0.00	0.00	0.00	0	0
3770	0	0.00	0	0.00	0.00	0.00	0	0	3770	0	0.00	0	0.00	0.00	0.00	0	0
3750	0	0.00	0	0.00	0.00	0.00	0	0	3750	0	0.00	0	0.00	0.00	0.00	0	0
3730	0	0.00	0	0.00	0.00	0.00	0	0	3730	11,732	3.25	38,148	6.63	2.89	3.74	1,102	1,427
3710	2,684	3.23	8,660	5.41	2.83	2.58	245	223	3710	12,580	3.28	41,287	5.03	2.21	2.82	912	1,164
3690	491	3.24	1,590	5.06	2.74	2.33	44	37	3690	11,127	3.30	36,745	5.33	2.20	3.13	808	1,150
3670	6,613	3.03	20,030	5.52	2.28	3.24	456	649	3670	8,181	3.40	27,830	5.94	2.42	3.52	673	980
3650	20,886	2.68	55,900	5.48	1.91	3.57	1,068	1,997	3650	16,752	2.68	44,928	5.73	1.81	3.92	813	1,761
3630	29,659	2.60	77,090	5.52	1.79	3.73	1,380	2,875	3630	47,280	2.88	136,296	6.04	2.00	4.04	2,726	5,506
3610	38,433	2.70	103,600	5.50	1.93	3.57	1,999	3,702	3610	23,361	3.05	71,353	5.80	2.04	3.76	1,456	2,683
3590	24,683	2.78	68,500	5.42	1.98	3.44	1,356	2,354	3590	23,744	3.07	72,806	5.89	2.09	3.80	1,518	2,767
3570	19,642	2.90	56,960	5.31	1.98	3.33	1,125	1,897	3570	40,060	3.01	120,651	6.45	2.45	4.00	2,954	4,822
3550	15,353	3.15	48,330	5.43	2.16	3.27	1,044	1,579	3550	23,747	2.97	70,639	5.95	2.42	3.52	1,713	2,489
3530	26,026	3.07	79,910	5.49	2.42	3.07	1,936	2,450	3530	28,812	3.04	87,726	5.98	2.57	3.41	2,255	2,991
3510	6,154	3.05	18,760	5.61	2.52	3.09	473	580	3510	46,436	3.01	139,976	5.88	2.52	3.36	3,527	4,703
3490	16,270	3.22	52,440	5.40	2.27	3.13	1,189	1,642	3490	31,318	3.01	94,419	5.54	2.23	3.31	2,106	3,125
3470	17,809	3.22	57,430	5.55	2.32	3.24	1,330	1,858	3470	18,626	2.97	55,356	5.31	2.12	3.19	1,174	1,766
3450	5,827	3.08	17,920	5.72	2.48	3.24	445	580	3450	32,807	2.82	92,480	5.31	2.02	3.29	1,868	3,043
3430	23,046	2.55	58,790	5.62	2.06	3.56	1,213	2,093	3430	36,599	2.96	108,319	6.02	2.31	3.71	2,502	4,019
3410	14,404	2.63	37,910	5.42	1.80	3.62	681	1,372	3410	13,056	2.57	33,594	5.93	2.20	3.73	739	1,253
3390	851	3.22	2,740	5.54	1.94	3.60	53	99	3390	0	0.00	0	0.00	0.00	0.00	0	0
3370	0	0.00	0	0.00	0.00	0.00	0	0	3370	0	0.00	0	0.00	0.00	0.00	0	0
3350	0	0.00	0	0.00	0.00	0.00	0	0	3350	0	0.00	0	0.00	0.00	0.00	0	0
3330	0	0.00	0	0.00	0.00	0.00	0	0	3330	0	0.00	0	0.00	0.00	0.00	0	0
TOTALS	268,832	2.851	766,560	5.48	2.09	3.39	16,037	25,987	TOTALS	426,218	2.99	1,272,553	5.85	2.27	3.59	28,847	45,649

Model Tonnages and Volumes adjusted for a 5 % Mining Loss.

VOLUME	DENSITY	TONNAGE	Pb+Zn%	Pb%	Zn%	tonnes	tonnes
bcy	t/bcy					Pb	Zn
95 %							
TOTALS	255,390	2.85	728,232	5.48	2.09	3.39	15,235 24,688

1990 MINED ORE RESERVE VARIANCES

VOLUME	DENSITY	TONNAGE	Pb+Zn%	Pb%	Zn%	tonnes	tonnes
bcy	t/bcy					Pb	Zn
Variance in 5 - 6% Pb+Zn Ore (blastholes-(F9003+F9008 model))	170,828	0.13	544,321	0.37	0.17	0.20	13,612 20,962
1% Variance in 5 - 6% Pb+Zn Ore (blastholes-(F9003+F9008 model)) /(F9003+F9008 Model)	67	5	75	7	8	6	89 85

- The F9003 Model Was used From December 28, 1989 to July 31, 1990.  
- The F9008 Model Was Used From August 1, 1990 To December 28, 1990.

LOW GRADE ORE 3 - 5 %

TOTAL F9003 + F9008 MINED LOW GRADE 3 - 5 %  
DEC. 28TH\1989 TO DEC. 28TH\1990

BLASTHOLE INVENTORY MINED LOW GRADE 3 - 5 %  
DEC. 28TH\1989 TO DEC. 28TH\1990

BENCH VOLUME	DENSITY	TONNAGE	Pb+Zn%	Pb%	Zn%	tonnes	tonnes	BENCH VOLUME	DENSITY	TONNAGE	Pb+Zn%	Pb%	Zn%	tonnes	tonnes
bcy	t/bcy					Pb	Zn	bcy	t/bcy					Pb	Zn
3830	0	0.00	0	0.00	0.00	0	0	3830	0	0.00	0	0.00	0.00	0	0
3810	0	0.00	0	0.00	0.00	0	0	3810	0	0.00	0	0.00	0.00	0	0
3790	0	0.00	0	0.00	0.00	0	0	3790	0	0.00	0	0.00	0.00	0	0
3770	0	0.00	0	0.00	0.00	0	0	3770	0	0.00	0	0.00	0.00	0	0
3750	0	0.00	0	0.00	0.00	0	0	3750	0	0.00	0	0.00	0.00	0	0
3730	5,074	2.97	15,080	3.37	1.80	1.57	271	237	3730	170	3.26	555	2.37	1.56	0.81
3710	10,639	3.21	34,180	4.04	2.13	1.91	729	652	3710	273	3.45	943	3.07	1.80	1.27
3690	17,612	3.06	53,940	3.82	1.79	2.03	967	1,096	3690	1,302	2.94	3,825	3.82	1.40	2.42
3670	7,398	2.94	21,780	4.41	1.79	2.62	389	571	3670	2,624	2.75	7,208	4.63	1.68	2.95
3650	23,570	2.53	59,710	4.08	1.33	2.75	796	1,641	3650	25,221	2.85	71,844	4.55	1.59	2.96
3630	33,293	2.76	92,050	4.40	1.61	2.79	1,486	2,567	3630	24,673	2.84	70,071	4.34	1.36	2.98
3610	37,417	2.59	96,830	4.31	1.52	2.78	1,475	2,696	3610	16,977	2.75	46,642	4.02	1.18	2.84
3590	58,042	2.79	161,780	4.13	1.62	2.51	2,625	4,054	3590	8,890	2.96	26,308	3.99	1.41	2.58
3570	71,561	2.89	206,940	3.97	1.61	2.36	3,333	4,878	3570	29,863	2.86	85,527	4.24	1.40	2.84
3550	47,075	3.02	142,030	4.15	1.75	2.40	2,480	3,410	3550	5,465	2.88	15,745	4.43	1.55	2.88
3530	28,939	3.12	90,430	4.30	1.98	2.32	1,794	2,096	3530	2,756	2.94	8,097	4.40	2.23	2.17
3510	622	3.04	1,890	3.88	1.62	2.26	31	43	3510	16,411	3.02	49,632	4.08	1.77	2.31
3490	38,203	3.14	120,000	3.99	1.91	2.08	2,293	2,500	3490	19,140	2.99	57,231	4.13	1.92	2.21
3470	26,353	3.07	80,930	4.13	1.70	2.43	1,374	1,970	3470	13,460	2.72	36,676	3.95	1.54	2.41
3450	2,390	3.09	7,390	4.34	2.02	2.32	149	171	3450	7,291	2.73	19,882	3.62	1.38	2.24
3430	13,422	2.58	34,650	4.40	1.61	2.79	558	967	3430	19,493	2.46	47,863	4.32	1.64	2.68
3410	26,680	2.26	60,430	4.47	1.50	2.97	905	1,796	3410	11,372	2.44	27,797	3.93	1.44	2.49
3390	916	2.29	2,100	4.17	1.31	2.85	28	60	3390	0	0.00	0	0.00	0.00	0
3370	0	0.00	0	0.00	0.00	0.00	0	0	3370	0	0.00	0	0.00	0.00	0
3350	0	0.00	0	0.00	0.00	0.00	0	0	3350	0	0.00	0	0.00	0.00	0
3330	0	0.00	0	0.00	0.00	0.00	0	0	3330	0	0.00	0	0.00	0.00	0

VOLUME	DENSITY	TONNAGE	Pb+Zn%	Pb%	Zn%	tonnes	tonnes	VOLUME	DENSITY	TONNAGE	Pb+Zn%	Pb%	Zn%	tonnes	tonnes		
bcy	t/bcy					Pb	Zn	bcy	t/bcy					Pb	Zn		
TOTALS	449,207	2.854	1,282,140	4.14	1.69	2.45	21,684	31,406	TOTALS	205,381	2.804	575,846	4.19	1.54	2.66	8,841	15,310

- Model Tonnes and Volumes adjusted for a 5 % Mining Loss.  
95 %

TOTALS	426,747	2.85	1,218,033	4.14	1.69	2.45	20,599	29,835	TOTALS	205,381	2.804	575,846	4.19	1.54	2.66	8,841	15,310
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1990 MINED ORE RESERVE VARIANCES

Variance in 3 - 5% Pb+Zn Ore (blastholes-(F9003+F9008 model))	VOLUME	DENSITY	TONNAGE	Pb+Zn%	Pb%	Zn%	tonnes	tonnes	
	bcy	t/bcy					Pb	Zn	
	(221,366)	(0.05)	(642,187)	0.05	(0.16)	0.21	(11,759)	(14,525)	
Variance in 3 - 5% Pb+Zn Ore (blastholes-(F9003+F9008 model)) /(F9003+F9008 Model)		(52)	(2)	(53)	1	(9)	9	(57)	(49)

- The F9003 Model Was used From December 28, 1989 to July 31, 1990.  
- The F9008 Model Was Used From August 1, 1990 To December 28, 1990.



CRUSHER FEED VARIANCE

CORRECTED TO MILL TONNAGES

	TONNAGE	Pb+Zn%	Pb%	Zn%	Tonnes Pb	Tonnes Zn
VARIANCE (Geology-Mill)	0	0.40	0.18	0.22	8,485	10,371
% VARIANCE ((Geology-Mill)/Geology)	0	5	6	4	6	4

UNCORRECTED TONNAGES FROM TRUCK COUNT

	TONNAGE	Pb+Zn%	Pb%	Zn%	Tonnes Pb	Tonnes Zn
VARIANCE (Geology-Mill)	(27,431)	0.37	0.17	0.20	7,193	8,017
% VARIANCE ((Geology-Mill)/Geology)	(1)	4	5	4	5	3

Polygonal calculations tend to over estimate grade.

On a daily basis it has statistically been shown that blasthole grades are slightly higher than mill head grades, primarily because Pb grades are over estimated.

The GEOSTAT memo Dated November 22 1990 gives two linear regression formulas for blasthole to mill head correlatons, one for Pb and one for Zn.

If these regression formulas are used on corrected blasthole grades above, the % variance for the tonnes of metal drops to 1% for Pb and 3% for Zn.

The regression formulae were derived from daily mill head data and not annual data, therefore they may not hold true for annual values as above.

FARO REMAINING RESERVES AS OF DEC 28/90 - ACCORDING TO THE F9008 MODEL

	Volume bcy	Density t/bcy	tonnes	%Pb	%Zn	%Pb+Zn
HIGH GRADE	> 6%	529,968	2.84 1,504,829	2.79	5.36	8.15
MEDIUM GRADE	5 - 6 %	240,182	2.78 667,584	1.93	3.51	5.44
LOW GRADE C	4 - 5 %	74,266	2.37 176,244	1.43	3.12	4.54
LOW GRADE A	4 - 5 %	203,547	2.95 600,989	1.68	2.84	4.52
LOW GRADE L	3 - 4 %	280,705	2.82 790,191	1.22	2.32	3.54
SULFIDE WASTE		689,531	2.60 1,789,914			
PHYLITE WASTE		476,381	1.63 776,870			

} 2,172,413 7.32%

12264356

Remaining reserves have a 95 % recovery incorporated into the calculations.  
Dilution has been accounted for by the use of bench composites when modelling.

↑ not fully!