

000481

CURRAGH RESOURCES INC

FARO YUKON

INTER-OFFICE MEMORANDUM

DATE: August 11, 1989

TO: W.J. Weymark
General Manager

FROM: Ed Blaxland
Chief Geologist

SUBJECT: "A" PHASE QUANTITY RECONCILIATION

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1. Upon completion of "A" phase mining a reconciliation of quantities and grades was conducted by Faro Engineering and Faro and Whitehorse Geology. Two major comparisons were performed against the F8805 geological model - the designed limits and the actual limits. In the designed limits comparison the model was tested against Maxiplan and in the actual comparison the model was tested against the blasthole results. The reconciliation covered benches 3410 to 3310 in the "A" phase. The results are displayed on the attached tables.

 2. Several general conclusions were drawn from the results.
 - a) Grade distribution predicted by the model does not reflect the actual distribution encountered in the blastholes. Further work is on-going to correct this.

 - b) At a 4% Pb plus Zn cut-off grade the model reliably predicts the metal content of the area evaluated.

 - c) Due to the distribution problem the model tends to over estimate tonnes of +7% Pb and Zn material but under estimates the grade of the material.

 - d) There is no substantial difference between PCMINE model forecasting and MAXIPLAN forecasting.

- e) While the model is acceptable for long range (large volume) predictions it is not totally reliable for short term (small volume) planning. This is because the geologic complexity of the ore deposit has not been totally resolved in the interpretation of data that was used to make the model.

Ed Blaxland
Chief Geologist

EB/lp

CURRAGH RESOURCES INC.

File : RECONA.WR!

QUANTITY RECONCILIATION - "A" PHASE 3410 to 3310

11-Aug-89

BENCH MATERIAL	DESIGN LIMITS						ACTUAL LIMITS					
	DILUTED F8805			FIV JUL/89			DILUTED F8805			BLASTHOLES		
	VOLUME	TONNES	%Pb+Zn	VOLUME	TONNES	%Pb+Zn	VOLUME	TONNES	%Pb+Zn	VOLUME	TONNES	%Pb+Zn
3410 Waste		14,990			(1,689)			67,692			0	
Sulphides		156,956			173,725			170,527			0	
4 - 5 %		38,336	4.14		41,124	4.15		39,773	4.16		74,276	4.56
5 - 7 %		98,779	5.35		97,913	5.34		99,024	5.31		308,952	6.08
+ 7 %		499,620	7.89		492,657	7.89		507,985	7.90		303,569	9.04
Total Ore		636,734	7.27		631,694	7.25	189,216	646,782	7.27	228,933	686,797	7.22
Total	262,873	808,680		261,402	803,730			885,000			686,797	
3390 Waste		42,389			29,042			42,952			0	
Sulphides		111,990			123,505			96,014			0	
4 - 5 %		49,805	4.23		49,428	4.25		42,605	4.26		77,223	4.99
5 - 7 %		238,511	5.48		237,140	5.48		198,278	5.44		200,245	6.21
+ 7 %		333,251	7.77		326,867	7.77		278,566	7.77		202,520	8.54
Total Ore		621,566	6.61		613,435	6.60	166,629	519,449	6.59	159,996	479,988	7.00
Total	273,021	775,945		269,528	765,982			658,415			479,988	
3370 Waste		44,782			29,546			82,466			0	
Sulphides		29,366			43,538			32,938			0	
4 - 5 %		50,442	4.42		51,975	4.42		53,619	4.42		42,875	4.74
5 - 7 %		70,788	4.94		68,685	4.96		72,324	4.92		143,172	6.13
+ 7 %		326,563	8.45		323,041	8.43		305,798	8.22		256,953	8.36
Total Ore		447,793	7.44		443,701	7.42	138,147	431,742	7.20	147,666	443,000	7.29
Total	183,978	521,940		182,067	516,785			547,145			443,000	
3350 Waste		11,050			12,516			11,773			0	
Sulphides		30,092			30,413			30,654			0	
4 - 5 %		50,557	4.10		49,490	4.08		44,888	4.13		64,167	4.53
5 - 7 %		33,889	5.41		34,581	5.41		35,593	5.42		71,083	6.56
+ 7 %		177,681	7.61		179,215	7.63		181,062	7.67		102,333	8.09
Total Ore		262,128	6.65		263,286	6.67	82,496	261,543	6.76	79,194	237,583	6.67
Total	108,030	303,270		109,176	306,215			303,970			237,583	

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QUANTITY RECONCILIATION - "A" PHASE 3410 to 3310

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BENCH MATERIAL	DESIGN LIMITS						ACTUAL LIMITS					
	DILUTED FB805			FIV JUL/89			DILUTED FB805			BLASTHOLES		
	VOLUME	TONNES	%Pb+Zn	VOLUME	TONNES	%Pb+Zn	VOLUME	TONNES	%Pb+Zn	VOLUME	TONNES	%Pb+Zn
3330 Waste		1,636			(1,211)		10,865					0
Sulphides:		59,928			59,956		48,285					0
4 - 5 %		39,924	4.08		40,797	4.07	29,192	4.04		36,000	4.87	
5 - 7 %		27,024	4.80		28,108	4.84	15,090	4.67		10,967	5.75	
+ 7 %		41,058	7.59		42,193	7.60	36,178	7.68		28,606	8.56	
Total Ore:		108,006	5.59		111,098	5.61	28,154	80,460	5.79	25,191	75,573	6.39
Total	69,401	169,570		69,402	169,843			139,610			75,573	
3310 Waste		18,442			15,546							
Sulphides:		3,710			3,646							
4 - 5 %		1,526	4.52		1,524	4.52						
5 - 7 %		71,112	5.69		69,910	5.68						
+ 7 %		4,891	7.04		4,773	7.20						
Total Ore:		77,529	5.75		76,207	5.75						
Total	44,521	99,680		42,503	95,399							
TOTAL Waste		133,289			83,750			215,749			770,934	
Sulphides:		392,041			434,783			378,417			0	
4 - 5 %		230,590	3.52		234,338	3.55		210,076	4.22		294,541	4.73
5 - 7 %		540,103	5.10		536,337	5.09		420,309	5.29		734,419	6.17
+ 7 %		1,383,063	7.10		1,368,746	7.08		1,309,589	7.91		893,981	8.61
Total Ore:		2,153,755	6.21		2,139,421	6.19	438,013	1,939,975	6.94	480,984	1,922,941	7.08
Total	941,826	2,679,085		934,078	2,657,954			2,534,140			2,693,875	