

Draft

002395

CYPRUS ANVIL MINING CORPORATION

ENGINEERING DEPARTMENT

FIRST QUARTER REVIEW - JANUARY, 1980

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MANPOWER REQUIREMENTS AND COST

Supervisory:

Chief Engineer
Senior Mine Engineers (2) - Start April, 1980
Mine Geologist
Geotechnical Engineer
Planning Engineer
Engineering Geologist

February - March, 1980 - 5 persons - \$16,000/month

April - December, 1980 - 7 persons - \$23,000/month

Non-Supervisory:

Survey Technicians (2)
Geological Technician
Draftsperson
Engineering Secretary
Instrument Person
Surveying Assistant
Summer Student

Total - 7 persons + 1 student (3 months)

Regular Time - 52 weeks x \$14.01 x 40 hours/week x 7/12 = \$17,000/month

Student - \$ 2,000/month

Overtime - 90 hours/month x \$14.01/hour = \$ 1,300/month

Summary:

	1980											1981		
	<u>F</u>	<u>M</u>	<u>A</u>	<u>M</u>	<u>J</u>	<u>J</u>	<u>A</u>	<u>S</u>	<u>O</u>	<u>N</u>	<u>D</u>	<u>J</u>	<u>F</u>	<u>M</u>
Supervision	16	16	23	23	23	23	23	23	23	23	23	23	23	23
Non-Supervisory	17	17	17	17	17	17	17	17	17	17	17	17	17	17
Student					2	2	2							
Overtime	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>
Total	34	34	41	41	44	44	44	42	41	41	41	41	41	41

Note: No account for new Local 8243 contract in October, 1980. No account for staff increases in January, 1981.

OTHER

Regular Costs:

Third Quarter Review

\$ 1,000/month

Drawdown Test in Zone 1 Pit:

May, June, July, August

\$25,000/month

Costs of hydrological consultants, water well drilling, and pump rentals to conduct tests to determine advanced dewatering suitability and design.

Summary:

	1980											1981		
	<u>F</u>	<u>M</u>	<u>A</u>	<u>M</u>	<u>J</u>	<u>J</u>	<u>A</u>	<u>S</u>	<u>O</u>	<u>N</u>	<u>D</u>	<u>J</u>	<u>F</u>	<u>M</u>
Regular Costs	1	2	1	1	2	1	1	2	1	1	2	1	1	2
Drawdown Test	—	—	—	<u>25</u>	<u>25</u>	<u>25</u>	<u>25</u>	—	—	—	—	—	—	—
Total	1	2	1	26	27	26	26	2	1	1	2	1	1	2

DIAMOND DRILLING

To improve grade forecasting of Zone 3 and supply samples to the Metallurgical Department to better define the milling parameters of Zone 3, it is planned to drill about 2,500 feet during April-May, 1980.

\$50,000

A review of diamond drilling for 1980 will be made by April, 1980.

Summary:

	1980											1981		
	<u>F</u>	<u>M</u>	<u>A</u>	<u>M</u>	<u>J</u>	<u>J</u>	<u>A</u>	<u>S</u>	<u>O</u>	<u>N</u>	<u>D</u>	<u>J</u>	<u>F</u>	<u>M</u>
Diamond Drilling	-	-	25	25	-	-	-	-	-	-	-	-	-	-

Review

CYPRUS ANVIL MINING CORPORATION

ENGINEERING DEPARTMENT

1980 - FIRST QUARTER REVIEW

	Jan.	Feb.	Mar.	1st. Qtr.	Apr.	May	June	2nd. Qtr.	1st. Half	July	Aug.	Sept.	3rd. Qtr.	3rd. Qtr. YTD	Oct.	Nov.	Dec.	4th. Qtr.	Full Year		
																			Fcst.	Plan	
<u>Controllable Costs:</u>																					
Salaries		34	34		41	41	44	126		44	44	42	130		41	41	41	123			
Supplies		3	3		3	3	3	9		3	3	3	9		3	3	3	9			
Outside Services		5	15		5	5	5	15		5	5	5	15		5	5	5	15			
Other		1	2		1	26	27	54		26	26	2	54		1	1	2	4			
Diamond Drilling		-	-		25	25	-	50		-	-	-	-		-	-	-	-			
TOTAL ENGINEERING DEPARTMENT COSTS		43	54		75	100	79	254		78	78	52	208		50	50	51	151			

CYPRUS ANVIL MINING CORPORATION

ENGINEERING DEPARTMENT

1981 - FIRST QUARTER REVIEW 1980

	Jan.	Feb.	Mar.	1st. Qtr.	Apr.	May	June	2nd. Qtr.	1st. Half	July	Aug.	Sept.	3rd. Qtr.	3rd. Qtr. YTD	Oct.	Nov.	Dec.	4th. Qtr.	Full Year Fcst.	Year Plan
	<u>Controllable Costs:</u>																			
Salaries	41	41	41	123																
Supplies	3	3	3	9																
Outside Services	5	5	5	15																
Other	1	1	2	4																
Diamond Drilling	-	-	-	-																
TOTAL ENGINEERING DEPARTMENT COSTS	50	50	51	151																

Note: No escalation for salary costs, hourly costs, inflation

PRODUCTION PARAMETERS

January, 1980	MTD - January 1-17 Est. - January 18-31	<u>250,000</u> <u>280,000</u> BCY 270,000 BCY
February, 1980	43,237 BCY/Day <u>-8,500</u> BCY/Day - Shovel 5 Down 34,737 BCY/Day	1,254,000 <u>(246,500)</u> 1,007,500 BCY
March, 1980	42,564 BCY/Day <u>-8,500</u> BCY/Day - Shovel 5 Down 34,064 BCY/Day	1,319,500 <u>(263,500)</u> 1,056,000 BCY
April, 1980	41,720 BCY/Day (no change)	1,213,000 BCY
May, 1980	39,006 BCY/Day (no change)	1,173,500 BCY
June, 1980	37,033 BCY/Day <u>+5,000</u> BCY/Day - New Trucks 42,033 BCY/Day	1,111,000 <u>+150,000</u> 1,261,000 BCY
July, 1980	36,406 BCY/Day <u>+5,000</u> BCY/Day - New Trucks 41,406 BCY/Day	1,095,500 <u>+150,000</u> 1,245,500 BCY
August, 1980	34,023 BCY/Day <u>+5,000</u> BCY/Day - New Trucks 39,023	1,024,000 <u>+150,000</u> 1,174,000 BCY
September, 1980	34,023 BCY/Day <u>+5,000</u> BCY/Day - New Trucks 39,023	990,000 <u>+145,000</u> 1,135,000 BCY
October, 1980	32,669 BCY/Day <u>+5,000</u> BCY/Day - New Trucks 37,669 BCY/Day	983,000 <u>150,000</u> 1,133,000 BCY

November, 1980	34,058 BCY/Day	991,000
	<u>+5,000</u> BCY/Day - New Trucks	<u>+145,000</u>
	39,058 BCY/Day	1,136,000 BCY
December, 1980	34,979 BCY/Day	1,021,000
	<u>+5,000</u> BCY/Day - New Trucks	<u>+145,000</u>
	39,979 BCY/Day	1,166,000 BCY
January, 1981	34,995 BCY/Day	1,053,000
	<u>+5,000</u> BCY/Day - New Trucks	<u>150,000</u>
	39,995 BCY/Day	1,203,000 BCY
February, 1981	33,643 BCY/Day	942,000
	<u>+5,000</u> BCY/Day - New Trucks	<u>+140,000</u>
	38,643 BCY/Day	1,082,000 BCY
March, 1981	32,581 BCY/Day	1,010,000
	<u>+5,000</u> BCY/Day - New Trucks	<u>+155,000</u>
	37,581 BCY/Day	1,165,000 BCY

CYPRUS ANVIL MINING CORPORATION

ORE RESERVES - ZONE _____

Bench _____

②

K = 6481.5 @ 3.50 T/BCY

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1st QTR. REVIEW 1980

Phase	Bench	O R E				REMARKS
		Tons	Grade			
			Pb	Zn	Cu	
		JUNE (307,500)			SILVER g/mt	
VI-A	3810	307,500	3.4	5.1	51.2	→ adjusted grade 3.2 4.9 48.1
		3 rd QTR. 1980 (943,000)				
VI-A	3810	313,500	3.4	5.1	51.2	
VI-A	3790	629,500	3.0	4.2	44.2	76-17, 76-16, 78-17, 76-15
		943,000	3.1	4.5	46.5	→ adjusted grade 2.9 4.3 43.7
		4 th QTR. 1980 (943,000)				
						previously adjusted (PH-V)
V	3610	202,000	3.2	5.3	20.0	ZONE 1, ESE, ENE, 78-22, 78-26
VI-A	3770	607,000	2.6	4.2	41.4	76-17, 78-13, 78-17, 78-21, 76-15
VI-A	3750	134,000	2.7	4.0	43.3	76-17, 78-12, 78-13, 78-17, 78-18, 76-15
		943,000	2.7	4.4	37.1	→ adjusted grade 2.6 4.3 35.1
		1 st QTR. 1981 (922,500)				
VI-A	3750	325,000	2.7	4.0	43.3	
VI	3770	136,000	3.0	6.8	33.3	ZONE 3
VI-A	3730	229,000	2.3	3.9	40.2	ZONE 2 78-12, 78-18
VI	3750	128,000	2.5	5.4	36.7	ZONE 3
VI	3730	104,500	3.1	5.8	32.5	ZONE 3
		922,500	2.7	4.8	38.9	→ adjusted grade 2.5 4.6 36.6
		Total				