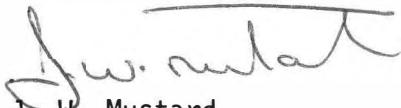


To D. Gregoire
From J. W. Mustard
Subject SECOND QUARTER REVIEW

Date August 7, 1978

Attached is a copy of the revised feed grades, incorporating the 1978 boreholes, for the remaining part of 1978 and the first two quarters of 1979.

3650 ore, scheduled to be mined in October, is now scheduled to be milled in the second quarter of 1979.


J. W. Mustard
Mine Geologist

JWM/mm

cc. D. Marr
J. Devitt
P. Taggart
B. Ferguson
A. von Kursell

Attach.

REVISED INVENTORY

<u>Phase</u>	<u>Bench</u>	<u>Tons</u> <u>(000's)</u>	<u>(Previous)</u>	<u>% Pb</u>	<u>()</u>	<u>% Zn</u>	<u>()</u>	<u>Comb.</u>	<u>()</u>
V	3730	399	(544)	3.56	(3.81)	5.98	(6.62)	9.54	(10.43)
V	3710	612	(612)	3.25	(3.26)	5.32	(5.32)	8.57	(8.58)
IV	3690	512	(512)	3.04	(3.1)	5.03	(5.1)	8.07	(8.20)
V	3690	697	(697)	3.55	(3.6)	5.99	(6.1)	9.54	(9.7)
IV	3670	350	(350)	2.72	(3.5)	4.21	(5.1)	6.93	(8.6)
V	3670	686	(686)	3.82	(3.80)	6.33	(6.3)	10.15	(10.1)
V	3650	739	(739)	2.97	(3.2)	5.57	(6.1)	8.54	(9.3)
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
		3,995	4,140	3.30	(3.46)	5.58	5.87	8.88	9.33

O R E							O R E						
Ore Block	Area Units	Tons (A.U. x K)	Grade			Remarks	Ore Block	Area Units	Tons (A.U. x K)	Grade			Remarks
			Pb	Zn	Comb					Pb	Zn	Comb	
		<u>August</u>											
V	3750	65,000	2.39	4.9									
V	3730	252,000	3.03	5.71		"20,000 tons"			pyrrhotitic		facies.		
		317,000	2.90	5.46									
		<u>September</u>											
		(307,000)											
V	3730	128,000	4.61	6.52		"70,000 tons"			pyrrhotitic		facies		
V	3710	179,000	3.37	5.29		"120,000 tons"			pyrrhotitic		facies.		
		307,000	3.88	5.80									
		<u>1st Qtr</u>											
		(341,000)											
V	3710	433,000	3.2	5.88		"57,000 tons"			pyrrhotitic		facies		
V	3690	349,000	3.64	5.41		"10,000 tons"			"		"		
IV	3690	159,000	3.74	5.00		"30,000 tons"			"		"	all surface oxidized.	
		541,000	3.45	5.30									
		<u>1st Qtr</u>											
		(931,000)											
IV	3690	353,000	2.78	5.04		- mostly pyritic			facies		all surface oxidized		
V	3690	318,000	3.45	6.57		"100,000 tons"			graphitic		material.		
V	3670	219,000	4.0	6.02		"30,000 tons"			pyrrhotitic		facies	est.	
		920,000	3.30	5.85									
		<u>2nd Qtr</u>											
		(931,000)											
V	3670	43,000	5.40	6.40		- 20,000 tons			pyrrhotitic		facies.		
IV	3670	350,000	2.72	4.21		30% surface			oxidized.				
V	3670	341,000	3.69	6.90									
V	3650	197,000	2.30	4.60		- heavily oxidized,			stockpiled in				
		931,000	3.11	5.37		Oct/78							