



Curragh
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DATE: 10 July

TO: Kurt Foreward

FROM: Gregg Jilson

Number of Pages 6 ~~8~~ including Cover Page.

Circulation and/or Comments:

Attached is the rest of the ore reconciliation.
I have also done a reconciliation to Sept 30
1986 for the pit average strip ratio to use
in deferred stripping calculations. The ratio of
2.62 : 1 comes from using the higher ore
density. Please advise if you wish to use a
different ~~one~~ ratio. I have sent these sheets
to Ian Shaw to avoid further delay.

If all pages were not received, please contact: _____

CURRAGH RESOURCES
RECONCILIATION OF RESERVES FOR THE FARD PIT
FROM JANUARY 1, 1986 TO SEPTEMBER 28, 1986

RECONCILIATION BY VOLUME AT AN AVERAGE DENSITY OF 3.0 TONNES/CUBIC YARD FOR SULPHIDES
AND A DENSITY OF 2.06 TONNES PER CUBIC YARD FOR NON-SULPHIDE WASTE

	tonnes ore	tonnes lead	tonnes zinc	kilograms silver	tonnes waste	waste to ore ratio
1988 ultimate pit design starting reserves USING VOLUMES AND AVERAGE DENSITY=3.0 TN/BCY:	25,699,453	717,248	1,112,319	898,102	80,856,139	3.15
PLUS extra ore mined around the pit and not included in the pit reserves	+ 179,200	7,679	7,750	6,842		
LESS Millfeed from Jan.1,1986 to Sept 28,1986 and waste mined in same period	- 910,000	27,573	43,043	38,220	15,763,463	17.32
LESS Additions to stockpiles in same period	- 209,200	3,347	5,230	5,135		
EQUALS what should be the reserves remaining within the ultimate pit at Sept 28,1986 high grade and low grade, +4% Pb+Zn	24,759,453	694,007	1,071,796	861,590	65,092,676	2.63
By independent calculation from the model USING VOLUMES AND AVERAGE DENSITY=3.0 TN/BCY the reserves remaining at Sept 28,1986 are:	24,838,489	689,669	1,067,126	860,364	65,906,185	2.65
For a difference in the remaining reserves of: gain/(loss)	79,036	(4,338)	(4,670)	(1,226)	813,509	

CURRAGH RESOURCES INC.
RECONCILIATION OF RESERVES FOR THE FARD PIT
FROM JANUARY 1, 1986 TO MAY 31, 1988

RECONCILIATION BY VOLUME AT AN AVERAGE DENSITY OF 3.0 TONNES/CUBIC YARD FOR SULPHIDES

	tonnes ore	tonnes lead	tonnes zinc	kilograms silver	tonnes waste	waste to ore ratio
1988 ultimate pit starting reserves USING VOLUMES AND AVERAGE DENSITY=3.0 TN/BCY:	25,699,453	717,248	1,112,319	898,102	80,856,139	3.15
PLUS extra ore mined around the pit and not included in the pit reserves +	977,711	33,196	48,700	38,471		
LESS Millfeed from Jan.1,1986 to May 31,1988 and waste mined in same period -	8,363,000	280,749	403,256	365,121	56,350,595	6.74
LESS Additions to stockpiles in same period -	1,112,300	29,105	40,496	43,719		
EQUALS what should be the reserves remaining within the ultimate pit high grade and low grade, +4% Pb+Zn	17,201,864	440,591	717,267	527,733	24,505,544	1.42
By independent calculation from the model USING VOLUMES AND AVERAGE DENSITY=3.0 TN/BCY the reserves remaining at May 31,1988 are:	17,395,767	469,211	746,595	564,935	32,100,935	1.85
For a difference in the remaining reserves of: gain/(loss)	193,903	28,621	29,328	37,202	7,595,391	

CURRAGH RESOURCES
 RECONCILIATION OF RESERVES FOR THE FARD PIT
 FROM JANUARY 1, 1986 TO SEPTEMBER 28, 1986

	tonnes ore	tonnes lead	tonnes zinc	kilograms silver	tonnes waste	waste to ore ratio
<u>STARTING RESERVES</u>						
Starting reserves in Kilborn report of August 1985, high grade and low grade plus 4 % Pb+Zn	23,763,000	698,632	1,038,443	860,221	87,498,000	3.68
In late 1985 new reserves were calculated from a new mine model. Based on the new model a new pit design was created in 1986 and further refined during early 1988 giving the current ultimate pit within which new starting reserves and reserves remaining at May 31, 1988 were calculated						
Starting reserves within new ultimate pit as of Jan 1, 1986, high grade and low grade plus 4 % Pb+Zn	23,267,134	649,365	1,006,832	813,102	79,330,656	3.41
Change gain or (loss), relative to original Kilborn reserves	(495,866)	(49,268)	(31,611)	(47,119)	(8,167,344)	
<u>RECONCILIATION</u>						
New ultimate pit starting reserves	23,267,134	649,365	1,006,832	813,102	79,330,656	3.41
PLUS extra ore mined around the pit and not included in the pit reserves	+ 179,200	7,679	7,750	6,842		
LESS Millfeed from Jan.1,1986 to Sept 28,1986 and waste mined in same period	- 910,000	27,573	43,043	38,220	15,763,463	17.32
LESS Additions to stockpiles in same period	- 209,200	3,347	5,230	5,135		
EQUALS what should be the reserves remaining within the ultimate pit on Sept 28,1986 high grade and low grade, +4% Pb+Zn	22,327,134	626,123	966,309	776,589	63,567,193	2.85
By independent calculation from the model the reserves remaining at Sept 28,1986 are:	22,500,365	624,748	966,674	779,375	64,602,595	2.87
For a difference in the remaining reserves of: gain/(loss)	173,231	(1,375)	364	2,786	1,035,402	

EXPLANATION

Most of this "additional ore" is due to the fact that the average density used in the mine models is approximately 7% to 10% lower than the average used for all other reporting at the mine (3.0 tonnes/cu yd. or 3.92 tonnes/cu m).

The following page gives the same reconciliation but it is in terms of volumes of ore times an average density equal to that used for blasthole and stockpile tonnages.

CURRAGH RESOURCES INC.
RECONCILIATION OF RESERVES FOR THE FARO PIT
FROM JANUARY 1, 1986 TO MAY 31, 1988

	tonnes ore	tonnes lead	tonnes zinc	kilograms silver	tonnes waste	waste to ore ratio
<u>STARTING RESERVES</u>						
Starting reserves in Kilborn report of August 1985, high grade and low grade, i.e. plus 4 % Pb+Zn	23,763,000	698,632	1,038,443	860,221	87,498,000	3.68
In late 1985 new reserves were calculated from a new mine model. Based on the new model a new pit design was created in 1986 and further refined during early 1988 giving the current ultimate pit within which new starting reserves and reserves remaining at May 31, 1988 were calculated						
Starting reserves within new ultimate pit as of Jan 1, 1986, high grade and low grade, i.e. plus 4 % Pb+Zn	23,267,134	649,365	1,006,832	813,102	79,330,656	3.41
Change, gain or (loss), relative to original Kilborn reserves	(495,866)	(49,268)	(31,611)	(47,119)	(8,167,344)	
<u>RECONCILIATION</u>						
New ultimate pit starting reserves, as above:	23,267,134	649,365	1,006,832	813,102	79,330,656	3.41
PLUS extra ore mined around the pit and not included in the pit reserves, and oxides +	977,711	33,196	48,700	38,471		
LESS Millfeed from Jan.1,1986 to May 31,1988 and waste mined in same period -	8,363,000	280,749	403,256	365,121	56,350,595	
LESS Additions to stockpiles in same period -	1,112,300	29,105	40,496	43,719		
EQUALS what should be the reserves remaining within the ultimate pit high grade and low grade, +4% Pb+Zn	14,769,545	372,707	611,780	442,733	22,980,061	1.56
By independent calculation from the model the reserves remaining at May 31,1988 are:	15,635,833	421,457	670,777	507,425	25,521,350	1.63
For a difference in the remaining reserves of: gain/(loss)	866,288	48,750	58,997	64,692	2,541,289	

EXPLANATION

Most of this "additional ore" is due to the fact that the average density used in the mine models is approximately 7% to 10% lower than the average used for all other reporting at the mine (3.0 tonnes/cu yd. or 3.92 tonnes/cu m).

The following page gives the same reconciliation but it is in terms of volumes of ore times an average density equal to that used for blasthole and stockpile tonnages.

The difference in waste tonnage is apparently due to problems in the area of the DZ phase mining particularly where the mining has been done outside the ultimate pit design. The problem is above the level of any ore in the pit.

CURRAGH RESOURCES INC.
 FARO OPEN PIT
 DEFERRED STRIPPING CALCULATION

pit average stripping ratio: 2.63 *

description (all quantities in tonnes)	period 1	period 2	period 3	period 4	total of
	01-Jan-86 to 30-Sep-86	30-Sep-86 to 30-Apr-87	30-Apr-87 to 31-Dec-87	31-Dec-87 to 31-May-88	periods
total waste moved	15,763,463	12,889,860	17,607,775	10,089,497	56,350,595
millfeed	984,000	2,502,000	2,978,000	1,884,000	8,348,000
allocated waste at pit average	2,587,920	6,580,260	7,832,140	4,954,920	21,955,240
sent to stockpiles	209,200	440,800	(23,400)	485,700	1,112,300
allocated waste at pit average	550,196	1,159,304	(61,542)	1,277,391	2,925,349
total waste moved in excess of the pit average ratio times the millfeed	13,175,543	6,309,600	9,775,635	5,134,577	34,395,355
cumulative excess waste moved from start of mining	13,175,543	19,485,143	29,260,778	34,395,355	
cumulative excess waste moved from official startup		6,309,600	16,085,235	21,219,812	
cumulative excess waste moved from date of sale to Giant Resources			9,775,635	14,910,212	

* Pit average ratio is that calculated by reconciling to Sept. 31, 1986 by volume using the density of 3.00 tonnes per cubic yard for the model reserves to convert to tonnages.

Note: This file deals with actuals as reported by Engineering (waste moved), Geology (stockpiles) and the Mill (millfeed). Only the pit average strip ratio is derived from the mine model, thus it is relatively unaffected by problems in reconciliation with the model.



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DATE: 11 July 88

TO: Ian Shaw

FROM: Gregg Jilson

Number of Pages 6 including Cover Page.

Circulation and/or Comments:

Please throw out the five confusing sheets I sent you yesterday and replace them with these 5 confusing sheets. The only material change I've made here is to change the volume reconciliation [page 2 of RECON3 and G.4R1] average phyllite waste density from 2.052 as was in the model to 2.060 as used in the minesite calculations in order to be consistent with treatment of sulphide density.

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