

**CURRAGH RESOURCES INC.**

Inter-Office Memorandum

**TO:** Leo Hwozdyk  
Project Superintendent, Mine  
Faro Office

**FROM:** Gregg A. Jilson  
Vice-President, Exploration  
Whitehorse Office

**RE:** **Proposed Extension of Underground**

017736

**DATE: 10 07 1991**

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I have reviewed your map of proposed extensions of the ore zone. The extension is heading directly toward DDH 71DS-01 (collared at 6532.4N 13803.2E). The hole is 999' deep and has intersected the mineralized zone from 836.5 - 864.5 feet (= 28' of 4A estimated to average 1-2% Pb+Zn) and 874.5-884.5 feet (= 10' of 4A estimated to average >5% Pb+Zn). The later intersection contains a zone at 881-884.5 (= 3.5') estimated to contain 5-10% sphalerite however there are no assays for this hole. This hole seems to me to be cause to pull the extrapolated zone back part way to the current probable + proven limit.

Other limiting holes in the area are 84F02, 84F04 and 83F22 in the west. All of these holes have better intersections than 71DS01. To the east limiting holes are 83F04, 84F07, 83F08, again all of which are better than 71DS01. Hole 72-14 did not intersect sulphides, its depth is unknown and may not have been deep enough. These intersections are tabulated below and I have plotted the locations of the intersections on a reduced version of the plan you sent.

Peripheral Intersections South end Faro Underground

84F02	798.8 - 793.0 = 3.2'	@	≈ 8.5% Pb+Zn
84F04	850.0 - 865.9 = 15.9'	@	≈ 7.8% Pb+Zn
	includes at top 1.7'	@	17.4% Pb+Zn
	and at bottom 3.1'	@	13.5% Pb+Zn
83F22	842.4 - 848.9 = 6.9'	@	11.6% Pb+Zn
83F04	707.6 - 710.5 = 2.9'	@	14.3% Pb+Zn
84F07	536.9 - 566.3 = 2.5'	@	13.5% Pb+Zn
83F08	636.4 - 648.2 = 11.8'	@	8.1% Pb+Zn

My general impression is that you should proceed southwest toward 71DS01 with great care out as far as your "possible ore limit" and beyond that it is not reasonable to expect ore.

It would seem to me to be as reasonable to head south towards 83F04 and 83F08 as towards 71DS01 at least they have some grade and massive sulphides.

Similarly heading west and northwest towards 84F04, 83F22 and 84F02 might pick up some pockets of thick ore between the thinner drill hole hits. I note you have already mined through 84F09 which did not qualify as ore on grade - thickness criteria (20.6' at 7.6% including 3.9' @ 14.3) and may do equally well around 83F22 and 84F04, which are similar intersections.

Why not present CMD with the opportunity to test these areas at their cost or some large discount in the hopes of generating some further business.

*B. Boyd*  
*per H. Nelson*



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