

## DRAFT

6.0 ORE RESERVES (WITHIN CURRENT PLANS) AND MINERAL RESOURCES6.1 SUMMARY

Note: The quantities and grades listed by Kilborn for ore reserves and mineral resources have been established as described in the subsections referring to the individual deposits. The comparable figures as used by Curragh in their 12-year projection, are shown in brackets.

6.1.1 Totals

As of 1988 year-end:

- Plus 4 percent combined lead and zinc for open pit;
- Plus 9 percent combined lead and zinc for underground.

	<u>Tonnes</u>	<u>Lead Percent</u>	<u>Zinc Percent</u>	<u>Silver g/Tonne</u>	<u>Gold g/Tonne</u>
Ore Reserves (undiluted)	55,918,000	3.92	6.02	58.77	0.82*
Ore Reserves (diluted)	57,249,000	3.57	5.47	53.72	0.76*
Mineral Resources (undiluted)	16,097,000	4.25	5.79	64.60	0.88*
<u>Curragh Projection</u>					
Ore Reserves (diluted)	(55,742,000)	(3.46)	(5.31)	(51.35)	(0.81)**
Stockpile	1,142,000	2.45	3.42	34.00	-

\* Vangorda and Dy only.

\*\* Grum, Vangorda and Dy only.

# DRAFT

6-2

The tonnages of diluted ore reserves as shown by Kilborn and by Curragh are not directly comparable because:

- (a) Kilborn has included the calculated underground mineable tonnage for the Dy deposit, whereas Curragh uses only a part of this tonnage in their 12-year projection.
- (b) Kilborn's method of allowing for dilution in open-pits results in a lower tonnage at a higher grade than does Curragh's method of allowing for dilution and mining losses; however, there is close agreement on the total metal content.

## 6.1.2 Faro Open Pit

	13,317,000 <u>Tonnes</u>	<u>Lead Percent</u>	<u>Zinc Percent</u>	<u>Silver g/Tonne</u>
Ore Reserves (undiluted)	13,302,000	3.45 <sup>+58.92</sup>	6.05 <sup>+60.17</sup>	40.02
Ore Reserves (diluted)	13,302,000	3.10 <sup>+42.36</sup>	5.45 <sup>+72.96</sup>	36.02
<u>Curragh Projection</u>				
Ore Reserves (diluted)	(13,916,000)	(2.89) <sup>+42.17</sup>	(4.82) <sup>+60.75</sup>	(32.00)

## 6.1.3 Faro Underground

	<u>Tonnes</u>	<u>Lead Percent</u>	<u>Zinc Percent</u>	<u>Silver g/Tonne</u>
Ore Reserves (undiluted) (plus 9% Pb+Zn)	1,820,000	5.03	7.78	67.75
Ore Reserves (diluted)	2,000,000	4.57	7.07	61.59
Mineral Resources (undiluted) (plus 9% Pb+Zn) 7.78	67.75		760,000	4.57
<u>Curragh Projection</u>				
Ore Reserves (diluted)	(2,000,000)	(4.56)	(6.97)	(62.00)

6.1.4 Grum Deposit

	<u>Tonnes</u>	<u>Lead Percent</u>	<u>Zinc Percent</u>	<u>Silver g/Tonne</u>	<u>Gold g/Tonne</u>
Ore Reserves (undiluted) (plus 5% Pb+Zn)	20,412,000	3.78	6.31	64.22	-
Ore Reserves (undiluted) (plus 4%-5% Pb+Zn)	3,698,000	1.41	2.45	26.40	-
Ore Reserves (undiluted) (plus 4% Pb+Zn)	24,110,000	3.42	5.72	58.42	-
Ore Reserves (diluted)	24,110,000	3.08	5.15	52.58	-
Mineral Resources (undiluted) (not in pits)	9,411,000	3.79	5.3	57.01	-
<u>Curragh Projection</u>					
Ore Reserves (diluted)	(25,161,000)	(2.96)	(5.01)	(50.00)	(0.81)

6.1.5 Vangorda Deposit

	<u>Tonnes</u>	<u>Lead Percent</u>	<u>Zinc Percent</u>	<u>Silver g/Tonne</u>	<u>Gold g/Tonne</u>
Ore Reserves (undiluted) (plus 5% Pb+Zn)	5,968,000	4.10	5.10	54.25	0.63
Ore Reserves (undiluted) (plus 4%-5% Pb+Zn)	359,000	2.17	2.34	29.26	0.69
Ore Reserves (undiluted) (plus 4% Pb+Zn)	6,327,000	3.99	4.94	52.83	0.63

DRAFT

6-4

Ore Reserves (diluted) 6,327,000 <sup>227.14</sup> 3.59 <sup>281.55</sup> 4.45 47.55 0.57

Mineral Resources (undiluted) (plus 4% Pb+Zn, not in pit) 1,356,000 3.18 3.96 44.45 0.70

Curragh Projection

Ore Reserves (diluted) (6,935,000) <sup>242.03</sup> (3.49) <sup>22.77</sup> (4.51) (50.00) (0.65)

(6.6%) (11%)

6.1.6 Dy Deposit

	<u>Tonnes</u>	<u>Lead Percent</u>	<u>Zinc Percent</u>	<u>Silver g/Tonne</u>	<u>Gold g/Tonne</u>
Mineral Inventory (undiluted) (Total 'Probable' at plus 9% Pb+Zn)	14,920,000	5.45	7.02	85.7	0.93

Ore Reserves (diluted) (Mineable, plus 9% Pb+Zn)	11,510,000	4.99	6.46	78.6	0.87
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Mineral Resources (undiluted)	4,570,000	5.45	7.02	85.7	0.93
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Curragh Projection

Ore Reserves (diluted) *(Scheduled for mining)	(7,730,000)	(5.80)	(7.46)	(89.0)	(0.93)
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\* Curragh's schedule starts in a 'higher than average grade' part of the deposit.

6.2 FARO DEPOSIT (OPEN PIT)

The Faro open pit ore reserves are based on the following information which was supplied by Curragh:

- (a) Faro drill hole data;
- (b) Geological cross-sections through the deposit;
- (c) Plan of existing open pit as of 1988 year-end;
- (d) Plan of ultimate open pit.

The portion of the Faro deposit which now is being mined by open pit methods has been identified by drilling and ongoing bench mapping during operations. The deposit has been computer modeled numerous times. These models appear to be consistent with actual production but tend to be up to 5 percent higher in metal content than what is experienced.

The geological interpretation was done by Cyprus Anvil and Curragh. This interpretation was reviewed by Kilborn and was found to be consistent with what has been experienced.

Kilborn did not verify the drill logs, assay methods nor drill hole surveys.

Kilborn did random checks of the drill hole plots on the sections, plotted the existing and ultimate pits on the sections, and determined the areas of influence of the drill holes. The mineral reserve was calculated by the cross-sectional method using the following criteria:

- (a) Minimum in-situ grade of 4 percent combined lead plus zinc;
- (b) Minimum interval of low grade in an ore section of 3 metres before rejection from the reserve;
- (c) Distance of influence, halfway to the next drill hole.

The results are as follows:

DRAFT

MINERAL RESERVE

<u>Ore Type</u>	<u>Quantity Tonnes</u>	<u>Lead Percent</u>	<u>Zinc Percent</u>	<u>Silver g/Tonne</u>
A	886,399	1.92	4.49	27.61
H	732,400	3.91	6.34	51.00
Other	11,683,170	3.54	6.15	40.27
TOTAL	13,301,969	3.45	6.05	40.02
	=====	=====	=====	=====

To determine the minable reserves, the quantity of material was left constant and the grades were reduced by ten percent to compensate for the mixing of ore and waste on the contacts of the deposit.

This assumes that ten percent of the ore in-place is hauled to the waste dump and an equal quantity of waste is mixed with the ore and hauled to the mill.

RECOVERABLE ORE RESERVE

<u>Ore Type</u>	<u>Quantity Tonnes</u>	<u>Lead Percent</u>	<u>Zinc Percent</u>	<u>Silver g/Tonne</u>
All Types	13,302,000	3.10	5.45	36.02
	=====	=====	=====	=====

The ore reserve quality is considered as proven.

In Curragh's 12-year projection, the Faro open pit is scheduled to produce:

<u>Quantity Tonnes</u>	<u>Lead Percent</u>	<u>Zinc Percent</u>	<u>Silver g/Tonne</u>
13,916,000	2.89	4.82	32.00

Curragh's mining reserve calculations are stated to include a 5 percent mining loss and 10 percent dilution at zero grade.

The undiluted tonnages are almost identical (Kilborn and Curragh), but Kilborn calculates grades approximately 5 percent higher than Curragh's. Therefore, it is considered that Curragh's calculations for the Faro open pit can be accepted by Kilborn.

### 6.3 FARO DEPOSIT (UNDERGROUND)

The ore reserves and the mineral inventory are based on the following information supplied by Curragh:

- (a) Faro drill hole data base;
- (b) Geological interpretation of ore type.

That part of the Faro deposit which is more suitable for underground mining, has been identified by various core drill holes over a long period of time. Approximately one-half of the holes were drilled in the early 1970s, and a sizeable extension to the mineralized zone was identified by drilling in 1982 and 1983.

The geological interpretations were done by Cyprus Anvil and by Curragh.

Kilborn did not verify the drill logs, assaying methods nor the drill hole surveys.

Kilborn did plot the drill holes on plan, and marked out the polygons to be used in calculating the mineral resource. The mineral reserve was calculated by the polygon method with the following restrictions:

- (a) Minimum in-situ grade : 9 percent (lead plus zinc)
- (b) Minimum mining height : 2.1 metres
- (c) Maximum radius of influence : 46 metres
- (d) Minimum pillar between  
underground mineral reserve  
and the final open pit wall : 15 metres

The results are listed below:

MINERAL RESERVE

<u>Ore Type</u>	<u>Quantity Tonnes</u>	<u>Lead Percent</u>	<u>Zinc Percent</u>	<u>Silver g/Tonne</u>
2A	58,000	1.98	3.88	13.86
2BG	2,288,000	5.09	7.69	67.51
2H	264,000	5.21	9.26	82.17
TOTAL	2,610,000	5.03	7.76	67.80
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The ore reserve was calculated from the mineral reserve using these parameters:

- (a) Dilution: 10 percent at zero grade;
- (b) Mining Recovery: 75 percent of mineral resource.

Total ore reserve:

<u>Quantity Tonnes</u>	<u>Lead Percent</u>	<u>Zinc Percent</u>	<u>Silver g/Tonne</u>
2,153,000	4.58	7.05	61.73

These reserves are classed as probable.

Ore scheduled to be mined, by Kilborn in a previous study and by Curragh in their 12-year forecast, is almost identical in both cases:

	<u>Quantity Tonnes</u>	<u>Lead Percent</u>	<u>Zinc Percent</u>	<u>Silver g/Tonne</u>
Kilborn	2,000,000	4.57	7.07	61.59
Curragh	(2,000,000)	(4.56)	(6.97)	(62.00)

6.4 GRUM DEPOSIT

The ore reserves and the mineral inventory are based on the following information supplied by Curragh:

- (a) Grum drill hole data base;
- (b) Sections through the deposit with geologically interpreted ore zones and ultimate pit outline;
- (c) Grum deposit, Cyprus Anvil "Simpson Adamson" Reserve Calculation - December 1982.

The Grum deposit has been core drilled from surface by Prospectors Airways and, to a lesser extent, by Kerr-Addison. Following this drilling, Kerr-Addison undertook an underground exploration program to bulk sample the deposit and did additional core drilling from underground. Cyprus Anvil did additional drilling after acquisition of the property from Kerr-Addison. No additional drilling has been done since 1981. Sections through the deposit at 60.5 metres, which were provided, showed the ultimate pit outline based on Curragh pit planning. The geological interpretation was that used by Cyprus Anvil in 1982. The pit outlines shown on the sections were the work of Curragh in 1986.

Kilborn did not verify the drill logs, assay methods, drill hole surveys nor the plotting of the drill holes on the sections.

Kilborn did check that the ore intersections, as listed, were plotted correctly on the sections.

Kilborn used the ore zones as outlined in the Grum cross-sections. The areas of mineralization were outlined and measured by planimeter, and projected halfway to the adjacent drilled sections.

Tonnages were calculated from the planimeter area, the distance between sections and the specific gravity assigned to each ore intersection.

Although the ore deposit is quite well defined, Kilborn has classed the ore reserve as probable, because of the post mineralization deformation and the drill hole spacing in some areas.

The mineral resource has been calculated at a cut-off grade of 4 percent combined lead plus zinc. The in-place resource has been divided into in-pit and out-of-pit material and further divided into A type ore and other ore types.

The in-pit material reserves at four percent cut-off are as follows:

<u>Ore Type</u>	<u>Quantity Tonnes</u>	<u>Lead Percent</u>	<u>Zinc Percent</u>	<u>Silver g/Tonne</u>
A	11,702,000	2.77	5.03	48.73
Other	12,408,000	4.19	6.68	70.44
TOTAL	<u>24,110,000</u>	<u>3.50</u>	<u>5.88</u>	<u>59.91</u>
	=====	----	----	=====

To determine the mineable reserves, the quantity of material was left constant and the grades were reduced by 10 percent to compensate for the mixing of ore and waste on the contacts of the deposit. This assumes that 10 percent of the ore in-place will be hauled to the waste dump and this quantity is replaced by an equal amount of waste which is mixed with the ore and hauled to the mill.

<u>Ore Type</u>	<u>Quantity Tonnes</u>	<u>Lead Percent</u>	<u>Zinc Percent</u>	<u>Silver g/Tonne</u>
A	11,702,000	2.49	4.53	43.86
Other	12,408,000	3.77	6.01	63.40
TOTAL	<u>24,110,000</u>	<u>3.15</u>	<u>5.29</u>	<u>53.92</u>
	=====	----	----	=====

In the Curragh 12-year projection, the Grum open pit is scheduled to produce:

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<u>Quantity Tonnes</u>	<u>Lead Percent</u>	<u>Zinc Percent</u>	<u>Silver g/Tonne</u>	<u>Gold g/Tonne</u>
25,161,000	2.96	5.01	50.00	0.81

Curragh's reserve calculations are stated to include a 5 percent mining loss and 15 percent dilution at zero grade.

The diluted tonnage listed by Curragh is approximately 5 percent greater than the diluted tonnage calculated by Kilborn. The lead contents and zinc contents of these diluted tonnages are within 2 percent of each other. The Kilborn calculation shows an 8 percent greater silver content, and Kilborn did not calculate the gold content. The percentage differences between the two calculations are small, therefore, Kilborn considers that Curragh's calculations for the Grum open pit are acceptable.

#### 6.5 VANGORDA DEPOSIT

The ore reserves and the mineral inventory are based on the following information supplied by Curragh:

- (a) Vangorda drill hole data base, dated July 31, 1987;
- (b) Section through deposit, with drill holes plotted, geological interpretations and pit outlines;
- (c) Sections through deposit, with computer plotted grade contours;
- (d) Internal report entitled 'District Geology, Vangorda/Grum, September 1987'.

The Vangorda deposit had been drilled by Prospectors Airways and, to a lesser extent, by Kerr-Addison. Cyprus Anvil re-drilled the deposit in 1979, with a small amount of fill-in drilling in 1981. The Vangorda drill hole data base contains only the Cyprus Anvil drilling results; Curragh drilled three additional holes during 1988, but these were not included.

For the Cyprus Anvil drilling, the deposit was divided into sections at 100 feet apart, and a fence of core holes was drilled on every

second section. The holes are almost all vertical, and they are roughly 100 feet apart along the section line. Geological interpretations and the open pit outline are shown on the sections; the interpretations and the pit design were done by Curragh in 1986.

Kilborn did not verify the drill logs, assaying methods, drill hole surveys nor the plotting of the drill holes on the sections.

Kilborn did check that the ore intersections, as listed in the data base printout, were plotted correctly on the sections. A few missing intersections were added, and a few adjustments were made to the lengths of intersections used in the calculations, but in general the plotting related accurately to the printout.

Kilborn projected the mineralization from hole to hole along the sections; the geological interpretations governed as to type of ore and, in some cases, as to which ore intersections were joined in adjacent holes. The areas of mineralization were outlined and were measured by planimeter, and projected half way to the adjacent drilled sections. However, before calculations were made, the adjacent sections were examined to determine if there were related structures on the other sections; in a few cases the mineralized outlines had no adjacent related structures and the mineralized outlines were not included in the calculations.

Tonnages were calculated from the planimeter area, the average distance between drilled sections (60.96 metres) and the average specific gravity of the ore type.

Although they are quite well defined, Kilborn has classed the ore reserves as 'probable', because of the distance between drilled sections and because of the qualitative nature of the geological interpretations.

The ore reserves and mineral resources are listed at a cut-off of 4 percent combined lead and zinc. Curragh had planned to provide plus 5 percent combined mill feed during active mining, and to

stockpile the plus 4 percent minus 5 percent fraction for milling at some later time. In the tabulation below for Vangorda, the mineralization is divided into ore reserves at 5 percent cut-off and ore reserves at plus 4 percent minus 5 percent, for material within the pit limits. Curragh used an economic evaluation to determine the pit limits, therefore, the material outside the limits is classed as a mineral resource. The tabulation also is divided into ore types. All grades shown are undiluted.

ORE RESERVES

(+5% combined lead and zinc)

<u>Type</u>	<u>Tonnes</u>	<u>Pb %</u>	<u>Zn %</u>	<u>Ag g/t</u>	<u>Au g/t</u>	<u>(Pb+Zn)%</u>
4A	955,748	3.13	4.66	42.06	0.60	7.79
4C	151,298	3.84	2.64	41.17	0.88	6.51
4EC	344,981	4.49	4.42	46.19	0.73	8.91
4E	85,253	3.09	3.85	47.64	0.51	6.94
4EG	4,430,929	4.30	5.35	58.06	0.62	9.65
TOTAL	5,968,209	4.10	5.10	54.24	0.63	9.20
	=====	=====	=====	=====	=====	=====

ORE RESERVES

(plus 4% minus 5% combined lead and zinc)

<u>Type</u>	<u>Tonnes</u>	<u>Pb %</u>	<u>Zn %</u>	<u>Ag g/t</u>	<u>Au g/t</u>	<u>(Pb+Zn)%</u>
4A	124,379	1.67	2.53	26.76	0.59	4.20
4C	18,539	3.10	1.63	38.50	1.52	4.73
4EC	158,843	2.48	2.27	29.48	0.73	4.75
4E	19,795	1.96	2.25	27.82	0.41	4.21
4EG	37,900	2.19	2.39	32.79	0.58	4.58
TOTAL	359,456	2.17	2.34	29.26	0.69	4.51
	=====	=====	=====	=====	=====	=====

DRAFT

6-14

MINERAL RESOURCES

(+5% combined lead and zinc)

Type	Tonnes	PB %	Zn %	Ag g/t	Au g/t	(Pb+Zn)%
4A	368,556	2.54	4.24	36.41	0.48	6.78
4C	72,759	4.94	2.21	54.26	1.09	7.15
4EC	79,646	3.46	3.32	42.94	0.44	6.78
4E	22,045	2.88	4.84	49.65	0.17	7.72
4EG	650,097	3.58	4.47	52.59	0.92	8.05
TOTAL	1,193,103	3.32	4.19	47.00	0.75	7.51
	=====	=====	=====	=====	=====	=====

MINERALS RESOURCES

(plus 4% minus 5% combined lead and zinc)

Type	Tonnes	Pb %	Zn %	Ag g/t	Au g/t	(Pb+Zn)%
4A	36,292	2.12	2.07	24.63	1.69	4.19
4C	-	-	-	-	-	-
4EC	77,408	2.09	2.38	26.53	0.31	4.47
4E	9,898	2.27	2.25	-	-	4.52
4EG	39,349	2.21	2.34	31.77	0.40	4.55
TOTAL	162,947	2.14	2.29			4.43
	=====	=====	=====	=====	=====	=====

In Curragh's 12-year projection, the Vangorda open pit is scheduled to produce:

Quantity Tonnes	Lead Percent	Zinc Percent	Silver g/Tonne	Gold g/Tonne
6,935,000	3.49	4.51	50.00	0.65

Curragh's reserve calculations are stated to include a 5 percent mining loss and 15 percent dilution at zero grade.

The diluted tonnage listed by Curragh is approximately 10 percent greater than the diluted tonnage calculated by Kilborn. The metal contents of these diluted tonnages are greater in the Curragh.

calculations by approximately 7 percent for lead, 10 percent for zinc, 14 percent for silver, and 20 percent for gold. Some of the differences can be attributed to the three additional drill holes in 1988 and to better ore definition. The variations are not large, but if this was a single orebody, these variations might be reviewed to account for the differences. However, in the total reserve for this project, the variations are not of significance.

6.6 DY DEPOSIT

The ore reserves and mineral inventory are based on the following information supplied by Curragh:

- (a) Cyprus Anvil "B.V. Hall" 1981 geological reserve calculations, with accompanying plans and sections;
- (b) Cyprus Anvil "Rollings" 1982 ore calculations.

The Dy deposit has been explored by 54 core holes, diamond drilled from surface over the period 1976 to 1981, totalling 46,000 metres and averaging 852 metres. These deep holes were surveyed, at regular intervals down the hole, so that the various sample points could be plotted with reasonable accuracy.

B. V. Hall estimated the mineral inventory as follows:

<u>Classification</u>	<u>Quantity Tonnes</u>	<u>Lead Percent</u>	<u>Zinc Percent</u>	<u>Silver g/Tonne</u>
Drill Indicated	17,388,056	5.82	6.84	83.1
Drill Inferred	3,946,071	5.03	7.45	75.3
TOTAL DEPOSIT	21,334,127	5.68	6.95	81.6
	=====	====	====	-----

This was based on a minimum mining width of 3.5 metres, a cut-off grade of 9 percent combined lead plus zinc, a polygonal area of influence for each intercept, measured by planimeter, and the measured specific gravity for that intercept. Tonnages were collated into four stratigraphic horizons designated 2, 3, 4 and 5.

Rollings used the same methodology, but reduced the number of stratigraphic horizons to three, designated A2, B2 and 3A. This estimate was broken down by rock type (for milling characteristics) and included gold and copper values, but was not classified. Results are summarized as follows:

<u>Horizon</u>	<u>Quantity Tonnes</u>	<u>Lead Percent</u>	<u>Zinc Percent</u>	<u>Silver g/Tonne</u>	<u>Gold g/Tonne</u>
A2	13,611,629	5.87	6.14	85.8	1.06
3A	960,601	5.03	5.76	63.3	0.59
B2	6,487,750	4.91	8.14	82.6	0.76
TOTAL	21,059,980	5.54	6.74	83.8	0.95
	=====	=====	=====	=====	=====

The Rollings total of 21.06 million tonnes was carried as 'possible' ore in Curragh's mineral inventory for several years because there were no plans to develop the deposit. When Curragh decided to include the Dy in the current 12-year plan, Kilborn retained an independent consulting geologist, P. C. Coltas, to review the previous estimates and to reclassify the inventory. His report is appended (see Appendix C).

For comparison with Rollings, the total P.C. Coltas inventory is summarized as follows:

<u>Horizon</u>	<u>Quantity Tonnes</u>	<u>Lead Percent</u>	<u>Zinc Percent</u>	<u>Silver g/Tonne</u>	<u>Gold g/Tonne</u>
A2	12,927,675	5.84	6.04	86.1	1.01
B2	7,187,150	4.83	8.08	81.5	0.75
INVENTORY	20,114,825	5.47	6.77	84.5	0.91
	=====	=====	=====	=====	=====

Basically, the 3A horizon (based on two totally isolated intercepts) has been eliminated, and some material has been assessed more stringently in the A2 and more generously in the B2 horizons.

The classified P. C. Coltas estimate is summarized as follows:

<u>Classification</u>	<u>Quantity Tonnes</u>	<u>Lead Percent</u>	<u>Zinc Percent</u>	<u>Silver g/Tonne</u>	<u>Gold g/Tonne</u>
A2 Probable	9,358,975	5.74	6.19	85.8	1.03
B2 Probable	5,561,550	5.03	8.40	85.5	0.77
<b>PROBABLE RESERVE</b>	<u>14,920,525</u> =====	<u>5.45</u> =====	<u>7.02</u> =====	<u>85.7</u> =====	<u>0.93</u> =====
A2 Possible	3,568,700	6.23	5.64	86.9	0.96
B2 Possible	1,625,600	4.14	7.00	68.1	0.66
<b>POSSIBLE INVENTORY</b>	<u>5,194,300</u> =====	<u>5.57</u> =====	<u>6.07</u> =====	<u>81.0</u> =====	<u>0.87</u> =====

Kilborn assessed the P. C. Coltas probable reserves in terms of mineability. The proposed mining method is room and pillar—the Dy deposit shares many physical characteristics with the Elliot Lake uranium camp. Mining recovery was assumed to be 70 percent in thicknesses of up to 12 metres, and 75 percent where greater than 12 metres. Multiple intersections were assessed on the thickness of the intervening waste:

- Less than 6 metres - one lens eliminated;
- From 6 to 15 metres - recovery from lower lens reduced;
- Over 15 metres - 70 percent recovery from both lenses.

Dilution was assumed to be 10 percent at zero grade.

The diluted, mineable reserves are summarized as follows:

<u>Source</u>	<u>Quantity Tonnes</u>	<u>Lead Percent</u>	<u>Zinc Percent</u>	<u>Silver g/Tonne</u>	<u>Gold g/Tonne</u>
A2 Probable	7,515,000	5.19	5.62	78.0	0.96
B2 Probable	3,995,000	4.62	8.02	79.7	0.69
<b>MINEABLE RESERVE</b>	<u>11,510,000</u> =====	<u>4.99</u> =====	<u>6.46</u> =====	<u>78.6</u> =====	<u>0.87</u> =====