

MEMO TO: Tom Cloutier  
Cam Reed

CC: Gordon Grams  
Kurt Forgaard  
Marvin Pelley

FROM: Gregg Jilson

DATE: December 9, 1986

RE: Use of F8608 model in AY and BY phases

A comparison of F8608 model predictions to blastholes in AY is given below:

BLASTHOLES					UNDILUTED F8608 MODEL			
Bench	+5% tns	Pb(%)	Zn(%)	Ag(g/t)	+5% tns	Pb(%)	Zn(%)	Ag(g/t)
3750	-	-	-		3480	3.97	5.87	79.0
3730	11520	2.04	3.89	32	34880	4.08	5.01	70.3
3710	123056	2.87	4.49	40	65250	3.58	4.39	52.6
3690	166252	2.52	4.65	30	122570	2.93	4.79	39.7
TOTAL	250828	2.67	4.54	35	226180	3.31	4.73	48.7

At 10% dilution by 0% Pb+Zn grade the model compares as follows;  
 -----blastholes----- F8608-----

	+5% tonnes	Pb	Zn	Ag	+5% tonnes	Pb	Zn	Ag
Total	250828	2.67	4.54	35	248798	3.01	4.30	44.3

This comparison suggests that the F8608 model performs significantly better than the FI model in the AY phase upper benches. I suggest that the time has come to abandon the FI model in favor of the newer one. A copy of the model has been forwarded under separate cover.

For your advance information the model has the following to say of the coming benches in AY (undiluted results):

Bench	Tonnes +5%	Pb(%)	Zn(%)	Ag(g/t)
3670	72,410	2.74	4.77	32.8
3650	63,940	2.79	3.94	34.3
3630	108,700	2.81	4.05	34.0
3610	206,590	2.74	4.49	30.0
3590	181,460	2.60	4.36	28.6

Things start to look better on 3550.

I am curious as to why there is no indication in the blastholes on 3730 of a very high silver and lead baritic horizon. There is abundant evidence in the diamond drillholes (hence also in the model) that this layer is present and considerable baritic ore was present in the pit but it seems to show little effect on the average blasthole assays. In fact the blastholes show exactly the opposite trend to that expected. It may be worth checking with Dave Wright on possible interference by Ba in barite with the analytical procedure. I have experienced considerable difficulty with Pb and Ag in high barite matrix samples in the past.

CURRAGH RESOURCES  
 FARO DEPOSIT - ZONE 3

VARIOUS MODEL COMPARISONS FOR PHASE A1

CUTOFF	*	HAND CALCULATION				*	"FI" MODEL				*	
GRADE	ORE	TONNES	Pb + Zn	METAL	ORE	TONNES	Pb + Zn	METAL	ORE	TONNES	Pb + Zn	METAL
(Pb+Zn%)	VOLUME	ORE	(%)	(tonnes)	VOLUME	ORE	(%)	(tonnes)	VOLUME	ORE	(%)	(tonnes)
*	(bcy)	(approx)	*	*	(bcy)	*	*	*	*	*	*	*
6	*	3,059,995	9.93	303,857	*	1,138,704	3,204,910	9.341	299,371	*	*	*
5	*	0	0	0	*	1,422,500	3,964,500	8.596	340,788	*	*	*
4	*	4,052,126	8.77	355,371	*	1,646,389	4,554,420	8.067	367,405	*	*	*

	FB608 MODEL VERSION 1				*	FB608 MODEL VERSION 2				*		
ORE	TONNES	Pb + Zn	METAL	ORE	ORE	TONNES	Pb + Zn	METAL	ORE	TONNES	Pb + Zn	METAL
VOLUME	ORE	(%)	(tonnes)	VOLUME	ORE	(%)	(tonnes)	VOLUME	ORE	(%)	(tonnes)	
(bcy)	(bcy)	*	*	(bcy)	(bcy)	*	*	(bcy)	(bcy)	*	*	
-	1,082,407	3,089,630	8.582	265,152	*	1,042,741	2,995,930	8.834	264,660	*	*	*
>	1,367,560	3,848,110	7.977	306,964	*	1,319,759	3,727,180	8.175	304,697	*	*	*
-	1,598,657	4,439,900	7.514	333,614	*	1,588,806	4,407,370	7.607	335,269	*	*	*

% VARIANCE FB608 VER1 TO FI				*	% VARIANCE FB608 VER2 TO FI			
ORE	TONNES	Pb + Zn	METAL	ORE	TONNES	Pb + Zn	METAL	
VOLUME	ORE	GRADE	(tonnes)	VOLUME	ORE	GRADE	(tonnes)	
-4.9	-3.6	-8.1	-11.4	*	-8.4	-6.5	-5.4	-11.6
-3.9	-2.9	-7.2	-9.9	*	-7.2	-6.0	-4.9	-10.6
-2.9	-2.5	-6.9	-9.2	*	-3.5	-3.2	-5.7	-8.7

CURRAGH RESOURCES  
 FARO DEPOSIT - ZONE 3

5 Sept 1986

VARIOUS MODEL COMPARISONS FOR PHASE A1

CUTOFF GRADE (Pb+Zn%)	HAND CALCULATION				"F1" MODEL				FB608 MODEL VERSION 1				FB608 MODEL VERSION 2				% VARIANCE FB608 VER1 TO F1				% VARIANCE FB608 VER2 TO F1								
	ORE VOLUME (bcy)	TONNES ORE (approx)	Pb + Zn (%) METAL (tonnes)	ORE VOLUME (bcy)	TONNES ORE (bcy)	Pb + Zn (%) METAL (tonnes)	ORE VOLUME (bcy)	TONNES ORE (bcy)	Pb + Zn (%) METAL (tonnes)	ORE VOLUME (bcy)	TONNES ORE (bcy)	Pb + Zn (%) METAL (tonnes)	ORE VOLUME (bcy)	TONNES ORE (bcy)	Pb + Zn (%) METAL (tonnes)	ORE VOLUME (bcy)	TONNES ORE (bcy)	Pb + Zn (%) METAL (tonnes)	ORE VOLUME (bcy)	TONNES ORE (bcy)	Pb + Zn (%) METAL (tonnes)	ORE VOLUME (bcy)	TONNES ORE (bcy)	Pb + Zn (%) METAL (tonnes)	ORE VOLUME (bcy)	TONNES ORE (bcy)	Pb + Zn (%) METAL (tonnes)		
6	*	3,059,995	9.93	303,857	*	1,138,704	3,204,910	9.341	299,371	*	1,082,407	3,089,630	8.582	265,152	*	1,042,741	2,995,930	8.834	264,660	*	-4.9	-3.6	-8.1	-11.4	*	-8.4	-6.5	-5.4	-11.6
5	*	0	0	0	*	1,422,500	3,964,500	8.596	340,788	*	1,367,560	3,848,110	7.977	306,964	*	1,319,759	3,727,180	8.175	304,697	*	-3.9	-2.9	-7.2	-9.9	*	-7.2	-6.0	-4.9	-10.6
4	*	4,052,126	8.77	355,371	*	1,646,389	4,554,420	8.067	367,405	*	1,598,657	4,439,900	7.514	333,614	*	1,588,806	4,407,370	7.607	335,269	*	-2.9	-2.5	-6.9	-9.2	*	-3.5	-3.2	-5.7	-8.7

876,070 2,486,160 8.667 215,475  
 1,105,903 3,119,200 8.024 255,899  
 1,310,685 3,663,730 7.502 274,853

These tonnages are all adjusted to reflect porosity in the same way  
 All undiluted reserves