

## MEMORANDUM

TO: K. FORGAARD

FROM: T. CLOUTIER  
K. ATHERTON

SUBJECT: FARO MINING RESERVES

"CURRAGH MINING RESERVES" HAVE BEEN DERIVED USING THE FOLLOWING INFORMATION:

- a) GEOLOGICAL (FI MODEL) RESERVES CORRECTED TO REFLECT INSITU DENSITIES.
- b) RECOVERY = 95%
- c) MINING DILUTION = 10%

ie. MINING RESERVES = 95% OF GEOLOGICAL RESERVES PLUS 10% DILUTION

NOTE: DILUTION IS AT ORE DENSITY WITH ZERO GRADE.

## CURRAGH MINING RESERVES

ISSUED AUG.28/86 TJC

(a) 6% CUTOFF GRADE:

PIT	TONNES	%		g/t		TONNES		GRAMS X 1000	
		Pb	Zn	Ag	Pb	Zn	Ag		
A	3304836	3.46	5.06	42.99	114347	167225	142075		
JB	1301621	3.09	5.10	40.16	40220	66383	52273		
B	4832035	3.44	4.81	44.61	166222	232421	215557		
C	3243142	3.25	4.90	43.23	105402	158914	140201		
D	4058386	2.97	5.29	27.48	120534	214689	111524		
TOTAL	16740020	3.27	5.02	39.52	546726	839631	661631		

## KILBORN MINING RESERVES

(a) 6% CUTOFF GRADE:

TOTAL	17180000	3.36	4.93	40.00	577248	846974	687200
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## DIFF

C-K=	-439980	-0.09	0.09	-0.48	-30522	-7343	-25569
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## %

## DIFF

(C-K) /

K=	-2.56%	-2.80%	1.74%	-1.19%	-5.29%	-0.87%	-3.72%
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CURRAGH MINING RESERVES

ISSUED AUG.28/86 TJC

(b) 4% CUTOFF GRADE:

PIT	TONNES	%			g/t		TONNES		GRAMS X 1000	
		Pb	Zn	Ag	Pb	Zn	Ag	Ag		
A	739750	1.89	3.08	25.63	13981	22784	18960			
	659045	1.62	2.52	25.14	10677	16608	16568			
JB	84321	2.03	2.95	31.34	1712	2487	2643			
	81955	1.43	2.99	29.44	1172	2450	2413			
B	721196	1.94	3.10	31.69	13991	22357	22855			
	383554	1.64	2.54	28.39	6290	9742	10889			
C	567511	2.04	2.95	33.44	11577	16742	18978			
	346301	1.69	2.56	29.13	15852	8865	10088			
D	1137759	1.86	3.09	23.08	21162	35157	26259			
	1380168	1.48	2.71	19.36	20426	37403	26720			
+4% ORE	6101560	1.75	2.86	25.63	106841	174596	156372			
+6% ORE	16740020	3.27	5.02	39.52	546726	839631	661631			
TOTAL	22841580	2.86	4.44	35.81	653567	1014227	818003			

KILBORN MINING RESERVES

(b) 4% CUTOFF GRADE:

TOTAL	23763000	2.94	4.37	36.20	698632	1038443	860221
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DIFF C-K=	-921420	-0.08	0.07	-0.39	-45065	-24217	-42218
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% DIFF (C-K)/ K=	-3.88%	-2.68%	1.61%	-1.07%	-6.45%	-2.33%	-4.91%
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*Jan CS*  
*K. Albertson*