

March 1990

020023

Geology:

Production:

High grade (+5%) blasthole production mucked from the Faro pit during February was 391,904 tonnes grading 7.34 percent combined lead/zinc, coincidentally the same grade as in January. Total mill feed (metallurgical balance) was 305,140 tonnes with an average combined lead/zinc grade of 7.23 percent. This is very close to the blasthole grade of 7.34 percent, in sharp contrast with January, when mill heads were .68 percent lower than blasthole production grades (i.e. 6.66% - 7.34%). The high grade stockpile increased by 53,120 tonnes, and the medium grade stockpile by 63,074 tonnes.

Pit mining was mainly in the South Phase on benches 3510 to 3550. Mining will revert solely to 20 foot high benches and no more 40 foot benches will be drilled off, largely owing to the grade control difficulties this creates. The shovels went off grade in several areas during the month but this will be corrected as more surveyors have been hired.

Reconciliation - Blasthole vs. 8809 Block Model

For the 391,904 tonnes of ore (+5%) loaded during February, we sustained a loss compared to the block model of 58,111 (-9.6%) tonnes, which was accompanied by a grade loss of 0.74 percent combined lead/zinc (7.91%). The main losses were from high grade (+6%) ore (-58,111 tonne; -.72% PbZn) which was partly compensated by a gain in medium grade (5-6% PbZn) ore (+16,675 tonnes; +.39% PbZn). Losses of this magnitude, which have arisen in the more recent mining history of the Faro pit, can largely be attributed to the less massive nature of the ore than obtained in earlier years. The following steps have been taken to improve the reliability of tonnage and grade predictions.

1. Remaining ore in the South Phase, East and Bottom Phases will be diamond drilled on a 70' x 70' pattern.

2. Block model bench plans will be updated manually using all available lithologic and structural data, using projections where necessary. This procedure will become routine for all future mining.
3. The block model itself will be updated.
4. Rock densities will be reviewed.

A preliminary reconciliation of the 3490 bench South Phase mining indicated a net loss of about 80,000 tonnes of ore (5% +). The calculation was based on a review of block model grades using the following additional information.

1. Sub grade mapping and assaying.
2. Projection of some structural data.
3. Pit mapping.
4. New diamond drilling.
5. Bench composite grades for both new and old diamond drill holes.

Reconciliation Blasted vs. Milled

391,904 tonnes of +5 percent ore were mucked at an average combined lead/zinc grade of 7.34 percent, and 305,140 tonnes were milled at an average combined lead/zinc grade of 7.23 percent. Stockpile tonnages increased by 127,694 tonnes based on month end survey, leaving an unaccounted for gain in stockpile tonnages of 40,930 tonnes. The possible reasons for this discrepancy were given in January's monthly report.

Surface Diamond Drilling

A total of 9 holes with an aggregate length of 2,964 feet were drilled on the East Phase and underground mining areas during the first half of the month, after which drilling was temporarily suspended. Most of the drilling, seven holes in all, were for the underground operation. Reinterpreted sections and bench plans for the South Phase will be completed during the second week of March.

A further 12,380 feet of drilling is proposed to better define the

ore limits in the South and East Phase mining areas. Holes are located so as to drill off the ore on a 70' x 70' grid. Complete results of this drilling with updated sections and plans, should be available by May 10th. Bench plans showing block model grades will be updated manually as a complete rerun of the block model would take significantly longer. When the program is complete, a review of the hole density will be done to determine whether or not a wider spacing (100' by 100'?) would be employed in future drilling projects.

When the Faro pit drilling is complete, the drill(s) will move to Vangorda to carry out more detailed ore definition drilling on a grid provisionally set at 100' by 50'.

General

Representative samples are being collected for X-Ray fluorescence testing by two potential suppliers, who ultimately plan an on site visit.

Multiple regression is being investigated as a means of calculating specific gravity, and gold and silver grades. This will save money and time, and should give rise to more precise estimation of tonnages in blasthole patterns.

CURRAGH RESOURCES INC.
GEOLOGY DEPARTMENT MINED RESERVES COMPARISON
MARCH 1990 MONTH END

H I G H G R A D E (+6%)

	Blast Holes	F8908 INTERPRETATION @ 95% RECOVERY	Variance, BH vs F9003
=====			
Bench: S 3530			
%Pb	4.73	4.67	0.06
%Zn	4.26	3.97	0.29
%Comb	8.99	8.64	0.35
* Ag (g/t)	50	56	-6
Au (g/t)	n/a	0.239	
Tonnes	13,447	15,660	(2,213)

Bench: S 3510			
%Pb	3.57	3.14	0.43
%Zn	5.29	4.78	0.51
%Comb	8.86	7.92	0.94
* Ag (g/t)	40	36	4
Au (g/t)	n/a	0.118	
Tonnes	256,910	438,110	(181,200)

Bench: S 3490			
%Pb	3.61	3.60	0.01
%Zn	5.42	4.82	0.60
%Comb	9.03	8.42	0.61
* Ag (g/t)	40	43	-3
Au (g/t)	n/a	0.111	
Tonnes	192,242	147,000	45,242

Bench: E 3670			
%Pb	3.36	0.00	3.36
%Zn	7.84	0.00	7.84
%Comb	11.20	0.00	11.20
* Ag (g/t)	60	0	60
Au (g/t)	n/a	0.000	
Tonnes	12,967	0	12,967

Bench: S 3470			
%Pb	0.00	3.20	-3.20
%Zn	0.00	4.91	-4.91
%Comb	0.00	8.11	-8.11
* Ag (g/t)	0	33	-33
Au (g/t)	n/a	1.220	
Tonnes	0	7,660	(7,660)

=====			
Month Total			
%Pb	3.61	3.29	0.32
%Zn	5.38	4.77	0.61
%Comb	9.00	8.06	0.93
Ag (g/t)	41	38	3
Total Tonnes	475,566	608,430	(132,864)
=====			

* Ag assay is no longer done on blastholes. Number shown is estimated.

CURRAGH RESOURCES INC.
GEOLOGY DEPARTMENT MINED RESERVES COMPARISON
MARCH 1990 MONTH END

M E D I U M G R A D E (5-6%)

	Blast Holes	FB908 INTERPRETATION @ 95% RECOVERY	Variance, BH vs F9003
=====			
BENCH: S 3530			
%Pb	3.30	2.28	1.02
%Zn	3.72	3.02	0.70
%Comb	7.02	5.30	1.72
* Ag (g/t)	35	30	5
Au (g/t)	n/a	0.269	
Tonnes	941	16,560	(15,619)

Bench: S 3510			
%Pb	2.54	2.33	0.21
%Zn	3.33	3.29	0.04
%Comb	5.87	5.62	0.25
* Ag (g/t)	30	28	2
Au (g/t)	n/a	0.171	
Tonnes	117,129	66,670	50,459

Bench: S 3490			
%Pb	2.51	2.34	0.17
%Zn	3.22	3.14	0.08
%Comb	5.73	5.48	0.25
* Ag (g/t)	30	29	1
Au (g/t)	n/a	0.122	
Tonnes	44,360	63,710	(19,350)

Bench: E 3670			
%Pb	2.86	0.00	2.86
%Zn	6.26	0.00	6.26
%Comb	9.12	0.00	9.12
* Ag (g/t)	60	0	60
Au (g/t)	n/a	0.000	
Tonnes	1,263	0	1,263

Bench: S 3470			
%Pb	0.00	2.11	-2.11
%Zn	0.00	3.47	-3.47
%Comb	0.00	5.58	-5.58
* Ag (g/t)	0	23	-23
Au (g/t)	n/a	0.129	
Tonnes	0	430	(430)
=====			
Month Total			
%Pb	2.54	2.33	0.21
%Zn	3.33	3.19	0.13
%Comb	5.86	5.52	0.34
Ag (g/t)	30	29	1
Total Tonnes	163,693	147,370	16,323
=====			

Mined reserves calculated via PCMINE from benches being mined either too high (ie. Ore left on the 3630 mined on the 3610), or benches being mined too low (ie. Mining the 3590 bench too low).

CURRAGH RESOURCES INC.
GEOLOGY DEPARTMENT MINED RESERVES COMPARISON
MARCH 1990 MONTH END

L O W G R A D E (3-5%)

	Blast Holes	F8908 INTERPRETATION @ 95% RECOVERY	Variance, BH vs F9003
=====			
BENCH S 3530			
%Pb	2.16	1.72	0.45
%Zn	2.00	2.49	-0.49
%Comb	4.16	4.21	-0.05
* Ag (g/t)	30	27	3
Au (g/t)	n/a	0.133	
Tonnes	1,311	11,850	(10,539)

Bench: S 3510			
%Pb	1.75	1.86	-0.11
%Zn	2.24	2.74	-0.50
%Comb	3.99	4.60	-0.61
* Ag (g/t)	25	25	-0
Au (g/t)	n/a	0.252	
Tonnes	42,766	29,720	13,046

Bench: S 3490			
%Pb	1.93	1.94	-0.01
%Zn	2.10	2.02	0.08
%Comb	4.03	3.95	0.08
* Ag (g/t)	25	27	-2
Au (g/t)	n/a	0.202	
Tonnes	43,703	80,760	(37,057)

Bench: E 3670			
%Pb	0.00	0.00	0.00
%Zn	0.00	0.00	0.00
%Comb	0.00	0.00	0.00
* Ag (g/t)	0	0	0
Au (g/t)	n/a	0.000	
Tonnes	0	0	0

Bench: S 3470			
%Pb	0.00	1.90	-1.90
%Zn	0.00	2.26	-2.26
%Comb	0.00	4.17	-4.17
* Ag (g/t)	0	18	-18
Au (g/t)	n/a	0.084	
Tonnes	0	220	(220)
=====			
Month Total			
%Pb	1.85	1.89	-0.05
%Zn	2.17	2.23	-0.07
%Comb	4.01	4.13	-0.11
Ag (g/t)	25	27	-1
Au (g/t)	n/a	0.207	
Total Tonnes	87,780	122,550	(34,770)
=====			

Mined reserves calculated via PCMINE from benches being mined either too high (ie. Ore left on the 3630 mined on the 3610),

CURRAGH RESOURCES INC.
GEOLOGY DEPARTMENT SUMMARY REPORT
MARCH 1990 MONTH END
(MILL FEED +5%)

	<u>OreTns</u>	<u>%Pb</u>	<u>%Zn</u>	<u>Ag g/t</u>	<u>PbTns</u>	<u>ZnTns</u>	<u>Ag kg</u>
F9003	755,800	3.10	4.46	36	23,465	33,721	27,356
Blast Holes	639,259	3.34	4.86	38	21,339	31,042	24,370
Truck Count	462,180						

<u>Blast Hole</u> vs:	<u>OreTns</u>	<u>%Pb</u>	<u>%Zn</u>	<u>Ag g/t</u>	<u>PbTns</u>	<u>ZnTns</u>	<u>Ag kg</u>
F9003	-15.4%	7.5%	8.8%	5.3%	-9.1%	-7.9%	-10.9%

<u>Truck Count</u> vs:	
F9003	-38.8%
Blast Holes	-27.7%
Truck factor	176

INVENTORY

	<u>TONNES</u>	<u>%Pb</u>	<u>%Zn</u>	<u>Ag g/t</u>
BROKEN IN PIT: S 3490 TT	50,000	3.50	5.50	50

HIGH GRADE STOCKPILES:	(survey calculations)				<u>Change</u>
COARSE	35,852	3.28	5.11	30	23,304
CRUSHER HG	104,847	3.62	5.42	40	27,120
MEDIUM "M"	393,571	2.48	3.30	35	252,106
	=====	=====	=====	=====	
Total Inventory:	534,270	2.76	3.84	36	
Broken	0	0.00	0.00	0	
Stockpile	534,270	2.76	3.84	36	
	=====	=====	=====	=====	
TOTAL	534,270	2.76	3.84	36	

CURRAGH RESOURCES INC.
 GEOLOGY DEPARTMENT SUMMARY REPORT
 MARCH 1990 MONTH END
 (LOW GRADE 3-5%)

	<u>OreTns</u>	<u>%Pb</u>	<u>%Zn</u>	<u>Aq q/t</u>	<u>PbTns</u>	<u>ZnTns</u>	<u>Aq kg</u>
F9003	122,550	1.89	2.23	27	2,319	2,738	3,248
Blast Holes	87,780	1.85	2.17	25	1,620	1,902	2,201
Truck Count	64,807						

<u>Blast Hole</u> vs:	<u>OreTns</u>	<u>%Pb</u>	<u>%Zn</u>	<u>Aq q/t</u>	<u>PbTns</u>	<u>ZnTns</u>	<u>Aq kg</u>
F9003	-28.4%	-2.5%	-3.0%	-5.4%	-30.1%	-30.5%	-32.2%

<u>Truck Count</u> vs:	
F9003	-47.1%
Blast Holes	-26.2%
Truck factor	172

INVENTORY

	<u>TONNES</u>	<u>%Pb</u>	<u>%Zn</u>	<u>Aq q/t</u>
BROKEN IN PIT:				
NIL				

					<u>Change</u>
LOW GRADE STOCKPILES:					
Lg "A" Stockpile	942,268	1.96	2.71	29	30,573
Lg "C" Stockpile	390,220	1.62	3.04	24	1,621
Lg "L" Stockpile	207,937	1.78	2.04	28	55,581
	=====	=====	=====	=====	
Total Inventory:					
Broken	0	0.00	0.00	0	
Stockpile	1,540,425	1.85	2.70	28	
	=====	=====	=====	=====	
TOTAL	1,540,425	1.85	2.70	28	

Curragh Resources Inc. Geology Department
 Mill Feed By Blast Hole Assay
 MARCH 1990 MONTH END

		<u>Tonnes</u>	<u>%Pb</u>	<u>%Zn</u>	<u>%Comb</u>	<u>Aq g/t</u>
>5% S 3530/10 S 3490		639,259	3.34	4.86	8.19	38
3-5% S 3530/10 S 3490		87,780	1.85	2.17	4.01	25
		=====	=====	=====	=====	=====
	Pit Total	727,039	3.16	4.53	7.69	37
DATABASE						
	To Cr Stpl	475,566	3.61	5.38	8.99	41
	To M Stpl	163,693	2.54	3.33	5.87	30
	To Lg Stpl	87,780	1.85	2.17	4.02	25

TOTAL: To Stockpiles		727,039	3.16	4.53	7.69	37
UNADJUSTED TRUCK COUNT & GRADES (from stockpiles)						
	From Crusher Sp	388,183	3.50	5.34	8.84	41
	From M Sp	8,500	2.35	3.15	5.50	30
	From Lg"A"	0	0.00	0.00	0.00	0
	Underground	18,425	3.50	5.93	9.43	41

TOTAL PRIMARY FEED		415,108	3.48	5.32	8.80	41
To Coarse Ore S.P.	(19,120)		3.52	5.31	8.83	40
From Coarse Ore S.P.	1,860		2.81	4.66	7.47	39
=====						
* SUB-TOTAL MILL FEED		397,848	3.47	5.32	8.79	41
DELTA FOB & COB		0	0.00	0	0.00	0
=====						
TOTAL MILL FEED		397,848	3.47	5.32	8.79	41

Reconciliation

Unadjusted Mill feed		397,848	3.47	5.32	8.79	41
Met. Bal.		417,858	3.11	4.87	7.98	41
Budget Forecast		401,760	3.00	4.41	7.41	40

% Variance

Blast Hole Calc. vs.						
Met. Bal.	-4.79%	11.62%	9.22%	10.15%	-1.58%	
Forecast	-0.97%	15.71%	20.66%	18.66%	2.06%	

* Mill feed reported by geology, grade by blasthole assay and tonnes calculated by using blasthole database grades and reported truck counts to primary crusher, and loader count to & from coarse ore SP.

Curragh Resources Inc. Geology Department
Adjusted Mill Feed
MARCH 1990 MONTH END

ADJUSTED TRUCK COUNT					
From Crusher Sp	415,637	3.50	5.34	8.84	41
From M Sp	8,270	2.35	3.15	5.50	30
From Lg"A"	0	0.00	0.00	0.00	0
Underground	17,255	3.46	5.87	9.33	40
<hr/>					
TOTAL PRIMARY FEED	441,162	3.48	5.32	8.80	41
To Coarse Ore S.P.	(25,164)	3.52	5.31	8.83	40
From Coarse Ore S.P.	1,860	2.81	4.66	7.47	39
<hr/>					
* SUB-TOTAL MILL FEED	417,858	3.47	5.32	8.79	41
DELTA FOB & COB	0	0.00	0	0.00	0
<hr/>					
TOTAL MILL FEED	417,858	3.47	5.32	8.79	41

Reconciliation

Adjusted Mill feed	417,858	3.47	5.32	8.79	41
Met. Bal.	417,858	3.11	4.87	7.98	41
Budget Forecast	401,760	3.00	4.41	7.41	40

% Variance

Adjusted Blast Hole Calc. vs.					
Met. Bal.	-0.00%	11.62%	9.19%	10.13%	-1.60%
Forecast	4.01%	15.71%	20.63%	18.64%	2.04%

* Mill feed tonnage ADJUSTED by geology, to reconcile to Month end actual reported by the mill, and reported on General Manager's Month end report.

CURRAGH RESOURCES INC.
F9003 GEOLOGICAL MODEL REMAINING RESERVES SUMMARY
MARCH 1990 MONTH END

Grade Category	Tonnes	%Pb+Zn	%Pb	%Zn	Ag g/t
3-5%	3,498,240	4.07	1.46	2.61	17
5-6%	1,854,450	5.49	1.92	3.57	21
+6%	4,604,160	8.21	2.98	5.22	26
Total	9,956,850	6.25	2.25	4.00	22
@ 95% recovery	9,459,008	6.25	2.25	4.00	22



Curragh Resources Inc.

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TELECOPIER COVER LETTER

TO: Cam Reed

TELECOPIER NO. Whitehorse office

FROM: Brand Pisony

CURRAGH RESOURCES INC., Box 1000, Faro, Yukon, Y0B 1K0

TOTAL NO. OF PAGES: 2 DATE: 7/07 TIME: 12:00pm OPERATOR RC
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We are transmitting from the following:
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If you do not receive all pages please call back as soon as possible.

MESSAGE Cam, I am sending you new
blast hole figures for March 1990, to be
entered into GEOMIND.WRI.
They have been altered due to the
multiple regression formula for holes mined
on the 3490 bench in March.

March

	grade	tonnes	A ₆	Z	A ₉ *
S - 3490	H	214,591	3.58	5.46	40
	M	45,169	2.54	3.23	32
	L	43,237	2.01	2.19	30

April

No change in April numbers (far I sent you last week).

+6
+5
+4
+3

* A₉ is an estimate according to Block Model

[Signature]