

GEOLOGY MONTH END AUGUST 1987

Blasthole calculations are comparable to the F8701A diluted model. The FI diluted model appears to have underestimated grade and tonnage. On all three AY benches mined this month, both models predicted more low grade than outlined by blast hole assay.

Crusher feed tonnage and grades are not accurately reflected in the metallurgical balance. This discrepancy may be a result of the following factors:

1. AY Phase experienced three benches of mining ore this month where waste was pushed off 3510 bench on top of high grade ore. This resulted in a dilution of tonnage and grade.
2. Calc-silicate and phyllitic waste blasted from BZ 3750 diluted very high grade baritic ore on AY 3490 EE.
3. Approximately 88,000 tonnes of mill feed came from all four stockpiles this month. Accurate tonnage and grade calculations for these stockpiles is difficult to achieve.

The blending of low grade graphitic ore with the high grade baritic facies ore achieved satisfactory metallurgical results. Zinc concentrate grades were improved without a significant drop in lead concentrate grades or recoveries. Head grades were brought down to 8 - 9 percent combined, a level which prevents underutilization of the grinding circuits.

The blending of low grade ore has contributed to easing possible ore supply problems at the end of AY phase and is recommended whenever logistically possible.

GEOLOGY DEPARTMENT MINED RESERVES COMPARISON
AUGUST 1987 MONTH END

H I G H G R A D E

	Blast Holes	Computer Models	
		(F8701A)	(FI)
=====			
Bench: AY 3510			
%Pb	4.02	4.44	3.77
%Zn	5.03	5.45	5.02
%Comb	9.05	9.89	8.79
Ag (g/t)	57	61	55
Tonnes	193,640	198,150	172,950

Bench: AY 3490			
%Pb	4.92	5.17	5.34
%Zn	6.13	6.45	6.87
%Comb	11.05	11.62	12.21
Ag (g/t)	59	61	64
Tonnes	147,089	149,370	116,550

Bench: AY 3470			
%Pb	2.99	3.11	3.23
%Zn	4.09	3.91	3.91
%Comb	7.08	7.02	7.14
Ag (g/t)	35	33	32
Tonnes	45,144	37,026	42,156
=====			
Month Total			
%Pb	4.24	4.60	4.25
%Zn	5.34	5.69	5.53
%Comb	9.58	10.29	9.78
Ag (g/t)	55	58	55
Total Tonnes	385,873	384,546	331,656
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GEOLOGY DEPARTMENT MINED RESERVES COMPARISON
AUGUST 1987 MONTH END

L O W G R A D E

	Blast Holes	Computer Models	
		(F8701A)	(FI)
=====			
Bench: AY 3510			
%Pb	0	2.02	1.68
%Zn	0	2.42	2.63
%Comb	0	4.44	4.31
Ag (g/t)	0	24	30
Tonnes	0	26,170	13,500

Bench: AY 3490			
%Pb	0	0	1.22
%Zn	0	0	2.81
%Comb	0	0	4.03
Ag (g/t)	0	0	24
Tonnes	0	0	14,250

Bench: AY 3470			
%Pb	2.25	1.47	1.38
%Zn	2.24	3.17	3.23
%Comb	4.49	4.64	4.61
Ag (g/t)	33	19	44
Tonnes	10,000	3,812	1,777
=====			
Month Total			
%Pb	2.25	1.95	1.44
%Zn	2.24	2.52	2.75
%Comb	4.49	4.47	4.19
Ag (g/t)	33	23	28
Total Tonnes	10,000	29,982	29,527
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CURRAGH RESOURCES INC.
GEOLOGY DEPARTMENT SUMMARY REPORT
AUGUST 1987 MONTH END
(HIGH GRADE)

AY Phase	OreTns	%Pb	%Zn	Ag g/t	PbTns	ZnTns	Ag kg
F8701A Model	384,546	4.60	5.69	58	17,689	21,881	22,304
F8701A Diluted	423,001	4.18	5.17	53	17,689	21,881	22,304
FI Model	331,656	4.25	5.53	37	14,095	18,341	12,271
FI Diluted	364,822	3.86	5.03	34	14,095	18,341	12,271
Blast Holes	385,873	4.24	5.34	55	16,361	20,606	21,223
Truck Count	434,515						

Blast Hole	OreTns	%Pb	%Zn	Ag g/t	PbTns	ZnTns	Ag kg
vs:							
F8701A Model	0.3%	-7.8%	-6.2%	-5.2%	-7.5%	-5.8%	-4.8%
F8701A Diluted	-8.8%	1.4%	3.2%	4.3%	-7.5%	-5.8%	-4.8%
FI Model	16.3%	-0.2%	-3.4%	48.6%	16.1%	12.3%	72.9%
FI Diluted	5.8%	9.7%	6.2%	63.5%	16.1%	12.3%	72.9%
Truck Count							
vs:							
F8701A Diluted	2.7%						
FI Diluted	19.1%						
Blast Holes	12.6%						

INVENTORY

	TONNES	%Pb	%Zn	Ag g/t	Change
BROKEN IN PIT:					
AY 3490 FF	130,496	3.61	5.44	49	
AI 3490 FF	29,000	3.37	5.35	49	
STOCKPILE A:					
Ramp Zone Ore	6,000	4.57	4.46	n/a	
CRUSHER STOCKPILE:					
AY Ore	41,941 33,360	3.25	5.05	34	(12,156)
STOCKPILE B:					
	124,775	4.68	5.50	63	117,330
	=====	=====	=====	=====	
Total Inventory:					
Broken	130,496	3.61	5.44	49	
Stockpile	164,135	4.39	5.37	n/a	

CURRAGH RESOURCES INC.
GEOLOGY DEPARTMENT MINED RESERVES COMPARISON
AUGUST 1987 MONTH END

H I G H G R A D E C O N T A I N E D M E T A L

	Blast Holes	Computer Models	
		(F8701A)	(FI)
=====			
Bench: AY 3510			
Pb tnns	7,784	8,798	6,520
Zn tnns	9,740	10,799	8,682
Comb tnns	17,524	19,597	15,202
Ag Kg	11,037	12,087	9,512
Ore Tonnes	193,640	198,150	172,950
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Bench: AY 3490			
Pb tnns	7,237	7,722	6,224
Zn tnns	9,017	9,634	8,007
Comb tnns	16,253	17,357	14,231
Ag Kg	8,678	9,112	7,459
Ore Tonnes	147,089	149,370	116,550
=====			
Bench: AY 3470			
Pb tnns	1,350	1,152	1,362
Zn tnns	1,846	1,448	1,648
Comb tnns	3,196	2,599	3,010
Ag Kg	1,580	1,222	1,349
Ore Tonnes	45,144	37,026	42,156
=====			
Month Total			
Pb tnns	16,371	17,672	14,106
Zn tnns	20,603	21,881	18,337
Comb tnns	36,974	39,553	32,443
Ag Kg	21,296	22,421	18,320
Ore Tonnes	385,873	384,546	331,656
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CURRAGH RESOURCES INC.
GEOLOGY DEPARTMENT MINED RESERVES COMPARISON
AUGUST 1987 MONTH END

L O W G R A D E C O N T A I N E D M E T A L

	Blast Holes	Computer Models	
		(F8701A)	(FI)
=====			
Bench: AY 3510			
Pb tnns	0	529	227
Zn tnns	0	633	355
Comb tnns	0	1,162	582
Ag Kg	0	628	405
Ore Tonnes	0	26,170	13,500
=====			
Bench: AY 3490			
Pb tnns	0	0	174
Zn tnns	0	0	400
Comb tnns	0	0	574
Ag Kg	0	0	342
Ore Tonnes	0	0	14,250
=====			
Bench: AY 3470			
Pb tnns	225	56	25
Zn tnns	224	121	57
Comb tnns	449	177	82
Ag Kg	330	72	78
Ore Tonnes	10,000	3,812	1,777
=====			
Month Total			
Pb tnns	225	585	425
Zn tnns	224	754	813
Comb tnns	449	1,339	1,238
Ag Kg	330	701	825
Ore Tonnes	10,000	29,982	29,527
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CURRAGH RESOURCES INC.
GEOLOGY DEPARTMENT SUMMARY REPORT
AUGUST 1987 MONTH END
(LOW GRADE)

AY Phase	<u>OreTns</u>	<u>%Pb</u>	<u>%Zn</u>	<u>Ag g/t</u>	<u>PbTns</u>	<u>ZnTns</u>	<u>Ag kg</u>
F8701A Model	29,982	1.95	2.52	23	585	756	690
F8701A Diluted	32,980	1.77	2.29	21	585	756	690
FI Model	29,527	1.44	2.75	28	425	812	827
FI Diluted	32,480	1.31	2.50	25	425	812	827
Blast Holes	10,000	2.25	2.24	33	225	224	330
Truck Count	6,910						

<u>Blast Hole</u>	<u>OreTns</u>	<u>%Pb</u>	<u>%Zn</u>	<u>Ag g/t</u>	<u>PbTns</u>	<u>ZnTns</u>	<u>Ag kg</u>
vs:							
F8701A Model	-66.6%	15.4%	-11.1%	43.5%	-61.5%	-70.4%	-52.1%
F8701A Diluted	-69.7%	26.9%	-2.2%	57.8%	-61.5%	-70.4%	-52.1%
FI Model	-66.1%	56.3%	-18.5%	17.9%	-47.1%	-72.4%	-60.1%
FI Diluted	-69.2%	71.9%	-10.4%	29.6%	-47.1%	-72.4%	-60.1%
<u>Truck Count</u>							
vs:							
_8701A Diluted	-79.0%						
FI Diluted	-78.7%						
Blast Holes	-30.9%						

INVENTORY

	<u>TONNES</u>	<u>%Pb</u>	<u>%Zn</u>	<u>Ag g/t</u>
BROKEN IN PIT:				
AY 3490 FF	16,458	2.86	3.01	26

					<u>Change</u>
STOCKPILE A:					
Non-graphitic Ore	329,552	1.99	2.62	27	(11,500)

STOCKPILE C:					
Graphitic Ore	193,885	1.60	3.00	22	(41,890)

	=====	=====	=====	=====	
Total Inventory:					
Broken	16,458	2.86	3.01	26	
Stockpile	523,437	1.85	2.76	25	

Curragh Resources Inc. Geology Department
 Primary Crusher Feed By Blast Hole Assay
 August 1 to 31 1987

<u>PHASE/S.P.</u>	<u>TONNES</u>	<u>%Pb</u>	<u>%Zn</u>	<u>%COMB</u>	<u>Ag g/t</u>
AY 3510	94,852	4.02	5.03	9.05	57
AY 3490	121,102	4.92	6.13	11.05	59
3490 Ramp	47,875	3.85	4.88	8.73	49
AY 3470	45,144	2.99	4.09	7.08	35
/					
Pit Total	308,973	4.20	5.30	9.50	53
From B Stple	4,590	4.36	4.90	9.26	65
From Cr Stple	12,156	2.90	5.01	7.91	25
From old ramp	17,910	2.89	5.04	7.93	22
From C Stple	41,890	1.60	3.00	4.60	22
From A Stple	11,500	1.99	2.62	4.61	27
TOTAL	397,019	3.76	4.95	8.72	47

Reconciliation

AY Phase/S.P.	397,019	3.76	4.95	8.72	47
Met. Bal.	417,419	3.48	4.92	8.40	44
Forecast	372,000	3.64	5.41	9.05	43
Budget	394,000	3.48	5.04	8.52	41

% Variance

Total vs.					
Met. Bal.	-4.89%	8.05%	0.61%	3.81%	6.82%
Forecast	6.73%	3.30%	-8.50%	-3.65%	9.30%
Budget	0.77%	8.05%	-1.79%	2.35%	14.63%