GEOLOGY DEPARTMENT MONTH END REPORT
JANUARY 1987

Comparisons of mined reserves and model predictions are variable. Due to inconsistancies in the FI model in the remaining JB pit, tonnage and grade was predicted through pit mapping and blast hole logs. FI model comparisons with mined ore on 3670 JB was not possible to the exclusion of this bench from the original JB Phase Plan. At present and in the future all model comparisons in AY Phase will be made with the F8608 model until the F8701 is completed.

3630 AY bench was mined on a 40 foot lift as opposed to the usual 20 foot lift for ore benches. This was accomplished in an attempt to speed up production and reduce drill moving time. However, it was felt that the sampling of a pile from a 40 foot blast hole would produce a bias. Thus three samples were taken from each blast hole; one over the 40 foot interval, and two on 20 foot intervals. Comparisons of blast hole tonnage and grade are as follows:

	BENCH	HIGH GRADE				LOW GRADE			
		%Pb	%Zn	%Comb	g/tAg	%Pb	%Zn	%Comb	g/tAg
A	3630 AY (40'lift)	2.75	4.53	7.28	27	1.98	2.89	4.87	21
		tonnage: 158,628				tonnage: 64,055			
B	3630 AY (two 20'lifts)	2.63	4.79	7.42	23	1.95	2.62	4.56	24
		tonnage: 179,676				tonnage: 40,020			

Disregarding the possible bias in sampling, it is evident that some 21,000 tonnes was down-graded to low grade by mining method A. This is believed to be a result of higher internal dilution associated with the mining method and the distribution of grade on a 40 foot lift as opposed to a 20 foot lift. The higher zinc and lower lead grade in mining method B appear to reflect lower internal dilution and a greater influence of the 2A (graphitic) ore type over the massive pyritic ore. Tonnage comparisons between the F8608 model and mining method B appear to correspond better than the FI model.

Head grades reported by the metallurgical balance were very close to the blast hole assay. The slight difference in tonnage is attributed to the inaccurate loading of trucks from the pit to crusher stockpile or crusher.

Attempts to retrieve ore remaining in both AY and JB ramps will commence once alternate accesses are built. It has been estimated that 70,000 tonnes of high grade ore exists under the AY ramp and 71,000 tonnes under the JB ramp. Further in-pit exploration for other pockets of high grade ore is being conducted at present.

CURRAGH RESOURCES GEOLOGY DEPARTMENT MONTH END FOR ~~DECEMBER~~ 1986

TONNAGE AND GRADE COMPARISON (MINED ORE) BY BENCH

	TRUCK COUNT		BLAST HOLE ASSAY								COMPUTER MODEL (FI) PREDICTION (UNDILUTED)								
BENCH	HIGH GRADE (tonnes)	LOW GRADE (tonnes)	HIGH GRADE (tonnes)	%Pb.	%Zn.	%COMB.	Ag.g/t	LOW GRADE (tonnes)	%Pb.	%Zn.	%COMB.	Ag. (g/t)	HIGH GRADE (tonnes)	%Pb.	%Zn.	%COMB.	Ag.g/t	LOW GRADE (tonnes)	%Pb.	%Zn.	%COMB.	Ag.g/t
PHASE JB																						
3690	68,381	22,896	53,275	2.94	4.86	7.80	36	34,743	1.85	2.74	4.59	30	54,250	3.02	4.96	7.98	40					
3670	21,087	8,532	24,000	2.41	4.75	7.16	29	3,556	1.64	2.89	4.53	22	*									
TOTAL	89,468	31,428	77,275	2.78	4.83	7.60	34	38,299	1.83	2.75	4.58	29	54,250	3.02	4.96	7.98	40	0				
PHASE A																						
3630	208,812	56,664	158,628	2.75	4.53	7.28	27	64,055	1.98	2.89	4.87	21	195,290	3.31	4.61	7.92	40	105,750	1.56	2.94	4.50	22
3610	34,380	11,870	37,278	2.71	3.66	6.37	30	10,078	2.03	2.86	4.89	28	55,200	3.89	4.94	8.83	48	4,800	1.64	3.06	4.70	25
TOTAL	243,192	68,534	195,906	2.74	4.36	7.11	28	74,133	1.99	2.89	4.87	22	250,490	3.44	4.68	8.12	42	110,550	1.56	2.95	4.51	22
MONTH TOTAL	332,660	99,962	273,181	2.75	4.49	7.25	29	112,432	1.93	2.84	4.77	24	304,740	3.36	4.73	8.10	41	110,550	1.56	2.95	4.51	22

* 3670 bench was not included in the original JB Phase plan.

CURRAGH RESOURCES GEOLOGY DEPARTME.. ..ONTH END FOR DECEMBER 1986

COMPARISON OF TOTAL TONNES OF METAL MINED BY BENCH

	BLAST HOLE ASSAY						COMPUTER MODEL (FI) PREDICTION (UNDILUTED)					
	HIGH GRADE			LOW GRADE			HIGH GRADE			LOW GRADE		
BENCH	Pb.(t.)	Zn.(t.)	Ag.(Kg.)	Pb.(t.)	Zn.(t.)	Ag.(Kg.)	Pb.(t.)	Zn.(t.)	Ag.(Kg.)	Pb.(t.)	Zn.(t.)	Ag.(Kg.)
PHASE JB												
3690	1,566	2,589	1,918	643	952	1,042	1,638	2,691	2,170	0	0	0
3670	578	1,140	696	58	103	78	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL	2,145	3,729	2,614	701	1,055	1,121	1,638	2,691	2,170	0	0	0
PHASE A												
3630	4,362	7,186	4,283	1,268	1,851	1,345	6,464	9,003	7,812	1,650	3,109	2,327
3610	1,010	1,364	1,118	205	288	282	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL	5,373	8,550	5,401	1,473	2,139	1,627	6,464	9,003	7,812	1,650	3,109	2,327
MONTH TOTAL	7,517	12,279	8,015	2,174	3,194	2,748	8,102	11,694	9,982	1,650	3,109	2,327

CURRAGH RESOURCES
GEOLOGY DEPARTMENT SUMMARY REPORT
JANUARY 1987 MONTH END
(HIGH GRADE)

AY, JB Phases	OreTns	%Pb	%Zn	Ag g/t	PbTns	ZnTns	Ag kg
MODEL (FI)	304,740	3.36	4.73	41	10,239	14,414	12,494
MODEL(DILUTED)	335,214	3.05	4.30	37	10,239	14,414	12,494
BLAST HOLE	273,181	2.75	4.49	29	7,512	12,266	7,922
TRUCK COUNT	332,660	(includes 5,724 tonnes of low grade to crusher)					

VARIANCE

	OreTns	%Pb	%Zn	Ag g/t	PbTns	ZnTns	Ag kg
Blast Hole vs Model	-10.4%	-18.2%	-5.1%	-29.3%	-26.6%	-14.9%	-36.6%
Model(Diluted)	-18.5%	-10.0%	4.4%	-22.2%	-26.6%	-14.9%	-36.6%
Truck Count vs Mine Model	-0.8%						
Truck Count vs Blast Hole	21.8%						

INVENTORY

	TONNES	%Pb	%Zn	Ag g/t	Change
BROKEN IN PIT:					
Phase A; 3610	108,856	2.61	5.48	21	
JB Zone; 3670	11,556	2.58	4.26	34	
STOCKPILE A:					
Ramp Zone Ore	10,000	4.57	4.46		(34)
CRUSHER STOCKPILE:					
JB, AY Ore	60,993	2.70	5.20	22	34,628
STOCKPILE B:					
Total Inventory:					
Broken	120,412	2.61	5.36	22	
Stockpile	70,993	2.96	5.10	n/a	

Double handled: 106,164 (Crusher Stockpile)

CURRAGH RESOURCES
GEOLOGY DEPARTMENT SUMMARY REPORT
JANUARY 1987 MONTH END
(LOW GRADE)

AY, JB Phases	OreTns	%Pb	%Zn	Ag g/t	PbTns	ZnTns	Ag kg
MODEL (FI)	110,550	1.56	2.95	22	1,725	3,261	2,432
MODEL(DILUTED)	121,605	1.42	2.68	20	1,725	3,261	2,432
BLAST HOLE	112,432	1.93	2.84	24	2,170	3,193	2,698
TRUCK COUNT	99,962						

VARIANCE

	OreTns	%Pb	%Zn	Ag g/t	PbTns	ZnTns	Ag kg
Blast Hole vs Model	1.7%	23.7%	-3.7%	9.1%	25.8%	-2.1%	10.9%
Model(Diluted)	-7.5%	36.1%	5.9%	20.0%	25.8%	-2.1%	10.9%
Truck Count vs Mine Model	-17.8%						
Truck Count vs Blast Hole	-11.1%						

INVENTORY

	TONNES	%Pb	%Zn	Ag g/t	Change
BROKEN IN PIT:					
Phase A; 3610	0				
JB Zone; 3670	0				
STOCKPILE C:					
*Graphitic	219,623	1.20	3.60	19	30,264
STOCKPILE A:					
*Non Graphitic	253,328	1.57	3.32	27	43,898
Total Inventory:					
Broken	0				
*Stockpile	472,951	1.40	3.45	23	

Double handled: 27,756 (A Stockpile)
1,620 (Intermediate Stockpile)

* Grades are only estimates at this time.

COMPARISON OF FI AND F8608 MODELS

JANUARY 1987 MONTH END
(HIGH GRADE)

AY Phase only	OreTns	%Pb	%Zn	Ag g/t	PbTns	ZnTns	Ag kg
MODEL (8608)	223,610	2.96	4.06	37	6,619	9,079	8,274
8608 (DILUTED)	245,971	2.69	3.69	34	6,619	9,079	8,274
MODEL (FI)	250,490	3.44	4.68	42	8,617	11,723	10,521
FI (DILUTED)	275,539	3.13	4.25	38	8,617	11,723	10,521
BLAST HOLE	195,906	2.74	4.36	28	5,368	8,542	5,485
TRUCK COUNT	243,192						

VARIANCE

Blast Hole vs	OreTns	%Pb	%Zn	Ag g/t	PbTns	ZnTns	Ag kg
Model (8608)	-12.4%	-7.4%	7.4%	-24.3%	-18.9%	-5.9%	-33.7%
8608 (Diluted)	-20.4%	1.8%	18.1%	-16.8%	-18.9%	-5.9%	-33.7%
Model (FI)	-21.8%	-20.3%	-6.8%	-33.3%	-37.7%	-27.1%	-47.9%
FI (Diluted)	-28.9%	-12.4%	2.5%	-26.7%	-37.7%	-27.1%	-47.9%
F8608 vs FI	-10.7%	-14.0%	-13.2%	-11.9%	-23.2%	-22.6%	-21.4%

Truck Count vs	
Model (8608)	8.8%
Model (FI)	-2.9%
Truck Count vs Blast Hole	24.1%

Curragh Resources Geology Department
Primary Crusher Feed By Blast Hole Assay
January 1987

PHASE/S.P.	TONNES	%Pb	%Zn	%COMB	Ag g/t
Oxide S.P.*	91,204	3.31	5.25	8.56	45
Crusher S.P#	106,164	2.80	4.61	7.41	29
J.B. & AY	158,628	2.75	4.53	7.28	27
L.G. 'A'#	33,480	1.96	2.67	4.63	18
TOTAL	389,476	2.83	4.56	7.39	31
ACTUAL (met bal.)	380,756	2.82	4.47	7.29	34.69
% VARIANCE (vs.met bal)	2.29%	0.24%	2.03%	1.34%	-10.68%

* Oxide stockpile tonnage and grade from met balance

\# Crusher stockpile tonnage from truck counts