

JOHN LEPINSKY
KRAIN PROJECT.

673568

Jimmustard / JCSlythern
1991

A 525

92 I/11E

Transvaal - Globe Res

KRAIN - ROBAX Industries Ltd.

Trojan S Seas - John Lepinski personally

104 UNITS Surrounding J.L. personally.

GINAWED MTN - ROBAX.

CHATAWAY - J.L. personally.

Steve Bowen - Don't concentrate on KRAIN - oxide reserve Transwell
+ Trojan S Seas. 60000 lb/d.
80m + GINAWED mtn chalcocite etc

16m Chataway - some of us. Potential 150000 lb/day.

KRAIN - 122 drill holes. Placer data good.

Used .61% - Probably 0.8

Recovery: Using 70% Some tests up to 80%

Average bulk samples and drill holes total Cu 60% oxidized
in oxide caps.

Metallurgy 130m o.c. panel sample 1.08% total Cu
99% oxide

Continuous chip 130m + 1000lb bulk one end of zone 1.8%
all oxide

Joint planes up to .3m rich in Cu.

Took % oxide (reduced from 73% to 65%) some sulphide assume 65%

KRAIN. sausage shape - inverted horseshoe 600m across
Barren core - pyrite halo traced along 500
1522' - .60 along crest of arch shaped "pipe"

400 000 000 t global sulphide system.

Probable 100 000 000 m³ variable. Rule of thumb 1:4.

Oxide Resource 8 m t - might become 16 m t
Mo Au? Ag enriched zone.

- Krain + Trojan into a public company for financing
- 1 Drilling - confirmation + metallurgy
 - 2 Engineer mental work.
 - 3 Feasibility.

\$4 million sought. - Deal has been under negotiation?

TROJAN haven't done the banker boxes

80 000 000 t in primary >.25 < 1% Cu

1000' of .6 on surface. Lot of trenches.

.95% ox Cu from trenches. Old shaft at thinnest oxide

Possibly 30 m t oxide Cu. 6000' PD. 3800' U.G. 5100' drifts

40% recovery on percussion drilling on both Krain + Trojan

GN AND MTN 80-100 m t .27% primarily chalcocite

Transwell

Cu in creek zones - US working

4-8 m t 0.5% ox Cu on top of primary.

100 m of oxidation

Lorraine 40 mt / 1%
Duckley A.

Roy Shipes Connection.

50-100 lb / t acid consumption.
Assuming 60 / t from trail

J. T. Thomas NR \$ 22 / FT Acid.

Proposed Program	60,000	Diamond drill. Rate on 100 ft sections \$ 22 / ft	1,320,000
Assay mix			300
Metallurgy			150
Geophy			250
Environ			400
Corp admin			500
Feasibility			300
Contingency			200
			<hr/> 3,500,000

Economic Eval of the Krain / Betty for Robek 1988
Pre feasibility Dev Plan 1989

No prec. metals in Trojan, 3 mi from Lorne plant
Krain 6 mi " " "

TROJAN Breccia pipe - shaft - bifurcating drifts - grades
to 3% - average 0.7%. Small.

Rule Resources Ltd CGS 1989
~~1000~~ Transvaal Pretoria Imperial Chamberlain
 OEST 2mt Au Mini Nevada 194A 195A 196A 197A
 Mafeking 198A 199A 200A 4667
 Highland Park 4468

Nov 14 190 Summary of Krain Belt, Outbody Production Plan 5 pages
 Mines .4-.5% Cu .04% MoS₂ (.024 Mo) .005 oz Au 0.25 oz Ag
 for the sulphide ore.
 Average depth of oxide zone = 350'
 Proposed programs are less than in Summary above total \$490,300

TROJAN Summary. Average Cu assay over 1390' of trenching = 0.94% Cu
 Trenches over area 800' x 1000' containing 15 mt to 200'

Krain Summary. March 1990

Cut off	Reserve	Grade
.4%	7 mt oxide	.62% Cu
+ .33	3.5 oxide	.33%
.38	8.8 sulphide	.50
	11.0 "	.27

Oxide Cu / total Cu 73.9% arithmetic average.

Transvaal

1"-20' drift map. Nov/55
 Long sections not assayed. Assays to 3% Cu 5.90, 9.80
 Generally low grade & spotty

Option to Rule Res June 22/89
 \$20,000 + 50,000 sh by Sept 30/90
 25,000 50,000 Sept 30/91
 50,000
 75,000
 75,000
 150,000

Comins Offer similar
 terms dated April 18/89

1995
1.5% NSR

Underground working 1919-20 on high grade "veins"
Good surface map Quintana Nov/73

Prelin Coal ^{/ Byron.} Howes + J B Richards. Sept 1989
Surface zone of Cu mineraliz 200m x 400m
Cu oxidized to 30 - 100 m.

Underground records indicate limited zones of .5 to 9% Cu.
Not much data on grade of intervening ground - probably
near barren.

CHATAWAY

Howes report of May 15/91 states expl by Chataway Exp Co
in 1968 indicated 600 000 tons - grade range 1.5% - 2.5% Cu
No data on precious metals

DD + Percussion drilling 1965, 66, 67 - poor core recovery
Few records available.

Howes carried out field work for access purposes in 1986 - obtained
4 Ag Au assays to 4.37 and 0.718 oz.

H ₂ SO ₄	* 30/t + 30 freight	60
Cu grade (1986 bulk sample)		1%
Cu Recovery		90%
Acid consumption		42.1 kg/t
" " Cost		* 2.53 /t
" " Cost		" 0.28 / kg of Cu
" " Cost		" 0.13 / lb Cu produced.