

Imperial Metals Corporation

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MOUNT POLLEY



Commodities: Copper, gold

Ownership: Imperial Metals Group 62%
Corona 38%

Operator: Imperial Metals Corporation
= 48 m metric tonnes

Reserves: 53,000,000 tons est. mineable reserves

Grades: 0.44% Cu; 0.017 opt Au = 0.59 gm/tonne

Mining Method: Open pit, stripping ratio 1.9:1

Production: 15,000 t/day estimated
5,000,000 t/year

Capital Cost: Estimated \$135,000,000

Status: \$1,500,000 Phase 1 budget for 1989.
Production decision by mid 1990.

Location: The Mount Polley copper/gold deposit is located in south central British Columbia. Access is by paved road from 150 Mile House to Moorehead Lake and then 10 km by logging road. The property consists of 100 claims totalling 321 units (13,300 acres).

Geology Mount Polley is a porphyry deposit occurring in an alkalic intrusive complex in the Quesnel Trough, a 35 km wide northwesterly trending early Mesozoic volcanic sedimentary belt extensively explored since 1981. Six copper zones have been outlined to date. Porphyry type copper-gold mineralization is concentrated in two adjoining intrusive breccias. Magnetite and chalcopyrite occur as disseminations and veinlets within the host rock.

Exploration A total of 389 holes and 155,000 feet of percussion, rotary and diamond drilling has been completed on the property. In addition, 21,000 feet of trenching was done over the known mineralized zones.

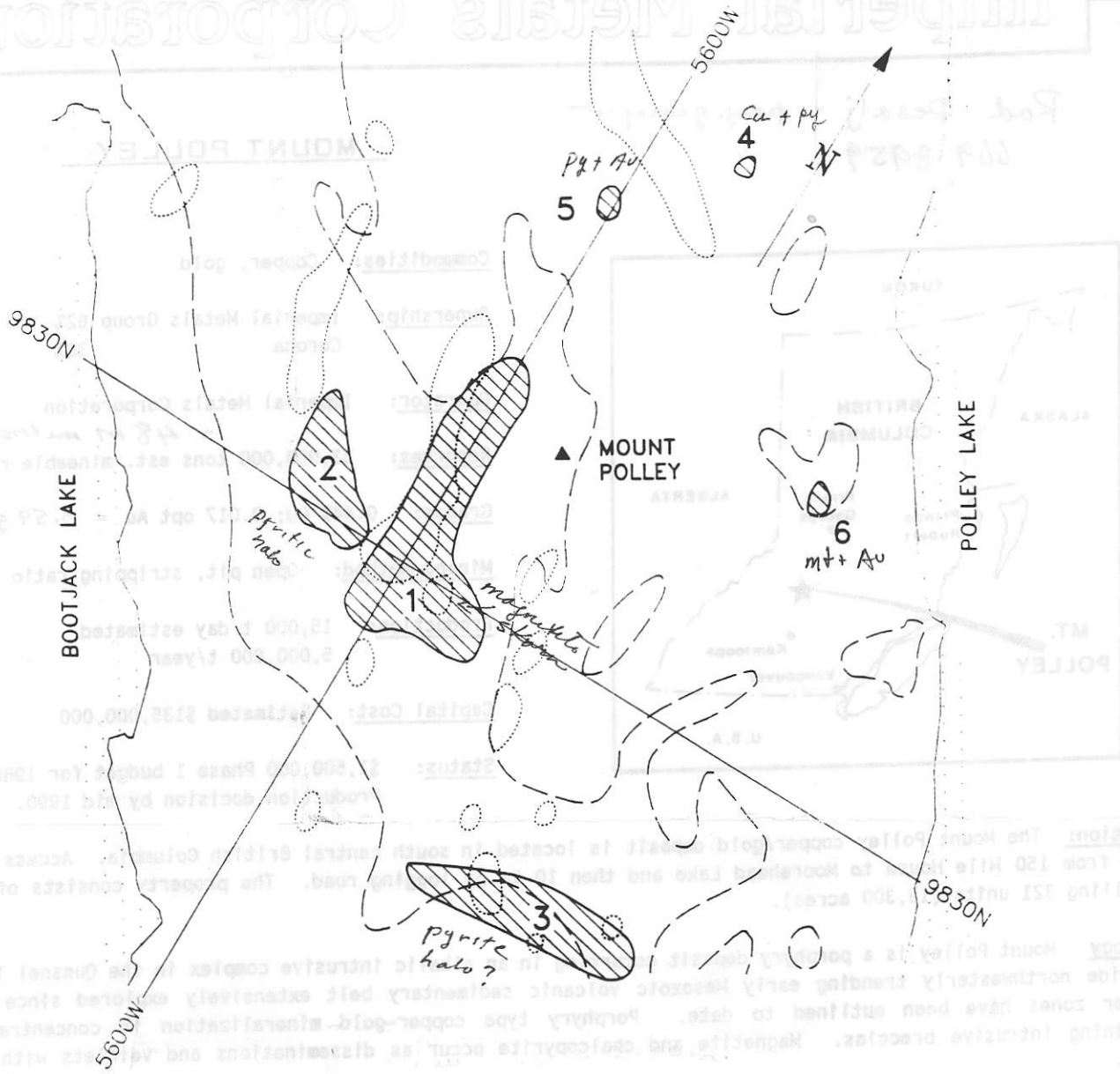
Reserves Six zones of porphyry copper-gold mineralization have been outlined on the property, two of them of economic proportions. The Central and West Zones contain 53,000,000 tons grading 0.44% copper and 0.017 opt gold mineable by a single open pit with an overall strip ratio of 1.9:1. Reserves were calculated to a maximum pit depth of 360 feet in the Central Zone and 480 feet in the West Zone, using a 0.30% recoverable copper equivalent cut-off over a minimum intersected length of 30 feet.

1989 Exploration The \$1,500,000 Phase 1 program, includes 30,000 feet of diamond drilling to detail reserves in the Central and West Zones. Phase 2, which will commence in the Fall, will include bulk sampling, metallurgical testing to determine the distribution of oxide ore with greater precision, environmental work and condemnation drilling. Following completion of Phase 2 a full feasibility study will be undertaken which will lead to a production decision by mid 1990.

12g3-2(b) : 82-1032
TSE/MSE/VSE: IPM

MAY, 1989

MOUNT POLLEY - COPPER GOLD DEPOSIT



LEGEND:

- MINERALIZED ZONE (>0.30% Cu, >0.012 oz Au/t)
- MAGNETIC HIGH
- Cu SOIL ANOMALY (>200 ppm)
- 1 CENTRAL ZONE
- 2 WEST ZONE
- 3 SOUTH ZONE
- 4 ROAD ZONE
- 5 ZONE FIVE
- 6 ZONE SIX

