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 Vancouver Stock Exchange  
 Symbol.....**ABP**

THE RED CHRIS DEPOSIT IS REACHING ECONOMIC VIABILITY TODAY

An economic scoping study has been commissioned to determine economic viability of the currently defined limits of the Red Chris copper-gold deposit as well as to establish and assess reserve expansion objectives related to the 1995 drilling program.

For this purpose American Bullion has employed international mining engineering consultants Fluor Daniel Wright Ltd. The scoping study includes calculation of open pit mining reserves at various cut-off grades followed by economic evaluations of production scenarios with mill throughputs of 25,000 to 50,000 tonnes per day.

The following table summarizes the Red Chris mining reserves within a 350 metre deep open-pit utilizing varying copper cut-off grades as determined by Fluor Daniel Wright.

<b>CUT-OFF GRADE</b> (Copper %)	<b>RESERVE</b> (million tonnes)	<b>DEPOSIT GRADE</b>		<b>CONTAINED METAL</b>	
		Copper (%)	Gold (g/T)	Copper (billion lb.)	Gold (million oz.)
0.2	263	0.39	0.30	2.1	2.5
0.3	157	0.48	0.37	1.5	1.9
0.4	88	0.59	0.47	1.0	1.3
0.5	55	0.68	0.55	0.8	1.0

The scoping study employed open-pit design optimizations based on mining reserves established by the 1994 drilling program and preliminary estimates of capital and operating costs. Metal recoveries of 88 percent copper and 70 percent gold and base case metal prices of US\$1.00 per pound copper and US\$375 per ounce gold were used. The analysis indicates that the highest rate of return is obtained using a 0.2% to 0.3% copper-cut-off grade. The Fluor Daniel base case utilized a 0.2% copper cut-off, the highlights of which are summarized below.

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## BASE CASE SUMMARY

Cut-off:	0.2% copper
Reserve:	263 million tonnes
Grade:	0.39% Cu (2.1 billion lbs copper) 0.30 g/t Au (2.5 million oz gold)
Strip Ratio:	1.52:1
Production Rate:	50,000 Tpd (18 mtpy)
Mine Life:	14.6 years
Average annual metal produced:	132 million lbs copper 119,000 oz gold
Capital cost estimate:	US\$274 million
Operating cost estimate:	US\$4.50/tonne ore
Metal prices:	US\$1.00/lb Cu; US\$375/oz Au
Pre-tax discounted rate of return: (base case metal prices)	17%
Pre-tax discounted rate of return: (current metal prices)	32%

## UPGRADE RESERVE USING A 0.3% Cu CUT-OFF WITH BASE CASE PARAMETERS AND METAL PRICES

Pre tax discounted rate of return: (base case metal prices)	19%
Pre tax discounted rate of return: (reserve expansion by 50%)	25%

Management of American Bullion is presently of the opinion that the copper cut-off grade should be sustained at the 0.3% copper level thereby establishing a reserve grading in the order of 0.5% copper and 0.40 grams per tonne gold. The Red Chris deposit is unique in that higher grade copper-gold zones are central to the deposit and can initially be mined in a 'startup' open-pit configuration.

This year's drilling program was underway in May and will explore for additional reserves in the remaining 65 percent of the known copper-gold porphyry system. It is the company's expectation that the 1995 drilling program will add another 50 percent to currently indicated reserves using a 0.3 percent copper cut-off.



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The Vancouver Stock Exchange has not reviewed and does not accept responsibility for the accuracy or adequacy of this press release.