

Alt Milligan

Telephone Conversation with Mark Rebagliati Jan 25, 1990

- 4 Drill rigs on property at present
- will have 6 Rigs by Jan 29 - ALL DIAMOND

1989 Drilling (all OOH) 300,000 ft in 336 holes

Geological Inventory

MAIN MICHIGAN ZONE \gg 300M tonnes @ 0.25% Cu equivalent
(MBx, West Bx, 66)

SOUTHERN STAR \approx 150M tonnes of similar grade

- Currently doing a lot of consolidation drilling and geotechnical drilling to gather data needed for pre-feasibility - (i.e. fix plant and tailing disposal sites, dumps etc)
- Environmental Consultant is R. (Bob) Hallam & Assoc. - The same firm that did H.W. Tailings disposal study
- Have done a new Aeromag Survey @ 100m. spacings several new targets have shown up, and new map corresponds well with older mag survey

PS Prospectus expected in Feb.

VAP Jan 29/90

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25/1/90
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