

2. Zero point for discounted cash flow calculation is the start of construction.
3. Interest on loan after plant start-up is not included in debt.

(Detailed cash flow calculation by Parsons' for a copper price of 50¢ both smelted in Mexico and exported, are shown on tabulations which follow)

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BRITISH COLUMBIA

Pitquah Property

Lytton has a 100% interest in the 31 claim Pitquah property, Lytton Area, Kamloops Mining Division, which property was acquired from Macacona Minerals Limited by agreement dated April 24, 1963.

Rock trenching, geological mapping and 12 diamond-drill holes totalling 3,515 feet were completed in 1963-4, and additional mapping, trenching and geophysical surveying has been done since that time. This work indicated 6,600 tons per vertical foot averaging 0.62% copper for a length of 1,900 feet. The mineralized zone has a total length of 9,500 feet.

Deas Lake Mines Limited

Lytton holds a 44% interest in this company which was formed by agreement dated October 13, 1966 between Lytton and the optionors, W. H. Gross, W. S. Kennedy and A. G. Anderson, to take over a porphyry copper prospect in The Liard Mining Division in return for \$45,000 (\$40,000 having already been paid under prior option agreements) and 12% of the new company. By agreement dated September 29, 1965 between Lytton and Mitsui Mining and Smelting Company Limited, Mitsui obtained an equal interest to that of Lytton.

Geological mapping, geochemical and geophysical surveys and 57,301 feet of diamond-drilling have been completed on this 80 claim property. This work has indicated approximately 33.5 million tons grading 0.389% copper, including 20% dilution with wall rock grading 0.15% copper.