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**An Examination Report**  
  
on Certain Aspects  
  
of the **GOLDEN NORTH RESOURCES CORPORATION**  
  
Holding in the Hedly area,  
  
British Columbia

August 15, 1989

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## INTRODUCTION

The writer was commissioned by Mr. John Godfrey, President of Golden North Resources Corporation to review all data on the Hedley properties dating back to admission to the Toronto Stock Exchange in May 1987 and comment upon the following matters in particular:

1. To review the recommended 1989 program as proposed by Corona Corporation.
2. The writer was to review all available technical data concerning the Canty operation with a view to producing an independent ore reserve calculation.
3. The writer was to place an evaluation on the Company's Hedley property holdings.
4. To produce an economic evaluation study of production from the Canty operation with recommendations attached.

Given the time frame within which the above reviews, considerations and recommendations were to be made available to the board members of Golden North Resources Corporation (August 11, 1989), the company has expanded its time format for the No. 4 requirement with delivery of this subject matter to be made at a later date.

This report will highlight the work programs - past and present - upon those areas relevant to Golden North. A summation with recommendation concerning the No. 1 issue completes this review. The ore reserve calculations and property valuation complete the latter part of this report. Item No. 4 will become part of this report at a later date.

## GOLDEN NORTH PROPERTIES

MASCOT FRACTION - This small fraction is eventually destined to form part of the Nickel Plate north pit. Reserves have been calculated by J. Deleen, P.Eng. in a report dated November 24, 1987. Mr. Deleen, using a 0.05 oz/t cut-off grade, projects an open pit reserve of 514,000 tons at a grade of 0.112 oz/t gold. Using the same cut-off formula he projects an underground probable - possible reserve of 319,674 tons grading 0.16 oz. gold per ton. There have been no further computations since the above report.

The mining and processing of the open pit potential should realize a profit. The underground reserves if mined in the manner previously done would show a net loss. It is considered that these latter reserves could not be reached economically by open pitting or underground mining from the pit bottom.

This fraction has been well explored and no further work other than mechanical mining approaches from the economic standpoint need be considered.

ECONOMICS - Using the figure of J. Deleen, P.Eng. under contract to Corona Corp., and the factors of:

Gold Price - \$375 U.S. = \$450 Can.  
Mining Dilution - 12%  
Mill Recovery - 90%  
Processing charges - \$16.50 per ton (1988)  
Mining charges (Open pit) - \$1.25 per ton (report figures)  
Strip ration (open Pit) - 12.1 waste to 1 ore

Reserves = 514,000 tons at grade of 0.112 oz Au per ton.  
Dilution = 575,700 tons @ 0.099 oz Au per ton  
Recovery =  $0.099 \times .90 = 0.089$  oz Au per ton.

Gross Realization per ton =  $0.089 \times \$450 = \$40.05$   
less ore processing = 16.50  
less mining charges =  $(12.1 + 1) \times 1.25 = \$16.38$

Net Profit per ton ore = \$7.17  
Net Profit from projected open pit ore = \$4,128,000

The above figures are fast-through calculations and do not include haulage charges, overhead expenses or capital costs were the deposit to be company mined.

## HEDLEY PACIFIC

The option agreement on the three Crown-granted mineral claims of Hedley Pacific was completed in late 1988 with the first program by Golden North-Corona being carried out in 1988-89. Prior work programs included 1946 (magnetics, trenching and 7 drill holes) and 1960 (an unknown but small drill program). Early work had uncovered two mineralized zones extending in a north south pattern. The 1987 surface operation resulted in buttoning-down of the zones laterally but still lacked depth factors.

The 1988 program zeroed in on the showings on any expanded grid network with trenching, geochemical and geophysical surveys leading the way followed by eleven BQ diamond drill holes (5597 ft.). Essence of the work program was the establishing of new targets through soil anomalies and geophysical conductors; investigation of these by trenching and sampling and ending with sub surface examination by drilling. Results indicated sub economical mineralization within the weakly skarned limestone, extending down into a skarned breccia zone which underlies most of the claims.

Although not fully substantiated in later operations, the sample results from the two zones carry the mystique of anomalous gold readings. In addition a skarned breccia bed underlies the showings and extends under the adjoining area. To the north Corona is drilling on the Nellie A claim. Based on past results and present undertakings, further investigation of the Hedley Pacific is warranted.

At this point Golden North have earned their 25% interest in the prospect claims while Golden North, coupled with Corona, have a 36% interest in the stock distribution.

## HORSEFLY - TERRIER

Golden North has a 20% NPI in this situation. With this holding presently being in a development - production mode, it is, at the present time, beyond the mandate of this report. It is understood that a request has been made by Golden North to Corona for a full accounting of production, royalty payments et al to date.

## PRIMROSE AND SUMMIT FRACTIONS

This area, contained within the North Grid, lies immediately to the east of the Hedley Pacific's three Crown grants. Two holes, later in the year by Golden North (GN89-49 and GN 89-51) on the

northern extension of the Hedley Pacific zone in the Summit Fraction claim, returned weak to nil results. Holes GN89-48 and GN89-54 were drilled on the Primrose Fraction with the intent of intersecting the possible extension of the arsenic band and, possibly, the Hedley Pacific structures. Hole #54 did not reach its target depth due to early drill shut-down. Hole #48 returned two weakly mineralized skarn zones (0.034 over 50 feet and 0.032 over 53.5 feet) individually cut and also separated by a 32 foot section composed of granodiorite and a mafic dyke. Although the returned values are weak, it is an indication and any possibility of extensions should be followed-up. At this point the possibility that the Hedley Pacific mineralized zones might produce extensions on to the Primrose and Summit and therefore contributes to mill feed appears possible.

The arsenic soil anomaly lying east of the Hedley Pacific showings and abutting the granodiorite dyke is weak with no gold back-up anomalies. These arsenic results lie close to a northerly trending fault which would account for the electromagnetic conductors. The structure is worthy of further work.

#### PITTSBURGH CLAIM

This claim forms part of the Canty claim group. During the 1989 drill program a westerly bearing hole (GN 89-53) was put down on the western side of a north trending granodiorite dyke which had seemingly been instrumental in weakening the Canty ore trend. Although returning no anomalous values in gold, the hole intersected a strong section of good looking skarn material carrying, locally, modest amounts of arsenopyrite.

The writer tends to favour work in any area that shows possibilities of known ore or skarn bed extensions. The Pittsburgh claim is favoured.

#### YORK 9 CLAIM

In this particular York 9 claim the I.P. survey as run by Interpretex Resources Ltd. shows a northeast trending chargeability contour carrying modest magnitudes, suddenly jump west almost 1,000 feet as though being fault offset, to continue its northeasterly strike with considerably stronger response magnitudes. These anomalies are indicated as being of shallow origin. Trenching followed by some low angle drill holes are recommended to test the area.

#### TAT CLAIM

This area some 2,500 feet north of the French Mine site and within the south grid has seen some activity during the 1989 program. It was previously referred to as the Guido zone. The location offers little in the way of soil anomalies but is interesting from the geophysical standpoint. A strong northeast trending magnetic linear follows Good Hope Creek to this particular location where it meets and truncates several northwest trending magnetic linears. It similarly eliminates a northeast linear at a point where the chargeability contours which have been striking northwest abruptly alter their strike course to a northeasterly pattern. The lack of soil values in this area recommends further fill-in soil sampling accompanied by trenching. Diamond drilling in 1989 (3 holes) showed mineralized tuffs lacking gold values. No further drilling need be considered at this point.

### FRENCH MINE

This mine, since last operated in 1961 by Cariboo Quartz, has seen concentrated investigation, particularly by diamond drilling. It is quite possible that similar mine type gold bearing fold and fault structures exist within the vicinity. If geological mapping shows a structural arrangement comparable to that at the French Mine then further investigation is warranted. This geological likelihood is said to exist to the northeast of the mine site at the Ridge zone and the Jan zone. Both zones were diamond drilled in early 1989 with the Jan zone having a 7 foot intercepted of 0.127 oz/t gold. The writer favours the former although, save for the rock chip, no soil anomalies exist. The geophysics does not provide much back up other than the zone lies at the intersection of a north bearing magnetic lineament with an east striking resistivity linear. Several EM conductors trend towards the zone but fall short of intersection.

### LAST CHANCE

A string of gold soil anomalies are associated with a north-south EM conductor over a 1,500 foot length. This was earlier known as the LW zone. However no arsenic values are present. The association of structure (EM) with anomalous gold soils (but no arsenics) trending sub parallel with the Canty mineralization make the situation a good candidate for drilling.

This section is also contained within the east-west gold-arsenic belt which trends west into the Goodview Fractien and Jackpine claims.

## SUMMATION

The proposed 1989 Work Program as originally recommended would see some 5,000 feet of diamond drilling spread among five recommended areas. It is recognized that explorationists dislike leaving any stones unturned or anomalies untouched. In this particular program's recommendation, identified as a Phase I program, the economics are justified and could be expanded to include further drilling to be included in the follow-up or Phase II program.

The writer recommends that on the Primrose and Summit Fractions, further work be undertaken. The Pittsburg claim lies on the possible southwestern extension of Canty mineralization. Drilling in this area is certainly justified.

The York 9 Claim carries interesting I.P. survey results and should be followed up by drilling. On the TAT claim surface work in the form of further soil sampling followed by trenching and rock sampling is a logical sequence but drilling need not be contemplated.

The French Mine structural situations exist at two separate locations. The Ridge zone is more appealing as geology backed by a meager amount of geophysical details is more similar to the French Mine itself. The location should be further investigated by a single drill hole despite weak results already exposed in early drilling.

The Last Chance claim because of geophysics - geochem association plus location warrants drilling.

The writer agrees with the recommended drill program while several areas should be given more detailed surface work.



## CANTY MINE

### HISTORY

Prospecting, following the discovery of the Nickel Plate Mine, located gold mineralization on the Boston and Greenwood claims. A shallow prospect shaft, two short adits and numerous trenches attested to the formational stages; several surface holes further verified the mineral deposit.

The Canty Mine was given early attention by Hedley Mascot once it had its main mine and mill site organized and underway. In 1937 the company drilled nineteen surface holes totalling 12,638 feet and simultaneously carried out a geophysical survey to assist the drilling. They followed up the next year by sinking a 3 compartment shaft to a sum depth of 427 feet. Two levels (200 and 400) were established and drifting proceeded north into the drilled area. An aggregate of 2,250 feet of lateral work was completed on the two levels with the upper level having a total of 1,500 feet of drifting. Results proved disappointing and underground drilling was resorted to along with experimental stopes and a confined amount of raising. The latter coupled with the drilling proved the ore to have more of a vertical extent than horizontal. The company consultant, Dr. V. Damage, estimated 10,000 tons of 0.40 ounces gold per ton material to have been outlined. He also commented on the large amount of lower grade mineralization revealed by the drilling. In 1941 the operation was suspended. It is reported that some 1,200 tons grading 0.168 ounces gold per ton was shipped prior to or upon closedown to the Hedley Mascot mill. Government reports refer to a total tonnage of 1,635 tons being shipped from the Canty which yielded 530 ounces of gold (0.324 ounces gold per ton).

In 1946 with the rapidly depleting reserves of the Mascot Fraction claim becoming evident, the Canty was re-opened and some surface stripping plus a limited amount of surface drilling was initiated but the shaft was not dewatered in favour of underground drilling. The mine was closed down shortly thereafter.

With the declining interest in gold no further action was introduced until its purchase by Good Hope Resources from local prospector - vendors in 1979 and the organization of a percussion drilling program over the Canty showing in conjunction with the Good Hope drilling. During the 1980, some 11 percussion holes totalling 1220 feet were located within 100 feet radius of the old shaft. A follow-up program in 1981 employed 7 "BQ" diamond drill holes totalling 2,398 feet and 4 percussion holes aggregating 928 feet.

An estimate by the engineer in charge of the program, A.D. Wilmot, P.Eng., placed the reserves from the lower level to surface at 175,000 tons grading 0.122 ounces gold per ton. An estimate in February 1982 by D.W. Burns, P.Eng., who was privy to the drilling placed the reserves at 151,100 tons of 0.145 ounces gold per ton.

In late 1981, Campbell Resources Ltd. of Toronto working from sections provided by Good Hope estimated a reserve of 756,920 tons with a value of 0.107 ounces gold per ton. Schedule "A" aligns the sections on which Campbell based their calculations.

Four surface drill holes were completed by the company in 1982, primarily to establish the validity of the Campbell estimate. The results altered the reserves very slightly: the tonnage remained similar while there was an overall reduction of some 50 ounces of gold.

With the amalgamation of the four companies into Golden North Resources in 1985, interest was revised in the Canty Mine. Placer Developments took over the Golden North holdings for two years before allowing the option to lapse. Corona Corporation which was intending to put the Nickel Plate Mine into production followed up and concluded an agreement with Golden North to examine their Canty and other claims. In 1987, they put down 13 holes while in 1988 a further 11 holes were drilled and 26 holes were completed in 1989.

## PREVIOUS RESERVES ESTIMATES

Numerous reserve estimates have been made pertaining to this potential mining operation.

1941 Dr. V. Dolmage, consultant to Hedley Mascot Gold Mines, Ltd., estimated a reserve tonnage of 10,000 tons grading 0.40 ounces gold per ton.

1980 Following a surface diamond and percussion drilling program, D.W. Burns, P.Eng., of the firm Dolmage Mason and Stewart Ltd., of Vancouver working from drill sections, advanced a reserve calculation of 41,167 tons running 0.159 ounces gold per ton.

1981 Upon the completion of the above stated drill program the site engineer, A.D. Wilmot, P.Eng., stated in a report that "indicated ore above the 400 ft. level is estimated at 175,000 tons, grading 0.122 ounces gold per ton." Backup in the report (i.e. sections), was lacking for the statement.

Later in the year calculations were made in the Toronto office of Campbell Resources Inc., on drill sections advanced to them by Good Hope Resources Ltd. The company estimated a reserve of 756,920 tons with a grade of 0.107 ounces gold per ton from slightly below the lower level (400 feet) to surface. (schedule "A")

1982 D.W. Burns, P.Eng., (Dolmage Mason Stewart Ltd.) in a letter to the Good Hope office derives from two zones incorporating 4 surface diamond drill holes and 2 surface percussion holes an estimated tonnage reserves of 151,000 with a tenor of 0.145 ounces gold per ton.

Of all the above estimates only Campbell Resources, it appears, has incorporated the underground drilling of the 1940 program into their calculations.

In February 1988, following a 13 hole drill campaign, the results, coupled with previous results, were fed into the Medsytem computer program of Mintec Inc. A report under the authorship of Ron G. Simpson of Corona Corp. assigned an open pit reserve of 656,800 tons grading 0.154 ounces per ton gold with a 6.7 waste to ore strip ratio. The cut-off grade was 0.035 oz per ton.

A report dated May 1989 downgraded the previous report by eliminating the percussion holes of 1980 and the 1940 underground hole but retaining the 1981, 1982 and 1987 drill results combined with the 11 holes of 1988 and the 26 holes of the 1989 program. The Corona report estimated a diluted pit-minable reserve to the 5420 elevation of 278,400 tons at a grade of 0.094 ounces gold per ton. No pit slopes are mentioned.

## ORE RESERVE CALCULATION METHODOLOGY

Copies of original drill cross sections (both West-East and North-South), Canty level plans on 20 foot intervals and a drill hole location plan were kindly provided by the Vancouver office of Corona Corporation. Ore outlining was done on the provided material.

The initial step in calculating ore reserves of the Canty Mine was the outlining of ore mineralization on the individual drill hole cross sections beginning with the twenty north-south sections. Ore mineralization was considered to exist where assays of the drill core were 0.050 oz Au/ton or higher (cut-off grade).

Ore mineralization was then defined on the ten east-west sections with reference to both the drill hole assays and the ore zones outlined on the north-south sections.

The area of the ore zone was obtained by inputting its vertices into a computer program. The program found the ore zone's area by calculating the area under the upper curve that outlines the ore zone and subtracting from this the area underneath the lower curve that outlines the ore zone. The curves are composed of straight line segments and the area underneath them is found by integrating along each straight line segment.

The average grade of each ore section was found by taking the weighted average of all the drill hole assays encompassed by the ore section. This was done by summing the assays multiplied by the length over which each assay was taken. This sum was then divided by the total length of drill hole intercepts within the ore section resulting in the average ore grade of that section.

This method differs from the inverse distance method, in which grades are assigned to individual blocks within an ore zone and then averaged. The weakness of this approach is that blocks within an ore zone may be assigned a low or zero grade if a minimum number of assays are not found within a specific search distance.

For the nine 1988 and eighteen 1989 holes contained within the ore structure the average grade calculation was easily done, as the drill logs were made available by Corona Corporation. For the thirteen 1981, 1982 and 1987 holes this was more difficult since the logs were not available. However, the assay results could be read on the drill hole sections and were averaged into the section. A total of 52 drill holes were present on the drill sections however only the forty mentioned previously intersected the ore structure and were involved in the calculations (see

attached calculation sheets). The volume of the ore was arrived at by multiplying the area by the thickness of each section (25 feet).

The tonnage was calculated by dividing the volume by the tonnage factor (10.5 cubic feet/ton). The tonnage for the mine was obtained by summing the tonnage of all sections while the average grade for the mine was calculated by dividing the sum of the section tonnages times the section grades by the total tonnage.

## CANTY 1989 RESERVES

A preliminary pit design to 5,400 level was outlined on sections loaned from Corona to obtain a strip ratio. Pit walls were maintained at 55°.

Calculations for the total ore reserves are shown below but a percentage of this tonnage is not available due to limitations placed on them by pit designs. The ore reserves are split into two sections designated "A", the upper, and "B" the lower. The zones are split by a basic sill generally in the 5,400 elevation. To this purpose, pit design ignored the lower zone but included reserves to the previously stated depth (5400').

Factors used in estimating Canty ore Reserves:

Thickness - 25 feet per section.  
Tonnage factor - 10.5 cubic feet per ton.  
Cut-off grade - 0.05 ounces gold per ton.  
Dilution - 12 1/2%  
Mill Recovery - 90%  
Pit Wall Slope - 55°

<u>Cut-off</u>	<u>Total Pit Tonnage</u>	<u>Ore Tonnage</u>	<u>Ore Grade</u>
0.05	-	"A" - 758,800 "B" - <u>236,800</u> 995,600	0.101 <u>0.093</u> 0.099
Dilution added	-	"A" - 853,700 "B" - <u>266,400</u> 1,120,100	0.088 <u>0.081</u> 0.086
-	2,400,675	Ore -  (in pit) 851,400	  0.092
Strip Ratio (ore to waste) 1:2.82			
0.07	2,400,675	Ore -  (in pit) 699,700	  0.104
Strip Ratio (ore to waste) 1:3.43			

The 851,400 tons represents diluted pit-reserves as does the 699,700 tons mainly from the "A" section but slight amounts of the "B" project into the pit while small amounts of the "A" lie outside the pit boundaries. Refer to the sections.

As appendix to this report are individual drill section calculations enumerating the drill holes utilized per section, their respective intercept values and the overall grade of that particular section. It will be noted that only two of the sections - 6475NB and 6550NB, both "B" or lower zone - had section grades less than 0.07 oz. gold per ton.

## CANTY ECONOMICS (OVERVIEW)

### Factors:

Gold Price - \$375 U.S. = \$450 Can.  
Mining Dilution - 12 1/2% (already considered in reserve  
Mill Recovery - 90%  
Processing Charges - \$16.50 per ton (1988 figure)  
Mining Charges (Open Pit) - \$1.25 per ton (1988 figure)  
Strip Ratio (Open Pit) - 2.82 waste to 1 ore.

Reserves in pit = 851,400 @ 0.092 oz Au per ton  
= 78,330 ounces gold

Recovery = 0.092 x .90 = 0.0828  
= 70,500 ounces gold

Gross Realization per ton = .0828 x \$450 = \$37.26  
less ore processing = 16.50  
less mining charges = (2.82 + 1) x 1.25 = 4.78

Net profit per ton = \$15.98  
Net profit from projected open pit ore = \$13,606,000  
Gross profit from projected open pit ore = \$31,725,000  
Pit cut-off grade - 0.036 ounces gold per ton.

It is recognized that certain openings exist within the open pit. A three compartment shaft (total depth = 400 feet) carries through beyond the pit bottom for a volume of 2,000 tons while the first level at the 5,420 marker lies at or just under the pit bottom. The level itself was considered to reduce very little the overall pit tonnage. Some 1,635 tons at a grade of 0.325 ounces gold per ton were mined above the 5420 level as shown on section 3050 East. The total (shaft plus stope) tonnage (3,635 tons) is very slight in the overall picture and has therefore been ignored.

## A VALUATION OF THE HEDLEY PROPERTIES

It is difficult to put a value on properties if nothing is known concerning mineral reserves. In a case of unknown reserves the estimate on the property is derived from exploration expenditures applied to it plus an evaluation based on its location and exploration possibilities. Where reserves have been calculated the economic potential of the property is based on its recovered total value.

### Mascot Fraction

Open Pit Reserves	=	\$4,128,000
Underground Reserve	=	<u>100,000</u>
		\$4,278,000

### Canty

Open Pit Reserves = \$13,606,000

### Horsefly Terrier

This property under production by Corona has an agreement with Golden North whereby the latter company has a 20% net profit interest. No value has been assigned at this point in time to this property until appropriate accounting reproduction has been received from Corona.

### Hedley Pacific

A mineralized zone has not been fully accepted or rejected as regards ore reserves. A potential still exists. Golden North has spent \$200,000 on the property for which they earned 25% of the claims. The writer calculated a potential ore reserve of 8,500 tons (3,490 ounces gold) with a \$1.7 million in situ valuation. Golden North's 25% plus expenditures would make the property worth \$600,00.

### Agio Resources

No present economic mineralization was located in the 1988 program of drilling. With its ready accesses to the Hedley Mascot workings the claims have a nominal value of \$100,000.

### Good Hope - French Mine

Production came from both these operations in the past. With



large blocks of available ground for further exploration the speculative value of these claims is \$250,000.

York Claims

This block of ground holds interesting geophysical results which will likely require diamond drilling for interpretation. It is part of the recommended \$190,000 work program advanced for the claims. The speculative value is \$100,000.

Total Evaluation on the above reserves and speculative locations in \$18,934,000.

To arrive at this amount, Golden North from 1987 to date has expended in excess of \$4.0 million on exploration. The return has been 4.7.

To return expenditures and evaluation of the properties the figure is \$22,934,000.

Respectfully submitted,

W.G. Hainsworth P.Eng.

**CERTIFICATE**

I, W.G. Hainsworth, P.Eng., of Vancouver, B.C. do hereby certify:

1. That I am a Consulting Geologist residing at 836 - 13th Ave, Vancouver, B.C.
2. That I am a graduate of the University of Western Ontario, London, Ontario, Bachelor of Science Degree, Honours Geology.
3. That I have practiced my profession for some 30 years.
4. That I have been a continuous member of the Association of Professional Engineers of British Columbia since 1965 and am a Professional Geologist registered with the Association of Professional Engineers, Geologists and Geophysicists of Alberta since 1979.
5. That I have no financial interest, direct or indirect, in Golden North Resources Corp. and do not expect to obtain any such interest.
6. That the information contained in this report is based on past familiarity with the Golden North and the Nickel Plate properties and perusal of all pertinent information available.
7. That consent is herewith given to Golden North Corporation to use any or all material from this report in information circulars, offerings or shareholders' brochures, provided no attempt is made to misrepresent the stated facts of the report.

W.G. Hainsworth, P.Eng. (B.C.)  
P.Geol.(Alta)

To Accompany:

An Examination Report  
on Certain Aspects  
of the GOLDEN NORTH RESOURCES CORPORATION  
Holdings in the Hedley Area,  
British Columbia

August 15, 1989

**APPENDIX B**

**Calculation Sheets (0.05 cut-off)**

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**Ore Sections**

SECTION 6450N

Vertex coordinates input from file S6450N:

x	y
2986.0	5586.0
3108.0	5513.0
3115.0	5554.0

Average grades in drill holes in section 6450N:

HOLE C-89-28: 6.0 feet of 0.208 oz Au/ton

HOLE C-89-41: 34.5 feet of 0.065 oz Au/ton

Average grade of section 6450N is 0.086

Area calculation for section 6450N:

Integrating along these points:

2986.0	5586.0
3115.0	5554.0

Area under first curve is: 718530.0 square feet

Integrating along these points:

3115.0	5554.0
3108.0	5513.0
2986.0	5586.0

Area under second curve is: 715773.5 square feet

Area of section 6450N is: 2756.5 square feet

Thickness: 25.0 feet

Volume: 68912.5 cubic feet

Tonnage: 6891.2 tons using 10.0 cf/ton

Tonnage: 6563.1 tons using 10.5 cf/ton

Tonnage: 6264.8 tons using 11.0 cf/ton

Average grade: 0.086 oz Au/ton

SECTION 6475NA

Vertex coordinates input from file S6475NA:

X	Y
2900.0	5508.0
2896.0	5532.0
2953.0	5523.0
2971.0	5541.0
2944.0	5560.0
3026.0	5538.0
3046.0	5613.0
3123.0	5599.0
3094.0	5505.0
3118.0	5485.0
2975.0	5491.0
2953.0	5511.0
2918.0	5518.0

Average grades in drill holes in section 6475NA:

HOLE DH-81-1:	19.9 feet of 0.082 oz Au/ton
HOLE DH-81-3:	49.7 feet of 0.133 oz Au/ton
HOLE DH-81-5:	12.0 feet of 0.080 oz Au/ton
HOLE C-88-15:	17.0 feet of 0.087 oz Au/ton
HOLE C-89-27:	12.0 feet of 0.097 oz Au/ton
HOLE C-89-28:	21.0 feet of 0.243 oz Au/ton
HOLE C-89-30:	15.0 feet of 0.035 oz Au/ton
HOLE C-89-41:	27.0 feet of 0.094 oz Au/ton

Average grade of section 6475NA is 0.115

Area calculation for section 6475NA:

Integrating along these points:

2896.0	5532.0
2900.0	5508.0
2918.0	5518.0
2953.0	5511.0
2975.0	5491.0
3118.0	5485.0
3094.0	5505.0
3123.0	5599.0

Area under first curve is: 1249255.5 square feet

Integrating along these points:

3123.0	5599.0
3046.0	5613.0
3026.0	5538.0
2944.0	5560.0
2971.0	5541.0
2953.0	5523.0
2896.0	5532.0

Area under second curve is: 1262970.0 square feet

Area of section 6475NA is: 13714.5 square feet

Thickness: 25.0 feet

Volume: 342862.5 cubic feet

Tonnage: 34286.2 tons using 10.0 cf/ton

Tonnage: 32653.6 tons using 10.5 cf/ton

Tonnage: 31169.3 tons using 11.0 cf/ton

Average grade: 0.115 oz Au/ton

SECTION 6475NB

Vertex coordinates input from file S6475NB:

X	Y
2911.0	5130.0
2912.0	5240.0
2956.0	5238.0
2980.0	5275.0
2982.0	5212.0
2956.0	5212.0
2940.0	5130.0

Average grades in drill holes in section 6475NB:

HOLE DH-81-5: 108.0 feet of 0.056 oz Au/ton

HOLE C-87-8: 4.7 feet of 0.079 oz Au/ton

HOLE C-89-48: 15.0 feet of 0.077 oz Au/ton

Average grade of section 6475NB is 0.059

Area calculation for section 6475NB:

Integrating along these points:

2911.0	5130.0
2940.0	5130.0
2956.0	5212.0
2982.0	5212.0

Area under first curve is: 367018.0 square feet

Integrating along these points:

2982.0	5212.0
2980.0	5275.0
2956.0	5238.0
2912.0	5240.0
2911.0	5130.0

Area under second curve is: 372344.0 square feet

Area of section 6475NB is: 5326.0 square feet

Thickness: 25.0 feet

Volume: 133150.0 cubic feet

Tonnage: 13315.0 tons using 10.0 cf/ton

Tonnage: 12681.0 tons using 10.5 cf/ton

Tonnage: 12104.5 tons using 11.0 cf/ton

Average grade: 0.059 oz Au/ton

SECTION 6500NA

Vertex coordinates input from file S6500NA:

X	Y
2890.0	5433.0
2891.0	5545.0
2991.0	5591.0
3030.0	5581.0
3048.0	5549.0
3033.0	5518.0
2954.0	5442.0

Average grades in drill holes in section 6500NA:

HOLE DH-82-1:	15.4 feet of 0.211 oz Au/ton
HOLE DH-81-3:	44.1 feet of 0.169 oz Au/ton
HOLE DH-81-5:	126.0 feet of 0.227 oz Au/ton
HOLE DH-81-7:	61.0 feet of 0.139 oz Au/ton
HOLE C-88-15:	26.0 feet of 0.051 oz Au/ton
HOLE C-89-26:	44.0 feet of 0.154 oz Au/ton
HOLE C-89-27:	25.5 feet of 0.061 oz Au/ton
HOLE C-89-28:	44.0 feet of 0.168 oz Au/ton

Average grade of section 6500NA is 0.168

Area calculation for section 6500NA:

Integrating along these points:

2890.0	5433.0
2954.0	5442.0
3033.0	5518.0
3048.0	5549.0

Area under first curve is: 863922.5 square feet

Integrating along these points:

3048.0	5549.0
3030.0	5581.0
2991.0	5591.0
2891.0	5545.0
2890.0	5433.0

Area under second curve is: 880313.0 square feet

Area of section 6500NA is: 16390.5 square feet

Thickness: 25.0 feet

Volume: 409762.5 cubic feet

Tonnage: 40976.2 tons using 10.0 cf/ton

Tonnage: 39025.0 tons using 10.5 cf/ton

Tonnage: 37251.1 tons using 11.0 cf/ton

Average grade: 0.168 oz Au/ton

SECTION 6500NB

Vertex coordinates input from file S6500NB:

X	Y
2918.0	5376.0
2956.0	5393.0
2985.0	5378.0
2963.0	5364.0
2970.0	5326.0
2996.0	5341.0
3018.0	5203.0
2971.0	5148.0
2900.0	5185.0
2915.0	5208.0
2896.0	5231.0
2932.0	5267.0

Average grades in drill holes in section 6500NB:

HOLE DH-81-5: 189.0 feet of 0.098 oz Au/ton  
HOLE C-87-8: 49.5 feet of 0.185 oz Au/ton  
HOLE C-89-34: 49.5 feet of 0.081 oz Au/ton  
HOLE C-89-36: 12.0 feet of 0.244 oz Au/ton  
HOLE C-89-45: 78.0 feet of 0.066 oz Au/ton  
Average grade of section 6500NB is 0.105

Area calculation for section 6500NB:

Integrating along these points:

2896.0	5231.0
2915.0	5208.0
2900.0	5185.0
2971.0	5148.0
3018.0	5203.0

Area under first curve is: 631293.0 square feet

Integrating along these points:

3018.0	5203.0
2996.0	5341.0
2970.0	5326.0
2963.0	5364.0
2985.0	5378.0
2956.0	5393.0
2918.0	5376.0
2932.0	5267.0
2896.0	5231.0

Area under second curve is: 649161.5 square feet

Area of section 6500NB is: 17868.5 square feet

Thickness: 25.0 feet

Volume: 446712.5 cubic feet

Tonnage: 44671.2 tons using 10.0 cf/ton

Tonnage: 42544.0 tons using 10.5 cf/ton

Tonnage: 40610.2 tons using 11.0 cf/ton

Average grade: 0.105 oz Au/ton



SECTION 6500NC

Vertex coordinates input from file S6500NC:

X	Y
3090.0	5636.0
3158.0	5635.0
3089.0	5470.0
3038.0	5490.0

Average grades in drill holes in section 6500NC:

HOLE C-88-15: 8.0 feet of 0.053 oz Au/ton  
HOLE C-88-16: 6.5 feet of 0.366 oz Au/ton  
HOLE C-89-46: 2.0 feet of 0.109 oz Au/ton  
Average grade of section 6500NC is 0.183

Area calculation for section 6500NC:

Integrating along these points:

3038.0	5490.0
3089.0	5470.0
3158.0	5635.0

Area under first curve is: 662602.5 square feet

Integrating along these points:

3158.0	5635.0
3090.0	5636.0
3038.0	5490.0

Area under second curve is: 672490.0 square feet

Area of section 6500NC is: 9887.5 square feet

Thickness: 25.0 feet

Volume: 247187.5 cubic feet

Tonnage: 24718.7 tons using 10.0 cf/ton

Tonnage: 23541.7 tons using 10.5 cf/ton

Tonnage: 22471.6 tons using 11.0 cf/ton

Average grade: 0.183 oz Au/ton

SECTION 6525NA

Vertex coordinates input from file S6525NA:

X	Y
2920.0	5419.0
2900.0	5559.0
2948.0	5557.0
3015.0	5614.0
3105.0	5655.0
3158.0	5681.0
3149.0	5628.0
3160.0	5614.0
3090.0	5539.0
3113.0	5507.0
3113.0	5455.0
3083.0	5400.0
2976.0	5400.0
3001.0	5440.0

Average grades in drill holes in section 6525NA:

HOLE DH-81-4:	214.0 feet of 0.095 oz Au/ton
HOLE DH-81-3:	18.1 feet of 0.035 oz Au/ton
HOLE DH-81-7:	61.0 feet of 0.095 oz Au/ton
HOLE C-88-15:	54.0 feet of 0.045 oz Au/ton
HOLE C-88-16:	51.5 feet of 0.214 oz Au/ton
HOLE C-88-18:	50.0 feet of 0.101 oz Au/ton
HOLE C-89-26:	56.0 feet of 0.069 oz Au/ton
HOLE C-89-28:	30.0 feet of 0.034 oz Au/ton
HOLE C-89-30:	41.0 feet of 0.115 oz Au/ton
HOLE C-89-41:	5.0 feet of 2.088 oz Au/ton
HOLE C-89-43:	67.0 feet of 0.068 oz Au/ton

Average grade of section 6525NA is 0.108

Area calculation for section 6525NA:

Integrating along these points:

2900.0	5559.0
2920.0	5419.0
3001.0	5440.0
2976.0	5400.0
3083.0	5400.0
3113.0	5455.0
3113.0	5507.0
3090.0	5539.0
3160.0	5614.0

Area under first curve is: 1418020.5 square feet

Integrating along these points:

3160.0	5614.0
3149.0	5628.0
3158.0	5681.0
3105.0	5655.0
3015.0	5614.0
2948.0	5557.0
2900.0	5559.0

Area under second curve is: 1459462.0 square feet

Area of section 6525NA is: 41441.5 square feet

Thickness: 25.0 feet

Volume: 1036037.5 cubic feet

Tonnage: 103603.7 tons using 10.0 cf/ton

Tonnage: 98670.2 tons using 10.5 cf/ton

Tonnage: 94185.2 tons using 11.0 cf/ton

Average grade: 0.108 oz Au/ton

SECTION 6525NB

Vertex coordinates input from file S6525NB:

x	y
2976.0	5400.0
3083.0	5400.0
2953.0	5177.0
2897.0	5194.0
2918.0	5363.0

Average grades in drill holes in section 6525NB:

HOLE DH-81-4: 120.0 feet of 0.039 oz Au/ton  
HOLE C-89-27: 96.0 feet of 0.185 oz Au/ton  
HOLE C-89-34: 48.5 feet of 0.107 oz Au/ton  
HOLE C-89-36: 16.0 feet of 0.051 oz Au/ton  
HOLE C-89-39: 26.0 feet of 0.045 oz Au/ton  
HOLE C-89-45: 70.0 feet of 0.132 oz Au/ton

Average grade of section 6525NB is 0.103

Area calculation for section 6525NB:

Integrating along these points:

2897.0	5194.0
2953.0	5177.0
3083.0	5400.0

Area under first curve is: 977893.0 square feet

Integrating along these points:

3083.0	5400.0
2976.0	5400.0
2918.0	5363.0
2897.0	5194.0

Area under second curve is: 1000775.5 square feet

Area of section 6525NB is: 22882.5 square feet

Thickness: 25.0 feet

Volume: 572062.5 cubic feet

Tonnage: 57206.2 tons using 10.0 cf/ton

Tonnage: 54482.1 tons using 10.5 cf/ton

Tonnage: 52005.7 tons using 11.0 cf/ton

Average grade: 0.103 oz Au/ton

SECTION 6550NA

Vertex coordinates input from file S6550NA:

x	y
2900.0	5564.0
2995.0	5585.0
3030.0	5620.0
3128.0	5662.0
3095.0	5565.0
3153.0	5612.0
3128.0	5515.0
3095.0	5454.0
3120.0	5400.0
3005.0	5400.0
2985.0	5441.0
2964.0	5441.0
2935.0	5370.0
2923.0	5376.0

Average grades in drill holes in section 6550NA:

HOLE DH-82-2:	62.4 feet of 0.076 oz Au/ton
HOLE C-88-16:	52.0 feet of 0.055 oz Au/ton
HOLE C-88-17:	227.0 feet of 0.075 oz Au/ton
HOLE C-88-18:	96.0 feet of 0.079 oz Au/ton
HOLE C-89-26:	43.0 feet of 0.091 oz Au/ton
HOLE C-89-28:	42.5 feet of 0.068 oz Au/ton
HOLE C-89-30:	48.0 feet of 0.180 oz Au/ton
HOLE C-89-36:	37.5 feet of 0.048 oz Au/ton
HOLE C-89-43:	47.0 feet of 0.030 oz Au/ton
HOLE C-89-45:	47.0 feet of 0.030 oz Au/ton

Average grade of section 6550NA is 0.074

Area calculation for section 6550NA:

Integrating along these points:

2900.0	5564.0
2923.0	5376.0
2935.0	5370.0
2964.0	5441.0
2985.0	5441.0
3005.0	5400.0
3120.0	5400.0
3095.0	5454.0
3128.0	5515.0
3153.0	5612.0

Area under first curve is: 1375117.5 square feet

Integrating along these points:

3153.0	5612.0
3095.0	5565.0
3128.0	5662.0
3030.0	5620.0
2995.0	5585.0
2900.0	5564.0

Area under second curve is: 1417370.5 square feet

Area of section 6550NA is: 42253.0 square feet

Thickness: 25.0 feet

Volume: 1056325.0 cubic feet

Tonnage: 105632.5 tons using 10.0 cf/ton

Tonnage: 100602.4 tons using 10.5 cf/ton

Tonnage: 96029.5 tons using 11.0 cf/ton

Average grade: 0.074 oz Au/ton

SECTION 6550NB

Vertex coordinates input from file S6550NB:

X	Y
3005.0	5400.0
3120.0	5400.0
3085.0	5384.0
3077.0	5270.0
2923.0	5185.0
2897.0	5270.0
2950.0	5337.0
2911.0	5346.0
2957.0	5372.0
3000.0	5383.0

Average grades in drill holes in section 6550NB:

HOLE C-88-17: 144.0 feet of 0.055 oz Au/ton  
HOLE C-89-27: 4.0 feet of 0.155 oz Au/ton  
HOLE C-89-29: 74.0 feet of 0.031 oz Au/ton  
HOLE C-89-34: 28.0 feet of 0.187 oz Au/ton  
HOLE C-89-39: 47.0 feet of 0.052 oz Au/ton  
HOLE C-89-41: 7.5 feet of 0.187 oz Au/ton  
HOLE C-89-45: 13.5 feet of 0.079 oz Au/ton  
Average grade of section 6550NB is 0.066

Area calculation for section 6550NB:

Integrating along these points:

2897.0	5270.0
2923.0	5185.0
3077.0	5270.0
3085.0	5384.0
3120.0	5400.0

Area under first curve is: 1172286.0 square feet

Integrating along these points:

3120.0	5400.0
3005.0	5400.0
3000.0	5383.0
2957.0	5372.0
2911.0	5346.0
2950.0	5337.0
2897.0	5270.0

Area under second curve is: 1198471.0 square feet

Area of section 6550NB is: 26185.0 square feet

Thickness: 25.0 feet

Volume: 654625.0 cubic feet

Tonnage: 65462.5 tons using 10.0 cf/ton

Tonnage: 62345.2 tons using 10.5 cf/ton

Tonnage: 59511.4 tons using 11.0 cf/ton

Average grade: 0.066 oz Au/ton

SECTION 6575NA

Vertex coordinates input from file S6575NA:

x	y
2923.0	5413.0
2993.0	5495.0
2976.0	5512.0
2948.0	5483.0
2895.0	5540.0
2925.0	5573.0
3076.0	5642.0
3100.0	5620.0
3122.0	5655.0
3200.0	5612.0
3240.0	5622.0
3242.0	5587.0
3194.0	5519.0
3210.0	5503.0
3128.0	5446.0
3172.0	5427.0
3145.0	5400.0
3033.0	5400.0
3048.0	5413.0
3022.0	5434.0
3000.0	5425.0

Average grades in drill holes in section 6575NA:

HOLE DH-82-2:	61.9 feet of 0.062 oz Au/ton
HOLE DH-82-3:	11.2 feet of 0.156 oz Au/ton
HOLE C-88-16:	48.0 feet of 0.096 oz Au/ton
HOLE C-88-18:	95.0 feet of 0.121 oz Au/ton
HOLE C-89-29:	11.0 feet of 0.053 oz Au/ton
HOLE C-89-30:	46.0 feet of 0.108 oz Au/ton
HOLE C-89-31:	18.0 feet of 0.006 oz Au/ton
HOLE C-89-32:	9.0 feet of 0.064 oz Au/ton
HOLE C-89-34:	21.0 feet of 0.009 oz Au/ton
HOLE C-89-36:	8.5 feet of 0.083 oz Au/ton
HOLE C-89-43:	74.0 feet of 0.067 oz Au/ton
HOLE C-89-44:	54.0 feet of 0.056 oz Au/ton
HOLE C-89-45:	10.0 feet of 0.072 oz Au/ton
HOLE C-89-46:	48.0 feet of 0.171 oz Au/ton

Average grade of section 6575NA is 0.089

Area calculation for section 6575NA:

Integrating along these points:

2895.0	5540.0
2948.0	5483.0
2976.0	5512.0
2993.0	5495.0
2923.0	5413.0
3000.0	5425.0
3022.0	5434.0
3048.0	5413.0
3033.0	5400.0
3145.0	5400.0
3172.0	5427.0
3128.0	5446.0
3210.0	5503.0
3194.0	5519.0

# SECTION 6575 NA (cont)

3242.0 5587.0

Area under first curve is: 1893480.0 square feet

Integrating along these points:

3242.0 5587.0

3240.0 5622.0

3200.0 5612.0

3122.0 5655.0

3100.0 5620.0

3076.0 5642.0

2925.0 5573.0

2895.0 5540.0

Area under second curve is: 1947898.5 square feet

Area of section 6575NA is: 54418.5 square feet

Thickness: 25.0 feet

Volume: 1360462.5 cubic feet

Tonnage: 136046.2 tons using 10.0 cf/ton

Tonnage: 129567.9 tons using 10.5 cf/ton

Tonnage: 123678.4 tons using 11.0 cf/ton

Average grade: 0.089 oz Au/ton

SECTION 6575NB

Vertex coordinates input from file S6575NB:

x	y
3033.0	5400.0
3145.0	5400.0
3047.0	5300.0
3000.0	5269.0
2919.0	5318.0
2945.0	5359.0
3000.0	5326.0
3018.0	5385.0

Average grades in drill holes in section 6575NB:

HOLE C-88-18: 43.0 feet of 0.108 oz Au/ton  
HOLE C-89-29: 71.0 feet of 0.100 oz Au/ton  
HOLE C-89-31: 36.0 feet of 0.028 oz Au/ton  
HOLE C-89-39: 35.0 feet of 0.036 oz Au/ton  
Average grade of section 6575NB is 0.076

Area calculation for section 6575NB:

Integrating along these points:

2919.0	5318.0
3000.0	5269.0
3047.0	5300.0
3145.0	5400.0

Area under first curve is: 1201445.0 square feet

Integrating along these points:

3145.0	5400.0
3033.0	5400.0
3018.0	5385.0
3000.0	5326.0
2945.0	5359.0
2919.0	5318.0

Area under second curve is: 1214725.0 square feet

Area of section 6575NB is: 13280.0 square feet

Thickness: 25.0 feet

Volume: 332000.0 cubic feet

Tonnage: 33200.0 tons using 10.0 cf/ton

Tonnage: 31619.0 tons using 10.5 cf/ton

Tonnage: 30181.8 tons using 11.0 cf/ton

Average grade: 0.076 oz Au/ton



SECTION 6600NA

Vertex coordinates input from file S6600NA:

X	Y
2950.0	5458.0
2987.0	5503.0
2994.0	5608.0
3063.0	5613.0
3120.0	5664.0
3203.0	5673.0
3300.0	5715.0
3280.0	5667.0
3203.0	5602.0
3120.0	5553.0
3075.0	5513.0
3075.0	5554.0
2998.0	5450.0
2985.0	5487.0

Average grades in drill holes in section 6600NA:

HOLE DH-82-2:	5.6 feet of 0.080 oz Au/ton
HOLE DH-82-3:	54.9 feet of 0.074 oz Au/ton
HOLE C-87-10:	110.0 feet of 0.048 oz Au/ton
HOLE C-88-16:	21.5 feet of 0.124 oz Au/ton
HOLE C-88-19:	70.0 feet of 0.123 oz Au/ton
HOLE C-89-34:	5.5 feet of 0.097 oz Au/ton
HOLE C-89-38:	45.0 feet of 0.031 oz Au/ton

Average grade of section 6600NA is 0.074

Area calculation for section 6600NA:

Integrating along these points:

2950.0	5458.0
2985.0	5487.0
2998.0	5450.0
3075.0	5554.0
3075.0	5513.0
3120.0	5553.0
3203.0	5602.0
3280.0	5667.0
3300.0	5715.0

Area under first curve is: 1945876.0 square feet

Integrating along these points:

3300.0	5715.0
3203.0	5673.0
3120.0	5664.0
3063.0	5613.0
2994.0	5608.0
2987.0	5503.0
2950.0	5458.0

Area under second curve is: 1972989.5 square feet

Area of section 6600NA is: 27113.5 square feet

Thickness: 25.0 feet

Volume: 677837.5 cubic feet

Tonnage: 67783.7 tons using 10.0 cf/ton

Tonnage: 64556.0 tons using 10.5 cf/ton

Tonnage: 61621.6 tons using 11.0 cf/ton

Average grade: 0.074 oz Au/ton

SECTION 6600NB

Vertex coordinates input from file S6600NB:

x	y
3039.0	5462.0
3120.0	5498.0
3225.0	5587.0
3225.0	5533.0
3121.0	5435.0
3072.0	5302.0
3053.0	5304.0
3075.0	5400.0

Average grades in drill holes in section 6600NB:

HOLE C-87-6:	26.4 feet of 0.396 oz Au/ton
HOLE C-88-18:	57.5 feet of 0.211 oz Au/ton
HOLE C-88-19:	55.5 feet of 0.117 oz Au/ton
HOLE C-89-29:	30.0 feet of 0.078 oz Au/ton
HOLE C-89-30:	25.0 feet of 0.106 oz Au/ton
HOLE C-89-31:	48.0 feet of 0.174 oz Au/ton
HOLE C-89-32:	42.0 feet of 0.125 oz Au/ton
HOLE C-89-49:	48.0 feet of 0.085 oz Au/ton
HOLE C-89-46:	30.0 feet of 0.014 oz Au/ton

Average grade of section 6600NB is 0.144

Area calculation for section 6600NB:

Integrating along these points:

3039.0	5462.0
3075.0	5400.0
3053.0	5304.0
3072.0	5302.0
3121.0	5435.0
3225.0	5533.0
3225.0	5587.0

Area under first curve is: 1011921.5 square feet

Integrating along these points:

3225.0	5587.0
3120.0	5498.0
3039.0	5462.0

Area under second curve is: 1025842.5 square feet

Area of section 6600NB is: 13921.0 square feet

Thickness: 25.0 feet

Volume: 348025.0 cubic feet

Tonnage: 34802.5 tons using 10.0 cf/ton

Tonnage: 33145.2 tons using 10.5 cf/ton

Tonnage: 31638.6 tons using 11.0 cf/ton

Average grade: 0.144 oz Au/ton

SECTION 6625N

Vertex coordinates input from file S6625N:

x	y
2983.0	5598.0
3346.0	5733.0
3300.0	5700.0
3211.0	5436.0
3042.0	5409.0
3022.0	5448.0
3048.0	5497.0
3086.0	5478.0
3188.0	5510.0
3209.0	5593.0
3178.0	5600.0
3157.0	5548.0
3121.0	5588.0
3075.0	5560.0
3048.0	5522.0
3000.0	5500.0

Average grades in drill holes in section 6625N:

HOLE DH-82-3: 13.3 feet of 0.050 oz Au/ton  
HOLE C-87-6: 8.4 feet of 0.385 oz Au/ton  
HOLE C-88-20: 23.0 feet of 0.082 oz Au/ton  
HOLE C-89-29: 22.0 feet of 0.022 oz Au/ton  
HOLE C-89-30: 15.0 feet of 0.035 oz Au/ton  
HOLE C-89-31: 23.5 feet of 0.040 oz Au/ton  
HOLE C-89-32: 10.0 feet of 0.178 oz Au/ton  
HOLE C-89-38: 45.0 feet of 0.088 oz Au/ton  
HOLE C-89-39: 4.0 feet of 0.058 oz Au/ton  
HOLE C-89-44: 54.0 feet of 0.056 oz Au/ton  
Average grade of section 6625N is 0.077

Area calculation for section 6625N:

Integrating along these points:

2983.0	5598.0
3000.0	5500.0
3048.0	5522.0
3075.0	5560.0
3121.0	5588.0
3157.0	5548.0
3178.0	5600.0
3209.0	5593.0
3188.0	5510.0
3086.0	5478.0
3048.0	5497.0
3022.0	5448.0
3042.0	5409.0
3211.0	5436.0
3300.0	5700.0
3346.0	5733.0

Area under first curve is: 2011569.5 square feet

Integrating along these points:

3346.0	5733.0
2983.0	5598.0

Area under second curve is: 2056576.5 square feet

Area of section 6625N is: 45007.0 square feet

SECTION 6625N  
(cont)

Thickness: 25.0 feet

Volume: 1125175.0 cubic feet

Tonnage: 112517.5 tons using 10.0 cf/ton

Tonnage: 107159.5 tons using 10.5 cf/ton

Tonnage: 102288.6 tons using 11.0 cf/ton

Average grade: 0.077 oz Au/ton

SECTION 6650N

Vertex coordinates input from file S6650N:

x	y
3045.0	5543.0
3073.0	5628.0
3328.0	5724.0
3297.0	5638.0
3377.0	5665.0
3300.0	5595.0
3272.0	5588.0
3253.0	5576.0
3262.0	5566.0
3333.0	5594.0
3303.0	5452.0
3273.0	5469.0
3217.0	5449.0
3154.0	5383.0
3127.0	5431.0
3272.0	5510.0
3224.0	5535.0
3263.0	5546.0
3140.0	5472.0
3164.0	5523.0
3125.0	5485.0
3108.0	5503.0
3213.0	5591.0

Average grades in drill holes in section 6650N:

HOLE DH-81-1:	185.0 feet of 0.154 oz Au/ton
HOLE C-87-6:	31.1 feet of 0.129 oz Au/ton
HOLE C-87-13:	45.3 feet of 0.082 oz Au/ton
HOLE C-88-20:	55.0 feet of 0.081 oz Au/ton
HOLE C-88-22:	5.0 feet of 0.085 oz Au/ton
HOLE C-89-29:	6.0 feet of 0.249 oz Au/ton
HOLE C-89-32:	18.5 feet of 0.152 oz Au/ton
HOLE C-89-38:	31.5 feet of 0.264 oz Au/ton
HOLE C-89-44:	19.0 feet of 0.048 oz Au/ton
HOLE C-89-46:	25.0 feet of 0.134 oz Au/ton

Average grade of section 6650N is 0.138

Area calculation for section 6650N:

Integrating along these points:

3045.0	5543.0
3213.0	5591.0
3108.0	5503.0
3125.0	5485.0
3164.0	5523.0
3140.0	5472.0
3263.0	5546.0
3224.0	5535.0
3272.0	5510.0
3127.0	5431.0
3154.0	5383.0
3217.0	5449.0
3273.0	5469.0
3303.0	5452.0
3333.0	5594.0

3262.0 5566.0

Section 6650N (cont)

3253.0 5576.0

3272.0 5588.0

3300.0 5595.0

3377.0 5665.0

Area under first curve is: 1834537.0 square feet

Integrating along these points:

3377.0 5665.0

3297.0 5638.0

3328.0 5724.0

3073.0 5628.0

3045.0 5543.0

Area under second curve is: 1879783.0 square feet

Area of section 6650N is: 45246.0 square feet

Thickness: 25.0 feet

Volume: 1131150.0 cubic feet

Tonnage: 113115.0 tons using 10.0 cf/ton

Tonnage: 107728.6 tons using 10.5 cf/ton

Tonnage: 102831.8 tons using 11.0 cf/ton

Average grade: 0.138 oz Au/ton

SECTION 6675N

Vertex coordinates input from file S6675N:

x	y
3122.0	5623.0
3166.0	5637.0
3327.0	5715.0
3343.0	5698.0
3400.0	5698.0
3400.0	5602.0
3280.0	5562.0
3277.0	5639.0
3131.0	5600.0

Average grades in drill holes in section 6675N:

HOLE DH-81-2:	56.3 feet of 0.122 oz Au/ton
HOLE C-87-6:	4.2 feet of 0.084 oz Au/ton
HOLE C-88-20:	5.0 feet of 0.067 oz Au/ton
HOLE C-88-21:	53.0 feet of 0.018 oz Au/ton
HOLE C-88-23:	115.0 feet of 0.066 oz Au/ton
HOLE C-89-32:	18.0 feet of 0.213 oz Au/ton
HOLE C-89-38:	15.0 feet of 0.062 oz Au/ton
HOLE C-89-49:	35.0 feet of 0.149 oz Au/ton

Average grade of section 6675N is 0.087

Area calculation for section 6675N:

Integrating along these points:

3122.0	5623.0
3131.0	5600.0
3277.0	5639.0
3280.0	5562.0
3400.0	5602.0
3400.0	5698.0

Area under first curve is: 1557592.0 square feet

Integrating along these points:

3400.0	5698.0
3343.0	5698.0
3327.0	5715.0
3166.0	5637.0
3122.0	5623.0

Area under second curve is: 1577646.0 square feet

Area of section 6675N is: 20054.0 square feet

Thickness: 25.0 feet

Volume: 501350.0 cubic feet

Tonnage: 50135.0 tons using 10.0 cf/ton

Tonnage: 47747.6 tons using 10.5 cf/ton

Tonnage: 45577.3 tons using 11.0 cf/ton

Average grade: 0.087 oz Au/ton