

**BRITISH COLUMBIA MOLYBDENUM LIMITED**  
**3 YEAR FORECAST COMPARISON**

103P/06

|                                     | 1971                    |        |         |         |                          |        |         |         | 1972                    |        |         |         |                          |        |         |         | 1973                    |        |         |         |                          |        |         |         |
|-------------------------------------|-------------------------|--------|---------|---------|--------------------------|--------|---------|---------|-------------------------|--------|---------|---------|--------------------------|--------|---------|---------|-------------------------|--------|---------|---------|--------------------------|--------|---------|---------|
|                                     | 8,500 TPD<br>(PROBABLE) |        |         |         | 10,000 TPD<br>(POSSIBLE) |        |         |         | 8,500 TPD<br>(PROBABLE) |        |         |         | 10,000 TPD<br>(POSSIBLE) |        |         |         | 8,500 TPD<br>(PROBABLE) |        |         |         | 10,000 TPD<br>(POSSIBLE) |        |         |         |
|                                     | 5 DAY                   | 6 DAY  | 6-7 DAY | 5-7 DAY | 5 DAY                    | 6 DAY  | 6-7 DAY | 5-7 DAY | 5 DAY                   | 6 DAY  | 6-7 DAY | 5-7 DAY | 5 DAY                    | 6 DAY  | 6-7 DAY | 5-7 DAY | 5 DAY                   | 6 DAY  | 6-7 DAY | 5-7 DAY | 5 DAY                    | 6 DAY  | 6-7 DAY | 5-7 DAY |
| <b>PRODUCTION STATISTICS</b>        |                         |        |         |         |                          |        |         |         |                         |        |         |         |                          |        |         |         |                         |        |         |         |                          |        |         |         |
| ORE MINED (000 TONS)                | 2483                    | 2884   | 3287    | 3287    | 2747                     | 3201   | 3654    | 3654    | 2483                    | 2884   | 3287    | 3287    | 2747                     | 3201   | 3654    | 3654    | 2483                    | 2884   | 3287    | 3287    | 2747                     | 3201   | 3654    | 3654    |
| WASTE MINED (000 TONS)              | 2337                    | 2906   | 2503    | 3503    | 2073                     | 2589   | 2136    | 3136    | 2337                    | 2906   | 2503    | 3503    | 2073                     | 2589   | 2136    | 3136    | 2337                    | 2906   | 2503    | 3503    | 2073                     | 2589   | 2136    | 3136    |
| (a) TOTAL MATERIAL MINED (000 TONS) | 4820                    | 5790   | 5790    | 6790    | 4820                     | 5790   | 5790    | 6790    | 4820                    | 5790   | 5790    | 6790    | 4820                     | 5790   | 5790    | 6790    | 4820                    | 5790   | 5790    | 6790    | 4820                     | 5790   | 5790    | 6790    |
| STRIP RATIO                         | 0.94:1                  | 1.01:1 | 0.76:1  | 1.07:1  | 0.75:1                   | 0.81:1 | 0.58:1  | 0.86:1  | 0.94:1                  | 1.01:1 | 0.76:1  | 1.07:1  | 0.75:1                   | 0.81:1 | 0.58:1  | 0.86:1  | 0.94:1                  | 1.01:1 | 0.76:1  | 1.07:1  | 0.75:1                   | 0.81:1 | 0.58:1  | 0.86:1  |
| (b) METAL RECOVERED (000 LBS.)      | 5492                    | 6381   | 7270    | 7270    | 6075                     | 7079   | 8082    | 8082    | 5492                    | 6381   | 7270    | 7270    | 6075                     | 7079   | 8082    | 8082    | 5492                    | 6381   | 7270    | 7270    | 6075                     | 7079   | 8082    | 8082    |
| (c) REVENUE (\$000)                 | 9117                    | 10592  | 12068   | 12068   | 10085                    | 11751  | 13416   | 13416   | 9666                    | 11231  | 12795   | 12795   | 10692                    | 12459  | 14224   | 14224   | 9666                    | 11231  | 12795   | 12795   | 10692                    | 12459  | 14224   | 14224   |
| (d) OPERATING COSTS (\$000)         |                         |        |         |         |                          |        |         |         |                         |        |         |         |                          |        |         |         |                         |        |         |         |                          |        |         |         |
| MINE                                | 2706                    | 3331   | 3331    | 3720    | 2706                     | 3331   | 3331    | 3720    |                         |        |         |         |                          |        |         |         |                         |        |         |         |                          |        |         |         |
| (e) CONCENTRATOR                    | 2167                    | 2497   | 2733    | 2733    | 2385                     | 2661   | 2940    | 2940    |                         |        |         |         |                          |        |         |         |                         |        |         |         |                          |        |         |         |
| GENERAL PLANT                       | 2733                    | 2828   | 2828    | 2828    | 2733                     | 2828   | 2828    | 2828    |                         |        |         |         |                          |        |         |         |                         |        |         |         |                          |        |         |         |
| SALES & GENERAL EXPENSE             | 245                     | 284    | 324     | 324     | 270                      | 315    | 361     | 361     |                         |        |         |         |                          |        |         |         |                         |        |         |         |                          |        |         |         |
| (f) TOTAL COST                      | 7851                    | 8940   | 9216    | 9605    | 8094                     | 9135   | 9460    | 9849    | 8451                    | 9635   | 9961    | 10412   | 8731                     | 9868   | 10250   | 10676   | 9068                    | 10339  | 10688   | 11172   | 9368                     | 10588  | 10998   | 11455   |
| OPERATING INCOME (\$000)            | 1266                    | 1652   | 2852    | 2463    | 1991                     | 2616   | 3956    | 3567    | 1215                    | 1596   | 2834    | 2383    | 1961                     | 2591   | 3974    | 3548    | 598                     | 892    | 2107    | 1623    | 1324                     | 1871   | 3226    | 2769    |
| (g) CAPITAL EXPENDITURE (\$000)     | 827                     | 827    | 827     | 827     | 827                      | 827    | 827     | 827     | 112                     | 112    | 112     | 112     | 112                      | 112    | 112     | 112     | 222                     | 222    | 222     | 222     | 222                      | 222    | 222     | 222     |
| CASH FLOW (\$000)                   | 439                     | 825    | 2025    | 1636    | 1164                     | 1789   | 3129    | 2740    | 1103                    | 1484   | 2722    | 2271    | 1849                     | 2479   | 3862    | 3436    | 376                     | 670    | 1885    | 1401    | 1102                     | 1649   | 3004    | 2547    |
| CUMULATIVE CASH FLOW (\$000)        |                         |        |         |         |                          |        |         |         | 1542                    | 2309   | 4747    | 3907    | 3013                     | 4268   | 6991    | 6176    | 1918                    | 2979   | 6632    | 5308    | 4115                     | 5917   | 9995    | 8723    |

EXPLANATIONS:

- (a) Mining rate 18,000 tons per day (4 shovel shifts per day, stripping ratio can be increased by increasing number of shovel shifts to five or six.
- (b) Ore grade for 3 years 0.205% MoS<sub>2</sub>, cutoff grade 0.16% MoS<sub>2</sub>.
- (c) Revenue based on selling price of \$1.66 per lb. Mo. in 1971, \$1.76 per lb. Mo. in 1972 & 1973.
- (d) Escalation for 1972 is 7.5% for labor, 5% for materials; for 1973 is 15% labor, 5% for materials.
- (e) Total cost includes \$0.045 per lb. Mo. leaching cost in 1972 & 1973.
- (f) Total cost excludes depreciation & amortization.
- (g) Capital expenditure for 1971 includes \$500,000 for leach plant. Minimum replacement of equipment. No haulage truck replacements scheduled. Two leased trucks included in operating costs starting April 1, 1971.

- 5 DAY 20 shovel & 15 mill shifts per week.
- 6 DAY 24 shovel & 18 mill shifts per week.
- 6-7 DAY 24 shovel & 21 mill shifts per week.
- 5-7 DAY 30 shovel & 21 mill shifts per week.

NOTE: Minor discrepancies in some calculations are due to rounding off to thousands.

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*This was prepared in March, 1971*

*i.e. Shovel and 20 mill shifts - 5 years.*