

## KANNA PROPERTY TARGETS

824541

### ① Honestake bluffs

- no work done by HCL
- reserves still stand at various pre 1983 estimates
- has potential for quick ore but will require 1750 level Nhab & ulg drilling program.

### ② Kanad 7 & Twin 3 leases

- large tonnage potential eliminated
- Pea-type oscillal ore
- together with Pea leases ~ 750,000 tonnes
- both pitted, bulk sample could be quickly taken but same net problems as Pea likely

### ③ Other Explo. potential.

- Silver Zone (San) stratigraphy still going to at least 2 km to test across Twin property.
- still getting silke & swells on it's easterly projection.
- Pea horizon has been pretty thoroughly tested and continues east but no encouragement in tons of mineralization that way.

Participation would involve total expenditures of \$900,000 + \$100,000  
in payments prior to Dec 31/92 + additional expenditure to  
earn 60% of HCL's interest.

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