

<i>DCF SUMMARY: ESKAY CREEK</i>		<i>JAN 1990</i>				
	<i>IRR =</i>	<i>83.08%</i>	<i>NPV@15% = \$342,230,399</i>			
YEAR		1.00	2.00	3.00	4.00	TOTALS
TONS PER YEAR - ORE		350,000	350,000	350,000	350,000	3,150,000
COPPER - GRADE %		0.00	0	0	0	
COPPER - PRICE \$US/lb	\$0.90	\$0.00	\$0.00	\$0.00	\$0.00	
ZINC - GRADE		0.00	0.00	0.00	0.00	
ZINC - PRICE \$US/lb	\$0.60	\$0.00	\$0.00	\$0.00	\$0.00	
LEAD - GRADE		0.00	0	0	0	
LEAD - PRICE \$US/lb	\$0.40	\$0.00	\$0.00	\$0.00	\$0.00	
SILVER - GRADE		23.64	23.64	23.64	23.64	930,751
SILVER - PRICE \$US/oz	\$6.00	\$5.00	\$5.00	\$5.00	\$5.00	'Au EQUIV
GOLD - GRADE		0.74	0.74	0.74	0.74	2,331,000
GOLD - PRICE \$US/oz	\$400.00	\$400.00	\$400.00	\$400.00	\$400.00	'ozs Au
TOTAL GROSS VALUE	\$0	\$130,470,050	\$130,470,050	\$130,470,050	\$130,470,050	
TOTAL SMELTER CHARGES	\$0	\$13,047,005	\$13,047,005	\$13,047,005	\$13,047,005	\$117,423,045
TOTAL NSR	\$0	\$117,423,045	\$117,423,045	\$117,423,045	\$117,423,045	\$1,056,807,402
CONVERT TO \$C	0.85	\$0	\$138,144,758	\$138,144,758	\$138,144,758	\$1,243,302,826
NSR ROYALTY	2.00	\$0	\$0	\$0	\$0	\$0
GROSS REVENUE (NSR)	\$0	\$138,144,758	\$138,144,758	\$138,144,758	\$138,144,758	\$1,056,807,402
NSR/TON	ERR	\$394.70	\$394.70	\$394.70	\$394.70	\$0.00
OPERATING COSTS/TON		\$80.00	\$80.00	\$80.00	\$80.00	
TOTAL OPERATING COSTS	\$0	\$28,000,000	\$28,000,000	\$28,000,000	\$28,000,000	\$252,000,000
NET INCOME - OPERATIONS	\$0	\$110,144,758	\$110,144,758	\$110,144,758	\$110,144,758	\$991,302,826
NON-CASH COSTS			\$0	\$0	\$0	\$0
NET PROFIT - OPERATIONS	\$0	\$110,144,758	\$110,144,758	\$110,144,758	\$110,144,758	\$991,302,826
TOTAL CAPITAL COSTS	(\$132,000,000)	\$0	\$0	\$0	\$0	(\$132,000,000)
CASH FLOW	(\$132,000,000)	\$110,144,758	\$110,144,758	\$110,144,758	\$110,144,758	\$859,302,826
<i>CUMULATIVE CASH FLOW</i>	<i>\$859,302,826</i>					
<i>INTERNAL RATE OF RETURN</i>	<i>83.08%</i>					
<i>NPV @</i>	<i>15.00</i>	<i>\$342,230,399</i>				
PARTNER SHARE	(\$341,000,000)	\$55,072,379	\$55,072,379	\$55,072,379	\$55,072,379	\$154,651,413
(PAY \$275m + 50% OF CAP COSTS FOR 50% OF AU)						
<i>PARTNER CASH FLOW</i>	<i>\$154,651,413</i>					
<i>PARTNER IRR</i>	<i>8.21%</i>					
PARTNER NPV	(\$68,015,235)					

825773

DCF SUMMARY: *ESKAY CREEK*

JAN 1990

	IRR =	114.32%	NPV@15% = \$639,972,609				
YEAR			1.00	2.00	3.00	4.00	TOTALS
TONS PER YEAR - ORE			600,000	600,000	600,000	600,000	5,400,000
COPPER - GRADE %			0.00	0	0	0	
COPPER - PRICE \$US/lb		\$0.90	\$0.00	\$0.00	\$0.00	\$0.00	
ZINC - GRADE			0.00	0.00	0.00	0.00	
ZINC - PRICE \$US/lb		\$0.60	\$0.00	\$0.00	\$0.00	\$0.00	
LEAD - GRADE			0.00	0	0	0	
LEAD - PRICE \$US/lb		\$0.40	\$0.00	\$0.00	\$0.00	\$0.00	
SILVER - GRADE			23.64	23.64	23.64	23.64	1,595,574
SILVER - PRICE \$US/oz		\$6.00	\$5.00	\$5.00	\$5.00	\$5.00	'Au EQUIV
GOLD - GRADE			0.74	0.74	0.74	0.74	3,996,000
GOLD - PRICE \$US/oz		\$400.00	\$400.00	\$400.00	\$400.00	\$400.00	'ozs Au
TOTAL GROSS VALUE	\$0	\$223,662,942	\$223,662,942	\$223,662,942	\$223,662,942	\$223,662,942	
TOTAL SMELTER CHARGES	\$0	\$22,366,294	\$22,366,294	\$22,366,294	\$22,366,294	\$22,366,294	\$201,296,648
TOTAL NSR	\$0	\$201,296,648	\$201,296,648	\$201,296,648	\$201,296,648	\$201,296,648	\$1,811,669,833
CONVERT TO \$C	0.85	\$0	\$236,819,586	\$236,819,586	\$236,819,586	\$236,819,586	\$2,131,376,274
NSR ROYALTY	2.00	\$0	\$0	\$0	\$0	\$0	\$0
GROSS REVENUE (NSR)	\$0	\$236,819,586	\$236,819,586	\$236,819,586	\$236,819,586	\$236,819,586	\$1,811,669,833
NSR/TON	ERR	\$394.70	\$394.70	\$394.70	\$394.70	\$394.70	\$0.00
OPERATING COSTS/TON		\$80.00	\$80.00	\$80.00	\$80.00	\$80.00	
TOTAL OPERATING COSTS	\$0	\$48,000,000	\$48,000,000	\$48,000,000	\$48,000,000	\$48,000,000	\$432,000,000
NET INCOME - OPERATIONS	\$0	\$188,819,586	\$188,819,586	\$188,819,586	\$188,819,586	\$188,819,586	\$1,699,376,274
NON-CASH COSTS			\$0	\$0	\$0	\$0	\$0
NET PROFIT - OPERATIONS	\$0	\$188,819,586	\$188,819,586	\$188,819,586	\$188,819,586	\$188,819,586	\$1,699,376,274
TOTAL CAPITAL COSTS	(\$165,000,000)	\$0	\$0	\$0	\$0	\$0	(\$165,000,000)
CASH FLOW	(\$165,000,000)	\$188,819,586	\$188,819,586	\$188,819,586	\$188,819,586	\$188,819,586	\$1,534,376,274
CUMULATIVE CASH FLOW	\$1,534,376,274						
INTERNAL RATE OF RETURN	114.32%						
NPV @	15.00	\$639,972,609					
PARTNER SHARE	(\$357,500,000)	\$94,409,793	\$94,409,793	\$94,409,793	\$94,409,793	\$94,409,793	\$492,188,137
(PAY \$275m + 50% OF CAP COSTS FOR 50% OF AU)							
PARTNER CASH FLOW	\$492,188,137						
PARTNER IRR	22.00%						
PARTNER NPV	\$80,855,870						

<i>DCF SUMMARY: ESKAY CREEK</i>		<i>JAN 1990</i>				
	<i>IRR =</i>	<i>107.13%</i>	<i>NPV@15% = \$472,805,544</i>			
YEAR		1.00	2.00	3.00	4.00	TOTALS
TONS PER YEAR - ORE		450,000	450,000	450,000	450,000	4,050,000
COPPER - GRADE %		0.00	0	0	0	
COPPER - PRICE \$US/lb	\$0.90	\$0.00	\$0.00	\$0.00	\$0.00	
ZINC - GRADE		0.00	0.00	0.00	0.00	
ZINC - PRICE \$US/lb	\$0.60	\$0.00	\$0.00	\$0.00	\$0.00	
LEAD - GRADE		0.00	0	0	0	
LEAD - PRICE \$US/lb	\$0.40	\$0.00	\$0.00	\$0.00	\$0.00	
SILVER - GRADE		23.64	23.64	23.64	23.64	1,196,680
SILVER - PRICE \$US/oz	\$6.00	\$5.00	\$5.00	\$5.00	\$5.00	'Au EQUIV
GOLD - GRADE		0.74	0.74	0.74	0.74	2,997,000
GOLD - PRICE \$US/oz	\$400.00	\$400.00	\$400.00	\$400.00	\$400.00	'ozs Au
TOTAL GROSS VALUE	\$0	\$167,747,207	\$167,747,207	\$167,747,207	\$167,747,207	
TOTAL SMELTER CHARGES	\$0	\$16,774,721	\$16,774,721	\$16,774,721	\$16,774,721	\$150,972,486
TOTAL NSR	\$0	\$150,972,486	\$150,972,486	\$150,972,486	\$150,972,486	\$1,358,752,374
CONVERT TO \$C	0.85	\$0	\$177,614,689	\$177,614,689	\$177,614,689	\$1,598,532,205
NSR ROYALTY	2.00	\$0	\$0	\$0	\$0	\$0
GROSS REVENUE (NSR)	\$0	\$177,614,689	\$177,614,689	\$177,614,689	\$177,614,689	\$1,358,752,374
NSR/TON	ERR	\$394.70	\$394.70	\$394.70	\$394.70	\$0.00
OPERATING COSTS/TON		\$80.00	\$80.00	\$80.00	\$80.00	
TOTAL OPERATING COSTS	\$0	\$36,000,000	\$36,000,000	\$36,000,000	\$36,000,000	\$324,000,000
NET INCOME - OPERATIONS	\$0	\$141,614,689	\$141,614,689	\$141,614,689	\$141,614,689	\$1,274,532,205
NON-CASH COSTS			\$0	\$0	\$0	\$0
NET PROFIT - OPERATIONS	\$0	\$141,614,689	\$141,614,689	\$141,614,689	\$141,614,689	\$1,274,532,205
TOTAL CAPITAL COSTS	(\$132,000,000)	\$0	\$0	\$0	\$0	(\$132,000,000)
CASH FLOW	(\$132,000,000)	\$141,614,689	\$141,614,689	\$141,614,689	\$141,614,689	\$1,142,532,205
<i>CUMULATIVE CASH FLOW</i>	<i>\$1,142,532,205</i>					
<i>INTERNAL RATE OF RETURN</i>	<i>107.13%</i>					
<i>NPV @</i>	<i>15.00</i>	<i>\$472,805,544</i>				
PARTNER SHARE	(\$341,000,000)	\$70,807,345	\$70,807,345	\$70,807,345	\$70,807,345	\$296,266,103
(PAY \$275m + 50% OF CAP COSTS FOR 50% OF AU)						
<i>PARTNER CASH FLOW</i>	<i>\$296,266,103</i>					
<i>PARTNER IRR</i>	<i>14.74%</i>					
<i>PARTNER NPV</i>	<i>(\$2,727,663)</i>					