

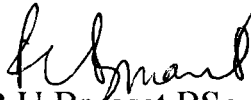
JEAN PROPERTY

CALCULATION OF GEOLOGICAL COPPER RESERVES IN B-ZONE

Notes:

1. These geological reserves are not for release or publication unless confirmed and/or endorsed by Nick Carter or David L. Cooke, P.Engs.
2. The reserves are classified as geological reserves. This class of reserves as herein utilized imply a relatively low degree of certainty and carry no implication of economic values. The reliability of these reserves may be upgraded through additional drilling, due consideration given to values of other commodities, such as gold, molybdenum and silver, occurring in the material, including due considerations of metal prices, recoveries and various costs related to mining, milling, transportation, smelting, refining and marketing.
2. The cut-off for calculation purposes is 0.2% Cu. As used herein, the cut-off allows for consideration of occasional analyses less than 0.20% Cu as long as the overall grade for a drill intersection entering into the averaging exceeds 0.20% Cu.
3. The calculation herein assumes Cu grades of >0.20% Cu do not extend much to the north of the Contact fault. However, it is readily apparent on some of the sections that the copper EQUIVALENTS determined on the basis of Cu plus Mo in the area lying section-north of the aforementioned geological copper reserves probably considerably exceeds the Cu grades of the geological copper reserves that are the subject of the current calculations. The northern limit of this higher grade Cu equivalent material remains to be determined. Two examples of higher copper equivalent grades north of the geological copper reserves are the strongest intercepts in percussion holes JPH 74-9 on SECTION 48 W and JPH 74-11 on SECTION 32 W. In the first case, the Cu grade is 0.15% and the Mo grade is 0.07% which produces a Cu equivalent 0.50% based on the following formula: Copper equivalent = %Cu + 5X %Mo. Similarly, in the other example, the Cu grade is 0.19% and the Mo grade is 0.06% for a copper equivalent of 0.49%. In the case of JPH 74-34, a hole collared near the halfway point between SECTIONS 44W and 48 W, the copper grade of the B Zone was 0.33% and the Mo grade was 0.05% for

4. an overall Cu equivalent grade of 0.58%. Accordingly, significant potential for Cu and Mo exists grid north on SECTIONS 32 through 48W.
5. The calculations considers the B Zone to be a flat sheet-like body on Section 48W and progressively becoming more steeply dipping southerly towards grid-east The boundaries of the geological reserves of the B Zone are assumed to be assay walls.
6. The fundamental structure to which the mineralization of the B Zone is believed related is a broad southerly dipping fault zone perhaps as much as 150 m wide. This structural zone appears to be steep dipping on many of the sections but could be sub-horizontal on SECTION 48 W.


R.U. Brusset BSc.
July 11, 1998

ATTACHED: 4 pages of calculations.

GEOLOGICAL RESERVES CALCULATIONS FOR JEAN B ZONE

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For SECTION 56W:

 Drill holes: JPH 74-1 0.37% Cu/90 FEET
 JPH 74-2 0.32% Cu/80 FEET
 Mean= 0.34%/25.9 METER

INFERRED DIMENSIONS OF 0.34% Cu ON SECT. 56W: 200mX 25.9m

SECTION 48W:

HOLE No.	% Cu	THICKNESS	%CuXTHICKNESS
DDH 95-2	0.61%	28.19m	17.19
DDH 75-1	0.68%	30.48m	20.72
DDH 97-11	0.46%	32 m	14.72
JPH 74-7	0.38%	18.29m	6.95
JPH 74-35	0.28%	15.23m	4.26
		Total 124.19	Total 63.84

WEIGHTED AVERAGE=63.84/124.19=0.51%Cu.

INFERRED DIMENSION OF 0.51% Cu ON SECT. 48W: 265mX24.83m

SECTION 44W:

 Calculation of Weighted average for B Zone in DDH97-10:
 62-88m: 26m @ 0.41% Cu 26x0.41 10.66m%Cu
 88-98m 11m @ 1.01% Cu 11x1.01 11.11m%Cu
 98-130m 32m @ 0.26% Cu 32x0.26 8.32m%Cu
 Total 69m Total 30.09m%Cu

Weighted Average for B Zone in DDH 97-10 = $30.09\text{m}\% \text{Cu} / 69\text{m} = 0.43\% \text{Cu}$

Weighted Average for DDH 97-10, PDH 74-34:

DDH 97-10	69m @ 0.43%Cu	29.67m%Cu
PDH 74-34	36.64m@0.33%Cu	12.09m%Cu
	Total 105.64m	Total 41.76m%Cu

Weighted average = $41.76\text{m}\% \text{Cu} / 105.64\text{m} = 0.39\% \text{Cu}$

INFERRED DIMENSIONS OF 0.39%Cu ON SECT. 44W: 150m X 59.75m

SECTION 40W:

Weighted average for DDH 97-9, DDH 97-4, JPH 74-10:

DDH 97-9	100 to 104m; 4m @ 0.40%Cu	1.6m%Cu
DDH 97-4	68 to 144m; 76m@0.43%Cu	32.68m%Cu
JPH 74-10	30.47m@0.33%	10.05m%Cu
	Total 110.47	Total 44.33m%Cu

Weighted average = $44.33\text{m}\% \text{Cu} / 110.47\text{m} = 0.40\% \text{Cu}$

INFERRED DIMENSION OF 0.44%Cu ON SECT.40W: 95mX64m

SECTION 36W:

Weighted average for DDH 97-5:

	10m @ 0.62%Cu	6.2m%Cu
	16m @ 0.054%Cu	0.86m%Cu
	58m @ 0.27%Cu	15.66m%Cu
	Total 84	Total 22.72m%Cu

Weighted average for applicable portion 97-5: = $22.72 / 84 = 0.27\% \text{Cu}$

Weighted average of applicable portions of DDH97-5, 6:

DDH 97-5	84m@ 0.27%Cu	22.68m%Cu
DDH 97-6	12 m@ 0.25%Cu	3.0m%Cu

Total 96 m Total 25.68m%Cu

Weighted average $25.68\text{m}\%Cu/96\text{m}=0.26\%Cu$

INFERRED DIMENSIONS OF 0.26%Cu ON SECT.36W: 125mX 80m

SECTION 32W:

Weighted average of DDH 97-8:

8-22m	14m @ 0.23% Cu	14m X 0.23% Cu	3.22m %Cu
22-72m	50m @0.28% Cu	50m X 0.28% Cu	14.0m %Cu
72-94m	22m @ 0.31% Cu	22m X 0.31% Cu	6.82m%Cu
Total	86m		Total 24.04m%Cu

Weighted average $24.04\text{m}\%Cu/86\text{m}=0.27\%Cu$

INFERRED DIMENSIONS OF 0.27%Cu ON SECT. 32W: 90m X 87m

OVER-ALL WEIGHTED AVERAGE COPPER-GRADE FOR B-ZONE

SECT.56W:	200m wide by 25.9m thick	@ 0.34% Cu	1761.2squarem %Cu
SECT.48W:	265m by 24.83m	@ 0.51	3355.77
SECT.44W:	150m by 59.75m	@ 0.39	3495.37
SECT.40W:	95m by 64 m	@ 0.40	2432
SECT.36W:	125m by 80 m	@ 0.26	2600
SECT.32W:	90m by 87 m	@ 0.27	2114.1

Total 44632.45squarem Total 15758.44squarem%

Weighted average = $15758.44\text{squarem}\%/44632.45\text{squarem}= 0.35\%Cu$

Average thickness: $25.9+24.83+59.75+64+80+87=341.48/6=56.9\text{m}$

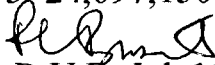
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Length: 1000m (Ref. Plate 3)

Average width: $200+265+150+95+125+90=925/6=154\text{m}$

GEOLOGIC RESERVES: $154\text{m} \times 56.9\text{m} \times 1000\text{m} \times 2.75=24,097,150 \text{ t}$

Approx. 24M tonnes @ 0.35% Cu.


Averaged by R.U.B. July 11/98

CAUTION: THESE GEOLOGICAL RESERVES ARE NOT FOR
RELEASE IF NOT VARIFIED OR ENDORSED BY NICK CARTER OR
DAVID L. COOKE, P.Engs

THESE CALCULATIONS ACCOMPANY A TWO-PAGE NOTE
ENTITLED "JEAN PROPERTY CALCULATION OF GEOLOGICAL
COPPER RESERVES IN B-ZONE" Dated July 11/98

4-5
(197.14')

JPH 74-6
(3473.23')
DDH 75-1
(3468.90')

JPH 74-7
(3473.69')

JPH 74-35
(3447.00')

JPH 74-9

% below + 3x/100
% below + 5x/100
mo

Reverse
Calculation

0.04, 0.01, 0.07, 0.09
232

3-15 py: 1cp
21.4m

1py: 5-8cp

1py: 1-5cp

1-4 py: 1cp

1py: 2-3cp

15 py: 1cp
7cp

12 cp

B-ZONE

DDH 77-11

1py: 5-4cp

1-5 py: 1cp

1-4 py: 1cp

2 py: 4-8cp

1py: 3cp

265m

0.72, 0.08, 0.92, 1.12
20

0.11, 0.0012
100

0.04, 0.0078
75

1426 ppm Cu
80 ppm Mo
15m

1py: 3cp

1py: 10-40cp

1-3 py: 1-4cp

0.13
140

0.07, 0.02, 0.25, 0.29
110

0.28, 0.7
60

0.28, 0.01, 0.31, 0.23
50

0.09, 0.7
180

0.07, 0.02, 0.25, 0.29
110

0.09, 0.7
180

0.09, 0.7
180

1py: 3-6cp

2 py: 1cp

0.09, 0.7
180

0.09, 0.7
180

0.09, 0.7
180

0.09, 0.7
180

0.09, 0.7
180

0.09, 0.7
180

0.09, 0.7
180

0.09, 0.7
180

0.09, 0.7
180

0.15, 0.07, 0.36, 0.50
80

0.04, 0.03, 0.15, 0.21
130

not
included

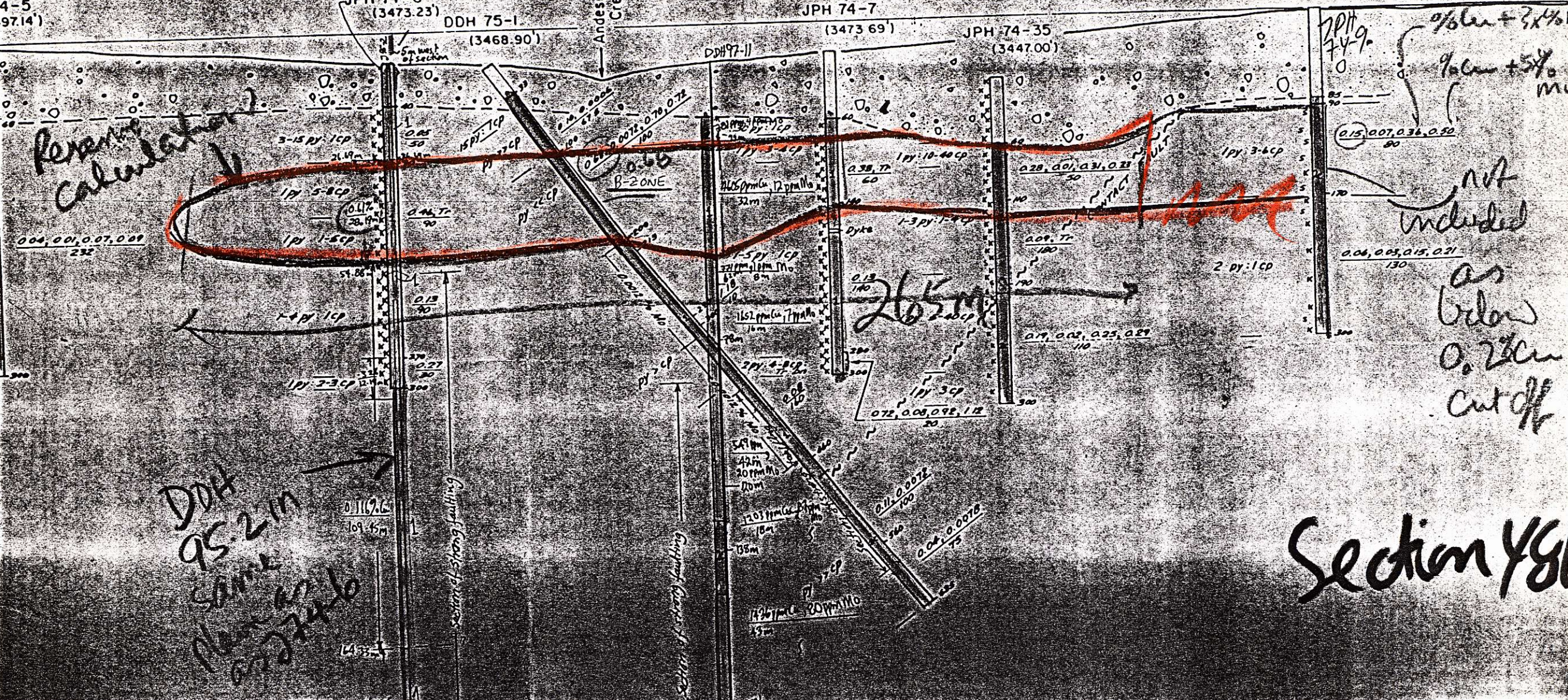
as
below
0.26m
cut off

DDH
95-2m
same
as
DDH 74-6

Section of strong faulting

Section of strong faulting

Section Y86



JPH 74-14
(3657.62)

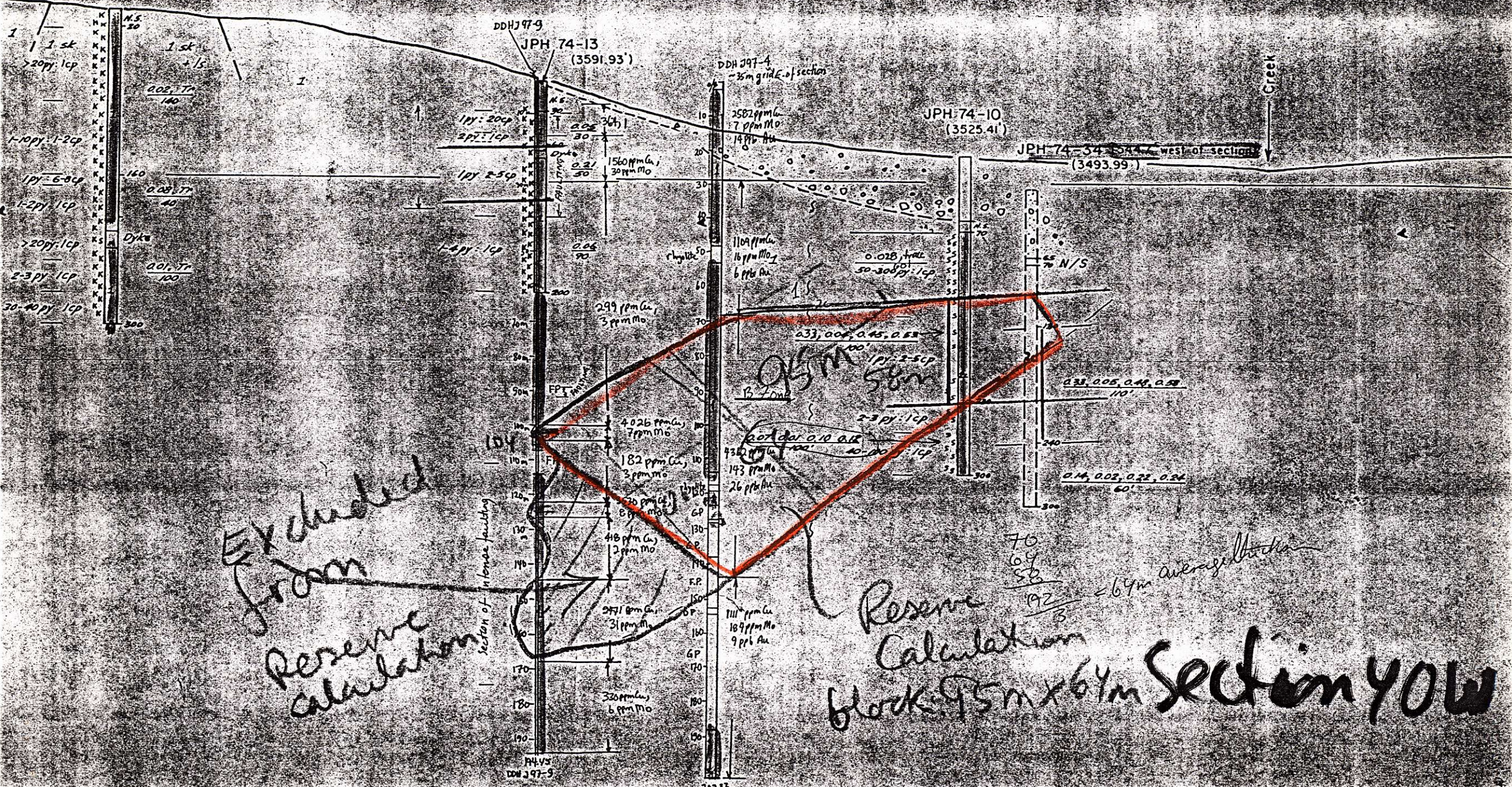
DDHJ 97-9
JPH 74-13
(3591.93')

DDHJ 97-4
-35m grid E. of section

JPH 74-10
(3525.41')

JPH 74-54 544' west of section
(3493.99')

Creek



Excluded from Reserve calculation

Reserve Calculation block 95m x 64m Section YOW

70
64
58
92
3
= 64m average thickness

