

July 4, 1989

EQUITY SILVER MINES LIMITED

MEMORANDUM

TO: ENGINEERING SUPERVISOR
FROM: Mine Geologist
RE: CART CLAIMS: SAMPLING AND ACID NEUTRALIZATION TESTING

INTRODUCTION

In June, exploration personnel collected eight limestone samples on the CART mineral claims located northeast of Fulton Lake. Access was by helicopter, although a winter road exists in the area which could be easily upgraded for vehicle access in the summer. Samples were collected at 25m intervals along a line traversing a prominent northwest-trending limestone ridge. A random grab sample was taken from each of the eight samples and these grab samples were submitted for acid neutralization tests. The remainder of these samples are stored in the supply vault located in basement of Administration Building.

CONCLUSION

Limestone on the CART mineral claim appears quite suitable for AMD neutralization based on these tests.

RECOMMENDATIONS

1. That limestone on the CART claim be considered over limestone from other sources as a supply of acid neutralizing material.
2. That 200t to 300t of this material be collected for a test run in the pilot plant and results of this run be compared to those of material from Dahl Lake.

RESULTS

Below are the results of the neutralization tests conducted on limestone from the CART claim.

SAMPLE	ACID NEUT. *(meq/g)	%Ca	ppm Mg	ppm Fe	CaCO3 (from acid neut)	%Insol
4218	17.07	33.5	1500	1600	85.4	13.14
✓4219	19.44	38.5	1500	700	97.3	2.49
4220	18.35	35.7	1700	1300	91.8	6.35
✓4261	19.31	38.0	1600	800	96.6	1.83
✓4302	19.48	37.1	1500	600	97.5	1.10
4303	18.20	35.9	1300	900	91.1	7.07
✓4304	19.33	39.0	1600	1000	97.7	2.12
✓4305	19.57	38.2	1600	700	97.9	1.69

* Definition of acid neutralization is as follows: the number of milliliters of 1N HCl it takes to neutralize 1g of limestone.

Average acid neutralization capability is: 18.84.

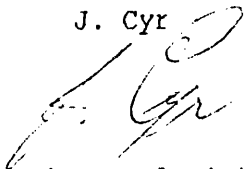
DISCUSSION

Following is a summary of limestones from various sources and their acid neutralizing capability:

PRODUCT LOCATION	ACID NEUT'N
CaO from Texada (lime)	31.5
Dahl Lake	19.9
AMD Claim	19.0✓
Marl (Wadsworth)	17.8
Carl Szydlik (random sample)	18.5
CART claim (random sample)	16.1
Carl Szydlik (avg. of located samples)	15.8
CART claim (avg. of located samples)	18.8✓

cc. Mine Manager
 Mine Superintendent
 Environmental Co-Ordinator

J. Cyr


 Mine Geologist

DIST: A/C 518-530
 DEPT. Engineering

UNITED STATES SILVER MINES LIMITED
ASSAY CERTIFICATE

Attention: _____ Engineering J. Cyr
 Mine Manager _____ Geology _____
 Mill Supt. _____ Mill _____
 Pit Supt. _____ Research Met _____
 Plant Supt. _____ Research Leach _____
 Adm. Supt. _____ Leach Plant _____

CHART MINERAL CLAIM

DATE June 25/89

	Limestone	Ca	Mg	Fe	Insol	Acid Neut. Potential	CaCO ₃ (equivalent)	
		%	%	%	%	meq/gr.	% (Prom Acid Neut)	
1	4218	33.5	.15	.16	13.14	17.07	85.4	
2	19	38.5	.15	.07	2.49	19.44	97.3	
3	20	35.7	.17	.13	6.35	18.35	91.8	
4	4261	38.0	.16	.08	1.83	19.31	96.6	
5	4302	37.1	.15	.06	1.10	19.48	97.5	
6	03	35.9	.13	.09	7.07	18.20	91.1	
7	04	39.0	.16	.10	2.12	19.33	97.7	
8	05	38.2	.16	.07	1.69	19.57	97.9	
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ND - Not Detected
 Tr - < .01%
 Ag Tr - < 1.0 gm/TONNE
 Form C200/85-Revised-3

Signed _____