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New anomalies increase Getty Copper potential

Exploration work has turned up two large anomalies at the Getty property in British Columbia. If the company hits on one, the blue-sky potential could bring majors on the scene.

Getty Copper Corp. (GTY-VSE/TSE) is beginning to move from an exploration to a development phase and as such may represent an excellent opportunity for investors. Getty holds interests in 165 square kilometres of property in the Highland Valley area of British Columbia.

Millions of tonnes of copper-molybdenum ore have been mined on the adjoining Highland Valley property. Since the 1860s, the area has produced 8.2 billion pounds of copper from 830 million tonnes of ore out of four ore bodies.

The Valley Copper and Lornex orebodies are still in production at mill throughput of 138,000 tonnes per day, but Valley has only eight more years of mine life remaining. The prospect of supplying the complex with much needed ore must be attractive.

Over the years, the Highland Property has produced more than 830 million tonnes of copper-molybdenum ore grading 0.42 per cent copper and 0.006 per cent molybdenum. Enough

drilling has been completed on Getty's property, next to the former Bethlehem copper mine that was discovered in 1955, to make a preliminary resource calculation.

Getty's approach may be to recover copper from the oxide ore using low-cost heap leaching, solvent extraction and electro-winning to produce high quality cathode copper. Tests

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The publication also notes that as the Valley Copper Mine enters the latter stages of its life, Highland Valley Copper will be looking for ore to keep its giant milling complex in operation, and a resource of 100 million tonnes should look attractive to

anyone wishing to keep a milling complex in operation.

Kevin Newman, Cominco's former chief geologist at the Valley pit, has joined the company as a consultant.

Two deposits, the Getty North and the Getty South are both at the development stage while additional exploration is to be carried out on the Getty West. Getty North contains more than 35M tonnes of identified mineral resource grading 0.46 per cent copper. Approximately 7M tonnes contained can be processed using the low-cost leaching approach.

Detailed drilling at the Getty South showed 36 million tonnes at 0.47 per cent copper.

IP survey conducted in the past two months on North Valley and Glossie zones turned up four major anomalies and increased the area to 165 square kilometres. North Valley southwest anomaly measured approximately 1500 by 700 metres and the northwest anomaly measured approximately 2200 metres in diameter and the company says the anomalies remain to fully delineated.

If the company hits on one of the anomalies reserves may go well above 100M tonnes, making Getty a possible takeover target for companies line Cominco, Teck or Rio Algom.

The company has spotted five holes specifically to upgrade to oxide content of the Getty North deposit with an eye to taking reserves above 10M tonnes. Getty can be in production on the oxide portion of the deposit in 18 to 24 months. ■

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C.M. OLIVER

Getty Copper not for everyone; but it could reach \$2.50 to \$3

From a recent report by analyst Bryan Wilson.

Sophisticated and aggressive investors — those prepared to accept risk — should accumulate the shares of Getty Copper Corp. (GTY-VSE, \$0.92, phone 604-931-3231). Our 12 month target price is \$2.50 to \$3.

Getty Copper is beginning to move from an explorer to a developer — a phase in a mining company's history that usually gives investors a chance to buy the shares at bargain levels. We recommend the accumulation of Getty's shares during this period.

Getty Copper holds varying interests in more than 100 square kilometres of property in the Highland Valley area of British Columbia. Since the 1860s, the area has produced 8.2 billion pounds of copper from 830 million tonnes of ore from four orebodies.

Only the Valley Copper and Lornex orebodies are still in production, at a mill throughput of 138,000 tonnes per day. The Valley Copper Mine has an eight year mine life.

More than 830 million tonnes of copper-molybdenum ore grading 0.42 per cent copper and 0.006

PRODUCTION ESTIMATES AND KEY RATIOS					
	1998E	1999E	200E	2001E	2002E
Copper prod. (M lbs.)	26.46	26.46	26.46	26.46	26.46
Copper price (US\$)	0.85	0.90	1.00	1.00	1.00
Gross revenue (US\$M)	22.49	23.81	26.46	26.46	26.46
Net cash flow (US\$M)	3.26	10.58	13.23	13.23	13.23
Cash flow/share (US\$)	0.07	0.24	0.29	0.29	0.29

Table courtesy C.M. Oliver & Co.

per cent molybdenum have been mined on the adjoining Highland Valley property.

Getty's property is next to the former Bethlehem copper mine that was discovered in 1955. Access and all the necessary items for establishing and running a mining operation on a year-round basis are available at the mine site.

Enough drilling has been completed to make a preliminary resource calculation. Getty may recover copper from the oxide ore using low-cost heap leaching, solvent extraction and electro-winning (SX-EW) to produce high quality cathode copper.

Tests on the oxide ore have indicated that recoveries of 70 to 90 per cent can be achieved with acid leaching. There is ample space for leaching sites within easy reach of the deposits.

Getty plans to develop a drill-in-

dedicated resource of 100 million tonnes. Based on our observations and the work completed to date, this is an achievable objective.

As well, as the Valley Copper Mine enters the latter stages of its life, Highland Valley Copper will be looking for ore to keep its giant milling complex in operation, and a resource of 100 million tonnes of ore should look attractive to anyone wishing to keep a milling complex in operation.

Our cash flow estimates assume ore will be mined over five years at a rate of 12,000 tonnes per day; that the recovery rate will be 70 per cent, although preliminary tests indicate higher recoveries; that copper prices will rise slightly while operating costs will stay at US\$0.50 per pound of copper; and that Getty will have a total of 45 million shares outstanding, fully diluted.