

883496

VGS -> Golden Bear



NORTH AMERICAN METALS CORP. GOLDEN BEAR MINE MEMORANDUM

To: Tom Schroeder, B.C.G.S.
 From: Randy Smallwood
 Re: 1999 Production, Golden Bear Mine
 Date: October 22, 1999

Tom:

All mining activities were focussed on the Ursa deposit in 1999. Processing activities focussed on the Totem Creek heap leach facility, although 1,831 ounces were produced from the Fleece Bowl facility. A summary of the 1999 statistics follows;

	Actual	Planned	
Ursa Ore Mined	390,434 tonnes	325,000 tonnes	
Ursa Ore Grade	5.63 g Au / t	5.25 g Au / t	
Ursa Ounces Mined	70,672 oz.	54,857 oz.	
Ursa Waste Mined	2,037,402 tonnes	2,099,744 tonnes	
Ursa Ore Stacked	390,434 tonnes	325,000 tonnes	
Kodiak A Ore Stacked	155,551 tonnes	199,636 tonnes	
Kodiak A Ore Grade	3.10 g Au / t	2.89 g Au / t	
Ore Stacked	545,985 tonnes	498,892 tonnes	
Ore Stacked Grade	4.91 g Au / t	4.40 g Au / t	
Ounces Stacked	86,189 oz.	70,575 oz.	
Ounces Recovered	67,503 oz. (71k)	46,904 oz.	To Sept. 30, 1999
Percent Recovery	78.3 %	66.5 %	To Sept. 30, 1999
Cash Cost per Ounce	US\$159	US\$191	To Sept. 30, 1999
Fleece Bowl Recovery	92.4 %	87.0 %	

2000 Plans 3 mos.
 Ursa
 - finish off
 ~ 300k tonnes
 35k low-grade Kodiak
 - Totem
 Kodiak B
 ~ 180k ton
 2 yrs
 40k-200
 140-2001
 Life!
 i.p. Mine = 2 yrs

If you have any further questions or comments, please give me a call.

Randy

Employees (~40% First Nations)
 local/territ

Personal Training-Cases (Wheaton R. pays for.)
 Site 1200m : i) 3 - U. Ext. Ursa fault (smiths)
 ii) - "South" zone - on top of hill
 iii) Kodiak A - 1700m level (same as A B + Ursa) - strat. / control?
 -> negative results.
 Bill Barclay Cons. - pit
 -> 92% units do certification