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(from: JH)

**MYRA FALLS OPERATIONS**  
**Production and Exploration Statistics – 2001**

As of January 1, 2001:

- **Total production to date** = 21.19 million tonnes (Mt)
- **Proven and Probable Reserves (Mining reserves)** = 7.72 million tonnes @ 1.3% Cu, 6.6% Zn, 0.4% Pb, 1.3 g/t Au and 36.4 g/t Ag
  - \* **NOTE:** the mining reserve includes applied dilution and extraction factors.
- **Measured and Indicated Reserves (Geological Resource)** = 5.85 million tonnes @ 1.3% Cu, 7.0% Zn, 0.7% Pb, 1.8g/t Au and 60.9 g/t Ag.
  - \***NOTE:** the geological resource does not include the mining reserve has no dilution or recovery factors applied.

Other production stats:

- **Average annual production** = 60-70,000 tonnes Zn in concentrate  
15-18,000 tonnes Cu in concentrate  
700 kg Au
- **Forecast 2001 production** = 1,090,000 tonnes @ 6.3% Zn, 1.6% Cu, 1.5g/t Au and 26g/t Ag.
- **Average cash costs** = US 45.4 cents per pound of zinc.
- **Total employment** = 440 persons.

**Production Notes:**

Production in 2001 has come mainly from the H-W deposit, the 43 Block and the Battle-Gap deposits. In addition, a small number of tonnes of ore have been mined from an underground resource in the bottom of the old Lynx open pit.

**Exploration Statistics for 2001:**

- **Exploration expenditures (estimated)** = CAN\$1.7 million
- **Total diamond drilling** = ~11,000 metres (all underground drilling)

**Exploration Notes:**

This year's program has focussed on gaining additional information on known resources in order to upgrade their reserve/resource categories and better assess their mining potential. These zones are the Ridge Zone East and West located to the west of Battle-Gap and the Price Deposit accessed from Thelwood Valley on the east side of the property. It is anticipated that exploration efforts in 2002 will continue in the Ridge Zone West as well as resumption of Marshall Zone exploration with drilling and development in 10 Level of the Lynx Mine.

Drilling will also be carried out from 4 and 5 Levels of the Price Mine further defining the Price deposit for future mining.