

STITT CREEK GARNET**PROJECT ANALYSIS****SECTION 10
MINEABLE RESOURCES**

garnet

The estimate of mineable resources was established using the same basic criteria as used in determining the in-situ geological resource estimate. Additional consideration was given to physiographic restraints, environmental factors and practical mining limitations.

A mining cut-off grade of 2.5% total garnet was calculated based on preliminary operating cost estimates for a 7,000 tons per year concentrate production, a 13 tons per hour process plant capacity and product values based on Emerald Creek's placer garnet price list.

The outlines of the mineable resource blocks were limited by the influence of the Goldstream River and by the area of below cut-off grade material trending east-west through drill holes 93-12, 93-2, and 93-9. No garnet resources were considered mineable within an area bounded by a line 10 m beyond the edges of the river channel.

Sections through the mining zones are illustrated in Figures 7a, 7b and 7c and a plan of the mineable resource blocks is shown in Figure 8.

A summary of the mineable resource estimate is shown in Table 3; details of this calculation are presented in Appendix III.