

MINI DEVELOPMENT REVIEW PROJECTS
PROJECT FACT SHEET

889877

CORPORATE DATA:

PROJECT NAME: New Privateer Mine
Zeballos Project - Pilot Plant

COMPANY NAME(S) AND ADDRESS(ES):
New Privateer Mine Ltd.
#1935-650 West Georgia Street
Vancouver, B.C. V6B 4N7

CONTACT/TITLE: Harvey H. Cohen
President

PROJECT DETAILS:

PROJECT LOCATION: 5 Miles N of Zeballos, B.C.

ESTIMATED CAPITAL COST (Include Dedicated Off-site Infrastructure):

\$775 thousand

MINERALS (Types to be Mined)

Gold & Silver

MINE SYSTEM (Open Pit or Underground):

U/G - Shrinkage stoping

ESTIMATED PRODUCTION (Daily or Annual Mill/Plant Throughput):

25 TPD - 10,000 Tonnes/year

PROCESS PLANT/MILL (Type of Process, if Known):

Crushing, Grinding, and Washing

PROPOSED MINE LIFE (Years):

10 years

MINERAL RESERVES/RESOURCES:

RESERVES/RESOURCES (Tonnes in each Category):
Proven - 135,000 tonnes
Probable - 358,000 tonnes

AVERAGE GRADE OF ORE (Each Mineral Commodity):

Proven 0.30 oz/Au/tonne, Silver 0.08 oz/tonne. Probable: 0.50 oz/Au/Tonne

CUT-OFF GRADE:

0.12 oz/Ag/Tonne

0.20 oz/tonne Gold

POTENTIAL FOR ADDITIONAL RESERVES:

Good but requires exploration

- 10 years is
mine life
- what is prod.
level ? 300 tpd

ACCESS/TRANSPORTATION:

ROAD (Preference and Alternates): Excellent 40 km logging road connecting to Hwy 19 - the Vancouver Island Highway

RAIL (Routing): N/A

AIR ACCESS (Origin and Destination Points):

Port Hardy

SHIPPING (Preferred Port Facilities, Alternates):

POWER SUPPLY:

REQUIREMENTS: 250 KVA

SUPPLY ALTERNATIVES: Diesel, generator presently on-site.

WORKFORCE INFORMATION:

TOTAL OPERATIONAL WORKFORCE (Annual Average at Full Production):

10 employees

HOUSING OPTIONS (Camp, Neighbouring Communities, New Town):

Camp and/or hotel in Zeballos

CONSTRUCTION WORKFORCE (Man-years):

5 man years

CONSTRUCTION CAMP (Size):

5 employees (live in Zeballos)

WORKFORCE ROTATION (Weeks on/off):

5 days on, 2 days off

INDIRECT/INDUCED EMPLOYMENT (Estimates, if available):

2 employees

DEVELOPMENT SCHEDULE:

STAGE I SUBMISSION FILED (Month/Year):

SITE CONSTRUCTION STARTUP (Quarter/Year):

Pilot Mill start-up anticipated 2nd quarter, 1988

PRODUCTION STARTUP (Quarter/Year):

-Pilot Mill start-up anticipated 2nd quarter, 1988 and on approval

-No plans for full scale production until pilot mill results are evaluated.

NORECOL ENVIRONMENTAL CONSULTANTS LTD.

Suite 600, 1261 West Georgia Street, Vancouver, B.C. V6E 3H7 Telephone: (604) 682-2291

February 17, 1988

File: 137-1A

Mr. Harvey M. Cohen, P. Eng.
New Privateer Mine Limited
1266 West Pender Street
Vancouver, B.C.

Dear Mr. Cohen,

NET ACID-BASE ACCOUNTING RESULTS FROM NEW PRIVATEER MINE SAMPLES

We have just received the results from assays for acid-base accounting from rock samples submitted to Chemex on behalf of New Privateer Mine Limited. Both representative vein (numbers 1 and 2) and wall (numbers 3 and 4) rock samples as provided to us by New Privateer, do not have the potential to produce acid as indicated by the acid-base accounting assays run by Chemex Labs. We have enclosed the assay results for your information.

To determine whether a rock has acid producing potential, one subtracts the acid producing potential from the neutralizing potential. Any value less than about -5 kg CaCO_3 /tonne indicates a potential for the sample to produce acid. All New Privateer Mine samples had positive net neutralizing potentials. This indicates that the rock has a potential to consume acid rather than a potential to produce it. An indication of presence of acid at time of sampling is the paste pH which is obtained by grinding some of the rock, mixing in a little water and measuring the pH of the resultant paste. New Privateer Mine samples were all in the alkaline pH range again indicating no acid was present.

Mr. M. Cohen

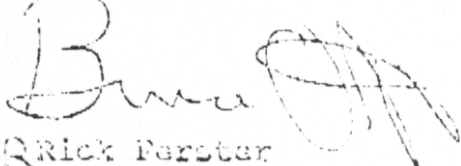
- 2 -

February 17, 1988

We trust this information meets your current requirements. Please give us a call if you would like clarification of any details or if we can be of further assistance.

Yours truly,

MORRIS ENVIRONMENTAL CONSULTANTS LTD.



Rick Parster
Manager, Mining and Industrial Services

RFF:ijk

Enclosures



Chemex Labs Ltd.

Registered Chemists • Geotechnical • Registered Assayers

1111 PENDER AVE. N. NORTH VANCOUVER,
BRITISH COLUMBIA, CANADA V7J 1C1

PHONE (604) 684-0121

TO NEW PRIVATEER MINES LTD.

1264 W. PENDER ST.
VANCOUVER, B.C.
V6E 2S9

Comments:

A88114

CERTIFICATE A8811426

NEW PRIVATEER MINES LTD
PROJECT : NEW PIONEER MINES
P.O.# : NONE

Samples submitted to our lab in Vancouver, BC.
This report was printed on 11-FEB-88.

SAMPLE PREPARATION

CHEMEX CODE	NUMBER SAMPLES	DESCRIPTION
208	4	Assay: Crush, split, bag -40

ANALYTICAL PROCEDURES

CHEMEX CODE	NUMBER SAMPLES	DESCRIPTION	METHOD	DETECTION LIMIT	UPPER LIMIT
380	4	S % Leco induction furnace	LECO-IR DETECTOR	0.001	100
1117	4	Maximum potential acidity	CALCULATION	0.0	N
1118	4	Neutralization potential	TITRATION	N/A	N
1119	4	Paste pH	POTENTIOMETER	N/A	N



Chemex Labs Ltd.

Registered Assayers

111 PROCTOR AVE., N. VANCOUVER,
BRITISH COLUMBIA, CANADA V7J-1C1

PHONE (604) 684-0121

NEW PIONEER MINES LTD.

1264 W. PENDER ST.

VANCOUVER, B.C.

V6E 2S9

Project : NEW PIONEER MINES

Comments:

Tot. Pages 1
Date : 15-FEB-82
Invoice # : I-881142
P.O. # : NONE

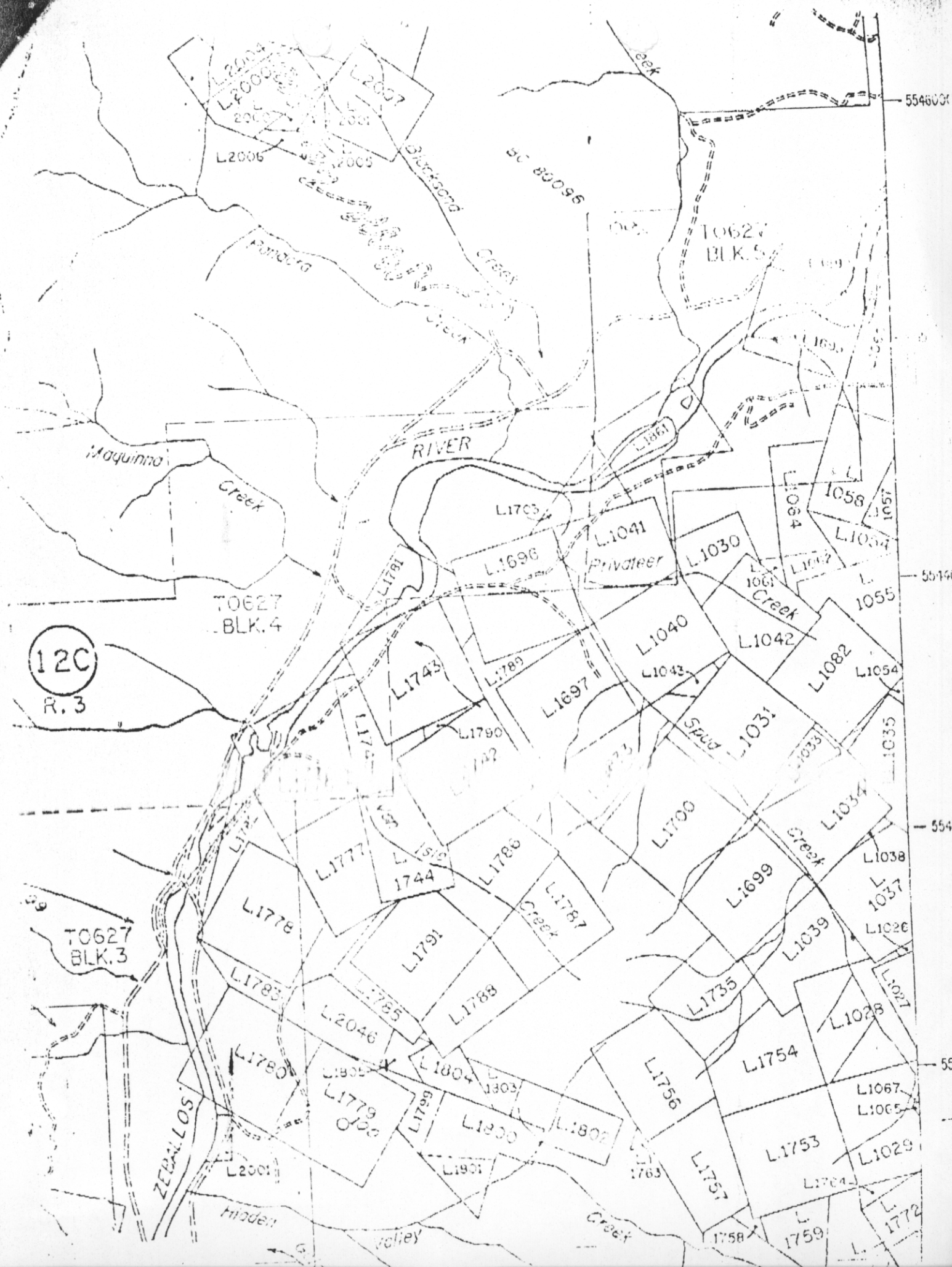
CERTIFICATE OF ANALYSIS A8811426

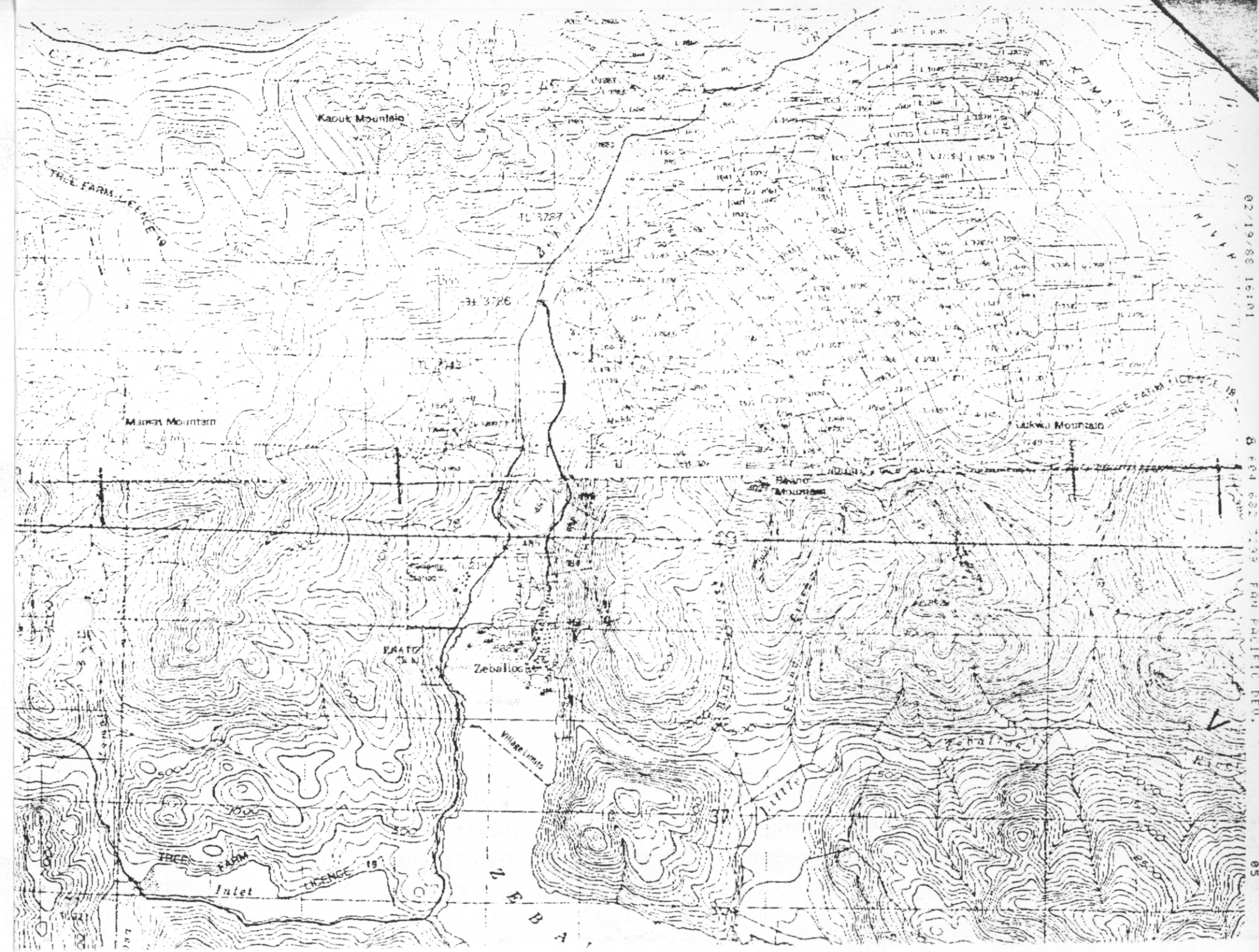
SAMPLE DESCRIPTION	PREP CODE	S % (Leuco)	MAX POT ACID **	Neutral Poten**	PASTE pH						
1	208 ---	0.756	23.6	122.20	8.9						
2	208 ---	0.805	25.2	131.60	8.5						
3	208 ---	0.612	19.1	146.70	10.0						
4	208 ---	1.030	32.2	44.40	9.2						

ALL ASSAY OPERATIONS ARE PERFORMED BY CERTIFIED ASSAYERS

CERTIFICATION :

W. J. [Signature]





02/19/88 16:01

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