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WESTERN CANADIAN INVESTMENTS

PUBLISHED DAILY
SUBSCRIPTION RATE
$315.00 PER YEAR

NO. 209 (1994)
NOVEMBER 1, 1994

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NEW CANAMIN RESOURCES LTD.

[NNI-V] 9,333,824 SHS.

DILUTED MINEABLE RESERVES
EAST ZONE AND MAIN ZONE DEPOSITS

DEPOSIT	TONNES	COPPER %	GOLD GR/T	SILVER GR/T	MOLY. %
East Zone	60,275,000	0.536	0.063	3.10	0.014
Main Zone	30,900,000	.480	.086	2.17	.013
Combined	91,175,000	.517	.064	2.78	.014

Cutoff grade: 0.300% copper

Summary of Recovered Metal

Recovery:		Recoverable Metal:
Copper	93.6%	Copper - 428,000 tonnes
Gold	51.5%	Gold - 2,865 kilograms
Silver	77.8%	Silver - 180,000 kilograms
Molybdenum	50.0%	Molybdenum - 6,174 tonnes

Copper concentrate grade: 27.0%
Net Smelter Return: $10.68 per tonne
Operating Cost: $6.54 per tonne

HUCKLEBERRY GETS POSITIVE FEASIBILITY - Alan C. Savage, president, reports New Canamin Resources Ltd. has received a positive feasibility study on its 100%-owned Huckleberry porphyry copper deposit situated 86 km southeast of Kitimat, B.C. The study was completed by Kilborn Engineering Pacific Ltd. and represents the culmination of two years of work and expenditures of $6,600,000. The major features are: 18+ year mine life; 13,500 tonnes/day production rate; $137,000,000 initial capital cost; total pre-tax cash flow: $357,000,000; 5.1 years to repay capital and 16% rate of return.

Mineable ore reserves are 91,000,000 tonnes at 0.517% copper, 0.064 grams gold/tonne, 0.014% molybdenum, and 2.78 grams silver/tonne silver. Reserve risk has been minimized as both deposits have been well defined by diamond drilling. Accordingly, 89% of tonnes and 90% of copper metal is classified as "proven", and the remainder as "probable". The high grade, near surface core of the East Zone will be mined first, with an initial strip ratio of 1.23:1. This favourable mining sequence is attractive to major lenders who are primarily concerned with the initial operating period of a new mine, when capital is repaid. During the first five years, ore mined will average greater than 0.6% copper with higher than mine average by-product credits for gold, silver and molybdenum.

EAST ZONE DEPOSIT - YEARS 1 TO 5

YEAR	TONNES	COPPER %	PRE-TAX CASH FLOW (US$1.00 Cu)	PRE-TAX CASH FLOW (US$1.20 Cu)
1	4,927,000	0.635	$32,099,000	$49,065,000
2	4,927,000	.621	29,591,000	43,188,000
3	4,927,000	.607	26,966,000	43,202,000
4	4,927,000	.590	24,987,000	40,745,000
5	4,927,000	.577	22,333,000	37,743,000
TOTAL	24,635,000	.606	135,976,000	216,943,000

Average annual production will be 52,400,000 pounds of copper, 5,100 ounces of gold, 320,000 ounces of silver and 760,000 pounds of molybdenum. Pre-tax cash flow (after repayment of all capital costs) for the operation over its 18-year mine life is indicated

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at $220,000,000 and represents a net present value of $33,000,000 and provides an internal rate of return of 16% based on the following assumptions: copper at US $1.00 per pound; gold at US $375 per ounce; silver at US $5.00 per ounce; molybdenum at US $3.80 per pound; US $1.37 exchange rate and a 10% discount rate.

-CONTINUED ON PAGE TWO-

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CONTINUED FROM PAGE ONE - Initial capital costs for the project are $137,000,000, including a contingency of $10,000,000 and $7,000,000 for working capital. New Canamin anticipates completing combined debt/equity and/or major partner financing to provide funding for the project and may appoint a financial advisor to assist in this regard. At present, the company has signed confidentiality agreements with several mining companies who have expressed an interest in participating in the development of the new mine. In addition, representatives of major smelters are exploring the possibility of providing production finance guarantees in exchange for long term smelter agreements. The production risk at Huckleberry is now sufficiently defined, and the company intends to review its options, before proceeding with a financing arrangement and a production decision.

Lakefield Research has conducted extensive metallurgical testing on both Main Zone and East Zone ore samples which demonstrate conventional milling (gyratory crushing, S.A.G. mill-ball mill grinding flotation) will recover 94% and 93.5% of the copper respectively. The simple metallurgy of Huckleberry ore yields an "environmentally friendly" concentrate averaging 27% copper, 0.058 oz. gold/ton and 3.65 oz.silver/tonne. The concentrate is acceptable to major copper smelters worldwide and is subject to normal smelting and refining charges without penalty.

New Canamin recently filed a Pre-Application prospectus for a Mine Development Certificate which allows for public comment and input concerning the new mine. The community of Houston and residents of the Bulkley Valley have been supportive of New Canamin's efforts and look forward to the employment, economic and social benefits associated with the construction and operation of a long life mine in their area. (SEE GCNL NO.196, Oct.13/94, P.1 FOR PREVIOUS PROJECT INFORMATION)