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*George Cross*

*Reliable News*

**QPX MINERALS INC. (QPX-V,T)**

**POSITIVE FEASIBILITY STUDY - T.J. Ryan, president,**  
reports QPX Minerals Inc.

has received an independent feasibility study recommending the Quesnel River gold deposit be placed into commercial production. The QR deposit, 100%-owned by QPX, is located 73 km by road southeast of Quesnel, B.C. Since discovery in 1977, some 60,800 meters of diamond drilling has been completed on the property's eight claims.

The present study identifies 1,200,000 tonnes grading 5.22 grams gold/tonne and projects a production rate of 750 tonnes per day. A total of 190,000 ounces of gold would be produced over a 4-year period at an annual rate of 44,000 ounces. Cash operating costs have been projected at US\$200 per ounce and total costs, including recovery of capital, at US\$300 per ounce. Capital investment, including working capital, would be

\$22,000,000, initially reducing by \$4,000,000 in the first half-year of production. Subsequent capital investment from cash flow in years three and four would total \$6,000,000.

The study, by Orocan Inc. of Vancouver, B.C., recommends initial open pit production from the Main zone, where a prefeasibility study was conducted by Steffen Robertson and Kirsten, to be followed by underground mining of the adjacent West and Mid-West zones. All zones are amenable to low-cost, bulk mining methods. Extensive metallurgical testwork shows recoveries in excess of 94% in a CIP mill capable of treating 920 tonnes per day. The study is under review by QPX management with a view to identifying preferred financing alternatives for the project. (SEE GCNL No.100, 24May90, P.6 FOR PREVIOUS INFORMATION)

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