

## BETHLEHEM RESOURCES CORPORATION (BTH-V,T)

SOME FURTHER DETAIL ON - Henry G. Ewanchuck president GOLDSTREAM MINE OPERATION and Brian Kynoch, vice president and chief operating officer, in a brief interview following the June 6, 1991, annual meeting of Bethlehem Resources, provided some additional information on the operation of the 50%-owned Goldstream mine, 60 km north of Revelstoke, B.C. Goldnev Resources Inc. owns the other 50% of the mine. The rehabilitation was completed three weeks ahead of schedule, in early May, and at or near the budgeted cost of \$4,530,000. While the plant has a capacity well in excess of 1,200 tonnes per day, the objective is to operate at 1,100 tonnes per day with a head grade in the 4% copper range. Copper recoveries have exceeded 95% several times in the first operating weeks with the objective to maximize copper output by operating in the 92% to 95% range to produce a 22.5% to 25% copper concentrate. At these rates the mine will produce 36,000,000 pounds of copper in 12 months.

At these production rates, and at US\$1.00 per pound the mine is forecast to produce a cash flow of \$2,800,000 or 18¢ per Bethlehem share which could payout the \$3,500,000 Bethlehem share of the production loan in 15 months. At a price of US\$1.20 per pound of copper, the Bethlehem share of cash flow increases to \$4,000,000 and the potential payout reduces to 11 months. At US\$1.00 per pound for copper, Bethlehem's earnings per share have been forecast at \$0.08 per year and at \$1.20 per pound the earnings per share are forecast at \$0.16 per share. (SEE GCNL NO.78, APRIL 23, 1991 FOR DETAIL OF THE CASH FLOW AND EARNINGS PROJECTIONS.)

The meeting was told the mine has reserves for five years with reserves open to extension. In the third year of production, 1994, definition drilling of these reserves will be started and at the same time drilling for further extensions will start. Exploration of some of the good targets in the mine area will resume when debts have been reduced and cash flow warrants.

The Giant Copper property, located 30 miles southeast of Hope, B.C., has received approval from the B.C. Ministry of Energy Mines and Petroleum Resources and from the B.C. Ministry of Lands and Parks to proceed with mineral exploration on the section of the Giant Copper property included within the Skagit Valley Recreational Area. The company is seeking a partner to participate in the exploration of the property.

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