Thus, by calculation it can be shown that the resource density must be 2.97 ± 0.02.

Acting on the side of conservatism, a density of 2.90 was applied to the resource.

6.5 Lens Definition:

Zones of >40% MgO and <3% CaO and >10 m horizontal width were determined in each drill hole. These intersections were then transferred onto a set of **1:1,000 geological sections** (Figs 5-12).

Because it was assumed that grades and alteration patterns were largely stratigraphically controlled, and not transgressive, high grade resource zones were then defined on these sections.

In some cases adjacent high-grade zones separated by only a few metres of either schist or lower-grade magnesite were bulked together because, in a practical mining sense, they could not be mined separately. If this intervening material was schist, it was excluded from the bulked assay on the assumption that it would remain in the stopes. If the intervening material was low-grade magnesite, it was included in the bulked assay, provided the bulked assay remained >40% MgO and <3% CaO.

This sectional data was then transferred to a set of **level plans** at 100 m intervals, and the high grade lenses correlated between sections and between levels (Figs 13-17). Alphabetical names were then applied to the resource blocks so defined:

-        A-Lens

-        C and C1 Lens

-        B and B1 Lens

-        D and D1 Lens

-        E and E1 Lens

A **longitudinal projection** was then drawn up for each lens on which the resources were estimated (Figs 18-22).

On the longitudinal projections, the centre of each drill hole intersection was shown along with the MgO and CaO grades and the horizontal widths.

Horizontal widths, rather than true widths, were used because: