

9. RECOMMENDATIONS

The following resource evaluation programs are recommended prior to a mine development decision:

9.1 Statistical Analysis of Assay Data:

Such an exercise would be useful in studying variations in assay data within drill holes and between drill holes. This would be necessary to guide the design of future drilling programs.

Because all assay data is currently in a Gemcom data base, this would not be a large task and should be undertaken in conjunction with 9.2 below.

9.2 Geostatistical Resource Estimate:

A "second opinion" on any resource estimate is worthwhile, preferably using a different methodology. The estimate contained within this report is a classical approach based on manual contouring and area measurements.

One alternative approach would be based on geostatistical methods, either working from raw data or accepting the geological interpretation presented herein.

9.3 Check-assaying and Density Measurements:

Whilst quite effective check assaying is being undertaken by way of bulk sample test work, it would be advisable to have some random checks undertaken on crushed rejects at another laboratory - 50 random samples would be sufficient.

Whilst the density factor used for this exercise is arguably quite accurate, or possibly conservative, it would be prudent to undertake some measurements. This could readily and very accurately be undertaken on any unsplit pieces of magnesite drill core.

9.4 Alteration Study:

The Main Creek resource is extensively and variably altered. This alteration will affect the grade of magnesite and possibly mining and refining.