

ABERFOYLE LIMITED - (MINING DIVISION)

ORE RESERVE ESTIMATE AS AT 1. 7. 1969

The measurement and classification of the ore reserve has been carried out according to the same principles established over the last two years. Ore reserve calculations reveal a total ore reserve estimate of 393,600 tons and is 6,800 tons more than last year's total ore estimate of 386,800 tons.

All blocks have been plotted on longitudinal projections and dimensions of blocks measured in the plane of the vein. Stoping widths average 4 feet and the maximum width assumed in new blocks is 4 feet for calculation purposes.

The ore reserve estimate has shown that some 82,570 tons has been extracted during the year from stopes, however, this extraction has been more than offset by stope development and rehabilitation, and level development. The extensive stope development and rehabilitation programme carried out during the year has added 79,000 tons to the reserve while some 10,400 tons has been added by level development. Three small inaccessible floor pillars were written off as a result of deterioration in local mining conditions for these areas. It is significant that ore exposed by level development and subsequent updip development plus ore brought in by vein extensions in operating blocks over the past two years exceeds the ore extracted over the same period.

The classification of the ore reserve under 5 categories is continued and a description of each category is listed over Table I which gives the tonnage in each category. Table II gives a comparison of tonnage estimates in each category for this year to the previous year's estimate. The forward movement of ore from Categories C and D to Categories A and B is a reflection of our stope development and rehabilitation programme. Table III gives a level by level comparison of total ore reserves for this year to the previous year's estimates, and the reasons for divergencies in tonnages are listed in the "remarks" column.

It should be noted that grade estimates in new blocks are based on visual determinations aided by local knowledge rather than on assay results.

ORE RESERVES SUMMARY

Categories. (A + B + C + D = Indicated Ore. E = Inferred Ore)

- Definitions.
- A. Ore block considered to be economical at current prices - realised Aust. \$ (WO_3 = \$40.30/unit, Sn = \$27.87/unit) and accessible now at present costs.
 - B. Ore blocks considered to be economical at current prices and accessible with moderately increased costs. (Sandfill, development or rehabilitation.)
 - C. Ore blocks considered to be marginal profitability at present prices and accessible with high costs. (Sandfill, development or rehabilitation).
 - D. Ore blocks considered to be uneconomical at current prices due to low grade or excessively high costs.
 - E. Inferred ore.

TABLE I.

LEVEL	A	B	C	D	E	TOTAL
1	-	-	2,500	3,400	-	5,900
2	3,000	4,300	3,700	-	1,900	12,900
3	3,300	3,400	5,100	-	1,800	13,600
4	12,500	5,200	8,500	1,600	5,700	33,500
5	24,100	20,100	14,400	-	7,600	66,200
6	38,200	14,600	3,500	3,600	9,800	69,700
7	18,500	28,100	2,300	-	1,100	50,000
8	35,500	16,700	9,600	-	6,300	68,100
9	30,500	5,700	12,900	-	3,600	52,700
10	5,100	-	2,200	-	1,100	8,400
11	8,400	-	1,300	-	-	9,700
12	-	-	2,900	-	-	2,900
<u>TOTALS</u>	179,100	98,100	68,900	8,600	38,900	393,600

TABLE II

COMPARISON OF TONNAGES IN VARIOUS CATEGORIES - LAST YEAR TO THIS YEAR

<u>LEVEL</u>	A		B		C		D		E	
	1.7.68	1.7.69	1.7.68	1.7.69	1.7.68	1.7.69	1.7.68	1.7.69	1.7.68	1.7.69
1	-	-	-	-	2,500	2,500	3,400	3,400	-	-
2	4,200	3,000	1,300	4,300	3,700	3,700	-	-	2,500	1,900
3	6,100	3,300	3,400	3,400	5,100	5,100	-	-	1,800	1,800
4	17,000	12,500	7,100	5,200	8,500	8,500	1,600	1,600	3,000	5,700
5	12,000	24,100	29,200	20,100	14,400	14,400	-	-	6,900	7,600
6	24,400	38,200	17,800	14,600	5,000	3,500	3,600	3,600	11,500	9,800
7	31,000	18,500	16,900	28,100	7,000	2,300	-	-	2,200	1,100
8	37,500	35,500	12,100	16,700	11,600	9,600	300	-	6,500	6,300
9	15,200	30,500	14,200	5,700	10,900	12,900	-	-	3,600	3,600
10	-	5,100	3,200	-	2,200	2,200	-	-	-	1,100
11	6,800	8,400	700	-	1,300	1,300	-	-	-	-
12	-	-	-	-	2,600	2,900	-	-	-	-
TOTALS	154,200	179,100	105,900	98,100	74,800	68,900	8,900	8,600	43,000	38,900

LEVEL BY LEVEL COMPARISON OF THE ORE RESERVES AS AT 1ST JULY, 1968
AND 1ST JULY 1969.

TABLE III

LEVEL	1.7.68 TOTAL ORE TONS	1.7.69 TOTAL ORE TONS	DIFFERENCE ORE TONS	REMARKS
1	5,900	5,900	-	No mining activity on 1 Level.
2	11,700	12,900	+1,200	Increase in tonnage due to level development and stope development on vein extensions which combine to offset extraction.
3	16,400	13,600	-2,800	Decreased tonnage due to extraction.
4	42,200	33,500	-8,700	Decreased tonnage due to extraction.
5	62,500	66,200	+3,700	Increased tonnage due to extension of veining in operating stopes and up dip development in 2 new production blocks.
6	62,300	69,700	+7,400	Increased tonnage due to the above factors plus stope rehabilitation.
7	57,100	50,000	-7,100	Decreased tonnage due to (i) extraction - however stope development has increased tonnage in 2 operating blocks. (ii) transfer of tonnage to 6 Level (iii) small inaccessible remnant written off.
8	68,000	68,100	+ 100	Increased tonnage due to extensive stope rehabilitation and stope preparation which has offset extraction and the deletion of 2 un-economical and unaccessible remnants.
9	43,900	52,700	+8,800	Increased tonnage due solely to extensive stope rehabilitation and preparation.
10	5,400	8,400	+3,000	Increased tonnage due to Level development which produced one new block and up-dip development which increased the reserve in another block.
11	8,800	9,700	+ 900	Increased tonnage due to level development and stope preparation.
12	2,600	2,900	+ 300	Increased tonnage due to downward extension of ore proved by 11 level development.
TOTALS	386,800	393,600	+6,800	