ABERFOYLE LIMITED — (MINING DIVISION)

ORE RESERVE ESTIMATE AS AT 1.7.1970

The measurement of the ore reserve has been carried out as in the past three years. All blocks have been plotted on longitudinal projections and dimensions of blocks measured in the plane of the vein. Stoping widths average approximately four feet and the maximum width assumed in new blocks is four feet for calculation purposes.

Classification of the ore reserve has been confined to "Indicated" and "Inferred" ore, the definitions of which are –

Indicated Ore –
a) Ore proved on three or more sides.
b) Ore proved on two sides reasonably close together.
c) Ore proved on one side when extension of ore for 20 feet is allowed.

Inferred Ore – Ore extending for 20 feet beyond the limits of indicated ore.

The ore reserve at July, 1970 exceeded the ore reserve at July, 1969 by 16,450 tons. The increase is attributable to stope development (41,050 tons), driving and rising (9,800 tons), and reduced by a net extraction from stopes of 34,400 tons, leaving the net increase of 16,450 tons.

Table 1 – gives the indicated and inferred ore reserve, level by level, as at 1.7.1970.

Table 2 – gives a level by level comparison of the indicated and inferred ore reserve as at 1.7.1969 to 1.7.1970.

Table 3 – gives a level by level comparison of the total ore reserve as at 1.7.1969 and 1.7.1970, with reasons for divergencies given in the remarks column.

TABLE I.

ORE RESERVES AS AT 1st JULY, 1970.

LEVEL	INDICATED ORE TONS	INFERRED ORE TONS	TOTAL ORE TONS
1	6,800	900	7,700
2	12,650	5,500	18,150
3	13,300	2,900	16,200
4	27,400	8,200	35,600
5	60,600	9,200	69,800
6	60,100	12,500	72,600
7	45,700	1,100	46,800
8	69,000	4,800	73,800
9	43,600	7,100	50,700
10	10,500	-	10,500
11	5,300	-	5,300
12	2,900	-	2,900
TOTALS	357,850	52,200	410,050

CATEGORIES: (A+B+C+D = INDICATED ORE.   E = INFERRED ORE)

DEFINITIONS.

A. Ore blocks considered to be economical at current prices
- realised Aust. $. ($WO_3$ = $48.00/unit, Sn$30·00/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.

D. Ore blocks considered to be uneconomical at current prices
due to low grade or excessively high costs.

E. Inferred Ore.

TABLE II

LEVEL BY LEVEL COMPARISON OF INDICATED AND INFERRED ORE RESERVE TONNAGES AS AT 1st JULY, 1969 and 1st JULY, 1970

LEVEL	INDICATED		DIFFER-ENCE	INFERRED		DIFFER-ENCE
	1969	1970		1969	1970	
1	5,900	6,800	+ 900	–	900	+ 900
2	11,000	12,650	+1,650	1,900	5,500	+3,600
3	11,800	13,300	+1,500	1,800	2,900	+1,100
4	27,800	27,400	– 400	5,700	8,200	+2,500
5	58,600	60,600	+2,000	7,600	9,200	+1,600
6	59,900	60,100	+ 200	9,800	12,500	+2,700
7	48,900	45,700	–3,200	1,100	1,100	–
8	61,800	69,000	+7,200	6,300	4,800	–1,500
9	49,100	43,600	–5,500	3,600	7,100	+3,500
10	7,300	10,500	+3,200	1,100	–	–1,100
11	9,700	5,300	–4,400	–	–	–
12	2,900	2,900	–	–	–	–
TOTAL	354,700	357,850	+3,150	38,900	52,200	+13,300

Inferred increase	13,300	tons
Indicated increase	3,150	"
Total increase	16,450	

TABLE III

LEVEL BY LEVEL COMPARISON OF THE ORE RESERVES AS AT 1st JULY,

1969 AND 1st JULY, 1970.

LEVEL	1.7.69 TOTAL ORE TONS	1.7.70 TOTAL ORE TONS	DIFFERENCE ORE TONS	REMARKS
1	5,900	7,700	+ 1,800	Increased tonnage due to development of operating block above 1 level.
2	12,900	18,150	+ 5,250	Increased tonnage due to extension of veining in operating stopes and development of operating block above 2 level.
3	13,600	16,200	+ 2,600	Increased tonnage due to above factors.
4	33,500		+ 2,100	Increased tonnage due to level development and stope extensions exceeding extraction.
5	66,200	69,800	+ 3,600	Increased tonnage due to level development and stope extensions exceeding extraction.
6	69,700	72,600	+ 2,900	Increased tonnage due to stope extensions, development of operating block above 6 level, transfer of reserve from 7 level, inclusion of new reserve below 5 level recently opened up in 6 level old workings, the sum of which exceeded extraction.
7	50,000	46,800	- 3,200	Decreased tonnage due to extraction and transfer of reserve to 6 level, offset by increased tonnage due to stope development in an operating block.
8	68,100	73,800	+ 5,700	Increased tonnage due to up-dip and level development, development of operating block above 8 level and stope development, the sum of which exceeded extraction.
9	52,700	50,700	- 2,000	Decreased tonnage due to extraction, but offset by stope development.
10	8,400	10,500	+ 2,100	Increased tonnage due to up-dip and stope development exceeding extraction.
11	9,700	5,300	- 4,400	Decreased tonnage due to extraction.
12	2,900	2,900	-	Unchanged
TOTALS	393,600	410,050	+16,450	