

STOREYS CREEK TIN MINING COMPANY N. L.

ORE RESERVE ESTIMATE AS AT 1ST JULY, 1969

The ore reserve estimate has increased from 248,950 tons to 266,600 tons this year.

The estimate of ore considered to be "economic" and "accessible" has increased from 95,850 tons at 1st July, 1968 to 117,150 tons at 1st July, 1969, an increase of 21,300 tons (see Table I, Category A).

The estimate of ore considered to be economic and accessible with moderately increased costs has increased from 49,700 tons to 51,850 tons (see Table I, Category B).

The estimate of ore considered to be of marginal profitability at current metal prices or requiring capital expenditure for normal exploitation has decreased from 27,750 tons to 26,350 tons (see Table I, Category C).

The estimate of ore considered to be uneconomic at current metal prices has decreased from 33,450 tons to 27,100 tons (see Table I, Category D).

The estimate of inferred ore has increased from 42,200 tons to 44,150 tons (see Table I, Category E).

The major factors influencing year to year variation in the various categories are -

1. Category A. (a) Extensive development to the north on 9 level on Sub-Footwall Vein, Hanging Wall, Spur off Footwall Vein, X-Vein and up dip exploration on these veins.
(b) Development on Footwall Vein Split and No. 1 Vein on 6 and 7 levels.
(c) Transfer of ore from lower categories due to sand filling and stope rehabilitation.
2. Category B. Reserves below 9 level development which may require moderately increased development costs on 11 level.
3. Category C. (a) Transfer of ore to higher categories.
(b) Write off of low grade ore below 9 level development on Hanging Wall Vein 'B' Split and Hanging Wall Vein 'A' Split.
4. Category D. Write off of substantial ore reserve on 9 level Hanging Wall Vein 'A' Split and Hanging Wall Vein 'B' Split considered to be generally low grade.

5. Category E. Marginal increase in inferred ore reserve is due to the addition of blocks above 9 level development. As a conservative approach is taken when assessing inferred ore, reserves have not been included below development on the north of 9 level, not as yet exposed on 11 level.

SUMMARY.

	A	B	C	D	E	TOTAL
<u>Categories.</u>	(A + B + C + D = Indicated Ore, E = Inferred Ore)					
A.						
B.						
C.						
D.						
E.						

The following Table (Table I) shows the ore reserves on each level, broken down into categories. Tonnages have been calculated at 13.6 cu.ft./ton for ore in situ and cut by 10% as in previous years, to allow for losses in pillars and other contingencies.

TABLE I

LEVEL	A	B	C	D	E	TOTAL
ADITS	10,500	5,900	1,050	-	1,200	18,650
1	14,050	3,000	-	-	1,700	18,750
1A	1,750	4,000	-	-	-	5,750
2	5,800	7,250	-	3,250	-	16,300
3	11,450	5,750	400	-	4,250	21,850
4	1,850	2,050	-	4,650	1,950	10,500
5	-	-	-	4,050	-	4,050
6	5,450	3,950	2,900	6,050	2,350	20,700
7	9,700	4,150	5,650	1,650	850	22,000
7A	1,800	-	-	2,250	-	4,050
7B	2,150	2,000	-	600	-	4,750
8	13,700	3,550	2,000	750	1,550	21,550
8A	-	-	-	2,100	-	2,100
9	28,100	3,450	2,100	-	10,450	44,100
11	10,850	6,800	6,500	1,750	14,750	40,650
12	-	-	5,750	-	5,100	10,850
TOTAL	117,150	51,850	26,350	27,100	44,150	266,600

9 41,900 44,100 + 2,200 Due to development.

11 35,500 40,650 + 5,150 Due to development.

12 9,900 10,850 + 950 Due to development.

TOTAL 248,950 266,600 +17,650

LEVEL BY LEVEL COMPARISON OF THE ORE RESERVE AS AT 1st JULY, 1968
AND 1st JULY, 1969.

TABLE II

LEVEL	1.7.68 ORE TONS	1.7.69 ORE TONS	DIFFERENCE ORE TONS	REMARKS
ADITS	20,500	18,650	- 1,850	Due to extraction - Little development.
1	18,250	18,750	+ 500	Due to stope development of current stopes.
1A	5,700	5,750	+ 50	Due to reassessment.
2	16,450	16,300	- 150	Due to extraction.
3	21,350	21,850	+ 500	Due to stope development of current stopes.
4	10,550	10,500	- 50	Due to reassessment.
5	4,150	4,050	- 100	Due to reassessment.
6	16,850	20,700	+ 3,850	Due to development and rehabilitation.
7	18,600	22,000	+ 3,400	Due to development and rehabilitation.
7A	4,600	4,050	- 550	Due to extraction.
7B	4,700	4,750	+ 50	Due to reassessment
8	18,250	21,550	+ 3,300	Due to development.
8A	2,100	2,100	-	Due to development.
9	41,500	44,100	+ 2,600	Due to development.
11	35,500	40,650	+ 5,150	Due to development.
12	9,900	10,850	+ 950	Due to development.
TOTAL	248,950	266,600	+17,650	