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# APPENDIX 2

## PRODUCTION SCHEDULES, BASE CASES 1, 2, AND 3

Behre Dolbear & Company, Inc.

Production Schedule
AddWest Minerals, Inc. - Gold Road
$375.00 Reserves
Case I - $350 Hedge Programme with No start up loss and 156398 oz Reserves

| Block | Gold Diluted Tons Tons | Gold Diluted Tons Grade | Gold Diluted Tons Ounces | Stope Production TPD | Max Quaterly Production | Stope Production (tons) Quarter 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| MD/54 | 18952 | 0.626 | 11858 | 172 | 11180 | 11180 | 7772 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| MD/52 | 5395 | 0.416 | 2246 | 118 | 5395 | 5395 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| MD/51 | 8024 | 0.207 | 1659 | 138 | 8024 | 8024 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 350/38 | 8273 | 0.184 | 1525 | 150 | 8273 | 8273 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 350/31 | 6654 | 0.197 | 1312 | 146 | 6654 | 6654 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 350/30 | 0 | 0.159 | 775 | 109 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 350/26 | 0 | 0.132 | 1808 | 157 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 350/25 | 35474 | 0.163 | 5769 | 164 | 10660 | 7199 | 10660 | 10660 | 6955 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 350/21 | 9038 | 0.174 | 1572 | 121 | 7865 | 0 | 7865 | 1173 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 350/14 | 21469 | 0.240 | 5146 | 164 | 10660 | 0 | 10660 | 10660 | 149 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 350/04 | 20422 | 0.972 | 19842 | 159 | 10335 | 0 | 9768 | 10335 | 319 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 350/03 | 37378 | 0.385 | 14388 | 159 | 10335 | 0 | 0 | 10335 | 10335 | 10335 | 6373 | 0 | 0 | 0 | 0 | 0 | 0 |
| 100/01A | 18989 | 0.277 | 5268 | 143 | 9295 | 0 | 0 | 3562 | 9295 | 6133 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 100/01B | 21780 | 0.277 | 6042 | 143 | 9295 | 0 | 0 | 0 | 9295 | 9295 | 3190 | 0 | 0 | 0 | 0 | 0 | 0 |
| 100/02 | 24210 | 0.350 | 8484 | 170 | 11050 | 0 | 0 | 0 | 10378 | 11050 | 2782 | 0 | 0 | 0 | 0 | 0 | 0 |
| 100/11 | 4760 | 0.251 | 1194 | 121 | 4760 | 0 | 0 | 0 | 0 | 4760 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 100/12&13 | 6841 | 0.179 | 1222 | 132 | 6841 | 0 | 0 | 0 | 0 | 5153 | 1688 | 0 | 0 | 0 | 0 | 0 | 0 |
| 100/20 | 3003 | 0.667 | 2004 | 76 | 3003 | 0 | 0 | 0 | 0 | 0 | 3003 | 0 | 0 | 0 | 0 | 0 | 0 |
| 100/19 | 10404 | 0.192 | 2001 | 137 | 8905 | 0 | 0 | 0 | 0 | 0 | 8905 | 1499 | 0 | 0 | 0 | 0 | 0 |
| 100/24 | 0 | 0.131 | 1833 | 141 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 100/28 | 0 | 0.150 | 446 | 115 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 100/29 | 6591 | 0.163 | 1072 | 138 | 6591 | 0 | 0 | 0 | 0 | 0 | 6591 | 0 | 0 | 0 | 0 | 0 | 0 |
| 100/38 | 0 | 0.098 | 291 | 125 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 100/37 | 0 | 0.141 | 2164 | 164 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 500/32 | 3613 | 0.171 | 617 | 60 | 3613 | 0 | 0 | 0 | 0 | 0 | 3613 | 0 | 0 | 0 | 0 | 0 | 0 |
| 500/21 | 21992 | 0.174 | 3824 | 159 | 10335 | 0 | 0 | 0 | 0 | 0 | 10335 | 10335 | 1322 | 0 | 0 | 0 | 0 |
| 500/16 | 7763 | 0.236 | 1829 | 134 | 7763 | 0 | 0 | 0 | 0 | 0 | 245 | 7518 | 0 | 0 | 0 | 0 | 0 |
| 500/15 | 5894 | 0.248 | 1460 | 138 | 5894 | 0 | 0 | 0 | 0 | 0 | 0 | 5894 | 0 | 0 | 0 | 0 | 0 |
| 500/06 | 8672 | 0.289 | 2510 | 118 | 7670 | 0 | 0 | 0 | 0 | 0 | 0 | 7670 | 1002 | 0 | 0 | 0 | 0 |
| 500/05 | 19170 | 0.360 | 6902 | 180 | 11700 | 0 | 0 | 0 | 0 | 0 | 0 | 11700 | 7470 | 0 | 0 | 0 | 0 |
| 600/27 | 0 | 0.160 | 1523 | 150 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 700/33 | 6828 | 0.224 | 1527 | 45 | 2925 | 0 | 0 | 0 | 0 | 0 | 0 | 2110 | 2925 | 1793 | 0 | 0 | 0 |
| 700/22 | 30452 | 0.181 | 5515 | 164 | 10660 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 10660 | 10660 | 9132 | 0 | 0 |
| 700/18 | 3003 | 0.216 | 647 | 66 | 3003 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 3003 | 0 | 0 | 0 | 0 |
| 700/17 | 4872 | 0.241 | 1176 | 114 | 4872 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 4872 | 0 | 0 | 0 | 0 |
| 700/08 | 12385 | 0.264 | 3267 | 166 | 10790 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 10790 | 1595 | 0 | 0 | 0 |
| 700/07 | 28575 | 0.318 | 9096 | 228 | 14820 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 4682 | 14820 | 9073 | 0 | 0 |
| 700/35 | 9146 | 0.302 | 2765 | 166 | 9146 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | -0 | 9146 | 0 | 0 | 0 |
| 700/43 | 6517 | 0.225 | 1468 | 134 | 6517 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 6517 | 0 | 0 | 0 |
| 700/45 | 4473 | 0.282 | 1262 | 108 | 4473 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 2194 | 2279 | 0 | 0 |
| 900/44 | 713 | 0.318 | 227 | 123 | 713 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 713 | 0 | 0 |
| 900/34 | 12211 | 0.177 | 2162 | 178 | 11570 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 11570 | 641 | 0 |
| 900/23 | 0 | 0.136 | 753 | 171 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 900/10 | 0 | 0.129 | 289 | 159 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 900/09 | 0 | 0.147 | 496 | 134 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 900/46 | 0 | 0.152 | 217 | 137 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 900/47 | 7346 | 0.351 | 2580 | 101 | 6565 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 6565 | 781 | 0 |
| 900/48 | 3424 | 0.213 | 730 | 86 | 3424 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 3424 | 0 | 0 |
| 900/49 | 0 | 0.130 | 543 | 83 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 900/53 | 0 | 0.102 | 246 | 80 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 900/55 | 2028 | 0.215 | 436 | 61 | 2028 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 2028 | 0 | 0 |
| 900/56/57 | 2504 | 0.361 | 904 | 60 | 2504 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1941 | 564 | 0 |
| 900/58/59 | 6006 | 0.558 | 3353 | 100 | 6006 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 6006 | 0 |
| 900/60/61 | 3738 | 0.184 | 689 | 100 | 3738 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 3738 | 0 |
| 900/62 | 9781 | 0.230 | 2250 | 190 | 9781 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 9781 | 0 |
| 900/63 | 5712 | 0.233 | 1332 | 190 | 5712 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 5712 | 0 |
| 900/64/65 | 9495 | 0.222 | 2108 | 150 | 9495 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 9495 | 0 |
| 900/66 | 11204 | 0.164 | 1840 | 180 | 11204 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 10008 | 1196 |
| 900/68 | 0 | 0.150 | 623 | 180 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 900/69 | 2766 | 0.476 | 1318 | 75 | 2766 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | -0 | 2766 |
| | | | | | | 46725 | 46725 | 46725 | 46725 | 46725 | 46725 | 46725 | 46725 | 46725 | 46725 | 46725 | 3962 |

| Block | Stope Production (oz gold) Quarter 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| MD/54 | 6996 | 4863 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| MD/52 | 2246 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| MD/51 | 1659 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 350/38 | 1525 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 350/31 | 1312 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 350/30 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 350/26 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 350/25 | 1171 | 1734 | 1734 | 1131 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 350/21 | 0 | 1367 | 204 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 350/14 | 0 | 2555 | 2555 | 36 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 350/04 | 0 | 9491 | 10042 | 310 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 350/03 | 0 | 0 | 3978 | 3978 | 3978 | 2453 | 0 | 0 | 0 | 0 | 0 | 0 |
| 100/01A | 0 | 0 | 988 | 2578 | 1701 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 100/01B | 0 | 0 | 0 | 2578 | 2578 | 885 | 0 | 0 | 0 | 0 | 0 | 0 |
| 100/02 | 0 | 0 | 0 | 3637 | 3872 | 975 | 0 | 0 | 0 | 0 | 0 | 0 |
| 100/11 | 0 | 0 | 0 | 0 | 1194 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 100/12&13 | 0 | 0 | 0 | 0 | 921 | 302 | 0 | 0 | 0 | 0 | 0 | 0 |
| 100/20 | 0 | 0 | 0 | 0 | 0 | 2004 | 0 | 0 | 0 | 0 | 0 | 0 |
| 100/19 | 0 | 0 | 0 | 0 | 0 | 1713 | 288 | 0 | 0 | 0 | 0 | 0 |
| 100/24 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 100/28 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 100/29 | 0 | 0 | 0 | 0 | 0 | 1072 | 0 | 0 | 0 | 0 | 0 | 0 |
| 100/38 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 100/37 | 0 | 0 | 0 | 0 | 0 | 617 | 0 | 0 | 0 | 0 | 0 | 0 |
| 500/32 | 0 | 0 | 0 | 0 | 0 | 1797 | 1797 | 230 | 0 | 0 | 0 | 0 |
| 500/21 | 0 | 0 | 0 | 0 | 0 | 58 | 1772 | 0 | 0 | 0 | 0 | 0 |
| 500/16 | 0 | 0 | 0 | 0 | 0 | 0 | 1460 | 0 | 0 | 0 | 0 | 0 |
| 500/15 | 0 | 0 | 0 | 0 | 0 | 0 | 2220 | 290 | 0 | 0 | 0 | 0 |
| 500/06 | 0 | 0 | 0 | 0 | 0 | 0 | 4213 | 2890 | 0 | 0 | 0 | 0 |
| 500/05 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 600/27 | 0 | 0 | 0 | 0 | 0 | 0 | 472 | 654 | 401 | 0 | 0 | 0 |
| 700/33 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1930 | 1930 | 1654 | 0 | 0 |
| 700/22 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 647 | 0 | 0 | 0 | 0 |
| 700/18 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1176 | 0 | 0 | 0 | 0 |
| 700/17 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 2846 | 421 | 0 | 0 | 0 |
| 700/08 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1490 | 4718 | 2888 | 0 | 0 |
| 700/07 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | -0 | 2765 | 0 | 0 | 0 |
| 700/35 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1468 | 0 | 0 | 0 |
| 700/43 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 619 | 643 | 0 | 0 |
| 700/45 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 227 | 0 | 0 |
| 900/44 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 2049 | 113 | 0 |
| 900/34 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 900/23 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 900/10 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 900/09 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 900/46 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 2308 | 274 | 0 |
| 900/47 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 730 | 0 | 0 |
| 900/48 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 900/49 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 900/53 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 436 | 0 | 0 |
| 900/55 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 700 | 203 | 0 |
| 900/56/57 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 3353 | 0 |
| 900/58/59 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 689 | 0 |
| 900/60/61 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 2250 | 0 |
| 900/62 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1332 | 0 |
| 900/63 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 2108 | 0 |
| 900/64/65 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1644 | 196 |
| 900/66 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 900/68 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | -0 | 1318 |
| 900/69 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 14908 | 20010 | 19501 | 14248 | 14245 | 11875 | 12221 | 11953 | 12321 | 11633 | 11967 | 1514 |

Stope production rates were calculated by AddWest except,
BD accelerated production from last 8 stopes over Addwest's figures
to maintain production in the last quarter

1993

Behre Dolbear & Company, Inc.

Production Schedule
AddWest Minerals, Inc. - Gold Road
$375.00 Reserves
Case 2

| Block | Gold | | | Stope Production TPD | Max Quaterly Production | Stope Production (tons) Quarter | | | | | | | | | | | Stope Production (oz gold) Quarter | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Diluted Tons | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | Tons | Grade | Ounces | | | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 |
| MD/54 | 18952 | 0.626 | 11858 | 172 | 11180 | 11180 | 7772 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 6996 | 4863 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| MD/52 | 5395 | 0.416 | 2246 | 118 | 5395 | 5395 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 2246 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| MD/51 | 8024 | 0.207 | 1659 | 138 | 8024 | 6787 | 1237 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1403 | 256 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 350/38 | 8273 | 0.184 | 1525 | 150 | 8273 | 0 | 8273 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1525 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 350/31 | 6654 | 0.197 | 1312 | 146 | 6654 | 0 | 6654 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1312 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 350/30 | 0 | 0.159 | 775 | 109 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 350/26 | 0 | 0.132 | 1808 | 157 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 350/25 | 0 | 0.163 | 5769 | 164 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1367 | 204 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 350/21 | 9038 | 0.174 | 1572 | 121 | 7865 | 0 | 7865 | 1173 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 777 | 2555 | 1813 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 350/14 | 21469 | 0.240 | 5146 | 164 | 10660 | 0 | 3243 | 10660 | 7565 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 10042 | 9801 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 350/04 | 20422 | 0.972 | 19842 | 159 | 10335 | 0 | 0 | 10335 | 10087 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 3978 | 3978 | 3978 | 2453 | 0 | 0 | 0 | 0 | 0 |
| 350/03 | 37378 | 0.385 | 14388 | 159 | 10335 | 0 | 0 | 10335 | 10335 | 10335 | 6373 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 2578 | 2578 | 111 | 0 | 0 | 0 | 0 | 0 | 0 |
| 100/01A | 18989 | 0.277 | 5268 | 143 | 9295 | 0 | 0 | 9295 | 9295 | 399 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 70 | 2578 | 2578 | 814 | 0 | 0 | 0 | 0 | 0 |
| 100/01B | 21780 | 0.277 | 6042 | 143 | 9295 | 0 | 0 | 254 | 9295 | 9295 | 2936 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 52 | 3872 | 3872 | 688 | 0 | 0 | 0 | 0 |
| 100/02 | 24210 | 0.350 | 8484 | 170 | 11050 | 0 | 0 | 0 | 148 | 11050 | 11050 | 1962 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1194 | 0 | 0 | 0 | 0 | 0 | 0 |
| 100/11 | 4760 | 0.251 | 1194 | 121 | 4760 | 0 | 0 | 0 | 0 | 4760 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1222 | 0 | 0 | 0 | 0 | 0 | 0 |
| 100/12&13 | 6841 | 0.179 | 1222 | 132 | 6841 | 0 | 0 | 0 | 0 | 6841 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 2004 | 0 | 0 | 0 | 0 | 0 | 0 |
| 100/20 | 3003 | 0.667 | 2004 | 76 | 3003 | 0 | 0 | 0 | 0 | 3003 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 201 | 1713 | 88 | 0 | 0 | 0 | 0 |
| 100/19 | 10404 | 0.192 | 2001 | 137 | 8905 | 0 | 0 | 0 | 0 | 1043 | 8905 | 456 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 100/24 | 0 | 0.131 | 1833 | 141 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 100/28 | 0 | 0.150 | 446 | 115 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 100/29 | 0 | 0.163 | 1072 | 138 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 100/36 | 0 | 0.098 | 291 | 125 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 100/37 | 0 | 0.141 | 2164 | 164 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 617 | 0 | 0 | 0 | 0 | 0 |
| 500/32 | 3613 | 0.171 | 617 | 60 | 3613 | 0 | 0 | 0 | 0 | 0 | 3613 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1797 | 1797 | 230 | 0 | 0 | 0 |
| 500/21 | 21992 | 0.174 | 3824 | 159 | 10335 | 0 | 0 | 0 | 0 | 0 | 10335 | 10335 | 1322 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 828 | 1001 | 0 | 0 | 0 | 0 |
| 500/16 | 7763 | 0.236 | 1829 | 134 | 7763 | 0 | 0 | 0 | 0 | 0 | 3513 | 4250 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1460 | 0 | 0 | 0 | 0 |
| 500/15 | 5894 | 0.248 | 1460 | 138 | 5894 | 0 | 0 | 0 | 0 | 0 | 0 | 5894 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 2220 | 290 | 0 | 0 | 0 |
| 500/06 | 8672 | 0.289 | 2510 | 118 | 7670 | 0 | 0 | 0 | 0 | 0 | 0 | 7670 | 1002 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 4213 | 2690 | 0 | 0 | 0 |
| 500/05 | 19170 | 0.360 | 6902 | 180 | 11700 | 0 | 0 | 0 | 0 | 0 | 0 | 11700 | 7470 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 600/27 | 0 | 0.160 | 1623 | 150 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 654 | 654 | 219 | 0 | 0 |
| 700/33 | 6828 | 0.224 | 1527 | 45 | 2925 | 0 | 0 | 0 | 0 | 0 | 0 | 2925 | 2925 | 978 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 278 | 1930 | 1930 | 1376 | 0 |
| 700/22 | 30452 | 0.181 | 5515 | 164 | 10660 | 0 | 0 | 0 | 0 | 0 | 0 | 1533 | 10660 | 10660 | 7599 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 647 | 0 | 0 | 0 |
| 700/18 | 3003 | 0.216 | 647 | 66 | 3003 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 3003 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1176 | 0 | 0 | 0 |
| 700/17 | 4872 | 0.241 | 1176 | 114 | 4872 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 4872 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 2846 | 421 | 0 | 0 |
| 700/08 | 12385 | 0.264 | 3267 | 166 | 10790 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 10790 | 1595 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1490 | 4718 | 2883 | 0 |
| 700/07 | 28575 | 0.318 | 9096 | 228 | 14820 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 4682 | 14820 | 9073 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | -0 | 2765 | 0 | 0 |
| 700/35 | 9146 | 0.302 | 2765 | 166 | 9146 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | -0 | 9146 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1468 | 0 | 0 |
| 700/43 | 6517 | 0.225 | 1468 | 134 | 6517 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 6517 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 849 | 413 | 0 |
| 700/45 | 4473 | 0.282 | 1262 | 108 | 4473 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 3009 | 1464 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 227 | 0 |
| 900/44 | 713 | 0.318 | 227 | 123 | 713 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 713 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 2049 | 113 |
| 900/34 | 12211 | 0.177 | 2162 | 178 | 11570 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 11570 | 641 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 900/23 | 0 | 0.136 | 753 | 171 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 900/10 | 0 | 0.129 | 289 | 159 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 900/09 | 0 | 0.147 | 496 | 134 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 900/46 | 0 | 0.152 | 217 | 137 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 2306 | 274 |
| 900/47 | 7346 | 0.351 | 2580 | 101 | 6565 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 6565 | 781 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 730 | 0 |
| 900/48 | 3424 | 0.213 | 730 | 86 | 3424 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 3424 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 900/49 | 0 | 0.130 | 543 | 83 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 900/53 | 0 | 0.102 | 246 | 80 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 433 | 0 |
| 900/55 | 2028 | 0.215 | 436 | 61 | 2028 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 2028 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 904 | 0 |
| 900/56/57 | 2504 | 0.361 | 904 | 60 | 2504 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 2504 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 997 | 2358 |
| 900/58/59 | 6006 | 0.558 | 3353 | 100 | 6006 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1785 | 4221 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 689 |
| 900/60/61 | 3738 | 0.184 | 689 | 100 | 3738 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 3738 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 2250 |
| 900/62 | 9781 | 0.230 | 2250 | 190 | 9781 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 9781 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1332 |
| 900/63 | 5712 | 0.233 | 1332 | 190 | 5712 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 5712 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 2108 |
| 900/64/65 | 9495 | 0.222 | 2108 | 150 | 9495 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 9495 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 900/66 | 0 | 0.164 | 1840 | 180 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 900/68 | 0 | 0.150 | 623 | 180 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1318 |
| 900/69 | 2766 | 0.476 | 1318 | 75 | 2766 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 2766 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1318 |
| | | | | | | 23363 | 35044 | 42053 | 46725 | 46725 | 46725 | 46725 | 46725 | 46725 | 46725 | 37134 | 10645 | 10100 | 19428 | 20801 | 15161 | 12094 | 12398 | 11953 | 12369 | 12325 | 10442 |

Stope production rates were calculated by AddWest except,
BD accelerated production from last 8 stopes over Addwest's figures
to maintain production in the last quarter

1993

Behre Dolbear & Company, Inc.

Production Schedule
AddWest Minerals, Inc. - Gold Road
$375.00 Reserves
Case 3 - $350 Hedge Program with Start Up using 156398 oz reserves

| Block | Gold Diluted Tons Tons | Gold Diluted Tons Grade | Gold Diluted Tons Ounces | Stope Production TPD | Max Quality Production | Stope Production (tons) Quarter 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| MD/54 | 18952 | 0.626 | 11858 | 172 | 11180 | 11180 | 7772 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| MD/52 | 5395 | 0.416 | 2246 | 118 | 5395 | 5395 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| MD/51 | 8024 | 0.207 | 1659 | 138 | 8024 | 6787 | 1237 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 350/38 | 8273 | 0.184 | 1525 | 150 | 8273 | 0 | 8273 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 350/31 | 6654 | 0.197 | 1312 | 146 | 6654 | 0 | 6654 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 350/30 | 0 | 0.159 | 775 | 109 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 350/26 | 0 | 0.132 | 1808 | 157 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 350/25 | 35474 | 0.163 | 5769 | 164 | 10660 | 0 | 10660 | 10660 | 10660 | 3494 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 350/21 | 9038 | 0.174 | 1572 | 121 | 7865 | 0 | 448 | 7865 | 725 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 350/14 | 21469 | 0.240 | 5146 | 164 | 10660 | 0 | 0 | 10660 | 10660 | 149 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 350/04 | 20422 | 0.972 | 19842 | 159 | 10335 | 0 | 0 | 10335 | 10087 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 350/03 | 37378 | 0.385 | 14328 | 159 | 10335 | 0 | 0 | 2533 | 10335 | 10335 | 10335 | 3840 | 0 | 0 | 0 | 0 | 0 |
| 100/01A | 18989 | 0.277 | 5268 | 143 | 9295 | 0 | 0 | 0 | 4258 | 9295 | 5436 | 0 | 0 | 0 | 0 | 0 | 0 |
| 100/01B | 21780 | 0.277 | 6042 | 143 | 9295 | 0 | 0 | 0 | 0 | 9295 | 9295 | 3190 | 0 | 0 | 0 | 0 | 0 |
| 100/02 | 24210 | 0.350 | 8484 | 170 | 11050 | 0 | 0 | 0 | 0 | 11050 | 11050 | 2110 | 0 | 0 | 0 | 0 | 0 |
| 100/11 | 4760 | 0.251 | 1194 | 121 | 4760 | 0 | 0 | 0 | 0 | 3108 | 1652 | 0 | 0 | 0 | 0 | 0 | 0 |
| 100/12&13 | 6841 | 0.179 | 1222 | 132 | 6841 | 0 | 0 | 0 | 0 | 0 | 6841 | 0 | 0 | 0 | 0 | 0 | 0 |
| 100/20 | 3003 | 0.667 | 2004 | 76 | 3003 | 0 | 0 | 0 | 0 | 0 | 2116 | 887 | 0 | 0 | 0 | 0 | 0 |
| 100/19 | 10404 | 0.192 | 2001 | 137 | 8905 | 0 | 0 | 0 | 0 | 0 | 0 | 8905 | 1499 | 0 | 0 | 0 | 0 |
| 100/24 | 0 | 0.131 | 1833 | 141 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 100/28 | 0 | 0.150 | 446 | 115 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 100/29 | 6591 | 0.163 | 1072 | 138 | 6591 | 0 | 0 | 0 | 0 | 0 | 0 | 6591 | 0 | 0 | 0 | 0 | 0 |
| 100/36 | 0 | 0.098 | 291 | 125 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 100/37 | 0 | 0.141 | 2164 | 164 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 500/32 | 3613 | 0.171 | 617 | 60 | 3613 | 0 | 0 | 0 | 0 | 0 | 0 | 3613 | 0 | 0 | 0 | 0 | 0 |
| 500/21 | 21992 | 0.174 | 3824 | 159 | 10335 | 0 | 0 | 0 | 0 | 0 | 0 | 10335 | 10335 | 1322 | 0 | 0 | 0 |
| 500/16 | 7763 | 0.236 | 1829 | 134 | 7763 | 0 | 0 | 0 | 0 | 0 | 0 | 7254 | 509 | 0 | 0 | 0 | 0 |
| 500/15 | 5894 | 0.248 | 1460 | 138 | 5894 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 5894 | 0 | 0 | 0 | 0 |
| 500/08 | 8672 | 0.289 | 2510 | 118 | 7670 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 7670 | 1002 | 0 | 0 | 0 |
| 500/05 | 19170 | 0.360 | 6902 | 180 | 11700 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 11700 | 7470 | 0 | 0 | 0 |
| 600/27 | 0 | 0.160 | 1523 | 150 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 700/33 | 6828 | 0.224 | 1527 | 45 | 2925 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 2925 | 2925 | 978 | 0 | 0 |
| 700/22 | 30452 | 0.181 | 5515 | 164 | 10660 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 6193 | 10660 | 10660 | 2939 | 0 |
| 700/18 | 3003 | 0.216 | 647 | 66 | 3003 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 3003 | 0 | 0 | 0 |
| 700/17 | 4872 | 0.241 | 1176 | 114 | 4872 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 4872 | 0 | 0 | 0 |
| 700/08 | 12385 | 0.264 | 3267 | 166 | 10790 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 10790 | 1595 | 0 | 0 |
| 700/07 | 28575 | 0.318 | 9096 | 228 | 14820 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 4682 | 14820 | 9073 | 0 |
| 700/35 | 9146 | 0.302 | 2765 | 166 | 9146 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | -0 | 9146 | 0 | 0 |
| 700/43 | 6517 | 0.225 | 1468 | 134 | 6517 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 6517 | 0 | 0 |
| 700/45 | 4473 | 0.282 | 1262 | 108 | 4473 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 3009 | 1464 | 0 |
| 900/44 | 713 | 0.318 | 227 | 123 | 713 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 713 | 0 |
| 900/34 | 12211 | 0.177 | 2162 | 178 | 11570 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 11570 | 641 |
| 900/23 | 0 | 0.136 | 753 | 171 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 900/10 | 0 | 0.129 | 289 | 159 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 900/09 | 0 | 0.147 | 496 | 134 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 900/46 | 0 | 0.152 | 217 | 137 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 900/47 | 7348 | 0.351 | 2580 | 101 | 6565 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 6565 | 781 |
| 900/48 | 3424 | 0.213 | 730 | 86 | 3424 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 3424 | 0 |
| 900/49 | 0 | 0.130 | 543 | 83 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 900/53 | 0 | 0.102 | 246 | 80 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 900/55 | 2028 | 0.215 | 436 | 61 | 2028 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 2028 | 0 |
| 900/56/57 | 2504 | 0.361 | 904 | 60 | 2504 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 2504 | 0 |
| 900/58/59 | 6006 | 0.558 | 3353 | 100 | 6006 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 6006 | 0 |
| 900/60/61 | 3738 | 0.184 | 689 | 100 | 3738 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 439 | 3299 |
| 900/62 | 9781 | 0.230 | 2250 | 190 | 9781 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 9781 |
| 900/63 | 5712 | 0.233 | 1332 | 190 | 5712 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 5712 |
| 900/64/65 | 9495 | 0.222 | 2108 | 150 | 9495 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 9495 |
| 900/66 | 11204 | 0.164 | 1840 | 180 | 11204 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 11204 |
| 900/68 | 0 | 0.150 | 623 | 180 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 900/69 | 2766 | 0.476 | 1318 | 75 | 2766 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 2766 |
| | | | | | | 23363 | 35044 | 42053 | 46725 | 46725 | 46725 | 46725 | 46725 | 46725 | 46725 | 46725 | 43678 |

| Block | Stope Production (oz gold) Quarter 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| MD/54 | 6996 | 4863 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| MD/52 | 2246 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| MD/51 | 1403 | 256 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 350/38 | 0 | 1525 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 350/31 | 0 | 1312 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 350/30 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 350/26 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 350/25 | 0 | 1734 | 1734 | 1734 | 568 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 350/21 | 0 | 78 | 1367 | 126 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 350/14 | 0 | 0 | 2555 | 2555 | 36 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 350/04 | 0 | 0 | 10042 | 9801 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 350/03 | 0 | 0 | 975 | 3978 | 3978 | 3978 | 1478 | 0 | 0 | 0 | 0 | 0 |
| 100/01A | 0 | 0 | 0 | 1181 | 2578 | 1508 | 0 | 0 | 0 | 0 | 0 | 0 |
| 100/01B | 0 | 0 | 0 | 0 | 2578 | 2578 | 885 | 0 | 0 | 0 | 0 | 0 |
| 100/02 | 0 | 0 | 0 | 0 | 3872 | 3872 | 739 | 0 | 0 | 0 | 0 | 0 |
| 100/11 | 0 | 0 | 0 | 0 | 780 | 414 | 0 | 0 | 0 | 0 | 0 | 0 |
| 100/12&13 | 0 | 0 | 0 | 0 | 0 | 1222 | 0 | 0 | 0 | 0 | 0 | 0 |
| 100/20 | 0 | 0 | 0 | 0 | 0 | 1412 | 592 | 0 | 0 | 0 | 0 | 0 |
| 100/19 | 0 | 0 | 0 | 0 | 0 | 0 | 1713 | 288 | 0 | 0 | 0 | 0 |
| 100/24 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 100/28 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 100/29 | 0 | 0 | 0 | 0 | 0 | 0 | 1072 | 0 | 0 | 0 | 0 | 0 |
| 100/36 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 100/37 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 500/32 | 0 | 0 | 0 | 0 | 0 | 0 | 617 | 0 | 0 | 0 | 0 | 0 |
| 500/21 | 0 | 0 | 0 | 0 | 0 | 0 | 1797 | 1797 | 230 | 0 | 0 | 0 |
| 500/16 | 0 | 0 | 0 | 0 | 0 | 0 | 1709 | 120 | 0 | 0 | 0 | 0 |
| 500/15 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1460 | 0 | 0 | 0 | 0 |
| 500/08 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 2220 | 290 | 0 | 0 | 0 |
| 500/05 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 4213 | 2690 | 0 | 0 | 0 |
| 600/27 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 700/33 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 654 | 654 | 219 | 0 | 0 |
| 700/22 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1122 | 1930 | 1930 | 532 | 0 |
| 700/18 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 647 | 0 | 0 | 0 |
| 700/17 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1176 | 0 | 0 | 0 |
| 700/08 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 2846 | 421 | 0 | 0 |
| 700/07 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1490 | 4718 | 2888 | 0 |
| 700/35 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | -0 | 2765 | 0 | 0 |
| 700/43 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1468 | 0 | 0 |
| 700/45 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 849 | 413 | 0 |
| 900/44 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 227 | 0 |
| 900/34 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 2049 | 113 |
| 900/23 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 900/10 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 900/09 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 900/46 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 900/47 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 2306 | 274 |
| 900/48 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 730 | 0 |
| 900/49 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 900/53 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 900/55 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 436 | 0 |
| 900/56/57 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 904 | 0 |
| 900/58/59 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 3353 | 0 |
| 900/60/61 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 81 | 608 |
| 900/62 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 2250 |
| 900/63 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1332 |
| 900/64/65 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 2108 |
| 900/66 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1840 |
| 900/68 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 900/69 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1318 |
| | 10645 | 9767 | 16673 | 19375 | 14391 | 14986 | 10602 | 11674 | 11953 | 12369 | 13918 | 9844 |

Stope production rates were calculated by AddWest except,
BD accelerated production from last 8 stopes over Addwest's figures
to maintain production in the last quarter

1993

# APPENDIX 3

## MINPROC ENGINEERS, INC.'S LETTER TO AMI RELATIVE TO ESTIMATED MILL CAPITAL COSTS

SUITE B300
5600 S. QUEBEC STREET
ENGLEWOOD, CO 80111
OFFICE: (303) 721-9111
FAX: (303) 771-9009

# MINPROC ENGINEERS INC.

MINPROC

September 9, 1993

file

Mr. Charles S. Williams
President
Addwest Minerals, Incorporated
5460 Ward Road, Suite 370
Arvada, Colorado 80002

Dear Charlie,

This letter is to address some of the concerns that were raised both at the meeting this morning and the subsequent telephone conversation that you had with Dave Robinson this afternoon.

Firstly, on the issue of whether our Project Definition Document would result in a $5,000,000 or less project, I can understand your concern about going down the road for four weeks with Minproc and possibly ending up with a price that is greater than $5,000,000. We are prepared to state unequivocally today that based upon the information in the RFP and the Feasibility Study Document, we can build a project for $5,000,000 or less. The unresolved issues of course revolve primarily around the necessity for one or two mills in the grinding circuit.

The second issue is the sharing of the savings on using used equipment. If for example our Project Definition Document showed that a plant with all new equipment could be built for $5,000,000 and provide Minproc with the opportunity to earn a reasonable profit commensurate with the resources that we would dedicate to the project and the risks that we would accept, we suggest a sharing of the savings on used equipment of something like 80/20 or 90/10, the lower number obviously being Minproc's share. If in another example the Project Definition Document indicated that in order to come in under $5,000,000 certain used equipment would have to be used, then the sharing on the used equipment would have to be in a different ratio.

We firmly believe that Minproc and Addwest can work together in a completely open negotiation and arrive at a contractual basis that is fair and rewarding to both companies. We have the people, experience, and commitment to make this a successful venture.

If you wish to discuss this again early tomorrow morning before you commit to meeting with the bidders, I would be pleased to do so. If you would like to talk tonight, then call me at my home number 393-0779.

Best regards,

Steve C. Brady

Steve C. Brady
Vice President - Marketing

dWest Minerals, Inc. - Gold Road
se I - $350 Hedge Programme with No start up loss and 156398 oz Reserves
$375 reserves - 24.6% Dilution

Behre Dolbear & Company, Inc.
Cash Flow

| m | | Source | -3 | -2 | -1 | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | Totals |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1 | Project Revenue | T-I | $0 | $0 | $0 | $5,034,429 | $6,832,043 | $6,669,413 | $4,807,742 | $4,820,423 | $4,024,387 | $4,135,460 | $4,061,435 | $4,195,655 | $3,983,609 | $4,093,189 | $512,074 | $53,169,859 |
| 2 | Royalty | 0.035*1 | $0 | $0 | $0 | $176,205 | $239,122 | $233,429 | $168,271 | $168,715 | $140,854 | $144,741 | $142,150 | $146,848 | $139,426 | $143,262 | $17,923 | $1,860,945 |
| 2a | Sales, Transportation, Insurance etc. | 0.01*1 | | | | $50,344 | $68,320 | $66,694 | $48,077 | $48,204 | $40,244 | $41,355 | $40,614 | $41,957 | $39,836 | $40,932 | $5,121 | $531,699 |
| 3 | Operating Costs | T-II | $0 | $0 | $0 | $2,429,212 | $2,429,212 | $2,429,212 | $2,429,212 | $2,413,284 | $2,413,284 | $2,413,284 | $2,413,284 | $2,413,284 | $2,413,284 | $2,413,284 | $204,632 | $26,814,467 |
| 4 | Property Tax | T-III | | $78,750 | $78,750 | $78,750 | $78,750 | $78,750 | $78,750 | $78,750 | $78,750 | $78,750 | $78,750 | $78,750 | $78,750 | $78,750 | $78,750 | $1,102,500 |
| 5 | Severence Tax | T-III | $0 | $0 | $0 | $93,872 | $127,391 | $124,358 | $89,645 | $90,513 | $75,565 | $77,651 | $76,261 | $78,781 | $74,800 | $76,857 | $9,615 | $995,311 |
| 6 | Net After Costs | 1-2-3-4-5 | | ($78,750) | ($78,750) | $2,206,046 | $3,889,249 | $3,736,969 | $1,993,786 | $2,020,957 | $1,275,690 | $1,379,679 | $1,310,375 | $1,436,035 | $1,237,513 | $1,340,104 | $196,034 | $21,864,937 |
| | Cost/ton ( inc. Royalty, Prop Tax, Sev. Tax) | | | | | $60.53 | $62.98 | $62.76 | $60.22 | $59.91 | $58.83 | $58.98 | $58.88 | $59.06 | $58.77 | $58.92 | $79.77 | $60.44 |
| | Cost/ Rec. oz of gold | | | | | $199.71 | $153.19 | $156.64 | $210.10 | $209.06 | $248.90 | $242.46 | $247.48 | $240.83 | $253.83 | $247.36 | $217.40 | $212.58 |
| 7 | Capital Expenditures | T-IV | $0 | $2,916,647 | $6,356,951 | $0 | $200,000 | $0 | $0 | $0 | $332,000 | $0 | $0 | $0 | $0 | $0 | ($500,000) | $9,305,598 |
| 8 | Actual Exp & Dev | Addwest | $0 | $0 | $0 | $0 | $201,550 | $201,550 | $201,550 | $201,550 | $201,550 | $201,550 | $201,550 | $201,550 | $201,550 | $201,550 | $0 | $2,015,500 |
| 9 | Working Capital | T-IV | $0 | $0 | $1,000,000 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | ($1,000,000) | $0 |
| 10 | Cash Flow | 6-7..9 | $0 | ($2,995,397) | ($7,435,701) | $2,206,046 | $3,487,699 | $3,535,419 | $1,792,236 | $1,819,407 | $742,140 | $1,178,129 | $1,108,825 | $1,234,485 | $1,035,963 | $1,138,554 | $1,696,034 | $10,543,839 |
| 11 | Cum Cash | | $0 | ($2,995,397) | ($10,431,098) | ($8,225,052) | ($4,737,353) | ($1,201,935) | $590,301 | $2,409,709 | $3,151,849 | $4,329,978 | $5,438,803 | $6,673,289 | $7,709,251 | $8,847,806 | $10,543,839 | |
| | NPV CALCULATIONS | | | | | | | | | | | | | | | | | |
| 12 | NPV @ 15% | | $0 | ERR | ($9,795,024) | ($7,819,646) | ($4,809,507) | ($1,868,471) | ($431,439) | $974,651 | $1,527,468 | $2,373,331 | $3,140,661 | $3,964,072 | $4,630,091 | $5,335,610 | $6,348,590 | |
| 13 | NPV @ 10% | | $0 | ERR | ($9,999,746) | ($7,951,213) | ($4,791,530) | ($1,666,735) | ($121,295) | $1,409,309 | $2,018,418 | $2,961,779 | $3,827,992 | $4,768,848 | $5,539,144 | $6,365,075 | $7,565,404 | |
| 14 | NPV @ 7% | | $0 | ERR | ($10,126,006) | ($8,031,839) | ($4,777,961) | ($1,536,291) | $78,769 | $1,690,116 | $2,336,083 | $3,343,903 | $4,276,124 | $5,296,141 | $6,137,403 | $7,046,073 | $8,376,383 | |
| 15 | NPV @ 5% | | $0 | ERR | ($10,211,654) | ($8,086,309) | ($4,767,679) | ($1,445,173) | $218,335 | $1,886,215 | $2,558,148 | $3,611,655 | $4,590,948 | $5,667,762 | $6,560,253 | $7,529,018 | $8,954,310 | |
| 16 | IRR | | | -400.0 | -400.0 | -292.9 | -108.9 | -19.6 | 8.2 | 28.2 | 34.5 | 42.3 | 48.0 | 53.0 | 56.2 | 59.0 | 62.3 | |

AddWest Minerals, Inc. - Gold Road
Case I - $350 Hedge Programme with No start up loss and 156398 oz Reserves
$375 reserves - 24.6% Dilution

Behre Dolbear & Company, Inc.
Gross Revenue (Table T-I)

| Item | | Calculation | -3 | -2 | -1 | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | Totals/Ave |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1 | Tons Mined | Addwest | 0 | 0 | 0 | 46,725 | 46,725 | 46,725 | 46,725 | 46,725 | 46,725 | 46,725 | 46,725 | 46,725 | 46,725 | 46,725 | 3,962 | 517,937 |
| 2 | Gold Grade (oz/ton) | Data | | | | 0.3191 | 0.4283 | 0.4174 | 0.3049 | 0.3049 | 0.2541 | 0.2616 | 0.2558 | 0.2637 | 0.2490 | 0.2561 | 0.3822 | 0.3020 |
| | Contained Oz | 1*2 | | | | 14,908 | 20,010 | 19,501 | 14,248 | 14,245 | 11,875 | 12,221 | 11,953 | 12,321 | 11,633 | 11,967 | 1,514 | 156,398 |
| 3 | Recovery - Gold % | Data | | | | 0.95 | 0.96 | 0.96 | 0.94 | 0.94 | 0.93 | 0.93 | 0.93 | 0.93 | 0.93 | 0.93 | 0.96 | 0.94 |
| 4 | Gold Produced (oz) | 1*2*3 | 0 | 0 | 0 | 14,162 | 19,210 | 18,721 | 13,393 | 13,391 | 11,044 | 11,366 | 11,116 | 11,459 | 10,818 | 11,130 | 1,454 | 147,264 |
| | Cum. Oz | | 0 | 0 | 0 | 14,162 | 33,372 | 52,093 | 65,486 | 78,877 | 89,920 | 101,286 | 112,403 | 123,862 | 134,680 | 145,810 | 147,264 | |
| 5 | Ave Gold Price ($/oz) | Data | $0 | $0 | $0 | $353 | $353 | $354 | $357 | $358 | $362 | $362 | $363 | $364 | $366 | $366 | $350 | |
| 6 | Revenue - Gold | 4*5 | $0 | $0 | $0 | $5,002,564 | $6,788,821 | $6,627,291 | $4,777,607 | $4,790,294 | $3,999,539 | $4,109,887 | $4,036,423 | $4,169,872 | $3,959,267 | $4,068,147 | $508,803 | $52,838,516 |
| 7 | Silver Grade (oz/ton) | 2 | | | | 0.3191 | 0.4283 | 0.4174 | 0.3049 | 0.3049 | 0.2541 | 0.2616 | 0.2558 | 0.2637 | 0.2490 | 0.2561 | 0.3822 | |
| 8 | Recovery - Silver % | Addwest | | | | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | |
| 9 | Silver Produced (oz) | 4*8 | 0 | 0 | 0 | 7,081 | 9,605 | 9,360 | 6,697 | 6,695 | 5,522 | 5,683 | 5,558 | 5,729 | 5,409 | 5,565 | 727 | 73,632 |
| 10 | Silver Price ($/oz) | Data | $0.00 | $0.00 | $0.00 | $4.50 | $4.50 | $4.50 | $4.50 | $4.50 | $4.50 | $4.50 | $4.50 | $4.50 | $4.50 | $4.50 | $4.50 | |
| 11 | Revenue - Silver | 9*10 | $0 | $0 | $0 | $31,865 | $43,222 | $42,122 | $30,135 | $30,129 | $24,848 | $25,573 | $25,012 | $25,783 | $24,342 | $25,042 | $3,271 | $331,343 |
| 12 | Total Gross Revenue | 6+11 | $0 | $0 | $0 | $5,034,429 | $6,832,043 | $6,669,413 | $4,807,742 | $4,820,423 | $4,024,387 | $4,135,460 | $4,061,435 | $4,195,655 | $3,983,609 | $4,093,189 | $512,074 | $53,169,859 |

** Hedging Programme for Gold Price Assumed
$350 Hedge Price
$350 Spot Price
2.5% Contango with operating costs hedged

1993

AddWest Minerals, Inc. - Gold Road
Case I - $350 Hedge Programme with No start up loss and 156398 oz Reserves
$375 reserves - 24.6% Dilution

Behre Dolbear & Company, Inc.
Operating Costs (Table T-II)

| | Item | Source | -3 | -2 | -1 | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | Totals |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Tonnage | | 0 | 0 | 0 | 46725 | 46725 | 46725 | 46725 | 46725 | 46725 | 46725 | 46725 | 46725 | 46725 | 46725 | 3962 | 517,937 |
| | GENERAL & ADM | Data | | | | | | | | | | | | | | | | |
| 1 | Labor | BD | | | | $44,389 | $44,389 | $44,389 | $44,389 | $44,389 | $44,389 | $44,389 | $44,389 | $44,389 | $44,389 | $44,389 | $3,764 | |
| 2 | Equip Maint | BD | | | | $3,738 | $3,738 | $3,738 | $3,738 | $3,738 | $3,738 | $3,738 | $3,738 | $3,738 | $3,738 | $3,738 | $317 | |
| 3 | Supplies | BD | | | | $14,952 | $14,952 | $14,952 | $14,952 | $14,952 | $14,952 | $14,952 | $14,952 | $14,952 | $14,952 | $14,952 | $1,268 | |
| 4 | Reclamation | BD | | | | $18,690 | $18,690 | $18,690 | $18,690 | $18,690 | $18,690 | $18,690 | $18,690 | $18,690 | $18,690 | $18,690 | $1,585 | |
| 5 | Services | BD | | | | $23,363 | $23,363 | $23,363 | $23,363 | $23,363 | $23,363 | $23,363 | $23,363 | $23,363 | $23,363 | $23,363 | $1,981 | |
| 6 | Indirect | BD | | | | $25,232 | $25,232 | $25,232 | $25,232 | $25,232 | $25,232 | $25,232 | $25,232 | $25,232 | $25,232 | $25,232 | $2,140 | |
| | Cont. @ 10% | BD | | | | $13,036 | $13,036 | $13,036 | $13,036 | $13,036 | $13,036 | $13,036 | $13,036 | $13,036 | $13,036 | $13,036 | $1,105 | |
| 7 | Subtotal | | | | | $143,400 | $143,400 | $143,400 | $143,400 | $143,400 | $143,400 | $143,400 | $143,400 | $143,400 | $143,400 | $143,400 | $12,160 | $1,589,564 |
| | Allocated to Mining | 7*12/(12+20) | | | | $106,954 | $106,954 | $106,954 | $106,954 | $107,705 | $107,705 | $107,705 | $107,705 | $107,705 | $107,705 | $107,705 | $9,133 | |
| | Allocated to Milling | 7*20/(12+20) | | | | $36,446 | $36,446 | $36,446 | $36,446 | $35,696 | $35,696 | $35,696 | $35,696 | $35,696 | $35,696 | $35,696 | $3,027 | |
| | | | | | | | | | | | | | | | | | | |
| | MINING | Data | | | | | | | | | | | | | | | | |
| 8 | Labor | BD | | | | $929,827 | $929,827 | $929,827 | $929,827 | $929,827 | $929,827 | $929,827 | $929,827 | $929,827 | $929,827 | $929,827 | $78,844 | |
| 9 | Equip Maint | BD | | | | $75,695 | $75,695 | $75,695 | $75,695 | $75,695 | $75,695 | $75,695 | $75,695 | $75,695 | $75,695 | $75,695 | $6,418 | |
| 10 | Materials & Supplies | BD | | | | $544,346 | $544,346 | $544,346 | $544,346 | $544,346 | $544,346 | $544,346 | $544,346 | $544,346 | $544,346 | $544,346 | $46,157 | |
| 11 | Cont @ 10% | BD | | | | $154,987 | $154,987 | $154,987 | $154,987 | $154,987 | $154,987 | $154,987 | $154,987 | $154,987 | $154,987 | $154,987 | $13,142 | |
| 12 | Subtotal | | | | | $1,704,855 | $1,704,855 | $1,704,855 | $1,704,855 | $1,704,855 | $1,704,855 | $1,704,855 | $1,704,855 | $1,704,855 | $1,704,855 | $1,704,855 | $144,562 | $18,897,964 |
| | | | | | | | | | | | | | | | | | | |
| | MILLING | Data | | | | | | | | | | | | | | | | |
| 13 | Labor | BD | | | | $154,787 | $154,787 | $154,787 | $154,787 | $154,787 | $154,787 | $154,787 | $154,787 | $154,787 | $154,787 | $154,787 | $13,125 | |
| 14 | Maint. Labor | BD | | | | $49,433 | $49,433 | $49,433 | $49,433 | $42,987 | $42,987 | $42,987 | $42,987 | $42,987 | $42,987 | $42,987 | $3,645 | |
| 15 | Equip Maint | BD | | | | $61,594 | $61,594 | $61,594 | $61,594 | $53,559 | $53,559 | $53,559 | $53,559 | $53,559 | $53,559 | $53,559 | $4,542 | |
| 16 | Supplies | BD | | | | $138,041 | $138,041 | $138,041 | $138,041 | $138,041 | $138,041 | $138,041 | $138,041 | $138,041 | $138,041 | $138,041 | $11,705 | |
| 17 | Utilities | BD | | | | $100,926 | $100,926 | $100,926 | $100,926 | $100,926 | $100,926 | $100,926 | $100,926 | $100,926 | $100,926 | $100,926 | $8,558 | |
| 18 | Fuel | BD | | | | $23,363 | $23,363 | $23,363 | $23,363 | $23,363 | $23,363 | $23,363 | $23,363 | $23,363 | $23,363 | $23,363 | $1,981 | |
| 19 | Cont. @ 10% | BD | | | | $52,814 | $52,814 | $52,814 | $52,814 | $51,366 | $51,366 | $51,366 | $51,366 | $51,366 | $51,366 | $51,366 | $4,356 | |
| 20 | Subtotal | | | | | $580,957 | $580,957 | $580,957 | $580,957 | $565,029 | $565,029 | $565,029 | $565,029 | $565,029 | $565,029 | $565,029 | $47,911 | $6,326,939 |
| | | | | | | | | | | | | | | | | | | |
| 21 | Total Operating Costs to CF | 1+..+3 | $0 | | | $2,429,212 | $2,429,212 | $2,429,212 | $2,429,212 | $2,413,284 | $2,413,284 | $2,413,284 | $2,413,284 | $2,413,284 | $2,413,284 | $2,413,284 | $204,632 | $26,814,467 |

AddWest Minerals, Inc. - Gold Road
Case I - $350 Hedge Programme with No start up loss and 156398 oz Reserve
$375 reserves - 24.6% Dilution

Behre Dolbear & Company, Inc.
Direct Operating Cost Summary

| | | Quarter | | | | | | | | | | | | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | |
| $/ton | G&A | 3.07 | 3.07 | 3.07 | 3.07 | 3.07 | 3.07 | 3.07 | 3.07 | 3.07 | 3.07 | 3.07 | 3.07 | |
| | Mining | 36.49 | 36.49 | 36.49 | 36.49 | 36.49 | 36.49 | 36.49 | 36.49 | 36.49 | 36.49 | 36.49 | 36.49 | |
| | Milling | 12.43 | 12.43 | 12.43 | 12.43 | 12.09 | 12.09 | 12.09 | 12.09 | 12.09 | 12.09 | 12.09 | 12.09 | |
| | Subtotal | 51.99 | 51.99 | 51.99 | 51.99 | 51.65 | 51.65 | 51.65 | 51.65 | 51.65 | 51.65 | 51.65 | 51.65 | |
| | | | | | | | | | | | | | | |
| | Prop+Sever Tax | 3.69 | 4.41 | 4.35 | 3.60 | 3.62 | 3.30 | 3.35 | 3.32 | 3.37 | 3.29 | 3.33 | 22.30 | |
| | | 172622 | 206141 | 203108 | 168395 | 169263 | 154315 | 156401 | 155011 | 157531 | 153550 | 155607 | 88365 | $1,940,311 |
| | Total | 55.68 | 56.40 | 56.34 | 55.59 | 55.27 | 54.95 | 55.00 | 54.97 | 55.02 | 54.93 | 54.98 | 73.95 | 55.52 |

1493

AddWest Minerals, Inc. - Gold Road
Case I - $350 Hedge Programme with No start up loss and 156398 oz Reserves
$375 reserves - 24.6% Dilution

Behre Dolbear & Company, Inc.
Misc. AZ Taxes (Table T-III)

| | Item | Source | -3 | -2 | -1 | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | Totals |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | PROPERTY TAX | | | | | | | | | | | | | | | | | |
| 1 | Cash Value | See Note | | $10,000,000 | $10,000,000 | $10,000,000 | $10,000,000 | $10,000,000 | $10,000,000 | $10,000,000 | $10,000,000 | $10,000,000 | $10,000,000 | $10,000,000 | $10,000,000 | $10,000,000 | $10,000,000 | |
| 2 | Assessment Ratio | 0.3 | | | | | | | | | | | | | | | | |
| 3 | County Tax rate | 0.105 | | | | | | | | | | | | | | | | |
| 4 | Property Tax to CF | | | $78,750 | $78,750 | $78,750 | $78,750 | $78,750 | $78,750 | $78,750 | $78,750 | $78,750 | $78,750 | $78,750 | $78,750 | $78,750 | $78,750 | $1,102,500 |
| | | | | | | | | | | | | | | | | | | |
| | SEVERENCE TAX | | | | | | | | | | | | | | | | | |
| 5 | Gross Income | T-I | $0 | $0 | $0 | $5,034,429 | $6,832,043 | $6,669,413 | $4,807,742 | $4,820,423 | $4,024,387 | $4,135,460 | $4,061,435 | $4,195,655 | $3,983,609 | $4,093,189 | $512,074 | |
| 6 | Operating Costs | T-II | $0 | $0 | $0 | $2,429,212 | $2,429,212 | $2,429,212 | $2,429,212 | $2,413,284 | $2,413,284 | $2,413,284 | $2,413,284 | $2,413,284 | $2,413,284 | $2,413,284 | $204,632 | |
| 7 | Mine Oper | T-II | $0 | $0 | $0 | $1,704,855 | $1,704,855 | $1,704,855 | $1,704,855 | $1,704,855 | $1,704,855 | $1,704,855 | $1,704,855 | $1,704,855 | $1,704,855 | $1,704,855 | $144,562 | |
| 8 | Mine G&A | T-II | $0 | $0 | $0 | $106,954 | $106,954 | $106,954 | $106,954 | $107,705 | $107,705 | $107,705 | $107,705 | $107,705 | $107,705 | $107,705 | $9,133 | |
| 9 | Total Mine Oper | 7+8 | $0 | $0 | $0 | $1,811,809 | $1,811,809 | $1,811,809 | $1,811,809 | $1,812,559 | $1,812,559 | $1,812,559 | $1,812,559 | $1,812,559 | $1,812,559 | $1,812,559 | $153,694 | |
| 10 | Weighted Mineral Value | 5*9/6 | $0 | $0 | $0 | $3,754,890 | $5,095,626 | $4,974,329 | $3,585,817 | $3,620,504 | $3,022,620 | $3,106,044 | $3,050,446 | $3,151,256 | $2,991,993 | $3,074,296 | $384,607 | |
| 11 | Severence Tax | 10*.025 | $0 | $0 | $0 | $93,872 | $127,391 | $124,358 | $89,645 | $90,513 | $75,565 | $77,651 | $76,261 | $78,781 | $74,800 | $76,857 | $9,615 | $995,311 |
| | | | | | | | | | | | | | | | | | | $2,097,811 |

Note – Cash Value should decrease over the life of the property however, insufficient information was given by AddWest to estimate cash value. It was assumed that Cash Value = Installed cost over the life of the property DB used this method to compute property tax in Arizona since recent court rulings have left many uncertainties of their future handling of their Ad Valorem taxes for insitu reserves

AddWest Minerals, Inc. - Gold Road
Case I - $350 Hedge Programme with No start up loss and 156398 oz Reserves
$375 reserves - 24.6% Dilution

Behre Dolbear & Company, Inc.
Capital Expenditures (Table T-IV)

| | Item | Source | -3 | -2 | -1 | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | Totals |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1 | Mine | Addwest | | $1,616,647 | $1,716,649 | | | | | | | | | | | | | $3,333,296 |
| 2 | Mill | MinProc | | $1,250,000 | $3,750,000 | | | | | | | | | | | | ($500,000) | $4,500,000 |
| 3 | Tailings | Addwest | | | $785,302 | | | | | | $332,000 | | | | | | | $1,117,302 |
| 4 | Power Line & Sub | Addwest | | $35,000 | | | | | | | | | | | | | | $35,000 |
| 5 | Permitting | Addwest | | $15,000 | $15,000 | | | | | | | | | | | | | $30,000 |
| 6 | Land Payments | Addwest | | | $90,000 | | $200,000 | | | | | | | | | | | $290,000 |
| 7 | SUBTOTAL | | $0 | $2,916,647 | $6,356,951 | $0 | $200,000 | $0 | $0 | $0 | $332,000 | $0 | $0 | $0 | $0 | $0 | ($500,000) | $9,305,598 |
| | | | | | | | | | | | | | | | | | ($1,000,000) | |
| 9 | Working Capital to CF | Addwest | | | $1,000,000 | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | ($1,500,000) | $9,305,598 |
| 10 | Total Capital | 6+7+8 | $0 | $2,916,647 | $7,356,951 | $0 | $200,000 | $0 | $0 | $0 | $332,000 | $0 | $0 | $0 | $0 | $0 | | |
| | Cum Capital | | | $2,916,647 | $10,273,598 | $10,273,598 | $10,473,598 | $10,473,598 | $10,473,598 | $10,473,598 | $10,805,598 | $10,805,598 | $10,805,598 | $10,805,598 | $10,805,598 | $10,805,598 | $9,305,598 | |

Mill Capital estimated by MinProc

1993

AddWest Minerals, Inc. - Gold Road
Case 2 - $350 Hedge Program with Start Up and 147716 oz Reserves
$375 reserves - 24.6% Dilution

Behre Dolbear & Company, Inc.
Cash Flow

| Item | | Source | -3 | -2 | -1 | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | Totals |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1 | Project Revenue | T-I | $0 | $0 | $0 | $3,447,936 | $3,296,562 | $6,572,664 | $7,122,855 | $5,177,012 | $4,096,196 | $4,193,389 | $4,061,435 | $4,211,297 | $4,210,276 | $3,449,293 | $49,838,914 |
| 2 | Royalty | 0.035*1 | $0 | $0 | $0 | $120,678 | $115,380 | $230,043 | $249,300 | $181,195 | $143,367 | $146,769 | $142,150 | $147,395 | $147,360 | $120,725 | $1,744,362 |
| 2a | Sales, Transportation, Insurance etc. | 0.01*1 | | | | $34,479 | $32,966 | $65,727 | $71,229 | $51,770 | $40,962 | $41,934 | $40,614 | $42,113 | $42,103 | $34,493 | $498,389 |
| 3 | Operating Costs | T-II | $0 | $0 | $0 | $1,898,501 | $2,155,881 | $2,310,310 | $2,413,262 | $2,413,262 | $2,413,284 | $2,413,284 | $2,413,284 | $2,413,284 | $2,413,284 | $1,917,935 | $25,175,570 |
| 4 | Property Tax | T-III | | $78,750 | $78,750 | $78,750 | $78,750 | $78,750 | $78,750 | $78,750 | $78,750 | $78,750 | $78,750 | $78,750 | $78,750 | $78,750 | $1,023,750 |
| 5 | Severence Tax | T-III | $0 | $0 | $0 | $66,982 | $62,834 | $124,107 | $133,746 | $97,209 | $76,914 | $78,739 | $76,261 | $79,075 | $79,056 | $64,767 | $939,690 |
| 6 | Net After Costs | 1-2-3-4-5 | | ($78,750) | ($78,750) | $1,248,546 | $850,752 | $3,763,728 | $4,176,568 | $2,354,825 | $1,342,920 | $1,433,914 | $1,310,375 | $1,450,680 | $1,449,724 | $1,232,622 | $20,457,153 |
| | Cost/ton ( Inc. Royalty, Prop Tax, Sev. Tax) | | | | | $94.14 | $69.79 | $66.80 | $63.06 | $60.40 | $58.93 | $59.06 | $58.88 | $59.08 | $59.08 | $59.69 | $63.23 |
| | Cost/ Rec. oz of gold | | | | | $227.05 | $266.11 | $152.19 | $147.54 | $195.94 | $244.79 | $239.32 | $247.48 | $239.98 | $240.84 | $228.27 | $212.48 |
| 7 | Capital Expenditures | T-IV | $0 | $2,916,647 | $6,356,951 | $0 | $200,000 | $0 | $0 | $0 | $332,000 | $0 | $0 | $0 | $0 | ($500,000) | $9,305,598 |
| 8 | Actual Exp & Dev | Addwest | $0 | $0 | $0 | $0 | $201,550 | $201,550 | $201,550 | $201,550 | $201,550 | $201,550 | $201,550 | $201,550 | $201,550 | $201,550 | $2,015,500 |
| 9 | Working Capital | T-IV | $0 | $0 | $1,000,000 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | ($1,000,000) | $0 |
| 10 | Cash Flow | 6-7..9 | $0 | ($2,995,397) | ($7,435,701) | $1,248,546 | $449,202 | $3,562,178 | $3,975,018 | $2,153,275 | $809,370 | $1,232,364 | $1,108,825 | $1,249,130 | $1,248,174 | $2,531,072 | $9,136,055 |
| 11 | Cum Cash | | $0 | ($2,995,397) | ($10,431,098) | ($9,182,552) | ($8,733,350) | ($5,171,173) | ($1,196,155) | $957,121 | $1,766,490 | $2,998,854 | $4,107,679 | $5,356,809 | $6,604,983 | $9,136,055 | |
| | NPV CALCULATIONS | | | | | | | | | | | | | | | | |
| 12 | NPV @ 15% | | $0 | ERR | ($9,795,024) | ($8,677,029) | ($8,289,334) | ($5,326,038) | ($2,138,830) | ($474,717) | $128,178 | $1,012,980 | $1,780,310 | $2,613,489 | $3,415,939 | $4,984,348 | |
| 13 | NPV @ 10% | | $0 | ERR | ($9,999,746) | ($8,840,347) | ($8,433,392) | ($5,284,946) | ($1,857,301) | ($45,825) | $618,462 | $1,605,251 | $2,471,464 | $3,423,481 | $4,351,568 | $6,187,660 | |
| 14 | NPV @ 7% | | $0 | ERR | ($10,126,006) | ($8,940,780) | ($8,521,693) | ($5,255,488) | ($1,673,430) | $233,605 | $938,089 | $1,992,305 | $2,924,526 | $3,956,642 | $4,970,232 | $6,990,259 | |
| 15 | NPV @ 5% | | $0 | ERR | ($10,211,654) | ($9,008,782) | ($8,581,355) | ($5,233,702) | ($1,544,191) | $429,751 | $1,162,553 | $2,264,559 | $3,243,852 | $4,333,439 | $5,408,752 | $7,562,372 | |
| 16 | IRR | | | -400.0 | -400.0 | -336.9 | -273.0 | -87.2 | -14.0 | 9.5 | 16.4 | 25.0 | 31.2 | 36.7 | 41.0 | 47.7 | |

AddWest Minerals, Inc. - Gold Road
Case 2 - $350 Hedge Program with Start Up and 147716 oz Reserves
$375 reserves - 24.6% Dilution

Behre Dolbear & Company, Inc.
Gross Revenue (Table T-I)

| Item | | Calculation | -3 | -2 | -1 | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | Totals/Ave |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1 | Tons Mined | Addwest | 0 | 0 | 0 | 23,363 | 35,044 | 42,053 | 46,725 | 46,725 | 46,725 | 46,725 | 46,725 | 46,725 | 46,725 | 37,134 | 464,668 |
| 2 | Gold Grade (oz/ton) | Data | | | | 0.4556 | 0.2882 | 0.4620 | 0.4452 | 0.3245 | 0.2588 | 0.2653 | 0.2558 | 0.2647 | 0.2638 | 0.2812 | 0.3179 |
| | Contained Oz | 1*2 | | | | 10,645 | 10,100 | 19,428 | 20,801 | 15,161 | 12,094 | 12,398 | 11,953 | 12,369 | 12,325 | 10,442 | 147,716 |
| 3 | Recovery - Gold % | Data | | | | 0.91 | 0.91 | 0.95 | 0.96 | 0.95 | 0.93 | 0.93 | 0.93 | 0.93 | 0.93 | 0.93 | 0.94 |
| 4 | Gold Produced (oz) | 1*2*3 | 0 | 0 | 0 | 9,687 | 9,191 | 18,457 | 19,969 | 14,403 | 11,247 | 11,530 | 11,116 | 11,503 | 11,462 | 9,711 | 138,277 |
| | Cum. Oz | | 0 | 0 | 0 | 9,687 | 18,878 | 37,334 | 57,303 | 71,706 | 82,954 | 94,484 | 105,601 | 117,104 | 128,566 | 138,277 | |
| 5 | Ave Gold Price ($/oz) | Data | $0 | $0 | $0 | $354 | $356 | $354 | $354 | $357 | $362 | $361 | $363 | $364 | $365 | $353 | |
| 6 | Revenue - Gold | 4*5 | $0 | $0 | $0 | $3,426,141 | $3,275,883 | $6,531,137 | $7,077,924 | $5,144,605 | $4,070,889 | $4,167,446 | $4,036,423 | $4,185,414 | $4,184,486 | $3,427,444 | $49,527,791 |
| 7 | Silver Grade (oz/ton) | 2 | | | | 0.4556 | 0.2882 | 0.4620 | 0.4452 | 0.3245 | 0.2588 | 0.2653 | 0.2558 | 0.2647 | 0.2638 | 0.2812 | |
| 8 | Recovery - Silver % | Addwest | | | | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | |
| 9 | Silver Produced (oz) | 4*8 | 0 | 0 | 0 | 4,843 | 4,595 | 9,228 | 9,984 | 7,202 | 5,624 | 5,765 | 5,558 | 5,752 | 5,731 | 4,855 | 69,139 |
| 10 | Silver Price ($/oz) | Data | $0.00 | $0.00 | $0.00 | $4.50 | $4.50 | $4.50 | $4.50 | $4.50 | $4.50 | $4.50 | $4.50 | $4.50 | $4.50 | $4.50 | |
| 11 | Revenue - Silver | 9*10 | $0 | $0 | $0 | $21,795 | $20,680 | $41,528 | $44,930 | $32,407 | $25,307 | $25,943 | $25,012 | $25,883 | $25,790 | $21,849 | $311,124 |
| 12 | Total Gross Revenue | 6+11 | $0 | $0 | $0 | $3,447,936 | $3,296,562 | $6,572,664 | $7,122,855 | $5,177,012 | $4,096,196 | $4,193,389 | $4,061,435 | $4,211,297 | $4,210,276 | $3,449,293 | $49,838,914 |

** Hedging Programme for Gold Price Assumed
$350 Hedge Price
$350 Spot Price
2.5% Contango with operating costs hedged

1993

AddWest Minerals, Inc. - Gold Road
Case 2 - $350 Hedge Program with Start Up and 147716 oz Reserves
$375 reserves - 24.6% Dilution

Behre Dolbear & Company, Inc.
Operating Costs (Table T-II)

| | Item | Source | -3 | -2 | -1 | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | Totals |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Tonnage | | 0 | 0 | 0 | 23363 | 35044 | 42053 | 46725 | 46725 | 46725 | 46725 | 46725 | 46725 | 46725 | 37134.26111 | 464,668 |
| | GENERAL & ADM | Data | | | | | | | | | | | | | | | |
| 1 | Labor | BD | | | | $44,389 | $44,389 | $44,389 | $44,389 | $44,389 | $44,389 | $44,389 | $44,389 | $44,389 | $44,389 | $35,278 | |
| 2 | Equip Maint | BD | | | | $3,738 | $3,738 | $3,738 | $3,738 | $3,738 | $3,738 | $3,738 | $3,738 | $3,738 | $3,738 | $2,971 | |
| 3 | Supplies | BD | | | | $14,952 | $14,952 | $14,952 | $14,952 | $14,952 | $14,952 | $14,952 | $14,952 | $14,952 | $14,952 | $11,883 | |
| 4 | Reclamation | BD | | | | $18,690 | $18,690 | $18,690 | $18,690 | $18,690 | $18,690 | $18,690 | $18,690 | $18,690 | $18,690 | $14,854 | |
| 5 | Services | BD | | | | $23,363 | $23,363 | $23,363 | $23,363 | $23,363 | $23,363 | $23,363 | $23,363 | $23,363 | $23,363 | $18,568 | |
| 6 | Indirect | BD | | | | $25,232 | $25,232 | $25,232 | $25,232 | $25,232 | $25,232 | $25,232 | $25,232 | $25,232 | $25,232 | $20,053 | |
| | Cont. @ 10% | BD | | | | $13,036 | $13,036 | $13,036 | $13,036 | $13,036 | $13,036 | $13,036 | $13,036 | $13,036 | $13,036 | $10,361 | |
| 7 | Subtotal | | | | | $143,400 | $143,400 | $143,400 | $143,400 | $143,400 | $143,400 | $143,400 | $143,400 | $143,400 | $143,400 | $113,966 | 1,547,970 |
| | Allocated to Mining | 7*12/(12+20) | | | | $111,432 | $109,330 | $108,309 | $107,706 | $107,706 | $107,705 | $107,705 | $107,705 | $107,705 | $107,705 | $85,597 | |
| | Allocated to Milling | 7*20/(12+20) | | | | $31,969 | $34,070 | $35,091 | $35,695 | $35,695 | $35,696 | $35,696 | $35,696 | $35,696 | $35,696 | $28,369 | |
| | | | | | | | | | | | | | | | | | |
| | MINING | Data | | | | | | | | | | | | | | | |
| 8 | Labor | BD | | | | $929,827 | $929,827 | $929,827 | $929,827 | $929,827 | $929,827 | $929,827 | $929,827 | $929,827 | $929,827 | $738,971 | |
| 9 | Equip Maint | BD | | | | $37,848 | $56,771 | $68,126 | $75,695 | $75,695 | $75,695 | $75,695 | $75,695 | $75,695 | $75,695 | $60,158 | |
| 10 | Materials & Supplies | BD | | | | $272,173 | $408,260 | $489,911 | $544,346 | $544,346 | $544,346 | $544,346 | $544,346 | $544,346 | $544,346 | $432,614 | |
| 11 | Cont @ 10% | BD | | | | $123,985 | $139,486 | $148,786 | $154,987 | $154,987 | $154,987 | $154,987 | $154,987 | $154,987 | $154,987 | $123,174 | |
| 12 | Subtotal | | | | | $1,363,832 | $1,534,344 | $1,636,650 | $1,704,855 | $1,704,855 | $1,704,855 | $1,704,855 | $1,704,855 | $1,704,855 | $1,704,855 | $1,354,918 | $17,823,727 |
| | | | | | | | | | | | | | | | | | |
| | MILLING | Data | | | | | | | | | | | | | | | |
| 13 | Labor | BD | | | | $154,787 | $154,787 | $154,787 | $154,787 | $154,787 | $154,787 | $154,787 | $154,787 | $154,787 | $154,787 | $123,016 | |
| 14 | Maint. Labor | BD | | | | $42,967 | $42,967 | $42,967 | $42,967 | $42,967 | $42,987 | $42,987 | $42,987 | $42,987 | $42,987 | $34,164 | |
| 15 | Equip Maint | BD | | | | $26,780 | $40,169 | $48,203 | $53,559 | $53,559 | $53,559 | $53,559 | $53,559 | $53,559 | $53,559 | $42,566 | |
| 16 | Supplies | BD | | | | $69,020 | $103,530 | $124,237 | $138,041 | $138,041 | $138,041 | $138,041 | $138,041 | $138,041 | $138,041 | $109,706 | |
| 17 | Utilities | BD | | | | $50,463 | $75,695 | $90,833 | $100,926 | $100,926 | $100,926 | $100,926 | $100,926 | $100,926 | $100,926 | $80,210 | |
| 18 | Fuel | BD | | | | $11,681 | $17,522 | $21,026 | $23,363 | $23,363 | $23,363 | $23,363 | $23,363 | $23,363 | $23,363 | $18,567 | |
| 19 | Cont. @ 10% | BD | | | | $35,570 | $43,467 | $48,205 | $51,364 | $51,364 | $51,366 | $51,366 | $51,366 | $51,366 | $51,366 | $40,823 | |
| 20 | Subtotal | | | | | $391,268 | $478,137 | $530,259 | $565,007 | $565,007 | $565,029 | $565,029 | $565,029 | $565,029 | $565,029 | $449,051 | $5,803,872 |
| | | | | | | | | | | | | | | | | | |
| 21 | Total Operating Costs to CF | 1+..+3 | $0 | | | $1,898,501 | $2,155,881 | $2,310,310 | $2,413,262 | $2,413,262 | $2,413,284 | $2,413,284 | $2,413,284 | $2,413,284 | $2,413,284 | $1,917,935 | $25,175,570 |

AddWest Minerals, Inc. - Gold Road
Case 2 - $350 Hedge Program with Start Up and 147716 oz Re
$375 reserves - 24.6% Dilution

Behre Dolbear & Company, Inc.
Direct Operating Cost Summary

| | | Quarter | | | | | | | | | | | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | |
| $/ton | G&A | 6.14 | 4.09 | 3.41 | 3.07 | 3.07 | 3.07 | 3.07 | 3.07 | 3.07 | 3.07 | 3.07 | |
| | Mining | 58.38 | 43.78 | 38.92 | 36.49 | 36.49 | 36.49 | 36.49 | 36.49 | 36.49 | 36.49 | 36.49 | |
| | Milling | 16.75 | 13.64 | 12.61 | 12.09 | 12.09 | 12.09 | 12.09 | 12.09 | 12.09 | 12.09 | 12.09 | |
| | Subtotal | 81.26 | 61.52 | 54.94 | 51.65 | 51.65 | 51.65 | 51.65 | 51.65 | 51.65 | 51.65 | 51.65 | |
| | | | | | | | | | | | | | |
| | Prop+Sever Tax | 6.24 | 4.04 | 4.82 | 4.55 | 3.77 | 3.33 | 3.37 | 3.32 | 3.38 | 3.38 | 3.86 | |
| | | 145732 | 141584 | 202857 | 212496 | 175959 | 155664 | 157489 | 155011 | 157825 | 157806 | 143517 | $1,805,940 |
| | Total | 87.50 | 65.56 | 59.76 | 56.20 | 55.41 | 54.98 | 55.02 | 54.97 | 55.03 | 55.03 | 55.51 | 58.07 |

1993

AddWest Minerals, Inc. - Gold Road
Case 2 - $350 Hedge Program with Start Up and 147716 oz Reserves
$375 reserves - 24.6% Dilution

Behre Dolbear & Company, Inc.
Misc. AZ Taxes (Table T-III)

| | Item | Source | -3 | -2 | -1 | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | Totals |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | PROPERTY TAX | | | | | | | | | | | | | | | | |
| 1 | Cash Value | See Note | | $10,000,000 | $10,000,000 | $10,000,000 | $10,000,000 | $10,000,000 | $10,000,000 | $10,000,000 | $10,000,000 | $10,000,000 | $10,000,000 | $10,000,000 | $10,000,000 | $10,000,000 | |
| 2 | Assessment Ratio | 0.3 | | | | | | | | | | | | | | | |
| 3 | County Tax rate | 0.105 | | | | | | | | | | | | | | | |
| 4 | Property Tax to CF | | | $78,750 | $78,750 | $78,750 | $78,750 | $78,750 | $78,750 | $78,750 | $78,750 | $78,750 | $78,750 | $78,750 | $78,750 | $78,750 | $1,023,750 |
| | | | | | | | | | | | | | | | | | |
| | SEVERENCE TAX | | | | | | | | | | | | | | | | |
| 5 | Gross Income | T-I | $0 | $0 | $0 | $3,447,936 | $3,296,562 | $6,572,664 | $7,122,855 | $5,177,012 | $4,096,196 | $4,193,389 | $4,061,435 | $4,211,297 | $4,210,276 | $3,449,293 | |
| 6 | Operating Costs | T-II | $0 | $0 | $0 | $1,898,501 | $2,155,881 | $2,310,310 | $2,413,262 | $2,413,262 | $2,413,284 | $2,413,284 | $2,413,284 | $2,413,284 | $2,413,284 | $1,917,935 | |
| 7 | Mine Oper | T-II | $0 | $0 | $0 | $1,363,832 | $1,534,344 | $1,636,650 | $1,704,855 | $1,704,855 | $1,704,855 | $1,704,855 | $1,704,855 | $1,704,855 | $1,704,855 | $1,354,918 | |
| 8 | Mine G&A | T-II | $0 | $0 | $0 | $111,432 | $109,330 | $108,309 | $107,706 | $107,706 | $107,705 | $107,705 | $107,705 | $107,705 | $107,705 | $85,597 | |
| 9 | Total Mine Oper | 7+8 | $0 | $0 | $0 | $1,475,264 | $1,643,674 | $1,744,960 | $1,812,560 | $1,812,560 | $1,812,559 | $1,812,559 | $1,812,559 | $1,812,559 | $1,812,559 | $1,440,515 | |
| 10 | Weighted Mineral Value | 5*9/6 | $0 | $0 | $0 | $2,679,280 | $2,513,345 | $4,964,284 | $5,349,856 | $3,888,367 | $3,076,554 | $3,149,554 | $3,050,446 | $3,163,004 | $3,162,237 | $2,590,681 | |
| 11 | Severence Tax | 10*.025 | $0 | $0 | $0 | $66,982 | $62,834 | $124,107 | $133,746 | $97,209 | $76,914 | $78,739 | $76,261 | $79,075 | $79,056 | $64,767 | $939,690 |
| | | | | | | | | | | | | | | | | | $1,963,440 |

Note -- Cash Value should decrease over the life of the property however, insufficient information was given by AddWest to estimate cash value. It was assumed that Cash Value = installed cost over the life of the property DB used this method to compute property tax in Arizona since recent court rulings have left many uncertainties of their future handling of their Ad Valorem taxes for insitu reserves

AddWest Minerals, Inc. - Gold Road
Case 2 - $350 Hedge Program with Start Up and 147716 oz Reserves
$375 reserves - 24.6% Dilution

Behre Dolbear & Company, Inc.
Capital Expenditures (Table T-IV)

| | Item | Source | -3 | -2 | -1 | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | Totals |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1 | Mine | Addwest | | $1,616,647 | $1,716,649 | | | | | | | | | | | | |
| 2 | Mill | MinProc | | $1,250,000 | $3,750,000 | | | | | | | | | | | | $3,333,296 |
| 3 | Tailings | Addwest | | | $785,302 | | | | | | | | | | | ($500,000) | $4,500,000 |
| 4 | Power Line & Sub | Addwest | | $35,000 | | | | | | | $332,000 | | | | | | $1,117,302 |
| 5 | Permitting | Addwest | | $15,000 | $15,000 | | | | | | | | | | | | $35,000 |
| 6 | Land Payments | Addwest | | | $90,000 | | $200,000 | | | | | | | | | | $30,000 |
| 7 | SUBTOTAL | | $0 | $2,916,647 | $6,356,951 | $0 | $200,000 | $0 | $0 | $0 | $332,000 | $0 | $0 | $0 | $0 | ($500,000) | $290,000 |
| | | | | | | | | | | | | | | | | | $9,305,598 |
| 9 | Working Capital to CF | Addwest | | | $1,000,000 | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | ($1,000,000) | |
| 10 | Total Capital | 6+7+8 | $0 | $2,916,647 | $7,356,951 | $0 | $200,000 | $0 | $0 | $0 | $332,000 | $0 | $0 | $0 | $0 | ($1,500,000) | $9,305,598 |
| | Cum Capital | | | $2,916,647 | $10,273,598 | $10,273,598 | $10,473,598 | $10,473,598 | $10,473,598 | $10,473,598 | $10,805,598 | $10,805,598 | $10,805,598 | $10,805,598 | $10,805,598 | $9,305,598 | |

Mill Capital estimated by MinProc

1993

AddWest Minerals, Inc. - Gold Road
Case 3 - $350 Hedge Program with Start Up using 156398 oz reserves
$375 reserves - 24.6% Dilution

Behre Dolbear & Company, Inc.
Cash Flow

| Item | | Source | -3 | -2 | -1 | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | Totals |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1 | Project Revenue | T-I | $0 | $0 | $0 | $3,479,317 | $3,184,938 | $5,650,745 | $6,640,740 | $4,868,703 | $5,148,988 | $3,567,822 | $4,035,346 | $4,075,063 | $4,224,762 | $4,623,607 | $49,520,408 |
| 2 | Royalty | 0.035*1 | $0 | $0 | $0 | $121,776 | $111,473 | $197,776 | $232,426 | $170,405 | $180,215 | $124,874 | $141,237 | $142,627 | $147,867 | $161,826 | $1,733,214 |
| 2a | Sales, Transportation, Insurance etc. | 0.01*1 | | | | $34,793 | $31,849 | $56,507 | $66,407 | $48,687 | $51,490 | $35,678 | $40,353 | $40,751 | $42,248 | $46,236 | $495,204 |
| 3 | Operating Costs | T-II | $0 | $0 | $0 | $1,578,136 | $1,964,691 | $2,308,254 | $2,413,262 | $2,413,262 | $2,413,284 | $2,413,284 | $2,413,284 | $2,413,284 | $2,413,284 | $2,413,284 | $27,413,231 |
| 4 | Property Tax | T-III | | $78,750 | $78,750 | $78,750 | $78,750 | $78,750 | $78,750 | $78,750 | $78,750 | $78,750 | $78,750 | $78,750 | $78,750 | $78,750 | $1,102,500 |
| 5 | Severence Tax | T-III | $0 | $0 | $0 | $66,704 | $60,201 | $106,699 | $124,694 | $91,420 | $96,682 | $66,993 | $75,771 | $76,517 | $79,328 | $86,817 | $932,209 |
| | | | | | | | | | | | | | | | | | |
| 6 | Net After Costs | 1-2-3-4-5 | | ($78,750) | ($78,750) | $1,599,157 | $937,974 | $2,902,759 | $3,725,201 | $2,066,179 | $2,328,568 | $848,243 | $1,285,950 | $1,323,134 | $1,463,286 | $1,836,694 | $17,844,050 |
| | Cost/ton ( Inc. Royalty, Prop Tax, Sev. Tax) | | | | | $80.48 | $64.12 | $65.35 | $62.40 | $59.98 | $60.36 | $58.20 | $58.84 | $58.90 | $59.10 | $59.65 | $61.16 |
| | Cost/ Rec. oz of gold | | | | | $191.99 | $252.82 | $173.49 | $156.75 | $207.17 | $198.10 | $278.82 | $248.99 | $247.55 | $240.06 | $215.30 | $216.51 |
| | | | | | | | | | | | | | | | | | |
| 7 | Capital Expenditures | T-IV | $0 | $2,916,647 | $6,356,951 | $0 | $200,000 | $0 | $0 | $0 | $332,000 | $0 | $0 | $0 | $0 | ($500,000) | $9,305,598 |
| 8 | Actual Exp & Dev | Addwest | $0 | $0 | $0 | $0 | $201,550 | $201,550 | $201,550 | $201,550 | $201,550 | $201,550 | $201,550 | $201,550 | $201,550 | $201,550 | $2,015,500 |
| 9 | Working Capital | T-IV | $0 | $0 | $1,000,000 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | ($1,000,000) | $0 |
| | | | | | | | | | | | | | | | | | |
| 10 | Cash Flow | 6-7..9 | $0 | ($2,995,397) | ($7,435,701) | $1,599,157 | $536,424 | $2,701,209 | $3,523,651 | $1,864,629 | $1,795,018 | $646,693 | $1,084,400 | $1,121,584 | $1,261,736 | $3,135,144 | $6,522,952 |
| 11 | Cum Cash | | $0 | ($2,995,397) | ($10,431,098) | ($8,831,941) | ($8,295,517) | ($5,594,308) | ($2,070,657) | ($206,027) | $1,588,991 | $2,235,684 | $3,320,084 | $4,441,668 | $5,703,404 | $8,838,547 | |
| | NPV CALCULATIONS | | | | | | | | | | | | | | | | |
| 12 | NPV @ 15% | | $0 | ERR | ($9,795,024) | ($8,363,078) | ($7,900,104) | ($5,653,029) | ($2,827,731) | ($1,386,692) | ($49,592) | $414,716 | $1,165,142 | $1,913,248 | $2,724,416 | $4,667,145 | |
| 13 | NPV @ 10% | | $0 | ERR | ($9,999,746) | ($8,514,769) | ($8,028,796) | ($5,641,321) | ($2,602,887) | ($1,034,239) | $439,016 | $956,841 | $1,803,973 | $2,658,782 | $3,596,953 | $5,871,250 | |
| 14 | NPV @ 7% | | $0 | ERR | ($10,126,006) | ($8,607,950) | ($8,107,488) | ($5,630,716) | ($2,455,404) | ($804,007) | $758,398 | $1,311,606 | $2,223,292 | $3,150,022 | $4,174,624 | $6,676,755 | |
| 15 | NPV @ 5% | | $0 | ERR | ($10,211,654) | ($8,670,996) | ($8,160,576) | ($5,622,042) | ($2,351,477) | ($642,142) | $983,065 | $1,561,351 | $2,519,073 | $3,497,405 | $4,584,401 | $7,252,010 | |
| | | | | | | | | | | | | | | | | | |
| 16 | IRR | | | -400.0 | -400.0 | -320.4 | -255.3 | -102.2 | -26.0 | -2.2 | 14.5 | 19.2 | 25.9 | 31.4 | 36.3 | 45.1 | |

AddWest Minerals, Inc. - Gold Road
Case 3 - $350 Hedge Program with Start Up using 156398 oz reserves
$375 reserves - 24.6% Dilution

Behre Dolbear & Company, Inc.
Gross Revenue (Table T-I)

| Item | | Calculation | -3 | -2 | -1 | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | Totals/Ave |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1 | Tons Mined | Addwest | 0 | 0 | 0 | 23,363 | 35,044 | 42,053 | 46,725 | 46,725 | 46,725 | 46,725 | 46,725 | 46,725 | 46,725 | 46,725 | 517,937 |
| 2 | Gold Grade (oz/ton) | Data | | | | 0.4556 | 0.2787 | 0.3965 | 0.4147 | 0.3080 | 0.3207 | 0.2269 | 0.2541 | 0.2558 | 0.2647 | 0.2979 | 0.3020 |
| | Contained Oz | 1*2 | | | | 10,645 | 9,767 | 16,673 | 19,375 | 14,391 | 14,986 | 10,602 | 11,874 | 11,953 | 12,369 | 13,918 | 156,398 |
| 3 | Recovery - Gold % | Data | | | | 0.92 | 0.91 | 0.95 | 0.96 | 0.94 | 0.95 | 0.92 | 0.93 | 0.93 | 0.93 | 0.93 | 0.94 |
| | | | | | | | | | | | | | | | | | |
| 4 | Gold Produced (oz) | 1*2*3 | 0 | 0 | 0 | 9,793 | 8,888 | 15,839 | 18,600 | 13,528 | 14,237 | 9,754 | 11,042 | 11,116 | 11,503 | 12,944 | 146,302 |
| | Cum. Oz | | 0 | 0 | 0 | 9,793 | 18,681 | 34,520 | 53,120 | 66,648 | 80,885 | 90,639 | 101,681 | 112,798 | 124,301 | 137,245 | |
| 5 | Ave Gold Price ($/oz) | Data | $0 | $0 | $0 | $353 | $356 | $355 | $355 | $358 | $359 | $364 | $363 | $364 | $365 | $355 | |
| | | | | | | | | | | | | | | | | | |
| 6 | Revenue - Gold | 4*5 | $0 | $0 | $0 | $3,457,282 | $3,164,941 | $5,615,107 | $6,598,890 | $4,838,265 | $5,116,955 | $3,545,875 | $4,010,500 | $4,050,051 | $4,198,879 | $4,594,482 | $49,191,229 |
| | | | | | | | | | | | | | | | | | |
| 7 | Silver Grade (oz/ton) | 2 | | | | 0.4556 | 0.2787 | 0.3965 | 0.4147 | 0.3080 | 0.3207 | 0.2269 | 0.2541 | 0.2558 | 0.2647 | 0.2979 | |
| 8 | Recovery - Silver % | Addwest | | | | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | |
| | | | | | | | | | | | | | | | | | |
| 9 | Silver Produced (oz) | 4*8 | 0 | 0 | 0 | 4,897 | 4,444 | 7,920 | 9,300 | 6,764 | 7,119 | 4,877 | 5,521 | 5,558 | 5,752 | 6,472 | 73,151 |
| | | | | | | | | | | | | | | | | | |
| 10 | Silver Price ($/oz) | Data | $0.00 | $0.00 | $0.00 | $4.50 | $4.50 | $4.50 | $4.50 | $4.50 | $4.50 | $4.50 | $4.50 | $4.50 | $4.50 | $4.50 | |
| | | | | | | | | | | | | | | | | | |
| 11 | Revenue - Silver | 9*10 | $0 | $0 | $0 | $22,034 | $19,997 | $35,638 | $41,850 | $30,437 | $32,034 | $21,946 | $24,845 | $25,012 | $25,883 | $29,124 | $329,179 |
| | | | | | | | | | | | | | | | | | |
| 12 | Total Gross Revenue | 6+11 | $0 | $0 | $0 | $3,479,317 | $3,184,938 | $5,650,745 | $6,640,740 | $4,868,703 | $5,148,988 | $3,567,822 | $4,035,346 | $4,075,063 | $4,224,762 | $4,623,607 | $49,520,408 |

** Hedging Programme for Gold Price Assumed
$350 Hedge Price
$350 Spot Price
2.5% Contango with operating costs hedged

1993

AddWest Minerals, Inc. - Gold Road
Case 3 - $350 Hedge Program with Start Up using 156398 oz reserves
$375 reserves - 24.6% Dilution

Behre Dolbear & Company, Inc.
Operating Costs (Table T-II)

| Item | | Source | -3 | -2 | -1 | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | Totals |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Tonnage | | 0 | 0 | 0 | 23363 | 35044 | 42053 | 46725 | 46725 | 46725 | 46725 | 46725 | 46725 | 46725 | 46725 | 43678 | 517,937 |
| | GENERAL & ADM | Data | | | | | | | | | | | | | | | | |
| 1 | Labor | BD | | | | $44,389 | $44,389 | $44,389 | $44,389 | $44,389 | $44,389 | $44,389 | $44,389 | $44,389 | $44,389 | $44,389 | $41,495 | |
| 2 | Equip Maint | BD | | | | $3,738 | $3,738 | $3,738 | $3,738 | $3,738 | $3,738 | $3,738 | $3,738 | $3,738 | $3,738 | $3,738 | $3,494 | |
| 3 | Supplies | BD | | | | $14,952 | $14,952 | $14,952 | $14,952 | $14,952 | $14,952 | $14,952 | $14,952 | $14,952 | $14,952 | $14,952 | $13,977 | |
| 4 | Reclamation | BD | | | | $9,345 | $14,018 | $16,821 | $18,690 | $18,690 | $18,690 | $18,690 | $18,690 | $18,690 | $18,690 | $18,690 | $17,471 | |
| 5 | Services | BD | | | | $23,363 | $23,363 | $23,363 | $23,363 | $23,363 | $23,363 | $23,363 | $23,363 | $23,363 | $23,363 | $23,363 | $21,840 | |
| 6 | Indirect | BD | | | | $25,232 | $25,232 | $25,232 | $25,232 | $25,232 | $25,232 | $25,232 | $25,232 | $25,232 | $25,232 | $25,232 | $23,587 | |
| | Cont. @ 10% | BD | | | | $12,102 | $12,569 | $12,850 | $13,036 | $13,036 | $13,036 | $13,036 | $13,036 | $13,036 | $13,036 | $13,036 | $12,186 | |
| 7 | Subtotal | | | | | $133,121 | $138,261 | $141,345 | $143,400 | $143,400 | $143,400 | $143,400 | $143,400 | $143,400 | $143,400 | $143,400 | $134,050 | 1,693,979 |
| | Allocated to Mining | 7*12/(12+20) | | | | $102,086 | $104,536 | $106,756 | $107,706 | $107,706 | $107,705 | $107,705 | $107,705 | $107,705 | $107,705 | $107,705 | $100,682 | |
| | Allocated to Milling | 7*20/(12+20) | | | | $31,035 | $33,725 | $34,588 | $35,695 | $35,695 | $35,696 | $35,696 | $35,696 | $35,696 | $35,696 | $35,696 | $33,368 | |
| | | | | | | | | | | | | | | | | | | |
| | MINING | Data | | | | | | | | | | | | | | | | |
| 8 | Labor | BD | | | | $697,370 | $790,353 | $929,827 | $929,827 | $929,827 | $929,827 | $929,827 | $929,827 | $929,827 | $929,827 | $929,827 | $869,197 | |
| 9 | Equip Maint | BD | | | | $37,848 | $56,771 | $68,126 | $75,695 | $75,695 | $75,695 | $75,695 | $75,695 | $75,695 | $75,695 | $75,695 | $70,759 | |
| 10 | Materials & Supplies | BD | | | | $272,173 | $408,260 | $489,911 | $544,346 | $544,346 | $544,346 | $544,346 | $544,346 | $544,346 | $544,346 | $544,346 | $508,851 | |
| 11 | Cont @ 10% | BD | | | | $100,739 | $125,538 | $148,786 | $154,987 | $154,987 | $154,987 | $154,987 | $154,987 | $154,987 | $154,987 | $154,987 | $144,881 | |
| 12 | Subtotal | | | | | $1,108,130 | $1,380,922 | $1,636,650 | $1,704,855 | $1,704,855 | $1,704,855 | $1,704,855 | $1,704,855 | $1,704,855 | $1,704,855 | $1,704,855 | $1,593,688 | $19,358,229 |
| | | | | | | | | | | | | | | | | | | |
| | MILLING | Data | | | | | | | | | | | | | | | | |
| 13 | Labor | BD | | | | $116,090 | $131,569 | $154,787 | $154,787 | $154,787 | $154,787 | $154,787 | $154,787 | $154,787 | $154,787 | $154,787 | $144,694 | |
| 14 | Maint. Labor | BD | | | | $32,225 | $36,522 | $42,967 | $42,967 | $42,967 | $42,987 | $42,987 | $42,987 | $42,987 | $42,987 | $42,987 | $40,184 | |
| 15 | Equip Maint | BD | | | | $26,780 | $40,169 | $48,203 | $53,559 | $53,559 | $53,559 | $53,559 | $53,559 | $53,559 | $53,559 | $53,559 | $50,067 | |
| 16 | Supplies | BD | | | | $69,020 | $103,530 | $124,237 | $138,041 | $138,041 | $138,041 | $138,041 | $138,041 | $138,041 | $138,041 | $138,041 | $129,040 | |
| 17 | Utilities | BD | | | | $50,463 | $75,695 | $90,833 | $100,926 | $100,926 | $100,926 | $100,926 | $100,926 | $100,926 | $100,926 | $100,926 | $94,345 | |
| 18 | Fuel | BD | | | | $11,681 | $17,522 | $21,026 | $23,363 | $23,363 | $23,363 | $23,363 | $23,363 | $23,363 | $23,363 | $23,363 | $21,839 | |
| 19 | Cont. @ 10% | BD | | | | $30,626 | $40,501 | $48,205 | $51,364 | $51,364 | $51,366 | $51,366 | $51,366 | $51,366 | $51,366 | $51,366 | $48,017 | |
| 20 | Subtotal | | | | | $336,886 | $445,508 | $530,259 | $565,007 | $565,007 | $565,029 | $565,029 | $565,029 | $565,029 | $565,029 | $565,029 | $528,185 | $6,361,023 |
| | | | | | | | | | | | | | | | | | | |
| 21 | Total Operating Costs to CF | 1+..+3 | $0 | | | $1,578,136 | $1,964,691 | $2,308,254 | $2,413,262 | $2,413,262 | $2,413,284 | $2,413,284 | $2,413,284 | $2,413,284 | $2,413,284 | $2,413,284 | $2,255,923 | $27,413,231 |

AddWest Minerals, Inc. - Gold Road
Case 3 - $350 Hedge Program with Start Up using 156398 oz r Direct Operating Cost Summary
$375 reserves - 24.6% Dilution

Behre Dolbear & Company, Inc.

| | | Quarter | | | | | | | | | | | | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | |
| $/ton | G&A | 5.70 | 3.95 | 3.36 | 3.07 | 3.07 | 3.07 | 3.07 | 3.07 | 3.07 | 3.07 | 3.07 | 3.07 | |
| | Mining | 47.43 | 39.41 | 38.92 | 36.49 | 36.49 | 36.49 | 36.49 | 36.49 | 36.49 | 36.49 | 36.49 | 36.49 | |
| | Milling | 14.42 | 12.71 | 12.61 | 12.09 | 12.09 | 12.09 | 12.09 | 12.09 | 12.09 | 12.09 | 12.09 | 12.09 | |
| | Subtotal | 67.55 | 56.06 | 54.89 | 51.65 | 51.65 | 51.65 | 51.65 | 51.65 | 51.65 | 51.65 | 51.65 | 51.65 | |
| | | | | | | | | | | | | | | |
| | Prop+Sever Tax | 6.23 | 3.97 | 4.41 | 4.35 | 3.64 | 3.75 | 3.12 | 3.31 | 3.32 | 3.38 | 3.54 | 1.81 | |
| | | 145454 | 138951 | 185449 | 203444 | 170170 | 175432 | 145743 | 154521 | 155267 | 158078 | 165567 | 79133 | $1,877,209 |
| | Total | 73.78 | 60.03 | 59.30 | 56.00 | 55.29 | 55.40 | 54.77 | 54.96 | 54.97 | 55.03 | 55.19 | 53.46 | 56.55 |

1993

AddWest Minerals, Inc. - Gold Road
Case 3 - $350 Hedge Program with Start Up using 156398 oz reserves
$375 reserves - 24.6% Dilution

Behre Dolbear & Company, Inc.
Misc. AZ Taxes (Table T-III)

| | Item | Source | -3 | -2 | -1 | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | Totals |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | PROPERTY TAX | | | | | | | | | | | | | | | | | |
| 1 | Cash Value | See Note | | $10,000,000 | $10,000,000 | $10,000,000 | $10,000,000 | $10,000,000 | $10,000,000 | $10,000,000 | $10,000,000 | $10,000,000 | $10,000,000 | $10,000,000 | $10,000,000 | $10,000,000 | $10,000,000 | |
| 2 | Assessment Ratio | 0.3 | | | | | | | | | | | | | | | | |
| 3 | County Tax rate | 0.105 | | | | | | | | | | | | | | | | |
| 4 | Property Tax to CF | | | $78,750 | $78,750 | $78,750 | $78,750 | $78,750 | $78,750 | $78,750 | $78,750 | $78,750 | $78,750 | $78,750 | $78,750 | $78,750 | $78,750 | $1,023,750 |
| | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | |
| | SEVERENCE TAX | | | | | | | | | | | | | | | | | |
| 5 | Gross Income | T-I | $0 | $0 | $0 | $3,479,317 | $3,184,938 | $5,650,745 | $6,640,740 | $4,868,703 | $5,148,988 | $3,567,822 | $4,035,346 | $4,075,063 | $4,224,762 | $4,623,607 | $20,378 | |
| 6 | Operating Costs | T-II | $0 | $0 | $0 | $1,578,136 | $1,964,691 | $2,308,254 | $2,413,262 | $2,413,262 | $2,413,284 | $2,413,284 | $2,413,284 | $2,413,284 | $2,413,284 | $2,413,284 | $2,255,923 | |
| 7 | Mine Oper | T-II | $0 | $0 | $0 | $1,108,130 | $1,380,922 | $1,636,650 | $1,704,855 | $1,704,855 | $1,704,855 | $1,704,855 | $1,704,855 | $1,704,855 | $1,704,855 | $1,704,855 | $1,593,688 | |
| 8 | Mine G&A | T-II | $0 | $0 | $0 | $102,086 | $104,536 | $106,756 | $107,706 | $107,706 | $107,705 | $107,705 | $107,705 | $107,705 | $107,705 | $107,705 | $100,682 | |
| 9 | Total Mine Oper | 7+8 | $0 | $0 | $0 | $1,210,215 | $1,485,458 | $1,743,407 | $1,812,560 | $1,812,560 | $1,812,559 | $1,812,559 | $1,812,559 | $1,812,559 | $1,812,559 | $1,812,559 | $1,694,370 | |
| 10 | Weighted Mineral Value | 5*9/6 | $0 | $0 | $0 | $2,668,162 | $2,408,059 | $4,267,965 | $4,987,748 | $3,656,801 | $3,867,281 | $2,679,705 | $3,030,851 | $3,060,682 | $3,173,117 | $3,472,680 | $15,305 | |
| 11 | Severence Tax | 10*.025 | $0 | $0 | $0 | $66,704 | $60,201 | $106,699 | $124,594 | $91,420 | $96,682 | $66,993 | $75,771 | $76,517 | $79,328 | $86,817 | $383 | $931,826 |
| | | | | | | | | | | | | | | | | | | $1,955,576 |

Note – Cash Value should decrease over the life of the property however, insufficient information was given by AddWest to estimate cash value. It was assumed that Cash Value = Installed cost over the life of the property DB used this method to compute property tax in Arizona since recent court rulings have left many uncertainties of their future handling of their Ad Valorem taxes for insitu reserves

AddWest Minerals, Inc. - Gold Road
Case 3 - $350 Hedge Program with Start Up using 156398 oz reserves
$375 reserves - 24.6% Dilution

Behre Dolbear & Company, Inc.
Capital Expenditures (Table T-IV)

| | Item | Source | -3 | -2 | -1 | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | Totals |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1 | Mine | Addwest | | $1,616,647 | $1,716,649 | | | | | | | | | | | | $3,333,296 |
| 2 | Mill | MinProc | | $1,250,000 | $3,750,000 | | | | | | | | | | | ($500,000) | $4,500,000 |
| 3 | Tailings | Addwest | | | $785,302 | | | | | | $332,000 | | | | | | $1,117,302 |
| 4 | Power Line & Sub | Addwest | | $35,000 | | | | | | | | | | | | | $35,000 |
| 5 | Permitting | Addwest | | $15,000 | $15,000 | | | | | | | | | | | | $30,000 |
| 6 | Land Payments | Addwest | | | $90,000 | | $200,000 | | | | | | | | | | $290,000 |
| 7 | SUBTOTAL | | $0 | $2,916,647 | $6,356,951 | $0 | $200,000 | $0 | $0 | $0 | $332,000 | $0 | $0 | $0 | $0 | ($500,000) | $9,305,598 |
| | | | | | | | | | | | | | | | | | |
| 9 | Working Capital to CF | Addwest | | | $1,000,000 | | | | | | | | | | | ($1,000,000) | |
| | | | | | | | | | | | | | | | | | |
| 10 | Total Capital | 6+7+8 | $0 | $2,916,647 | $7,356,951 | $0 | $200,000 | $0 | $0 | $0 | $332,000 | $0 | $0 | $0 | $0 | ($1,500,000) | $9,305,598 |
| | Cum Capital | | | $2,916,647 | $10,273,598 | $10,273,598 | $10,473,598 | $10,473,598 | $10,473,598 | $10,473,598 | $10,805,598 | $10,805,598 | $10,805,598 | $10,805,598 | $10,805,598 | $9,305,598 | |

Mill Capital estimated by MinProc

1993

12-1915 **Around Kingman**

Oatman still keeps the center of interest in this locality and has been especially intensified by the developments and improvements on the United Eastern. The encountering of a large body of ore on the foot wall of the Gold Road mine on the 900 foot level and the striking of ore on the 1200 foot level of the Tom Reed mine. The ore struck is said to be as rich as found on any of the other levels. The drift is continuing in this ore, which is 6 feet in width. However, it is anticipated the ore is as wide as the overhead level, which was 16 feet in width. This discovery establishes deep permanency to the camp. The gold bullion shipment from last month's mill run was $100,000.

In every direction around Kingman properties are changing hands. The Kay mine at Mineral Park is one of the latest to be optioned. This is the adjoining property to the one bonded to a Phnoeix man last week. There is no question about the great possibilities of this region, if handled in a practical manner.

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1-1916

The Gold Road Mines company is cutting a station on the 900 level, about 1500 feet east of the No. 1 shaft, or what was originally known as the "Glory Hole" shaft. This shaft was sunk to a depth of 900 feet, but there was little drifting done on this level, the company confining its efforts to the 500 and 700 levels.

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The Gold Road mine is now being operated again, a new development campaign in the eastern end having been started. DEC. 1916

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**Gold Roads** 1915

This property treated in its mill in July 10,000 tons of ore, which returned $65,000 gold.

---

**Gold Road Mine**

This mine in June made an output of about $65,000, this result was obtained by the treatment of 9,500 tons of ore. The 40 stamp mill treats about 110,000 tons per annum.

7-1915

---

The Gold Road mine owned by the United States Smelting & Refining Co. averaged in 1915 mining costs of $3.15 per ton, milling $2.13 per ton, recovering $6.77 per ton, or $1.49 per ton operating profits. About 8,000 tons monthly were handled last year in the 300-ton mill. This is the lowest-grade producer in the Oatman district. The shaft is now being sunk from 900 to 1,500 feet depth in the hope of reaching a zone of enrichment.

April 1916

12-1915 **Around Kingman**

Oatman still keeps the center of interest in this locality and has been especially intensified by the developments and improvements on the United Eastern. The encountering of a large body of ore on the foot wall of the Gold Road mine on the 900 foot level and the striking of ore on the 1200 foot level of the Tom Reed mine. The ore struck is said to be as rich as found on any of the other levels. The drift is continuing in this ore, which is 6 feet in width. However, it is anticipated the ore is as wide as the overhead level, which was 16 feet in width. This discovery establishes deep permanency to the camp. The gold bullion shipment from last month's mill run was $100,000.

In every direction around Kingman properties are changing hands. The Kay mine at Mineral Park is one of the latest to be optioned. This is the adjoining property to the one bonded to a Phnoeix man last week. There is no question about the great possibilities of this region, if handled in a practical manner.

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April 1916

1-1916

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7-1915

96 AR

mill. The gold-loaded carbon is stripped, electrowinned, and the gold-silver doré poured on site. The doré is then shipped to a refiner for final processing and sold.

The Company's technical efforts during 1996 substantially enhanced the mine's performance. During the year, the Addwest team increased the number of active stopes to eight, improved the mill recovery to 95%, improved production per man shift, reduced material costs, improved equipment availability and increased overall gold production.

**GOLD ROAD MINE PROFILE**

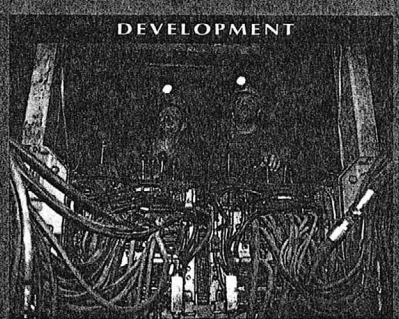
| | |
|---|---|
| **Ownership:** | 100% Addwest Minerals, Inc. |
| **Status:** | Producing operation, fully permitted |
| **Commissioning Date:** | January 1995 |
| **Geology:** | High-grade veins within Tertiary-age volcanic rocks |
| **Land Position:** | 2,366 acres |
| **Mining Method:** | Modified underground shrinkage stope; 9 working faces |
| **Processing Method:** | 500 TPD Agitated CIP mill with electro winning and smelting |
| **Recovery Rate:** | 95% gold and 50% silver (Average for 1996) |
| **Final Product:** | Doré (64% Au, 34% Ag) |
| **Current Prod. Rate:** | 40,000 ounces gold per year |
| **Estm. Operating Cost:** | US$235 / gold ounce |
| **Investment to Date:** | US$25 million |
| **Current Reserves:** | 524,000 tons grading 0.234 Oz gold per ton for 120,000 ounces |
| **Current Mine Life:** | Three years |
| **Potential:** | 10 year mine life increase |
| **Current Work Focus:** | Expand and upgrade existing resources through in-fill confirmation drilling. Additional underground development to access and extend known ore zones |

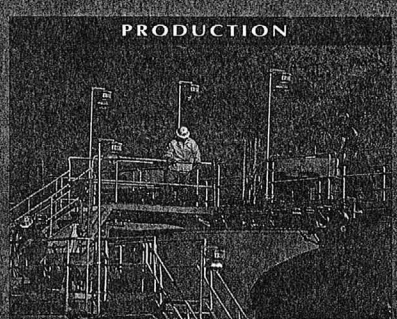
RIH

## EXPLORATION

Development on the east end of the mine during 1996 has allowed for the exploration of previously untested ore zones along the vein. This work also lengthened the mine life through the expansion of known reserves into this virgin area. Addwest expects additional ore to be developed as its drifting and drilling program continues into this immediately accessible and promising ground. A diamond drilling program is currently probing this area. *(long section)*

Surface exploration efforts also continue as part of a multi-year, systematic district-wide evaluation. The Moss Mine Gold Project was acquired in 1994 as a consequence of this effort. Other prospects in the Oatman area within hauling distance to the Gold Road mill are being reviewed by the Addwest team; results to date are encouraging.




*"The Company's technical efforts during 1996 substantially enhanced the mine's performance"*

96 AR.

LONG SECTION – (CURRENT)

CURRENT

1,000'

NW

SE

New Mill

New Portal

DH-2

DH-1

111,461 oz
Possible

104,959 oz
Possible

111,833 oz
Possible

64,648 oz
Possible

30,652 oz
Possible

148,600 oz
Possible

Other Possible Ore

| | |
|---|---|
| Internal | 43,470 |
| Parallel Structures | 117,243 |
| External | 115,000 |

| | |
|---|---|
| Proven/Probable | 120,000 oz. |
| Possible | 43,470 oz. |
| Inferred/Possible | 804,396 oz. |
| Total All Categories: | 967,866 oz. |

Planned development

Completed development

T SHAFT

OLD MILL

ROUTE 66

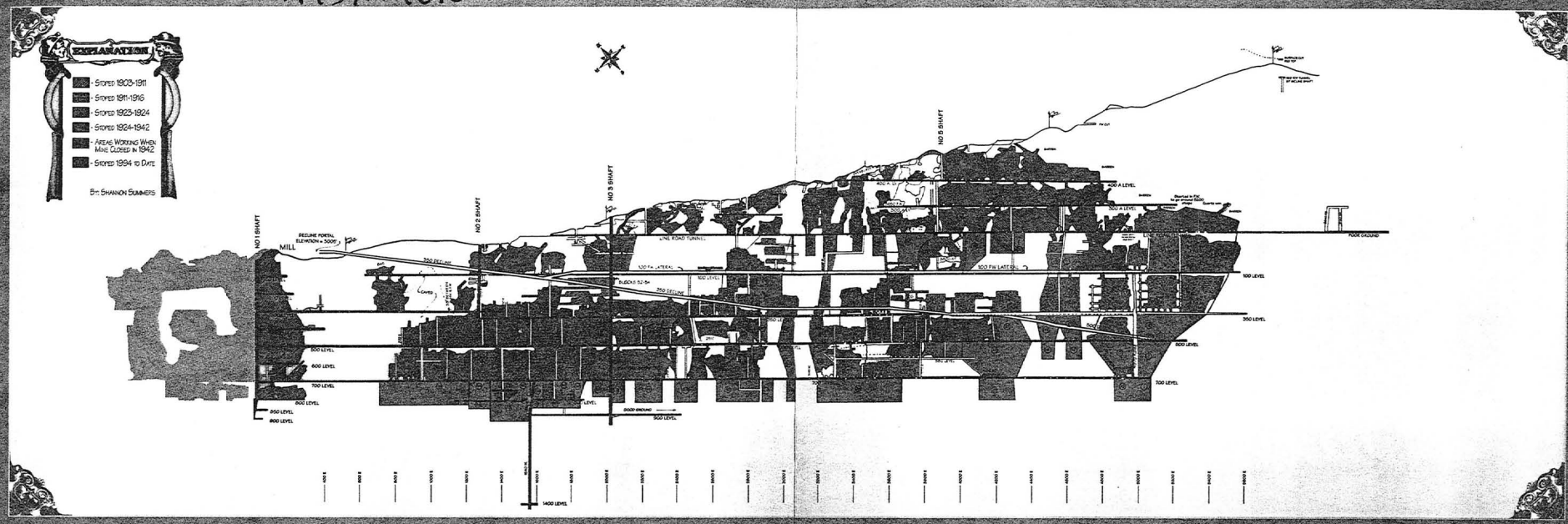
TENNIS COURT

NEW MILL SITE

96 AR.

## Long Section – (historical)

Historical



96 A.R.

## OFFICERS

CHARLES S. WILLIAMS
*President*

JAMES R. HOUSTON
*Chairman of the Board*

WILLIAM J. N. BUCHAN
*Vice President,*
*Chief Financial Officer & Treasurer*

RONALD R. SHORT
*Vice President*
*Operations*

CHARLES W. DALRYMPLE
*Vice President Contract*
*and Land Acquisitions*

ALAN FOUNIE
*Vice President Exploration*

## TEAM CHRONOLOGY

| | |
|---|---|
| **1988** | The Addwest team forms Addwest Gold (a subsidiary of Addington Resources, a public company) and entered the hard-rock mineral industry. |
| **1990** | Addwest Gold (with assets including the Kendall Mine, the McDonald Meadows deposit, the 7-UP Pete deposit and the Briggs deposit) is sold to Canyon Resources for $32 million.<br><br>The Addwest team forms Addwest Minerals (again a subsidiary of Addington Resources) to restart its mineral development efforts. |
| **1992** | Addwest acquires the Gold Road Mine. |
| **1994** | Addwest acquires the Moss Mine Gold Project and the Golden Zone Gold Project. Construction begins at the Gold Road Mine. |
| **1995** | The Gold Road Mine is commissioned in January, 1995.<br><br>In December, 1995 the Addwest team completes a leveraged buy-out of the Addwest Minerals assets from Addington Resources. |
| **1996** | The Addwest team optimizes production and profitability at the Gold Road Mine and enlarges the resources and land positions at its other projects. |
| **1997** | In early 1997 Addwest Minerals is acquired by the Vancouver-listed public company, Alina International Industries Ltd., and the Addwest team takes management control of the public company.<br><br>In early 1997 the Company, now known as Addwest Minerals International, Ltd., begins trading on the Vancouver Stock Exchange. |

ADDWEST ANNUAL REPORT 96 A.R.

## LOCATION

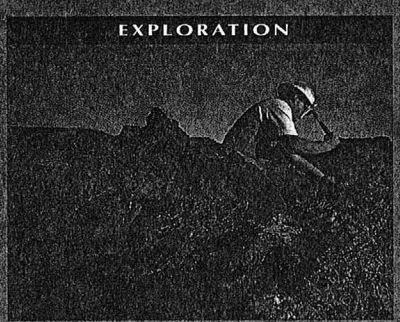
The Gold Road Mine is located near Oatman, Arizona, in the heart of the largest gold mining district in the state. Between 1897 and 1942, this district produced in excess of two million ounces. In 1942, production on the Gold Road Mine ceased because of the War Powers Act (L208). Addwest acquired the property in 1992 and proceeded to stake additional claims, develop new underground workings, permit the operation and secure the necessary funding to place the property into production.

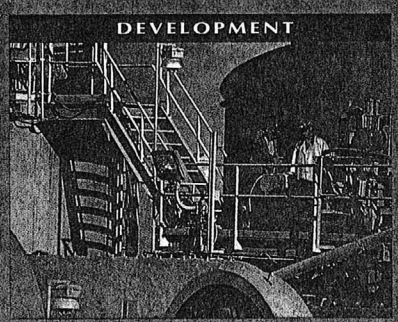
## PRODUCTION

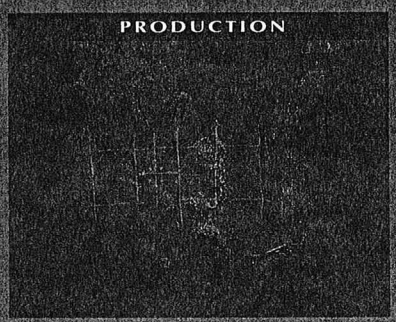
Modern production began in 1995 when Addwest commissioned a new carbon-in-pulp mill which produced 16,000 ounces in that year. Full production was achieved in 1996 when over 40,000 ounces of gold was produced at a cash operating cost of US$235 per ounce. The Company currently anticipates producing 40,000 ounces in 1997.

Gold Road is processing an average of 460 tons of ore per day but has existing mill capacity to expand to 575 tons per day. Operations occur seven days per week, three shifts per day in both the mine and the mill. Mining activities are focused on maximizing grade and minimizing dilution. Although the historic mine had ten levels of underground workings, Addwest has only accessed four of these levels. Addwest constructed a new production decline to access the ore in lower levels of the mine and to provide an inexpensive method for ore haulage. The decline parallels the vein and currently reaches below the old 500 level. Cross cuts extending from the haulage ways allow for the blocking of ore in 30-foot intervals. New ore zones are being accessed directly along the vein, reducing the need for future cross cuts.

The ore is mined using the modified shrinkage method, hauled by truck to the surface, and processed in a conventional carbon-in-pulp




*"this district produced in excess of two million ounces"*

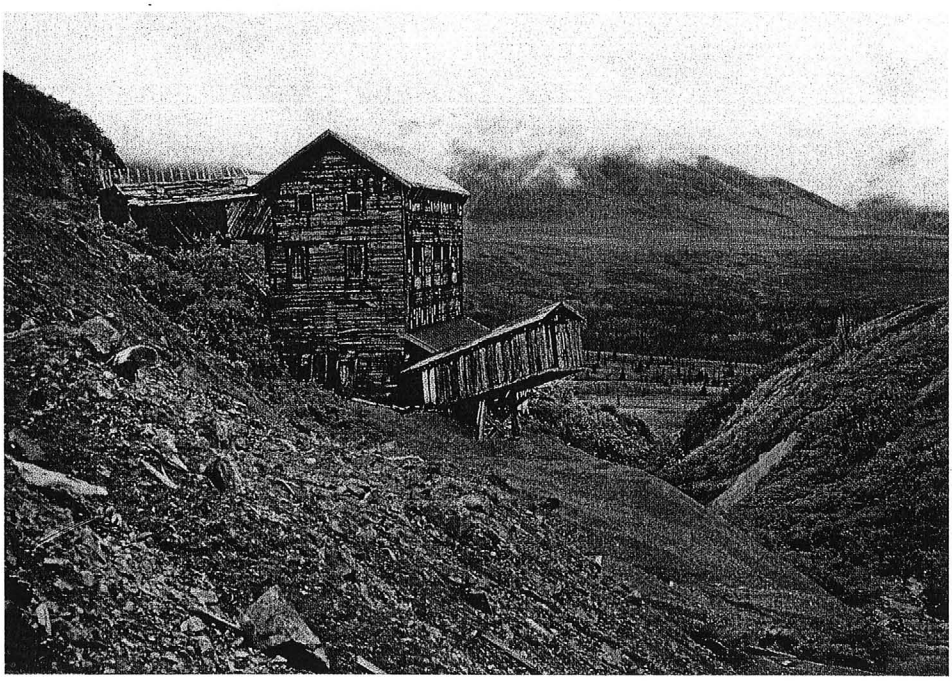
# ADDWEST MINERALS INTERNATIONAL, LTD.

# "Prospects to Profits"

## CORPORATE OBJECTIVES

Addwest Minerals International, Ltd. is an aggressive gold mining company whose primary objective is to create wealth for its stockholders through the discovery, development and production of gold. The company was recently reorganized by a team of seasoned mining executives with a proven track record. Over the past eleven years this team has successfully brought four mines into production and discovered three world-class deposits hosting in excess of ten million ounces of gold. In 1996, the "new" Addwest Minerals produced close to 40,000 ounces.

The successful commissioning of the Gold Road Mine marked the "new" company's first step in generating cash flow that will fund business development and corporate overhead. The next step is to raise sufficient new capital to: 1) expand reserves at each project; 2) fund new acquisitions that fit the project profile of the company. Simultaneously, feasibility and permitting studies will be completed to expedite production decisions on advanced-stage projects. A third objective is to continually optimize each operation to ensure consistent and sustainable production growth.



*Historic Golden Zone Mill*

## MANAGEMENT RECORD

*RECENT*

- Management buy-out of Addwest Minerals, Inc. (a subsidiary of Addington Resources, Inc.) at a deep discount.
- Achievement of profitable production at Gold Road within four months after its acquisition in early 1996.
- Transformation of Addwest Minerals, Inc. into a Canadian-incorporated and listed (VSE) company.

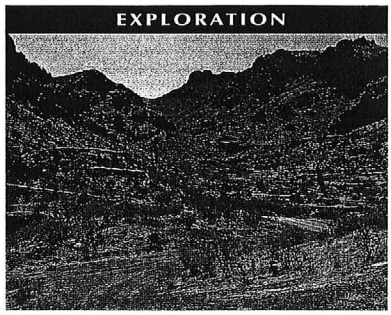
*HISTORICAL*

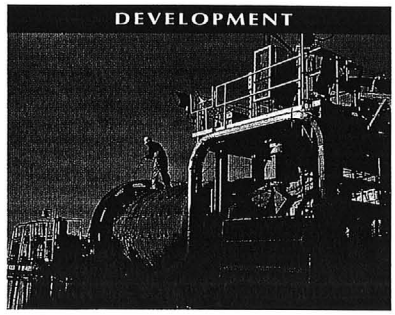
- Development and construction of four mines in 11 years: Portland gold mine, Arizona (1985); Northumberland, Nevada (1985); Kendall, Montana (1988); and Gold Road Mine, Arizona (1996)
- Gold deposits discovered by Addwest (private company) staff: Kendall gold mine, Montana*; Briggs gold mine, California*; McDonald Meadows gold deposit, Montana*; and 7-Up Pete gold deposit, Montana*

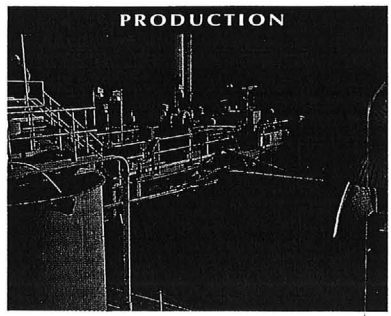
** Sold to Canyon Resources Corporation in 1990*

## RESOURCE SUMMARY

| Project | Tonnage (ST) | Gold Grade (Oz/ST) | Contained Gold (Oz) |
|---|---|---|---|
| **Proven and Probable Reserves** | | | |
| Gold Road, AZ | 524,000 | 0.234 | 120,000 |
| **Drill Indicated Resources** | | | |
| Golden Zone, AK | 6,560,000 | 0.103 | 675,000 |
| Moss, AZ | 7,400,000 | 0.038 | 281,000 |
| Total: | 13,960,000 | 0.069 | 956,000 |
| **Additional Potential to be tested** | | | |
| Gold Road, AZ | 3,500,000 | 0.234 | 800,000 |
| Golden Zone, AK | Substantial | | |
| Moss, AZ | Substantial | | |




## OTHER MINERAL PROJECTS

**Mt. Selwyn Gold-Silver Project,** Omineca division, British Columbia, Canada hosts a large gold-bearing deposit within Cambrian quartzites. Historic reports indicate that the gold is free-milling and the deposit is amenable to open pit mining.

**Tibbitt Lake Gold Project,** Northwest Territories, Canada hosts multiple gold-bearing quartz veins within metavolcanics and metasediments. Previous sampling returned gold values in excess of one ounce per ton in a regional area with known gold occurrences.

**Wind Mountain Project** is a large nepheline-syenite deposit located in Otero County, New Mexico. The project offers a 100-year mine life at a 100,000-tons-per-year production capacity. Mine permitting has been completed and permitting for the mill is underway. Prior owners invested US$1.8 million in Wind Mountain and another $5 million is anticipated to place it into production. Marketing studies in the fillers and extenders industries are underway for this high-grade product.

## OFFICERS AND CORPORATE INFORMATION

Charles S. Williams
*President*

William J. N. Buchan
*Chief Financial Officer*

Alan Founie
*V. P. Exploration*

Charles W. Dalrymple
*V. P. Contract and Land Acquisitions*

Ronald R. Short
*V. P. Operations*

*EXECUTIVE OFFICE*
Addwest Minerals International, Ltd.
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Phone (303) 424-5134
Fax 425-7497

*GOLD ROAD MINE OFFICE*
Addwest Minerals, Inc.
P. O. Box 869
Oatman, Arizona 86433 USA
Phone (520) 768-1600
Fax (520) 768-2277

## MISSION STATEMENT

*Addwest Minerals International, Ltd. will continue its growth of production and low-cost reserves through its aggressive exploration and development programs, participation in joint ventures, and strategic acquisitions. In implementing its business strategy, the Company continues to focus on:*

- Achieving consistent, sustainable production growth.
- Expanding its reserves through exploration of current properties and acquiring new high-quality prospects.
- Maintaining cash costs of production below the industry average.
- Maintaining a proactive program of environmental protection and workplace safety.
- Providing employees with opportunities for professional growth and compensation which is competitive and closely linked to the Company's performance.

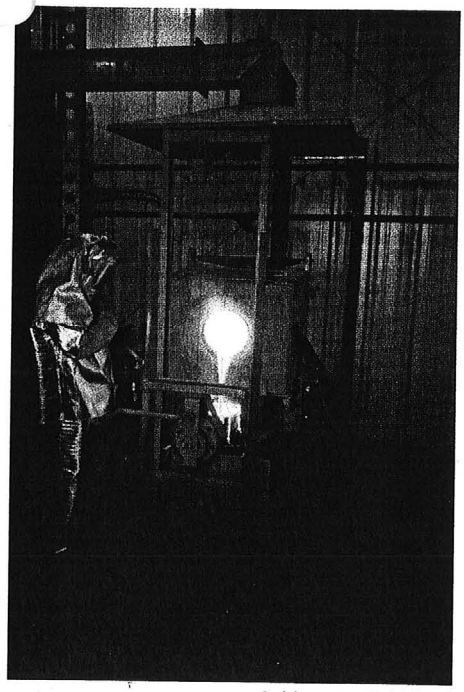
## GOLD ROAD MINE

**Gold Road Mine** is located in the heart of the historic Oatman district in Arizona, which has produced in excess of two million ounces of gold. Addwest's predecessor company acquired an option on the property in 1991 and proceeded to stake additional claims, rehabilitate historic underground workings, permit the operation and build a new mill. Modern production began in 1995. Production in 1996 is expected to approach 40,000 ounces at a cash operating cost of US$230 per ounce.

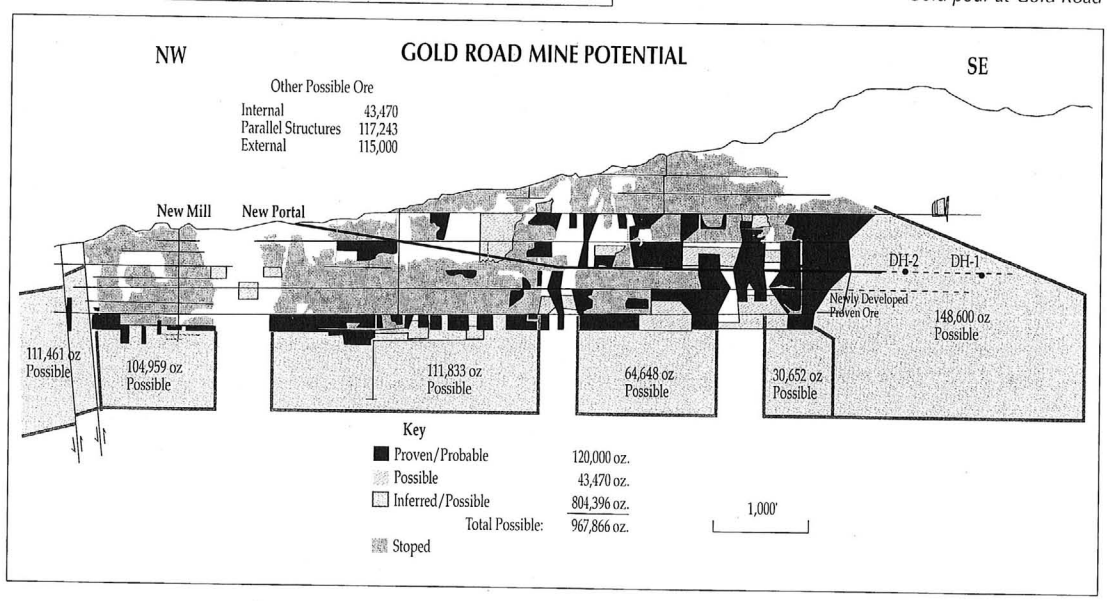
Gold Road is currently processing 500 tons of ore per day, seven days per week, with three shifts per day in both the mine and the mill. An aggressive exploration and development program to extend existing workings to newly-discovered ore zones that will lengthen the mine's life is underway. The Moss Mine Gold Project was acquired in 1994 as a result of further exploration in this promising district.

### GOLD ROAD MINE PROFILE

| | |
|---|---|
| **Ownership:** | 100% Addwest Minerals, Inc. |
| **Status:** | Producing operation, fully permitted |
| **Geology:** | High-grade gold veins within Tertiary-age volcanic rocks |
| **Land Position:** | 2,366 acres |
| **Mining Method:** | Modified underground shrinkage stope |
| **Processing Method:** | 500 TPD Agitated CIP mill with electrowinning and smelting |
| **Recovery Rate:** | 94% gold and 50% silver (Average 1996) |
| **Current Prod. Rate:** | 40,000 ounces gold per year |
| **Estm. Operating Cost:** | US$230 / gold ounce |
| **Investment to Date:** | US$ 25 million (by prior owners) |
| **Current Reserves:** | 524,000 tons grading 0.234 Oz gold/ton for 120,000 ounces |
| **Potential:** | Five-fold increase |
| **Current Work Focus:** | Expand and upgrade existing resources through in-fill confirmation drilling. Additional underground development to access and extend known ore zones |



*Gold pour at Gold Road*



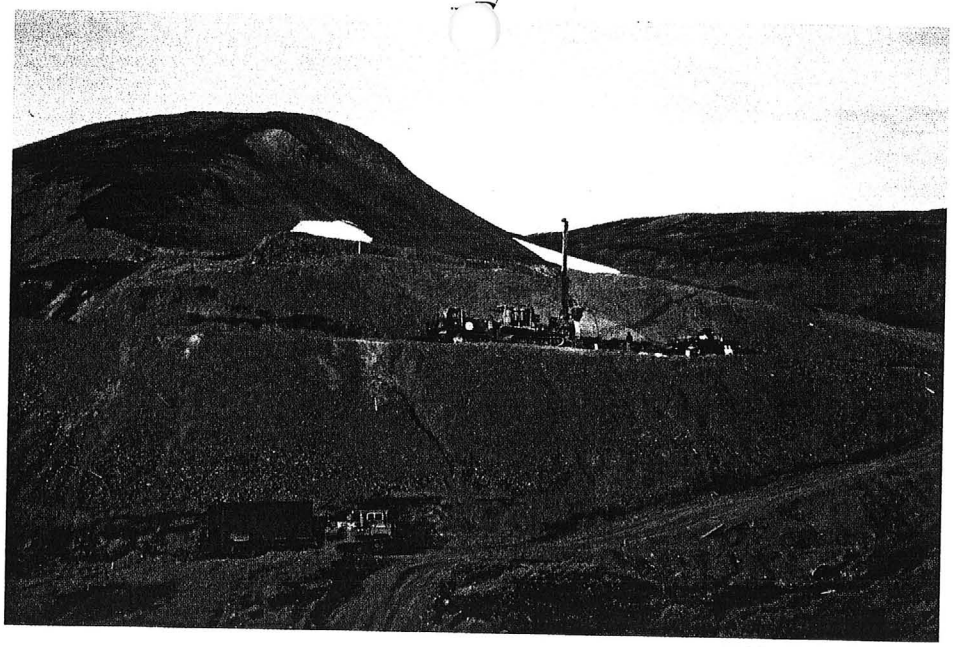

## MOSS MINE GOLD PROJECT

**The Moss Mine Gold Project** is located eight miles northwest of Addwest's Gold Road Mine. It has the potential to add low-cost, open pit, heap leach reserves, as well as high-grade millable gold ores. Preliminary estimates indicate that the property contains resources of more than seven million tons near the surface, which Addwest expects to convert into mineable reserves.

In 1996, the "new" Addwest upgraded the reserve certainty of Moss Mine by completing 15,000 feet of drilling and extensive metallurgical sampling. A continuous stockwork zone extending to 400 feet below the surface has been confirmed. Significant drill intercepts with increasing depth include: 140 feet grading 0.042 Oz Au/ST, 250 feet grading 0.051 Oz Au/ST, 95 feet grading 0.152 Oz Au/ST and 190 feet grading 0.034 Oz Au/ST. An economic pre-feasibility study on this project will be completed in 1997.

### MOSS MINE GOLD PROJECT PROFILE

| | |
|---|---|
| **Ownership:** | 100% Addwest Minerals, Inc. |
| **Status:** | Reserve delineation / Feasibility studies |
| **Geology:** | High-grade veins and disseminated gold hosted within Tertiary-age volcanic rocks |
| **Land Position:** | 2,100 acres |
| **Mining Method:** | Open pit and underground |
| **Processing Method:** | Heap leach, milling |
| **Estm. Prod. Rate:** | 50,000 ounces gold per year |
| **Estm. Operating Cost:** | US$230 / gold ounce |
| **Estm. Capital Cost:** | US$9 million |
| **Earliest Poss. Prod.:** | 1998 |
| **Investment to Date:** | US$2.5 million (by prior owners) |
| **Resources:** | 7,400,000 tons grading 0.038 Oz gold/ton for 281,200 ounces |
| **Potential:** | Two-fold increase |
| **Current Work Focus:** | In-fill and expansion drilling and metallurgical studies |

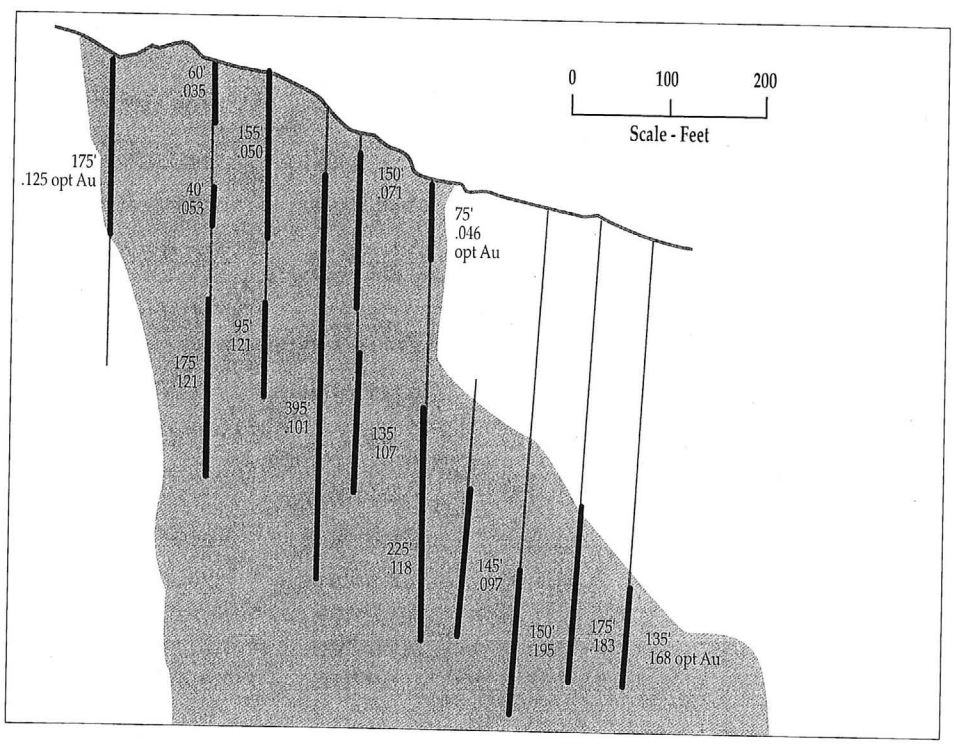


*Golden Zone, Breccia Pipe*

## GOLDEN ZONE GOLD PROJECT

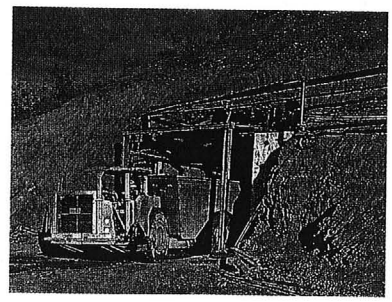
Addwest's largest reserve potential is the Golden Zone Gold Project located in the promining state of Alaska. This project is an excellent example of the types of projects the company is seeking to explore and put into production. Addwest acquired the property in 1994, where a total of 60,000 feet of drilling had been completed. Since the acquisition, Addwest has invested US$2.2 million in the development of this project.

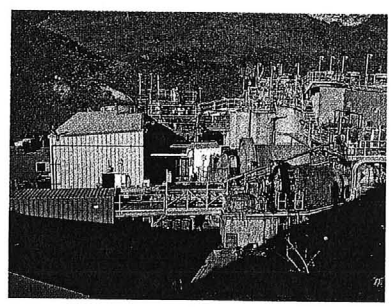
Drilling and underground work have been substantially expanded with the completion of 21,200 feet of drilling and 12,000 feet of trenching. Detailed geological mapping, surface geochemical sampling and an aerial geophysical survey

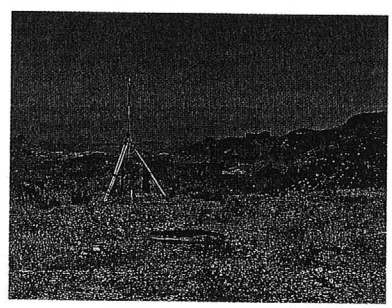



GOLDEN ZONE BRECCIA PIPE

## OPERATIONS

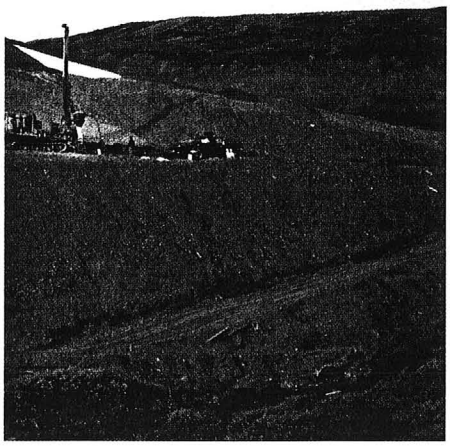






## COMPANY GOALS

- *Growth through exploration.*
- *Growth through development.*
- *Growth through production.*
- *Growth through acquisitions.*



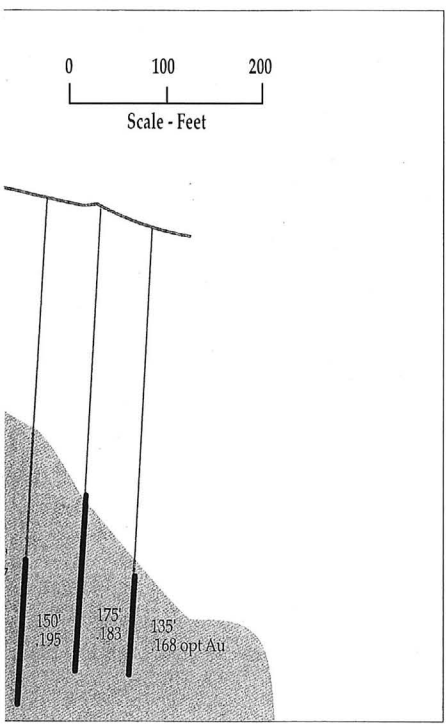
*Golden Zone, Breccia Pipe*

## GOLD PROJECT

Since the acquisition, Addwest has invested US$2.2 million in the development of this project.

Drilling and underground work have been substantially expanded with the completion of 21,200 feet of drilling and 12,000 feet of trenching. Detailed geological mapping, surface geochemical sampling and an aerial geophysical survey have also been completed. Because of the impressive number of anomalies identified by the regional geophysical surveys, the company staked additional claims, doubling the project area to include 16,200 contiguous acres.

Baseline environmental studies are now underway to prepare for permit applications for Golden Zone. An accelerated exploration program is planned for 1997 and 1998 to expand and upgrade the known reserves and test the multiple geophysical targets. All scientific information is being incorporated into an internal feasibility study in order to expedite a production decision and begin construction on this very large and potentially rich project.

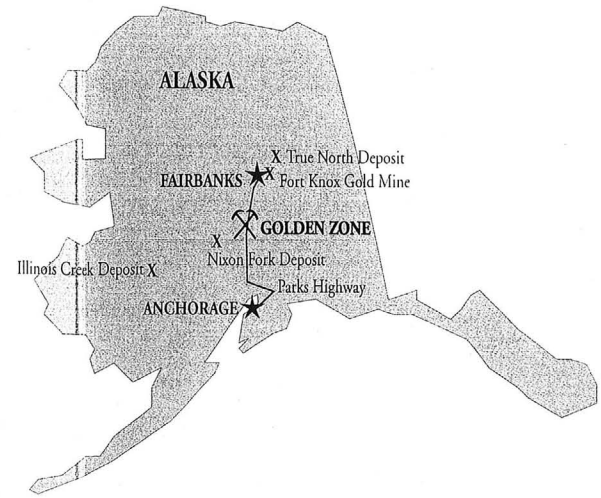


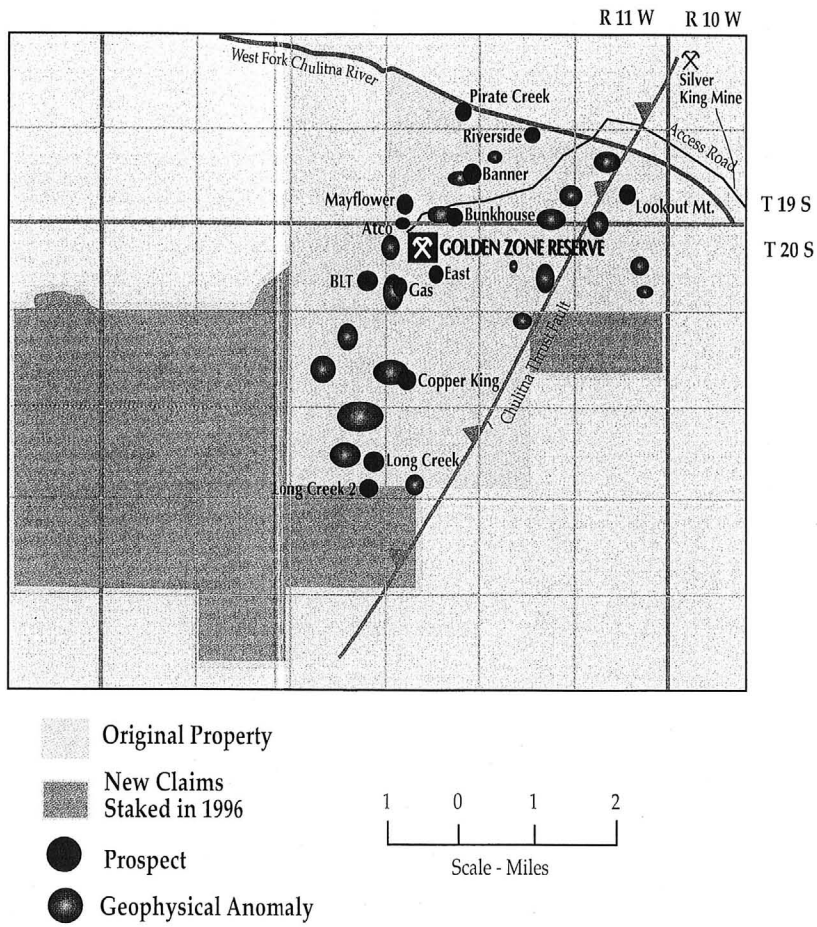

BRECCIA PIPE

### GOLDEN ZONE PROFILE

| | |
|---|---|
| **Ownership:** | 100% Addwest Minerals, Inc. |
| **Status:** | Feasibility |
| **Geology:** | Breccia pipes within a shear zone |
| **Land Position:** | 16,720 acres |
| **Mining Method:** | Open pit (W:O = 1.68:1) and underground |
| **Processing Method:** | Milling |
| **Recovery Rate:** | 85% gold |
| **Estm. Prod. Rate:** | 75,000 ounces gold per year |
| **Estm. Operating Cost:** | US$250 / gold ounce |
| **Estm. Capital Cost:** | US$30 million |
| **Earliest Poss. Prod.:** | 1999 |
| **Investment to Date:** | US$7.7 million |
| **Resources:** | 6,560,000 tons grading 0.103 Oz gold/ton for 675,000 ounces |
| **Potential:** | Multi-million ounce |
| **Current Work Focus:** | Additional exploration; completion of Feasibility Study; Baseline data being collected for permits |

### GOLDEN ZONE PROJECT LOCATION MAP




### GOLDEN ZONE TARGETS