

Table 1 – November, 2008
Mineral Resources Classification for the Torlon Oxide Zinc Deposit Using Various Cut-Off Grades

Cut-Off Grade	Measured Resources						Indicated Resources						Measured + Indicated Resources				
	Tonnage	Average Grade			Contained Metal	Tonnage	Average Grade			Contained Metal	Tonnage	Average Grade					
(% Zn-eq)	(tonnes)	Zn	Pb	Ag	(% Zn-eq)	(tonnes Zn-eq)	(tonnes)	Zn	Pb	Ag	(% Zn-eq)	(tonnes Zn-eq)	(tonnes)	Zn	Pb	Ag	(% Zn-eq)
0.00	700,107	7.35	2.32	12.84	10.44	73,069	1,797,837	5.12	2.14	12.78	7.99	143,650	2,497,944	5.74	2.19	12.79	8.68
0.50	693,146	7.42	2.34	12.94	10.53	72,989	1,716,196	5.36	2.21	13.34	8.33	142,932	2,409,342	5.95	2.24	13.22	8.96
1.00	678,601	7.57	2.37	13.14	10.72	72,779	1,624,769	5.64	2.26	13.81	8.68	141,035	2,303,370	6.21	2.29	13.61	9.28
1.50	652,569	7.85	2.39	13.36	11.04	72,023	1,526,835	5.96	2.27	14.02	9.02	137,712	2,179,404	6.52	2.31	13.82	9.62
2.00	625,724	8.15	2.43	13.58	11.38	71,237	1,451,210	6.22	2.27	13.90	9.28	134,733	2,076,934	6.80	2.32	13.80	9.92
2.50	598,300	8.46	2.48	13.81	11.76	70,362	1,399,916	6.40	2.30	14.01	9.50	133,024	1,998,216	7.02	2.36	13.95	10.18
3.00 **	571,482	8.79	2.52	14.01	12.14	69,373	1,320,154	6.69	2.36	14.35	9.86	130,212	1,891,636	7.32	2.41	14.25	10.55
3.50	554,293	9.00	2.54	14.15	12.38	68,610	1,259,398	6.92	2.40	14.65	10.15	127,880	1,813,691	7.55	2.44	14.50	10.83
4.00	534,964	9.24	2.57	14.32	12.66	67,746	1,207,673	7.12	2.44	14.90	10.41	125,725	1,742,637	7.77	2.48	14.73	11.10
4.50	513,095	9.52	2.60	14.52	12.98	66,596	1,136,980	7.39	2.51	15.31	10.77	122,493	1,650,075	8.06	2.54	15.06	11.46
5.00	496,542	9.74	2.62	14.64	13.22	65,655	1,056,939	7.73	2.57	15.72	11.20	118,366	1,553,480	8.37	2.59	15.37	11.85
5.50	469,667	10.11	2.65	14.82	13.63	64,012	959,354	8.20	2.63	16.07	11.75	112,696	1,429,021	8.83	2.64	15.66	12.37
6.00	444,115	10.47	2.67	14.99	14.03	62,322	881,373	8.60	2.71	16.33	12.24	107,910	1,325,488	9.23	2.69	15.88	12.84

** Base Case

Note: A 3% zinc-equivalent cut-off grade was used, the relative contributions of each metal being factored on the basis of closing metal prices on August 12, 2008 (Zn = \$0.76/lb; Pb = \$0.88/lb; Ag = \$14.64/oz). It is not the absolute value of the metals per unit of weight that is important but rather the ratio of value between metals that forms the basis for the formula. The calculation of zinc equivalency was based on the formula: $Zneq = \%Zn + [(1.158 * \%Pb) + (0.031 * g Ag/t)]$ where zinc and lead are reported in percent and silver in parts per million. Watts, Griffis and McOuat Limited used currency prices to establish the relative value of the metals and has not imposed any presumptions concerning relative recoveries on this formula.

Notes

- (1) All mineral resources were prepared in accordance with the provisions of National Instrument 43-101 guidelines and the Canadian Institute of Mining and Metallurgy (CIM) standards and guidelines for the estimation of Mineral Resources and Reserves.
- (2) The mineral resources are not mineral reserves and do not demonstrate economic viability.
- (3) Contained Metal represents estimated metal contained in the ground and has not been adjusted for metallurgical or other recovery factors.
- (4) A Specific Gravity factor of 2.80 was applied to the oxide mineralization.
- (5) Mineral Resources in Sulphide Zones and Inferred Mineral Resources in Oxide Zones are not included in the above Table.
- (6) Average Grade units: Zn (%), Pb (%) and Ag (g/t).

Grade-Tonnage Plot for Measured + Indicated Resources

