

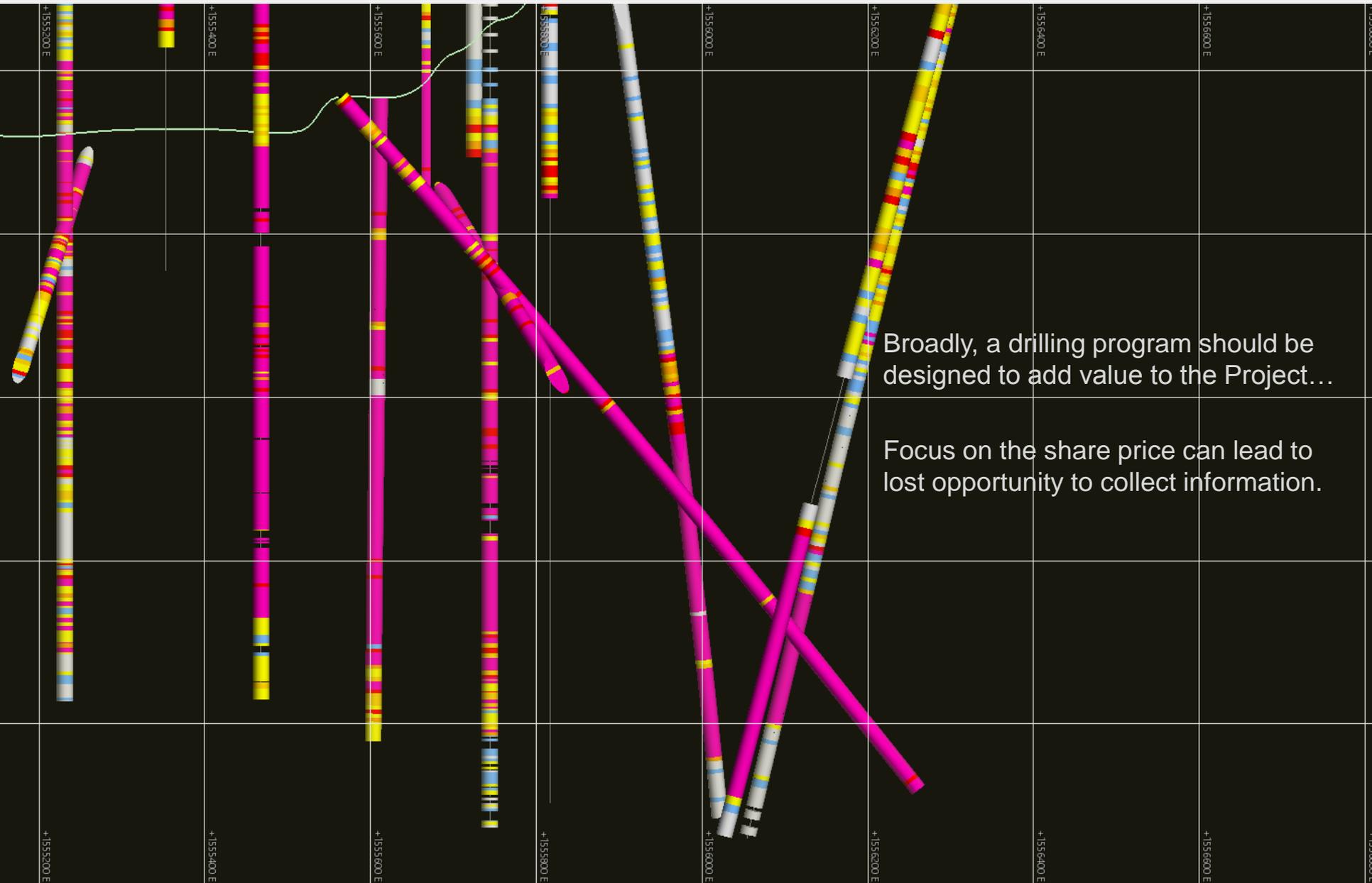
# “Core” Values:

## Strategies to Maximize the Value of New Drillholes

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# Goals for Drilling Program



Broadly, a drilling program should be designed to add value to the Project...

Focus on the share price can lead to lost opportunity to collect information.

# Project Goals

1. Use capital to add value
2. Shareholders get the return on investment
3. Everyone lives happily ever after.

Along the way, there is a web of technical studies to complete, in some sort of (logical?) order.



# What Are the Drivers?



## Engineering

- Refined Economics
- Mitigate Technical Risks

## Permitting

- Site Characterization
- Address Environmental Risks

# Project Milestones

- ❑ Preliminary Economic Assessment
- ❑ Pre-Feasibility Study
- ❑ Feasibility Study
- ❑ Construction

- ❑ Continued characterization of baseline conditions
- ❑ May include exploration, but likely to focus on what's known



# Worth the Wait, and Weight?

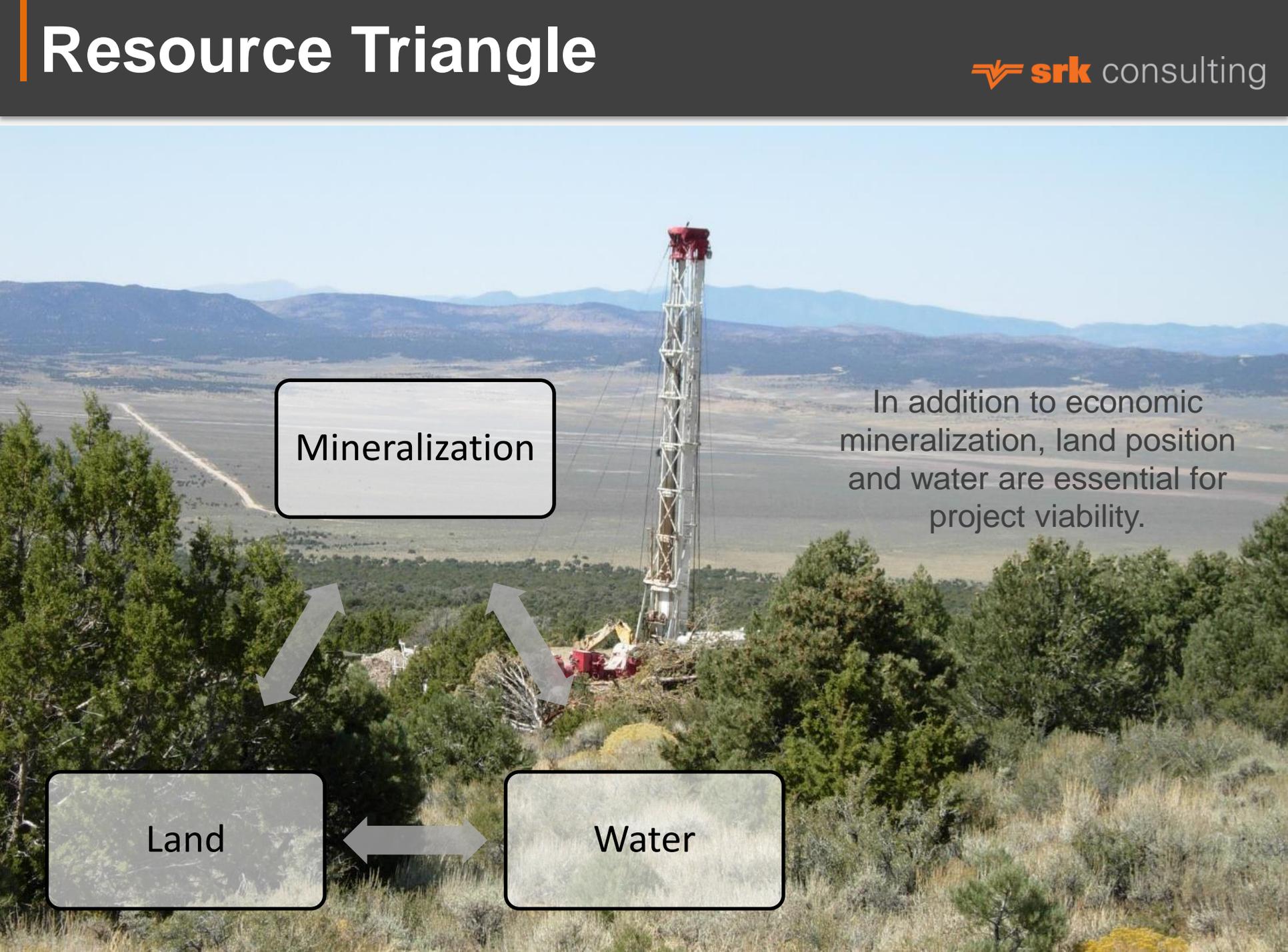
- ❑ Valuation depends on extractable ounces or pounds of metal.
- ❑ It also depends on timing- how long will permitting take to allow development, then payback?
- ❑ A drilling plan with multiple applications will save time and add value.



- ❑ The only way to expand a resource and reduce risk is to DRILL!
- ❑ Beware- not all drillholes are created equal!
- ❑ Some are more valuable than others.



# Resource Triangle



Mineralization

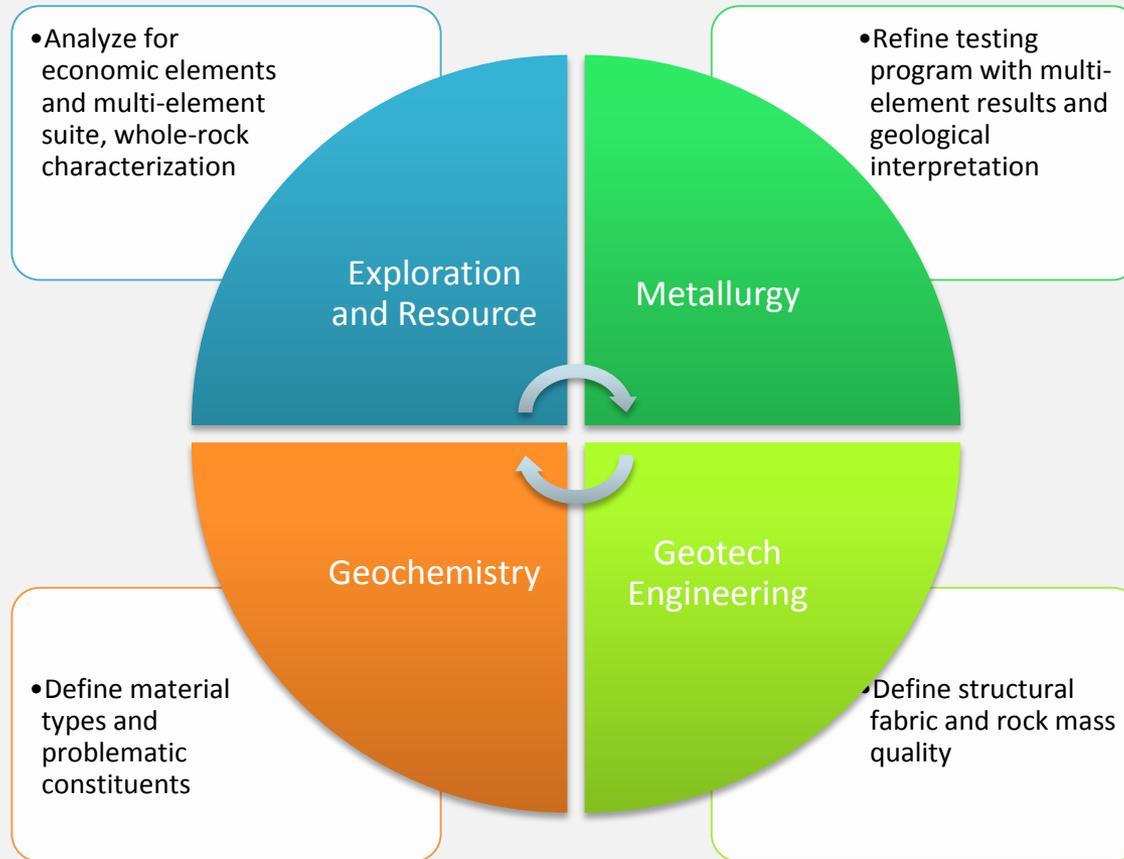
Land

Water

In addition to economic mineralization, land position and water are essential for project viability.

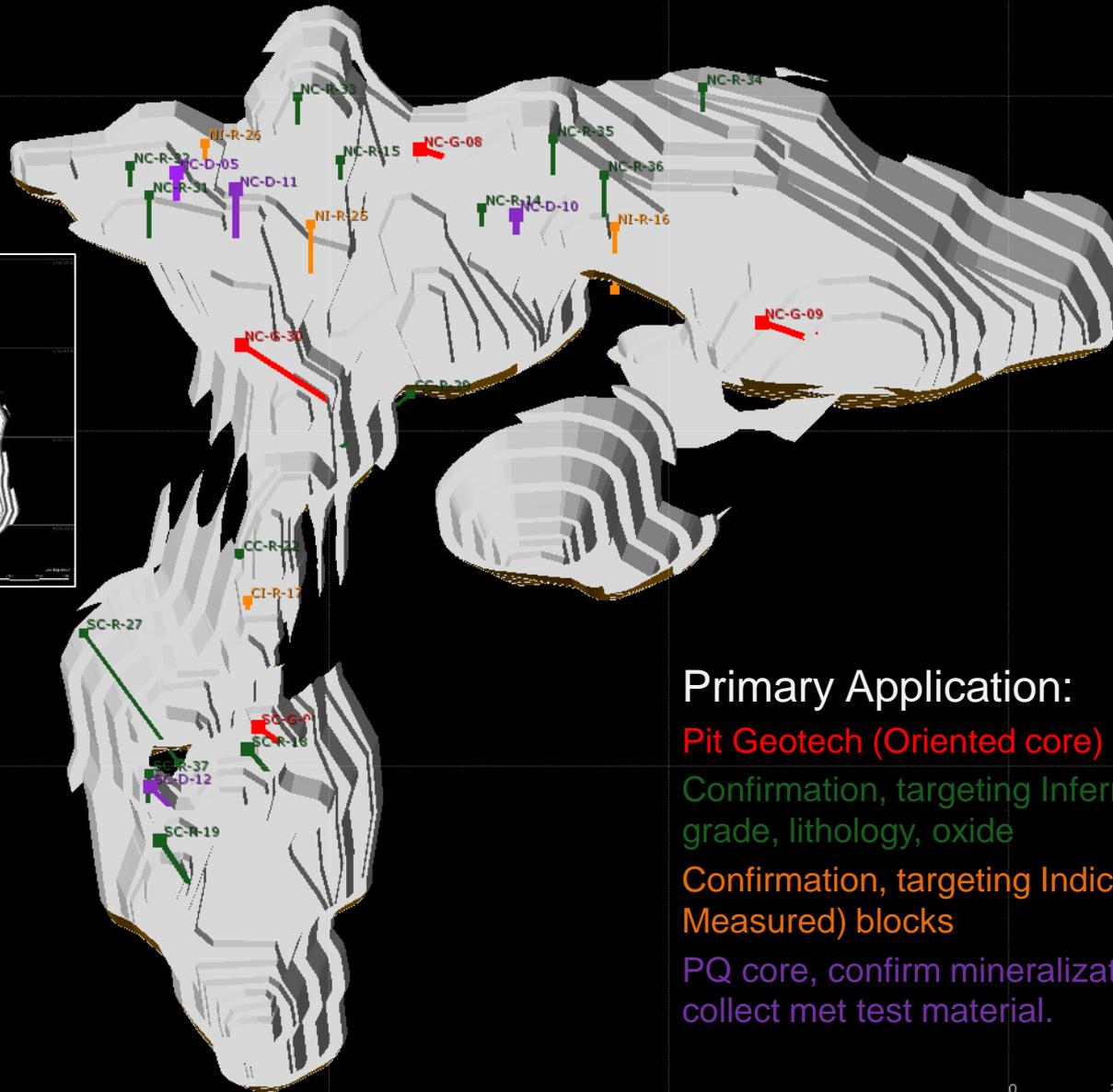
# Hard-Working Drillholes

Drillhole planning, in addition to testing the conceptual geologic and mineralization models, should consider:



Core from a single drillhole can provide information for several required studies

# Multitasking- really.



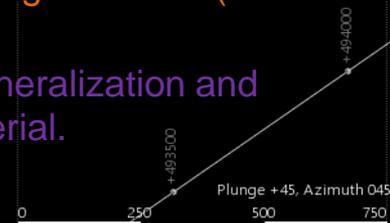
## Primary Application:

Pit Geotech (Oriented core)

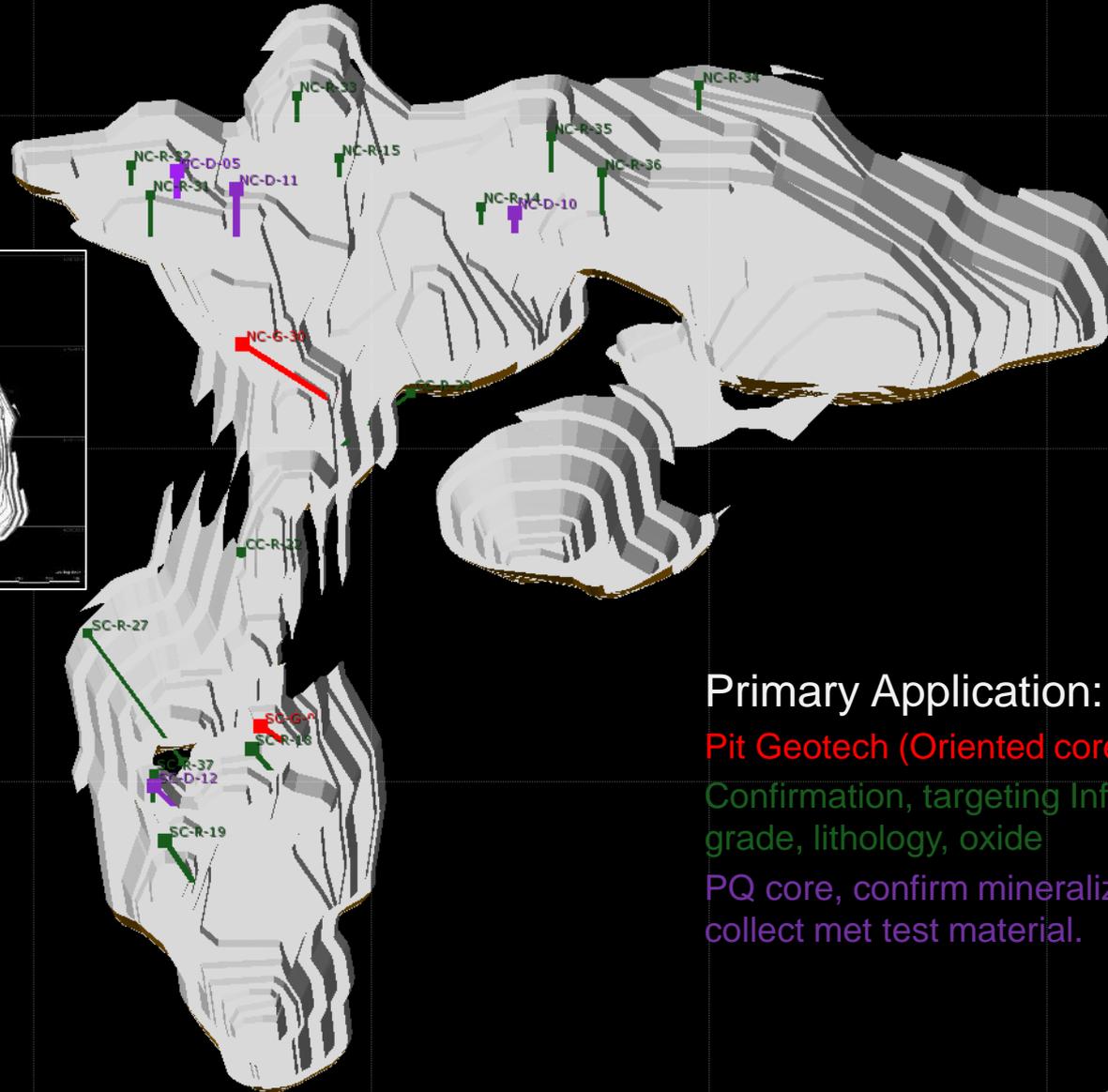
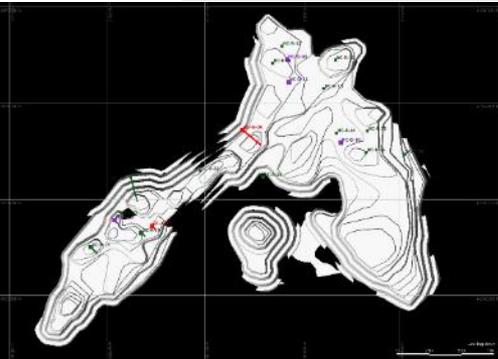
Confirmation, targeting Inferred blocks-  
grade, lithology, oxide

Confirmation, targeting Indicated (and  
Measured) blocks

PQ core, confirm mineralization and  
collect met test material.



# Drilling budget cut...

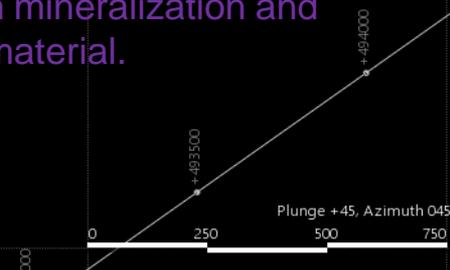


## Primary Application:

**Pit Geotech (Oriented core)**

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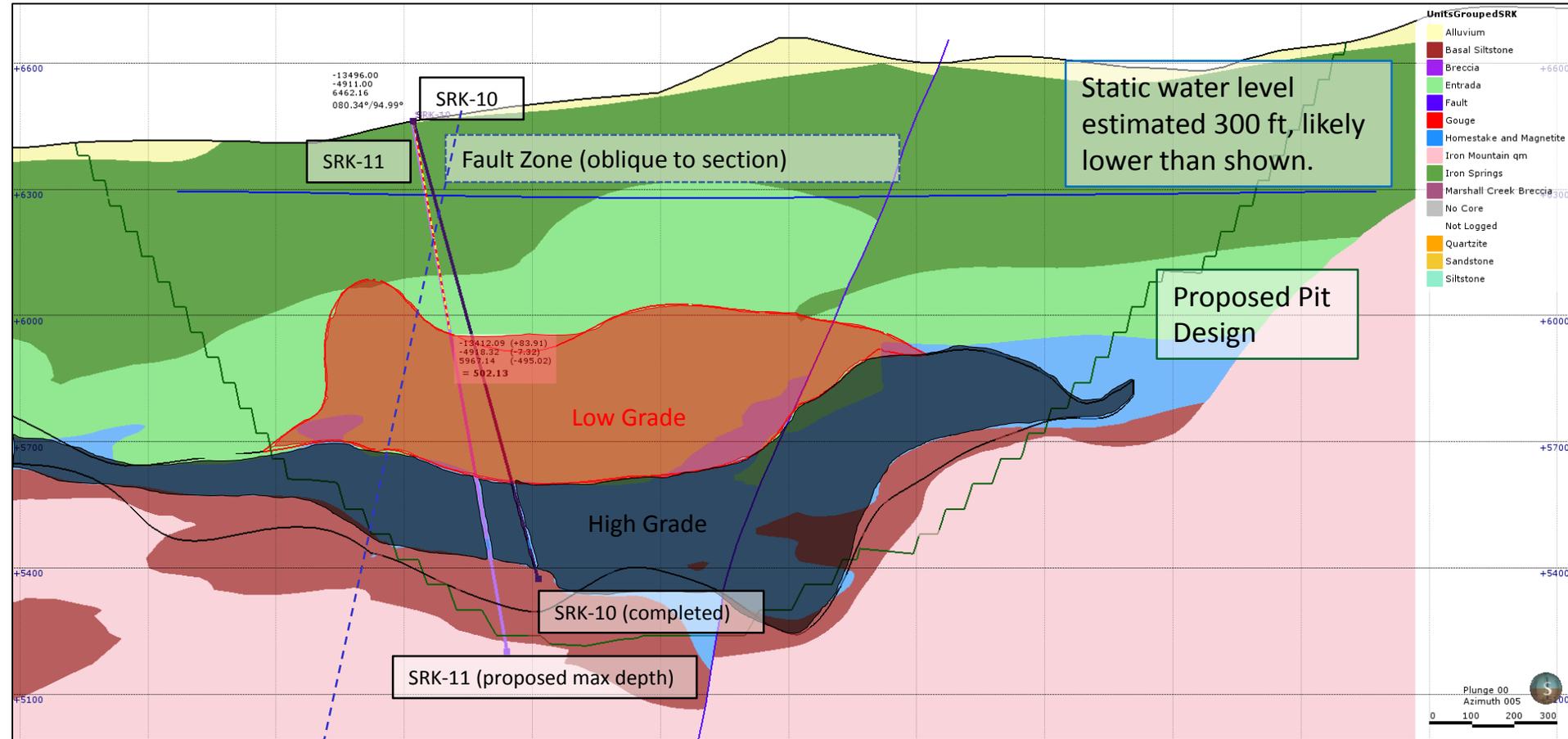


# New Opportunities

## Schematic Cross Section Facing North

West

East



With only a few drillholes, multiple disciplines can benefit from information and data collected during drilling to improve understanding of the deposit.

# Baseline Studies

Required studies include geochemistry, geotechnical, and metallurgical programs that grow with the resource and mine plan.



# Real-time data collection

Where's that new data?  
It's right here!

Location, Location, Location-  
Required for NI 43-101 compliance



# Time-Sensitive Data



Dropped core boxes =  
no doughnuts for crew



Checking recovery and run length at  
the rig saves you future headaches



Backlog...  
Remember those days?

# Track Costs and Production

Factors that affect productivity, drilling costs, and sample quality can be managed and mitigated.



# Quantity vs. Quality



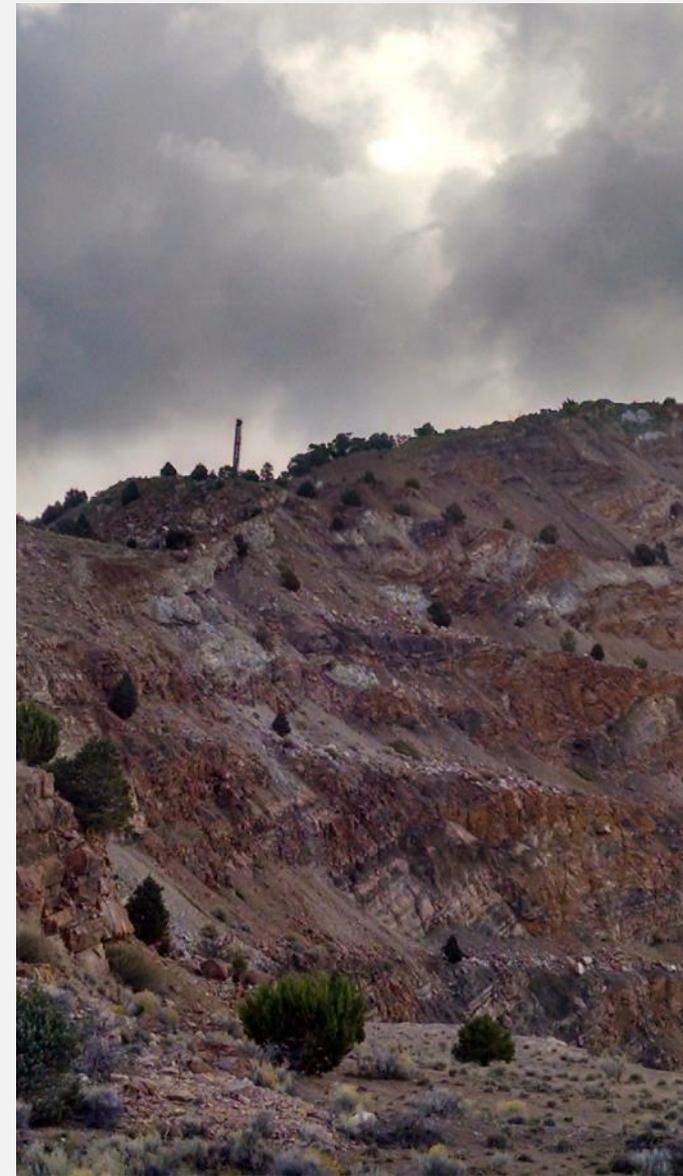
**You can have both!**

# Maximize Value

Define clear objectives for development

**Adopt a multi-disciplinary approach**

Implement drilling programs with high value



# Discussion?

Thank you for attending!

