WESTMIN RESOURCES LTD

PREMIER GOLD PROJECT

METALLURGICAL REPORT ON MTN SKINNER ORE DEPOSIT OTTARASKO MINES LTD.

Tatlayoko Lake, B.C.

April 10,1992

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1.0 INTRODUCTION

One ore sample was received from Louis Berniolles of Ottarasko Mines Ltd in late March 1992. The sample originates from the Mtn Skinner Ore deposit located near Tatlayoko Lake, B.C. The sample is from a high grade, low sulphide quartz vein deposit. Ottarasko Mines Ltd is currently in the process of mining a 200 ton bulk sample to prove ore grade and tonnage. Ottarasko Mines Ltd is pursuing the Premier Gold Project Milling facility for possible toll milling of the Mtn Skinner ore deposit. The ultimate aim is to provide a mutual economic benefit between Ottarasko Mines Ltd and Premier Gold if the mining and milling of this ore is compatible with the Gold/Silver recovery process employed at Premier.

To date a total of two cyanide leach tests have been performed on the sample at the Premier Metallurgical lab. The sample received, (OTTO-I), is a high grade gold ore with a small amount of sulphides contained in a quartz matrix.

The strategy employed on OTTO-I sample was to investigate the leachability of the ore towards cyanidation and recovery. The head grade of the quartz ore sample was found to be as follows:

	Au g/mt	Au oz/st	Ag g/mt	Ag oz/st
Average Assay From Leach Tests	71.3	2.079	46.6	1.359

2.0 GOLD / SILVER RECOVERY

The leach tests performed to date have focused on the compatibility of the ore with the Premier Gold Plant Facility. The main objectives were to determine (a) how well the ore leached relative to Cyanide consumption (b) to determine the most economic cyanide addition level for recovery (NSR) (c) potential of preg robbing.

A complete test data analysis is found in Table 1 Appendix I "Individual Leach Test Results".

The test results show extremely well leaching characteristics on the Mtn Skinner Ore Deposit. Cyanide consumption is high when compared to Premier Open Pit Ore; this can be attributed to the high grade of the ore. The economic cyanide level for Mtn Skinner ore will be at 2000 g/mt NaCN.

3.0 ECONOMICS

The data shows that a cyanide addition rate of 2000 g/mt NaCN will be required to achieve extraction of both gold and silver.

Currently, Premier Gold's cyanide consumption on open pit ore is 600 g/mt NaCN. Therefore, if Mtn Skinner ore were to milled on a toll milling agreement, the additional cyanide cost will have to be factored into the sale of the ore.

1) Processing Costs

For "Toll Mill" treatment of the Mtn Skinner ore the data to date indicates that a recovery of 97% Au and 87% Ag can be achieved on the ore in the Premier Gold Operating facility.

Processing cost of $19.25 CDN / metric tonne is an estimated cost based on 2000 mt/day mill feed. This is a baseline cost where no major changes in power draw or cyanide consumption and no major tailings or road maintenance work are required. Surcharges would have to be added to account for any processing changes above baseline (i.e. cyanide addition, tailings treatment etc.).

4.0 SUMMARY

The Mtn Skinner ore deposit is highly amenable to the cyanide leach recovery method employed at Premier Gold. Better than 97% recovery on gold and 87% on silver can be achieved at relatively low cyanide levels. Metallurgically speaking there should be no problems in processing this ore and no problems are foreseen towards environmental concerns.

5.0 CONCLUSIONS & RECOMMENDATIONS

The Premier Gold Project currently mills 2400 mt/day of open pit ore (this equates to 100 mt/hr) on a ten and four schedule (i.e. We run for ten days and then shut down for four days to allow the mine department an opportunity to advance ahead of milling).
It is my understanding that the Mtn Skinner property has not been fully evaluated as to grade or reserves but would like to enter into a Toll Milling agreement. Based on the observed grade of the sample received and its amenability towards the cyanide leach recovery method employed at Premier, pursuit in a Toll Milling agreement is warranted.

Note: Previous test work has been performed on this ore by Gary Hawthorn of Westcoast Minerals Testing Inc. Gary evaluated several process options including; gravity with flotation, cyanidation, and flotation with cyanidation.

APPENDIX I

LEACH TEST DATA AND RESULTS

Leach Test OTTO 601 03APR92

Project :Ottarasko Mines Ltd. - Mtn Skinner Property

Sample : OTTO-I (Quartz Vain Deposit)

Objective: Test amenability of Mtn. Skinner ore towards cyanide leach at a high NaCN level (5000 g/mt).

Procedure:- Grind 600g / dry grind / ~70% -53um
- Preaeration: none
- Leach: 48hr / 40% Solids / Carbon T=0 20g/l
[NaCN] T=0 5000g/mt
- Screen: Carbon from leach tail slurry (residue).
- Filter: Solids from solution. Do not wash solids.
- Weigh: Slurry, Solids wet/dry, Carbon.
- Assay: Solid; Au, Ag
Carbon; Au, Ag
Solution; Au, Ag, Cu, Fe, Pb, Zn, CNp
-Screen: Tails at 200/270 mesh. Assay all fractions for Au, Ag.

Test Conditions:

TIME	Addition		[NaCN]	pH
hr	NaCN gm	Ca(OH)2 gm	ppm	
0	3	3.0	5093	11.8
48	0	0	2250	11.9

Reagent Consumption:

Reagent	gm	g/mt
NaCN	1.36	2312
Ca(OH)2 (As CaO)	1.00	1694
Lime	1.06	1807

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Leach Test OTTO 601 03APR92

Metallurgical Calculations:

Product	wt gm	Assay g/mt Au	Assay g/mt Ag	Distribution % Au	Distribution % Ag
Solution	808.0	.07	.30	.1	.8
Carbon	20.8	1960	1270	97.9	89.2
Solid - Dry	589.0	1.371	5.0	1.9	9.9
Feed - calc		70.7	50.3	100	100
Feed - assay					

Screen Analysis: Leached Tail

Screen mesh	Screen um	wt %	Assay g/mt Au	Assay g/mt Ag	Distribution % Au	Distribution % Ag
+200						
+270	+53					
-270	-53					
Tail - calc			.000		0	
Tail - Assay						

Tail Solution Analysis (ppm):

	Cu	Fe	Pb	Zn	CNp
T = 48 hr	13	.66	.13	6.06	632

Observations: Extraction; 98.1 Au, 90.1% Ag
Recovery; 98.0% Au, 89.4% Ag

Conclusions: Ore shows excellent amenability towards cyanide leaching.

Recommendations: Lower cyanide addition to achieve better economics.
Test for Preg Robbing.

Leach Test OTTO 602 03APR92

Project :Ottarasko Mines Ltd. - Mtn Skinner Property

Sample : OTTO-I (Quartz Vain Deposit)

Objective: Test amenability of Mtn. Skinner ore towards cyanide leach at a high NaCN level (5000 g/mt). Test for Preg Robbing.

Procedure:- Grind 600g / dry grind / ~70% -53um
- Preaeration: none
- Leach: 48hr / 40% Solids / Carbon T=0 0 g/l
[NaCN] T=0 5000g/mt
- Screen: Carbon from leach tail slurry (residue).
- Filter: Solids from solution. Do not wash solids.
- Weigh: Slurry, Solids wet/dry, Carbon.
- Assay: Solid; Au, Ag
Carbon; Au, Ag
Solution; Au, Ag, Cu, Fe, Pb, Zn, CNp
-Screen: Tails at 200/270 mesh. Assay all fractions for Au, Ag.

Test Conditions:

TIME	Addition		[NaCNf]	pH
hr	NaCN gm	Ca(OH)2 gm	ppm	
0	3	3.0	5015	11.9
48	0	0	1875	11.7

Reagent Consumption:

Reagent	gm	g/mt
NaCN	1.68	2806
Ca(OH)2 (As CaO)	.74	1236
Lime	.79	1318

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Leach Test OTTO 602 03APR92

Metallurgical Calculations:

Product	wt gm	Assay g/mt Au	Assay g/mt Ag	Distribution % Au	Distribution % Ag
Solution	781.2	53.90	28.70	97.9	87.5
Carbon	0	0	0	.0	.0
Solid - Dry	598.2	1.491	5.3	2.1	12.5
Feed - calc		71.9	42.8	100	100
Feed - assay					

Screen Analysis: Leached Tail

Screen mesh	Screen um	wt %	Assay g/mt Au	Assay g/mt Ag	Distribution % Au	Distribution % Ag
+200						
+270	+53					
-270	-53					
Tail - calc			.000		0	
Tail - Assay						

Tail Solution Analysis (ppm):

	Cu	Fe	Pb	Zn	CNp
T = 48 hr	14.3	1.68	.32	6.3	639

Observations: Extraction; 97.9% Au, 87.5% Ag

Conclusions: Ore shows excellent ameanability towards cyanide leaching.

Recommendations: Lower cyanide addition to achieve better economics.