

0410 0237

AURORA

AUGUST 1988 MONTHLY REPORT

MINEREX RESOURCES LTD.
AURORA NEVADA MINE
FLASH AUGUST 1988 REPORT

PAD NO. 1

Dry tons placed on pad (adjusted to	98,521
reflect ore added to the West End of the pad)	
Plus old leach material used for the apron	<u>12,000</u>
TOTAL TONS	110,521

PAD NO. 2

Total dry tons placed on pad	106,430
Pad apron material	<u>16,000</u>
TOTAL TONS	122,430

PAD NO. 3

Dry tons placed on pad end August	45,932
Plus old leach material taken from Pad No. 1	
and used for the apron (EST)	<u>12,000</u>
Total tons Pad 3 end August	57,932

Total tons on pads end August	290,889
Total Au placed on pads end August	22,604
Total Au recovered and sold to end August	12,685

GOLD RECOVERY 1988

First Quarter	1,567 ounces
Second Quarter	4,852 ounces
Au Recovery July	1,848 ounces
Au Recovery August	1,570 ounces

<u>AUGUST PRODUCTION</u>	<u>DORE OZ</u>	<u>% AU</u>	<u>% AG</u>	<u>AU PRICE OBTAINED</u>
Bar 26 August 5	906	478.19	408.52	\$428.70
Bar 27 August 12	789.72	376.36	392.49	\$430.30
Bar 28 August 19	866.7	364.71	490.38	\$431.80
Bar 29 August 26	<u>870.0</u>	<u>350.39</u>	<u>487.40</u>	\$426.25
	3,432.42	1,569.65	1,778.79	

PRODUCTION 1988:

MONTH	-----MINED----- -----BCY----- DRY TONS				-----CRUSHED/AGGLOMERATED/STACKED----- -----DRY TONS-----					OZ HEAP AU
	ORE	WASTE	ORE	WASTE	% MOIST	ORE	OLD HEAP	AGGLOM	OZ/T GRADE	
JAN	0	0	0	0	0	0	0	0	0	0
FEB	0	81,836	0	163,672	0	0	4,173	4,173	0.036	150.23
MAR	1,557	76,285	3,114	152,590	5.7	6,639	9,367	16,006	0.054	864.32
APR	12,280	28,221	24,560	56,442	5.2	27,811	520	28,331	0.103	2,918.09
MAY	11,412	42,245	22,824	84,490	5.1	26,695	640	27,335	0.126	3,444.21
JUNE	13,367	46,711	26,734	93,422	5.5	28,108	4,050	32,158	0.097	3,119.33
JULY	12,688	99,200	25,376	198,400	4.3	27,922	1,496	29,418	0.089	2,639.84
AUG	14,872	108,748	29,744	217,496	4.4	32,871	3,800	36,671	0.071	2,594.58
TOTALS TO DATE:	66,176	483,246	132,352	966,512		150,046	24,046	174,092		15,730.60

NOTES:

1. Days worked August: 27 mining and 25 crushing/agglomerating.

AUGUST 1988 MONTHLY REPORT

1. MINING

14,872 BCY of ore and 108,748 BCY of waste was moved this month with an average daily production of 1,293 tons for ore and 9,456 tons for waste for a total daily production of 10,749. This was 5,590 tons below plan for the month. Combined production for July and August was 55,120 tons of ore and 415,896 tons of waste, compared to a planned production of 105,233 tons of ore and 568,262 tons of waste.

Mining of the upper benches has been completed down to the 7280 bench and the mining area is starting to enlarge which will help production provided Target can keep their truck utilization up.

Although Target is not meeting the new plan, they are starting to make up for some lost production. If the weather pattern remains the same as last year, there will still be three months of good mining to try and make plan. The shorter haul distance from the lower benches should also help increase production.

Target fired their mine superintendent during the first part of the month and have placed Kievan Fegert in that position under the close supervision of Earl Fegert. Target also lost their senior drill foreman over a disagreement with the day shift foreman. He has been replaced by a new Safety man out of Reno.

2. MINE PLANNING

Tim Buchanan was on site the 18th and reviewed the monthly and yearly mine plans with Earl, Kevin and Jeff Fegert of Target Construction. Jeff reviewed the mine plans and schedules and other than some problems with narrow benches in the bottom of the lower pit, saw no problem with the plan. He was given copies of the plans.

Work will begin on revisions for a new ramp system during September.

3. CRUSHING/AGGLOMERATING/STACKING

36,671 dry tons were crushed during the month with an average daily production of 1,594 TPD, an increase of 123 TPD over last month but still below the planned production of 2,943 TPD. 3,800 tons of old leach was run through this month and is included in the 36,761 figure.

The oversize stock pile was broken up by Aurora personnel and fed through the crusher. The costs are being tabulated and we will charge Target for the work done. Aurora personnel are also helping with the mixing of the ore in order to increase through put.

One section of rubber screen has been installed on the lower deck in the first screen and is working well in the wetter material. The rest of the rubber screens should be installed the first part of September.

The rock breaker has left the site and a second smaller loader has been brought in to aid in the mixing of the ore.

4. HEAP

Pad 3 is 75% filled. Material for installation of the new drip system on pad 3 has been ordered. Installation of the system will begin the end of next month. In the interim, lines from pad 2 are being used on pad 3.

5. PAD & POND CONSTRUCTION

The laying of plastic, geotextile and perforated pipe on pad 4 has been completed. The building of the apron will start in the middle of next month.

Permitting for pads 5 and 6 is now completed and written approval has been received from the BLM. The EPA has given verbal approval to go ahead with the clearing of the site. Clearing will begin next month.

The estimated cost for the construction of pads 4 and 5 is \$75,192. A breakdown of the costs are attached (see attachment "E"). Material for the pads will cost approximately the same as 3 and 4, \$131,600, giving a total cost of \$206,800. Estimated construction time is six to nine weeks.

A used 35 ton truck is being purchased for the laying of the apron and building of pads 5 and 6 at a cost of \$34,440. A breakdown of the justification and cost distribution is attached (see attachment "F").

Costs for construction of the third pond are being worked up and will be ready next month. Construction of the pond will be done by force account with Target. Kappes, Cassiday will be retained to oversee the engineering and installation. Permitting of the pond is tied in with the permitting of the pads.

Material has been ordered for construction of the flumes for the individual ditches and construction will start once the material is received.

6. PLANT/SMELTING

The use of new and regenerated carbon in sets B and C have improved plant efficiency. Because of the new carbon, only one set was stripped for the last pour of the month which resulted in a smaller than normal pour. The next pours will improve with the use of the new and regenerated carbon.

3,025 lbs of new GD carbon has been installed in the C set of columns. 3,116 lbs of carbon was sent out to Salt Lake City for regeneration and has been installed in the B set. The A set still has old carbon, current plans are to send the carbon in for regeneration some time next month.

	<u>per lb</u>	<u>total</u>
Cost of new carbon	\$1.14	\$3,448.50
Cost of regenerated carbon & expenses	\$1.15	\$3,583.40
Cost of regenerated carbon less exp.	\$0.75	

The cost of the regenerated carbon includes the expenses for two Aurora personnel who flew to Salt Lake to oversee the regeneration and visit Johnson Matthey.

The cost of regenerated carbon sending one man with a U-Haul truck would be \$0.75 per lb. The higher grade Peco carbon costs are \$1.58 per lb.

7. PERSONNEL

Tom Rinaldi has accepted the position of Mine Engineer and started September 6th.

8. EXPLORATION DRILLING

6,120 feet of exploration holes have been drilled on the property this summer with 1,475 feet on the south end of the Silver Lining claims, 3,810 feet on the Humboldt West claims and 835 feet on the Belle Weather claims. A breakdown of footage drilled to date is attached (see attachment "G").

Holes #8801-8805, 8821-8822 are on the south end of the pit leading into the Hilton ground. Holes #8806-8820 are in the Humboldt West claims.

9. FINANCIAL

See attachment "I".

10. OTHER

Nevada Goldfields

An agreement has been reached with Nevada Goldfields on the dewatering of the pit onto the Hilton meadow so as to not interfere with their construction project.

Winter Preparation

The projects and costs necessary to prepare for the upcoming cold weather are being prepared.

Rodney N. Duncan
14 September, 1988

ATTACHMENTS

- Attachment "A" - Daily Crushing Report
- Attachment "B" - Daily Mining Report
- Attachment "C" - Metallurgical Report
- Attachment "D" - Production Report Graphs
- Attachment "E" - Pads 5 and 6 Construction Costs
- Attachment "F" - Truck Purchase Analysis
- Attachment "G" - Drill Program to Date
- Attachment "H" - Goldfields - Belle Weather/Frisco Belle
Plan Outline
- Attachment "I" - Financial Analysis

ATTACHMENT "A"

AUGUST CRUSHING REPORT
Wet Tons

PLANNED PRODUCTION	Tons	% Moisture
ORE CRUSHED	57,694	4%
FINES	10,000	4%

	ORE	FINES
WORKING DAYS	23	23
STARTING DATE	01-Aug	01-Aug
LAST MONTH	(70,246)	(33,991)

DATE	SCHEDULED	ACTUAL	VARIANCE	SCHEDULED	ACTUAL	VARIANCE
01-Aug	2,618	947.7	(1,671)	454		(454)
02-Aug	2,618	113.0	(4,176)	454		(908)
03-Aug	2,618	1669.6	(5,125)	454		(1,362)
04-Aug	2,618	1544.9	(6,198)	454		(1,815)
05-Aug	2,618	1302.7	(7,514)	454		(2,269)
06-Aug	0		(7,514)	0		(2,269)
07-Aug	0		(7,514)	0		(2,269)
08-Aug	2,618	2183.3	(7,949)	454		(2,723)
09-Aug	2,618	1244.6	(9,323)	454		(3,177)
10-Aug	2,618	2473.1	(9,468)	454		(3,631)
11-Aug	2,618	1880.6	(10,206)	454		(4,085)
12-Aug	2,618	1857.0	(10,968)	454		(4,538)
13-Aug		737.9	(10,230)			(4,538)
14-Aug			(10,230)			(4,538)
15-Aug	2,618	2028.5	(10,820)	454		(4,992)
16-Aug	2,618	1804.6	(11,633)	454		(5,446)
17-Aug	2,618	1949.8	(12,302)	454	0	(5,900)
18-Aug	2,618	1464.3	(13,456)	454		(6,354)
19-Aug	2,618	1188.3	(14,886)	454		(6,808)
20-Aug			(14,886)		0	(6,808)
21-Aug			(14,886)			(6,808)
22-Aug	2,618	1594.2	(15,910)	454		(7,262)
23-Aug	2,618	1965.9	(16,563)	454		(7,715)
24-Aug	2,618	1462.2	(17,719)	454		(8,169)
25-Aug	2,618	975.9	(19,362)	454		(8,623) wet ore
26-Aug	2,618	825.4	(21,155)	454		(9,077) rain storm
27-Aug	0	970.5	(20,184)	0		(9,077)
28-Aug			(20,184)	0		(9,077)
29-Aug	2,618	1902.3	(20,900)	454		(9,531)
30-Aug	2,618	2102.3	(21,416)	454		(9,985)
31-Aug	2,618	2181.5	(21,853)	454		(10,438)
<hr/>						
	60,223	38,370	(92,100)	10,438	0	(44,429)

ATTACHMENT "B"

**MINING
AUGUST PRODUCTION REPORT
By Tons**

PLANNED PRODUCTION	BCY	

ORE PRODUCTION	29,142	
WASTE PRODUCTION	158,762	

	ORE	WASTE

WORKING DAYS	23	23
STARTING DATE	01-Aug	01-Aug

LAST MONTH	(75,259)	(382,752)

BCY / TRUCK LOAD	37.0	
TONS / TRUCK LOAD	74.0	
TONNAGE FACTOR	2.00	

DATE	***** SCHEDULED	***** ORE ***** ACTUAL	***** VARIANCE	***** WASTE ***** SCHEDULED	***** VARIANCE	

01-Aug	2,534	5,100	2,566	13,805	8,688	(5,117)
02-Aug	2,534	4,772	4,804	13,805	6,440	(12,483)
03-Aug	2,534	160	2,430	13,805	160	(26,128)
04-Aug	2,534		(104)	13,805	10,908	(29,026)
05-Aug	2,534	2,172	(466)	13,805	11,564	(31,267)
06-Aug	0	2,824	2,358	0	9,936	(21,331)
07-Aug	0		2,358	0		(21,331)
08-Aug	2,534		(177)	13,805	13,424	(21,712)
09-Aug	2,534	1,036	(1,675)	13,805	11,892	(23,626)
10-Aug	2,534	2,160	(2,049)	13,805	6,764	(30,667)
11-Aug	2,534	6,164	1,581	13,805	5,396	(39,077)
12-Aug	2,534	1,116	163	13,805	8,488	(44,394)
13-Aug	0		163	0		(44,394)no prod. drilli
14-Aug	0		163	0		(44,394)
15-Aug	2,534	1,564	(807)	13,805	10,828	(47,371)
16-Aug	2,534	960	(2,381)	13,805	10,160	(51,017)
17-Aug	2,534	2,700	(2,215)	13,805	10,584	(54,238)
18-Aug	2,534		(4,749)	13,805	14,084	(53,959)
19-Aug	2,534	2,288	(4,995)	13,805	10,948	(56,817)
20-Aug	0	2,480	(2,515)	0	5,680	(51,137)mine on 7040 be
21-Aug	0		(2,515)	0		(51,137)
22-Aug	2,534		(5,049)	13,805	6,000	(58,942)no trucks for 1
23-Aug	2,534		(7,583)	13,805	12,240	(60,508)
24-Aug	2,534		(10,118)	13,805	9,520	(64,793)
25-Aug	2,534	640	(12,012)	13,805	5,200	(73,398)
26-Aug	2,534		(14,546)	13,805	10,060	(77,144)
27-Aug	0		(14,546)	0	11,604	(65,540)
28-Aug	0		(14,546)	0	8,028	(57,512)
29-Aug	2,534		(17,080)	13,805	10,732	(60,585)
30-Aug	2,534	960	(18,654)	13,805	11,760	(62,631)
31-Aug	2,534		(21,188)	13,805	22,400	(54,036)

	58,284	37,096	(96,447)	317,524	263,488	(436,788)

ATTACHMENT "C"

AURORA DI

DATE	NET TONS TO HEAP	MOISTURE PERCENT	DRY TONS	Grade Au. oz./ton	Grade oz./t	Oz Au to Heap	Oz Au/ve flow to Heap	Flow pond
01-Aug-88	947.7	2.2	926.9	0.032	0.085	29.66	78.78	250
02-Aug-88	113.0	2.5	110.2	0.058	0.136	6.39	14.98	250
03-Aug-88	1669.6	4.9	1587.8	0.065	0.149	103.21	236.58	250
04-Aug-88	1544.9	5.6	1458.4	0.058	0.108	84.59	157.51	250
05-Aug-88	1302.7	3.5	1257.1	0.059	0.127	74.17	159.65	250
06-Aug-88	0.0	0.0	0.0	0.000	0.000	0.00	0.00	250
07-Aug-88	0.0	0.0	0.0	0.000	0.000	0.00	0.00	250
08-Aug-88	2183.3	3.8	2100.3	0.066	0.127	142.82	266.74	200
09-Aug-88	1244.6	4.0	1194.8	0.063	0.125	75.27	149.35	200
10-Aug-88	2473.1	4.2	2369.2	0.068	0.138	161.11	326.95	250
11-Aug-88	1880.6	4.1	1803.5	0.059	0.104	106.41	187.56	250
12-Aug-88	1857.0	3.4	1793.9	0.064	0.127	114.81	227.82	250
13-Aug-88	737.9	4.3	706.2	0.068	0.126	48.02	88.98	250
14-Aug-88	0.0	0.0	0.0	0.000	0.000	0.00	0.00	200
15-Aug-88	2028.5	4.2	1943.3	0.038	0.082	73.85	159.35	250
16-Aug-88	1804.6	4.2	1728.8	0.044	0.086	76.07	148.68	200
17-Aug-88	1949.8	4.6	1860.1	0.048	0.099	89.29	184.15	250
18-Aug-88	1464.3	4.6	1396.9	0.048	0.106	67.05	148.08	250
19-Aug-88	1188.3	3.4	1147.9	0.054	0.216	61.99	247.95	150
20-Aug-88	0.0	0.0	0.0	0.000	0.000	0.00	0.00	150
21-Aug-88	0.0	0.0	0.0	0.000	0.000	0.00	0.00	150
22-Aug-88	1594.2	4.6	1520.9	0.074	0.143	112.54	217.48	200
23-Aug-88	1965.9	4.6	1875.5	0.078	0.134	146.29	251.31	200
24-Aug-88	1462.2	4.6	1394.9	0.077	0.145	107.41	202.27	200
25-Aug-88	975.9	5.5	922.2	0.104	0.250	95.91	230.56	250
26-Aug-88	825.4	4.2	790.7	0.105	0.217	83.03	171.59	250
27-Aug-88	970.5	4.6	925.9	0.103	0.197	95.36	182.39	250
28-Aug-88	0.0	0.0	0.0	0.000	0.000	0.00	0.00	250
29-Aug-88	1902.3	4.5	1816.7	0.126	0.254	228.90	461.44	250
30-Aug-88	2102.3	6.2	1972.0	0.118	0.183	232.69	360.87	250
31-Aug-88	2181.5	5.3	2066.9	0.086	0.178	177.75	367.91	250
TOTALS:	36370.1	4.4	36670.9	0.0707529844	0.142590	2594.58	5228.93	

TOTALS TO DATE:
TONS (dry):
OUNCES PLACED
ON PADS:

August 1988

tons)	Grade flu oz./ton	Grade oz./ton	Flow to plant (gals.)	Grade flu oz./ton	Grade oz.	Grade flu from plant	Grade A Oz. flu. from plant to plant	Oz. flu. to plant
1500	0.055	0.235	225300	0.059	0.232	0.014	0.159	68.5
1500	0.055	0.242	562000	0.058	0.240	0.024	0.205	81.9
1500	0.052	0.242	176000	0.055	0.243	0.012	0.164	57.9
1500	0.050	0.237	375500	0.055	0.241	0.019	0.187	84.4
1500	0.043	0.235	380800	0.050	0.240	0.022	0.209	49.1
1500	0.045	0.231	381400	0.047	0.235	0.025	0.216	30.1
1500	0.051	0.233	534300	0.051	0.233	0.031	0.218	33.3
1200	0.054	0.235	226800	0.056	0.232	0.019	0.179	50.0
1200	0.059	0.246	560600	0.060	0.245	0.028	0.237	18.6
1500	0.060	0.231	190900	0.061	0.221	0.019	0.131	71.5
1500	0.054	0.239	368000	0.056	0.243	0.022	0.206	56.7
1500	0.054	0.233	488800	0.057	0.241	0.025	0.202	79.4
1500	0.052	0.228	365000	0.056	0.233	0.016	0.172	92.7
1200	0.048	0.224	352100	0.056	0.228	0.020	0.176	76.2
1500	0.053	0.268	289700	0.052	0.230	0.016	0.168	74.8
1200	0.053	0.227	540600	0.053	0.230	0.025	0.195	78.8
1500	0.051	0.224	242800	0.052	0.228	0.016	0.169	59.6
1500	0.053	0.222	578200	0.053	0.226	0.023	0.185	98.7
900	0.054	0.216	211900	0.054	0.218	0.023	0.169	43.2
900	0.055	0.215	577200	0.053	0.216	0.024	0.178	91.3
900	0.057	0.233	174700	0.053	0.225	0.016	0.162	26.93
900	0.051	0.218	457500	0.056	0.223	0.026	0.184	74.3
900	0.051	0.215	241000	0.053	0.220	0.013	0.154	66.2
900	0.055	0.216	490400	0.055	0.217	0.020	0.170	96.0
900	0.060	0.216	143600	0.058	0.216	0.015	0.111	62.8
900	0.062	0.216	359700	0.059	0.213	0.002	0.017	293.7
900	0.066	0.211	355700	0.066	0.218	0.007	0.120	145.2
900	0.065	0.203	343900	0.065	0.212	0.010	0.158	77.3
900	0.050	0.196	443900	0.055	0.204	0.009	0.187	31.4
900	0.046	0.194	249200	0.050	0.197	0.009	0.181	16.6
900	0.045	0.193	366800	0.047	0.195	0.011	0.182	19.8
0.0535806452				0.224967	2281.20	9588.3	0.173	1675.93
					363042		0.018	2227.7

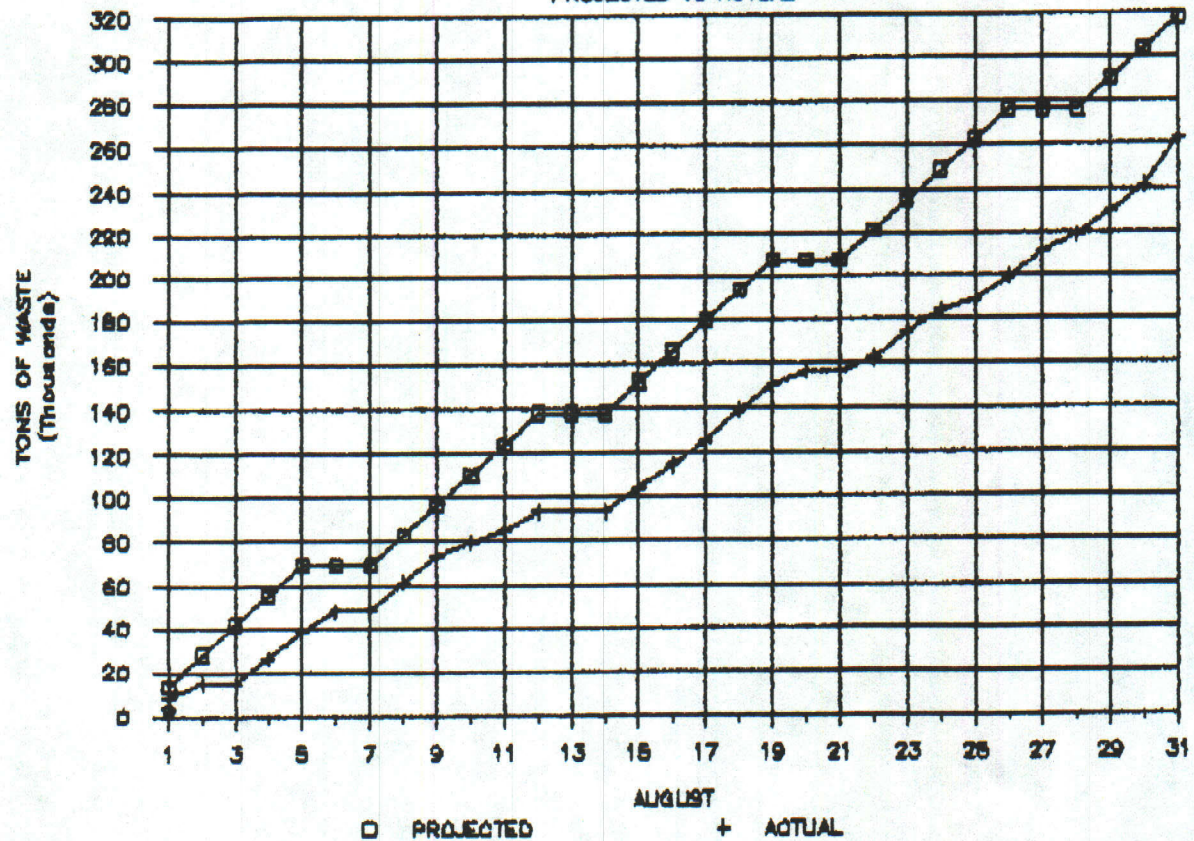
Oz Au left in heap	Oz Ag in hea	OZ. AU IN PON	OZ. AG IN PON	OZ. AU IN PLANT	OZ. IN PLANT	OZ. AU RECOVERED	OZ. A RECOVER
4457.21	-1071.58	328.96	266.25	-28.14	468.87		
4417.51	-1196.04	356.07	400.96	14.10	537.40		
4397.60	-1064.01	302.76	201.96	93.72	619.36		
4431.61	-1070.16	340.42	386.76	125.25	677.29		
4470.92	-975.58	329.37	365.20	181.58	761.78		
4515.50	-836.82	314.54	336.90	-231.65	419.99	457.66	390.98
4487.73	-840.06	307.35	309.94	-196.69	450.18	0.00	0.00
4480.24	-704.23	270.31	140.73	-152.17	483.57		
4576.22	-550.34	282.19	203.49	-117.20	533.66		
4646.09	-142.59	212.84	-73.59	-42.46	552.35		
4732.32	-57.94	254.32	97.12	-9.05	623.93		
4791.46	86.99	249.45	83.02	43.08	680.67		
4876.18	376.72	214.36	-58.32	-267.81	364.74	376.07	395.36
4870.53	385.28	207.20	-70.67	-206.98	457.51		
4842.27	374.69	182.64	-136.37	-154.16	593.79		
4855.93	334.83	199.37	-12.00	-110.71	608.63	0.00	0.00
4924.71	650.34	143.59	-257.67	-47.64	687.47		
4953.68	669.47	167.48	-152.33	-11.22	747.16		
4996.65	930.24	119.30	-363.80	61.06	845.94		
5030.34	1133.00	120.22	-361.86	-271.98	404.59	360.41	484.60
5040.36	1367.59	40.45	-687.86	-202.24	495.98		
5002.51	1275.81	51.37	-641.94	-175.31	541.84	0.00	0.00
5096.22	1582.44	13.02	-805.43	-118.12	616.19		
5194.36	1730.40	21.00	-768.35	-77.95	682.46		
5276.63	2020.83	-25.38	-952.55	-6.43	778.50		
5291.52	1993.80	29.92	-757.79	19.29	841.32		
5284.54	1866.87	34.49	-753.03	-251.98	643.88	356.70	431.20
5291.28	1910.61	35.67	-759.62	-164.53	789.12	0.00	0.00
5208.11	1832.51	40.03	-758.90	-85.72	866.50		
5378.66	2345.83	13.31	-842.21	-0.64	897.94		
5551.70	2603.63	30.39	-755.77	41.93	914.56		
5678.76	2960.20	26.06	-764.29	-49.75	752.83	146.7	181.6
						1697.54	1943.74

Final JM assays 9-12-88 WRB
OLD Leach 3,800 tons

ATTACHMENT "D"

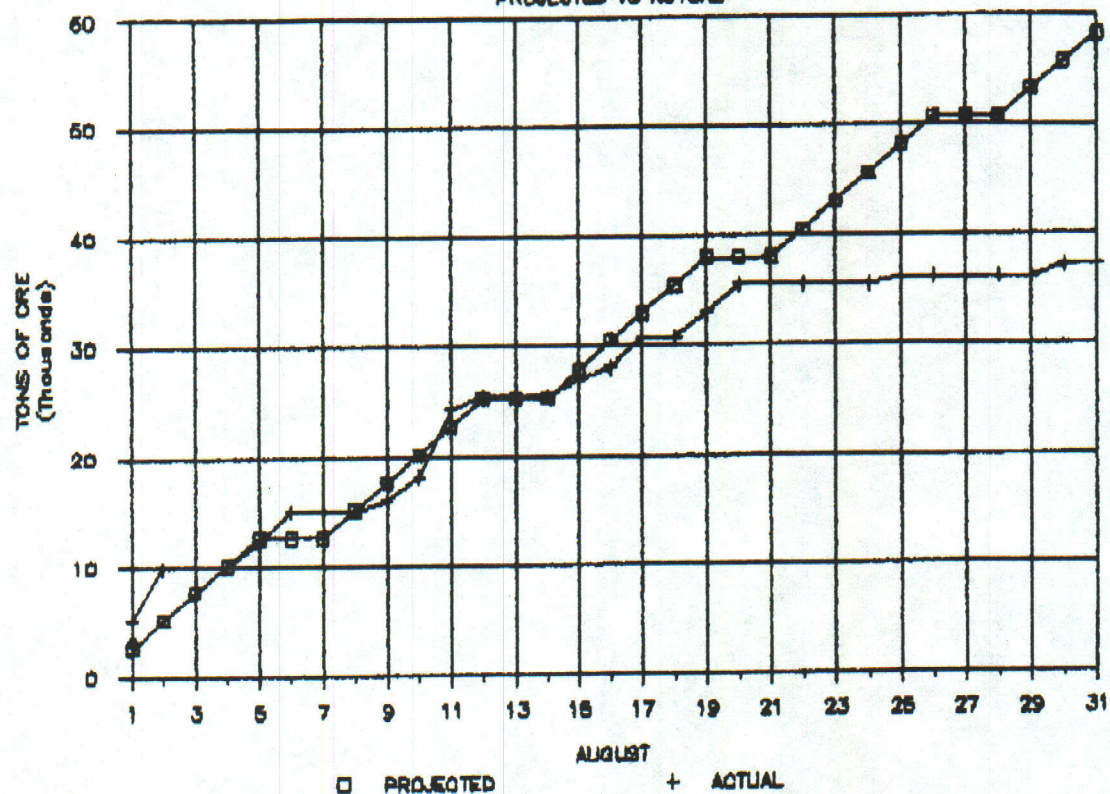
MINE PRODUCTION WASTE

PROJECTED VS ACTUAL



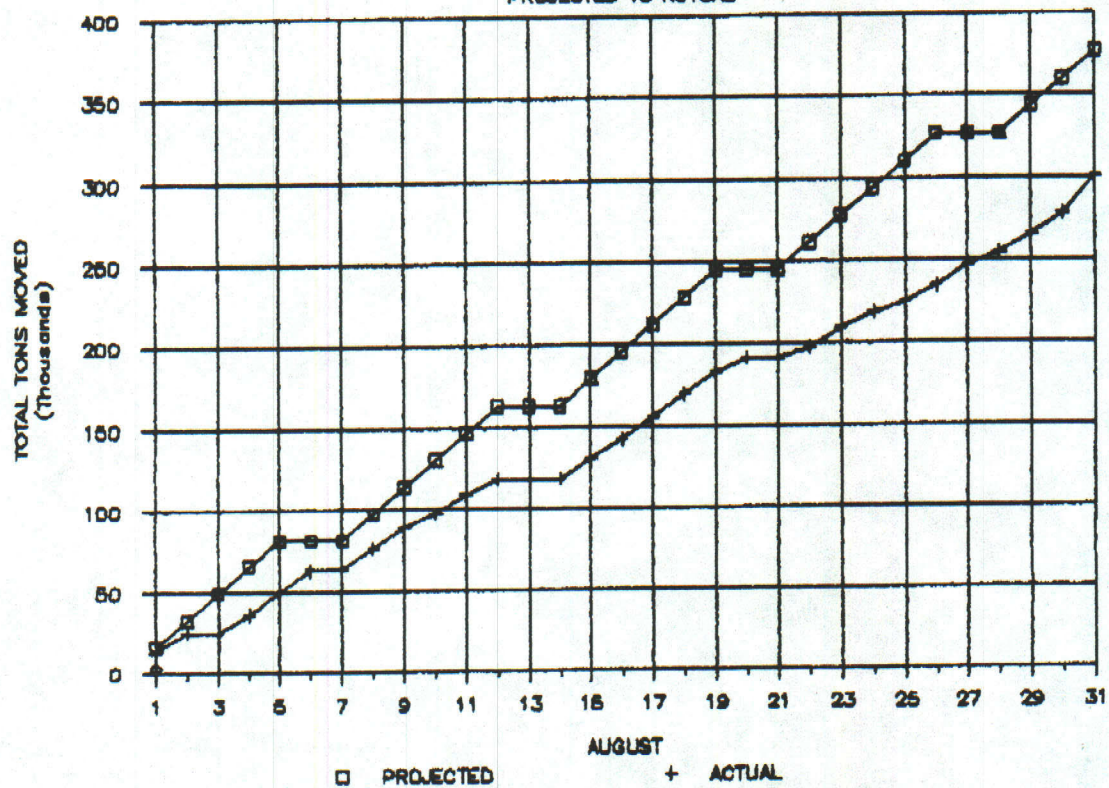
MINE PRODUCTION ORE

PROJECTED VS ACTUAL



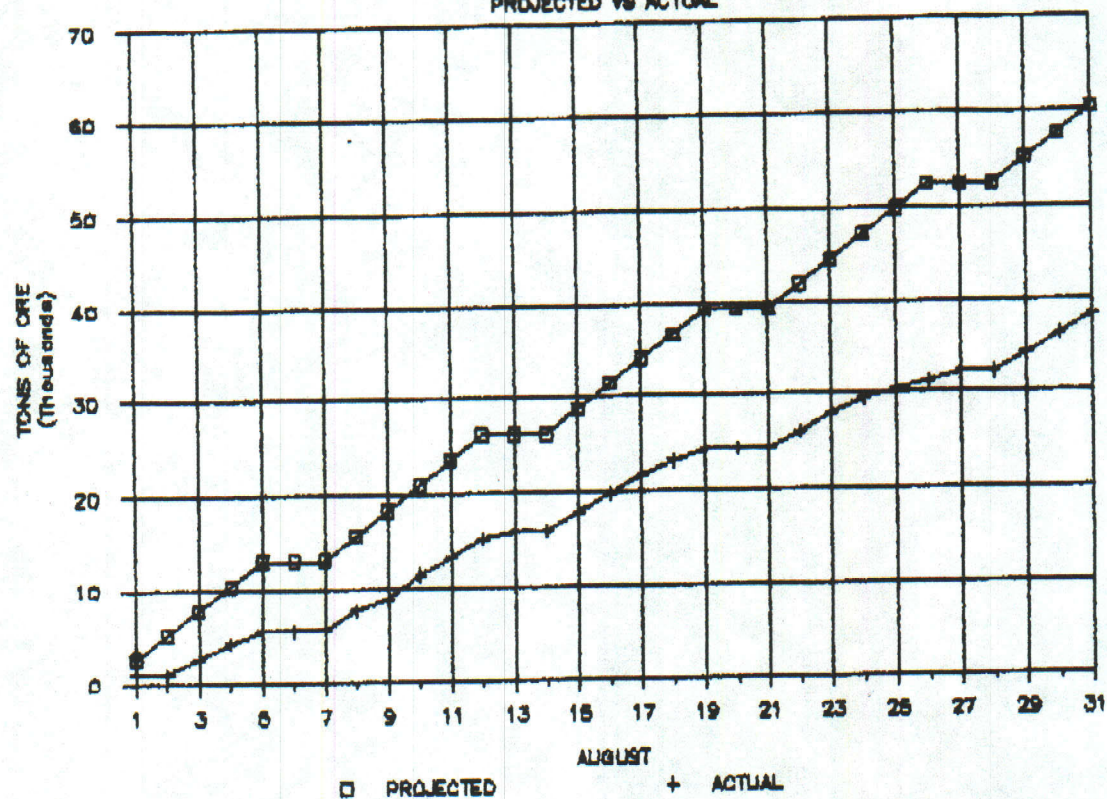
MINE PRODUCTION ORE AND WASTE

PROJECTED VS ACTUAL



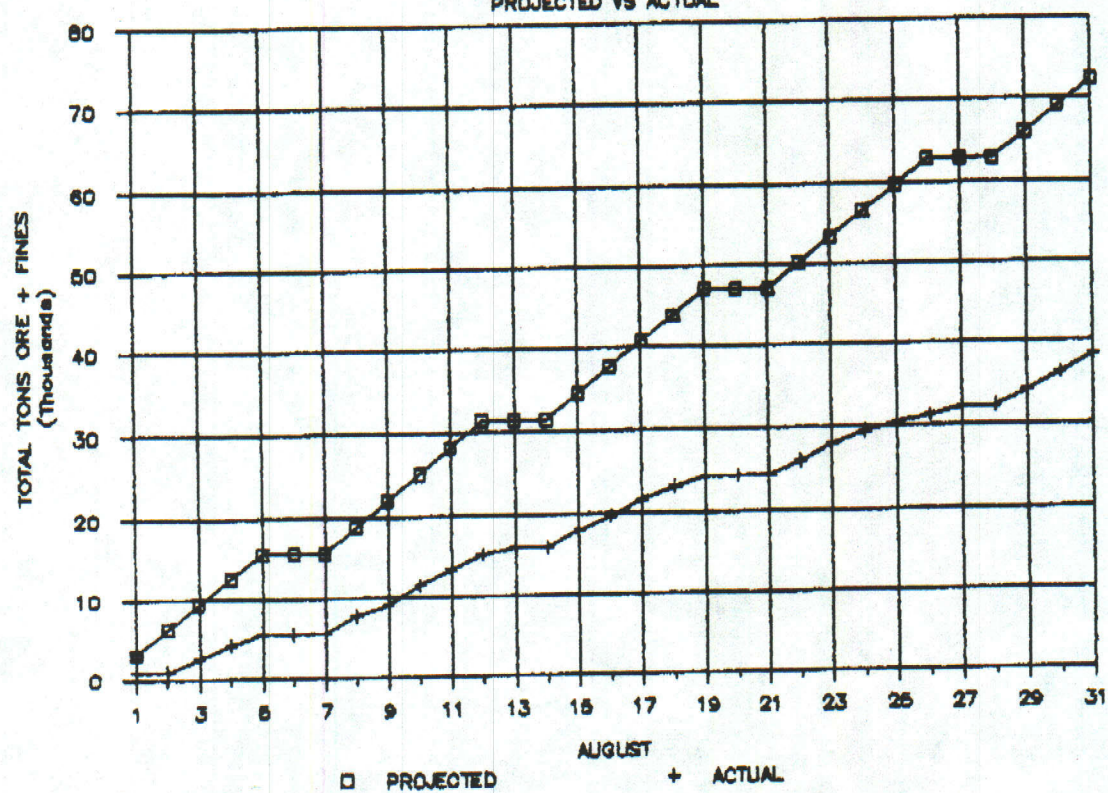
CRUSHER PRODUCTION ORE

PROJECTED VS ACTUAL



CRUSHER PRODUCTION TOTAL

PROJECTED VS ACTUAL



ATTACHMENT "E"

ESTIMATED WORK SCHEDULE AND EXPENDITURES FOR
THE BEGINNING CONSTRUCTION OF PADS 5 AND 6.

STRIPPING AND GRUBBING

The stripping and grubbing will take approximately three weeks. Our plan is to start with twelve hour days, five day weeks, and weekends off. It is our hope to eventually drop back to ten hour days if no problems arise.

Stripping and Grubbing--Equipment Needed

1. One 35 Ton Haul Truck
2. One 125 Michigan Loader
3. One 275 Michigan Loader
4. One Watertruck

Stripping and Grubbing--Personnel Needed

Craig Reed	Operator for Haul Truck
Bruce Yocum	Operator for 125 Michigan Loader
Mark Merritt	Operator for 275 Michigan Loader
Mike Colvin	Operator for Watertruck, Maintenance, Alternate Operator for Haul Truck

Stripping and Grubbing--Projected Expenditures

35 Ton Haul Truck rental for three weeks	\$ 5,948.43
Mobilization of Haul Truck	\$ 545.00
Diesel Fuel for all Equipment	\$ 2,625.00
Three Equipment Operators @ 15.00 an hr. (includes O.T. pay)	\$ 9,450.00
One Equipment Operator @ 15.00 an hr. four hrs. a day	\$ 900.00
Stripping and Grubbing Total	\$19,468.43

SCREENING PERIOD

The screening period will take five weeks. The 35 ton Haul truck will be needed due to the location of the screening plant, one mile from the leach pad on the haul road. A second belly dump could be used to haul from the screening plant to the leach pad though I feel this would not be economical as a belly dump is only capable of hauling twenty tons per load at a cost of fifty-five dollars per hour.

Screening Period--Equipment Needed

1. One Screening Plant
2. One 35 Ton Haul Truck
3. One 125 Michigan Loader
4. One 275 Michigan Loader
5. One Watertruck

Screening Period--Personnel Needed

Craig Reed	Operator for Screening Plant
Bruce Yocum	Operator for 125 Michigan Loader
Mark Merritt	Operator for 275 Michigan Loader
Mike Colvin	Operator for Haul Truck, Maintenance, Alternate for Screening Plant
One Laborer	Screen Labor

Screening Period--Projected Expenditures

Screening Plant rental for five weeks	\$ 6,609.38
Mobilization of Screening Plant	\$ 400.00
35 Ton Haul Truck rental for five weeks	\$ 9,914.06
Diesel Fuel for all Equipment	\$ 4,375.00
Screen Replacement	\$ 500.00
Three Equipment Operators @ 15.00 an hr. (includes O.T. pay)	\$15,750.00
One Equipment Operator @ 15.00 an hr. four hrs. a day	\$ 1,500.00
One Laborer @ 6.00 an hr. (includes O.T. pay)	<u>\$ 2,100.00</u>
Screening Period Total	\$41,148.44

LAYING THE BASE

Laying the base should take approximately two weeks. It is my plan to begin laying the base during the last week of the screening period.

Laying the Base--Equipment Needed

1. One Vibratory Roller
2. One 275 Michigan Loader
3. One Grader
4. One Belly Dump
5. One Watertruck

Laying the Base--Personnel Needed

Mark Merritt Operator for 275 Michigan
One Laborer Operator for Roller
Mike Colvin Operator for Watertruck

Laying the Base--Projected Expenditures

Vibratory Roller rental for one week	\$ 900.00
Mobilization of Roller	\$ 250.00
Demobilization of Roller	\$ 250.00
Demobilization of Screening Plant	\$ 400.00
Demobilization of Haul Truck	\$ 545.00
Grader 40 hrs. @ 85.00 an hr.	\$ 3,400.00
Belly Dump 40 hrs. @ 55.00 an hr.	\$ 2,200.00
Belly Dump Mobilization and Demobilization	\$ 330.00
Roller Operator (Laborer) @ 6.00 an hr.	<u>\$ 480.00</u>
 Laying the Base Total	 \$ 8,755.00

OVERALL TOTAL

Stripping and Grubbing	\$19,468.43
Screening Period	\$41,148.44
Laying the Base	\$ 8,755.00
Supervision (Richard Baker)	<u>\$ 5,820.00</u>
Overall Total	\$75,191.87

Note Pads five and six should be completed within six to nine weeks from start date. The above figures could change depending on the need for a third pond or equipment failure.

ATTACHMENT "F"
APPROVAL FOR EXPENDITURES
35 TON HAUL TRUCK

A haul truck would be a beneficial asset to this company for numerous reasons. It will be used in the construction of leach pads, ponds, collecting oversize from the pit, reclamation, stockpiling of topsoil, and occasional use at the crusher surge pad to move ore closer to the feed bin. A haul truck would help in the maintenance of all access roads and enable us to perform construction in and around the compound area. It would also reduce our Target Construction (force account) costs in many areas.

Following is the cost of placing the apron material on pads four, five, and six, along with the estimated costs for the excavation phase of pads five and six.

100 hrs. truck time to build each apron:

Pad #4	\$ 5,399.00
Pad #5	\$ 5,399.00
<u>Pad #6</u>	<u>\$ 5,399.00</u>
Total cost truck support aprons	\$16,197.00

Stripping pads 5 and 6:

80 hrs truck time to haul topsoil to stockpile

80 hrs truck time to haul unwanted material to waste dump

Total cost truck support stripping	\$ 5,948.43
------------------------------------	-------------

Screening pads 5 and 6:

240 hrs truck time to support the screening plant operation and to haul base from screening plant to leach pad

Total cost truck support screening	<u>\$ 2,914.06</u>
------------------------------------	--------------------

Stripping and screening subtotal	\$16,862.49
----------------------------------	-------------

Pad 4 mobilization (two 10 ton dump trucks)	\$ 647.88
---	-----------

Pads 5 and 6 mobilization (two 10 ton dump trucks)	\$ 647.88
--	-----------

Pads 5 and 6 mobilization stripping and screening (35 ton haul truck)	<u>\$ 1,090.00</u>
--	--------------------

Total cost mobilization	\$ 2,385.76
-------------------------	-------------

Total costs per this A.F.E.	\$34,445.25
-----------------------------	-------------

Summary: If we continue to rent trucks, the Aurora Partnership will have spent over \$34,000.00 in rent and hauling expenses. We can purchase a 1975 Terex R35 Haul Truck for \$32,000.00.

SUBMITTED BY RICHARD BAKER
APPROVED BY [Signature]

ch. [Signature]

ATTACHMENT "G"

FILE: XPLRC88.WR1

1988 REVERSE CIRCULATION EXPLORATORY DRILLING

AURORA PARTNERSHIP

A.C. GLATIOTIS

T4 DRILLING LTD: Dan Flower (driller), Kelly (asst), Juan (sampler)

HOLE #	NORTHING	EASTING	ELEVATION	TOTAL DEPTH	DIP	AZIMUTH	
8801	14735.3132	10103.9237	7139.7739	205	-62	137	
8802	14702.4844	10139.7177	7141.8057	180	-60	137	
8803	14697.6783	10144.2401	7141.9556	115	-40	137	
8804	14736.6400	10169.7900	7141.9400	290	-55	110	13688.00
8805	14842.6892	10320.3596	7155.1399	60	-60	137	
8806	13625.7388	8626.7312	7498.2158	180	-60	137	
8807	13694.0000	8560.0000	7494.0000	310	-55	137	
8808	13703.2624	8557.4107	7494.0507	375	-67	137	
8809	13674.7997	8729.4969	7493.7964	140	-50	137	
8810	13678.3659	8726.7344	7493.7257	180	-67	137	
8811	13762.1640	8649.5609	7485.4306	240	-50	137	
8812	13764.8346	8647.8133	7486.0164	300	-60	137	
8813	13801.7009	8614.4621	7485.5953	390	-60	137	
8814	13717.6535	8790.9813	7485.7245	120	-45	137	
8815	13721.7979	8787.1550	7486.5779	160	-60	137	27967.50
8816				320	-50	137	
8817	13810.0902	8707.7539	7477.0152	355	-60	137	
8818	13805.3840	8836.2259	7467.8045	180	-50	137	
8819	13807.5111	8824.3525	7467.9134	200	-60	137	10900.00
8820	13883.5550	8758.2718	7462.0875	360	-50	137	
8821	13884.8031	8754.9082	7462.4722	465	-69.5	137	
8822				160	-60	137	13297.50
				245			
TOTAL PAID							65853.00

TOTAL FEET 5285

FEET
NOT PAID 85

DUE 1275.00

T4 TOTAL 67128.00

PIONEER

BW-1	175	-45	135
BW-2	185	-45	135
BW-3	80	-45	135
BW-4	195		
BW-5	200		

TOTAL FEET 835

TOTAL PAID

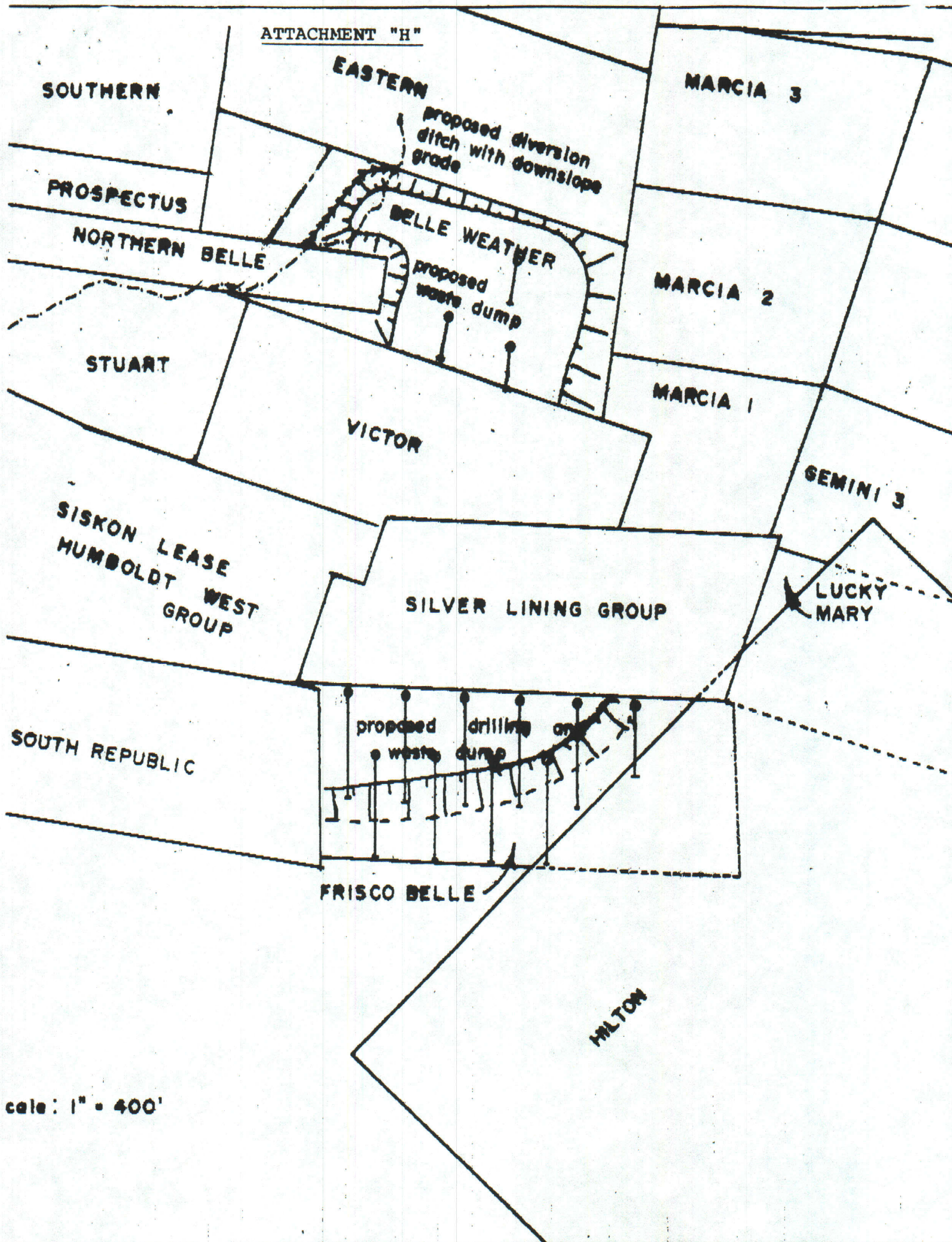
FEET
NOT PAID 835

DUE 6680

TOTAL SPENT

73808

ATTACHMENT "H"



ATTACHMENT "I"

THE AURORA PARTNERSHIP
EXPLANATORY NOTES
JULY 31, 1988 FINANCIAL STATEMENTS

Statement of Earnings

- 1) Commercial Production - The Aurora mine was deemed to have achieved commercial production, for accounting purposes, as at June 1, 1988. Accordingly, costs of an operating nature were deferred and capitalized to Deferred Expenditures to May 31, 1988, at which point these costs and this account were effectively closed off. Commencing June, 1988, these deferred costs are being amortized over the expected remaining mine life.
- 2) Royalties - The amount as at July 31, 1988 of \$162,646 includes \$50,000 paid pursuant to the Winslow lease agreement in June, 1987, capitalized to prepaid royalties in 1987, written off to royalties expense in June, 1988.
- 3) Depreciation and Amortization - Included in the \$331,518 figure at July 31, 1988 is approximately \$75,000 of depreciation expense recorded relative to the three month preproduction period March to May, 1988.
- 4) Production Costs - Certain amounts have not yet been segregated to account for inventoriable costs for ore on the pads. The effect would be to transfer costs from operating cost accounts on the statement of earnings to inventory on the balance sheet, which would reduce operating costs in total and on a per ounce basis. This segregation will be recorded in future statements.

The Aurora Partnership
Balance Sheet
As At July 31, 1988

A S S E T S

CURRENT

Cash	728,787
Accounts Receivable and Advances	280,859
Prepaid Expenses and Deposits	137,250
Supplies Inventory	24,623

	1,171,519

MINERAL PROPERTIES, NET	1,093,032
FIXED, net	1,229,994
DEFERRED FINANCE CHARGES, net	449,255
DEFERRED EXPENDITURES, net	4,379,894
POWER LINE EXTENSION, net	79,575

	7,231,750

	8,403,269
	=====

L I A B I L I T I E S

CURRENT

Accounts Payable and Accruals	908,604
Royalties Payable	128,044
Capital Leases	42,705

	1,079,353

P A R T N E R S ' E Q U I T Y

BALANCE , CLOSING

Minerex Resources	6,115,582
Pacific Northwest	1,208,334

	7,323,916

	8,403,269
	=====

**The Aurora Partnership
Statement of Partners' Equity
As At July 31, 1988**

	1 9 8 8		1 9 8 7	
	<u>Minerex</u>	<u>Pacific</u>	<u>Minerex</u>	<u>Pacific</u>
	\$	\$	\$	\$
BALANCE, OPENING	5,768,668	1,162,000	-	-
CONTRIBUTIONS/ALLOCATIONS	246,400	46,334	-	-
NET INCOME/(LOSS)	100,514		-	
	6,115,582	1,208,334	-	-
DRAWINGS	-	-	-	-
BALANCE, CLOSING	6,115,582	1,208,334	-	-

The Aurora Partnership
Statement of Earnings
For the Two Month Period Ended July 31, 1988

	CURRENT MONTH	YEAR TO DATE
	\$	\$
REVENUE		
Gold Sales	975,741	1,717,643
Silver Sales	-	3,128
Selling Costs	(7,037)	(14,640)
	-----	-----
Royalties	968,704	1,706,131
	(55,183)	(162,646)
	-----	-----
NET OPERATING REVENUE	913,521	1,543,485
	-----	-----
OPERATING COSTS		
Mining (Schedule A)	293,120	476,322
Crushing (Schedule A)	128,451	265,410
Milling (Schedule B)	24,584	30,554
Payroll (Schedule B)	47,654	132,069
Maintenance (Schedule B)	21,284	40,399
General and Administrative (Schedule C)	53,195	122,009
Depreciation and Amortization (Schedule D)	139,545	331,518
	-----	-----
Total Operating Costs	707,833	1,398,281
	-----	-----
OPERATING MARGIN	205,688	145,204
	-----	-----
INTEREST INCOME	(1,716)	(3,196)
INTEREST ON FINANCING (Schedule C)	23,943	47,886
	-----	-----
	22,227	44,690
	-----	-----
NET INCOME/(LOSS) BEFORE EXTRAORDINARY ITEMS	183,461	100,514
	-----	-----
EXTRAORDINARY ITEMS		
Gain/(Loss) on Sale of Assets	-	-
	-----	-----
NET INCOME/(LOSS)	183,461	100,514
	=====	=====
 OUNCES OF GOLD PRODUCED	 2,227	 3,812
	=====	=====
 OPERATING COSTS PER OUNCE	 318	 367
	=====	=====
 CASH OPERATING COSTS PER OUNCE	 255	 280
	=====	=====

The Aurora Partnership
Schedule A - Mining and Crushing Expenses
For the Two Month Period Ended July 31, 1988

	<i>July</i> CURRENT MONTH \$	<i>June & July</i> YEAR TO DATE \$
MINING EXPENSES		
<u>CONTRACTED</u>		
Ore	36,922	75,820
Waste	248,026	366,172
Mobilization	4,457	9,329
Force Account	-	2,096
Reclamation	-	-
Dewatering	-	12,941
Miscellaneous	-	5,272
	-----	-----
	289,405	471,630
	-----	-----
<u>OTHER</u>	3,715	4,692
	-----	-----
Total Mining Expenses	293,120	476,322
	-----	-----
CRUSHING EXPENSES		
<u>CONTRACTED</u>		
Ore	67,014	132,365
Fines	2,334	8,652
Agglomeration	16,180	33,867
Stacking	17,651	36,946
Mobilization	5,295	11,084
Generator	3,395	6,790
	-----	-----
	111,869	229,704
	-----	-----
<u>OTHER</u>		
Cement	9,477	22,128
Power	7,105	13,578
	-----	-----
	16,582	35,706
	-----	-----
Total Crushing Expenses	128,451	265,410
	-----	-----
TOTAL MINING AND CRUSHING EXPENSES	421,571	741,732
	=====	=====
<u>Note:</u>		
Total CONTRACTED Mining and Crushing Expenses	\$ 401,274	\$ 701,334
	=====	=====

The Aurora Partnership
Schedule B - Milling, Payroll and Maintenance Expenses
For the Two Month Period Ended July 31, 1988

	CURRENT MONTH \$	YEAR TO DATE \$
MILLING EXPENSES		
Supplies	912	2,698
Cyanide	13,932	13,932
Carbon	-	-
Chemicals	1,327	1,327
Miscellaneous Reagents	1,751	2,023
Power	2,721	5,397
Assaying	3,941	5,177
	----- 24,584	----- 30,554
PAYROLL EXPENSES		
Mine Site	11,565	55,736
Mill Site	21,191	48,170
Office Site	4,501	8,926
Employer FICA Tax	6,630	10,315
Federal Unemployment	-	-
State Unemployment	-	-
SIIS/Workmans Compensation	3,641	8,206
Personnel Insurance	126	173
Casual Labor	-	543
	----- 47,654	----- 132,069
MAINTENANCE EXPENSES		
Automobile Fuel	3,591	4,480
Automobile Leases	2,305	3,329
Automobile Repair and Maintenance	2,136	4,148
Equipment Fuel	-	4,636
Equipment Leases	8,039	8,210
Equipment Repair and Maintenance	2,106	10,692
Maintenance Supplies	3,107	4,904
Other	-	-
	----- 21,284	----- 40,399
TOTAL MILLING, PAYROLL AND MAINTENANCE EXPENSES	 93,522 =====	 203,022 =====

The Aurora Partnership
Schedule C - General and Administrative Expenses
For the Two Month Period Ended July 31, 1988

	CURRENT MONTH \$	YEAR TO DATE \$
OPERATING		
Advertising	373	999
Bank Charges and Interest	589	1,684
Claims/Land Leases	3,000	5,000
Communication	587	587
Consulting Service	6,533	28,400
Donations	-	-
Dues and Subscriptions	-	333
Education and Training	-	-
Engineering Supplies	1,873	1,873
Fines and Penalties	-	-
House Rent	-	-
Insurance	7,433	12,075
Late Charges	17	17
Legal and Accounting	3,757	17,241
Licenses and Permits	28	(65)
Management Fees	16,667	33,334
Miscellaneous	-	339
Office Supplies	4,990	6,280
Postage	-	50
Promotion and Entertainment	260	336
Property and County Taxes	141	141
Safety Supplies	1,438	2,612
Sanitation	195	902
Shipping and Freight	1,032	1,897
Telephone	1,297	2,497
Travel	1,540	3,993
Utilities	72	111
	-----	-----
TOTAL OPERATING	53,195	122,009
	-----	-----
INTEREST ON FINANCING		
Interest - Humboldt East	7,477	14,954
Interest - Montagu	16,466	32,932
	-----	-----
TOTAL INTEREST ON FINANCING	23,943	47,886
	-----	-----
TOTAL GENERAL AND ADMINISTRATIVE EXPENSES	77,138	169,895
	=====	=====

The Aurora Partnership
Schedule D - Depreciation and Amortization
For the Two Month Period Ended July 31, 1988

	CURRENT MONTH \$	YEAR TO DATE \$
Depreciation (Schedule E)	24,873	124,367
Amortization of Deferred Costs	76,863	153,727
Amortization of Mineral Properties	15,615	31,230
Amortization of Leased Equipment	22,194	22,194
	-----	-----
TOTAL DEPRECIATION AND AMORTIZATION	139,545	331,518
	=====	=====

The Aurora Partnership
Automobile and Equipment Maintenance Analysis
For the Two Month Period Ended July 31, 1988

	CURRENT MONTH \$	YEAR TO DATE \$
AUTOMOBILES		
Fuel	3,591	4,480
Leases	2,305	3,329
Repair and Maintenance	2,136	4,148
	-----	-----
	8,032	11,957
	-----	-----
EQUIPMENT		
Fuel	-	4,636
Leases	8,039	8,210
Repairs and Maintenance	2,106	10,692
	-----	-----
	10,145	23,538
	-----	-----
OTHER		
Maintenance Supplies	3,107	4,904
Maintenance Other	-	-
	-----	-----
	3,107	4,904
	-----	-----
TOTAL AUTOMOBILE AND EQUIPMENT MAINTENANCE	21,284 =====	40,399 =====

The Aurora Partnership
Pads Analysis
For the Two Month Period Ended July 31, 1988

	CURRENT MONTH \$	YEAR TO DATE \$
PADS AND LINERS		
CAPITAL COSTS - PADS AND LINERS	-	9,068
Labor	21,418	38,403
Materials	4,737	144,550
Equipment Rentals	1,809	46,469
Consulting	4,930	12,123
	-----	-----
	32,894	250,613
	=====	=====

The Aurora Partnership
Ponds Analysis
For the Two Month Period Ended July 31, 1988

	CURRENT MONTH \$	YEAR TO DATE \$
PONDS AND LINERS		
Labor	-	-
Material	-	2,249
Equipment Rentals	-	-
Consulting	-	-
	-----	-----
	-	2,249
	=====	=====

The Aurora Partnership
Production Budget
For the Month Ended July 31, 1988

	UNIT OF MEASURE	ACTUAL COST \$	ACTUAL UNITS	ACTUAL UNIT COST \$	BUDGET COST \$	BUDGET UNITS	BUDGET UNIT COST \$	UNIT VARIANCE	UNIT VARIANCE --X--
MINING									
Ore	BCY	36,922	12,688	2.91	41,645	14,311	2.91	1,623	-11.3
Waste	BCY	248,026	107,240	2.31	246,787	99,511	2.48	7,729	7.8
Mobilization	Dry Ton	4,457	29,148	0.15	5,999	39,600	0.15	10,452	-26.4
Force Account		-			-				
Reclamation		-			-				
De-watering		-			-				
Miscellaneous		-			-				
Other (non-contracted)		3,715			-				
		293,120			294,432				
CRUSHING									
Ore 3/8"	Dry Ton	67,014	27,922	2.40	73,440	30,600	2.40	2,678	-8.8
Ore 3/4"	Dry Ton	-	-	-	-	-	1.90	-	0.0
Fines	Dry Ton	2,334	1,496	1.56	14,040	9,000	1.56	7,504	-83.4
Agglomeration	Dry Ton	16,180	29,418	0.55	21,780	39,600	0.55	10,182	-25.7
Stacking	Dry Ton	17,651	29,418	0.60	23,760	39,600	0.60	10,182	-25.7
Mobilization	Dry Ton	5,295	29,418	0.18	7,128	39,600	0.18	10,182	-25.7
Generator Rental		3,395			3,395				
Cement		9,477			10,000				
Power		7,105			6,000				
		128,451			159,543				
TOTAL MINING AND CRUSHING		421,571							

The Aurora Partnership
Statement of Earnings
For the Two Month Period Ended July 31, 1988

	Actual Current Month \$	Budget Current Month \$	Variance \$	Z Variance	Actual Y-T-D \$	Budget Y-T-D \$	Variance	Z Variance
REVENUE								
Gold Sales	975,741	904,050	71,691	7.9	1,717,643	1,800,450	82,807	-4.6
Silver Sales	-	-	-	0.0	3,128	-	3,128	0.0
Selling Costs	(7,037)	-	(7,037)	0.0	(14,640)	-	(14,640)	0.0
Royalties	968,704 (55,183)	904,050 (52,160)	64,654 (3,023)	7.2 5.8	1,706,131 (162,646)	1,800,450 (167,711)	94,319 5,065	-5.2 -3.0
NET OPERATING REVENUE	913,521	851,890	61,631	7.2	1,543,485	1,632,739	89,254	-5.5
OPERATING COSTS								
Mining (Schedule A)	293,120	294,431	1,311	-0.4	476,322	577,301	100,979	-17.5
Crushing (Schedule A)	128,451	159,543	31,092	-19.5	265,410	334,379	68,969	-20.6
Milling (Schedule B)	24,584	20,000	4,584	22.9	30,554	40,000	9,446	-23.6
Payroll (Schedule B)	47,654	90,900	43,246	-47.6	132,069	181,800	49,731	-27.4
Maintenance (Schedule B)	21,284	15,600	5,684	36.4	40,399	31,200	9,199	29.5
General and Administrative (Schedule C)	53,195	45,141	8,054	17.8	122,009	89,302	32,707	36.6
Depreciation and Amortization (Sched.D)	139,545	107,298	32,247	30.1	331,518	289,216	42,302	14.6
Total Operating Costs	707,833	732,913	25,080	-3.4	1,398,281	1,543,198	144,917	-9.4
OPERATING MARGIN	205,688	118,977	86,711	72.9	145,204	89,541	55,663	62.2
INTEREST INCOME	(1,716)	-	(1,716)	0.0	(3,196)	-	(3,196)	0.0
INTEREST ON FINANCING (Schedule C)	23,943	23,943	-	0.0	47,886	47,886	-	0.0
	22,227	23,943	1,716	-7.2	44,690	47,886	3,196	-6.7
NET INCOME/(LOSS) BEFORE EXTRAORDINARY ITEMS	183,461	95,034	88,427	93.0	100,514	41,655	58,859	141.3
EXTRAORDINARY ITEMS								
Gain/(Loss) on Sale of Assets	-	-	-	0.0	-	-	-	0.0
NET INCOME/(LOSS)	183,461	95,034	88,427	93.0	100,514	41,655	58,859	141.3

The Aurora Partnership
Schedule A - Mining and Crushing Expenses
For the Two Month Period Ended July 31, 1988

	Actual Current Month \$	Budget Current Month \$	Variance \$	Z Variance	Actual Y-T-D \$	Budget Y-T-D \$	Variance \$	Z Variance
MINING EXPENSES								
<u>CONTRACTED</u>								
Ore	36,922	41,645	4,723	-11.3	75,820	88,851	13,031	-14.7
Waste	248,026	246,787	1,239	0.5	366,172	475,830	109,658	-23.0
Mobilization	4,457	5,999	1,542	-25.7	9,329	12,620	3,291	-26.1
Force Account	-	-	-	0.0	2,096	-	2,096	0.0
Reclamation	-	-	-	0.0	-	-	-	0.0
Devatering	-	-	-	0.0	12,941	-	12,941	0.0
Miscellaneous	-	-	-	0.0	5,272	-	5,272	0.0
	289,405	294,431	5,026	-1.7	471,630	577,301	105,671	-18.3
<u>OTHER</u>	3,715	-	3,715	0.0	4,692	-	4,692	0.0
Total Mining Expenses	293,120	294,431	1,311	-0.4	476,322	577,301	100,979	-17.5
CRUSHING EXPENSES								
<u>CONTRACTED</u>								
Ore	67,014	73,440	6,426	-8.7	132,365	156,720	24,355	-15.5
Fines	2,334	14,040	11,706	-83.4	8,652	28,080	19,428	-69.2
Agglomeration	16,180	21,780	5,600	-25.7	33,867	45,815	11,948	-26.1
Stacking	17,651	23,760	6,109	-25.7	36,946	49,980	13,034	-26.1
Mobilization	5,295	7,128	1,833	-25.7	11,084	14,994	3,910	-26.1
Generator	3,395	3,395	-	0.0	6,790	6,790	-	0.0
	111,869	143,543	31,674	-22.1	229,704	302,379	72,675	-24.0
<u>OTHER</u>								
Cement	-9,477	10,000	523	-5.2	22,128	20,000	2,128	10.6
Power	7,105	6,000	1,105	18.4	13,578	12,000	1,578	13.2
	16,582	16,000	582	3.6	35,706	32,000	3,706	11.6
Total Crushing Expenses	128,451	159,543	31,092	-19.5	265,410	334,379	68,969	-20.6
TOTAL MINING AND CRUSHING EXPENSES	421,571	453,974	32,403	-7.1	741,732	911,680	169,948	-18.6
Note:								
Total CONTRACTED Mining and Crushing Expenses	401,274	437,974	32,403	-7.5	701,334	879,680	169,948	-19.5

The Aurora Partnership
Schedule B - Milling, Payroll and Maintenance Expenses
For the Two Month Period Ended July 31, 1988

	Actual Current Month \$	Budget Current Month \$	Variance \$	% Variance	Actual Y-T-D \$	Budget Y-T-D \$	Variance \$	% Variance
MILLING EXPENSES								
Supplies	912	1,500	588	-39.2	2,698	3,000	302	-10.1
Cyanide	13,932	9,000	4,932	54.8	13,932	18,000	4,068	-22.6
Carbon	-	2,000	2,000	-100.0	-	4,000	4,000	-100.0
Chemicals	1,327	1,000	327	32.7	1,327	2,000	673	-33.6
Miscellaneous Reagents	1,751	2,000	249	-12.4	2,023	4,000	1,977	-49.4
Power	2,721	2,500	221	8.8	5,397	5,000	397	7.9
Assaying	3,941	2,000	1,941	97.1	5,177	4,000		
	24,584	20,000	4,584	22.9	30,554	40,000	9,446	-23.6
PAYROLL EXPENSES								
Mine Site	11,565	45,000	33,435	-74.3	55,736	90,000	34,264	-38.1
Mill Site	21,191	27,000	5,809	-21.5	48,170	54,000	5,830	-10.8
Office Site	4,501	4,500	1	0.0	8,926	9,000	74	-0.8
Employer FICA Tax	6,630	3,500	3,130	89.4	10,315	7,000	3,315	47.4
Federal Unemployment	-	3,300	3,300	-100.0	-	6,600	6,600	-100.0
State Unemployment	-	1,100	1,100	-100.0	-	2,200	2,200	-100.0
SIIS/Workmans Compensation	3,641	2,500	1,141	45.6	8,206	5,000	3,206	64.1
Personnel Insurance	126	4,000	3,874	-96.8	173	8,000	7,827	-97.8
Casual Labor	-	-	-	0.0	543	-	543	0.0
	47,654	90,900	43,246	-47.6	132,069	181,800	49,731	-27.4
MAINTENANCE EXPENSES								
Automobile Fuel	3,591	1,800	1,791	99.5	4,480	3,600	880	24.4
Automobile Leases	2,305	2,300	5	0.2	3,329	4,600	1,271	-27.6
Automobile Repair and Maint.	2,136	4,800	2,664	-55.5	4,148	9,600	5,452	-56.8
Equipment Fuel	-	1,500	1,500	-100.0	4,636	3,000	1,636	54.5
Equipment Leases	8,039	200	7,839	3,919.5	8,210	400	7,810	1,952.5
Equipment Repair and Maint.	2,106	3,000	894	-29.8	10,692	6,000	4,692	78.2
Maintenance Supplies	3,107	2,000	1,107	55.4	4,904	4,000	904	22.6
Other	-	-	-	0.0	-	-	-	0.0
	21,284	15,600	5,684	36.4	40,399	31,200	9,199	29.5
TOTAL MILLING, PAYROLL AND MAINTENANCE EXPENSES	93,522	126,500	32,978	-26.1	203,022	253,000	49,978	-19.8

The Aurora Partnership
Schedule C - General and Administrative Expenses
For the Two Month Period Ended July 31, 1988

	Actual Current Month \$	Budget Current Month \$	Variance \$	Z Variance	Actual Y-T-D \$	Budget Y-T-D \$	Variance \$	Z Variance
OPERATING								
Advertising	373	-	373	0.0	999	-	999	0.0
Bank Charges and Interest	589	874	285	-32.6	1,684	1,768	84	-4.8
Claims/Land Leases	3,000	3,000	-	0.0	5,000	5,000	-	0.0
Communication	587	-	587	0.0	587	-	587	0.0
Consulting Service	6,533	10,000	3,467	-34.7	28,400	20,000	8,400	42.0
Donations	-	-	-	0.0	-	-	-	0.0
Dues and Subscriptions	-	-	-	0.0	333	-	333	0.0
Education and Training	-	-	-	0.0	-	-	-	0.0
Engineering Supplies	1,873	-	1,873	0.0	1,873	-	1,873	0.0
Fines and Penalties	-	-	-	0.0	-	-	-	0.0
House Rent	-	1,100	1,100	-100.0	-	2,200	2,200	-100.0
Insurance	7,433	4,000	3,433	85.8	12,075	8,000	4,075	50.9
Late Charges	17	-	17	0.0	17	-	17	0.0
Legal and Accounting	3,757	5,000	1,243	-24.9	17,241	10,000	7,241	72.4
Licenses and Permits	28	-	28	0.0	65	-	65	0.0
Management Fees	16,667	16,667	-	0.0	33,334	33,334	-	0.0
Miscellaneous	-	-	-	0.0	339	-	339	0.0
Office Supplies	4,990	-	4,990	0.0	6,280	-	6,280	0.0
Postage	-	-	-	0.0	50	-	50	0.0
Promotion and Entertainment	260	-	260	0.0	336	-	336	0.0
Property and County Taxes	141	-	141	0.0	141	-	141	0.0
Safety Supplies	1,438	800	638	79.8	2,612	1,600	1,012	63.3
Sanitation	195	-	195	0.0	902	-	902	0.0
Shipping and Freight	1,032	-	1,032	0.0	1,897	-	1,897	0.0
Telephone	1,297	1,200	97	8.1	2,497	2,400	97	4.0
Travel	1,540	2,500	960	-38.4	3,993	5,000	1,007	-20.1
Utilities	72	-	72	0.0	111	-	111	0.0
TOTAL OPERATING	53,195	45,141	8,054	17.8	122,009	89,302	32,707	36.6
INTEREST ON FINANCING								
Interest - Humboldt East	7,477	7,477	-	0.0	14,954	14,954	-	0.0
Interest - Montagu	16,466	16,466	-	0.0	32,932	32,932	-	0.0
TOTAL INTEREST ON FINANCING	23,943	23,943	-	0.0	47,886	47,886	-	0.0
TOTAL GENERAL AND ADMINISTRATIVE EXPENSES	77,138	69,084	8,054	11.7	169,895	137,188	32,707	23.8

The Aurora Partnership

Schedule D - Depreciation and Amortization

For the Two Month Period Ended July 31, 1988

Depreciation (Schedule E)	24,873	24,873	-	0.0	124,367	124,366	1	0.0
Amortization of Deferred Costs	76,863	62,371	14,492	23.2	153,727	124,742	28,985	23.2
Amortization of Mineral Properties	15,615	15,615	-	0.0	31,230	31,230	-	0.0
Amortization of Leased Equipment	22,194	4,439	17,755	400.0	22,194	8,878	13,316	150.0
	<u>139,545</u>	<u>107,298</u>	<u>32,247</u>	<u>30.1</u>	<u>331,518</u>	<u>289,216</u>	<u>42,302</u>	<u>14.6</u>
TOTAL DEPRECIATION AND AMORTIZATION	139,545	107,298	32,247	30.1	331,518	289,216	42,302	14.6

The Aurora Partnership
Automobile and Equipment Maintenance Analysis
For the Two Month Period Ended July 31, 1988

	Actual Current Month \$	Budget Current Month \$	Variance \$	Z Variance	Actual Y-T-D \$	Budget Y-T-D \$	Variance \$	Z Variance
AUTOMOBILES								
Fuel	3,591	1,800	1,791	99.5	4,480	3,600	880	24.4
Leases	2,305	2,300	5	0.2	3,329	4,600	1,271	-27.6
Repair and Maintenance	2,136	4,800	2,664	-55.5	4,148	9,600	5,452	-56.8
	8,032	8,900	868	-9.8	11,957	17,800	5,843	-32.8
EQUIPMENT								
Fuel	-	1,500	1,500	-100.0	4,636	3,000	1,636	54.5
Leases	8,039	200	7,839	3,919.5	8,210	400	7,810	1,952.5
Repairs and Maintenance	2,106	3,000	894	-29.8	10,692	6,000	4,692	78.2
	10,145	4,700	5,445	115.9	23,538	9,400	14,138	150.4
OTHER								
Maintenance Supplies	3,107	2,000	1,107	55.4	4,904	4,000	904	22.6
Maintenance Other	-	-	-	0.0	-	-	-	0.0
	3,107	2,000	1,107	55.4	4,904	4,000	904	22.6
TOTAL AUTOMOBILE AND EQUIPMENT MAINTENANCE	21,284	15,600	5,684	36.4	40,399	31,200	9,199	29.5