

David A. Odt, M.Sc.
221 South Third Avenue
Bozeman, Montana 59715
(406) 585-2687

**ORE RESERVE STUDY
OF THE
ZENDA PROJECT
KERN COUNTY, CALIFORNIA**

Prepared For

*Saga Exploration Company
Reno, Nevada*

Prepared By

*David Odt
Bozeman, Montana*

Date

20 December 96

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Summary

The author was commissioned by Saga Exploration Company to calculate ore reserves at the Zenda project, Kern County, California. The evaluation included:

- Creation of a rock model and grade model based on cross section modeling
- Transfer of grade model limits to a bench plan model
- Measuring of area>volume>tonnage of bench plan and cross section grade models
- Open pit design and calculation of strip tons

The following chart summarizes Zenda ore reserves from a variety of sources.

| Ore reserve source | Ore Tons | Average Grade, OPT Au | Contained oz. Au | Stripping Ratio |
|--|-----------|--------------------------|---------------------|-----------------|
| PAH (1990), Computer Model | 1,088,000 | .047 | | 1.18 : 1 |
| Equinox, Cross Section | 920,575 | .057 | | 1.33 : 1 |
| Odt, 1995, Cross Section, Geologic Resource | 833,000 | n/a | | n/a |
| Odt, 1996, Cross Section, Geologic Resource | 878,328 | .053 | | n/a |
| Odt, 1996, Bench Plan (3260), Mineable Reserve | 868,016 | .051 | 44,485 | 1.6 : 1 |
| Odt, 1996, Bench Plan (3300), Mineable Reserve | 840,661 | .052 | 43,353 | 1.5 : 1 |
| Odt, 1996, Bench Plan (3340), Mineable Reserve | 788,909 | .053 | 41,026 | 0.99 : 1 |
| Odt, 1996, Bench Plan (3380), Mineable Reserve | 710,797 | .053 | 36,455 | 0.88 : 1 |

Conclusions

1. Ore reserves from this study are 5 % below Equinox's estimate, and 21 % below Pincock Allen Holt's computer-generated ore reserve assessment (Addison, et al, 1990).
2. Average gold grade as defined in this study is 7 % less than Equinox's measurement, and 21 % above Pincock Allen Holt's estimate (Addison, et al, 1990).
3. Strip ratio in this study is estimated at 1.6 : 1 for the deepest modeled pit, and 0.88 : 1 for the shallowest modeled pit.

Ore tonnage discrepancies are attributed to:

- PAH modeled significantly more ore than the author at the east end of the deposit
- PAH modeled substantially more ore deep in the deposit.

Recommendations

- Carefully study the bench plans and select gaps for in-fill drilling.
- Continue drilling at the east end of the deposit to confirm or reject PAH's ore estimates.
- Perform infill drilling on xc-15, and at the west end of the deposit.

Methodology

Grade and Rock Model: Cross Section

A series of 25 NE-trending cross sections were constructed along the strike of the deposit, perpendicular to the trend of mineralization. Cross section panel thickness was 50 feet. A series of seventeen cross sections (xc-5 to xc-21) were employed in the modeling. Figure 1 shows cross section locations and figures 2 to 18 show the grade model cross sections.

A rock model of lithology and alteration was first constructed in cross section. The grade model was then constructed, using rock model limits to guide the placement of ore grade areas in cross section.

Adjacent panels were used for interpolation of ore limits on cross sections that lack sufficient drill data.

Grade Model: Cross Section > Bench Plan

The cross section grade model was used to create a preliminary bench plan ore outline on each 20 foot bench. These outlines were slightly modified to best fit all bench composite assay locations. An isometric view of all bench ore outlines is shown on figure 19, and each bench ore plan is shown on figures 20 to 40.

Ore Tonnage Calculations

Ore areas were measured on both cross section and bench plan models. Volumes were calculated, and tonnages were generated using a tonnage factor of 13.4 cubic feet per ton. Table 1 shows calculated tonnages from cross section measurements. Table 2 displays calculated tonnages from the bench plan model.

Open Pit Plan

An ultimate pit bottom of 3260 feet was established based on the notable drop-off in ore measured below this elevation. Parameters for pit modeling include the application of a 50 degree highwall and a ten foot set-back from the modeled ore footwall on each bench.

Three additional pit models were generated using higher ultimate pit toes: 3300, 3340 and 3380 feet elevation. This reduced ore tonnages and also lowered the strip ratio.

After pit modeling, total area for each bench was measured. Ore tons and waste+ low grade tons for each modeled pit are shown on Tables 3 to 6.

Estimation of Average Grade

Method 1. The Zenda assay database was edited to contain only the assays from within the modeled ore area. Over 650 assays from drillholes, surface and subsurface channel samples comprise this database. The average was calculated to be .053 opt gold.

Method 2. For the bench plan model, an average grade was calculated by averaging all assays on each bench. This average was used for calculation of contained ounces Au in the pit models. Results of the grade modeling by bench are shown on Table 7.

Bibliography

Addison, Stevens, Stinnett and Tschabrun, 1990, Audit of the Zenda gold project feasibility study: prepared for Equinox Resources Ltd. by Pincock Allen & Holt, Denver, Colorado.

Odt, 1995, Evaluation of the Zenda project: in-house report for Saga Exploration Co.

| table 1. | | | | | | | |
|--|----------|---------------|----------------|---------------|----------|-----------|----------|
| Zenda ore reserve calculations: Geologic Resource | | | | | | | |
| Method: cross section | | | | | | | |
| Date: 25 NOV 96 | | | | | | | |
| By: D.Odt | | | | | | | |
| For: Saga Exploration Co. | | | | | | | |
| section | ore area | L.G.+ore area | low grade area | Ore vol | L.G. vol | ore ton | L.G. ton |
| 5 | 2810 | 31592 | 28782 | 140500 | 1439100 | 10485 | 107396 |
| 6 | 11066 | 42619 | 31553 | 553300 | 1577650 | 41291 | 117735 |
| 7 | 16470 | 54789 | 38319 | 823500 | 1915950 | 61455 | 142981 |
| 8 | 26703 | 92194 | 65491 | 1335150 | 3274550 | 99638 | 244369 |
| 9 | 27453 | 75030 | 47577 | 1372650 | 2378850 | 102437 | 177526 |
| 10 | 27469 | 61545 | 34076 | 1373450 | 1703800 | 102496 | 127149 |
| 11 | 22818 | 46880 | 24062 | 1140900 | 1203100 | 85142 | 89784 |
| 12 | 22924 | 44103 | 21179 | 1146200 | 1058950 | 85537 | 79026 |
| 13 | 15937 | 28318 | 12381 | 796850 | 619050 | 59466 | 46198 |
| 14 | 19990 | 30315 | 10325 | 999500 | 516250 | 74590 | 38526 |
| 15 | | 28666 | 28666 | 0 | 1433300 | 0 | 106963 |
| 16 | 10143 | 27638 | 17495 | 507150 | 874750 | 37847 | 65280 |
| 17 | 10494 | 31254 | 20760 | 524700 | 1038000 | 39157 | 77463 |
| 18 | 8939 | 34571 | 25632 | 446950 | 1281600 | 33354 | 95642 |
| 19 | 4702 | 23608 | 18906 | 235100 | 945300 | 17545 | 70545 |
| 20 | 4927 | 20173 | 15246 | 246350 | 762300 | 18384 | 56888 |
| 21 | 2547 | 11022 | 8475 | 127350 | 423750 | 9504 | 31623 |
| | | | | totals | 878328 | 1675093 | tons |
| | | | | | ore | low grade | |
| Note: No ore was modeled on cross section 15 due to lack of drill data. | | | | | | | |
| Note: Additional drilling is needed on sections 13 and 18 to up-grade to drill-indicated. | | | | | | | |
| Note: Additional drilling is recommended on xc 5, 15 and 21, and to NW and SE. | | | | | | | |

| table 2. | | | | | | |
|--|----------|-------------|---------------|----------------|------------------|----------------|
| Zenda ore reserve calcuations | | | | | | |
| Method: Bench plan | | | | | | |
| Date: 25 NOV 96 | | | | | | |
| By: D. Odt | | | | | | |
| For: Saga Exploration Co. | | | | | | |
| Units: feet, tonnage factor = 13.4 cu.ft./ton | | | | | | |
| bench | ore area | ore vol | ore tons | low grade area | low grade vol | low grade tons |
| 3660 | 768 | 15360 | 1146 | 584 | 11680 | 872 |
| 3640 | 2240 | 44800 | 3343 | 1062 | 21240 | 1585 |
| 3620 | 1760 | 35200 | 2627 | 2091 | 41820 | 3121 |
| 3600 | 4269 | 85380 | 6372 | 3495 | 69900 | 5216 |
| 3580 | 7195 | 143900 | 10739 | 4117 | 82340 | 6145 |
| 3560 | 15709 | 314180 | 23446 | 5087 | 101740 | 7593 |
| 3540 | 28157 | 563140 | 42025 | 8590 | 171800 | 12821 |
| 3520 | 36293 | 725860 | 54169 | 15086 | 301720 | 22516 |
| 3500 | 45281 | 905620 | 67584 | 32165 | 643300 | 48007 |
| 3480 | 58743 | 1174860 | 87676 | 39510 | 790200 | 58970 |
| 3460 | 63504 | 1270080 | 94782 | 50936 | 1018720 | 76024 |
| 3440 | 69401 | 1388020 | 103584 | 66266 | 1325320 | 98904 |
| 3420 | 53747 | 1074940 | 80219 | 77456 | 1549120 | 115606 |
| 3400 | 46661 | 933220 | 69643 | 125962 | 2519240 | 188003 |
| 3380 | 42506 | 850120 | 63442 | 83930 | 1678600 | 125269 |
| 3360 | 28434 | 568680 | 42439 | 99348 | 1986960 | 148281 |
| 3340 | 23901 | 478020 | 35673 | 112141 | 2242820 | 167375 |
| 3320 | 14186 | 283720 | 21173 | 117025 | 2340500 | 174664 |
| 3300 | 20488 | 409760 | 30579 | 102588 | 2051760 | 153116 |
| 3280 | 11020 | 220400 | 16448 | 101396 | 2027920 | 151337 |
| 3260 | 7308 | 146160 | 10907 | 59637 | 1192740 | 89010 |
| 3240 | 770 | 15400 | 1149 | 42626 | 852520 | 63621 |
| 3220 | 584 | 11680 | 872 | 14866 | 297320 | 22188 |
| | | <i>tons</i> | 870037 | | <i>tons</i> | 1740245 |
| | | <i>ore</i> | | | <i>low grade</i> | |

| table 3. | | | | | | | |
|--|------------|----------|-----------------|---------|----------------|-----------------------------|-----------------|
| Zenda pit tonnage calculations: 3260 ultimate pit toe | | | | | | | |
| Method: Bench Plan | | | | | | | |
| Date: 25 NOV 96 | | | | | | | |
| For: Saga Exploration Co. | | | | | | | |
| Bench | Total area | ore area | waste+L.G. area | ore vol | waste+L.G. vol | Ore tons | waste+L.G. tons |
| 3660 | 1356 | 768 | 588 | 15360 | 11760 | 1146 | 878 |
| 3640 | 3846 | 2240 | 1606 | 44800 | 32120 | 3343 | 2397 |
| 3620 | 4949 | 1760 | 3189 | 35200 | 63780 | 2627 | 4760 |
| 3600 | 8730 | 4269 | 4461 | 85380 | 89220 | 6372 | 6658 |
| 3580 | 12609 | 7195 | 5414 | 143900 | 108280 | 10739 | 8081 |
| 3560 | 22328 | 15709 | 6619 | 314180 | 132380 | 23446 | 9879 |
| 3540 | 35055 | 28157 | 6898 | 563140 | 137960 | 42025 | 10296 |
| 3520 | 47433 | 36293 | 11140 | 725860 | 222800 | 54169 | 16627 |
| 3500 | 81976 | 45281 | 36695 | 905620 | 733900 | 67584 | 54769 |
| 3480 | 110897 | 58743 | 52154 | 1174860 | 1043080 | 87676 | 77842 |
| 3460 | 134315 | 63504 | 70811 | 1270080 | 1416220 | 94782 | 105688 |
| 3440 | 149262 | 69401 | 79861 | 1388020 | 1597220 | 103584 | 119196 |
| 3420 | 154698 | 53747 | 100951 | 1074940 | 2019020 | 80219 | 150673 |
| 3400 | 148110 | 46661 | 101449 | 933220 | 2028980 | 69643 | 151416 |
| 3380 | 141660 | 42506 | 99154 | 850120 | 1983080 | 63442 | 147991 |
| 3360 | 130957 | 28434 | 102523 | 568680 | 2050460 | 42439 | 153019 |
| 3340 | 115923 | 23901 | 92022 | 478020 | 1840440 | 35673 | 137346 |
| 3320 | 100855 | 14186 | 86669 | 283720 | 1733380 | 21173 | 129357 |
| 3300 | 73943 | 20488 | 53455 | 409760 | 1069100 | 30579 | 79784 |
| 3280 | 31186 | 11020 | 20166 | 220400 | 403320 | 16448 | 30099 |
| 3260 | 17057 | 7308 | 9749 | 146160 | 194980 | 10907 | 14551 |
| | | | | | | | |
| | | | | | | ore tons | 868016 |
| | | | | | | waste+L.G. tons | 1411304 |
| | | | | | | waste+L.G./ore ratio | 1.6 : 1 |

| Bench | Total area | ore area | waste+L.G. area | ore vol | waste+L.G. vol | Ore tons | waste+L.G. tons |
|-------|------------|----------|-----------------|---------|----------------|-----------------------------|-----------------|
| 3660 | 1356 | 768 | 588 | 15360 | 11760 | 1146 | 878 |
| 3640 | 3846 | 2240 | 1606 | 44800 | 32120 | 3343 | 2397 |
| 3620 | 4949 | 1760 | 3189 | 35200 | 63780 | 2627 | 4760 |
| 3600 | 8730 | 4269 | 4461 | 85380 | 89220 | 6372 | 6658 |
| 3580 | 12609 | 7195 | 5414 | 143900 | 108280 | 10739 | 8081 |
| 3560 | 22328 | 15709 | 6619 | 314180 | 132380 | 23446 | 9879 |
| 3540 | 35055 | 28157 | 6898 | 563140 | 137960 | 42025 | 10296 |
| 3520 | 47433 | 36293 | 11140 | 725860 | 222800 | 54169 | 16627 |
| 3500 | 81976 | 45281 | 36695 | 905620 | 733900 | 67584 | 54769 |
| 3480 | 110897 | 58743 | 52154 | 1174860 | 1043080 | 87676 | 77842 |
| 3460 | 134315 | 63504 | 70811 | 1270080 | 1416220 | 94782 | 105688 |
| 3440 | 149262 | 69401 | 79861 | 1388020 | 1597220 | 103584 | 119196 |
| 3420 | 154698 | 53747 | 100951 | 1074940 | 2019020 | 80219 | 150673 |
| 3400 | 148110 | 46661 | 101449 | 933220 | 2028980 | 69643 | 151416 |
| 3380 | 142738 | 42506 | 100232 | 850120 | 2004640 | 63442 | 149600 |
| 3360 | 124116 | 28434 | 95682 | 568680 | 1913640 | 42439 | 142809 |
| 3340 | 104902 | 23901 | 81001 | 478020 | 1620020 | 35673 | 120897 |
| 3320 | 76620 | 14186 | 62434 | 283720 | 1248680 | 21173 | 93185 |
| 3300 | 45010 | 20488 | 24522 | 409760 | 490440 | 30579 | 36600 |
| | | | | | | ore tons | 840661 |
| | | | | | | waste+L.G. tons | 1262249 |
| | | | | | | waste+L.G./ore ratio | 1.5 : 1 |

| table 5. | | | | | | | |
|--|------------|----------|-----------------|---------|-----------------------------|-----------------|-----------------|
| Zenda pit tonnage calculations: 3340 ultimate bench toe | | | | | | | |
| Method: Bench Plan | | | | | | | |
| Date: 25 NOV 96 | | | | | | | |
| For: Saga Exploration Co. | | | | | | | |
| Bench | Total area | ore area | waste+L.G. area | ore vol | waste+L.G. vol | ore tons | waste+L.G. tons |
| 3660 | 1356 | 768 | 588 | 15360 | 11760 | 1146 | 878 |
| 3640 | 3846 | 2240 | 1606 | 44800 | 32120 | 3343 | 2397 |
| 3620 | 4949 | 1760 | 3189 | 35200 | 63780 | 2627 | 4760 |
| 3600 | 8730 | 4269 | 4461 | 85380 | 89220 | 6372 | 6658 |
| 3580 | 12609 | 7195 | 5414 | 143900 | 108280 | 10739 | 8081 |
| 3560 | 22328 | 15709 | 6619 | 314180 | 132380 | 23446 | 9879 |
| 3540 | 35055 | 28157 | 6898 | 563140 | 137960 | 42025 | 10296 |
| 3520 | 47433 | 36293 | 11140 | 725860 | 222800 | 54169 | 16627 |
| 3500 | 81270 | 45281 | 35989 | 905620 | 719780 | 67584 | 53715 |
| 3480 | 104239 | 58743 | 45496 | 1174860 | 909920 | 87676 | 67904 |
| 3460 | 122453 | 63504 | 58949 | 1270080 | 1178980 | 94782 | 87984 |
| 3440 | 132572 | 69401 | 63171 | 1388020 | 1263420 | 103584 | 94285 |
| 3420 | 133316 | 53747 | 79569 | 1074940 | 1591380 | 80219 | 118760 |
| 3400 | 120848 | 46661 | 74187 | 933220 | 1483740 | 69643 | 110727 |
| 3380 | 103500 | 42506 | 60994 | 850120 | 1219880 | 63442 | 91036 |
| 3360 | 75535 | 28434 | 47101 | 568680 | 942020 | 42439 | 70300 |
| 3340 | 41979 | 23901 | 18078 | 478020 | 361560 | 35673 | 26982 |
| | | | | | ore tons | 788909 | |
| | | | | | waste+L.G. tons | 781267 | |
| | | | | | waste+L.G./ore ratio | 0.99 : 1 | |

| table 6. | | | | | | | |
|--|------------|----------|-----------------|---------|-----------------------------|-----------------|-----------------|
| Zenda pit tonnage calculations: 3380 ultimate bench toe | | | | | | | |
| Method: Bench Plan | | | | | | | |
| Date: 25 NOV 96 | | | | | | | |
| For: Saga Exploration Co. | | | | | | | |
| Bench | Total area | ore area | waste+L.G. area | Ore VOL | waste+L.G. vol | ore tons | waste+L.G. tons |
| 3660 | 1356 | 768 | 588 | 15360 | 11760 | 1146 | 878 |
| 3640 | 3846 | 2240 | 1606 | 44800 | 32120 | 3343 | 2397 |
| 3620 | 4949 | 1760 | 3189 | 35200 | 63780 | 2627 | 4760 |
| 3600 | 8730 | 4269 | 4461 | 85380 | 89220 | 6372 | 6658 |
| 3580 | 12609 | 7195 | 5414 | 143900 | 108280 | 10739 | 8081 |
| 3560 | 22328 | 15709 | 6619 | 314180 | 132380 | 23446 | 9879 |
| 3540 | 35055 | 28157 | 6898 | 563140 | 137960 | 42025 | 10296 |
| 3520 | 47433 | 36293 | 11140 | 725860 | 222800 | 54169 | 16627 |
| 3500 | 101544 | 45281 | 56263 | 905620 | 1125260 | 67584 | 83975 |
| 3480 | 111496 | 58743 | 52753 | 1174860 | 1055060 | 87676 | 78736 |
| 3460 | 115673 | 63504 | 52169 | 1270080 | 1043380 | 94782 | 77864 |
| 3440 | 124151 | 69401 | 54750 | 1388020 | 1095000 | 103584 | 81716 |
| 3420 | 122304 | 53747 | 68557 | 1074940 | 1371140 | 80219 | 102324 |
| 3400 | 104823 | 46661 | 58162 | 933220 | 1163240 | 69643 | 86809 |
| 3380 | 79926 | 42506 | 37420 | 850120 | 748400 | 63442 | 55851 |
| | | | | | ore tons | 710797 | |
| | | | | | waste+L.G. tons | 626849 | |
| | | | | | waste+L.G./ore ratio | 0.88 : 1 | |

| | | | | | | | | |
|----------|--|--|--|--|--|--|--|--|
| table 7. | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |

Zenda average grade by bench and contained oz. Au

Method: Bench plan

Date: 25 NOV 96

By: D. Odt

For: Saga Exploration Co.

| bench | ore area | ore vol | ore tons | avg grade | contained oz. | # smpl on bench |
|-----------------------------|----------|--------------------------|---------------|-----------|---------------|-----------------|
| 3660 | 768 | 15360 | 1146 | 0.053 | 61 | 0 |
| 3640 | 2240 | 44800 | 3343 | 0.053 | 177 | 0 |
| 3620 | 1760 | 35200 | 2627 | 0.053 | 139 | 0 |
| 3600 | 4269 | 85380 | 6372 | 0.053 | 338 | 0 |
| 3580 | 7195 | 143900 | 10739 | 0.053 | 569 | 3 |
| 3560 | 15709 | 314180 | 23446 | 0.049 | 1149 | 10 |
| 3540 | 28157 | 563140 | 42025 | 0.081 | 3404 | 6 |
| 3520 | 36293 | 725860 | 54169 | 0.055 | 2979 | 14 |
| 3500 | 45281 | 905620 | 67584 | 0.053 | 3582 | 16 |
| 3480 | 58743 | 1174860 | 87676 | 0.064 | 5611 | 18 |
| 3460 | 63504 | 1270080 | 94782 | 0.051 | 4834 | 18 |
| 3440 | 69401 | 1388020 | 103584 | 0.044 | 4558 | 16 |
| 3420 | 53747 | 1074940 | 80219 | 0.045 | 3610 | 14 |
| 3400 | 46661 | 933220 | 69643 | 0.039 | 2716 | 17 |
| 3380 | 42506 | 850120 | 63442 | 0.043 | 2728 | 10 |
| 3360 | 28434 | 568680 | 42439 | 0.064 | 2716 | 10 |
| 3340 | 23901 | 478020 | 35673 | 0.052 | 1855 | 6 |
| 3320 | 14186 | 283720 | 21173 | 0.042 | 889 | 9 |
| 3300 | 20488 | 409760 | 30579 | 0.047 | 1437 | 3 |
| 3280 | 11020 | 220400 | 16448 | 0.039 | 641 | 4 |
| 3260 | 7308 | 146160 | 10907 | 0.045 | 491 | 3 |
| | | | | | | |
| 3260 ultimate bench: | | tons | 868016 | | | |
| | | grade | 0.051 | | | |
| | | contained oz. Au | 44485 | | | |
| | | | | | | |
| 3300 ultimate bench: | | tons | 840661 | | | |
| | | grade | 0.052 | | | |
| | | contained oz. Au. | 43353 | | | |
| | | | | | | |
| 3340 ultimate bench: | | tons | 788909 | | | |
| | | grade | 0.053 | | | |
| | | contained oz. Au | 41026 | | | |
| | | | | | | |
| 3380 ultimate bench: | | tons | 710797 | | | |
| | | grade | 0.053 | | | |
| | | contained oz. Au | 36455 | | | |

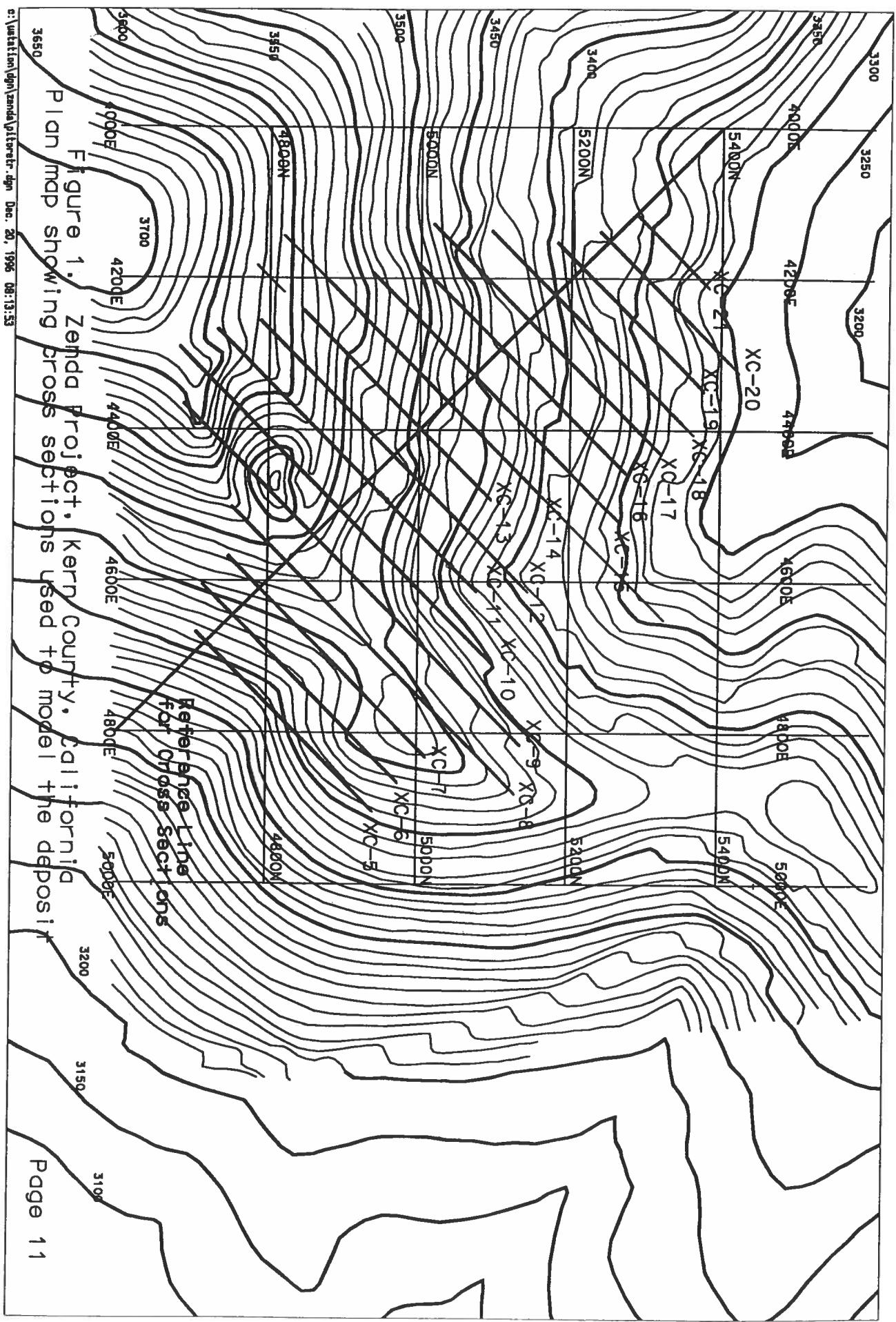


Figure 2. Zenda Project, Kern County, California
Grade Model
Cross Section 5

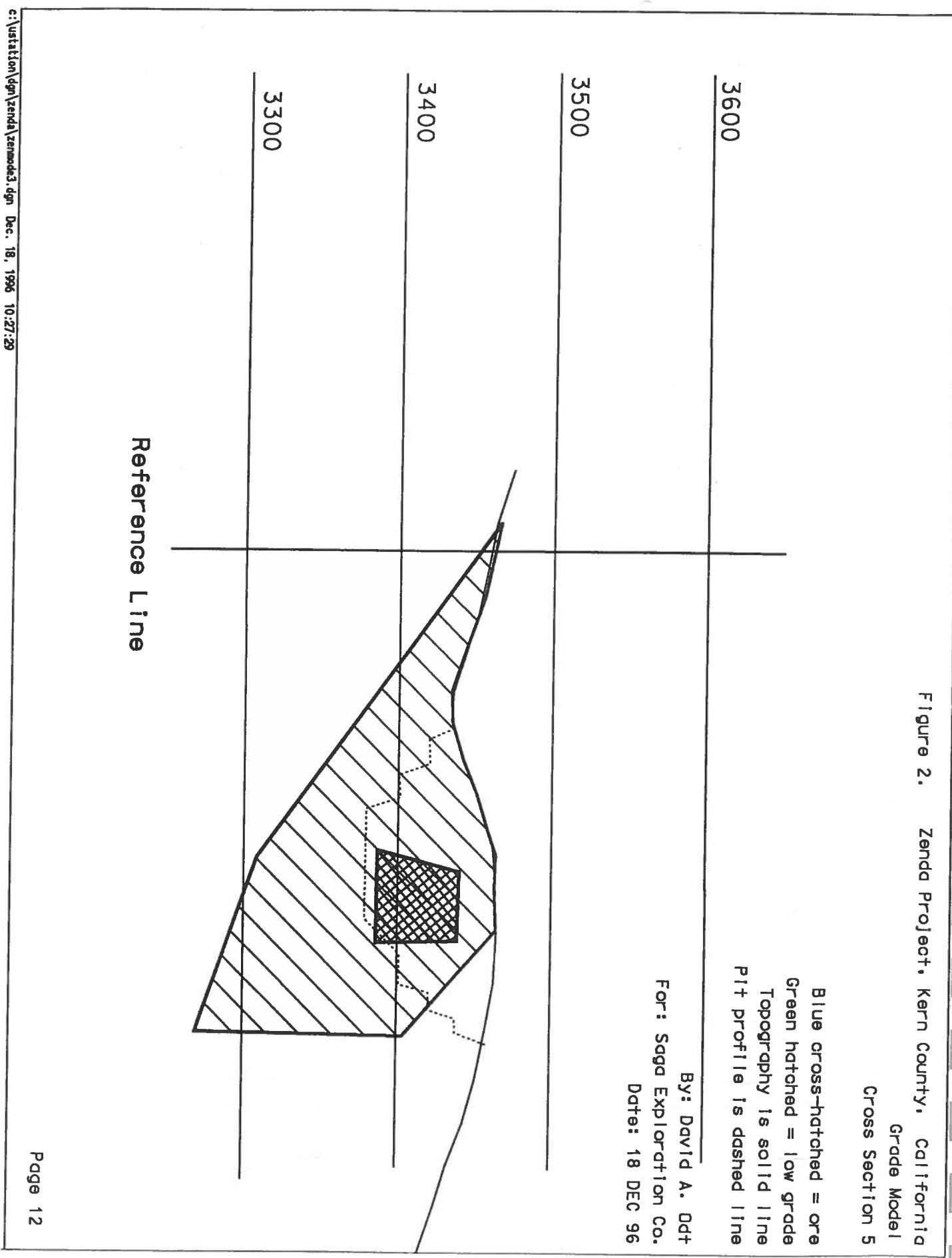


Figure 3. Zenda Project, Kern County, California
Grade Model
Cross Section 6

Blue cross-hatched = ore
Green hatched = low grade
Topography is solid line
Pit profile is dashed line

3600

By: David A. Odt
For: Saga Exploration Co.
Date: 18 DEC 96

3500

3400

3300

Reference Line

Figure 4. Zenda Project, Kern County, California
Grade Model
Cross Section 7

Blue cross-hatched = ore
Green hatched = low grade
Topography is solid line
Pit profile is dashed line

By: David A. Odt
For: Saga Exploration Co.
Date: 18 DEC 96

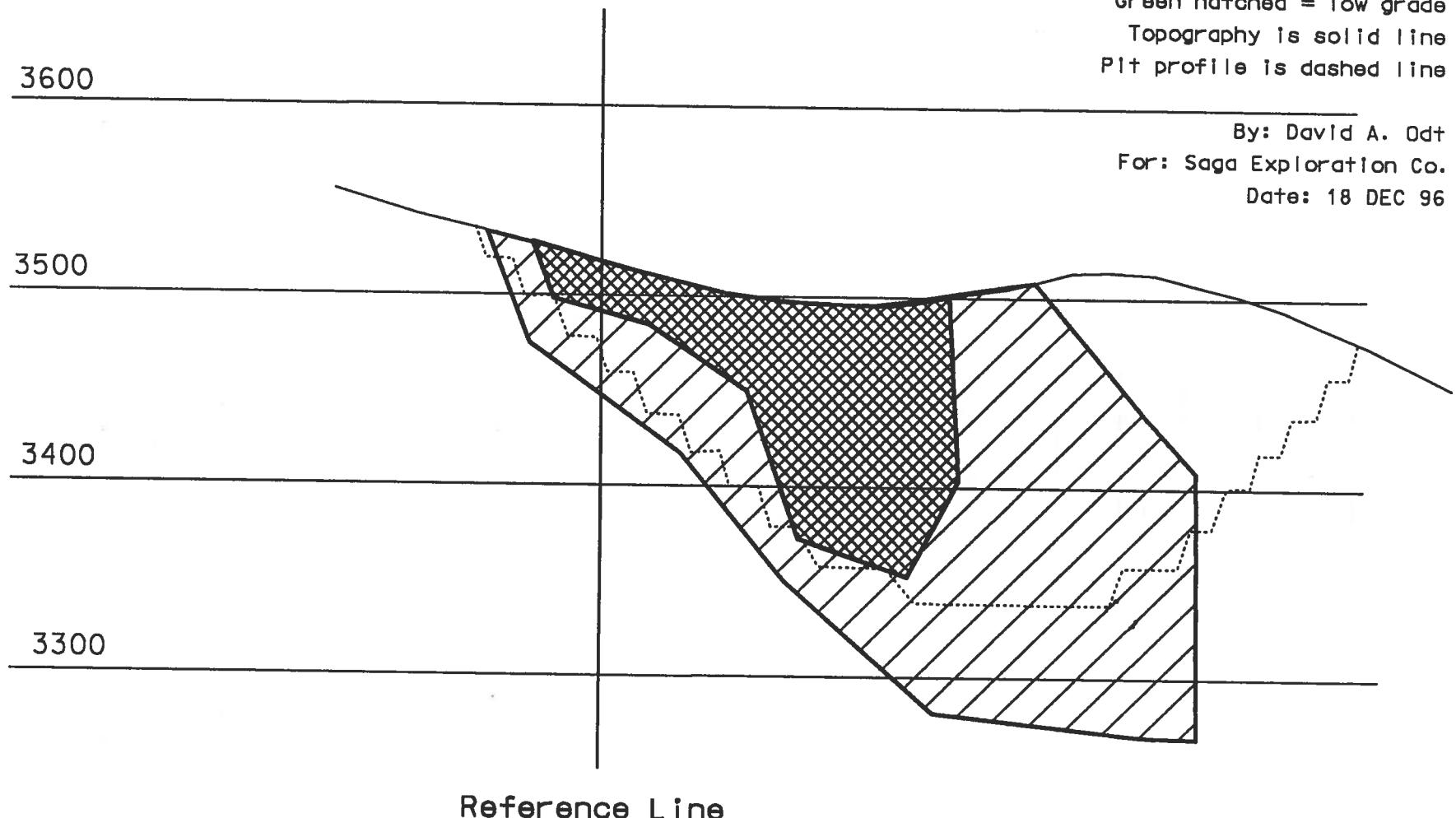


Figure 5. Zenda Project, Kern County, California
Grade Model
Cross Section 8

Blue cross-hatched = ore
Green hatched = low grade
Topography is solid line
Pit profile is dashed line

By: David A. Odt
For: Saga Exploration Co.
Date: 18 DEC 96

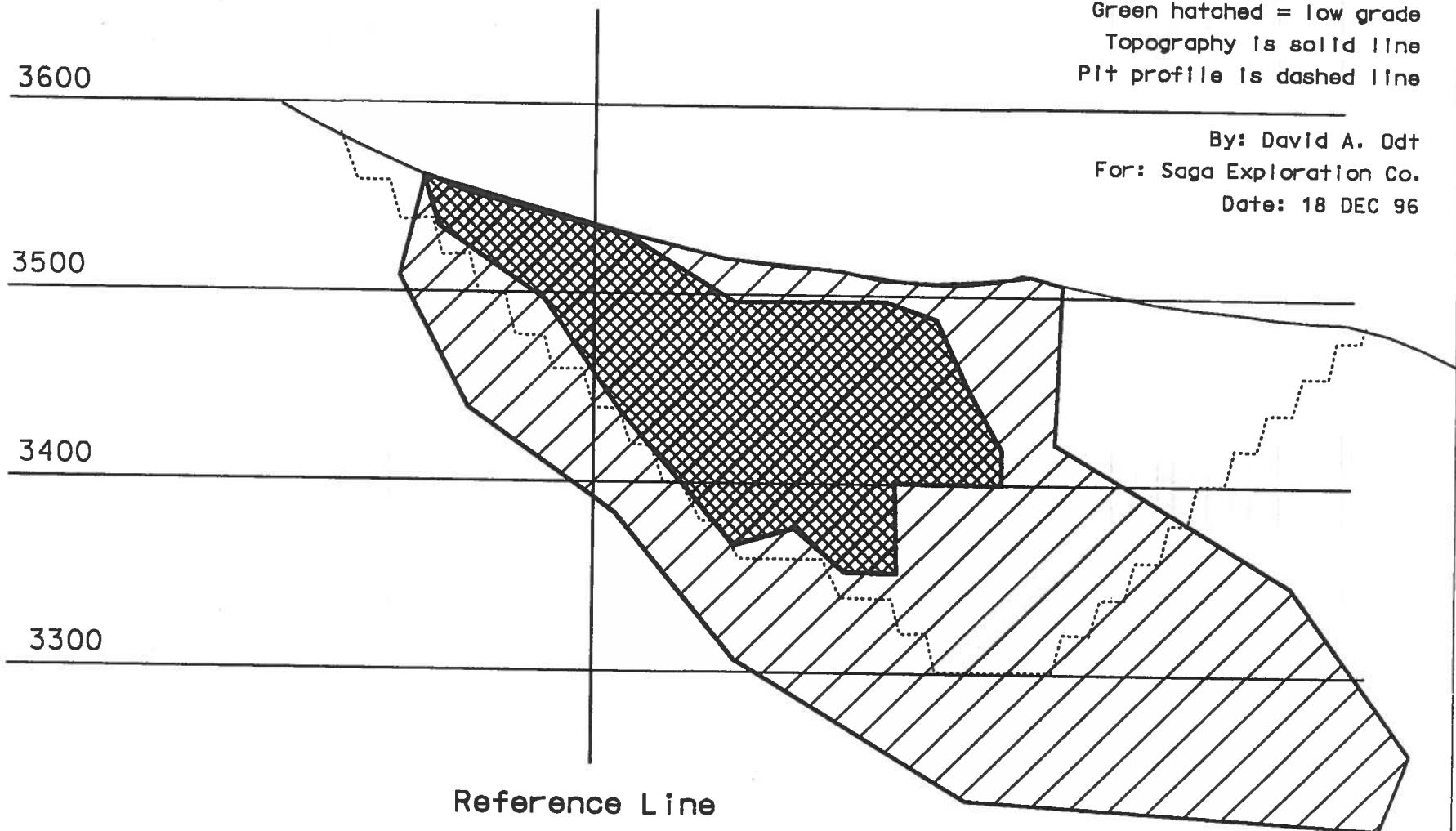


Figure 6. Zenda Project, Kern County, California

Grade Model
Cross Section 9

Blue cross-hatched = ore
Green hatched = low grade
Topography is solid line
Pit profile is dashed line

By: David A. Dot
For: Saga Exploration Co.
Date: 18 DEC 96

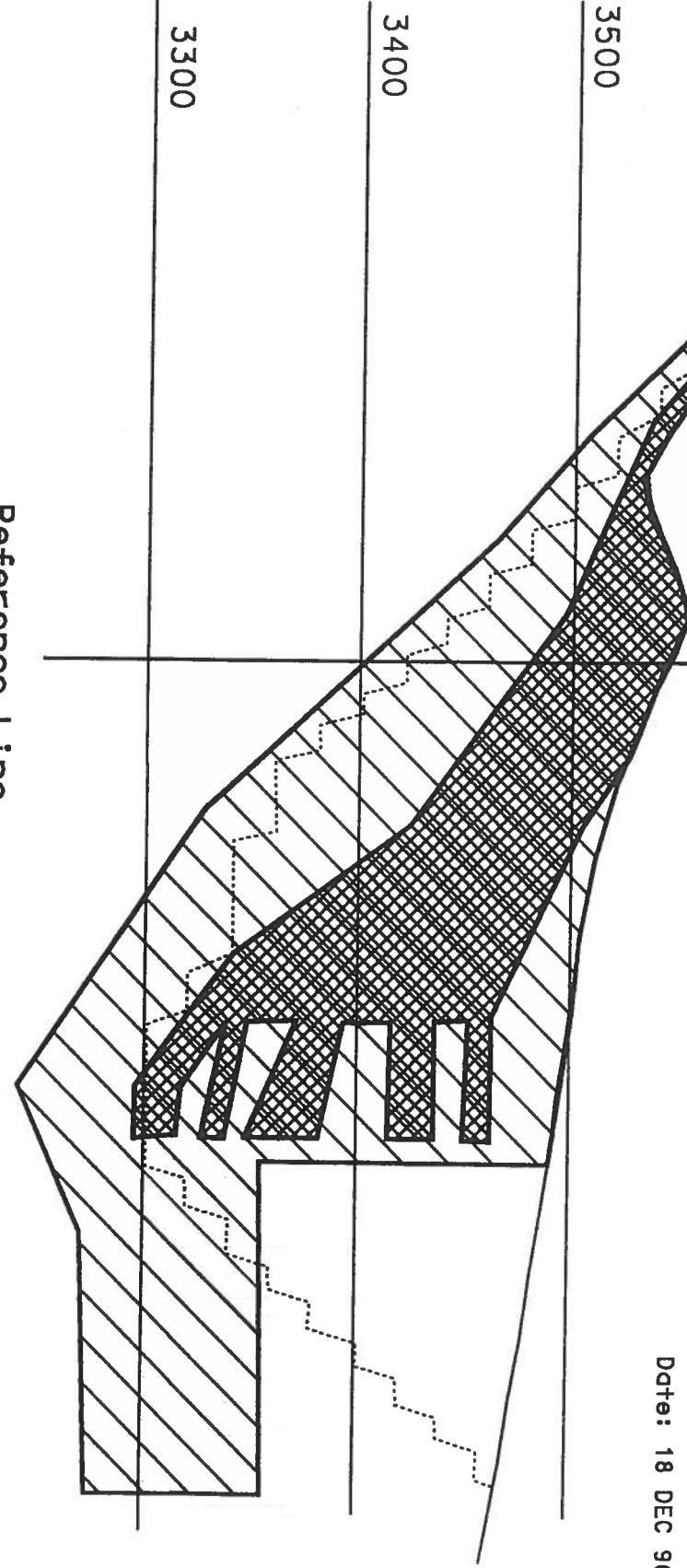
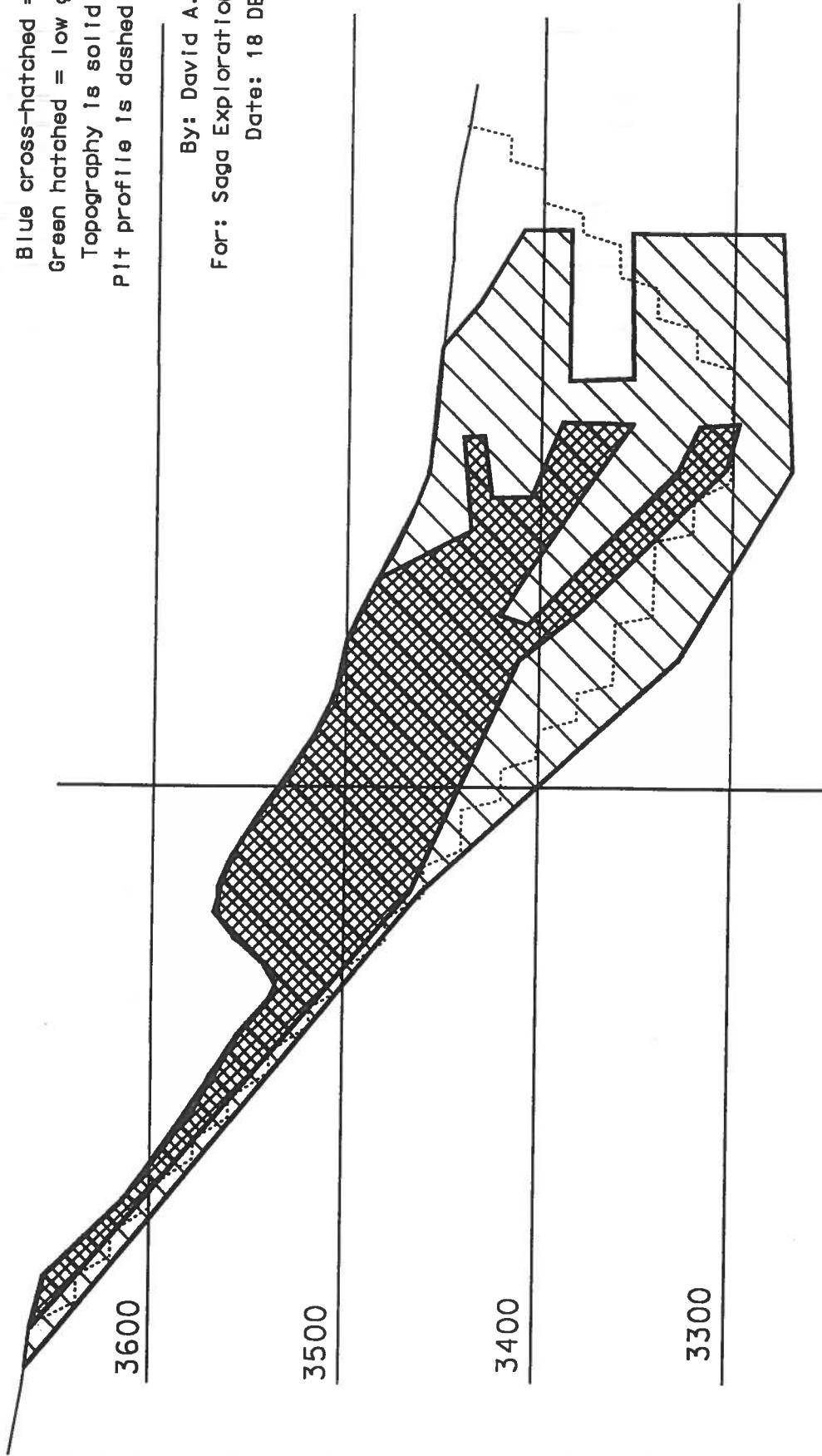


Figure 7. Zenda Project, Kern County, California
Grade Model
Cross Section 10

Blue cross-hatched = ore
Green hatched = low grade
Topography is solid line
Pit profile is dashed line

By: David A. Odell
For: Saga Exploration Co.
Date: 18 DEC 96

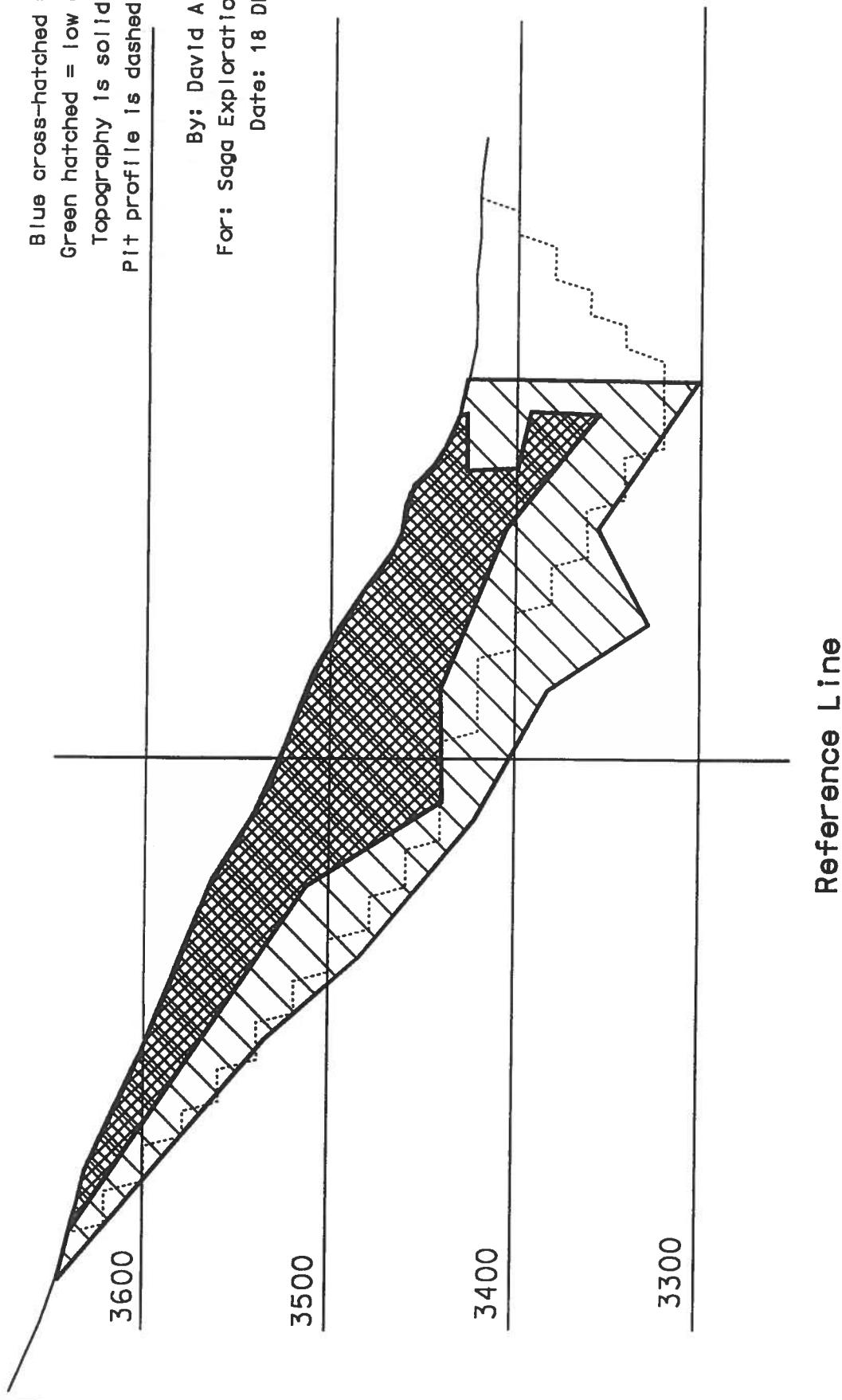


Reference Line

Figure 8. Zenda Project, Kern County, California
Grade Model
Cross Section 11

Blue cross-hatched = ore
Green hatched = low grade
Topography is solid line
Pit profile is dashed line

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Reference Line

Blue cross-hatched = ore
Green hatched = low grade
Topography is solid line
Pit profile is dashed line
Cross Section 12

Figure 9.

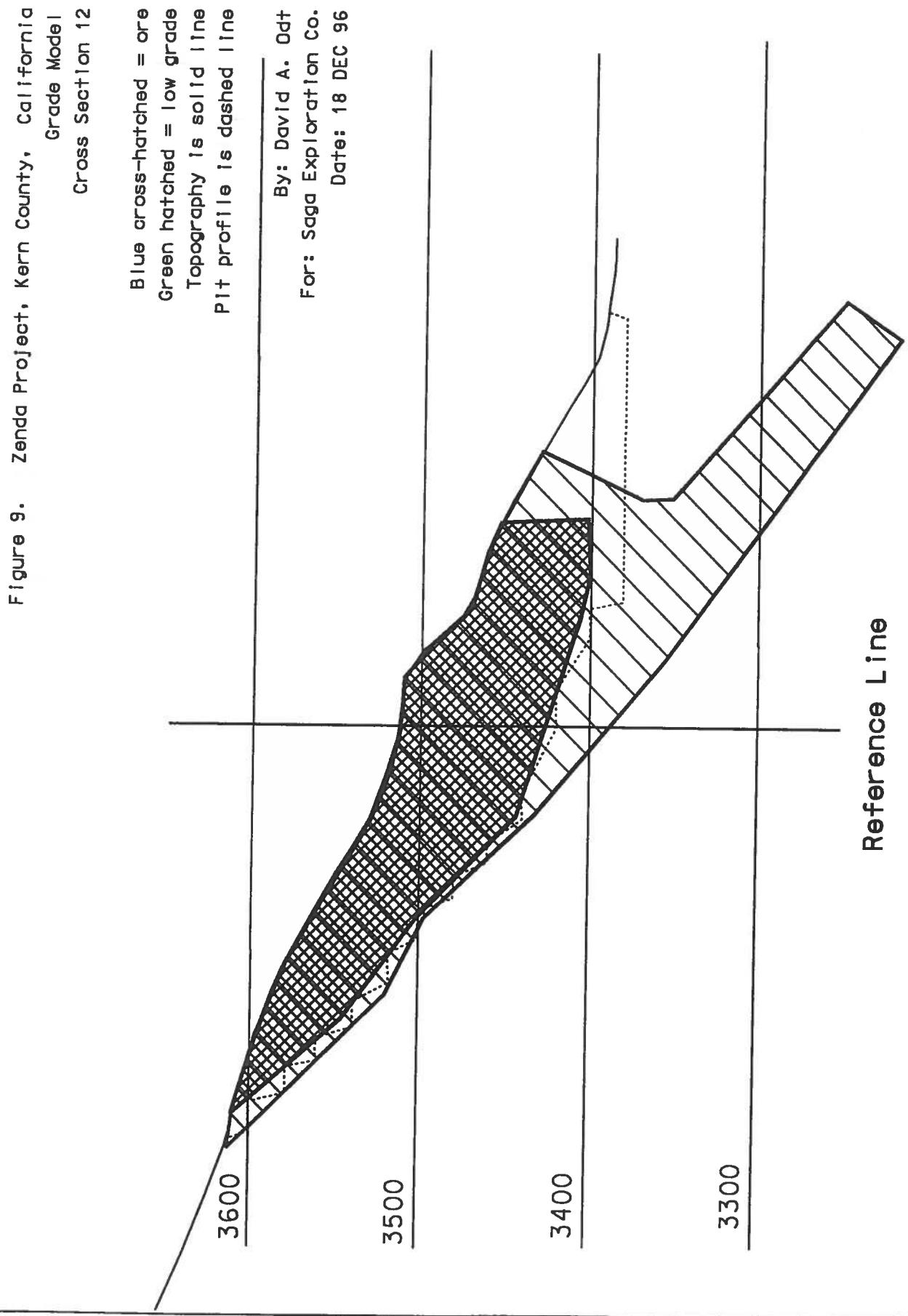
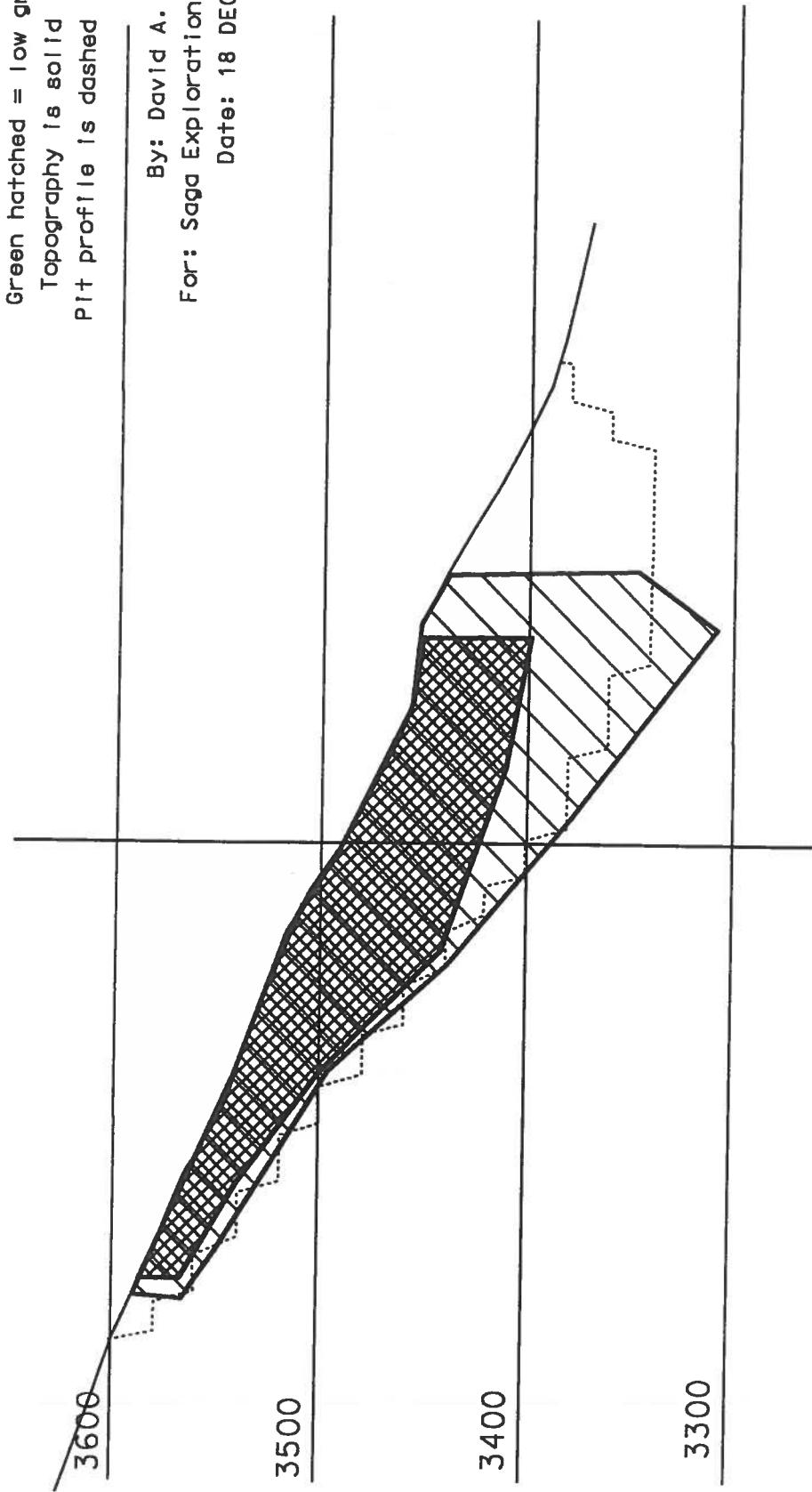


Figure 10.

Zenda Project, Kern County, California
Grade Model
Cross Section 13

Blue cross-hatched = ore
Green hatched = low grade
Topography is solid line
Pit profile is dashed line

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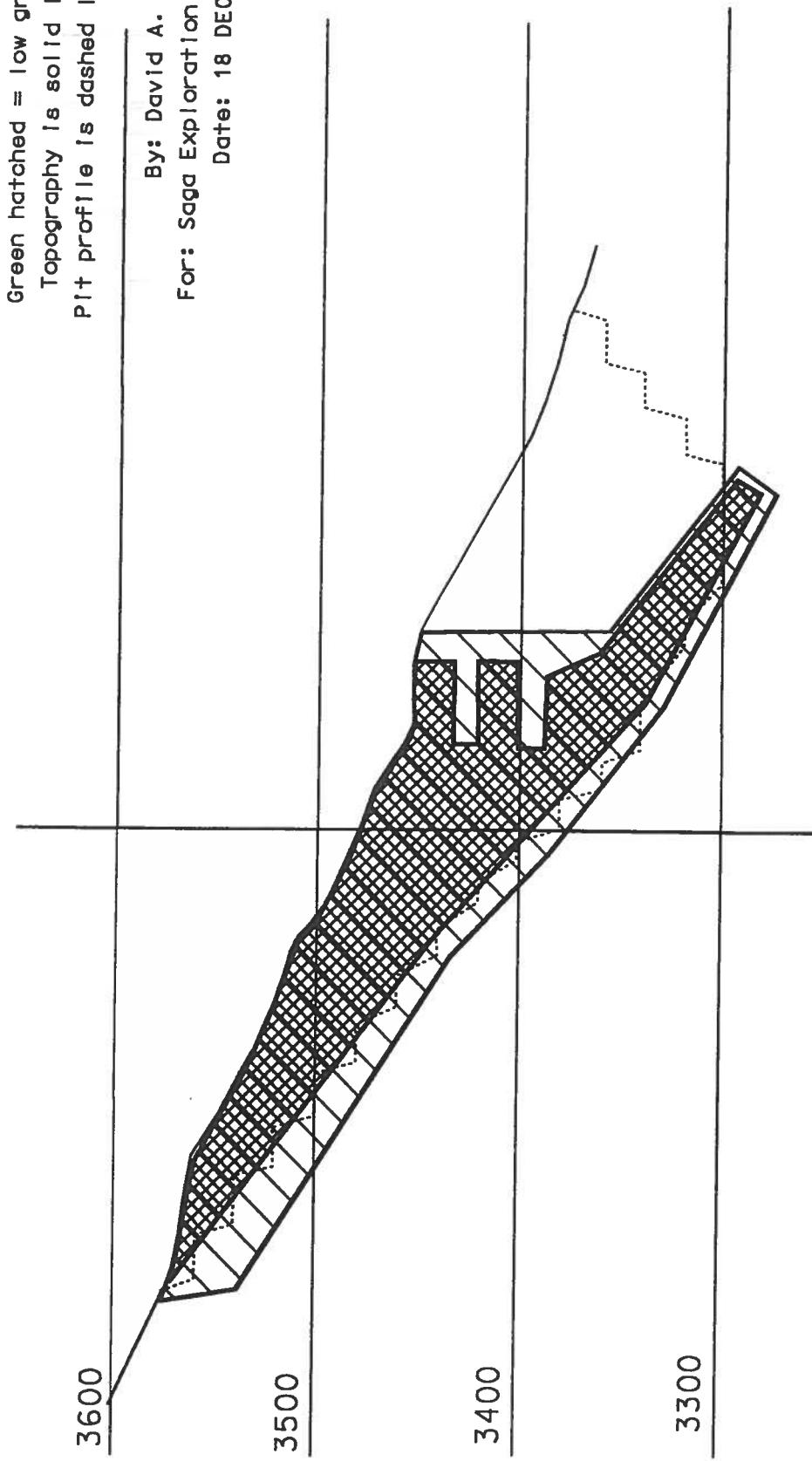
Reference Line

Figure 11.

Zenda Project, Kern County, California
Grade Model
Cross Section 14

Blue cross-hatched = ore
Green hatched = low grade
Topography is solid line
Pit profile is dashed line

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Reference Line

Figure 12. Zenda Project, Kern County, California
Grade Model
Cross Section 15

Green hatched = low grade
Topography is solid line
Profile is dashed line

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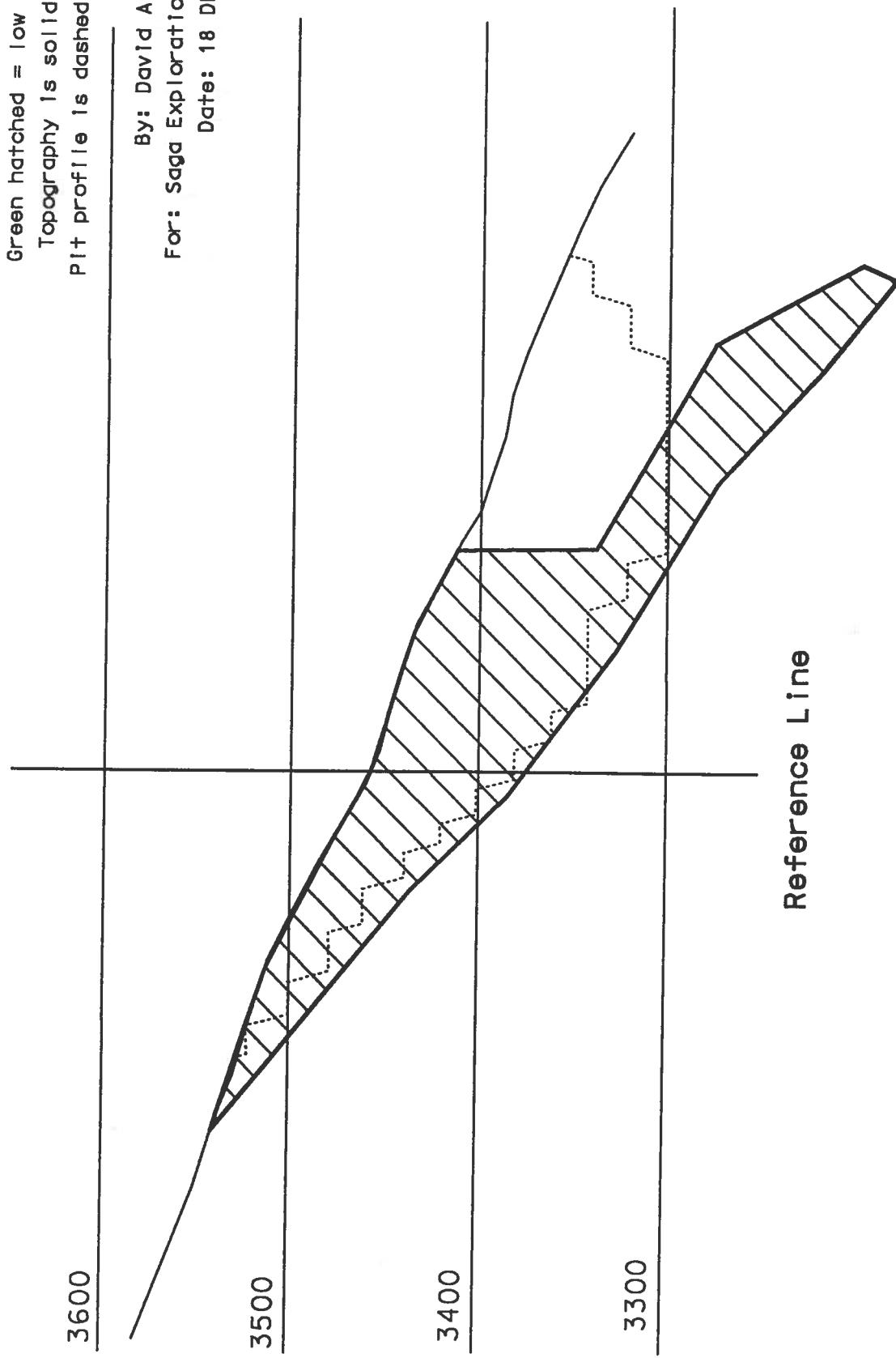


Figure 13. Zenda Project, Kern County, California
Grade Model
Cross Section 16

Blue cross-hatched = ore
Green hatched = low grade
Topography is solid line
Plot profile is dashed line

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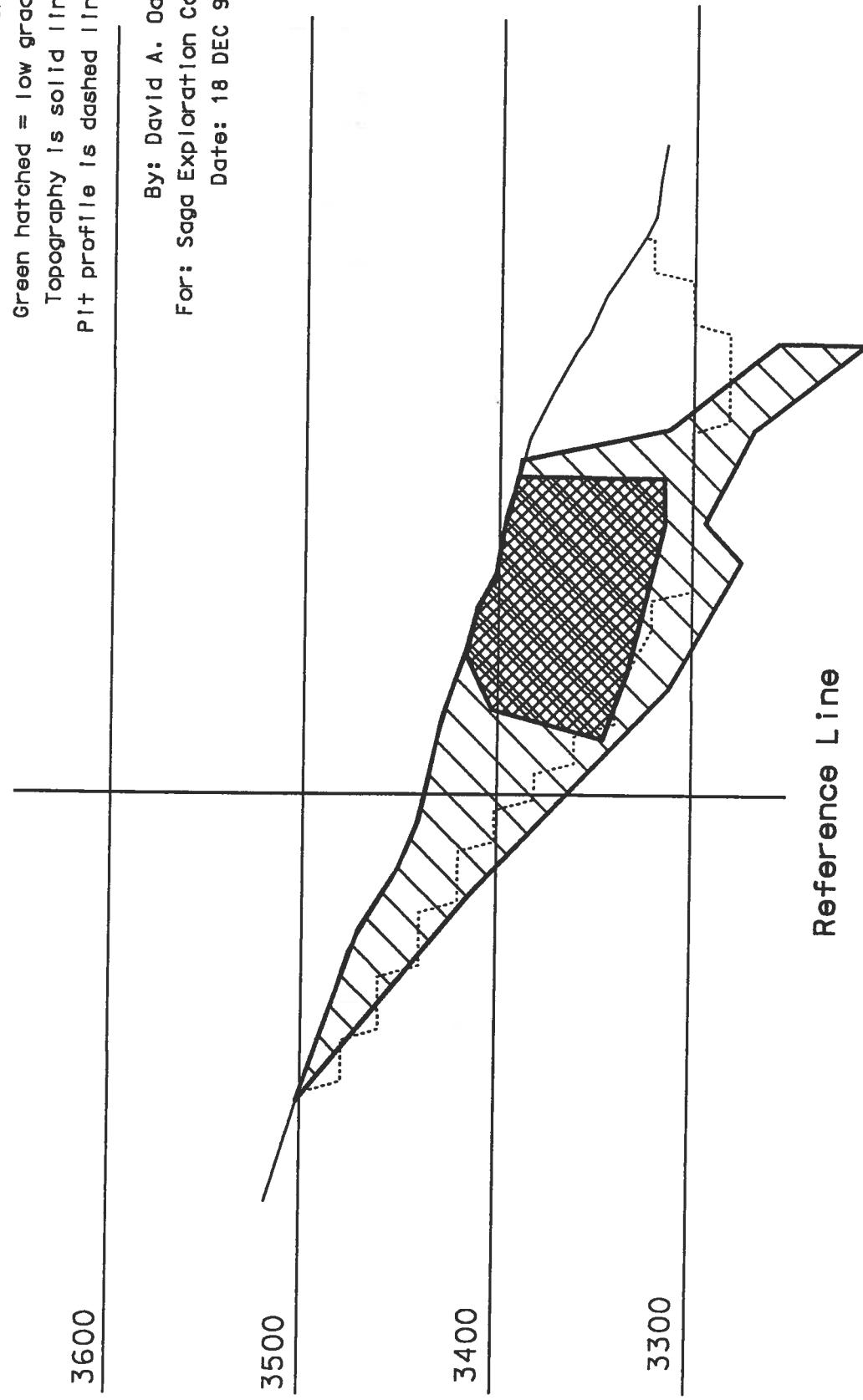


Figure 14. Zenda Project, Kern County, California
Grade Model
Cross Section 17

Blue cross-hatched = ore
Green hatched = low grade
Topography is solid line
Pit profile is dashed line

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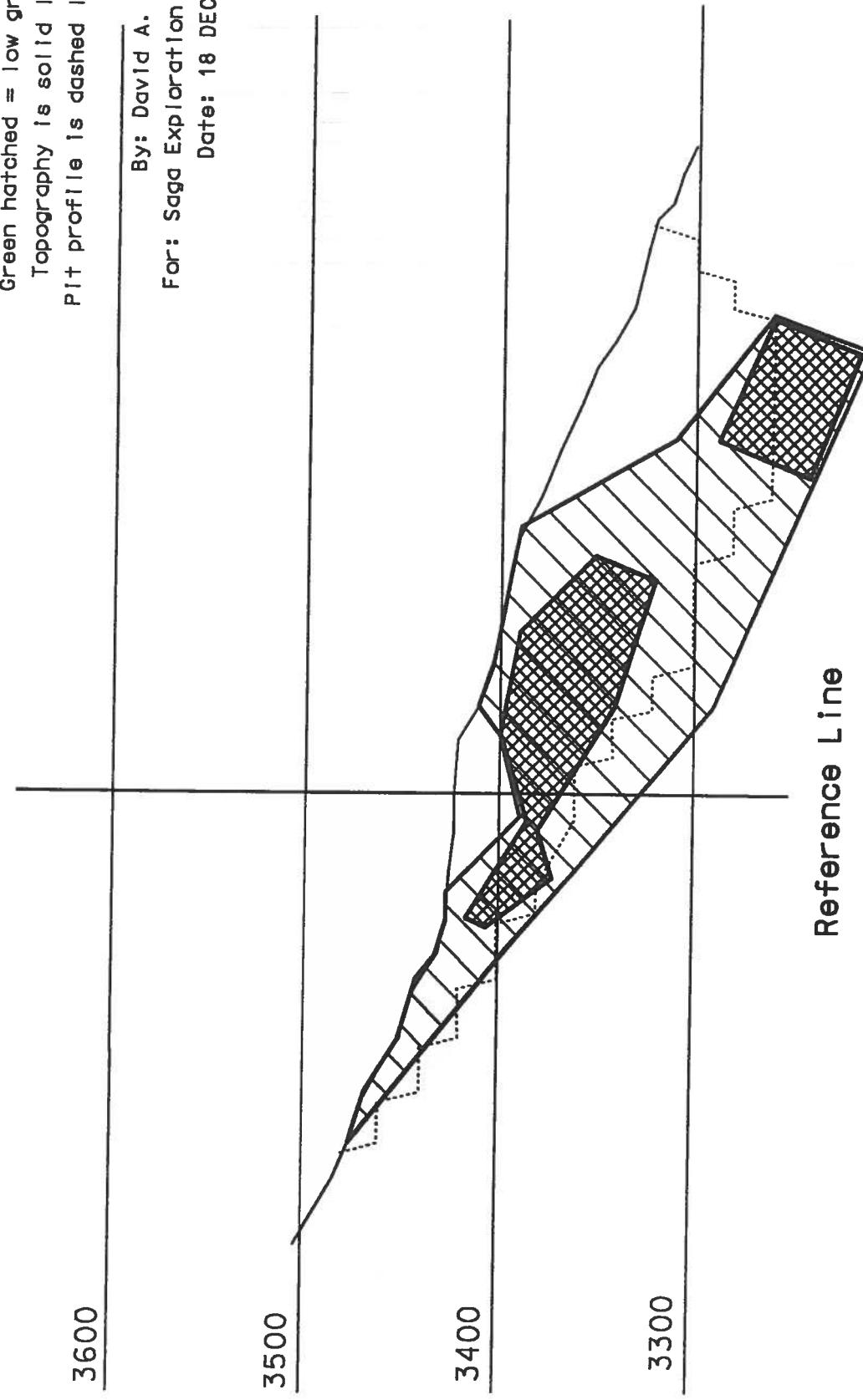


Figure 15. Zenda Project, Kern County, California
Grade Model
Cross Section 18

Blue cross-hatched = ore
Green hatched = low grade
Topography is solid line
Pit profile is dashed line

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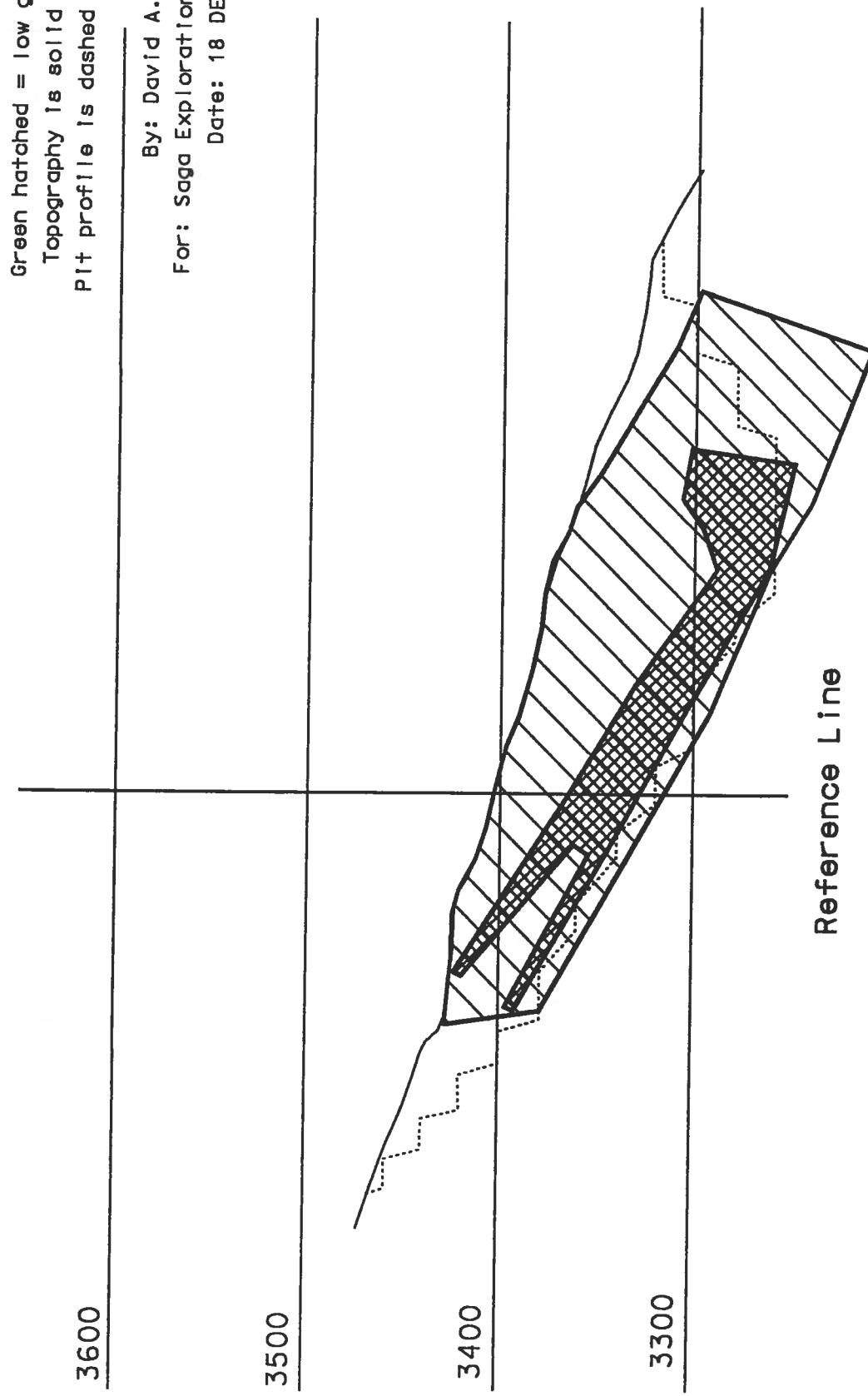


Figure 16. Zenda Project, Kern County, California
Grade Model
Cross Section 19

Blue cross-hatched = ore
Green hatched = low grade
Topography is solid line
Pit profile is dashed line

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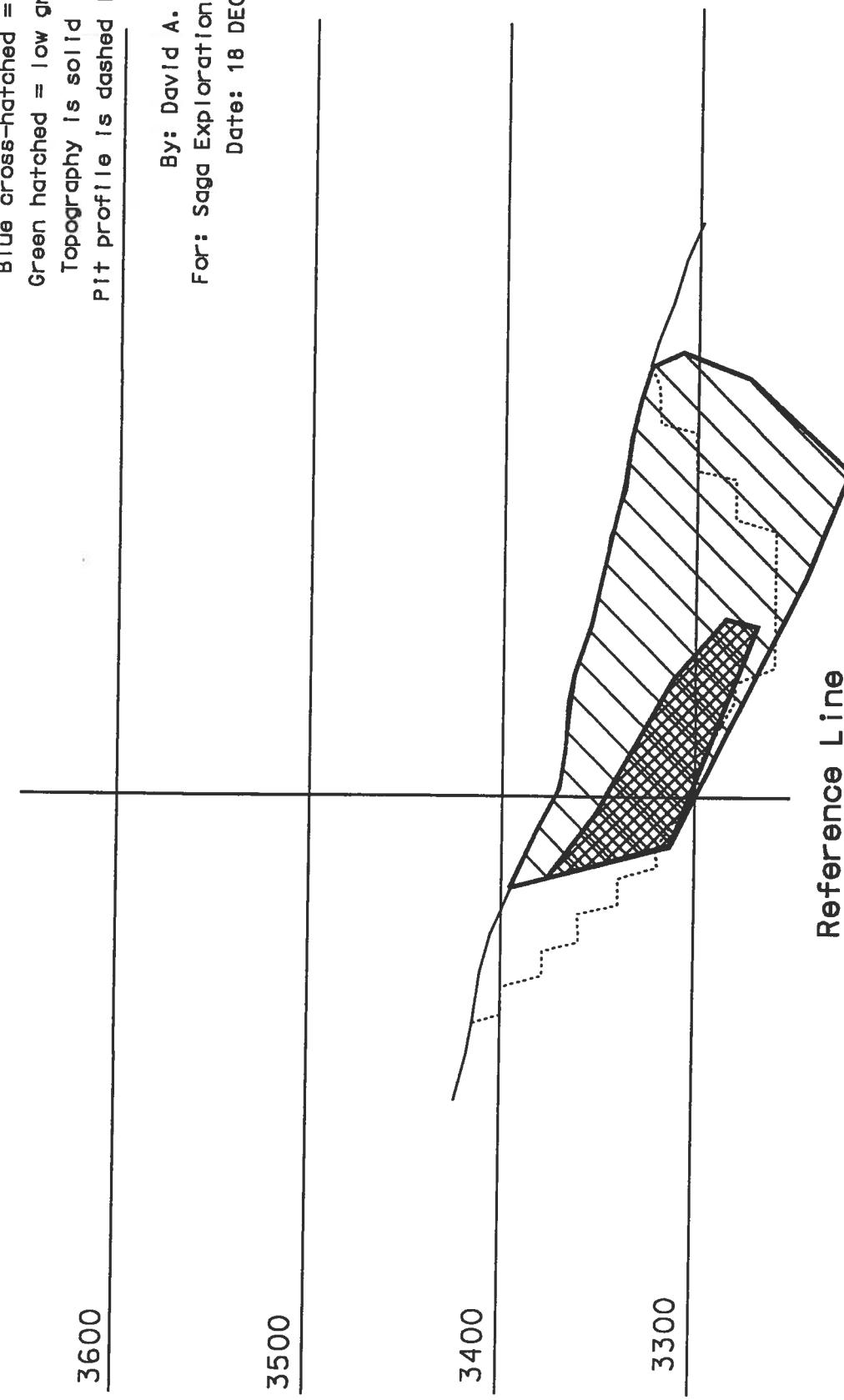


Figure 17. Zenda Project, Kern County, California
Grade Model
Cross Section 20

Blue cross-hatched = ore
Green hatched = low grade
Topography is solid line
Pit profile is dashed line

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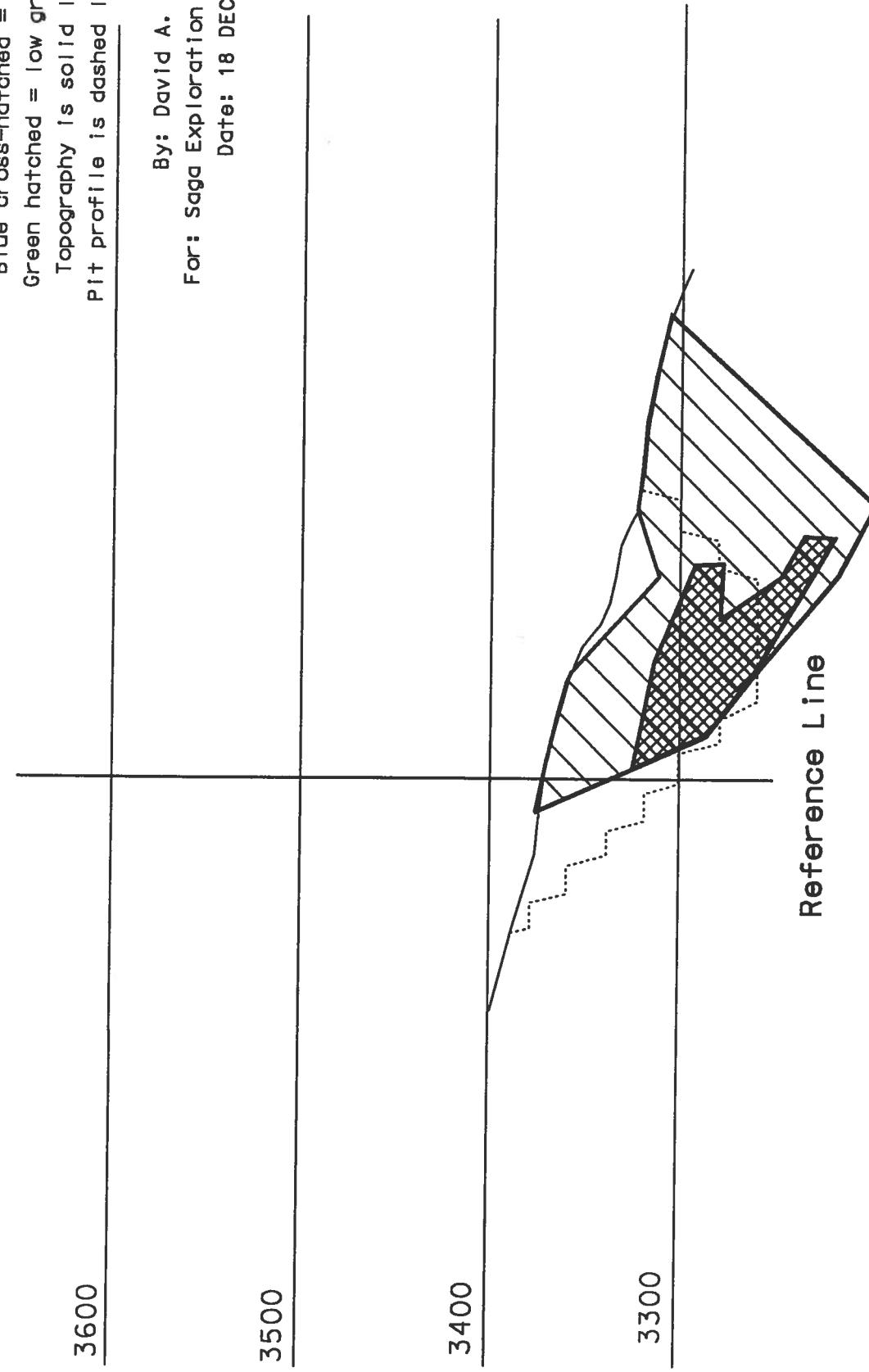


Figure 18. Zenda Project, Kern County, California
Grade Model
Cross Section 21

Blue cross-hatched = ore
Green hatched = low grade
Topography is solid line
Pit profile is dashed line

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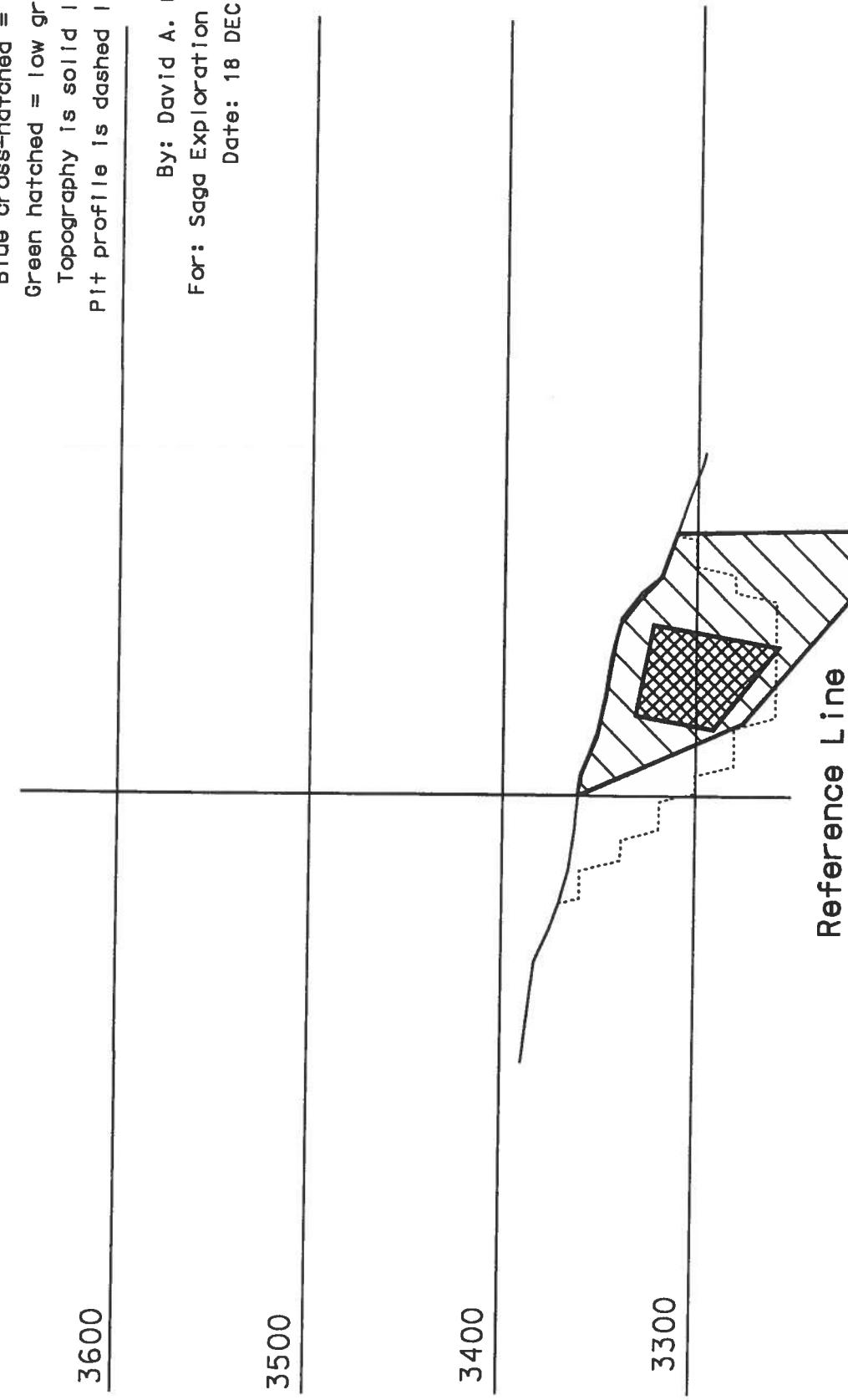
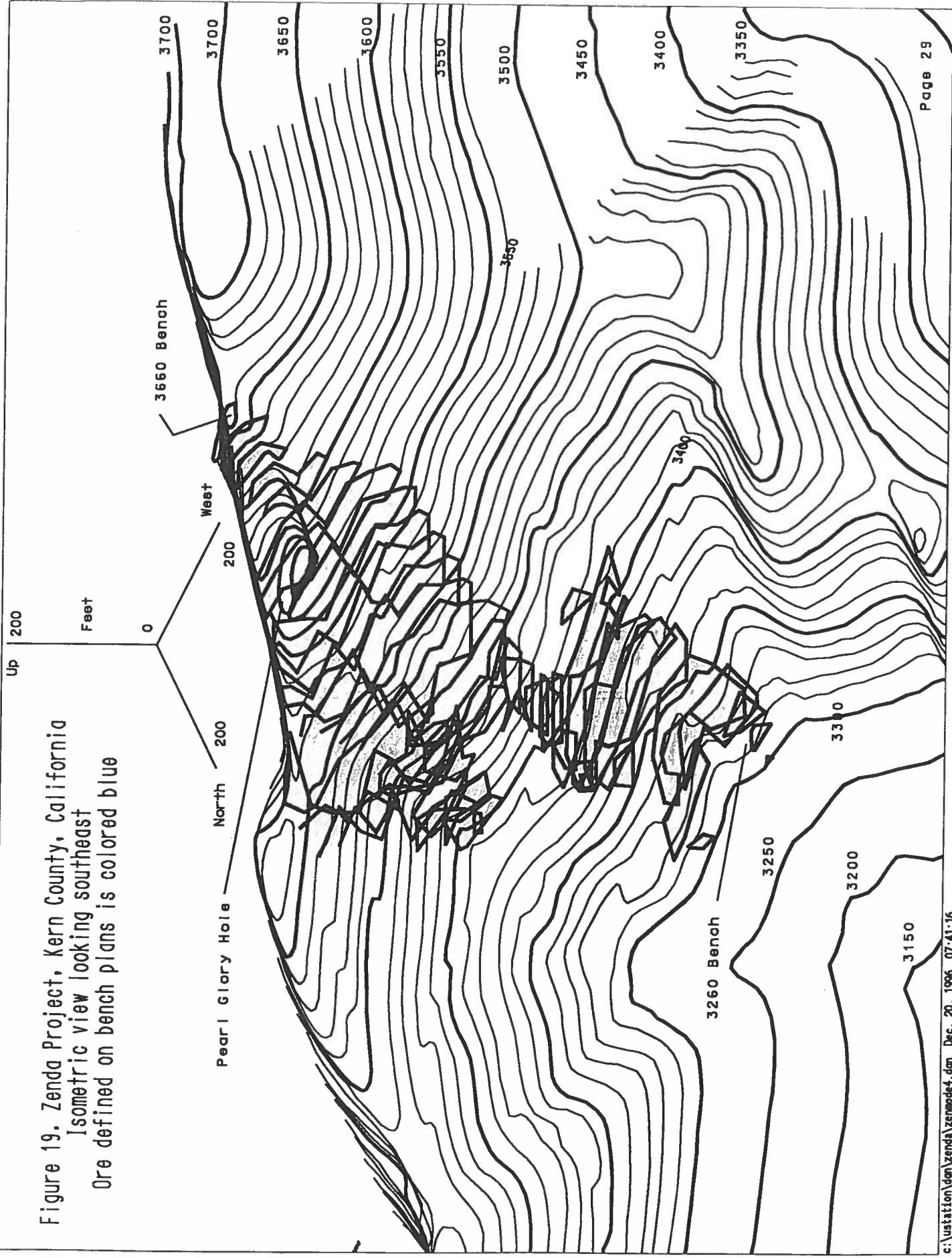


Figure 19. Zenda Project, Kern County, California
Isometric view looking southeast
Ore defined on bench plans is colored blue



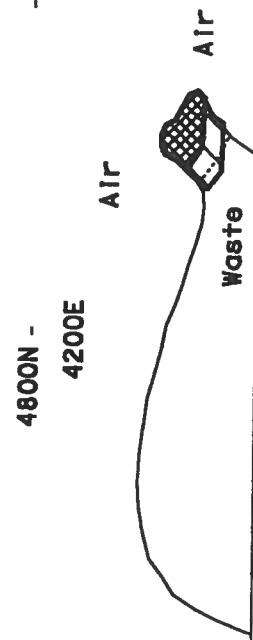
5400N -

Figure 20

Zenda Project, Kern County, California
Grade Model
3660 Bench

Blue cross-hatched = ore
Green hatched = low grade
dashed line = bench toe
solid line = surface topo

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5400N

Figure 21

Zenda Project, Kern County, California
Grade Model
3640 Bench

Blue cross-hatched = ore
Green hatched = low grade
dashed line = bench toe
solid line = surface topo

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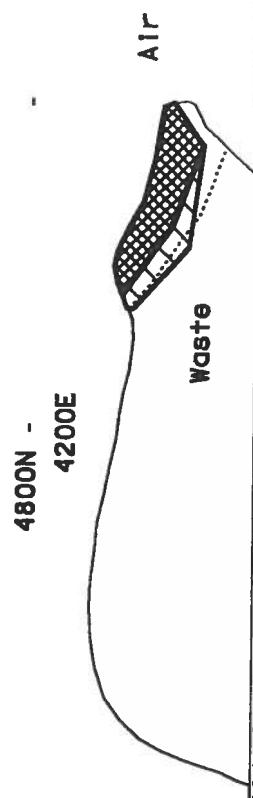


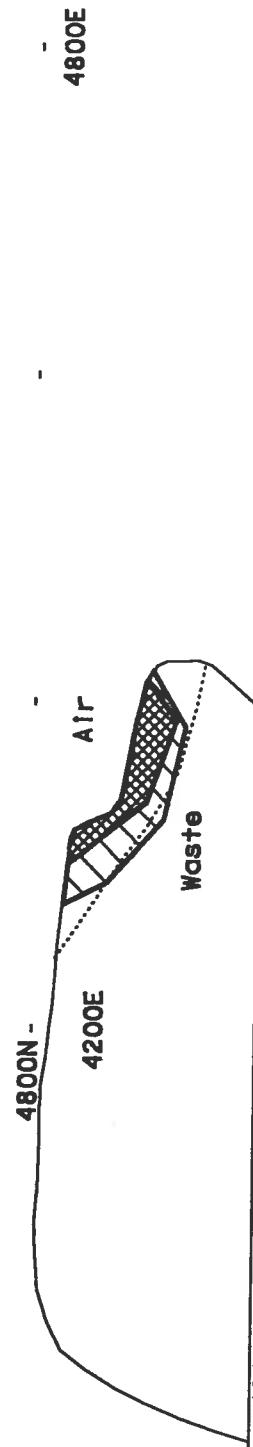
Figure 22

Zenda Project, Kern County, California
Grade Model
3620 Bench

Blue cross-hatched = ore
Green hatched = low grade
dashed line = bench toe
solid line = surface topo

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5400N



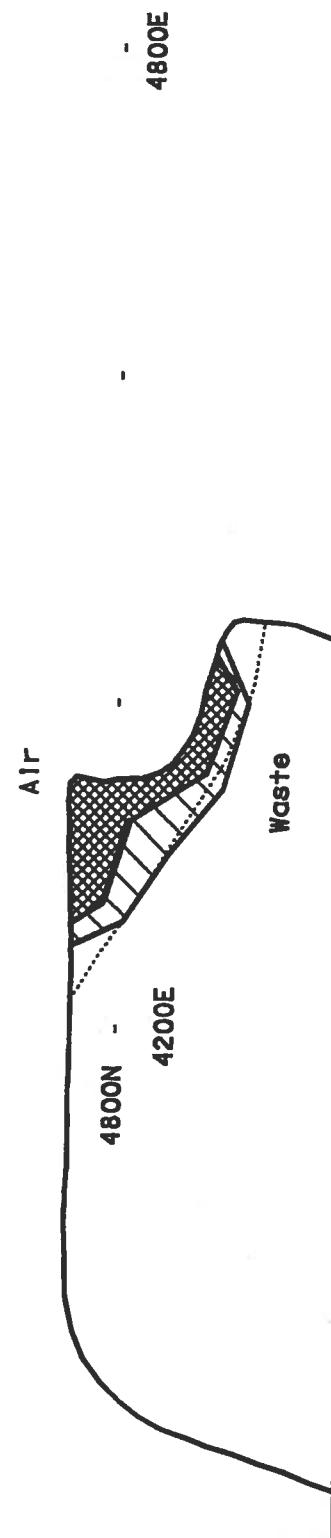
5400N

Figure 23

Zenda Project, Kern County, California
Grade Model
3600 Bench

Blue cross-hatched = ore
Green hatched = low grade
dashed line = bench toe
solid line = surface topo

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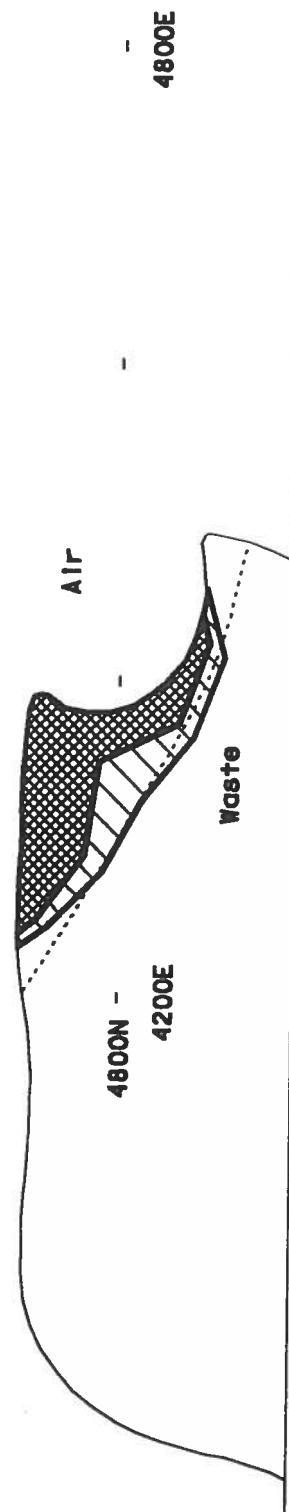
5400N

Figure 24

Zenda Project, Kern County, California
Grade Model
3580 Bench

Blue cross-hatched = ore
Green hatched = low grade
dashed line = bench toe
solid line = surface topo

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5400N

Figure 25

Zenda Project, Kern County, California
Grade Model
3560 Bench

Blue cross-hatched = ore
Green hatched = low grade
dashed line = bench toe
solid line = surface topo

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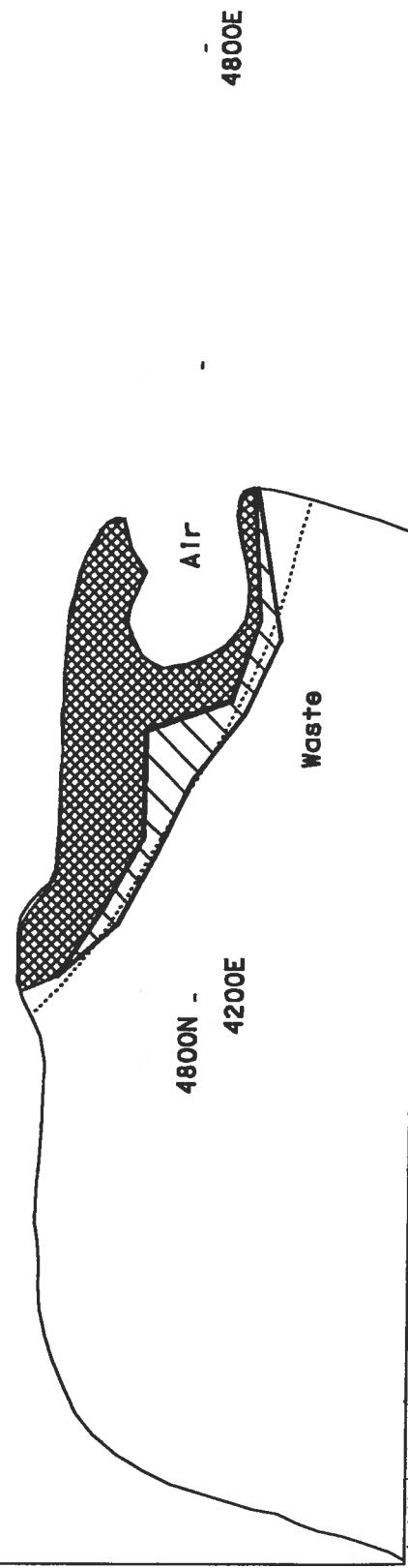


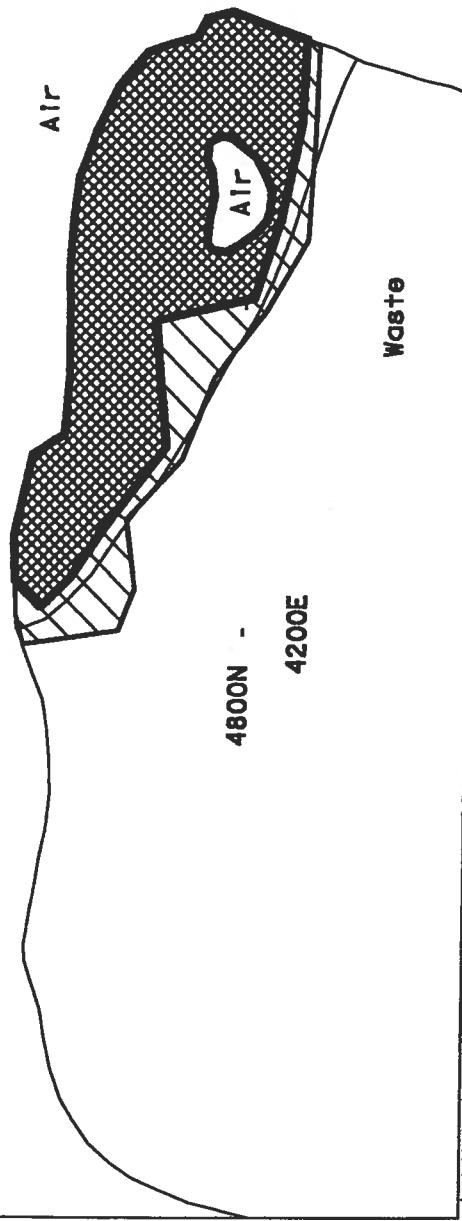
Figure 26

Zenda Project, Kern County, California
Grade Model
3540 Bench

Blue cross-hatched = ore
Green hatched = low grade
dashed line = bench toe
solid line = surface topo

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5400N



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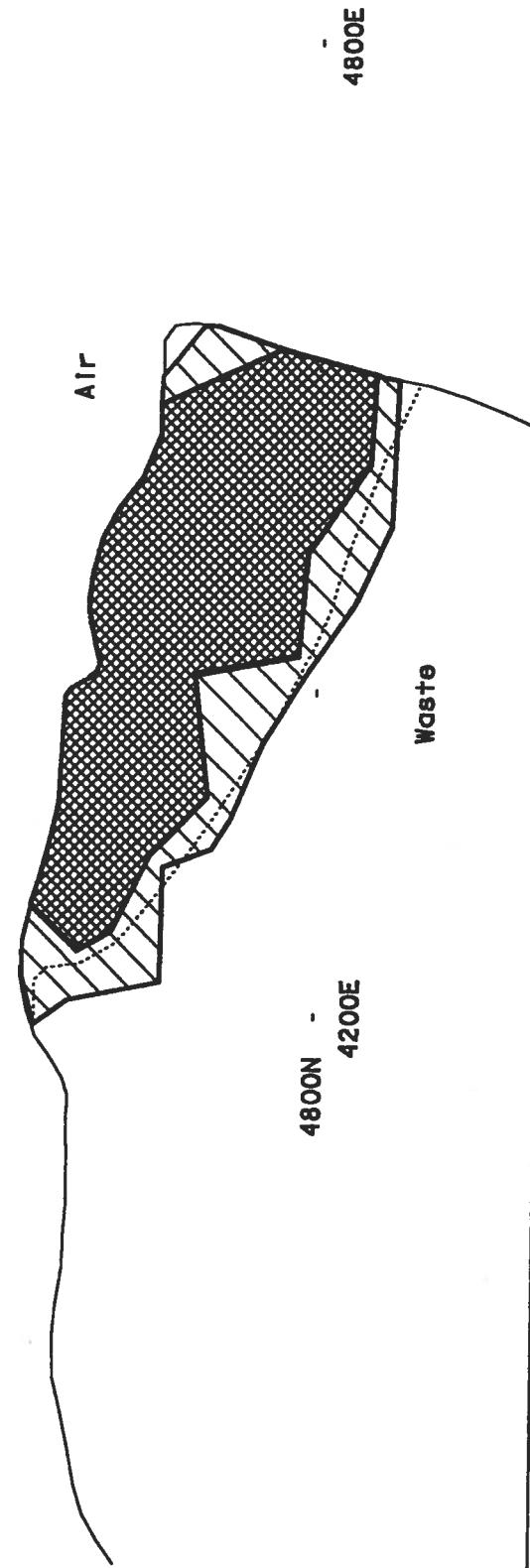
5400N

Figure 27

Zenda Project, Kern County, California
Grade Model
3520 Bench

Blue cross-hatched = ore
Green hatched = low grade
dashed line = bench toe
solid line = surface topo

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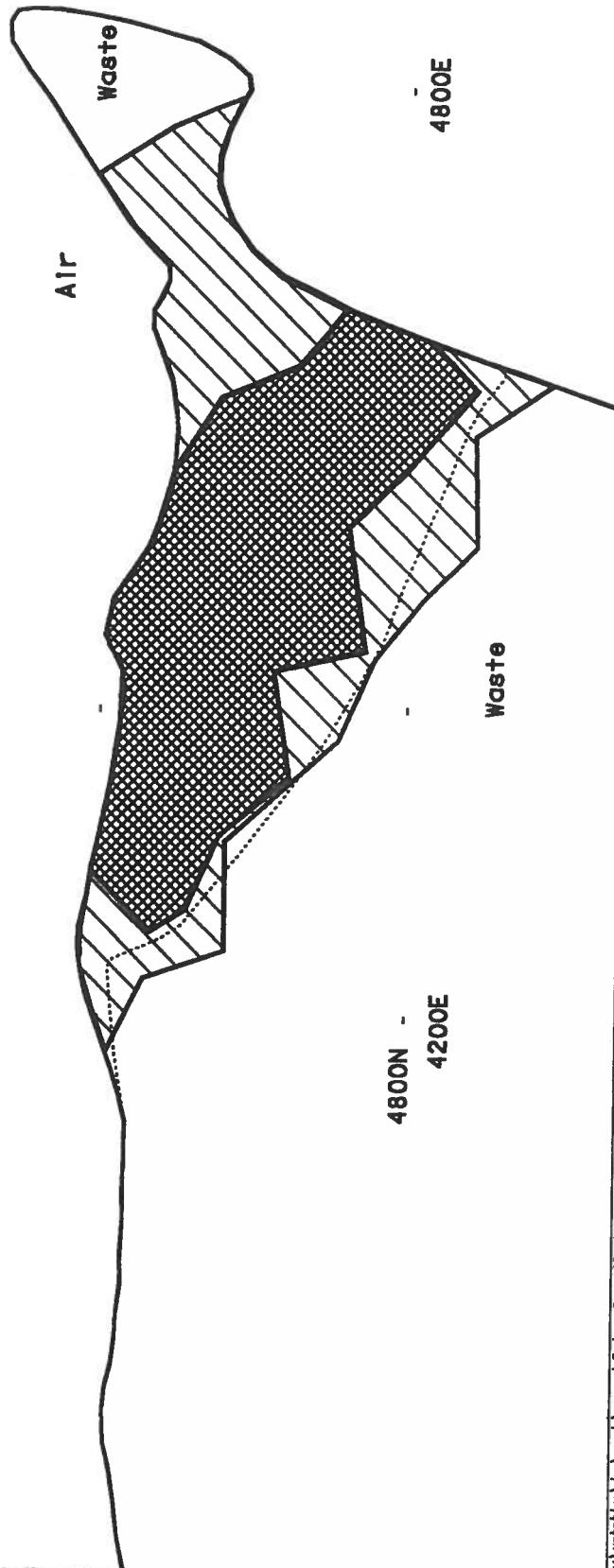
Figure 28

Zenda Project, Kern County, California
Grade Model
3500 Bench

Blue cross-hatched = ore
Green hatched = low grade
dashed line = bench toe
solid line = surface topo

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5400N



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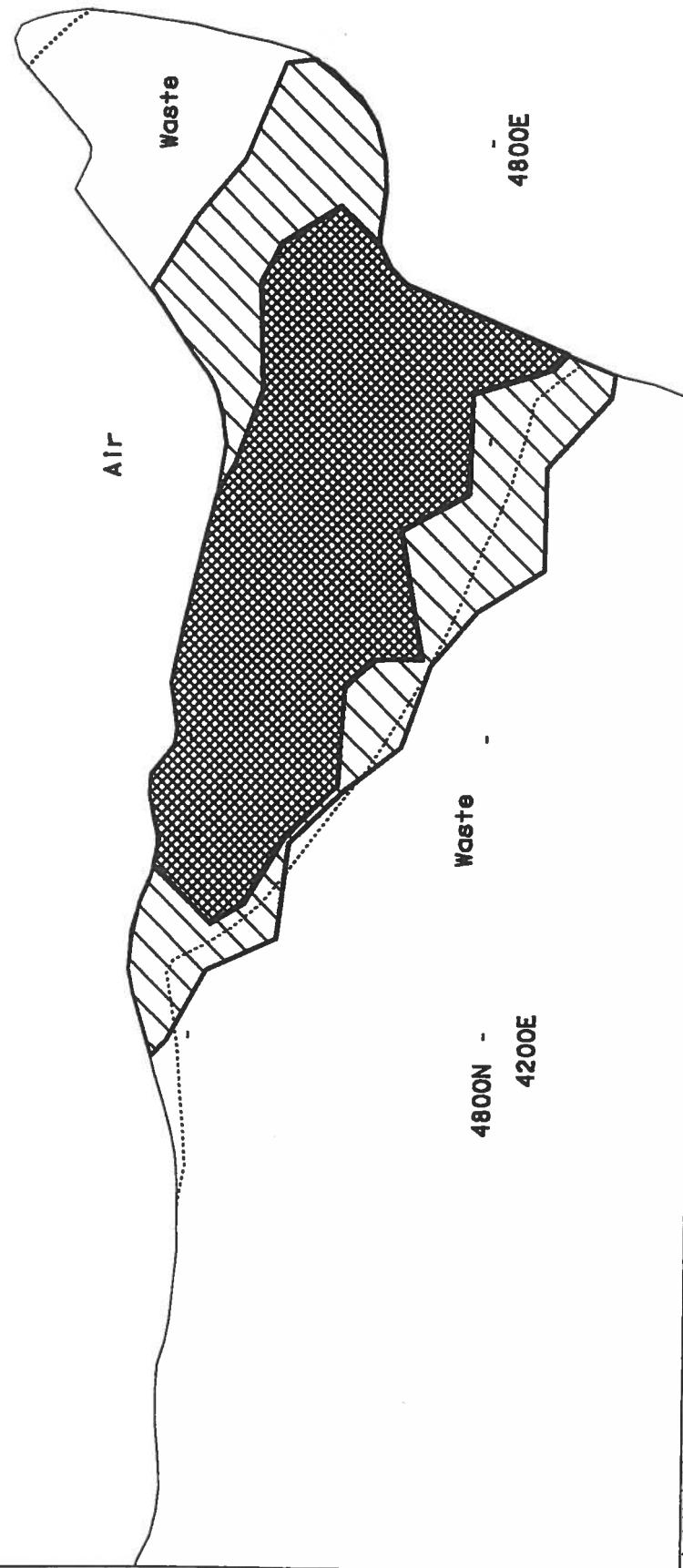
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Figure 29

Zenda Project, Kern County, California
Grade Model
3480 Bench

Blue cross-hatched = ore
Green hatched = low grade
dashed line = bench toe
solid line = surface topo

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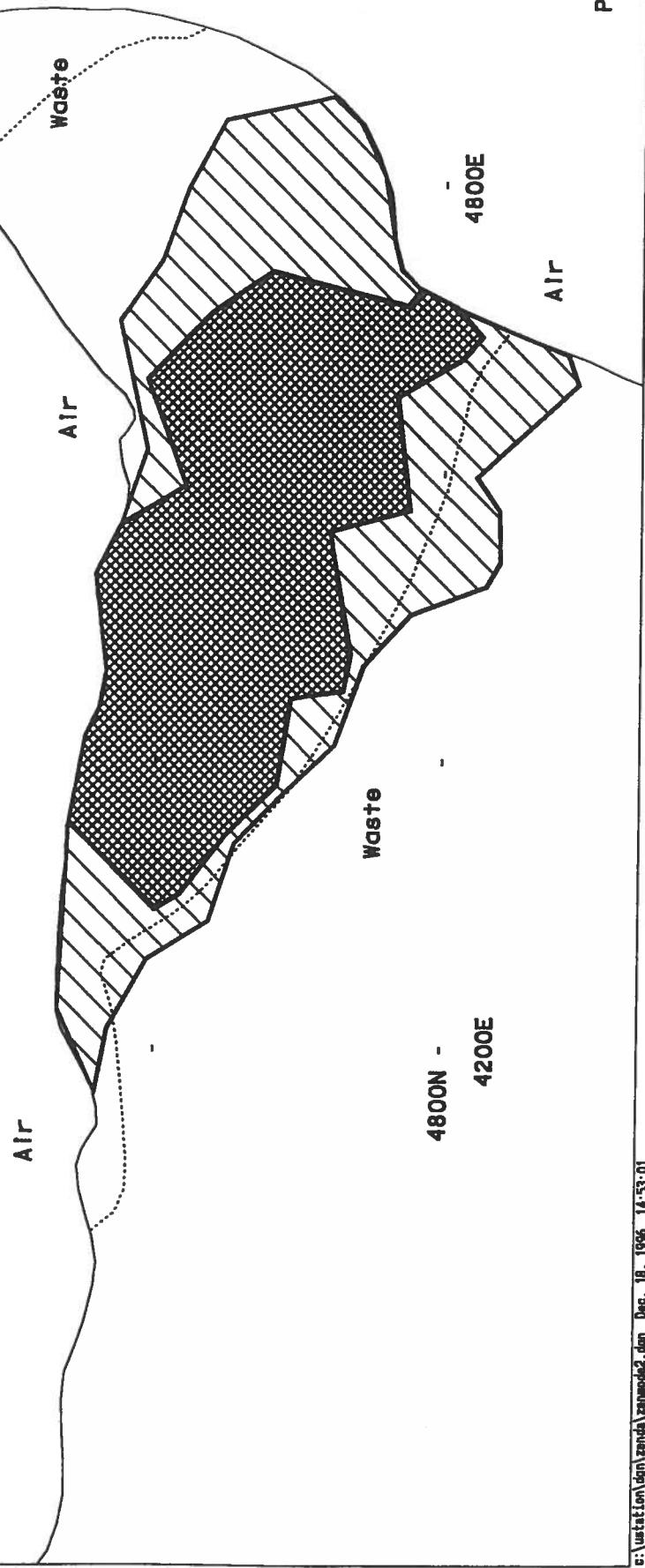
5400N

Figure 30

Zenda Project, Kern County, California
Grade Model
3460 Bench

Blue cross-hatched = ore
Green hatched = low grade
dashed line = bench topo
solid line = surface topo

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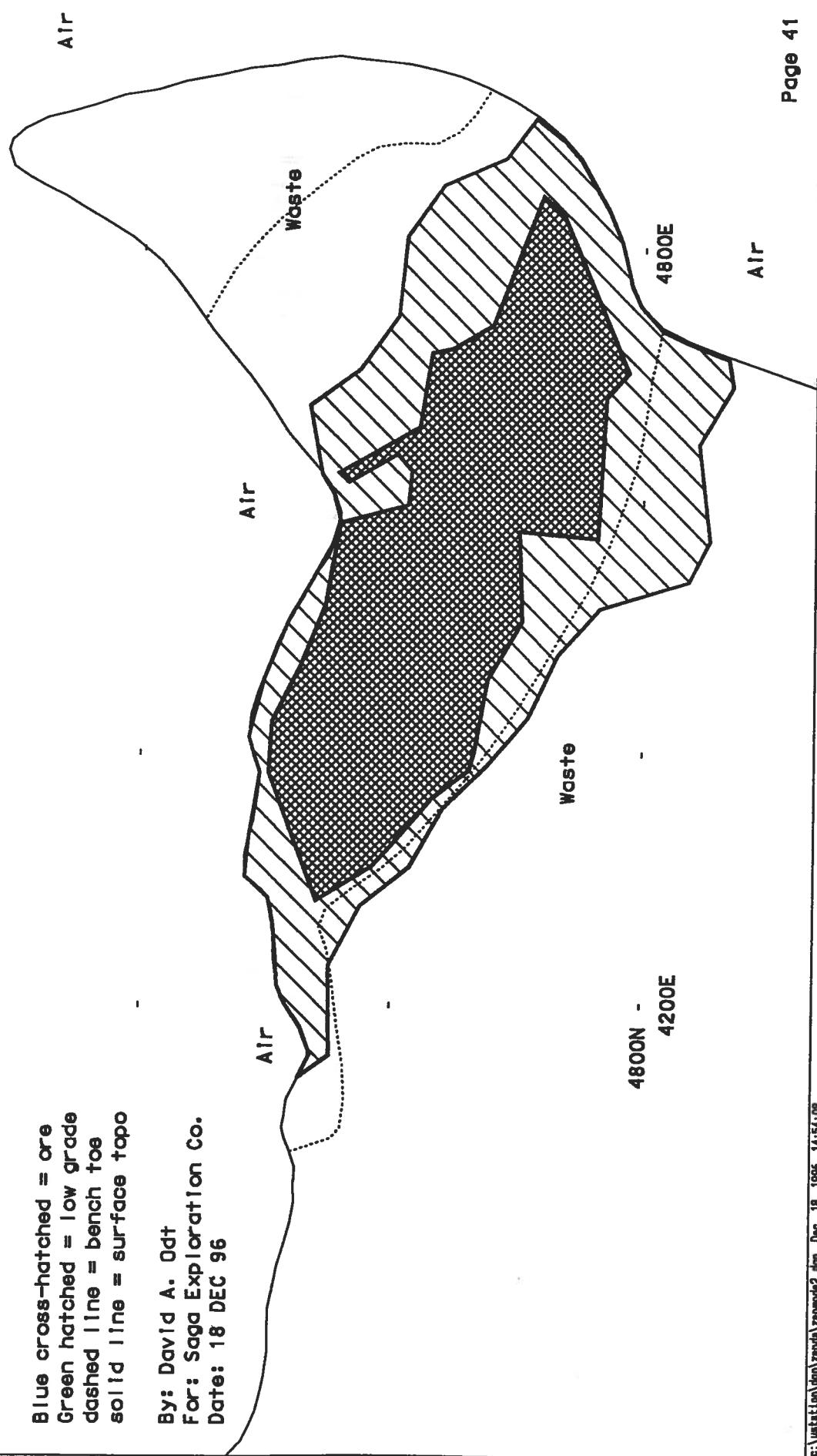
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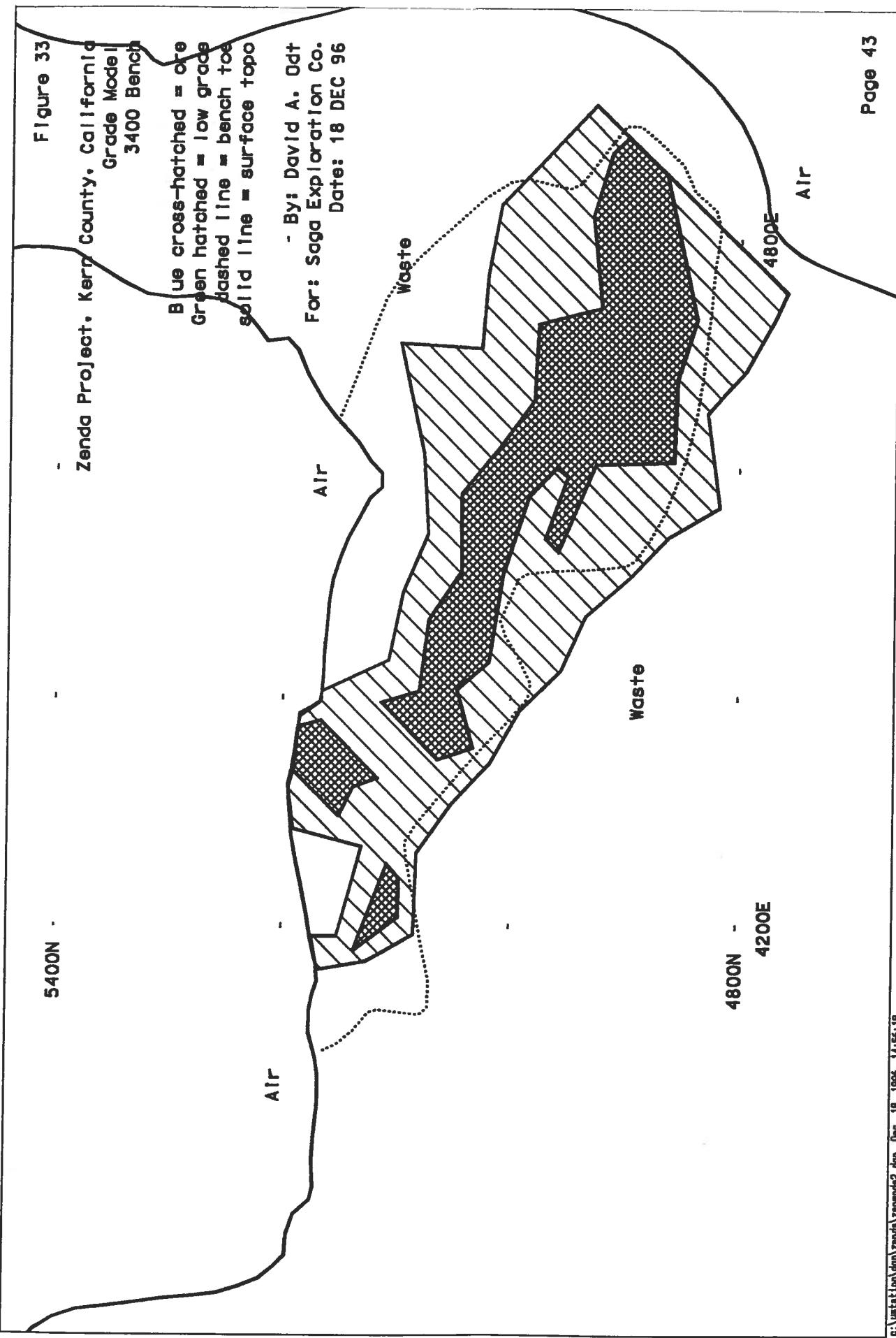
Figure 31

Zenda Project, Kern County, California
Grade Model
3440 Bench

Blue cross-hatched = ore
Green hatched = low grade
dashed line = bench top
solid line = surface topo

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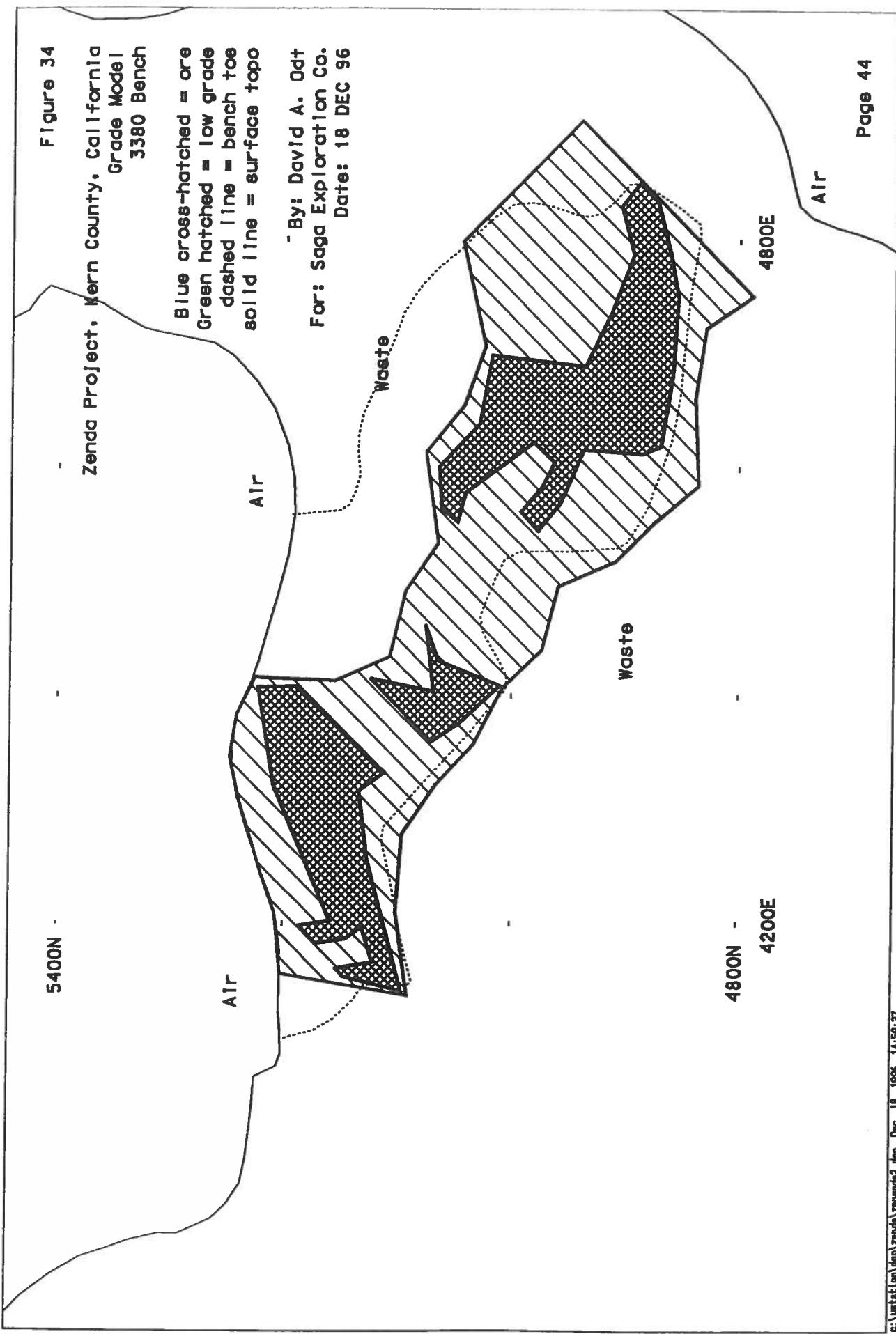


Figure 35

Zenda Project, Kern County, California
Grade Model
3360 Bench

Blue cross-hatched = ore
Green hatched = low grade
dashed line = bench toe
solid line = surface topo

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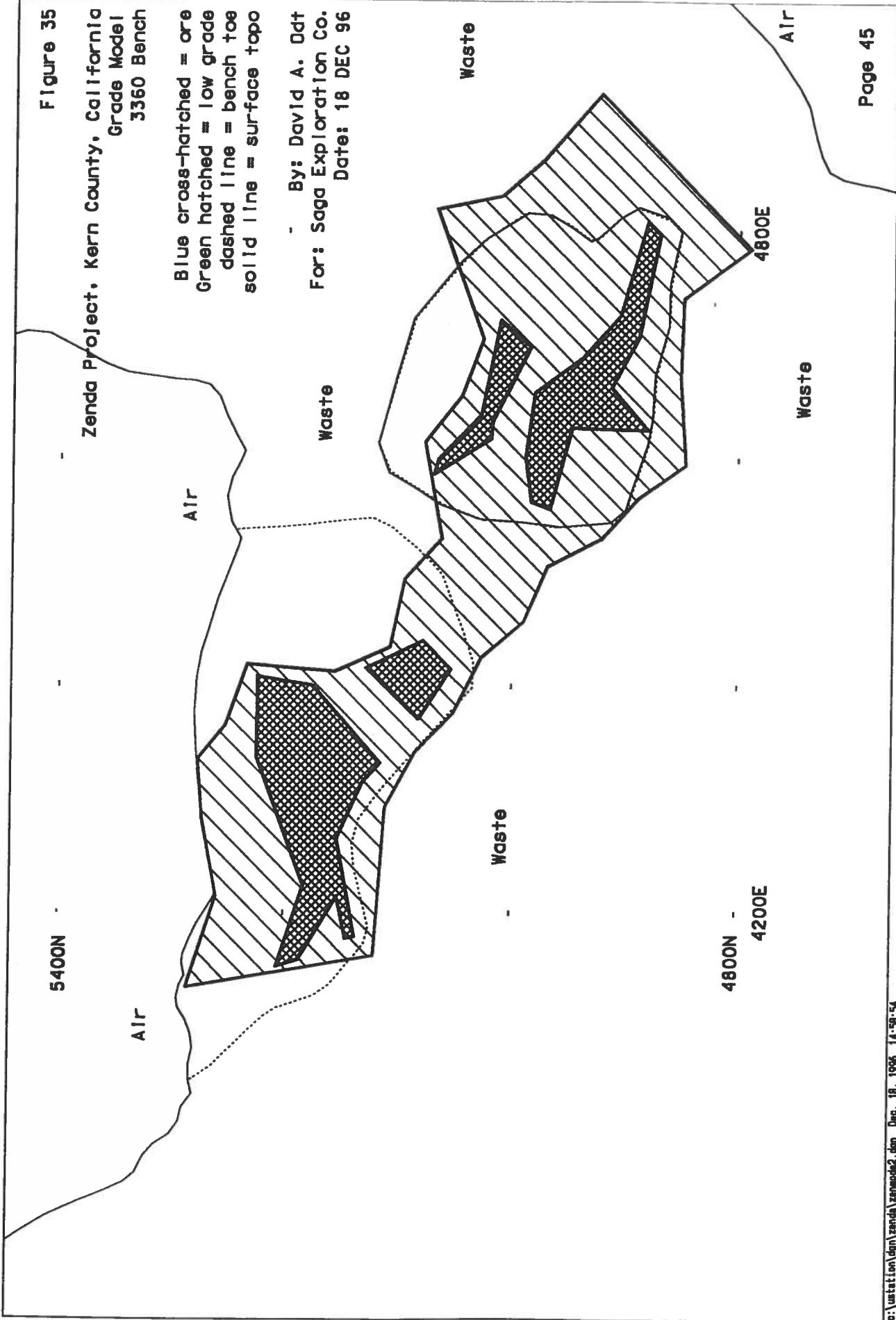


Figure 36

Zenda Project, Kern County, California
Grade Model
3340 Bench

Blue cross-hatched = ore
Green hatched = low grade
dashed line = bench toe
solid line = surface topo

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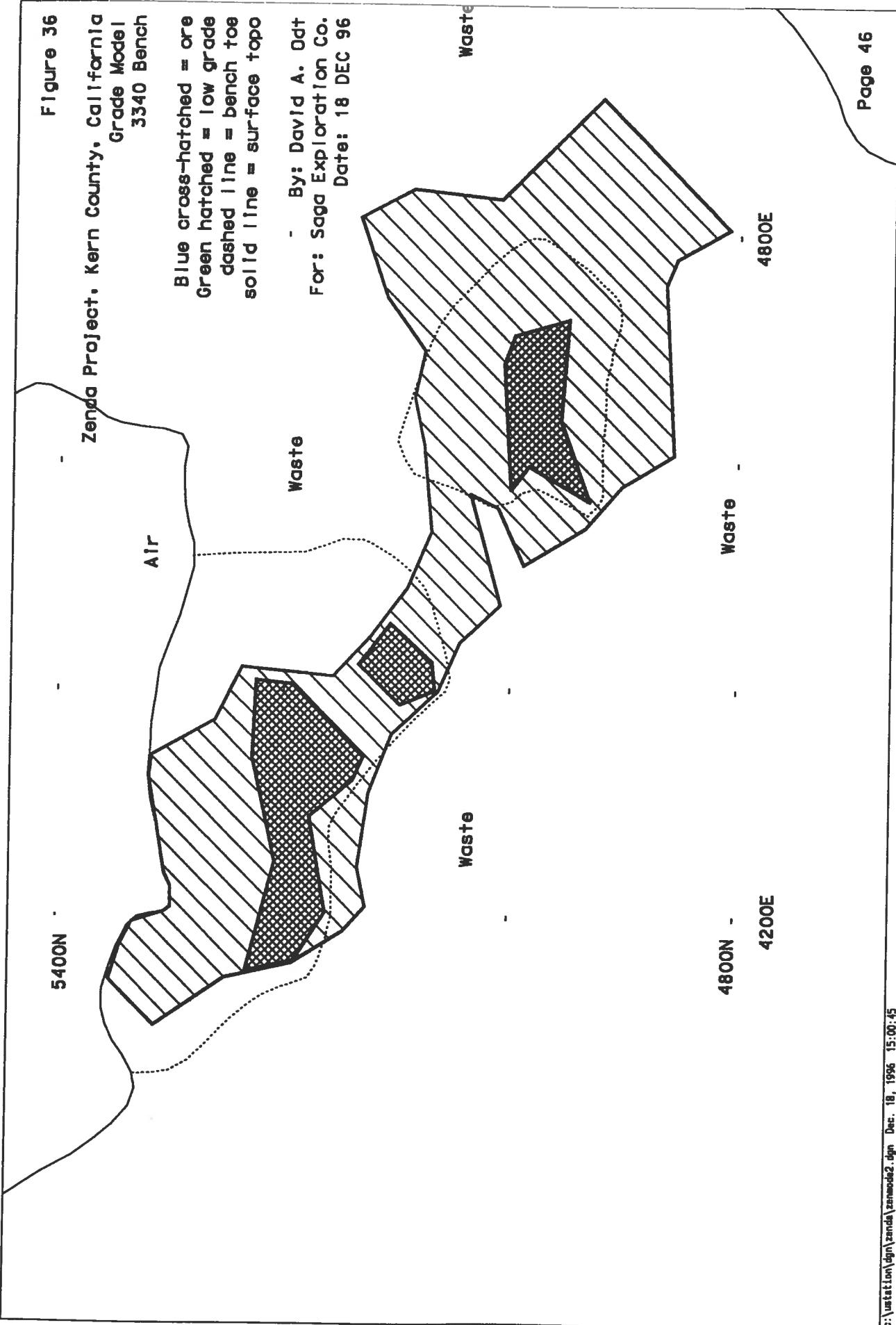


Figure 37

Zenda Project, Kern County, California
Grade Model
3320 Bench

Blue cross-hatched = ore
Green hatched = low grade
dashed line = bench toe
solid line = surface topo

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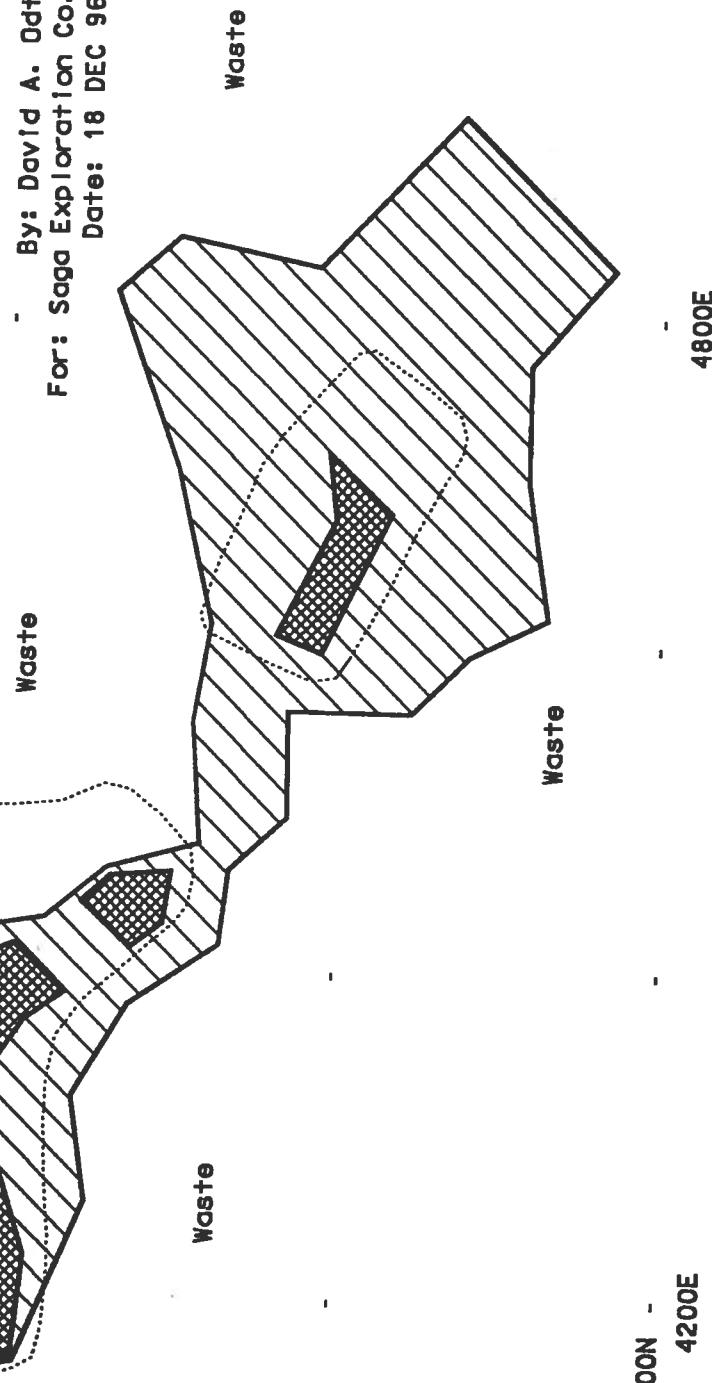


Figure 38

Zenda Project, Kern County, California
Grade Model
3300 Bench

Blue cross-hatched = ore
Green hatched = low grade
dashed line = bench toe
solid line = surface topo

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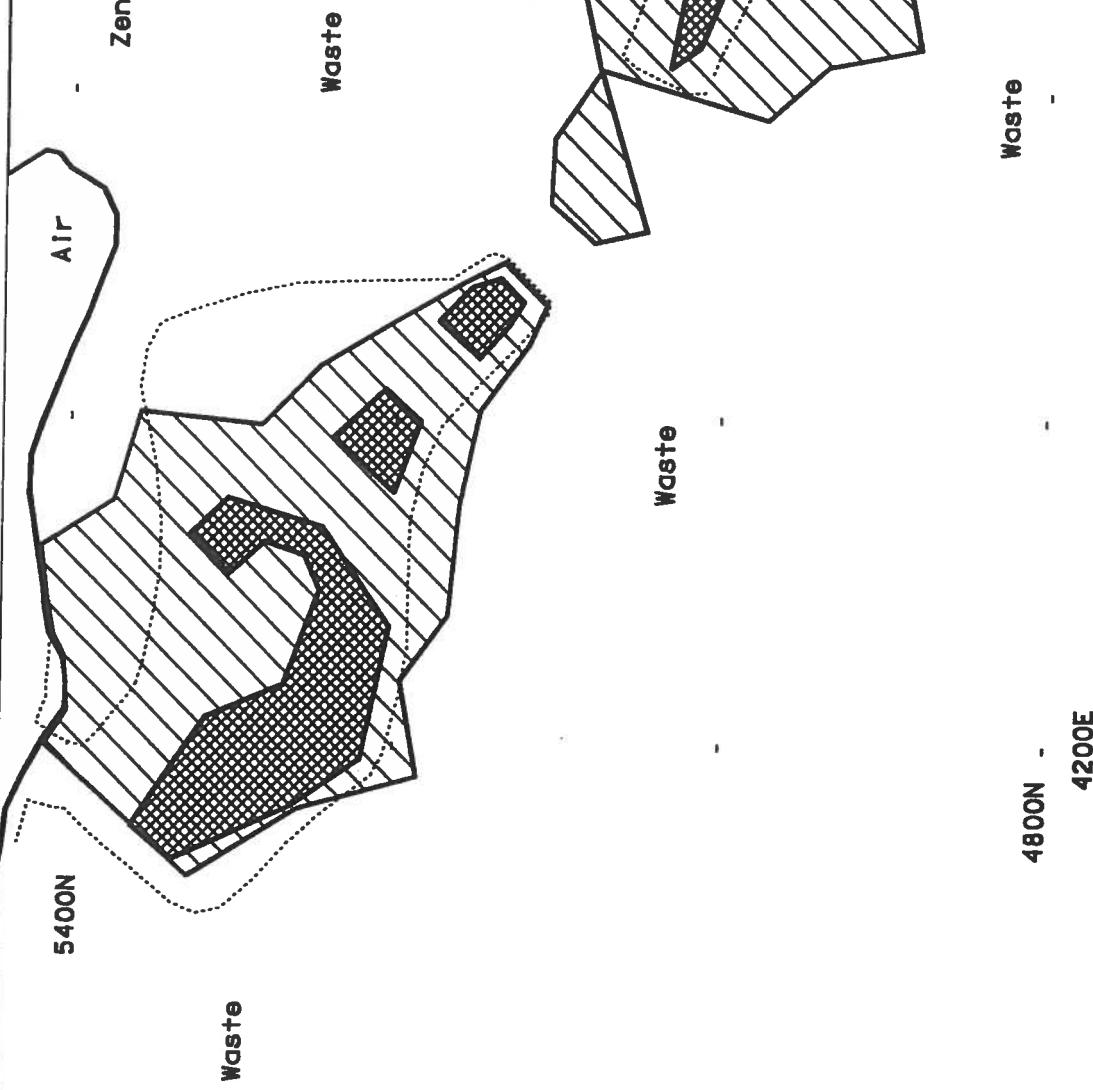


Figure 39

Zenda Project, Kern County, California
Grade Model
3280 Bench

Blue cross-hatched = ore
Green hatched = low grade
dashed line = bench toe
solid line = surface topo

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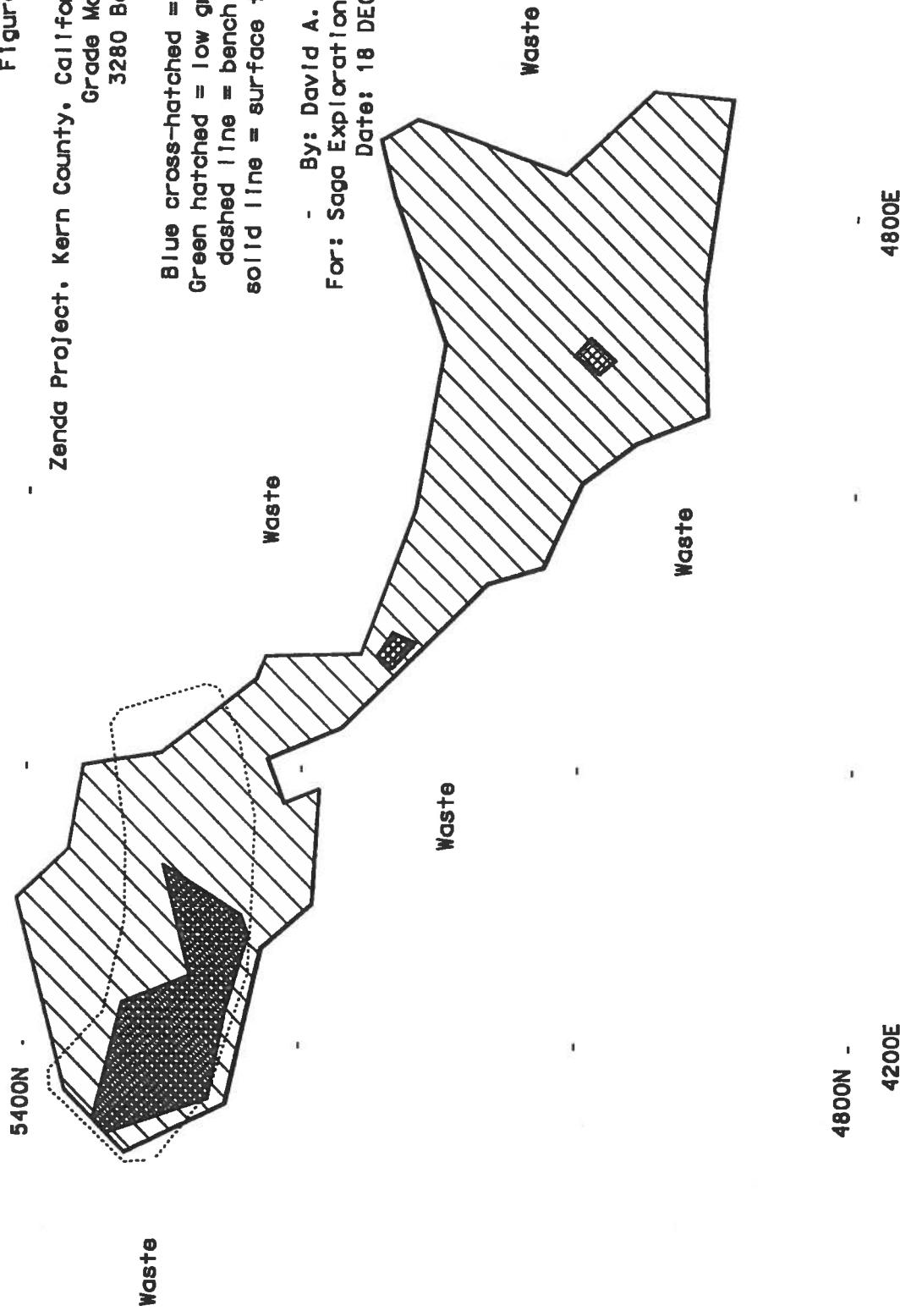
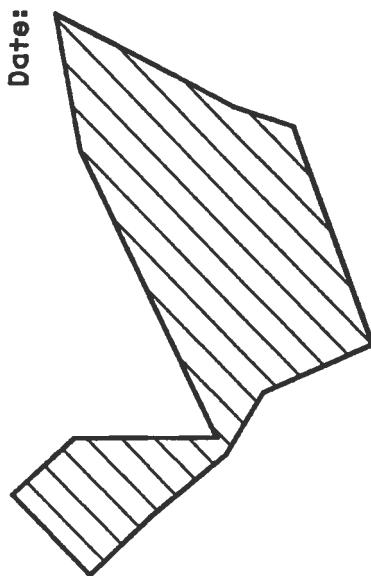
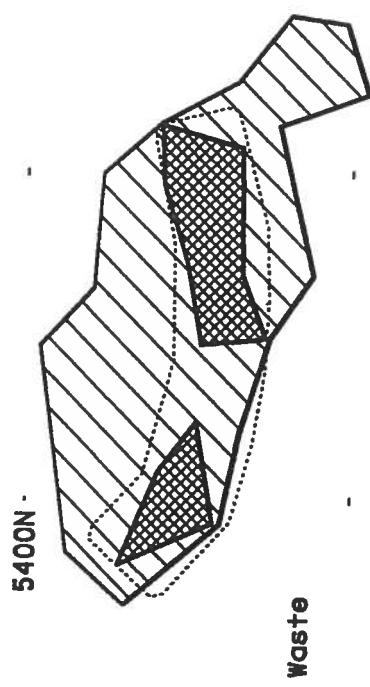


Figure 40

Zenda Project, Kern County, California
Grade Model
3260 Bench

Blue cross-hatched = ore
Green hatched = low grade
dashed line = bench toe
solid line = surface topo

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Date: 18 DEC 96



4800N -
4200E

4800E

