



Idaho-Maryland Mining Corporation

SECTION 20

**Conclusions and
Recommendations**





IDAHO-MARYLAND MINING CORPORATION

PRELIMINARY ASSESSMENT TECHNICAL REPORT
IDAHO-MARYLAND MINE, GRASS VALLEY, CALIFORNIA

20.0 CONCLUSIONS AND RECOMMENDATIONS

20.1 Conclusions

This Preliminary Assessment Report was completed to assess at the conceptual level the economic potential to develop an industrial minerals mine and establish an associated ceramics production facility. A key parameter to the viability of the project is the commercial application of the new, proprietary Ceramext™ technology. The findings of this preliminary assessment are based entirely on the assumption that the technology may ultimately be successfully applied in a commercial application. Currently there are no commercial installations utilizing the Ceramext™ technology.

Recognizing the assumption and limitations stated above, the findings of the preliminary assessment indicate that the general concept of development of an industrial minerals mine and an associated ceramics production facility warrants further development and study.

20.2 Recommendations

Should Idaho-Maryland elect to proceed with this project AMEC recommends work be completed to validate the study assumptions and collect additional data to advance the project.

20.2.1 Mining

- Additional geotechnical drilling will be required to characterize rock parameters in the areas of the proposed mine development
- As more information is generated concerning the resource, the mine development plan should be assessed to determine the optimum mining plan.
- A study should be conducted to quantify the mine ventilation requirements
- A trade-off study should be completed to assess the optimum method of material haulage

20.2.2 Process

A suite of samples, representative of the mineral resources to be used for Ceramext™ processing, should be collected from the drill core and forwarded for testing as outlined Section 20.2.3.



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20.2.3 Crushing and Grinding

- Determine the grinding work index, abrasion index and unconfined compressive strength of the major types of industrial minerals to be used for ceramics manufacture.
- Determine the moisture content of the major run-of-mine rock types and of the crushing circuit product so that process drying requirements can be defined.
- Conduct pilot high-pressure grinding roll testwork on representative samples of the major rock types.

20.2.4 Ceramics Manufacture

It will be very important to continue pilot testing of the Ceramext™ process to confirm the technical viability of the process. Testing should be performed on samples representative of the major rock types to be used for ceramics manufacture. The following aspects should be assessed:

- The anticipated types of feed rock to assess/confirm that the Idaho-Maryland industrial mineral resource is suitable for Ceramext™ processing and to increase the confidence in the scale-up parameters
- Identify and quantify minerals present in the industrial mineral feed that may be deleterious to the Ceramext™ process
- Testing and evaluation of Ceramext™ ceramic products to fully assess product range, quality and specifications
- Test ceramic finishing methods to identify and confirm product finish specifications including glazing, coloring and texture
- Durability of key Ceramext™ process equipment components
- Operating costs of the Ceramext™ process.

20.2.5 Ceramics Marketing

The potential Ceramext™ ceramic product suite shall be determined in pilot plant testing. A market evaluation for the ceramic markets should be conducted to evaluate the following:

- current market trends
- technical specifications of key products
- specific product demand
- regional product demand



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- marketing channels
- market place competition
- marketing, sales, and distribution costs.

20.2.6 Dewatering of Historic Mine Workings

It has been stated in a previous section that water will be tested and pumping stopped if water is contaminated.

A comprehensive study of mine records is needed to locate areas that have been backfilled and to quantify the risks associated with re-accessing these areas during dewatering.

A study should be initiated to identify an optimum dewatering rate, taking into account capital and operating costs.

20.2.7 Site Assessment

AMEC agrees with the recommendation made by MACTEC that an additional Environmental Site Assessment is warranted to determine if recognized environmental conditions exist on the Idaho-Maryland properties and if so, identify the appropriate remedial actions and associated costs.

20.2.8 Gold Processing (Future)

Idaho-Maryland has stated that it intends to continue gold exploration on the Idaho-Maryland property. Should the gold exploration program be successful in identification of a potentially economic gold resource then the following metallurgical testwork should be performed to quantify the metallurgical response of the gold mineralization.

- conduct gravity concentration testwork to determine the potential and requirements for gravity gold recovery
- assess the grind versus gravity gold recovery relationship
- assess the grind versus flotation recovery relationship
- conduct flash flotation and conventional flotation tests on gravity circuit tailings
- determine response of gravity and flotation concentrates to intensive cyanidation
- conduct cyanide destruction and metals removal tests on intensive cyanidation process tailings



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- determine overall gold recovery
- conduct settling and filtration testwork to assess dewatering parameters
- review the possible impact of scheelite on the gravity circuit
- conduct a preliminary study on the possible economic recovery of a tungsten by-product
- review the possible impact of graphitic black slate on flotation.

20.2.9 Financial Evaluation

Future financial evaluations should include the following:

- assessment of applicable country, state, and Federal taxation
- product losses and insurance.