



# Study shows Pumpkin Hollow economic

A preliminary economic assessment of Nevada Copper's (NCU-T) 100%-owned Pumpkin Hollow copper property southeast of Reno, in Nevada, predicts an internal rate of return of between 20.5% and 29.3%, the company says.

The study evaluated an integrated underground and open-pit mining operation with a standard milling and flotation plant that would produce high-grade copper concentrates about 20 km southeast of the small town of Yerington, in Lyon Cty.

Described as the high-grade copper-magnetite skarn associated with a cluster of copper porphyry deposits in western Nevada's Walker Lane mineralized belt, Pumpkin Hollow contains measured and indicated resources totalling 4 billion lbs. copper plus inferred resources of 3.9 bil-

lion lbs. copper, using a 0.2% copper cut-off grade.

The study forecasts that annual production at the advanced development-stage property would average 95,000 tons of copper per year over a mine life of more than 20 years.

At copper prices of US\$1.75-3 per lb., the study predicts a net present value of US\$2.6-6.3 billion with a 0% discount rate and a net present value of US\$765 million to US\$1.9 billion with an 8% discount rate.

Capital costs were estimated at about US\$780 million, including working capital and contingencies, while payback from the start of construction is expected to take between 3.1 and 4.8 years.

Total operating costs would be about US\$1.02 per lb. copper, net of byproduct credits, the study noted.

The operation would likely have a 60,000-ton-per-day concentrator throughput. Metallurgical recoveries were estimated at 89% for copper, 70% for gold and 68% for silver.

Nevada Copper said the new numbers warrant a definitive feasibility study for the large, high-grade copper resource.

The deposit was discovered in 1960 by U.S. Steel, using airborne magnetics. Over the next 30 years, U.S. Steel, Anaconda Copper and other major mining companies delineated a large copper and magnetite resource from more than 590,000 ft. of drilling.

Nevada Copper currently trades at about \$2.90 a share and has a 52-week trading range of \$1.55-3.85. The company has 37 million shares outstanding and is well financed with no debt.