Silverado-Prosperity Porter Idaho

Mine Development Plan Reassessment Report

October, 2008

J.W. Abernethy, P.Eng.

Silverado–Prosperity Porter Idaho
Mine Development Plan Reassessment
Report, Oct 08

INDEX

1.0 Executive Summary

Raimount Energy owns the consolidated Silverado-Properity-Porter Idaho mining leases high on Mount Rainey overlooking Stewart BC. An exploration program in the early 1980's identified a possible 30 million ounces of silver remaining in the historic workings and speculated on mineralization extending to the Silverado workings. In 1987 Teck Corp and a partner developed a detailed access and mine development plan that was subsequently dropped when the price of silver declined. Recent price activity prompted this development reassessment.

We have reviewed Teck's plan to connect the workings on opposite slopes with a 10,700 ft exploration-mining tunnel and a road from the Bear River Bridge along the bottom of the slope to switchback up to the tunnel portal at the 900m level. Teck's tunneling scheme provides access to the known reserves and a venue to explore ore continuity between West and East face workings. We reckon that Teck's tunnel in the same alignment remains the most practicable means of providing mining and exploration access. Considering the current slowdown we estimate the tunnel with road access will cost $15,000,000 (versus $7,208,000 in 1987) which is less than the increase of comparable industry mining costs. However new avalanche paths cross the Teck road route and stricter safety and environmental regulations apply. Mitigating avalanche hazard increases the cost of a safe all season road exponentially. Also regulations controlling acidic drainage from tunnel waste dumps rules out the uncontrolled disposal method envisioned by Teck.

The proposed alternative to constructing road access is a modern cable ropeway extending down slope from the portal, across the Bear River, to a truck hopper beside an existing road. A cableway transport scheme will be a faster to permit, much cheaper to build with lower annual operating costs. It will readily handle 500 T per day of ore and initially a similar volume of tunnel muck. Muck disposal will be cheaper where acidic drainage can be readily controlled or even eliminated (by underwater disposal) Utilizing extensive helicopter support, purpose built design and careful planning the ropeway system can be installed and the tunneling contractor mobilized in a single season.

DEVELOPMENT ALTERNATIVES, CAPITAL COST COMPARISON			
	Teck Corp 1987	**Road & Tunnel 2008(Oct.)**	**Ropeway & Tunnel 2008(Oct)**
Road Access	!,200,000(*1)	18,000,000	n/a
Cable Ropeway	n/a	n/a	5,000,000(*2)
3325 m Tunnel	8,000,000(*3)	15,000,000(*4)	16,500,000(*5)
Total	9,200,000	33,000,000	21,500,000

* 1. No road protection or mitigation allowance for avalanche hazard.
* 2. Contingencies $300,000 erection, $600,000 equipment, $500,000 avalanche design
* 3. Tonto Group quotation +15% overhead and profit
* 4. 15% current market reduction, $1.200,000 muck haul allowance
* 5. Oct 08 price $13,800,000 +$700,000 to haul muck to waste, +$2,000,000 for helicopter mobilization allowance

2.0 Development History

The historic mining camp and ocean port of Stewart, BC sits on the North bank of the Bear River at the head of the Portland Canal in the shadow of glacier capped Mount Rainey. High grade silver ore was mined between 1922 and 1931 from the extensive Prosperity -Porter Idaho workings on the South slope above the 1280m level and from the Silverado workings on the North (Stewart facing) slope above the 900m level. The main mining activity took place in the Prosperity-Porter Idaho mine with ore transported initially by pack horse and latterly following acquisition by Premier Gold, by a 5 mile long aerial tramline to shipping facilities at the junction of the Marmot River and Portland Canal. Direct shipped ore grades ranged from a Prosperity vein averaging 107 oz per ton to 350 oz per ton recorded from the Silverado.

Post closure in 1946 the property was sold by Premier to Big Four Silver Mines Ltd. In 1946-47 drifts and raises were extended on the Silverado workings. In 1952 Consolidated Cassiar Mines Ltd acquired the claims. In 1979 Consolidated Cassiar Mines became Pacific Cassiar Ltd. In 1997 the claims were transferred to Rainey Mountain Resources. In 2001 Rainey Mountain Resources was renamed Raimount Energy Inc.

Following some minor and inconclusive explorations between 1952 and 1975 systematic evaluation and rehabilitation of the Prosperity – Porter Idaho workings was commenced in 1980. Approximately 6000ft of drifts and cross drifts were accessed and refurbished. By 1984 reports indicating a 30 million ounce reserve potential led to a Teck joint venture detailed development proposal to in 1987. After considering alternative development schemes including tramline-road combinations to tidewater Teck proposed a road from the Bear Creek bridge with switchbacks up the West slope of Mount Rainey to a tunnel portal at the 920m level. From there a 10,700ft long tunnel connected the historic West and East face workings. The tunnel was designed with drilling bays to explore for continuation of mineralization. The project was abandoned by Teck later in 1987 when the silver price declined. The author has referred extensively to Teck's Proposal Binder of related documentation.

In 2007 with the silver price recovered Raimount commissioned Geologist Nick Carter to review the reserve data and prepare a 43-101 compliant assessment. John Abernethy was asked to reassess the development alternatives. He in turn enlisted Rupert Seel the retired dean of mine road locators. This report is the result.

3.0 Exploration & Mining Tunnel

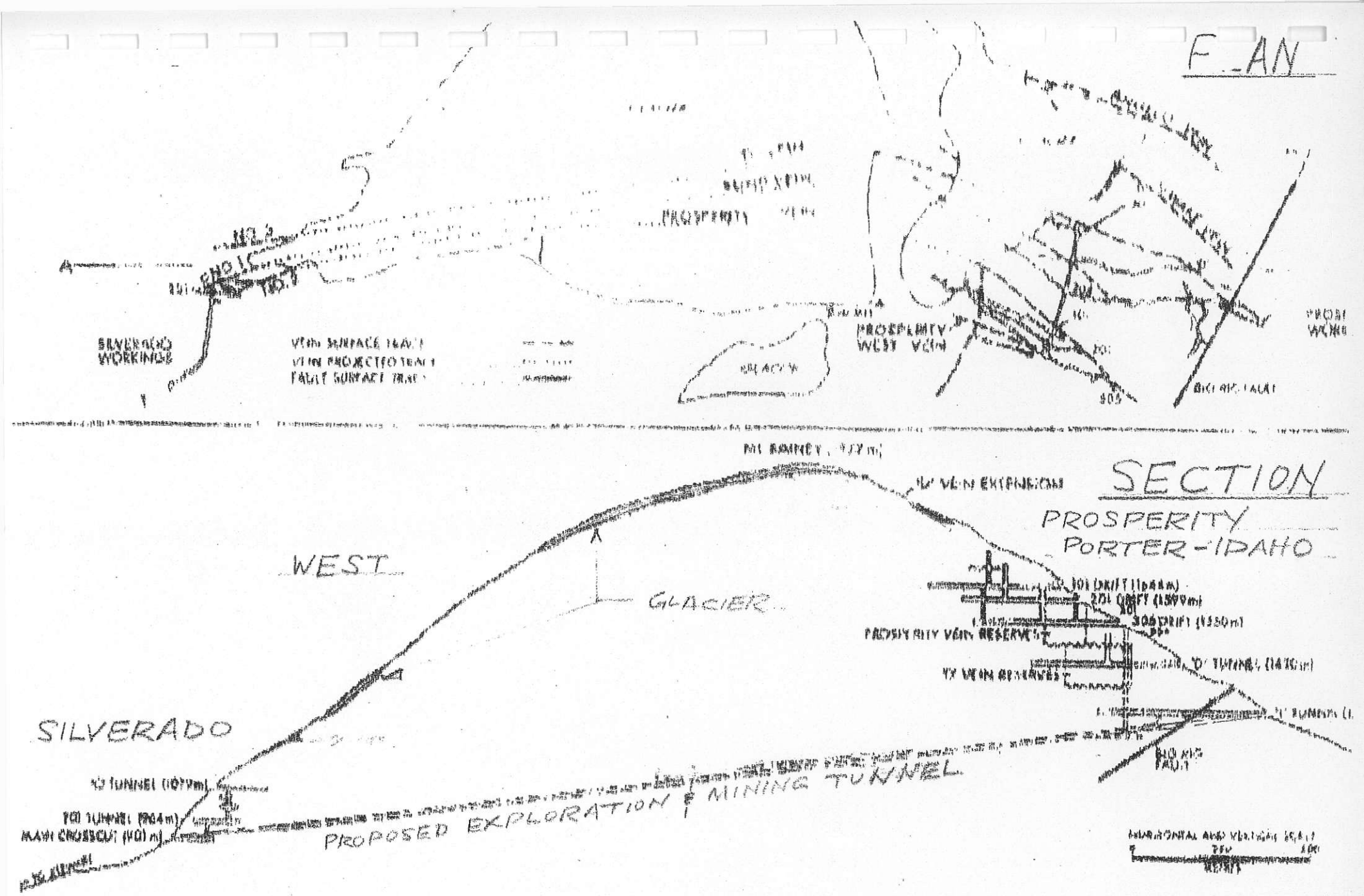
General Description (See Tunnel Plan & Section following)
The recommended tunnel is slightly wider (14ft vs 12ft) but similarly located, starting and ending in the historic workings. Drilling bays will provide access to explore possible connecting vein systems. The tunnel is 3325 m long rising at approx 11.5% from the Silverado to intersect the Prosperity "D" vein portal at 1287 m. slightly longer than Teck's. (By passing under Silverado Creek we avoid a creek road crossing).A cableway scheme will likely allow a shorter tunnel. At an average advance rate of 10 m/day the tunnel will take about one year to complete. A total of about 150,000 Tonnes of muck will be produced at an average rate of about 500T/day (as planned for ore production) .

The Tunnel Muck Disposal Problem
In 1987 Teck planned to dump tunnel muck down the slope close to the portal. Today this is unacceptable for acidic waste typical for the local rock types. This is a high precipitation area and current drainage regulations limit waste placement to moderate slopes where cost effective containment can be maintained and monitored. In this case the closest potential areas are close to river level at the 200m level downstream and at 20m upstream towards the bridge. At an 11% grade the closest (downstream) location requires at minimum a 6.4 km road. This in fact was McElhanney Associates's (McEA) more costly Option B muck and ore haul and access road alternative. It required a horizontal connection to the tunnel portal and a Bear River crossing.

Estimated Costs
Teck's budget was based on quotations submitted by the Tonto Group. They detailed three equipment scenarios. The lowest cost was $6,930,000 not including overhead and profit. (Equivalent to $8.000,000. with 15% added or $2,468/lm) Based on industry consultation we are estimating a cost today of $4,150/lm or $13,800,000 plus an allowance of $1,200,000 for an 8.0 km muck haul for a total cost of $15,000,000 for a road accessed tunnel. This reflects a 15% reduction from our January 08 pricing to reflect the current more subdued market conditions.

For the tramway access scheme scenario pending input from a qualified contractor we have allowed a conservative additional $2,000,000 to cover the additional costs of helicopter mobilization (Appendix 7 Helicopter Construction & Mobilization Support) and the tunneling-cableway interface. Using a cableway the tunnel muck will be delivered to a truck load-out at the ropeway terminal. $700,000 ($4.67/T) is allowed to haul the muck to a notional waste dump in the valley. (versus $1,200,000 estimated for the road haul alternative) The estimated total tunnel cost if a tramway is used: mobilization $2,000,000, tunneling $13,800,000, muck haul $700,000. total $16,500,000.

F_AN



SILVERADO-PROSPERITY PORTER IDAHO

4.0 Road Access to the Tunnel

Background

John Abernethy and Rupert Seel are well experienced in constructing roads in mountainous terrain and the extreme weather conditions and avalanche risk prevailing on Mount Rainey. Mr Seel located BC mine access roads for many years with McElhanney Associates (McEA) The two visited the site, studied contour maps and selected a route. Mr Seel then commissioned a McEA engineer to validate the route and prepare a feasibility budget to reflect current industry practice and prices. (Appendix 7 i BC mine haul Road Specs) The subsequent "Mine Access 2008 Scoping Study Report" (Appendix 7 a) considered a second route from a barge landing point on the Portland Canal, switchbacks to the 900m level and then a 1440m tunnel to the Silverado portal. This alternative route was more expensive and we feel impractical due to the river crossing. McEA was asked to propose a program, schedule and budget for pre construction permitting and engineering. (Appendix 7 b)

General Description (See Tunnel Roads, Options A&B following)
The recommended road starts at the Bear River bridge. A consistent 34 degree slope promises little overburden. The 5m wide road must be notched into the side hill. In these conditions lacking any intermediate access the road is drilled horizontally round by round like a single heading tunnel. Surface blasting is restricted to daylight so progress will be limited to 25 to 30m/day. An 8.4 km long tunnel will take over 300 days or two full seasons to construct including some 20 stream crossings and avalanche protection.

An expensive road to build is made more expensive by extensive avalanche mitigation measures. McEA planned a 670m long tunnel to cross the widest avalanche path (created in recent years). Abernethy and Seel believe that a snow shed in this location will be cheaper than a tunnel. As noted by McEA *"A review of the road access by an avalanche specialist should be undertaken to determine the most cost effective method of providing safe access. This may possibly involve actively controlling avalanche hazard and accepting the possibility that road may not be usable year round"* This is realistic and essentially the procedure followed at a number of avalanehe prone highway locations. (refer Appendix 7 d Stethem Proposal, avalanche notes)

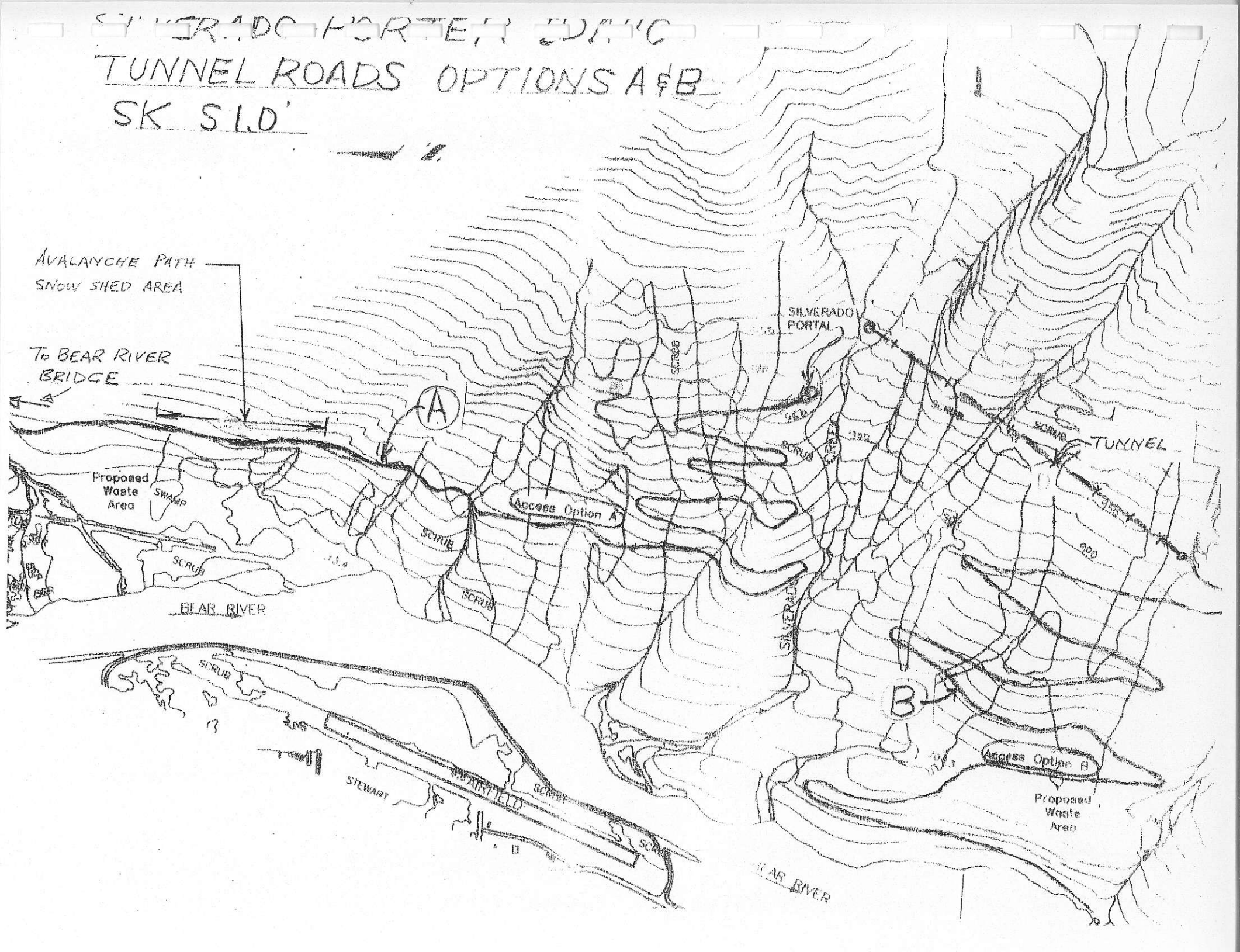
Construction Cost

Including a 35% contingency the McEA budget in January 2008 $ is $30,798,200.This price is considered to be super conservative and heavily influenced by super heated industry conditions at that time and also by liability concerns generated by well publicized mine development cost blowouts. McEA estimated tunnel muck at $325/cm vs an industry opinion of $200/cm a 62% premium. Given the relatively advantageous location and based on our experience we concluded that a budget price of $19,000,000 was reasonable using BC logging road contractors and careful engineering and planning by parties familiar with BC logging road practice all based on field surveys. That was in early 2008. Today, given a much more competitive market we suggest $18,000,000 (At this point design assumptions are conceptual, pricing is order of magnitude {ie: -15% +30%} and all relevant assumptions must be confirmed in the field)

SILVERADO PORTER EDIT'C

TUNNEL ROADS OPTIONS A&B

SK S1.0'



5. Cable Ropeway Access & Transport System

Past & Present

In the early 1900s cable ropeways (then called tramways) were in wide use at Canadian mines including the Prosperity-Porter Idaho. We know of none operating today. The Black Angel Mine in Greenland operated a high capacity tramline in the 1960's. A 2006 report on it's reopening states that roads will replace the tramline. The reasons cited: The tramline controlled the mining rate, was frequently shut down by high winds and as the access for everything, ore, equipment, fuel and personnel, was a major bottleneck.

Today cable ropeways in the form of ski lifts are plentiful in North America and elsewhere. Numerous systems provide mine transport in other venues including Africa and India. An example of improved technology is the detachable carrier system for more efficient loading and discharge with purpose built carriers used for men, muck and materiel. It is a case of horses for courses. A cable ropeway is a cheaper way to gain access to the Raimount reserves. If connecting vein systems are proven along the length of the tunnel the cost to construct a safe road will be easy to justify.

Breco Ropeways: (Appendix 7 g. Breco, Background)

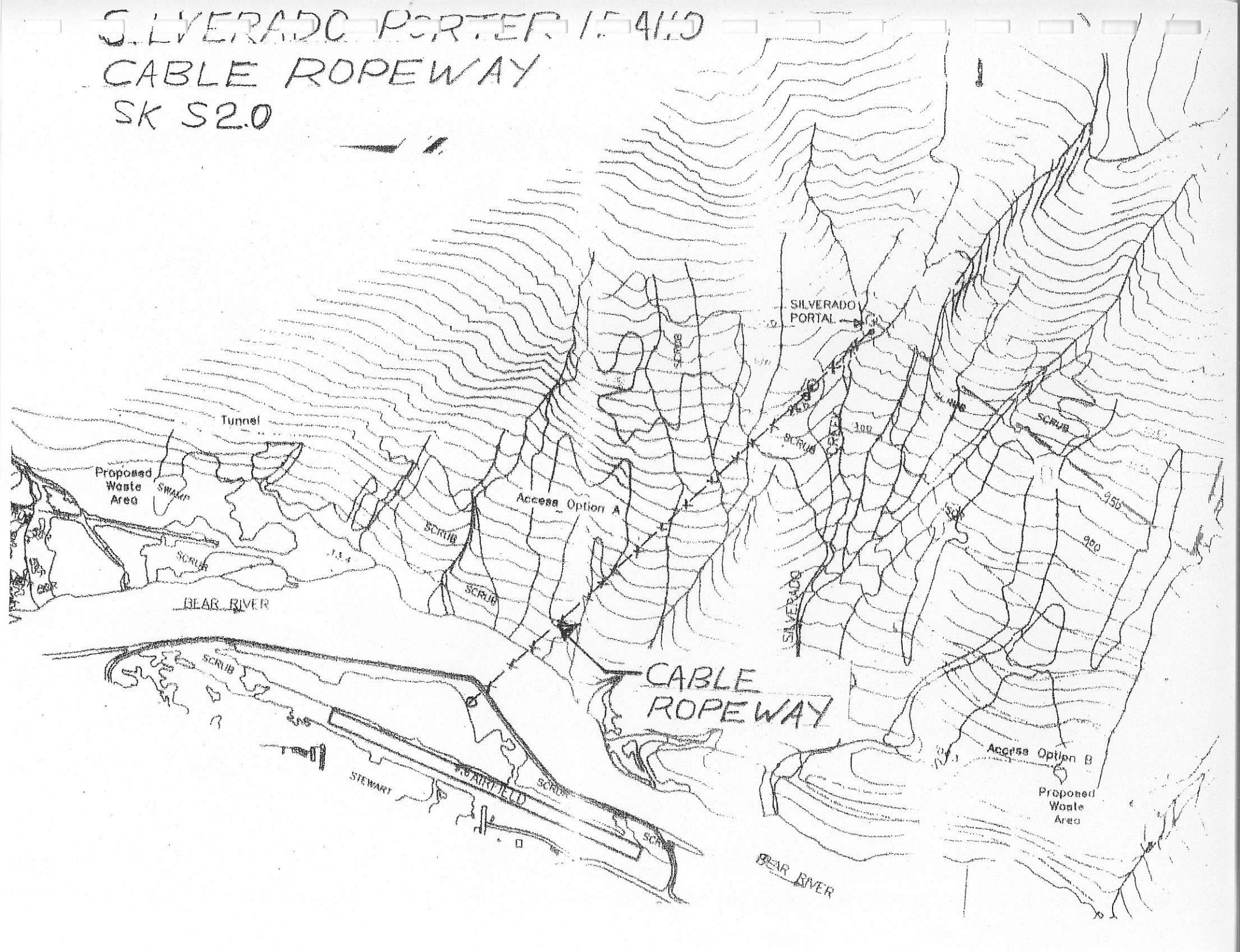
An internet search (refer Appendix 7 e. Ropeway Suppliers) identified three aerial lift manufacturers with North American representation and one specialized eonsulting engineer. The engineer, Mr Chuck Peterson of Tramway Engineering and the two manufacturer representatives who expressed interest were sent requests for a conceptual design and budget proposal. Breco Ropeways, responded with a proposal and Mr Peterson's replied endorsing Breco as the best qualified supplier and one with whom he had a collaborative relationship. (Appendix 7 f. Tramway Engineering) Breco's headquarters are in India. Their North American representative is Sunjay Chakravarty based in Mount Vernon WA

Specifications, Proposal (See following: Cable Ropeway Location Sk S20
Breco Conceptual Presentation
Proposal Request, JWA, 17 Mar 08

The specifications: 500 tonne per day capacity (including an allowance for crew and materiel) 1900m long ropeway suspended from towers down a 34 degree slope from the North tunnel portal at the 920m level to the riverbank and from there across the river (220m wide at that point) to a terminal on the North bank, a total horizontal distance of 1616m. Breco's proposal was to supply and install a detachable grip monocable ropeway with regenerative capability to utilize down hill transport energy. Include are 8 or 9 towers, 35 buckets @450kg capacity, a loading station with a pneumatic shoot, automatic loading device and a 200 tonne capacity surge hopper. The lower terminal with an automatic discharge unloading station

Budget, Schedule

Breco's quote: supply plant and equipment, $3,000,000 US$, installation and commissioning $300,000, Total 3,600,000 Cdn subject to local pricing adjustments and 10 to 12 months for completion. We are proposing a total budget of $5,000,000 Including $300,000 installation contingency, $600,000, truck loading hopper and ancillary equip contingency and $500,000 for avalanche design contingency.



SILVERADO PORTER 1:4000
CABLE ROPEWAY
SK S2.0

BRECO ROPEWAYS LTD

CONCEPTUAL PRESENTATION

On examination of the ground profile, the Aerial Ropeway will have to negotiate, it is felt, that a **Detachable Grip Monocable Ropeway** will have to be used for transportation of Silver Ore from the Upper Terminal to the Lower Terminal.

The Ropeway, carrying load downhill, will be a regenerative type installation.

SYSTEM

An endless rope, which serves the dual purpose of supporting and hauling the Carriages, moves on intermediate towers equipped with mounts and line rollers.

The carriages remain firmly gripped to the moving rope on the line, no attention or operative labour on the line is needed.

Along the alignment, there will be adequate clearance to the underside of the carriages and sufficient clearance to tower structures, respectively, in line with local Code and Practice.

Loading Station

A ground level structure incorporates an automatic loading device. A 200 tonnes capacity Surge Hopper will be there. Loading through pneumatically operated shoots.

Empty car entering the station gets unlocked from the moving haulage rope. Auxiliary Haulages propel the car to the loading area for automatic loading . The bucket is charged with the correct weight of material and then despatched to Locking Area for automatic re-engement to the Haulage Rope and then its journey starts towards Unloading Station.

Unloading Station

Also a ground level structure. On enhance the carrier is unlocked and propelled to discharge area for automatic discharge of material, whereafter on the exit, locked to the rope for return travel to Loading Station.

WORKING CONDITION

Going through the profile, the Ropeway parameters are given below

1.	Type of Ropeway	:	Detachable Grip type Monocable continuously circulating Ropeway
2.	Length of Ropeway	:	1900 meters approx. (Inclined length)
3.	Level difference between terminals	:	920 meters approx.
4.	Bucket capacity	:	750 Kgs.
5.	Bucket type	:	Bottom opening and self-closing type
6.	Individual load of Bucket with hanger and grip	:	450 Kgs. Approx.
7.	Capacity of Ropeway	:	40 Tonnes Per Hour of Silver Ore
8.	Speed of Ropeway	:	3.0 meter / sec.
9.	Inspection speed	:	1.0 meter / sec. Approx.
10.	Number of Buckets	:	35
11.	Spacing time	:	67.5 sec.
12.	Spacing between Buckets	:	202 meter
13.	Power requirement (normal operation)	:	65 KW approx.
14.	Motor rating provided	:	90 KW
15.	Power supply	:	415V $\pm$ 10%, 3 Phase, 50 Hz.$\pm$ 3%
16.	Number of towers	:	8 / 9
17.	Type of towers	:	Latticed / Tubular construction
18.	Type of Grip	:	Spring-cum-gravity actuated. The twin grips are designed to resist slippage force with requisite factor of safety as per Code.

EQUIPMENT

The Ropeway will have the following equipment :-

a) Standard Haulage Rope endless type
b) Carrier with detachable Grip, Hanger and Bucket.
c) Intermediate Tower with Rollers & Mounts
d) Drive equipment with Gears, Sheave, Shafting, Motors etc.
e) Haulage Rope Tensioning Device
f) Automatic Carrier Loading System
g) Auxiliary Haulage System
h) Carrier Parking arrangement
i) Structural & Civil Construction
k) Necessary Protection Bridges
l) Electricals comprising of Drive Motor with Variable Frequency Drive, Remote Control Device etc.

The indication is very much budgetary.

PRICE

The cost of Plant & Equipment will be in the region of US$ 2.95 – 3.10Million.

Approx. 190 Cu.M of concrete will be there, cost of which will be influenced by local condition and the Client should be in a position to find out.

Civil Work, Erection, setting to work, and Commissioning will involve approx. US$ 300,000/-.

Time period of completion will be approx. 10 to 12 months.

~ FAX ~

J. W. ABERNETHY MANAGEMENT & CONSULTING LTD.

6537 Sherburn Rd. Peachland BC, Canada V0H-1X7
Voice & Fax: (250) 767-9084 E-Mail: abernetj@telus.net

17 March 2008

Breco Ropeways Ltd
3919 Montgomery Ct.
Mount Vernon, WA
98273 USA

Attention: Mr Sanjay
Director

Re: Raimount Energy Prosperity-Porter Idaho Mine Development
Ropeway Information Accompanying

Dear Mr. Sanjay,

I am very pleased that you are interested in our project. The accompanying is a very brief description of the proposed ropeway application. The development accesses high grade silver mine workings last active in the late 1920's. We are accelerating a pre-feasibility study to take advantage of the current buoyant silver market.

As noted material transport ropeways have been out of fashion in North America for some time. We expect that modern technology has allowed improvement and we need expert input to assess the feasibility for our project. The present stage of planning is conceptual. We are weighing order of magnitude costing to identify the most feasible approach and the controlling parameters.

It is our intent to provide the specific information you need to extrapolate from available reference data sufficiently accurate numbers for our current purposes without anyone incurring much expense. I look forward to your response

Yours truly,

John W. Abernethy PEng

Raimount Energy Inc
Prosperity-Porter Idaho Silver Mine Development
Stewart, British Columbia, Canada
March 2008

Background:

Raimount Energy Inc is a Calgary, Alberta based company listed on the Toronto Venture Exchange. We are planning the development of Raimount's high grade silver mining property located on Mount Rainey in North West British Columbia. The planned development scheme includes a cable ropeway system for primary ore transport. Bulk material ropeway transport systems were once fairly common in North America but they are a rarity today. We hope that modern technology will justify a ropeway system and we welcome your expression of interest in this part of the project.

The West slope of Mount Rainey faces the coastal town of Stewart across the Bear River. The mine development plan is based on excavating a tunnel through the mountain starting from the West side at the 920 metre level. The mountain slopes at 34 degrees and is subject to heavy precipitation producing heavy winter snowfalls. Variable temperatures and steep mountain slopes create ideal avalanche conditions. The steep terrain, numerous stream crossings and avalanche hazard are challenges for maintaining safe, year around road access to the Western tunnel portal.

We need a conceptual design for a ropeway system and costing data for a pre feasibility level budget and schedule. The completion deadline for the project pre-feasibility study is 30 April 2008. Pre-feasibility will be followed by a bankable feasibility study to be completed by year end to enable a construction start in the second quarter of 2009. If a cable ropeway is the selected system a detailed design commission will follow and assistance with procurement and construction. The project has high industry visibility with potential to revive North American interest in modern ropeway systems.

Particulars: (Conceptual ropeway design and pre-feasibility budget and schedule)

- Stewart, BC is an ocean port located on the Portland Canal, a deep inlet that separates BC from Alaska. It is on Provincial highway 37A, 322km by road from the city of Smithers and 1355km from Vancouver.
- Road access for construction equipment will be available to the portal from May to November and helicopters operate from Stewart.
- The ropeway should be designed to transport 500 Tonnes of ore per day. (3 shift operations, ore density 1,960 kg/cm). including an allowance for crew transport and operating supplies. (specify limiting transport capacities for each)

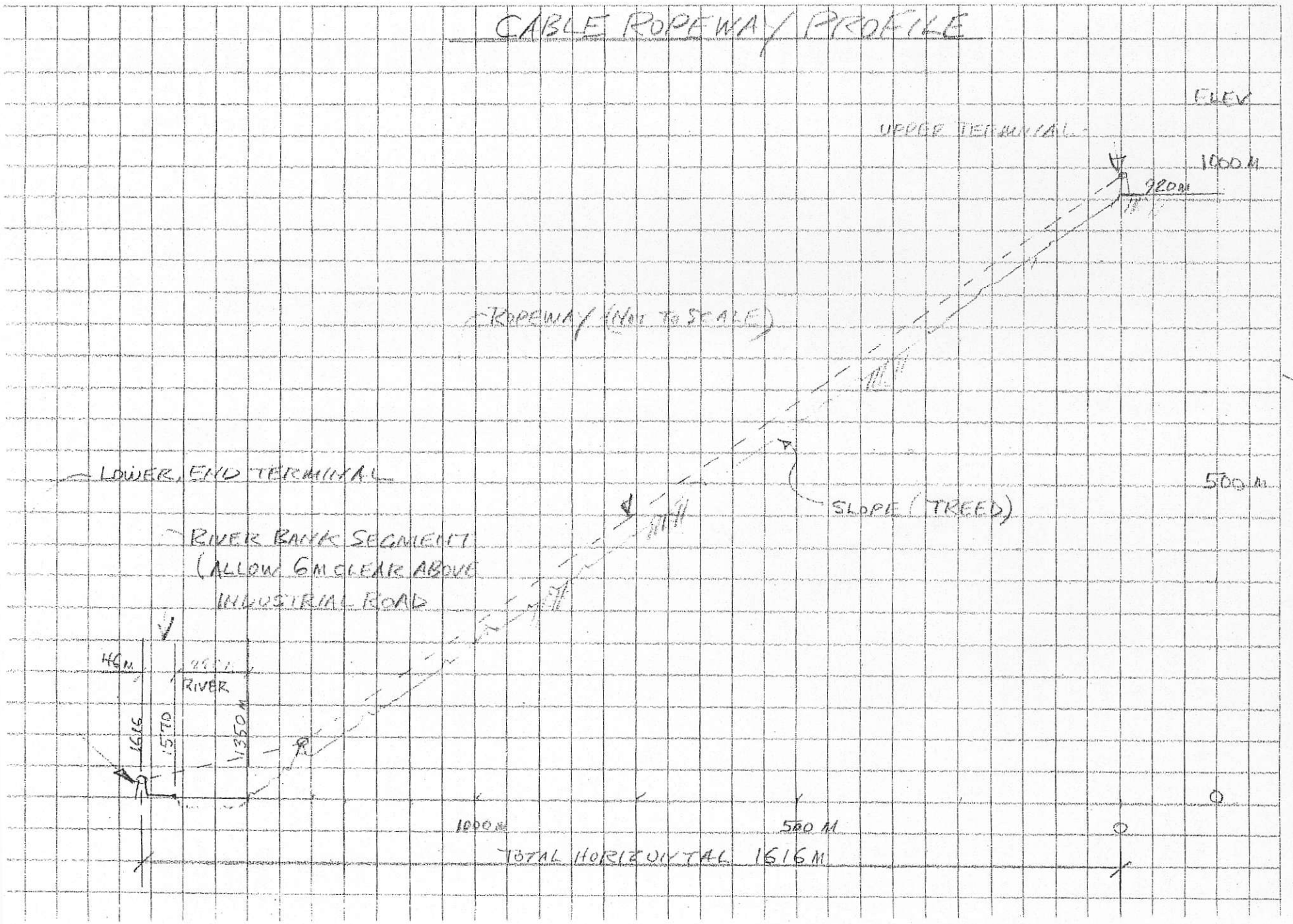
Particulars (continued)

- Ropeway Geometry (Refer to sketch accompanying)

  Tunnel portal to the river bank: 1,634m (on a slope of 34 degrees 15minutes)
  River crossing 220
  River to lower terminal 46 (6m clearance above industrial road)
  Total Ropeway Length 1,900m

- Identify long lead equipment and time from order to delivery. For pre feasibility estimating purposes it is sufficient to identify the landed port or North American point of origin and shipping weights
- State if duties and taxes are included
- For estimating installation costs provide number of footings and cubic metres of foundation concrete, numbers, specifications and hours of equipment units including helicopters, numbers and man hours for local crew and expat supervisors not included in equipment supply cost.
- Specify electric power supply requirements and consumption rates
- Provide estimated mechanical and effective operational operating availabilities and a basis to estimate hourly operating costs.
- The final installation must be in accordance with applieable design codes. For pre-feasibility purposes assume equivalent standards applying to recent equivalent installations in other developed jurisdictions.

CABLE ROPEWAY / PROFILE



ITEM NO. _____ OPERATION PROPERTY-PORTER IDAHO SHEET NO. SK 1

QUANTITY _____ UNIT _____ EST BY _____ CH/D BY _____ JOB ROPEWAY DATE 1/7/MAR 6

6.0 Observations, Conclusions

Observations

This report is an overview. The objective was to confirm concept feasibility and establish a planning budget.

Gaining access to Mount Rainey was never a task for the faint of heart. The old-timers used horses instead of helicopters and we can only marvel at their accomplishments. Today safe workplace and environmental regulations increase the difficulties but we have tools and equipment to perform the work safely without major physical effort at a cost and the costs can be daunting.

Rich, direct shipping silver has been mined from both sides of the mountain above the 900m level. The glacier still caps the mountain so a tunnel remains the only means of access to explore for connecting mineralization. A road to the East workings would mainly avoid avalanche hazard but it would be longer and still only connect to the bank of the Portland Canal. An all season road to a West tunnel portal is physically possible and possibly affordable but the affordable version will take three or more years to permit and build, will require costly avalanche monitoring and control measures during operations and will still be subject to periodic stoppages. Only when the road is completed can tunneling start and driving the tunnel will take a full year.

A modern cable ropeway promises to save a third of the development costs and up to half of the time but many questions remain unanswered.

- We do not have a comprehensive definition of all the ancillary components required for a productive reliable tunneling-mining system (ie: tunneling support facilities, surge capacity, cableway feed hopper(s), truck load-out etc)
- Unknown cost of regulatory compliance
- Net tunneling-mining efficiency
- Operating costs including regeneration credits and avalanche issues

Conclusions

Gaining safe access to mine the old workings and to explore for more mineralization is feasible but it will be expensive and take at least four years including permitting if the tunnel is accessed by road. A cable ropeway to replace the road could be one third cheaper and reduce the time to start mining by half. Confirmation will require coordinated and complimentary expert input from mining-tunneling and ropeway bulk transport specialists.

7.0 APPENDIX

INDEX

a) Prosperity-Porter Idaho Mine Access Scoping Study, McElhanney 08
b) Pre Feasibility Environmental, Reconnaissance & Design Budget, McEA 08
c) Tunnel – Access, Observations, Recommendations, Abernethy-Seel 08
d) Stetham Proposal, Avalanche Notes
e) Ropeway Suppliers
f) Tramway Engineering
g) Breco, Background
h) Helicopter Construction & Mobilization Support
i) BC Mine Haul Road Design Specs

JW Abernethy & Consulting Ltd
6537 Sherburn Rd
Peachland, BC V0H 1X7

28 January 2008

Raimount Energy
2420, 645 7th Avenue SW
Calgary, AB, T2P 4G8

Attention: **Mr. Steve Varva**

Dear Steve,

Re: Accompanying: Prosperity-Porter Idaho Mine Access, 2008 Scoping Study Report
Multi-Function Trans Mountain Tunnel
Mining Access, Observations and Conclusions

The McElhanney Consulting Services Scoping Study report was prepared by Mr. David Pow under Rupert Seel 's direction. It provides current market pricing for two south portal access road alternatives. (Alternative "A" is preferred) We consider McElhanney's pricing to be super conservative (ie: high). The report was commissioned to insure input that reflects current industry conditions and attitudes. Boom conditions have created inflationary pressures and consultants now have liability concerns thanks to recent project cancellations caused by cost overruns. As discussed elsewhere we believe that design optimization based on field surveys, a relatively advantageous location and selective contracting policies can justify lower prices than McElhanney's. However a number of regulatory issues with cost increasing potential are unresolved and any safe all weather access to the upper slopes of Mount Rainey was always going to be expensive. (At this point the design assumptions are conceptual, the pricing is order of magnitude, {ie:-15% +30%} and all relevant assumptions must be confirmed in the field). We feel that $19,000,000 is a realistic order of magnitude cost for road access.

The recommended Tunnel price is $17,000,000. This is 3 times the Teck 1987 tunnel estimate with which it is directly comparable and roughly in line with subsequent increases in underground mining costs. (Using McElhanney's extrapolated prices the total would be about $23,000,000)

A total front end capital cost of $36,000,000 represents a significant hurdle to bringing the Mount Rainey properties into production. The McElhanney estimate serves as a caution. $36,000,000 is not excessive when compared to recent experience in other venues.

It is an interesting and intriguing project. The opportunity to be involved is appreciated. We hope that Raimount is able to capitalize on the property's potential.

Yours very truly

John W. Abernethy

Mount Rainey Access Challenge

Introduction:

Bounded on the south by the Bear River, by the Portland Canal on the west, with steep slopes on all sides, Mount Rainey towers 1890 meters over the port of Stewart. Those steep slopes combined with heavy, wet snowfalls create classic avalanche conditions. Early prospectors found rich deposits of silver on the upper slopes on opposite sides of the mountain. In the 1920's many ounces were seasonally mined by determined miners using horses and a tramline for ore transport. In the 1980's exploration of the extensive northern workings identified significant remaining reserves. Geological evidence indicates a connection between the north and south vein structures. There is tremendous reserve potential if the previously mined and known remaining reserves can be projected over the nearly 3000m that separates the old workings. The key to exploring that potential and any future mining operations is safe, all weather access.

We were tasked with the challenge of using available information to identify and budget price a technically feasible mining access scheme to add value to the properties. That information includes an earlier development study, updated contour plans and some small scale, page sized drawings. We believe that this should be adequate for the conceptual level of the study.

Few options were identified and none are cheap. The proposed scheme is barely feasible and quite expensive. There is plenty of scope to reduce costs by more detailed study and by applying logging road and mining techniques to counter the influence of recent civil project criteria in the current boom environment. We feel also that the benefits of working from an established community need to be fully reflected. But a number of regulatory issues with cost increasing potential are unresolved

Multi Function, Trans Mountain Tunnel

Summary:
The tunnel is 3325m long, sloping from north to south, on a grade between 11.8% to 11.1% depending on the final south portal elevation. It is aligned with the "D" vein portal on the north and the Silverado portal on the south to allow exploration of the connecting vein systems. It connects with the old workings in the north and provides an ore haul way for future mining. There is a wide range of opinion on current tunneling costs (from $3000 to $6500 per meter) applying the average plus an allowance of $1,200,000 for hauling to a notional waste dump gives a total cost of $17,000,000. This compares to the 1976 Teck estimate of $5,550,000 for a similar tunnel, an increase of 306%. Over the same period the average operating cost per tonne for underground mining have increased by roughly a similar amount (from about $175 to $525)

Design Assumptions:
The various design decisions are arbitrary. They are based on interpretation from scaling the photo contour drawings. Every assumption must be verified in the field before final design decisions are made

Section:
The Tonto tunnel, a 12' wide 15' high arch was deemed adequate to accommodate the ventilation required to drive 3260m from a single heading. Based on advice we have assumed a 14' wide 15' arch for greater operational flexibility

Alignment:
On a direct line between south face Silverado Workings at 1000m elevation and the north face portal of the tunnel below "D" vein (The new tunnel deviates at the end approximately 250 m to the east, passing below Silverado Creek thus avoiding a road crossing of the creek.

Portals:
The south Portal is between the 900m and the 925m elevation (Subject to further study. See grade discussion following) The north Portal is coincident with the existing portal at the 1287m level directly below "D" vein. (Refer to Geological reference document, page 84, fig 43)

Grade:
For operational considerations a flatter grade is better. The horizontal distance is about 3260m. With the portal at 900m the grade is 11.8%. At 925m the grade is 11.1%. This compares to a general road grade of 11%. Field studies are required to confirm design decisions

Cost:
An active mining executive recommends allowing $3,000/ linear meter for shorter tunnels and 4,000/lm for a 3300 meter, single heading tunnel. This is equivalent to about $235/bcm or about $117/tonne. For a short tunnel the equivalent numbers are $176/bcm and $88/tonne. Comparably the McElhanny report uses $382/bcm or $191/tonne for a short, 670m road tunnel about double industry costs

Mining Access, Observations and Conclusions

Observations:

Geological evidence that indicates a connection between the north and south vein structures. implies a tremendous reserve potential if the previously mined and known remaining reserves can be projected over the nearly 3000m that separates the old workings. The key to exploring that potential and any future mining operations is safe, all weather access. Steep slopes combined with heavy, wet snowfalls create classic avalanche conditions. Of the limited number of options, none are cheap. The proposed scheme is feasible but quite expensive. There is plenty of scope to reduce costs by more detailed study and by applying logging road and mining techniques to counter the influence of recent civil project criteria in the current mining boom environment. We feel also that the comparative benefits of working from an established community are not reflected in McElhanney's pricing which is extrapolated from a major high cost remote project.

Today a prudent developer resolves the high impact environmental and regulatory issues before proceeding. One serious concern is the potential for acid drainage from tunnel and or mine waste. The current budget has no allowance for these kinds of potential cost impacts.

Experience proves that the best contractors for these types of access roads are specialized logging road contractors. Customarily they get more design latitude for tricky locations than is the case on engineered civil projects. Here the avalanche hazard and many streams to bridge requires more civil construction expertise than most possess. We believe that the right combination of engineer and contractor in this location could reduce the total cost calculated by McElhanney by as much as the amount of the 35% contingency, to $!6,300,000. Given the current inflationary climate it would be prudent to assume a road access cost of 19,000,000.

Applying similar criteria we feel that the tunnel should cost about	17,000,000
The total estimated cost at this time for all weather access.	$36,000,000

Conclusions:

The original Teck feasibility study ignored the avalanche potential and badly underestimated the cost of road access. Mining at the top of Mount Rainey will require a significant up front capital investment. As always careful, practical engineering, detailed environmental study and good planning is the best way to control costs. Creating the most cost effective access for Mount Rainey conditions will take both science and art, learned from experience.

RAIMOUNT ENERGY INC.

PROSPERITY-PORTER IDAHO MINE ACCESS

2008 Scoping Study Report

Prepared by:

McElhanney Consulting Services Ltd.

1633 First Avenue

Prince George BC V2L 2Y8

January 2008

Draft Report

File: 2341 1423-1
H:\PROJ\2341\1423 Raimount Energy\1423 Raimount Energy Access Road.doc

Table of Contents

TABLES

APPENDICES

H:\PROJ\2341\1242-1 Schaft Crk Road\Admin\1242 Schaft Creek Access Road FINAL 070118.doc

1 INTRODUCTION

1.1 BACKGROUND INFORMATION

McElhanney Consulting Services Ltd. (McElhanney) was retained by Rupert Seel on behalf of Raimont Energy Inc. to review the road access that had been developed along with other possible access to Silverado Portal. A scoping level of costs are to be provided for the access routes.

1.2 PROJECT OBJECTIVES

Raimount Energy Inc. requires access to the Silverado Portal to continue work on the property. Current access to the site is only possible by helicopter. A road would provide more reliable access for people, equipment and supplies, and would be less affected by weather conditions than helicopter access.

2 ROAD ENGINEERING

2.1 ROUTE SELECTION

Using the available topographic information provided by Raimount Energy Inc. two access route alternatives were developed to gain access to the upper elevations of Mt. Rainey. From the end of the access roads it would be necessary to proceed to the Silverado Portal by developing underground access. The detailed design of the underground access is outside of the scope of this study.

2.2 ROUTE DESCRIPTION

2.2.1 Option A

The road takes off from the Stewart highway crosses the Bear River and travels along Sluice Box Road and climbs the mountain to approximately km 1.2 where a proposed 500-metre tunnel or avalanche structure provides protection from

the avalanche chute. The road continues up the slope on the north side of Silverado Creek at an average grade of 11% to the 900m elevation. From this location a drift would be developed to provide access to the Silverado Portal area.

The steep side slopes require that the road base be cut into the mountain side, cuts of up to 20 metres vertical will be required: all rock will have to be hauled to a waste dump. There is an area at km1 that may be suitable for a waste dump.

The route is 6.9 km route requires six switch backs and the crossing of 20 streams, a 500m tunnel and approximately 370m of avalanche path to cross.

From the end of the road to the Silverado Portal will require a drift of 670m at a grade of 12%. The estimated cost of Option A road is $24,919,000 with an additional $5,879,00 for the access tunnel for a total cost of $30,798,000.

2.2.2 Option B

Access to the east side of Bear River is gained by the establishment of a barge landing on the north side of Portland Creek. The route travels between Portland Creek and Silverado Creek at an approximate grade of 11% to the 830m elevation on the north side of Portland Creek

The steep side slopes require that the road base be cut into the slope, and that all of the rock will have to be hauled to a waste dump. There is an area at km2 that may be suitable for a waste dump.

The 7.0 km route requires six switchbacks and the crossing of 2800 m of avalanche path.

A drift at 10.4% from the end of the road would daylight at the Silverado Portal. The estimated cost of Option B road is $21,966,000 with an additional $12,636,000 for the access tunnel for a total cost of $34,602,000. The cost of barge access has not been included in these costs.

2.3 ROUTE COMPARISONS

The two routes cross difficult terrain and require extensive structures for the stream crossing and the avalanche areas that must be crossed, Table 2.1 show a comparison of the major cost items. The routes and distances to the various portals and sites on the property are shown on Drawing 01423-105.

Table 2-1 Route Comparisons

Item	Option A	Option B
Access	Direct access from Stewart	Dock required for barge access
Length	6.9km	7.0km
Bridges	20	0
Switch backs	6	6
Average Distance between switch backs	450m	1400m
Elevation obtained	900m	830m
Distance from Silverado Portal	320m	1440m
Avalanche exposure	370m	2800m
Rock volume	159,420 m^3	96,600 m^3
Construction cost	$18,458,500	$16,271,300
Cost per km	$ 2,884,100	$2,324,500
UG access length required (@12%)	670m	1440m
UG cost	$ 4,355,000	$ 9,360,000
Sub total cost	**$22,813,500**	**$25,631,300**
Contingency 35%	$ 7,984,700	$ 8,970,900
Total	**$30,798,200**	**$34,602,300**

2.4 AVALANCHE PROTECTION

There are extensive avalanche areas along the routes; a combination of avalanche structures and blasting will be required to provide a safe access road.

Avalanche sheds are composed of an armored arch that would cover the roadway and be supported by a wall on the downhill side. The estimated cost of this type of construction is

$8000 per metre. Protection for areas of lower risk would comprise the construction of barriers utilizing lock blocks or gabions.

A review of the road access by an avalanche specialist should be undertaken to determine the most cost effective method of providing safe access. This may possibly involve actively controlling the avalanche hazard and accepting the possibility that the road may not be usable year round.

2.5 ROAD DESIGN

2.5.1 Design Requirements

The access road has been developed as an initial access providing one lane travel at an average grade of 11%.

Due to the side slopes of close to 100% it will be necessary to cut into the hillside and to haul the material to an appropriate dump for disposal. Possible waste dumps sites have been located. The capacity of the dumps have not been determined.

A 5 metre road width with 1 metre allowed for ditching has been used. It may be necessary to increase this width by 2 metres to provide for the installation of a safety berm.

In accordance with the Mines Act it is necessary to provide either run away lanes or impact barriers for haul roads greater than 5% grade as well as pullouts to allow for passing. These have not been included in this conceptual design; extending the switchbacks may provide the necessary space for the runaway lanes.

Culverts will be installed approximately every 600 metre.

All major stream crossings have been estimated to require 40 metre long bridges due to the steep channels.

3 CONSTRUCTION COST ESTIMATE

3.1 SCHEDULE OF QUANTITIES AND UNIT PRICES

The unit costs are based on current information that McElhanney has obtained from similar work. Due to limited information available a contingency factor of 35% has been applied to the costs. The costs for the two options are shown in Tables 3-1 and 3-2.

It has been assumed that avalanche sheds will be required for 50% of the areas and less extensive protection will be required for the additional 50% of the exposed areas.

The cost of providing barge access on the north side of Portland Creek has not been included as we have not been able to obtain costing information.

Table 3-1 Option A Route Cost Estimate

DESCRIPTION OF WORK	UNIT OF MEASURE	QUANTITY	UNIT PRICE $	EXTENDED $ AMOUNT
Site Preparation				
Mobilization	Lump sum		100,000	100,000
Logging	m^3	2760	32	88,320
Clearing	ha	13.8	6,000	82,800
Grubbing	ha	13.8	6,000	82,800
Stripping	ha	13.8	2,000	27,600
Primary Construction				
Solid rock/End haul/ >10% grade	km	6.4	250,000	1,600,000
Drill and blast rock	m^3	159,420	15	2,391,300
Road base and surfacing	m	6,400	25	160,000
Culverts	each	11	1,000	11,000
Bridges	m	910	10,000	9,100,000
Avalanche Protection				
Snow sheds	m	185	8,000	1,480,000
Barriers	m	185	1,000	185,000
Tunnel	m	500	6,500	3,250,000
			Sub total	**18,458,820**
		Contingency	35%	**6,460,587**
			TOTAL	**24,919,407**

Table 3-2 Option B Route Cost Estimate

DESCRIPTION OF WORK	UNIT OF MEASURE	QUANTITIY	UNIT PRICE $	EXTENDED AMOUNT $
SITE PREPARATION				
Mobilization	Lump Sum		1 00,000	100,000
Logging	m3	2800	32	89,600
Clearing	ha	14	6,000	84,000
grubbing	ha	14	6,000	84,000
Stripping	ha	14	2,000	28,000
Primary Construction				
solid rock/End haul/ >10% grade	km	7	250,000	1,750,000
Drill and blast rock	m3	96600	15	1,449,000
Road base and surfacing	m	7000	25	175,000
Culverts	each	12	1,000	12,000
Bridges	m	0	10,000	-
Avalanche Protection				
Snow sheds	m	1400	8,000	11,200,000
Barriers	m	1400	1,000	1,400,000
Tunnels	m	0	6,500	-
			Sub total	**16,271,600**
		Contingency	35%	**5,695,060**
			TOTAL	**21,966,660**

4 OPERATING AND MAINTENANCE REQUIREMENTS

4.1 OPERATING AND MAINTENANCE REQUIREMENTS

4.1.1 Regular Maintenance

The road location is in an area that will require extensive maintenance due to the heavy snowfall experienced in this area and the steep terrain. Monitoring of the area by avalanche control experts will be required.

4.1.2 Avalanche Forecasting and Control

Avalanche forecasting and control must be an integral part of the Road Maintenance program for the access routes as they pass through high risk avalanche prone terrain.

A range of structures and the associated unit costs per lineal meter are as follows:

- Low risk - no-post concrete barriers $120.00/lm installed
- Moderate risk -concrete lock block retaining wall (3m high) $600/lm
- High risk - 5m high earth berm $2100/lm
- Very High risk - snow sheds $8000/lm

The above unit costs have been added into the capital costs for road construction.

5 ALTERNATIVES

A possible alternative to the two routes that have been looked would be to establish a portal site at km 2 on Option B then access the Silverado Portal by a combination of drift and raise. When mining begins material could be transported to this portal and the either hauled by truck to the barge site or transported to the current dock on the west side of Bear River by tramline. An approximate cost for this access is $ 25,265,000 as shown in Table 5.1.

Table 5-1 Option Alternative Route Cost Estimate

DESCRIPTION OF WORK	UNIT OF MEASURE	QUANTITIY	UNIT PRICE $	EXTENDED AMOUNT $
Road construction	m	2	2,324,467	4,649,000
Drifting	m	900	6,500	5,850,000
Raise development	m	632	13,000	8,216,000
			Subtotal	18,715,000
		Contingency	35%	6,550,000
			Total	**25,265,000**

6 SUMMARY

An access route up the side of Mt Rainey is possible although expensive. It does not appear that it is possible to provide road access to the Silverado Portal and a combination of road and underground access will be required.

A tramway may be a possible alternative to road for the transport of the ore and should be investigated in a further study.

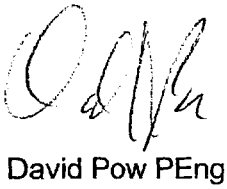
Avalanche control will be a major factor to ensure safe passage on the roads.

7 CLOSURE

This report has been prepared to assist Raimount Energy Inc. to evaluate road access to the Silverado Portal. The recommendations and cost estimates contained herein represent McElhanney's best professional judgment in light of the knowledge and information available at the time of preparation. We trust this report meets your requirements and provides an understanding of the feasibility of a route up the slope of Mt. Rainey. If you have any questions about the content of this report, or if we can be of further assistance please contact David Pow.

Submitted by

McElhanney Consulting Services Ltd



David Pow PEng
Mining Specialist

APPENDIX 1

Alternate Route Selection Drawing

NOTES:

1. SURFACE DATA PROVIDED BY RAIMOUNT ENERGY
2. ROAD WIDTH 5.0m

Segment	From		To		Distance (m)	Grade (%)	Distance Required @ 12% Grade
	Location	Elevation(m)	Name	Elevation(m)			
A	Option A End of Road	900	Silverado Portal	980	320	25.0	667
B	Silverado Portal	980	Camp	1525	2620	20.1	4542
C	Option A End of Road	900	Prosperity Idaho Portal	1280	3330	11.4	3167
D	Option B End of Road	830	Silverado Portal	980	1440	10.4	1250
E	Option B End of Road	830	Prosperity Idaho Portal	1280	2880	15.7	3750
F	Option B End of Road	830	Camp	1525	2700	25.7	5792

No.	Date	Revision	Dr.	Ck'd

McElhanney

McElhanney Consulting Services Ltd.
1633 FIRST AVENUE
PRINCE GEORGE B.C. V2L 2Y8
PH (250) 561-2229
FAX (250) 563-1941

Designed:	Checked:	Date: JAN. 10/08
Drawn: SB/TLL	Surveyed:	

SCALE : 1:5000

0m 100 200 300 400 500m

(ALL DIMENSIONS ARE IN METRES)

Approved Sealed

RAIMOUNT ENERGY INC.
Suite 2420, 645 - 7th AVENUE SW, CALGARY AB T2P 4G8

PROSPERITY-PORTER IDAHO MINE
MINE DEVELOPMENT PLAN - OPTIONS A & B
Stewart, BC

Client Project No

Client Drawing No

MCSL Project No. 2341-01423-0

Drawing No. 01423-0-105

Sheet 0 of 0 Revision

Destroy all prints bearing previous number ▲

February 15, 2008
Our File: 2341-P0773-0

Steve Vara
Vice President
Raimount Energy Inc.
Suite 2420, 645-7th Avenue SW
Calgary AB T2P 4G8

Prosperity-Porter Idaho-Silverado Project:
Access Road Design and Environmental Program and Mines Act Permit Application

McElhanney Consulting Services Ltd. (MCSL) was requested by Rupert Seel acting on behalf of Raimount Energy Inc. (Raimount) to provide a proposal for a route reconnaissance and pre-feasibility level design and cost estimate for the access road as well as an environmental program.

This information would be in support of a Notice of Work application to the Ministry of Energy Mines and Petroleum Resources (MEMPR) for the construction of the access road and to be included in the application for a Mines Act permit for the mining of the Prosperity-Porter Idaho-Silverado mine project.

David Pow PEng of our Prince George office would be lead project manager with work being conducted out of our Prince George, Terrace and Smithers offices. Patty Burt BScH, PBio of our Terrace office would be responsible for the environmental portion of the project utilizing resources in Terrace and Smithers. The road layout and preliminary design would be conducted from our Prince George office.

The estimated cost for the pre-feasibility level road design and permit application for this project is $137,000 and the environmental baseline monitoring program is estimated at $161,000. Helicopter support services will be provided by Raimount. This project has been developed in several phases; the details and cost estimates are provided in Tables 1-4.

Steve Vara
Raiomount Energy Inc.
February 19, 2008
7

Following Phase 1 of each program MCSL will review this proposal with Raimount and determine if there is a need for revisions based on the comments and concerns received from MEMPR and other government agencies.

MCSL's involvement is limited to the scope of work outlined in the proposal; additional work will be subject to our available resources.

Prior to initiating the detailed design work on the road, it is necessary to have the proposed road location reviewed by geotechnical and avalanche professionals. This information is required to ensure that any concerns found are addressed in the design work. The cost of this review has not been included. MCSL can provide names of companies/personnel and coordinate their work.

MCSL's understanding of the project schedule is that Raimount would like to commence construction of a tote road along the centre line of the final road this summer. This timing appears to be optimistic considering the amount of work required and the minimum 30-day referral period, small programs are currently running 45-60 days. Discussion with MEMPR will provide an estimated time line for approval from them.

Phase 1 of the programs could start in early March and the field component would commence when the ground conditions allow access.

MCSL will attempt to stay within the provided cost estimate. If there is a change in scope or an anticipated over run of more than 10%, Raimount Energy Inc. will be informed and only with Raimount approval, will the works go forward. Please be aware that this cost estimate does not include GST.

If you have any questions please contact me.

Yours truly,

McElhanney Consulting Services Ltd.

David J. Pow PEng.
Mining Project Engineer

G:\Proposals\P0773 Raimount Energy\Proposal cover letter.doc

Table 1. ACCESS ROAD PROPOSED PROJECT OUTLINE

PHASE 1 – Consult with the Ministry of Energy, Mines and Petroleum Resources

- Review the proposed project with the Ministry and determine the information requirements for the submission of an application.
- Report to Raimount on the comments and concerns of the Ministry and determine the need to revise the work proposal.
- Terrain and geotechnical assessment and a review of the area by qualified avalanche personnel is required prior to commencing with the field survey. This work is outside of the scope of this proposal. MCSL can provide names of companies/personnel and coordinate their work.

PHASE 2 – Field Surveys

- The current route selection will be used as a guide for the areas to be ground truthed.
- A field reconnaissance road centre line will be flagged.
- Site surveys of the planned stream crossings.

PHASE 3 – Access Road Design

- Utilizing additional topographical information to be provided by Raimount and the field survey information, a pre-feasibility level design and cost estimate for the road will be developed.
- Provide general arraignment drawings of the required stream crossings.

PHASE 4 – Office

- Written report and drawings.
- Project management.
- Notice of Work application to MEMPR for the construction of the access road.

Table 2. Access Road and Permit Application Cost Estimate

		Unit	Number	Rate (per unit)	Sub Total	TOTAL
	PHASE 1-Ministry of Energy Mines and Petroleum Resources					
1	**Ministry Requirements**					
1.1	Meeting with Ministry	hours	12	$ 130.00	$ 1,560	
	Truck-day rate plus $0.60/km	ls			$ 400	
	Food and Accomodations	ls			$ 150.00	$ 2,110
1.2	Program review and report to Raimount	hours	8	$ 130.00	$ 1,040	$ 1,040
	Total Task Cost Estimate					**$ 3,150**
2	**PHASE 2-Field Surveys**					
2.1	**Centre Line reconnaissance**	km	9	$ 2,000.00	$ 18,000	
	Food and Accomodations (2 man crew)	manday	20	$ 150.00	$ 3,000	
	Truck-day rate plus $0.60/km	day	10	$ 150.00	$ 1,500	$ 22,500
2.2	**Site survey**	crossing	20	$ 2,000.00	$ 40,000	
	Food and Accomodations (2 man crew)	manday	40	$ 150.00	$ 6,000	
	Truck-day rate plus $0.60/km	day	20	$ 150.00	$ 3,000	$ 49,000
	Total Task Cost Estimate					**$ 71,500**
3	**PHASE 3-Access Road Design**					
2.1	**Road design**	km	9	$ 1,500.00	$ 13,500	$ 13,500
2.2	**Stream crossings**	individual	20	$ 1,500.00	$ 30,000	$ 30,000
	Total Task Cost Estimate					**$ 43,500**
4	**PHASE 4 - Office**					
4.1	**Report**					
	Engineer	hours	40	$ 130.00	$ 5,200	
	Technican	hours	16	$ 82.00	$ 1,312	
	Admin	hours	8	$ 64.00	$ 512	$ 7,024
					$ -	
4.2	**Notice of Work (Mines Act permit application)**					
	Engineer	hours	16	$ 130.00	$ 2,080	
	Technican	hours	16	$ 82.00	$ 1,312	
	Admin	hours	8	$ 64.00	$ 512	$ 3,904
4.3	**Project management**					
	Engineer	hours	60	$ 130.00	$ 7,800	
	Admin	hours	8	$ 64.00	$ 512	$ 8,312
	Total Task Cost Estimate					**$ 19,240**
	TOTAL PROJECT COST ESTIMATE					**$ 137,390**

Table 3. Environmental Baseline Monitoring Program Details

PHASE 1 – Determine legal requirements

- Establish a working list of provincial and federal agencies that will require submissions in order for this project to be eligible for licenses, permits and/or approvals.

PHASE 2 – Develop a Terms of Reference Document (TOR).

For a description of each component, please refer to *A Guide to Preparing Terms of Reference* for an application for an Environmental Assessment Certificate (Ministry of Environment Assessment Office 2004).

TOR content requirements will include the following information:

1. *Geophysical Environment*
   - Physiography and Topography: description of the area and terrain features.
   - Soils and Geology: geotechnical, soils and stability information.
   - Hydrogeology and Groundwater: an overview of flows and quality.
   - Natural Hazards: earthquake, avalanche, flood and other possible natural hazards.

2. *Atmospheric Environment*
   - Climate, Wind, Precipitation and Air Quality: description of the climate, wind and precipitation conditions, plus any data related to airshed boundaries, ambient conditions and emission loadings.

3. *Aquatic Environment and Surface Hydrology**
   - Aquatic Habitat, Fauna and Vegetation: document watercourses in the area including habitat, fish, invertebrates and vegetation.
   - Surface Hydrology and Water Quality: surface estimates of baseline flows and the water quality make-up.

*The baseline information is to be used as a basis for analysis where potential impacts are a possibility and proposed mitigation and compensation might be required.

4. *Terrestrial Environment and Wildlife**
   - Biophysical Information: ecosystem mapping.
   - Wildlife: description of existing wildlife in the area.

- Threatened and Endangered Species: identify any red or blue-listed species through SARA, CDC or COSEWIC.

*The baseline information is to be used as a basis for analysis where potential impacts are a possibility and proposed mitigation and compensation might be required.

5. Land Use Context

- Land Use Regime: current land use including government land use designations.
- Current Land Status: description of current land use like hunting, trapping etc.
- Aesthetics: identify major landscape values.
- Proposed Land Use: identify relationship between proposed work and existing use.
- Land Acquisition: determine whether the land is Crown or private.

6. Navigable Waters Issues:

- determine if watercourse crossings will have navigability components.

7. First Nation Issues:

- identify and consult with the First Nations groups that might be impacted by the project. This will be an initial consultation to inform the groups of the project and obtain their concerns and comments. Additional ongoing consultation will be required as the permitting process advances.

PHASE 3 – Field Surveys

Upon completion of the baseline data exercise for the 7 components, detailed work plans will be developed in order for those components that will require field studies.

- Data collection on the ground for the Geophysical Environment, Aquatic Environment, Surface Hydrology, Wildlife and Terrestrial Environment.
- Cultural and archaeological investigation of the area.

PHASE 4 – Consultation and Socio-Economic Impacts

MEMPR requires consultation prior to issuing a permit. The Ministry determines the level of consultation that is required and will inform the proponent during the referral process. The cost estimate for consultation has not been included as there is insufficient information to provide one at this time.

Table 4 Environmental Baseline Monitoring Program Cost Estimate

		Hours	Days	Rate (per hour)	Sub Total	TOTAL
	PHASE 1-Office Component					
1	Legal Requirements					
1.1	Determine the required Licenses, Approvals and Perr	40		$ 97.00	$ 3,880	
	Total Task Cost Estimate					$ 3,880
2	PHASE 2 Terms of Reference Document (TOR) for Application					
2.1	Geophysical	64		$ 105.00	$ 6,720	
2.2	Atmospheric	64		$ 100.00	$ 6,400	
2.3	Aquatic Environment and Surface Hydrology	64		$ 105.00	$ 6,720	
2.4	Terrestrial Environment and Wildlife	64		$ 105.00	$ 6,720	
2.5	Land Use Context	32		$ 105.00	$ 3,360	
2.9	Navigable Waters Issues	32		$ 105.00	$ 3,360	
2.10	First Nations	60		$ 110.00	$ 6,600	
	Total Task Cost Estimate					$ 39,880
	PHASE 3-Field Surveys					
3	Develop an Environmental Assessment Report					
3.1	Geophysical					
	Geotechnical Engineer	120		$ 105.00	$ 12,600	
	Technician	120		$ 65.00	$ 7,800	
	Truck-day rate plus $0.60/km				$ 1,860	
	Food and Accomodations		15	$ 150.00	$ 2,250	
	Equipment				$ 5,000	
3.2	Aquatic Environment and Surface Hydrology					
	Professional Biologist	90		$ 105.00	$ 9,450	
	Technician	90		$ 65.00	$ 5,850	
	Truck-day rate plus $0.60/km				$ 1,560	
	Food and Accomodations		11	$ 150.00	$ 1,650	
	Fish Sampling Equipment		11	$ 100.00	$ 1,100	
	Dataloggers		11	$ 500.00	$ 5,500	
	Sample Processing		11	$ 500.00	$ 5,500	
3.3	Terrestrial Environment and Wildlife					
	Professional Biologist	90		$ 105.00	$ 9,450	
	Technician	90		$ 65.00	$ 5,850	
	Truck-day rate plus $0.60/km		11	$ 150.00	$ 1,560	
	Helicopter	8		$1,400.00	$ 11,200	
	Food and Accomodations		11	$ 150.00	$ 1,650	
3.4	Cultural and Archaeological review	65		$ 165.00	$ 10,725	
	Total Task Cost Estimate					$ 100,555
4	PHASE 4-Report and Project Management					
4.1	Report					
	Professional Biologist	80		$ 105.00	$ 8,400	
	Admin	25		$ 64.00	$ 1,600	
4.2	Project Management					
	Professional Biologist	50		$ 105.00	$ 5,250	
	Admin	25		$ 55.00	$ 1,375	
	Total Task Cost Estimate					$ 16,625
5	PHASE 5-Consultation and Socio-economic Impacts					
5.1	First Nations	To be determined in consultation with Raimount and government agencies				
5.2	Agencies (Provincial and Federal)					
5.3	Stakeholder					
5.4	Socio-Economic Impacts					
	Socio-Community Profile and Population Distribution					
	Socio-Economic Condition					
	Public Health					
	Total Task Cost Estimate					
	TOTAL PROJECT COST ESTIMATE					$ 160,940

JW Abernethy & Consulting Ltd
6537 Sherburn Rd
Peachland, BC V0H 1X7

28 January 2008

Raimount Energy
2420, 645 7th Avenue SW
Calgary, AB, T2P 4G8

Attention: **Mr. Steve Varva**

Dear Steve,

Re: Accompanying: Prosperity-Porter Idaho Mine Access, 2008 Scoping Study Report
Multi-Function Trans Mountain Tunnel
Mining Access, Observations and Conclusions

The McElhanney Consulting Services Scoping Study report was prepared by Mr. David Pow under Rupert Seel 's direction. It provides current market pricing for two south portal access road alternatives. (Alternative "A" is preferred) We consider McElhanney's pricing to be super conservative (ie: high). The report was commissioned to insure input that reflects current industry conditions and attitudes. Boom conditions have created inflationary pressures and consultants now have liability concerns thanks to recent project cancellations caused by cost overruns. As discussed elsewhere we believe that design optimization based on field surveys, a relatively advantageous location and selective contracting policies can justify lower prices than McElhanney's. However a number of regulatory issues with cost increasing potential are unresolved and any safe all weather access to the upper slopes of Mount Rainey was always going to be expensive. (At this point the design assumptions are conceptual, the pricing is order of magnitude, {ie:-15% +30%} and all relevant assumptions must be confirmed in the field). We feel that $19,000,000 is a realistic order of magnitude cost for road access.

The recommended Tunnel price is $17,000,000. This is 3 times the Teck 1987 tunnel estimate with which it is directly comparable and roughly in line with subsequent increases in underground mining costs. (Using McElhanney's extrapolated prices the total would be about $23,000,000)

A total front end capital cost of $36,000,000 represents a significant hurdle to bringing the Mount Rainey properties into production. The McElhanney estimate serves as a caution. $36,000,000 is not excessive when compared to recent experience in other venues.

It is an interesting and intriguing project. The opportunity to be involved is appreciated. We hope that Raimount is able to capitalize on the property's potential.

Yours very truly

John W. Abernethy

Silverado, Prosperity-Porter Idaho Mine Access

Multi Function, Trans Mountain Tunnel

Summary:

The tunnel is 3325m long, sloping from north to south, on a grade between 11.8% to 11.1% depending on the final south portal elevation. It is aligned with the "D" vein portal on the north and the Silverado portal on the south to allow exploration of the connecting vein systems. It connects with the old workings in the north and provides an ore haul way for future mining. There is a wide range of opinion on current tunneling costs (from $3000 to $6500 per meter) applying the average plus an allowance of $1,200,000 for hauling to a notional waste dump gives a total cost of $17,000,000. This compares to the 1976 Teck estimate of $5,550,000 for a similar tunnel, an increase of 306%. Over the same period the average operating cost per tonne for underground mining have increased by roughly a similar amount (from about $175 to $525)

Design Assumptions:

The various design decisions are arbitrary. They are based on interpretation from scaling the photo contour drawings. Every assumption must be verified in the field before final design decisions are made

Section:

The Tonto tunnel, a 12' wide 15' high arch was deemed adequate to accommodate the ventilation required to drive 3260m from a single heading. Based on advice we have assumed a 14' wide 15' arch for greater operational flexibility

Alignment:

On a direct line between south face Silverado Workings at 1000m elevation and the north face portal of the tunnel below "D" vein (The new tunnel deviates at the end approximately 250 m to the east, passing below Silverado Creek thus avoiding a road crossing of the creek.

Portals:

The south Portal is between the 900m and the 925m elevation (Subject to further study. See grade discussion following) The north Portal is coincident with the existing portal at the 1287m level directly below "D" vein. (Refer to Geological reference document, page 84, fig 43)

Grade:

For operational considerations a flatter grade is better. The horizontal distance is about 3260m. With the portal at 900m the grade is 11.8%. At 925m the grade is 11.1%. This compares to a general road grade of 11%. Field studies are required to confirm design decisions

Cost:

An active mining executive recommends allowing $3,000/ linear meter for shorter tunnels and 4,000/lm for a 3300 meter, single heading tunnel. This is equivalent to about $235/bcm or about $117/tonne. For a short tunnel the equivalent numbers are $176/bcm and $88/tonne. Comparably the McElhanny report uses $382/bcm or $191/tonne for a short, 670m road tunnel about double industry costs

Silverado, Prosperity-Porter Idaho Mine Access

Mining Access, Observations and Conclusions

Observations:

Geological evidence that indicates a connection between the north and south vein structures. implies a tremendous reserve potential if the previously mined and known remaining reserves can be projected over the nearly 3000m that separates the old workings. The key to exploring that potential and any future mining operations is safe, all weather access. Steep slopes combined with heavy, wet snowfalls create classic avalanche conditions. Of the limited number of options, none are cheap. The proposed scheme is feasible but quite expensive. There is plenty of scope to reduce costs by more detailed study and by applying logging road and mining techniques to counter the influence of recent civil project criteria in the current mining boom environment. We feel also that the comparative benefits of working from an established community are not reflected in McElhanney's pricing which is extrapolated from a major high cost remote project.

Today a prudent developer resolves the high impact environmental and regulatory issues before proceeding. One serious concern is the potential for acid drainage from tunnel and or mine waste. The current budget has no allowance for these kinds of potential cost impacts.

Experience proves that the best contractors for these types of access roads are specialized logging road contractors. Customarily they get more design latitude for tricky locations than is the case on engineered civil projects. Here the avalanche hazard and many streams to bridge requires more civil construction expertise than most possess. We believe that the right combination of engineer and contractor in this location could reduce the total cost calculated by McElhanney by as much as the amount of the 35% contingency, to $!6,300,000. Given the current inflationary climate it would be prudent to assume a road access cost of 19,000,000.

Applying similar criteria we feel that the tunnel should cost about	17,000,000
The total estimated cost at this time for all weather access.	$36,000,000

Conclusions:

The original Teck feasibility study ignored the avalanche potential and badly underestimated the cost of road access. Mining at the top of Mount Rainey will require a significant up front capital investment. As always careful, practical engineering, detailed environmental study and good planning is the best way to control costs. Creating the most cost effective access for Mount Rainey conditions will take both science and art, learned from experience.

FAX

P1 of

J. W. ABERNETHY MANAGEMENT & CONSULTING LTD.

6537 Sherburn Rd. Peachland BC, Canada V0H-1X7
Voice & Fax: (250) 767-9084 E-Mail: abernetj@telus.net

21 March 2008

Chris Stetham & Associates
Snow Safety Services
409 8th AvenueCanmore, Alberta T1W 2E6

Attention: **Chris Stetham**

Re: **Raimount Energy Avalanche Evaluation**
Sk. No. 1 Proposed Tramline Location Accompanying

Dear Chris,

Further to our recent telcon accompanying is a sketch from an earlier development proposal. It covers the areas of our interest on the South slope of Mount Rainey. There are three distinct panels.

1. The tunnel portal and proposed tramline location.
2. The slope South of the tramline
3. The slope North from the portal to Portland creek.

We are conducting a pre-feasibility study. This involves comparing alternatives on a conceptual design, order of magnitude pricing basis. I am confident that your firm has the range and depth of experience to support this process. Each alternative being considered requires road access to the tunnel. One uses an all season road for access and ore haul. The other will use a tramway for crew, material and ore haul. This scenario requires road access to commence tunnel excavation and the same road if the tunnel muck must be disposed at a distant dump. In each case avalanche hazard is a governing consideration. In each case we need to include the estimates costs of disruptions and mitigation to make the correct decision. In either case we need to know the likely safe operating season (for construction) without the benefit of protective devices (also the reasonable measures and their estimated costs to extend the season)

- All year road access with recommended protective devices installed.
  - Cost of avalanche oversight
  - Number of days lost per year due to avalanche risk and/or remediation
- Summer only road access. Mining operation supported by tramline
  - Cost of avalanche oversight (recommendation for protective devices)
  - Number of days lost per year due to avalanche risk and/or remediation

We are looking to Chris Stetham for the specialized information we need. Please provide a quotation for your services including the necessary field survey.

Yours truly,

J W Abernethy

Chris Stethem & Associates Ltd.
SNOW SAFETY SERVICES
409 – 8th Avenue, Canmore, Alberta, Canada T1W 2E6
Telephone: (403) 678-2477 Fax: (403) 678-3486

FAX COVER SHEET

DATE:	March 29, 2008

PAGES:	3 (including cover page)

TO:	J.W. Abernethy
Fax:	(25) 767-9084

CC:	

FROM:	*Chris Stethem* *President* *Chris Stethem & Assoc. Ltd* *409 – 8th Avenue* *Canmore, AB T1W 2E6* *CANADA*
Phone:	*(403) 678-2477*
Fax:	*(403) 678-3486*
Email:	*cstethem@snowsafety.ca*

REMARKS: ☐ *Urgent* ☐ *For your review* ☐ *Reply ASAP* ☐ *Please Comment*

J.W.

Please find following our proposal for Raimount Energy. I will be in Japan March 30th April 10th . I can be reached by e-mail or via messages through Mary Jane Pedersen in our office.

Chris

Chris Stethem & Associates Ltd.
SNOW SAFETY SERVICES
409 – 8th Avenue, Canmore, Alberta, Canada T1W 2E6
Telephone: (403) 678-2477 Fax: (403) 678-3486

March 29, 2008

J.W. Abernethy Management Consulting Ltd.
6537 Sherburn Rd.
Peachland, B.C.
V0H 1X7

Attention: **JW Abernethy**

RE: **Raimount Energy Avalanche Evaluation**
SK No. 1 Proposed Tramline Location

Dear Mr. Abernethy:

I am writing further to your fax of 21 March to propose how Chris Stethem & Associates Ltd. (CSA) might assist Raimount Energy with avalanche risk evaluation in its pre-feasibility study of access by tram and road access from Stewart, B.C.

Background
Raimount proposes to build a tunnel portal at the 3000' level on Mt. Rainey, with a road access from Stewart. The road would run south from the Highway 37A Bear River bridge across the base of the west slope of Mt. Rainey to the tree triangle on the north side of Silverado Creek. It would then switchback up the tree triangle to the portal at the 3000' level. Two alternatives are being considered including:

1) Year round road access for personnel, materials and ore haul;
2) Summer road access only, with a tramline for winter access, materials and ore haul.

Avalanche hazard is encountered in several avalanche paths on the road route crossing the west face of Mt. Rainey including Rainey Shoulder, Rainey, Leyto, Bonus and Silverado (BC Ministry of Transportation path names). Both the Bonus and Silverado avalanche paths have the potential to affect the area of the switchbacks and tunnel portal.

Proposed Scope
Evaluate the cost and feasibility of year round road access or summer road/tramline access, including for each option:

- Recommended concept(s) for mitigation;
- Cost of avalanche mitigation and hazard monitoring program;
- Estimate of days lost per winter due to avalanche risk and/or remediation;
- Length of the summer construction season without avalanche risk;
- Options and cost to extend the summer construction season.

Methodology

- Review of topographic maps, air photographs and available records of avalanche occurrence and weather;
- Field inspection of the site by helicopter and ground (as feasible);
- Discussion of project with client;

- Preparation of draft report;
- Client review and final report.

Personnel, Tasks and Rates

- Chris Stethem, fieldwork and report $140/hr
- Alan Jones, P. Eng. review $120/hr
- Johann Slam, field assistant, local knowledge $85/hr

Chris Stethem is familiar with the area from previous CSA studies in Stewart. Johan Slamm has spent several years in Stewart with the BC Ministry of Transportation Avalanche Programs. Alan Jones has also worked in the Stewart area with BC MoT and CSA.

Costs

• C. Stethem		
○ Fieldwork, travel*	32 hours	
○ Analysis and Reports	60 hours	$12,880
• Alan Jones		
○ Review	16 hours	$1,920
• Johann Slamm		
○ Fieldwork	16 hours	$1,360
• Travel and living expenses would be charged at direct cost		
○ Air, car rental, hotel		$2,000
	Total Estimate	$18,160

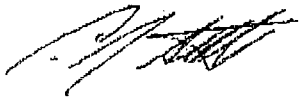
*We estimate 2 travel days and 2 days on site would be required. Timing would be weather dependent and the 2 field days budgeted would allow some weather delay. Helicopter costs would be paid directly by the client or charged at cost +5% by CSA.

Timing

The best timing for this work would be during summer to gain stable weather and reduce the avalanche hazard on site. We propose the fieldwork be done during early August. June is also an option, but access may be limited by weather or conditions. Chris Stethem is on annual leave during July. We propose completion of the project approximately 60 days from completion of fieldwork.

I look forward to further discussion of this proposal as may be required. Thank you for the opportunity to present this proposal.

Sincerely,
CHRIS STETHEM & ASSOCIATES LTD.



Chris Stethem

List of aerial lift manufacturers

From Wikipedia, the free encyclopedia

This is a list of the world's current and former aerial lift manufacturers.

Current

- Ansaku
- CWA
- Cerreti Tanfani
- Doppelmayr CTEC - USA branch of Doppelmayr.
- Doppelmayr Garaventa Group - Austria and Switzerland.
- Gimar Montaz Mautino
- Girak (now being part of Doppelmayr Garaventa Group)
- Graffer Seggiovie
- JFE Mechanical
- Kashiyama Industries
- Leitner-Poma
- Leitner Group
- Niederberger
- Nippon Cable
- STM Sistem Teleferik
- Tokyu Car
- Tosaku
- Yamato Sakudo

Former

- Bell Maschinenfabrik AG
- Borvig
- Carlevaro-Savio
- Constam
- De Pretis
- GMD Mueller
- Hall Ski-Lift (sold to Doppelmayr Garaventa Group)
- Heron Engineering
- Lift Engineering (Yan)
- Miner Denver
- Murray-Latta
- Nascivera
- Partek (sold to Doppelmayr in 2005)
- Pohlig-Heckel-Bleichert (including its successor PWH)
- Riblet Tramway Co.
- Roebling
- Ski Lift International
- Staedeli
- Thiokol (sold out to CTEC)
- Von Roll

ROPEWAY SUPPLIERS

	COMPANY - (NOTES)	ADDRESS	CONTACT # 'S	CONTACT	RESPONSE
1.	BRECO ROPEWAYS ✓ (INDIA BASED)	3919 MONTGOMERY CT MOUNT VERNON, WA 98273 USA	PH (360) 941-1635 FX - 348-7044 Email USA office	MR Sanjay (508-401-9999) ✓ IT Mar 08	Interested
2.	GARAVENTA, CANADA	PO BOX 1769 BLAINE WA-98231-1769 USA	PH 360-663-6556 FX 604-594-9915 contact@garaventa.com		
3.	INAUEN-SCHATTI AG	Tschachen, 1 CH-SCHWANDEN	PH +41-55-647-4868 FX -4869 info@seilbahnen.ch		
4.	KROPIVNIK CABLEWAYS PVT LTD	5th INDUSTRIAL AREA-II CHANDIGARH - INDIA	PH +91-172-4616946 FX -2638323 www.kropivnik.com/contactus.php		
5.	LEITNER POMA CANADA INC ✓	114 WELHAM RD BARRIE, ON L4M 8W4	PH 705-722-6605 FX -3170 mfrank.com@leitnercanada.com	MURRAY FRANKCOM TECH D. - Interested GLEN TINKLER (GM) Put Bogle in Kelowna	
6.	NIGG CABLE CRANES	INDUSTRIE NORD 90 7 UNTERVAZ GRAUBUENDEN, SWISS	www.nigg-seilbahnen.ch		
7.	REM CONSTRUCTION CONSULTANTS Rep for Doppelmayr Transport Systems ✓		http://remcons.co.za/products.html		
8.	TRAMWAY ENGINEERING LTD	PO Box 398 GLENWOOD SPRINGS CO 81601 USA	PH 970-945-5138	CHARLES PETERSON	

ITEM NO. ____ OPERATION P-PT ROPEWAY SUPPLIERS ____ SHEET NO. ____

QUANTITY ____ UNIT ____ EST BY ____ CH'D BY ____ JOB ____ DATE 11/08

5 star Transport

ROPEWAY WEBSITES

All websites for Ropeway in this Transport directory that have been given 5 stars are considered by us to be truly excellent, 4 star sites are very good, those with 3 stars are good, while the rest have something to offer, but won't necessarily appeal to everybody.

Aviation
Bridges
General consultants
Rail
Road
Ropeways
Safety
Shipping
Tunnels
Get listed
About us
Add to favourites
Homepage

Please visit our sponsors:

Search Transport sites: [go]

[Show UK sites only] [advanced search] [Submit site]

5 Records. Page 1 of [1] [back] [next]

1

Leitner Poma

★★★

Useful for: Leader in cable transportation systems; Including ski lifts, fixed & detachable chairlifts, gondolas, aerial tramways, skyrides and ubran transportation; Network of companies in Europe, North America and Asia.

Click here to report broken link or inaccurate description

Tramway Engineering Ltd

★★★

Useful for: Assist tramway projects from concept through to operations; Products include reversible tramways, gondolas, chairlifts, surface lifts, conveyors, funiculars and people movers.

Locations: Colorado

Click here to report broken link or inaccurate description

Free listing

Your logo here ahead of the rest when you upgrade

Ropeway Technical Services, Inc.

★★★

Useful for: Engineering firm specialising in the design, analysis, installation and inspection of passenger and material ropeway systems.

Locations: Colorado

CLOSED @ 1 JAN 08

Click here to report broken link or inaccurate description

Go

Damodar Ropeways

Useful for: Ropeway and general contruction company.

Locations: Calcutta

Click here to report broken link or inaccurate description

Go

Garaventa

Useful for: Deliver ropeways; Includes chairlifts, funiculars, aerial tramways, gondolas and inclined elevators.

Locations: Austria
USA
Switzerland

Click here to report broken link or inaccurate description

5 Records. Page **1** of 1 [**1**] [**back**][**next**]

John and/or Gail Abernethy

From: "Chuck Peterson" <chuck@tramway.net>
To: <abernetj@telus.net>
Cc: "'Sunjay Chakravarty'" <sunjay@brecoropeways.com>
Sent: Monday, March 17, 2008 8:02 PM
Attach: Charles Peterson (chuck@tramway.net) .vcf
Subject: Rainmount Energy Ropeway

John,

Thank you for your interest in Tramway Engineering. Your project sounds interesting. As you mentioned, although ropeways have been a cost efficient method of transporting material over difficult terrain for decades, the use of large off road haulers for mining has made material ropeways less financially attractive. Currently there are few international firms that have the experience or capacity to design and construct material ropeways. Over the past decade there has been consolidation of the ropeway manufacturers that focus on passenger tramways but also manufacture material tramways. Currently there are only two major international tramway companies (Doppelmayr and Lietner-Poma). Although both companies have the ability to design and build material ropeways, there seems to be a general lack of interest in these projects because of the risk and the slow erosion of their engineering skills needed to design and construct material ropeways.

The only firm that I know that still focuses on material tramways is Breco-Ropeways Ltd. The firm has an English heritage but I believe is now located in India. I think that they are probably the best firm to develop accurate cost estimates for designing, fabricating and installing material ropeways.

After our conversation I contacted Sunjay Chakravarty of Breco. He is an American who lives in Washington that I have met at professional conferences but have not worked with directly. I understand that you also contacted Sunjay.

My background is 30 years of experience in passenger ropeways. Although the engineering concepts and environmental challenges are identical, I do not have the material ropeway experience to provide you with reliable cost estimates for your project. Breco has worldwide experience in material ropeways but lacks an experienced North American engineer to address your particular terrain and environmental challenge. Therefore we agreed that the best approach is for us to work together to review your project in order to develop a strategy to overcome the difficult terrain and environmental challenges while providing an accurate assessment for the engineering and economical feasibility of your project.

If you feel that this approach meets your needs, please contact Sunjay to work out any detail. Once again, thank you for considering Tramway Engineering for this challenging project.

Chuck Peterson
Tramway Engineering
P.O. Box 398
Glenwood Springs, CO 81602

Breco Ropeways Ltd

Dear John Abernethy,

I am in receipt of your fax dated 17th March 2006, in regards to your requirement of a Material Ropeway for Rainmount Energy Inc.. Your project would definitely be of interest to us as we are the only company in the world with expertise in that field for over 50 years. We are the only As you must have recollected from our website, BRECO ROPEWAYS LTD was established in 1958 in England, with its head office in Sidcup, UK, and branches in USA, Austria, India and Singapore. Our expertise is indeed - Material Ropeway. Some of our recent projects include :

1. 3 Km - 650 TPH Bicable Ropeway for transportation of Limestone 300M downhill for Garibwal Cement (2006)
2. 2.9 Km - 650 TPH Bicable Ropeway with a 330 Meters(2007) difference of level, Pakistan
3. 7.7 Km - 300 TPH Monocable Ropeway for transportation of Coal for Aditya Birla Group, India.
4. 0.82Km - 300TPH Monocable Ropeway for transportation of Men and Materials for TalaHydroElecric, Bhutan(2002)

We are in the process of acquiring a 6.5km Ropeway for HsingTa Cement, Taiwan,.. and 2.8km Ropeway in Oman.

In regards to your project, based on your reqirement, I have forwarded the inquiry to our Engineering Dept who will directly get in contact with you shortly. The approximate completion time for this kind of project would be 15-18 months.

Depending on the need basis, it would be great if we can arrange a site visitation in near future. It will be helpful if you could send us a topo sheet, so that we can get a better idea as to the hostility of terrain.

We look forward to working with you

Best Regards,

Sanjay Chakravarty
Director of Marketing

Breco Ropeways Ltd
3919 Montgomery Court
Mount Vernon, WA 98274, USA
PH: 1(360)941-1635
FX: 1(508)401-9999

BRECO
Breco Ropeways Ltd.
"YOUR AERIAL CONNECTION"

Home
Corporate Info
Products
Projects
Process
News
Careers
JV/Investors
Contact

Contact Us

CORPORATE HEADQUARTERS

USA

Breco Ropeways
3919 Montgomery Court
Mount Vernon, WA 98273

Ph: (360) 941-1635
Fx: ~~(360) 848-7044~~ 508-401-9999
Email USA office

INDIA

Breco Ropeway
75C Park Street
6th Floor, Blk E
Kolkata, India 700016 (WB)

Ph: (33) 2229-5990
Ph: (33) 2226-5965
Fx: (33) 2217-4280
Email India office

AUSTRIA

Breco Marketing Office Europe
Gunter Hauer
Telepark 1
8572 Barnbach - Austria

Ph: +43 3142 62600-10
Fx: +42 3142 62600-3

E-mail Austria office

UK

Breco Ropeways
Oaklands House
29 Oaklands Road
Bromley, Kent-BR1 3SJ, England

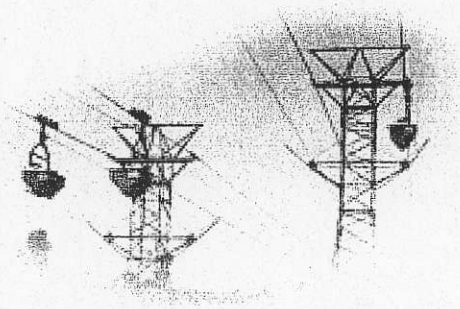
Ph: (44) (207) 788-7510
Fx: (44) (208) 346-5574

BRECO
Breco Ropeways Ltd.
"YOUR AERIAL CONNECTION"

Home
Corporate Info
Products
Projects
Process
News
Careers
JV/Investors
Contact

Breco Ropeways Ltd.

Breco Ropeways Ltd. was formed out of British Ropeway Engineering Company, in the year 1958, for the projects in the eastern hemisphere. Evolution of technology for alternative aerial transportation to serve basic need in transportation was its main objective, which built an aerial alternative culture all over the world with enormous advantage.



The company's accent in its effort, and particularly, in the field of Aerial Ropeways steadily took up to the pinnacle. Amongst more than 1500 Ropeway, it built some of the largest Ropeway Complex and its main feat was high capacity Bicable and Monocable Ropeways with unique design features.

With the accent of heavy Road Haulers, Aerial Ropeways lost its glitters and the market demand went down steeply. In the year 2002, there has been substantial share transfer, which is helping it to gradually elevate its activities from England with some of the stalwarts of earlier BRECO to meet the fresh demand of Ropeway installation in the world.

Site Designed by Laubacher Multimedia

SDY-15

TELCON LOG

16 APR 08
RUSS HARRIS
250-636-2442

PRISM HELICOPTER - STEWART

High Winds? No problem there below 1000 m

Non Fly days? Not really a problem last year (occasional foggy intervals work around VFR in that location)

4000# capacity heavy lift machine available,
Use $2,700/hr + fuel @ 200 l/hr @ 1.5/l.

CHECK FUEL PER HR... TOO HIGH!

Avalanche hazard - real problem on that slope (big one last year, air blasted down trees on Stewart side of river)

Local Avalanch expert Yohaan Slan (Lives in Stewart)
250-636-2625

Ideal to advise - monitor project away for a bit

For concrete pricing local Source Cont.
250-636-2625

Heavy Lift Helicopters Helifor Industries (Campbell River)

SILVERADO ADIT

After our flight in Aug 07 Russ located open tunnel adit (around 900 m level close to Silverado Creek.

SDY-15

TELCON LOG

HELIFOR (HEAVY LIFT HELICOPTERS)

16 APR 08
CHRIS CARSWELL
250-713-0475

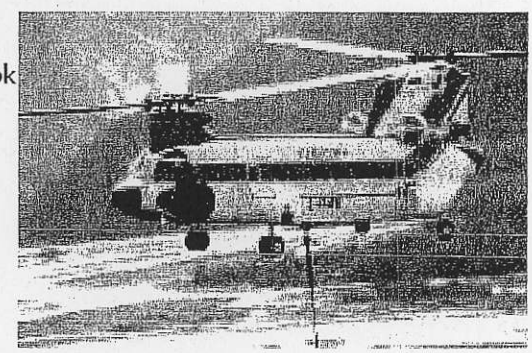
TYPE	MAX LIFT	$/HR
CHINOOK	± 24,000 LB	$13,500 + 1500 L/hr @ 150
VERTOL 107	9,000 LB	5,200 + 700 L/hr @ 150

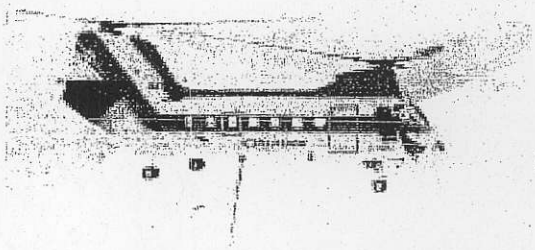
(confirm fuel)

Subject to total # flying hrs etc
Mob & Demob - 4 hrs @ way
Standby (waiting on customer) 3 or 4 hrs/day
emailing equip info

HELIFOR

Boeing 234 Chinook

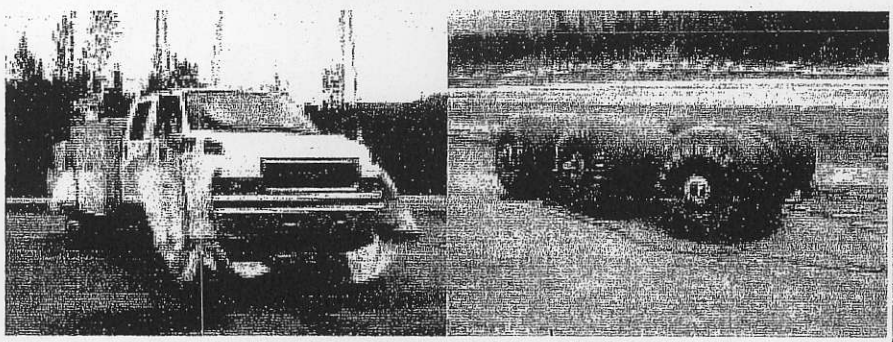




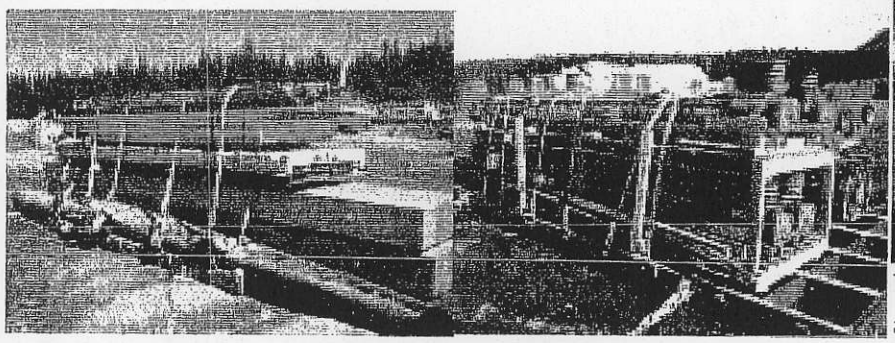
Boeing 107 Vertol

Helifor started external heavylift operations in Canada in 1978. The proven track record of our Boeing 234 Chinooks and Boeing 107 Vertols allow us to meet a wide variety of job applications. These Boeing aircraft with their tandem rotor design are among the highest performers in aviation with maximum lift capacities of 27,000lbs for the 234's and 10,000lbs for the 107's. Helicopter transport of external loads can mean savings in time and money. With minimal advanced setup time, loads can be lifted directly from any staging area and placed precisely into place.

HELIFOR CAN SAVE YOU TIME AND MONEY



Helifor can move vehicles and equipment to your remote site, along with fuel bladders to run your camp and equipment.



Helifor has engineered fly pallets that can move consumables into your site. Fly pallets can maximize the aircraft's lifting capabilities to give you a optimum weight to cost ratio.

The twin rotor design of our aircraft provides a high degree of stability enabling precision load placement (like the engine placed inside this gas plant). This makes our helicopters ideal for placing power lines towers and any other precise jobs.

#828-1200 West 73rd Vancouver, BC V6P 6G5 604-269-2000 Fax 604-269-2008

www.helifor.com

Mine Haul Road Design

Haulage Road Width

6.9.1 The manager shall prepare a plan pursuant to section 10 (1) of the *Mines Act* which

(1) Shows the type and method of construction for haulage roads that are to be constructed at the mine site.

(2) Except for roads constructed prior to 1990, the manager shall ensure that haulage roads are designed, constructed and maintained to provide

(a) a travel width where dual lane traffic exists, of not less than 3 times, or where single lane traffic exists, of not less than 2 times the width of the widest haulage vehicle used on the road, and

(b) a shoulder barrier

(i) at least 3/4 of the height of the largest tire on any vehicle hauling on the road,

(ii) of a construction or a specification that is in general conformance to accepted engineering practice,

(iii) located and maintained along the edge of the haulage road wherever a drop-off greater than 3 m exists, and

(iv) incorporating breaks that do not exceed the width of the blade of the equipment constructing and maintaining the breaks to allow for drainage and snow clearance.

(3) For the purpose of subsection (2) (a), the width of the barrier referred to in subsection (2) (b) shall be excluded from the travel width.

Vehicle Runaway Protection

6.9.2 On roadways where the grade exceeds 5% the manager shall have installed and maintained runaway lanes or retardation barriers where conditions/risk warrant.

Dumps

Dumps,

6.10.1 The manager shall require a qualified person to