

880304

Basin
9/24/10

TOS → Reg. Mg
-Kamb

Schroeter, Tom EM:EX

From: Meyers, Rick E EI:A1
Sent: Friday, September 04, 1998 3:16 PM
To: Hermann, Fred EM:EX; Ted.Hall@gems1.gov.bc.ca@mr.gov.bc.ca; Bergen, Wally EM:EX; Smyth, Ron EM:EX; Lefebure, Dave EM:EX; Errington, John EM:EX; Lieutard, Denis EM:EX; Cathro, Mike EI:A1; Beswick, Ed EM:EX; McKillop, Greg EM:EX; Britton, Jim EI:A1; Schroeter, Tom EM:EX; Madu, Bruce EI:A1; Beresford, Eric EI:A1; Mehr, Eugene EM:EX; Heistad, Ray EI:A1; Seguin, Joe EM:EX; McArthur, Gib EM:EX; Conte, Rick EM:EX; Booth, Richard EM:EX; Hoffman, Al EM:EX; Carter, Tom EM:EX; Rothman, Steve EI:A1; Worsfold, Joyce M EI:A1; Eaton, Tim EM:EX; Schmitt, Rolf EM:EX; Stewart, Linda EM:EX; McLaren, Graeme EM:EX; Cheetham, Pat EI:EX; Phelan, Bill EM:EX; Starkes, Terri EM:EX; German, Gerald EM:EX; Marsman, Talitha EM:EX; Robertson, Sheila EM:EX
Subject: Kamloops Summary to Sept 4/98

Issues

Tulameen Coal - Expect to go ahead with bulk sample this fall (contrary to last week's report). Company is now considering including a wash plant in their mine proposal, which would require an amendment to their initial plans. Meeting between E&M and Upper Similkameen Band sched for Sept 16th (L. Stewart & E. Beresford).

Brenda - Public Surveillance Cttee tour of site sched for Sept 10th.

Blackdome - Stephen Nicholas (ex Weymin Res.) is new mine manager. Has requested electrical inspector of new gen sets. Mill to start up @ 60 tpd initially.

Samatosum - to submit application to reinstall powerline to the site.

S&G - several complaints related to excessive dust from various operations related to dry weather.

At least 4 Forest Districts have placed a ban on mechanical work in the forest due to extreme fire hazard.

Brett - Huntington/Liquid Gold have lost a \$350,000 civil suit vs Vicore Mining Development relating to unpaid bills for 94/95 work.

LLRMP - E&M staff, BCYCM and mineral sector reps plan a tour of selected park proposals Sept 29th.

Admin

Kamloops office computer system has been upgraded and reconfigured to Windows 95. Thanks to Nancy Bachand and David Stewart for their hard work this week.

Russ Horton started Sept 1. Field orientation to various mines is planned.

Rick Meyers
Kamloops

TOS → Tulameen

Schroeter, Tom EM:EX

From: Meyers, Rick E EI:A1
Sent: Friday, August 28, 1998 11:32 AM
To: Hermann, Fred EM:EX; Ted.Hall@gems1.gov.bc.ca@mr.gov.bc.ca; Bergen, Wally EM:EX; Smyth, Ron EM:EX; Lefebure, Dave EM:EX; Errington, John EM:EX; INKSTER, PATRICIA E EI:A1; Lieutard, Denis EM:EX; Cathro, Mike EI:A1; Beswick, Ed EM:EX; McKillop, Greg EM:EX; Britton, Jim EI:A1; Schroeter, Tom EM:EX; Madu, Bruce EI:A1; Beresford, Eric EI:A1; Mehr, Eugene EI:A1; Heistad, Ray EI:A1; Seguin, Joe EI:A1; McArthur, Gib EM:EX; Conte, Rick EM:EX; Booth, Richard EM:EX; Hoffman, Al EM:EX; Carter, Tom EM:EX; Rothman, Steve EI:A1; MacCulloch, Lola EI:A1; Worsfold, Joyce M EI:A1; Eaton, Tim EM:EX; Schmitt, Rolf EM:EX; Stewart, Linda EM:EX; McLaren, Graeme EM:EX; Cheetham, Pat EI:EX; Phelan, Bill EM:EX; Starkes, Terri EM:EX; German, Gerald EM:EX; Marsman, Talitha EM:EX; Robertson, Sheila EM:EX
Subject: Kamloops Summary to Aug 28/98

Issues

HVC - Dangerous occurrence when a 270 tonne haul truck contacted an overhead 4160 kva wire. No injuries; operator remained in the truck until electricians locked out power to the line. Operators had been advised verbally to exercise caution near the line at the beginning of shift.

Tulameen Coal - Less than encouraging results from drilling program may push back the timing on the permitted bulk sample.

k.p. less \$?/

Brenda (Mo) Water Treatment Issue - Public Surveillance Committee and agencies to tour site Sept 10th in anticipation of a public mtg for October. This as follow-up to the appeal decision in favour of the company's Waste Management Permit which came out earlier this month. The appellants are reportedly planning further appeal to the Environmental Appeal Board.

SCMDRC - Meetings: North - Sept 24th; South - Oct 27th.

Exploration

General - one of our slowest years ever - geologists delivering pizza!

Getty Copper - still on hold due to financial problems.

Pellaire - new copper mineralization NW of Pellaire property, 1 km from Ts-y'l'os Park bdy. Company also planning to drill the Chita property NE of Taseko Lake. Access problems related to the Taseko Management Zone seem to be less of a problem this year (Internation Jaguar Equities).

Land Use

Lillooet LRMP - working sessions and tours to some proposed parks; some study areas downgrades to IRM. JBritton describes negotiations as "intractable". Leo Lindinger is reportedly doing an exemplary job as mining sector rep.

YBS → Reg. Mgr.
- Kamloops

Schroeter, Tom EM:EX

From: Meyers, Rick E EI:A1
Sent: Friday, July 24, 1998 11:41 AM
To: Hermann, Fred EM:EX; Hall, Ted J EI:A1; Whale, Andrew EM:EX; Bergen, Wally EM:EX; Smyth, Ron EM:EX; Lefebure, Dave EM:EX; Errington, John EM:EX; INKSTER, PATRICIA E EI:A1; Lieutard, Denis EM:EX; Cathro, Mike EI:A1; Beswick, Ed EM:EX; McKillop, Greg EM:EX; Britton, Jim EI:A1; Schroeter, Tom EM:EX; Madu, Bruce EI:A1; Beresford, Eric EI:A1; Mehr, Eugene EI:A1; Heistad, Ray EI:A1; Seguin, Joe EI:A1; McArthur, Gib EM:EX; Conte, Rick EM:EX; Booth, Richard EM:EX; Hoffman, Al EM:EX; Carter, Tom EM:EX; Rothman, Steve EI:A1; MacCulloch, Lola EI:A1; Worsfold, Joyce M EI:A1; Eaton, Tim EM:EX; Schmitt, Rolf EM:EX; Stewart, Linda EM:EX; McLaren, Graeme EM:EX; Cheetham, Pat EI:EX; Phelan, Bill EM:EX; Starkes, Terri EM:EX; German, Gerald EM:EX; Marsman, Talitha EM:EX; Robertson, Sheila EM:EX
Subject: Kamloops Summary to July 24/98

Issues

HVC

HVC - By virtue of an appeal to the Ministry of Labour, first line supervisors at HVC now have the right to join the union (USW). The company intends to appeal this decision. I have also heard indirectly that because of this decision, HVC is putting the proposed hydrometallurgical copper refinery project on hold until it is resolved.

Tulameen Coal - Pacific West Coal is proceeding with baseline environmental studies to meet BCE requirements. In their referral response, which was done at the last minute, BCE has given us the impression that they have misunderstood some of the project details. E&M staff will meet with BCE and the proponent in August, when more baseline data has been collected.

Getty Copper - This project has been put on hold due, in part, to dismissal of the project manager and to difficulty in raising financing.

Lawrence Pit, Lake Country - following the applicant's decision to withdraw his application, we are still receiving calls that he is still hauling material. Inspection was done this week.

Red Lake Quarry - Western Industrial Clay Products has advised Eric Beresford that he may be called to an Arbitration Board hearing regarding access to mineral claims on private property.

Blackdome - project is underway with plans to hire u/g miners in the near future.

Admin

Vacations: R.Heistad until Sept.
E. Mehr until Aug 10
Meyers Aug 4-14

Rick Meyers
Kamloops

TGS → Reg. M.
— Kamboj

Schroeter, Tom EM:EX

From: Meyers, Rick EM:EX
Sent: Friday, October 23, 1998 2:29 PM
To: Beresford, Eric; Bergen, Wally; Beswick, Ed; Booth, Richard; Britton, Jim; Carter, Tom; Cathro, Mike; Cheetham, Pat; Conte, Rick; Eaton, Tim; Errington, John; Hall, Ted; Heistad, Ray; Hermann, Fred; Hesketh, Joan; Hoffman, Al; Inkster, Patricia; Lefebure, Dave; Lieutard, Denis; MacCulloch, Lola; Madu, Bruce; Marsman, Talitha; McLaren, Graeme; Mehr, Eugene; Phelan, Bill; Rothman, Stephen; Schmitt, Rolf; Schroeter, Tom; Seguin, Joe; Smyth, Ron; Starkes, Terri; Stewart, Linda; Whale, Andrew; Worsfold, Joyce
Cc: Cheetham, Pat Ei:EX
Subject: Kamloops Summary to Oct 23/98

Issues

Brenda - Public meeting of the Public Surveillance Cttee sched for Oct 26th. Issues expected to focus on water quality objectives, which are under appeal to the BC Environmental Appeal Board. We are advised by the Exec Director of the EA Board to avoid creating a public debate on this issue while it is under appeal.

Ashcroft Quarry - stakeholder (ranchers) concerns coming forward over apparent lack of direct consultation from proponent. EA threshold for industrial mineral quarries under review with EAO and MELP. Public meeting on Ashcroft sched for Oct 28.

Dangerous Occurrences

HVC - A blasthole drill redrilled a blasted area which did not break without a pre-approved engineered offset drilling pattern. Fortunately no explosives were encountered. Investigation in progress.

Samatosum - A 35 tonne crane tilted while working in soft ground due to lack of firm support under one of the stabilizers. No injuries or damage to the crane.

Craigmont Mine ceased operations for the year on Oct 23/98. Restart expected in Feb/99.

Candorado - Draft letter in progress to confirm E&M requirements for heaps reclamation and closure. Company continues to look for ways to minimize their work requirements. Meanwhile a local self-appointed enviro monitor is sending whatever info he can obtain to a mining engineer acquaintance somewhere in the US.

Tulameen Coal - To do a pre-permit review at SCMDRC in Penticton on Oct 27th. BCE has raised issue around "end running" the EA Process by staying below threshold. We will likely direct them to the EA office to join the threshold discussion.

Land Use

OSLRMP - Mineral Sector debating proposed PAs.

LLRMP - Table reviewing sub-areas and scenarios. One IST rep has inferred that the LRMP process would be a lot fairer if mining and logging interests were absent...of course the response would be.. "so then why would we need an LRMP process???"

South Chilcotin SRP - Concern from hunting/recreation sector regarding Blackdome's need to lock their gate(s). May need a Mines Act directive to ensure the gate stays closed and the hunters stay out.

Exploration

TGS → RG
Kamlof

Schroeter, Tom EM:EX

From: Cathro, Mike EM:EX
Sent: Friday, August 30, 2002 4:18 PM
To: Adams, Rick EM:EX
Cc: Britton, Jim; Brown, Derek; Grant, Brian EM:EX; Lefebure, Dave; Logan, Jim EM:EX; Ludwig, Allan; Madu, Bruce; McArthur, Gib; Schroeter, Tom; Simandl, George EM:EX; Smith, Don; David Terry; Houle, Jacques; Lane, Bob; Wojdak, Paul
Subject: Cathro Weekly to 8/30/02

Similco

HIGHLIGHTS

Basin (Tulameen) Coal Property (Compliance Energy Corp.) - Meeting today to approve the merger between Compliance Coal Corp. and Beanstalk Capital. Both companies are controlled by Jim O'Rourke and associates. This would be the "qualifying transaction" for Beanstalk, effecting a reverse takeover and TSX Venture exchange listing for Compliance Coal, creating a new company to be called Compliance Energy Corp. The company is apparently now arranging purchase of the entire Similco copper mine property, not including the real estate holdings and major mining equipment (Imperial Metals has also announced that they have sold the Similco property to an unnamed buyer for \$450 K). In addition, Compliance has been discussing trucking contracts to transport raw coal from the Basin site to the proposed wash plant location at the former Similco truck shop. Mining expected this fall.

Highland Valley Copper - The EAO announced approval of the Basal Aquifer Dewatering Project. This involves removing groundwater to stabilize the Valley pit slopes. Without this approval, the mine would be forced to shut in 2005 rather than 2009.

Elk-Siwash North (Almaden Minerals) - released results for first 16 holes (2600 m) of a 4500 m planned program on this gold vein deposit east of Aspen Grove. Drilling is targeting the WD vein, Bullion Creek structure, Gold Creek West vein and the DeepB shoot on the Siwash B vein, the latter directly beneath the existing Siwash North mine workings. Most of the holes intersected narrow, moderate- to high-grade vein intersections similar to previous results. The best (and deepest) hole on the WD vein cut an encouraging 19.23 g/t Au over 2.15 m. Drilling continues.

OTHER EXPLORATION AND MINING NEWS

Blackdome (J-Pacific Gold Inc.) - \$520K in financing arranged. The company also announced staking of 283 claims south of the mine, extending all the way to Red and French Mountains.

Rainbow & Gold (Doublestar Resources) - Notice of work filed for 5 holes (\$25,000 program) on this recently acquired gold property near Okanagan Falls. Murray Morrison is the vendor and project manager. Recent work has located a 200 by 400 m zone of silicified breccia with assays ranging from 430 to 5380 ppb Au.

Sadim (Toby Ventures) - released results for drilling on the Sadim gold vein and Rum copper-gold porphyry targets near Aspen Grove. Results were poor with the best intersection being 15 cm grading 48 g/t Au.

Afton-Rainbow (Abacus Mining) - announced a financing of \$480K (at \$0.012) which replaces an earlier announced financing for \$540K (at \$0.18). Another sign that raising funds is becoming more difficult for junior companies.

Afton Mine (DRC Resources) - No news on the ongoing \$1.1 m 2002 drilling program or the rumoured autumn underground project. The last release with drill results was on June 6th. DRC recently raised \$2.1 million and says it now has about \$5 m in the bank. They are also spending about \$1m this year buying back their own stock, which seems a bit strange....

Christmas Lake (Nustar Resources) - released middling gold results from chip sampling of this skarn prospect located near Canim Lake.

Mike

Mike Cathro, P. Geo
Regional Geologist
Mining Division
Ministry of Energy and Mines

Direct Telephone 250 554-5377
Messages & Inquiries 250 554-5370
Facsimile 250 554-5384

Schroeter, Tom EM:EX

From: Adams, Rick EM:EX

Sent: Friday, May 03, 2002 3:18 PM

To: Anderson, Duane; Beswick, Ed; Booth, Richard; Britton, Jim; Carr, Chris; Cheetham, Pat; Curtis, Ross; Errington, John; Ferguson, Susan; German, Gerald; Hall, Ted; Hermann, Fred; Hoffman, Al; Jorgensen, Sharon; Lewis, Jim; Lieutard, Denis; McArthur, Gib; McKillop, Greg; Murphy, Maureen; Nash, Laurel; O'Rourke, Patrick; Rennie, Lorna; Rick Conte (E-mail); Roberts, Steve; Sandra Kilmartin; Schroeter, Tom; Shelley Guthrie (E-mail); Smyth, Ron; Stewart, Linda; Walter Poohachoff (E-mail); Whale, Andrew

Cc: Allan Ludwig (E-mail); Cathro, Mike; Heistad, Ray; Horton, Russ; Madu, Bruce; Mehr, Eugene; Rothman, Stephen; Seguin, Joe; Wallis, Yvonne; Worsfold, Joyce

Subject: South Central Region to May 3, 2002

Issues:

Highland Valley Copper, EAO Review of Basal Aquifer Dewatering Application- EAO held a conference call earlier this week with Federal and Provincial regulatory agencies and the Nicola Tribal Association. HVC has consulted with NTA for the better part of a year, and the EAO has consulted in accordance with their consultation guidelines. NTA (citing the Haida decision) stated this constitutes information sharing only, and does not meet requirements for consultation and accommodation of FN interests. NTA is requesting an AIA, a TUS, a SEA, and an assessment of infringement, for the total mine development as well as the aquifer dewatering proposal. NTA claims HVC's operations have impacted their aboriginal rights with virtually no benefits accruing to them (they claim only 3 of 950 employees at HVC are from their member Bands). HVC is providing funding to NTA to conduct their own review of potential water and fisheries impacts from the aquifer dewatering proposal. The EAO has granted another extension, from May 16 (originally May 3) to May 31 for the NTA to complete that review. MEM is exploring opportunities under the FN Economic Measures Fund with the TNO to help move this process along. Fisheries and Oceans Canada has not yet determined whether CEA will be triggered.

Basin Coal Project (Compliance Coal), Tulameen- Compliance Coal had applied to LWBCI for a licence to allow the construction of a coal wash plant over a neighboring Coal Licence owned by Ms. Mullin. Negotiations between Compliance Coal and Ms. Mullin were reported to be making progress. That progress appears to have stalled, as Ms. Mullin has now retained legal counsel who have responded to LWBCI formally opposing the application.

FYI:

Lillooet LRMP- MEM met with MSRM other agency staff this week to review a range of protected area options. Recent developments include a number of Indian Bands identifying four specific areas of interest where they wish to have heightened involvement in land use decisions. Their interests range from increased consultation to establishment of a park. MSRM is exploring ways to deal with these developments. These areas currently total 34,233 ha, or 3% of the plan area. Risk of further complications if more of the 28 Bands with an interest in the Lillooet planning area come forward. SEA to start in about a week and expected to take 3 weeks to complete. Decision on Lillooet now planned for June.

Forest Practices Board- has provided notice of an area-based, integrated audit for a portion of the Merritt Forest District. This will include both compliance and enforcement audits, and will capture enforcement of the FPC with respect to mineral development as well. Scheduled to commence July 8, 2002.

Prospecting and Exploration Field School (BCIT/BCYCM) - sold out at 20 participants, this 8-day course begins Saturday May 11 at the UBC field camp, just outside Oliver. The group will use the Dusty Mac, Fairview-Stemwinder, Vault and Dividend-Lakeview properties for various field exercises. Cathro will present a lecture on "maps and reports" on May 15th, and will instruct mapping techniques at Fairview on the 16th.

Exploration and Mining in BC - 2001 - distributed 33 copies of this publication to clients, potential clients and local MLAs. Now trying to secure additional copies for Regional District and Municipal government reps, and possibly schools. Distribution has been coordinated with other Regions to avoid duplication.

Poet (Rose) Zinc - Cathro/Madu working on field checking of grid and digitizing of geology map. Product will be used for a short paper on this interesting carbonate-hosted zinc prospect near Adams Lake, promoting the

2002-05-03

Schroeter, Tom EM:EX

TGS → Ray, Mgr.
- Fam/loop

From: Adams, Rick EM:EX

Sent: Thursday, August 23, 2001 1:36 PM

To: Anderson, Duane; Beckett, Carla; Beswick, Ed; Booth, Richard; Braidwood, Brian; Carr, Chris; Carter, Tom; Cheetham, Pat; Curtis, Ross; Errington, John; Ferguson, Susan; German, Gerald; Graeme McLaren (E-mail); Hall, Ted; Hermann, Fred; Hoffman, Al; John Clancy (E-mail); Jorgensen, Sharon; Lewis, Jim; Lieutard, Denis; McArthur, Gib; McKillop, Greg; Murphy, Maureen; Nash, Laurel; O'Rourke, Patrick; Rennie, Lorna; Rick Conte (E-mail); Roberts, Steve; Schroeter, Tom; Shelley Guthrie (E-mail); Smyth, Ron; Starkes, Terri; Stewart, Linda; Walter Poohachoff (E-mail); Whale, Andrew

Cc: Allan Ludwig (E-mail); Britton, Jim; Cathro, Mike; Heistad, Ray; Horton, Russ; Madu, Bruce; Mehr, Eugene; Patricia Murton (E-mail); Rothman, Stephen; Seguin, Joe; Wallis, Yvonne; Worsfold, Joyce

Subject: South Central Region to August 23, 2001

Issues:

Barisoff/McIntyre Pit, Oliver- Following a hearing in Kelowna on July 3, 2001, Justice Drossos provided Reasons for Judgment on July 27, 2001. The Judgment: clarified the court's December 4th Judgment; declined to exercise its discretion to reopen that Judgment; and dismissed the petitioners' Notice of Motion in its entirety with taxable costs to the respondents (Barisoff, the Regional District, and the Crown). Counsel for the petitioners has filed Notice of Appeal.

Highland Valley Copper- Two DOs occurred on August 13. In the first DO, a one ton service truck going for routine maintenance hit the rear of an empty fuel tanker traveling in the same direction. Weather and roads were good at the time of the accident. The service truck is a suspected write-off, while the fuel truck had only minor damage. The driver of the service truck had minor injuries, was taken to Logan Lake hospital as a precaution, and returned to work the next day. Cause is under investigation.

In the second DO, a mine technician drove his pickup into a ribbed off area and over an embankment on the 1130 bench. The truck slid 5-6 metres down the face before contacting a pile of sand and stopping. Weather and roads were good at the time of the accident. The driver was shook up but unhurt. Cause is under investigation.

Cariboo Tribal Council NoW referrals- MEM is experiencing difficulty receiving comments from the CTC and individual Bands on NoW referrals. CTC explain the situation as: they have a capacity problem; they have agreements with MOF and MWLAP to provide funding; and, unless we pay them too, our referrals go to the bottom of their pile.

FYI:

Tulameen Coal (Compliance Coal Corp) - Mining of coal began on 8/13/2001 following a week of stripping and site prep. A D8 dozer, Cat 230 excavator and a screening plant are now on site, under the management of Larry Belik (formerly of Fording Coal). 10,000 tonnes will be selectively mined over the next three weeks, screened to minus 3 inch, and trucked to potential customers beginning in early Sept. Attaining a reasonably low ash content (<12-15%) will be the biggest challenge for the company. On a historical note, the start of coal mining took place 71 years to the day after the tragic underground explosion at the nearby Coalmont #4 mine, which killed 45 men.

Exploration Activity:

Little Fort Field Trip- 24 people attended this successful field trip to the Little Fort area August 10. Led by M. Cathro, P. Schiarizza, and R. Paulen, the group was updated on the progress of Schiarizza's geological mapping in the area. In addition, R. Paulen outlined the glacial geology and reviewed overlays of till geochemical data from the 1997 and 1998 GSB till surveys. Several exploration projects and mineral prospects were visited including Cedar (Cu-Au), Deer Lake (Au-Cu), Worldstock (Cu-Au) and Crazy Fox (Zn-Cu).

Panorama Ridge (Goldcliff Resources Corp)- Diamond saw channel sampling of more than 125 one-metre samples has been completed over the Nordic prospect, a skarn gold showing located a few km east of the Nickel Plate mine. Three grab samples collected last fall ran about 0.5 g/t Au. A large program of excavator trenching on the prospect and the nearby York target is planned for early fall. Concerns expressed today by the Nickel Plate X-Country Ski Club regarding possible impacts on the ski trails/roads they use.

Verity (Commerce Resources Corp.)- the company restated the grade and tonnage of this deposit at Blue River

08/24/2001

Schroeter, Tom EM:EX

From: Cathro, Mike EM:EX
Sent: Thursday, August 02, 2001 4:29 PM
To: Adams, Rick EM:EX
Cc: Britton, Jim EM:EX; Brown, Derek EM:EX; Lefebure, Dave EM:EX; Ludwig, Allan EM:EX; Madu, Bruce EM:EX; McArthur, Gib EM:EX; Payie, Garry EM:EX; Schroeter, Tom EM:EX; Smith, Don EM:EX
Subject: Cathro Weekly to Aug 2, 2001

HIGHLIGHTS

Tulameen Coal (Compliance Coal Corp.) - a 10,000 tonne bulk sample is slated to be mined beginning on Aug 7. Coal will be crushed on site and trucked to several potential customers, including a couple in Washington State. The company, headed by Jim O'Rourke (formerly of Princeton Mining), plans to go public in the fall and will also apply to amend its mining permit to include a wash plant and increase mining from 100,000 to 250,000 tonnes per year.

Peter Zone - Cosmopolitan Crown Grant (Bralorne-Pioneer Gold Mines Ltd) - The new 70 foot raise to surface averaged 0.73 oz/ton Au over an average 4.4 foot width. "Test mining will proceed immediately....with the material to be stockpiled on surface for processing when the preparation of the existing milling facilities are completed".

Silver Lake (Christopher James Gold Corp.) - high-grade copper values (2.09 to 15.1% Cu) over narrow widths (0.55 to 2.45 metres) have been discovered in bedrock at the "Discovery A" area northwest of Little Fort. Silver values range up to 178 g/t. Chalcopyrite and pyrite occur in veins with patchy quartz cutting magnetite-pyrite-chlorite-altered mafic volcanics of the Nicola Group. The zone appears associated with a shear zone, trends northwesterly, and has been traced on surface for 33 metres. A preliminary drill program should begin shortly. (Note: the original float discovery was made by 2000 PAP grantee Paul Watt while walking in to work on his own claims in July 2000!)

Pongo (Verdstone Gold/Molycor Gold) - released results of first four holes (of six drilled to date) from this prospect located near east Barriere Lake. Four more holes will be drilled begining Fri Aug 3rd. Intersections included:

Hole	Width	%Cu	%Pb	%Zn	opt Ag	opt Au
01-3	6.19m	0.05	3.15	2.13	1.97	0.033
01-4	3.0 m	0.12	4.79	3.12	3.12	0.021

A 20% Flow Through Share Tax Credit to further encourage mineral exploration was announced in the mini-budget. Reaction from industry has been positive and it is hoped this will free up some much needed financing.

Lillooet LRMP Socioeconomic Analysis - I reviewed correspondence to R. Durfeld from Gord Enemark (MSRM) regarding the current review of the costs and benefits of the "conservation" and "community" plans. As currently designed, this study will not provide any new insight into the potential impacts of these options. The reviewers appear to seriously underestimate the economic value of mineral resources and the impact of protected and special management areas on these values. For example, as in previous SEAs, only existing operations and developed deposits are considered valuable - there is no weight given to lost opportunity (e.g. undiscovered resources sterilized by the new protected areas). I suggest that gov't request a much more critical, thorough evaluation of these plans.

PROSPECTORS ASSISTANCE PROGRAM

Leo Lindinger - a float sample of gneissic rock collected in the Tumtum Lake area by Lindinger in 1998 was run this year, returning unexpectedly high results of 41.74 g/t Au, 5120 ppm Bi and 3910 ppm Cu (with low Ag, As, Sb, Pb, Zn etc.). Bismuthinite has been tentatively identified in hand specimen. Cumberland Resources has grubstaked Lindinger to locate the bedrock source of this potentially Pogo-style mineralization. (CONFIDENTIAL)

OTHER EXPLORATION NEWS

Afton (DRC Resources) - currently on the 14th hole in 2001. (#37 overall). Two drills are on site but only one is working at a time. The decline is on hold until more drilling is complete.

Verity (Commerce Resources) - The start of drilling and completion of the company's IPO are both slated to happen within a few weeks. 17 holes (up from 6) are now planned to test this carbonatite-hosted tantalum-niobium deposit.

UPCOMING

Aug 10 - Little Fort Field Trip - led by Paul Schiarizza and myself.

Schroeter, Tom EM:EX

From: Adams, Rick EM:EX**Sent:** Friday, July 06, 2001 2:14 PM

To: Anderson, Duane; Beswick, Ed; Booth, Richard; Braidwood, Brian; Carr, Chris; Carter, Tom; Cheetham, Pat; Cochrane, Marlene; Curtis, Ross; Errington, John; Ferguson, Susan; German, Gerald; Graeme McLaren (E-mail); Hall, Ted; Hermann, Fred; Hoffman, Al; Joan Hesketh (E-mail); John Clancy (E-mail); Jorgensen, Sharon; Lewis, Jim; Lieutard, Denis; McArthur, Gib; McKillop, Greg; Murphy, Maureen CSE:EX; Nash, Laurel; O'Rourke, Patrick; Rennie, Lorna; Rick Conte (E-mail); Roberts, Steve; Schroeter, Tom; Shelley Guthrie (E-mail); Smyth, Ron; Starkes, Terri; Stewart, Linda; Walter Poohachoff (E-mail); Whale, Andrew

Cc: Allan Ludwig (E-mail); Britton, Jim; Cathro, Mike; Heistad, Ray; Horton, Russ; Madu, Bruce; Mehr, Eugene; Patricia Murton (E-mail); Rothman, Stephen; Seguin, Joe; Wallis, Yvonne; Worsfold, Joyce

Subject: South Central Region to July 6/01**FYI:**

Barisoff/McIntyre Pit, Oliver- Justice Drossos reserved decision at the hearing July 3 in Kelowna regarding the application by Eisbrenner, for Country Pines Mobile Home Park, to require an 8 m. high berm and restrict screening (crushing is already restricted) during the summer months. Oral decision and reasons for judgment will be given at a later date in Vancouver. Our Counsel is optimistic regarding the outcome. The noise readings taken by Art Parker (thanks again) were instrumental at the hearing- particularly the readings taken immediately outside the residence of the most vocal complainant where noise levels, with the screening plant running, were described as equivalent to those experienced in a typical living room or office environment. Eisbrenner is already gearing up to appeal the decision, while Barisoff's lawyer is hinting about legal action against MEM if the decision goes the other way and places restrictions, other than daily hours of operation, on screening activities. Apparently the decibel reading in the court room near the end of the hearing would have well exceeded that of the screening plant.

Tulameen Coal (Pacific West Coal (UK) Ltd)- has requested the transfer of the permit to Compliance Coal Corporation. Chairman and CEO is James O'Rourke, formerly associated with Similco, Huckleberry, and Cassiar asbestos. The mine was permitted in August 2000 at production of 100,000 tonnes per year, with over 20 million tonnes of proven reserves along the western outcrop of the deposit and indicated reserves of over 100 million tonnes within the coal licence area. The coal is high volatile bituminous thermal coal with a low sulphur content, and is suitable for the cement industry, power generation, greenhouse and agriculture barn heating, and steam installations. Timber was removed from the site over the winter by Tolko Industries. Site development work and mobilization will commence this month to allow excavation of test bulk samples for trial shipments to customers. Test work will be conducted to determine the most efficient coal cleaning plant to meet varying customer specifications. This will be the first coal mine entering production in the Region since the 1950s, driven largely by the interest in alternative fuels in response to high natural gas prices.

PC 369459-61 (Greg Filion), Cayoosh Creek- investigations underway between MEM, DFO and WLAP. Appears an in-stream power generating station has been installed without authorization, and clearing of vegetation within the riparian reserve to the stream edge has occurred. Charges are being contemplated under one or more Acts. Mines Branch will recommend Mineral Titles hold Mr. Filion's recent application for an adjacent increase in placer lands in abeyance pending resolution of the above matter.

Rick Adams

Regional Manager, South Central Region

Ministry of Energy and Mines

Phone: (250) 828-4566; Fax: (250) 828-4726

Email: rick.adams@gems2.gov.bc.ca

07/08/2001

Schroeter, Tom EM:EX

TGS → Reg. Mgr
- Kamloops

From: Adams, Rick EM:EX

Sent: Friday, June 29, 2001 2:53 PM

To: Anderson, Duane EM:EX; Beswick, Ed EM:EX; Booth, Richard EM:EX; Braidwood, Brian FIH:EX; Carr, Chris EM:EX; Carter, Tom EM:EX; Cheetham, Pat EM:EX; Cochrane, Marlene EM:EX; Curtis, Ross EM:EX; Errington, John EM:EX; Ferguson, Susan M EM:EX; German, Gerald EM:EX; Graeme McLaren (E-mail); Hall, Ted EM:EX; Hermann, Fred EM:EX; Hoffman, Al EM:EX; Joan Hesketh (E-mail); Jorgensen, Sharon EM:EX; Kilmartin, Sandra EM:EX; Lewis, Jim E EM:EX; Lieutard, Denis EM:EX; McArthur, Gib EM:EX; McKillop, Greg EM:EX; Nash, Laurel EM:EX; O'Rourke, Patrick EM:EX; Readshaw, Kerry EM:EX; Rennie, Lorna EM:EX; Rick Conte (E-mail); Roberts, Steve EM:EX; Schroeter, Tom EM:EX; Shelley Guthrie (E-mail); Smyth, Ron EM:EX; Starkes, Terri EM:EX; Stewart, Linda EM:EX; Walter Poochachoff (E-mail); Whale, Andrew EM:EX

Cc: Allan Ludwig (E-mail); Britton, Jim; Cathro, Mike; Heistad, Ray; Horton, Russ; Madu, Bruce; Mehr, Eugene; Patricia Murton (E-mail); Rothman, Stephen; Seguin, Joe; Wallis, Yvonne; Worsfold, Joyce

Subject: South Central Region to June 29

Issues:

Strategic Land Use Plan Amendment Policy- Kamloops IAMC continues their efforts to enshrine a SLUP amendment policy (mirroring apparent existing provincial policy direction) which allows for additions and enhancements to PAs, but no reductions. The policy specifically allows for amendment of all other aspects of the plan except PAs (unless to increase or enhance PAs). At the last IAMC meeting, this was pushed by BC Parks, with strong support from LUCO, citing "that it is the current direction of government.....the intent is to increase PAs.....and permanency of PAs is needed to garner United Nations recognition". MEM is protesting because such direction conflicts with the stated principles elsewhere in the policy of "not altering the original balance of the plan", "keeping the plan open to evolution and tuning", and "emergence of new information on resource values". Other agencies are apathetic.

With a new government; the 12% PA target exceeded; the need for industry access; and MSRM only in its formative stages, it is timely to pursue new government direction to remove the protectionist bias from the currently one-sided SLUP amendment process. Suggested wording changes include: "where over-representation of ecosystem protection has occurred park reductions will be considered"; or "where additions to parks are sought corresponding reductions in other parks will occur to maintain the balance in the plan"; or "where new resource value information (such as gem quality opal in Lac Du Bois Park) emerges, and was not originally considered by the planning table, reductions in the park to allow extraction will be considered". It is critical to change the direction in this document now, as we approach the 8-10 year review of the first completed LRMPs, otherwise many interests will expect a "ratcheting up of parks" through the LRMP amendment process. Possible first assignment for MSRM.

FYI:

Hat Creek Coal (BC Hydro)- BC Hydro is expected to issue a request for proposals shortly to upgrade the project feasibility study.

Tulameen Coal (Pacific West Coal Ltd.)- scuttlebutt is a coal-fired generating plant deal is being negotiated.

Barisoff/McIntyre Pit- next Court hearing scheduled for July 3 in Kelowna. Noise readings taken on site and in the neighbouring trailer court this week by Steve Rothman and Art Parker in response to noise complaints. Thanks Art for assisting our office by taking the readings and preparing your affidavit.

Ashcroft Quarry- now employing 160 workers during its construction phase.

Peter Vein (Bralorne Pioneer Gold Mines/Avino Silver and Gold/Coral Gold) - a 21 m raise to surface and test mining will be done on a high-grade (12 oz/ton) portion of the Peter Vein (Cosmopolitan Crown Grant). Up to 12,000 tonnes of material may be mined and will be added to the 1100 tons grading 0.36 oz/ton which is stockpiled at the Bralorne Mill. It appears that the company also plans to process the material through the 100-150 tpd mill. Tailings disposal may be an issue. These projects are expected to cost \$400-500K.

VGS → MF
Weekly

CONFIDENTIAL
ENERGY AND MINERALS DIVISION
REPORT FOR SEPTEMBER, 2000

Oil and Gas Rights Sale:

- September sale of oil and gas rights brought \$51.7 million, the largest sale amount in 15 years. Focus of the sale was a very lightly explored area 70 kilometres southeast of Fort Nelson. Fiscal year-to-date bonus revenue now stands at \$145.3 million. (PLA)

Industry News:

- Unocal has ended its efforts to block development of the North Aitken underground storage project by purchasing the facility from Canadian Hunter. The storage facility will now be operated in conjunction with Unocal's Aitken Creek facility (PLA).
- The joint venture of ZincOx Resources Ltd. and Redhawk Resources Inc. has completed about half of a 2600m reverse circulation drilling program at the Remac property south of Salmo. (MB)
- *Black Crystal* IMP Industrial Mineral Park's (soon to be Crystal Graphite Corp.) have been refinanced and have reactivated their proposed 200,000 to 300,000 ton/year graphite mine on the Black Crystal property on Hoder Creek (near Valhalla Park). A pre-application EA meeting with staff from the EA office and all interested agencies was planned to take place on September 22nd. (MB)
- *HVC* Highland Valley Copper - Mine announced on September 1st that further exploration is unlikely before the scheduled closure of the mine in Spring of 2009. A three year extension (deepening of Valley pit) is possible depending on the price of copper nearer to the closure date. (MB)
- *Tulameen* Tulameen Coal (Pacific West Coal) - Permit issued this week for 100,000 tonne per year mine. Logging of site (Tolko) to begin in October. Bulk sample this fall depending on results of marketing efforts. (MB)
- Leader Mining International Inc. made the second payment of \$150,000 to Imperial Metals on August 31 as part of their purchase of the Similco and Invermay properties. The final payment of \$700,000 is due on December 1, 2000. Geological compilation is underway and the company is evaluating how to restart the mine. (MB)
- August 17th was the last day of production from the Quintette Coal Plant. (MB)
- Mt. Polley - West Rock Disposal Site Public Meeting was attended by Prince George and Victoria Inspectors. Minimum public interest was expressed. (MB)
- Eskay Creek is proceeding with construction of the pipeline to carry tails to Tom McKay Lake. Much of the bed for the pipe to rest on is now in place and work is underway installing the pipeline. The mine received EA approval 3 months ago and is moving quickly to get maximum work completed prior to winter. (MB)
- Slate Creek Group is threatening litigation against MEM after they were ordered to stop work at Tulameen. Survey and design information for the temporary access road is required under the MX Code. (MB)
- Afton, Teck Corp (Kamloops) - a company from Sudbury, Ontario is inquiring about establishing an explosives plant warehouse in the Ajax East Pit (which is partially filled with waste rock). MEM concerns it may impact access to remaining undeveloped ore reserves in the nearby Ajax West Pit and ground between the two pits. Discussions ongoing with Teck regarding removal of this area from their permit. (MB)
- Approximately 350 CAW workers walked off the job at Myra Falls operations at midnight on September 20th when they were unable to conclude a collective agreement with Boliden-Westmin by the strike deadline. Workers were out for a total of 40 hours before accepting the agreement. (MB)
- Cassiar resumed production on August 2 after a four week forced shutdown due to a cash flow problem. (MB)
- On July 31st Wheaton River Minerals advised Boliden Ltd. that they would not proceed with the acquisition of an interest in the Premier Mill and Tailings storage system. They felt that the degree of uncertainty associated with both the technical and cost issues would expose the company to an imprudent degree of unquantifiable liability. Pond capacity, dam integrity, acid generating potential of existing tailings, the potential for intervention during the permit amendment stage, the necessity of adding another (downstream) lift on the dam, a new water reclaim system and holding costs were among factors considered. (MB)

TOS → RG
- Kamloops

Schroeter, Tom EM:EX

From: Cathro, Mike EM:EX
Sent: Friday, September 29, 2000 10:54 AM
To: Adams, Rick EM:EX
Cc: Britton, Jim; Brown, Derek; Lefebure, Dave; Ludwig, Allan; Madu, Bruce; McArthur, Gib; Payie, Garry; Schroeter, Tom; Houle, Jacques; Lane, Bob; Wilton, Paul; Wojdak, Paul
Subject: Cathro Weekly to 9/29/2000

New Discovery
NAVAN

HIGHLIGHTS:

Vista/Navan (Leo Lindinger, PAP) - field visit on 9/27 with Trygve Hoy (GSB) who agrees the geological setting of the high-grade zinc-lead mineralization is similar to the Ruddock Creek deposit, 23 km to the east. After we left, Lindinger found a new showing, named Jazs (for "just another zinc showing"), in a roadcut approx. 3 km south of the Navan showings. Mineralization has now been found in outcrop in four main areas along a 4.5 km long trend, and is still open to the north and south. A junior company has optioned the property and will announce the acquisition once additional staking is completed (early next week?). A large program of soil sampling, mapping, and prospecting is being planned. (CONFIDENTIAL)

Jim Gillis - Cassidy Gold

Tulameen Coal (Pacific West Coal) - 5000 tonne bulk sample planned for October (CONFIDENTIAL).

OTHER:

KEG Golf Tournament - Approx. 46 people signed up for dinner and/or golf for tomorrow.

Hope (Tom Illidge/Warner Gruenwald) - brief field visit on 9/25 with Illidge to this Cu-Zn-Au-Ag prospect (MINFILE 92JNE169) near Bralorne/Hurley Pass, which was discovered in 1997. A recent trench at the No. 1 showing exposes sheared greenstone with heavily disseminated pyrite, significant sphalerite/chalcopyrite and narrow rhodonite veins. At the No. 2 showing about 150 m to the NW, garnet-magnetite-epidote skarn contains sparse copper mineralization.

Gold Bridge Field Trip - on 9/25-26 I attended the first part of this Geological Survey Branch field trip led by Paul Schiarizza. It was an excellent trip and a very good opportunity to learn more about the complicated geology and mineral deposits of this important gold district.

Mike

Mike Cathro
Regional Geologist, Kamloops
BC Ministry of Energy and Mines

tel: (250) 828-4566 fax: (250) 828-4726
email: mike.cathro@gems2.gov.bc.ca

Schroeter, Tom EM:EX

From: Cathro, Mike EM:EX
Sent: Friday, September 01, 2000 11:59 AM
To: Adams, Rick EM:EX
Cc: Britton, Jim; Brown, Derek; Lefebure, Dave; Ludwig, Allan; Madu, Bruce; McArthur, Gib; Payie, Garry; Schroeter, Tom; Houle, Jacques; Lane, Bob; Wilton, Paul; Wojdak, Paul
Subject: Cathro Weekly to

HIGHLIGHTS

Highland Valley Copper - Mine announced today that further exploration is unlikely before the scheduled closure of the mine in Spring, 2009. A three year extension (deepening of Valley pit) is possible depending on the price of copper nearer to the closure date. A large IP survey has recently been completed south of the mine property. 33.6% owner Rio Algom is currently the target of a takeover battle between Noranda and Billiton. This takeover will likely affect the grassroots copper exploration program that Rio has been conducting in our region for several years, particularly if Noranda is the successful bidder.

Tulameen Coal (Pacific West Coal) - Permit issued this week for 100,000 tonne per year mine. Logging of site (Folke) to begin in October. Bulk sample this fall depending on results of marketing efforts.

Simlco Mines - Leader Mining International Inc. made the second payment of \$150,000 to Imperial Metals on Aug 31 as part of their purchase of the Simlco and Invermay properties. The final payment of \$700,000 is due on Dec 1, 2000. Geological compilation is underway and the company is evaluating how to restart the mine.

Elk (Fairfield Minerals Ltd.) - released results for 14 ddh (1400 m) on three quartz vein targets (WD, Gold Creek West, and B) in the Siwash Mine area. High-grade gold-silver values over narrow widths (e.g. 0.5 m grading 34.76 g/t Au and 147.69 g/t Ag) were encountered in most holes. The purpose of the work was to define additional near-surface resources for future small-scale open pit mining.

Afton (DRC Resources Corp.) - released results for holes 6-8 with all holes intersecting significant mineralization including a narrow, very high-grade section in hole 8 (10 ft grading 13.7% Cu, 0.636 opt Au, 0.064 opt Pd). The company finally released some drill sections and plans. A second drill has been added.

Fox (Lloyd Addie/Bob Bourdon) - Cassidy Gold Corp. has optioned this 23 unit property 10 km north of Little Fort. The target is Sedex or VMS deposits in a heavily till-covered area which is underlain by Triassic or Jurassic mafic volcanics and shale (Nicola Group?). The property was staked in 1998 following the release of Bobrowsky et al.'s Open File 1998-6, which identified a strong linear till anomaly for Zn, Cu, Cd, As, Sb and Co. Addie and Bourdon, as part of their 1999 PAP project, subsequently traced this anomaly to the north and staked another long linear anomaly which is now optioned to Inmet Mining who plan to drill three holes this fall (CONFIDENTIAL).

KEG Golf Tourney planned for Sat Sept 30. Sign-up with this office now! We may also run a field trip to Big Kidd and Elk on Aug 29.

FIELD VISITS:

Golden Loan
Clearwater Platinum (Cusac Gold Mines Ltd.) - brief visit to this property SW of Little Fort on Aug 30. An IP survey was underway (4 lines) to test for disseminated sulphides in the ultramafic rocks. Geological mapping, 700 soil, humus and biogeochem samples, and excavator trenching have also been done in order to define targets for drilling. This work is attempting to find the source of a high-grade float sample which ran 13.7 g/t Pt. In addition, the company has staked an additional 23 units to cover an occurrence of millerite (nickel sulphide). Mapping by GSB (Scharizza) and the company have detailed a 5-7 km long multiphase intrusion containing pyroxenite, gabbro and peridotite/dunite.

Fox 1-6 Claims (Dave Ridley, PAP) - On Aug 31 I visited this new molybdenum-tungsten-zinc skarn prospect

Schroeter, Tom EM:EX

VGS → Rb
- Family

From: Cathro, Mike EM:EX
Sent: Friday, September 06, 2002 4:19 PM
To: Adams, Rick EM:EX
Cc: Britton, Jim SRM:EX; Brown, Derek; Grant, Brian EM:EX; Lefebure, Dave; Logan, Jim EM:EX; Ludwig, Allan; Madu, Bruce; McArthur, Gib; Schroeter, Tom; Simandl, George EM:EX; Smith, Don; David Terry; Houle, Jacques; Lane, Bob; Wojdak, Paul
Subject: Cathro Weekly to 9/6/02

"BASIN"

EXPLORATION ACTIVITY

2002 Exploration spending for South-Central region now estimated at \$6.4 million with about 44,000 m of drilling. Although several small new projects have recently been announced, several other companies are having financing difficulties and may reduce their original programs (e.g. Orphan Boy, Cassidy, Goldcliff, J-Pacific, Abacus to name some).

Elk (Almaden Minerals) - \$900,000 financing announced.

ulameen

Basin Coal (Compliance Energy Corp) - Compliance Energy Corp has been created by merger of Beanstalk Capital and Compliance Coal. Concurrently, the new company announced that Nissho Iwai Canada Ltd. has agreed to purchase a 35% interest in the Basin Project. Could this mean they may try to export thermal coal?

OTHER

Crown Granted Mineral Claims - at B. Madu's suggestion, I made a request to MTB for disposal of accumulated Crown Granted Claims, which now total some 500 units. It has been 4 years since the last disposal. Could generate some staking, excitement and economic activity.

Land Use - reviewed and provided comments on **Two Zone System brochure** prepared by MSRM. Also discussed geological and mineral resource information needs for upcoming **Merritt LRMP** with Dave Lefebure of GSB.

new

UPCOMING

Britton (Hunter Point Exploration) - next week I plan to visit this iron (hematite) deposit, located near Perkins Peak west of Williams Lake. The deposit and area appear to have some similarities with the Iron Oxide Cu-Au class of deposits and I would like to describe the deposit, sample it and see how it compares with this attractive deposit model.

Iron Lake (Argent Resources) - also plan to visit this alkalic Cu-Au-Pd-Pt prospect east of Williams Lake, which is currently being explored.

Mike

Mike Cathro, P. Geo
Regional Geologist
Mining Division
Ministry of Energy and Mines

Direct Telephone 250 554-5377
Messages & Inquiries 250 554-5370
Facsimile 250 554-5384
Autototal 250 372-8757
email mike.cathro@gems2.gov.bc.ca

Schroeter, Tom EM:EX

TGS → RG
Kamlop

From: Cathro, Mike EM:EX
Sent: Friday, September 20, 2002 3:16 PM
To: Adams, Rick EM:EX
Cc: Britton, Jim SRM:EX; Brown, Derek; Grant, Brian EM:EX; Lefebure, Dave; Logan, Jim EM:EX; Ludwig, Allan; Madu, Bruce; McArthur, Gib; Schroeter, Tom; Simandl, George EM:EX; Smith, Don; David Terry; Houle, Jacques; Lane, Bob; Wojdak, Paul
Subject: Cathro Weekly to 9/20/02

HIGHLIGHTS

Tulameen Platinum (Bright Star Ventures) - encouraging results reported today for the DP zone, which from its location and description, appears to be close to the FRM 52 copper prospect (MF 92HSE120) south of Olivine Mountain. Bright Star reported that a 300 by 200 m Pd-Pt-Cu-Au anomaly has been defined by rock sampling and a one metre bedrock chip assayed 2.08 g/t PGE and 0.17% Cu. *"Disseminated and fracture-controlled pyrite-chalcopyrite mineralization with malachite staining has been sampled over a large area within magnetite-rich hornblende clinopyroxenite"*. Perhaps most encouraging is the definition of *"two significant NNW-trending soil anomalies (up to 280 ppb Pt, 195 ppb Pd and 4500 ppm Cu) which extend over a combined strike length of 2 Km"*. Drilling (1000 m) is scheduled to begin within the next 10 days. The company is rumoured to have acquired additional ground recently, including the Lodestone Mountain property to the south.

Lillooet LRMP - An editorial entitled "Buried at Lillooet - BC's Mining Future" appeared in the National Post today. It reinforces the importance of the mineral values in the Lillooet LRMP, and suggests that industry will be watching closely for a strong pro-business signal in the Government's upcoming decision.



national post
editorial resour...

ACTIVITIES

Briton Iron paper - studied samples, collected literature and began writing a paper on this unusual iron occurrence. I'm trying to determine if it falls into the Iron Oxide Copper Gold class of deposits, and if that part of the Stikine terrane has potential for other similar deposits. GSB has agreed to pay for some assays and x-ray diffraction work to characterize the metal content and mineralogy.

Dankoe Mine - dug out mine plans (1968) on behalf of a neighbor who is looking into a water-related issue(?) She may be in Monday to borrow them and make copies.

EXPLORATION NEWS

Tulameen Coal

Basin Coal (Compliance Energy) - Coal wash plant arrived at Simlico site this week and is being assembled.

Elizabeth (J-Pacific Gold) - drilling has been underway for about a week on this gold property located northwest of Lillooet.

Afton (DRC Resources) - rumours of a good hole may be the reason for the stock price jumping up about 60% to \$3.90 since mid August. No news has been released since June 6th.

Elk (Almaden Minerals) - Seguin reported they are on the last hole of a program originally planned for 4500 metres.

Prospect Valley (Almaden) - trenching of this new gold prospect west of Merritt is slated to take place in early October. Epithermal Au-Ag mineralization was discovered last fall by a crew following up an old GSB stream sediment anomaly.

Panorama Ridge (Goldcliff Resources) - reported on results of five excavator trenches, soils, geophysics etc from this skarn gold prospect located east of the Nickel Plate mine. Additional claims have been staked. Trenching continues and a tender for drilling has been let.

OTHER

Performance Plan - under construction

Schroeter, Tom EM:EX

From: Schroeter, Tom EM:EX
Sent: Monday, October 07, 2002 3:07 PM
To: Cathro, Mike EM:EX
Subject: RE: Expl'n Estimates Table

VOS - Tulamees
Coal

Thanks for the updates. I've already got the DP Target on the "New Discoveries" List (any others come to mind at this time?). FYI - I phoned Ab Ablett last Friday to let him know I wouldn't make it - he told me he couldn't make it - so we're on 'even' terms there. Cheers,

Tom

Tom Schroeter, P.Eng./P.Geo.
Senior Regional Geologist
Resource Development Division
Ministry of Energy and Mines

Direct Telephone 604 660-2812
Messages & Enquiries 604 660-2706
Facsimile 604 775-0313
email tom.schroeter@gems6.gov.bc.ca
Autotel 604 662-9091

-----Original Message-----

From: Cathro, Mike EM:EX
Sent: Monday, October 07, 2002 2:10 PM
To: Schroeter, Tom EM:EX
Subject: RE: Expl'n Estimates Table

Field trip was good. Nice weather and great tours. Compliance has one truck hauling coal to the wash plant which should be in operation by the end of Oct. (i.e. perhaps 250 tonnes raw coal per day is being hauled). The DP target (BSV) looks pretty exciting. Drilling began on the weekend - 8-10 holes planned. Watch for results - it is certainly a new style of mineralization - probably should go on the discovery list. I missed the golf but Bruce said it was good - lots of prizes and warm weather

Mike

Mike Cathro, P.Geo.
Regional Geologist
Mining Division
Ministry of Energy and Mines

Direct Telephone 250 554-5377
Messages & Inquiries 250 554-5370
Facsimile 250 554-5384
Autotel 250 372-6757
email mike.cathro@gems2.gov.bc.ca

-----Original Message-----

From: Schroeter, Tom EM:EX
Sent: Monday, October 07, 2002 1:41 PM
To: Cathro, Mike EM:EX
Subject: RE: Expl'n Estimates Table

Thanks VERY much, Mike, for the quick response. I am NOT counting CBM expenditures anywhere in the Province. Thus, it is so important to take a "best guesstimate" as to whether there is (if any) 'traditional' coal expenditures or not. P.S. How was the fieldtrip and golf?

Tom

Tom Schroeter, P.Eng./P.Geo.
Senior Regional Geologist
Resource Development Division
Ministry of Energy and Mines

Direct Telephone 604 660-2812

Schroeter, Tom EM:EX

TB → RG
- Kamboj

From: Cathro, Mike EM:EX
Sent: Friday, October 11, 2002 3:25 PM
To: Adams, Rick EM:EX; Britton, Jim SRM:EX; Brown, Derek; Grant, Brian EM:EX; Lefebure, Dave; Logan, Jim EM:EX; Ludwig, Allan; Madu, Bruce; McArthur, Gib; Schroeter, Tom; Simandl, George EM:EX; Smith, Don; David Terry; Houle, Jacques; Lane, Bob; Wojdak, Paul
Subject: Cathro Weekly to Oct. 11/02

Tulameen Coal

Tulameen-Coalmont Field Trip - A total of about 20 people turned out for this trip on Saturday October 5th. The group received tours of the Basin coal project from Manager Larry Belik and the Tulameen canyon geology by Graham Nixon of BCGS. In addition, Bright Star Ventures showed maps and rock samples in their office and explained their various Cu-Pt-Pd-Au-Cr exploration targets. At Basin Coal, one B-train is now hauling raw coal to the wash plant at Similco, which should be running by month end. Bright Star began drilling on Oct 6 on the DP Cu-Pt-Pd target near Olivine Mountain. 1500 m in 8-10 holes is planned.

Relay Ck.

Big Sheep and Dash Creek Properties (Viceroy Resources) - these two gold properties located northwest of Lillooet have been optioned to Royal County Minerals Corp, a junior based in Kelowna. The properties, comprising 80 units at Big Sheep and 96 units at Dash Creek, were staked in spring 2002. The Big Creek property covers a poorly explored zone of epithermal quartz veins with gold values up to 19 g/t in grabs. The Dash Creek property was staked to cover a series of unexplained high gold values in BC government RGS samples (up to 588 ppb), which were highlighted by Cathro in an April 2002 Kamloops Exploration Group talk. The Dash Creek property adjoins the NE margin of the South Chilcotin Park, in the area of Relay Creek, and is cut by a large serpentine body which follows the Yalakom Fault. Adam Travis, consultant to Viceroy, was on both properties last week conducting grassroots sampling and prospecting.

Summit (Cleve Lowry) - Yesterday I examined this new grassroots zinc-lead-silver-gold prospect hosted by Lower Cambrian marble near Adams Lake (west of the "Poet-Rose" showing). Float boulders contain small veinlets of sphalerite and galena with up to 13.1% Pb, 2.14% Zn, 87.8 g/t Ag and 3.1 g/t Au. No bedrock source has been located yet but a decent Zn-Pb soil anomaly has been defined. More work is warranted.

Bralorne-Pioneer Gold Mines - President Lou Wolfin has retired and been replaced by Matt Wayrynen, a broker, venture capitalist, and realtor. BPN also announced a \$377K financing.

Ample-Goldmax - Quartz Mountain Gold identified as company that is optioning this Lillooet area gold prospect.

Lillooet LRMP - MEM's mineral potential work on the South Chilcotin protected area has been called into question by a "briefing note" prepared by the Environmental Mining Council of BC. An information note on the issue has been requested by G. McKillop. Provided comments to RA on the South Chilcotin SRMP draft.

Exploration activity - Assistance and/or discussions with Tom Richards (prospector), Dave Blann (consultant for Stealth Minerals), Adam Travis (consultant to Viceroy Resources), Neil Church (prospector), Steve Todoruk (Abacus Mining), Dave Mehner (consultant).

Upcoming - UCC Career Day/Science Day on Saturday Oct 19th - organizing KEG booth/room in conjunction with Lisa Jamrich of G&T Metallurgical.

Mike

Mike Cathro, P. Geo
Regional Geologist
Mining Division
Ministry of Energy and Mines

Direct Telephone 250 554-5377
Messages & Inquiries 250 554-5370
Facsimile 250 554-5384
Autotote 250 372-6757
email mike.cathro@gems2.gov.bc.ca

Schroeter, Tom EM:EX

From: Cathro, Mike EM:EX
Sent: Friday, October 25, 2002 1:26 PM
To: Adams, Rick EM:EX
Cc: Britton, Jim SRM:EX; Brown, Derek; Grant, Brian EM:EX; Lefebure, Dave; Logan, Jim EM:EX; Ludwig, Allan; Madu, Bruce; McArthur, Gib; Schroeter, Tom; Simandl, George EM:EX; Smith, Don; David Terry; Houle, Jacques; Lane, Bob; Wojdak, Paul
Subject: Cathro Weekly to 10/25

HIGHLIGHTS

Cariboo College Career Day/Open House (Sat. October 19th) - Cathro and Madu helped organize displays and staff a room for the Kamloops Exploration Group at this event. In addition to MEM posters, brochures, rocks and a gold-panning exhibit, the KEG room included displays and staff from **Highland Valley Copper, G&T Metallurgical, Navasota Resources and Eco-Tech Laboratories**. Partnership in action!

Gold-Rainbow (Doublestar Resources) - field visit on 10/22 to this epithermal gold prospect (82ESW112) located near Venner Meadow, SE of Okanagan Falls. Under the direction of geologist Murray Morrison, the company is testing several areas of alteration and weak gold mineralization in Tertiary volcanics sitting above a detachment(?) fault. The setting is somewhat analogous to the Dusty Mac and Vault deposits to the northwest. In addition to silica-clay-pyrite-hematite alteration and quartz-calcite vein mineralization in the hangingwall, the fault zone was intersected in several holes returning 50-60 m of silicified volcanics and chlorite-epidote-silica altered footwall gneisses. As usual, assays will determine whether further drilling will occur on this interesting property.

Tulameen Coal (Compliance Energy) - Mining of 10,000 tonnes of raw coal is underway. Wash plant to be started up this week, and will test the newly mined coal rather than that stockpiled last year.

Zeo (Zeo-Tech Enviro Green) - Mining of 4000 tonnes of zeolite completed. Co. is arranging transport and processing to satisfy a demand of 2500 tonnes of "Zeo-Fume", a zeolite product designed to replace silica fume in specialty concretes.

Tulameen Platinum (Bright Star Ventures) - Drilling of 6 holes (1000 m) has been completed on the DP copper-platinum-palladium-target near Olivine Mountain. SW of Tulameen. Assays are eagerly awaited for this potentially significant discovery.

Panorama Ridge (Goldcliff Resource Corp) - Released channel-chip sampling results from the York skarn gold prospect located 3.5 km east of the Nickel Plate mine. An 85.67 interval assayed 0.586 g/t Au, including 28.68 m grading 1.258 g/t Au (similar to previous results by Placer Dome). The values are lower than the historical average grades at Nickel Plate (13.94 g/t Au for underground and 1.98 g/t Au for open pit) but still suggest that a large low-grade deposit is possible on the property.

Lillooet LRMP - answered several requests for information related to the South Chilcotin park and the upcoming LRMP review decision.

Bonaparte No Staking Reserve - At the request of Vancouver client Greg Dawson, we initiated action to review the need for a large NSR north of Kamloops. All NSRs in the Kamloops LRMP were supposed to have been reviewed for their relevance in 1995 when the LRMP was completed, however, this does not appear to have been done. Several parks were created and the remainder of the area should now be opened up.

Industry requests - provided info or advice to the following clients:

Lorne Warner, Navasota Resources (info on geological mapping and prospects near North Barriere Lake)

Norman Perrin, independent (info on using the Map Place)

Ragnar Bruaset, independent (discussion on his Rabbit property and potential optioners)

Adam Travis, Viceroy Resource Corp. (info on Big Sheep prospect)

Murray Morrison, Doublestar Resources (provided him with unpublished data from our files on the Gold and Venner prospects)

Mike

Mike Cathro, P.Geo

Tobes → Basin

Schroeter, Tom EM:EX

From: Cathro, Mike EM:EX
Sent: Thursday, January 06, 2005 11:56 AM
To: Grant, Brian EM:EX; Schroeter, Tom EM:EX
Cc: 'George Owsiacski (ringherd@pacificcoast.net)'
Subject: RE: Basin Coal write up.

Thanks, in Tom's paper the changes would be on pages 4 (Table 1) and 5.

Where it says 50 000 tonnes production for the Basin mine it should read 40 000 tonnes

Mike
Mike Cathro, P.Geo
Regional Geologist, Mining Operations Branch
B.C. Ministry of Energy and Mines
162 Oriole Rd., Kamloops, B.C. V2C 4N7

tel 250 371-6069
cel 250 318-4202
fax 250 371-6070

-----Original Message-----

From: Grant, Brian EM:EX
Sent: Thursday, January 06, 2005 11:27 AM
To: Cathro, Mike EM:EX; Schroeter, Tom EM:EX
Subject: RE: Basin Coal write up.

Mike
If you give us the exact text and location in which you want the change George can perhaps do it in the next hour.
See last draft attached

brian

Manager, Geoscience Initiatives
BC Geological Survey
5 - 1810 Blanshard St., Victoria, BC
check our website at:
www.em.gov.bc.ca/mining/geology
www.MapPlace.ca

-----Original Message-----

From: Cathro, Mike EM:EX
Sent: Thursday, January 06, 2005 11:09 AM
To: Schroeter, Tom EM:EX; Grant, Brian EM:EX
Subject: FW: Basin Coal write up.

Tom and Brian, Just got this update on the Basin mine. I contacted them 2-3 times in December and they finally responded.

Probably too late to include all the changes in the overview article, but it might be good to change reference to tonnes mined in your text and table 1 (should be 40,000 tonnes, not 50,000 tonnes)

I will make some minor changes to my article, which Garry is finalizing today.

Mike
Mike Cathro, P.Geo
Regional Geologist, Mining Operations Branch B.C. Ministry of Energy and Mines
162 Oriole Rd., Kamloops, B.C. V2C 4N7

tel 250 371-6069
cel 250 318-4202
fax 250 371-6070

-----Original Message-----

From: Eric Beresford [mailto:eberesford@complianceenergy.com]
Sent: Thursday, January 06, 2005 11:03 AM
To: Cathro, Mike EM:EX
Cc: jorourke@complianceenergy.com
Subject: Basin Coal write up.

Hi Mike,
Happy New Year to you, Joe and Steve , hope to see you at the Round Up.

We have reviewed your E mail of Dec.17,2004 regarding the Basin write up and have a few changes and additions we would like you to make and now reads as follows :

At the Basin Coal mine ,production of clean thermal coal more than trippled in 2004 to about 40,000 tonnes .
Located near the village of Coalmont .the operation is a joint venture of Compliance Energy Corporation [65%] and Sojitz Coal Development Ltd [35%].
The Basin Coal mine has measured resources of 19 million tonnes ,indicated resources of 60 million tonnes and inferred resources of 160 million tonnes based on existing drill results and BC Government reports.
The current mine permit is for up to 250,000 tonnes annually but future plans are to increase production up to 1.0 million tonnes with the required permit amendment.
In 2004 the company opened up a 1,000 metre strike length of the main coal seam ready for mining in 2005 as part of the planned 1,500 metre low strip ratio open- pit.
The main coal seam varies from 25 to 30 metres in thickness and dips from 28 to 40 deg.in a dip slope situation.
The high volatile Bituminous B and C rank coal is sold mainly to cement plants and greenhouse growers in southern BC.
Opportunities have developed for sales in 2005 to meet the expanding Asian market in thermal coal and the future expansion will aim to meet part of that demand.
Since opening in 2003 raw coal has been trucked about 45 kilometres on a seasonal basis to a wash plant at the Similco minesite near Princeton[Figure 4-7]. Late in 2004 the company began dismantling and moving the wash plant to the Basin minesite and purchased a fleet of mining equipment in preparation for a January 2005 re-start.
A thickener tank will be added to the plant and power will be supplied by generators.
Production target to be 250,000 tonnes of clean coal in 2005.
The Similco site will continue as a load -out for highway trucks and could become the location for a proposed \$125 million, 49MW coal and wood fired generating station currently undergoing permitting requirements.
The mine is building up to a permanent work force of 20 employees with a corresponding increase in contract truckers.

Best regards, Eric

Schroeter, Tom EMPR:EX

TGS → Bash

From: Jacobs, Jake PAB:EX
Sent: Monday, February 20, 2006 12:14 PM
Subject: Add to MEMPR Media Watch - Feb.20 - electrical generating plant near Princeton

**Environmental review planned for site of plant, Sunday, February 19, 2006
By Okanagan Sunday Staff**

A proposed coal and wood-burning electrical generating plant near Princeton will undergo a full environmental review, says an energy company official.

Compliance Energy Corporation of Vancouver wants to develop a 49-megawatt generating plant at the former Similco Mine site next to Highway 3, about 15 kilometres south of Princeton. Company president John Tapics told the Regional District of Okanagan-Similkameen board that in response to increasing community debate over the plant, the company has voluntarily agreed to apply to the government for a full environmental assessment review of the facility. The Similkameen Valley Planning Society, which represents the municipalities, regional district areas and two Indian bands in the area, recently wrote to Environment Minister Barry Penner urging the project not proceed until sufficient information is obtained on potential environmental and health risks. "We believe the potential risks are high enough to warrant the time and expense of a full environmental assessment," stated the society directors, including Keremeos Mayor Walter Despot, Princeton Mayor Randy McLean, Chief Joe Dennis of the Lower Similkameen Indian band and Philippe Batini, manager of the Upper Similkameen band. Under provincial regulations, power projects under 50 MW must undergo a review under the Environmental Management Act. For plants over 50 MW, a more detailed review under the Environmental Assessment Act is required. Tapics said Compliance Energy plans to obtain wood waste from forestry operations from throughout the area to burn at the plant and utilize coal from its mining operations near Tulameen. It's estimated about 10 truckloads of coal and 20 truckloads of wood waste a day would be transported to the plant site.

However, some RDOS directors remain wary of the company's plans, fearing the plant will become a strictly coal-fired generating facility and impact air quality in the Similkameen Valley. "I just think we're being sold a bill of goods," said Naramata director Tom Chapman. "I see a plume of smoke going right down the Similkameen River." McLean noted he had just attended a B.C. tourism industry conference in Penticton. He wondered how Princeton could convince people to leave the smog of the Lower Mainland to come to a valley with a coal-fired power plant at its doorstep. Tapics responded that the Alberta company he formerly worked for opened its coal-fired plants west of Edmonton to public tours and had thousands of visitors a year.

"Rather than look at it as a problem, perhaps you should look upon it as an opportunity," he suggested. Tapics said the company plans to construct an environmentally sound facility which will fully meet all government regulations. He predicted the full environmental assessment would alleviate many of the concerns. "I think many of them are based on misinformation and, unfortunately, mistrust," he said. "That's why I made a decision to go through the entire (review) process." Compliance Energy plans to submit an application in April in response to B.C. Hydro's call for power generation proposals. An environmental assessment of the project would take up to six months to complete. B.C. Hydro is expected to make a final decision on its power purchasing contracts in August. The proposed \$100-million plant, combined with the company's coal-mining operations, would employ up to 70 people and generate more than \$26 million a year in revenue.

Jake Jacobs
Public Affairs Officer
Energy, Mines & Petroleum Resources

Telephone: 250 952-0628
Fax: 250 952-0627

e-mail: Jake.Jacobs@gov.bc.ca