

VFS → RG
Kamloops

Schroeter, Tom EM:EX

From: Cathro, Mike EM:EX
Sent: Friday, July 19, 2002 3:55 PM
To: Adams, Rick EM:EX; 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 7/18/2002

HIGHLIGHTS

Trans-Canada Highway - The National Post reports that the Federal government is considering a \$10-15 billion dollar plan to four-lane the TCH right across Canada. Given that about half of BC's two-lane TCH falls in the South-Central region, this would be a huge boon for the local mining and construction industry, especially suppliers of cement, aggregate and other raw materials.

Hat Creek Coal and Thermal Generating Station - Attended BC Hydro info session in Cache Creek on 7/16. The company has updated the technical and cost data from the previous (1981) study. Despite improvements in costs, generating technology and environmental controls, Hydro has decided to NOT proceed with development in the near future. Roughly 6 billion tonnes of high-ash thermal coal are known. Interestingly, Hydro has determined that they do NOT own the methane rights to this area.

Lillooet LRMP - all quiet on the western front, although the Sierra Club is running an PR campaign in support of the "South Chilcotin Rainshadow Wilderness" (Spruce Lake Park). Here is a link to an ad they ran in the Vanc. Sun, showing a nice picture of Eldorado Basin. <http://www.sierraclub.ca/bc/Campaigns/Lillooet/VanSunad.pdf>

Red Lake (Western Industrial Clay Products) - attempting to become house-brand pet litter supplier for Walmart USA. This would be a big market and very positive for the company. WICP is having little success in trying to develop a market for their "leonardite"-based potting soils, however, they will continue to produce humic and fulvic acids from leonardite. These are used in hydroponic gardening, for which BC is world famous.

FIELD VISITS

Elk (Almaden Minerals Ltd.) - A \$350,000, 4000 metre drilling program is underway on this property located near the Elkhart exit on the Okanagan Connector. The "Deep B" zone (currently 12,200 tons grading 2.93 oz/ton Au) of the Siwash North vein and the WD vein (16,700 tons grading 1.55 oz/ton) are the main targets, although two holes were drilled on a new target in the Bullion Creek area. The total resource/reserve on the property is 123,000 tons grading 1.153 oz/ton.

Au-Wen-Mal (Lateegra Resources) - As of July 15th, 2 holes had been drilled on the Malechite 1 skarn Cu prospect (92HNE002) hosted by the Nicola Group east of Aspen Grove. Eight to 12 metre-wide skarn beds consist of chalcopyrite with magnetite, garnet and epidote. At least one more hole will be drilled on this prospect prior to moving the drill to the Wen gold prospect for 3 more holes.

Sadim (Toby Ventures) - Briefly viewed core of 12 recently completed holes in Aspen Grove on 7/15. Nine holes tested quartz vein-hosted gold targets and three tested sericite-altered Nicola with disseminated pyrite.

Ashcroft Quarry and Roofing Granule Plant - Visited on 7/16 with G. Simandl. Plant at 50% capacity awaiting Regional MDRC approval to go from 250,000 to 500,000 tonnes per year. Currently 55 people are employed in plant and another 25 on construction. Another 20 or so will be hired when they go to full production. 30% of production goes by truck to the IKO plant in Sumas, Wa, with the remainder going by rail to their plants in Calgary, Winnipeg and Chicago.

WK bentonite (Willy Kovacevic) - Visited this new bentonite occurrence located north of Cache Creek. The property also hosts a deposit of pozzolan.

Clinton Tufa - visited this past producing tufa quarry located just west of Clinton. Ownership is in question between mineral claim owner (Adam Travis) and private surface owner (Quadra Stone). This interesting material would make nice flagstone or landscape rock.

Barbecue-Landscape (Fayz Yacoub) - Visited this lava rock prospect near Cache Creek. Minor trenching and stockpiling of rock has taken place, in preparation for crushing and screening.

→ Ashcroft

possible late in year or early in 2003 - not a major project at this point

New discoveries: Winters (Panorama Ridge) [Cathro, Mike EM:EX] - Tower (Winters) is mainly a soil/stream anomaly at this point; highest gold in rock is only 0.31 g/t - wait until next year, Gold Canyon (Burton area) [Cathro, Mike EM:EX] - this is Kootenay Region, Tophat (Blistery Mtn.) [Cathro, Mike EM:EX] - Tophat is an old geochem anomaly from an assessment report - not really a ew discovery yet...wait until they do some rock sampling and trenching?, Willy Kovancevic-bentonite near Clinton (Simandl-IM sec.)? [Cathro, Mike EM:EX] - not really that exciting - I would leave it out but what does George think? Highlight Map - [Cathro, Mike EM:EX] I would add Afion for sure and Tulameen, Platinum, Elk and Elizabeth and perhaps Fir depending on results - Similkameen is an unknown to me. Barry perhaps has a better feel if it should be on the map Similkameen, Elizabeth ???

D) Cranbrook: Drilling (m) - Baymag, Jubilee Mtn., Nova? [Cathro, Mike EM:EX] Should Gold Canyon be on here (see Cathro notes above)

E) Nanaimo: Drilling (m) - Dauntless, emm, Iron Ross, Apple Bay, Redford, Valmtine Mtn. General - Nimkish Lk. Ist (Simandl-IM sec.).

- F) Simandl: i) Teko pit (SW of Taylor) - aggregate - "later in '02"
- ii) Nimkish Lk. - Ist (Graymont) - "modest expl'n in late '02"
- iii) Baymag - "Very modest drilling in '02" - \$/ddh (m)?
- iv) Apple Bay - late work-in '02
- v) "Grassroots expl'n" - aggregate - \$? (e.g. Prot Renfrew & Port Alberni)
- vi) New Discoveries - Willy Kovacevic (Clinton)?
- vii) Zeo - "drilled in '02" - \$/m? [Cathro, Mike EM:EX] Bulk sampling of 4000 t in 02 with plans to truck 2500 t to Ashcroft - no drilling to my knowledge
- viii) George Wolanski (Wol) - "may produce" - update? [Cathro, Mike EM:EX] unlikely before year end - test pitting only - attractive landscape rock comprising dark lava with green vesicles
- ix) Benson Lake Magnetics - update?
- x) Iron Mike = Iron Mike? -update.
- xi) Xeno - no work in '02 = no mention in IM sec.?
- xii) Ice - no work in '02=no mention in IM sec?
- xiii) "New precious opal discovery by the Warren family in the xxxx area" - confirmation/details?
- xiv) Ashcroft - p. 1 designed capacity = 500,000 tonnes; p. 3 = 300,000 - which is correct? [Cathro, Mike EM:EX] My understanding is that the 500,000 t plant rating is based on the input of rock from the quarry into the plant - since 40% or so is waste, approx 300,000 tonnes of finished granules are produced annually. This is a doubling of the original mine permit (250,000 tonnes of rock into the plant)

Would appreciate comments asap. Thanking you in advance.

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 604 660-2708
Facsimile 604 775-0313
email tom.schroeter@gems6.gov.bc.ca
Autotel 604 662-9091

MC - Nov. 12/02

Schroeter, Tom EM:EX

TBR → Reg. Mg.
- Kamlay

From: Adams, Rick EM:EX
Sent: Friday, August 02, 2002 5:17 PM
To: Allan Ludwig (E-mail); Cathro, Mike; Heistad, Ray; Horton, Russ; Madu, Bruce; Mehr, Eugene; Rothman, Stephen; Seguin, Joe; Wallis, Yvonne; Worsfold, Joyce
Cc: 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 Martin; Schroeter, Tom; Shelley Guthrie (E-mail); Smyth, Ron; Stewart, Linda; Walter Poohachoff (E-mail); Whale, Andrew
Subject: South Central Region to August 2, 2002

FYI:

Big Bend Project (Orphan Boy Resources Inc.) - Notices of Work received for drilling on several copper-zinc-lead-gold-silver massive sulphide targets north of Revelstoke. Work would be split between the **Goldstream** mine (7 holes, 1400 m), **C-1** (12 holes, 2400 m), **Spire** (6 holes, 1200 m) and **Rift** (7 holes, 1400 m) targets and is probably contingent on raising adequate funds.

Mac Claims (aka "Top") - This gold-silver prospect, owned by Linda Caron and John Kemp, has been optioned by Cantech Ventures Inc. Drilling by junior companies in 1983-88 intersected up to 13 metres grading 16.1 g/t Au in a faulted vein. Commonwealth Gold Corp drove a 126.5 m decline in 1990, and the mineralized zone is reported to have averaged 14.4 g/t Au over 10 m. The company plans to hire a structural geologist to find the faulted extension of the vein.

Zeo (Zeo-Tech Enviro Corp/JC2C Zeolite Corp) - Zeo-Tech has shipped its first container (20 tonnes?) of Princeton zeolite to Taiwan for use in the aquaculture industry. The company reports that their zeolite increases production of farmed shrimp.

Panorama Ridge (Goldcliff Resource Corp) - trenching and geochem have begun on this Hedley-area gold prospect. Follow-up drilling will depend on financing.

Similco (Imperial Metals)- MEM staff met with Similco and MWLAP to discuss information requirements as **Ingerbelle** Pit nears overflow into Similkameen River. The water level appears to be within 2 meters of the pit rim after rising over 5 metres this spring. A number of questions need to be answered before MWLAP can process amendments to Similco's discharge permit.

Ashcroft Quarry (IG Machine & Fibre)- MEM staff met with the Plant Manager to further develop the First Nations Economic Measures proposal now that preliminary approval has been received.

Local Forestry News- bad news on the economic front for the town of Vavenby as the closure of Slocan Forest Products' mill there, due to softwood lumber tariffs, is expected to impact at least one person in 40% of the households there. Better news for Interfor Adams Lake Division, with the announcement of a 6% increase in their annual allowable cut under an Innovative Forest Practices Agreement- the first such decision of its kind in BC. A decision is expected for all licensees in the Merritt Forest District before Xmas- when licensees are anticipating an even bigger increase in cut. The Merritt IFPA involves significant First Nations participation. If some of the economic benefits accrue directly to First Nations, it may improve the climate for any mining projects in that area as well.

Rick Adams, Regional Manager
 Ministry of Energy & Mines
 Mining Division, South Central Region

Promoting a healthy mining industry in BC
 Phone: (250) 554-5382 Fax: (250) 554-5382
 E-mail: rick.adams@gems2.gov.bc.ca

2002-08-06

Schroeter, Tom EM:EX

VGS → Reg. Mgr
- Ann Logg

From: Adams, Rick EM:EX

Sent: Friday, July 12, 2002 5:57 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 Martin; 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 July 12, 2002

FYI:

Ha! Creek Coal (BC Hydro)- BC Hydro completed updates last summer on 15 year old technical and costing studies on the potential for coal fired power generation from this resource. The studies considered advances in technology, such as dry cooling to reduce water consumption from the Thompson River, and improvements in coal burning efficiency. BC Hydro advises the study information will be used for planning purposes only, and there is no intent by BC Hydro to develop these resources in the foreseeable future. Their 10 year plan instead focuses on IPPs, green energy, Resource Smart, and Power Smart initiatives. BC Hydro is hosting a public meeting to present the results of their studies at 6:00-9:00 pm, July 16, at the Cache Creek Community Hall.

Ashcroft Quarry (IG Machine & Fibre)- permit amendment to increase production to 500,000 tonnes/year and construct the gully waste dump has been issued.

Explosives- a deteriorating case of blasting caps was discovered by an exploration geologist working old claims near Nickel Plate Mine. MEM H&S personnel promptly disposed of the explosives. The explosives were probably abandoned there 17 years ago during the last round of known exploration in the area. The explosives were located near a well-used cross country ski trail.

Rainbow (Abacus Mining) - released additional encouraging results for drillholes 8 and 9 on this porphyry copper-gold-palladium deposit located southwest of Kamloops. Hole 8 hit 31.1 m grading 1.12% Cu, 0.45 g/t Au and 0.94 g/t Pd (near former Teck hole 97-22) and hole 9 hit 170.1 m grading 0.89% Cu and 0.24 g/t Au. Both intersections were quite deep (>200 m down hole).

Elk (Almaden Minerals) - Drilling underway on the Siwash North and WD veins, located east of Aspen Grove.

Miner Mountain (Nustar) - Drilled 3 holes (approx 150 m) on this porphyry Cu-Au prospect north of Princeton.

Sadim (Toby Ventures) - Scheduled to finish 12 holes today (approx. 1500 m) on this property south of Aspen Grove. Target is Au-Ag vein and Cu.

Au-Wen (Lateegra Resources) - drilling of 3-4 holes underway on Au-Ag and Cu targets east of Aspen Grove.

Tulameen Coal (Compliance Coal Corp.) - Wash plant has been ordered and is expected to be delivered in late Sept.

Fir (Commerce Resources) - drilling to begin Tuesday on this carbonatite-hosted tantalum-niobium-phosphate deposit.

Bruce Madu, of our office, and **Anne Gardner** are tying the knot tomorrow at a wedding ceremony at their home. Our office wishes Bruce and Anne a long, happy and healthy future together. Congratulations Bruce!

Rick Adams, Regional Manager
Ministry of Energy & Mines
Mining Division, South Central Region

2002-07-18

TGS → Ashcroft

Schroeter, Tom EM:EX

From: Schroeter, Tom EM:EX
Sent: Friday, April 05, 2002 10:37 AM
To: Lefebure, Dave EM:EX
Cc: Passmore, Kim EM:EX
Subject: RE: Kamloops Arrival

Thanks, Dave. I will pick you up then. While in the ferry lineup last night, Jo showed me a copy of a report he did (Feb. 15/02) for the project, which he will be submitting to out Mines Branch in Kamloops to increase the annual production to ~ 450,000 tonnes (from the currently permitted 250,000 tonnes). The mine (quarry) has a reserve of ~ 8.6 million tonnes of 'high-grade basalt/andesite (roofing granules)-good enough for mine life of ~ 20 Years. In addition, another 10 years life is 'indicated'. Estimated capital costs ~ \$30M. NO. of employees ~ 80. I've got instructions to the property. Tom.

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

From: Lefebure, Dave EM:EX
Sent: Friday, April 05, 2002 10:19 AM
To: Schroeter, Tom EM:EX
Cc: Passmore, Kim EM:EX
Subject: Kamloops Arrival

Tom:

I will be arriving in Kamloops on the Tuesday morning flight at 8:40 am. Air Canada flight 8421 H

See you at the airport.

Thanks,
Dave

David Lefebure

Acting Director
Geological Survey Branch
Ministry of Energy and Mines
PO Box 9320, Victoria, BC, V8W 9N3

☎(250) 952-0404 <http://www.em.gov.bc.ca/geology>

Schroeter, Tom EM:EX

From: Lefebure, Dave EM:EX
Sent: Friday, April 05, 2002 10:19 AM
To: Schroeter, Tom EM:EX
Cc: Shearer Jo (E-mail)
Subject: FW: Request for Permission to Visit

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

From: Glenn Bayes [mailto:Glenn.Bayes@IKO.com]
Sent: Friday, April 05, 2002 10:09 AM
To: Lefebure, Dave EM:EX
Subject: RE: Request for Permission to Visit

Dave:

We would be pleased to have you on site and show you our operation.
I look forward to meeting you.

Regards,

Glenn

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

From: Lefebure, Dave EM:EX [mailto:Dave.Lefebure@gems8.gov.bc.ca]
Sent: Friday, April 05, 2002 9:35 AM
To: Glenn Bayes
Subject: FW: Request for Permission to Visit

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

From: Lefebure, Dave EM:EX *wrong e-mail.*
Sent: Monday, April 01, 2002 10:34 PM
To: 'Glenn.Bays@iko.com'
Cc: 'homegold@telus.net'
Subject: Request for Permission to Visit

Glenn:

Tom Schroeter and I have been interested in visiting your site for some time. We are both going to the Kamloops Exploration Group next week and were wondering if we could visit your quarry on Tuesday morning, April 9, 2002. Jo Shearer has offered to show us around.

Thanks,
Dave

David Lefebure
Acting Director
Geological Survey Branch
Ministry of Energy and Mines
PO Box 9320, Victoria, BC, V8W 9N3

*(250) 952-0404 <http://www.em.gov.bc.ca/geology>

Schroeter, Tom EM:EX

VBS → Ray
— Kamli

From: Adams, Rick EM:EX
Sent: Friday, February 08, 2002 4:34 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; Hall, Ted; Hermann, Fred; Hoffman, Al; John Clancy (E-mail); Jorgensen, Sharon; Lewis, Jim; Lieutard, Denis; McArthur, Gib; McKillop, Greg; McLaren, Graeme EM:EX; Murphy, Maureen; Nash, Laurel; O'Rourke, Patrick; Rennie, Lorna; Rick Conte (E-mail); Roberts, Steve; Schmitt, Rolf EM:EX; 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 February 8, 2002

Issues:

Brookfield Road Pit (Gudeit Bros. Contracting Ltd.), Lumby- public meeting is scheduled for Tuesday, February 12. A number of phone calls from opponents to the pit have been received by our office this week.

Lillooet LRMP - BCYCM and MABC reportedly met with MSRM Minister Hagen on Feb 4 to voice their concern that the draft Lillooet plan does not properly address economic certainty, particularly with regard to the "two-zone" concept. In their opinion, there is an apparent "disconnect" between Minister Hagen's goal of economic development and the direction of the Lillooet plan. KEG and BCYCM are scheduled to meet with local MSRM process leaders on Feb 12 to provide additional comments.

Cayoosh Creek Placer Designation Request, (McIntyre Associates)- following initial opposition from FOC and MWLAP, MEM attempted to arrange a meeting to allow our client to address FOC and MWLAP concerns. FOC, after initially identifying suitable meeting dates, phoned back indicating we would likely be meeting with FOC legal counsel, rather than operational field staff, if we or our client were to push this issue further. Apparently there are unresolved issues around court ordered remediation works associated with the upstream power generation facility, and concerns about cumulative impacts. MEM is consulting with sr. mgmt. staff in FOC further clarify their position before responding to our client.

EYI:

Highland Valley Copper - in stats supplied for the 2001 Exploration and Mining Review, Frank Amon reports 48.89 million tonnes of ore were mined in 2001 to produce 180,530 tonnes Cu (vs. record of 190,600 tonnes in 2000), plus 1850.8 tonnes Mo, 449 kg Au, and 97,539 kg Ag. Proven and probable reserves total 345.1 mt grading 0.414 Cu and 0.0081% Mo, sufficient for about seven years at current throughput. On a related note, BHP Billiton is apparently considering selling their 34% interest in the mine.

Ashcroft Quarry (IG Machine & Fibre) following an unsuccessful conclusion to last week's offer, the mediator remained involved and a collective agreement was ratified with a vote of 79% in favour of the mediator's recommendations. Wages for tradesmen will now be \$24.50/hr., comparing reasonably to Highland Valley Copper tradesman wages of \$26.91/hr. (\$25.30/hr. currently with the 6% JPA reduction). Entry level positions at the two mines are further apart at \$14.42 and \$19.59/hr. respectively.

Colored granule production at the plant has increased steadily as start up glitches were overcome. Recently produced 650 tonnes of product in a 24 hr. period. A reconditioning shutdown of the older sister plant in Madoc, Ontario was planned, contingent on successful conclusion of labour negotiations at the Ashcroft plant. The Ashcroft plant will now have a market for all the product it can produce over the next few months. Most product is shipped by rail to Calgary, with smaller quantities going to Sumas, Washington by truck.

KEG Conference (March 9-10) - The 15th annual Kamloops Exploration Conference will be 100% focused on BC projects this year. The organizers finalized and distributed their registration form this week, and posted it on their website (www.keg.bc.ca). Invitations have been sent to Ministers Neufeld and Hagen and ADM Ebbels. Kamloops MEM staff are less involved in the conference this year, although Cathro is involved in the Technical Program, Cathro, Lett and Levson are organizing the Geochemical Workshop (April 11-12), and Madu is in charge of audiovisual needs. Registration form attached below.

Schroeter, Tom EM:EX

TJS → Roy, Mar
Kornblau

From: Ludwig, Allan EM:EX
Sent: Friday, January 04, 2002 4:35 PM
To: Anderson, Duane EM:EX; Beckett, Carla 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; Curtis, Ross EM:EX; Errington, John EM:EX; Ferguson, Susan M EM:EX; German, Gerald EM:EX; McLaren, Graeme EM:EX; Hall, Ted EM:EX; Hermann, Fred EM:EX; Hoffman, Al EM:EX; Clancy, John EM:EX; Jorgensen, Sharon EM:EX; Lewis, Jim E EM:EX; Lieutard, Denis EM:EX; McArthur, Gib EM:EX; McKillop, Greg EM:EX; Murphy, Maureen EM:EX; Nash, Laurel EM:EX; O'Rourke, Patrick EM:EX; Rennie, Lorna EM:EX; Conte, Rick EM:EX; Roberts, Steve EM:EX; Schroeter, Tom EM:EX; Guthrie, Shelley EM:EX; Smyth, Ron EM:EX; deleted 010730 - Starkes, Terri EM:EX; Stewart, Linda EM:EX; Poohachoff, Walter CAWS:EX; Whale, Andrew EM:EX
Cc: Adams, Rick EM:EX; Britton, Jim SRM:EX; Cathro, Mike EM:EX; Heistad, Ray EM:EX; Horton, Russ EM:EX; Madu, Bruce EM:EX; Mehr, Eugene EM:EX; Murton, Patricia EM:EX; Rothman, Stephen EM:EX; Seguin, Joe EM:EX; Wallis, Yvonne EM:EX; Worsfold, Joyce EM:EX
Subject: South Central Region to January 4, 2002

Ashcroft Quarry: Due to the delays in construction and the start up problems in the Ashcroft Quarry coloring plant, the company has lost an important contract with the 3M company. This means instead of producing 75,000 tons of product for IKO and up to 225,000 tons for 3M they will only supply IKO with product. One shift of 6 employees has been laid off and the plant will be operated 2 shifts per day for Jan and Feb then reduced to one shift per day. They intend to pursue other contracts during the next several months as well.

The recent attempt at reaching a first labor contract at the site has also failed (due to money issues) and Jim Kelly, a labor arbitrator has been called in to mediate the dispute. The union, company and the arbitrator are scheduled to resume talks on Jan 23 after a short cooling off period.

Highland Valley Copper: Announced a wage cut of 6% and an undisclosed hydro rate cut effective Jan 1 as per the Job Protection Agreement. A newspaper report said that, because of low copper prices, it is "unlikely" that the mine life will be extended beyond 2009. The decision to proceed with the extension, which would involve a pushback of the SW corner of the Valley pit and relocation of the in pit crushers and conveyors, must be made within a year for the plan to be viable.

Old Nickel Plate Millsite: Received a call from OSRD that they have passed a bylaw which will enable them to purchase the old Nickel Plate millsite, which include the old tipple and trestle, as a heritage site from Homestake Mining Company. The OSRD will begin negotiating the purchase of the property within the next couple months and will have to deal with the present unsafe condition of the tipple.

Afton (DRC Resources Corp) - released results of an updated Mineral Resource Study by J.J. McDougall, based on all DRC drilling up to November 2001. The previous (Jan 2001) resource estimate totaled 22.5 million tonnes at 3.0% Cu equivalent. According to the company, the drilling to date "*indicates a continuous mineral zone 850 m in length, with a depth of 775 m below the upper contact of the primary mineral zone*" Although very poorly presented in the news release, the mineral resource estimate can be summarized as follows:

Indicated Resource		
Zone	Million tonnes	Grade (Cu equivalent)
Afton Main	22.5	3.0
Southwest	10.01	2.3
Northeast	1.56	1.36
Total Indicated	34.2	2.7

Inferred Resource		
Zone	Million tonnes	Grade (Cu equivalent)
Southwest	3.98	2.0
Northeast	1.93	1.0
Total Inferred	5.9	1.7

Schroeter, Tom EM:EX

TGS → Reg. Mgr
- Fam loop

From: Adams, Rick EM:EX

Sent: Friday, November 16, 2001 4:53 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 November 16, 2001

FYI:

Ashcroft Quarry (IG Machine & Fiber) - Glenn Bayes has now been appointed as Manager. Test batches are being run through the colouring process. The roofing granule plant should soon be fully functional. Construction of test waste dump has commenced.

Goldstream (Orphan Boy Resources Inc.) - reports finding angular massive sulphide boulders up to 1 m across at the Boutwell Discovery in the C-1 grid area, some 10 km west of the Goldstream mine. The prospect occurs within a 600 m long Cu-Zn-Ag anomaly. Assays show the boulders are anomalous in copper (to 1553 ppm Cu). The prospect is at a low elevation in the Goldstream valley and should be the focus of further trenching and drilling in 2002.

Spire (Imperial Metals Corp) - no official news release has come out, but the Imperial Metals website includes an Adobe presentation with photos, maps and results from their recent trenching program. The best result was a channel sample in a new trench which graded 3.4% Cu and 2.9% Zn over 1 m. The prospect also has similar geology and ore textures to the Goldstream mine, 7 km NE. The Goldstream area north of Revelstoke could be busy in 2002.

Duke Copper (MF92ISW076) - Southern Rio Resources acquired this copper prospect located 20 km west of Craigmont in the Guichon Creek batholith. Drilling of 12 holes in the 1960's returned up to 0.63% Cu over 57.9 m. Southern Rio is returning to BC from Chile to take advantage of the flow through tax credit, according to Lindsay Bottomer (former President of BC and Yukon Chamber of Mines and Exploration Manager for Echo Bay).

ED Property - Lyra Resources has optioned an 82 unit claim group adjacent to their ED 1-20 block, located near Edith Lake south of Kamloops.

First Nations- media reports Chief Arthur Manuel, Neskonlith Indian Band, is now threatening to appeal to the International Olympic Committee to deny the Vancouver-Whistler 2010 Winter Olympic bid citing First Nations/human rights issues, as their dispute over Sun Peaks Resort expansion continues.

Rick Adams, Regional Manager
Mines Branch, South Central Region

Promoting a healthy mining industry in BC

Phone: (250) 554-5382 Fax: (250) 554-5382

E-mail: rick.adams@gems2.gov.bc.ca

11/25/2001

Schroeter, Tom EM:EX

From: Adams, Rick EM:EX**Sent:** Friday, October 19, 2001 3:34 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, Loma; 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 October 19, 2001**FYI:**

Ashcroft Quarry (IG Machine & Fibres) - has completed hiring of 2 shifts of production and maintenance personnel. The plant made its first shipment of headlap (uncoloured granules) product to Calgary this week. They expect to have the colouration part of the plant fully commissioned by mid to late November. ~50% of their production will be used internally for IKO Industries roofing shingle production, with the other 50% marketed externally.

Afton (DRC Resources Corp.) - Excellent results released for hole 2K-01-42. From 550 to 754 metres the hole cut 204 m grading 1.53% Cu, 1.2 g/t Au, 0.20 g/t Pd, and 2.5 g/t Ag. A good hole even by Chilean standards! If the dip is similar to the rest of the Afton orebody, the true thickness could be in the range of 100-125 m.

Located beneath the southwest corner of the pit rim, the top of this intersection is at a vertical depth of 390 m (1280') below surface, and about 50 m below, and 600 m southwest of the current pit bottom. From cross sections on the DRC website it appears that the mineralization may get shallower to the northeast and east, however it is not clear if that is an area that may have been drilled previously by Teck. The hole appears to indicate a substantial widening of the "Southwest Extension" zone which appeared to be pinching out in the next nearest holes to the northeast. Perhaps most importantly, the Hole 42 mineralization is of a different style and could represent a significant new zone (or extension). Because of the great depth, it will be important for DRC to attempt to trace this mineralization closer to surface.

Highland Valley Copper - contracted Caterpillar to bring their Cat 793C haul truck simulator to the mine site for driver training. The simulator was designed and built by Immersive Technologies of Australia. It features a functional operators station, 195 degree wrap around image displays, digital surround sound, dynamic rear view mirror images, and a three axis motion base. A number of events, including brake loss, steering loss, engine fire, slippery roads and foggy conditions can be programmed to occur. HVC is running all of their ~80 haul truck drivers through the simulator at each of three skill levels, at a cost of ~\$100,000 over a 3 1/2 week period. Expected to provide improvements in both productivity and safety performance. Mines Branch staff were fortunate to be able to spend a short time operating the simulator.

Melba (Walloper Gold) - Drilling complete on 10/17 on this epithermal gold property located west of Lac Le Jeune (11 holes, ~900 m). All holes drilled in the "trench area" hit the siliceous breccia zone over core lengths of 3-10 m. Traces of pyrite are present and assays are eagerly awaited.

Tulameen (Bright Star Ventures Ltd.) - An airborne EM-Magnetics survey has been commissioned from FUGRO.

Pongo (Verdstone/Molycor) - released results of last 3 of 8 holes (442 m) from this Zn-Pb-Ag-Au prospect near North Barriere Lake. Only subeconomic results.

Economic News - is bad news locally - with Weyerhaeuser laying off 520 people in Vavenby, Kamloops, Merritt and Okanagan Falls, and the announced closure of the Western Star truck factory in Kelowna eliminating the jobs of over 400 people.

Rick Adams

10/19/2001

Schroeter, Tom EM:EX

TOS → 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 Poohachoff (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.

Schroeter, Tom EM:EX

TOB → Reg. Mgr.
→ Kamloops

From: Adams, Rick EM:EX
Sent: Friday, May 04, 2001 5:13 PM
To: Anderson, Duane EM:EX; Beswick, Ed EM:EX; Booth, Richard EM:EX; Braidwood, Brian EM: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, Loma EM:EX; Rick Conte (E-mail); Roberts, Steve EM:EX; Schroeter, Tom EM:EX; Shelley Guthrie (E-mail); Smyth, Ron EM:EX; Starks, 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 May 4, 2001

Issues:

Central Okanagan Regional District Air Quality Focus Report- may have costly implications for aggregate operations. While the report focuses on vehicle emissions, wood smoke, ground level ozone, and dust from road traction materials as the primary detriments to air quality, one of the air quality control measures identified involves fugitive dust control methods for open storage piles. R. Adams to attend May 8 meeting in Kelowna.

FYI:

Red Hill (Teck Exploration Ltd.) - A 20 hole, 3-5000 metre drill program is set to begin May 5th on this volcanogenic massive sulphide Cu-Zn-Au-Ag prospect located near Ashcroft.

Kettle Valley Stone (Kelowna) - opened a branch sales office in northern California. A contract was landed to supply 25,000 square feet of *Mountain Ash* facing stone to a large condo development at Squaw Valley, Cal.. At least 12 people were working in the rock cutting room when visited on May 2. Co. is still awaiting spring road restrictions to be lifted so they can get more raw material from their quarries to meet demand (flagstone sold out since January).

Silver Lake (Christopher James Gold Corp) - The GSB field programs near Little Fort (Bobrowsky et al., and Schiarizza) were discussed in a very positive light at this company's Annual General Meeting held in Kamloops on April 23. The company has raised \$363K and plans to drill test its Worldstock Cu-Au and New Discovery Cu-Ag-Zn prospects this summer.

Blackdome (Claimstaker Resources Ltd./Jipangu Inc.) - The partners have hired SRK Consulting to complete a geological model, resource estimate and "preliminary exploration-risk assessment" of the mine. The work will begin in June. In addition, Claimstaker will change its name to J-Pacific Gold Inc.

Ashcroft Quarry (I.G. Machine & Fibres) - construction progressing well, although actual plant production now not expected until late summer/early fall. Construction is employing up to 91 persons at any one time, mostly outside contractors. R. Adams to meet with Glen Bayes of I.G., and Chief Bob Pasco of Nlaka'pamux Nation Tribal Council on May 11 to discuss First Nations training and employment opportunities at the plant site.

Prospector Assistance Program- about 24 of the 103 applications fall in the South-Central region. (Last year there were 135 applications in total).

Wiltse Elementary (Penticton) - M. Cathro presented two "fossil, rocks and minerals" lectures to two grade 3 classes on May 2.

UBCM meeting, Merritt- was attended by B. Madu along with a rep from BCYCM. Some interest expressed in the "Mining, Who Needs It?" publication. Considerable interest expressed in the "Aggregate...We Can't Do Without It" publication, particularly by reps from Okanagan local governments. Annoyance with MEM over the Mission Ridge Pit and the Tufa Claims continues to be expressed.

Schroeter, Tom EM:EX

JS → Reg. Mar
Kamloops

From: Adams, Rick EM:EX
Sent: Friday, October 27, 2000 3:15 PM
To: Anderson, Duane; Beswick, Ed; Booth, Richard; Braidwood, Brian; Carr, Chris; Carter, Tom; Cheetham, Pat; Cochrane, Marlene; Conte, Rick; Curtis, Ross; Emery, Kristy; Errington, John; Ferguson, Susan; German, Gerald; Guthrie, Shelley; Hall, Ted; Hermann, Fred; Hesketh, Joan; Hoffman, Al; Jorgensen, Sharon; Kilmartin, Sandra; Lewis, Jim; Lieutard, Denis; McArthur, Gib; McKillop, Greg; McLaren, Graeme; Poohachoff, Walter; Readshaw, Kerry; Rennie, Lorna; Schroeter, Tom; Smyth, Ron; Starkes, Terri; Stewart, Linda; Whale, Andrew
Cc: Britton, Jim; Cathro, Mike; Heistad, Ray; Horton, Russ; Ludwig, Allan; Madu, Bruce; Mehr, Eugene; Morgenthaler, Lyle; Murton, Patricia; Rothman, Stephen; Seguin, Joe; Wallis, Yvonne; Worsfold, Joyce
Subject: South Central Region to October 27

Issues:

Tufa Claims, Kelowna- claim holder is hinting at legal action following Chief Inspector's policy directive on mineral tenures within recommended PAs. Claim holder believes this is a policy specifically directed at them. MEM attempted to diffuse situation by advising this was a simple extension of the May 6, 1999, LUCO/Mineral Titles policy memo on establishment of NSRs and notice to tenure holders not to conduct further work. They may not buy that. Claim holder believes Central Okanagan Regional District, and the City of Kelowna, are vindictive towards him (with their recommendation for expropriation) because of previous real estate development conflicts there. Claim holder apparently also began marketing the product with the expectation mine development would proceed.

North Cascades Grizzly Bear Recovery Strategy- area encompasses 1670 claims and 211 owners. This info (60 days out of date- best we can do) was provided to MELP for their referrals, in addition to a list of mining associations. NCGBR Strategy calls for "no net loss" of a core area having a very low road density. Likely to cause a strong reaction from our clients.

Long Lake Pit, Kamloops- 22 name petition received opposing (unpermitted) blasting at Dawson Construction's gravel pit, and an anticipated application from Dawson for permit amendment- to include quarry operations. Meeting with MEM requested. Issue was raised at Aggregate Review Panel hearings as well.

Kamloops IAMC- meets Monday afternoon to finalize ADM's package for the Okanagan Shuswap LRMP. In response to MEM's concerns, a sub-group of IAMC was struck to take a second sober look at the Table's recommendations for disposition of mineral tenure/PPA overlaps. That work was done this week. Access issues beyond PPAs are just today being dealt with by agency staff, although the Table ratified the package on Sept. 9. Highlights the need for LUCO to provide direction to the Process Coordinators not to treat mineral tenure/PPA overlaps and access concerns as "parking lot" issues- need to force Tables to genuinely consider opportunities foregone before making the decision to create a Park, not as an after-thought once their minds are already made up.

FYI:

Craigmont, Merritt- shut down for the winter on Oct 20. They have enough product on hand to supply their customers until April of next year.

Ashcroft Quarry- construction of the plant delayed yet again due to changes in dates for delivery of plant equipment. They do however expect to be fully operational at the end of first quarter next year. Buildings are being closed in at present.

Fox (Gitennes Exploration Inc.)- in the last week the company has completed hand trenching and recce geophysical surveys on this exciting new Zn-Cu-Pb-Ag-Au showing located 8.1 metres west of the paved surface

Schroeter, Tom EM:EX

TOS → RG
- Kamloops

From: Cathro, Mike EM:EX
Sent: Thursday, June 29, 2000 4:19 PM
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 6/29/2000

Afton (DRC Resources) - Third hole released today. From 390 to 1250 ft the hole hit 860 ft grading 2.35%, .031 opt Au, .003 opt Pd (Cu equivalent grade of 3.01%). Hole 4 was stopped 1367 ft due to bad ground. These results are very encouraging, although it should be noted that all of the holes have been drilled down the dip of the mineralization.

Similco (Leader Mining) - revised purchase agreement for Similco mine and Invermay property (SW region). Leader will pay Imperial Metals \$1m by Dec 1, 2000 and issue 2m stock options.

Ann (GWR Resources) - encouraging rumblings coming from this Cu-Au porphyry prospect near Lac La Hache. 16 holes drilled so far in 2000. Visit planned for next week.

Ashcroft Basalt Quarry (IG Machine and Fibre) - Field visit on 6/22 with G. Simandl and others. Construction of mill building is well underway. Mining is expected to begin in fall, 2000 with the mill to start up in mid 2001. 50-60 jobs and \$40-50m investment (confidential).

Kettle Valley Stone Ltd. (L&D Petch) - Field visit on 6/23 to ashler/flagstone plant and Nipple Mountain quarry. The company has expanded greatly since last fall, mainly due to strong sales, the purchase of a large splitter (approx \$200K) and several large circular rock saws. There are currently about 15 people employed and 6 summer students will be added. Although most of the product is being sold into the Pacific Northwest, the company recently landed contracts for two large buildings at Whistler.

Other Field Visits - Along with G. Simandl, D. Marshall (SFU Prof.) and 2 students, visits were made to view core from George Wolanski's G claims near Little Fort (wolastonite-garnet prospect), Henry Pigeon's Rainbow 1 green garnet prospect near Barriere, a pozzolan prospect of W. Kovacevic on the WK claims near Cache Creek, and a magnesite vein occurrence near Clinton, also owned by Kovacevic.

Upcoming - Field visit on 7/05 to PAP grantee Gary Polischuck's Dave claims near Lillooet, the Ann property of GWR near Lac La Hache (7/06) and Afton (7/07). Field tour with GSC and GSB mappers in the Barriere area on 7/11 and 12.

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

IMS

JMS

YOS -> Reg. Map
- Family
-> Ashcroft

Schroeter, Tom EM:EX

From: Adams, Rick EM:EX
Sent: Friday, January 28, 2000 2:14 PM
To: Anderson, Duane; Bergen, Wally; Beswick, Ed; Booth, Richard; Braidwood, Brian; Carter, Tom; Cheetham, Pat; Clancy, John; Conte, Rick; Eaton, Tim; Emery, Kristy; Errington, John; Ferguson, Susan; German, Gerald; Guthrie, Shelley; Hall, Ted; Harris, Grace; Hermann, Fred; Hesketh, Joan; Hoffman, Al; Jorgensen, Sharon; Lewis, Jim; Lieutard, Denis; McArthur, Gib; McKillop, Greg; McLaren, Graeme; Readshaw, Kerry; Rennie, Loma; Schroeter, Tom; Smyth, Ron; Stewart, Linda; Whale, Andrew
Cc: Barrett, Bev; Beresford, Eric; Britton, Jim; Cathro, Mike; Heistad, Ray; Horton, Russ; Madu, Bruce; Mehr, Eugene; Murton, Patricia; Rothman, Stephen; Seguin, Joe; Worsfold, Joyce
Subject: South Central Region to January 28/00

Issues:

Williamson Pit, Pier Mac, Oyama- MEM disagreement with District of Lake Country regarding their authority to issue a Stop Work Order, require a Building Permit, conduct BC Building Code inspections, and institute Development Cost Charges regarding an addition to an existing mine building on a mine site. Our office supports the gravel pit operator, and maintains that enforcement of the BC Building Code for mine buildings on a mine site is MEM's responsibility under Section 4.1.1 of our Code. Furthermore, under Section 1.3.1, other than an inspector of mines only persons (District Building Inspectors included) authorized by the mine manager shall enter or be permitted to enter a mine.

Unfortunately, an amendment to the former Municipal Act & Regs., which clearly stated BC Building Code enforcement on mine sites was MEM's responsibility, not the municipality's, appears to no longer be in force. Hopefully the Province did not let go of this authority with amendments to the Municipal Act, and a less explicit reference is still contained within the current Municipal Act and Regs.. Issue has been forwarded to our legal counsel for comment. Input from other Regions is welcomed.

FYI:

Ashcroft Quarry, I.G. Machine & Fibers - has hired a new project manager, Bruce Randall. Contract let for design and construction of the granule processing plant. Construction to commence April 1, 2000 with completion by end of 2000. Engineering design of utilities and services corridor continues. Approximately \$20 million will be spent on site this year, much of which will benefit the local community with I.G.'s local hiring commitment. Building a positive relationship with the Nlaka'pamux First Nation will be one of the first challenges faced by the new project manager.

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

Schroeter, Tom EM:EX

TS → Reg. Mar
- Lambos

From: Adams, Rick EM:EX
Sent: Friday, September 17, 1999 2:29 PM
To: Anderson, Duane; Bergen, Wally; Beswick, Ed; Booth, Richard; Braidwood, Brian; Carter, Tom; Castillo, Talitha; Cheetham, Pat; Clancy, John; Cranston, Charene; Eaton, Tim; Emery, Kristy; Errington, John; Ferguson, Susan; German, Gerald; Guthrie, Shelley; Hall, Ted; Hermann, Fred; Hesketh, Joan; Hoffman, Al; Jorgensen, Sharon; Lewis, Jim; McArthur, Gib; McKillop, Greg; McLaren, Graeme; Rennie, Loma; Schroeter, Tom; Smyth, Ron; Stewart, Linda; Whale, Andrew
Cc: Barrett, Bev; Beresford, Eric; Britton, Jim; Cathro, Mike; Heistad, Ray; Horton, Russ; Inkster, Patricia; Madu, Bruce; Mehr, Eugene; Rothman, Stephen; Seguin, Joe; Worsfold, Joyce
Subject: South Central Region to Sept 17/99

Issues:

Barisoff/McIntyre Pit (Oliver)- Karl Eisbrenner, lawyer for the mobile home park, appeared in Court with his third petition for judicial review of the Mines Permit. The Judge determined this third attempt was unacceptable, and has allowed Eisbrenner until Sept 24 to file a proper petition. Eric Beresford's affidavit was filed with the Court through Lisa Mrozinski, AG lawyer.

Highland Valley Copper- mine and mill start up is progressing smoothly, and is expected to complete one week ahead of schedule. Two lines will be operating in the mill by the week of Sept 27, with the third line operating by Oct 8. All personnel will be back to work by Oct 8.

A DO occurred when a Leturneau L1000 loader operator failed to keep the speed within the retardation envelope, and failed to use the service brake to stop the machine, while traveling down a -10% ramp with a loaded bucket. Two front electric wheel motors were burnt out during the descent. The loader came to a stop at the bottom of the ramp. No injuries, but damages of \$80,000 to the loader. H&S staff are taking measures to ensure pit foremen are aware of current qualifications of equipment operators during re-mobilization to prevent further occurrences.

Candorado (Hedley)- litigation and discussions are occurring concurrently between Candorado and the property owner regarding the clean up and reclamation of this site. Public safety issues exist with the leachate collection ponds. Public calls commencing again stating concerns on reclamation progress. Remaining bond is insufficient to cover all reclamation and public safety needs. We continue to seek constructive solutions.

FYI:

I.G. Machine & Fibers (Ashcroft Quarry)- MoTH/I.G. Machine cost-shared upgrade of Barnes Lake Road is progressing well. Paving contract let for end of Sept. Progress at the mine site includes: mine access road constructed; plant site graded; topsoil removed from quarry and plant area and stockpiled; utility corridor constructed; and power poles erected. Mine site project currently on hold until a new project manager can be found. Reclamation contractor seeking company approval for expenditures on a number of time-sensitive reclamation issues before winter arrives. Orders have been issued regarding a number of Code infractions related to construction activities to date.

Big Kidd (Christopher James Gold Corp.) - drilling of 4 holes (1000 m) is currently underway on this alkalic porphyry gold-copper prospect located on the Okanagan Connector near Aspen Grove. The 1999 drill holes are designed to step out from a 1997 hole which hit 19.46 m grading 3.09 g/t Au and 0.113% Cu. The company also just completed drilling 3 holes on the Brassie Creek Cu-Zn-Ag-Au skarn property located west of Savona. Trenching on their Silver Lake property northwest of Little Fort is scheduled to begin in the next few weeks.

Rick Adams
Regional Manager, South Central Region

Schroeter, Tom EM:EX

TGS → RG
- Kamloops

From: Cathro, Mike EM:EX
Sent: Friday, October 22, 1999 11:48 AM
To: Adams, Rick EM:EX
Cc: Britton, Jim; Brown, Derek; Lefebure, Dave; Madu, Bruce; McArthur, Gib; Payie, Garry; Pinsent, Robert; Schroeter, Tom; Lane, Bob; Wilton, Paul; Wojdak, Paul
Subject: Cathro Weekly to 10/22/99

HIGHLIGHTS:

Ladybug (Cross Lake Minerals Ltd) - Drilling of 5 holes (about 300 m) has been completed on this interesting new zinc-silver-lead-copper prospect located north of the village of St. Ives, and about 5 km west of Shuswap Lake. Three separate zones (two of which were "blind" geophysical-geochemical targets) are now confirmed to contain sphalerite mineralization. Assays are awaited. (Note: PAP support to Dave Pipe in 1995 and Leo Lindinger, who discovered the main showing in 1998.)

Cam-Gloria (Teck Exploration Ltd.) - No assays are available yet, but drilling of 4 of 8 holes have been completed on this exciting intrusion-hosted gold prospect located west of Adams Lake. Trenching, drilling, mapping, prospecting and VLF geophysics indicate that the mineralized zone is actually considerably wider and longer than previously thought. (Note: discovered by follow-up of an anomalous GSB till sample from 1997; PAP support to Camille Berube in 1998.)

Goldstrike (aka Bizar; Cassidy Gold Corp.) - Currently drilling on the second hole of a 3-4 hole program on this new gold-bismuth-copper prospect hosted in metamorphic rocks, located near Blue River. This is essentially wildcat drilling as very little surface work has been done. (Note: PAP support to Leo Lindinger who discovered the showing in 1998.)

Aumax (Gold-Ore Resources Ltd.) - Excavator trenching was underway this week on this new silver-gold prospect located near Lillooet. Mineralization was uncovered in outcrop in one place, although several of the "showings" were found to be large boulders in till. Additional soil sampling and geological mapping is probably necessary. (Note: this property was recently optioned from Gary Polischuk who was supported by a PAP grant this year.)

BTE (Rio Algom Exploration Inc.) - Drilling of one hole to start shortly on this "blind" grassroots porphyry copper target located SW of Williams Lake. The area is covered by till and and Tertiary basalt.

Poet Claims (Cleve Lowry, prospector) - field visit on 10/21 with Al McNutt (Rio Algom Exploration) to this very interesting zinc prospect at Adams Lake (MF 82M057). Coarse grained buff and grey sphalerite occurs in silicified limestone of the Tshinikan member (Early Cambrian). There is no galena and only very rare traces of pyrite and chalcopyrite. Mineralization can be traced for over 300 m in outcrop and float. One drill hole from the early '80's hit 1 m of sphalerite but was not assayed. Unfortunately, the best outcrops are on the beach! A tough location to develop a mine.

Ashcroft Quarry (IKO Industries) - complaints about "inadequate consultation" coming from a local native band threaten to delay this important project.

Christopher James Gold Corp - strange news release (10/18/99) saying that exploration is about to begin on the Brassie Creek, Silver Lake and Big Kidd properties, despite the fact that drilling is actually finished at Brassie and Big Kidd. The directors seem to be out of touch with the field staff!

Eco-Tech Laboratories Ltd. - John Laitin, manager, advised that Eco-Tech, based in Kamloops, will no longer be doing mineral analyses and assaying after December of this year, but will focus on environmental work. The reason is the slowdown in the mining industry and the lack of business. John and 4 or 5 other employees will lose their jobs. This is an unfortunate loss because Eco-Tech has been a very strong supporter of the Kamloops

TGS → Ashcroft

Schroeter, Tom EM:EX

From: Cathro, Mike EM:EX
Sent: Tuesday, October 13, 1998 12:12 PM
To: Owsiacski, George EM:EX
Cc: Hora, Dan EM:EX; Schroeter, Tom EM:EX
Subject: Ashcroft Quarry

George and others, here is an update on this quarry proposal:

I.G. Machine and Fibers Ltd. (a subsidiary of IKO Industries Ltd.) has applied for a permit to mine 24,900 tonnes per year of volcanic rock to produce roofing granules. The product would supply an existing shingle plant in Calgary (currently supplied from Grand Forks) and a proposed plant in Sumas, Wash. The company's desired production rate is more like 70-80K tonnes per year, however, that would put them into the EA process. They are lobbying to have the EA threshold for industrial minerals bumped up to 250,000 tonnes per year, in line with the threshold for construction aggregates. The quarry and crushing/screening plant would require 60-70 full time jobs and a capital investment of \$20 million. (All work to date has been done by Clifton Associates Ltd. of Saskatoon, on behalf of I.G. Machine.)

The site is located approx 4 km NE of the town of Ashcroft (mapsheet 92I/11E) on the east side of Barnes Creek (50 44/121 13).

The property is underlain by Nicola volcanic rocks. In the most prospective, southern part of the property, lithologies encountered in outcrop and drillholes include black mafic tuff (andesitic ash tuff), mafic lapilli tuff/breccia and minor dacitic crystal tuff (Husak, August 12, 1998, Application for a Mine Development Certificate, Proposed Roofing Granule Quarry, Ashcroft, British Columbia, I.G. Machine & Fibers Ltd.).

In 1997, 7 BQ holes were drilled totalling 917 m and 32 test pits were dug. (approx \$90K spent). A small bulk sample was taken in 1998.

Mike

Mike Cathro
Regional Geologist
Mines Branch, Kamloops

tel. 250 828-4566 fax 250 828-4726
Email: Mike.Cathro@gems2.gov.bc.ca

↓
Expl'n?
(Industrial minerals)

708 → Ashcroft

Schroeter, Tom EM:EX

From: Owsicki, George EM:EX
Sent: Tuesday, October 13, 1998 2:06 PM
To: Cathro, Mike EM:EX
Cc: Schroeter, Tom EM:EX
Subject: Ashcroft aggregate
Sensitivity: Private

Mike:

I have just entered and updated the information for the Ashcroft aggregate showing. The new MINFILE number is 092INW104.

Thanks for the info,

George

Schroeter, Tom EM:EX

TGS → Reg. Mgr
- Kamloops

From: Meyers, Rick EM:EX
Sent: Friday, October 02, 1998 12:15 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
Subject: Kamloops Summary to Oct 3/98

Issues

Ashcroft Quarry - Proponent and supporters from TNRD and Ashcroft Council have noted their concerns to the local media regarding the EAA threshold of 25,000 tonnes/year for "mineral" mines. Below are 2 possible solutions to this dilemma; one is bureaucratic, the other is a simple decision:

- 1) Through an OIC create an "industrial mineral" subset of the official Mineral Titles Branch definition list of "minerals". Since there is already an EAA threshold of 250,000 tonnes/year for "Construction stone & Industrial Minerals", the Ashcroft stone should fall into that category.
- 2) An E&M decision that the Ashcroft stone is an industrial mineral and we will therefore review it as such with the 250,000 tonnes/year threshold.

comments sought.

Lillooet LRMP

Successful recce tour Sept 29th of proposed PAs led by Mike Cathro for BCYCM, mineral sector reps and MEM staff. Follow-up meeting with forestry sector reps sketched out a 12% scenario for PA with about 2600 Ha for Spruce Lake. This is a "brown sector" proposal and will undoubtedly draw major opposition from the green corner, especially those who support a large Spruce Lake Park.

At the regular LLRMP table WCWC made a proposal for 40% protection of the entire LRMP, however, did not get much support. Lillooet is now BC's "Rainshadow Wilderness".

First Nations

The Post-Delgamuukw Guidelines training session inferred that ministry permitting officials must determine the potential existence of aboriginal title as well as the acceptable limits of infringement.

Mine Rescue

Steve Rothman will be the overall co-ordinator for the 1999 Mine Rescue Competition in Revelstoke.

USW - Steve Hunt, USW Area supervisor has been transferred to Vancouver. He is replaced by Dan Will.

R Meyers on vacation Oct 5-9.

Rick

TOS → Ashcroft

Schroeter, Tom EM:EX

From: Conte, Rick EM:EX
Sent: Friday, October 02, 1998 12:43 PM
To: Meyers, Rick EM:EX
Cc: Beresford, Eric EM:EX; Bergen, Wally EM:EX; Beswick, Ed EM:EX; Booth, Richard EM:EX; Britton, Jim EM:EX; Carter, Tom EM:EX; Cathro, Mike EM:EX; Cheetham, Pat EI:EX; Conte, Rick EM:EX; Eaton, Tim EM:EX; Errington, John EM:EX; Hall, Ted EM:EX; Heistad, Ray EM:EX; Hermann, Fred EM:EX; Hesketh, Joan EM:EX; Hoffman, Al EM:EX; Inkster, Patricia EM:EX; Lefebure, Dave EM:EX; Lieutard, Denis EM:EX; MacCulloch, Lola EM:EX; Madu, Bruce EM:A1; Marsman, Talitha EM:EX; McLaren, Graeme EM:EX; Mehr, Eugene EM:EX; Phelan, Bill EM:EX; Rothman, Stephen EM:EX; Schmitt, Rolf EM:EX; Schroeter, Tom EM:EX; Seguin, Joe EM:EX; Smyth, Ron EM:EX; Starkes, Terri EM:EX; Stewart, Linda EM:EX; Whale, Andrew EM:EX; Worsfold, Joyce EM:EX
Subject: RE: Kamloops Summary to Oct 3/98

Rick, my comment on the two solutions. I applaud any move to simplify things, but not at the risk of being outside provincial statute.

I doubt that the owners of the Ashcroft quarry would jeopardize their property by proceeding under a "stone/industrial mineral" development. Knowing how these folks (by the book) they would want assurance that gov't is on side and permitting this mineral as if an 'industrial mineral' would be outside of the scope of the MTA.

The bureaucratic solution is best and is not difficult to achieve.

Rick Conte
Assistant Director, Operations

From: Meyers, Rick EM:EX
Sent: October 2, 1998 12:15 PM
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