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TGS → Reg. Mgr
- Cranbrook

I N T E R O F F I C E M E M O R A N D U M

Created: 23-May-1997 03:16pm PDT
Sent: 23-May-1997 04:05pm PDT
From: Andrew Whale of EI
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Title. Regional Manager, Kootenay
Dept: Employment & Investment
Tel No: 426-1653

TO: See Below

Subject: Kootenay Review - May 23, 97

NEWS/ISSUES

* East Kootenay Zone Mine Rescue competition (76th annual) will be held in Sparwood on Saturday 24 May.

HB
* Interesting twist to fate of the HB mine (near Salmo). It seems that leachate from the regional district landfill has migrated on to the adjacent land which also contains the HB tailings pond. The regional district are considering purchasing the ponds and have requested information as to permit liabilities (interesting because the Cominco reclamation permit was never cancelled on transferred when the property was sold. Following bankruptcy, the mine is now owner by Nudawn who failed to shovel snow from the roof of the mill which has now partially collapsed)

Black Crystal
(55)
* IMP Industrial Mineral Park Mining Corp are once again requesting staff input into permitting requirements for a major mine development at the Black Crystal site (Hodder Creek in the Slocan). A 10,000ton bulk sample was permitted 2 years ago, this was never fully extracted and the proponent has never conducted a conventional exploration drill program in the sample site. Staff have consistently advise various representatives of IMP that a mine plan can not be reviewed unless it is bases on a reserve proved by exploration.

* Mr Mehmah held a tour of his proposed gravel pit and an openhouse in Grand Forks (to satisfy a commitment in a ministers letter to a neighbour). Attended by 4 persons, one of whom was bitterly opposed to project. Following failure of staff to terminate this application, complaint to ombudsman about undue haste in permitting process [original application to Kamloops office in 1993]

* Gravel pit proposal in Castlegar likely going the same way

ADMIN

Vacant Reclamation Inspector position has been posted out of

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IM - magnetite

Created: 25-Jul-1997 02:21pm PDT
Sent: 25-Jul-1997 02:52pm PDT
From: Steve Wuschke of EI
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Title.
Dept: Employment & Investment
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TO: See Below

Subject: KOOTENAY REVIEW - JULY 25, 1997

Public controversy developing over a proposed pilot mill to be tested on private land between Ymir and Nelson.

Fording River operations had a serious incident involving a wall failure in the Henretta pit. A Cat D11, a 245 Cat hoe and a 240 tonne truck were partially buried. No injuries were sustained. Estimated volume of material involved was 4500 cubic metres.

Inspectors were in the West Kootenays soliciting bids for the closure of the Sylvanna Mine.

More inspector time is being used up with mine closures involving historic workings from the last century to the 1970's. Some owners are amenable to closing the old mines and others are quite hostile to the idea.

There is an increased interest in the old Slocan mining area's. Specifically in the Sandon and Payne Mountain area. These areas are close to the troubles in the New Denver Flats.

Gravel pit problems have been absent except for some issues brewing in Golden. Some operators and gravel pirates are not appreciative of our enforcement efforts. They are busy squealing on each other for the last two weeks.

Interest has revived in industrial mineral prospects in the Moose Creek area.. This is a fairly pristine valley between Yoho and Kootenay national parks.

IMP Mining will be doing some drilling on the Black Crystal property in the coming weeks. Still no word on when they plan to process their 10,000 tonne bulk sample.

Just a reminder, the MOU between our ministry and MOTH will expire in October. We have some issues for the negotiations.

Take Care

Steve W.

Distribution:

TO: Fred Hermann of EI	(FHERMANN)
TO: Greg McKillop of EI	(GMCKILLOP)
TO: Alan Hoffman of EI	(AHOFFMAN)
TO: Tom Carter of EI	(TCARTER)
TO: Richard Booth of EI	(RBOOTH)

I N T E R O F F I C E M E M O R A N D U M

Created: 12-Dec-1997 09:59am PST
Sent: 12-Dec-1997 01:21pm PST
From: Paul Wilton of EI
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Dept: Employment & Investment
Tel No: 426-1658

TO: See Below

Subject: Weekly Report - 12 December 97

- The major interest this week is in the drilling results reported by the JV of Barkhor Res. and Newen Res. (50:50) at the Jodi/Sly prospect on Baker Creek just east of Gray Creek Pass (82F/10E). This program, which started early in the year as a low-budget test of statabound zinc in the Mt. Nelson Fm. found by Gord Johnstone in 1995 while prospecting with a PA Grant, has literally migrated and evolved into a well-financed test of a molybdenum porphyry prospect with good grade and size potential. Dave Pighin, on contract to the JV, is managing the program.

The zone being tested is an old Mo occurrence called Baker (MI 082FNE004) which was found by Cominco in the late '70's and drilled by them in 1980. Cominco outlined a strong Mo/W/Zn soil anomaly which is 200m wide and at least 1200m long. Barkhor's sampling this year has confirmed the anomaly. Cominco's drilling returned very good Mo grades over significant thicknesses but they abandoned the property at that point.

When I visited the site yesterday, the drill was working on the 7th hole of the current phase (approx. 2100m so far). They plan two more holes before breaking for Christmas and may continue into the new year if snow conditions allow.

The only assay results received so far are for a portion of the 4th hole on the zone but they averaged 0.0769%Mo over 29.0 metres which compares favourably with the most recent published grade (that I could find) of the reserves at Endako (0.077%Mo). The best Mo mineralization occurs in a stockwork of very thin quartz veins in a shattered, sericite-rich, phyllitic, white quartzite which is interbedded with pyroxene-garnet skarn-altered dolomite with disseminated scheelite. Aplite and quartz monzonite dykes and plugs are frequent. A reasonable expectation is that these shattered and altered Mt. Nelson rocks form a thin shell over a buried portion of the Bayonne batholith (Cretaceous). Evidence of hydrothermal alteration is not strong but there is a lot of metal around and only a small part of the anomalous area has been tested. ICP on the assayed portion shows no significant gold, which is probably a plus these days!

Of interest to the GSB, an analyst from Yorkton Securities was poring critically over the core when I arrived yesterday - Art Ettlenger.

- Jim Laird of Anglo-Swiss Industries confirmed that he's collected over 700 soil samples this fall from a grid west of Eagle Creek on the Kenville mine property near Nelson. A Cu/Au/Ag/Mo anomaly 250m by 800m in extent has been outlined with Cu ranging up to 6215 ppm and Au up to 1970 ppb. (Teck paid for the analyses). No drilling has been done, or will be done, this year but he has plans for geophysics, drilling and possibly u/g drifting next spring.

- Dennis confirms that IMP Industrial etc., etc. has begun drilling on the Black Crystal graphite prospect on Hoder Creek. Between 25 and 30 holes are planned with max. depth for each at 150 metres. This is supposed to be core drilling and may finally shed some light on the potential of this over-promoted property.

INT. R O F F I C E M E M O R A N D U M

Created: 09-Jan-1998 08:58am PST
Sent: 09-Jan-1998 11:00am PST
From: Paul Wilton of EI
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WOS →
RG
- Cranbra

Title.
Dept: Employment & Investment
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TO: See Below

Subject: Weekly Report - January 9th/98

CONNOR

- The Miner River Resources/Eagle Plains Resources JV (i.e. Tim Termuende) has optioned an 18 unit claim, called Connor, from Bruce Doyle of Nelson. It is located on Connor Creek about half way on a straight line between Nelson and Castlegar and covers Minfile occurrence 082FSW303 (Root). Silicified Ymir Group sedimentary rocks near the contact of the Mid Jurassic Bonnington pluton contain stratabound semi-massive to massive pyrrhotite zones up to 8m thick and assaying up to 92.4 g/t Au, 0.2% Co, and 0.34% Cu. 1997 logging has exposed several new sulphide zones which returned values up to 5.7% Zn + significant Pb, Cu, Co, Ni, and Au. An aggressive program is promised in 1998 to include mapping trenching and drilling.

- The same companies have optioned a second property from Bruce Doyle on McPhee Creek about 15 km SSW of the Connor (CONFIDENTIAL). A press release to announce this second acquisition is still being prepared. The McPhee claims appear to occur within the Bonnington pluton but are described by Tim and Chuck Downie as containing a thick zone of massive Au-rich pyrrhotite which has been traced for one km! The zone contains a number of old adits and shafts of which there appears to be no record. These claims were optioned recently by Phelps Dodge. It completed a geochem. survey and then dropped the option. I visited this property about 4 years ago shortly after Bruce staked it and saw a lot of massive pyrrhotite float alongside the road. He has found the bedrock occurrence and the old workings since.

Black Crystal

Steve has passed on a Notice of Completion from IMP Mineral Park etc. etc. reporting completion on Christmas eve of drilling at the Black Crystal graphite prospect on Hoder Creek west of Slocan. A total of 891 metres of core drilling was completed in 22 short, vertical holes.

#80K?

CARAMELIA

Notification was received from John Chapman that drilling by Big Blackfoot Resources on the Caramelia (Camp McKinney) gold project was due to start on January 7th. A total of 3000m of drilling and some trenching are planned.

SIDLEY

Chapman has also reported that ranchers Dale and Larry (maybe the same guy?) Lehman recently completed two core holes on the Sidley Group of claims which straddle Hwy.#3 just west of Anarchist Summit, on private pasture land. Previous rc drilling was reported to have intersected two 10-foot sections running greater than 0.35 o/t Au in silicified and pyritized Anarchist Gp. rocks. "Intervals of 20 to 30 feet" of similar altered rock are reported from the current drilling, with assays pending.

Paul-Mike

- Dia Met Minerals/Canadian Mountain Minerals/ Goldtex Resources (Chuck Fipke) have issued a press release indicating that they plan to conduct a seismic survey on their Paul-Mike property, located on private agricultural land immediately east of Wasa Lake. The target is Sullivan type sedex mineralization at the base of the Middle Aldridge Fm. Surface surveys in 1997 located "favourable geochemical and geophysical anomalies in the vicinity of a drill hole from which abundant lead nodules (?) were

I N T E R O F F I C E M E M O R A N D U M

Created: 10-Jul-1998 12:40pm PDT
Sent: 10-Jul-1998 02:18pm PDT
From: Paul Wilton of EI
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TO: See Below

Subject: Weekly Report - July 10th/98

- Sultan Minerals yesterday released a detailed progress report on its drill program at Kaslo Silver (Bismark). (Thanks again to Tom for forwarding). Assay results are reported from the five holes drilled at the Cork South zone. Four of the holes intersected the replacement mineralization in the favourable limestone host and the grades are impressive. The best intersection, and the deepest so far (70.8m), was in hole five. It ran 211.10 g/t Ag, 5.06% Pb, 2.50% Zn over 14.79m, including 1980.50 g/t Ag, 47.9% Pb, 10.53% Zn over 1.44m. Drilling is continuing at the Silver Bear shear-hosted zone in carbonaceous slates. Extensive grid construction, mapping, geophysics, and soil geochem. are also continuing. Geological mapping (by Bernie Augsten) is focusing on outlining the horizons of limey rocks which host the more important replacement deposits such as Cork South. It is stated that the remaining drilling will be at the Silver Bear and Gold Cure zones, although more drilling at Cork South would appear likely. This appears to be the highlight project in the region for '98, with seemingly strong potential for a small, but high-grade, u/g silver mine. The best part is that it's DOWNSTREAM from the park!

Willa Silvana
Elsewhere in the Silvery Slocan, thanks to Rieva for clarifying the identity of Regeena Resources, the potential purchaser of Willa and Silvana from Treminco Resources. The president is apparently Locke Goldsmith, a consulting geologist who has had a long attachment to the Slocan camp and in recent years has managed most of the drilling and other exploration programs for various juniors in the camp, including last year's drilling at Silvana.

- Dia Met Minerals has submitted a NoW for two drill holes (1500m) at the Paul-Mike property south of Wasa. The objective is to test the two perceived Sullivan-type massive sulphide zones "identified" in a preliminary interpretation of the seismic data.

- Dennis Roach reports that no work has started yet at the Black Crystal graphite prospect on Hoder Creek west of Slocan. Some of the work has been permitted but the remainder requires more information from the company before it gets the go-ahead. He also indicated that there appears to be a disagreement between the project manager, Dave Gould (recognizes a need for exploration drilling), and the company president, Paul Schiller (wants to start mining). Sound familiar? It won't surprise me if this group again, as in two previous years, ends up rushing to do some work while snow is piling up and everyone else is home singing Christmas carols.

- Had a chat with Jim Laird about the reported discovery by Anglo Swiss of very large garnets near Passmore in the Slocan Valley (Blu Starr claims). He says many of them are softball size, but only the internal core is gem quality material. Jim Turner has seen one of the garnets that had been faceted and describes it as very impressive, a beautiful red colour and transparency. The downside is that the garnets occur in small lenticular