

**Schroeter, Tom EM:EX**

**From:** Cathro, Mike EM:EX  
**Sent:** Friday, July 26, 2002 2:32 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 7/25/02

**HIGHLIGHTS**

**Fir (Commerce Resources Corp)** - Two holes out six have been drilled on this carbonatite-hosted tantalum-niobium deposit located north of Blue River. The drill program is designed to double the current resource of 5.2 million tonnes grading 194 g/t Ta<sub>2</sub>O<sub>5</sub>, 897 g/t Nb<sub>2</sub>O<sub>5</sub>, and 3.5% P<sub>2</sub>O<sub>5</sub>. Approx. 1000 m drilling is planned, budgeted at \$150K. Visual results appear consistent with previous work. On-site geologists note some localized radioactivity in the core, and uranium and thorium are being routinely analysed for. (visited 7/24)

**Exploration Activity** - A good, upbeat article on mineral exploration activity in the South-Central region appeared in the Kamloops Daily News on July 15th. It was based on an early July interview with Cathro (not quoted directly, as requested by Communications Branch) and mentions many of our local projects and clients such as DRC, Abacus, J-Pacific, Cassidy, Navasota, Lateegra, Walloper, Almaden and Teck Cominco. A copy of the article is attached here. We now estimate there will be about \$6 million in spending and 40,000 m of drilling this year.



kamloopsarticle.pdf

**OTHER FIELD VISITS**

**SI (Leo Lindinger)** - On 7/23 I attempted to find this poorly described, carbonate-hosted (skarn, vein or manto-style?) zinc-lead-silver prospect (MF 82M 230) which sits on a very steep hillside overlooking the Raft River near Clearwater. Although the correct host rocks were found, no mineralization could be located. A "football-sized" float sample collected by Lindinger during his 2001-2002 PAP program assayed **33% Zn, 16.45% Pb and 490 g/t Ag** - nice grades if tonnage can be developed! No drilling or trenching has ever been done here although some decent soil anomalies were defined by Cominco in 1981.

**North Thompson Flagstone (Brent McEwen)** - hand mining of a flagstone bulk sample has begun on several sites along the North Thompson Forest Service Road located north of Blue River. McEwen is mining micaceous quartzite in attractive shades of grey, brown, green and pinkish white. The rocks are part of the Lower Kaza Group, a subdivision of the Windermere Supergroup. Slabs up to 1 m by 1 m by 2 cm thick can be easily removed at the MS 1 claim. Although McEwen plans to widen the road in several spots and create larger working areas by bulldozer. (visited 7/24)

**EXPLORATION AND MINING NEWS**

**Afton (DRC Resources Corp.)** - DRC has raised \$2.1 million giving it cash on hand of about \$5 million.

**Highland Valley Copper** - Teck Cominco reported a \$9 million second quarter profit on revenues of \$65 million for its 63.9% interest in the mine. Production was up by 9% due to higher throughput.

**Zeo (Zeo-Tech Enviro Corp.)** - Gordon Webster named mine manager of this Princeton-area zeolite project. He says that a pad has been flattened and a crushing plan has been ordered.

**Blackdome (J-Pacific Gold)** - staked 350 units south of the mine.

**Dusty Mac (Ecstall Mining Corp.)** - 10 holes totalling 2000 m are planned for this past producing epithermal gold prospect near Okanagan Falls. The company recently raised \$150,000 through a financing with Viceroy Resources.

**Tulameen (Brightstar/Network Gaming)** - BJP claims (34 units) bought by the JV.

**Tophat** - Jo Shearer has staked this intriguing gold prospect located at Blustery Mountain, west of Ashcroft. Ground and airborne surveys were run in 1984-87 and outlined an Au in soil anomaly (to 470 ppb, along with coincident Ag-As-Cu-

Hg-Mo-Sb-Pb-Zn) which overlies a strong clay-silica-sulphide alteration zone and a dike swarm intruding Kigsvale Group volcanics. No trenching or drilling has ever been done, however Shearer is considering a trenching program. It should be noted that the property partially overlies the *Blustery Recreation-Tourism RMZ*.

(Note: the Kamloops LRMP states that "Development activities, subject to provincial standards and guidelines, are allowed in these zones as long as they respect the primary values of the zone". The current uses of this area are listed as trail riding, hunting, viewing, hiking and first nations plant gathering, and the management category is "backcountry" with "commercial potential for trail rides". The management strategy is for "non-motorized access". It is not clear to me whether exploration involving trenching, drilling and roadbuilding would affect these "primary values").

## OTHER

**Lillooet LRMP** - PR campaigns continue. A July 26th Vancouver Sun letter to the editor (copied below, written by Gary Livingstone of MABC, refers to the high mineral values in the Spruce Lake (South Chilcotin) area. His letter is in response to a July 24th Op-Ed piece by John McInnis of the Environmental Mining Council of BC entitled "Mining industry out of step on Chilcotin plan", which downplays the mineral values and criticizes the industry over their stand on Spruce.

## Mike

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

## Prospectors want a look-see

Vancouver Sun, Friday, July 26, 2002

By setting aside 12 per cent of its land base as designated parkland, B.C. has done more than almost any other jurisdiction in the world when it comes to "protecting" land. The economic cost of achieving this goal has been high. In mining terms alone, the imbalance between economic and protectionist interests embodied in the 10-year land use planning process has cost the province in excess of \$3 billion in exploration and mine development spending. The government needs to address this situation if it wants to have a sustainable mining industry.

Creation of a large new park at Spruce Lake is the main focus of contention in the Lillooet LRMP. The ministry of energy and mines has identified the area as containing high mineral potential yet the park proposals being advanced will cover between 30 per cent to 40 per cent of the highest mineral potential in the Lillooet area.

Due to staking reserves and other restrictions dating back to the late 1970s, the Spruce Lake area has never really been explored for minerals using modern techniques. From 1983 to 1988 there were no restrictions in place and mineral staking was permitted. As a result, \$4 million was spent on mineral exploration during that period. Several promising mineral showings were identified, the result of small first-pass exploration and drill programs. In 1988, an access restriction was placed in the area and in 1991 a staking reserve was re-established. Mineral exploration spending ceased.

There may or may not be a deposit in the area worthy of building a mine. We think British Columbians at least deserve the chance to find out and to benefit, if possible, from the mineral wealth known to exist in the area.

Gary Livingstone

President & CEO

Mining Association of B.C.

May 27/02  
BLUSTERY MZU  
Murray McLaren + Bob  
Kraupf staked N-S 'left'  
& optioned from Jo Shearer  
→ new co = "Blustery Mzn"