



Ministry of
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MEMORANDUM

**March 1998 Monthly Report
for the
Northeast-Central Region
by
Bob Lane, Regional Geologist, Prince George**

MINES AND MINE DEVELOPMENTS

Kemess. Royal Oak has obtained \$172 million (US\$120 million) from Trilon Financial Corp. to refinance and fund the completion of the Kemess mine. Construction is over 90% complete. Start-up, originally scheduled for April, 1998, will be delayed until later in the spring. Capital cost of the project has been revised upward to \$470 million.

Gibraltar. Boliden announced that operations at the Gibraltar copper-molybdenum mine would be suspended by the end of 1998.

FIELD VISITS

Crownite. Investigated the diatomite pit west of Quesnel with co-owner Bill Poole. Partner Dick Files is planning to develop the past producer later this year if the necessary financial arrangements can be made.

Indata. Visited the Indata property on Mar. 11 with Ken MacDonald. At the time of our visit, Clear Creek Resources was drilling hole 8 of a proposed 11-hole program. Drilling is taking place immediately east of Albert Lake. The best looking mineralization to date is from hole 4, which intersected narrow intervals of fracture-controlled and disseminated chalcopyrite in weakly propylitically altered fine-grained andesitic volcanics.

EXPLORATION MONITORING

Cariboo Gold Quartz. International Wayside Gold Mines has completed 10 holes of a 14-hole underground program from the 1200 level on the former Cariboo Gold Quartz mine near Wells. Assay results from the first 5 holes have been received. The best drill intersections are from widely-spaced narrow, high grade veins (i.e. 1.2 m grading 28.6 gpt Au) or broad stringer or replacement zones that are only weakly anomalous (i.e. 15.8 m grading 0.036 gpt Au). Drilling will continue from the 1500 level.

Davis Keays. Received several NoWs from Reliance Geological (Peter Leriche) who propose surface and underground mapping and sampling programs as well as limited trenching and 3 diamond drill holes on the Key and Okey properties.

Fawn. Received NoW from Western Keltic Mines for a 5-hole diamond drill program on this epithermal gold property in the Nechako Plateau.