

Demers
(also Crazy Fox)
882332

TGS → R G
Kamloops

Schroeter, Tom EM:EX

From: Cathro, Mike EM:EX
Sent: Friday, September 07, 2001 12:44 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 9/7/2001

HIGHLIGHTS:

Mt Fleet (Adam Travis) - (CONFIDENTIAL) Anomalous **palladium-platinum-copper** values were reported from rock samples from new roadcuts on this prospect located only 15 kilometres northeast of Kamloops. This confirms the assertion that the Mt. Fleet alkalic complex could be a PGE target, an idea advanced by Ian Webster and Gerry Ray (GSB) in a paper in *Exploration and Mining in British Columbia - 2000* (published in April 2001). Another example of people reading and using MEM publications!

EXPLORATION NEWS:

Verity (Commerce Resources Corp) - 5 holes (out of 13) drilled up to Aug 31. All holes hit carbonatite with intersections ranging from 19 to 70 metres. Carbonatite is mainly the *berforsite* variety (dolomitic). Tantalum, niobium and phosphate analyses are awaited.

Crazy Fox (Cassidy Gold Corp) - News release confirmed that hole DCF-01 was stopped in a large fault at 249 m, still in argillite. The company has decided to do more geological mapping and soil sampling to help decide where to drill next. (It would appear that the hole did not hit the massive sulphide Cu-Zn mineralization they were hoping for, and they are scrambling to refine the target....)

Planet (Planet Ventures Inc.) - A small drill program (2 holes, 200 m) will start shortly on this porphyry Cu-Au prospect 1 km south of the Ajax pits.

Exploration and Deposit Appraisal Spending (Natural Resources Canada) - NRC is forecasting that 2001 spending in BC (based on spending intentions) will rise to about \$45 million, compared with about \$35 million in 2000 (the Regional Geologists estimates are lower at \$35 million for 2001 and \$27 million for 2000). (Note - For some reason, NRC estimates tend to be substantially higher than ours, but ours, of course, are much more accurate!). In any case, NRC is forecasting that spending across Canada will drop slightly this year to \$458 million. Spending by major companies will be at a 30 year low (\$291 million), while junior company spending will rise slightly (\$167 million). Nationally, **gold** is still the most sought after target but is declining in importance, while **diamonds** remain buoyant (\$107 million avg from 1997-2001) and **platinum group metals** are rising in importance (\$22 million avg between 1999-2001). Over the last three years, Quebec, Ontario, NWT and Nunavut together have accounted for two thirds of all spending (perhaps because of the focus on gold, diamonds and PGEs, and of course their perceived lower political risk?)

Mike

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Kambay

From: Cathro, Mike EM:EX
Sent: Thursday, August 30, 2001 4:45 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 8/30/2001

HIGHLIGHTS

Afton (DRC Resources Corp.) - released results for two drill holes which show much higher grades of **palladium** (0.232 oz/ton and 0.120 oz/ton, both over 10 feet) than previously reported. Interestingly, the higher palladium occurs with relatively low copper (0.19% and 0.03%) and low gold values. According to project geologist John Ball, the palladium occurs in "heavily albitized/bleached rock next to a fault breccia" suggestive of a hydrothermal (and not magmatic) style of mineralization. Both intersections are relatively deep (300-400 m below pit rim) and are located southwest of the copper-gold deposit drilled over the last year. Graeme Nixon of the GSB was on site and did core sampling as part of his study of platinum group metals.

In addition, DRC reported that hole 38 intersected the Cu-Au zone at a vertical depth of about 875 m beneath the pit rim, and some 305 m beneath the previous deepest drill intersection. Assays are pending.

Verity & Fir (Commerce Resources) - Drilling of 25 holes is underway on these two carbonatite-hosted tantalum-niobium-phosphate prospects located north of Blue River. Commerce recently completed a small IPO financing and is now trading on the CDNX.

Exploration activity - we are now forecasting about \$4 million in spending and 25,000 m in drilling for 2001, up from last year.

FIELD VISITS

CK (Penteco Resources) - This stratabound zinc-lead deposit north of Clearwater was visited with T. Hoy on 8/23. Several old trenches were examined. The deposit has indicated resource of 500,000 tonnes grading 11.3% Zn, 2.0% Pb and an additional inferred resource of 380,000 tonnes at an undefined grade (Report for BWI Resources, 2000). Last drilled in 2000, it has similarities to other Shuswap type, or Broken Hill type, deposits, in particular Ruddock Creek.

Silver Pipe (Paul Watt) - This new 60 unit claim block is located near Lemieux Lake north of Little Fort. Narrow (1-10 cm wide) calcite-quartz veins occur in andesite breccia of the Fennell Formation. The veins contain disseminated to locally semi-massive sulphides including pyrite, arsenopyrite, sphalerite, chalcopyrite and galena. Anomalous values of Au, Ag, Cu, Pb, Zn, As, Sb, Bi, Cd occur. Vein textures, mineralogy and geochemistry are suggestive of an epithermal system.

OTHER EXPLORATION NEWS

Gypsy (Alhambra Resources) - completed drilling of 2 holes (259 m) on this copper prospect near Mamit Lake, south of Logan Lake. Assays are awaited.

Crazy Fox - Demers (Cassidy Gold) - drilling of one hole (approx 800 ft long) is apparently complete on this VMS Cu-Zn target north of Little Fort. It is rumoured that no significant massive sulphides were encountered. The property is optioned from Lloyd Addie and Bob Bourdon (PAP support in 1999).

Broken Hill and Goldstrike Properties (Cassidy Gold Corp) - Cassidy plans to return these properties to the vendor, Leo Lindinger. Both were staked on the PAP.

UPCOMING

- 8/31-9/4 - Vacation
- 8/21 - KEG/MEM short course on the Map Place
- 8/22 - KEG golf & picnic

Mike

Mike Cathro

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.

Demers
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 Loon
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 (Schiarizza) 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

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From: Cathro, Mike EM:EX
Sent: Friday, July 21, 2000 12:29 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 7/21/2000

2) **Dave claims** (Gary Polischuk, PAP) - Field visit with Polischuk and Gold-Ore geologists Wayne Pickett and Jim Cuttle on 7/14 to this new mesothermal gold prospect. The prospect is located at 6200 ft on the north ridge of Mt. Brew, 8 km SSW of Lillooet (92I/12W, UTM 10 5607810N 572120E). It is accessed by helicopter from Lillooet, although the Enterprise Cr. logging roads come within 1 km (and a steep hike!) of the showings. The Ample Goldmax mesothermal gold deposit occurs about 3-4 km northwest on the opposite side of Cayoosh Creek. On the Dave claims, a very prominent swarm of 10-100 cm wide, sheeted quartz veins in altered diorite ("Payday zone") was discovered by Homestake in 1997 (ARIS #?) but returned only anomalous gold. Polischuk and Dave Javorsky restaked the ground in 1999 and since then, diligent prospecting by Gary has located high gold values (>10,000 ppb) in rusty scree/soil uphill from the Payday veins and at several other locations up to several hundred metres away. Visible gold was discovered in the Cavalier zone during my visit and is associated with arsenopyrite and galena in narrow quartz veins. Most of the other occurrences also have arsenopyrite, pyrite and traces of chalcopyrite in quartz and altered diorite. Fe carbonate, silica and minor mariposite (listwanite) is quite common in the area of the showings. All the showings appear to be hosted by a fairly large, unmapped body of altered feldspar porphyry (diorite).

Little Fort area - one day field orientation on 7/15 with Dave Lefebure and Paul Schiarizza. Paul is beginning a three-year mapping project in the Little Fort-Canim Lake area. We looked at a variety of rock types along with skarn, vein and porphyry? styles of mineralization on the **Deer Lake** property of John Barakso, the **Silver Lake** and **Worldstock** properties of Christopher James Gold Corp, magnetite-chalcopyrite boulders on the **Spyder** claims of Paul Watt (current PAP project), and the **Demers** property of Bob Bourdon/Lloyd Addie (1999 PAP project). The latter hosts a 10 km long unexplained Zn in till anomaly (+/-As, Ba, Cd, Cu, Sb, Pb, Hg) in an area underlain by Triassic-Jurassic? mafic volcanics, shale and possible rhyolite. A major company has recently optioned the property and is conducting grid work in preparation for geophysics and 3 drillholes (**Confidential**).

GQ claims (Werner Gruenwald, PAP) - one day field orientation with Jim Logan, Dave Lefebure and Dan Marshall (SFU) and Marty ___ on 7/16 to this gold prospect located in the Anstey Range NE of Shuswap Lake. Narrow zones (10-30 cm) of semi-massive pyrrotite-pyrite-chalcopyrite occur with diopside-scapolite-quartz skarn associated with marble bands and quartz-feldspar-biotite pegmatite. The skarn layers are hosted by sillimanite-grade paragneisses of the Shuswap Metamorphic Complex between the indistinct boundary of the Long Ridge pluton (92-94 Ma) and the Monashee Decollement. At least 5-6 showings have been located on new logging roads and these contain anomalous gold (1-3 g/t), tungsten (to 0.9%), Cu, Bi and Te. The area has broad similarities with the geological setting at Pogo, Alaska, and it is hoped that Gruenwald's prospecting this year will locate some quartz vein or stockwork-hosted mineralization (**Confidential**).

Other PAP News - Discussions on progress with several other PAP grantees including Cleve Lowry, Ed Frey, Leo Lindinger, John Kemp and Fayz Yacoub. More field visits planned for late Aug.

MRO Backfill Interview - helped organize and run interview for Bruce Madu's replacement. Lyle Morganthaler has accepted and will start Aug 1.

Upcoming - Field orientation on 7/25-26 at Dobbin with Graham Nixon, Lefebure and Schroeter. Possible visits to Brenda Mine and Elk project too.

Mike
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