

DOT
92ISE023 882412

INTEROFFICE MEMORANDUM

VGS → RG
- Kam.

Created: 31-Oct-1997 12:50pm PST
Sent: 31-Oct-1997 01:26pm PST
From: Mike Cathro of EI
MCATHRO
Title: Regional Geologist
Dept: Employment & Investment
Tel No: 828-4566

TO: See Below

Subject: Weekly Report

FIELD VISITS:

*Dot (Alhambra Resources) porphyry Cu core was viewed on Oct 24 in Merritt with L. Ovington, G. Stewart, E. Stewart, B. McMillan and T. Schroeter. 1997 holes hit native copper in oxidized and unoxidized porphyry and assays are awaited. Previous drilling has defined a southeast-striking, linear zone with grades in the 0.3-0.6% Cu range over true widths of 30-100 metres. Cu mainly occurs in bornite/chalcopyrite associated with specular hematite in sericitized and K-spar (?) altered, locally porphyritic Guichon/Chataway phases and Bethlehem phase dykes (?). Spotty high gold and moly values are also present.

*Kami 5 (Arnold Savjord - PAP grantee). Assays received today from three samples I collected at his property 2 weeks ago. A 25 cm wide chip of a quartz sulphide vein ran 39.59 g/t Au, 1000 g/t Ag, 5.08% Pb, 7.6% Zn, 0.164% Cd, 504 ppm As and 33 ppm Sb. This material has a gross value of about \$600 per tonne and would be worth direct-shipping to Trail.

EXPLORATION NEWS:

*Getty North (Getty Copper Corp.) - drilling will probably finish today for the season (company would like to conserve remaining funds).

*Newmac (Double Creek Mining) - this \$335K drilling program will not be completed this year.

*Bralorne Mine - will be put on care and maintenance for the winter. Not a surprise with gold at \$311.

*Our Eagle Bay promotional work finally appears to be paying off as Mt. Armour Cu-Zn prospect has apparently been staked, and Equity Engineering are taking a second, closer look at the Samatosum mine controlled by Bob Friesen/Inmet.

OTHER ACTIVITIES:

*UCC/KEG/MEI prospecting class had a half day in the field last Sunday learning about staking with Don Smith, myself, and Bruce Madu.

*Watson Bar paper (with Durfeld and Ray) for Geological Fieldwork. 2nd draft of text nearly ready but I need to spend a few more days on the figures. Deadline is Friday Nov 7th.

*Preparing some geological text for a Fieldwork paper with Lett on Honeymoon Bay gold discovery.

Mike

Distribution:

INTEROFFICE MEMORANDUM

VOS → GSI
- MR

Created: 31-Oct-1997 10:49am PST
Sent: 31-Oct-1997 10:49am PST
From: Bill McMillan
billm@mp.gsb.empr.gov.bc.ca@GEMSE

VENUS

Title.
Dept:
Tel No:

TO: See Below

Subject: MRE Weekly report

WEEKLY REPORT: MRE, Oct. 31, 1997

PRIORITIES FOR COMING WEEK

- * Fieldwork report editing for those completed ahead of deadline
- * Monthly budget forecasts

STATUS OF STRATEGIC PRIORITIES

OPERATIONAL ISSUES

DOT

* Bill McMillan examined core from the Dot porphyry prospect (southeast Highland Valley) with Tom Schroeter and Mike Cathro. The mineralization is mainly bornite with lesser chalcopyrite and local molybdenite. Alteration is potassic, phyllic and argillic. So far, mineralization seems to be following northerly striking shear zones and there is evidence of Tertiary or post-Tertiary block faulting (Tertiary reworked tuffs in one hole). The latest drilling (15,000 feet) located several new zones, including one with native copper in a porphyry host that is intriguing. Gold values in some assays reach the 3 gram level, which is unusual for the Highland Valley camp; this might represent a Tertiary epithermal overprint (speculation). The extent of the zone and potential of the prospect is uncertain at this stage; on the old Vimy deposit, which is part of the property, some 3 million tonnes of half a percent copper are indicated by earlier work.

* Filippo Ferri discussed the Gataga area at the weekly staff meeting and highlighted areas where interpretation is difficult. Feedback was excellent and discussion lively.

* Jim Logan's Iskut (More Creek) coloured geology map is ready for release.

* Staff are writing Fieldwork reports

* Construction of new layout for autocad layers continued -Verna and Geologists.

* Branch computer plan: machine upgrades progressing slowly; new machines expected by October 7th.

OTHER BUSINESS

PERSONNEL

- * Gerological Editor/Publications Manager: interviews completed and selection made; offer letter in progress
- Economic Geologist: two geologists from MRE expressed interest in

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

TGS -> DOT

Created: 20-Oct-1997 08:56am PDT
Sent: 20-Oct-1997 08:57am PDT
From: Bill McMillan
billm@mp.gsb.empr.gov.bc.ca@GEMSE

VENUS

Title.
Dept:
Tel No:

TO: tschroeter (tschroeter@A1)
TO: mcathro (mcathro@A1)

Subject: Dot (Alhambra Res)

(Vimy) 92ISE023

Guys

I have been in contact with Larry Ovington and he has asked me to visit Merritt and discuss the geology of the property with him before the next phase of drilling.

To that end, I have planned a trip up to Merritt late this week. I will leave Victoria Thursday to be in Merritt that evening and plan to spend Friday with Ovington.

I don't know if the timing is good for you (and I have not talked to Larry about it and would have to clear it with him) but you might be interested in participating. He says he will bring out geology and lay out drill core for review (I expect it to be a full day). I'll write a short report on the visit, but thought you should know about it. Sorry I did not get organised enough to let you know sooner.

Bill

.....
Bill McMillan
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PO Box 9320 Stn Prov Govt
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.....

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

Created: 20-Oct-1997 10:36am PDT
Sent: 20-Oct-1997 10:37am PDT
From: Bill McMillan
billm@mp.gsb.empr.gov.bc.ca@GEMSE

VENUS

Title.
Dept:
Tel No:

TO: TSCHROETER (TSCHROETER@A1)

Subject: Re: Dot (Alhambra Res)

Tom

I just got through to Larry Ovington. He is keen to have you along as well, so it's a go.

I think I'll try for a slightly earlier ferry this time so we get up there before dark, is that okay? I would be in at Tsawassen at about 12:45PM (11AM ferry).

I'll book the room this time, you did the work last time.

We will meet Larry Friday AM at the ABC Restaurant (aka Grasslands Hotel) at 0800.

We can see core, talk about rocks and go up to the property if we wish.

Bill

=====

At 08:59 AM 10/20/97 -0700, you wrote:

>Bill, I'd like to attend. If it's helpful, we could do as we did top the
>Highland Valley - I could pick you up at ferry, etc. How on that? Tom
>
>

.....

Bill McMillan
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.....

Skinner (92N/9W, Ottarasko Mines) - Visited site with Mehr/Rothman and Louis Bernoilles. No mining will be place this year, however Louis is still shipping hand sorted ore left over from 1996 (approx 120 tons grading about 2 opt Au remain). Since 1992 approx 800 tons have been mined and shipped to Trail to produce about 1800 ounces. Louis will probably drive a lower adit next year to access the vein about 50 m lower than the current workings. He says his operating costs are roughly half his revenue so he has a nice little RRSP in a clean, unobtrusive operation.

Pellaire (92O/4E, Int. Jaguar Equities) We were toured around this bulk sample project at 7400' elevation by Wayne Ash. This operation is cleaner than last year. The road is greatly improved and the camp has been moved down to the Lord River. Underground mining and development have been underway since mid July and a raise is currently being driven to connect the main haulage level with the sub drift above to allow efficient mining of a small block of high grade ore (perhaps 500-1000 tonnes?). Last year the company mined and shipped about 900 tonnes grading about 1.1 opt to the Trail smelter, most of which was not delivered and processed until Mar-April of this year. Wayne advises that they now have about 500 additional tonnes grading perhaps 1.2 opt on site and in transit. The company also has 3 geologists, a cat and excavator doing prospecting for other veins. They also plan to do RC drilling from surface this summer. The long term plan is to permit a small heap leach cyanide operation to treat "low grade" ore running less than 0.4 opt. Budget for mining, road work, camp and drilling is \$1.5M. The mining has all be on the #4 vein which strikes at 055 and dips 55NW. It averages between 60 cm and 2 metres and contains abundant oxidized telluride minerals. There are at least 4-5 other individual veins, some parallel to #4. MoF has told Ash he will have to put in some 800 water bars on the 67 km road when he leaves this year! Won't that be a nice road to drive!

Exploration News:

Mesabi (Echo Bay Mines, 92I/16) - This property, located near Heffley Lake, has recently been expanded by staking. Geochem, geol and geophys is planned for this year. Unfortunately, Echo Bay has just decided to close their Vancouver office.

Lodestone - A. Ablett has staked 800 units between Tulameen and Arastra Creek for an unnamed client. Chromite-platinum interest? (confidential)

Second - Watson Bar (Stirrup Creek Gold Ltd.) Resource calculation released which totals 311,121 tons at 0.237 opt Au at a .05 opt cut-off or 139,189 tons at 0.418 opt Au at a 0.20 opt cut-off. The zone is still open in several directions.

Blackdome (Claimstaker Res.) - E. Beresford reports that the company is ready to submit a notice to re-open the mine. 1-2 yrs of reserves are defined and a feasibility study is underway.

J & L (Weymin Mining) - road repairs completed! All steam ahead on u/g sampling and surface drilling on this significant, Au-rich VMS project located north of Revelstoke. The squeaky wheel strikes again.

Dot (Alhambra Resources) 6 ddh totalling 1300 m and some VLF just completed. Results pending on this interesting porphyry target located south of Logan Lake in the Guichon Cr. Batholith.

Other Activity:

I am faxing info and offering to show different exploration people some of the unstaked Cu-Zn showings in the Eagle Bay rocks. So far I have been in contact with Amex, Discovery, Equity, Mo Kauffman, Atna, Teck and several prospectors. So far some interest but no staking!

MC - Aug. 14/97

INTEROFFICE MEMORANDUM

TGS → RG
- Kamloops

Created: 18-Apr-1997 11:23am PDT
Sent: 18-Apr-1997 12:16pm PDT
From: Mike Cathro of EI
MCATHRO

Title: Regional Geologist
Dept: Employment & Investment
Tel No: 828-4566

TO: See Below

Subject: Weekly Report

* Toured YEP candidate Yana Preston through office. She will tentatively start May 5th and stay for 4 months. She is waiting for offer letter from Victoria.

* Reviewed and graded 22 PAP proposals.

Dot
* Field visit to Dot property, Guichon Creek area with Gary Stewart of Alhambra Resources (Calgary). Interesting new bornite-rich, linear zone of porphyry -style mineralization in overburden-covered area on east side of Guichon Cr. batholith. Majors are sniffing around.

bbt - WYS
* Field visit to Wyse-Rabbit property of Pro-Am Expl., located SW of Kamloops near Domenic Lake. Ragnar Bruaset showed me core and maps of this area with Nicola volcanics intruded by the Durrand and Roper Lake stocks. Despite over 150 drill holes in the general area, Ragnar is still coming up with interesting targets and results. On Mar 19 ProAm released the results of hole 97-7 which intersected 10 m grading 15.3 g/t Au in Durrand Diorite. In core this zone has strong albite and weak epidote alteration and contains up to 10% disseminated py. It appears that the hole may have been drilled at a low angle to the mineralized zone. Nevertheless, it has some similarities to Nicola-hosted gold mineralization like Coquihalla (Afton area) and perhaps QR and Shear.

* Watson Bar - Stirrup Creek released the results for DDH 97-03 today. It hit 4.66 m grading 0.225 opt Au which included 2.00 m grading 0.491 opt Au (therefore, the other 2 m only averaged .034 opt Au - they are stretching assays here). The intersection is reported to be 90 m down dip of hole 96-11 from last year which hit 3.66 m grading 0.764 opt Au (Zone has now been traced for about 250 m down dip from the big trench at zone V). It should be remembered that the holes here are getting very deep - hole 97-03 hit the zone at 243 m (about 800 ft) below the surface.

PGR
* PGR (Ron Wells, Paul Watt) - Cambridge Minerals has dropped option. Another company is apparently ready to take over.

* Hed Moly (Summerland) - Verdstone-Molycor announced they have started drilling.

* Getty: April 14 News release announced a \$3 million budget and that 16,000 m drilling is planned for '97. They also report 4 new IP anomalies have been located. Some of these are not new and we have been waiting for them to test them for two years. Southwest Extension drilling results were released with the top of mineralization being hit at 180 to 250 m and the best grades at over 300 m. Stripping ratio is getting very high in this direction!

* T & I - Tom reports that Weymar Mining Corp. (John Chapman?) is planning a

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

Created: 14-Apr-1997 03:23pm PDT
Sent: 15-Apr-1997 11:55am PDT
From: Mike Cathro of EI
MCATHRO
Title. Regional Geologist
Dept: Employment & Investment
Tel No: 828-4566

TO: Bill McMillan of EI (WCMILLAN)
CC: Rick Meyers of EI (RMEYERS)
CC: David Lefebure of EI (DLEFEBURE)
CC: Tom Schroeter of EI (TSCHROETER)
CC: Bruce Madu of EI (BMADU)

Subject: Dot Property visit - Guichon Creek batholith

SUMMARY - A new zone of bornite-rich porphyry Cu mineralization has been discovered beneath 20-30 metres of overburden near the Vimy showing on the eastern side of the Guichon Creek batholith. It is hosted in sericite and k-spar-altered fine to medium grained granodiorite of the Guichon or Chataway phases. The zone is linear in geometry (as drilled to date), striking at 140 degrees (southeast). Drill intersections range up to 0.58% Cu over 119.8 m.

LOCATION AND OWNERSHIP

On Friday April 11 I visited the Dot property located southwest of Mamit Lake and west of Guichon Creek (92I/7W). Alhambra Resources Ltd. of Calgary drilled 16 holes in late 1996 on an extension of the Vimy showing (92ISE023), a small past producer. Gary Stewart, President of Alhambra showed me and Steve Blower (Princeton Mining) the property, which is optioned from Larry Ovington of Kamloops. Core was viewed at the Merritt Machine shop in Merritt.

NORTHWEST ZONE

Previous drilling by Zappa Resources and others defined a small oxide resource of about 3 mt grading 0.5% Cu in the Northwest zone. This zone strikes at 140 degrees (SE) and has been defined over a length of about 270 m with intercepts up to 0.91% Cu over 76.2 m. The zone averages about 50 m in thickness. It is open to depth and along strike to the northwest. There appears to be potential for perhaps 6-7 mt down to 200 m depth by my crude calculations (Confidential).

SOUTHEAST ZONE

The Southeast zone is a brand new discovery and is located about 200 m along strike from the Northwest zone. It has been intersected by 13 angle holes over a strike length of 450 m and is still open to the SE. It varies in width up to about 100 m, however, no drilling has been done off the main trend so it is not known if a more widespread stockwork zone is present. There is some evidence from old IP work for other zones in the general area.

The SE zone is completely covered by overburden and was located by a either drilling along trend of known mineralization (Alhambra's story) or witching (Ovington) depending on who you believe. The best hole, #15, cut 119.8 m grading 0.58% Cu which included a high grade zone of about 40 m with numerous assays in the 1-3% Cu range. Local kicks of gold (to 2.49 g/t), silver (to 149.8 g/t) and Mo (to 0.29% Mo over 5 m in hole 11) occur but are very sporadic. The company has not been careful about separating out local high grade assays for reporting purposes; for instance hole #3 hit one 0.57m zone grading 17.60% Cu (plus adjacent 1-3% values) but was reported as 37.2 m

grading 1.23% Cu. Nevethless, good continuous porphyry style grades are present in most holes.

In terms of surficial features, the property is crossed by several north trending flat benches which step up to the west and are probably kame terraces. The surficial map for the area also shows several meltwater channels on the property.

Geologically the deposit is hosted by a fine to medium grained granodiorite of Guichon or Chataway variety. Alteration consists of moderate to intense phyllic and intense pervasive potassic zones which are associated with the better mineralization. Bornite is predominant over chalco and is associated with spec. hematite in many intersections. There are fairly large zones of gouge and sericitized fault breccia in some of the holes however it is too early to know which way these faults are trending. The degree of alteration suggests this may be a fairly large mineralizing system.

By my crude, back of the envelope, calculations there appears to be potential in the SE zone for about 15 mt of material grading 0.4-0.5% Cu for the 450 m strike length drilled so far and down to about 200 m depth. (Confidential!) There is still good potential for extensions to this zone, for parallel or crosscutting zones and for entirely new zones on the property. Very limited geochem or geophysical work has been done so far, and none is planned. The operators are content to chase the established mineralized trend with the drill. Alhambra will spend about \$150K this spring-summer to earn its 51% interest. Another partner, perhaps a major, will probably come in at that point.

Mike

INTEROFFICE MEMORANDUM

103 → RG
- Kamloops

Created: 21-Mar-1997 03:07pm PST
Sent: 21-Mar-1997 03:39pm PST
From: Mike Cathro of EI
MCATHRO
Title: Regional Geologist
Dept: Employment & Investment
Tel No: 828-4566

TO: Rick Meyers of EI (RMEYERS)
Subject: weekly Report

Rick,

Summer Student: GSB is sending up some resumes for me to review. We can have a Prospectors Assistance funded student if we like. I would like to get someone to help with filing, PA compilations GIS work and field visits. They could certainly help out the Inspectors, MRO and MLP too!

Exploration review paper: re-formatted and edited for Brian Grant. Nearly ready to go out to him.

Brifing Note on Fish Lake: Ringstad could give no update on project. No significant change in project status.

KEG: Notice of conference and tentative speakers list sent to 159 companies. Will also go on MCYCM Web page. Good line-up of talks and fairly good registration numbers so far.

Exploration News:

General Activity: Expect many small to medium sized drilling and bulk sampling programs this year. ~~Overall it will be a bit quieter~~ due to the end of several very large projects (Prosperity, Getty?).

Wyse-Rabbit - Concern over harrasment of operator by ticket-happy MoF stump cop. Don't they have anything better to do?

* Rainbow: CONFIDENTIAL. rumour that hole 5 was even better than hole 4. Hole 5 is being split by saw. Expect assays in 1-2 weeks for some of the holes? Definitely one to watch!

* Blackdome: Claimstaker is working on a feasibility study for production at an early date.....

* Watson Bar: Drilling to start any day (5000 ft core) at Zone V. Lots of action in the stock price of Stirrup Creek Gold Ltd.

Green Mountain gold mine (Nipper claim): Bruce Madu handled several questions about a notice in the Penticton Herald.

* Dot: Alhambra Resources released Au, Ag and Moly grades to go along with good copper values reported in the fall. Local (spot) high values (to 3.45 g/t Au and 149.8 g/t Ag) to go with good porphyry copper interesections like 119.9 m @.58% Cu. More drilling this spring.

INTEROFFICE MEMORANDUM

TGS → RG
- Kamloops

Created: 06-Dec-1996 08:54am PST
Sent: 06-Dec-1996 10:59am PST
From: Mike Cathro of EI
MCATHRO
Title: Regional Geologist
Dept: Employment & Investment
Tel No: 828-4566

TO: Rick Meyers of EI (RMEYERS)

CC: 5 addressees

Subject: Regional Geology Weekly Report

Some Exploration Highlights This Week:

NEW DISCOVERY

Dot Property, Guichon Creek area. On Dec 5, Alhambra Resources Ltd. announced some good results from the 1st & 2nd phases of drilling on this porphyry copper prospect located near Mamit Lake (SE of HVC). The zone now has a strike length of 1650' and is open to the SE and to depth. This zone is a new discovery and is located a few hundred feet SE of a small reserve (6 m tons grading 0.6% Cu) defined by Zappa Resources in 1992. According to Larry Ovington, the new mineralization is bornite-rich, hypogene porphyry style. The best results from this years drilling are:

Hole	Interval (ft)	Cu%
96-3	122	1.23
96-5	220	0.61
96-6	105	0.78
96-9	236	0.41
96-10	321	0.55
96-11	213	0.41

Holes 10 and 11 are the southernmost holes drilled to date. These are good grades and widths but I would like to see how the holes are oriented relative to the dip of the mineralization. One major company phoned to ask me for more info.

(My rough calculation is that we could be looking at a potential resource of about 20 mt down to 200 m; or more if the zone keeps going to SE for some distance)

GOOD HOLE AT GETTY NORTH

On Nov 27 Getty Copper announced a good hole some 120 m west of the western margin of the Getty North (Krain) deposit. DDH 96-37 hit 181m (596') grading 0.42% Cu. The news release did not state where the mineralization started but I gather the top is about 200 m deep from talking to the geologists on site. This hole has revitalized the project. Getty is apparently raising more funding and could have \$2 m to spend by the end of Feb and perhaps 5 drills working after New Years (rumours from site staff).

PELLAIRE

Int. Jaguar reported that the first shipment of high grade gold ore has been delivered to Cominco-Trail. An estimated 1400 tons grading 1.75 opt Au will be delivered by the end of Dec.

INTEROFFICE MEMORANDUM

TGS → RG
- Kamloops

Created: 24-Oct-1996 04:10pm PDT
Sent: 24-Oct-1996 04:44pm PDT
From: Mike Cathro of EI
MCATHRO
Title: Regional Geologist
Dept: Employment & Investment
Tel No: 828-4566

TO: See Below

Subject: Weekly Report to 10/24/96

1) *Pellaire - W. Ash reported to EWB that the project is closed down until next year due to heavy snow. 3 loads (est 50-100 tons?) of ore were trucked down to Falls R. bridge. An estimated 1300 to 1500 tonnes remain at the portal.

2) *Copper Mountain - A press release from Princeton mining gives the results of drilling so far in the current 40,000 ft, \$1 m program. Results from the Alabama and Oronoco targets have been middling. Encouraging results have come from the "SP" zone which is the area between and around Pits 2 & 3. The target is to define a minable reserve here of >100 mt grading 0.45% Cu. (Current resources in Pit 2 are 39 mt grading 0.33% Cu at a strip ratio of 1.78:1 and Pit 3 has 59 mt grading 0.48% Cu at a strip ratio of 2.32:1).

*Flap - Veto/Verdstone/Molycor have started 500 m of trenching on this gold property near Brett.

3) *Dot - Larry Ovington/Alhambra Resources. Larry says they have discovered a new zone of bornite-rich porphyry mineralization on this Guichon Cr. batholith property. 9 holes totalling 1378 m have been drilled so far. Best results are 26 m grading 1.23 % Cu and 39 m grading 0.61% Cu. (No assaying for Au or Mo yet). It is open in several directions but has been hit by 6 holes spaced on 50 m fences over 200 m of strike length. Another 20 holes are planned for this fall. Arguments ongoing between operators, owner and consulting geologist about payments etc. Hard to tell if geological control, core logging etc are adequate/legitimate. I will try to visit when drilling starts again.

*KEG Prospecting course - still on track for Jan-April/97. Cost will be about \$65.

*Notice of completion forms and letters to go out Fri. Working on year end compilation using Joe's Access database.

*Prepared 1st draft of Afton Closure "Infoback" for ADM.

I remain your obedient servant,

Mike

Distribution:

TO: Rick Meyers of EI (RMEYERS)
CC: Eric Beresford of EI (EBERESFORD)
CC: Joe Seguin of EI (JSEGUIN)
CC: Jim Britton of EI (JBRIITON)
CC: Bruce Madu of EI (BMADU)

INTEROFFICE MEMORANDUM

VBS → RC
-Kamb

Created: 06-Sep-1996 09:55am PDT
Sent: 06-Sep-1996 11:13am PDT
From: Mike Cathro of EI
MCATHRO
Title: Regional Geologist
Dept: Employment & Investment
Tel No: 828-4566

TO: See Below

Subject: Monthly Report to Sept 6/96

HIGHLIGHTS:

Interest is high for the upcoming Eagle Bay field trip being led by Vic Preto, Peter Bobrowsky, Steve Sibbick, Trygve Hoy and myself. So far 55 people have signed up for 40 spots. We will try to accomodate everyone by splitting into two groups.

Lac La Hache porphyry Cu-Au project. The recent takeover of Regional Resources by Imperial Metals should benefit this project due to Imperial's experience with Mt. Polley.

DOT claims, Highland Valley. Prospector Larry Ovington tells me that optionee Alhambra Resources has intersected some interesting (new?) bernite-rich hypogene porphyry mineralization in a recently completed drill program. Larry spotted several successful holes for them by witching! The property was previously known to host a small resource of oxide mineralization.

Pellaire (Int. Jaguar Equities). E. Mehr visited the property and reports that mining is underway and that the bridge work on the access road is nearing completion. The contractor is VERY frustrated with the hassles provided by Forests with regard to the road. It is planned that 1000 to 1200 tonnes of high grade gold ore will be trucked out before the snow starts to pile up.

Minor
- NOT
exp

Ajax mine to close in June '97 with layoffs beginning in December. Mine geologist Scott Smith told me that, so far, they have backfilled the Ajax East pit with 7 million tonnes of waste from the West pit. This could be a good reclamation story to promote.

Similco mine to shut in December due to low copper prices. A 40K ft drill program is underway on the Alabama zone to locate new millfeed that can be produced at \$0.80 per pound copper.

Elk (Siwash North Mine). Aurizon Mines completed their due diligence on this gold project and announced they will NOT proceed with further work. Andy Smith, VP of Exploration advised us that Fairfield's ore reserve estimate was fine; the problem was the ground conditions. Fairfield announced the discovery of a new vein similar to the North vein.

Sapphires at Taseko Lake? Westpine Metals consultant Ellen Lambert says GSB geologists George Simandl and Kirk Hancock were beside themselves over the bluish black corundum on Westpine's Taseko property during a recent visit. I'm looking forward to hearing more from George and Kirk.

FIELDWORK:

Visited Mariko and Golden Eagle properties north of Shuswap Lake with L. and M. Lutjen, PAP grantees. Soil sampling and prospecting are underway.

OTHER ACTIVITIES:

Nevertheless, I was reminded at how difficult it is to follow the conversation when these experts begin discussing the details of neodymium isotopes and Norian microfauna!

EXPLORATION AND MINING NEWS:

Copper - July and September futures down to 70-71 cents US due to rising inventories.

Ranchlands Z2 Quarry (C2C Zeolite Corp.) - The \$4B Alliance Pipeline consortium has ordered 76 tonnes of zeolite material to be used for soil improvement/restoration of the disturbed pipeline right-of-way in southern Saskatchewan. A small contract but hopefully it will lead to more significant tonnages.

Dot (Alhambra Resources Ltd.) - merger announced with Signature Capital Corp., a private Alberta oil company. This may affect further exploration of the Dot copper project, located near Mamit Lake in the Guichon Creek batholith.

UPCOMING FIELD VISITS:

July 5-6 - Allendale Lake area Pt-Pd-Au (A. Travis, T. Carpenter, etc.)

July 9-11 - Revelstoke area (Spire, Ren), Clearwater-Avola area (Pongo, Silver Lake, Broken Hill)

July 12 - Blue River carbonatites, Commerce Resources

Mike

Mike Cathro
Regional Geologist, Kamloops
BC Ministry of Energy and Mines

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MC - June 29/01