

DUTHIE June 21/04
- chat with Bob Quarstein (Silver Std.)
- Co. still spending \$300k annually on reclamation work cover tailing 95

Duthie
mamie
Sil-Van
832533
93L/14W
93L088

VOS -> Reg. Mgr.
Smithers

Schroeter, Tom EM:EX

From: Bergen, Wally EM:EX
Sent: Friday, June 25, 1999 1:26 PM
To: Adams, Rick; Anderson, Duane; Beswick, Ed; Booth, Richard; Braidwood, Brian; Carter, Tom; Castillo, Talitha; Cheetham, Pat; EM MB Smithers DL; Errington, John; Finvers, Maija; German, Gerald; Hall, Ted; Hermann, Fred; Hesketh, Joan; Hoffman, Al; Jorgensen, Sharon; Lunam, Charene; McKillop, Greg; McLaren, Graeme; Phelan, Bill; Ross, Paul; Schroeter, Tom; Starkes, Terri; Stewart, Gregg; Stewart, Linda; Whale, Andrew
Subject: NW Region Weekly Report to June 25, 1999

MINING

Endako mine will be closed from June 30 to August 2, 1999, for annual leave, maintenance and inventory reduction. Approximately 25 people will be on site performing maintenance. This temporary closure was a part of the Job Protection package.

On June 18, 1999, the NWMDRC received a presentation from Eskay Creek mine regarding moving sub-aqueous disposal of mine tailings from Albino Lake to Tom MaKay Lake. The mine has identified sufficient ore reserves to extend the mine life until the end of 2008. With expanded ore reserves and increased milling production it is anticipated that Albino Lake does not have sufficient capacity for the volume of material to be disposed of sub-aqueously. The application to amend the EA certificate will be coordinated by Norm Ringstad and it is anticipated that it will proceed in a timely manner, as did the application for Albino Lake.

Silvertip Mining Corporation has announced that they are putting their application to the EAO for certification for the Silvertip Mine on hold until metal prices improve.

At the NWMDRC meeting held on June 17, 1999, the Committee agreed to recommend to the EAO that the EA certificate for Larado Limestone on Aristazabal Island be extended for 3 years.

Emile Brokx has announced that he is retiring as General Manager for Huckleberry Mine. A replacement has yet to be announced.

Verdstone and Molycor (John Chapman) indicated that Thompson Creek Mining - Endako Mine were not interested in pursuing involvement in the Unity moly proposal on Hudson Bay mountain. Discussions are still underway with imperial Metals to see if they are interested in accepting between 500 and 1000 tons per day of Yorke-Hardy ore to Huckleberry.

EXPLORATION

The Harmony Project by Misty mountain Gold, part of the Hunter Dickinson Group of companies, is on hold with the project for sale. Testing of alternative methods for gold recovery were not able to identify practical gold recovery processes. Environmental concerns could not be eliminated; ARD from waste rock, mercury would still be issues.

RECLAMATION

On June 17, 1999, the NWMDRC met with representatives from Silver Standard Resources Inc. to discuss ongoing reclamation of the Duthie Mine site on the backside of Hudson Bay Mountain. The company is proposing to install perimeter diversion, drainage ditches to direct ground water away from the historic tailings and to seal and cap the tailings to minimize surface water from passing through the tailings. The proposal is in the final stages of evaluation and work on the tailings clean-up may commence late summer.

Noranda Mines is addressing concerns regarding soil and water quality associated with the loading yards for the now closed Bell Copper Mine. The transshipment point from truck to rail was used for several years and there are concerns that sufficient concentrate was spilled to lead to copper drainage into the upper Bulkley River. Noranda has hired Morrow Consultants to replace an earlier consultant, who had not commenced work on the evaluation.