

VOS → RG
 — Cranbrook
 St James (Fran)
 93 N 207

Schroeter, Tom EM:EX

From: Terry, David EM:EX
Sent: Friday, April 05, 2002 8:13 AM
To: Whale, Andrew EM:EX
Cc: Cathro, Mike EM:EX; Houle, Jacques EM:EX; Lane, Bob EM:EX; Lefebure, Dave EM:EX; Schroeter, Tom EM:EX; Smyth, Ron EM:EX; Wojdak, Paul EM:EX
Subject: D.A. Terry Report, April 5, 2002

Regional Geologist Activity:

- Kootenay Exploration Review Presentation to Boundary Mining Association AGM on March 8 in Grand Forks
- Presentation to Chamber of Mines of Eastern BC Banquet on March 16th in Nelson
- Reviewing geology and resource portions of the Crystal Graphite Corp. Mine and Reclamation proposal
- Presentation to College of the Rockies geology class on Exploration and Mining in BC, April 5
- Preparing talk and updating poster for KEG conference in Kamloops

Mineral Exploration Activity:

Fran: Drilling has re-commenced again on Klondike Gold's Fran sedex project northeast of Moyie Lake. This drill hole was started last fall but difficulty in penetrating thick gravel deposits caused the drilling to be halted several times. Bedrock was finally reached at ~700 feet depth and the hole is now at approximately 1500 feet depth and is targeting 2000 feet. In other news Klondike has raised \$420,000 to continue exploration on their properties in the Cranbrook area.

Ice: Skeena Resources Limited has reported that caustic fusion analysis of 143m of split NQ kimberlite core from the drilling carried out on the RAM 6 pipe last fall obtained no microdiamonds. As previously reported Dense Media separation results for the 3.8 tonne bulk sample collected in the fall from the Bonus pipe have been received and no diamonds were recovered in the +0.5mm to 6mm size range. A Caustic Fusion analysis previously performed on a mini-bulk sample from the Bonus Pipe returned 6 microdiamonds. Skeena is currently deciding what further work programs they will carry out on the property. There are a number of significant untested combined geophysical - indicator mineral anomalies within the property and the RAM 5 and Bonus pipes have not been adequately tested.

Kena: Sultan Minerals have almost completed the current 1500m drill program on the Kena Gold project. The recent 11 holes, brings the total number of holes drilled on the Gold Mountain Zone since the project drilling commenced last summer to 40. This program was aimed at following up on the high grade results from last fall in the *Discovery Trench* area. No results have been released from the program yet. Another extensive drilling program is currently being planned for this spring.

Lone Peak: Golconda Resources Ltd. are currently on hole two of their 4 hole program on the Lone Peak Au-Cu-Ag project east of Fort Steele. These holes are testing an area of the Kitchener Fm. Near the Boulder Creek fault on the northeast side of Lone Peak. Previous percussion drilling in the area identified Co-rich pyrite with elevated Ni values. The company plans to drill-test the area with sheeted quartz veins containing visible gold in the Spar Lake quartzite unit, near the top of the Creston Fm. on the south side of Lone Peak, once the snow melts and it is possible to extend an access road to the area.

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From: Lane, Bob EM:EX
Sent: Thursday, March 28, 2002 2:53 PM
To: Beswick, Ed; MacDonald, Ken; McBride, Brian; McGrath, Brian; McIntyre, Ken EM:EX; Morgan, David; Pittman, Ed; Pow, David; Cathro, Mike; Houle, Jacques; Terry, David; Wojdak, Paul; Brown, Derek EM:EX; Lefebure, Dave EM:EX; McArthur, Gib EM:EX; Schroeter, Tom EM:EX; Smyth, Ron EM:EX
Subject: Lane Weekly to Mar. 28/02

Lane Weekly Report to March 28, 2002

Exploration

Fran. Navasota Resources is winding up its second phase of 2002 drilling on the Fran porphyry-related gold-copper prospect north of Fort St. James. A total of 21 holes have been completed on the property since diamond drilling began late last fall. The latest phase of drilling focused on NE-trending mineralized structures that are host to at least two high-grade gold showings. Results will hopefully be available by KEG.

Mosquito Creek Gold. Island Mountain Gold Mines are about to begin their 2002 diamond drilling program on the Mosquito Creek Gold property immediately north of Wells.

Frank Creek and Ace. Barker Minerals announced that a 15-20 hole, 2500 metre diamond drilling campaign will begin in early May on these two VMS properties located south and east, respectively, of Cariboo Lake.

Kaza and Northstar. Frank Callaghan (Northern Hemisphere Development Corporation) has reached into northern BC and optioned the Kaza porphyry copper-gold prospect and the Northstar redbed copper-silver prospect from Everest Mines and Minerals Ltd.

Mining

Kemess Mine. Northgate Exploration has released summary production and reserve data for 2001: metal production totaled 277,106 ounces gold (8,618,830 grams) and 66.304 million pounds (30,075 tonnes) from the milling of 16.334 million tonnes of ore. Totals represent a 51,000 ounce gold increase and a 16 million pound copper increase over year 2000 production levels. Proven reserves as of Dec. 31, 2001 were 132,587,789 tonnes grading 0.704 g/t Au and 0.233% Cu.

Other

Updates to posters and exploration review data for KEG and Calgary MEG meetings.

Assistance is being provided for upcoming prospector training courses in Williams Lake (April 29 - May 5) and Mackenzie (May 30 - June 2).

Bob Lane
Regional Geologist
Prince George

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Schroeter, Tom EM:EX

From: Lane, Bob EM:EX
Sent: Tuesday, February 19, 2002 2:38 PM
To: Beswick, Ed; MacDonald, Ken; McBride, Brian; McGrath, Brian; McIntyre, Ken EM:EX; Morgan, David; Pittman, Ed; Pow, David; Cathro, Mike; Houle, Jacques; Terry, David; Wojdak, Paul; Brown, Derek EM:EX; Lefebure, Dave EM:EX; McArthur, Gib EM:EX; Schroeter, Tom EM:EX; Smyth, Ron EM:EX
Subject: Lane Weekly to Feb. 19/02

Lane Weekly Report to February 19, 2002

Exploration News

Navasota Resources has just completed a 7-hole NQ drilling program on its Fran porphyry-related Au-Cu prospect north of Fort St. James (visited Feb. 15/02). Three holes tested the Roadside showing area and four holes evaluated the Mid-ridge Au-Cu anomaly. Mineralization is related to an Early Jurassic granodiorite-quartz diorite stock that has intruded and thermally altered enclosing U. Triassic Inzana Lake fine-grained volcanic sediments. Disseminated and weak stockworks and veinlets of pyrite-chalcopyrite occur in pyrrhotite-bearing biotite hornfels, brecciated zones of the intrusion and in shears/veins. Assays have not been released; a phase two drill program is pending.

Northgate Exploration intends to conduct a major multi-drill exploration program on the Kemess North porphyry Au-Cu deposit beginning in the late spring (visited Feb 12-13/02). The drilling program will cover a strike length of about 2.5 km, from the West Cirque area to the East Cirque area following a 050-degree trend. Some of the holes will be infill, while others will test peripheral targets including Nugget and Kemess East.

Northgate Exploration and Doublestar Resources announced that they have formed a strategic alliance to develop the Sustut Copper deposit, located 65 km by road south of the Kemess mine. A feasibility study will be undertaken to finalize remaining permitting, mine development, milling transportation and economic issues. Procon Mining and Tunneling would be contracted to develop the site. Weak copper prices may hold this project hostage!

Eastfield is about to begin a 3-4 hole drilling program on the Lower Main zone at its Lorraine Cu-Au property located in the Swannell Ranges northwest of Germansen Landing. This short program will follow up the excellent results from last year.

Redcorp Ventures has staked the Hawk property located 60 km NW of Germansen Landing. The property is underlain by the Duckling Creek syenite complex and is host to both high-grade gold veins and alkalic copper-gold porphyry mineralization. Previous work including diamond drilling, by Amoco and UMEX in the 1970s, focused on the copper-moly potential of the property, but the companies did not assay for gold. Exploration by Cyprus (Gold) Canada and Castleford Resources in the 1990s focused primarily on high-grade gold veins, although copper-gold porphyry potential of the property was also recognized. Surface samples up to 96 g/t Au over 3 metres and drill assays up to 19.9 g/t Au over 1.5 metres were recorded. An exploration program focused on the high-grade gold potential of the property is being planned for this field season.

Bob Carmichael

The Prophet River (MINFILE 094G 017) germanium-gallium-zinc prospect has been acquired by Strategic Metals Ltd. The property lies 55 km west of the Alaska Highway. Mineralization occurs in silicified and/or brecciated Devonian limestone. Strategic intends to aggressively explore the 14-unit property this summer.

Capitol Gold International Wayside Gold Mines has submitted a NoW that outlines a 6,000 metre diamond drilling program on

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From: Lane, Bob EM:EX
Sent: Friday, January 11, 2002 3:57 PM
To: Cathro, Mike; Houle, Jacques; Terry, David; Wojdak, Paul; Beswick, Ed; MacDonald, Ken; McBride, Brian; McGrath, Brian; McIntyre, Ken EM:EX; Morgan, David; Pittman, Ed; Pow, David; Brown, Derek EM:EX; Lefebure, Dave EM:EX; McArthur, Gib EM:EX; Schroeter, Tom EM:EX; Smyth, Ron EM:EX
Subject: Lane Weekly, Northeast-Central Region

Northeast-Central Region
Lane Weekly Report to January 11, 2002

Mining and Exploration News

Willow Creek. Pine Valley Coal Ltd. has begun its second phase of a trial cargo at the Willow Creek thermal/PCI coal project 45 km west of Chetwynd. Plans are to mine 60,000 tonnes within a three month period. North American Construction has been contracted to complete the project. The use of two larger capacity haul trucks (~30 tonne), a small fleet of gravel trucks (~15-16 tonne) and a weigh scale will make for a more efficient hauling program. Logging around the perimeter of the existing pit has also commenced in preparation for future pit expansion. It is very likely that further development will continue after the trial cargo has been completed.

Wolverine (EB North and Perry Creek). Reviewed the Stage 1 project report submitted by Western Canadian Coal Corp. The company is proposing to construct 1.5 - 2.0 million tonne per year metallurgical coal mining operation located very close to existing infrastructure between the Bullmoose and Quintette deposits. Coal from two mines, EB North open pit and the Perry Creek underground, would supply a centrally located washplant. The company is looking at a late-2003 or early-2004 startup.

Kemess. Northgate Exploration Ltd. has successfully raised some \$5M earmarked for exploration on their Kemess mine area mineral tenure. The Kemess North deposit will be the focus of their efforts, but nearby targets including Kemess East and Nuggett will also be examined.

Fran. Navasota Resources Ltd. plans to begin drilling its Fran porphyry copper-gold prospect, north of Fort St. James, immediately following Roundup.

Office Activities (with Ken MacDonald and Brian McGrath)

Mining and Exploration Review' poster for Roundup has been completed.

'Gold-Enriched Porphyry Copper Mineralization in Central Quesnel Terrane' poster for Roundup has been completed.

Mining and Exploration Review article for Roundup is nearing completion

List of 'Properties for Option in NE-C BC' is being developed

Bob Lane
Regional Geologist
Mines Branch, Prince George

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PAGE 8

Schroeter, Tom EM:EX

From: Lane, Bob EM:EX
Sent: Thursday, November 15, 2001 8:20 AM
To: Beswick, Ed; MacDonald, Ken; McBride, Brian; McGrath, Brian; McIntyre, Ken EM:EX; Morgan, David; Pittman, Ed; Pow, David; Cathro, Mike; Houle, Jacques; Terry, David; Wojdak, Paul; Brown, Derek EM:EX; Lefebure, Dave EM:EX; McArthur, Gib EM:EX; Schroeter, Tom EM:EX; Smyth, Ron EM:EX
Subject: Lane Weekly to November 15, 2001

Northeast - Central Region

Northeast-Central Region Exploration Expenditures

Exploration spending in the region will exceed \$6.5M; if several proposed late season projects get underway the total could climb above the \$7M mark.

Property Visits and Exploration Updates

Cariboo Gold Quartz - Bonanza Ledge. International Wayside Gold Mines reports encouraging assays results from holes BC01-15, BC01-17 and BC01-18 drilled on the Bonanza Ledge zone. The intersections extend the strike length of the 'replacement-style' mineralization to over 1000 metres. The three holes were drilled from the same set-up located about 135 metres northwest of the BC Shaft. The highest-grade mineralization encountered was a 13.2 m intersection in hole BC01-15 that averaged 5.97 g/t Au. Drilling of holes BC01-20, 21 on a set-up located 40-50 metres further along strike to the northwest have been completed and drilling is about to begin testing a large chargeability anomaly beneath the Bonanza Ledge zone. An IP survey has begun on the Wells Trend, a possible extension of the Bonanza Ledge zone.

Kemess North. Northgate Exploration Ltd. has released a revised resource estimate for its Kemess North deposit based on data contributed by the 2001 diamond-drilling program. The Inferred Mineral Resource is 442 million tonnes grading 0.4 g/t Au and 0.23% Cu (at a cut-off grade of 0.6 g/t Au equivalent). The most significant intersections from the second phase of drilling include: 111.3 metres grading 0.60 g/t Au and 0.25% Cu in hole KN-01-12 and 210.9 metres grading 0.49 g/t Au and 0.30% Cu in hole KN-01-13. The second phase of 2001 drilling also confirmed the existence of a north-trending fault (East Creek fault) that truncates the Kemess North system to the east. The offset portion of Kemess North may be the Kemess East anomaly, located 600 metres to the SE. An expanded drill program is planned for 2002.

Hixon Creek Placer. Visited November 4 with Brian McGrath. Operator LeWayne Musselwhite continuing to work on placer gold channel near former Quesnel Quartz gold mine (bedrock). Mapped face on either side of portal and sampled vein material.

Fran. Visited November 9 with Dave Pow in snowy conditions. Lorne Warner, president of Navasota Resources Ltd., is the project geologist and was on site. A Longyear '38' was about ready to begin drilling hole #5 of the program. The Fran property is located 70 km northeast of Fort St. James. Underlying rocks are fine-grained volcanic sediments and cherty argillites of the Triassic Takla Group (Inzana Lake succession) and granodiorite of the Early Jurassic Kalder pluton. Richard Haslinger discovered several zones of encouraging gold mineralization in the area in 1997. Drilling is taking place between the 'Upper' and 'Lower' showings within a 1500 metre NW-trending gold geochem anomaly. Grab samples from the Lower showing graded more than 40 g/t Au. Mineralization occurs in both the intrusive and hornfelsed sedimentary rock. It consists of polymetallic quartz veins and sulphide stockwork zones. Assays are not yet available.

Other Activities

PA Program: Gordon Richards - phone conversation on Nov. 6 reviewing his program; Rudy Durfeld - review of program, including geochem sampling, on Nov. 13.

Continuing to compile data for year-end annual MEM Mineral Exploration Review document and Mining and Exploration Review presentation in Victoria.

Prepared brief outline, with Brian McGrath, of mineral potential in area of proposed Westcoast Energy Inc pipeline corridor that

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From: Lane, Bob EM:EX
Sent: Friday, October 19, 2001 4:35 PM
To: Cathro, Mike; Houle, Jacques; Terry, David; Wojdak, Paul; EM MB Prince George DL; Brown, Derek EM:EX; Lefebure, Dave EM:EX; McArthur, Gib EM:EX; Schroeter, Tom EM:EX; Smyth, Ron EM:EX
Subject: Lane Weekly to October 19, 2001

Lane Weekly to October 19, 2001

Property Visits:

Kemess North. Kemess Mine Ltd. is presently drilling the last hole of this years diamond drill program on its ~~Kemess North~~ porphyry Au-Cu deposit, located just 6 km north of the Kemess South pit. Assay results from the first ten holes, released in mid-September, will lead to a significant increase in the resource for the deposit, and resulted in the drilling of an additional six holes. Each of these holes targeted the projection of the zone to the east in the East Cirque area. The geometry of the deposit is not fully understood. However, a flat or gently-dipping component is recognized.

The core of the Kemess North deposit is characterized by intense silicification within which well-developed magnetite-pyrite-chalcopyrite stockworks, dilational or 'crackle' breccias and true breccias occur. The silica-flooded zones carry the highest grades of copper and gold mineralization encountered to date. They (mainly) occur within a monzonite/monzodiorite/quartz monzodiorite sill-like intrusion and/or on contacts between the intrusions and enclosing intermediate to mafic flows (although the protolith is difficult to impossible to determine in many instances). The quartz-rich core grades outward to a silica-sericite zone, a hybrid silica-potassic zone (biotite >> K-feldspar) and then more distal argillic and propylitic zones.

By the end of the program, 16 holes, most of them vertical, totaling about 8200 metres will have been drilled. An expanded exploration program is anticipated for 2002.

Exploration Monitoring:

Frank Creek and SCR. Barker Minerals Ltd. plans to initiate a trenching and diamond drilling program in early-mid November immediately after the company has been listed. It will focus on volcanogenic massive sulphide (VMS) targets the broad Frank Creek property immediately south of Cariboo Lake. Small programs are planned for the Ace VMS prospect and a stable of properties that comprise the company's Quesnel Platinum Project.

Woodjam. Fjordland Minerals Ltd. has outlined two large chargeability anomalies on its Woodjam gold-copper porphyry prospect located near Horsefly. The company has submitted a NoW outlining a 5-hole, 1500-metre diamond drilling program.

Fran. Navasota Resources Ltd. will be mobbing a diamond drill onto its Fran property, located near Inzana Lake north of Ft. St. James, early next week. The maximum 10-hole, 3000 metre drilling program is designed to test for gold-bearing porphyry mineralization related to sulphide-rich shear/veins that were discovered by Richard Haslinger a four years ago. A visit to the property is planned for late October/early November.

Lottie Lake. Eureka Resources Inc. conducted limited geochemical and geophysical surveys on its Lottie Lake property, north of Wells in the Cariboo, and delineated two strong east-trending conductive zones, 300 metres and 400 metres in length, south of the main high-grade float area. The company completed 2 short holes to test