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— Kamlop

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From: Cathro, Mike EM:EX
Sent: Friday, August 30, 2002 4:18 PM
To: Adams, Rick EM:EX
Cc: Britton, Jim; Brown, Derek; Grant, Brian EM:EX; Lefebure, Dave; Logan, Jim EM:EX; Ludwig, Allan; Madu, Bruce; McArthur, Gib; Schroeter, Tom; Simandl, George EM:EX; Smith, Don; David Terry; Houle, Jacques; Lane, Bob; Wojdak, Paul
Subject: Cathro Weekly to 8/30/02

Similar

HIGHLIGHTS

Basin (Tulameen) Coal Property (Compliance Energy Corp.) - Meeting today to approve the merger between Compliance Coal Corp. and Beanstalk Capital. Both companies are controlled by Jim O'Rourke and associates. This would be the "qualifying transaction" for Beanstalk, effecting a reverse takeover and TSX Venture exchange listing for Compliance Coal, creating a new company to be called Compliance Energy Corp. The company is apparently now arranging purchase of the entire Similco copper mine property, not including the real estate holdings and major mining equipment (Imperial Metals has also announced that they have sold the Similco property to an unnamed buyer for \$450 K). In addition, Compliance has been discussing trucking contracts to transport raw coal from the Basin site to the proposed wash plant location at the former Similco truck shop. Mining expected this fall.

Highland Valley Copper - The EAO announced approval of the Basal Aquifer Dewatering Project. This involves removing groundwater to stabilize the Valley pit slopes. Without this approval, the mine would be forced to shut in 2005 rather than 2009.

Elk-Siwash North (Almaden Minerals) - released results for first 16 holes (2600 m) of a 4500 m planned program on this gold vein deposit east of Aspen Grove. Drilling is targeting the WD vein, Bullion Creek structure, Gold Creek West vein and the DeepB shoot on the Siwash B vein, the latter directly beneath the existing Siwash North mine workings. Most of the holes intersected narrow, moderate- to high-grade vein intersections similar to previous results. The best (and deepest) hole on the WD vein cut an encouraging 19.23 g/t Au over 2.15 m. Drilling continues.

OTHER EXPLORATION AND MINING NEWS

Blackdome (J-Pacific Gold Inc.) - \$520K in financing arranged. The company also announced staking of 283 claims south of the mine, extending all the way to Red and French Mountains.

Rainbow & Gold (Doublestar Resources) - Notice of work filed for 5 holes (\$25,000 program) on this recently acquired gold property near Okanagan Falls. Murray Morrison is the vendor and project manager. Recent work has located a 200 by 400 m zone of silicified breccia with assays ranging from 430 to 5380 ppb Au.

Sadim (Toby Ventures) - released results for drilling on the Sadim gold vein and Rum copper-gold porphyry targets near Aspen Grove. Results were poor with the best intersection being 15 cm grading 48 g/t Au.

Afton Rainbow (Abacus Mining) - announced a financing of \$480K (at \$0.012) which replaces an earlier announced financing for \$540K (at \$0.18). Another sign that raising funds is becoming more difficult for junior companies.

Afton Mine (DRC Resources) - No news on the ongoing \$1.1 m 2002 drilling program or the rumoured autumn underground project. The last release with drill results was on June 6th. DRC recently raised \$2.1 million and says it now has about \$5 m in the bank. They are also spending about \$1m this year buying back their own stock, which seems a bit strange....

Christmas Lake (Nustar Resources) - released middling gold results from chip sampling of this skarn prospect located near Canim Lake.

Mike

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