

INTEROFFICE MEMORANDUM

TGS → RG
-Cranbrook

Greenland Cr.
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Created: 16-Jan-1998 07:38am PST
Sent: 16-Jan-1998 09:15am PST
From: Paul Wilton of EI
PWILTON
Title.
Dept: Employment & Investment
Tel No: 426-1658

TO: See Below

Subject: Weekly Report - January 16th/98`

Silvana

Ed Taje reported on Monday that Treminco Resources would be stopping all work at the Silvana mine at Sandon and laying off most of the workers on Tuesday. A small exploration drilling program (6 holes, 590m, \$100,000) back in October was totally unsuccessful in adding to the mineral inventory at the Silvana deposit. Over the past half year or so, the company has been high-grading ore from the Silvana and Hinckley deposits, milling it, and shipping the con to Trail. At the end of October, Locke Goldsmith told me that the remaining reserves at the Silvana totalled about 60,000 tonnes but were split among a number of widely-spaced blocks. He felt there was still more exploration that could be done on the main lode between the Silvana and Coronation zones but it would require expensive u/g rehabilitation to access. (R.I.P.?)

Wildrose

Don Rippon (First Gold Resources Corp.) has notified Steve that they have raised some money and plan to continue with the exploration adit started in '96 at the Wildrose gold property (former producer) a few kms WSW of Greenwood. No indication of how soon they'll start but Steve has approved work on existing permit.

Camp McKinney

Contrary to my report last week, Big Blackfoot Resources has not yet begun drilling on the Caramelia (Camp McKinney) property but are expected to start before the end of the month.

- Forgot to mention earlier that Linda Caron sent a Christmas card along with a new business card. She is no longer associated with Kettle River Resources but is available for contract or consulting work, and can be contacted at her home near Rock Creek [(250)446-2487}. After she finished assisting Echo Bay with the work on KRR's properties, she apparently carried out some surface surveys for Don Rippon on another of his properties near Grand Forks. If anyone is looking for a good, experienced young geologist/project mgr. person, particularly in the south-central interior, Linda should be considered. She's highly computer and GPS literate and was always one of our most responsible clients when running projects for KRR.

Greenland Cr.

Tim Termuende has already submitted a NoW for work this season at his new Sullivan-style sedex ms discovery on Greenland Creek. The program includes geochem/geofizz and mapping, a tentative 1500m of NQ drilling, and 7 km of road up Greenland Creek from Skookumchuck Creek. The early submission clearly is an attempt to test reaction to the road proposal. In his favour, apparently, is the fact that the road fits well with future access plans of Crestbrook F.P.

Duncan

Recent discussions with Ken Pride and Dave Moore of Cominco have indicated that Cominco is feeling a severe financial pinch right now, due mainly to the Asian crisis, and the future of all of their exploration work including Duncan is a bit uncertain at this time. Cominco is due to

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

TGS → Greenland
C.K.

Created: 14-Nov-1997 08:56am PST
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From: Paul Wilton of EI
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Dept: Employment & Investment
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TO: See Below

Subject: Weekly Report - Nov.14/97

Visited by TGS + PW - Aug. 8/98

- Yesterday Dennis and I made a helicopter visit with Tim Termuende (Miner River/Eagle Plains) to his new massive sulphide discovery on Greenland Creek where the drilling had concluded the day before (2000' in 7 holes - \$100,000). The "discovery" actually consists of a fresh interpretation of an old, obscure Minfile occurrence (MC - 82°NE107). The showing is a sulphide breccia with scattered, rounded quartz fragments in a massive pyrrhotite matrix with broad, subtle sphalerite/galena bands. The texture resembles a "durchbewegung texture" found in the massive portion of the Sullivan orebody. The zone appears to be stratabound within thin-bedded siltstones of the Lower Aldridge Fm. True thickness is about 0.5 metres and it has been exposed for about 5 metres laterally. Five grab samples have been as

sayed and all were Ag/Pb/Zn rich. The richest ran 130.0 g/t Ag, 9.17% Pb, 6.27% Zn. Short holes in the immediate vicinity of the zone showed it to be narrowing quickly but a longer hole intersected two thin sphalerite/galena layers which appear to be more than 100 metres down-dip from the showing. The core has been moved to Fort Steele and will be logged over the next week. The showing, which may ultimately turn out to be just a "smoke signal", is definitely among the best massive sulphide showings in the Aldridge. The strongest conductor on the entire Findlay block in the recent airborne survey sits less than a kilometre from the showing and an RGS sample strongly anomalous in several metals was collected downstream from the showing on the main trunk of Greenland Creek. The whole upper basin of Greenland Creek looks very promising and Tim has it all staked. Definitely a project to watch in '98!

- As Jim has pointed out elsewhere, Cominco is pulling out all the stops in the Kootenay Arc. It has done MAJOR new staking in the last few weeks around its Duncan mine and southward through the the Arc to at least Sheep Creek. Also, as most of you are already aware, Cominco is mobilizing to drill another deep hole to further investigate the "missing piece" of the Sullivan on Mark Creek. Mother Cominco has suddenly become very frisky in her old age. What's this about majors not wanting to work in BC?

- Ruth Carter (McMahon Resources) called yesterday to report that they have intersected a sulphide-rich (hopefully Au-rich) quartz vein 150' thick(!) in the first hole of a new drilling program on the west side of Fortynine Creek near Blewett. I'm from Missouri on this one.

- Also in the Nelson camp, Saturday PM I visited the drilling project of Geo Resources on the White/MRS claims. The current work is testing the presumed northward extension of the Au/Ag-bearing structures at the former Eureka mine. Earlier soil sampling identified a very strong Cu/Ag anomaly coinciding with the presumed trend. One soil sample returned an incredible 15,303 ppm Cu and 46.7 ppm Ag! (historical contamination perhaps? - John Knox believes not). They were just getting started with the second hole when I arrived and had not logged or sampled the first hole. The funds

TBS → Reg. Mg
- Cranbrook

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

Created: 17-Oct-1997 02:43pm PDT
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From: Andrew Whale of EI
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TO: See Below

Subject: Kootenay Review October 17,97

ISSUES/NEWS

* Interesting developments in the Lower Cummins saga. Following technical committee meetings, a MoF and 2 MELP boundary options were considered at the last MEI meeting. In reaction to these Whale proposed a MEI option which had almost minimal impact on mineral claims [some of the MELP options included claims and part of the core of the mineral deposit]. In spite of pressure to drop the MEI proposal [which was inflammatory!!], we stuck with it and prepared maps, photographs etc for next IAMC meeting. MELP options moved away from the core of the deposit. At Oct 16 IAMC, attended by Dave, MoF dropped their proposal and supported MEI's. Consequently the middle ground [probable decision option] has moved back. Well done Dave.

* Premier Clark, cabinet and caucus held meeting in Cranbrook and visited Fording River. At a reception in Fernie later [attended by ADM and Whale], Premier was obviously impressed by large mining equipment and gave positive speech.

* Mine managers meeting in Kimberley on Oct 16 attended by ADM and RM. Concerns with land use plans and special management zones.

* Steelworkers at Elkview voting on a new 3 year contract offer this week.

Greenland
(K)

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* More massive sulphides in the Kootenay. Following Sedex's news release regarding mineralisation at their Panda hole in the upper Moyie, Tim Termunde has discovered massive sulphides on Greenland Creek. Paul awaits assays with interest.

* Cominco report "encouraging" results with drilling at Duncan lake [known deposit of 11 million tons of 8% combined Pb&Zn]

OTHER

* RGs had successful meeting and tours in the Kootenay last week, well done Paul.

VCS → Regional
Managers
- Cranbrook

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

Created: 06-Sep-1996 03:31pm PDT
Sent: 06-Sep-1996 04:12pm PDT
From: Andrew Whale of EI
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TO: See Below

Subject: Kootenay Review - Sept 6, 96

ISSUES/NEWS

* Encouraging news of a new showing on the Greenland property in the Findlay Creek survey block. Apparently good "Sullivan smoke" coincident with EM and mag anomalies.

* Reports of intersection of kimberlite pipes during road construction at the at the Ice property near Elkford .

* Disappointing results from a 2400' hole on the Horn property which intersected a thick, previously unknown graphite fault zone.

* Fording River continue to upgrade their coal process plant. This year they will process and sell 7.5 million tons of clean coal, next year target is 8 million. Not bad for a plant which had a capacity of 5 million in the late 80's and even less in the early 80s.

* Good news on the land use front. MELP have "bent over backwards" in their effort to "get Mines on board" and agreed to exempt mines from road density limits in their conservation guidelines for the land use plan. Well done Dave Grieve.

* BC Lands staff have acknowledged flaws in their Commercial Backcountry Recreation tenure process where the proponent is directed to advertise his project before stakeholders [other ministries and mineral claim holders] are advised of the proposal. MEI staff feel the heat from claim owners in the area of a surprise cat skiing proposal south of Nelson

* The East Kootenay Chamber of Mines have cancelled their proposed geoscience forum planned for Cranbrook in early October. There seems to be little sign of their industrial minerals course, however, the Chamber of Mines of Eastern BC's industrial mineral course seems to be on track with 16 registered to date.

* Road maintenance and camp construction underway at Tillicum mountain.

INTEROFFICE MEMORANDUM

VBS → RC
-Crambe

Created: 03-Jul-1998 09:56am PDT
Sent: 03-Jul-1998 12:42pm PDT
From: Paul Wilton of EI
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TO: See Below

Subject: Weekly Report - July 3rd/98

ISSUE: - Steve Coombes, regional manager for Kennecott, has expressed concern about frequent inspections of his exploration camp on Doctor Creek (Findlay project) by a MoE conservation officer from Invermere. This conspicuously armed individual shows up unannounced during the day when only the cook is present, inspects the facilities, and issues reports/orders to the cook. At no time has he attempted to contact Steve or anyone else in a position of authority for Kennecott.

This is similar to a couple of complaints we've had from other project people about independent camp and work site inspections by MoF staff. With the Ministry regularly tooting its horn about a commitment to "one-window" permitting with the new Minex code, I guess I have naively assumed that "one-window", or at least joint, inspections would be a logical next step. The clients I've spoken to who have had these experiences are not amused by what they see as harassment by over-paid (those uniforms and guns I guess give an impression of wealth) and under-worked civil servants.

Exploration News: - Kennecott's crew at Findlay Creek is forging ahead with mapping, geophys. & geochem. on the large block of claims optioned from Miner River Res./Eagle Plains Res. Drilling will follow when targets are clearly defined. Steve has a budget of \$1 million for work on the Purcell projects this year; at least half will be spent at Findlay and the remainder on the Irishman project due to start in August.

- By next week sometime I hope to find out from Hastings Management whether they (Sedex and Abitibi) will have succeeded in raising any funds for work on the their major holdings in the Purcells. A 4-day "show & tell" last week they staged for stockbrokers & potential investors was seen as a last gasp attempt to raise some money. I estimate that the total cost to complete all of the drilling for which they have already submitted NoW's would be about \$4.8 million! None of this proposed work is on moose pasture - every target is well supported by geological and geophysical indications put together from last year's program.

- Miner River/Eagle Plains is due to mobilize a crew to Greenland Creek next week for mapping and geophys./geochem. Tim Termuende is still having little success in raising enough money to further drill the sulphide discovery made there last year. (Karen Campbell's son Jesse is on the field crew going in next week so this is one project we will probably get regular updates on).

- Consolidated Gold City Mining has sold 100% of its interest in the Caramelia gold project at Camp McKinney to Big Blackfoot Res., the current project operator, for \$200,000 and a 2% NSR. Tom Schroeter reported that Big Blackfoot has raised \$327,000 toward the \$750,000 drill program proposed after it completed the small program earlier in the year (which really got boo-all in the way of gold assays - ed comment)