

Schroeter, Tom EM:EX

From: Terry, David EM:EX
Sent: Friday, September 19, 2003 3:16 PM
To: Anderson, Duane EM:EX; Berdusco, Ricci EM:EX; Carter, Michael EM:EX; Cathro, Mike EM:EX; Errington, John EM:EX; Grant, Brian EM:EX; Hermann, Fred EM:EX; Jones, Larry EM:EX; Lane, Bob EM:EX; Lefebure, Dave EM:EX; Lewis, Jim E EM:EX; Marshall, James EM:EX; McArthur, Gib EM:EX; McKillop, Greg EM:EX; Ryan, Barry EM:EX; Schroeter, Tom EM:EX; Simandl, George EM:EX; Wojdak, Paul EM:EX; Wuschke, Steven EM:EX
Subject: D.A. Terry Report, Friday September 19, 2003

Kootenay Mineral Exploration Activity Update:

- Exp'n
- Coal drilling and exploration expenditures are forecast to be significantly down from last years figure in the Elk Valley. The 2002 estimate is \$1.2M (compared to \$2.84M in 2002 and \$4.83M in 2001). The coal geologists cite the merger and formation of the Fording Canadian Coal Trust as the reason behind the significant decrease in drilling budgets and they are hopeful this trend will be reversed next year. JM exploration expenditures will be down as well but metal exploration expenditures are forecast to increase significantly again (at present up about 56% to \$4.7M). At present total Exploration Expenditures for the Kootenays are estimated to be \$6.0M - \$6.5M - down slightly from \$7.08 in 2002.
 - Klondike Gold Corp. now has two drills going in the Panda-Payday basin area southwest of Cranbrook. One is continuing to deepen the hole at the north end of the basin, to the east of SMC95-1, halted due to the forest fire situation in mid-August. The other is a new hole in the southern part of the basin in the Irishman Creek area. The Fran hole passed through the LMC this time - no results are available yet.
 - Chapeau Resources Ltd. have resumed drilling on the Zinger property, at the headwaters of Perry Creek, in the Heart Lake area, and are constructing a road to reach the ridge in the Gold Run Lakes area on the southern part of the property. Drilling is also planned on the Jackleg property east of Wasa.
 - After raising more than \$2M, Gold City Industries Ltd. are mobilizing in the Greenwood Camp and plan to complete 3-4 holes on the Lexington property to tighten up the resource model, as well as to collect samples for metallurgical/environmental purposes. The Grenoble/Main Zone on the property has a reported mineral resource of 94 923 tons grading 0.297 oz/ton (10.2 g/t) Au and 1.49% Cu. After completing this they will move to the Winnipeg-Golden Crown property where they will drill 30-40 short holes to expand near-surface and along strike resources. In 1990 a study of the property indicated the presence of a mineral resource of 37 100 tons grading 0.999 oz/ton (31.07 g/t) Au (uncut) or 0.536 oz/ton (16.67 g/t) Au(cut) and 1.12% Cu. At the same time a trenching program will be carried out on adjoining properties (JD etc.)
 - Mosquito Consolidated Gold Mines Ltd. has received an option payment of \$450K from IWA which they state will be used in part to fund exploration on their Tillicum Gold project southeast of Nakusp.
 - Tuxedo Resources Ltd. are planning on a drill program on their Franklin Camp property to follow up on results of the trenching program carried out earlier this summer. No results have been released to date on this. Apparently the company has had some trouble getting diamond drillers.
 - Jasper Mining Corporation has released results from its drill program on the Vowell Creek project southwest of Golden. To date 2900m in 17 holes have been completed. The main purpose of the program is to test for extensions to the vein and replacement type mineralization at the past-producing Ruth Vermont Mine on the north side of Vermont Creek. A number of polymetallic intersections are reported in the News Release. An example of one of the better intercepts is from Hole 3/Interval#8 which assayed 1.49 g/t Au, 0.21% Cu, 2.62% Pb, 3.21% Zn, and 275.5 g/t Au over 5.41m. Drilling has just resumed with between 5 and 10 more holes planned.
 - Sedex Mining Corp. is commencing a trenching program on its MW property southeast of Kimberley to follow up on a number of rock geochem and geophysical targets. The property exhibits little bedrock exposure however widespread anomalous gold values, associated with limonitic alteration and elevated BM, have been attained from prospecting samples in a 3km by 2km area. The property is structurally complex and lies just to the west of the Cretaceous Reade Lake Stock, a prominent aeromagnetic anomaly. Quartz veins on the property have assayed up to 10 g/t Au and several ounces silver.
 - Sultan Minerals Inc. has reported on the results from the trenching program carried out earlier in the summer on their Kena Gold project near Nelson. While most of the trenches returned sub-economic gold values, a chip sample from trench 03TR-7 assayed 35.26 g/t over 4m (including an interval assaying 66.83 g/t Au over 2m) The company plans to carry out further mapping to constrain structural controls on gold mineralization followed by a diamond drill program.
 - A JCP company has completed 217m of drilling in 12 holes on the Lapin Barite project south of Bridesville. The widest intercept was 10m of barite (average of 5-6m). Further drilling and bulk sampling is planned for later in the year.

David Terry

Schroeter, Tom EM:EX

VOS → Greenwood
- Gold City

From: Pardy, Jamie EM:EX
Sent: Wednesday, June 25, 2003 2:30 PM
To: Ostle, Bob EM:EX
Cc: Schroeter, Tom EM:EX
Subject: Greenwood Gold Project

Bob,

Gold City Industries optioned Greenwood area properties in 2002 that include the **Lexington-Lonestar** property and occurrences (2 past producing polymetallic mines and known gold resources <not reserves>), the **Winnipeg-Golden Crown** property (a past producing mine and known gold resources), and the **Roberts Mill** which needs rehabilitation before it can be used for planned bulk testing.

The area has good potential to identify additional gold resources and reserves. As of June 20, 2003 the company has submitted a *Mines Act* application for a 10,000 tonne bulk sample (this is considered to be exploration work rather than production or mining). There appears to be a regulatory wrinkle with respect to the company's scheduled fall 2003 start of production (noted on its website) - the Greenwood Project is not yet in the Project Registry of the EAO - it is hardly likely that any company will be mining this fall without being in the EA process at this time. If the company has yet to contact the EAO regarding the EA process, it is highly advisable for them to do so.

The company announced earlier this year that they were pursuing a \$6 million financing in the UK for the project - this has yet to materialize, however Gold City completed a CDN \$215,000 private placement in March of this year with proceeds to be spent on the Greenwood Project.

Tom may want to comment.

Jamie Pardy, P.Geo.
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Schroeter, Tom EM:EX

TGS → RG
- Cranbrook

From: Terry, David EM:EX
Sent: Friday, June 20, 2003 10:19 AM
To: Anderson, Duane EM:EX; Berdusco, Ricci EM:EX; Carter, Michael EM:EX; Cathro, Mike EM:EX; Errington, John EM:EX; Grant, Brian EM:EX; Hermann, Fred EM:EX; Jones, Larry EM:EX; Lane, Bob EM:EX; Lefebure, Dave EM:EX; Lewis, Jim E EM:EX; Marshall, James EM:EX; McArthur, Gib EM:EX; McKillop, Greg EM:EX; Ryan, Barry EM:EX; Schroeter, Tom EM:EX; Simandl, George EM:EX; Wojdak, Paul EM:EX; Wuschke, Steven EM:EX
Subject: D.A. Terry Report, June 20th, 2003

RG Activity:

Golden Egg

- Exploration tracking and monitoring
- Inquires from several companies looking for gold properties
- Presentation on Exploration and Mining in the Kootenays to the 12th Annual Sparwood Coal Symposium on the evening of Friday June 11th. Good attendance (~40) with lots of CBM and coal people from Calgary attending
- Visited Prices Pit property, located near confluence of Sawmill Creek and Perry Creek, where Klondike Gold is carrying out a drill program to test high grade gold bearing quartz vein exposed on surface adjacent to some historical workings. Hole 1 was near completion at the time of my visit on June 13th. As of today (June 20th) the program has been completed. I will be looking at the core within the next several days.
- Visited Kootenay Gold Corporation prospecting crew in the Nancey Greene Lake area and Blueberry Paulson Summit area where they are continuing to identify promising looking new showings in Nelson and Coryell intrusives in areas which have seen little recent exploration.
- Presented Exploration and Mining in the Kootenays talk to the Boundary Mining Association in Grand Forks on the evening of Friday June 13th. Visited the Greenwood Mining Camp the following day (Saturday) with members of the BMA and a group who had recently taken the prospectors course. Properties visited included the historic Phoenix mine, Sylvester K, and the Athelstan-Jackpot property, site of a recent trenching program.
- Working on two extended proposals for Rocks to Riches program.

Mineral Exploration Activity:

- Goldrea Resources had a two person prospecting crew in at the Crowsnest property for approximately 1 week trying to further pin down the distribution and narrow in on the source of the high grade float boulders which occur in a southeasterly trending train within a large area of anomalous soil geochemistry.
- Sultan Minerals has announced that Kinross Gold Corporation have terminated their option agreement with Sultan on the Kena property. Sultan have said they intend to move forward with a mapping and trenching program along the high grade magnetic corridor recently identified on the property.
- Chapleau Resources have commenced drilling on the Zinger property in the Hart Lake area near the headwaters of the Perry Creek (historical placer creek). They have halted drilling on the Lookout (Bar 19) property subsequent to hole 11 to allow for geological mapping to be completed and to compile results to date. The last two holes reportedly intersected some interesting mineralization.
- Jasper Mining Corporation have commenced drilling on their Vowell Creek property which includes the past producing Ruth Vermont Mine. Initial drilling will test for extensions of the polymetallic vein ore mined at Ruth Vermont. A minimum of ~2500m of drilling is expected to be carried out.
- Gold City Industries have submitted an application to collect a 10,000 tonne bulk sample from the Lexington property in the Greenwood Camp. They intend to test this bulk sample using the Roberts Mill, located several kilometres south of Greenwood, which they also own. Greenwood (GC)
- Klondike Gold will be commencing drill testing of the Thea 17 gold property in the Panda Payday basin southwest of Cranbrook by month-end. Trenches in 2002 uncovered a silicified shear zone in Middle Aldridge clastic rocks which extended for ~250m (open in all directions). The best assay results were 14.5 g/t Au over 4m. Related company Sedex has completed Mag/VLF and soil sampling over a portion of its MW property west of the Reade Lake stock and is planning on a follow-up trenching program on the property.

David Terry

David A. Terry, Ph.D., P.Geo.
Regional Geologist, Kootenay Region
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VOS → RG
Cranbro

Schroeter, Tom EM:EX

From: Terry, David EM:EX
Sent: Thursday, May 08, 2003 3:41 PM
To: Berdusco, Ricci EM:EX; Carter, Michael EM:EX; Cathro, Mike EM:EX; Errington, John EM:EX; Grant, Brian EM:EX; Hermann, Fred EM:EX; Jones, Larry EM:EX; Lane, Bob EM:EX; Lefebure, Dave EM:EX; Marshall, James EM:EX; McArthur, Gib EM:EX; Ryan, Barry EM:EX; Schroeter, Tom EM:EX; Simandl, George EM:EX; Wojdak, Paul EM:EX; Wuschke, Steven EM:EX
Subject: D.Terry Report, May 9, 2003

RG Activity:

- The "**Golden Opportunities in Southern BC**" symposium held in Cranbrook May 2-4th was a big success. There were over 90 attendees comprised of East and West Kootenay locals as well as delegates from Vancouver, Kamloops, Calgary, Spokane, and even Denver. A list of speakers is included below for your information. The field trip run on the Sunday had about 20 people looking at core from Chappleau's Lookout drilling at the Vine property and 11 made the trek up Lookout Mountain to look at the trenches in the snow.
- Responding to requests from MLAs on mining/exploration info
- Responding to inquiries regarding gold properties in Region
- Exploration tracking /monitoring - From the somewhat limited info I have to date there should be more than \$5 million spent on metal exploration alone in the Kootenay Region. No info on coal yet - will get this in June at time of Sparwood coal symposium
- Continuing new office setup issues - computer linespeed is SLOW - should be fixed in next week or so
- Visit to Sedex Mining's MW property where prospecting has discovered a number of new gold showings in an area with little exposure

Exploration and Mining News:

- Chappleau has recommenced their drilling program on the Lookout Zone (Bar 19 Property) west of Cranbrook. They are now on hole 10 of the program. Despite the fact that coarse gold has been identified through check sampling and metallic screen fire assaying of two sample size fractions, significant gold values have been attained in a number of the holes released to date. Ongoing drilling and geological mapping is beginning to unravel structural complications and it is now evident that the important syenite body below the Lookout Gold Zone is much larger than previously thought and the north edge of it - which is the most mineralized in the surface trenches - has yet to be tested below a flat fault at depth.
- Chappleau are planning a significant trenching and drilling program on the Zinger property near the headwaters of Perry Creek, a significant placer creek, as well as a trenching program on the Jackleg property. Chappleau have indicated that they intend on spending \$2-\$3 million on their Cranbrook Gold Project this summer, which includes the Lookout Zone. They now have about 500 square kilometres of tenure in the Cranbrook area.
- Klondike Gold/Sedex are planning on commencing their exploration in the Cranbrook area either later in May or in early June. They intend on starting off with exploration on their gold properties, including MW (soils, VLF, mapping, trenching), St. Joe (East along strike from Chappleau's Lookout Zone), Thea 17 (drilling), and Prices Pit (drilling) and Quartz Mountain. They have ~\$400K at present and are raising more. They will continue with their sedex exploration program later in the season.
- Sultan have indicated that they are planning a Phase 1 program of \$1.12M for Kena to start later this spring, and a total of \$3M subject to results of Phase 1. Work will be carried out on a number of zones on the property including the newly identified "High Grade Magnetic Corridor"
- Gold City Industries is going to be commencing work on their -Greenwood Gold Project imminently. The work will involve drilling to expand/confirm resources on the Winnipeg-Golden-Crown properties, trenching to obtain metallurgical samples, dewatering of the Lexington decline, and making modifications to the Roberts Mill south of Greenwood.
- Tuxedo Resources is commencing a surface program on their Franklin Camp Au project north of Grand Forks.
- Kingsman Resources have optioned the Snowshoe Property in the Greenwood Camp from John Kemp and three others. The property covers part of the past-producing Skylark Mine.
- Jasper Mining Corporation is planning a 2500m-10 000m drill program on their Vowell Creek polymetallic property and will spend approximately \$800K this year
- First Cypress Technologies have optioned the Eddie Au property at the headwaters of Weaver creek (another placer creek which is a tributary to the Moyie River) and are planning a work program this summer.

new

Schroeter, Tom EM:EX

*VFS → Greenwood
Camp*

From: Schroeter, Tom EM:EX
Sent: Monday, February 03, 2003 11:47 AM
To: XT:Chapman, John Leader Mining International Inc EAO:IN
Subject: RE: Gold City Arranges \$C6Million Production Financing for Greenwood Gold Project

Thanks very much, John - Great news! Missed you at the Roundup last week. Great event!

Tom
Tom Schroeter, P.Eng./P.Geo.
Senior Regional Geologist
Resource Development Division
Ministry of Energy and Mines

Direct Telephone 604 660-2812
Messages & Enquiries 604 660-2708
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Autotel 604 662-9091

-----Original Message-----

From: John A. Chapman [mailto:jacms1@sprynet.com]
Sent: Monday, February 03, 2003 11:38 AM
To: Winnie Wong; Mark Brown; Gerald Carlson; Ron Coombes
Subject: FW: Gold City Arranges \$C6Million Production Financing for Greenwood Gold Project

-----Original Message-----

From: Sandy Sveinson [mailto:info@gold-city.net]
Sent: February 3, 2003 10:48 AM
To: sandy sveinson
Subject: Gold City Arranges \$C6Million Production Financing for Greenwood Gold Project

Gold City Industries Ltd.
550- 580 Hornby Street, Vancouver, BC V6C 3B6
Phone: (604) 682-7677 Fax: (604) 642-6577
Email: info@gold-city.net Website: www.gold-city.net

NEWS RELEASE
03-02

February 3, 2003 TSX Venture: GC

Gold City Arranges £2,400,000 (Cdn\$6,000,000) Production Financing
for the Greenwood Gold Project

Fred Sveinson, President, is pleased to announce that the Company has entered into a £2,400,000 (Cdn\$6,000,000) investment agreement with Ocean Resources Capital Holdings Plc. ("ORCH"). Pursuant to the agreement, ORCH will issue to the Company a total of 4,800,000 units in the capital of ORCH (the "Units") at the deemed price of £0.50 per Unit (each Unit consisting of one share and one warrant); and the Company will in return issue to ORCH a secured loan note (the "Note") in the principal amount of £2,400,000.

ORCH is a London, UK based company, which is arranging up to £50,000,000 of similar loan financings to junior mining and oil and gas companies around the world, that are in or near commercial production. ORCH will be making application for admission to trade on the Alternative Investment Market ("AIM") of the London Stock Exchange. Following its admission, ORCH has agreed to assist the Company in reselling the ORCH Units held by the Company, to third party purchasers, such that the Company will then receive funds for its use in advancing its business operations.

The Note issued by the Company will be for a term of 3 years, and will bear interest at the rate of 12% per annum. The Company has agreed to set aside from the proceeds realized from the sale of ORCH Units, an amount sufficient to pay the first two years' interest. The Note is repayable at any time by the Company delivering to ORCH, gold bullion at the fixed price of US\$315 per ounce or cash equivalent at ORCH's discretion.

In addition, the Company has agreed to issue to ORCH share purchase warrants entitling ORCH to acquire up to 5,500,000 common shares of the Company at \$0.30 per share in the first year and \$0.35 per share in the second year.

The investment agreement was facilitated by Wellstar Capital Ltd. ("Wellstar"), a private company located in Vancouver, British Columbia. A fee will be payable to Wellstar by ORCH. A finder's fee will be payable to Mr. Peter Maclean of Vancouver by the Company. The agreement is subject to approval by the TSX Venture Exchange.

The proceeds from the financing will enable Gold City to develop its Greenwood Gold Project to production. The Project is centred at Greenwood, British Columbia, 7 kilometres west of Grand Forks. The Project comprises the high grade gold-copper Lexington-Lone Star, Winnipeg-Golden Crown & JD mineral properties and the nearby Roberts Mill, all under 100% option to Gold City.

Gold City Industries Ltd.

Signed "Fred Sveinson"

Fred Sveinson, President

For further information please contact Fred Sveinson, President at (604) 682-7677

The statements made in this News Release may contain certain forward-looking statements. Actual events or results may differ from the Company's expectations. Certain risk factors may also affect the actual results achieved by the Company.

The TSX Venture Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this release.

VB → Phoenix

Schroeter, Tom EM:EX

From: Schroeter, Tom EM:EX
Sent: Monday, December 06, 1999 2:24 PM
To: Lett, Ray EM:EX
Subject: RE: Phoenix Mine
Sensitivity: Private

Thanks very much, Ray. Tom.

From: Lett, Ray EM:EX
Sent: Monday, December 06, 1999 11:38 AM
To: Schroeter, Tom EM:EX
Subject: RE: Phoenix Mine
Sensitivity: Private

Tom: Here are Steve's comments to Ron about this. Steve's on vacation until Jan - Ray

"Ron...

We have no GSB multi-element ICPMS stream water or lake water geochemical data in the Greenwood-Grand Forks area.

We do of course have RGS stream sediment coverage in this area. It is part of RGS 29 in the Penticton map area (NTS 82E). Samples were originally collected in 1976, analyzed for trace elements by AAS, and later re-released in 1991 with new INAA data. Ray and I took a quick look at this data.

We have no data concerning cyanide, but there is data for arsenic and other metals in the Phoenix mine area. Of interest are several stream sediment sites in the vicinity of the mine with:

As (INAA) up to 130 ppm (median: 1.8 ppm over 1,537 sites)
Sb (INAA) up to 6.2 ppm (median: 0.3 ppm)
Co (INAA) up to 55 ppm (median: 10 ppm)
Cu (AAS) up to 780 ppm (median: 12 ppm)
Ni (AAS) up to 102 ppm (median: 8 ppm)

The INAA data represent total determinations of As, Sb, and Co. There is no AAS As or Sb data available for this area.

In the case of As, the highest value is 130 ppm but several sites are in a lower range, 22-33 ppm arsenic. Although the median (background) As value for the entire map area is 1.8 ppm, the median for the rock unit these sites are located in (Paleozoic sedimentary rocks) is actually 2x that, at 3.9 ppm As.

There is some stream water pH data associated with these sediment sites. Results are unremarkable, within the range of 7.6-8.5

steve

From: Schroeter, Tom EM:EX
Sent: Monday, December 06, 1999 11:05 AM
Cc: Lett, Ray EM:EX; Cookson, Steven AG:CE
Subject: Phoenix Mine

Sensitivity: Private

Gentlemen, I read with interest the item in Gib's weekly report - "Lett and Cook prepared comments on RGS results in the vicinity of the Mine...". Could the Van. MDO get a copy of the comments? I still believe there is good (untapped) potential in this area and would like to 'promote' it more aggressively. Thanks, Tom.

VBS → Phoenix

Schroeter, Tom EM:EX

From: Schroeter, Tom EM:EX
Sent: Monday, December 06, 1999 11:04 AM
Cc: Lett, Ray EM:EX; Cookson, Steven AG:CE
Subject: Phoenix Mine
Sensitivity: Private

should be: Steve Cook

Gentlemen, I read with interest the item in Gib's weekly report - "Lett and Cook prepared comments on RGS results in the vicinity of the Mine...". Could the Van. MDO get a copy of the comments? I still believe there is good (untapped) potential in this area and would like to 'promote' it more aggressively. Thanks, Tom.