

Highmont

884031

TGS → *Log. Mr*
-Kam

Schroeter, Tom EMPR:EX

From: Cathro, Mike EMPR:EX
Sent: Saturday, October 29, 2005 4:07 PM
To: Freer, Geoff EMPR:EX; Hermann, Fred EMPR:EX; Lefebure, Dave EMPR:EX; Brino, Karina L EMPR:EX; McLaren, Graeme EMPR:EX; Berdusco, Ricci EMPR:EX; Kearns, Tom TRAN:EX; Morningstar, Butch ECDV:EX; Wonders, Glen EMPR:EX; Stewart, Linda L EMPR:EX; Stewart, Barbara PAB:EX; Schroeter, Tom EMPR:EX; Grant, Brian DB EMPR:EX; McArthur, Gib EMPR:EX; Van Ek, Christie EMPR:EX; Wojdak, Paul EMPR:EX
Cc: Seguin, Joe EMPR:EX
Subject: Kamloops update to 10-29-05

HIGHLIGHTS:

Highland Valley Landfill: Bruhjell attended the introductory EAO review meeting and site tour. Plan is for a 100 hectare landfill on top of waste rock piles near HVC's H-H (eastern) tailings dam. It would require a change to the HVC reclamation plan. TOR for project report being finalized.

PERMITTING/ENV/RECL

Candorado mine: Copies of AMEC report sent to Candorado, Barrick-Nickel Plate and MoE. Rothman requested an action plan for site clean-up from Candorado by Nov 7.

Whipsaw: Inspection of this Princeton area expl project by Bruhjell found serious problems with mgmt of drill cuttings. Several orders issued.

New Afton: SCMDRC mtg set for Dec 5th. New Gold will introduce project and there will also be an update from Teck/Abacus on their portion of mine site. We have had some enquiries, and expect more, from engineering companies bidding on the New Afton feasibility study (slated to start Dec 1).

Highmont South: HVC will not be ready to apply for a new pit until early to mid 2005. *2005-71*

Randi-Seguin prepared letter for ADM signature responding to public complaint.

HEALTH and SAFETY

New Afton: Dangerous Occurrence: 30 tonne rock-fall in main decline: no injuries. Stabilization is underway and a complete geotech assessment of the workings will be completed by company consultants. (Rothman)

Appel Estates quarry: Rothman ordered no blasting until proper documentation is provided on previous incident. Likely to be action on blasting certificates. This site is more of a housing development than a rock quarry.

Dividend-Lakeview: RFP for closure being finalized. Possible issues around rare snakes and bats being worked on by Hoffman.

GEOLOGY

Craigmont Copper (Christopher James Gold): reviewed core and results from this old mine property. Slowed by difficult drilling conditions. Approx \$750 K spent so far. (Cathro)

FIRST NATIONS

Upper Similkameen IB: productive initial conf call held to begin talks on a consultation protocol agreement. Cathro & Seguin will attend a 2-day session on Nov 17-18.

OTHER

South Kal pit (and adjacent gravel pits) near Oyama subject of a negative article in a local paper. Main concern is visual impact around Kalamalka Lake.

One Stop Permitting Project-Consultant Brian Robinson is ready to start interviewing staff and clients on problems and potential solutions for coincident approvals from other agencies (e.g. cutting approvals).

Activity Tracking-We continued refinement of our tracking of permitting and inspection workload, including discussions with Lewis & Freer.

Schroeter, Tom EMPR:EX

VGS → Highmont

From: Schroeter, Tom EMPR:EX
Sent: Thursday, September 01, 2005 11:45 AM
To: Cathro, Mike EMPR:EX
Subject: RE: BCYCM "Mining Review" Article

Thanks.

Tom

Tom Schroeter, P.Eng./P.Geo.
Senior Regional Geologist
Geological Survey Branch
Mining and Minerals Division
Ministry of Energy, Mines and Petroleum Resources

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

From: Cathro, Mike EMPR:EX
Sent: Thursday, September 01, 2005 11:44 AM
To: Schroeter, Tom EMPR:EX
Subject: RE: BCYCM "Mining Review" Article

Thanks Tom, looks good. A few minor corrections/updates

✓ Craigmont - not likely to be significantly auriferous (wasn't before)

✓ Abacus - Afton - no work so far. Wondering if they will get going this fall at all?

✓ Vein Au projects active should include Elizabeth and Elk

Bralorne is looking like it could close any day - (confidential - not a highlight at all this year, as it appears they are running out of money)

delete from 'Highmont Map'

Highmont - application to re-open Highmont East pit this fall. Should be approved and expect mining by late fall. Expect another application for a brand new pit in the highmont area, probably later this fall. (confidential)

Mike Cathro

A/Regional Director
Mining and Minerals Division, Kamloops
B.C. Ministry of Energy, Mines and Petroleum Resources

From: Schroeter, Tom EMPR:EX
Sent: Thursday, September 01, 2005 11:34 AM
To: Lefebvre, Dave EMPR:EX
Cc: Wojdak, Paul EMPR:EX; Grieve, Dave A EMPR:EX; Lane, Bob EMPR:EX; Cathro, Mike EMPR:EX; Pardy, Jamie EMPR:EX
Subject: BCYCM "Mining Review" Article

<< File: 2005 British Columbian Exploration Overview Mining Review.doc >> Gentlemen, here's my contribution for review/comments. Remember - it's necessarily brief; however, if I've missed something or you suggest a revision, please let me know. Dave will be kindly editing, as offered. Mike - hopefully you can use some of the info for your Kamloops CIM presentation.

Tom

Tom Schroeter, P.Eng./P.Geo.
Senior Regional Geologist

Schroeter, Tom EM:EX

TFS - Kay, M.
fan

From: Cathro, Mike EM:EX
Sent: Friday, August 12, 2005 5:50 PM
To: Freer, Geoff EM:EX
Cc: Hutchins, Julie EM:EX; Brunke, Ann EM:EX; Grant, Brian DB EM:EX; McArthur, Gib EM:EX; Rothman, Stephen EM:EX; Schroeter, Tom EM:EX; Seguin, Joe EM:EX; Stewart, Barbara PAB:EX; Berdusco, Ricci EM:EX; Brino, Karina L EM:EX; Freer, Geoff EM:EX; Hermann, Fred EM:EX; Lefebure, Dave EM:EX; McLaren, Graeme EM:EX; Van Ek, Christie EM:EX; Wojdak, Paul EM:EX; Wonders, Glen EM:EX
Subject: Kamloops update to 8/12/05

HIGHLIGHTS

- * Amarc Resources (Hunter Dickinson Inc) has staked a large block of claims for gold in the Vidette Lake area NW of Kamloops.
- * HVC Highmont East Pit - expect Mines Act application any day for pit re-opening this fall (~14 million tonnes over 20 months).
- Craigmont inspection (MC & Ed Taje) on geotech and H&S issues. New Mine Manager is Sheldon Henry.
- J&L - former operator BacTech suffering from financial difficulties; likely to require seizure of bond and some site clean-up.

OFFICE/PERSONNEL/CONTRACTS

- SR in northeast region all week.
- Contractor Ludwig in PG office this week, returning on 15th.
- MC met with AMEC to discuss possible services.
- Working on 6 week Temp Appt for trainee mine/reclamation inspector.

PERMITTING, INSPECTION & RECLAMATION

- Some files moved along - see stats below.
- Dust complaint at Heffley gravel pit handled by trainee mines inspector MC - even did an inspection report!
- Candorado - awaiting analytical results and report from AMEC; received files from Victoria with previous legal compilations.
- Lakeview-Dividend - awaiting word on bid process for closure plan.

HEALTH & SAFETY

- Appel Estates Quarry (Penticton area) - probable unreported case of flyrock into housing development; requested details and report from mine manager.

GEOLOGY

- * MC discussed Ashcroft area geology with Don Bubar of Avalon Ventures (Toronto), who have optioned Teck's Red Hill property and intend to drill this fall.
- * Drilling underway on Whipsaw Creek property; application expected for another 5000 m drilling.

FIRST NATIONS/COMMUNITIES

- Preparing for meeting on Monday with Ts'kw'aylaxw FN regarding GSB field program and hiring of a field asst.
- Strongly negative response from Lytton band on exploration project referral; company to meet with band on 15th.
- 2 members of Xax'lip FN to attend Blustry field inspection on 17th with JS and SR.

NATURAL RESOURCE OPPORTUNITIES CENTRE ("NROC" - formerly Single Point of Contact)

- "Soft opening" this week; Steering Committee meeting on 10th. (AB attended)
- AB reviewed Service Level Agreement
- PG and Nanaimo offices to be opened in December

UPCOMING

- Aug 15 - JS returns from vacation
- Aug 16-28 - MC on vacation (JS acting Director)
- Aug 16 - AB to train NROC staff on Mineral Titles Online
- Aug 16 - Boss Mtn reclamation inspection (SR)
- Aug 17 - Helicopter inspection tour Lillooet area (JS and SR)

Schroeter, Tom EM:EX

TS → Reg. Mgr
Finch

From: Cathro, Mike EM:EX
Sent: Monday, August 08, 2005 1:05 PM
To: Brunke, Ann EM:EX; Grant, Brian DB EM:EX; McArthur, Gib EM:EX; Rothman, Stephen EM:EX; Schroeter, Tom EM:EX; Seguin, Joe EM:EX; Stewart, Barbara PAB:EX; Berdusco, Ricci EM:EX; Brino, Karina L EM:EX; Freer, Geoff EM:EX; Hermann, Fred EM:EX; Lefebure, Dave EM:EX; McLaren, Graeme EM:EX; Van Ek, Christie EM:EX; Wojdak, Paul EM:EX; Wonders, Glen EM:EX
Subject: Kamloops update to Aug 8

HIGHLIGHTS

- **Afton - MC**, SR and AB met with company reps (Hibbitts, Beresford and Martin) on Aug 4 regarding permitting and project status, followed by underground tour (MC, AB). Feasibility study underway and company tentatively anticipates making a **sub-EA (existing facility) mine application in mid 2006**. We invited them to give a presentation on the conceptual project plan to the SCMDRC this fall. Decline and drilling project roughly 3/4 complete, and about \$10 M has been spent since late Nov. 2004. X-cut has entered ore-zone and initial assays were as expected. Company **planning to submit permit amendment** for a 400 m x-cut to the west for a drilling station.
- **Highland Valley Copper** - 300,000 tonne bulk sample from Highmont is well underway (2 trucks operating) and ore is being blended with Valley & Lornex feed; **expecting application & mine plan** for completion of mining of Highmont East pit (3 mt for 2005?) and perhaps a new pit to SW. Studies underway for various pit wall pushbacks/extensions (to 2013, 2017 etc). Also studying purchase of a large new loader, shovel and 5 haul trucks, but still officially awaiting decision to extend mine life.

OFFICE/PERSONNEL

- Inspector's job declined by successful candidate; evaluating other options including temp appts.
- BCBC & landlord visited office last week; lease renewal negotiation underway; space planning discussions to come shortly.
- Mine rescue props - SR requested C. Finch to negotiate with Teck Cominco for storage at Afton site.
- AB to take over paying of invoices and tracking of budget.

PERMITTING, INSPECTION & RECLAMATION

- No new applications last week, but a few minor amendments
- 7 MX permits approved, 20 in process
- 1 S&G permit approved, 13 in process
- 1 Placer permit approved, 9 in process
- J&L - visited briefly by MC. Portals secure but site needs clean-up before fall comes.
- Candorado - AMEC awaiting sample results - SR to follow-up; AB pulling together info for AG legal question; discussion with G. Stewart (Contaminated Sites) about possible help with clean-up
- Brenda - minutes distributed; small public tour scheduled for Sept 15; MC will work with District of Peachland to prepare nomination for reclamation award.
- Craigmont - mine manager resigned on 4th. Taje and MC to inspect on 10th.

HEALTH & SAFETY

- 4 inspections
- HVC - DO on 6th - no injuries (fire and runaway of light service vehicle); SR notified; investigation planned
- Dividend-Lakeview - awaiting decision to go to bid for mine closure.

GEOLOGY

- Rain - MC visited on 2nd; Awaiting assays from 2 holes drilled in Alfie polymetallic vein/skarn area; Orphan Boy reports continued problems with MoFR on stumpage.
- Tour for Freidrich-Alexander University (Erlangen-Nuremberg, Germany) on Aug 6-7 - MC and Bob Fulton (retired GSC quaternary geology expert) toured this group of 21 people through local geology and porphyry deposits; trip organized by PhD candidate and former BCGS employee Ahren Bichler.

FIRST NATIONS/COMMUNITIES

- Blustry Decision Note has gone to Deputy Minister.
- MC prepared small contribution agreement with Ts'kw'ay'axw (Pavilion) for a field assistant to help Ray Lett's geochem program; Lett, Robb and MC to attend Band council meeting on 8/15 to describe project.

Schroeter, Tom EM:EX

→ Highmont
TOS → Reg. Mtg
- Kamloops

From: Cathro, Mike EM:EX
Sent: Monday, July 18, 2005 12:58 PM
To: Freer, Geoff EM:EX
Cc: Brunke, Ann EM:EX; Grant, Brian DB EM:EX; McArthur, Gib EM:EX; Rothman, Stephen EM:EX; Schroeter, Tom EM:EX; Seguin, Joe EM:EX; Stewart, Barbara PAB:EX; Berdusco, Ricci EM:EX; Brino, Karina L EM:EX; Freer, Geoff EM:EX; Hermann, Fred EM:EX; Lefebure, Dave EM:EX; McLaren, Graeme EM:EX; Van Ek, Christie EM:EX; Wojdak, Paul EM:EX; Wonders, Glen EM:EX
Subject: South Central Region, July 18

Highlights

- Inspector of Mines competition moving along - references checked late last week.
- Consultant Al Ludwig began on July 13th; helping Joe to clear up permitting backlog. He will probably go to PG for 2 wks in early Aug.
- Candorado -AMEC field sampling complete; samples go out today; results expected by Friday. Fencing of mill building complete. Fence/gate at road needs to be looked into.
- Preliminary legal review by EAA suggests Afton project, as currently envisioned, will not require EA. Letter being drafted by EAO.
- Xaxli'p decision note being reviewed with Ab Affaire Branch and others.
- HVC permit amendment for 300,000 tonne Highmont bulk sample being prepared in Victoria.
- Online permitting project - final review of requirements document completed on Friday in Vancouver; now need to consider strategic policy decisions and next steps.

Office/Facilities

- Lease renewal/renovations - discussion with landlord and space planner should begin soon.
- Phone tree - Ann completed this request with C. Finch.
- All staff completed relevant training in TOL, I-expenses and I-procurement on 12-13th.

Permitting/Inspection

- Candorado - need to discuss our remediation program with AG re: legal liability of permittee.
- Newton - concerns expressed by FN - mtg to be set up.
- McIntyre pit - request from resident's rep. for weekly noise monitoring data.

Exploration Activity

- Rabbit North - Ballad/Auterra reported decent results from a 7 hole, 811 metre drill program.
- Rain - first hole completed on Alfie polymetallic target. Request for Cathro to view.(26th?)
- Afton - underground development and surface/underground drilling continuing; Abacus drilling yet to start.

First Nations/Communities/Land Use

- St'at'imc Protocol Table - compiling and reviewing info on permitting and revenues; to be presented on July 19 in Lillooet.
- Request for mineral potential comments for South Okanagan National Park proposal.

Other

- Single Point of contact - lots of paper and requests coming from this project.

Upcoming

St'at'imc protocol table mtg July 19-20
Chamber branding meeting; July 20th, Kamloops
Rain visit July 26th
Elizabeth field tour July 28th
Rothman on vacation until July 25
Brunke on vacation until Aug 2
Seguin vacation Aug 3 - 15
Cathro vacation Aug 16 - 24