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Huckleberry
884093 TFS → Reg. M
- Smith

Schroeter, Tom EM:EX

From: Bergen, Wally EM:EX
Sent: Friday, April 20, 2001 3:21 PM
To: Adams, Rick EM:EX; Anderson, Duane EM:EX; Beswick, Ed EM:EX; Booth, Richard EM:EX; Braidwood, Brian EM:EX; Carr, Chris EM:EX; Carter, Tom EM:EX; Cheetham, Pat EM:EX; Cochrane, Marlene EM:EX; Conte, Rick EM:EX; Curtis, Ross EM:EX; EM MB Smithers DL; Errington, John EM:EX; Finvers, Maija EM:EX; German, Gerald EM:EX; Guthrie, Sheliey EM:EX; Hall, Ted EM:EX; Hermann, Fred EM:EX; Hesketh, Joan EM:EX; Hoffman, Al EM:EX; Jorgensen, Sharon EM:EX; Kennedy, Wesley EM:EX; Kilmartin, Sandra EM:EX; Lieutard, Denis EM:EX; McKillop, Greg EM:EX; McLaren, Graeme EM:EX; O'Rourke, Patrick EM:EX; Phelan, Bill EM:EX; Readshaw, Kerry EM:EX; Schroeter, Tom EM:EX; Starks, Terri EM:EX; Stewart, Gregg EM:EX; Stewart, Linda EM:EX; Whale, Andrew EM:EX
Subject: NW Region Report to April 20, 2001

MINING

Endako Mine announced the withdrawal of the termination notices to employees as a result of job protection efforts and significant cost improvements resulting from the in-pit crusher installation. This is good news for Endako and the Northwest.

Huckleberry

On April 10 Huckleberry Mine gave a presentation to the NWMDRC regarding their overall mine plan, the tailings dam construction and future reclamation. There was considerable discussion regarding tailings dam slope ratios for reclamation and this item will require further discussion/negotiation prior to resolution.

Huckleberry is working on crushing the years supply of fine filter for dam construction and could be complete within a month. Runoff is slow so till construction on the core of the dam is not likely for a month or so.

Huckleberry is compiling exploration targets with the help of Stu Harris (Equity Engineering). Targets include:

- the North zone, midway between the Main and East zones, where a deeply buried apophysis of the granodiorite stock contains copper mineralization,
- southeast of the East Pit along the 105 fault,
- BCGS till anomaly- consideration of a source area west of the area of recent drilling.

On April 10 Eskay Creek provided an update to the NWMDRC regarding construction of the tailings disposal system into Tom McKay Lake. The company is making all preparations that once the snow is gone in June they can rapidly complete installation of the pipeline, in lake discharge and pumping systems. The pump required for the line has been ordered from Germany and staff are in Germany receiving training on maintenance.

Eskay Creek reported an unusual occurrence last week involving a break-through into an open access. Mine plans indicated the old access to have been tight filled and it wasn't. There was no injuries or damage as a result of this unexpected break-through.

EXPLORATION

Prospector assistance- Paul Wojdak has assisted several individuals in preparing applications and also forwarded several applications to Victoria.

Teck Corp has increased its land position in the upper Kitsault River area by staking the Jade, Lavender, LC etc claims (385 units) in early April. This is in addition to about 200 units it acquired in the area last year. The target is VMS mineralization in Eskay Creek correlative strata.

Tungsten interest evident by 2 new claim blocks staked by Andris Kikauka- Scheelite (53 units) in the Rocher Deboule area south of Hazelton and Tungsten (88 units) in the Adanac area near Atlin.

Silver Sleeper (formerly Eric)- Prospector Ed Westgarde and partners have staked this silver-copper showing south of Houston which was explored by Equity Silver Mines in 1992-93.

RECLAMATION

On April 11 Wheaton River (Golden Bear) provided an overview of proposed site activity for this year to the NWMDRC and discussed their proposed reclamation plan. There was considerable discussion regarding the degree of reclamation required on a steep area of mine waste material. The company is to do further work regarding reclamation options and also to consider habitat improvement in alternate locations to compensate for steep slope areas that are difficult to revegetate.

Schroeter, Tom EM:EX

JOS → RG My
Shithe
→ Huckleberry

From: Wojdak, Paul EM:EX
Sent: Friday, June 03, 2005 1:13 PM
To: Anderson, Duane EM:EX; Berdusco, Ricci EM:EX; Cathro, Mike EM:EX; Conte, Rick EM:EX; Flynn, Doug EM:EX; Freer, Geoff EM:EX; Graff, Bruce EM:EX; Grant, Brian DB EM:EX; Lefebure, Dave EM:EX; McArthur, Gib EM:EX; McLaren, Graeme EM:EX; Morii, Sachie EM:EX; Perry, Monica EM:EX; Schroeter, Tom EM:EX; Sharpe, Frances EM:EX; Sweet, Colleen EM:EX; Wonders, Glen EM:EX
Subject: Northwest Region, June 3 2005

Health & Safety - Two unusual Occurrences have been reported by Kerness. Both are leaks to the tailings line which resulted in spills of tailings. In one case the spill was less than 0.5 cubic meters, the other was larger but totally contained. Galore Creek reported a 40 liter spill of Jet A fuel on their site airstrip. Quick action by those in attendance resulted in containment and clean-up before further damage was sustained.

Permitting - Statistics, see below
Ministry of Transportation & Highways -

On June 2 MoTH conducted a tender opening for the supply and transport of 7000 cubic meters of rip-rap. The low bidder was an individual that does not have a permitted quarry but has been scrambling the last two days to get one. One of the unsuccessful bidders is upset that the winner does not have a quarry permit and that we may issue one at warp speed. DWF has had meetings with local MoTH management regarding this issue and they are sympathetic to our concerns. MoTH do not require bidders to identify their source of aggregate/rock supply, or provide proof that all applicable permits are in place. Nor do they consult MEM about who has a permit. (A similar incident occurred in March over a road upgrade south of Burns Lake that had to be completed by the end of the month - the permitted but unsuccessful bidder lodged a complaint with MLA Dennis MacKay.) MoTH procedure is putting undue pressure on MEM to bypass the standard 30 day gazetting/ referral time line and presents a poor image of MEM to licensed operators. The Hazelton issue has consumed upwards of 1 day of permitting staff time, the Burns Lake issue took upwards of 3 days.

Gitxsan - Consultation meeting postponed to June 8, with Suu Dii (Yvonne Lattie, GwininNitxw house) and consultant Kenny Rabnett about International Kodiak's proposed drill program at Tommy Jack, northeast of Hazelton.

Tahltan have requested archeological overview assessments at Schaft Creek, Turnagain (nickel) and Klappan (coal) exploration projects.

Regional Geology

Huckleberry Mine - Visit by Paul Wojdak and Frances Sharpe on May 30. Mining of the East Pit is progressing well, a pushback at the west end of the pit based on \$1.05 copper will yield an additional 3 million tonnes of ore (6 month supply) beyond the current 2007 closure date. Horizontal drain holes drilled about 1.5 years ago continue to be highly effective in stabilizing ground movement of the pit highwall. Moly recovery continues to be abysmal, about 15% and the reason is unknown. Currently the moly con is not saleable and is being stockpiled on site. A Nelson concentrator is on order and will be used to remove "talc" from the moly con so that it can meet sales specification. Biggest news on the property is continued success in exploration drilling of the Northwest zone. Engineering work has just begun (while drilling continues to end of June) to consider the close proximity of both rock fill and tailings in the adjacent Main zone pit. Huckleberry's management board will meet in August to consider what can be mined in the Northwest zone. There is potential for an additional 2-3 years of ore.

Whiting Creek - No interest by Huckleberry's Japanese partners, because its primarily a moly target. A new participant is sought.

General - Property inquiries from Barrick, Full Metal, Manson Creek. Updating RG database as information comes in.

BMP Workshop (Best Management Practices) - led by Norm Ringstad and Bob Cox for BCYCM on May 31. Attended by 5-6 explorationists. Norm considered it the most constructive meeting held to date in a Provincial series of workshops.

Applications			
Type	New Number	In Process Number	Approved Number

Schroeter, Tom EM:EX

From: Wojdak, Paul EI:A1
Sent: Tuesday, September 01, 1998 7:24 AM
To: Bergen, Wally EM:EX
Cc: lefebure@mp.gsb.empr.gov.bc.ca; Anderson, Duane EM:EX; Lane, Bob A EI:A1; Cathro, Mike EI:A1; Pinsent, Robert EM:EX; Schroeter, Tom EM:EX
Subject: Weekly Report, Sept 4/98

Huckleberry will drill a 6-8 hole semi-circular ring around the west side of the Main zone stock, prior placement of waste rock for the upstream end of the tailings impoundment. Condemnation drilling was not done satisfactorily to eliminate the possibility of an ore zone. There are significant indications of mineralization. UNFORTUNATELY any ore found would have to be of very good grade (ie. at least 0.5% Cu, probably better than 0.6%) in order to change the current mine plan. Should the tailings be going to the bottom of Tahtsa Reach instead?

Zymo
Freeport's geologic consultant appears ready to recommend acquisition (option) of the Zymo Cu-Au porphyry prospect from local prospectors Robin Day and Larry Hewitt. A Prospectors Assistance grant over the last 2 years has been instrumental in reaching this point. The consultant, Frank Nelson from Tucson, discussed community support for exploration/mining, Native land claims, government policy etc. Provided information and contacts. Freeport exploration philosophy is evident from following comments:

"IP ?! Why bother? There's sulphides on surface!
We like to drill."

Suggested initial program is 5000 metres.

Preparations for Alteration course, Huckleberry-Silver Queen field trip (including dry run), Smithers Exploration Group AGM and Golf tournament. Looks to be excellent participation in the Alteration course from early registration numbers.

TGS -> RG
- Smithers

Schroeter, Tom EM:EX

From: Wojdak, Paul EM:EX
Sent: Friday, October 09, 1998 10:21 AM
To: Bergen, Wally; Cathro, Mike; Lane, Bob; Schroeter, Tom; Wilton, Paul
Cc: Burchett, Esther; Daniel, Catherine; Ennis, Sandee; Flynn, Doug; Good, Bryan; Graff, Bruce; Hanson, Daryl; Kenschuh, Elaine; Malott, Mary Lou; Pardoe, Jill; Price, Bill
Subject: Weekly report, October 9, 1998

Table Mt.

Cusac Gold Mines are nearly finished one month of mining from a small pit on the Bear vein at the Table Mountain gold mine. Expect to produce about 800 oz of gold. This is the first production from east of the Erickson fault. The vein grades about 1 ozAu/ton and with dilution mill head grade is about 0.5 oz Au/ton. Cusac has also acquired the Taurus property and will be evaluate mining the better grade portion of the low grade zone identified by Cyprus Amex and International Taurus in 1994-96, e.g. 9 million tonnes of 2 g/t Au.

Premier Gold continues to focus on reclamation. Use of the pit haul road has been lost due to collapse/erosion of the giant culvert at L... Creek, just above the mill. The old Premier 4-level access road has been cleared of boulders and re-activated. The status of companies that have considered purchase of the property:

- Coeur Alaska (Coeur d'Alene Mines)- would barge mill concentrate from Kensington deposit for CIL gold recovery at Premier Mill. The company considers permitting a cyanide plant near its Juneau plant site beyond reasonable time/frame. Kensington is a bulk tonnage U/g mine (0.14 opt Au) and in on hold at current price. Company still interested.
- Harmony Gold- a South African company that mined the Bissett (San Antonio) gold deposit in Manitoba. They WERE keen but senior management decided they want to go after a bigger deposit than Premier. No current interest.
- Wheaton River- explored property but no follow up.
- Canarc- WAS interested in exploration potential and in mill for Polaris but now have no money and are inactive.

New add to file

Eveready Resources of ... drilled 8 holes on its "Cassiar project" (Storey Silver 104P 044, 080), a manto/vein prospect. Results unknown.

Huckleberry completed ... exploration holes on the south and west contact of the Main granodiorite stock. Encouraging results, more drilling is possible.

Harold Hendrickson, Project Assistance grantee was visited in the field on his Edge/ Hammer claims 40 km west of Smithers. We saw fracture-controlled copper mineralization in volcanic and/or high level intrusive rocks. There is a strong VLF conductor nearby but rock alteration is weak. Complete Field Visit report.

Planning for Smithers ... Group Rock Talk well advanced. Event has been re-scheduled from traditional early March to Feb 22-24 to avoid conflict with a Vancouver conference on Applied Remote Sensing.

Chisolm Lk. (new)

Ed Westgarde, a long time Houston prospector has discovered a promising copper-moly porphyry showing near Chisolm Lake in the ... River area. He is close to a deal with Imperial Metals/ Huckleberry.

Discuss/ promote NW ... prospector properties by phone with Al McNutt (Rio Algom) and in the office with Jim Miller-Tait (Cross Lake Minerals).

Preparing slides for ... Review presentations in Victoria (GSB- Oct 29), Smithers (SEx- Nov 18) and Whitehorse (Geoscience Nov 23).

Add to New disc list

VBS → Reg. Mar
- Smithers

Schroeter, Tom EM:EX

Fr: Bergen, Wally EM:EX
St: Thursday, April 22, 1999 3:22 PM
Adams, Rick; Anderson, Duane; Beswick, Ed; Booth, Richard; Braidwood, Brian; Carter, Tom; Castillo, Talitha; Cheetham, Pat; EM MB Smithers DL; Errington, John; Finvers, Maija; German, Gerald; Hall, Ted; Hermann, Fred; Hesketh, Joan; Hoffman, Al; Jorgensen, Sharon; McKillop, Greg; McLaren, Graeme; Phelan, Bill; Ross, Paul; Schroeter, Tom; Starkes, Terri; Stewart, Gregg; Stewart, Linda; Whale, Andrew
Subject: NW Region Weekly Report to April 22, 1999

MINING

NW Region has received applications from the same client for a Mineral Exploration permit and a Placer permit in the McDame Creek area. These lands have been indicated by the Dease River Band of the Kaska Dena to have aboriginal rights and title associated with a range of interests, including burial sites in the area, previous occupancy in the area, fisheries and hunting values. The Kaska Dena are involved in Treaty negotiations and have expressed interest in this area as settlement lands. Under the Delgamuukw consultation guidelines resolution of concerns of this nature are to be forwarded to senior ministry executive for resolution. Direction has been requested.

Huckleberry has reduced its mineable reserves in light of the current copper price versus \$1/pound in the feasibility study. Main Zone reserves are now 16 million tonnes at 0.51% Cu (vs 24 million tonnes at 0.484% Cu). Mine life is reduced by 1.5 years. The East Zone will also be revised. The workforce was reduced by 17 positions.

Mineral and Placer applications are starting to pick-up in numbers, with applications arriving in the mail most days. Totals to be provided in the future.

LAND USE PLANNING

On April 21 the Prince Rupert IAMC held a "Retreat" to review priorities for the coming 1-2 years. Topics discussed included: Goals and responsibilities for the IAMC; Priorities for new LRMP's; Completion strategies for existing LRMP's; Strategies for LRMP Implementation and Effectiveness monitoring; Funding priorities, and an update on Coastal Marine PAS planning. The session was useful in that the IAMC had been facilitating on priorities for LRMP initiation and on implementation strategies. Discussions to be prepared into various Briefing Notes for LUCO consideration.

and use
- Cassiar-Iskut
LRMP

The last meeting of the Cassiar Iskut/Stikine LRMP was considered to be successful by participants. The Table stayed focused and worked its way through the agenda and identified draft land use designations for approximately 1/4 of the plan area. Protected Areas to be introduced for discussion at the next 2 meetings. A Mediator/Negotiator Specialist has been identified to assist the Table through the next stages and a second Table Coordinator is being identified to help bring closure to the process by the end of December.

EXPLORATION

Last Week Dan Ethier, a local prospector, and Paul Wojdak presented an Introduction to Prospecting course in Atlin. The course was given in response to commitments made to the Taku River Tlinget as a part of discussions regarding the Tulsequah Chief Mine. The course was attended by 17 students, of whom 8 were Taku River Tlinget.

Pathfinder Resources Ltd. has optioned a copper-gold property near Telegraph creek. Drilling is planned.

Hudson Bay plan a 10-hole drilling program on their Babine area properties and also a wide ranging generative program for massive sulphide deposits in the Hazelton Group.

Wally Bergen

TGS → GSB
- MR

Schroeter, Tom EM:EX

From: Lefebure, Dave EM:EX
Sent: Friday, August 27, 1999 8:02 AM
To: Logan, Claudia; Diakow, Larry; Ferri, Fil; Grant, Brian; Holland, Janet; Legun, Andrew; Logan, Jim; MacIntyre, Don; Mihalynuk, Mitch; Nelson, JoAnne; Nixon, Graham; Passmore, Kim; Schiarizza, Paul; Vilkos, Verna; Brown, Beverly; Hitchen, Linda; Hutchins, Julie; Brown, Derek; McArthur, Gib; Cathro, Mike; Lane, Bob; Schroeter, Tom; Wilton, Paul; Wojdak, Paul
Subject: Mapping Section Progress Report August 25, 1999

Mapping Section Progress Report August 27, 1999

Highlight

* Don MacIntyre visited Jason Dunning of Hudson Bay Exploration and Development Co. Ltd. in Granisle. Hudson Bay has just completed 7 drill holes in the Fulton Lake area (NTS map sheets 93L/16, 93L/9) which were mapped in 1995. Hudson Bay is looking for massive sulphide deposits in the Babine Lake area. The targets that were drilled were EM conductors located during an earlier airborne EM survey. Most of the conductors appear to be due to the presence of graphitic sedimentary rocks of probable Late Triassic age (Takla Group). He also discussed the potential for the discovery of an Eskay Creek type deposit in the Early to Middle Jurassic Saddle Hill volcanics that underlie a large part of the area of interest. As well, he told him about our discovery of middle Cretaceous volcanics in the area and we discussed the possibility of finding massive sulphide deposits associated with these volcanics.

BABINE

Activities

* Don MacIntyre is preparing a field trip guidebook for the TerranePaths field trip that will pass through Smithers October 4, 1999.

NATMAP
-APM

* Fil Ferri, JoAnne Nelson, and Mitch Mihalynuk participated in a successful NATMAP field trip in the Yukon to see the host stratigraphy for the Wolverine and Kudz Ze Kayah deposits. They were impressed with the similarities to rocks that they have mapped in British Columbia.

HUCKLEBERRY

* Huckleberry porphyry copper deposit update by Don MacIntyre. Ore, which has a mill head grade of approximately 0.6 %, is currently coming from the East Zone starter pit which is higher and more consistent in grade than the Main Zone. In the East zone pit an east trending fault zone occupied by a late basaltic dike is well exposed. This fault separates lower grade, less fractured rocks to the north from the higher grade more fractured rocks that are currently being mined. All of the ore in the pit is a biotite hornfels with intense gypsum healed fracturing. Chalcopyrite and pyrite occur as disseminations and fracture coatings. Similar but less fractured rocks are exposed in the Main pit. The rock breaks easily and has helped keep grinding costs down.

* Fil Ferri, JoAnne Nelson, and Mitch Mihalynuk participated in a successful NATMAP field trip in the Yukon to see the host stratigraphy for the Wolverine and Kudz Ze Kayah deposits. They were impressed with the similarities to rocks that they have mapped in British Columbia.

* The field season report for the Ingenika Project has been completed. The project is on track to be under budget and will result in a fieldwork article and poster.

* Resumes for student co-ops received and interviews planned for next week. Planning to hire two.

Publications

* A Branch release notification requires final approval before being released.

* A final version of the corrected Gatagga Bulletin is being reviewed by Fil Ferri so that Janet can enter the last minor

VOS → Reg. Mgr. Smithers

Schroeter, Tom EM:EX

From: Bergen, Wally EM:EX
Sent: Friday, June 25, 1999 1:26 PM
To: Adams, Rick; Anderson, Duane; Beswick, Ed; Booth, Richard; Braidwood, Brian; Carter, Tom; Castillo, Talitha; Cheetham, Pat; EM MB Smithers DL; Errington, John; Finvers, Maija; German, Gerald; Hall, Ted; Hermann, Fred; Hesketh, Joan; Hoffman, Al; Jorgensen, Sharon; Lunam, Charene; McKillop, Greg; McLaren, Graeme; Phelan, Bill; Ross, Paul; Schroeter, Tom; Starkes, Terri; Stewart, Gregg; Stewart, Linda; Whale, Andrew
Subject: NW Region Weekly Report to June 25, 1999

MINING

Endako mine will be closed from June 30 to August 2, 1999, for annual leave, maintenance and inventory reduction. Approximately 25 people will be on site performing maintenance. This temporary closure was a part of the Job Protection package.

On June 18, 1999, the NWMDRC received a presentation from Eskay Creek mine regarding moving sub-aqueous disposal of mine tailings from Albino Lake to Tom MaKay Lake. The mine has identified sufficient ore reserves to extend the mine life until the end of 2008. With expanded ore reserves and increased milling production it is anticipated that Albino Lake does not have sufficient capacity for the volume of material to be disposed of sub-aqueously. The application to amend the EA certificate will be coordinated by Norm Ringstad and it is anticipated that it will proceed in a timely manner, as did the application for Albino Lake.

Silvertip Mining Corporation has announced that they are putting their application to the EAO for certification for the Silvertip Mine on hold until metal prices improve.

At the NWMDRC meeting held on June 17, 1999, the Committee agreed to recommend to the EAO that the EA certificate for Larado Limestone on Aristazabal Island be extended for 3 years.

Emile Brox has announced that he is retiring as General Manager for Huckleberry Mine. A replacement has yet to be announced.

Verdstone and Molycor (John Chapman) indicated that Thompson Creek Mining - Endako Mine were not interested in pursuing involvement in the Unity moly proposal on Hudson Bay mountain. Discussions are still underway with imperial Metals to see if they are interested in accepting between 500 and 1000 tons per day of Yorke-Hardy ore to Huckleberry.

EXPLORATION

The Harmony Project by Misty mountain Gold, part of the Hunter Dickinson Group of companies, is on hold with the project for sale. Testing of alternative methods for gold recovery were not able to identify practical gold recovery processes. Environmental concerns could not be eliminated; ARD from waste rock, mercury would still be issues.

RECLAMATION

On June 17, 1999, the NWMDRC met with representatives from Silver Standard Resources Inc. to discuss ongoing reclamation of the Duthie Mine site on the backside of Hudson Bay Mountain. The company is proposing to install perimeter diversion drainage ditches to direct ground water away from the historic tailings and to seal and cap the tailings to minimize surface water from passing through the tailings. The proposal is in the final stages of evaluation and work on the tailings clean-up may commence late summer.

Noranda Mines is addressing concerns regarding soil and water quality associated with the loading yards for the now closed Bell Copper Mine. The transshipment point from truck to rail was used for several years and there are concerns that sufficient concentrate was spilled to lead to copper drainage into the upper Bulkley River. Noranda has hired Morrow Consultants to replace an earlier consultant, who had not commenced work on the evaluation.

TOS → Reg Mar
- Smith as

Schroeter, Tom EM:EX

From: Bergen, Wally EM:EX
Sent: Friday, December 10, 1999 1:56 PM
To: Adams, Rick; Anderson, Duane; Beswick, Ed; Booth, Richard; Braidwood, Brian; Carter, Tom; Cheetham, Pat; Clancy, John; Curtis, Ross; EM MB Smithers DL; Errington, John; Finvers, Maija; German, Gerald; Hall, Ted; Hermann, Fred; Hesketh, Joan; Hoffman, Al; Jorgensen, Sharon; Lieutard, Denis; McKillop, Greg; McLaren, Graeme; Phelan, Bill; Readshaw, Kerry; Schroeter, Tom; Starkes, Terri; Stewart, Gregg; Stewart, Linda; Whale, Andrew
Subject: NW Region Weekly Report to December 10, 1999

MINING

Wheaton River Minerals Ltd. and Kit Resources Ltd. announced approval in principal to a business combination of the two companies pursuant to which they will merge by way of a court approved plan of arrangement. This may assist Wheaton Rivers efforts to acquire properties in the Northwest to move onto as Golden Bear reaches depletion.

Cassiar Mines and Metals Inc. are putting the finishing touches to the revamped dry mill. Production will be about 30 tonnes/Hr through the mill. The company is hoping to be in production by January 1st. Ore stockpiles on surface are estimated to total 4 million tonnes with a recovery grade of 5% fiber. At a planned production rate of 720 tpd (360,000 tonnes/yr) this represents an 11 year life to the operation with a planned workforce of 44. The new plant is 1/5 the size of the old plant. They already have an order to fill from Iran. The latest news release [Vancouver Sun; Saturday, Dec. 4th] suggests that the company and the Aluminum Co. of Korea are planning a magnesium plant for Cassiar at a cost of \$733 million. News item suggests plant could be up and running by 2003.

Endako Work is progressing on the in-pit-crusher project. The crusher assembly is nearly complete and development of the conveyor drive station is complete. It is expected about 1300 feet of conveyor will be in place before year end. Project is not expected to be completed before late next spring. Mining of low grade stockpiles continues to provide about half the mine production.

An front page article in the Smithers Interior News indicated that the Telkwa Coal Project is majorly behind schedule. Allan Flemming is quoted as indicated that the project report will not be completed early in the new year, as forecast, but may be available later in the year. Declining coal demand, amalgamation of Manalta and Luscar, weak coal prices and financial losses experienced by Luscar are sited as possible causes for the delay.

Huckleberry has completed mining in the east zone pit and are now producing exclusively from the Main zone. It is understood the company is also looking at an increase in capacity of about 10% in the mill through some relatively inexpensive additional equipment. Tercon and North American have completed work on the dams for this year.

EXPLORATION

The Silvertip project has had to delay their underground drill program to the new year due to unexpected higher deterioration of the existing ground support. The area to be drilled has to be totally resupported due to existing screening and split set bolts rusting so bad to be of no use for ground support. Underground program budget increased from \$1.1 million to \$1.4 million. Also, the concept of an open pit mine leading to an underground operation is being re-evaluated. Concerns that an open pit would act as a funnel for water into underground workings.

FIRST NATIONS

The provincial proposal for settlement of the Gitanyow land claim was tabled with the Gitanyow First Nation. The proposal sought to identify settlement lands in each of the Gitanyow territories, rather than a central land settlement. Initial indications are that the Gitanyow were not satisfied with the proposal.

Schroeter, Tom EM:EX

VCS → Key Mgr
— Smithers

From: Bergen, Wally EM:EX
Sent: Friday, March 17, 2000 4:20 PM
To: Al Hoffman; Andrew Whale; Bill Phelan; Brian Braidwood; Denis Lieutard; Duane Anderson; Ed Beswick; EM MB Smithers DL; Fred Hermann; Gerald German; Grace Harris; Graeme McLaren; Greg McKillop; Gregg Stewart; Joan Hesketh; John Clancy; John Errington; Kerry Readshaw; Linda Stewart; Maija Finvers; Marlene Cochrane; Pat Cheetham; Richard Booth; Rick Adams; Rick Conte; Ross Curtis; Sharon Jorgensen; Shelley Guthrie; Ted Hall; Terri Starks; Tom Carter; Tom Schroeter; Wesley Kennedy
Subject: NW Region Weekly Report to March 17, 2000

MINING

Endako: Handling problems with Denak West ore has led to re-allocating mine equipment away from construction of the conveyor ramp for the in-pit crusher to exposing higher grade in the south wall of the Endako pit. This will delay start-up of the in-pit crusher by one month. Depressed moly price continues to be a concern.

During a site visit to Huckleberry Mine as a part of Rock Talk the following information was conveyed to the delegates.

- Mill expansion to 21,000 tpd (from current 19,000) approved by Imperial Metals board of directors.
- Current reserves sufficient for mine life to 2008, based on long term copper price of \$1 per pound.
- Main zone will be mined out in 2 years.
- Total costs (before debt repayment) is \$0.68 per pound of Cu. which includes transportation and smelting.
- Cutoff grade is 0.35% Cu.
- Copper concentrate is 26-27% Cu.
- Mill performance has improved steadily since mine opening.
- Revenue is 90% Cu, 4% Mo, 4% Au and 2% Ag.
- Exploration program approved for 2000.

Luscar, in a recent newspaper article in the Interior News, has indicated that due to depressed coal prices they are not placing a priority on the Telkwa coal project. No indication is made if and when they will submit the EA project report. Bad news for a community that is still trying to recover from forestry cutbacks.

The second batch of drill results has been released from Silvertip. The extent and size of ore bearing tubes and pipes requires further work before a production decision can be made.

Kemess

Over the last 2 weeks transport trucks from Kemess loaded with concentrate have been passing through Smithers on the way to Stewart. Apparently during the BCR lockout a quantity of concentrate was not shipped and was frozen where it sat. This material is being hauled to Stewart for shipment rather by normal routes to Vancouver. There is no indication if Kemess will continue hauling by this route, although the trucks raised a lot of speculation along Highways 16 and 37.

LAND USE PLANNING

After some major negotiation and reconsideration by the LRMP Table of several areas of concern the ministry voted in favor of consensus for the Cassiar Iskut/Stikine LRMP to go to a public review prior to being forwarded to government for approval. At the final Table meeting, held on March 9 to 11 in Dease Lake, the ministry had 8 outstanding concerns that had been either glossed over, ignored or moved forward without ministry agreement. As a result of a mediated conflict resolution process the outstanding concerns were resolved to the satisfaction of the ministry executive. This led to agreement by the ministry for consensus approval of the plan. The ministry executive was very supportive to Mary Lou and Wally in providing direction by phone from Victoria to Dease Lake in resolving the concerns.

FIRST NATIONS

Schroeter, Tom EM:EX

TGS → RG
- Smithers
Huckleberry

From: Wojdak, Paul EM:EX
Sent: Friday, March 03, 2000 10:12 AM
To: Bergen, Wally EM:EX
Cc: Lane, Bob EM:EX; Cathro, Mike EM:EX; Wilton, Paul EM:EX; Schroeter, Tom EM:EX; Pinsent, Robert EM:EX; Lefebure, Dave EM:EX; Brown, Derek EM:EX; McArthur, Gib EM:EX; Anderson, Duane EM:EX
Subject: Weekly report, March 3, 2000

Smithers Explorations Group Rock Talk (thanks to Daryl Hanson and Alf Randall for assistance)

- 55 attended talks on Feb 29
- 21 participated in Huckleberry mine trip
-

Huckleberry

- Mill expansion to 21 000 tpd (from current 19 000) just approved by Imperial Metal board of directors
- Current reserves sufficient for mine life to 2008, based on long term copper price of \$1 per pound. Main zone will be mined out in 2 years.
- Total costs (before debt repayment) is \$0.68 per pound of Cu. Includes transportation and smelting
- Cutoff grade is 0.35% Cu
- Copper conc is 26-27% Cu
- Mill performance has improved steadily since mine opening
- Revenue is 90% Cu, 4% Mo, 4% Au and 2% Ag.
- Exploration program approved for 2000. Drill targets are 1) southeast and south margin of East (ultimate) pit, except for mill site, as deposit was insufficiently drilled in exploration stage; 2) west of Main zone stock, following the ore-controlling WNW structural trend, based on weak IP anomalies derived from a 1999 survey.

QCI additional stream silt/ water sampling contract will not proceed. Deferred until next year.

Endako- Handling problems with Denak West ore has led re-allocating mine equipment away from the conveyor ramp for the in-pit crusher, to exposing higher grade ore in the south wall of the Endako pit. This will delay start-up of the in-pit crusher by one month. Depressed moly price continues to be a concern.

Notices of Work- first 2 in 2000. Better than the robins as a sign of Spring !!

Minor U/g drilling at Surf Inlet and U/g rehab of **Golden Eagle**, a high grade silver (past producer) near Topley.

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Schroeter, Tom EM:EX

TOS → Reg. Mgr
- Smithers

From: Bergen, Wally EM:EX
Sent: Friday, May 19, 2000 3:54 PM
To: Al Hoffman; Andrew Whale; Bill Phelan; Brian Braidwood; Denis Lieutard; Duane Anderson; Ed Beswick; EM MB Smithers DL; Fred Hermann; Gerald German; Grace Harris; Graeme McLaren; Greg McKillop; Gregg Stewart; Joan Hesketh; John Clancy; John Errington; Kerry Readshaw; Linda Stewart; Maija Finvers; Marlene Cochrane; Pat Cheetham; Richard Booth; Rick Adams; Rick Conte; Ross Curtis; Sharon Jorgensen; Shelley Guthrie; Ted Hall; Terri Starkes; Tom Carter; Tom Schroeter; Wesley Kennedy
Subject: NW Region Weekly Report to May 19, 2000

MINING

Golden Bear mining on schedule. Kodiak B decline has advanced 150 metres and first sub-level development in ore has begun. Gold grade up to expectation. No problems with snow in the Ursa pit. Some waste rock has been removed and first ore blast of the season has occurred.

Endako mine proceeding with installation of in-pit conveyor, with movement of the crusher in to the pit planned for early July. Probably not operative until end of August.

Cassiar is up and running again after maintenance and modification shutdown. Modifications to recover short fibre have been completed to the circuit. Still some work to do but plant can produce now. Outstanding permit conditions are to be addressed over the next month. Company has changed name again. Now called Cassiar Magnesium.

Huckleberry reports increased tonnage and ore grade in the north east corner of the main zone pit. Diamond drilling active on the site to define pit limits and check other areas. Construction underway for 10% increase in mill capacity. Completion by late summer.

EXPLORATION

Morrison drilling program visited May 3 by Paul Wojdak. Hole 99-4 has been deepened from 300 to 454 metres and 200-5 was approaching 300 m target depth. Falcon is doing the work, on a 1-shift basis. Current drilling specifically targeted areas of better copper grade, as determined from old Noranda drill sections. Some sections suggest copper diminishes at depth, and these are avoided. All contractors on site (drill, excavator, geologists) are working (primarily) for Pacific Booker stock.

LAND USE

Graeme McLaren, Rolf Schmitt, Ed Beswick, David Morgan, Mary Lou Malott and Wally Bergen met in Vancouver on May 12 to identify problems associated with LRMP formulation. Several topic areas identified including sector representation at tables, abstention and when does "no" mean no, role of economics in processes, "value" placed on mineral concerns versus other sectors, etc. Graeme drafting paper from discussions and to circulate for review.

Cassiar Iskut/Stikine LRMP moving closer to completion with Public Open House meetings held in Telegraph Creek, Iskut, Dease Lake and Smithers to review table recommendations. Plan now goes back to LRMP table to consider comments and then to make recommendation to IAMC. Anticipate recommendations to June 15 IAMC meeting. Any comments regarding LRMP should be submitted to LRMP process ASAP.

Work is commencing on a scoping exercise for a North Coast LRMP. This is at the initial stages and is intended to provide information to LUCO regarding the logistics to complete a process in a timely manner. This LRMP is moving ahead in response to concerns regarding forest industry and environmental groups seeking to make agreements outside of government processes to resolve forestry certification issues.

Wally Bergen is now the chair of the Prince Rupert IAMC and joins with Andrew, who is the chair of the Kootenay

Schroeter, Tom EM:EX

TGS → RG
- Smithers
Huckleberry

From: Wojdak, Paul EM:EX
Sent: Monday, June 05, 2000 7:40 AM
To: Bergen, Wally EM:EX; Cathro, Mike; Houle, Jacques; Lane, Bob; Wilton, Paul
Cc: Burchett, Esther; Flynn, Doug; Good, Bryan; Graff, Bruce; Hanson, Daryl; Kennedy, Wesley; Korschuh, Elaine; Malott, Mary Lou; Pardoe, Jill; Price, Bill; Anderson, Duane; Brown, Derek; Conte, Rick; Lefebure, Dave; McArthur, Gib; McLaren, Graeme; Schroeter, Tom
Subject: Week Report, June 2, 2000

Huckleberry- Mine geologist Steve Blower took me through the Main zone pit and reviewed mine site exploration. The mill has been running at a slightly lower rate over the past few months than last year, 18 000 tpd compared to 20 500 tpd. Work on the 10% mill expansion is in progress.

Mining has progressed several benches into the Main zone pit with a pleasant surprise at the north end. Upper 2 benches that were expected to produce 40,000 tonnes yielded 400,000 tonnes of better-than-average-grade ore. This area was not re-drilled in the 1990's, reserves were determined from 1970-era holes that did not show ore-grade copper for unknown reasons (poor recovery?, lab problem?). The bonus ore is in the north wall of the pit, so if the ore continues to depth there will be a modification to the present pit design. Exploration drilling will commence soon (6-10 holes, 60 m deep), after the current 8-hole program on three targets peripheral to the East zone pit. This work is 2/3rd complete without significant success.

Basal till for dam construction is being excavated from a pit immediately west of the granodiorite stock, which is also west of the Main zone. The basal till contains abundant angular cobbles of mineralized granodiorite, strong evidence of westerly directed ice flow. Huckleberry is performing a systematic count of cobble types as there is important implications for exploration in the area. An overburden rotary drilling program will begin soon. Vic Levson (GSB) will be studying this, and samples from Huckleberry's previous overburden drilling.

Mansfield (114P 031) and Chilkat PGE properties on the border of Aisek-Tats Park were researched in preparation for possible field exam. The former has been acquired by Santoy Resources, the latter is "parked". This is a continuation of the Kluane ultramafic belt which hosts the Wellgreen and Canalask Ni-PGE deposits.

Prospector Assistance- contacted 5 of 27 prospectors regarding grant status.

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Schroeter, Tom EM:EX

TJS → RG
- Smithers

From: Wojdak, Paul EM:EX
Sent: Friday, June 30, 2000 9:31 AM
To: Bergen, Wally EM:EX; Cathro, Mike; Houle, Jacques; Lane, Bob; Wilton, Paul
Cc: Burchett, Esther; Flynn, Doug; Good, Bryan; Graff, Bruce; Hanson, Daryl; Kennedy, Wesley; Konschuh, Elaine; Malott, Mary Lou; Pardoe, Jill; Price, Bill; Anderson, Duane; Brown, Derek; Conte, Rick; Lefebure, Dave; McArthur, Gib; McLaren, Graeme; Schroeter, Tom
Subject: Weekly report, June 30, 2000

Silvertip- discussed summer program (or lack of one) with Pat McAndless (Imperial Metals VP-exploration). Decision in hands of funding partner Peruvian Gold, who have completed their commitment under their agreement with Imperial Metals and can now sit on the project until Sept. 2001. Peruvian got involved with Silvertip for stock market appeal but the relatively successful underground drilling program did nothing for their share price. Peruvian is contemplating a switch from mining to the technology sector, and that does not bode well for exploration at Silvertip this year. Imperial wants to carry out new underground development as part of its exploration strategy but may be lucky just to do a shallow surface drilling program of manto/chimney targets within the McDame limestone.

Atlin placers- 49.7 ounce gold nugget recovered!! (reported by Daryl). Confirms placer mining is still economically rewarding!

Huckleberry- will drill 8 percussion holes in a 1.5 km long fence, 2.5 km west of the Main zone, to test for a continuation of porphyry mineralization along the 110/290 structure, believed to be the most important structural control, in an area of deep overburden. The company will also drill 4 core holes in its nearby Whiting Creek porphyry prospect, in the fall.

Morrison- Pacific Booker Minerals has stepped across the fault which bisects the Morrison porphyry copper-gold deposit and begun re-drilling the eastern half of the mineralized zone.

Prospectors- Field visit to PAP grantee F. Yacoub in the Kitsault area. His target has evolved from volcanogenic massive sulphide to an epithermal silver-gold deposit, perhaps a Dolly Varden-type vein. His site at headwaters of Lahte Creek has been previously explored (briefly!) by Hudson Bay in 1981 and Rubicon (following the RGS gold release) in 1997.

Land Use- BCYCM open house and public meeting held in Smithers on June 29, conclusion of northern tour that also went to PG, Mackenzie and Fort St James. Smithers event was well attended, both afternoon open house and 35 at the evening presentation. Good discussion arose between people who have participated in LRMP's, those representing the mining industry and those representing other sectors. Strong reconciliation statements made by Telkwa mayor Sharon Hartwell and guide-outfitter Redge Collingwood, veteran of Ft St James and Iskut-Stikine LRMP's.

RGS Release (Atlin/ Jennings River/ McDame sheets)- None were sold in Dease Lake or Smithers on the release date, June 29.

Cordilleran Roundup- MEM will partner with communities and businesses in funding BC Night in 2001, organized by Smithers Exploration Group. This is a great development, thanks to Ron Smyth and Joan Hesketh.

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Schroeter, Tom EM:EX

VOS -> Reg. Mgr
- Smithers

From: Bergen, Wally EM:EX
Sent: Friday, September 29, 2000 1:44 PM
To: Al Hoffman; Andrew Whale; Bill Phelan; Brian Braidwood; Chris Carr; Denis Lieutard; Duane Anderson; Ed Beswick; EM MB Smithers DL; Fred Hermann; Gerald German; Grace Harris; Graeme McLaren; Greg McKillop; Gregg Stewart; Joan Hesketh; John Clancy; John Errington; Kerry Readshaw; Linda Stewart; Maija Finvers; Marlene Cochrane; Pat Cheetham; Richard Booth; Rick Adams; Rick Conte; Ross Curtis; Sharon Jorgensen; Shelley Guthrie; Ted Hall; Terri Starkes; Tom Carter; Tom Schroeter; Wesley Kennedy
Subject: NW Region Weekly Report to September 29, 2000

MINING

TULSEQUAH The EAO reconvened the Tulsequah EA Project Committee on September 19 to 21 in Richmond to give consideration to the judge's ruling in relation to the adequacy of the Project Report as submitted to the Ministers. The meeting was attended by representatives from the EAO, US Federal Government, State of Alaska, Taku River/Tlinget First Nation, Canadian Federal Government and Provincial Ministries. Considerable discussion regarding the scope of the review, with the EAO interpreting the legal direction to focus on the road route and sustainability issues while others wanted the review to go back to square one and review the total project. Also, the US representatives are looking for a Land Use Plan for the total drainage prior to agreement with mine development. Clarification is being sought by the EAO regarding several issues. Further meetings scheduled to exchange current information and to seek agreement on the scope to the review.

Huckleberry

Bryan Good and Wally Bergen visited Huckleberry on September 26. The site was in excellent condition with the dam construction work completed for this year. Ore is being extracted from the Main zone pit and the pit was in excellent condition.

Paul Wojdak, in separate discussion with Huckleberry, indicates that ore production from the Main zone (year to date) is 4.7 million tonnes at 0.505% Cu, about 30% more than expected with a corresponding reduction in waste rock. This success appears to derive from conservative interpretation of exploration drilling where assays from poor recovery intervals were rejected from the resource calculation.

The GSB (Vic Levson and crew) study of glacial till at Huckleberry found mineralized granodiorite cobbles 2 km west of the Main zone stock. The source might be the Main zone stock or a more proximal, undiscovered intrusion. The mine will drill a fence of holes with an overburden drill, that unfortunately only has a capacity to drill to 100 ft. and may not be able to reach bedrock beneath the till.

At Huckleberry a backhoe struck a buried propane line. No explosion or fire. Propane leaked for about five minutes. Apparently the operator decided not to wait for the supervisor to return to spot or help him.

Also at Huckleberry a worker was using an air jet to clean the upper end of a conveyor belt and the nozzle became engaged in the conveyor belt. The worker hit the emergency stop and started to remove the nozzle. At the bottom of the belt a shift supervisor saw that the belt was not running and turned it back on without checking to find out why it had been turned off. The worker at the top jumped out of the way and in so doing sprained his leg. The situation is under investigation and it may be appropriate to consider a change to the Code.

Further, at Huckleberry, 2 hunters were traveling along the Kemano Reservoir late on September 23 when they struck a log and capsized their boat. Both managed to make it to shore and after a long, cold struggle through the bush made it to the mine site in the dark where they were revived with warm clothing, food and drink. Temperatures were below freezing.

Golden Bear has completed it's last year of full production. The site is being shut down for the winter over the next few weeks and will reopen in the Spring to complete processing of final ore and to complete reclamation and cleanup.

EXPLORATION

RED CHRIS On September 25 Don Barker of D.J.Barker and Associates took potential investors in the Red Chris property on a tour of the site. Due to fog the aircraft was unable to stop in Smithers to pick up Paul Wojdak, who had been invited on the field trip. Also WB was unable to meet with Don and his guests.

REDMOUNTAIN

Wheaton River (and Pelly Construction) have examined route options for the Bitter Creek access road all the way to the portal, in preference to a tram line or adit development lower on the mountain.

Schroeter, Tom EM:EX

VOS → Reg. M.
- Smithe

From: Bergen, Wally EM:EX
Sent: Sunday, March 11, 2001 9:26 PM
To: Al Hoffman; Andrew Whale; Bill Phelan; Brian Braidwood; Chris Carr; Denis Lieutard; Duane Anderson; Ed Beswick; EM MB Smithers DL; Fred Hermann; Gerald German; Graeme McLaren; Greg McKillop; Gregg Stewart; Joan Hesketh; John Errington; Kerry Readshaw; Linda Stewart; Maija Finvers; Marlene Cochrane; Pat Cheetham; Patrick O'Rourke; Richard Booth; Rick Adams; Rick Conte; Ross Curtis; Sandra Kilmartin; Sharon Jorgensen; Shelley Guthrie; Ted Hall; Terri Starkes; Tom Carter; Tom Schroeter; Wesley Kennedy
Subject: NW Region Report to March 9, 2001

MINING

Eskay Creek mine has had two unusual occurrences over the past two weeks. A fall of ground in 50 stope was reported on February 26. The heading had been shut down for about two years and was in the process of being rehabbed with shotcrete. There were no injuries or equipment damage.

In the second occurrence a miner was gassed after it was discovered that the stope primary ventilation fan had been inadvertently shut off. The miner experienced some headache and nausea but no gas was picked up by the shifter when gas tests were performed. Steps have been taken to ensure fan operation is monitored by a remote emergency light system. If the fan goes down a flashing light will advise the miner of the situation.

Eskay Creek mine has advised that this summer will be much the same as past with lots of construction going on in the camp and area. Plans are to increase the camp size by adding 48 more rooms to the existing bunkhouse complex. The mine dry is full so plans are in the works to enlarge it as well. New offices and a lab are to be constructed in the mill and are to be built in the footprint of the tailings Larox filter which has been removed. The tailings line construction is expected to restart in June with completion by fall. The annual river gravel recovery project is starting up. This usually runs for three weeks.

Huckleberry- exploration drilling west of the tailings dam has concluded. This was based on a target derived from a GSM till program by Vic Levson. Hazelton volcanics and Ashman sedimentary rocks intersected, no intrusion of copper mineralization was found. The drill remains on the property to refine the east end of the East Pit. A hole drilled last year just outside the proposed ultimate pit hit 100 metres of 0.5% Cu. For the past month, Main zone ore has been running at nearly 0.6% Cu, significantly better than 0.5% expected grade.

On March 1, 2001, W. Bergen, accompanied by David Johns, ADM LUCO and Liz Zweg, IAMC Coordinator, visited the Cominco CESL Process test mill in Richmond. The process, which is being tested through a small scale test mill, is intended to produce 99.9995 % pure copper using a hydrometallurgical autoclave, leaching, solvents and electrowinning. The process is has little release into the environment and production occurs at the mine. The plant is very interesting to visit and if the potential can be realized will again confirm B.C. as a leader in technology.

LAND USE PLANNING

After 9 years the Kalum LRMP has reached conclusion with a Table consensus recommendation on the plan with the exception of 3 areas of concern. The table forwarded these to the IAMC and recommendations regarding these areas have been conveyed to LUCO for forwarding through the approval process. Mary Lou, Jill and the rest of the NW staff are recognized for their ongoing tenacity in staying with the process and helping to get it to conclusion.

EXPLORATION

Rock Talk was held in Smithers on March 1 with an excellent turnout of 50 people. Many local prospectors plus reps from Kemess and Homestake. Topics were Morrison (Erin O'Brien), Sustut Copper (Nils von Fersen), Foremore (John Mirko), Tam (Lorne Warren), Thom (Jason Weber), Paleozoic VMS (JoAnne Nelson, Peter Holbek), White River Alaska (Hans Smit) and Yemen recce (Peter Orgyzo). Also the mineral tenure system (Denis Lieutard) and the Chambers land planning and land claims activities (Bruce McKnight).

TOS → Reg M,
- Smithers

Schroeter, Tom EM:EX

From: Bergen, Wally EM:EX
Sent: Sunday, February 18, 2001 8:55 PM
To: Al Hoffman; Andrew Whale; Bill Phelan; Brian Braidwood; Chris Carr; Denis Lieutard; Duane Anderson; Ed Beswick; EM MB Smithers DL; Fred Hermann; Gerald German; Graeme McLaren; Greg McKillop; Gregg Stewart; Joan Hesketh; John Errington; Kerry Readshaw; Linda Stewart; Maija Finvers; Marlene Cochrane; Pat Cheetham; Patrick O'Rourke; Richard Booth; Rick Adams; Rick Conte; Ross Curtis; Sandra Kilmartin; Sharon Jorgensen; Shelley Guthrie; Ted Hall; Teri Starkes; Tom Carter; Tom Schroeter; Wesley Kennedy
Subject: NW Region Report to February 18, 2001

MINING

Huckleberry Mine successfully recovered their DZR-02 which was buried in a rock slide on the face of the open pit. Through advance planning and the use of equipment operators, spotters and shifters the dozer was recovered with no incidents. The unit has been taken to Houston for assessment on damages and determination if it is worth rebuilding.

The Huckleberry Mine diamond drill exploration program to further determine the deposit is underway. The program is designed to test the area west of the TMF2 tailings pond. The first hole is complete and is being evaluated. Drilling is underway on the second hole.

ADMINISTRATION

Elaine and Bruce attended the MMS experts workshop and reported that it was both useful and successful. Several problems identified to be fixed and much learnt.

GENERAL

Smithers held Winter Carnival on the weekend of February 9 to 11. The Children's Parade was held on Friday night starting about 6:45 PM. Snow White and two dwarfs were prominent in the parade. As requested, they carried signs indicating Ministry of Energy and Mines and Smithers Exploration Group sponsorship and that Mining supports over 600 jobs in the Northwest. The newspaper also acknowledged sponsorship by the Ministry.

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Schroeter, Tom EM:EX

TGS → RG
- Smithers

From: Wojdak, Paul EM:EX
Sent: Wednesday, June 27, 2001 10:54 AM
To: Bergen, Wally EM:EX; Bill Price; Bruce Graff; Bryan Good; Daryl Hanson; Doug Flynn; Elaine Konschuh; Esther Burchett; Jill Pardoe; Mary Lou Malott; Wesley Kennedy; Bob Lane; Jacques Houle; Mike Cathro; Terry, David EM:EX
Cc: Anderson, Duane EM:EX; Brown, Derek EM:EX; Conte, Rick EM:EX; Lefebure, Dave EM:EX; McArthur, Gib EM:EX; McLaren, Graeme EM:EX; Schroeter, Tom EM:EX
Subject: Report to June 26

Anyox- Met with Granby Mining's consultants John Perry and and Bernie Dewonck (Coast Mountain) regarding proposed exploration. Large ground position but program contingent on funding.

Westgarde (Chisholm Lk) - Hunter Dickinson Inc. want a partner to drill this porphyry copper prospect, located 60 km southwest of Houston. Visited on June 19 and discussed with Darrel Johnson . Strong IP anomaly (1 by 1.5 km in size) coincident with a new logging road exposure of chalcopyrite-pyrite-secondary biotite veining in Bulkley granodiorite stock and biotite hornfels. Disappointing news that HDI needs a partner, they are looking for PGE projects.

Teck field crew passed thru Smithers en route to 3 months of geology/prospecting on new Eskay-VMS claims at Homestake Ridge and Illiance River, south of Stewart. How long has it been since there was a program like that?

Huckleberry- IP survey between East zone and Tahtsa Reach. Drilling planned.

Silvertip- Geophysical survey (AMT) about to begin.

Praxis- CSS Exploration will follow up airborne EM anomalies with geology/prospecting by Grant Hendrickson and Charlie Greig by Eskay-VMS targets.

Ashwood

Dease Lake RGS- Pacific Western Helicopters report no advance bookings for July 5. (only helicopter based in the area)

Prospectors (PAP) - Visits planned to Jim Hutter, John Hope, Peter Ross, Egil Livgard, Bernie Kreft.

John Field Elementary school (Hazelton) - participate in Careers day, June 22.

Smithers Exploration Group - Presentation on anticipated exploration activity at Hilltop.

Smithers Exploration Golf Tournament and field trip - Planning in progress. Major sponsors confirmed.



→ Maggie - to print.

Paul

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Schroeter, Tom EM:EX

WES → Reg. Mail
Smithers

From: Bergen, Wally EM:EX
Sent: Friday, August 03, 2001 9:15 AM
To: Al Hoffman; Andrew Whale; Beckett, Carla EM:EX; Bill Phelan; Brian Braidwood; Chris Carr; Denis Lieutard; Duane Anderson; Ed Beswick; EM MB Smithers DL; Fred Hermann; Gerald German; Graeme McLaren; Greg McKillop; Gregg Stewart; John Errington; Kerry Readshaw; Linda Stewart; Maija Finvers; Pat Cheetham; Patrick O'Rourke; Richard Booth; Rick Adams; Rick Conte; Ross Curtis; Sandra Kilmartin; Sharon Jorgensen; Shelley Guthrie; Ted Hall; Tom Carter; Tom Schroeter; Wesley Kennedy
Subject: NW Region Weekly Report to August 2, 2001

MINING

Huckleberry Mine has indicated that the summer program of diamond drilling, prospecting and geophysics has been completed and although good grades were encountered while drilling, the targets proved to be too small to mine profitably. Winter drilling may result from an IP survey between Tahtsa Reach and East pit, or from two lines of recce IP on the Wee (93E 086) north of the mine, near Sweeney Lake. With copper at \$0.66 Huckleberry is losing money, current production cost is about \$0.70

Cassiar: No word yet on company plans for the site. Senior officers of the company plus structural engineers are to visit the site next week [Aug 7-8] to determine the extent of the fire damage to the remaining air building and concentrator. Air building received smoke damage and concentrator structural steel was damaged.

Eskay Creek: The tailings pipeline is approximately 75% complete. Pipe liner is being installed now. Pipe sections will then have to be joined, a discharge system into Tom Mackay lake devised and installed and the pump [on site now] hooked up. Expected start-up is late August. Additions to accommodation building have been completed as well as expansion to the dry. Aggregate handling system, mine water thickener and sewage plant upgrade are at various stages of completion. Due to an incredibly long thaw period the company still has not been able to access all of the Tom Mackay area. There was still ice [20-30% of surface] on July 31.

EXPLORATION

Bill (94E 092, 140 km SE of Dease Lake)- Rimfire Minerals new project, optioned from Smithers prospector Lorne Warren, was examined by Paul Wojdak with Dave Caulfield. Gold-bearing quartz-arsenopyrite-pyrite stringer veins were drilled by Cominco and Dupont in 1983-84. Highly anomalous Au and As in silt led to discovery, and soil anomalies outlined drill targets. Doming of the chlorite schist and a pronounced magnetic low (regional survey by GSC published in 1999) measuring 10 km in diameter, suggest the area is underlain by a Cretaceous intrusion with an extensive carbonate-sericite alteration halo. This may provide a "bigger picture" model for further exploration. Placer Dome is scheduled to examine the prospect in late July.

Thorn (104K 031, high sulfidation enargite-gold prospect north of Golden Bear mine)- visited by Paul Wojdak with Rimfire Minerals personnel in conjunction with appraisal by Richard Gorton for possible option by Newmont. Placer Dome will examine in late July.

RDN (104G 144, epithermal VMS prospect 40 km north of Eskay Creek mine)- Paul Wojdak reviewed progress of drilling program with project geologists Al Montgomery and Mike Stammers, Newmont representative Richard Gorton and Rimfire principals Dave Caulfield and Henry Awmack. Six holes completed, 3 more planned at time of visit, all target EM conductors. One hole is planned in the Boundary zone (south end of the property) and 2 more at the Wedge zone. Surprisingly, no holes were planned in Jungle zone, site of encouraging previous (gold) geochemical and assay results. So far, all holes have been completed, to the credit of the drill contractor. Up to 40 metres of overburden and highly sheared mudstone near the Forrest-Kerr fault had frustrated prior drilling. Above information has not been released.

Eskay Creek exploration program, and some drill core, was reviewed by Paul Wojdak with Ian Dunlop. No change (as yet) arising from the Barrick-Homestake merger, but Homestake staff expect the Vancouver office to close. (The merger had yet to clear a 40-day review by the NYSE so that no major changes are expected until end of fiscal year) Alex Davidson, Barrick exploration VP is scheduled to visit Eskay in mid-August, but changes to the current 3-drill, 16 000 m drill program would appear to be unlikely. Exploration drilling is more broadly dispersed than last year, which focused on the "Deep Adrian" NEX trend down-plunge in the hinge of the Eskay anticline, in search of bedded ore in a second thickening of the Contact Mudstone, without any success. New targets include the Mackay adit area, felsite bluffs (seeking low grade mill ore to replace nearly depleted 109 zone) and the footwall dacite. Drilling was in progress on the

Silvertip (104O 038, Ag-Zn-Pb prospect near the Yukon border)- completed 10 km AMT survey (electromagnetic) in search of mantoes in the McDame limestone (or underlying Sandpile Formation) in the area between the portal and the camp. This is a deeper stratigraphic target than previous exploration which focused on the Earn-McDame unconformity. No anomalies that warrant drilling were found. Imperial Metals has lowered its maintenance costs for the property by building a log cabin for the summer caretaker, to eliminate diesel for heat and power for the entire trailer camp.

Ruby Creek Placer (placer gold mine, 20 km east of Atlin) - has partnered with Pelly Construction, using Pelly's blast hole drill released from Golden Bear, to strip 20 metres of Quaternary basalt (plus 6-12 metres of till) to expose well-indurated, Pleistocene boulder gravel. Cal Klippert explained they will sluice 16,000 cubic metres at a 4:1 strip ratio. Some concern that the gravel has been found to thin from about 9 to 6 metres. Ruby Creek is one of only two or three significant placer mines in the Atlin district this year. Ruby Creek's coarse gold supports a substantial mark-up (average sale price \$320 per ounce) for nugget jewellery. Drift miners worked the area, but not intensively and the pay-gravel is rich. Also, the current pit intersects a 300-metre long bedrock drain, hand-driven in weathered granite below the basalt in 1926, and still open. This means no pumping is required, reducing cost of mining.

Kitsault & Homestake Ridge (Eskay-VMS reconnaissance, 25-35 km SE of Stewart)- Teck's claim holdings total about 580 units and estimated expenditure is \$500,000. Teck is also evaluating mineral properties held by Dolly Varden Mines and Fayz Yacoub (PAP, 2000). Two horizons are of interest: a) rhyolite below the Salmon River mudstone (as Homestake Ridge), correlative stratigraphy to Eskay Creek and b) sericite alteration in Betty Creek (lower in the section) perhaps without felsic rocks but with anomalous Hg, As, Sb, Cu, Pb, Zn (as at the Sault and Leftover showings).

Praxis (8 person camp in Georgie River area, 25 km south of Stewart) - CSS Exploration (private company led by geophysicist Grant Hendrickson) is exploring this 325 unit property for Eskay-VMS mineralization (1 week into a 4-week program). Stratigraphic recognition derives from GSC work (Carol Evenchick). Two Eskay-age rhyolite flow domes apparently overlie pillow basalt and are capped by Salmon River mudstone. Toured one of the target areas with Charlie Greig (contract geologist, ex-GSB) while Grant Hendrickson was ground-truthing airborne conductors. Other geologists are Darwin Green and Peter Daubeny. Dacite and rhyolite peperite(?) breccia occurs at the mudstone contact but no mineralization other than pyrite-(pyrrhotite) was seen. Silt in streams draining the key stratigraphy is anomalous in a broad suite of base and precious metals. Vein mineralization is reported (103O 016) but had not been located yet. Prospector Frank Renaudat (PAP in southern BC) is also part of the crew.

Mobile prospect (103P 069, 5 km NW of Stewart) - assist local prospector, Lloyd Rodway who is drilling with a custom-made aluminum "Prospector" drill. Quick-log core from 3 holes, examine mineralization in the drill area and recommend a contract geologist to better direct his efforts. Setting is Hazelton volcanics and sediments hornfelsed by Hyder granite with abundant pyrrhotite (disseminated and veins), but there are also fault-controlled polymetallic vein(s) with significant Au and Ag.

Other Exploration Activity

Dease Lake RGS - Zah claims (40 units) staked a multi-sample Ta - REE anomaly near head of Beatty Creek in the Quaternary Level Mountain volcanic complex. Minfile (104J 062, Hg occurrence) describes spectacular alteration zones developed in rhyolite and trachyte in this unusual setting for REE. The Adsit (18 units) and Tuya (18 units) cover anomalies in the northeast corner of the sheet that might be derived from VMS mineralization. Roy Woolverton heads a (private?) syndicate who hope to raise money to explore the properties.

Huckleberry Mine - completed drilling of three targets near the Main and East pits. Not enough copper mineralization to warrant more work. Winter drilling may result from IP survey between Tahtsa Reach and East pit, or from two lines of recce IP on the Wee (93E 086) north of the mine, near Sweeney Lake. With copper at \$0.66 Huckleberry is losing money, current production cost is about \$0.70

Port claims staked by prospector/placer miner Ed Asp, on the Kalum gold prospect (aka Portland, 103I 019) north of Terrace. Asp says there is a Pt "hit" in (unmapped) ultramafic rocks.

American Boy - Drill mobilized to this Ag-Zn-Pb-barite vein on American Creek, near Stewart. Cream Minerals (Frank Lang) has optioned adjoining (Crown-grant?) claims from Frank Kamaric. Rumoured to be exploring for barite to supply off-shore oil & gas drilling !!??

Prospector Assistance Program

John Hope (visited on July 19 and 23) reports that Trio Gold Ltd (of Calgary) optioned 3 small claim groups near the north end of Dease Lake: Vowel claims (6 units, 1999 PAP project), Northwest claims (4 units, 2000 PAP program) and 4 placer leases on Thibert Creek close to the Vowel claims. The target is PGE's which were a significant by-product of placer gold mining, and presumably derived from ultramafic rocks along the terrane-bounding Thibert fault or possibly

Schroeter, Tom EM:EX

VBS → Reg. Mgr.
- Smith et

From: Bergen, Wally EM:EX
Sent: Friday, September 21, 2001 2:59 PM
To: Al Hoffman; Andrew Whale; Beckett, Carla EM:EX; Bill Phelan; Brian Braidwood; Chris Carr; Denis Lieutard; Duane Anderson; Ed Beswick; EM MB Smithers DL; Fred Hermann; Gerald German; Graeme McLaren; Greg McKillop; Gregg Stewart; John Errington; Kerry Readshaw; Linda Stewart; Maija Finvers; Pat Cheetham; Patrick O'Rourke; Richard Booth; Rick Adams; Rick Conte; Ross Curtis; Sandra Kilmartin; Sharon Jorgensen; Shelley Guthrie; Ted Hall; Tom Carter; Tom Schroeter; Wesley Kennedy
Subject: NW Region Weekly Report to September 21, 2001

MINING

Endako Mine: On September 6, three Endako employees were briefly hospitalized following exposure to Hydrofluoric Acid vapours. All were treated and released from the hospital the same day. The mine is investigating and will implement measures to avoid future incidents.

Endako is starting work to remove the area of the south wall that showed movement in late August and early September. Monitoring has been ongoing and Al Chance from Golder is providing Geotechnical advice. Monitoring will continue for the duration of the work, expected to take several months.

Huckleberry Mine: The mine reports that during September it is moving an average of 45,000 tonnes per day, the milling rate is 21,400 tpd and they are 8.6% ahead in copper production. Discussions have been and are ongoing between the owners and the direction is: "Business as usual". The mine is talking to their Japanese customers about future December and January shipments.

Eskay Creek: Commissioning of the Tom MacKay tailings disposal pipeline has been completed and on September 5, 2001 tailings were deposited into Tom MacKay Lake.

Eskay Creek has asked for advice regarding information required by government should they wish to increase production. (from 550 to 750 tpd, no change to the mill). A letter outlining the implications for a number of parts of the operation was requested.

Cassiar: The mine has submitted a plan for cleanup of the fire rubble. An approval letter has been drafted and work is expected to start in early October. Rubble will be buried on site.

EXPLORATION

Delta Gold: Marcus Tomkinson, Group - Project Generation Leader and James Stewart, international geological consultant, visited Smithers office and met with Paul Wojdak. Delta Gold is a mid-tier Australian gold producer, with a healthy cash flow derived from \$140 per ounce production cost, that wants to diversify to other countries. Countries being considered include Canada, Chile, Peru etc. BC's aboriginal land claim situation looks good compared to Australia (Queensland has not issued a single exploration permit in 3 years!! according to Tomkinson). Canada scored at top of political risk assessment, a big item for Delta Gold because of their recent experience in Solomon Islands and Zimbabwe. In the Solomon Islands, Delta bought an operating gold mine for \$114 million, but it was expropriated and then extensively vandalized. Discussed terrane geology of BC, mineral deposits (suite of Eskay Creek rocks in particular), current activity and opportunities in NW region, in the Iskut region in particular.

Stewart/Omineca Road: The mayor of Stewart, Mark Edgson, has entered in contract with Mcelhanney Consultants to prepare a feasibility study for the construction of a road connection from the Kemess Mine area to Stewart. The road would use existing logging roads for a part of the route and require construction of new, interconnecting portions. The consultant has been tasked with looking at the merits of building and evaluating cost/benefits, socio and environmental impacts. Funding for the report is coming from the District of Stewart, City of Terrace, Kemess, Northern Development Commission and others. The study is anticipated to be complete by the end of November. Such a road connection could open up a large area of mineral potential and also restructure log processing in the northwest.

Firestorm Opal (Cantech Ventures): Paul visited this precious opal property south of Decker Lake with project manager Dan Ethier. Access trail and about 150 metres of excavator trenching completed and stockpiled material is being washed and hand sorted for precious opal. One exceptional stone was recovered during Paul's visit. Opal fills vesicles in a vesicular basalt. The source of silica may be a nearby Ootsa biotit-quartz-feldspar porphyritic rhyolite (underlying flow? or cross-cutting dike?). This is a test program to determine viability. In the following months stones will continue to be recovered from selected blocks (to determine grade) and prepared for sale, to determine their value.

Schroeter, Tom EM:EX

From: Wojdak, Paul EM:EX
Sent: Friday, October 05, 2001 9:34 AM
To: Bergen, Wally EM:EX; Bill Price; Bruce Graff; Bryan Good; Daryl Hanson; Doug Flynn; Elaine Konschuh; Jill Pardoe; Van Zalingen, Sylvia EM:EX; Wesley Kennedy
Cc: Bob Lane; Jacques Houle; Mike Cathro; Terry, David EM:EX; Dave Lefebure; Derek Brown; Duane Anderson; Gib McArthur; Malott, Mary Lou MSRM:EX; Rick Conte; Tom Schroeter
Subject: Report to Oct 5/ 2001

Firestorm Opal - Two days geological work on this precious opal prospect near Maxan Lake, west of Burns Lake. Need to resolve mode of emplacement, age and correlation of Tertiary volcanic rocks for write-up for *Exploration in BC*. Area was mapped by Neil Church (GSB paper 1990-2).

Huckleberry Mine - Main Pit has 6 more benches to be mined, expected completion in late winter/spring. Stripping of the East pit high wall has begun. No surprises in Main zone ore. A small off-shoot of the stock is now exposed in the centre of the pit; it is sub-ore grade (about 0.25% Cu) non-acid generating and used for tailings dam construction. Mild concern about Main zone pit walls- a) small failures are occurring on a structure along the granodiorite/ hornfels contact that dips at 60 degrees, corresponding to the west wall of the pit and (b) where the 105 fault zone (and related dikes) intersect the east wall. Consultation in progress with Orica representatives to fine tune blasting techniques to mitigate failures. The north wall, where a failure last year buried a dozer, appears to have been stabilized.

Mine are exploration was disappointing:

- Reach zone (east of the East pit) - poor results from 11 km of IP; mapping of limited outcrop showed minimal alteration. Area determined to be north of ore-controlling 105 fault; no drilling done.
- 256 zone (also east of East pit) - area of supergene copper indicated from previous drilling to be 0.8% Cu over 16 m thickness; in-fill drilling showed the zone to be thinner and lower grade.
- 227 zone (between Main and East pits) - search for new area of granodiorite along the 105 fault trend; 4 holes drilled around a previous intercept of 0.5% Cu over 50 m. Mineralization found to be confined to the fault; no tonnage potential
- 225 zone (northwest of Main zone) - 3 ddh to follow up on apophysis of granodiorite and previous intercept of 0.49% Cu over 15 m; best new intercept was 0.55% Cu over 25 m, but is too deep to contemplate mining.
- Ted zone (north of Huckleberry Mountain) - recce IP over area of historic exploration where 1% Cu was intersected in andesite breccia; no anomaly and propylitic alteration, no drilling done.

Tweedsmuir Recreation Area - Guardsmen Resources staked 80 units in part of former Rec area that was recently opened up for staking (8400 ha reverted to crown land). Remainder of Rec area went into Tweedsmuir Park.

Ballad Enterprises - Junior company looking for gold property in BC. Suggest properties/ prospectors to consultant.

Prospector Assistance

Egil Livgard staked 21 units on Ta targets in Glundebery batholith (Jennings River map area)

Bob Russel staked 20 units on VMS target in Midway-Swan Lake area.

Paul

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Schroeter, Tom EM:EX

TGS → Reg. Mgr
SMITHERS

From: Bergen, Wally EM:EX
Sent: Friday, November 23, 2001 4:26 PM
To: Al Hoffman; Andrew Whale; Bill Phelan; Chris Carr; Clancy, John EM:EX; Denis Lieutard; Duane Anderson; Ed Beswick; EM MB Smithers DL; Fred Hermann; Gerald German; Graeme McLaren; Greg McKillop; Gregg Stewart; John Errington; Linda Stewart; Maija Finvers; Pat Cheetham; Patrick O'Rourke; Richard Booth; Rick Adams; Rick Conte; Ross Curtis; Sandra Kilmartin; Sharon Jorgensen; Shelley Guthrie; Smyth, Ron EM:EX; Ted Hall; Tom Carter; Tom Schroeter; Wesley Kennedy
Subject: NW Region Weekly Report to November 23, 2001

MINING

Huckleberry - Due to adverse weather conditions the raising of TMF-2 dam has been curtailed for 2001. The current dam elevation is below the permitted elevation of construction. Huckleberry consultants have estimated that the current dam crest will provide sufficient freeboard until March 2002. To maintain freeboard the dam crest will have to be raised by February or early March 2002 or alternately dewatering of the tailings pond will be necessary to maintain the required water level. Previous winter construction has proven problematic and the company has been asked to identify contingencies to maintain sufficient freeboard.

A draft of the Amended Permit for Huckleberry is expected to be ready for circulation to the company and other agencies by early next week. MEM's initial estimate of reclamation liability considerably exceeds the current bond amount of \$2M. There are concerns associated with operating costs exceeding revenue due to low metal prices and concerns with a major loan payment due in January, 2002. Negotiations regarding bonding are expected to begin within the next few weeks.

Copper prices have been on a roller coaster ride for Huckleberry. On November 8 the price bottomed at US \$0.597 and by November 15 had climbed back to a high of US \$0.667. On November 22 the price was at US \$0.665.

Eskay Creek - Eskay continues to encounter difficulties with its new tailings disposal system to Tom MacKay Lake. The new \$1M pump has reportedly proven incapable of pumping materials above 200 mesh, so slimes are having to be trucked separately to Albino Lake for disposal. TSS levels in Tom MacKay Lake, which had previously risen as high as 22 ppm, have been declining. The latest report was 9 ppm. The reasons for both the rise and the decline however, remain unknown.

Eskay has applied to increase daily production from 550t/d to 750t/day. The implications to the EA certification production level and the site implications are being reviewed. A meeting of the NWMDRC is scheduled for December 2, focussing on Eskay and Snip.

Cassiar - Mill fire remains have been cleaned up by burial around and in the footprint of the mill itself. Outlook for rebuilding the mill appears good but will need involvement of a second party with some money to contribute to the cause. The Regional Fire Commissioner has indicated that the Cassiar Fire Report prepared by Smith Investigation services has been reviewed and the Commissioners Office agrees with the findings. The Commissioner reports that Smith has dealt with the most probable cause as electrical and no one can dispute this determination under the circumstances.

RECLAMATION

Golden Bear - North American Metals are reportedly planning to make application to WLAP in early December to discharge all rinse solutions from the Totem heap to ground during next summer's rinsing. Assuming that this is approved, there will be no further need of either the mill or the tailings impoundment and it will be possible to remove all of the lower valley infrastructure and complete reclamation. It is expected that rinsing will also be completed next summer. The net effect of all of this will be to compress the previously anticipated closure schedule by one year. It will be possible to complete required reclamation for both the main haul road and the mine access road in 2003, rather than 2004 as previously thought. Agencies and groups with an interest in the access road will need to come to agreement on that aspect within the next 6 to 12 months.

GENERAL

Telikwa Coal - Allan Flemming of Luscar indicated in a telephone conversation that the project is still on the shelf. Luscar has other priorities at this time and Allan did not see a renewed interest in the project in the near future. He also indicated that there was also a wait and see attitude in relation to CBM.

On November 7 Wally Bergen was invited to the Northern Forestry Producers Association annual community dinner in Burns Lake. Much concern expressed regarding the soft wood tariff situation, mountain pine beetle infestation and the demand for wood and wood fibre throughout the NW.

Schroeter, Tom EM:EX

TOS → Reg. Mr.
— Smithers

From: Bergen, Wally EM:EX
Sent: Friday, November 02, 2001 1:58 PM
To: Al Hoffman; Andrew Whale; Bill Phelan; Chris Carr; Clancy, John EM:EX; Denis Lieutard; Duane Anderson; Ed Beswick; EM MB Smithers DL; Fred Hermann; Gerald German; Graeme McLaren; Greg McKillop; Gregg Stewart; John Errington; Linda Stewart; Maija Finvers; Pat Cheetham; Patrick O'Rourke; Richard Booth; Rick Adams; Rick Conte; Ross Curtis; Sandra Kilmartin; Sharon Jorgensen; Shelley Guthrie; Smyth, Ron EM:EX; Ted Hall; Tom Carter; Tom Schroeter; Wesley Kennedy
Subject: NW Region Weekly Report to November 2, 2001

MINING

Tulsequah Chief - The reconvened Tulsequah Chief EA review met in Vancouver October 24 and 25. Some progress was made resolving issues before the committee, with the U.S. indicating approval in principle at a certificate level for the waste water disposal system. Progress was made on other topics with further meetings scheduled at Atlin, Whitehorse and Juneau November 29 to December 5.

Huckleberry - The mine reports that on October 23 the Board of Directors of Huckleberry Mines Ltd. approved the year 2002 Life of Mine budget. Some conditions were attached to this approval, such as a successful agreement between Imperial Metals and the Japan Group in relation to debt repayment. Both the Japan Group and Imperial Metals were supportive of HML and its employees.

A minor wedge failure last weekend knocked out the pit dewatering system in the main zone sump. Mining will avoid this section of the NW wall.

Wet snow and poor weather may delay dam construction to target elevation till later this month (November) or until April of next year. A short section of dam remains about 2 metres below target elevation at present.

Golden Bear - The mine is closed for the winter and all staff have left the site. The company has hired a couple from Glenora to look after the site over the winter with a check-in system to monitor them, as road access will cease in short order, if not already.

Eskay Creek - Homestake has experienced some problems with the new tailings lines. One line is operational while the other has been shut down for the winter. Problems were encountered in trying to establish the low air pressure warning system. Attempts to remedy problem caused the liner to collapse. Bad weather and snow forced the company to give up on correcting the problems until next spring.

The third quarter financial report shows that cost of gold production with silver credits has increased to \$60/oz compared with \$33 a year ago, as more ore comes from smaller and lower grade stopes. Eskay is now in the mid-years of its life. Water Tower zone discovered by summer drilling. A modest zone, in footwall rhyolite, perhaps related to, but separate from 21C zone. Continued drilling planned next year.

Endako - Paul Wojdak visited the mine on Oct 25, and met with Al Morrish, mine manager and Ian Thompson, mine engineer. Outcome of twice-delayed meeting with Japanese/American co-owners (on Nov 2) to set mine budget for new fiscal year is important to future of Endako mine. Stripping waste rock on the south wall of the Endako pit must resume in the new year (Oct 1-Sept 30 fiscal year at Endako) in order to avoid a future 4 month shutdown to catch up. Uncertainty is increased by recent dip in Mo price to \$2.30/pound range. Endako's cost of production is believed to be about \$2 per pound (due to success of in-pit crusher and no stripping of waste) but the end of power savings (in January?) arranged by the Job Protection Commission will increase costs by \$0.20 per pound. The south ramp is being mined out, the ore is hauled down to the in-pit crusher. Pit access is maintained by north ramp. Mining of the ramp was halted briefly during the summer by sudden 1.5 metre sub-horizontal movement of the ramp. Water infiltration into the upper benches along the steep dipping South Basalt fault intersected moly-shear veins that dip 20 degrees north, into the pit. Failure occurred along the moly gouge zones, the problem was easily solved by diverting runoff water away from the South Basalt fault. Continued mining will diminish the load, no further problems anticipated.

RECLAMATION

Premier Gold - Bad weather has caused the company to shut down the Cascade Creek Diversion Project. Two large wedges of rock have been removed to date. Snow up to a foot deep has made work on the rock faces too dangerous. Diversion will be cleared of rock blasted to date. Further work has been deferred to next year. Boliden is committed to covering the tailings and constructing a drainage control weir as well as other works next year.

Schroeter, Tom EM:EX

From: Wojdak, Paul EM:EX
Sent: Thursday, June 13, 2002 4:22 PM
To: Bergen, Wally EM:EX; Bill Price; Bruce Graff; Daryl Hanson; Doug Flynn; Elaine Konschuh; Gleason, Nancy EM:EX; Jill Pardoe; Van Zalingen, Sylvia EM:EX; Wesley Kennedy; Bob Lane; Jacques Houle; Mike Cathro; Terry, David EM:EX
Cc: Dave Lefebure; Duane Anderson; Gib McArthur; Grant, Brian EM:EX; Guthrie, Shelley EM:EX; Logan, Jim EM:EX; MacIntyre, Don EM:EX; Malott, Mary Lou SRM:EX; Mihalyuk, Mitch EM:EX; Nelson, JoAnne EM:EX; Rick Conte; Tom Schroeter
Subject: Report to June 14, 2002

Klappan - Meeting (June 8) with Robin Goad, president and CEO of Fortune Minerals Ltd. In due diligence period leading to acquisition of the Klappan anthracite coal property. Goad was headed to Klappan, Iskut (to meet Tahltan) and Stewart (port facilities) accompanied by Larry Pituley (ex-Gulf Klappan project manager, now with Marston Mining Engineers and Consultants). I contributed background information about

- Omineca-Stewart road (linked with Duane Anderson)
- local Aboriginal issues and politics
- local environmental and wildlife concerns
- back-country recreation tenure
- Stewart port and town politics
- status of local mineral deposits (primarily Red Chris) that might benefit from coal-fired electrical power and provided contact info as necessary. Key to development of Klappan is shorter road haul to Stewart. Goad is keen on government assistance for a road link from Klappan to Bell II, but connection to Omineca-Stewart road might be also be favourable (longer route but sooner to approval and completion).

Rupert - Smithers Field Trip - Organized by Hans Smit as part of Northwest College Field School, and led by Glenn Woodsworth (Geologic Survey of Canada emeritus) and Tom Richards (ex GSC). Excellent trip, specially to upgrade my knowledge of tectonics in Coast Plutonic belt.

Huckleberry - Operational problems dominated my visit on June 4. Two shovels were down, one permanently and will be replaced, the other for about 2 weeks. Considerable water was flowing into the East pit (half ? full) from spring run-off from the high wall (Huckleberry Mtn) but will soon be pumped clear as work is in progress on the diversion ditch. The first few benches of the expanded East Pit have encountered more oxide copper (malachite, azurite) than expected, with consequent loss in mill recovery. The problem is partially offset by copper grade that is 30-40% better than the reserve model (0.5-0.6% Cu vs 0.4% Cu). The 150 fault, which causes right lateral displacement of the ore zone, is evident in the pit.

Endako - Stability problem of the South Wall has been assessed by the mine's geotechnical consultant and revised pit design is under consideration. Recent skyrocketing of Mo price will make dealing with this problem a lot easier. South wall ore is also mineralogically difficult, with lower Mo recovery.

Heritage Resources - Attend presentation by Fractal Graphics (Nick Archibald) on Eskay area geological/ geochem/ geophys/ topographic digital compilation. Cost of compilation - \$600,000, involved up to 20 geologists in Perth Australia. The value of data aggregated and made available by the MEM was strongly stated. Source of data: ARIS (50%), BCGS (15%), JV partners (10%), MDRU (10%), Heritage (5%), GSC (1%) others (balance). Rationalization of numerous geologic legends by Peter Lewis, but we were not shown the geology map product. Structural control (as opposed to stratigraphic) believed to be important, two "significant" NNE trending corridors are identified. Western belt includes Eskay Creek, SIB, Bonsai and Noot. Eastern belt includes Lance, AP, Unuk, Coul and TV zones. Targets are based on soil/rock geochem anomalies, drill intercepts, favourable geology etc. As reported previously, a \$2 million dollar program in 2002 will validate and prioritize these targets.

Meeting was hosted by Glenn Laing, audience included Fred Christiansen, Lou Starck, Dino Cremonese, Dick Billingsley and others. Suggest several field geologists for summer program - experienced field people beginning to be scarce.

U of Vienna Geo-tour - In Northwest region June 21 (Fireside barite) to June 28 (Endako) with lots of geology and a few mines inbetween. Assist with arranging mine visits and planning highway stops. Thanks to JoAnne Nelson for great material in Cassiar area, and to Carol Evenchick (GSC) for some Bowser Lake Group info.

APEGBC - Geoscience Committee meeting on June 10.

Schroeter, Tom EM:EX

WOS → Reg. Mgr
- Smithers

From: Bergen, Wally EM:EX
Sent: Monday, June 03, 2002 11:22 AM
To: Al Hoffman; Andrew Whale; Bill Phelan; Chris Carr; Denis Lieutard; Duane Anderson; Ed Beswick; EM MB Smithers DL; Fred Hermann; Gerald German; Graeme McLaren; Greg McKillop; Gregg Stewart; John Errington; Linda Stewart; Maija Finvers; Martin, Sandra M EM:EX; Pat Cheetham; Patrick O'Rourke; Richard Booth; Rick Adams; Rick Conte; Ross Curtis; Sharon Jorgensen; Shelley Guthrie; Smyth, Ron EM:EX; Ted Hall; Tom Schroeter; Wesley Kennedy
Subject: NW Region Report to June 2, 2002

MINING

Endako - Continuing instability of the central portion of the pit south wall has caused Thompson Creek Mining to revise their mine plan in order to continue with the current daily production rate. The geotechnical consultant reviewing the problem has made draft recommendations to the company which are currently being reviewed. The company is also faced with the shortening time frame for a decision on a set back to the south wall. Current Moly prices are favourable but longevity of the current elevated prices is a concern. Due to required lead time for equipment repairs, planning and manpower adjustments the decision has to be made soon in order to avoid a shortage of ore and mill shut down next year.

Eskay Creek - Mine underground development budget of \$1.5 million, plus \$1.5 million of ore definition and exploration drilling, totalling 26,000 metres. This is a step-up in activity to meet Barrick's production targets. This is in addition to the surface ("regional") exploration budget of \$3 million reported below under exploration.

Huckleberry - Approximately 600,000 tonnes of ore in the bottom of the Main zone Pit has been abandoned in the move to the East pit. A combination of pit wall failure and flooding from spring run-off (following very high winter snow pack) is the cause. Start-up ore from the second phase of the East Pit contains more secondary copper than expected, resulting in unacceptably low copper recovery in the mill. First phase mining did not cross this fault, this is a new geologic setting. Oxidation extends to 70 feet (20+ m) into bedrock. Once deeper ore is mined recoveries should improve.

EXPLORATION

Spectrum Property - This property is located along the eastern flank of Mount Edziza Provincial Park and was held out of the park by the Iskut Stikine LRMP table and the park boundary was revised to allow access. Rod Salfinger, an Australian promoter and holder of the mineral tenures, is currently starting into the process to raise funding and receive approvals to commence mine development. As a part of raising funds Salfinger is soliciting various sources. On May 15 Doug Stewart from Rothschild's Australian Golden Arrow Fund (global mining investors) met with Graeme McLaren, David Johns, John Errington, Duane Anderson, Trent Jonson and Bob Hart to discuss the mining climate in BC and changes in perception on investing here. Mr. Stewart apparently indicated at the end of the meeting that he was "enthused" with the results of the meeting. Maybe a new mine.

Heritage Resources - Will merge with Glenfred Holdings Inc. thereby consolidating 2202 claim units (47,239 hectares) in the Eskay mine area, extending from the Iskut River to Treaty Creek. Glenfred is a private company owned by Glenn Laing and Fred Christiansen through St Andrew Goldfields Ltd (50%), Zebrex Holdings Inc (37.5%) and Dolly Varden Resources Inc (12.5%). St Andrew will hold 45% of Heritage and appears to be the controlling player. A report to be filed on SEDAR details claims staked, purchased and option agreements. At Treaty Creek and Bonsai, a minimum of \$100,000 is to be spent on each property. Glenn Laing and Fred Billingsley (of Heritage) state that \$2 million will be expended on the merged companies' claims this year, in a variety of early-stage and drilling programs. The work is driven by high-computer-tech geological modeling of the Eskay area by Fractal Graphics (of Red Lake, Goldcorp Challenge fame).

Kinaskan (104G 033, 160, 161, 166, 167) - Consolidated Earth Stewards Inc. will acquire the QC claims (ca 538 units) staked recently by Viceroy (see April 5 report). The claims cover satellite intrusions north of the early Jurassic Groat stock, emplaced into Stuhini and Hazelton Group strata. Mineral potential includes both copper-gold porphyry similar to Red Chris and Eskay-style VMS associated with Jurassic felsic volcanics and felsite intrusions.

Tommy Jack (94D 031) - Gold City Industries Ltd. has optioned part of this intrusion-related/ vein gold prospect from Al

Schroeter, Tom EM:EX

VOS → RG
— Smithers

From: Wojdak, Paul EM:EX
Sent: Friday, May 10, 2002 10:13 AM
To: Bob Lane; Jacques Houle; Mike Cathro; Terry, David EM:EX; Bergen, Wally EM:EX; Bill Price; Bruce Graff; Daryl Hanson; Doug Flynn; Elaine Konschuh; Gleason, Nancy EM:EX; Jill Pardoe; Van Zalingen, Sylvia EM:EX; Wesley Kennedy
Cc: Dave Lefebure; Duane Anderson; Gib McArthur; Guthrie, Shelley EM:EX; MacIntyre, Don EM:EX; Malott, Mary Lou SRM:EX; Mihalynuk, Mitch EM:EX; Nelson, JoAnne EM:EX; Rick Conte; Tom Schroeter
Subject: Report to May 10, 2002

Eskay & RDN & PBR - Homestake exploration budget for the Iskut district is \$3 million (US \$2 million), identical to last year. Recent acquisition of the RDN prospect does not signal a more aggressive approach to exploration, as might have been anticipated with the Barrick merger. The RDN program is to be funded out of the "Eskay" budget; one of the three drill rigs planned for Eskay will be diverted to RDN. The proposed deep drilling program at Pillow Basalt Ridge (PBR) was written prior to acquisition of RDN and will almost certainly be deferred. Homestake, possibly concerned by St Andrew Goldfields aggressive ground acquisition program, staked claims between the Km 45 exploration camp and the Iskut River. The Valcano claims tie up open ground that existed between the Eskay Creek property and Coast Mountain Hydro's claims in the Iskut canyon.

Adam (104B 079,152,209) - Rimfire Minerals Corp announced staking of 60 claim units covering a gold-copper mineralization in a fault-controlled monzonite dike. A Kerr style deposit is the target.

Morrison - Results from first 2002 holes,

Hole #	From-To	Interval (m)	%Cu	g/t Au	
63	139-345	207		0.47	0.16
64	78-195*	117	0.41	0.14	
*Hole 64 did not reach target depth due to ground conditions					
65	56-233	177	0.30	0.11	
66	5-24	19	0.30	0.27	
East Fault	24-26.5	2.5		1.15	10.55
	26.5-91.5	65	0.36	0.36	
	91.5-131	39.5	0.15	0.08	
	131-326	195		0.50	0.20

Huckleberry - About 600,000 tonnes of ore in the bottom of the Main zone Pit has been abandoned. A combination of pit wall failure and flooding from spring run-off (following very high winter snow pack) is the cause. Start-up ore from the second phase of the East Pit contains more secondary copper than expected, resulting in unacceptably low copper recovery in the mill. The problematic ore comes from the east end of the pit, east of the 150 fault. First phase mining did not cross this fault, this is a new geologic setting. Oxidation extends to 70 feet (20+ m) into bedrock. Even a relatively small amount of oxide (cuprite, covellite?) and carbonate (malachite, azurite) coating chalcopyrite means that the chalco will not float. This problem ought to have been anticipated because exploration drilling recognized secondary copper in a zone of extremely poor (<20%) core recovery.

Klappan Coal - Fortune Minerals Limited will acquire the Klappan anthracite coal deposit from Conoco Canada Resources. Measured and Indicated resources total 260 million tonnes; inferred and speculative resources total 2.54 billion tonnes in four deposits. Klappan is accessible by a road that follows the BCR railroad grade north to the Stikine River at Hwy 37, linking the deposit to the port of Stewart by a 410 km route. The proposed Omineca-Stewart road could substantially reduce the distance to port.

APEGBC - Attend Geoscience Committee meeting on May 7.

Paul

Paul Wojdak, P. Geo.
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Schroeter, Tom EM:EX

TGS → Reg. Mgr
- Smither

From: Bergen, Wally EM:EX
Sent: Friday, April 05, 2002 2:11 PM
To: Al Hoffman; Andrew Whale; Bill Phelan; Chris Carr; Clancy, John EM:EX; Denis Lieutard; Duane Anderson; Ed Beswick; EM MB Smithers DL; Fred Hermann; Gerald German; Graeme McLaren; Greg McKillop; Gregg Stewart; John Errington; Linda Stewart; Maija Finvers; Pat Cheetham; Patrick O'Rourke; Richard Booth; Rick Adams; Rick Conte; Ross Curtis; Sandra Kilmartin; Sharon Jorgensen; Shelley Guthrie; Smyth, Ron EM:EX; Ted Hall; Tom Carter; Tom Schroeter; Wesley Kennedy
Subject: NW Region Report to April 5, 2002

MINING

Huckleberry Mine - Employees have agreed to their salary being tied to the price of copper. At less than \$0.65 /lb salary will be 90%; at \$0.70 and less than \$0.75 salary will be 100%; and at \$0.80 salary will be 110%. It is anticipated that this measure will help the mine through any future low prices. Everyone at the mine is hoping for higher prices. On March 28 a large portion of till/snow material souged off of the top of the pit wall. Due to a brief period of warm weather ravelling was detected and the area closed off. Two slides totalling 2500 tons of till snow material occurred with no injury or damage.

Endako Mine - Stability concerns near the south wall's south basalt fault led to an onsite review and mining recommendations by a geotechnical consultant from Golder and Associates. The recommendations allowed mining to proceed successfully in the area.

EXPLORATION

New Staking - Viceroy has acquired 676 units on alkalic Cu-Au porphyry and Au-vein targets in the Eddontenajon and Snip mine areas. Mine-finder Ron Netolitzky is behind this; he will return his focus to directing exploration from running a mining company. Targets near Snip include Bug Lake and Iskut II, 3 km north of the mine site, and an interest in placer gold near the mouth of Bronson Creek. Viceroy's claim stakers, Adam Travis and Dave Mehner, acquired porphyry and gold vein targets for themselves at Kaketsa (Sheslay area), Limpoke/Poker (Telegraph Ck area) and Rose of Klappan (Red Chris area) at the same time, totalling 216 units.

Foremore - Lome Warren is concluding a deal with an unidentified company on this Iskut area VMS prospect. Warren has several other property deals in progress or finalized, and has staked 92 units in the Toodoggone area, indicators of an upturn in exploration.

Morrison - Slow progress for Pacific Booker with difficulties drilling through the Morrison fault. Only one hole finished to date.

Xeno - Recovery of a micro diamond (0.3 mm) from a small sample (32 kg) by Pacific Ridge on this Turnagain area property has attracted interest from two major and some junior companies. A deal with a junior company is anticipated.

LAND USE PLANNING

North Coast LRMP - Paul Wojdak participated in a GSB workshop held in Victoria on April 4, to revise and improve mineral potential data for the LRMP.

GENERAL

Jill Pardoe, Daryl Hanson and Bruce Graff attended the Mine Rescue course in Kamloops. All commented that the course was well done and got a lot out of it.

Smithers weather - Currently minus 1, snowing like crazy, wind blowing, drifts forming. Where is global warming when you need it? Now, if this were Victoria.....

Wally Bergen
Ministry of Energy and Mines
Regional Manager

Schroeter, Tom EM:EX

WS → RG
- Smithers

From: Wojdak, Paul EM:EX
Sent: Friday, February 22, 2002 8:28 AM
To: Bob Lane; Jacques Houle; Mike Cathro; Terry, David EM:EX; Bergen, Wally EM:EX; Bill Price; Bruce Graff; Bryan Good; Daryl Hanson; Doug Flynn; Elaine Konschuh; Gleason, Nancy EM:EX; Jill Pardoe; Van Zalingen, Sylvia EM:EX; Wesley Kennedy
Cc: Dave Lefebure; deleted - 020117 - Malott, Mary Lou MSRM:EX; Derek Brown; Duane Anderson; Gib McArthur; Rick Conte; Tom Schroeter
Subject: 2-Week Report, Feb 22 2002

North Coast LRMP - New land planning process got underway at Feb 1-3 meeting in Prince Rupert. Hans Smit, local geological consultant and director of BC-Yukon Chamber of Mines, will represent the mining and mineral exploration industry.

Eskay Creek - 2001 production of 320,784 oz (9977 kg) of gold and 15.45 million oz (480,685 kg) of silver. Reserves at beginning of 2002 were,

- Shipping ore, 584,942 tonnes at 66.3 g/t Au, 3119 g/t Ag
 - Mill ore, 708,668 tonnes at 23.2 g/t Au, 910 g/t Ag
 - Resource, ~~626,000 tonnes at 10 g/t Au, 310 g/t Ag~~ — 522,000 @ 17.3 g/t Au; 367 g/t Ag.
- Production goal for 2002 is 366,000 oz of gold and 16 million oz of silver.

Huckleberry - 2001 production of 36,397,770 kg of Cu, 888,380 kg of Mo, 330 kg Au and 9052 kg of Ag from 7.4 million tonnes of ore milled. (The mine has also moved 27 feet of snowfall this winter!) Reserves at the beginning of 2002 were,

- Main pit - 2,774,000 tonnes at 0.517% Cu, 0.014% Mo
 - East pit - 51,610,000 tonnes at 0.478% Cu, 0.013% Mo
- Mining goal for 2002 is 8.1 million tonnes at 0.478% Cu, from a combined total of remaining Main Pit and East pit ores.

Endako - 2001 production of 5,565,499 kg of Mo from 9.5 million tonnes of ore milled. Reserves (as of Oct 1, 2002) were,

- Endako pit, 55.4 million tonnes at 0.072% Mo
- Denak pit, 1.5 million tonnes at 0.075% Mo
- Stockpile, 26.5 million tonnes at 0.047% Mo

Prospector Assistance - reviewed the last 2001 report: Peter Ross followed up of Ta-Sn-W RGS anomaly in Surprise Lake (specialty granite) batholith, near Atlin. RGS anomaly could not be duplicated, target evolved to intrusion-related (Ft Knox) gold.

Kemess North presentation to Smithers Ex Grp by Mike Hibbitts (chief geologist, Kemess mine) attracted 26 people, including one town councillor and MLA's riding office representative.

Powerpoint for prospectors (workshop on Feb 15) - Preparation for Rock Talk, scan photos and make geology maps from Map Place.

Rock Talk (Feb 26) - Organization help from Daryl Hanson and Hans Smit. (Frantically) preparing presentation on "North Coast to Iskut" geology and mineral deposits. Thank you to Jim Logan, Mitch Mihalynuk and Bob Anderson for core files. BC Securities course (Feb 27) has 16 registrants.

Paul

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Regional Geologist, Smithers
BC Ministry of Energy and Mines

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TGS → RG
- Smithers

Schroeter, Tom EM:EX

From: Wojdak, Paul EM:EX
Sent: Friday, February 01, 2002 4:31 PM
To: Bob Lane; Jacques Houle; Mike Cathro; Terry, David EM:EX; Bergen, Wally EM:EX; Bill Price; Bruce Graff; Bryan Good; Daryl Hanson; Doug Flynn; Elaine Kenschuh; Gleason, Nancy EM:EX; Jill Pardoe; Van Zalingen, Sylvia EM:EX; Wesley Kennedy
Cc: Dave Lefebure; deleted - 020117 - Malott, Mary Lou MSRM:EX; Derek Brown; Duane Anderson; Gib McArthur; Rick Conte; Tom Schroeter
Subject: Report to Feb 1, 2002

Thibert Creek staking by Jim Thomas to acquire bedrock claims near north end of Dease Lake, targeting source of platinum in placer deposits. Thomas also plans to placer mine on Thibert and Goldpan Creek (east of Dease Lake), the latter acquired from veteran miner/pro prospector Ed Asp. Staking crew (Dan Ethier) was still in the field when Levson's PGE study was released at Roundup. Data was acquired in Smithers office by Thomas' partner (Joe Hidber) and led to acquisition of more claims.

Huckleberry - Three 150-ton trucks and loader arrived from Mt. Polley to aid in stripping of East pit, phase 2 and to raise tailings dam.

Prospector Assistance - evaluated final report by

- Bruce Holden (Whitesail precious opal and Cummins epithermal gold targets)

Reports yet to review -

- Shawn Turford (Ecstall VMS)
- Ralph Keefe
- Egil Livgard

Exploration and Mining in BC

- Firestorm Opal - Completed first draft
- Northwest summary - Editorial changes made. 2001 production and 2002 reserve data requested from Eskay and Huckleberry to complete preparation of final version. Endako data in hand.

Paul

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Schroeter, Tom EM:EX

TOS → Reg. M
- Smith

From: Bergen, Wally EM:EX
Sent: Friday, December 14, 2001 4:02 PM
To: Al Hoffman; Andrew Whale; Bill Phelan; Chris Carr; Clancy, John EM:EX; Denis Lieutard; Duane Anderson; Ed Beswick; EM MB Smithers DL; Fred Hermann; Gerald German; Graeme McLaren; Greg McKillop; Gregg Stewart; John Errington; Linda Stewart; Maija Finvers; Pat Cheetham; Patrick O'Rourke; Richard Booth; Rick Adams; Rick Conte; Ross Curtis; Sandra Kilmartin; Sharon Jorgensen; Shelley Guthrie; Smyth, Ron EM:EX; Ted Hall; Tom Carter; Tom Schroeter; Wesley Kennedy
Subject: NW Region Weekly report to December 14, 2001

MINING

Tulsequah Chief EA Review Process - The EA Project Review Committee met in Atlin on November 29 and 30 and W. Bergen was in attendance. This was an open meeting of the committee with various members of the community attending to listen to technical presentations. On the evenings of the 29 and 30 there were Open House Drop-in sessions. On December 1 a Public Presentation of the project was given from 9:00 am until 2:45 pm with approximately 35 local residents in attendance. The proponent gave an excellent overview of the project which helped to dispel some of the mistruths about the project. On December 3, a Public Presentation of the project was made in Whitehorse, with approximately 40 people in attendance. The main mood of the meeting was to get on with the project and to bring some opportunities into the Atlin and Whitehorse economies. On December 5, a Public Presentation was held in Juneau, Alaska, with approximately 85 people in attendance. This meeting was fairly politically charged with various speakers trying to make comments in relation to state and Federal politics. Also, it was apparent that many people in the audience had little information regarding the specifics of the project. The EA review process moves forward with some consensus being built regarding common recommendations but there are still many points regarding which there will likely be dissenting recommendations.

Huckleberry - The mine has submitted contingency plans to control water levels in the tailings impoundment if dam construction is unable to proceed in the early spring. Work has started on the re-alignment of the access road in preparation for resuming work in the east zone pit. Stripping has started on the starter pit for the expanded east zone and also on the access to push back the highwall. The Huckleberry mine manager reports that Imperial Metals has reorganized its assets by using the Companies' Creditors Arrangement Act. The investment community reacted positively to this action since the value of Imperial shares went up. The restructuring leads to two companies: one handling oil and gas interests and the other focussing on mining. The Japanese Group of partners were informed of Imperial's actions and remained supportive of Huckleberry.

Endako - The mine is currently training 6 more mine rescue people in order to ensure coverage complies with the code. A small exploration drilling program is commencing to investigate two untested molybdenum anomalies within the mine property. One hole is near Southeast dump where a water seep has high moly values that cannot be explained by surface runoff. Four holes are planned on the Water Tank zone, between Endako pit and #1 tailings pond, to follow up a coincident soil anomaly and previous percussion hole intersection.

Eskay Creek - A meeting of the NWMDRC was held with Eskay representatives on December 7 to review the Tom Mackay Lake tailings pipeline. The company has had various problems getting the lines operational, with one of the two lines collapsed for a portion of its length, the initial leak detection system not working, the water diffusing system for the discharge point not working and other general bugs. Initially TSS went up, but this has been controlled. Due to adverse weather, the company is operating one line and is designing and constructing solutions over winter so that they can be installed in the short summer window next year.

The mine has requested authorization to increase production to 750 tpd and this is being reviewed. A summary of summer monitoring at the now closed Snip site was provided with all results within standards and no surprises. It was indicated that Barrick Gold is in the process of taking over Homestake, with a shareholders meeting to confirm the offer. If the take over goes ahead Barrick will centralize all offices to Toronto, with the Vancouver Homestake office closing.

RECLAMATION

Silver Standard Resources - Duthie Mine reclamation work was terminated at the end of November. There remains perhaps 2 weeks work to finish collecting and piling the contaminated soil. Drainage channels also remain to be completed. Work is expected to resume next summer or fall.

Schroeter, Tom EM:EX

From: Wojdak, Paul EM:EX
Sent: Friday, March 14, 2003 2:36 PM
To: Bob Lane; Jacques Houle; Mike Cathro; Terry, David EM:EX
Cc: Bergen, Wally EM:EX; Bill Price; Bruce Graff; Daryl Hanson; Doug Flynn; Elaine Konschuh; Gleason, Nancy EM:EX; Jill Pardoe; Van Zalingen, Sylvia EM:EX; Wesley Kennedy; Dave Lefebure; Duane Anderson; Errington, John EM:EX; Gib McArthur; Grant, Brian EM:EX; Guthrie, Shelley EM:EX; Malott, Mary Lou SRM:EX; Marshall, James EM:EX; Mihalynuk, Mitch EM:EX; Nelson, JoAnne EM:EX; Rick Conte; Tom Schroeter
Subject: Northwest Geology March 15, 2003

Huckleberry - Reserves are

• 36,365,000 tonnes at 0.496% Cu, 0.014% Mo (on Dec 31 2002). Cut off grade is 0.26% Cu. Optimization of the East pit resulted in 10.6 million tonnes being dropped from reserves. At the current mining rate of about 7.4 million tonnes per year, Huckleberry is expected to cease production at the end of 2007.

Endako - will probably drill six 400-700 ft horizontal holes from the floor of the pit (decision is imminent) to drain water impounded behind the South Basalt fault. Ground movement last year on the South wall restricted the area that can be mined within the pit and interrupted benching back the pit wall. Endako is on a critical time-line to strip waste overlying approximately 4 years of reserves. The drain holes are expected to stabilize the South wall.

French (93M 014) - Porphyry copper property 65 km north of Smithers optioned by Ellesmere Minerals Ltd. from prospector Robin Day. The company anticipates a drill program to focus on untested gold potential (best intercept of 6 holes drilled in 1971 was 0.2% Cu over 36.5 m).

Paul

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BC Ministry of Energy and Mines

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Schroeter, Tom EM:EX

From: Wojdak, Paul EM:EX
Sent: Friday, July 11, 2003 1:39 PM
To: Bruce Graff; Doug Flynn; Bob Lane; Mike Cathro; Terry, David EM:EX; Bellefontaine, Kim EM:EX; Dave Lefebure; Duane Anderson; Errington, John EM:EX; Grant, Brian EM:EX; Guthrie, Shelley EM:EX; Lewis, Jim E EM:EX; Malott, Mary Lou SRM:EX; Marshall, James EM:EX; Mihalyuk, Mitch EM:EX; Nelson, JoAnne EM:EX; Newell, Chris J. EM:EX; Rick Conte; Tom Schroeter
Subject: Northwest Geology, July 11 2003

RGS - Four copies of 93K (Fort Fraser) geochem survey, release on July 3, were sold from the Smithers office. Two were taken by prospecting geologists (Peter Ogrzylo, Daryl Hanson) and two by prospectors Bob Hamblin and Ralph Keefe.

- Yekooche First Nation (aided by Daryl Hanson) staked 8 units on one anomaly and will evaluate with newly trained Yekooche prospectors.

Morrison (93M 007)- Chris Sampson (of Pacific Booker Minerals) visited Smithers office with environmental consultants (Knight & Piesold) and contractor (Rick Killam), prior to visiting the Babine district porphyry copper prospect. Attended presentation by Killam, Paul Stevenson and Sampson to WLAP on project status. Feasibility study commenced, to be done in house by series of consultants:

- Knight & Piesold - tailings site, coordination of other studies
- Kevin Morin - ARD
- Dave Bustard(?) - fisheries
- to be hired by end of month - mining engineer
- to be contracted - closure plan

Drilling (5000 m) began last week to close off edges of the deposit, and for various geotechnical objectives.

Foremore (104G 148)- Source of North Boulder field (long known but unexplained) was discovered by prospecting last month. Average grade of VMS boulders in NBF-

- Layered (avg of 29 boulders) - 1.1 g/t Au, 87 g/t Ag, 10.2% Zn, 3.5% Pb
- Feeder (avg of 12 boulders) - 1.5 g/t Au, 167 g/t Ag, 6.2% Zn, 2.3% Cu

Location of VMS horizon is as predicted by John Baker's structural model. The horizon, within quartz-sericite schist, has been traced 30 m along strike in a creek gully and is 1.5 to 5 metres wide. Mineralization varies from chalcopyrite-rich, to massive pyrite with minor sph-gl, to massive sphalerite-galena. A stringer zone underlies the massive sulphide horizon, indicating the section is right-way-up. Assays are pending. Work continues on the property located 50 km NNW of Eskay Creek.

Galore (104G 090)- is the mystery property that Novagold is taking an interest in (see previous NW report).

[CONFIDENTIAL until agreement is finalized and announced by companies] Another prominent junior company is involved. Sue Craig is preparing NoW. Work program intended to start by August 1 with drilling to commence later in the month.

Joss'alun (104N 136)- It comes as no surprise that Imperial Metals announced acquisition of claims over the copper showing from Copper Ridge Explorations, and are now included in their Nak property. Field work at Nak began in earlier this month. The Taku Tlingit insisted on a face-to-face meeting with the company prior to work beginning. Joss'alun was discovered in 2002 by the Geological Survey Branch.

Minister's Reception (July 10)- About 47 people attended. There was a large delegation from Huckleberry, and good participation by Kemess and Endako mines. But overall turnout was disappointing. There were no representatives from Eskay Creek, nor local drilling companies and only two exploration companies (Pacific Booker and Heritage Resources) were present. The biggest disappointment was there were only 3 prospectors from the Hazelton-Smithers-Houston area-possibly an indication that prospectors are in the field but perhaps (I fear) a sign that many have given up on MEM. Several people stated they have received neither a reply nor acknowledgement of letters to the Ministry and follow-up copies were hand-delivered to the Minister.

Minister's Visit to Huckleberry (July 11)- Terry Isaacs (mine superintendent), Doug Johnston (Environmental superintendent) Carl Bottaro (senior mine engineer) toured Richard Neufeld, Dennis MacKay (Bulkley Valley - Stikine MLA) and myself. Trip was via Bell Long Ranger.

QCI - Reviewed/ commented on minerals and energy section of LRMP "Socio Economic Base Case" for Dorthe Jakobsen

Schroeter, Tom EM:EX

TOS → RG
✓ - Smithers
TOS Nov. 29

From: Wojdak, Paul EM:EX
Sent: Friday, November 28, 2003 1:31 PM
To: Bob Lane; Mike Cathro; Terry, David EM:EX; Bruce Graff; Doug Flynn
Cc: Aldrick, Dani EM:EX; Bellefontaine, Kim EM:EX; Dave Lefebure; Duane Anderson; Errington, John EM:EX; Grant, Brian EM:EX; Guthrie, Shelley EM:EX; Hayes, Mark EM:EX; Hermann, Fred EM:EX; Lewis, Jim E EM:EX; Marshall, James EM:EX; Mihalynuk, Mitch EM:EX; Morii, Sachie EM:EX; Nelson, JoAnne EM:EX; Newell, Chris J. EM:EX; Rick Conte; Schroeter, Tom EM:EX; Simandl, George EM:EX; Webster, Ian EM:EX; Wuschke, Steven EM:EX
Subject: Northwest Geology Nov 28, 2003

Huckleberry - Third quarter production stats released, projecting to year end the mine will produce about 30,000 tonnes of copper and 140 tonnes of Mo. Copper head grade continues to be about 10% higher than the reserve estimation.

Red Chris - bcMetals submitted its proposal to develop a 25,000 tpd mine to the EA office. Capital cost is estimated at \$150 million (see NW geology Sept 26).

Northwest Exploration - Continue to compile data. Expenditures now estimated at \$21 million (vs \$10.2 million in 2002), drilling estimated at 99,000 metres (vs 57,000 metres in 2002).

Staking - John Ball has re-submitted 1520 units of new claims around the Galore Creek deposit. SpectrumGold were tardy in securing a stronger ground position. Inspection by Mineral Titles is anticipated; completion times for the 16 to 20-unit blocks are (typically) 20 minutes. Large blocks of claims are being staked by other parties in the Toadoggone and Kinaskan areas.

Paul

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BC Ministry of Energy and Mines

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Schroeter, Tom EM:EX

TOS → RG
- Smithers
(5)

From: Wojdak, Paul EM:EX
Sent: Friday, March 05, 2004 11:04 AM
To: Bruce Graff; Doug Flynn; Bob Lane; Mike Cathro
Cc: Alldrick, Dani EM:EX; Bellefontaine, Kim EM:EX; Dave Lefebure; Duane Anderson; Errington, John EM:EX; Grant, Brian EM:EX; Guthrie, Shelley EM:EX; Hayes, Mark EM:EX; Lewis, Jim E EM:EX; Mihalynuk, Mitch EM:EX; Morii, Sachie EM:EX; Nelson, JoAnne EM:EX; Newell, Chris J. EM:EX; Rick Conte; Schroeter, Tom EM:EX; Simandl, George EM:EX; Webster, Ian EM:EX; Wuschke, Steven EM:EX
Subject: Northwest Geology, March 6 2004

Eskey Creek - 2003 production (supplied by Ted Mahoney, chief geologist)

- Direct shipping ore - 134,850 tonnes @ 67.5 g/t gold, 3141.45 g/t silver
 - Mill ore - 115,052 tonnes @ 24.3 g/t gold, 1213.04 g/t silver
 - Total recovered - 10,950.57 kg Au and 527,775 kg Ag
- Total Reserves (smelter and mill, on Dec 31, 2003) - 840,895 tonnes at 34.81 g/t Au, 1604 g/t Ag

Huckleberry - 2003 production was 32,780 tonnes of copper from milling of 6,999,100 tonnes grading 0.542% Cu and a strip ratio of 2.28:1 and copper recovery of 86.5%. About 1.4 million tonnes of low grade ore, 0.26-0.35% Cu, is forecast to be stockpiled in 2004, in addition to nearly 0.5 million tonnes that was stockpiled in 2003. John Lovering came out of retirement to be new mine manager (ex-manager at Nickel Plate).

Endako - Mine management requested that EMBC not report accurate molybdenum production data.

Nak - Imperial Metals has reduced its claim units to 48 units. Fourteen units covering the Joss'alun showing will revert to Copper Ridge Explorations Inc. Imperial will continue exploration of untested targets on its own claims. This is the copper discovery made by BCGS south of Atlin in 2002.

Rock & Roll - Conquest Resources Limited and Newcastle Minerals Ltd. have optioned this 169 unit VMS prospect near Snip mine from the Forrest Syndicate. Inferred resource of 675,000 tonnes at 1.75 g/t Au, 234 g/t Ag, 2.2% Zn, 0.5% Pb, 0.4% Cu.

Titan - Kobex Resources Ltd. has optioned this new high-grade moly prospect west of Atlin from Eagle Plains Resources. Drilling anticipated in July.

Kalum - Airborne survey in progress 35-40 km north of Terrace; information supplied for Skeena MLA.

Rock Talk (Feb 24) - Attended by about 52 people with an additional 10 people from Titles and Gold Commissioner's office for Mineral Titles Online presentation. Event organized by Gary Thompson (president SmExGrp) and Rob Boyce. About 15 people took in Huckleberry mine tour on Feb 25.

Minerals North - Technical program (see attached) is fairly much set for April 14-16 annual meeting in Smithers. Great organizing committee, it will be an excellent event.



Proposed program
2004.doc

Exploration and Mining in BC - Complete Foreword for the volume (reviewed by Communications) and complete final additions and edits to Northwest summary.

Paul

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Schroeter, Tom EM:EX

From: Schroeter, Tom EM:EX
Sent: Monday, June 21, 2004 11:54 AM
To: Pardy, Jamie EM:EX
Subject: RE: Huckleberry figures

Thanks, Jamie. Let's go with your updated figures. Pls. make the appropriate updates to the 'Master' file. I have made all the revisions to the 'Tables' (tabbed on my side desk - for updating, when you get a moment).

Tom

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

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 Autotel 604 662-9091

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

From: Pardy, Jamie EM:EX
Sent: Monday, June 21, 2004 9:42 AM
To: Schroeter, Tom EM:EX
Subject: Huckleberry figures

Tom,

Huckleberry figures based on MINFILE to 2002 and *Exploration and Mining in BC 2003*, text and Table 1. (which are very close to your numbers) are:

	up to 2002	2003	total
tonnes milled	36,725,614 tonnes	6,699,100 tonnes	43,424,714 tonnes
Cu (kg)	185,132,044	32,780,828	217,912,872 kg
Au (g)	924,460	289,000	1,213,460 g
Ag (g)	26,021,000	8,017,000	34,038,000 g
Mo (kg)	2,684,671	323,499	3,008,170 kg

This data is significantly different from that of the Main Gold data table and related tables. Did you want this incorporated at this time?

→ Huckleberry

Schroeter, Tom EMPR:EX

From: CCNMatthews [CCNMatthews.Release@ccnmatthews.com]
Sent: Wed, December 6, 2006 8:44 AM
To: Schroeter, Tom EMPR:EX
Subject: Imperial Reports Huckleberry Mines Ltd. Debt Repaid

SW- Dec. 7/06

**PRESS RELEASE****Imperial
Metals****Imperial Metals Corporation**

TSX: III

[Stock Quote](#)[Stock Chart](#)[Other Recent News](#)**December 6, 2006****Imperial Reports Huckleberry Mines Ltd. Debt Repaid**

VANCOUVER, BRITISH COLUMBIA--(CCNMatthews - Dec. 6, 2006) - Imperial Metals Corporation (TSX:III) reports that Huckleberry Mines Ltd. has repaid the balance of its long term debt totaling \$37.3 million. The Government of British Columbia through the Ministry of Employment and Investment received \$9.6 million and the Japan Group, a consortium of four Japanese companies, received \$27.7 million. During the year 2006 Huckleberry repaid \$120.9 million of long term debt and is now debt free.

Huckleberry is expected to commence payment of cash dividends to shareholders in 2007.

Imperial holds a 50% interest in Huckleberry Mines Ltd., which operates the Huckleberry copper/molybdenum open pit mine located southwest of Houston, BC.

In July 2006 the Board of Huckleberry announced that it had approved management's recommendation to proceed with the extension of the Main Zone Pit. Mining of this pit will add over two year's life to the Huckleberry operation, extending production into 2010.

Imperial is a mine development and operating company based in Vancouver, British Columbia. In addition to the Huckleberry mine, Imperial's other key properties are the Mount Polley open pit copper/gold producing mine (100% interest) in central British Columbia and the development stage Sterling gold mine (100% interest) in southwest Nevada.

CONTACT INFORMATION

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 Brian Kynoch
 President
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or

Imperial Metals Corporation
 Andre Deepwell
 Chief Financial Officer