lce 864212

# Schroeter, Tom EM:EX

From:

Terry, David EM:EX

Sent:

Friday, April 05, 2002 8:13 AM

To:

Whale, Andrew EM:EX

Cc:

Cathro, Mike EM:EX; Houle, Jacques EM:EX; Lane, Bob EM:EX; Lefebure, Dave EM:EX;

Schroeter, Tom EM:EX; Smyth, Ron EM:EX; Wojdak, Paul EM:EX

Subject:

D.A. Terry Report, April 5, 2002

#### **Regional Geologist Activity:**

- Kootenay Exploration Review Presentation to Boundary Mining Association AGM on March 8 in Grand Forks
- Presentation to Chamber of Mines of Eastern BC Banquet on March 16th in Nelson
- Reviewing geology and resource portions of the Crystal Graphite Corp. Mine and Reclamation proposal
- Presentation to College of the Rockies geology class on Exploration and Mining in BC, April 5
- Preparing talk and updating poster for KEG conference in Kamloops

## Mineral Exploration Activity:

Fran: Drilling has re-commenced again on Klondike Gold's Fran sedex project northeast of Moyie Lake. This drill hole was started last fall but difficulty in penetrating thick gravel deposits caused the drilling to be halted several times. Bedrock was finally reached at ~700 feet depth and the hole is now at approximately 1500 feet depth and is targeting 2000 feet. In other news Klondike has raised \$420,000 to continue exploration on their properties in the Cranbrook area.

Ice: Skeena Resources Limited has reported that caustic fusion analysis of 143m of split NQ kimberlite core from the driffing carried out on the RAM 6 pipe last fall obtained no microdiamonds. As previously reported Dense Media separation results for the 3.8 tonne bulk sample collected in the fall from the Bonus pipe have been received and no diamonds were recovered in the +0.5mm to 6mm size range. A Caustic Fusion analysis previously performed on a minibulk sample from the Bonus Pipe returned 6 microdiamonds. Skeena is currently deciding what further work programs they will carry out on the property. There are a number of significant untested combined geophysical - indicator mineral anomalies within the property and the RAM 5 and Bonus pipes have not been adequately tested.

Kena: Sultan Minerals have almost completed the current 1500m drill program on the Kena Gold project. The recent 11 heles, brings the total number of holes drilled on the Gold Mountain Zone since the project drilling commenced last summer to 40. This program was aimed at following up on the high grade results from last fall in the *Discovery Trench* area. No results have been released from the program yet. Another extensive drilling program is currently being planned for this spring.

Lone Peak:) Golconda Resources Ltd. are currently on hole two of their 4 hole program on the Lone Peak Au-Cu-Ag project-east of Fort Steele. These holes are testing an area of the Kitchener Fm. Near the Boulder Creek fault on the northeast side of Lone Peak. Previous percussion drilling in the area identified Co-rich pyrite with elevated Ni values. The company plans to drill-test the area with sheeted quartz veins containing visible gold in the Spar Lake quartzite unit, near the top of the Creston Fm. on the south side of Lone Peak, once the snow melts and it is possible to extend an access road to the area.

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105 miloszak

From:

Terry, David EM:EX

Sent:

Friday, February 08, 2002 3:37 PM

To:

Whale, Andrew EM:EX

Cc:

Cathro, Mike EM:EX; Houle, Jacques EM:EX; Lane, Bob EM:EX; Lefebure, Dave EM:EX;

Schroeter, Tom EM:EX: Smvth, Ron EM:EX: Wojdak, Paul EM:EX

Subject:

D.A. Terry Report, February 8, 2002

#### **Regional Geologist Activity:**

- January 20-21 PGE Short Course
- January 22-25 Cordilleran Roundup
- Finishing Exploration and Mining in BC contribution
- Evaluating PAP grant reports

### **Mineral Exploration Activity:**

Ice: Kimberlite samples from the fall drill program on Skeena Resources Ice diamond project north of Elkford have now been submitted for caustic dissolution analysis for microdiamonds. Results should be available by the end of February.

Kena: A program of 8-10 reverse circulation drill holes is underway on the Gold Mountain Zone. The program will be focused on the discovery/trench area and may be followed up immediately with several diamond drill holes. The results of an IP survey carried out in November have been reported. Two parallel zones of elevated chargeability (with strike lengths of 1400m and 1200m) trend at 140 degrees across the grids, one encompassing the Gold Mountain Zone. Sultan has contracted Snowden Mining Consultants to conduct a preliminary scooping study of the Gold Mountain Zone to establish parameters necessary for either an underground or open pit mining operation. Sultan has raised another ~ \$940,000 since the beginning of 2002 to continue funding exploration on the Kena property.

Lone Peak: Golconda has raised \$250, 000 dollars via private placement to drill test the Lone Peak Au-Cu-Ag property east of Fort Steele, in addition to another property in Alaska. Drilling is expected to commence by the end of the month.

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David.Terry@gems2.gov.bc.ca

From:

Terry, David EM:EX

Sent:

Friday, November 16, 2001 9:06 AM

To:

Whale, Andrew EM:EX

Cc:

EM MB Kootenay DL; Cathro, Mike EM:EX; Houle, Jacques EM:EX; Lane, Bob EM:EX;

Lefebure. Dave EM:EX; Schroeter. Tom EM:EX; Smyth, Ron EM:EX; Wojdak, Paul EM:EX

3-XG

Subject:

D.A. Terry Report, November 16

#### **Regional Geologist Activity:**

• Talk on Sullivan Camp exploration activity at the Sullivan Geological Meeting in Kimberley (November 9)

Poster Session and Underground tour November 10

• Field tour of Aldridge basin, November 11

Prepare for RG meetings in Victoria

#### Mineral Exploration Activity:

ice: Apparently the <u>analysis</u> of the <u>105m of kimberlite intersected</u> during Skeena Resources drill program on the Ice property north of Elkford has been postponed as the company is currently going through an equity financing.

Kepa: A total of 23 holes have been completed on the Gold Mountain Zone to date, and 4 holes have been deepened.

Assays are still pending for the last 12 holes and extensions. Assays reported earlier in November for holes 8-11 from the current drilling program are listed below. Holes 9 and 10 are located at 75m step outs to them west along line 11N and hole 11 is located on L12N between the easting of holes 9 and 10.

HOLE #	FROM (m)	TO (m)	WIDTH (m)	AU (g/t)
01GM-08*	6.71	214.27	207.56	0.92 (cut)
Including*	50.00	210.00	160.00	1.15 (cut)
Including*	164.00	210.00	46.00	2.58 (cut)
Including*	198.00	210.00	12.00	8.01 (cut)
Including*	204.00	206.00	2.00	34.29 (cut)
01GM-09	3.66	197.21	193.55	0.31
Including	165.00	169.00	4.00	1.34
01GM-10	6.71	185.32	178.61	0.26
Including	113.00	136.00	23.00	1.12
Including	134.00	136.00	2.00	6.54

Regional soil geochemical sampling has identified 6 new anomalous areas along the 17km long Kena property. A new soil grid extends south from the Gold Mountain Soil Grid (7km baseline) a further 9km covering the southern extent of the Silver King Intrusive. Grid lines are spaced 200m apart and samples are collected on 50m intervals. Gold values range up to 942 ppb Au in these newly sampled areas.

The current diamond drill program will test an area of the Silver King porphyry 1400m long by 500m wide and is expected to be completed by year-end. An expanded drill program is now being proposed for early 2002.

Lone Peak: Further work by Golconda Resources on the Lone Peak property, located east of Fort Steele, has been reported. Sold mineralization is hosted in sheeted quartz veins in the crest of an anticline in the Spar Lake quartzite unit. Grab samples grading up to 32 g/t Au have been reported from sheeted veins up to 10cm in width.

#### **Sullivan Geological Meeting:**

The Sullivan Geological Meeting took place November 9 and 10 in Kimberley, hosted by Teck Cominco. The meeting was attended by approximately 240 participants. On Friday a series of talks by industry and government discussed the geology of the Sullivan Mine and exploration for Sullivan-type deposits elsewhere in the Aldridge basin. A poster-chat session on Saturday was run concurrently with underground mine tours (180 people got underground). The poster session provided an overview of a lot of the work done by Cominco and others in the camp. Of particular interest were the displays on the deep drilling for the Sullivan extension north of the Kimberley fault and the Aldridge Marker display that included many examples of marker correlations from the Middle Aldridge.

From:

Schroeter, Tom EM:EX

Sent:

Friday, September 21, 2001 3:12 PM

To:

Terry, David EM:EX

Subject:

RE: D.A. Terry Report, September 21, 2001

Good updates. Are the 2 coal expl'n properties mentioned (Saddle and Turnbull Mtn.) part of the "exploration" costs previously assigned to Luscar/Sherritt and Fording, respectively? OR, should they be treate (added) separately? Also (re-Sedex Mining) - any SPECIFIC name(s) of the "Moyie Lake" property? Tahnks, Have a great weekend. Talk to you next week. P.S. Saw my e-mail re- Ron Smyth ("sign-off" of Sullivan Abstract?). Cheers, Tom.

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

From:

Terry, David EM:EX

Sent:

Friday, September 21, 2001 8:19 AM

To:

Whale, Andrew EM:EX

Cc:

Cathro, Mike EM:EX; Houle, Jacques EM:EX; Lane, Bob EM:EX; Lefebure, Dave EM:EX; Schroeter, Tom EM:EX; Smyth, Ron EM:EX;

Woidak, Paul EM:EX

Subject:

D.A. Terry Report, September 21, 2001

#### **Regional Geologist Activity:**

- Visit to the Jackson-Ophir properties, Slocan Valley, with Steve Wuschke
- Visit to Line Creek Coal Mine Saddle exploration area
- Visit Ice kimberlite property Elkford
- Visit to Fording River Mine
- Regional Geology of Flathead basin with Dave Grieve
- Completed and submitted Abstract for Sullivan Geological Meeting

#### **Prospectors Assistance Program:**

Frank Renadaut has submitted his final PAP grant report

## **Mineral Exploration Activity:**

Black Crystal: Orystal Graphite Corporation have submitted a NoW to carry out a further 300m of trenching, bulk sampling, and mapping on their Black Crystal project in the Slocan Valley.

Ice: Skeena Resources are completing their drill program on the Ice kimberlite project just north of Elkford. At the time of my visit they had drilled 3 holes (2 short 50m holes and one longer one) on the Ram 6 kimberlite from which a 20 ton surface bulk sample collected in 1996, containing 90-95% non-kimberlitic material, yielded 2 poor quality macro-diamonds, the two largest stones weighing a combined 0.23 carats. The two shorter holes both intercepted 6-8m of kimberlitic material, believed to be a near-surface sill, and then entered the shale-limestone country rock. The third and deeper hole was collared at the same location as the second shorter hole but at a steeper angle. It drilled through the "sill" into the sediments and then entered a thick interval (~100m) of kimberlite believed to be a diatreme (CONFIDENTIAL). The kimberlite is commonly clay altered near surface, contains numerous xenoliths of carbonate and shale host rocks, as well as xenoliths of ultramafic material and xenocrysts of ruby-red garnet, chrome diopside, ilmenite, etc. It is also commonly cut by numerous calcite veinlets. At the time of my visit the drill was just starting a fourth hole on the Ram 5 kimberlite, ~1km south of Ram 6. A 1996 bulk sample from Ram 5 yielded 3 good quality macro-diamonds weighing 0.255 carats from 35 tons of surface material of which 95% was reportedly non-kimberlitic. It is likely that the third target of this years program, the Bonus Pipe, located ~3km to the west, will not be drilled this year due to difficulty in getting water to the site.

Kena: At the Kena property, located south of Nelson, Sultan Minerals have commenced their previously announced 22 hole drill program which will test the Gold Mountain Zone over a length of 1.5km and a width of 500m. Soil sampling and limited amounts of IP are also being carried out over other areas along the 17km strike length of the Silver King Porphyry.

Moyie River: Sedex Mining Corp have submitted a NoW for 2 drillholes (610m total) on their Moyie River property in the Upper Moyie River area. They indicate on the application that drilling will commence near the end of

From:

Terry, David EM:EX

Sent:

Friday, September 07, 2001 8:48 AM

To:

Whale, Andrew EM:EX

Cc:

Cathro, Mike EM:EX; Houle, Jacques EM:EX; Lane, Bob EM:EX; Lefebure, Dave EM:EX;

Kambods

Schroeter, Tom EM:EX; Smyth, Ron EM:EX; Wojdak, Paul EM:EX

Subject:

D.A. Terry Report, September 7, 2001

## Regional Geologist Activity:

Visit to Gold Cities Industries properties in the Greenwood-Boundary area with Al-Raven, Field Manager.
 Properties visited included Sappho (PGE-Cu-Au), Midway (Cu-Au), and Old Nick (Ni-Co)

Visit to Frank Renadaut's Storm Claims

Visit to Winner Quarry and JD and Snowshoe properties with <u>John Kemp</u>

Visit to Cruz Vent, Midway, St. Eugene mines with C. Kennedy

• Visit to Placer Operations, Wild Horse River

### **Prospectors Assistance Program:**

Frank Renadaut has almost completed his PAP program on his Storm Claims located in the Camp McKinney area near Rock Creek. While he has located several undocumented historical workings with quartz-sulphide vein mineralization in mafic-ultramafic intrusives and listwanite he was unsuccessful in locating workings described in a report that a portion of his work program was predicated on.

Lloyd Addie has discovered a new area of beryl mineralization in the <u>Bayonne Batholith</u>, approximately 3km from his first discovery. Analytical results from his first discovery were disappointing in that no anomalous REE concentrations were detected and generally low Be values were found. He is refocusing his attention to the new area.

## Mineral Exploration Activity:

Ice: Skeena Resources have commenced their drill program on the Ice kimberlite project. They have solved the water problem which delayed the startup of the program by arranging for a 6WD water truck to haul water to the site. Their first drillhole intersected only a few metres of kimberlite and was stopped short of target. Their second hole had cored 15m of kimberlite as of Thursday September 6.

Kena: Sultan Minerals Inc has announced a private placement financing of up to \$600,000 and a flow-through financing on a best-efforts basis to raise \$700,000. The monies will be used to fund exploration programs on their Kena and Emerald Tungsten properties and for general corporate purposes. On the Kena property, located south of Nelson, a regional exploration program comprising local grid establishment, soil geochemistry, and IP within the 17-kilometre long Silver King Porphyry is now underway. The previously announced 22 hole drill program which will test the Gold Mountain Zone over a length of 1.5km and a width of 500m is expected to commence in mid September.

Lilyburt: Western Coal Corp. of Vancouver have submitted a NoW for a 10 hole 750m air rotary drill program on their Lilyburt Coal property located near the former town site of Flathead adjacent to the Flathead River. This work is expected to commence about September 15th.

Remac. Redhawk Resources Inc. have submitted a NoW for a 26 hole 3000m RC drill program on the Remac zinc oxide project located south of Salmo. Work is expected to commence near the end of September.

Sappho: Gold City Industries have just completed a second phase of work comprising of rock and soil sampling on their Sappho Cu-PGE-Au property located south of Greenwood. The structurally complex property is underlain primarily by greenstone, diorite, ultramafic intrusive, and feldspar porphyry. Cu+PGE+/-Au mineralization is mainly associated with the ultramafic rock, which has been interpreted by past workers to be part of the Tertiary Coryell suite. Outcrop on the property is limited and three areas of historical workings occur over a strike length of 600m. Rock samples were collected from all three areas with the most work concentrated on the Main Zone, the furthest to the south. At the Main Zone where 48 chip samples of 0.5 to 1m length were collected in 3 fences over the stripped area. Assays (not released) received to date were up to 6% Cu, 4.6 g/t Pd, and 0.1 g/t Pt. Soil samples collected in the area around the old workings are anomalous in Cu (generally 200-500 ppm Cu) but no elevated concentrations of Pt or Pd were detected. Sampling away from the three mineralized areas has identified a similar Cu anomaly to that found around the Main Zone along the

From:

Terry, David EM:EX

Sent:

Thursday, August 09, 2001 3:35 PM

To:

Whale, Andrew EM:EX; Rosentreter, Rieva EM:EX

Cc:

Cathro, Mike EM:EX: Houle, Jacques EM:EX: Lane, Bob EM:EX: Lefebure, Dave EM:EX: Schroeter, Tom EM:EX; Smyth, Ron EM:EX; Wojdak, Paul EM:EX

Subject:

D.A. Terry Report, August 10, 2001

### **Prospectors Assistance Program:**

Soil and rock sampling on Drew Andrews PAP grant Findlay Creek property is underway between the Vicky Mine, adjacent to Findlay Creek, and the lvy Mine to the north. Plans are being made to collect a bulk sample from the ~3m thick shallowly dipping quartz vein which reportedly contains high gold content

## **Mineral Exploration Activity:**

Cumberland Resources: Cumberland Resources visited the office this week and indicated that they are interested in pursuing gold opportunities in SE BC

Ice: Skeena Resources is currently mobilizing to the field to carry out a 4-hole, 600m drill program on their Ice kimberlite prospect near Elkford.

Kena Gold: Sultan Minerals Inc. have reported results for drill hole 7 from their recently completed drill program on the Gold Mountain Zone. Hole 7, located 300m grid south of the area of trenching and of previous drilling, intersected altered and mineralized porphyry and volcanics which averaged 0.55 g/t Au over 68m. Within this zone a 22m interval assayed 1.04 g/t Au and within this a 2m interval assayed 4.20 g/t Au. Based on the encouraging results to date Sultan is currently planning an expanded \$500,000 exploration program for the property this year. The program will include 25 drillholes that will test the Silver King Porphyry over a strike length of 1.5km, infill IP, and detailed alteration mapping. This work will commence once the required funding has been secured.

Remac: Redhawk Resources Inc. are now planning on a late September start for drilling on their Remac zinc oxide project south of Salmo. The main reason for the late start is that their JV partner ZincOx Resources is going through an IPO in London and they are responsible for funding this year's exploration program. Preliminary reports on the metallurgical testwork are apparently very favorable but no details have been released.

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From:

Terry, David EM:EX

Sent:

Friday, August 03, 2001 8:06 AM

To:

Whale, Andrew EM:EX; Rosentreter, Rieva EM:EX

Cc:

Cathro, Mike EM:EX; Houle, Jacques EM:EX; Lane, Bob EM:EX; Lefebure, Dave EM:EX;

Schroeter, Tom EM:EX; Smyth, Ron EM:EX; Wojdak, Paul EM:EX

Subject:

David Terry Report, August 3, 2001

## **Regional Geologist Activity:**

• Visit to Jubilee Mountain barite Mine

Visit to Lone Peak property, prospector Brian Kostiuk

• Visit to Supergroup Holdings office at Moyie

## **Prospectors Assistance Program:**

Peter Klewchuck has commenced preliminary work on his gold property in the Perry Creek area and his magnesite property northwest of Radium Hot Springs.

### **Mineral Exploration Activity:**

Black Crystal: Crystal Graphite Corporation reports that it has completed construction of its flake graphite pilot plant in the Slocan Valley. The ongoing exploration program comprising drilling and trenching is expected to be completed by mid-August.

Blue Starr: Hampton Court Resources has informed me that it is likely no exploration work will be carried out on the Blue Starr property this year due to ongoing negotiations with their JV partner, Anglo Swiss Resources Inc.

Ice: Skeena Resources Ltd. is planning on commencing drilling on the Ice kimberlite prospect near Elkford in early to mid August.

Jubilee Mountain: Tiger Ridge Resources Ltd. is moving forward with mining and exploration work at its Jubilee Mountain barite project west of Spillimacheen. Underground development is continuing in both the Heli and Grizzly adits. An ore stockpile containing approximately 5000 tonnes of barite is waiting completion of the onsite jig concentrator for processing. Surface exploration drilling is being carried out on the Nose zone and twelve short holes have been completed to date.

Kena Gold: Sultan Minerals Inc. have reported results from drill hole 6, drilled parallel to and 50m grid south of holes 1-3, from their recently completed drill program on the Gold Mountain Zone. The entire drillhole was mineralized averaging 0.62 g/t Au over 124m including 26m assaying 1.01 g/t Au and 32m assaying 1.20 g/t Au. Three 2m intervals gave higher grades of 3.59 g/t Au, 5.11 g/t Au, and 9.08 g/t Au. Results from hole 7, located 300m south of holes 1-3 are pending.

Silver Lynx: Cassidy Gold Corp. reports that it has recently completed TEM, soil, and geological mapping surveys on its Silver Lynx VMS property west of Nelson. The results from this work warrant a drill program. A notice of work has been submitted and financing is currently being arranged.

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David.Terry@gems2.gov.bc.ca

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Dr. Hwood

From:

Terry, David EM:EX

Sent:

Monday, July 23, 2001 1:25 PM

To:

Whale, Andrew EM:EX; Wuschke, Steven EM:EX

Cc:

Cathro, Mike EM:EX; Houle, Jacques EM:EX; Lane, Bob EM:EX; Lefebure, Dave EM:EX;

Schroeter, Tom EM:EX; Smyth, Ron EM:EX; Wojdak, Paul EM:EX

Subject:

D.A. Terry Report, July 20

## **Prospectors Assistance Program:**

Frank Renaudat has completed his PAP work program on the Storm Ni-Cu-PGE property. 300 soil samples and 38 rock samples have been collected and submitted for analysis. He reports that a large talc carbonate zone was discovered during the work program.

Lloyd Addie reports that he has found crystalline beryl outcropping over a large area while carrying out work under his PAP grant southwest of Kootenay Lake in an area underlain by the Bayonne batholith. He is currently staking claims in the vicinity and will be commencing more prospecting and sampling shortly.

Frank O'Grady has completed a soil sampling program on his Chris barite property north of Kimberley. He is planning on carrying out mapping and ground geophysics in August.

## **Mineral Exploration Activity:**

Black Crystal: Crystal Graphite Corp. has commenced its 30 hole, 1500m diamond drill and trenching program on its Black Crystal project in the Slocan Valley. At present they are on hole 4 and expect to be completed the program by the end of August.

Fran: Klondike Gold Corp. has commenced drilling on its Fran property, located north of Moyie Lake. The first attempt to drill a 520m hole targeting the LMAC "Sullivan horizon" between the Vine vein and the Fors vent properties failed due to excessive amounts of overburden. The drill is now being relocated on the property and a second hole is being attempted.

lce: Skeena Resources Ltd. has submitted a NoW to carry out the 4-hole 600m drill program referred to in an earlier report.

Kena Gold: Sultan Minerals Inc. has completed a second phase of drilling on the Gold Mountain Zone at its Kena Gold preperty south of Nelson. The program comprised approximately 500m of drilling in 3 holes which stepped out up to 300m from the area of the initial drilling. The entire 134m core length of the first hole from this program averaged 1.10 g/t Au with the best interval assaying 12.07 g/t Au over 2m. Results from the last two holes are expected to be released shortly. Surface grab sampling has returned anomalous gold values ranging from 0.5 g/t Au to 7.8 g/t Au within an area measuring 1200m by 500m underlain by the Silver King Porphyry. Detailed mapping, alteration and structural studies have also been recently carried out on the property. Sultan has also recently closed a \$200,000 private placement to continue exploration on the property.

Neelo: A NoW has been filed by Discovery Consultants to drill 330m in 4 holes on its Neelo property in the Kalso area to test the lateral extent of a marble deposit.

Silver Lynx: Cassidy Gold has submitted a NoW for 10 drillholes totaling 2000m on its Silver Lynx property south of Nelson

Sappho Gold City Industries has completed a trenching and sampling program on its Sappho project east of Midway and are awaiting assays. Graham Nixon (GSB) is currently on the property carrying out a field study.

Superior Graphite: Worldwide Graphite Producers Ltd. are currently carrying out an exploration comprising mapping and the drilling of 20 short (35m) Winkie holes on its Superior Graphite project in the Slocan Valley.

Sure Bet: Klondike Gold Corp. completed 303.35m of drilling in 4 holes on its Sure Bet property near Crawford Bay on the east side of Kootenay Lake. Two holes testing geophysical targets intersected semi-massive pyrrhotite to graphite

the east side of Kootenay Lake. Two holes testing geophysical targets intersected semi-massive pyrmonic to graphing.

The east side of Kootenay Lake. Two holes testing geophysical targets intersected semi-massive pyrmonic to graphing.

The transfer of Kootenay Lake. Two holes testing geophysical targets intersected semi-massive pyrmonic to graphing.

The transfer of Kootenay Lake. Two holes testing geophysical targets intersected semi-massive pyrmonic to graphing.

- Crambrook

Hot Project: Klondike Gold Corporation is planning to commence drilling of a single 150m hole to test a Sullivantype target called the Cold Vent in the Purcell Anticlinorium during the week of June 10<sup>th</sup> on its Hot claims, located east of Yak. Subsequently a 3-4 hole program on Klondike Gold's Crawford Bay property on the east side of Kootenay Lake will be carried out. Further drilling is currently being planned for other Klondike Gold properties in the area.

Black Crystal: Crystal Graphite Corporation has completed two 450m deep drill holes at its Black Crystal Graphite project in an area several hundred metres removed from previous drilling. The company reports that crystalline graphite with similar characteristics and graphite grades to previous shallow drilling was intersected at depth but no analyses have been reported yet. The company is currently permitting a work program involving 30 short diamond drill holes, 100 trenches, 2.8km of road building, and extensive geological mapping. This work is anticipated to commence in early to mid July. Crystal Graphite Corporation has also recently acquired an option to the mine, extract and process any and all graphite material on the Blu Starr Gemstone property owned by Anglo Swiss Resources Inc. and Hampton Court Resources Inc.

Iron Range: Eagle Plains Resources is currently completing a program of prospecting, geological mapping, and soil sampling on its Iron Range property west of Creston where they are pursuing Sullivan and Olympic Dam type targets. The survey covers a 16km strike extent of the Iron Range fault along which 14 hematite-magnetite showings occur. In one location a hematite-magnetite breccia zone extends over a strike length of 3km and widths of 60-150m. Approximately 1200 soil samples are being collected along 500m spaced lines crossing the structure. Preliminary results indicate a significant Zn anomaly (CONFIDENTIAL).

Marysville Magnesite: Stralak Resources is planning an exploration program for this summer on their property covering the Marysville Magnesite deposit, close to Marysville, which will involve detailed geologic mapping, diamond drilling, and collection of a bulk sample. Cominco outlined a resource estimate for the deposit of 14Mt grading 88% MgCO in 1961. No NoW has yet been submitted.

Remac: Redhawk Resources Inc. is currently going through the planning and budgeting process with JV partners ZincOx Resources plc (who will be funding 100% of the exploration this year) for their Remac zinc oxide project. If all goes well they are planning on a significant drilling program later in the summer aimed at outlining a resource. Metallugical testing is currently underway on samples from Remac at ZincOx's laboratory in England.

Ice Project: Skeena Resources Ltd is currently planning a minimum 4-hole 600m drill program on its Ice diamond project near Elkford. The drilling expected to commence in mid-July.

June 15/01

David A. Terry, Ph.D., P.Geo. Regional Geologist, Kootenay Region #201-100 Cranbrook Street North Cranbrook, BC V1C 3P9 Tel: (250) 426-1658 Fax: (250) 426-1652

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