

Schroeter, Tom EM:EX

From: Wojdak, Paul EM:EX
Sent: Wednesday, May 04, 2005 11:49 AM
To: XT:EM Aluminerie Lauralco Inc EM:IN
Subject: RE: Kitsault

Thanks a bunch Rob. I know you are busy too and that is a lot of help. I am inquiring about reclamation sign off with Victoria. I suppose you know Tenajon is doing some work (drilling) at Ajax.

Cheers, paul

Paul Wojdak, P.Geo.
Regional Geologist, Smithers
BC Ministry of Energy and Mines

tel: (250) 847-7391 fax: (250) 847-7603
email: paul.wojdak@gems5.gov.bc.ca

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

From: Cameron, Rob [mailto:RCameron@Phelpsdodge.com]
Sent: Wednesday, May 04, 2005 8:43 AM
To: Wojdak, Paul EM:EX
Subject: RE: Kitsault

Paul,

Although we own Kitsault we have no geological insight or even available reports on it. They must be buried in some deep archive. We also get regular queries on the deposit and we have no clear answer about our plans. We have an ongoing reclamation program which is almost complete. Apparently, but don't quote me on this, we have a sign off on the tailings disposal, have reclaimed the mill site and only have an ongoing ARD issue with the pit.

The ownership is very complex and we manage and control the deposit through a management agreement with Alcoa. We have had discussions about selling the deposit outright and would probably consider such an offer if we can get a sign-off from the government with respect to the reclamation obligations. This would require a very significant purchaser in my mind. We would not consider an option to earn in.

Hope this helps,

Robert Cameron
Exploration Manager, Canada
Phelps Dodge Corporation of Canada, Limited
409 Granville St., Suite 1409
Vancouver, British Columbia,
Canada
V6C 1T2
ph: 604-669-2954 fax: 604-681-3920

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

From: Wojdak, Paul EM:EX [mailto:Paul.Wojdak@gov.bc.ca]
Sent: May 2, 2005 11:48 AM
To: Cameron, Rob
Subject: Kitsault

Hi Rob,

I've been asked several times in recent weeks by community and exploration people about status of Kitsault deposit (not the town). What can you tell me?

A few years ago I reviewed some data that suggested the resource might have been down-graded as a result of the mining experience. True, or a miscalculation on my part? Do you have current resource figures? And is the deposit for sale?

I will be giving a presentation to Northwest municipal gov't reps on Thursday and anticipate being asked (again), so hope you can provide some answers before then. Many thanks!

Paul

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VOS → R G
- Smithers

Schroeter, Tom EM:EX

From: Wojdak, Paul EM:EX
Sent: Friday, June 23, 2000 8:54 AM
To: Bergen, Wally EM:EX; Cathro, Mike; Houle, Jacques; Lane, Bob; Wilton, Paul
Cc: Anderson, Duane; Brown, Derek; Conte, Rick; Lefebure, Dave; McArthur, Gib; McLaren, Graeme; Schroeter, Tom; Burchett, Esther; Flynn, Doug; Good, Bryan; Graff, Bruce; Hanson, Daryl; Kennedy, Wesley; Kenschuh, Elaine; Malott, Mary Lou; Pardoe, Jill; Price, Bill
Subject: Weekly report, June 23, 2000

Kitsault- inactive mine site, visited with Robert Pinsent (North Coast CRII project). Moly ore zone is cylindrical shell surrounding a Tertiary granitic stock. Stockwork veining is developed in the intrusion and adjacent hornfels Bowser sedimentary rocks. The mine operated from 1968-1972 at 5500 tpd (Kennecott) and again from 1981-82 (1.5 yrs) at 10,900 tpd (Amax). Production statistics suggest that the ore reserve base could not stand the higher production rate. Pre-production data: Ore- 95 million tonnes at 0.192% MoS₂

Waste- 177 million tonnes
Total pit tonnes = 272 million
Strip ratio- 1.86

Achieved: 0.183% MoS₂
Strip ratio- 2.37

Assuming the same total pit tonnes gives:
Ore- 80.7 million tonnes (4.56 million tonnes were mined) Waste- 191.3 million

tonnes

This indicates that in order to hold the grade, the ore was diminished and waste was increased.

Red Mountain- Reviewed project with Wheaton River Minerals staff, Andrew Hamilton and Teresa Anderson in Stewart. Core from four well drilled sections in the Marc, AV and JW zones is being studied (selected from 126,000 metres of core). Early results tend to confirm previous work by Lac Minerals: gold is associated with coarse pyrite veins which cross-cut an earlier network of hairline chlorite-pyrite veinlets in pervasively sericite-pyrite altered Hillside porphyry. The mineralizing intrusion is hypothesized to be the younger Goldslide porphyry located nearby which is distinguished from the Hillside phase by being coarser grained with blocky hornblende (vs smaller, needle shape crystals) and containing local biotite and quartz phenocrysts. Work will continue until late August or early Sept.

Prospector Assistance- Met Fayz Yacoub in Stewart but unable to get into field with him, due to unflyable weather. Reschedule to next week.

Petrographic microscope- arranged for return from service in Surrey (thanks to Vic Levson). Samples from Fireside barite and Wadsworth gold prospect sent for thin section.

Paul Wojdak
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Schroeter, Tom EM:EX

VOS → Reg. Mgr
- Smithers
→ Glacier
Culch

From: Bergen, Wally EM:EX
Sent: Friday, January 21, 2000 1:36 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; Harris, Grace; 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 January 21, 2000

MINING

Homestake Canada Inc. (HCI) is in the process of finalizing for submission to the EAO their application for sub-aqueous disposal of mill tailings and waste rock into Tom Mackay Lake. The company has circulated for initial comment an EA application report in a draft state which will then be submitted to the EAO. As a result of proving new ore reserves as fast as ore is being mined the company has calculated that Albino Lake, the current disposal site, will be full prior to completion of mining. It is anticipated that the formal application will be submitted by January 31 with committee meetings to start in the latter part of February. Jan Hagen is the EAO Director steering the project.

EXPLORATION

A U.S. investor is interested in purchasing a gold bearing quartz vein deposit north of Terrace and has been in the Region and office gathering information.

K. Hault

RECLAMATION

As a result of the Phelps-Dodge take-over of Cyprus-Amax reclamation at Kitsault has been temporarily slowed down. All staff working on site, with the exception of the project on-site coordinator, have been laid off. It is anticipated that the clean-up of the pit will still be finished this year and that the town will probably go up for sale as a package. This is to be confirmed.

LAND USE PLANNING

Agreement-in-principle regarding land use designations for the Cassiar Iskut-Stikine LRMP was reached during meetings held in Dease Lake on January 13-15. Initial indications are that mineral values received reasonable representation with protected areas focused on adding to Edziza and Spatsizi Parks, rather than creating new, large protected areas. The Edziza Recreation Area has been recommended for exclusion from Edziza Park and to be made available for mineral development. The Ministry Executive is to be briefed on the specifics of the proposed designations as they become available.

Work on the CRII funded mineral inventory for the Queen Charlotte Islands is wrapping up. Paul, Daryl and Jill have prepared a poster presentation for RoundUp and the final reports will be completed over the next few months. The work was completed in anticipation of a LRMP process for the islands and is intended to provide a data base to take to tables.

GENERAL

Paul, Daryl and Jill have prepared a poster presentation for RoundUp regarding exploration activity and the Babine Range Eskay-VMS potential. Jill and Paul will be presenting the poster at RoundUp.

TGS → Reg. 1
- Smith

Schroeter, Tom EM:EX

From: Flynn, Doug EI:A1
Sent: Friday, August 07, 1998 10:33 AM
To: Price, Bill A EI:A1; Bergen, Wally EM:EX; cberkes@eivc.ei.gov.bc.ca; Booth, Richard EM:EX; Burchett, Esther EI:A1; Conte, Rick EM:EX; Eaton, Tim EM:EX; Errington, John EM:EX; Good, Bryan EI:A1; Graff, Bruce EI:A1; Hanson, Daryl EI:A1; Hermann, Fred EM:EX; Hoffman, Al EM:EX; Ted Hall of EI; Kenschuh, Elaine EI:A1; lefebure@mp.gsb.empr.gov.bc.ca; Logan, Claudia EM:EX; Malott, Mary Lou EI:A1; McKillop, Greg EM:EX; Meyers, Rick E EI:A1; Pardoe, Jill EI:A1; Rennie, Lorna EM:EX; Robertson, Sheila EM:EX; Schroeter, Tom EM:EX; Smyth, Ron EM:EX; Van Zalingen, Sylvia EM:A1; Whale, Andrew EM:EX; Wojdak, Paul EI:A1
Subject: Northwest Region Weekly Report

General:

Fireside Barite operation has removed a total of 18,000 tonnes of barite from the Bear vein pit and has ceased operation for this year. Diamond drilling may be done later in the season to prove up more reserves in the Bear vein. First Nations involvement in project has been good to date with a number of Kaska people being employed on the site.

Snip mine is still scheduled for closure in the second quarter of 1999. Some staff have started to leave to new employment elsewhere. Closure plan is being worked on by company and their consultants.

Eskay Creek is doing well. Current reserve picture has more ore in ground now than when mine started production. Company is investigating a potential large tonnage, lower grade find under present mine. Ore reserves and grade being defined now.

Unusual occurrences over the last couple of weeks at Eskay Ck. involve a contract trucker driving off the road due to loss of headlights. No injuries sustained by driver but truck received some damage. There was a close call between ore truck and a suburban on the road into site. It appears radio call signals were not made as required by road procedures. Suburban hit the ditch and sustained some damage. Some minor injuries to occupants which could have been avoided had seat belts been worn. Road use policies reissued to all drivers.

Kitsault mill currently being removed by contractors. Site is supposed to be cleaned up by end of October.

Coeur Alaska, owners of Kensington Project in Alaska, are showing a lot of interest in Premier Gold site. They are interested in purchasing mill to treat a gold concentrate from their Alaskan property. Expect to hear more from them over the next couple of months.

Boliden [Westmin Resources] is putting the finishing touches to the Premier Gold closure plan and is expected to submit it for review sometime in third quarter.

HALL, Apr. 12/96

control and prevention of acid rock drainage.

* Agreement of sale of Snip Mine from Cominco to Prime Resources Group is scheduled for completion on April 22nd.

CLIMAX * Consultants for Climax Canada have contacted regional staff regarding plans to develop a final closure plan for the Kitsault Mine, and are expected to meet with the NWMDRC to discuss details.

Ted Hall
Northwest Region

Distribution:

TO: Fred Hermann of EI	(FHERMANN)
TO: Rick Meyers of EI	(RMEYERS)
TO: Andrew Whale of EI	(AWHALE)
TO: Ed Beswick of EI	(EBESWICK)
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TO: Anne Currie of EI	(ACURRIE)
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CC: Bill Price of EI	(BAPRICE)
CC: Sylvia Van Zalingen of EI	(SVANZALINGEN)
CC: Jill Pardoe of EI	(JPARDOE)
CC: Norm Ringstad - EAO	(NRINGSTAD)