KOOT 884662

Westroc Inc. has completed another program of core drilling at its Kootenay East/West gypsum property which straddles the Kootenay River northeast of Canal Flats. The drill has moved to the company's Elkhorn quarry near Windermere where a modest program of exploration drilling is planned adjacent to the operating gypsum mine.

WWC Consulting and Tiger Ridge Resources are already at work on the Jubilee mountain barite prospect west of Spillimacheen. A jig concentrator is being installed and more u/g development, bulk sampling and surface drilling are planned for this season.

David Terry - new Kootenay Regional Geologist. I am pleased to announce that David Terry won the competition for Kootenay Regional Geologist. David will replace Paul Wilton who is due to retire shortly. Paul's last working day will be May 31st, and David will start work in Cranbrook on Tuesday, May 15th. His first few weeks will be hectic as we have taken advantage of some timely events for his orientation to the ministry. From May 16th to 20th he will accompany a geological tour of the Kootenays lead by Dave Lefebure. Shortly afterwards he'll head for Victoria to participate in the 37th Forum on the Geology of Industrial Minerals where he will meet the other Regional Geologists, and his colleagues in the GSB. During his third week Paul will introduce David to some of our East Kootenay clients, and who knows, David may even help Paul clear out his office!

David brings to the RG position, extensive industrial experience and impressive qualifications. Educated at the University of Western Ontario, David received his H.B.Sc in Geology in 1990. Following a couple of years as a staff geologist for Gold Fields Canadian Mining Ltd., David obtained his Ph.D. from Western while working for Cominco Alaska Exploration. Then, after a period with Hemlo Gold Mines Inc., he worked as a project geologist for Westmin in Vancouver and Boliden in Vancouver and Toronto.

We are fortunate to have recruited David, and look forward to him joining us. I trust that everyone will welcome him to the ministry, and that he will find employment with us to be fulfilling and enjoyable.

DFO - the New World Order. Following is an extract from a report by Steve following a joint MEM/MELP/DFO on site meeting at a placer mining proposal where DFO were insisting on a 15metre set back [as opposed to our standard 10m buffer from streams]

- DFO staff advised that the DFO marching orders from Kamloops were going to insist on 15 meter leave strips for all new placer developments. He further advised that they may consider exceptions to the 15 meter set back if the miner can apply the provisions of DFO's no net loss policy. Other wise they may invoke the FEAR legislation.
- Fording of streams may become difficult. Although the DFO rep admitted that what we do at present for MX makes more sense and will disturb less hab, than building a bridge.
- Establishing pump sites at streams may become difficult to impossible for placer mines and MX projects. Currently mechanized ops. for MX are allowed within 5 meters of the bank and they can access the streams to set up pumps.
- There will be a strong push to revegetate with trees and shrubs next to streams

• Fish streams will definitely require bridges and culverts will not be permitted. Clients will have to prove the stream is non-fish bearing and that a culvert will not adversely impact fish hab downstream to install culverts.

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