

Schroeter, Tom EM:EX

From: Cathro, Mike EM:EX
Sent: Friday, July 13, 2001 2:01 PM
To: Adams, Rick EM:EX
Cc: Mehr, Eugene EM:EX; Rothman, Stephen EM:EX; Britton, Jim EM:EX; Brown, Derek EM:EX; Lefebure, Dave EM:EX; Ludwig, Allan EM:EX; Madu, Bruce EM:EX; McArthur, Gib EM:EX; Payie, Garry EM:EX; Schroeter, Tom EM:EX; Smith, Don EM:EX
Subject: Cathro Weekly to 7/13/2001

HIGHLIGHTS

J&L - visited this underground Zn-Cu-Au-Ag prospect briefly on 7/9 with Tom Schroeter. The gate is down and hasps have been broken off doors on both adits. **This is a significant safety hazard due to the ease of public access and the reported bad air in the workings.**

Silver Lake (Christopher James Gold Corp.) - drilling of 7 holes (approx. 1000 m) has been completed on the **Worldstock** copper prospect. Pervasive sericite-pyrite alteration and quartz-carbonate-sulphide vein stockworks were found in the holes and assays are awaited. Trenching is now underway to find the source of high-grade copper cobbles (to 11% Cu) at the New Discovery area some 5 km west. Drilling is expected within a few weeks. The latter was found in 2000 by Paul Watt during his PAP work. While walking in to his Spider claims, Watt found the two float showings only 200-300 m north of his claim boundary on ground controlled by Christopher James. (visited on 7/11 with Schroeter).

Crazy Fox (aka Demers Creek) - this intriguing massive sulphide Zn-Cu target near Little Fort has been optioned by Cassidy Gold Corp. The main target is only 1.75 km north of the Worldstock copper prospect described above. Cassidy conducted a quick Transient EM survey this week and plans to drill test several blind targets within a few weeks. The property was previously held by Inmet Corp. who conducted a small soil and magnetic survey in 2000 but recently dropped the option for financial reasons. Optionees Lloyd Addie and Bob Bourdon made a quick deal with Cassidy which will give them \$10,000 and 50,000 shares up front, along with future annual payments if the option continues. The target was originally generated by a BCGS till geochemical survey (Bobrowsky et al.) which showed a strong Cu-Zn anomaly near Demers Lake. The initial claims were staked by Addie/Bourdon directly following the till release at KEG in April 1998, and additional claims were added in 1999 and 2000. In part supported by a 1999 PAP grant to Bourdon, the partners have since traced the till anomaly north for over 10 kilometres. The property is underlain by Triassic-Jurassic Nicola(?) volcanics and black shale, and rhyolite of uncertain age. The target is a large, stratiform zinc-copper deposit. (visited on 7/11 with Schroeter)

Verity (Commerce Resources) - minor trenching and road rehab have been conducted on this carbonatite-hosted tantalum-niobium-phosphate deposit located north of Blue River. Soils and mag surveys are underway. Ta-Nb values are reported to occur mainly in the mineral pyrochlore, which can also include uranium and thorium (the rocks were only very weakly radioactive where I tested them with the scintilometer). Depending on the date of completion of Commerce's CDNX listing, drilling of up to 2300 metres will be done this summer on Verity and the similar Fir prospect located about 10-15 km south. Tantalum grades on Verity average about 225 ppm, in the same order of magnitude as existing producers in Australia (300-400 ppm) which supply about 25% of world production. (visited on 7/12 with Schroeter, Madu and Simandl).

Allendale (Santoy Resources) - rock and soil sampling are underway on this very unusual copper-paladium-platinum-gold prospect located at Allendale Lake east of Okanagan Falls. A rock sample taken in Jan 2001 by Adam Travis (while on 2000-2001 PAP grant) ran 926 ppb Pd, 195 ppb Pt, 696 ppb Au and 0.31% Cu from a copper-stained patch of medium grained, light coloured intrusive rock (aplite?) within megacrystic syenite of the Eocene Allendale Lake stock (**CONFIDENTIAL**). Mafic phases occur around the edges of the stock and have not been tested for PGE values yet. Florence Nidderly, Don Sanberg and Tom Carpenter also own claims within and adjacent to the Santoy ground. (visited on 7/5/2001 with Adam Travis, consultant to Santoy)

OTHER EXPLORATION NEWS:

Kap (Tom Carpenter, PAP) - high gold values were identified in stream sediments south of Allendale Lake by Tom Carpenter in his 2000-2001 PAP program. In this year's PAP program he is conducting soils, geophysical surveys and prospecting in an attempt to locate the source of the gold. The area is underlain by Okanagan gneiss, foliated granodiorite and pegmatite. (visited on 7/7) **CONFIDENTIAL**

LD (Lloyd Addie, PAP) - visited on 7/4/2001 with Bobrowsky, Paulen and Madu. Addie is prospecting and till sampling in

an effort to locate additional massive sulphide prospects (similar to Gitennes' Fall prospect) in the Nicola Western facies near Iron Mountain south of Merritt. The LD prospect consists of massive barite with minor sulphides in limestone/sandstone. Rhyolite occurs nearby.

Afton (DRC Resources Inc) - a short report on the project was shown on the CBC National and CBC Newsworld this week, and included an interview with Bruce McKnight of the Chamber of Mines.

Spire (Imperial Metals Corp) - visited this massive sulphide prospect near Goldstream mine on 7/10/2001 with Schroeter. Massive copper and zinc sulphides occur over about a 2 m width and were discovered in fall 2000 on a new logging road. Grab samples from this returned up to 8% Cu and 7.9% Zn, but the best drill hole returned only 3.7 m grading 0.24% Cu and 1.49% Zn. Imperial Metals is short of money and apparently has not committed funds to follow up this promising target this year. Given the proximity to the Goldstream mill, this could be a very attractive joint venture opportunity for another junior company.

Broken Hill (Cassidy Gold Corp) - visited on 7/12 with Schroeter and Leo Lindinger. Little work is planned for this Shuswap-type zinc-lead prospect discovered by Lindinger on the 2000-2001 PAP. It is clear from our visit that drilling of 13 holes by Cassidy in Feb 2001 certainly did NOT adequately test the best mineralization at the Vista showing, and that there is good opportunity to develop additional targets with basic prospecting, soils and magnetic surveys.

Pongo (Verdstone/Molycor) - drilling of 3-5 holes is apparently underway on this high-grade vein/thrust prospect south of East Barriere Lake. a chip sample collected in June ran 10.7% Pb, 4.45% Zn, 4.45 opt Ag and 0.17opt Au over 9 metres.

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