

Line Creek

884909

VOS → RG
- Cranbrook

Schroeter, Tom EM:EX

From: Terry, David EM:EX
Sent: Friday, May 10, 2002 9:26 AM
To: Whale, Andrew EM:EX
Cc: Berdusco, Ricci EM:EX; Brown, Derek EM:EX; Campbell, Karen EM:EX; Cathro, Mike EM:EX; Downie, Arlene EM:EX; Elkins, Paul EM:EX; Grieve, Dave MSRM:EX; Houle, Jacques EM:EX; Lane, Bob EM:EX; Lefebure, Dave EM:EX; McArthur, Gib EM:EX; Roach, Dennis EM:EX; Rosentreter, Rieva EM:EX; Schroeter, Tom EM:EX; Smolik, Valerie EM:EX; Wojdak, Paul EM:EX; Wuschke, Steven EM:EX
Subject: D.A. Terry Report, May 10, 2002

Regional Geologist Activity:

- Land Use Referrals
- Exploration activity monitoring

Mineral Exploration Activity:

DA Vent: Klondike Gold has reached between 1500 and 2000 feet depth in their first drillhole on the DA Vent property along the Lumberton Road near Cranbrook. The hole is intended to test the LMC at between 2000 and 3000 feet depth. Plans are being made to carry out more drill testing on the Cool Vent (Yahk) and Golden Egg (Perry Creek) properties after drilling on the DA Vent project is complete.

Blu Starr: Hampton Court Resources has announced that it does not plan to proceed with Phase III of their option agreement with Anglo Swiss Resources to earn a further 20% interest in the Blu Starr gemstone property in the Slocan Valley by expending another \$500,000 by May 3, 2003. They have already earned a 20% interest in the property by spending \$500,000 on evaluating the property. Hampton Court intends to continue its involvement in the property as a working interest partner and is in negotiations with Anglo Swiss to reduce the financial commitment of the Phase III terms.

Fran: Klondike Gold have submitted a NoW for two additional holes on the Fran Property, totaling 2000m, to be collared to the north of the previous hole. No results have been released from the first hole, which was finally completed last month.

Howell/Crowsnest: Goldrea Resources Corp. has completed an option agreement with Eastfield Resources Ltd. to earn a 55% interest in the Howell and Crowsnest Au projects in the Flathead Valley by making a series of cash payments (\$115,000) and share issuances (340,000), and fulfilling work requirements (\$1.4M) over a five year term. A first year work commitment of \$150,000 has been set. Gold mineralization on the property is associated with Paleozoic aged sediments, predominantly limestone, intruded by Cretaceous syenites. Trenching on the Crowsnest property has yielded up to 8.57g/t Au over 16.5m from altered limestone and syenite and grab samples of boulders on the property contained up to 620 g/t Au. A drillhole on the adjacent Howell property intersected 1.3 g/t Au over 58m in weakly altered limestone in the 1980s.

Line Creek: Luscar Ltd. has submitted a NoW for further exploration drilling on the MSA West and Saddle projects, located north of the Line Creek coal mine operations. They are planning on 4500m in 18 holes on the MSA West project, and 9600m in 24 holes in the Saddle area.

Lone Peak: Golconda Resources has recommenced drilling with hole 5 on the Lone Peak property. This hole will be following up on some anomalous gold mineralization (CONFIDENTIAL) intersected in hole 1 of the program earlier this year. Permitting for extension of the road which will be used to access for drill-testing the area with gold bearing quartz veins hosted by the Spar Lake quartzite unit on the south side of Lone Peak is almost complete.

David Terry

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TGS → Reg. Mgr
- Cranbrook

Schroeter, Tom EM:EX

From: Whale, Andrew EM:EX
Sent: Friday, November 17, 2000 2:56 PM
To: Bill Phelan; Denis Lieutard; Duane Anderson; Gerald German; Graeme McLaren; Joan Hesketh; Kerry Readshaw; Linda Stewart; Maija Finvers; Marlene Cochrane; Pat Cheetham; Rolf Schmitt; Ross Curtis; Sharon Jorgensen; Shelley Guthrie; Terri Starkes; Tom Schroeter; Arlene Downie; Karen Campbell; Linda MacDonald; Valerie Smolik; Andrew Whale; Dave Grieve; Dennis Roach; Jim Turner; Paul Elkins; Paul Wilton; Rieva Rosentreter; Steven Wuschke; Fred Hermann; Rick Conte; Ron Smyth; Garry MacDonald; Ricci Berdusco; Al Hoffman; Chris Carr; Greg McKillop; John Errington; Lorna Rennie; Richard Booth; Tom Carter; Ed Beswick; Rick Adams; Ted Hall; Wally Bergen
Subject: Kootenay Review - Nov 17, 2000

DOs

9 Nov. - Approx. 100 t of rock/coal sloughed from highwall in MSA North Pit at Line Creek. No equip. damaged. Sensitive area as a "Departure from Approval" for triple benching has been granted for this area.
10 Nov. - Coal Mtn. - A major dump failure occurred involving a total volume of approx. 3 million bcm of material from the 1956, 1992, and 1980 dumps. The movements had been closely monitored for several days and had not been actively dumped on for 3-4 days prior to failure. No injuries, no damage. Dump is presently being rehab'ed by "dump short and push".

Line CK

Luscar has announced that it is to sell a 50% interest in Line Creek mine to Consol of Canada.

Consol have been joint venture partners with Luscar in the Cardinal River mine for over 30 years. Consol of Canada is a wholly owned subsidiary of Consol Energy of Pittsburgh [4th largest coal mining co in USA]. Luscar has previously announced that the Cardinal mine will close in mid 2002. By the Line Creek deal, Luscar and Consol continue their partnership. Note Luscar has also announced that they are putting the proposed Cheviot mine on hold until market conditions improve.

This is good news for Line Creek as it secures their future as Luscar's only met coal mine when Cardinal closes. Plans are to bring a couple of shovels and 7 large trucks from the Greg River mine [a Luscar owned mine in Alberta recently closed]

Current plans are to increase Line Creek's production capacity to 3.8m tonnes of clean coal [3.2 mt metallurgical and 0.6 mt thermal coal] by the end of 2001. This can be achieved using currently permitted areas. However, increased production rate will speed up need to develop peripheral areas to mine, eg the saddle area.

TGS → Reg. Mgr
- Cranbrook

Schroeter, Tom EM:EX

From: Whale, Andrew EM:EX
Sent: Friday, April 23, 1999 12:40 PM
To: Anderson, Duane; Berkes, Carron; Cheetham, Pat; German, Gerald; Hesketh, Joan; Jorgensen, Sharon; Marsman, Talitha; McLaren, Graeme; Phelan, Bill; Schmitt, Rolf; Schroeter, Tom; Starkes, Terri; Stewart, Linda; Campbell, Karen; Dittrick, Maggie; Downie, Arlene; Grieve, Dave; Roach, Dennis; Rosentreter, Rieva; Smolik, Valarie; Taje, Eddy; Whale, Andrew; Wilton, Paul; Wuschke, Steven; Conte, Rick; Hermann, Fred; Smyth, Ron; Berdusco, Ricci; MacDonald, Garry; MacDonald, Linda; Booth, Richard; Carter, Tom; Eaton, Tim; Errington, John; Hoffman, Al; McKillop, Greg; Rennie, Loma; Beresford, Eric; Bergen, Wally; Beswick, Ed; Hall, Ted
Subject: Kootenay Review

Line OK.

- * On April 21, 1999 Line Creek Mine announced that, due to the decline in demand for metallurgical coal, approx 95 employees would be laid off effective mid July.
- * Paul Wilton is attending the Calgary Mineral Exploration Group annual mining forum on April 21 & 22, 1999.
- * Concerns about potential flooding have generated requests for instant permits to mine tallus slopes for MELP sponsored projects.

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