

Lone Peak
885006

TAS → RG
- Cranbrook

Schroeter, Tom EM:EX

From: Terry, David EM:EX
Sent: Wednesday, July 31, 2002 3:28 PM
To: Whale, Andrew EM:EX
Cc: Berdusco, Ricci EM:EX; Campbell, Karen EM:EX; Cathro, Mike EM:EX; deleted 020604 - Downie, Arlene EM:EX; Elkins, Paul EM:EX; Grant, Brian EM:EX; Grieve, Dave MSRM:EX; Houle, Jacques EM:EX; Jones, Larry EM:EX; Lane, Bob EM:EX; Lefebure, Dave EM:EX; McArthur, Gib EM:EX; Roach, Dennis EM:EX; Rosentreter, Rieva EM:EX; Ryan, Barry EM:EX; Schroeter, Tom EM:EX; Simandl, George EM:EX; Smolik, Valerie EM:EX; Wojdak, Paul EM:EX; Wuschke, Steven EM:EX
Subject: D.Terry Report; July 31, 2002

Mineral Exploration Activity:

Franklin: Tuxedo Resources Inc. has just filed a preliminary prospectus with the BC securities commission to raise between \$562,500 and \$787,500 in an IPO with Wolverton Securities. Their property of merit, and the property on which most of the funds raised are intended to be spent on, is the Franklin Property in the Greenwood Mining Division, located 60km north of Grand Forks. The property combines a number of different tenure types covering 3500 ha in the historic Franklin Camp. Types of mineralization known to exist on the property include:

- Au-Ag > Base Metal (Epithermal) Veins
- Mafic Alkalic hosted PGE
- Cu-Pb-Ag-Au Contact Skarns

Depending on the timing of the completion of the offering, some field work, and potentially some drilling, may occur on the project prior to the end of the year.

Lone Peak: Drilling of hole 8 has re-commenced at the Lone Peak property, east of Fort Steele, and the hole is expected to reach its target depth of ~1000 feet sometime this week. The downdip extent of a 1-2m thick quartzite unit with disseminated clots of bornite mineralization, located approximately 300m downslope of the drill pad, as well as gold-bearing quartz veins are being targeted with the drilling.

Thea/LMC: Klondike Gold have submitted several notices of work for upcoming programs on the Thea and adjacent LMC properties. On the LMC property approximately 2000m of drilling in two holes on LMC 1 and 2 claim in the Panda Basin area. On the Thea 15 claim a single 1000m hole will test the Gerry Vent area, a recently discovered cross-cutting hydrothermal vent 6km west of the Panda Basin. On the Thea 17 claim 9 small trenches and 1000m of drilling in 8 holes will test a gold-bearing quartz vein zone exposed in two short trenches 25m apart. One of these trenches exposed the zone over at least 4.5 metres width. A number of 0.5m chip samples assayed up to 0.562 oz/t Au.

Vowell Creek: Jasper Mining reports that it has received a receipt for its prospectus from the BC and Alberta securities commissions whereby they expect to raise between \$800,000 and \$1.5M for exploration on their Vowell Creek property which covers the past producing Ruth Vermont mine.

Expenditure Estimate:

At present the Kootenays estimated expenditures (Coal, IM, Metals) is at ~\$7.09M, compared with \$7.85M last year. One reason for the drop is that coal companies are planning spending ~\$1M less on drilling this year. Metal expenditures will be up substantially whereas IM expenditures have fallen. I have not included any allowance for Bull River this year. The total could rise if some projects like Remac or Franklin are funded this year, or if expanded exploration programs occur on projects like Crowsnest/Howell, Keña, or the Klondike Gold properties in the Cranbrook area, or if new projects are announced.

I will be on Vacation until August 15th.

David Terry

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Schroeter, Tom EM:EX

VG → Lone Pt.

From: Terry, David EM:EX
Sent: Wednesday, July 24, 2002 1:51 PM
To: Schroeter, Tom EM:EX
Subject: Lone Peak

Hi Tom:

I went back out to Lone Peak to see the Cu occurrence after seeing where it was on the map. I found it by following some blue flags down the hillside quite a bit lower in elevation from where we were. I am attaching a few photos of it. The "zone" with mineralization is approximately 3m across (E-W direction) and 1-2m thick. It comprises distributed localized clots of bornite with malachite staining in a quartzite unit within the green coloured Creston Fm. There are a number of quartz veins in the outcrop and in some cases the bn is hosted by the veins, and sometimes it is interstitial in the quartzite. Very difficult to estimate grade for the outcrop and difficult to trace mineralization away from the showing, although it very well could extend further due to sporadic outcrop. Certainly more interesting then anything we saw on our traverse. I agree with Dave P. that it should be drill-tested from a closer pad. As well, there were some much larger quartz veins stratigraphically above the Cu Zone. I am also including photos of this outcrop.

Thanks for the Stockwatch updates.

Cheers,

Dave



LP_Cu_1.JPG



LP_Cu_2.JPG



LP_Cu_oc.JPG



LP_QV_1.JPG



LP_QV_oc.JPG



Tom_Dam.JPG

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Schroeter, Tom EM:EX

VOS → RG
- Cranbrook

From: Terry, David EM:EX
Sent: Friday, July 19, 2002 8:59 AM
To: Whale, Andrew EM:EX
Cc: Berdusco, Ricci EM:EX; Campbell, Karen EM:EX; Cathro, Mike EM:EX; deleted 020604 - Downie, Arlene EM:EX; Elkins, Paul EM:EX; Grant, Brian EM:EX; Grieve, Dave MSRM:EX; Houle, Jacques EM:EX; Jones, Larry EM:EX; Lane, Bob EM:EX; Lefebure, Dave EM:EX; McArthur, Gib EM:EX; Roach, Dennis EM:EX; Rosentreter, Rieva EM:EX; Ryan, Barry EM:EX; Schroeter, Tom EM:EX; Simandl, George EM:EX; Smolik, Valerie EM:EX; Wojdak, Paul EM:EX; Wuschke, Steven EM:EX
Subject: D.A. Terry Report, July 16, 2002

RG Activity:

- Land Use referrals
- Mineral Exploration tracking and monitoring
- property visits
- Visits to Lone Peak and Sawmill Creek area with Tom Schroeter (July 17-18)

Mineral Exploration Activity:

AuByrd: Solitaire Minerals is planning to commence surface exploration on its AuByrd property in the Flathead area before the end of July. The work will include surface Mag surveying, prospecting, and stream sediment sampling.

ALW **Athelton-Jackpot:** A NoW has been received for 150m of new trenching and cleaning out of 80m of previous trenching on the Athelton-Jackpot property, located NW of Grand Forks.

2 **Howell/Crowsnest:** Goldrea Resources Corp. has announced that it will be contracting Fugro Airborne Surveys to fly 150 line kilometres along 200 metre spaced flight lines with helicopter-borne magnetic and radiometric surveys on its Howell Au property in the Flathead area. The airborne survey, scheduled to be completed in the next week, will be followed up by drilling. Goldrea will carry out a program of mapping, trenching, and drilling on the Crowsnest property, slated to commence in late August.

Kena: Sultan Minerals have been carrying out a field program over the last month comprising, geological mapping, IP surveying, soil sampling, and chip sampling on the Kena Project. Drilling will be commencing soon and the program is expected to continue until late September under the currently approved budget.

Lone Peak: Golconda Resources are currently drilling hole 3 from the pad on top of Lone Peak. Holes 1 and 2 from the setup were 400' and 200' while the current hole is expected to be approximately 1000' in length and is targeting the Spar Lake quartzite horizon. No results are available from the drilling carried out to date from this setup.

Ward: Jonpol Explorations has carried out a soil sampling program on its Ward Cu-Au property in the Beaverdell area. A trenching program will be carried out to follow up on anomalous results from the geochem survey.

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Schroeter, Tom EM:EX

TGS → RG
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From: Terry, David EM:EX
Sent: Thursday, June 20, 2002 4:07 PM
To: Whale, Andrew EM:EX
Cc: Berdusco, Ricci EM:EX; Campbell, Karen EM:EX; Cathro, Mike EM:EX; deleted 020604 - Downie, Arlene EM:EX; Elkins, Paul EM:EX; Grant, Brian EM:EX; Grieve, Dave MSRM:EX; Houle, Jacques EM:EX; Jones, Larry EM:EX; Lane, Bob EM:EX; Lefebure, Dave EM:EX; McArthur, Gib EM:EX; Roach, Dennis EM:EX; Rosentreter, Rieva EM:EX; Ryan, Barry EM:EX; Schroeter, Tom EM:EX; Simandl, George EM:EX; Smolik, Valerie EM:EX; Wojdak, Paul EM:EX; Wuschke, Steven EM:EX
Subject: D.A. Terry Report, June 21, 2002

Regional Geologist Activity:

- Land Use Referrals
- Exploration activity monitoring
- Visited Quartz Mountain, Golden Egg, and Red Wolf properties which are slated for drill-testing and/or surface exploration programs this year by Klondike Gold Corp.
- EKCM Meeting - June 11th with Dave Lefebure giving talks on GSB partnerships and IOCG potential in BC
- Attended 11th Annual Coal Symposium in Sparwood on June 12th and presented overview talk on exploration in the Kootenay Region
- Visited Fording River, Greenhills, Line Creek, and Elkview mines on June 13, 14 with Barry Ryan
- Receiving follow-up calls on "Properties for Option" list; mainly people looking for prospective Au properties
- Visited Lone Peak property currently being drilled by Golconda Resources Ltd.

Exploration Activity:

Caramelia: Gold City Industries is commencing exploration on its Caramelia Property in the Camp McKinney area with a biogeochemical bark survey aimed at identifying high-grade gold veins parallel to the past producing Cariboo-Amelia vein system. The company is also completing a compilation on the area to define new drill targets to test the down dip and lateral extensions of the Cariboo-Amelia vein system.

Crowsnest Au: Goldrea Resources Corp have submitted a NoW for 5 drillholes totaling 856m on their Crowsnest Au property located in the Flathead River area. In addition to the drilling the company plans to undertake road building, geological mapping, and geochem sampling.

Kena: Sultan Minerals have released the results of a study authored by Snowden Mining Industry Consultants which compared a number of tonnage and grade scenarios, at a range of gold prices, and using three different processing methods for the Gold Mountain Zone. The company is planning on commencing another phase of diamond drilling on the property in the near future and have submitted a NoW for 8000m in 50 holes from 44 sites.

Lone Peak: Golconda Resources Ltd. have commenced drilling on the zone containing sheeted quartz veins with visible gold hosted by the Spar Lake quartzite on their Lone Peak project east of Fort Steele.

Ward Cu-Au: Jonpol Explorations Ltd. has completed an option agreement to earn a 75% interest in the Ward Cu-Au property located 15km east of Beaverdell. The property is underlain by the metamorphosed greenstones of the Late Paleozoic Anarchist Group and Middle Jurassic intrusive rocks. The property covers some high-grade Au-Ag past producing veins such as the Barnato (082ESE109) and the current exploration target is related bulk tonnage Cu-Au mineralization. The press release stated that an initial 6-hole drill program is planned for June but no NoW has been received in this office yet.

Waterloo: A NoW has been submitted for 3 drillholes totaling 200m on the Waterloo property, a quartz-sulphide vein hosted gold prospect located in Camp McKinney. Last year the property owners dewatered the 260 ft. shaft on the property, dating back to the 1800s, to the 150 ft level. The owners have reportedly obtained multi-ounce gold values from surface dump and underground grab samples.

David Terry

Schroeter, Tom EM:EX

TOS → RG
- Cranbrook

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 syentites. 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.

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Schroeter, Tom EM:EX

TTS → RG
- Cranbrook

From: Terry, David EM:EX
Sent: Friday, May 03, 2002 1:12 PM
To: Whale, Andrew EM:EX; 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, May 3, 2002

Regional Geologist Activity:

- Attend KEGS conference April 9-10 in Kamloops
- Participate in Black Crystal KMDRC meeting in Nelson, April 18
- Attend Calgary MEG meeting, April 24-25 in Calgary
- Planning referrals
- Organized a meeting between Tembec and EKCM to discuss forestry road issues for May 16th

Mineral Exploration Activity:

DA Vent: Klondike Gold has commenced drilling this week on the DA Vent property, recently optioned from Supergroup Holdings, in the Lumberton Road area near Cranbrook. The target is a Sullivan-type Pb-Zn-Ag sedex deposit at the LMC. Target depth is 2000 to 3000 feet.

Kena: Sultan Minerals have now completed their most recent 15 hole drill program on the Kena Gold project. These holes were drilled along three section lines, spaced 15m apart, across the Gold Mountain Discovery Zone and cover an average of 200m of section width. All holes encountered significant widths of ~1g/t Au mineralization and many intersected narrower high-grade zones. These jpeg files show the sections of the three fences with assay data.



XS_1100N.jpg



XS_1085N.jpg



XS_1070N.jpg

Another extensive drilling program is currently being planned for this spring.

Lone Peak: Golconda Resources Ltd. have completed a 4-hole program on the Lone Peak Au-Cu-Ag project east of Fort Steele. These holes tested 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. No results have been released to date from this work but some follow-up drilling in the area is anticipated. 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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— Cranbrook

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 drilling 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 mini-bulk 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 holes, 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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Schroeter, Tom EM:EX

TGS → RG
Cranbrook

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; Smyth, 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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VOS → RG
— Cranbrook

Schroeter, Tom EM:EX

From: Terry, David EM:EX
Sent: Friday, March 01, 2002 9:15 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, March 1, 2002

Regional Geologist Activity:

- Complete Evaluation of PAP grant reports
- Attend Parks Canada workshop on proposed Flathead National Park
- Update 2001 review talk for upcoming presentations

Mineral Exploration Activity:

#0.3k?

DA Vent: Klondike Gold has submitted a NoW to drill 2800m in two holes on the DA vent property located along the Lumber Road southwest of Cranbrook. The property is one of the higher potential "Sullivan-type" targets in the Purcells and is held by Supergroup Holdings Inc. The NoW indicated the program would begin at the end of March.

Fran: Klondike Gold have recommenced drilling on its Fran project this week, located northeast of Moyie Lake between the Fors and Vine prospects. Several attempts on the hole last fall reached approximately 400 feet in gravel without intersecting bedrock. The target is to intersect the Lower-Middle Aldridge contact with a 520m hole.

IMK **Dimension Stone:** A number of NoWs have been submitted by Norman Tribe for trenching on several properties in the West Kootenays to evaluate their building stone potential. Property names and rock types include: IQ - biotite schist, GGF 1 - greenschist, DQ 37 - quartzite, Inuk - quartzite. The work is scheduled to begin in May.

Jubilee Mountain: A NoW for the 2002 exploration program at Jubilee Mountain barite project has been received from Tiger Ridge Resources. They are planning to continue underground and surface exploration drilling around the Heli and Grizz adits. They plan to begin work in April.

Kena: The previously announced RVC drill program on the Kena project was abandoned after two holes due to technical difficulties. A compilation of all past drilling on the property has recognized that the high chargeability area identified in the recent IP survey connects the higher grade area of the Gold Mountain Zone with the previously identified Kena Gold Zone 2km to the south. A diamond drill rig is now being utilized to carry out a 1500m drill program to further define the gold distribution within the high chargeability corridor. In other news Sultan has optioned the Silver King claim group, located 1.5km southwest of the Gold Mountain Discovery Zone, from Arbutus Resources Ltd.. This property comprises 24 Crown Grants and 2 claims and covers the historic past producing Silver King Ag-Cu mine. A 1000m long by 260m wide chargeability anomaly associated with Silver King Porphyry, located 300m southwest of the Silver King workings, has not been previously drill tested and will be evaluated by Sultan as part of their 2002 exploration program.

Lone Peak: Drilling is expected to commence shortly on the Lone Peak Au, Cu-Ag property east of Fort Steele.

Nova: A NoW has been received from Alan Whaley to deepen an existing hole on the Nova property, in the Hellroaring Creek area south of St. Mary's Lake by an additional 600 feet.

IMK **Rusty Patches:** An application for a Mines Act permit to quarry approximately 400 tonnes of landscape rock from a preexisting bridge rip rap pit adjacent to the Sage-Flathead Forest Service road.

Win: A NoW has been received for a 12-hole, 600-foot drill program to test a limestone occurrence in the Racehorse Pass area along the Alberta/BC border. The program is intended to commence in August.

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TFS → RG
- Cranberry

Schroeter, Tom EM:EX

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
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 analysis of the 105m of kimberlite intersected 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.

Kena: 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. Gold 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.

Schroeter, Tom EM:EX

TDS → RG
Cranbrook

From: Terry, David EM:EX
Sent: Friday, November 02, 2001 9:41 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
Subject: D.A. Terry Report, November 2, 2001

Regional Geologist Activity:

- Prepare talk for Sullivan Meeting, November 9-10 ✓
- Compile data for Mineral Exploration Review ✓

Mineral Exploration Activity:

Kena: At the Kena property drilling is progressing and holes GM01-19 and GM01-20 are presently being completed. After this drilling the remaining holes will be located based on results from the drilling to date. No new assays have been released since my last report. The current diamond drill program will test an area of the Silver King porphyry 1400m long by 500m wide.

Lone Peak: Brian Kostiuk, a Cranbrook mineral claim holder, has optioned his Lone Peak property, located east of Fort Steele, to Golconda Resources Ltd.. As part of Golconda's due diligence a local geologist was contracted to map and prospect the property. During this work grab samples were collected on the northern part of the property assaying up to 200 g/t Ag, 1% Pb, up to 4 g/t Au, and up to 2% Cu. On the southern part of the property a 100m wide zone of spaced quartz veins was discovered. Grab samples of the veins assayed up to 10 g/t Au and the structure has been traced several hundred metres along strike. The southern portion of the property is underlain by Creston Formation rocks, the upper part of which is characterized by the Spar Lake Quartzites which host the Spar Lake Cu-Ag mineralization in Montana. The northern part of the property is underlain by the Kitchener Formation.

Midway: Klondike Gold Corp. has entered into an agreement to acquire the Midway Property south of Cranbrook. Recent underground sampling from adit #1 yielded 9 g/t Au and 50 g/t Ag across 3 feet. Two other samples assayed:

- 124 g/t Au, 44 g/t Ag over 1 foot
- 141 g/t Au, 56 g/t Ag over 1 foot

The mine produced just over 1,000 tonnes of Au-Ag ore and was operated intermittently between 1933 and 1962. Klondike reports they have staked additional claims in the area.

Silver Lynx: Cassidy Gold are expecting to start their 4-hole, 500m drill program on the Silver Lynx VMS discovery west of Nelson next week.

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