

Schroeter, Tom EM:EX

From: Terry, David EM:EX
Sent: Thursday, November 06, 2003 2:26 PM
To: Anderson, Duane EM:EX; Berdusco, Ricci EM:EX; Carter, Michael EM:EX; Cathro, Mike EM:EX; Errington, John EM:EX; Grant, Brian EM:EX; Hermann, Fred EM:EX; Jones, Larry EM:EX; Lane, Bob EM:EX; Lefebure, Dave EM:EX; Lewis, Jim E EM:EX; Marshall, James EM:EX; McArthur, Gib EM:EX; McKillop, Greg EM:EX; Ryan, Barry EM:EX; Schroeter, Tom EM:EX; Simandl, George EM:EX; Wojdak, Paul EM:EX; Wuschke, Steven EM:EX
Subject: D.A. Terry Report, November 6, 2003

Mineral Exploration News:

- **Gold City Industries Ltd.** have announced results from the first 4 holes drilled on the Grenoble Zone at the **Lexington** project, comprising auriferous pyrite-chalcopyrite veins hosted by dacite near a low-angle serpentinite contact. Hole 03GCD-0 intersected **4.57m assaying 28.68 g/t Au and 1.17% Cu** - higher grade than most past reported assays from the deposit. Other intercepts reported ranged from 7-9 g/t Au and 0.4-3% Cu over widths of several metres. The company have now completed 2138.7m in 47 holes on the **Gold Crown** property, several more holes on the **Lexington** property, and a trenching program on their JD property. Significant intersections from the first 6 holes on the **Golden Crown** property include **1.86m assaying 362.82 g/t Au (9.5 oz Au/t!!!)** and 0.39% Cu in 03CDH-01 and **1.25m assaying 72.14 g/t Au** and 1.31% Cu in 03CDH-03. This mineralization occurs in the steeply dipping **King Vein** which comprises pyrrhotite-pyrite-quartz-chalcopyrite-native gold and is comparable to the **Rosland mesothermal veins**. Assays from the remainder of the holes/trenches are pending. The **Lexington and Winnipeg-Golden Crown** deposits are part of the Greenwood Gold development project and both properties are located in the historic Greenwood Mining Camp.
- **Chapleau Resources Ltd.** have completed another short phase of drilling on their **Lookout (Bar 19)** gold property west of Cranbrook and have now moved to the **Jackleg** gold property east of Wasa for a **4 hole drill program**. No results have been released recently.
- **Goldrea Resources Corp.** have completed a 5 hole drill program on their **Crowsnest** gold project and a 2 hole program on their **Howell** gold project; both properties located in the Flathead drainage basin. No assays have been reported yet.
- **Lalo Ventures Ltd.** are currently drilling 1 hole on their **Aubryd** property, under option from Commerce Resources, immediately south of the **Crowsnest** property to test a **combined geophysical/geochemical anomaly**.
- **Sultan Minerals Inc.** have almost completed a **~20 hole program** on their **Kena** Project near Nelson - following up on the **high grade magnetic corridor** they identified earlier in the year, as well as the results of the detailed structural mapping that was carried out on the property during the summer. Assays will be reported all at once when available.
- **Klondike Gold Corp.** successfully completed an **extension of hole L-80-1**, started by **Cominco** in 1980, to test the **LMC** in the **Lewis Creek** area north of the **Payday Basin**. Results were reported from the intersection of the LMC in the **Fran** drillhole extension NE of **Moyie Lake**; two intervals of 1.1 and 1.3 metres assayed approximately 0.25% Zn. The LMC laminated mudstone unit in the **Fran** hole was ~40m thick. The hole 1km to the east of **SMC 95-1**, at the north end of the **Payday** basin, which has been underway since July is currently at ~3400 feet and is near the target LMC horizon. Subsequent to completing this hole the company plans to drill one hole in the **Spider-Kidd Creek** area, then move north to the **Clair** and **Pit/Ash** properties.
- **Anglo Swiss Resources Inc.** have announced that they have obtained an "Option Joint Venture Partner" to advance their **Kenville** gold property outside of Nelson. They didn't mention in their news release **who it was**.
- **Grid Capital Corporation** have commenced a **3 hole 300m drill program** on the **Rosland Wollastonite** property north of Rosland which they optioned from **Horst Klassen**.
- **Cline Mining Corporation**, a company backed by **Mitsui Matsushina Co.** of Japan which operates in Australia, Indonesia, China, and North America (has a JV interest in **Pine Valley Coal** and an equity interest in **Western Canadian Coal**), have acquired coal licences over the **Sage Creek Coal Deposit** in the Flathead basin. **Sage Creek Coal Company** (a subsidiary of **Rio Algom**) carried out extensive drilling, mapping, trenching, and bulk sampling was carried out in the 1980s, as well as a detailed feasibility study and Stage 1 Environmental Assessment Report. In-place met coal resources are reported to total 149.9 Mt in 3 seams aggregating 28m thickness in the North and South Hill deposits combined. The company plans to carry out a detailed review of the available data and do additional work as necessary to fully evaluate the economics of moving the deposit towards production.
- A **geophysical survey** is currently underway on **Delta Exploration's Silver Lynx VMS** property west of Nelson. The company plans a **short follow-up drill program** this year depending on timing of financing and weather.

Other:

- **Stitikne Gold Corporation** is planning investor meetings to discuss their **Sullivan Deeps** project plans in Kimberly on November 12, Cranbrook in November 13 and in Trail on November 14.

Schroeter, Tom EM:EX

TS → RG
- Cranbrook

From: Terry, David EM:EX
Sent: Friday, June 20, 2003 10:19 AM
To: Anderson, Duane EM:EX; Berdusco, Ricci EM:EX; Carter, Michael EM:EX; Cathro, Mike EM:EX; Errington, John EM:EX; Grant, Brian EM:EX; Hermann, Fred EM:EX; Jones, Larry EM:EX; Lane, Bob EM:EX; Lefebure, Dave EM:EX; Lewis, Jim E EM:EX; Marshall, James EM:EX; McArthur, Gib EM:EX; McKillop, Greg EM:EX; Ryan, Barry EM:EX; Schroeter, Tom EM:EX; Simandl, George EM:EX; Wojdak, Paul EM:EX; Wuschke, Steven EM:EX
Subject: D.A. Terry Report, June 20th, 2003

RG Activity:

Golden Egg

- Exploration tracking and monitoring
- Inquires from several companies looking for gold properties
- Presentation on Exploration and Mining in the Kootenays to the 12th Annual Sparwood Coal Symposium on the evening of Friday June 11th. Good attendance (~40) with lots of CBM and coal people from Calgary attending
- Visited Prices Pit property, located near confluence of Sawmill Creek and Perry Creek, where Klondike Gold is carrying out a drill program to test high grade gold bearing quartz vein exposed on surface adjacent to some historical workings. Hole 1 was near completion at the time of my visit on June 13th. As of today (June 20th) the program has been completed. I will be looking at the core within the next several days.
- Visited Kootenay Gold Corporation prospecting crew in the Nancey Greene Lake area and Blueberry Paulson Summit area where they are continuing to identify promising looking new showings in Nelson and Coryell intrusives in areas which have seen little recent exploration.
- Presented Exploration and Mining in the Kootenays talk to the Boundary Mining Association in Grand Forks on the evening of Friday June 13th. Visited the Greenwood Mining Camp the following day (Saturday) with members of the BMA and a group who had recently taken the prospectors course. Properties visited included the historic Phoenix mine, Sylvester K, and the Athelstan-Jackpot property, site of a recent trenching program.
- Working on two extended proposals for Rocks to Riches program.

Mineral Exploration Activity:

- Goldrea Resources had a two person prospecting crew in at the Crowsnest property for approximately 1 week trying to further pin down the distribution and narrow in on the source of the high grade float boulders which occur in a south-easterly trending train within a large area of anomalous soil geochemistry.
- Sultan Minerals has announced that Kinross Gold Corporation have terminated their option agreement with Sultan on the Kena property. Sultan have said they intend to move forward with a mapping and trenching program along the high grade magnetic corridor recently identified on the property.
- Chappleau Resources have commenced drilling on the Zinger property in the Hart Lake area near the headwaters of the Perry Creek (historical placer creek). They have halted drilling on the Lookout (Bar 19) property subsequent to hole 11 to allow for geological mapping to be completed and to compile results to date. The last two holes reportedly intersected some interesting mineralization.
- Jasper Mining Corporation have commenced drilling on their Vowell Creek property which includes the past producing Ruth Vermont Mine. Initial drilling will test for extensions of the polymetallic vein ore mined at Ruth Vermont. A minimum of ~2500m of drilling is expected to be carried out.
- Gold City Industries have submitted an application to collect a 10,000 tonne bulk sample from the Lexington property in the Greenwood Camp. They intend to test this bulk sample using the Roberts Mill, located several kilometres south of Greenwood, which they also own.
- Klondike Gold will be commencing drill testing of the Thea 17 gold property in the Panda Payday basin southwest of Cranbrook by month-end. Trenches in 2002 uncovered a silicified shear zone in Middle Aldridge clastic rocks which extended for ~250m (open in all directions). The best assay results were 14.5 g/t Au over 4m. Related company Sedex has completed Mag/VLF and soil sampling over a portion of its MW property west of the Reade Lake stock and is planning on a follow-up trenching program on the property.

David Terry

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Schroeter, Tom EM:EX

TBR → RG
Cranbra

From: Terry, David EM:EX
Sent: Friday, June 06, 2003 9:39 AM
To: Berdusco, Ricci EM:EX; Carter, Michael EM:EX; Cathro, Mike EM:EX; Errington, John EM:EX; Grant, Brian EM:EX; Hermann, Fred EM:EX; Jones, Larry EM:EX; Lane, Bob EM:EX; Lefebure, Dave EM:EX; Marshall, James EM:EX; McArthur, Gib EM:EX; Ryan, Barry EM:EX; Schroeter, Tom EM:EX; Simandl, George EM:EX; Wojdak, Paul EM:EX; Wuschke, Steven EM:EX
Subject: D.A. Terry Report, June 6, 2003

RG Activity:

- Exploration tracking/monitoring
- Responding to phone calls and walk-in inquiries
- Participated in the Cordilleran Ore Deposits field trip on Wednesday May 21st - Sullivan Mine and Aldridge Basin geology
- Visited the Legend property held by Nelson geologist Bernie Augsten and partners located north of Kaslo to the west of Kootenay Lake. The property was originally staked as to cover a Ni-Co occurrence associated with a regional talc unit. Recently a massive sulphide horizon (sulphide facies IF??) has been discovered. It is hosted by Lardeau Group metasediments which comprise layered pyrrhotite-pyrite, with lesser arsenopyrite and chalcopyrite, hosted within a carbonaceous argillite unit. The unit is exposed in several locations along a strike length of ~100m and is open in several directions. At the southern end beds of banded cherty "exhalite" are associated with garnetite (likely Mn-rich). Chip samples of the mineralization averaged ~700 ppb Au over 4 metres with values up to 1.2 g/t Au over 1m. Assays were also anomalous in Cu and As. They are currently looking for a partner to advance the property.
- Visited Kootenay Gold's newly staked Conrau property in the Rover Creek-Connors Creek area west of Nelson which covers a number of MinFile occurrences associated with the contact zone around Nelson Intrusives into Ymir? Group sediments. Mineralization includes pyrrhotite-chalcopyrite sulphide veins (reportedly with high Au) hosted by hornfelsed sediments and intrusive and pyrrhotite-sphalerite-galena-chalcopyrite skarn in carbonate units. Magnetite breccias associated with chalcopyrite observed at several vein showings.
- Visited a number of areas along the Blueberry-Paulson summit to look at intrusive-related gold targets with Kootenay Gold Corporation personnel
- Visited Vine property to view drill core from ongoing drilling on Lookout Gold Zone by Chapleau Resources and to discuss program progress.
- Update Gold in Southeast BC write-up for Cambridge House Gold Conference
- Working on Rags to Riches proposals
- Dealing with number of inquires from people/companies looking for available gold properties

Exploration Update:

- Chapleau has completed drilling hole 10 on the Lookout Zone on their Bar Property and has moved on to hole 11 located several hundred metres to the east. Hole 10 intersected ~18m of primary mineralization comprising stringer pyrite-sphalerite-galena-chalcopyrite hosted by altered syenite below a flat structure which ramps strongly altered Creston Formation sediments over the syenite - now identified as stock rather than a much narrower dyke. The upper 45m of hole 11 is oxidized but appears to have been strongly mineralized - abundant fracture-controlled FeO and carbonate. Chapleau will also begin trenching on the Zinger property in Perry Creek and on the Jackleg property east of Wasa in the near future.
- Tuxedo Resources have commenced fieldwork on their Franklin Project 60km north of Grand Forks comprising detailed mapping, rock sampling, soil sampling. Follow up excavator trenching and drilling is planned for later in the season. Widespread epithermal-style gold mineralization has been identified on the 3500 ha property which hosted the historical Union Mine (122,000 tonnes @ 14 g/t Au & 353 g/t Ag). Multi-ounce gold values have been attained from historic pits and trenches on the property.
- Sultan Minerals and Kinross Gold are planning a trenching program to test the "High Grade Magentic Corridor" on their Kena Gold project which extends for over 2km in length. Three spaced holes drilled across the "corridor" have returned high grade gold values over several metres.
- Goldrea has commenced a detailed prospecting survey on its Crowsnest Property in the Flathead basin in an attempt to locate or constrain the source locale for the widely distributed high grade float boulders which assay up to 650 g/t Au and comprise quartz-magnetite-syenite breccia. Later in the season the company is planning geophysical surveys and drilling on both the Crowsnest and Howell properties.
- Klondike Gold is planning to commence drilling on their Thea 17 property southwest of Cranbrook next week. Trenching on the prospect returned up to 14.5 g/t Au over 4m in a silicified shear zone in Middle Aldridge clastics which is open in all directions.

Schroeter, Tom EM:EX

TOS → RG
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From: Terry, David EM:EX
Sent: Thursday, May 08, 2003 3:41 PM
To: Berdusco, Ricci EM:EX; Carter, Michael EM:EX; Cathro, Mike EM:EX; Errington, John EM:EX; Grant, Brian EM:EX; Hermann, Fred EM:EX; Jones, Larry EM:EX; Lane, Bob EM:EX; Lefebure, Dave EM:EX; Marshall, James EM:EX; McArthur, Gib EM:EX; Ryan, Barry EM:EX; Schroeter, Tom EM:EX; Simandl, George EM:EX; Wojdak, Paul EM:EX; Wuschke, Steven EM:EX
Subject: D.Terry Report, May 9, 2003

RG Activity:

- The "**Golden Opportunities in Southern BC**" symposium held in Cranbrook May 2-4th was a big success. There were over 90 attendees comprised of East and West Kootenay locals as well as delegates from Vancouver, Kamloops, Calgary, Spokane, and even Denver. A list of speakers is included below for your information. The field trip run on the Sunday had about 20 people looking at core from Chapeau's Lookout drilling at the Vine property and 11 made the trek up Lookout Mountain to look at the trenches in the snow.
- Responding to requests from MLAs on mining/exploration info
- Responding to inquiries regarding gold properties in Region
- Exploration tracking /monitoring - From the somewhat limited info I have to date there should be more than \$5 million spent on metal exploration alone in the Kootenay Region. No info on coal yet - will get this in June at time of Sparwood coal symposium
- Continuing new office setup issues - computer linespeed is SLOW - should be fixed in next week or so
- Visit to Sedex Mining's MW property where prospecting has discovered a number of new gold showings in an area with little exposure

Exploration and Mining News:

- Chapeau has recommenced their drilling program on the Lookout Zone (Bar 19 Property) west of Cranbrook. They are now on hole 10 of the program. Despite the fact that coarse gold has been identified through check sampling and metallic screen fire assaying of two sample size fractions, significant gold values have been attained in a number of the holes released to date. Ongoing drilling and geological mapping is beginning to unravel structural complications and it is now evident that the important syenite body below the Lookout Gold Zone is much larger than previously thought and the north edge of it - which is the most mineralized in the surface trenches - has yet to be tested below a flat fault at depth.
- Chapeau are planning a significant trenching and drilling program on the Zinger property near the headwaters of Perry Creek, a significant placer creek, as well as a trenching program on the Jackleg property. Chapeau have indicated that they intend on spending \$2-\$3 million on their Cranbrook Gold Project this summer, which includes the Lookout Zone. They now have about 500 square kilometres of tenure in the Cranbrook area.
- Klondike Gold/Sedex are planning on commencing their exploration in the Cranbrook area either later in May or in early June. They intend on starting off with exploration on their gold properties, including MW (soils, VLF, mapping, trenching), St. Joe (East along strike from Chapeau's Lookout Zone), Thea 17 (drilling), and Prices Pit (drilling) and Quartz Mountain. They have ~\$400K at present and are raising more. They will continue with their sedex exploration program later in the season.
- Sultan have indicated that they are planning a Phase 1 program of \$1.12M for Kena to start later this spring, and a total of \$3M subject to results of Phase 1. Work will be carried out on a number of zones on the property including the newly identified "High Grade Magnetic Corridor"
- Gold City Industries is going to be commencing work on their -Greenwood Gold Project imminently. The work will involve drilling to expand/confirm resources on the Winnipeg-Golden Crown properties, trenching to obtain metallurgical samples, dewatering of the Lexington decline, and making modifications to the Roberts Mill south of Greenwood.
- Tuxedo Resources is commencing a surface program on their Franklin Camp Au project north of Grand Forks.
- Kingsman Resources have optioned the Snowshoe Property in the Greenwood Camp from John Kemp and three others. The property covers part of the past-producing Skylark Mine.
- Jasper Mining Corporation is planning a 2500m-10 000m drill program on their Vowell Creek polymetallic property and will spend approximately \$800K this year
- First Cypress Technologies have optioned the Eddie Au property at the headwaters of Weaver creek (another placer creek which is a tributary to the Moyie River) and are planning a work program this summer.

new

Schroeter, Tom EM:EX

TFS → RG
Cranbrook

From: Terry, David EM:EX
Sent: Friday, February 07, 2003 3:27 PM
To: Whale, Andrew EM:EX
Cc: Berdusco, Ricci EM:EX; Campbell, Karen EM:EX; Carter, Michael EM:EX; Cathro, Mike EM:EX; Elkins, Paul EM:EX; Grant, Brian EM:EX; Hermann, Fred EM:EX; Houle, Jacques EM:EX; Jones, Larry EM:EX; Lane, Bob EM:EX; Lefebure, Dave EM:EX; Marshall, James EM:EX; McArthur, Gib 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, February 7, 2003

Regional Geologist Activity:

- Exploration activity tracking monitoring
- Prepared poster and handouts (incl. Properties for Option list) for Roundup
- Attend Cordilleran Roundup in Vancouver (January 27-30) and Gold Short Course (January 26)
- Write foreword and complete final edits for paper in Exploration and Mining in BC publication - send to Janet Holland for desktopping
- Continued planning for the Cranbrook Gold conference - Interest and confirmed speakers list are growing!!!

Mineral Exploration Highlights:

Ash: Klondike Gold are proceeding with the drill program on their Ash property, located 9 kilometres south of the Sullivan Mine. Reportedly hole 3 cored 600 feet of gravel before intersecting Middle Aldridge (Hiawatha marker tentatively identified) sediments.

Bar (Lookout): Chapleau Resources are continuing their drill program on the Lookout (Bar) project west of Cranbrook. Problems with core recovery have slowed progress and the company has switched to HQ rods. No further assays have been reported.

Bayonne Aquamarine: Cream Minerals Ltd. have optioned 5 claim groups which form the Bayonne Aquamarine properties from Lloyd Addie. The properties are located west of the southern section of Kootenay Lake. Aquamarine occurs in pegmatites which intrude parts of the Cretaceous Bayonne Batholith. Beryl crystals range from 0.5cm to 20cm in length with diameters from 0.4 to 7cm. Colour ranges from blue to bluish-green. The majority of the crystals are non-gem quality aquamarine and emerald. However, gem-quality aquamarine has been identified. The company plans an exploration program comprising geological mapping, geochemical surveys, followed by trenching. Photos attached.



cma_aquamarine06cma_aquamarine02cma_aquamarine03cma_aquamarine04cma_aquamarine01
.jpg .jpg .jpg .jpg .jpg

Great photos!

Cretin: Eagle Plains Resources have staked a 45 unit claim block they call the Cretin property to cover the 7.5 square kilometre Cretaceous Hall Lake Stock, 50km west of Cranbrook. The property's setting is comparable to that of the Bar (Lookout) property currently being explored by Klondike Gold Corporation. The Hall Lake stock intrudes Creston and Aldridge Fm sediments and is located along the regional Hall Lake fault structure. Government RGS data shows elevated levels of Au in streams in the area.

Greenwood Gold Project: Gold City Industries have entered into a financing agreement with a British-based resource-oriented venture capital fund to raise C\$6 million which will be used to advance their Greenwood Gold project towards production. The project comprises a number of mineral properties in the Greenwood mining camp, including the Lexington-Lonestar and Winnipeg-Golden Crown properties which contain Cu-Au resources, and the Roberts Mill west of the city of Greenwood.

St. Joe: Klondike Gold have optioned the St. Joe property which straddles the Cranbrook fault east of Chapleau Resources Bar (Lookout) gold discovery and covers the eastern margin of the Cretaceous Kiakho stock. The company is planning to carry out surface exploration and potentially drilling on the property this field season.

Schroeter, Tom EM:EX

TGS → RG
- Cranbrook

From: Terry, David EM:EX
Sent: Friday, January 10, 2003 10:47 AM
To: Whale, Andrew EM:EX
Cc: Berdusco, Ricci EM:EX; Campbell, Karen EM:EX; Carter, Michael EM:EX; Cathro, Mike EM:EX; Elkins, Paul EM:EX; Grant, Brian EM:EX; Hermann, Fred EM:EX; Houle, Jacques EM:EX; Jones, Larry EM:EX; Lane, Bob EM:EX; Lefebure, Dave EM:EX; Marshall, James 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, January 10, 2003

Regional Geologist Activity:

- Exploration tracking/Monitoring
- Exploration and Mining write-up - Roundup Preparation
- year-end data compilation
- EKCM conference planning
- Office consolidation issues

Mineral Exploration Highlights:

Ash: Klondike Gold's previously described drill program on the Ash property, south of the St. Mary's River, 9km due south of the Sullivan mine commenced this week. A drill hole by TGS in 1971 intersected laminated and massive sulphides (sulphide content of 10% over 10m and up to 25% over 1m intervals) containing py-po with associated sp-gl, immediately beneath 100m of overburden at a stratigraphic level believed to be the LMC.

Bar (Lookout): Chapleau Resources Ltd. have re-commenced their drill program on the Bar (Lookout) prospect ~8km west of Cranbrook. They have also released assay results from the first two holes, drilled in December 2002. Highlights include 1.62 metres grading 15.25 g/t Au and 4.15 metres grading 2.15 g/t Au, including 0.7 metres grading 8.27 g/t Au, from hole B-02-01, and 7.45 metres grading 10.33 g/t Au including a 3.05 metre interval grading 23.36 g/t Au from hole B-02-02. Both holes were drilled from the same pad at different dips to the south, collaring in altered Creston Formation sediments before entering variably altered syenite intrusive. Hole 3 has now been completed and the drill is being moved to the site for a 4th hole today.

David Terry

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Schroeter, Tom EM:EX

VTS → RG
- Cranbrook

From: Terry, David EM:EX
Sent: Friday, December 20, 2002 8:28 AM
To: Whale, Andrew EM:EX
Cc: Berdusco, Ricci EM:EX; Campbell, Karen EM:EX; Carter, Michael EM:EX; Cathro, Mike EM:EX; Elkins, Paul EM:EX; Grant, Brian EM:EX; Hermann, Fred EM:EX; Houle, Jacques EM:EX; Jones, Larry EM:EX; Lane, Bob EM:EX; Lefebure, Dave EM:EX; Marshall, James 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, December 20, 2002

Regional Geologist Activity:

- viewed core from ongoing exploration program on Bar19/Lookout property
- continuing data collection, figure production, and updating Exploration and Mining publication write-up for the Kootenay Region
- responding to Land Use referrals
- responded to several inquiries about the Midnight Mine near Rossland
- responded to several calls regarding gold and IM potential/properties in the Kootenay Region

Events/Other:

- The date for the EKCM conference called "Golden Opportunities in Southern BC" has been set for May 2-3, 2003
- The takeover bid/Income trust conversion saga of Fording has taken another turn with Sherrit International Corp. and the Ontario Teachers Pension Plan upping their hostile bid to \$35 per Fording share (\$1.8 billion cash/stock deal). Consequently Fording has postponed until January 3 their planned shareholders meeting to vote on their proposal to merge the Elkview operation of TeckCominco with Fording's assets to form an Income Trust (Fording shareholders can opt for a stake in the new Income Trust or accept a value of \$34 per Fording share).

Mineral Exploration Activity:

Ash: The drill program on the Ash (Pit) property by Klondike Gold, described in my November 29, 2002 report, has been postponed until the new year.

Bar 19 (Lookout): Two drillholes have been completed on the Bar Property, located 8 km southwest of Cranbrook, by local company Chapleau Resources. The holes were drilled at different dip angles from the same setup on the hangingwall (north) side of the Cranbrook fault, collaring in altered and deformed siliceous clastic sediments of the Creston Formation and passing into syenitic intrusive. The syenite contains several percent disseminated pyrite, local fracture-controlled pyrite seams up to ~1cm in width, and rare fracture-controlled galena veinlets. As well local zones of silicification and quartz veining are present. No assays have been received to date from the drilling but the holes are drilled in the immediate area beneath trenches where chip samples assayed up to 4.52 g/t Au over 26m (including an interval grading 7.42 g/t Au over 11m). Individual grab samples have assayed up to 281 g/t Au. The drilling will now be halted for the holiday season and will recommence early in the new year, by which time initial assay results will have been received. Their initial plan calls for 4000m in 16 holes to test the gold zone along a ~500m strike length.

In other news Chapleau recently announced a deal in which they have acquired 153 square kilometres of mineral claims (610 units) from Supergroup Holdings Ltd., 31 square kilometres of mineral claims (124 units) from individuals, and 148 square kilometres of mineral claims (592 units) by direct staking. The tenures acquired from Supergroup Holdings include most of the properties which were the subject of a deal with National Gold Corp., earlier this year, which was terminated last month. The properties are all in the Cranbrook area and cover two mineralized trends within the Cretaceous Bayonne magmatic belt and host numerous gold occurrences. Chapleau has recently submitted a NOW to drill 2400 metres in 6 holes on the Zinger Property at the headwaters of Perry Creek (historical placer creek) in the new year.

Kena: The 2002 drill program on the Kena project, southwest of Nelson, has been completed. Results are expected to be released when all assay data from the program have been received.

TGS → RG
— Cranbrook

Schroeter, Tom EM:EX

From: Terry, David EM:EX
Sent: Friday, November 29, 2002 12:37 PM
To: Whale, Andrew EM:EX
Cc: Berdusco, Ricci EM:EX; Campbell, Karen EM:EX; Cathro, Mike EM:EX; Elkins, Paul EM:EX; Grant, Brian EM: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, November 29, 2002

Events:

- Dani Alldrick and Ray Lett of the BC Geological Survey presented two excellent talks to the members of the East Kootenay Chamber of Mines on Wednesday November 27th on RGS surveys and the application of geochemistry to VMS belt exploration. They also presented their talks to the Kootenay-Boundary Mining Association in Grand Forks and the Chamber of Mines of Eastern BC in Nelson on Thursday November 28th.
- The East The East Kootenay Chamber of Mines is planning a 2-2.5 day conference on Gold Projects/Opportunities in SE BC, to be held in Cranbrook either May 2-3 or 9-10. The planning/organization is just getting underway now. The plan includes one day of politicians-regional geology-exploration highlights-First Nations?-financial-type talks, followed by a day of property-specific technical talks.

Mineral Exploration Activity:

Ash: Klondike Gold Corp. have staked the Ash property (also referred to as the Pit Property) located to the south of the St. Marys River, 9 km due south of the Sullivan orebody at the southern end of the Sullivan-North Star sub-basin. The area has been tenured by Texas Gulf Sulfur and later by Cominco until recently. A drill hole by TGS in 1971 intersected laminated and massive sulphides (sulphide content of 10% over 10m and up to 25% over 1m intervals) containing py-py with associated sp-gl, immediately beneath 100m of overburden at a stratigraphic level believed to be the LMC. Subsequent holes in the area failed to intersect either the sulphide zone or the LMC, due to complicated structure. A recent structural re-interpretation based on stratigraphic Aldridge marker data suggests the holes to the south of the TGS hole were not drilled deep enough to intersect the LMC, and holes drilled to the north were collared below the LMC due to erosion in the St. Mary's river valley. Klondike Gold intends to commence drilling next week, beginning with shallow holes in the vicinity of the TGS discovery hole, and stepping out to the west.

Bar 19/Lookout: Chapleau Resources Ltd. have commenced drilling on the Lookout Project-Bar 19 property located north of the Lumberton Road, southwest of Cranbrook. Their initial plan calls for 4000m in 16 holes to test the gold zone along a ~500m strike length. A second phase, contingent upon the results of phase I will test the zone over a strike length of 1000m. As conveyed in my last report, sampling of this prospect in 1991 returned assays from chip samples of up to 0.132 oz Au/t over 85 feet and grab samples assaying up to 0.592 oz Au/t, 3.0 oz Ag/t and 1.7% Pb from an altered monzonite dyke occupying the Cranbrook fault zone, and adjacent Aldridge Formation sediments.

Kena: Sultan Minerals Inc. will be drilling an extra 1300m in 6 holes this year, all on the Gold Mountain Zone, beyond what they had previously predicted. This will bring the total project drilling this year to approximately 9170m in 39 holes, for a project expenditure of ~\$1.63M. No new results of the drilling have been released.

National Gold: National Gold Corporation has reported that they are withdrawing from the proposed transaction they announced in August with SuperGroup Holdings Ltd. to acquire a 100% interest in all their outstanding properties. As well they are terminating their previous option agreements with Supergroup for the Zinger, JackLeg/Tac, and McNeil Creek properties. This comes as a result of the merger which has been announced between National Gold and Alamos Minerals Ltd. to facilitate the development of the Mulatos gold deposit in Sonora, Mexico. Despite this development, the considerable amount of work carried out as a result of the agreement this fall significantly enhanced the level of understanding, and exploration potential, of the Zinger-Gar-Lov properties in the Perry Creek area.

West Moyie Block: Klondike Gold have completed drilling a deep stratigraphic hole at the north end of the Payday Basin, 1.5 km southwest of hole SMC95-1, which intersected a thickened Sullivan Horizon (16.8 metres) with anomalous concentrations of sphalerite and pyrrhotite. Results of this hole have not been released as of this date.

Schroeter, Tom EM:EX

TOS → RG
- Cranbrook

From: Terry, David EM:EX
Sent: Tuesday, November 12, 2002 9:36 AM
To: Whale, Andrew EM:EX
Cc: Berdusco, Ricci EM:EX; Campbell, Karen EM:EX; Cathro, Mike EM:EX; Elkins, Paul EM:EX; Grant, Brian EM: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, November 12, 2002

Regional Geologist Activity:

- Exploration tracking/monitoring
- Compilation of Exploration Statistics for Exploration Review - 2002
- Client requests/assistance
- Land Use Referrals
- Presentation Materials

Exploration Highlights:

Bar 19/Lookout: Chapeau Resources Ltd have submitted a NoW for a 4000m, 16-hole drill program on the Lookout Project-Bar 19 property located north of the Lumberton Road, southwest of Cranbrook. The program is planned to commence at the end of October. Sampling of this prospect in 1991 returned assays from chip samples of up to 0.132 oz Au/t over 85 feet and grab samples assaying up to 0.592 oz Au/t, 3.0 oz Ag/t and 1.7% Pb from an altered monzonite dyke occupying the Cranbrook fault zone, and adjacent Aldridge sediments.

Kena: Sultan Minerals Inc. have approximately 6 more holes to complete in their planned 2002 drill program on the Kena gold project southwest of Nelson. By year-end they will have completed ~7870m in 39 holes during 2002 and spent approximately \$1.5M. Early in the current drill program hole 01GM-10 was extended to 359.05m from 185.32m, intersecting the Silver King porphyry - Rossland Volcanic contact at 333.5m depth. The 95m interval between 213m and 308m averaged 0.95 g/t Au and included several locations with visible gold assaying up to 32.36 g/t Au over 1m. This hole indicates that the Gold Mountain Zone has significant depth potential. The results of the current phase of drilling are expected to be released together at the end of the program.

Moyie West Block: Klondike Gold completed the extension of hole K97-2 to 1545.4m within the Middle Aldridge formation. While the LMC was projected to be 200-300m deeper, the drill rig had reached its limit and was moved approximately 6km north to test the northern end of the Panda Graben, approximately 1.5km southwest of SMC95-1 which intersected a thickened "Sullivan horizon" with sphalerite and pyrrhotite. The LMC is projected to be at approximately 3400 feet depth in the current hole, which should be reached within the next several days. A map showing the structural and geological features of the Moyie West Block area with past, present, and permitted drill holes can be viewed at:

<http://www.sedar.com/csfsprod%2Fdata34%2Ffilings%2F00491931%2F0000001%2FC%3A%5CSEDAR%5CFILINGS%5Ckg%5Cnews%5CNov702.pdf>

Vowell Creek: Jasper Mining Corporation have released results from their 2002 surface exploration program on their Vowell Creek project near Golden, which includes the past-producing Ruth Vermont mine. Mapping and sampling suggests that the vein/replacement type mineralization extends north across the Vermont Creek valley from the Ruth Vermont mine area. As well, significant gold values were attained by sampling of the vein system (up to 0.52 oz Au/t from grab samples). Gold values from soil and silt samples indicate that the mineralized system may be much larger than indicated by past work on the property. Further work, including drilling, is anticipated next spring. The entire press release may be viewed at:

<http://www.sedar.com/csfsprod%2Fdata34%2Ffilings%2F00491570%2F0000001%2FC%3A%5Cdata%5Cjspnmv2.PDF>

Winnipeg-Golden Crown: As part of their Greenwood Gold project, Gold City Industries have submitted a NoW for ~2000m in 45 holes in 4 separate areas on their Winnipeg-Golden Crown property in the Greenwood mining camp. The work is planned to confirm and expand areas with previously defined near surface resources, and to evaluate other mineralized areas. The program is currently planned to commence near the end of November.