

**Schroeter, Tom EM:EX**

**From:** Lane, Bob EM:EX  
**Sent:** Friday, September 26, 2003 4:25 PM  
**To:** Cathro, Mike EM:EX; Terry, David EM:EX; Wojdak, Paul EM:EX; MacDonald, Ken EM:EX; Pittman, Ed EM:EX; Lefebure, Dave EM:EX; Anderson, Duane EM:EX; Errington, John EM:EX; Grant, Brian EM:EX; Lewis, Jim E EM:EX; Marshall, James EM:EX; Conte, Rick EM:EX; Schroeter, Tom EM:EX; Guthrie, Shelley EM:EX  
**Subject:** Lane "Weekly" Exploration Update for Northeast-Central BC to September 26, 2003

Exploration Update for Northeast-Central BC to September 26, 2003

**Kemess North.** Exploration drilling has been completed for the year, but a few more holes are being drilled within the Kemess North pit design to provide information for block modeling. Pre-feasibility studies completed indicate a "minable resource" of 369 million tonnes with an average grade of 0.34 gpt Au & 0.18% Cu. The deposit as designed contains approx 4 million ounces of gold and 1400 million pounds of copper. The commissioning of Kemess North would extend the overall life of the Kemess project to 2019. Capital cost is estimated at \$126 million. Based on the pre-feasibility study, the Kemess project would produce an average of 250,000 ounces of gold per year for 16 years at a cash cost of \$150 per ounce. A full feasibility study is underway.

**Pine.** Stealth Minerals Ltd. has wound down its exploration camp and, with the exception of a few small grids, is finished for the year. Numerous new porphyry and high & low sulphidation vein systems were discovered with perhaps the most promising showings being the Grizzly (Sickle) epithermal vein and Pine North porphyry gold-copper.

**Shasta.** Approximately 1550 tons of Shasta (JM zone) vein material has been processed by Sable Resources at their Baker mill. Additional exploration drilling at Shasta is planned for this season.

**Al.** Bishop Resources has released more drill assays from its 10-hole program at the Al property north of the Toadoggonne River. Impressive assays include: 6.8m grading 23.2 gpt Au in hole A03-06. The company has announced

**Manson Creek area placer** (including Slate Creek). Angel Jade Mining has completed placer mining on one of its leases on the Manson River and has moved part of its floating trommel brigade to the Slate group of claims on the other side of town. Slate Creek Mining is well underway on its project of diverting Slate Creek and mining the old creek bed. Remarkably well preserved timbers uncovered during the excavation are clear evidence that previous attempts were made to mine the channel (and that some of the booty could be long gone!).

**QCM.** Keewatin Consultants have reportedly optioned this bulk tonnage gold prospect near Germansen Landing to a Vancouver-based junior exploration company. A \$50,000 exploration program is about to begin.

**Lustdust.** Alpha Gold continues to drill, but has moved north along trend to further evaluate the high grade gold potential of the Canyon Creek skarn. Late season work will include the establishment of grids further north along strike from the Canyon Creek skarn zone as well as over the Takla-Bralorne crown grants purchased by the company this summer. Additional drilling is not out of the question.

**Mount Polley.** Imperial Metals has reported additional encouraging trench assays on the newly discovered Northeast zone including 54 m averaging 1.03% Cu and 0.42 gpt Au in Trench 6. The zone has minimum surface dimensions of approx. 170m by 100m. Diamond drilling of the zone is well underway with six holes

that is partially exposed/mined), and the Midwest zone underground rehabilitation. The three zones together would provide an estimated 30 months of mill feed and would generate cash flow for exploration and potential development of the underground North zone.

**Lustdust.** Alpha Gold Corp. has released partial assay results from its drill program on the #1 zone, a north-trending sub vertical structure with a strike length of 700m and down dip extension of 200m. The polymetallic massive sulphide vein ranges from 1.5 to 4 metres in thickness. Realgar and orpiment noted in magnesium and ferroan dolomite-altered limestone wallrock. Pale green porphyritic dyke cuts vein nearby. Assays from this phase of drilling on the #1 zone include: 5.0 metres averaging 13.1 gpt Au, 899 gpt Ag, 1.1% Pb and 5.7% Zn.

Evaluation of #3 zone, a NNW-trending zone of mantos, encountered sub vertical structure ranges from 1-3m wide of intensely oxidized mineralization; remnant sulphides (pyrite-sphalerite) increase with depth, but core recovery is poor. Near surface expression of manto zone includes decalcification and corrosion of limestone host rock and presence magnesium and ferroan dolomite alteration. Current drilling is targeting the down-dip extension of the Canyon Creek Au-Cu skarn zone where last years drilling intersected high-grade gold mineralization.

Alpha is also proceeding with a grid-based soil geochemical sampling program over the Bralorne-Takla Hg property and is reviewing historic data in order to determine drill targets.

*Manson Cr. Area*

**Slate Creek.** Slate Creek Placer is progressing with a major stream diversion program that will allow the company to mine the streambed of Slate Creek west of the village of Manson Creek. An estimated 60,000 to 100,000 m<sup>3</sup> of pay-dirt will be processed over the 3-year life of the project. Impressive wash plant operates at 120 m<sup>3</sup>/hr.

**Pine.** Stealth Minerals is conducting a multifaceted exploration program that includes: use of 5 prospectors to cover the large tenure package that straddles the Finlay River in the Toodoggone area; focus has been on identifying epithermal gold showings (of which there appear to be many including new BG and 10K zones); trenching and drilling of several priority areas including the VIP skarn zone (12 holes) and Wrich Hill epithermal zone (7 holes). Assays have not been reported. PIMA has been used extensively to determine clay mineralogy of low and high sulphidation epithermal systems. The program is expected to continue well into the fall.

**Shasta.** Sable Resources has recovered an estimated 1,500 short tons from the JM zone at Shasta with an average head grade of approx. 0.32 opt Au and 6.5 gpt Ag. Mill was processing ore at the time of visit and a 200 ton block of multi-ounce Au-Ag ore was about to be drilled and blasted from the upper bench.

**Pil.** Finlay Minerals has drilled four holes on its Pil South property located north of the Kemess mine. The drilling tested a prospective alkalic porphyry copper-gold deposit that was outlined by a coincident Au-Cu geochemical anomaly and IP chargeability anomaly. Drilling was hampered by broken ground and only one of the four holes reached its intended depth. Line cutting, soil geochemical sampling and an IP survey are underway.

**Kemess.** Northgate Exploration has completed approx. 12,000 metres of exploration drilling to date focusing mainly on the area immediately west of the Kemess North deposit. Several holes were also drilled to evaluate skarn showings on Duncan Ridge and on porphyry gold-copper targets at Kemess Centre and 'Valley of the Dolls' (between Duncan and Kemess lakes). A program of condemnation drilling along the proposed road route to Kemess North from the mill is well underway and a 6-7 hole oriented core drilling program in the proposed Kemess North pit has also begun. Northgate has also conducted a brief field program on the Croy property, but a proposed drilling program may not proceed. Northgate has extended its option arrangement with Canasil

BL - Aug. 29/03<sup>2</sup>