INTEROFFICE MEMORANDUM

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TO: See Below

Subject: SOUTHWESTERN REGION MONTHLY REPORT: JUNE II

EXPLORATION:

- Westmin Resources has dropped plans for deep drilling the west end of the mine property and has submitted NsOW for programmes at the east end (1) along Thelwood Creek, (2) near the tailings pond and (3) Myra Ridge between H-W and Trumpeter. The latter requires cutting "old growth" which might possibly offend BCParks.

- First Choice Industries has funds for drilling its Knob Hill gold/arsenic system near Holberg Inlet and should start work shortly. L First Choice and Jordex Resources have teamed up to fly an airborne geophysical survey over Knob Hill and Red Dog (porphyry copper) Red log properties.

- Minestar Resources plans to trench-sample and drill the Monument quartz vein, near Spuzzum. It will extract a 9,000 tonne bulk sample and process it off-site. The vein lies in the same structural & stratigraphic setting as the Ladner Creek deposit but differs in form. It is a >2.0 metre wide, clean, white, sulphide-free, fine free gold-bearing quartz vein. If the grades hold up, the vein is well located for underground mining (Visited).

Minestar Rescurces has also staked the Doctor's Point gold deposit west of Harrison Lake. It was last explored in 1983. It consists of shallow-dipping, interlaced, mineralized fractures in volcanic rock adjacent to a diorite intrusion. The fractures are silicified close to the intrusion and vuggily quartz-veined away from it. The veins contain coarse pyrite and arsenopyrite (and minor stibnite) and good grades of gold and silver (Visited).

- Slim's Exploration and Mining Company (private) plans to reactivate the dormant Ashlu Gold Mine north of Squamish. It expects to process 200 tonnes/day of very high-grade (?) gold & platinum (etc)-bearing telluride ore (Calaverite) from a quartz vein system through an existing mill on a seasonal basis and produce a flotation concentrate. (Visited). $\rho_{erm}/s? \quad NoWs?$

- Beau Pre Explorations Ltd. has received permits to continue its bulk