

Schroeter, Tom EM:EX

From: Terry, David EM:EX
 Sent: Friday, September 19, 2003 3:16 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, Friday September 19, 2003

Kootenay Mineral Exploration Activity Update:

- Expl
- Coal drilling and exploration expenditures are forecast to be significantly down from last years figure in the Elk Valley. The 2002 estimate is \$1.2M (compared to \$2.84M in 2002 and \$4.83M in 2001). The coal geologists cite the merger and formation of the Fording Canadian Coal Trust as the reason behind the significant decrease in drilling budgets and they are hopeful this trend will be reversed next year. JM exploration expenditures will be down as well but metal exploration expenditures are forecast to increase significantly again (at present up about 56% to \$4.7M). At present total Exploration Expenditures for the Kootenays are estimated to be \$6.0M - \$6.5M - down slightly from \$7.08 in 2002.
 - Klondike Gold Corp.** now has two drills going in the Panda-Payday basin area southwest of Cranbrook. One is continuing to deepen the hole at the north end of the basin, to the east of SMC95-1, halted due to the forest fire situation in mid-August. The other is a new hole in the southern part of the basin in the Irishman Creek area. The Fran hole passed through the LMC this time - no results are available yet.
 - Chapleau Resources Ltd.** have resumed drilling on the Zinger property, at the headwaters of Perry Creek, in the Heart Lake area, and are constructing a road to reach the ridge in the Gold Run Lakes area on the southern part of the property. Drilling is also planned on the Jackleg property east of Wasa.
 - After raising more than \$2M, **Gold City Industries Ltd.** are mobilizing in the Greenwood Camp and plan to complete 3-4 holes on the Lexington property to tighten up the resource model, as well as to collect samples for metallurgical/environmental purposes. The Grenoble/Main Zone on the property has a reported mineral resource of 94 923 tons grading 0.297 oz/ton (10.2 g/t) Au and 1.49% Cu. After completing this they will move to the Winnipeg-Golden Crown property where they will drill 30-40 short holes to expand near-surface and along strike resources. In 1990 a study of the property indicated the presence of a mineral resource of 37 100 tons grading 0.999 oz/ton (31.07 g/t) Au (uncut) or 0.536 oz/ton (16.67 g/t) Au(cut) and 1.12% Cu. At the same time a trenching program will be carried out on adjoining properties (JD etc.)
 - Mosquito Consolidated Gold Mines Ltd.** has received an option payment of \$450K from IWA which they state will be used in part to fund exploration on their Tillicum Gold project southeast of Nakusp.
 - Tuxedo Resources Ltd.** are planning on a drill program on their Franklin Camp property to follow up on results of the trenching program carried out earlier this summer. No results have been released to date on this. Apparently the company has had some trouble getting diamond drillers.
 - Jasper Mining Corporation** has released results from its drill program on the Vowell Creek project southwest of Golden. To date 2900m in 17 holes have been completed. The main purpose of the program is to test for extensions to the vein and replacement type mineralization at the past-producing Ruth Vermont Mine on the north side of Vermont Creek. A number of polymetallic intersections are reported in the News Release. An example of one of the better intercepts is from Hole 3/Interval#8 which assayed 1.49 g/t Au, 0.21% Cu, 2.62% Pb, 3.21% Zn, and 275.5 g/t Au over 5.41m. Drilling has just resumed with between 5 and 10 more holes planned.
 - Sedex Mining Corp.** is commencing a trenching program on its MW property southeast of Kimberley to follow up on a number of rock geochem and geophysical targets. The property exhibits little bedrock exposure however widespread anomalous gold values, associated with limonitic alteration and elevated BM, have been attained from prospecting samples in a 3km by 2km area. The property is structurally complex and lies just to the west of the Cretaceous Reade Lake Stock, a prominent aeromagnetic anomaly. Quartz veins on the property have assayed up to 10 g/t Au and several ounces silver.
 - Sultan Minerals Inc.** has reported on the results from the trenching program carried out earlier in the summer on their Kena Gold project near Nelson. While most of the trenches returned sub-economic gold values, a chip sample from trench 03TR-7 assayed 35.26 g/t over 4m (including an interval assaying 66.83 g/t Au over 2m) The company plans to carry out further mapping to constrain structural controls on gold mineralization followed by a diamond drill program.
 - A JCP company has completed 217m of drilling in 12 holes on the Lapin Barite project south of Bridesville. The widest intercept was 10m of barite (average of 5-6m). Further drilling and bulk sampling is planned for later in the year.

David Terry

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.
- Chapleau 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 competed 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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