

Neelo  
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- Cranbrook

**Schroeter, Tom EM:EX**

**From:** Terry, David EM:EX  
**Sent:** Monday, July 23, 2001 1:25 PM  
**To:** Whale, Andrew EM:EX; Wuschke, Steven 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, July 20

**Prospectors Assistance Program:**

Frank Renaudat has completed his PAP work program on the Storm Ni-Cu-PGE property. 300 soil samples and 38 rock samples have been collected and submitted for analysis. He reports that a large talc carbonate zone was discovered during the work program.

Lloyd Addie reports that he has found crystalline beryl outcropping over a large area while carrying out work under his PAP grant southwest of Kootenay Lake in an area underlain by the Bayonne batholith. He is currently staking claims in the vicinity and will be commencing more prospecting and sampling shortly.

Frank O'Grady has completed a soil sampling program on his Chris barite property north of Kimberley. He is planning on carrying out mapping and ground geophysics in August.

**Mineral Exploration Activity:**

**Black Crystal:** Crystal Graphite Corp. has commenced its 30 hole, 1500m diamond drill and trenching program on its Black Crystal project in the Slocan Valley. At present they are on hole 4 and expect to be completed the program by the end of August.

**Fran:** Klondike Gold Corp. has commenced drilling on its Fran property, located north of Moyie Lake. The first attempt to drill a 520m hole targeting the LMAC "Sullivan horizon" between the Vine vein and the Fors vent properties failed due to excessive amounts of overburden. The drill is now being relocated on the property and a second hole is being attempted.

**Ice:** Skeena Resources Ltd. has submitted a NoW to carry out the 4-hole 600m drill program referred to in an earlier report.

**Kena Gold:** Sultan Minerals Inc. has completed a second phase of drilling on the Gold Mountain Zone at its Kena Gold property south of Nelson. The program comprised approximately 500m of drilling in 3 holes which stepped out up to 300m from the area of the initial drilling. The entire 134m core length of the first hole from this program averaged 1.10 g/t Au with the best interval assaying 12.07 g/t Au over 2m. Results from the last two holes are expected to be released shortly. Surface grab sampling has returned anomalous gold values ranging from 0.5 g/t Au to 7.8 g/t Au within an area measuring 1200m by 500m underlain by the Silver King Porphyry. Detailed mapping, alteration and structural studies have also been recently carried out on the property. Sultan has also recently closed a \$200,000 private placement to continue exploration on the property.

**Neelo:** A NoW has been filed by Discovery Consultants to drill 330m in 4 holes on its Neelo property in the Kalso area to test the lateral extent of a marble deposit.

**Silver Lynx:** Cassidy Gold has submitted a NoW for 10 drillholes totaling 2000m on its Silver Lynx property south of Nelson

**Sappho:** Gold City Industries has completed a trenching and sampling program on its Sappho project east of Midway and are awaiting assays. Graham Nixon (GSB) is currently on the property carrying out a field study.

**Superior Graphite:** Worldwide Graphite Producers Ltd. are currently carrying out an exploration comprising mapping and the drilling of 20 short (35m) Winkie holes on its Superior Graphite project in the Slocan Valley.

**Sure Bet:** Klondike Gold Corp. completed 303.35m of drilling in 4 holes on its Sure Bet property near Crawford Bay on the east side of Kootenay Lake. Two holes testing geophysical targets intersected semi-massive pyrrhotite to graphite

+ Cu ± Zn-bearing metamorphic shale units. Some min. also obs'd in 1st-dol. units & bio-grt-grt. schists. Assays pending.