

880337
PellaireGold

VOS → RC
-Kamb

INTEROFFICE MEMORANDUM

Created: 06-Sep-1996 09:55am PDT
Sent: 06-Sep-1996 11:13am PDT
From: Mike Cathro of EI
MCATHRO
Title: Regional Geologist
Dept: Employment & Investment
Tel No: 828-4566

TO: See Below

Subject: Monthly Report to Sept 6/96

HIGHLIGHTS:

Interest is high for the upcoming Eagle Bay field trip being led by Vic Preto, Peter Bobrowsky, Steve Sibbick, Trygve Hoy and myself. So far 55 people have signed up for 40 spots. We will try to accomodate everyone by splitting into two groups.

Lac La Hache porphyry Cu-Au project. The recent takeover of Regional Resources by Imperial Metals should benefit this project due to Imperial's experience with Mt. Polley.

DOT claims, Highland Valley. Prospector Larry Ovington tells me that optionee Alhambra Resources has intersected some interesting (new?) bornite-rich hypogene porphyry mineralization in a recently completed drill program. Larry spotted several successful holes for them by witching! The property was previously known to host a small resource of oxide mineralization.

Pellaire (Int. Jaguar Equities). E. Mehr visited the property and reports that mining is underway and that the bridge work on the access road is nearing completion. The contractor is VERY frustrated with the hassles provided by Forests with regard to the road. It is planned that 1000 to 1200 tonnes of high grade gold ore will be trucked out before the snow starts to pile up. *Mini - Net exp*

Ajax mine to close in June '97 with layoffs beginning in December. Mine geologist (Scott Smith) told me that, so far, they have backfilled the Ajax East pit with 7 million tonnes of waste from the West pit. This could be a good reclamation story to promote.

Similco mine to shut in December due to low copper prices. A 40K ft drill program is underway on the Alabama zone to locate new millfeed that can be produced at \$0.80 per pound copper.

Elk (Siwash North Mine). Aurizon Mines comleted their due diligence on this gold project and announced they will NOT proceed with furthur work. Andy Smith, VP of Exploration advised us that Fairfield's ore reserve estimate was fine; the problem was the ground conditions. Fairfield announced the discovery of a new vein similar to the North vein.

Sapphires at Taseko Lake? Westpine Metals consultant Ellen Lambert says GSB geologists George Simandl and Kirk Hancock were beside themselves over the bluish black corundum on Westpine's Taseko property during a recent visit. I'm looking forward to hearing more from George and Kirk.

FIELDWORK:

Visited Mariko and Golden Eagle properties north of Shuswap Lake with L. and M. Lutjen, PAP grantees. Soil sampling and prospecting are underway.

OTHER ACTIVITIES:

INTEROFFICE MEMORANDUM

YGS → RG
- Ran loops

Created: 24-Oct-1996 04:10pm PDT
 Sent: 24-Oct-1996 04:44pm PDT
 From: Mike Cathro of EI
 MCATHRO
 Title: Regional Geologist
 Dept: Employment & Investment
 Tel No: 828-4566

TO: See Below

Subject: Weekly Report to 10/24/96

1) *Pellaire - W. Ash reported to EWB that the project is closed down until next year due to heavy snow. 3 loads (est 50-100 tons?) of ore were trucked down to Falls R. bridge. An estimated 1300 to 1500 tonnes remain at the portal.

*Copper Mountain - A press release from Princeton mining gives the results of drilling so far in the current 40,000 ft, \$1 m program. Results from the Alabama and Oronoco targets have been middling. Encouraging results have come from the "SP" zone which is the area between and around Pits 2 & 3. The target is to define a minable reserve here of >100 mt grading 0.45% Cu. (Current resources in Pit 2 are 39 mt grading 0.33% Cu at a strip ratio of 1.78:1 and Pit 3 has 59 mt grading 0.48% Cu at a strip ratio of 2.32:1).

*Flap - Veto/Verdstone/Molycor have started 500 m of trenching on this gold property near Brett.

2) *Dot - Larry Ovington/Alhambra Resources. Larry says they have discovered a new zone of bornite-rich porphyry mineralization on this Guichon Cr. batholith property. 9 holes totalling 1378 m have been drilled so far. Best results are 26 m grading 1.23 % Cu and 39 m grading 0.61% Cu. (No assaying for Au or Mo yet). It is open in several directions but has been hit by 6 holes spaced on 50 m fences over 200 m of strike length. Another 20 holes are planned for this fall. Arguments ongoing between operators, owner and consulting geologist about payments etc. Hard to tell if geological control, core logging etc are adequate/legitimate. I will try to visit when drilling starts again.

*KEG Prospecting course - still on track for Jan-April/97. Cost will be about \$65.

*Notice of completion forms and letters to go out Fri. Working on year end compilation using Joe's Access database.

*Prepared 1st draft of Afton Closure "Infoback" for ADM.

I remain your obedient servant,

Mike

Distribution:

TO: Rick Meyers of EI	(RMEYERS)
CC: Eric Beresford of EI	(EBERESFORD)
CC: Joe Seguin of EI	(JSEGUIN)
CC: Jim Britton of EI	(JBRITTON)
CC: Bruce Madu of EI	(BMADU)

INTEROFFICE MEMORANDUM

VGS → RG
-kamloops

Created: 18-Oct-1996 09:58am PDT
 Sent: 18-Oct-1996 10:24am PDT
 From: Mike Cathro of EI
 MCATHRO
 Title. Regional Geologist
 Dept: Employment & Investment
 Tel No: 828-4566

TO: See Below

Subject: Weekly Report

*Nickel Plate Mine to close officially on Oct 25. We need to discuss the preservation of maps/sections/drill logs with them sometime soon. *

*Prospecting Course. Tentatively planned for Jan-April 1997 with Robin Whiteaker the primary lecturer and coordinator. KEG will subsidize Robin's wages to about \$700 so as to keep the fees down. I'm still working out the details with UCC.

*Prosperity. Thank you note sent along with request for a project update talk for KEG monthly talks or conference.

*Brassy property (near Wallachin). Ab Ablett advised that IP work is underway on this Craigmont-like Cu-Au skarn target. Optionee is Christopher James Gold Corp (Brian Higgs). Hope is to drill in new year.

*Pellaire. Oct 10 news release gave details of grades of raises completed this year. 5 raises range from 0.82 opt Au over 4.2 ft to 1.76 opt Au over 4.5 ft. A raise extension above the fifth raise averaged 4.5 opt Au over a width of 4.68 ft and a length of 32 ft. These are good "direct-shipping" grades - if the whole shipment is in this range. The company expected to begin trucking an estimated 2160 tons of ore by Oct 15. The road will be kept open for 3 wks to allow the bulk sample to be trucked. I wonder how the snow will affect their plans.

Reliance (Menika Mining Ltd.). Drilling on hole 9 at 600 ft according to Joe and Eric. I wonder if Mr. Boitard will bother assaying the core on this project.

Bralorne. NOW for surface mining on the Cosmopolitan Crown Grant (near the Love Oil adit I believe; surface trace of Peter vein). A trench 10 m by 100 m by 10 m deep will be dug. This will enable the company to begin milling this year.

Mike

Distribution:

- | | |
|--------------------------|----------------|
| TO: Rick Meyers of EI | (RMEYERS) |
| CC: Tom Schroeter of EI | (TSCHROETER) |
| CC: Jim Britton of EI | (JBRIITON) |
| CC: Eric Beresford of EI | (EBERESFORD) |
| CC: Joe Seguin of EI | (JSEGUIN) |
| CC: Eugene Mehr of EI | (EMEHR) |
| CC: Bruce Madu of EI | (BMADU) |

TOS → Reg. Mgr
- Kamloops

Schroeter, Tom EM:EX

From: Adams, Rick EM:EX
Sent: Friday, June 30, 2000 1:32 PM
To: Anderson, Duane; Bergen, Wally; Beswick, Ed; Booth, Richard; Braidwood, Brian; Carr, Chris; Carter, Tom; Cheetham, Pat; Clancy, John; Cochrane, Marlene; Conte, Rick; Curtis, Ross; Emery, Kristy; Errington, John; Ferguson, Susan; German, Gerald; Guthrie, Shelley; Hall, Ted; Harris, Grace; Hermann, Fred; Hesketh, Joan; Hoffman, Al; Jorgensen, Sharon; Lewis, Jim; Lieutard, Denis; McArthur, Gib; McKillop, Greg; McLaren, Graeme; Poohachoff, Walter; Readshaw, Kerry; Rennie, Lorna; Schroeter, Tom; Smyth, Ron; Starks, Terri; Stewart, Linda; Whale, Andrew
Cc: Barrett, Bev; Britton, Jim; Cathro, Mike; Heistad, Ray; Horton, Russ; Ludwig, Allan; Madu, Bruce; Mehr, Eugene; Murton, Patricia; Rothman, Stephen; Seguin, Joe; Worsfold, Joyce
Subject: South Central Region to June 30, 2000

Issues:

Pellaire- MOF insisting the company acquire a SUP prior to re-installation of the bridge at 13 km., or any use of the road. MOF attempting to transfer all maintenance and other liability to the mining company although there are many other road users who cumulatively cause greater impacts. Company does not believe they require an SUP as their traffic will be predominantly pick-up use to transport crews and haul concentrate in 45 gallon drums. Seeking clarification from other MOF offices in efforts to assist resolution.

Pow Road Pit (L.D. Petch)- we met with District of Lake Country (DLC) Mayor and Planning Staff after receipt of their confrontational referral response opposing this gravel pit. DLC believes they have an adequate future supply of gravel identified within specific areas and MEM should not permit any gravel pits outside those areas. Although the Pow Road Pit appears ideally located (no proximal neighbours) currently, DLC plans to develop the area immediately adjacent for residential subdivision. DLC hinted at litigation if MEM permits the application contrary to their OCP and Zoning Bylaws. We agreed to meet with DLC, Petch, and the residential developer to explore how the gravel pit development and residential development can co-exist with minimal conflict.

FYI:

Candorado, Hedley- we are proceeding with confiscation of the remaining bond in order to conduct time-sensitive site prep required for GVRD's biosolids and seeding applications.

Afton (DRC Resources) - Third hole results released yesterday. From 390 to 1250 ft the hole hit 860 ft grading 2.35%, .031 opt Au, .003 opt Pd (Cu equivalent grade of 3.01%). Hole 4 was stopped 1367 ft due to bad ground. Encouraging results, but it should be noted that all of the holes have been drilled down the dip of the mineralization.

Similco (Leader Mining) - revised purchase agreement for Similco mine and Invermay property (SW region). Leader will pay Imperial Metals \$1m by Dec 1, 2000 and issue 2m stock options.

Ann (GWR Resources) - encouraging rumblings coming from this Cu-Au porphyry prospect near Lac La Hache. 16 holes drilled so far in 2000. New NoW received for an additional 45 holes.

Ashcroft Basalt Quarry (IG Machine and Fibre) - construction of mill building is well underway. Mining is expected to begin in fall 2000, with the mill to start up in mid 2001.

Kettle Valley Stone Ltd. (L.D. Petch), Kelowna - has expanded greatly since last fall, mainly due to strong sales, and the purchase of a large splitter (approx \$200K) and several large circular rock saws. They currently employ about 15 people and plan to hire 6 summer students. Although most of the product is sold in the Pacific Northwest, the company recently landed contracts for two large buildings at Whistler.

TGS → RG
— Kamlop

Schroeter, Tom EM:EX

From: Cathro, Mike EM:EX
Sent: Friday, August 20, 1999 1:10 PM
To: Beresford, Eric EM:EX
Cc: Adams, Rick EM:EX; Payie, Garry EM:EX; Britton, Jim; Brown, Derek; Lefebure, Dave; Madu, Bruce; McArthur, Gib; Pinsent, Robert; Schroeter, Tom; Lane, Bob; Wilton, Paul; Wojdak, Paul
Subject: Cathro Weekly to 8/20/99

HIGHLIGHTS:

Bizar (Cassidy Gold Corp) - field visit on 8/19 with Jim Gillis (president of Cassidy) and Leo Lindinger (optioner) to this gold property located west of Tumtum Lake in the upper Adams River drainage (82M/14W). This occurrence was found in late 1998 by Lindinger while working on a PAP grant. High grade gold-bismuth-copper values occur in quartz-sulphide veins which cut biotite-muscovite schist and micaceous quartzite of the Shuswap metamorphic complex. **Several new areas** of mineralized float (up to 0.5 g/t Au), a soil anomaly (to 0.5 g/t Au), and an outcropping quartz-arsenopyrite vein (120 ppb Au with low Bi) have been located this field season. Cassidy is considering a trenching or small drilling program to further test some of these targets this fall. (CONFIDENTIAL)

Leo Lindinger (PAP grantee) - I also viewed a new area of mineralization discovered by Lindinger west of the Bizar property, while working on his current PAP grant. Cu (to 1700 ppm) and Mo (to 700 ppm) occur in sericite schist and in quartz veins cutting light coloured intrusive rock. Bi values are low and Au analyses were not available. (CONFIDENTIAL)

G Claims (George Wolanski) - 4 holes (approx 300 m) drilled to test Cu bearing garnet skarn mineralization near Little Fort. Interesting wollastonite-quartz-carbonate mineralization was intersected in all holes, to the surprise of everyone involved. This is hosted in greenstone of the Nicola Group.

Ladybug (Cross Lake Minerals) - The company has received encouraging results from IP and mag surveys conducted earlier this year on this stratabound Zn-Pb-Ag prospect located northwest of Shuswap Lake. Soil sampling is underway and trenching or drilling are contemplated for the fall.

Northwest Copper (International Jaguar Equities) - a drill is being mobilized to begin drilling this interesting copper prospect located west of Taseko Lakes.

Pellaire (International Jaguar Equities) - Surface mining of high grade gold ore is underway on veins 3, 4 and 5. Approx 800 tonnes have been trucked to the camp. Assays are awaited before a decision is made on which loads to ship to the Trail smelter. This property was visited on Aug 12-13.

Brassie Creek (Christopher James Gold Corp) - drilling of 2-3 holes is underway on this skarn Zn-Cu-Au prospect located on the north margin of the Guichon Cr. batholith near Wallachin.

Z-1 Zeolite quarry (Mountain Minerals) - Dynatec Corp. has bought a 35%, controlling interest in Highwood Resources Ltd. (which controls Mountain Minerals) from the receiver of Royal Oak Mines Inc. This may have an effect on this small, intermittent zeolite quarry located near Cache Creek.

Upcoming:

Aug 24-25 - Lillooet area field visit (Polischuk, PAP grantee)

Aug 27-Sept 1 - Vacation

Sept 2 - Lead Afton tour for U Vic geology field class

Mike

Mike Cathro

VGS → RG
- Kamloop

Schroeter, Tom EM:EX

From: Cathro, Mike EM:EX
Sent: Friday, August 06, 1999 11:48 AM
To: Beresford, Eric EM:EX
Cc: Adams, Rick EM:EX; Britton, Jim; Brown, Derek; Lefebure, Dave; Madu, Bruce; McArthur, Gib; Payie, Garry; Pinsent, Robert; Schroeter, Tom; Lane, Bob; Wilton, Paul; Wojdak, Paul
Subject: Cathro Weekly to 8/6/99

HIGHLIGHTS:

Ladybug (82M/03E) - Cross Lake Minerals Ltd. (Jim Miller-Tait) have completed a surface mag and IP survey on this Zn-Pb-Ag prospect located west of Seymour Arm, Shuswap Lake. Results were encouraging and a second notice of work for trenching and possibly drilling has been submitted to this office. Mineralization is stratabound and consists of galena, sphalerite and magnetite in skarned limestone of the Shuswap Metamorphic Complex. (Note: this prospect was discovered by geologist Leo Lindinger in 1998 while working on a Prospectors Assistance grant.)

Pellaire (Int. Jaguar Equities Ltd.) - Approx 800 tonnes of high grade gold ore have been mined from No. 3 vein on this property located SW of Williams Lake. Jaguar's plan is to now truck the ore to smelter, rather than use a gravity separation plant as was originally planned. Surface work may begin early next week on the NW Copper prospect, located adjacent to Tsy:los Park. The company is receiving threats from locals and natives over their current and proposed activities.

Christopher James Gold Corp - Co. has appointed a new President, the third in about three months. He is Dave Taylor, a Kamloops businessman. Drilling is still planned for Brassie Cu-Zn-Au-Ag (near Wallachin) and Big Kidd Au-Cu (near Aspen Grove). Trenching is planned for Silver Lake Cu-Au-Ag (near Little Fort).

Heffley Lake (92I/16) - field tour of Cu-Au skarn mineralization and regional geology with D. Lefebure and mappers G. Ray and I. Webster. Garnet-pyroxene-magnetite skarn is developed where siliceous, pyritic dikes (diorite?) intrude grey limestone (Nicola Group?). The magnetite is anomalous in lanthanum and cerium (rare earth elements) and Gerry is studying this deposit to determine if it has similarities to other important iron-uranium-rare earth deposits (e.g. in Chile). To the south of the lake, magnetite-rich mafic intrusive rocks and k-spar megacrystic syenite intrude fossiliferous grey limestone of the Harper Ranch Fm.

Rexspar (82M/12W) - field visit with Lefebure, Ray and Webster to this unusual uranium-fluorite-rare earth mineral property located a few kilometres southeast of Clearwater. The access road is heavily brushed in and has a moderately bad wash-out in one place. No work has been done since the early 90's when American Bullion Minerals attempted to get a permit to do exploration on the main fluorite zone (2.3 million tons grading 21.3 % fluorite is reported). Uranium mineralization occurs in separate (but adjacent) zones to the fluorite, and is hosted in pyrite and phlogopite altered, brecciated, k-spar rich trachytic syenite.

Mike

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Schroeter, Tom EM:EX

VFB → RG
- Kamloops

From: Cathro, Mike EM:EX
Sent: Friday, May 07, 1999 10:13 AM
To: Adams, Rick EM:EX
Cc: Britton, Jim; Brown, Derek; Lefebure, Dave; Madu, Bruce; McArthur, Gib; McMillan, Bill; Pinsent, Robert; Schroeter, Tom; Lane, Bob; Wilton, Paul; Wojdak, Paul
Subject: Cathro Weekly Report to 5/7/99

HIGHLIGHTS:

Highland Valley Copper - news reports that the mine could stay open if an agreement can be reached with the union and BC Hydro by May 13th. Some workers are looking for new jobs and others are looking forward to a prime-time (summer) vacation. Copper price over \$0.73/lb, but short term forecast is for it to drop due to the continued rise in inventories.

Prospectors Assistance Program - began grading 45 proposals; conference call to discuss awards is set for May 21. The quality is very high this year, probably because of the shortage of exploration funds and jobs in the industry. Lots of Pogo-Ft Knox proposals, and maps prepared on the Map Place.

Exploration outlook for 1999 - the Regional Geologists are forecasting \$22-26 million in spending (vs. \$40 million in 1998). Our Region should be the same as last year at \$3-4M. The good news is staking and grassroots prospecting activity for Pogo-Ft Knox gold targets.

Lillooet LRMP - Madu, Britton and myself met with Teresa Durfeld, UBC geography grad (and Rudi's daughter) who is putting together a pre-emptive, alternative land use plan on behalf of the Chamber of Mines. They will be looking for buy in from other groups, such local government and other resource users.

Cam-Gloria - C. Berube has signed the final option agreement with Teck, who will drill 6 holes or so in late May-early June. Berube has staked an additional 228 claim units in the area, on a different target.

Pellaire (International Jaguar Equities) - met with Andy Smith, President, who explained their upcoming field plans. Funding of \$150,000 has been raised for field work on the Northwest Copper target, and an airborne geophysics survey is currently being flown. Jaguar has leased a Knelson concentrator and plan to process a stockpile of high grade gold ore (with 40% recovery) sitting at the Pellaire adit. Revenue would go to additional drilling at Pellaire or Chita (Cu-Mo-Au) targets.

CIDA-PERU Pogo-Ft. Knox proposal discussed in Victoria with Lefebure, Logan and Jackaman in Victoria on April 28. Enhanced proposal to be sent to F. Hermann next week.

Outreach - arranged for an early June field visit to a drilling project at Aspen Grove for a teacher and six high school students from Cache Creek. Also gave him contacts for potential visits to Craigmont, Lafarge, Eco-Tech lab, C2C Mining and Ashcroft quarry projects.

Mike

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Schroeter, Tom EM:EX

From: Cathro, Mike EM:EX
Sent: Friday, September 18, 1998 4:24 PM
To: Meyers, Rick EM:EX
Cc: Britton, Jim; Lane, Bob; Lefebure, Dave; Madu, Bruce; McArthur, Gib; McMillan, Bill; Pinsent, Robert; Schroeter, Tom; Wilton, Paul; Wojdak, Paul
Subject: Weekly Report to Sept 18

HIGHLIGHTS

Highland Valley Copper formally announced that Cominco will not proceed with a hydrometallurgical smelter. The project was deemed to be uneconomic. In addition, the deepening of the Valley pit to extend the mine life is considered to be uneconomic at current metal prices. The Premier announced that the province was still negotiating a Power for Jobs accord with the mine to extend the life of the mine. (Current reserves will last until 2008)

Pellaire (Int. Jaguar Equities) - Drilling of 11 holes (approx 600 m) is complete and the camp has been closed for the season. Approx \$750K has been spent on their Taseko area properties this year. I talked with Andy Smith (Pres. of Jaguar) this week and he is very excited about their new discovery, the Charlie NW zone, a weathered porphyry copper target with good tonnage and grade potential. It is located NW of the Pellaire site, in rugged terrain next to T'sy-los Park (in the Taseko (Special) Management Area). It is near a showing described by G. McLaren in his Chilco Lake paper. A major company has been "all over it" this week, evaluating Charlie NW for possible joint venture.

Limestone - Two local individuals, representing a US limestone producer, were in last week. They are looking for geological info on limestone in southern BC. I was able to deduce that they are interested in high purity, high brightness calcite for paper and pigment uses.

Cross Lake Minerals - Jim Miller-Tait is actively hunting for BC properties for this well-financed, Henry Ewanchuck-led company. I suggested he talk to L. Lindinger, C. Berube, A. Savjord, and R. Durfeld about their properties. Jim would welcome suggestions from other RGs or GSB staff. Call him at (604 688-5448) if you have any ideas.

Ft. Knox/Pogo gold compilation project - This week Dave Lefebure and I visited several prospects which have some similarities to intrusion-hosted, mesothermal gold vein deposits (Ft. Knox type) or associated deposit types such as gold skarns, W skarns etc. It was an excellent opportunity to test how our literature search for these deposits is working. It is clear that we need a better understanding of the Alaska-Yukon deposits, as well as more chemical data for BC intrusions, and RGS geochemical data for Bi, Te, the unusual pathfinder elements that go with the gold.

The Bonaparte gold (92P 050) deposit, located about 40 kms NW of Kamloops is perhaps the best example we have found so far. At least 8 large (1-3 m), moderate to steeply east dipping, subparallel quartz veins contain erratic high grade gold values associated with 1-3% pyrite and lesser pyrrhotite, chalcopyrite, highly anomalous bismuth and tellurium values, and anomalous to spotty molybdenum, arsenic, antimony and tungsten values.

The veins are hosted by a small (approx 4 km wide) unaltered to weakly altered quartz diorite of Jurassic age(?). Adjacent to several of the larger veins are 2-10 m wide, dark grey, hornblende-plagioclase porphyry dikes which are locally biotite altered. The quartz diorite stock is surrounded by brown to black, pyritic, hornfelsed argillite which is reported to carry Mo values. The quartz diorite also contains some stockwork or sheeted, narrow (to 1 cm) quartz veins which locally carry minor pyrite or pyrrhotite. There are a very few reference to gold values coming from these narrow veins, however, it appears that most of the old core has not been sampled. Given the presence of these narrow veins and other characteristics of the mineralization, the bulk tonnage (Ft Knox style) gold potential of this property should be carefully investigated. (NOTE - about 18 holes were drilled here earlier in the summer: results are expected shortly).

→ Pellaire

Schroeter, Tom EM:EX

From: Cathro, Mike EM:EX
Sent: Wednesday, September 09, 1998 4:39 PM
To: Lefebure, Dave EM:EX; Schroeter, Tom EM:EX
Subject: Pellaire visit off

Tom and Dave,

The camp at Pellaire was closed as of yesterday so there is not much point of going there on the 18th. There is a remote possibility the company will be back to drill the Chita later in the fall.

We can go to Blackdome on the 18th instead, if that's of interest. The mill should be running by then and workings are accesible now. Rick was there this AM and said things are a go for re-opening the mine. I'm awaiting a call from he manager to see if that date is ok with them. Should be no problem to go in and out in one day from Clinton.

Mike

Mike

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Mines Branch, Kamloops

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VOS → RG -
Kamloops

Schroeter, Tom EM:EX

From: Cathro, Mike EI:A1
Sent: Friday, August 28, 1998 10:13 AM
To: Meyers, Rick E EI:A1
Cc: Madu, Bruce EI:A1; Britton, Jim EI:A1; Wilton, Paul EM:EX; Wojdak, Paul EI:A1; Lane, Bob A EI:A1; Pinsent, Robert EM:EX; Schroeter, Tom EM:EX; lefebure@mp.gsb.empr.gov.bc.ca; McMillan, Bill EM:EX; McArthur, Gib EM:EX; Hora, Dan EM:EX
Subject: Weekly Report

HIGHLIGHTS:

*Lillooet LRMP Field Program - We have spent about 4 weeks in the field so far, examining areas prospective for minerals in the proposed parks. The areas we have focussed on are those with the highest mineral potential and obvious conflict - Spruce Lake (Tyaughton-Relay-Gun-Warner Creeks), Shulaps, and portions of Nine Mile Ridge (Yalokom). We've also had a preliminary look at Big Bar Badlands which hosts an impressive argillic alteration zone in Eocene volcanics, low grade epithermal gold veins and some volcanic glass (non-expanding) and bentonite showings.

We are currently awaiting analytical results and compiling detailed mineral resource and mineral potential maps for each of the field areas. Colour anomalies in Spruce Lake area will be digitized from 1997 colour airphotos. We are awaiting a mag compilation from the GSC and digitized drainage basins for new RGS plots.

KAMI 5

*Prospectors Assistance - I have been in touch with several of the PAP grantees. The best results seem to be coming from Camille Berube who has staked several blocks of claims in the Adams Lake-Barriere country. He has also done substantial blasting on his Cam-Gloria (Honeymoon Bay) quartz vein. The new exposures show abundant pyrite-pyrrhotite in the quartz with gold values in the 1-7 ppm range.

EXPLORATION NEWS:

*General - The slowest year I've seen so far. One geologist I know has been applying for pizza delivery and bus boy jobs. A prospective employer told him that although he appeared to have excellent credentials, they were "kind of looking for a young girl".

*Watson Bar (Stirrup Creek Gold) - This week I visited the property and discussed drilling results with Rudi Durfeld, project manager. 6 holes (approx 1000 m) have been drilled so far, and another 1000 m is planned. Most of the holes this year have been aggressive stepouts from the Zone V gold zone, and a couple have been wildcat holes. All of the holes have hit strong alteration or the fault zones, however, sulphides are not common. Results will probably be disappointing.

*Pellaire (Int. Jaguar Equities) - Discussed some of the project results with Bruce Perry, contract geologist, who was in the office. The company recently announced a new copper discovery called Charlie West, located northwest of Pellaire, approx 1 km from the boundary of Ts-yl'os park. The company plans to drill the Chita porphyry target this sept. It is located east of the nrth end of Taseko Lake.