



Province of
British Columbia

Ministry of
Energy, Mines and
Petroleum Resources

LOG NO: JUL 21 1992	MEMORANDUM
ACTION: → Bob (FYI) → Janice (Property - sent) → File	
FILE NO: DG - Nelson	July 13, 1992

To: V.A. Preto
Manager, District Geology

880051

RE: MONTHLY REPORTS - MAY, JUNE, 1992 - KOOTENAY DISTRICT

Exploration Highlights:

A total of 98 Notices of Work (mineral, placer, coal) have been submitted to the end of June. As can be seen from the histograms attached, the number submitted in the month of June (11) represents a sharp reduction from the numbers of submissions in March, April and May, before and just after the imposition of filing fees. If these histograms are compared to those attached to my report at the end of April, it will be noted that the number of notices tallied for the month of April has dropped from 46 to 27. That results from the fact that many of the notices submitted in a flurry just prior to the end of April were returned by the District Inspectors for additional information or maps and were returned and tallied in this report as May submissions.

The busiest mining divisions are still Nelson and Fort Steele although there is a significant concentration of activity and exploration dollars focussed in the Greenwood camp representing an overflow across the border from the very active areas in northeastern Washington. The most promising project in the Kootenays is still the Katie Joint Venture of Yellowjack Resources and the Noranda Group, a Cu/Au porphyry discovery near Salmo. They have already spent approximately \$400,000 on diamond drilling this year, with more certain to be spent during the fall. The only larger exploration budget for 1992 appears to be Line Creek Resources' planned expenditure for exploration drilling at its operating Line Creek coal mine in the Elk Valley coal field. They have not revealed an exact figure yet but it is likely to be close to the \$1 Million spent in 1991.

Phoenix On the Phoenix project at Greenwood (82E/2E), Battle Mountain Exploration Co., now operating out of Helena, Montana, has completed a diamond drilling program totalling approximately 1500 meters in 9 holes. They were testing strong I.P. anomalies associated with several known occurrences of high-grade Cu/Au skarn mineralization in the area immediately north of the old Phoenix pit. When visited on June 24th, the program was about 80% complete and there had been no surprises and little excitement. The budget for the program just completed was \$175,000; whether they return again this year will depend on an evaluation of the final drill results.

Also in the Greenwood camp, Britannia Gold Corp. has completed a program of diamond drilling on the Lexington Au property (82E/2E). Four shallow holes were drilled on the low-grade "Vacher zone", believed to be a potential large tonnage, open-pittable target and two shallow holes were drilled at the "Main zone" about 900 metres south of the Vacher zone where higher-grade mineralization occurs. Systematic exploration is continuing, including re-logging of 23,000 metres of old core.

Minnova Inc. has completed a short drill program on the Rainbow-Tam O' Shanter property at Greenwood (82E/2W), an epithermal Cu/Au prospect, and is expected to return in the Fall for more drilling.