

JOS - Placer

Schroeter, Tom EMPR:EX

From: Anderson, Duane EMPR:EX
Sent: Tuesday, December 06, 2005 11:22 AM
To: Stewart, Linda L EMPR:EX
Cc: Brino, Karina L EMPR:EX; Lewis, Jim E EMPR:EX; Schroeter, Tom EMPR:EX
Subject: RE: Placer Project - Dec 6/05

1) Placer Mineral Tax payments:

- tend to rise for a particular fiscal period, presumably as returns for earlier periods are processed (e.g. Jun 2004 estimate for 2003/2004 was \$6,882 and Nov 2005 estimate for same period is \$9,007).
- tax rate is .5% for operators > \$50,000 revenue. ==> Industry revenue >)\$0.45 million in 2003/04;
- Estimated MT revenues for 2004/05 was \$2,610 in Nov '05.

2) Analysis and research in Division's Aug 2001 Mining Industry review estimated:

- Mineral Title Revenues \$625,000
- Mineral Tax Revenues \$ 10,035
- Water fees \$ 12,552

Have call in to Mineral Titles.

3) On the basis of discussions with Jim L and Tom S (Provincial Revenues), I estimated 2002 industry economic impacts of \$4.6 to \$12.3 million.

4) Plan to discuss state of industry with various inspectors during this week's Division meeting;

5) Analysis of Yukon industry using 2000 data estimated total economic impacts of \$30.6 to \$58.2 million. Industry has declined since then. However, until recently, inflation-adjusted, Cdn\$ Gold prices were generally declining or flat, &/or were offset by regulatory changes etc, higher fuel & other costs, etc.

Summary: Regulatory calm / certainty could combine with stronger gold prices to produce industry revivals in BC and YT.

Call or email if any Qs,

Duane A.

Duane Anderson
ph: (250) 952-0516
fx: (250) 952-0271

"I guess I should warn you, if I turn out to be particularly clear, you've probably misunderstood what I've said" - Alan Greenspan

-----Original Message-----

From: Stewart, Linda L EMPR:EX
Sent: Monday, October 17, 2005 1:00 PM
To: Anderson, Duane EMPR:EX
Subject: RE: Placer Project

Duane, I have a call from 1:30 to 3 and then I'm heading for the gym so I will leave the Horal Report on my chair along with some other paper that you may find useful.

I think as part of the assessment of the sector's economic value, we also have to consider the cost of regulating the sector (some of the above paper relates to that aspect). Do you agree?

Maybe we can talk tomorrow morning by phone?

Thanks very much, Linda

Linda Stewart
Manager, Program Review

Mining and Minerals Division
Ministry of Energy, Mines and Petroleum Resources

Ph: (250) 952-0490 Fax: 952-0381
Email: Linda.L.Stewart@gov.bc.ca

From: Anderson, Duane EMPR:EX
Sent: Monday, October 17, 2005 12:54 PM
To: Stewart, Linda L EMPR:EX
Subject: RE: Placer Project

3:45 ?

Duane Anderson

ph: (250) 952-0516
fx: (250) 952-0271

"I guess I should warn you, if I turn out to be particularly clear, you've probably misunderstood what I've said" - Alan Greenspan

-----Original Message-----

From: Stewart, Linda L EMPR:EX
Sent: Monday, October 17, 2005 10:20 AM
To: Anderson, Duane EMPR:EX
Subject: RE: Placer Project

Sounds good. What time will you be in JD bldg?

Linda Stewart

Manager, Program Review
Mining and Minerals Division
Ministry of Energy, Mines and Petroleum Resources

Ph: (250) 952-0490 Fax: 952-0381
Email: Linda.L.Stewart@gov.bc.ca

From: Anderson, Duane EMPR:EX
Sent: Monday, October 17, 2005 10:14 AM
To: Stewart, Linda L EMPR:EX
Subject: RE: Placer Project

Focus on coal this week. Bit of time on Placer this week and lot of time next week.

Plan to be in Jack Davis later today and will come by for visit. Extra copy of Hernal (?) report?

Duane A.

Duane Anderson

ph: (250) 952-0516
fx: (250) 952-0271

"I guess I should warn you, if I turn out to be particularly clear, you've probably misunderstood what I've said" - Alan Greenspan

-----Original Message-----

From: Stewart, Linda L EMPR:EX
Sent: Monday, October 17, 2005 9:25 AM
To: Anderson, Duane EMPR:EX

Cc: Brino, Karina L EMPR:EX
Subject: Placer Project

Duane, as we discussed a week or so ago, your assistance would be appreciated in support of the work by the Placer Working Group and its 2005 review of the sector.

Specifically, we need your help in determining the current economic contribution the placer sector makes to the provincial economy. Either an assessment could be done fairly quickly in-house or a report prepared through a contract over the next month or so. Geoff recommended a staged approach.

Could I suggest that:

- first, you do a quick assessment of what we know already, what we need to find out, how long it would take, etc. for you to deliver a fairly firm analysis of the placer sector (I have some numbers from last year as a starting point).
- second, if after your quick assessment, you determine that a contractor is better able to provide the kind of analysis we need, that you prepare Terms of Reference for such a contract.

Please give me a call to discuss your thoughts on the above.

Thanks, Linda

Linda Stewart

Manager, Program Review
Mining and Minerals Division
Ministry of Energy, Mines and Petroleum Resources

Ph: (250) 952-0490 Fax: 952-0381
Email: Linda.L.Stewart@gov.bc.ca

Schroeter, Tom EM:EX

YFS → Placer

From: Schroeter, Tom EM:EX
Sent: Tuesday, September 30, 2003 3:32 PM
To: 'alexwolfwood@aol.com'
Subject: Placer Gold Investors in BC

Hi, Alex - nice to meet you very briefly at the "BC is Open For Business" Seminar and Luncheon at the London City Conference Centre in London last week. By coincidence, upon my return to Vancouver, a group has approached me with a 'plan' of tying up (acquiring) several placer gold projects in northern BC. Obviously, they will be seeking investors (funding) for the follow up work. Is this something that might be of interest to you?

Tom

Tom Schroeter, P.Eng./P.Geo.
Senior Regional Geologist
Resource Development Division
Ministry of Energy and Mines

Direct Telephone 604 660-2812
Messages & Enquiries 604 660-2708
Facsimile 604 775-0313
email tom.schroeter@gems6.gov.bc.ca
Autotel 604 662-9091

Schroeter, Tom EM:EX

VGS → Placer

From: Schroeter, Tom EM:EX
Sent: Wednesday, October 01, 2003 7:32 AM
To: 'Alexwolfwood@aol.com'
Subject: RE: Placer Gold Investors in BC

Thanks, Alex. I will pass on your name to my contact here. Yes, certainly, you may call me. I will be travelling throughout the province for the next month examining several exploration projects that are just winding down.

Tom

Tom Schroeter, P.Eng./P.Geo.
 Senior Regional Geologist
 Resource Development Division
 Ministry of Energy and Mines

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 email tom.schroeter@gems6.gov.bc.ca
 Autotel 604 662-9091

Fe- Jason Heywood
 (Pr. Rupert H)
 [Spe. Corr "H"]
 [tel. 250-622-2345]

-----Original Message-----

From: Alexwolfwood@aol.com [mailto:Alexwolfwood@aol.com]
Sent: Wednesday, October 01, 2003 12:42 AM
To: Schroeter, Tom EM:EX
Subject: Re: Placer Gold Investors in BC

Hi Tom,

Great to meet you too.

There have been some very good developments here and it may now be significantly more likely that we can find a good financing solution for the group you mentioned. Please let them have my email and tell them that they do not need to be fully prepared before they speak with me - knowing about their team and properties now will allow me to weave their interests into our plans. Of course, if they are ready, all the better.

I hope one day soon to be very active in BC - probably the most beautiful area of the world I have ever been. Let us keep in touch, and please continue letting me know about projects / properties that you consider interesting and worth our time and investment. Very soon (early next year and onwards), we are hoping to be in a satisfactory position to pursue these, so knowing about them now allows us to prepare accordingly.

May I call you soon?

All the best,

Alex Woodhatch
 +44 (0)1342 302 397

VB → Placer

Schroeter, Tom EM:EX

From: Ken Jaremco [jaremco@uniserve.com]
Sent: Friday, August 01, 2003 9:52 AM
To: Schroeter, Tom EM:EX
Subject: RE: tURNAGAIN NUGGER

Dear Tom,

Thank you for the replying to my inquiry regarding BC nuggets. I will wait until Jamie returns on August 11.

Warmest regards
Ken

-----Original Message-----

From: Schroeter, Tom EM:EX
[mailto:Tom.Schroeter@gems6.gov.bc.ca]
Sent: Friday, August 01, 2003 7:53 AM
To: 'Ken Jaremco'
Cc: Pardy, Jamie EM:EX
Subject: RE: tURNAGAIN NUGGER

Ken, I am in the field until the end of August, but have asked my colleague, Jamie Pardy to assist you. He will be back in the office on Aug. 11th.

Tom
Tom Schroeter, P.Eng./P.Geo.
Senior Regional Geologist
Resource Development Division
Ministry of Energy and Mines

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Autotel 604 662-9091

-----Original Message-----

From: Ken Jaremco [mailto:jaremco@uniserve.com]
Sent: Wednesday, July 30, 2003 5:38 PM
To: Schroeter, Tom EM:EX
Subject: re: tURNAGAIN NUGGER

Dear Tom:
I am doing some research on large nuggets found in BC.
Can you direct me to some resources within the ministry of Energy and Mines where nugget size and date of discovery are located.
I am trying to establish the ranking of a 76 oz bc nugget.
See attached photo. Apparantly the BC government owns the Turnagain nugget. I need to find out when it was purchased and how much was paid.

Warmest regards,
Ken Jaremco
President
RTI RESEARCH LTD.

Schroeter, Tom EM:EX

TJR → Placer

From: Schroeter, Tom EM:EX
Sent: Friday, August 01, 2003 7:53 AM
To: 'Ken Jaremco'
Cc: Pardy, Jamie EM:EX
Subject: RE: tURNAGAIN NUGGER

Ken, I am in the field until the end of August, but have asked my colleague, Jamie Pardy to assist you. He will be back in the office on Aug. 11th.

Tom
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Senior Regional Geologist
Resource Development Division
Ministry of Energy and Mines

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Autotel 604 662-9091

-----Original Message-----

From: Ken Jaremco [mailto:jaremco@uniserve.com]
Sent: Wednesday, July 30, 2003 5:38 PM
To: Schroeter, Tom EM:EX
Subject: re: tURNAGAIN NUGGER

Dear Tom:

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Can you direct me to some resources within the ministry of
Energy and Mines where nugget size and date of discovery
are located.

I am trying to establish the ranking of a 76 oz bc nugget.
See attached photo. Apparently the BC government owns the Turnagain
nugget. I need to find out when it was purchased and how much was paid.

Warmest regards,
Ken Jaremco
President
RTI RESEARCH LTD.





Schroeter, Tom EM:EX

From: Schroeter, Tom EM:EX
Sent: Friday, January 24, 2003 7:54 AM
To: Lefebure, Dave EM:EX
Cc: Carter, Michael EM:EX; Logan, Claudia EM:EX
Subject: Roundup Minister's Briefing Notes-Rising Gold Price

Importance: High

Forgot to mention/include a note about PLACER gold:

* Production, and to a lesser extent exploration, for placer gold is expected to increase (significantly?) in 2003

* Federal Gov't DFO has initiated legislation ("new placer authorizations") in the Yukon which might/would effectively 'kill' placer mining in the Yukon. I have had email correspondence with Linda Stewart in Victoria regarding this (Dec. 18/02) - suggest you get the "BC scoop" directly from her.

[Note: the Yukon Chamber of Mines had asked the Cordilleran Roundup Committee for permission to bring a mock coffin to the "Yukon Night" during Roundup next Monday night, to 'protest' this Federal initiative. The Roundup Committee was VERY clear that they would never sanction such protests inside during Roundup]

ISSUE:

* Minister may be asked how the proposed new placer authorizations for the Yukon by the DFO might affect mining/exploration for placer gold in BC.

Tom

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Senior Regional Geologist
Resource Development Division
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YGS → Placer

Schroeter, Tom EM:EX

From: Schroeter, Tom EM:EX
Sent: Thursday, December 19, 2002 10:21 AM
To: Stewart, Linda EM:EX
Subject: RE: Fisheries and Oceans Canada: New Yukon Placer Authorizations To Be Phased In
Thanks.

Tom

Tom Schroeter, P.Eng./P.Geo.
Senior Regional Geologist
Resource Development Division
Ministry of Energy and Mines

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Autotel 604 662-9091

-----Original Message-----

From: Stewart, Linda EM:EX
Sent: Wednesday, December 18, 2002 3:15 PM
To: Schroeter, Tom EM:EX
Subject: RE: Fisheries and Oceans Canada: New Yukon Placer Authorizations To Be Phased In

Sure, Tom. Will advise when I receive a response from DFO.

Linda Stewart

Manager, Program Review
Policy and Program Development Branch
Policy and Legislation Division
Ministry of Energy and Mines

Ph: (250) 952-0490 Fax: 952-0481
Email: Linda.Stewart@gems1.gov.bc.ca

-----Original Message-----

From: Schroeter, Tom EM:EX
Sent: Wednesday, December 18, 2002 2:50 PM
To: Stewart, Linda EM:EX; Lefebure, Dave EM:EX
Cc: McKillop, Greg EM:EX
Subject: RE: Fisheries and Oceans Canada: New Yukon Placer Authorizations To Be Phased In

Linda, I'm interested in "placer", particularly how its relates geologically/scientifically in the search for new lode depoits in the Cordillera. With the recent 'surge' in the price of gold, I already see/anticipate a big increase in questions through this office. I'd really appreciate an 'update'.

Tom

Tom Schroeter, P.Eng./P.Geo.
Senior Regional Geologist
Resource Development Division
Ministry of Energy and Mines

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Messages & Enquiries 604 660-2708
Facsimile 604 775-0313
email tom.schroeter@gems6.gov.bc.ca
Autotel 604 662-9091

-----Original Message-----

From: Stewart, Linda EM:EX
Sent: Wednesday, December 18, 2002 1:35 PM
To: Lefebure, Dave EM:EX
Cc: McKillop, Greg EM:EX; Schroeter, Tom EM:EX
Subject: RE: Fisheries and Oceans Canada: New Yukon Placer Authorizations To Be Phased In

Thanks, Dave and yes I have.

We have been waiting for a response from DFO concerning a consistent provincial policy on riparian setbacks for placer mining. It's likely the Yukon decision has held up their response and will be a contributing factor in their decision for BC. I anticipate an increase in the current 10 m setback.

I'd be happy to share the DFO response if you're interested.

Linda Stewart

Manager, Program Review
Policy and Program Development Branch
Policy and Legislation Division
Ministry of Energy and Mines

Ph: (250) 952-0490 Fax: 952-0481
Email: Linda.Stewart@gems1.gov.bc.ca

-----Original Message-----

From: Lefebure, Dave EM:EX
Sent: Wednesday, December 18, 2002 1:28 PM
To: Stewart, Linda EM:EX
Cc: McKillop, Greg EM:EX; Schroeter, Tom EM:EX
Subject: FW: Fisheries and Oceans Canada: New Yukon Placer Authorizations To Be Phased In

Linda:

have you seen this? Is it significant for B.C.

Dave

-----Original Message-----

From: Schroeter, Tom EM:EX

Sent: Wednesday, December 18, 2002 11:43 AM

To: Lefebure, Dave EM:EX

Subject: FW: Fisheries and Oceans Canada: New Yukon Placer Authorizations To Be Phased In

In case you haven't seen.

Tom

Tom Schroeter, P.Eng./P.Geo.

Senior Regional Geologist

Resource Development Division

Ministry of Energy and Mines

Direct Telephone 604 660-2812

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Facsimile 604 775-0313

email tom.schroeter@gems6.gov.bc.ca

Autotel 604 662-9091

-----Original Message-----

From: Dave Lentz [mailto:dlentz@unb.ca]

Sent: Wednesday, December 18, 2002 11:35 AM

To: Schroeter, Tom EM:EX

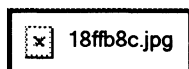
Subject: FW: Fisheries and Oceans Canada: New Yukon Placer Authorizations To Be Phased In

FYI

The DFO press release that follows is a very important announcement relating to the regulation of placer mining. While the release only refers to Yukon placer operations, it will also apply to the Atlin area of BC. It is a very positive development that will finally make placer regulation consistent with environmental regulation of other industries.

Federal water quality standards will no longer routinely be deferred to the benefit of placer operators and the detriment of fish and their habitat.

NEWS RELEASE TRANSMITTED BY CCNMatthews



FOR: FISHERIES AND OCEANS CANADA

DECEMBER 16, 2002 - 18:48 EST

Fisheries and Oceans Canada: New Yukon Placer

Authorizations To Be Phased In

VANCOUVER, BRITISH COLUMBIA--The Honourable Robert G. Thiba Minister of Fisheries and Oceans, announced today that the federal government will phase in changes to the way it regu Yukon placer mining to better protect fish and fish habitat to be more consistent with its treatment of other industrie across Canada.

"Achieving consistency with other industries and with place mining in other jurisdictions is crucial in terms of fairne for the effective protection of the Yukon's fish and fish habitat," Mr. Thibault said.

The decision is the result of a mandatory review of the Yuk Placer Authorization (YPA), a class authorization under the Fisheries Act that has regulated placer gold mining in the since 1993.

Following the extensive consideration of recommendations resulting from the review, the Minister decided that the YP should be phased out over a four-year period. During this transition period, existing placer mines will continue to o under the YPA in 2003, to allow time to implement the requi changes.

"I recognize the important contribution of placer gold mini the Yukon," Mr. Thibault said. "In making my decision, I carefully considered input from a broad range of interested parties.

"I reviewed recommendations from the Yukon Placer Committee which includes First Nations, the placer mining industry, government, and fishery and environmental groups. I also considered comments from other interests, as well as scient and policy advice from my Department. I would like to thank those who provided me with valuable recommendations."

Once the YPA is phased out, placer mines will be reviewed o site-specific basis to determine potential habitat impacts. damage to habitat cannot be avoided, a mine will require an individual Fisheries Act authorization. Other development proposals from a wide range of industries across Canada are reviewed in this manner under the habitat protection provis of the Fisheries Act.

The Minister's decision was based on the fact that the stan in the YPA are inconsistent with current scientific advice with environmental standards in other jurisdictions and oth industries.

"Current science was an important consideration," the Minis said. "Since the authorization was signed in 1993, there is greater understanding of the impact of sediment on fish and habitat, and of the habitat needs of fish in the Yukon."

Under the Fisheries Act, any harmful alteration, disruption destruction of fish habitat requires an authorization from Minister. The YPA operates as a class authorization for Yuk placer mining.

The YPA specifies the classification of streams, the allowable sediment discharges under which the placer mining industry operate, and plans for inspecting and monitoring. It also provides for the temporary deferment of water quality standards on streams. When the YPA was signed, the Yukon Placer Commi was established to implement the authorization.

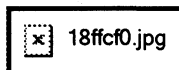
Although existing mines will continue to operate under the 2003, no new applications to defer water quality standards be considered.

As with other industries, DFO will develop guidelines to he placer miners comply with the Fisheries Act. These guidelin be developed in 2003, will include operating practices and environmental standards that are more consistent with other jurisdictions and that are based on current scientific know

After these guidelines and standards are developed, the Department will begin phasing in site-specific reviews. The Department will streamline the review process to reduce the burden on small mining operations. For example, where pract reviews will be grouped together through watershed-based environmental assessments.

-30-

FOR FURTHER INFORMATION PLEASE CONTACT:
Fisheries and Oceans Canada
Caroline Quinn
Director of Communications, Office of the Minister
(613) 992-3474
Website:
<http://www-comm.pac.dfo-mpo.gc.ca>
or
Fisheries and Oceans Canada
Gordon Zealand
Area Director, Yukon and Transboundary
(867) 393-6719



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Peggy McDougall R.P.F., R.P.Bio (B.C)

Faculty of Forestry & Environmental Management~ UNB
PO Box 44555; Fredericton, NB, CANADA E3B 6C2

(PH) 506-453-4905 (FAX) 506-453-3538
email: mmdouga@unb.ca

Schroeter, Tom EM:EX

TBE → Reg. Mgr
- Manaim

From: Hall, Ted EM:EX
Sent: Friday, March 01, 2002 12:51 PM
To: Anderson, Duane; Beckett, Carla EM:EX; Bergen, Wally; Beswick, Ed; Booth, Richard; Carr, Chris; Carriere, Greg; Carter, Tom; Cheetham, Pat; Conte, Rick; Curtis, Ross; Errington, John; Finvers, Maija; Forster, Patti; German, Gerald; Guthrie, Shelley; Hermann, Fred; Hoffman, Al; Houle, Jacques; Jakobsen, Dorthe; Jansen, Penny; Jorgensen, Sharon; Koncohrada, Karen; Lefebure, Dave; Lewis, Jim; Lieutard, Denis; Logan, Claudia; McArthur, Gib; McKillop, Greg; McLaren, Graeme; Munzer, Rosa; Murphy, Maureen EM:EX; O'Rourke, Patrick; Phelan, Bill; Pinsent, Robert; Puggioni, Giovanni WLAP:EX; Randall, Alf; Reid, Bruce; Rennie, Lorna; Schmitt, Rolf; Schroeter, Tom; Sedun, Thom; Smyth, Ron; Stewart, Linda; Taje, Eddy; Thomas, Hayley EM:EX; Whale, Andrew; White, Don; Wishlow, Wayne
Cc: Jakobsen, Dorthe SRM:EX
Subject: Southwest Region Update - March 1, 2002

ISSUES:

- DFO are again flexing their muscles on the Fraser River, refusing to issue *Fisheries Act* approvals for two gravel removal projects without a CEEA screening and further consultations with First Nations. The projects involve the extraction of gravel from the Hamilton Bar and Harrison Bar as part of a flood control strategy under the Fraser River Management Plan, which was developed in consultation with local, provincial, federal and First Nations governments. Although all provincial permits and approvals are in place and equipment is standing by, the DFO position will likely delay the project beyond the window of opportunity for instream works.
- *Mines Act* approvals for the Phase 2 drilling program on the Leader Mining - Cogburn Magnesium Project have been delayed by at least a week in order to accommodate further consultations with the Cheam and Chehalis Indian Bands. At a meeting of MEM reps with the Cheam Band on February 21st, the Chief refused to engage in good faith consultation. In a phone call with the Community Economic Development Manager for the Chehalis Band, the offer of a face-to-face meeting was turned down, and the Band refuses to consult until traditional use studies and archaeological studies are done. Subject to AG approval, it is expected that MEM will issue approvals to proceed with the project next week. Although there is some risk of backlash from the two Bands, Leader is also faced with the risk of losing its financial backers if the project is unreasonably delayed.
- A trespasser was killed in the Nicomen Aggregates Ltd. - Deroche Pit on February 23rd when the 4X4 vehicle he was driving rolled down an embankment, throwing the victim out. The mine was properly secured at the time, and the victim was believed to be under the influence of alcohol. This is being treated as a non-mining fatality, and an investigation is being conducted by the RCMP.
- Copcan Contracting Ltd. is becoming increasingly frustrated by the lack of a Supreme Court decision on the Jameson Road Quarry judicial review, which was promised for last December. Uncertainty caused by the delay has prevented Copcan from developing the quarry to date, and with drilling and blasting operations limited to the window between November 1st and March 31st, the opportunity to commence operations this winter is rapidly disappearing.

FYI:

- Boliden Myra Falls Operations has successfully concluded a Memorandum of Agreement with Union membership, which will help pave the way for a re-opening of the mine in mid-March. A decision to re-open also requires an agreement on financing for a new paste tailings facility, and financial support from Boliden's customers to provide working capital upon startup. In the meantime, breakthrough has been achieved on a new internal ramp, and the hoist rebuild program has been completed. It is hoped that implementation of Boliden's 2002 operating plan will put the mine back on a sound financial basis.
- Priority Ventures Ltd. have collared a coalbed methane production well in the Dove Creek area near Courtenay, under a well authorization permit issued by the Oil & Gas Commission. A joint venture was also announced (Priority 55%) with Methane Gas Canada to fund at least \$250,000 of coalbed methane exploration on Priority's coal leases in the Squash Basin on northern Vancouver Island.
- Interest in placer mining on Vancouver Island seems to be on the rise, with recent requests for new placer,

- San Juan R. + Minute 1 CK areas - Port Renfrew + China CK,

Schroeter, Tom EM:EX

JTS → Rg. Mgr
-Nanaimo

From: Hall, Ted EM:EX
Sent: Friday, August 31, 2001 4:27 PM
To: Hall, Marlene EM:EX; Adams, Rick; Anderson, Duane; Beckett, Carla EM:EX; Bergen, Wally; Beswick, Ed; Booth, Richard; Carr, Chris; Carriere, Greg; Carter, Tom; Cheetham, Pat; Conte, Rick; Curtis, Ross; Errington, John; Finvers, Maija; Forster, Patti; German, Gerald; Guthrie, Shelley; Hermann, Fred; Hoffman, Al; Houle, Jacques; Jakobsen, Dorthe; Jansen, Penny; Jorgensen, Sharon; Koncohrada, Karen; Lefebure, Dave; Lewis, Jim; Lieutard, Denis; Logan, Claudia; McArthur, Gib; McKillop, Greg; McLaren, Graeme; Munzer, Rosa; Murphy, Maureen EM:EX; O'Rourke, Patrick; Phelan, Bill; Pinsent, Robert; Puggioni, Giovanni EM:EX; Randall, Alf; Reid, Beth; Reid, Bruce; Rennie, Lorna; Schmitt, Rolf; Schroeter, Tom; Sedun, Thom; Smyth, Ron; Stewart, Linda; Taje, Eddy; Thomas, Hayley EM:EX; Whale, Andrew; White, Don; Wishlow, Wayne
Subject: Southwest Region Update - August 31, 2001

ISSUES: Placer-Hills Bar

- MEM Mines Branch and ARB staff met with Yale First Nation, Treaty Negotiations Office and Qualark Resources Inc. at two separate meetings. Although generally positive, the YFN and TNO are still firmly opposed to the issuance of the Hills Bar placer exploration permit, scheduled for sign-off on September 4th. The TNO will be seeking Cabinet approval to establish a Treaty Related Measure over the Hills Bar lands. Qualark has indicated that any government measure that prevents them from pursuing plans for a major placer/aggregate project will be met by a court challenge.
- Willock Farms (Walter Willms) has been stirring up dust in Ottawa by taking complaints about the lack of approvals for the Judson Lake aggregate dredging project to the Department of Foreign Affairs. The feds have handily dodged the issue by informing the proponent that there will be no further action on his file until the Lower Mainland Mine Development Review Committee has accepted a revised application for review. MEM is providing advice to Willms regarding information requirements for an acceptable application.
- The hearing of an application for judicial review of the Jameson Road Quarry permit decision has been scheduled for October 9, 2001 in Victoria. Mines Branch staff will be working with AG to prepare affidavits.
- In the meantime, Copcan Contracting and representatives of the Jameson Road community have reached gridlock and are unable to agree on a mutually acceptable facilitator for the Community Liaison Committee. The community group have refused a MEM offer to help mediate the dispute, therefore MEM will not enforce the permit condition requiring Copcan's participation in the CLC. Expect backlash from the community.
- The Ministry of Transportation has approved a proposal from Van Isle Tree Farms for accessing the proposed Sooke Road quarry directly from Sooke Road. This removes the one potential show-stopper for this controversial project, and it is expected the project review and public meeting will now proceed in September.
- Community emotions about site security at the Cranberry gravel pit in Powell River were flamed by the recent tragic deaths of two children in a sandpit wall collapse in Bowden, Alberta, resulting in media coverage and a letter from the mayor demanding action. Although the Cranberry pit does not pose similar dangers to public safety, the operator has been ordered to install fencing around the pit area to discourage trespass by neighbourhood children.

FYI:

- Construction Aggregates Ltd. have prepared updated mining and reclamation plans for the Producers Pit in Colwood, which will take the mine to closure in 2006. The plans include provision for greenspace and public access along foreshore areas of Juan de Fuca strait and, if approved, may help to derail ongoing litigation between District of Metchosin and the Province over the proposed Royal Bay residential development planned for the reclaimed pit.
- A permit is scheduled to be issued on September 4th to T'Sable River Coal Corporation, which will enable commencement of a 90,000 tonne underground coal bulk sample project. Ultimately, the company hopes to develop a full-scale producing mine with production of at least 700,000 tonnes per year, to feed a coal-fired thermal power plant of at least 200 MW, to be located at the minesite.

Ted Hall ISABLE RIVER

Schroeter, Tom EM:EX

TOS → Reg. Mg.
—Nana

From: Hall, Ted EM:EX
Sent: Friday, October 12, 2001 2:46 PM
To: Anderson, Duane; Beckett, Carla EM:EX; Bergen, Wally; Beswick, Ed; Booth, Richard; Carr, Chris; Carriere, Greg; Carter, Tom; Cheetham, Pat; Conte, Rick; Curtis, Ross; Errington, John; Finvers, Maija; Forster, Patti; German, Gerald; Guthrie, Shelley; Hermann, Fred; Hoffman, Al; Houle, Jacques; Jakobsen, Dorthe; Jansen, Penny; Jorgensen, Sharon; Koncohrada, Karen; Lefebure, Dave; Lewis, Jim; Lieutard, Denis; Logan, Claudia; McArthur, Gib; McKillop, Greg; McLaren, Graeme; Munzer, Rosa; Murphy, Maureen EM:EX; O'Rourke, Patrick; Phelan, Bill; Pinsent, Robert; Puggioni, Giovanni EM:EX; Randall, Alf; Reid, Bruce; Rennie, Lorna; Schmitt, Rolf; Schroeter, Tom; Sedun, Thom; Smyth, Ron; Stewart, Linda; Taje, Eddy; Thomas, Hayley EM:EX; Whale, Andrew; White, Don; Wishlow, Wayne
Subject: Southwest Region Update - October 12, 2001

ISSUES:

- The judicial review of the Jameson Road Quarry permit decision was heard in BC Supreme Court on October 11th. Observers report that legal counsel for MEM presented convincing arguments in support of the Chief Inspector's decision. The court's judgment is expected on December 1st.
- Powell River-Sunshine Coast MLA Harold Long has come out in support of Cranberry residents opposed to expansion of the T&R Contracting Ltd. gravel pit at Cranberry Lake, and has met with representatives of the Minister's office to recommend no approval of the expansion. Regional staff are currently drafting a recommendations report for decision by the Chief Inspector, and will be recommending approval with conditions.

Placer The Treaty Negotiation Office (TNO) is going to Cabinet in November to seek direction on the establishment of a Treaty Related Measure (TRM) for the Yale First Nation on the Hillsbar placer/aggregate project of Qualark Resources, located near Yale. If established, the TRM could jeopardize a project with potential economic benefits to the Province of over \$250 million. MEM is concerned that the Cabinet submission does not fully identify the proposed TRM's impact on the economic development interests of the Province and Qualark.

MYRA FALLS MEM is struggling to resource the review and approval of a proposed paste tailings backfill system for the Boliden Westmin - Myra Falls mine, particularly with regard to concerns about the geotechnical stability of the existing tailings disposal facility and Lynx Pit, as well as potential ML/ARD concerns. Boliden's board of directors meet in Stockholm on October 24th, and without a clear indication of approval from the Province, may withhold funding for the project and force the mine into a suspension of operations in the near future.

FYI:

- The Coquitlam River Aggregate Task Force held its final meeting and tabled a final report. The task force is seeking MEM participation in discussions to fund a water quality monitoring program for the Coquitlam River in partnership with other agencies and the gravel operators, to help track the health of the watershed.
- Deputy Minister Jack Ebbels presented the BC Annual Mine Reclamation Awards at the 25th Annual Reclamation Symposium in Campbell River during the last week of September. The Jake McDonald Reclamation Award was presented to Huckleberry Mines Ltd. for outstanding reclamation achievement at their Huckleberry operation south of Smithers. As well, several citations were awarded as follows:
 - Coal Mining: Fording Coal Ltd. for Greenhills Operations
 - Coal Exploration: Luscar for Telkwa Coal Project
 - Metal Mining: North American Metals for Golden Bear Mine
 - Mineral Exploration: Noranda for Tommy Jack property
 - Sand & Gravel: Construction Aggregates Ltd. for Sechelt Pit
 - Placer: Dan Romanow for Wells operation.

Ted Hall
Regional Manager (Southwest)
Ministry of Energy and Mines
2080-B Labieux Road

*VCS → Reg. Mar
Adams*

Schroeter, Tom EM:EX

From: Hall, Ted EM:EX
Sent: Monday, August 20, 2001 11:50 AM
To: Adams, Rick; Anderson, Duane; Beckett, Carla EM:EX; Bergen, Wally; Beswick, Ed; Booth, Richard; Carr, Chris; Carriere, Greg; Carter, Tom; Cheetham, Pat; Conte, Rick; Curtis, Ross; Errington, John; Finvers, Maija; Forster, Patti; German, Gerald; Guthrie, Shelley; Hermann, Fred; Hoffman, Al; Houle, Jacques; Jakobsen, Dorthe; Jansen, Penny; Jorgensen, Sharon; Koncohrada, Karen; Lefebure, Dave; Lewis, Jim; Lieutard, Denis; Logan, Claudia; McArthur, Gib; McKillop, Greg; McLaren, Graeme; Munzer, Rosa; Murphy, Maureen EM:EX; O'Rourke, Patrick; Phelan, Bill; Pinsent, Robert; Puggioni, Giovanni EM:EX; Randall, Alf; Reid, Beth; Reid, Bruce; Rennie, Lorna; Schmitt, Rolf; Schroeter, Tom; Sedun, Thom; Smyth, Ron; Stewart, Linda; Taje, Eddy; Thomas, Hayley EM:EX; Whale, Andrew; White, Don; Wishlow, Wayne
Subject: Southwest Region Update - August 20, 2001

ISSUES:

- Jack Lee has petitioned the Gold Commissioner for intervention under S.19 of the Mineral Tenure Act to resolve a question of ownership of mineral substances on the Jamieson property on Sumas Mountain. The property owner is operating a rock quarry for construction purposes (which was formerly operated by Lee), however Lee still holds a mining lease over the property. Lee has not only raised the question of access to the feldspar minerals in the rock, but has charged that MEM's issuance of a quarry permit to the property owner is illegal. Lee is prepared to commence court action if necessary to decide the question of ownership of the rock, and depending upon the court's definition of "mineral", any legal decision could be precedent setting with respect to regulation of the aggregate sector.
- A decision has been made to issue a placer exploration permit on the Qualark placer project near Yale, following a lengthy review which considered treaty related concerns raised by the Yale First Nation (YFN) and the Treaty Negotiations Office (TNO). Although the project will be very low impact, Qualark hopes the test work will confirm the feasibility of a major placer/aggregate project which could produce placer gold and up to 10 million tonnes of aggregate per year. YFN have identified the land as potential treaty settlement lands, and the TNO is considering establishing a Treaty Related Measure over the area. Both the YFN and the TNO will be briefed on the decision next week, and the permit will be issued the following week.
*Placer
Aggregate*
- A July 19th dangerous occurrence on the Priority Ventures Limited Dove Creek coal drilling project has been reported. While drilling at a depth of 361 metres, water and gas fountained up from the drill hole, breaking the masthead lights on the drill, six metres above the top of the drill head. The gas ignited into a faint blue flame which rapidly self-extinguished. The hole was quickly sealed by engaging the Blowout Preventer (BOP), and the hole was stabilized and sealed within 12 hours. The gas was sampled and found to contain largely nitrogen, with 5% to 6% methane and 3% to 4% oxygen. No injuries occurred, and environmental damage was largely contained to the drill site. This incident points to the potential for overpressured subsurface conditions to produce gas and water kicks in the Comox Coalfield, and suggests that BOP systems should be considered as standard equipment on deep boreholes in the coalfield.
Dove Cr

FYI:

Highlights from the Regional Geologist:

- **Quinsam Coal Campbell River Area Quinsam East Coal Project Update:** Notice of work received/referred for 5 hole, 1650m. exploration drilling program, which combined with Quinsam Mine Project, will incur expenditures of \$500,000 in 2001.
- **Hillsborough Buckley Bay Area T'sable River Coal Project Update:** Visit completed on August 13th with Tom Schroeter and Mines Branch representatives to future site of twin underground declines and 90,000 tonne bulk sampling project at the T'sable River Coal Project; anticipated project expenditures for 2001 are \$2 million, including capital costs; tentative combined underground visits to T'sable River and Quinsam planned in the fall.
- **Priority Ventures Courtenay Area Dove Creek Coal Project Update:** Visit completed on August 13th with Tom Schroeter and Mines Branch representatives to all three widely spaced surface drill sites, where an aggregate of 1271m. of drilling was completed in July-August to test coal seams in the Comox Formation; visit also completed to

Schroeter, Tom EM:EX

TGS → Reg. Mgr.
Nanaimo

From: Randall, Alf EM:EX
Sent: Monday, February 19, 2001 9:49 AM
To: Adams, Rick EM:EX; Anderson, Duane EM:EX; Bergen, Wally EM:EX; Beswick, Ed EM:EX; Booth, Richard EM:EX; Braidwood, Brian EM:EX; Brown, Derek EM:EX; Carr, Chris EM:EX; Carter, Tom EM:EX; Cheetham, Pat EM:EX; Cochrane, Marlene EM:EX; Conte, Rick EM:EX; Curtis, Ross EM:EX; Errington, John EM:EX; Finvers, Maija EM:EX; Forster, Patti EM:EX; German, Gerald EM:EX; Guthrie, Shelley EM:EX; Hermann, Fred EM:EX; Hesketh, Joan EM:EX; Hoffman, Al EM:EX; Houle, Jacques EM:EX; Jakobsen, Dorthe EM:EX; Jansen, Penny EM:EX; Jorgensen, Sharon EM:EX; Koncohrada, Karen EM:EX; Lefebure, Dave EM:EX; Lewis, Jim E EM:EX; Lieutard, Denis EM:EX; McArthur, Gib EM:EX; McKillop, Greg EM:EX; McLaren, Graeme EM:EX; Munzer, Rosa EM:EX; Phelan, Bill EM:EX; Pinsent, Robert EM:EX; Readshaw, Kerry EM:EX; Reid, Beth AG:CE; Reid, Bruce EM:EX; Rennie, Lorna EM:EX; Schmitt, Rolf EM:EX; Schroeter, Tom EM:EX; Sedun, Thom EM:EX; Smyth, Ron EM:EX; Starkes, Terri EM:EX; Stewart, Linda EM:EX; Taje, Eddy EM:EX; Whale, Andrew EM:EX; White, Donald AG:EU; Wishlow, Wayne EM:EX; Logan, Claudia EM:EX; Carriere, Greg EM:EX
Subject: Southwest Region Update: February 12 to February 18, 2001

ISSUES

Placer

- **Hills Bar Placer Gravel Proposal**
This project is a potentially large scale combined placer and gravel mining operation located at Yale. Conceptual economic evaluations indicate the need for both placer and gravel values to make this a viable operation. The Yale First Nation has included the area of the project in their proposed treaty settlement lands. Proponents own underlying placer claims and are applying for land tenure through BCALC for gravel resources. MEM and BCALC Ab Affairs groups working closely together to advise proponents of appropriate consultation and negotiation procedures.
- **Parmenter Road Unpermitted Quarry**
Had to issue another Stop Work order to operator as he had started hauling again. Are still waiting for them to apply for permit.

FYI

- DO at Myra Falls - Rock fall onto a remote long hole drill. No injuries. Incident being investigated.

ADMIN

- Patti Forster & Dorthe Jakobsen attended MMS review meetings and report good progress on revisions to system.

Alf Randall
District Manager/Engineer
MEM Nanaimo
Phone (250) 751-7377 Fax (250) 751-7373
Email: Alf.Randall@gems3.gov.bc.ca

Schroeter, Tom EM:EX

WBS → Reg. Mgr
Smithers

From: Bergen, Wally EM:EX
Sent: Sunday, February 04, 2001 9:23 PM
To: Al Hoffman; Andrew Whale; Bill Phelan; Brian Braidwood; Chris Carr; Denis Lieutard; Duane Anderson; Ed Beswick; EM MB Smithers DL; Fred Hermann; Gerald German; Graeme McLaren; Greg McKillop; Gregg Stewart; Joan Hesketh; John Errington; Kerry Readshaw; Linda Stewart; Maija Finvers; Marlene Cochrane; Pat Cheetham; Patrick O'Rourke; Richard Booth; Rick Adams; Rick Conte; Ross Curtis; Sandra Kilmartin; Sharon Jorgensen; Shelley Guthrie; Ted Hall; Terri Starkes; Tom Carter; Tom Schroeter; Wesley Kennedy
Subject: NW Region Weekly Report to February 4, 2001

MINING

Endako Mine: The mine announced that they will remain in operation until May 4 and continue to look for means to stay open longer. The company has been able reach agreements with suppliers and with the Job Protection Commission which enables them to stay in operation in anticipation of improved moly prices and possible further JPC relief.

Huckleberry Mine has acquired major, larger equipment. The parts for a P&H 2100 shovel are anticipated to be completely on site by February 8. Due to the size of some of the parts they are being shipped by rail to Houston and then transported to the mine site by road during times when logging trucks are not active. Four Cat 785 haulage trucks have also been purchased and one is now in service and assembly of the second unit is nearly complete.

Eskey Creek had preliminary discussions with MELP, DFO and MEM regarding a proposal to construct a dam on Big Tom McKay Lake to divert water to a hydroelectric generator on Ketchum Creek. The company was considering this option as a means of offsetting rising fuel costs. They have subsequently announced that further evaluation indicates that economics of the project are not viable and they will remain with fuel purchase and hauling.

PLACER

Scott Jamieson (placer miner) constructed a bridge across McDame Creek without approvals from Water Management, DFO or Coast Guard. He has since filed a Notice of Work and is in the process of submitting a Navigable Waters application. The construction is being investigated by the CO Service in Dease Lake.

FIRST NATIONS

Eleven delegates from northwest First Nations were invited to Roundup. All who were contacted over the 4 days of the conference were impressed by the size, scope and variety of things that were happening. More specific comments were in relation to the international nature of the conference, the number of different companies, the complexity of the exploration, development and mining processes and the amount of networking and contacts that are made.

Daryl Hanson and I were approached by an exploration geologist who had worked in the Northwest Region and had complained about the amount of regulation he had to experience. He indicated that he is now working in the North West Territories and that the menu of regulations is far greater there and takes much more time. He indicated that he did not realize how good things were in B.C. and how prompt responses to applications were.

GENERAL

On January 30 and 31 Richard Booth visited the office and spent the bulk of the time with MMS users doing a combination of training and debugging on the system. Staff learnt about various aspects of MMS and Richard has a much better understanding of the various frustrations. Hopefully with ongoing debugging and the training which is being set-up we will be well on the way to a more workable system.

A parting thought:

VOS → R G
- fr. Geo.

Schroeter, Tom EM:EX

From: Lane, Bob EM:EX
Sent: Wednesday, June 28, 2000 2:33 PM
To: Brian McBride; Brian McGrath; David Morgan; David Pow; Ed Beswick; Ed Pittman; Ken MacDonald; Romona Blackwell; Jacques Houle; Mike Cathro; Paul Wilton; Paul Wojdak; Dave Lefebure; Derek Brown; Gib McArthur; Larry Jones; Robert Pinsent; Ron Smyth; Tom Schroeter
Subject: Lane Weekly

Lane Weekly Report for June 9-28, 2000 (One Long Week!)

Hixon Creek placer. Re-visited LeWayne Musselwhite's (June 14) operation on Hixon Creek. Intrigued about the sharp and angular nature of gold particles that are being recovered from this claim which indicates that the particles have not been transported far from their bedrock source. Underlying bedrock consists of 'mica shists' of the Paleozoic to Proterozoic Barkerville Subterrane. Old maps show the dollar value of chip (or panel) samples taken from underground workings in bedrock on the south side of the creek near an old hydraulic pit. Several values were greater than \$10/ton and one in excess of \$80.00/ton. I have encouraged him/partners to stake the ground for its lode gold potential.

Terry Creek placer. Visited with Ervin Broadfoot (June 15) on his claim on Terry Creek. He is in the process of developing a new settling pond in order to conduct some testing. Gold from this property is also quite angular, but not as angular as that coming from Hixon Creek.

WELLS-BARKERVILLE AREA

Cariboo Gold Quartz. Drilling continues on the Bonanza Ledge discovery (currently on hole BC2K-23), although at the time of my visit (June 19) the drill was broken (again). International Wayside is still halted (6 weeks and counting). Examined bedrock exposures near the old hydraulic pits in the Stouts Gulch and upper Lowhee Creek areas with Panterra consultant Kika Ross (June 19). A June 28 news release has International Wayside back-peddling because of overly-optimistic/unrealistic statements made about their open pit resource on Cow Mountain (we'll call it good old fashioned 'junior mining company promotion'). It also states that the company has received written proposals for participation in the project, but none have been accepted.

Lottie Lake. Spent June 20 with Hudson Bay Exploration and Development crew and Bert Struik (GSC) and Fil Ferri (GSB) examining bedrock exposures of Slide Mountain Terrane on the property and on Sliding Mountain, the type section for the oceanic package. The crew of about 10 has been working out of Wells for about a month; bedrock mapping and till sampling have been the main focus; an airborne survey was limited to areas of least topographic expression leaving large parts of the claim block untested. Possible that a helicopter-borne survey will commence later in the year.

Cariboo Thompson. Examined the workings in the vicinity of the of the old Cariboo Thompson past producer (June 21), located near Penny Creek along the route to Yanks Peak. The polymetallic vein deposit was accessed by one main adit and a reported 4 tonnes were mined in 1937. The prospect was re-evaluated by Interior Coast Ventures in the 1970's by Coast Interior Ventures and late 70s - early 80s by Chaput Logging Ltd. The vein system developed in Hardscrabble Formation (black to green

TAS → Reg. Mgr
- Kamloops

Schroeter, Tom EM:EX

From: Adams, Rick EM:EX
Sent: Friday, February 18, 2000 5:37 PM
To: Anderson, Duane; Bergen, Wally; Beswick, Ed; Booth, Richard; Braidwood, Brian; Carter, Tom; Cheetham, Pat; Clancy, John; Conte, Rick; Eaton, Tim; 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, Loma; Schroeter, Tom; Smyth, Ron; Stewart, Linda; Whale, Andrew
Cc: Barrett, Bev; Beresford, Eric; Britton, Jim; Cathro, Mike; Heistad, Ray; Horton, Russ; Madu, Bruce; Mehr, Eugene; Murton, Patricia; Rothman, Stephen; Seguin, Joe; Worsfold, Joyce
Subject: South Central Region to February 18, 2000

Issues:

Turkey Farm Pit, Steve Hepple, Oliver- MEM has withheld the Mines Permit for >1 year awaiting the ALC decision. ALC has now granted approval and Hepple has paid a \$25,000 bond. When Hepple applied to Okanagan Similkameen Regional District for the subsequent Soil Removal Permit under the Soil Conservation Act, OSRD denied the application stating the applicant could not remove the material within the timeframe specified in the ALC approval, and there were already enough gravel pits in Oliver. Appears to be inappropriate interference in our competitive, free-enterprise system by the OSRD. MEM now faced with the dilemma of whether or not to issue the Mines Permit.

Western Industrial Clay, Red Lake N. of Kamloops- has been prohibited by the ALC from conducting exploration work on Bunting's property prior to receiving ALC approval. This extends far beyond the limitations under the Mineral Tenure Act 9.(2) where a free miner may enter mineral lands to explore other than: land occupied by a building; the curtilage of a dwelling house; orchard land; land under cultivation (the land in question is none of these, it is merely ALR land)..... We had previously operated under the assumption that mineral exploration did not require ALC approval, due to the already existing limitations on right of entry under the Mineral Tenure Act.

Highland Valley Copper- D.O. involving one of the six Cat 793C haul trucks recently purchased from Finning. As the box was raised it struck the overhead crane and partially knocked the crane off the trolley track. No injuries occurred. The incident is under investigation. HVC has four of the new trucks on site, in the assembly stages. One has been road tested with the second expected to be ready this week. Four trucks are ex-Syncrude with the other two being sourced elsewhere by Finning. It is expected that 6 of these 218 tonne trucks will replace 8 of the 177 tonne 789 trucks.

stick.

Carnahan Placer, Goldstream, N. of Revelstoke, and Winters Placer, Inkaneep, Okanagan- opposed, or not supported, by MELP and DFO, at and prior to SCMDRC meetings. Rationale ranges from critical: moose, to fish, to plants. Is the hope for new placer designations dead in the province?

Mission Ridge Pit, Kelowna- controversy continues with additional letters from residents to Minister Miller, and Liberal MLA John Weisbeck now questioning MEM's permitting decision. Residents are seeking written responses to their letters and appear to be avoiding phone conversations- possibly in preparation for court action.

FYI:

Renewed Interest in Platinum and Paladium - Rumours of claim staking in the Tulameen area due to the rise in platinum group metal prices to record levels. In addition, the **Dobbin Cu-Pt-Pd** property (Minfile 82LSW138) located west of **Kelowna** is being dusted off by **Verdstone Gold** (a Larry Reaugh company). Drilling in 1997 hit some interesting results giving a gross metal value of roughly US\$11/tonne at current prices. There is also some evidence for enrichment in Iridium, however more testing for this and the other odd PGM elements needs to be done.

TGS -> RG
- Cranbrook

Schroeter, Tom EM:EX

From: Wilton, Paul EM:EX
Sent: Friday, November 06, 1998 3:03 PM
To: Whale, Andrew EM:EX
Cc: Grieve, Dave EM:EX; Turner, Jim EM:EX; Wuschke, Steven EM:EX; Dittrick, Maggie EM:EX; Dittrick, Maggie EM:EX; Roach, Dennis EM:EX; Rosentreter, Rieva EM:EX; Taje, Eddy EM:EX; Campbell, Karen EM:EX; Smolik, Valerie EM:EX; Downie, Arlene EM:EX; Berdusco, Ricci EM:EX; MacDonald, Garry EM:EX; MacDonald, Linda EM:EX; Cathro, Mike EM:EX; Lane, Bob EM:EX; Wojdak, Paul EM:EX; Pinsent, Robert EM:EX; Schroeter, Tom EM:EX; Smyth, Ron EM:EX; Lefebure, Dave EM:EX; McMillan, Bill EM:EX; McArthur, Gib EM:EX
Subject: Weekly Report - Nov. 6th/98

- As of yesterday AM, Rick Walker reported that 8 souls had registered for the Industrial Minerals Workshop to be held here in Cranbrook over the next three days. The course will go ahead with lectures on Saturday and field visits on Sunday & Monday. I'll be sitting in on the lectures and helping with the field activities.

- Miner River Resources has issued a press release reporting that Kennecott has completed a program of five drill holes totalling 1853 metres at the Findlay property 35 km NW of the Sullivan mine. "The most significant mineralization" was encountered in hole #5 near Tourmalinite Ridge. "Laboratory analyses of drill core (type, grade and extent of mineralization) are expected to be completed by the end of November." It's further reported that Kennecott staked 46 contiguous claim units over prospective formations adjoining the property SUBSEQUENT TO COMPLETION OF DRILLING. (Read between the lines folks!).

- On the Irishman property Kennecott limited its drilling to a 340 metre extension of the 3rd hole of the 1997 program in which a 2.5 metre intersection of high grade massive sulphides had been intersected. The objective of the '98 drilling was to test a re-interpreted position of the Sullivan horizon. Results have not been reported but Kennecott is dropping its interest in the property.

- Abitibi Mining Corp. has announced plans to start drilling immediately at the Clair property (optioned from Cominco) about 20 km west of Kimberley. A 2000 foot hole is planned to test the Sullivan horizon. Drilling will then move to its Yahk property where a program of three holes totalling 7500 feet is planned.

- Ascot Resources has cut back on its drill program at the "Smoker vent" prospect west of Moyie Lake. Two short holes will be attempted this year with a longer hole to follow in the spring. 100% interest in the property has now been acquired from the "Supergroup" (Pighin, Anderson, Klewchuk, and Craig Kennedy & sons).

- (All of the above programs are targeting Sullivan type sedex mineralization).

Kaslo Silver
- Cream Minerals has acquired some additional funding for its Kaslo Silver high-grade Ag/Pb/Zn prospect on Keen Creek and will resume drilling at the Bismark and Cork South zones next week. It has also applied for a permit to recover 500 tonnes of heavily mineralized broken ore located below the Province mine workings, to be processed through the soon-to-be-permitted Ainsworth mill.

Blu Star
- In the Slocan Valley, Anglo Swiss has announced discovery of a new sapphire showing, called Sapphire Hill, very close to the Blu Moon sapphire showing. Hand processing of a 20 kg boulder apparently yielded an incredible 6000 carats of good quality crystals, most displaying strong asterism (i.e. star sapphires). Early indications are that this discovery could triple the company's total sapphire resources. Samples are being shipped to Sri Lanka for heat treatment testing.

Placer
- Also in the Slocan Valley, I collected three buckets of Slocan River gravels from three widely spaced sites on claims adjoining Anglo Swiss's sapphire property where two individuals report finding several large rubies. Apparently there is a remarkable transition occurring right at the claim boundary between the two properties whereby the corundum crystals are all sapphires on one side and all rubies on the other! The ruby finders have