

Schroeter, Tom EM:EX

From: Cathro, Mike EM:EX
Sent: Thursday, August 09, 2001 1:16 PM
To: Adams, Rick EM:EX
Cc: Britton, Jim EM:EX; Brown, Derek EM:EX; Lefebure, Dave EM:EX; Ludwig, Allan EM:EX; Madu, Bruce EM:EX; McArthur, Gib EM:EX; Payie, Garry EM:EX; Schroeter, Tom EM:EX; Smith, Don EM:EX
Subject: Cathro Weekly to 8/9/2001

HIGHLIGHTS

Little Fort Field Trip (8/10/2001) - an all day field trip for about 20 people, led by P. Schiarizza and M. Cathro, will describe geological work by the GSB in the area northwest of Little Fort. Schiarizza is in year two of a three year bedrock geology mapping project. Several active prospects will also be visited. In addition, R. Paulen will attend to help discuss glacial geology and till geochem results from the 1998 and 2000 Open File releases. Exploration activity in this area is relatively strong this year with three prospects being drill-tested for the first time - Worldstock, Discovery A and Demers (Crazy Fox).

Highland Valley Copper Open House held 8/6/2001 with **several thousand people** attending. It is an annual event that includes excellent tours of the mine, mill, shop, tailings dam and reclaimed areas. There were also fun activities for kids (prospecting for samples, clowns etc.), static displays of mining equipment, and demonstrations by the mine rescue team.

Silver Lake (Christopher James Gold Corp) - Field visit on 8/8 with P. Schiarizza. Drilling of the first hole (of six) into the "Discovery A" copper prospect had just been completed. We were able to view the trench where this newly discovered high-grade copper vein is exposed. The vein is 30-60 cm wide and contains patchy zones of massive chalcopyrite with minor pyrite and magnetite in a gangue of multiphase, locally vuggy quartz and calcite. Smaller, parallel veins are present a few metres to the south and there is some pyrite-chalcopyrite disseminated in the wallrock. The main vein appears vertical and strikes northwesterly (325 degrees). Alteration of the host mafic volcanic consists of chlorite, pyrite and magnetite. Chip sample results reported by the company range up to **15.3% Cu and 177 g/t Ag over 0.55 m** and 3.75% Cu and 36.3 g/t Ag over 2.45 m. Coincident VLF, soil and IP anomalies extend for at least 700 m along strike suggesting that there is good potential for a very long zone, however, much greater widths will be needed in order to develop a significant tonnage. Nevertheless, this was a very good technical discovery and illustrates the potential for new discoveries in the Little Fort area.

Barriere Star Journal Interview - short interview with a reporter from the Barriere newspaper. We discussed the mineral exploration activity and the MEM survey work in the Little Fort area. Should come out on 8/11.

Pongo (Verdstone/Molycor) brief field visit on 8/7. I was able to briefly view core from holes 1-6. Unfortunately, drilling of an additional 4 holes had not yet started, despite advice from the company that it was to start on 8/3.

Mike

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Schroeter, Tom EM:EX

JAS → PONGO

From: Schroeter, Tom EM:EX
Sent: Monday, July 30, 2001 12:04 PM
To: 'John A. Chapman'; Cathro, Mike EM:EX
Cc: Bob Friesen; Hugh Squair; Larry Reaugh
Subject: RE: Pongo - CONFIDENTIAL, NEWS NOT YET RELEASED

Thanks for keeping me informed. Look forward to further 'results'. Tom.

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

From: John A. Chapman [mailto:jacms1@sprynet.com]
Sent: Monday, July 30, 2001 11:47 AM
To: Cathro, Mike EM:EX
Cc: Schroeter, Tom EM:EX; Bob Friesen; Hugh Squair; Larry Reaugh
Subject: RE: Pongo - CONFIDENTIAL, NEWS NOT YET RELEASED

Hi Mike,

Bob

I was at Pongo with the team last week. You may wish to talk to Hugh Squair, PhD (604.536.4501) or ~~Hugh~~ Friesen, PGeo (604.640.5376) as they were both in attendance. I have attached a few of the trip photos for your files.

Orphan Boy is within hours of going final AGAIN. We are planning to commence the drill program at Goldstream first week of September.

Regards, John

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

From: Cathro, Mike EM:EX [mailto:Mike.Cathro@gems2.gov.bc.ca]
Sent: July 30, 2001 11:09 AM
To: 'John A. Chapman'
Subject: RE: Pongo - CONFIDENTIAL, NEWS NOT YET RELEASED

Thanks John, I;m just back in the office today after being away for 2 weeks. I was out at Pongo earlier in the summer but would like to have a look at the core too. Thanks for the update. Anything happening at Goldstream with Orphan Boy?

Mike
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Schroeter, Tom EM:EX

TCS → PONGO

From: John A. Chapman [jacms1@sprynet.com]
Sent: Monday, July 23, 2001 7:47 PM
To: Cathro, Mike EM:EX
Cc: Schroeter, Tom EM:EX
Subject: Pongo - CONFIDENTIAL, NEWS NOT YET RELEASED

Hi Mike, You should give Larry Reaugh a call at 604.531.9639 and arrange a trip out to Pongo to review the drilling. I was informed this morning by Larry that four out of the first five holes have intersected significant visual sulfides. Regards, John

Schroeter, Tom EM:EX

TCS → RG
- Kambhops

From: Cathro, Mike EM:EX
Sent: Friday, June 29, 2001 1:16 PM
To: Adams, Rick EM:EX
Cc: Britton, Jim EM:EX; Brown, Derek EM:EX; Lefebure, Dave EM:EX; Ludwig, Allan EM:EX; Madu, Bruce EM:EX; McArthur, Gib EM:EX; Payie, Garry EM:EX; Schroeter, Tom EM:EX; Smith, Don EM:EX
Subject: Cathro Weekly to 6/29/2001

Bralorne

HIGHLIGHTS:

Peter Vein (Bralorne Pioneer Gold Mines/Avino Silver and Gold/Coral Gold) - a 21 m raise to surface and test mining will be done on a high-grade (12 oz/ton) portion of the Peter Vein (Cosmopolitan Crown Grant). Up to 12,000 tonnes of material may be mined and will be added to the 1100 tons grading 0.36 oz/ton which is stockpiled at the Bralorne Mill. It appears that the company also plans to process the material through the 100-150 tpd mill (with tailings to go underground?). These projects are expected to cost \$400-500K.

Pongo (Verdstone/Molycor) - released re-assay results of chip sampling from their recent trenching on the Kajun showing near East Barriere Lake. Mineralization consists of quartz-siderite-galena-sphalerite-tetrahedrite(?) veins in a black shale unit below a thrust fault (see photo below), and has broad similarities to the Samatosum mine located some 12.5 km south. There is some speculation that this mineralization may be remobilized from a VMS deposit nearby, however, that has yet to be identified. Some of the better results included:

Width (m)	Ag (oz/ton)	Au (oz/ton)	Pb %	Zn %	Cu %
3	6.93	0.207	13.97	6.38	0.24
9	4.45	0.17	10.70	4.45	0.15
1	5.15	0.828	5.01	5.15	0.39
2	10.89	0.039	17.19	5.43	0.07



Pongo1lookingS.JPG

G

Verity (Blue River) Tanatalum-Niobium Project (Commerce Resources) - A tour for investors was held recently and attracted the attention of a reporter from the Valley Sentinal, the newspaper in Valemount. I discussed the uses of tantalum, the project, and the uranium content of the deposit with the reporter, however I was not quoted directly (for a change). It is actually quite a good article!

Wildcat (Roger Szalanski) - on 6/27 I visited this moderately interesting, new epithermal gold-silver prospect located approximately 2.5 km west of the south end of Mara Lake (82L/11E). It is adjacent to the Larch Hills cross country ski area and is on a logging road constructed last summer. Gneiss and schist of the Proterozoic Silver Creek Assemblage (?) are intruded by medium to coarse-grained granitic rocks (Jurassic Okanagan suite?). The intrusives are rusty, pervasively clay-altered and locally cut by grey, clear and pale green chalcedonic quartz veins with irregular patches of massive pyrite. An unidentified soft pale green mineral is also present adjacent to the veins and may be talc or seicite. The veins form an irregular swarm at least several metres wide (or more?) which can be traced for over 1 km. Individual veins are up to 30 cm wide. Only 7 rock samples have been collected so far, four of which returned weakly anomalous gold (to 540 ppb), silver (to 46.4 ppm), arsenic (to 122 ppm) and antimony (to 122 ppm). I recommended a lot more rock sampling and perhaps some soil lines, but like many inexperienced prospectors, Mr. Szalanski wants to run VLF and buy a drill because he believes assaying is too expensive.

Southern Intermontane Field Trip (June 22-26) - I attended 4 out of 5 days of this very interesting, informal trip led by Jim Monger (retired GSC), John Moore (SFU/GSC) and Ken Daughtry (GSC/Discovery Consultants). Several graduate students and other experts who have worked in the area were also along. The purpose of the trip was to examine contact relationships between Quesnel Terrane rocks and their underlying basement to try to determine if Quesnel terrane is really an "exotic" terrane as conventional wisdom would suggest. As with many great geological conundrums, there is no clear, easy answer, however, my view is the evidence still supports Monger's interpretation that Quesnellia is far-travelled and is unrelated to its basement. I did see a lot of rocks I'd never seen before (e.g. the Bob Lake Assemblage in the Nicola Horst, and the Chapperon Group near Douglas Lake) most of which have low to moderate mineral potential.

Schroeter, Tom EM:EX

RG → RG
- Kamloop

From: Cathro, Mike EM:EX
Sent: Thursday, June 07, 2001 4:51 PM
To: Adams, Rick EM:EX; Britton, Jim EM:EX; Brown, Derek EM:EX; Lefebure, Dave EM:EX; Ludwig, Allan EM:EX; Madu, Bruce EM:EX; McArthur, Gib EM:EX; Payie, Garry EM:EX; Schroeter, Tom EM:EX; Smith, Don EM:EX
Subject: Cathro Weekly to 6/7/2001

HIGHLIGHTS:

Red Hill (Teck Corp.) - viewed core on 6/5 with Paul Baxter, project geologist. About 3600 m were drilled in 17 holes on this VMS Cu-Zn-Au-Ag prospect located south of Ashcroft. Host rocks are felsic and mafic volcanics dated as Early Triassic and thought to be similar to the Kutcho volcanics of northern BC. Up to 19 m of stringer and semi-massive pyrite were intersected by some of the holes, however Cu and Zn values appear to be low. Assays are awaited.

Pongo (Verdstone/Molycor) - visited the site of excavator trenching on this shear-vein Zn-Pb-Au-Ag prospect located south of East Barriere Lake. Nice exposures of galena-sphalerite-pyrite are associated with contorted quartz veins in black argillite, beneath a shallowly dipping (thrust?) fault contact with overlying limestone. Panel sampling has been completed and assays are awaited. This is not a new showing but has been trenched and drilled before. The new trenching may give them hope for better size and/or grade.

Mike

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Schroeter, Tom EM:EX

TGS → RG
- Kamloops

From: Cathro, Mike EM:EX
Sent: Friday, June 01, 2001 4:32 PM
To: Adams, Rick EM:EX; Britton, Jim EM:EX; Brown, Derek EM:EX; Lefebure, Dave EM:EX; Ludwig, Allan EM:EX; Madu, Bruce EM:EX; McArthur, Gib EM:EX; Payie, Garry EM:EX; Schroeter, Tom EM:EX; Smith, Don EM:EX
Subject: Cathro Weekly to 6/1/2001

EXPLORATION HIGHLIGHTS:

Tungsten - the recent rise in prices (to about \$7/Kg for WO₃) has prompted North American Tungsten to re-open its CanTung mine in NWT. The mine hosts high-grade tungsten skarn reserves (grading approx 1.8% WO₃) but has been on care and maintenance since 1986 due to low prices caused by Chinese dumping. NAT has signed a sales agreement with Sandvik and Osram Silvania to supply tungsten for three years. CanTung will become the largest producer in the world and will be the only mine in North America. Recent tungsten skarn discoveries in southern BC may begin attracting exploration attention in the near future (e.g. Dave Ridley's Fox and Camille Berube's Lucky Bear claims). Numerous other historic tungsten prospects are open for staking and may also receive some attention.

Red Hill (Teck Corp) - 15 holes have been drilled so far (out of possible 20 holes and 4000 m) on this VMS Cu-Zn target near Ashcroft. First Nations people were holding a "bitterroot festival" on the property this week. A large group was collecting bitterroot for use as a medicinal herb, but they were friendly and were not upset by the drilling activity.

Goldstream (Orphan Boy Resources) - financing of \$750K complete but awaiting final paperwork; another \$1.3M is being negotiated. Expect drilling of 1000 m near the Goldstream mine by late June.

Ledge (Manadalay Resource Corp) - Approx 500 m drilled on this property east of 100 Mile, apparently without the agreement of the claimowner Dave Ridley who has not received a property payment!

Siwash (Int'l Tower Hill Mines Ltd.) - 5 ddh planned to test this Au-Ag-Cu prospect near Brenda mine.

Pongo (Molycor/Verdstone) - small trenching program underway on this high-grade Au-Ag-Pb-Zn-Cu vein/shear zone prospect near East Barriere L. Molycor also raised \$75K. *change*

Other Financings - several companies have announced small financings to complete summer work and/or keep the lights on e.g. Jaguar Int. (\$225K total) and GWR Resources (\$188K).

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Also add to "DDA" list

Schroeter, Tom EM:EX

From: Schroeter, Tom EM:EX
Sent: Friday, December 01, 2000 2:58 PM
To: Cathro, Mike EM:EX
Subject: RE: Pongo Option?
Sensitivity: Private

Thanks. Tom.

From: Cathro, Mike EM:EX
Sent: Friday, December 01, 2000 2:56 PM
To: Schroeter, Tom EM:EX
Subject: RE: Pongo Option?
Sensitivity: Private

Tom, I'm 99% sure this is the property optioned to Verdstone/Molycor. The press release does not mention the name of the property or vendor, so it is probably best to phone Larry Reaugh and confirm.

By the way, on one of your slides (I think it was 2000 discoveries?) you showed Sherwood Creek (owned by Fayz Yacoub). This is NOT a new discovery - it is a MINFILE occurrence and had minor production in the past. This is not a significant property and doesn't really deserve such a profile.

Mike

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From: Schroeter, Tom EM:EX
Sent: Friday, December 01, 2000 11:08 AM
To: Cathro, Mike EM:EX
Subject: Pongo Option?
Sensitivity: Private

Mike - to who? (for "2000 Review" table). Tom.

Schroeter, Tom EM:EX

VBS → RG
- Kamloops

From: Cathro, Mike EM:EX
Sent: Friday, December 01, 2000 9:21 AM
To: Adams, Rick EM:EX
Cc: Britton, Jim; Brown, Derek; Lefebure, Dave; Ludwig, Allan; Madu, Bruce; McArthur, Gib; Payie, Garry; Schroeter, Tom; Smith, Don; Houle, Jacques; Lane, Bob; Wilton, Paul; Wojdak, Paul
Subject: Cathro Weekly to 11/30/2000

EXPLORATION NEWS:

Spire (Imperial Metals Corp) - Viewed core and discussed this exciting new Cu-Zn project with Imperial geologists Steve Robertson and Pat McAndless, and Tom Schroeter in Vancouver on 11/23. The mineralization looks very similar to Goldstream mine, located 7.5 km to the NE. A news release on the recent drilling is expected shortly.

Goldstream area (Orphan Boy Resources Inc.) - A prospectus has been accepted and now the company is attempting to raise \$1.5 million in financing to go public. By the end of December, the company must drill its Goldstream area properties in order to maintain the option from Imperial Metals.

Fox (Gitennes Exploration Inc.) - IP survey slated to start any day. Drilling tentatively planned for February.

Broken Hill (Cassidy Gold Corp) - gravity survey started on this newly discovered, Shuswap-type Zn-Pb-Ag prospect located near Avola. Diamond drilling slated to begin in January. (discovered on 2000 PAP program)

Rex Mountain - Spokane Resources Ltd. announced they have dropped their option on this Au-Cu property in the Shulaps Range north of Lillooet. Reasons given were the cost of holding the option and the low price of gold. The Rex Mountain deposit has an indicated reserve of about 189,500 tonnes grading 8.57 g/t Au and 0.92% Cu.

Pongo (Verdstone Gold Corp/Molycor Gold Corp) - The Pongo claims (60 units) have been optioned from prospector Larry Ovington, and an additional 160 units have been staked. The claims lie south of East Barriere Lake and cover the Kajun showing (82M058), a polymetallic vein occurrence hosted by a thrust fault. The showing is located in the Eagle Bay Assemblage and has some similarities to the Samatosum mine 13 km south. Samples collected by D. Blanchflower assayed up to 0.17 oz/ton Au, 7.68 oz/ton Ag, 9.75% Pb, 7.89% Zn and 0.24% Cu over 2 m. Trenching along strike will begin in 2-3 weeks.

OTHER:

Exploration Review Session (Victoria, Nov 22) - Presented the South-Central review talk to Division staff. Other useful meetings were held with the RGs and GSB on Prospectors Assistance Program, "Exploration in BC" volume, updating of "Introduction to Prospecting" textbook and other topics.

TNRD Growth Strategy - Prepared some overheads on mining for Rick's presentation next week.

KEG Luncheon (Dec 1) - with Claude Richmond, Liberal candidate, Kamloops South riding.

Ancient Pacific Margin NATMAP Review Meeting (Sydney, Nov 30-Dec 1) - Provided some slides and background to John Moore (SFU/GSC) who presented a talk entitled "Geological Setting of the Fox VMS Discovery, western Nicola Group north of Merritt" by John Moore, Aaron Pettipas, and Mike Cathro.

VMS Potential of the Nicola Group, Southern BC - Lyle and I are working on a MapInfo-based compilation map for a poster display (and distribution?) at Round-up. Hope is to generate more interest in the Fox and similar prospects to the south.

Prospectors Assistance Program - Discussed his draft final report with Len Piggin, and reviewed several other final reports. Expect more reports to start flooding in any day. Conference call on logistics for Prospectors