

INTEROFFICE MEMORANDUM

TOS → Roy Ma
- Smith

Created: 05-Jun-1998 05:11pm PDT
Sent: 05-Jun-1998 05:11pm PDT
From: Bergen, Wally EI:EX
Wally.Bergen@gems4.gov.bc.ca@GEMS

@VENUS

Title. Premier
Dept:
Tel No: 886303

TO: See Below

Subject: NW Region Weekly Report to June 5, 1998

MINES

Eskay Creek reported a minor underground fire when the engine on a scooptram caught on fire. The fire was put out by the operator with automatic and hand held systems. No injuries.

As of June 1 the Regional office has processed 59 Placer Notices of Work. This is almost exactly the same as at this time last year. However the projects are generally smaller than last year and the number of people employed somewhat fewer (exact numbers not know). One of the larger operators who used to be in Atlin has now moved to the Cariboo.

Daniel Johnson is still in the process of assuming some of Koken Mining placer reclamation responsibility on Otter Creek. Johnson has submitted a water management/reclamation plan which is being reviewed by MEM and MELP (Water Management) before being accepted and setting the reclamation bond. Before Johnson can proceed with work on in this portion of Otter Creek he must have an acceptable reclamation plan in place. He is proceeding to work on claims on a lower portion of Otter Creek.

Premier

Coeur d'Alene Mining made a second assessment of the Premier mill as a possible site to treat gold ore from its Kensington deposit near Juneau, Alaska. Potentially ore would be barged to Stewart and trucked to Premier. The company is unable to permit mill development on site due to public opposition in Alaska.

B.C. Chrysotile has an operating budget of \$2 million. The objective at the Cassiar tailings project is to produce 1000 tonnes of fibre per month for three months. This would demonstrate the viability of wet milling to investors and lead to a larger plant and milling capacity.

EXPLORATION

The Turnagain Nickel (Cub) project of Ben-Mar Resources is continuing to be evaluated. Paul visited the site, which is disseminated nickel that could be mined by open pit. Five holes are being drilled and core from previous activity is being evaluated.

Exploration financing is not readily available. Redfern is seeking to raise financing for definition drilling and even though they have an EA Certificate uncertainty regarding the position of the State of Alaska has reduced confidence. Also, other projects where financing is not yet in place includes Sino Pacific and the CR property south of Houston, Booker Gold and Morrison/Hearne Hill, Alliance Mining and the Ascot VMS prospect and Kenrich on Corey Creek near Eskay Creek.

Atna Resources has indicated no confidence in RMZ's. They have indicated that they want to get out of the White Bull and Real properties in the

I N T E R O F F I C E M E M O R A N D U M

Created: 18-May-1998 09:14am PDT
Sent: 18-May-1998 10:07am PDT
From: Paul Wojdak of EI
PWOJDAK
Title: Regional Geologist
Dept: Ministry of Energy & Mines
Tel No: 847-7391

TO: See Below

Subject: Weekly report, May 15

Premier
Coeur d'Alene Mining made a second examination of the Premier mill as a possible site to treat gold ore from its Kensington deposit near Juneau, Alaska. Potentially, ore would be barged to Stewart and trucked to Premier. The company is unable to permit mill development on site due to strident public opposition.

Huckleberry mill continues its much improved performance: throughput of 19,600 tonnes per day (rated at 18,000 tpd) and 91% copper recovery (92.5% target) for the month of April. Operating cost is \$Cdn 1.09 (US 0.76).

Golden Bear mine site is active with heap leach gold production expected to start by June 1.

Town of Mackenzie's enthusiastic support made Minerals North a successful event. Registration of about 65 (including speakers) with about 90 present at the banquet to hear DM Joan Hesketh speak about the mining initiative and state that Bill 12 (Mining Rights Amendment) had received royal assent. Maureen Lipkewich was presented with a \$10,000 cheque by Bruce Bried (Snip mine) on behalf of CIM for the Mining Association's school program.

Paul Wojdak

Distribution:

TO: Wallace Bergen of EI	(WBERGEN)
CC: David Lefebure of EI	(DLEFEBURE)
CC: Duane Anderson of EI	(DANDERSON)
CC: Bob Lane of EI	(BLANE)
CC: Mike Cathro of EI	(MCATHRO)
CC: Robert Pinsent of EI	(RPINSENT)
CC: Paul Wilton of EI	(PWILTON)
CC: Tom Schroeter of EI	(TSCHROETER)

TOS → RG
- Smithers

I N T E R O F F I C E M E M O R A N D U M

Created: 05-Apr-1998 02:18pm PDT
Sent: 09-Apr-1998 04:06pm PDT
From: Paul Wojdak of EI
PWOJDAK
Title: Regional Geologist
Dept: Ministry of Energy & Mines
Tel No: 847-7391

TO: See Below

Subject: Weekly report - April 9

Teck is cutting back exploration in Northwest region (and elsewhere in BC) based on legal advice re-Delgamuukw. Last year Teck started a Smithers-based search for copper-gold porphyry targets in the Skeena Arch. The program identified good quality targets on open ground (3 properties were acquired by staking) and, based on this success, Teck geologists expected the reconnaissance program to continue. Unfortunately it will not because of management concern about security of tenure. Programs are proposed on two properties: Kit 50 km NW of Smithers and Jake 150 km north of Smithers.

Premier
Polaris
Taku

Canarc has made an offer to Boliden for the Premier mine. If successful it would pursue exploration at Premier and incorporate the mill into its plans for Polaris Taku. Canarc still has insufficient money to reactivate exploration at Polaris. Three companies are "interested" in the project: Goldcorp, Westminer and Teck, but no deal is imminent. Denison has bowed out of contention.

specimen

No plans for site work at Harmony Gold on QCI. Misty Mountain is enthusiastic about metallurgical testwork: Bio-oxidation of coarse crush ore followed by heap leaching.

Kutcho

Atna Resources will not continue work on claims staked in 104I based on the 1996 RGS release (Blue Sheep lake area). Reasons include: weak geologic target, remote location AND increased uncertainty from special management in the Muskwa-Kechika area.

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TO: Wallace Bergen of EI (WBERGEN)
CC: Bob Lane of EI (BLANE)
CC: Mike Cathro of EI (MCATHRO)
CC: Robert Pinsent of EI (RPINSENT)
CC: Paul Wilton of EI (PWILTON)

Yes → Reg. Mar.
- Smithers

I N T E R O F F I C E M E M O R A N D U M

Created: 05-Oct-1997 09:12pm PDT
Sent: 05-Oct-1997 09:50pm PDT
From: Wallace Bergen of EI
WBERGEN
Title: Regional Manager
Dept: Employment & Investment
Tel No: 847-7385

TO: See Below

Subject: NW Region Weekly Report to October 3/97

MINES

Huckleberry Mine was officially opened on October 1 and started things with a real blast. As of the opening ceremony most mill systems were up and running, with the exception of the moly recovery, which should be operational in about 3 weeks. As of the opening ceremony 5 unit trucks of concentrate had been shipped to the terminal in Stewart. Both the Premier and MEI Minister Miller noted the need for continued exploration to identify new mine potential. An ongoing problem with the placement of ARD rock on site is being addressed.

Large placer operators in the Atlin area are still operating. Most will shut down by the end of October. One operator plans on mining through the winter as weather permits.

No activity at either New Polaris or Redfern (Tulsequah) sites. Tulsequah EA Project Report is in the public review stage with agency comments to follow.

Longer than expected electrical installation has slowed the B.C. Chrysotile project at Cassiar. Company still hopes to run some product before freeze-up.

Wally
Cusac Gold Mines is working at a reduced rate but has made some interesting drill hole intersections. Reclamation of some of the open pit disturbances has commenced and will continue until snow fall is too great. Cusac is moving to reduce it's outstanding reclamation liability as a result of discussions with Smithers and Victoria staff.

Golden Bear has started up the cyanide destruction circuit in anticipation of an Oct 10-14 detoxification process the the heap leach pad. Leaching has been very successful to date.

Premier Mine is down to 2-2 person crews on site, with one week in and one week-out. Property is on a care and maintenance basis until further notice. The company is commencing discussions regarding site reclamation. (t)

Wally Bergen

INTEROFFICE MEMORANDUM

TGS → Reg. Mgr
- Smithers

Created: 06-Dec-1996 08:55am PST
Sent: 06-Dec-1996 09:49am PST
From: Paul Wojdak of EI
PWOJDAK
Title: Regional Geologist
Dept: Employment & Investment
Tel No: 847-7391

TO: Doug Flynn of EI

(DFLYNN)

SNIP Subject: Weekly update

Snip concentrate is being "piggybacked" with Eskay shipments to DOWA smelter in Japan. Premier Gold's dealings with Cominco and then Homestake on treating Snip conc seem (from speaking with Ted Kenney) to have been fairly acrimonious.

Bruce Bried will be the new Manager at Snip.

Premier Gold continues to calculate ore reserves (from the latest round of U/g drilling) and conduct a feasibility study of re-opening the mine. It seems clear that if Westmin can find a buyer, Premier will be sold.

Cominco is very interested in the 1800 units staked by Tizard Exploration in the Kechika trough south of Watson Lake. Together with 1400 units staked in Cry Lake (104I) following the RGS release, the Cassiar-Watson Lake area promises to be active next year.

Porcher Island Gold are just completing 6800 ft of drilling at a cost of \$750,000. Drilling is scheduled to resume in late Jan/ early Feb. They envisage an on-site mill rather than shipping to Premier.