Premier 886510

# Schroeter, Tom EM:EX

From:

Bergen, Wally EM:EX

Sent:

Monday, November 13, 2000 10:55 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; Richard Booth; Rick Adams; Rick Conte; Ross Curtis; Sharon Jorgensen; Shelley Guthrie; Ted Hall; Terri Starkes; Tom Carter; Tom Schroeter;

Wesley Kennedy

Subject:

NW Region Weekly Report to November 10, 2000

### MINING

Endako Mine is experiencing major financial difficulties at the current price of moly. The mine has gone onto a 12 week lay-off notice for all employees. The mine is going to be working with the Job Protection Commission to try and find relief until moly prices improve. The mine has just competed installation of an in pit crusher and conveyor belt to try and reduce haul costs. If the lay-off proceeds 218 employees will be affected.

Premier Gold: Rock falls into Cascade Creek Diversion have been cleaned up as much as possible for this year. More work to do next spring during low water flow period. Considerably more work to do on slope stabilization if diversion to be accepted for long term.

Golden Bear: Final mucking of Kodiak B ore completed November 8th. Underground stood up much better than expected. Underground development was extended into the small Kodiak C deposit during mining of Kodiak B. Testing determined narrow widths and poor gold leach recovery and it was determined not to mine Kodiak C. This means that oxide reserves at Golden Bear are exhausted. Leaching of ore mined this year will continue in 2001 but gold production will be much less than the 95,000 ounces produced this year Tonnage and grade were almost exactly to predicted values. Production this year was in excess of 96,000 ounces gold. A'l employees are to leave site Nov. 11 except for watchmen.

Cassiar: Resumed production Wed. Nov. 8th after a three week shutdown. Cassiar is experiencing some marketing problems which have resulted in high on site inventories of certain length fiber stocks. Mill has been re-tooled to produce a fiber length in demand by Mexico. Mill may close for a period over the Christmas-January, 2001 period.

skay creek Tailings pipeline construction has stopped for this year. Pipeline is about 95% complete. Drop section into Tom Mackay Lake still to be completed and liner to be installed in pipeline. Homestake expects pipeline to be operational in July of 2001.

D/O in mine last week resulted from an employee traveling into a heading that had high levels of carbon dioxide gas build-up. Employee was able to leave area and after being checked out by the first aid went back to work. Employee had turned on ventilation fan but did not wait long enough for gas to be expelled.

### **RECLAMATION**

The Premier Power Corporation, who propose to construct a hydro electric generation plant at Long lake in the vicinity of the Premier Mine, has indicated that the company has submitted their proposal to B.C. Hydro and the preliminary feedback is that Hydro is definitely interested in the power. Among the options being examined is one that would provide Stewart/Hyder, Aiyansh and the Nass Valley, etc. with power independently in the event of a major outage on the main line to Terrace and Stewart. Premier Power is negotiating the specifics of an agreement with Boliden to use specific structures and tenures on the Premier site.

Skyline Gold Corp. A small group of company personnel and contractors flew into site in September and started the clean-up and reclamation of this property. Less work than anticipated was accomplished this year due to the late snow melt. Company is expecting to continue next year as early as snow melt permits.

To Key Mar

From:

Bergen, Wally EM:EX

Sent:

Sunday, August 20, 2000 9:55 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: Grace Harris: Graeme McLaren; Greg McKillop; Gregg Stewart; Joan Hesketh; John Clancy; John Errington: Kerry Readshaw; Linda Stewart; Maija Finvers; Marlene Cochrane; Pat Cheetham; Richard

Booth; Rick Adams; Rick Conte; Ross Curtis; Sharon Jorgensen; Shelley Guthrie; Ted Hall; Terri

Starkes: Tom Carter: Tom Schroeter: Wesley Kennedy

Subject:

NW Region Weekly Report to August 20, 2000

#### MINING

Cassiar resumed production on August 2 after a 4 week forced shutdown due to a cash flow problem. Apparently a client for mill product did not pay for product delivered. Company lost only 2 of their employees due to the shutdown. Focus will be on getting 220,000 tonnes of material down from the Cirque dump and other sites for winter ore feed. Currently producing 68 tonnes of fibre per day.

As result of the judicial review and the judges ruling the EA review of the Tulsequah certificate has been reopened. The judge ruled that in the latter stages of the EA process insufficient time and consideration was given to First Nations information in relation to the road route and therefore the recommendation to the ministers was inadequate on this point. The EA process must be reopened and information regarding the road route and the impact on FN traditional values must be given consideration. The EAO held an information gathering and organizational meeting of committee members in Smithers on August 9 to commence the reevaluation process and further meetings/discussions are planned for September.

) REALISON July 31 Wheaton River Minerals advised Boliden Limited that Wheaton would not proceed with the acquisition of an interest in the Premier Mill and Tailings storage system. Apparently after weighing all of the factors Wheaton River felt that the degree of uncertainty associated with both the technical and cost issues. would expose the company to an imprudent degree of unquantifiable liability. Pond capacity, dam integrity, acid generating potential of existing tailings, the potential for intervention during the permit amendment stage, the necessity of adding another (downstream) lift on the dam, a new water reclaim system and holding costs were among factors considered.

Wheaton River expressed their appreciation to all personnel of the Ministry of Energy and Mines and the Ministry of Environment, Lands and Parks and indicated that staff were very helpful during their deliberations.

Golden Bear- Mining of Ursa pit nearly complete, 9.2 g/t Au average grade to heap (8 g/t was forecast). Underground development (4 sublevels and slot raises) of Kodiak B completed. Company hopes to complete mining this year, and expects to be working into early November. Gold recovery has been higher than anticipated from the heap leach and should exceed previous year's production. Work is underway on various reclamation activities.

#### **EXPLORATION**

Homestake Ridge- Teck acquired this very prospective property SE of Red Mountain, on the southeast side of the Cambria icefield. Consolidation of claims from difficult-to-deal-with owners has prevented exploration of this property for many years.

Eskay Creek- As a result of a visit on August 10 Paul indicates that the mine is operating at 550 to 570 tonnes per day (250 tpd of mill ore and 300 tpd of smelter ore). Exploration drilling focused on north plunge trend, \$3.3 million, 22,000 metre program using 4 drills. Homestake has presented a new offer to the owners of the SIB claims. Auction of Tagish claims is keenly anticipated by Homestake.

Cronin - Discovery Consultants purchased the reverted Crown Grant claims at government auction for \$4060. Copied maps, assay plans and sections for Tom Carpenter (thanks to Elaine/Esther).

From:

Bergen, Wally EM:EX

Sent:

Sunday, June 11, 2000 5:30 PM

To:

Al Hoffman; Andrew Whale; Bill Phelan; Brian Braidwood; Denis Lieutard; Duane Anderson; Ed Beswick; EM MB Smithers DL; Fred Hermann; Gerald German; Grace Harris; Graeme McLaren; Greg McKillop; Gregg Stewart; Joan Hesketh; John Clancy; John Errington; Kerry Readshaw; Linda Stewart; Maija Finvers; Marlene Cochrane; Pat Cheetham; Richard Booth; Rick Adams; Rick Conte; Ross Curtis; Sharon Jorgensen; Shelley Guthrie; Ted Hall; Terri Starkes; Tom

Carter; Tom Schroeter; Wesley Kennedy

Subject:

NW Region Weekly Report to June 11, 2000

#### **MINING**

Recommendation for issuance of a EA project certificate for Eskay Creek and Tom MacKay Lake tailings and waste rock disposal moving to consensus from review agencies. On May 31 EAO representatives, proponent and representatives of MELP and MEM met with Alaskan representatives in Ketchikan to present project. Meeting resolved many of Alaska's concerns. At last EA Project Committee meeting held on June 1 in Smithers general agreement that most questions resolved and that there should be sufficient assurance to recommend certification by next meeting, to be held on June 16 in Vancouver. MEM regional office late in submitting text for EA certification document. Evening and weekend work happening to get submitted.

MELP has ongoing concerns regarding placer activity in the Atlin area. During last years freshet pluming of water high in suspended solids was detectable into Atlin Lake from deregulated creeks with placer activity. Some residents were concerned that this may impact on drinking water drawn from Atlin Lake. No water sampling performed to see if any impact. Some residents have complained to MELP that drinking water is being impacted. At meeting with MELP staff in Smithers Regional Manager indicated intent to work to phase out deregulated creeks and have all creeks in Atlin area revert to normal Water Management regulatory regime. Briefing Note being prepared summarizing MELP position.

Representatives of Wheaton River/Red Mountain were in Regional office on June 7 reviewing information regarding the Premier mine site. Red Mountain is considering hauling ore from Red Mountain to Premier and processing it there. Red Mountain reviewing files and information regarding Premier site prior to proceeding further.

Huckleberry- After a recent tour of the mine Paul Wojdak reports that the mill has been running at a slightly lower rate over the past few months than last year, 18 000 tpd compared to 20 500 tpd. Work on the 10% mill expansion is in progress. Mining has progressed several benches into the Main zone pit with a pleasant surprise at the north end. Upper 2 benches that were expected to produce 40,000 tonnes yielded 400,000 tonnes of better-than-average-grade ore. This area was not re-drilled in the 1990's, reserves were determined from 1970-era holes that did not show ore-grade copper for unknown reasons (poor recovery?, lab problem?). The bonus ore is in the north wall of the pit, so if the ore continues to depth there will be a modification to the present pit design. Exploration drilling will commence soon (6-10 holes, 60 m deep), after the current 8-hole program on three targets peripheral to the East zone pit. This work is 2/3rd complete without significant success. Basal till for dam construction is being excavated from a pit immediately west of the granodiorite stock, which is also west of the Main zone. The basal till contains abundant angular cobbles of mineralized granodiorite, strong evidence of westerly directed ice flow. Huckleberry is performing a systematic count of cobble types as there is important implications for exploration in the area. An overburden rotary drilling program will begin soon. Vic Levson (GSB) will be studying this, and samples from Huckleberry's previous overburden drilling.

Fireside Barite production in 2000 is uncertain. Company is doing a market study before making a decision. Some product remains unsold from last year's mining.

Endako-Paul Wojdak reports that Endako re-commenced recovery of stockpile ore (on May 15, after 3 month hiatus) and ceased mining South Wall, where pit stability is a concern. South wall is still ravelling from wedge

JB > Rog My/ -Smither's

From:

Good, Bryan EM:EX

Sent:

Friday, July 23, 1999 3:49 PM

To:

Adams, Rick; Anderson, Duane; Bergen, Wally; Beswick, Ed; Booth, Richard; Braidwood, Brian; Carter, Tom; Castillo, Talitha; Cheetham, Pat; EM MB Smithers DL; Errington, John; Finvers, Maija; German, Gerald; Hall, Ted; Hermann, Fred; Hesketh, Joan; Hoffman, Al; Jorgensen, Sharon; McKillop, Greg; McLaren, Graeme; Phelan, Bill; Schroeter, Tom; Starkes, Terri; Stewart,

Gregg; Whale, Andrew

Subject:

Northwest Weekly Report for the week Ending July 23,1999

Sensitivity:

Confidential

- 1. Premier Power Corporation representatives (a joint venture between <u>Boliden</u> and <u>Summit Power</u>) were in <u>Smithers Tuesday</u> to provide an overview of the proposal to generate power at the <u>Premier minesite</u>. The project is essentially a <u>revision</u> to the scheme originally looked at when the Premier mine was opened by Westmin. The project could provide funds for the ongoing water treatment required at Premier as well as providing alternate power for Stewart. Our branch will be mostly concerned with implications for reclamation of the site rather than being a main source of permitting.
- 2. A minor leak was detected in a transport truck delivering sodium hydrasulphide (liquid) to the Huckleberry mine. As the tanker is normally unloaded by pressure it was decided to not do this and get a pumper to unload the tanker. Unfortunately the only unit available had to come from Kamloops causing about 12 hour delay. Work proceeded without incident.

B.H. Good, PEng

District Inspector of Mines

Rumour (via Dave Visagie) -some body (Ascot?)

toking over property

Clobestar Mining

768-7 Reg. Mg1 -Smillets

# Schroeter, Tom EM:EX

From:

Bergen, Wally EM:EX

Sent:

Friday, January 15, 1999 1:57 PM

To:

Beresford, Eric; Beswick, Ed; Booth, Richard; Braidwood, Brian; Carter, Tom; Castillo, Talitha; Cheetham, Pat; EM MB Smithers DL; Errington, John; Finvers, Maija; German, Gerald; Hall, Ted; Hermann, Fred; Hesketh, Joan; Hoffman, Al; Jorgensen, Sharon; McKillop, Greg; McLaren, Graeme; Phelan, Bill; Ross, Paul; Schroeter, Tom; Starkes, Terri; Stewart, Gregg; Stewart,

Linda; Whale, Andrew

Subject:

NW Region Weekly Report to January 15, 1999

#### **MINES**

The Silvertip EA review process is progressing with Draft Project Specifications scheduled for release for the 30 day review period by the end of day, January 15. This will be followed by the Project Committee Preparation of Final Project Report Specifications. The specs are very thorough with a broad range of topics covered. The proponent will have to resolve major issues around fish bearing streams, transportation routes, First Nations, Yukon Cumulative Effects evaluation, ARD/ML, site access and stream diversion. The EAO recognized the quality work of Kim Bellefontaine and the ARD sub-committee in preparing the ARD/ML specifications.

Bruce Graff and Doug Flynn attended 2 days of meetings on January 6 and 7 with MOF, MELP, DFO, EAO and Redfern Resources concerning the granting of a Special Use Permit (SUP) for the construction of the Tulsequah Chief mine access road. The meeting topics included a section by section review of the road and the shortcomings associated with the sections. Redfern still has some information gaps to fill. MOF is expecting to have a draft copy of the SUP out late this week or early next. A conference call is scheduled for January 21 to discuss the draft.

A meeting is scheduled with Huckleberry Mine for January 19 to discussed proposed amendments to the permit for the tailings dam. The company proposes to use cycloned sand for construction of the downslope portion of the dam. Careful consideration is being given to this proposal to ensure dam stability. Tim Eaton will be attending the meeting.

As a result of unsuccessful attempts to either sell the mine and mill, to bring in custom milling or to sell the mill intact, Boliden Westmin is now selling off the Premier mill in portions. Discussions continue to finalize the reclamation plan for the site.

### **EXPLORATION**

Harmony-Misty Mountain completed A holes to test an anomaly north of the Specogna deposit on the Queen Charlotte Islands but did not drill a proposed deep hole. Assays not completed yet but logging suggests no significant gold intersected. Main thrust of current work continues to be metallurgy and alternate heap leach processing.

Bronson Slope - International Skyline is working on financing for an underground exploration program accessed from Snip mine. A due diligence site visit has occurred by a U. S. company.

### RECLAMATION

The reclamation meeting scheduled with Noranda Mines regarding reclamation planning for the Bell mine site has been rescheduled to a date to be determined in late February or March. The company and agency representatives had not competed sufficient work since the last meeting to hold a productive meeting. Also, the company and various government staff are meeting with Lake Babine First Nation representatives to discuss and clarify issues around mine closure, reclamation and water quality. On January 13, Bruce Graff and Catherine Daniel met with the LBFN in Burns Lake to discuss mining issues. Most of the meeting focused on Bell Mine closure.

LAND USE PLANNING

Page 1

VGS-Reg. Mar -Smithers

# Schroeter, Tom EM:EX

From:

Bergen, Wally EM:EX

Sent:

Thursday, October 15, 1998 10:06 PM

To:

Beswick, Ed; Booth, Richard; Braidwood, Brian; Carter, Tom; Cheetham, Pat; EM MB Smithers DL; Errington, John; Finvers, Maija; German, Gerald; Hall, Ted; Hermann, Fred; Hesketh, Joan; Hoffman, Al; Jorgensen, Sharon; Marsman, Talitha; McKillop, Greg; McLaren, Graeme; Meyers, Rick; Phelan, Bill; Ross, Paul; Schroeter, Tom; Starkes, Terri; Stewart, Gregg; Stewart, Linda;

Whale, Andrew

Subject:

NW Region Weekly Report to October 15, 1998

### **MINES**

Thompson Creek Mines, Endako Operations, announced that due to low Moly prices and demand that they are cutting back production and laying off 50 to 60 employees. Thompson Creek has already cut back at their other operating mine in the U.S. The mine will remain in operation 5 days a week with a work force of 180.

Minroc Mines, owners of the previous Cassiar Asbestos operation, announced that they have a distribution agreement with a Japanese marketing company, Kakiuchi, for distribution of asbestos fibber in Asia and India. Minroc also has a distribution agreement with Hegler & Sohne GMBH of Germany for distribution in Europe, the Middle East and Africa. The company is also investigating recovery of magnesium from the tailings.

Cusac Gold, Table Mountain, has completed a small pit extraction of 800 oz of gold from the east side of the Erickson fault. This may lead to other prospects in the area. The company has also acquired the Taurus property and will be evaluating mining options.

Coeur Alaska, Coeur d'Alene Mines, is looking at the Premier mill to barge mill concentrate from the Kensington deposit in Alaska for recovery at Premier. The company considers permitting a cyanide plant near its Juneau site beyond reasonable hope/time frame.

#### RECLAMATION

Noranda's <u>Bell Mine</u> closure plan was the focus of discussion for a NWMDRC meeting on October 15. Representatives of the company, Lake Babine First Nation and government agencies met to <u>recommence the</u> mine closure and reclamation plan review. <u>October 16</u> meeting to include a field trip to the mine site and an open house presentation for the public and First Nations in Granisle.

#### LAND USE PLANNING

Efforts to bring MEM's and the mining industry's concerns into the Cassiar Iskut/Stikine LRMP continue. As result of the last IAMC meeting commitments have been made to provide more direction to the table regarding workable scenarios, management objectives and the overall process. This situation will be monitored closely and further discussions regarding implementable products may be required.

### Wally Bergen

Regional Manager, Northwest Region Ministry of Energy and Mines, Mines Branch Phone (250) 847-7385 Fax (250) 847-7603 mailto:wally.bergen@gems4.gov.bc.ca

From:

Wojdak, Paul EM:EX

Sent:

Friday, October 09, 1998 10:21 AM

To:

Bergen, Mally: Cathro, Mike; Lane, Bob; Schroeter, Tom; Wilton, Paul

Cc:

Burchett, Esther: Daniel, Catherine: Ennis, Sandee: Flynn, Doug: Good, Bryan: Graff, Bruce:

Hanson, Daryl: Konschuh, Elaine: Malott, Mary Lou; Pardoe, Jill: Price, Bill

Subject:

Weekly report, October 9, 1998

Cusac Gold Mines are nearly finished one month of mining from a small pit on the Bear yein at the Table Mountain gold mine. Expect to produce about 800 oz of gold. This is the first production from east of the Erickson fault. The vein mades about 1 ozAu/ton and with dilution mill head grade is about 0.5 oz Au/ton. Cusac has also acquired the Tarris property and will be evaluate mining the better grade portion of the low grade zone identified by Cyprus Amon and International Taurus in 1994-96, e.g. 9 million tonnes of 2 g/t Au.

Premier Gold continued of the giant culvert at 1 boulders and re-activation

focus on reclamation. Use of the pit haul road has been lost due to collapse/erosion Creek, just above the mill. The old Premier 4-level access road has been cleared of he status of companies that have considered purchase of the property:

- Coeur Alaska (Coeu recovery at Premio
  - lene Mines)- would barge mill concentrate from Kensington deposit for CIL gold . The company considers permitting a cyanide plant near its Juneau plant site beyond reasonable tone/time frame. Kensington is a bulk tonnage U/g mine (0.14 opt Au) and in on hold at current price. Company still interested.
- Harmony Gold- a Su They WERE keen ' current interest.
- African company that mined the Bissett (San Antonio) gold deposit in Manitoba. enior management decided they want to go after a bigger deposit than Premier. No
- Wheaton River- ex Canarc- WAS inter-
- ned property but no follow up.
- inactive.
- in exploration potential and in mill for Polaris but now have no money and are

Eveready Resources of manto/vein prospect.

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Harold Hendrickson, F west of Smithers. We

There is a strong VLF-

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Planning for Smithers traditional early March Sensing.

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Ed Westgarde, a long-Chisolm Lake in the

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Discuss/ promote NV// Miller-Tait (Cross Lak

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Preparing slides for E

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Whitehorse (Geoscien

7B>RG

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Woidak, Paul EM:EX

Sent:

Friday, October 09, 1998 10:21 AM

To:

Bergen, Mally; Cathro, Mike; Lane, Bob; Schroeter, Tom; Wilton, Paul

Cc:

Burchett, Esther; Daniel, Catherine; Ennis, Sandee; Flynn, Doug; Good, Bryan; Graff, Bruce;

Hanson, Daryl; Konschuh, Elaine; Malott, Mary Lou; Pardoe, Jill; Price, Bill

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Preparing slides for Ewi

ion Review presentations in Victoria (GSB- Oct 29), Smithers (SEx- Nov 18) and

⇒v 23).

Add to ... New disc.

768 -> Reg.1 - Smith

# Schroeter, Tom EM:EX

From:

Flynn, Doug El:A1

Sent:

Friday, August 07, 1998 10:33 AM

To:

Price, Bill A El:A1; Bergen, Wally EM:EX; cberkes@eivic.ei.gov.bc.ca; Booth, Richard EM:EX; Burchett, Esther El:A1; Conte, Rick EM:EX; Eaton, Tim EM:EX; Errington, John EM:EX; Good, Bryan El:A1; Graff, Bruce El:A1; Hanson, Daryl El:A1; Hermann, Fred EM:EX; Hoffman, Al EM:EX; Ted Hall of El; Konschuh, Elaine El:A1; lefebure@mp.gsb.empr.gov.bc.ca; Logan, Claudia EM:EX; Malott, Mary Lou El:A1; McKillop, Greg EM:EX; Meyers, Rick E El:A1; Pardoe, Jill El:A1; Rennie, Lorna EM:EX; Robertson, Sheila EM:EX; Schroeter, Tom EM:EX; Smyth, Ron

EM:EX; Van Zalingen, Sylvia EM:A1; Whale, Andrew EM:EX; Wojdak, Paul El:A1

Subject:

Northwest Region Weekly Report

#### General:

Fireside Barite operation has removed a total of 18,000 tonnes of barite from the Bear vein pit and has ceased operation for this year. Diamond drilling may be done later in the season to prove up more reserves in the Bear vein. First Nations involvement in project has been good to date with a number of Kaska people being employed on the site.

Snip mine is still scheduled for closure in the second quarter of 1999. Some staff have started to leave to new employment elsewhere. Closure plan is being worked on by company and their consultants.

Eskay Creek is doing well. Current reserve picture has more ore in ground now than when mine started production. Company is investigating a potential large tonnage, lower grade find under present mine. Ore reserves and grade being defined now.

Unusual occurrences over the last couple of weeks at Eskay Ck.involve a contract trucker driving off the road due to loss of headlights. No injuries sustained by driver but truck received some damage. There was a close call between ore truck and a suburban on the road into site. It appears radio call signals where not made as required by road procedures. Suburban hit the ditch and sustained some damage. Some minor injuries to occupants which could have been avoided had seat belts been worn. Road use policies reissued to all drivers.

Kitsault mill currently being removed by contractors. Site is supposed to be cleaned up by end of October.

Coeur Alaska, owners of Kensington Project in Alaska, are showing a lot of interest in Premier Gold site. They are interested in purchasing mill to treat a gold concentrate from their Alaskan property. Expect to hear more from them over the next couple of months.

Boliden [Westmin Resources] is putting the finishing touches to the Premier Gold closure plan and is expected to submit it for review sometime in third quarter.