

765-7R6 -Van.

INTEROFFICE MEMORANDUM

Created: 09-Jun-1997 01:03pm PDT Sent: 13-Jun-1997 10:02am PDT From: Robert Pinsent of EI RPINSENT Title. District Geologist Dept: Employment & Investment Tel No: 660-0223

TO: See Below

Subject: SOUTHWESTERN REGION MONTHLY REPORT: JUNE I

EXPLORATION:

- T'Sable River Coal Corp has had "open-houses" to notify the public of its plans to extract a 90,000 tonne bulk sample from the T'Sable coal field. The company will spend \$5-6 million over two years. All being well, it plans to develop an operation capable of producing 1.0 million tonnes clean coal/year, similar to Quinsam.

- Allied Mine Technologies has dropped its option on the Valentine Mountain gold property because of funding difficulties. The move is unfortunate as the company has just completed a successful trenching program. I recently had a major company in asking about the property, so all may not be lost.

- Riverstone Resources Inc. is drilling a strong IP anomaly four Km northwest of the Fleetwood zone on the Seneca property. To date, the holes have encountered intense disseminated and stockwork pyrite vein mineralization in felsic/intermediate flows, tuffs and breccias. An active mineral system but little obvious economic mineralization (visited).

- Aquaterre Mineral Development has taken an option on the Smaby/Thumbs Peak VMS property "Kuroko-type" VMS deposit on Southwest/Northwest boundary north of Bella Coola. It has a commitment to spend \$250,000 drilling the property this year.

- MineStar Resources Corp (60%) has a JV agreement with KLS Holdings (40%) to develop the Monument gold vein property, on the Hozameen fault, near Hope. It has permits for the "first" 10,000 tonnes bulk sample. It plans to drill to increase reserves.

- Canquest Resources Corp plans to drill a further six holes (770 metres) on the OK porphyry copper property, near Powell River. The holes will explore a high-grade copper breccia zone at the south end of the deposit.

WM - Great Pacific Pumice Inc. is still extracting relatively small tonnages from its pumice quarry near Mount Meager. It, plans to move its processing plant to a sign near squanish.

INTEROFFICE MEMORANDUM

Created: 09-Jan-1998 11:01am PST Sent: 09-Jan-1998 11:44am PST From: Ted Hall of EI TJHALL Title. Regional Manager, Nanaimo Dept: Employment & Investment Tel No: (250) 751-7375

TO: See Belcw

Subject: Southwest Region Update - January 9, 1998

ISSUES:

* Jameson Rcad Quarry - review process on hold pending approval of Regional District under OCP and zoning regulations; RD response expected in mid-February, will likely be negative and result in denial of quarry permit; "hate" mail still being received from public.

* Garibaldi-Alpen ski resort proposal has entered EA process; potential conflict with existing mineral tenures anticipated; MEI will be providing mineral potential data and concerns re. existing tenures to Project Committee via George McKay in BCTIO.

* Steelhead Aggregates/Lake Errock Pit - has applied for major expansion; may require soil removal permit under new, restrictive FVRD bylaw; has potential to make operation non-viable.

* Sylvester Road Quarry/Ekset - application for major expansion and 50,000 tpy crushing operation has been referred to FVRD and public; same concerns as Lake Errock.

* Parkhurst Pit - District of Whistler has withdrawn earlier promise of support for proposed gravel pit under pressure from local councillors; permit likely to be denied under zoning bylaw.

Mount Currie Band opposing Lava Pumice project and requesting meeting to establish consultation protocol; referred to B. Braidwood for follow-up.

FYI:

* Review comments on Nanoose Bay OCP were submitted to Regional District of Nanaimo requesting changes to ensure access to aggregate and subsurface mineral resources.

* Imperial Metals/Giant Copper - planned 10,000 tonne u/g bulk sample program to be replaced by surface bulk sample; new application and ARD data expected in mid-January.

Mrs -> Reg. Mgr - Nanain

INTEROFFICE MEMORANDUM

Created: 12-Jun-1998 10:30am PDT Sent: 12-Jun-1998 12:14pm PDT From: Ted Hall of EI TJHALL Title. Regional Manager, Nanaimo Dept: Ministry of Energy & Mines Tel No: (250) 751-7375

TO: See Below

Subject: Southwest Region Update - June 12, 1998

ISSUES:

DMM

* District of Squamish have protested the issuance of the Great Pacific Pumice permit for a processing plant in Squamish, and are now re-interpreting the zoning bylaw to exclude stockpiling as well; Squamish is taking legal action under the zoning regulation to block any development, and have convinced MOF to cancel the timber sale on the property. It appears the company has gone through an exhaustive year-long environmental and public review for nothing; the operator indicates that the Mt. Meager Pumice project may be forced out of business by this action, and will be taking legal action against Squamish.

* Parkhurst Pit draft permit has been prepared consistent with Whistler's proposed soil removal and deposit bylaw; permit issuance hinges on decision of Whistler Council at June 15th meeting.

* Permit approval for North Slesse bulk limestone sample has been put in abeyance due to discovery of the internationally recognized Iron Curtain Caves on the quarry property; meetings with MOF and the proponent will be organized to explore management options.

FYI:

* TH to make presentation to RDN Aggregate Study steering committee June 17th; Phase I mapping project by GSB is proceeding on schedule (funding confirmed), and Phase II contractor will now be selected to carry out socio-economic modelling.

* Fraser Basin Council has organized a June 24th inter-governmental workshop to discuss pollution problems at Britannia Mine; TH will represent MEM; expect pressure on MEM to take more proactive lead (\$) role.

Ted Hall Southwest Region

Distribution: