

The Wood Kent 2/1

plans to drill-test the geophysical targets and drill additional stratigraphic recce holes in November/December. The results should be interesting!

Quinsam Coal Corporation drilled three PQ holes to test the down-dip depth and continuity of the main coal seams at Quinsam north of the 2N/3N mine block. The results are encouraging. The coal is still of good width (2-3 metres) and mineable although it is a little "dirtier" than they might wish, reflecting a tendency for the seam to shale out.

The company will drill seven more PQ holes between the 2N and 3N blocks. The holes are needed to confirm thickness, quality and local structure in an area not adequately tested while the company planned for open-pit production. The programme should change probable reserves to proven.

The company is in transition with regard to production. It has finished open-pit production and is dependant on coal from underground from the 2S and 2N mining blocks. It commenced production from 2S in the spring and it is currently developing a new production area in the 2N. Production has been hampered by a need for rock-bolting and development has been slowed by the presence of numerous minor off-set normal faults. It operates one "continuous miner" in each area and has one doing development work. It needs to blend coal from the two areas to ensure sulphur content does not exceed 1.0%.

Island Copper

- BHP Minerals is making money at Island Copper! The company is finding it increasingly difficult to find mill-feed and it is running the mill at around 52,000 t/d, considerably below its 57,000 t/d capacity.

The south wall of the pit developed ground problems and started to slip. It has had to be buttressed with waste. The problem may "cost" BHP approximately 16 m/t of "ore", equivalent to around 9 months of production. The company were drilling drainage holes into the wall whilst I was there. These were making water. They may stabilize the situation. It is possible that the company will be able to recover some of the 16 m/t by mining from the flanks as opposed to the face.

If the company is not able to extract the resource, it expects to use up its stockpile and close the mill sometime around September/October 1995. BHP is already implementing its closure plan. It no longer removes waste from the pit. It has smoothed and covered its waste dumps and it is ready to seed 150 hectares around the pit. (Small Goal 2 "Cultural Heritage" site or potential golf course?). There has been no decision on the proposal to dump garbage into the pit. If it does not go ahead, the pit will be flooded.

The company feels that there are no mineable reserves around the minesite and it does not feel that there is much likelihood of establishing a custom mill facility. The company management was extremely disturbed when MELP representatives informed them that a custom milling operation would require a full MDR of both mine and millsite!

MR - Pinson - Aug. 94

RG - Van.  
June 26/95  
Pinsent

Mines. He will be attending the first meeting of the reactivated Public Advisory Committee in July.

- Don Vander Horst has completed the first draft of the Callaghan Lake Study Team report. It still contains a lot of biased wording that reflects the opinion of some and not others (I will have to stop going on about the STUPENDOUS mineral potential of the area and its HUMUNGOUS deposits!). The study team meets on 5th July.

OFFICE:

- VIMDRC Meeting in Nanaimo to discuss developments at Island Copper and Quinsam Coal.

BHP will likely cease mining in the pit in July and exhaust surface stockpiles in December. At that point, it will shut down the mill and reroute acid rock drainage into the pit. The company plans to flood the pit with salt water. There is still some discussion as to whether this should be done through an open channel or infiltration through the dump.

The Mine Manager, Bill Hogan, stated that the company had "no intention of destroying drill core". He is perfectly happy to negotiate some other arrangement with Jordex and/or EMPR. He is also open to any suggestion that GSB might have with regard to preservation of geoscience material. The company intends to dismantle the mill immediately. It expects the site to be cleared in two years.

QUINSAM

Quinsam Coal Mines Limited plans to drill 16 holes and construct two adits into the 4 South block at Quinsam. It will remove 5,000 tonnes for a test run. If successful, it will use the adits as portals for full-scale production early in 1996. It needs the site to replace production it will lose when it closes the 2 South block at the end of the year. The company also plans more drilling (19 holes) in the 2 North Area. These are to confirm the thickness and quality of the coal in a poorly drilled off part of the deposit. Quinsam Coal is also trying to permit a rock quarry for domestic usage, road construction etc.

- Visited the Lucky/Tog property, near Kennedy Lake, on Vancouver Island. Consolidated Logan has identified a Kuroko-type VMS environment in unmetamorphosed rocks of the Westcoast Complex. It has located a considerable amount of stringer pyrite and a small amount of exhalite chert with sulphide fragments in a package of feldspathic crystal and lapilli tuffs. The discovery suggests that there is VMS potential in the Lower Bonanza formation of Southern Vancouver Island.

- Query from MOF concerning implications of FPC for Mineral Tenure Act and Mines Act. Who takes responsibility for reclamation after claims lapse etc.

- Query from EMPR in Nanaimo regarding a promotional news-release on the Marathon (gold vein) claims near Cowichan Lake.

- Query from LMPB concerning designation of "HIAS" on Vancouver Island.

JGS → RG  
- Van

INTEROFFICE MEMORANDUM

Created: 11-Apr-1996 10:01am PDT  
Sent: 30-Apr-1996 12:22pm 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: APRIL 1996

EXPLORATION:

- Athabasca Resources has received the results of its metallurgical test work. Preliminary feasibility work suggest that the company could refurbish the Carolin mine and mill for \$7.0 million Cdn and produce and ship sufficient flotation concentrate to generate 51,400 ounces of gold a year, at a cost of US \$259 per ounce.

The company has submitted a NOW for 25 underground drill holes for a total of 4,750 metres. It expects to complete its feasibility next July and, as it considers that its permits are already in place, it is talking of production by the end of the year!

SENIOR  
- Quinsam Coal has completed a five hole programme over the 4S area at Quinsam. It is currently driving a development drift in the deposit. The new wash plant is up and running and there is more drilling to come, including holes to increase 2N reserves.

- Verdestone Gold Corp. has submitted a NOW for basic grid work and three holes for an aggregate depth of 2,000 metres on the molybdenum property at Salal Creek, near (but outside) the so-called "Randy Stoltmann Wilderness Area".

- La Rock Mining is back drilling at Brandywine. The company reports three zones that "appear to contain massive sulphide" in its second hole.

LD  
- Flame Petro-Minerals Corp. has submitted a NOW for seven holes for a total of 1,000 metres drilling on the LD VMS property on the west side of Harrison Lake.

LAND-USE:

- Five new "goal two" (small) parks announced for the Gulf Islands.

YOS → RG  
- Van.

INTEROFFICE MEMORANDUM

Created: 30-May-1996 03:27pm PDT  
Sent: 30-May-1996 04:42pm 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: MAY II

EXPLORATION:

- IM* - Lafarge Canada Inc. released plans to spend \$130 million upgrading its cement plant in Richmond. The plant will produce 1.0 million tonnes of cement using limestone from Texada and coal from Quinsam (rather than natural gas, as before).
- Quinsam* - Quinsam Coal Corp has submitted plans to bulk sample and then develop the "242 block" at the south end of the coal lease. It will also drill the area for structure and to upgrade parts of the 3.5 million tonne reserve from probable to proven.
- Brandywine* - La Rock hasn't released assy results from the third hole at Brandywine. However, the core looks to have good shear-hosted gold mineralization, notwithstanding the company's reference to VMS potential!
- Debbie* - White Hawk Ventures has optioned the Linda claims from Westmin Resources, consolidating its hold on the "Debbie" property near Port Alberni. The company plans to high-grade the Debbie 900 zone and the Linda Vein at the south end of the Mineral Creek adit.

LAND-USE:

- RPT (finally) saw a map of the areas Lower Mainland RPAC intends to recommend for protection. No major surprises but some odd choices and bizzare boundaries. Agency input (except for MOF who were instructed to find wood) limited to discussion on inclusion or exclusion of "pot" farms (biodiversity & cultural heritage v resource extraction). LUCO was responsible for negotiations that have not adequately covered off all our issues.
- IAMC has instructed RPT to prepare for the "Sea to Sky" LRMP (Soo Forest District and TFL #38). Rolf Schmitt drew the short straw and will be on the IPT. .... Welcome Friend!

TFS → RG  
- Van.

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

Created: 07-Aug-1997 01:19pm PDT  
Sent: 29-Aug-1997 03:33pm PDT  
From: Robert Pinsent of EI  
RPINSENT  
Title: District Geologist  
Dept: Employment & Investment  
Tel No: 660-0223

TO: See Below

Subject: SOUTHWESTERN REGION MONTHLY REPORT1 JULY/AUGUST

EXPLORATION:

- First Choice Industries has started a 21 hole (aggregate 2,500) drill program at Knob Hill. It is looking for "porphyry copper" and "epithermal gold" mineralization at the west end of the Island Copper belt. It plans to drill a circular "highly resistivity" geophysical anomaly of unknown origin and an extremely strong "chargeability" halo that is known to be caused by a strongly acid sulphate altered, weakly gold-bearing rhyolite breccia. RESULTS TO DATE ARE VERY ENCOURAGING!

QuET - Mount Hope Resources (Jo Shearer, Scott Angus) has arranged a private placement of \$750,000. Much of it will be spent on exploration in Lower Mainland. The company is repairing roads in advance of drilling the Hotspring (Quet) Au,Ag,Pb,Zn property north of Harrison Lake. Noranda explored the area for VMS in the late 1980s and outlined a broad zone of low-grade, strata-bound mineralization in volcanic breccia. Mount Hope will drill the property for structurally controlled feeder zones.

Silver Peak Other properties owned by Mount Hope include the past-producing Emancipation Mine, near Hope; the Jessy (North Siwash) gold showings on the Hozeameen fault near Spuzzum and a new gold geochem target on the same fault at Ghost Pass north of Manning Park. It also has disputed ownership of the past-producing Silver Peak property south of Hope, an epithermal system associated with a high-level, Tertiary felsic dyke swarm.

Brandywine La Rock Mining Corp has restarted drilling on the Brandywine Property, near Whistler. The company plans to drill around 8 holes for a total of 1,200 metres testing geophysical targets for structurally controlled gold and VMS deposits.

Quinsam ~~Quinsam~~ Coal Corp produced 535,000 tonnes clean coal in the first six months of the year, somewhat less than hoped. It is currently drilling (1) to ensure there are no structural complications in advance of developing a new work area in the 2N block; (2) to test the feasibility of accessing the 242 zone through 4S workings and (3) on the down dip edge of the 2N block to replace reserves. These currently stand at around 36 million tonnes. (Visited).

T'Sable River Coal Corp has held three open-houses. There were some

TGS → Reg Mgr  
— Nanaimo

INTEROFFICE MEMORANDUM

Created: 26-Jun-1998 04:27pm PDT  
Sent: 26-Jun-1998 05:13pm 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 26, 1998

ISSUES:

\* The Forest Land Commission has announced its conditional (3-year) approval of the Englishman Aggregates Ltd. proposed gravel pit, paving the way for a permit application to the VIMDRC. The FLC announcement has prompted many calls from the public and media enquiring about the VIMDRC review process.

\* The proposed Whistler soil removal bylaw did not make it on to the June 15th Council meeting as planned; the draft bylaw and a recommendation to permit the Parkhurst pit will be considered by Council on July 6th.

\* The Chief Inspector and regional manager will meet with the City of Abbotsford July 2nd to discuss quarry zoning issues on Sumas Mountain; proposed operations on Ward Road and Atkinson Road are currently in limbo pending resolution of land use issues.

Quinsam  
\* Quinsam Coal have announced plans to re-activate the Block 242 test mining program; revised mine plans and details of proposed mining methods are to be submitted before MEM approval.

FYI:

\* A Fraser Basin Council workshop on Britannia Mine was attended by Hall; progress made on developing a strategy for coordinating urban and industrial developments on the site to facilitate the construction and operation of an ARD treatment plant.

\* A Vancouver company is preparing a proposal for a 5-year, 20 million ton gravel pit on the Britannia Mine townsite area, to supply aggregate for the Sea-Tac airport runway project in Washington; the pit would be the first in the region to be captured by the EA Process.

\* A retirement dinner for Bob Bone will be held at the Rutherford Golf Centre in Nanaimo at 6 p.m. Monday, July 29th; any last minute guests or notes of congratulations please contact Trudy right away at (250) 751-7375.