

Quintette
886745

Schroeter, Tom EM:EX

From: Lane, Bob EM:EX
Sent: Friday, October 16, 1998 12:03 PM
To: Smyth, Ron EM:EX; Lefebure, Dave EM:EX; McMillan, Bill EM:EX; McArthur, Gib EM:EX; Schroeter, Tom EM:EX
Subject: Lane Weekly Report: October 12-16, 1998.

Exploration Monitoring:

Cariboo Gold Quartz. Surface diamond drilling continues on the BC Vein. Assay results from hole BC98-01 include an 11.4 metre intersection grading 6.53 gpt Au. Eight holes have been completed on the BC Vein and another 6 holes are planned. A total of 24 underground percussion holes, drilled upwards from the 1200 Level, were completed on the Sanders zone. Results released to date include several narrow high grade intersections (i.e. 36.14 gpt Au over 1.2 metres and 50.09 gpt Au over 1.2 metres) with broad intervals of unmineralized wallrock typical of the vein systems in the Cariboo.

Fawn (Malaput showing). Drilling on the Malaput showing by Cascadia International Resources Inc. yielded weakly anomalous gold and silver values in the strongly altered felsic volcanic rocks.

Pine. Stealth Mining Corporation has returned to their porphyry copper-gold prospect, north of the Kemess South mine, and resumed their diamond drilling program.

Quintette. The rotary and diamond drill program on the Window pit area (Babcock) has been postponed indefinitely, but a limited amount of baseline environmental and geotechnical work on the deposit area did proceed.

Field Work:

Tsacha epithermal vein system

Corona Gold (Teck as operator: project geologist Scott Smith) Oct. 14/98

Teck is currently drilling a fence of holes to test the continuity of the vertical vein system beneath a flat-lying post-mineral felsite sill. The first 5 ddh of the program, each 500 to 550 metres in length, are oriented eastward along L48+30N with dips of -50° or -60°. A second fence of 3 to 5 deep holes will test the vein system 50 metres further to the south. The deep holes are targeting the main Tommy vein. A quartz-carbonate vein with a true width of 1.6 metres was intersected in ddh 98-70 (-50°) at a vertical depth of 210 metres and in ddh 98-71 (-60°) ninety metres further down dip. The vein is comprised primarily of white finely crystalline, vuggy quartz with local pale red bands caused by a dusting of earthy hematite. Traces of a very fine grained silvery-blue mineral (tarnished) may be electrum were noted. No other sulphides were noted in the vein material, but 1 to 3% euhedral pyrite occurs within the altered wallrock, a weakly welded rhyolite tuff that also displays sericite and clay alteration.

The deep drilling has confirmed that the sill is 120 to 130 metres in thickness. The intersection of vein material beneath the sill is exciting news for this property. A geological resource for the portion of the Tommy vein above the sill, calculated in 1997 using a 3 gpt Au cutoff, is 478,000 tonnes grading 8.7 gpt Au and 82.3 gpt Ag. In addition to the deep holes, a series of shallow in-fill holes (60 to 100 metres in length) will test the Larry vein. Past drilling on the Larry vein returned assays as high as 7.1 gpt Au over 5.1 metres. The drill program is expected to run into early November and will total 13-14 holes (about 5,000 metres).

Taken epithermal vein property Paramount Ventures (Fox Geological Consultants, project manager: Steve Weatherup) Oct. 14/98

Paramount has completed 3 lines of IP through a wicked burn area immediately east of the Tsacha property. Several anomalies are reportedly coincident with previously identified soil anomalies. A limited trenching program is expected to commence in the next few days. The epithermal quartz-carbonate veins on the Taken (and Tam) property are thought to be

TOS → Quintette

Schroeter, Tom EM:EX

From: Smyth, Ron EM:EX
Sent: Wednesday, December 01, 1999 10:58 AM
To: Ryan, Barry EM:EX
Cc: Schroeter, Tom EM:EX; Lane, Bob EM:EX; Brown, Derek; Lefebure, Dave; McArthur, Gib
Subject: FW: Teck Corp announces Quintette re-financing
Importance: High

From: Koncokrada, Karen EM:EX
Sent: Wednesday, December 01, 1999 9:15 AM
To: Ebbels, Jack EM:EX; Kang, Charles EI:EX; Backhouse, John EM:EX; Brooks, Cheryl EM:EX; Hesketh, Joan EM:EX; Nelson, Chris EI:EX; Smyth, Ron EM:EX; Hermann, Fred EM:EX; Anderson, Duane EM:EX; Back, Ian EM:EX; Lofthouse, Mark EI:EX; Burleson, Ron EM:EX; Riseborough, Michael J EM:EX
Cc: Collier, Sunny EM:EX; Murray, Nancy T EI:EX; Schmid, Yvette EM:EX; Starkes, Terri EM:EX
Subject: FW: Teck Corp announces Quintette re-financing
Importance: High

Its official, see below.

> **From:** Parrott, Brian -TOKYO -TD
> **Sent:** 01 December 1999 03:59
> **To:** Edwards, Leonard -TOKYO -GR; MacDonald, Mel -TOKYO -TD -EC; Lagacé,
> Denis; Mourits, Frank
> **Cc:** Gaetan, Louis -PJP; Clark, Michael -PJP; Tsukada, Masanobu -TOKYO -TD
> **Subject:** Teck Corp announces Quintette re-financing.

>
> Below is the text of a news release posted on Teck Corp.'s website in
> Vancouver on Nov. 30th/ afternoon. It is the announcement of the
> culmination of months of negotiation with the lenders involved in the
> Quintette project. What this means is that the debt, once estimated at over
> \$300 million is now reduced to \$62.5 million and is now held by what I am
> pretty sure is a Canadian bank. (I expect either CIBC or BMO). Teck,
> however, is guaranteeing this debt and will continue to operate the mine.
> This will greatly simplify the procedures with regard to the project. It
> means that Teck can make decisions without reference to the lenders. While
> this is good news, the price and cash flow for the mine remain critical.
> (Current speculation is for the price negotiations for all coal suppliers to
> be tough. There has been speculation in the market here that a US
> \$2-4/tonne price reduction is being sought. However, the Australian
> suppliers are reported to be holding firm on no/ no price reduction.
> Negotiations with Cdns will resume next week.)
>
> What is also important about the announcement is the last sentence of the
> second para. This clearly sends a message to the rail, port, workers, CMHC,
> and governments that further concessions may be sought by Teck for cost cuts
> in these areas.

>
> Brian Parrott
> -----
> November 30, 1999

>

- > **TECK CORPORATION & QUINTETTE COAL LIMITED ANNOUNCEMENT**
- > Teck Corporation and Quintette Coal Limited today announced that a financial institution has acquired from a consortium of lenders the outstanding project indebtedness of Quintette Coal Limited for an amount of \$62.5 million. The loan is secured by working capital in the amount of approximately \$42 million, the resource property and all mining assets related to the Quintette operation.
- > Teck Corporation has agreed to indemnify the acquiror against any losses on the realization of its investment.
- >
- > The Quintette metallurgical coal mine, which is based in Tumbler Ridge, BC, is owned 45% by Teck Corporation and 55% by Quintette Coal Limited. The mine has suffered, along with other Western Canadian metallurgical coal mines, as a result of a reduction in both price and demand for metallurgical coal on the world markets. These arrangements will provide the Quintette mine an opportunity to work with all stakeholders to achieve essential cost reductions, in order that the mine may be able to continue to operate until the end of the coal contracts in 2003.
- >
- > For additional information, please contact:
 - >
 - > Michael P. Lipkewich
 - > Chairman & CEO
 - > Quintette Coal Limited
 - > (604) 687-1117
- > John G. Taylor
- > Senior Vice President & CFO
- > Teck Corporation
- > (604) 687-1117

TGS → Reg. Mgr.
- P. G. G.

Schroeter, Tom EM:EX

From: Beswick, Ed EM:EX
Sent: Friday, July 14, 2000 2:10 PM
To: Adams, Rick; Anderson, Duane; Bergen, Wally; Brown, Derek; Cheetham, Pat; Cochrane, Marlene; Conte, Rick; Curtis, Ross; Errington, John; Finvers, Maija; German, Gerald; Hall, Ted; Harris, Grace; Headley, George; Hermann, Fred; Hesketh, Joan; Jorgensen, Sharon; Kennedy, Wesley; Lefebure, Dave; Lieutard, Denis; McArthur, Gib; McLaren, Graeme; Phelan, Bill; Rennie, Loma; Ringstad, Norm; Schmitt, Rolf; Schroeter, Tom; Smyth, Ron; Starkes, Terri; Stewart, Linda; Whale, Andrew; White, Don; Blackwell, Romona; Lane, Bob; MacDonald, Ken; McBride, Brian; McGrath, Brian; Morgan, David; Pardy, Jamie; Pittman, Ed; Pow, David; Rivers, Jan; Wick, Patricia; Wood, Nancy
Subject: Prince George Update to July 14

Issues:

Mackenzie LRMP Wildlands zonation remains an issue as well as % overage on PPA's, access, inclusions and vicinities of PA's to claims... Help from Rolf appreciated. Increasing size of MK now proposed vs. a new stand alone MK lookalike(NORMAC).

FYI:

Quintette: Indications that the last official day of mining and processing operations is expected to be Aug 18th.

Kemess: EMC reps with MELP at Kemess early in the week. MELP/EAO/MEM review of project compliance scheduled for the fall.

HBMS: Representatives visit to discuss regional initiatives. Spectrum airborne EM survey completed.

Placer: Responding to complaints from MELP around Barkerville. DFO increased regional staffing has resulted in an increased interest and presence at mines by DFO and additional calls on MEM for joint inspections. MEM is lead agency but miners will start to wonder when our presence is less than DFO. Manson/Germanson inspection productive with good compliance for the most part. Martin Mines not operating.

MOTH: Some problems for miners of moving oversize(over weight) loads from Alberta to BC.

Aggregate: Several pre-project meetings and inspections with road building/crushing contractors/owners

International Wayside: A recommendation has been made to the Minister of MELP to issue a time limit extension for the EA review. Wayside reported to be focusing efforts on proving up Bonanza Ledge. An amendment to the application will be submitted should the new zone conflict with plans presented in the present application. They will continue with the environmental baseline monitoring program, Aboriginal impact assessment, and environmental and socio-economic studies.

Summer has arrived with lots of majors re-discovering the Cariboo (The odd GSB and MTB type too.) - **THIS IS GOOD!**