

Rainbow
886773 JFE → RG
- Kamloops

Schroeter, Tom EM:EX

From: Cathro, Mike EM:EX
Sent: Friday, March 01, 2002 11:52 AM
To: Adams, Rick EM:EX
Cc: Britton, Jim; Brown, Derek; Lefebure, Dave; Ludwig, Allan; Madu, Bruce; McArthur, Gib; Payie, Garry; Schroeter, Tom; Smith, Don; Smyth, Ron EM:EX; David Terry; Houle, Jacques; Lane, Bob; Wojdak, Paul
Subject: Cathro Weekly to Mar 1, 2002

Rainbow
HIGHLIGHTS:

Afton Area (Abacus Mining and Exploration Corp) - closed \$550K financing which will be spent on the seven properties optioned from Teck Cominco et al. The main focus will be the Rainbow property which hosts the Rainbow #2 and #17 zones. Both are breccia-hosted, alkalic porphyry Cu-Au deposits. Previous work by Teck indicated locally enriched palladium values in the Rainbow deposits (e.g. hole 95-22 hit 33 m grading 0.74% Cu, 0.18 g/t Au and 0.62 g/t Pd).

IMS **Kettle Valley Stone Co.** - Demand appears strong and sales are growing again after a sharp post-Sept 11 slowdown. Product for several large projects in California was being manufactured at the time of our visit on 1/28. Unfortunately the company is suffering from cash flow problems and new investors are being urgently sought. KVS sold approx \$1.6 million in product in 2001 and recently bought a 36" circular saw (\$110K) to cut large blocks. Several new products are being test marketed, including "tumbled pavers" of dacite and basalt.

Kirk **Okanagan Opal Inc.** - Madu and Cathro visited the Vernon shop and borrowed specimens for display at the BC booth at PDAC. Owner Bob Yorke-Hardy indicates that their business is just now starting to pick up again after their Sept. 2000 move from their previous location, which was expropriated by MoTH for a highway interchange.

EXPLORATION NEWS:

Tulameen (Bright Star Ventures) - expanded land position with acquisition of 48-unit J&L property on Olivine Mountain.

Goldstream (Orphan Boy Resources Inc.) - \$40K financing.

OTHER:

Attended a very useful workshop on "Bringing Science Alive in the Classroom" on 2/28, put on by Scientists and Innovators in the Classroom (SIS).

Prospectors Assistance Program - evaluated the final three reports (Javorsky, Hegge, Ridley).

PDAC - leaving next Fri (Mar 8), in order to supervise BC booth set-up on Mar 9.

Mike

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TGS → RG
Kamlos

From: Cathro, Mike EM:EX
Sent: Friday, August 30, 2002 4:18 PM
To: Adams, Rick EM:EX
Cc: Britton, Jim; Brown, Derek; Grant, Brian EM:EX; Lefebure, Dave; Logan, Jim EM:EX; Ludwig, Allan; Madu, Bruce; McArthur, Gib; Schroeter, Tom; Simandl, George EM:EX; Smith, Don; David Terry; Houle, Jacques; Lane, Bob; Wojdak, Paul
Subject: Cathro Weekly to 8/30/02

Similar

HIGHLIGHTS

Basin (Tulameen) Coal Property (Compliance Energy Corp.) - Meeting today to approve the merger between Compliance Coal Corp. and Beanstalk Capital. Both companies are controlled by Jim O'Rourke and associates. This would be the "qualifying transaction" for Beanstalk, effecting a reverse takeover and TSX Venture exchange listing for Compliance Coal, creating a new company to be called Compliance Energy Corp. The company is apparently now arranging purchase of the entire Similco copper mine property, not including the real estate holdings and major mining equipment (Imperial Metals has also announced that they have sold the Similco property to an unnamed buyer for \$450 K). In addition, Compliance has been discussing trucking contracts to transport raw coal from the Basin site to the proposed wash plant location at the former Similco truck shop. Mining expected this fall.

Highland Valley Copper - The EAO announced approval of the Basal Aquifer Dewatering Project. This involves removing groundwater to stabilize the Valley pit slopes. Without this approval, the mine would be forced to shut in 2005 rather than 2009.

Elk-Siwash North (Almaden Minerals) - released results for first 16 holes (2600 m) of a 4500 m planned program on this gold vein deposit east of Aspen Grove. Drilling is targeting the WD vein, Bullion Creek structure, Gold Creek West vein and the DeepB shoot on the Siwash B vein, the latter directly beneath the existing Siwash North mine workings. Most of the holes intersected narrow, moderate- to high-grade vein intersections similar to previous results. The best (and deepest) hole on the WD vein cut an encouraging 19.23 g/t Au over 2.15 m. Drilling continues.

OTHER EXPLORATION AND MINING NEWS

Blackdome (J-Pacific Gold Inc.) - \$520K in financing arranged. The company also announced staking of 283 claims south of the mine, extending all the way to Red and French Mountains.

Rainbow & Gold (Doublestar Resources) - Notice of work filed for 5 holes (\$25,000 program) on this recently acquired gold property near Okanagan Falls. Murray Morrison is the vendor and project manager. Recent work has located a 200 by 400 m zone of silicified breccia with assays ranging from 430 to 5380 ppb Au.

Sadim (Toby Ventures) - released results for drilling on the Sadim gold vein and Rum copper-gold porphyry targets near Aspen Grove. Results were poor with the best intersection being 15 cm grading 48 g/t Au.

Afton Rainbow (Abacus Mining) - announced a financing of \$480K (at \$0.012) which replaces an earlier announced financing for \$540K (at \$0.18). Another sign that raising funds is becoming more difficult for junior companies.

Afton Mine (DRC Resources) - No news on the ongoing \$1.1 m 2002 drilling program or the rumoured autumn underground project. The last release with drill results was on June 6th. DRC recently raised \$2.1 million and says it now has about \$5 m in the bank. They are also spending about \$1m this year buying back their own stock, which seems a bit strange....

Christmas Lake (Nustar Resources) - released middling gold results from chip sampling of this skarn prospect located near Canim Lake.

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Kamle

From: Cathro, Mike EM:EX
Sent: Friday, September 27, 2002 1:54 PM
To: Adams, Rick EM:EX; Britton, Jim SRM:EX; Brown, Derek; Grant, Brian EM:EX; Lefebure, Dave; Logan, Jim EM:EX; Ludwig, Allan; Madu, Bruce; McArthur, Gib; Schroeter, Tom; Simandl, George EM:EX; Smith, Don; David Terry; Houle, Jacques; Lane, Bob; Wojdak, Paul
Subject: Cathro Weekly to 9/27/02

FIELD VISITS

Afton (DRC Resources) - on 9/24 I viewed core from recent drilling. Most of this year's work has focussed on infill drilling in the northeast part of the deposit, beneath the Afton pit. The last few holes (#60-63), however, have been testing virgin ground along strike from known mineralization at the SW end of the deposit. Wide intervals (e.g. > 200 m) of apparently good grade mineralization have been encountered at vertical depths of 500-700 m. Chalcopyrite occurs as veinlets and disseminations in monzonite(?) which is pervasively altered to albite-kspars-biotite (?). No assays have been released but rumours of a hot hole are rampant in Vancouver.

Duke (Southern Rio Resources) - visited this copper prospect (also known as Copper Canyon, 92ISW076) with Lindsay Bottomer (President) and Greg Thompson (consultant) on 9/24. Located SW of Merritt, the property hosts a stockwork or sheeted zone of quartz-cpy-magnetite veins in feldspar porphyry (Tertiary?) cutting volcanic of the Spences Bridge Group. Drilling in the '60s cut several good intervals such as 57.9 m @ 0.63% Cu. Quartz veins are banded and vuggy suggesting a high-level environment, and recent sampling by Bottomer returned gold values of 0.21-0.48 g/t Au. Soil sampling and geological mapping have been completed and IP is contemplated, probably next year.

Rainbow

Afton Area (Abacus Mining and Exploration) - Reviewed the Rainbow, Ajax, Coquihalla and other Cu-Au targets in the Iron Mask batholith on 9/25 with Steve Todoruk, Bob Darnley and Bob Friessen of Abacus, and Phelps Dodge Exploration geologists Rob Cameron (Vancouver) and Will Wilkinson (VP Exploration, Phoenix Az.). Wilkinson recognizes some similarities between these alkalic porphyry deposits and the Copper-Gold Iron Oxide deposits such as their Candalaria deposits in Chile (400 mt @ 1.2% Cu and 0.25 g/t Au) and projects they are working on in Australia and Sweden. In particular he mentioned the alteration (k-spar, albite, biotite and actinolite), breccia bodies and the presence of magnetite-apatite lodes. The group went to examine DRC's project later in the day.

OTHER ACTIVITIES

Tulameen-Coalmont Field trip (Sat Oct 5th) - final arrangements made for this MEM-led trip which will precede the annual KEG golf tournament on Oct 6th. We will visit Compliance's Basin coal project and Bright Star's platinum project. Invitations were sent out yesterday.

UPCOMING

Mon Sept 27th - Elizabeth (J-Pacific Gold) field visit
Thurs Oct 03 - Sunrise VMS prospect field visit with Lindinger
Sat Oct 05 - Tulameen field trip
Sun Oct 06 - KEG Golf

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*WBS → RG
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From: Cathro, Mike EM:EX
Sent: Friday, October 17, 2003 5:21 PM
To: Anderson, Duane EM:EX; Booth, Richard EM:EX; Conte, Rick EM:EX; Errington, John EM:EX; Grant, Brian EM:EX; Hermann, Fred EM:EX; Lefebure, Dave EM:EX; McArthur, Gib EM:EX; McKillop, Greg EM:EX; Pardy, Jamie EM:EX; Schroeter, Tom EM:EX; Simandl, George EM:EX; Webster, Ian EM:EX; Wilcox, Allan EM:EX; David Terry; Lane, Bob; Wojdak, Paul
Subject: Semi-Weekly Report to 10/17/03

EXPLORATION AND DEVELOPMENT HIGHLIGHTS

Afton (DRC Resources) - "Pre-feasibility study" released showing >20% internal rate of return, 3.7 year payback and 17.5 year mine life based on an underground block cave operation at 9000 tonnes per day, with a \$150 million initial capital cost and \$191 million in on-going capital. The company clarified the study as a "scoping study" shortly afterwards, at the request of provincial regulators, because it does not meet the requirements of NI 43-101. The main problem was the inclusion of inferred resources in the mine plan. Company has been drilling 800 m long holes beneath the Pothook pit, using 2 drills with rumours of good results. Company is still considering a winter underground program, and is rumoured to be completing a \$20 million financing.

Bralorne (Bralorne-Pioneer Gold Mines) - construction of tailings pond (approved in 1996) is underway. Cost is \$500,000 according to previous estimates. Mining of 6000 tonne bulk sample planned for this winter to feed mill start-up.

J&L - prominent engineering/environmental company called to scope out permitting issues to explore and develop this polymetallic deposit north of Revelstoke. Client is unknown.

Elk (Almaden Minerals) - 4000 m drill program well underway with two drills. Expected to be complete by Oct 31. Company consultant is scoping out permitting issues for a 150 tpd gravity-flotation mill and underground mine.

Big Kidd (Christopher James Gold) - 5 ddh completed on alkalic porphyry Au-Cu prospect located east of Merritt.

Lodestone Mountain (Sargold Resources) - 15 holes planned on magnetite deposit south of Tulameen.

Rainbow (Abacus Mining) - located next to Afton, SW of Kamloops. A 3D IP survey is underway and will be followed by about 2500 m of drilling (Nov) in 800 m long holes to test beneath the Rainbow Cu-Au deposit. Project and company are benefitting from renewed interest in alkalic porphyry deposits due to Afton, Red Chris and Mt. Polley results.

Panorama Ridge (Goldcliff Resources) - drilling underway on gold skarn near the Nickel Plate mine.

Wood (Green Valley) - drilling to test IP anomalies on property south of Afton.

Bonaparte (North American Gem) - trenching and drilling to begin shortly on vein gold prospect north of Kamloops.

OTHER ACTIVITIES

Horsefly-Mt. Polley airborne geophysical survey. Fugro survey completed on Sept. 29th. Bob Lane and I have spent 4 days following up anomalies in the field, in preparation for upcoming publications. Timing was excellent given the discovery of the NE zone at Mt. Polley, which is covered by the Imperial Metals partnership survey. Radio interview about the survey was replayed several times on Cariboo Radio. Data release planned for March 31, 2003, however, we have asked the GSC to look into expediting the publication for Round-up (unlikely), to take advantage of excitement around Mt. Polley.

CIM South-Central Branch Conference (Sept 20th) - presented talk on exploration highlights to a crowd of about 70 people.

MX tour (Oct 16th) - led an "exploration and mining 101" educational tour to the Elk property for four Kamloops-based MSRM land use planners. I believe they have gained a better appreciation of mining and exploration practices, and hopefully it will allow them to better incorporate minerals issues into their plans.

Lillooet LRMP - rumours of cabinet briefing notes being prepared, and behind the scenes discussions. Upcoming decision?