

Red Cap VBS → RG
886850 - Smythers

Schroeter, Tom EM:EX

From: Wojdak, Paul EI:A1
Sent: Saturday, August 15, 1998 10:05 AM
To: Bergen, Wally EM:EX
Cc: lefebure@mp.gsb.empr.gov.bc.ca; Anderson, Duane EM:EX; mitchm@mp.gsb.empr.gov.bc.ca@GEMS; Lane, Bob A EI:A1; Cathro, Mike EI:A1; Pinsent, Robert EM:EX; Wilton, Paul EI:A1; Schroeter, Tom EM:EX
Subject: Weekly report, Aug 14

Examined John Harvey's lode claims on McKee Creek, new bedrock exposures as a result of placer mining by Lum Zogas. Impressive listwanite/shear zone with lots of mariposite, talc and quartz veins but no gold.

Accompanied Daryl Hansen on inspection trip to Racine(Teepee peak) and Bennett (Pavey) but no time to look at Brett/Boliden/Westmin core! Properties are inactive.

Interesting and enjoyable flycamp prospecting trip to Grizzly claims with Jack and Andy Williams (of TRT, Wolf clan) on Aug 9-11. Claims are on unnamed tributaries near head of Nakonake River, near Tulsequah road route. Weather was rainy, slopes are steep and bush was ugly but we made some progress in how to assess mineral potential (field techniques, type of analytical work to request etc). They plan another trip into the area. Strong interest in geology/prospecting course in Atlin, suggested timing April, '99. More discussions to follow.

Arsenault

Met PAP recipient Steve Traynor in Whitehorse ato discuss Swan Lake area work. He has staked the Arsenault prospect publicized for its VMS potential by Mitch and JoAnne(40 units). Traynor was about to begin property work, looking to tie in with Jo-Ane Nelson in the field. Wants to discuss details of some of your work Mitch, prior to Sept program west of Arsenault (you know where). Looks to be doing excellent work! Suggested companies/individuals to contact for option or futher support.

Red Cap

Red Cap exploration project of Xplorer Gold was visited on Aug 12-13 with Eric Bergvinson (son of propetry owner Emie Bergvison, renowned/infamous promoter of Omni Resources in years past). Geological expertise is supplied by Taiga (Bob Nichol) and Denver-based consultatnt Jon Thorson. Xplorer is a private company, the owners have a pipeline to overpaid(?) pro hockey players. About \$400,000 has been spent, another \$300,000 may be spent, deplending on Thorson's recommendatations on further drilling. Eleven holes have been drilled, 5131 ft. The focus of their effort is on newly(?) recognized cobalt potential within the telescoped Red Cap Cu-Mo porphyry system. Stuhini andesite breccia and tuff is hornfelsed (with silification and calc-silicate alteration) at least 500 meetres out from a a granodiorite stock. This brittle rock (resembles/was mistaken for rhyolite) contains disseminated pyrrhotite, pods of massive chalcopyrite-cobaltite?-sphalerite, veins arsenopyrite, galena

etc (ie a collapsed or telescoped system). Assays are awaited from the last two (best) holes before drilling resumes about Aug 17. Best potential is for a zone 10's of meters wide with sufficient gold-cobalt-silver values to support bulk tonnage underground mining.

Erickson
Ashby

Xplorer Gold also owns the Erickson Ashby massive sulphide prospect south across the Taku River from Big Bull. Xplorer is doing reclamation for assessment credit and may divert some of their planned Red Cap footage to this excellent prospect (a good plan, in my view). Spent a day on the property with Mathew Fay (geology student nearly graduated from UBC, may contact Mitch about directed studies course on Tulsequah-Erickson correlation). More work, beginning with compilation!! should be done. "Distal" VMS with good Zn-Pb-Ag grades, potential for Big Bull type gold grades.

Thorn

Plans to tie in with Morgan Poliquin on the Thorne enargite-gold prospect have fallen through.

Schroeter, Tom EM:EX

From: Wojdak, Paul EI:A1
Sent: Tuesday, August 25, 1998 9:16 AM
To: Flynn, Doug EM:A1; Bergen, Wally EM:EX
Cc: Anderson, Duane EM:EX; lefebure@mp.gsb.empr.gov.bc.ca; Lane, Bob A EI:A1; Cathro, Mike EI:A1; Pinsent, Robert EM:EX; Schroeter, Tom EM:EX
Subject: Addendum to weekly report, Aug 21

Cassiar

Cassiar Chrysotile Mining Inc (new name) made its first fibre shipment on Aug 17. Had an abbreviated mill tour with Doug Caddy (Minpro consultant in charge of crew training and plant startup). The tailings pile (mill feed for new wet milling plant) is being worked from 3 points to ensure an accurate test of grade variation. So far the average grade is 10+% fibre (vs 4.2% expected grade). The plant is operating at 60 tonnes per hour, 10 hrs/day, 6 days per week. Rotary screening (patented technology) is the process-limiting step. Four rotary screens are in place, this will be increased to 36 screens when units arrive from Australia. Kilborn and Minpro are conducting a feasibility study to assess magnesium recovery. Critical requirement is abundant cheap power. (How about some government initiative? Power would make the difference for many potential mines- Red Chris etc) Assuming operational success for the wet milling pilot plant, the next step for Cassiar Chrysotile is raising \$20 million for a 50,000 tonne/year plant.

3600 tons/week

Red Cap

News from the Land Use front: River rafters/environmentalists on the Taku came up in discussion with Xplorer Gold, who are camped on the Taku River at the spectacular Kwashona Falls, where a large creek pours out of a hanging valley. Rafting trips go from Sheslay to mouth of Taku and have included David Suzuki. At least one group of rafters "complained" about the location of Xplorer camp near the waterfall, a natural scenic highlight of their trip.

Schroeter, Tom EM:EX

From: Wojdak, Paul EI:A1
Sent: Monday, August 31, 1998 7:49 AM
To: Schroeter, Tom EM:EX
Subject: RE: Red Cap

Sorry to say I dont have a map.

Paul

Schroeter, Tom EM:EX

From: Schroeter, Tom EM:EX
Sent: Monday, August 31, 1998 7:55 AM
To: Wojdak, Paul EI:A1
Subject: RE: Red Cap

Paul, if you can track something down (i.e. in NOW) I'd really appreciate it (pick up next week while in Smithers?). Also, I will be returning (finally) the Capoose samples tray next Wed. pm. Cheers, Tom

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Sorry to say I dont have a map.

Paul

Schroeter, Tom EM:EX

From: Schroeter, Tom EM:EX
Sent: Friday, August 28, 1998 10:26 AM
To: Wojdak, Paul EI:A1
Subject: Red Cap
Sensitivity: Private

Paul, do you have a sketch map (eg. from NOW) showing the LOCATION of the drill holes? If so, could I get a FAXED copy? Thanks, Tom