

Red Lake
886965VGS → Reg. Mg.
- Kamloops**Schroeter, Tom EM:EX****From:** Adams, Rick EM:EX**Sent:** Friday, July 19, 2002 4:13 PM**To:** Anderson, Duane; Beswick, Ed; Booth, Richard; Britton, Jim; Carr, Chris; Cheetham, Pat; Curtis, Ross; Errington, John; Ferguson, Susan; German, Gerald; Hall, Ted; Hermann, Fred; Hoffman, Al; Jorgensen, Sharon; Lewis, Jim; Lieutard, Denis; McArthur, Gib; McKillop, Greg; Murphy, Maureen; Nash, Laurel; O'Rourke, Patrick; Rennie, Lorna; Rick Conte (E-mail); Roberts, Steve; Sandra Martin; Schroeter, Tom; Shelley Guthrie (E-mail); Smyth, Ron; Stewart, Linda; Walter Poohachoff (E-mail); Whale, Andrew**Cc:** Allan Ludwig (E-mail); Cathro, Mike; Heistad, Ray; Horton, Russ; Madu, Bruce; Mehr, Eugene; Rothman, Stephen; Seguin, Joe; Wallis, Yvonne; Worsfold, Joyce**Subject:** South Central Region to July 19, 2002**Issues:**

Highland Valley Copper- all members of the basal aquifer dewatering Project Committee now recommend referral to Ministers for certification, except the Nicola Tribal Association and DFO. NTA maintains the scope of the review should be expanded to include the entire 40 year mine life, and any impacts on FN. NTA also maintains consultation efforts by the EAO and HVC are merely information sharing, and do not constitute consultation or accommodation of FN's interests. EAO to meet with NTA next week in further efforts to resolve. DFO maintains that HVC must guarantee minimum flows once they commence discharging water. EAO and HVC response is: the risk of no discharge following commencement is extremely low, however, available ground water is a function of climate and weather beyond HVC's control, and it is unreasonable to require HVC to guarantee that which they do not control. EAO is awaiting DFO's final response. May go to Ministers with a non-consensus recommendation. Must be finalized before August 1, as no further opportunity for deadline extension exists.

FYI:

Craigmont Mine- subsequent to the overtopping and erosion of the tailings dike, and construction of a dike plug, MEM has authorized resumption of operations based on recommendations by Klohn Crippen.

Lillooet LRMP- 33 protection, recreation and tourism groups have initiated a lobbying campaign entitled "South Chilcotin Rainshadow Wilderness. It Took 60 Years to Make This a Park. One Cabinet Meeting Could Change That." Their ad encourages writing MLAs, Minister Hagen and Premier Campbell in support of the previous government's decision on the land use plan.

Trans-Canada Highway - The National Post reports that the Federal government is considering a \$10-15 billion dollar plan to four-lane the TCH right across Canada. Given that about half of BC's two-lane TCH falls in the South-Central region, this would be a huge boon for the local mining and construction industry, especially suppliers of cement, aggregate and asphalt.

Red Lake (Western Industrial Clay Products) - attempting to become house-brand pet litter supplier for Walmart USA. This would be a big market and very positive for the company. WICP is having little success developing a market for their "leonardite"-based potting soils, however, they will continue to produce humic and fulvic acids from leonardite. BC's hydroponic gardening industry represents a large market for those acids.

Elk (Almaden Minerals Ltd.) - A \$350,000, 4000 metre drilling program is underway on this property located near the Elkhart exit on the Okanagan Connector. The "Deep B" zone (currently 12,200 tons grading 2.93 oz/ton Au) of the Siwash North vein and the WD vein (16,700 tons grading 1.55 oz/ton) are the main targets, although two holes were drilled on a new target in the Bullion Creek area. The total resource/reserve on the property is 123,000 tons grading 1.153 oz/ton.

Au-Wen-Mal (Lateegra Resources) - As of July 15th, 2 holes had been drilled on the Malechite 1 skarn Cu prospect hosted by the Nicola Group east of Aspen Grove. Eight to 12 metre-wide skarn beds consist of chalcopyrite with magnetite, garnet and epidote. At least one more hole will be drilled on this prospect prior to moving the drill to the Wen gold prospect for 3 more holes.