

Silvana
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JBS → Regional
Manager
- Cranbrook

INTEROFFICE MEMORANDUM

Created: 11-Oct-1996 11:22am PDT
Sent: 11-Oct-1996 12:01pm PDT
From: Andrew Whale of EI
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Title: Regional Manager, Kootenay
Dept: Employment & Investment
Tel No: 426-1653

TO: See Below

Subject: Kootenay review - Oct11/96

items marked ** are suggested for directors report

NEWS/ISSUES

** During an inspection of the Silvana Mine on Oct 2, Garry Macdonald and Eddy Taje confirmed that remedial work previously ordered has not been done. Inspection report being drafted to repeat orders to remove explosive and fuel, oil etc left underground when the mine closed several years ago. This task is complicated by collapse of part of the main ramp and both entrances to the mine.

Silvana

* Public release date for the Kootenay Boundary Land Use Plan Implementation Strategy is the end of October

* BC Lands are changing thier procedure for Commercial Back-country Recreation proposals following overwhelming opposition to the Kootenay Cat-skinning proposal south of Nelson[from prospectors and other interest groups].

MOOSE CREEK

* Paul Wilton reports that the controversial Moose Creek magnetite project is unlikely to be reviewed as the area has been buried by a rock and ice avalanche. Also, the sodalite prospect is not as encouraging as previously described.

ADMIN

* Steve Wuschke in Victorai on Oct 8&9 for Compliance Management project working committee.

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1. Mine reserves are fast running out but there seems to be renewed optimism that more can be found in the immediate vicinity of the mine.

- Following the Parson visit, we had a quick look at the abandoned workings on the Giant Mascot (Silver Giant) mine west of Spillimacheen. This is a rather large hole in the ground where rich silver-lead-zinc ore in a barite gangue was mined. The deposit consisted of steep-dipping replacement zones hosted by dolomite of the Precambrian Mount Nelson Fm. Remaining reserves of barite are very limited and of metals, nil.

Later in the day, I snooped around the Brisco barite property where I had understood that Highwood had also done some trenching; however I couldn't see any evidence of recent activity. There is probably some barite remaining around the former workings but it's really ugly stuff with probably limited market potential. Most of it is breccia material with the barite strongly diluted by wall rock frags., carbonaceous material and copper mineralization.

OTHER NEWS:

- At the Bismark project (Cork Province, etc.) on Keen Creek just north of Kootenay Glacier Park, Cream Minerals has completed three short drill holes in the vicinity of the old Silver Bear mine. The company has not said anything publicly yet about results, but it can be noted that Linda Dandy delivered a new NoW to this office on Tuesday which proposes new road-building, at least 17 trenches, and drilling at 23 sites! The target here is silver-rich galena/sphalerite veins, typical of the Slocan camp.

100 - Also in the Slocan camp, Treminco Resources faxed a press release this week indicating that it intends to suspend operations at its Ptarmigan gold mine in NWT, and reopen the Silvana zinc-lead-silver mine at Sandon where mining was suspended in 1993. This is reported to be in response to the strengthening of zinc prices and the loss of lustre by gold.

- Loumic Resources has finally released all of the assay results from its 6-hole drilling program at the Red Point property on Lookout Mountain overlooking the city of Trail. All six holes returned significant intersections of low-grade gold hosted by fragmental volcanic units of the Rossland Group. The best single intersection is still the one announced previously from the second hole - 0.84 gms Au/tonne over 166 metres. There is good reason to believe that the gold is syngenetic with gold grade a function of the original coarseness (porosity) of the volcanic pyroclastics. There is no obvious structural or contact metamorphic control on the mineralization. The company still intends to return later this year to properly map the property and do more drilling, but there is a need first to raise additional funds.

- Sultan Minerals is still trying to raise funds to continue exploration drilling at the Jersey/Emerald gold prospect south of Salmo. Permits are in place for additional drilling and there are numerous untested possibilities on this excellent multi-commodity prospect. Sultan has been showing the property to majors but so far no nibbles. Could be the gold allergy again but this property has also strong zinc possibilities.

- Focal Resources is currently trying to swing a deal with an unnamed Cranbrook-based major company (how many of those are there?) to drill-test a strong EM anomaly on the Sawyer zinc-silver-lead prospect in the upper St. Mary River area. The anomaly is completely blind and on the opposite side of a creek from where Gord Johnstone (PA Grant) originally found the high-grade mineralized float in talus. If a deal can't be struck in a few days, Focal will proceed with the drilling itself.

Stanfield and Assoc. plans to drill six more rotary holes to test its feldspar prospect on the Aspen claims just NE of the community of Bull River. The claims are underlain by a stock of syenite composed of 80 to 90%

Wilton, Aug. 8/97

INTEROFFICE MEMORANDUM

Y65 → RG
-Cranbrook

Created: 16-Jan-1998 07:38am PST
Sent: 16-Jan-1998 09:15am PST
From: Paul Wilton of EI
PWILTON

Title:
Dept: Employment & Investment
Tel No: 426-1658

TO: See Below

Subject: Weekly Report - January 16th/98

Silvana
- Ed Taje reported on Monday that Treminco Resources would be stopping all work at the Silvana mine at Sandon and laying off most of the workers on Tuesday. A small exploration drilling program (6 holes, 590m, \$100,000) back in October was totally unsuccessful in adding to the mineral inventory at the Silvana deposit. Over the past half year or so, the company has been high-grading ore from the Silvana and Hinckley deposits, milling it, and shipping the con to Trail. At the end of October, Locke Goldsmith told me that the remaining reserves at the Silvana totalled about 60,000 tonnes but were split among a number of widely-spaced blocks. He felt there was still more exploration that could be done on the main lode between the Silvana and Coronation zones but it would require expensive u/g rehabilitation to access. (R.I.P.?)

Wildrose
- Don Rippon (First Gold Resources Corp.) has notified Steve that they have raised some money and plan to continue with the exploration adit started in '96 at the Wildrose gold property (former producer) a few kms WSW of Greenwood. No indication of how soon they'll start but Steve has approved work on existing permit.

Camp McKinney
- Contrary to my report last week, Big Blackfoot Resources has not yet begun drilling on the Caramelia (Camp McKinney) property but are expected to start before the end of the month.

- Forgot to mention earlier that Linda Caron sent a Christmas card along with a new business card. She is no longer associated with Kettle River Resources but is available for contract or consulting work, and can be contacted at her home near Rock Creek [(250)446-2487]. After she finished assisting Echo Bay with the work on KRR's properties, she apparently carried out some surface surveys for Don Rippon on another of his properties near Grand Forks. If anyone is looking for a good, experienced young geologist/project mgr. person, particularly in the south-central interior, Linda should be considered. She's highly computer and GPS literate and was always one of our most responsible clients when running projects for KRR.

Greenland Cr.
- Tim Termuende has already submitted a NoW for work this season at his new Sullivan-style sedex ms discovery on Greenland Creek. The program includes geochem/geofizz and mapping, a tentative 1500m of NQ drilling, and 7 km of road up Greenland Creek from Skookumchuck Creek. The early submission clearly is an attempt to test reaction to the road proposal. In his favour, apparently, is the fact that the road fits well with future access plans of Crestbrook F.P.

Duncan
- Recent discussions with Ken Pride and Dave Moore of Cominco have indicated that Cominco is feeling a severe financial pinch right now, due mainly to the Asian crisis, and the future of all of their exploration work including Duncan is a bit uncertain at this time. Cominco is due to

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

Created: 22-Jan-1998 10:01am PST
Sent: 22-Jan-1998 10:16am PST
From: Andrew Whale of EI
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Title. Regional Manager, Kootenay
Dept: Employment & Investment
Tel No: 426-1653

TO: See Below

Subject: Kootenay Review Jan 23, 1998

Treminco Resources have stopped work at the Silvana Mine near Sandon. They have recently completed an unsuccessful exploration program and a small crew had been mining some on the known limited reserves from the Silvana and adjacent Hinckley mines.

Kimmur Forestry consultants successfully obtained the road deactivation contract for the Kootenay region. It is hoped that this proactive approach will allay the concerns of both the East and West Kootenay Chamber of Mines.

Proposed Grandby special management zone wildlife Act, vehicular restriction are a concern. If any regions have experience with MoELP vehicular closures impacting prospectors and/or explorationists please advise us.

Paul Wilton finalizing Kootenay exploration review for RoundUp which he And Steve Wunschke will attend.

Andrew Whale attending special management workshop on Friday January 23rd.

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INTEROFFICE MEMORANDUM

Created: 10-Jul-1998 12:40pm PDT
Sent: 10-Jul-1998 02:18pm PDT
From: Paul Wilton of EI
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TO: See Below

Subject: Weekly Report - July 10th/98

- Sultan Minerals yesterday released a detailed progress report on its drill program at Kaslo Silver (Bismark). (Thanks again to Tom for forwarding). Assay results are reported from the five holes drilled at the Cork South zone. Four of the holes intersected the replacement mineralization in the favourable limestone host and the grades are impressive. The best intersection, and the deepest so far (70.8m), was in hole five. It ran 211.10 g/t Ag, 5.06% Pb, 2.50% Zn over 14.79m, including 1980.50 g/t Ag, 47.9% Pb, 10.53% Zn over 1.44m. Drilling is continuing at the Silver Bear shear-hosted zone in carbonaceous slates. Extensive grid construction, mapping, geophysics, and soil geochem. are also continuing. Geological mapping (by Bernie Augsten) is focusing on outlining the horizons of limey rocks which host the more important replacement deposits such as Cork South. It is stated that the remaining drilling will be at the Silver Bear and Gold Cure zones, although more drilling at Cork South would appear likely. This appears to be the highlight project in the region for '98, with seemingly strong potential for a small, but high-grade, u/g silver mine. The best part is that it's DOWNSTREAM from the park!

Willa Silvana
Elsewhere in the Silvery Slocan, thanks to Rieva for clarifying the identity of Regeena Resources, the potential purchaser of Willa and Silvana from Tremingo Resources. The president is apparently Locke Goldsmith, a consulting geologist who has had a long attachment to the Slocan camp and in recent years has managed most of the drilling and other exploration programs for various juniors in the camp, including last year's drilling at Silvana.

- Dia Met Minerals has submitted a NoW for two drill holes (1500m) at the Paul-Mike property south of Wasa. The objective is to test the two perceived Sullivan-type massive sulphide zones "identified" in a preliminary interpretation of the seismic data.

- Dennis Roach reports that no work has started yet at the Black Crystal graphite prospect on Hoder Creek west of Slocan. Some of the work has been permitted but the remainder requires more information from the company before it gets the go-ahead. He also indicated that there appears to be a disagreement between the project manager, Dave Gould (recognizes a need for exploration drilling), and the company president, Paul Schiller (wants to start mining). Sound familiar? It won't surprise me if this group again, as in two previous years, ends up rushing to do some work while snow is piling up and everyone else is home singing Christmas carols.

- Had a chat with Jim Laird about the reported discovery by Anglo Swiss of very large garnets near Passmore in the Slocan Valley (Blu Starr claims). He says many of them are softball size, but only the internal core is gem quality material. Jim Turner has seen one of the garnets that had been faceted and describes it as very impressive, a beautiful red colour and transparency. The downside is that the garnets occur in small lenticular