

Snowshoe<sup>OB</sup>  
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TOS → RG -  
Cranbrook

**Schroeter, Tom EM:EX**

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**Sent:** Friday, October 03, 2003 11:04 AM  
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**Subject:** D.A. Terry Report, October 3, 2003

**Mineral Exploration Activity:**

The current estimate for exploration expenditures is given in the table below. While the total is down from the \$7.1M spent last year due to ~\$1.7M less being spent on coal exploration, metal exploration spending is up significantly.

Metals	\$5.3
Coal	\$1.2
IM	\$0.2
<b>Total</b>	<b>\$6.6</b>

- **Goldrea Resources Corp.** has commenced short drill programs to test gold targets on both the **Howell** and **Crowsnest** properties in the Flathead area
- **Tuxedo Resources Ltd.** has commenced an initial 2000 foot drill program to test targets along the **Banner Vein** system on their **Franklin** property north of Grand Forks. The vein has been traced with trenching over a distance of 800 metres in a NW trending direction and ranges up to 7.5 metres in thickness. The company reports that 7 channel samples offset along a 28 metre length of the vein averaged 1.4 g/t Au, 35.3 g/t Ag, 0.3% Cu, 1.36% Pb, and 1.5% Zn over a width of 7.4 metres.
- **Klondike Gold Corp.** has recommenced drilling on the Sullivan target hole at the north end of the **Payday Basin**, as reported in my September 10 update. They have not commenced drilling on the Irishman Creek property as reported as they have been unable to secure the second drill. Klondike Gold have also carried out further trenching on the **Thea 17** gold project in the Kidd drainage. Both properties are southwest of Cranbrook. The company reports that the recently completed **Fran** drillhole NR of Moyie Lake intersected a 40m thick "**Sullivan Horizon**" which contained two sections of partially laminated sphalerite/pyrrhotite 1.0 and 1.4 metres thick. These two intervals were separated in the core by 5.4 metres with weakly disseminated sphalerite. The sulphide mineralization is accompanied by intense silicification and faulting. Assays are expected shortly. Klondike has plans to carry out several other Sullivan tests throughout the fall and into the winter. They also announced that they have entered into an option agreement to acquire the Red Point gold-rich porphyry property in the Rossland camp. A drill hole from 1997 on the property assayed 0.84 g/t Au over 166 metres. Sister Company **Sedex Mining Corp.** has completed a trenching program on the **MW** gold property to the east of Marysville.
- **Gold City Industries Inc.** has commenced drilling 3-4 holes on the **Lexington** Au-Cu property in the Greenwood Camp and will shortly be moving to the **Winnipeg-Golden Crown** property to carry out 30-40 short drillholes designed to add tonnage to the existing Au-Cu resource. They will also be trenching on the adjacent JD property.
- Jasper Mining Corporation have wrapped up their drill program on the **Vowell Creek** project, located west of Golden, for the year after completing approximately 2900 metres in 21 holes. The company is completing logging and sampling of the core and final results from the project will be reported shortly.
- Kingsman Resources are planning to commence their trenching program on the **Snowshoe** gold property in the Greenwood Camp, which overlies a portion of the past-producing Skylark Mine.
- **Chateau Resources Ltd.** have completed 5 more holes, since the fire ban was lifted, in the **Heart Lake** area of the **Zinger** property, west of the upper reaches of Perry Creek, and have now moved to the ridge above **Gold Run Creek** area on the southern part of the property. No results have been released from these holes yet. After testing four more sites the company plans to move the drill back to the **Lookout (Bar 19)** property, 10 km west of Cranbrook, to drill several more holes. Then the company plans to move to the **Jackleg** property east of Wasa to drill a number of holes in two areas of the property.
- **Sultan Minerals Inc.** have commenced a short mapping and drilling program on their **Kena** gold project southwest of Nelson.

David Terry