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JGS → RG
Nanaimo

Schroeter, Tom EM:EX

From: Houle, Jacques EM:EX
Sent: Friday, July 26, 2002 1:40 PM
To: Hall, Ted EM:EX
Cc: Carriere, Greg EM:EX; Randall, Alf EM:EX; Reid, Bruce EM:EX; Taje, Eddy EM:EX; Wishlow, Wayne EM:EX; Jakobsen, Dorthe SRM:EX; Schroeter, Tom EM:EX; Cathro, Mike EM:EX; Lane, Bob EM:EX; Terry, David EM:EX; Wojdak, Paul EM:EX; Lefebure, Dave EM:EX; McArthur, Gib EM:EX; Grant, Brian EM:EX; Logan, Jim EM:EX; Simandl, George EM:EX; Webster, Ian EM:EX; Ryan, Barry EM:EX
Subject: Houle 4-week Report for June 24-July 25, 2002
Sensitivity: Confidential

Industry Activity:

- Preliminary 2002 Activity Forecast for Southwest Region:** Initial tally of 2002 exploration project expenditures in the Southwest Region is about \$6.5 million, including 10 major projects >\$100,000 each, compared with \$3.5 million and 8 major projects in 2001; however, the 2002 forecast includes \$2 million for 2 projects for which funding is pending, plus \$1.2 million for 2 coal bed methane and/or coal exploration projects; placer projects (few and all small) and sand and gravel projects (many and poorly documented) are not considered in the forecast; Myra Falls is forecasting nil exploration expenditures for 2002.
- Beau Pre Explorations/First American Scientific Sooke Area Valentine Mountain Au-Ag Project Update:** Pending completion and acceptance of permit requirements, upgrading and installation of the Micronex 40 tpd mill on site is planned over the next few week to process up to 5000 tonnes of Au-Ag bearing quartz vein material from surface trenches at the Valentine Mountain (MINFILE 092B012) project; expenditures of \$100,000 are planned for 2002 in this project.
- Garry Pearson/Emerald Field Resources Port Renfrew Area Nabay/Ran/Ultra Cu-Ni-PGE Project Update:** In late June, Emerald Field Resources of Kenora, Ontario completed an option agreement with Garry Pearson of Port Renfrew and Perry Heatherington of Emerald Field recorded 343 units in 25, 4-post mineral claims to surround Garry's existing 2-post claims as of June 29; Emerald Field's plans for 2002 are not known at this time, but contact is expected from Perry soon (presumably when he has completed staking); geochemical results were received from sampling of sulphide mineralization hosted by intrusive rocks on his Princess claim (near Sirdar MINFILE 092C025) and Tod 2 claim (near Reko 3 MINFILE 092C090) yielded up to 3%Cu, 4g/tAg, 595ppmNi, 1709ppmCo, 372ppbAu, 2619ppbHg and 72ppbPd.
- SYMC Port Alberni Area Mactush/Dauntless Au-Ag-Cu Project Update:** Nanoose-based consulting geologist David Pawliuk completed a property summary report to 43-101 standards (at long last) for the Mactush (MINFILE 092F012) and Dauntless (MINFILE 092F168) properties, the results for which were issued in a press release of July 12; at Mactush, undiluted inferred resources for the Fred Vein are 182,982 tons @ 0.695%Cu, 1.42optAg, and 0.36optAu; and for the David Vein are 59,524 tons @ 1.02%Cu, 1.76optAg and 0.47optAu; both are steeply dipping and planar quartz-calcite-sulphide veins 1-2 meters thick that may be amenable to narrow vein longhole mining methods; at Dauntless, undiluted inferred resources for one of the several chalcopyrite-calcite veins are 27,750 tonnes @ 22.3%Cu; further prospecting is planned for Mactush in 2002 (\$20,000) and trenching/bulk sampling is planned for Dauntless (\$80,000); a property visit to Dauntless and possibly Mactush with SYMC president Herb McMaster is planned for July 30.
- Priority Ventures Courtenay Area Dove Creek CBM/Coal JV Project Update:** Priority is finalizing a joint venture agreement with an Alberta-based company for exploration and development of the Dove Creek project; this will include a \$1 million, 3 hole drilling program targeting primarily CBM potential; Priority has also acquired 5000 acres surrounding the former Suquash Coal Mine (MINFILE 092L067) near Port McNeil, and is planning a \$160,000, 3 hole coal and/or CBM drilling program this winter.
- Hillsborough/Texas Canadian Ventures Campbell River Area CBM/Coal JV Project Update:** Lubbock, Texas based Texas Canadian Ventures Inc. completed a joint ventures agreement with Hillsborough Resources to evaluate and develop Hillsborough's Campbell River area coal deposits as per a press release of July 3; the Quinsam Airport/East project (MINFILE 092F319) is expected to see \$500,000 in expenditures in 2002, including a 5 hole, 2000m. exploration drilling program targeting both CBM and coal; at T'Sable River, Hillsborough is planning a \$1 million, 18 hole Coal/CBM exploration program on the northern portion of the T'Sable River project (MINFILE 092F333) near Courtenay, conditional on receiving a time extension for exploration commitments from tenure vendor Weldwood; this program may proceed in 2002 if there is sufficient time prior to the rainy (fall) season; Hillsborough has also announced plans to construct a construct a 49.9 MW coal-fired power plant near the Quinsam Coal Mine.

Schroeter, Tom EM:EX

From: Houle, Jacques EM:EX
Sent: Thursday, September 26, 2002 4:43 PM
To: Hall, Ted EM:EX
Cc: Carriere, Greg EM:EX; Randall, Alf EM:EX; Reid, Bruce EM:EX; Taje, Eddy EM:EX; Wishlow, Wayne EM:EX; Jakobsen, Dorthe SRM:EX; Schroeter, Tom EM:EX; Cathro, Mike EM:EX; Lane, Bob EM:EX; Terry, David EM:EX; Wojdak, Paul EM:EX; Lefebure, Dave EM:EX; Grant, Brian EM:EX; McArthur, Gib EM:EX; Logan, Jim EM:EX; Simandl, George EM:EX; Ryan, Barry EM:EX; Webster, Ian EM:EX
Subject: Houle Weekly Report for September 21-26, 2002

Industry Activity:

- **Exploration Activity Forecast Update:** Interim 2002 exploration activity forecast for the Southwest Region revised downwards to \$4.075 million as a result of several canceled/deferred field programs, some of which are updated below; the number of major projects (>\$100,000) is reduced from 13 to 12; coal/coal bed methane projects have the greatest expenditures (\$1.98 million on 4 projects), followed by magmatic Cu-Ni-PGE (\$850,000 on 5 projects), industrial minerals (\$445,000 on 8 projects), magmatic Mg (\$415,000 on Cogburn project), dimension stone (\$315,000 on 3 projects) and \$370,000 on combined vein/porphyry/skam projects.
- **Significant New Claim Group Compilation:** Compilation initiated to identify significant (>4 claim units) claim groups staked or enlarged in 2002 within the Southwest Region, with a view to identifying potential property positioning by prospectors/companies for 2003; 2 of the 5 most active map sheets for new coal tenures in the province are 092F and 092L which cover portions of the Cretaceous Nanaimo sedimentary basin and several developed coal prospects on eastern Vancouver Island; 5 new coal license groups were staked by different operators during the year, many of whom are targeting both coal and coal bed methane, including:
 - **Hamilton Lake:** Trent River Coal acquired 4 licenses covering the Hamilton Lake developed prospect MINFILE 092F313 near Cumberland, and also acquired 1 license adjacent to Weldwood's T'Sable River Project MINFILE 092F333.
 - **Anderson Lake:** 634284 BC Ltd. acquired 3 licenses covering the Anderson Lake developed prospect MINFILE 092F317 west of Courtenay, and also acquired 1 license adjacent to the Priority Ventures / Action Energy Dove Creek JV property.
 - **Chute Creek:** Briden Holdings Inc. acquired 5 licenses covering the Chute Creek developed prospect MINFILE 092F316 near Campbell River.
 - **Quinsam Coal:** Quinsam Coal Corporation acquired 10 licenses along the coast east of the Quinsam Mine and due south of Campbell River.
 - **Suquash:** Priority Ventures Ltd. acquired 9 licenses covering the Suquash past producer MINFILE 092L067 between Port McNeil and Port Hardy.

There have been many very active map sheets for new mineral tenures in the Southwest Region in 2002, particularly 092H, 092J and 092G (Lower Mainland), and 092C, 092F and 092L (Vancouver Island); 70 significant (> 4 mineral claim units) new or enlarged mineral claim groups have been identified; many of these have been described in previous weekly reports, but more data will be obtained from the tenure holders as they are contacted during the next month.

- **Priority Ventures Ltd. / Forum Development Corp. / Gosfield Associates Corp. Nanaimo CBM/Coal JV Project Update:** Priority reports that it has established a joint venture to target coalbed gas, coal-mine gob gas and conventional natural gas in the Nanaimo Basin, allocating about \$250,000 for the project in 2002 to consist mainly of compilation and acquisition.
- **Hillsborough Resources / Weldwood Coal Courtenay Area T'Sable River Coal Project Update:** Hillsborough Resources reports that the joint venture agreement with Weldwood has expired without successful renegotiation, and therefore no work is planned for the project this year; an 18-hole, \$1,000,000 exploration drilling program was planned conditional on renegotiation.
- **Quinsam Coal / TCV Campbell River Area Quinsam East CBM/Coal JV Project Update:** Quinsam reports that due to delayed title search by TCV, it is likely that no work will be completed at the Quinsam East project as planned; a 5-hole, \$500,000 exploration drilling program was planned, and has been re-allocated as conditional for the 2002 activity forecast.