

Telkwa Area (Coal)

934/11E

888627

TGS → Telkwa
Coal

Schroeter, Tom EM:EX

From: Bergen, Wally EM:EX
Sent: Tuesday, September 22, 1998 1:06 PM
To: Beswick, Ed; Booth, Richard; Braidwood, Brian; Carter, Tom; Cheetham, Pat; EM MB Smithers DL; Errington, John; Finvers, Maija; German, Gerald; Hall, Ted; Hermann, Fred; Hesketh, Joan; Hoffman, Al; Marsman, Talitha; McKillop, Greg; McLaren, Graeme; Meyers, Rick; Phelan, Bill; Robertson, Sheila; Ross, Paul; Schroeter, Tom; Starkes, Terri; Stewart, Gregg; Stewart, Linda; Whale, Andrew
Subject: FW: Manalta Coal / Telkwa Coal Project Status

This was forwarded to me from Daphne, since I did not receive it from Allan.
Daphne will be talking to Allan tomorrow and will let me know if there is any change.

Wally Bergen

Regional Manager, Northwest Region
Ministry of Energy and Mines, Mines Branch
Phone (250) 847-7385 Fax (250) 847-7603
<mailto:wally.bergen@gems4.gov.bc.ca>

From: Stancil, Daphne EAO:EX
Sent: Tuesday, September 22, 1998 12:01 PM
To: Bergen, Wally EM:EX
Subject: FW: Manalta Coal / Telkwa Coal Project Status

I suspect you will receive the copy sent by Allan, but in the meantime you may get this quicker.

I will call Allan tomorrow to see whether he has anything to add.

Daphne

From: Allan Fleming[SMTP:Allan_Flemming@manalta.com]
Sent: Tuesday, September 22, 1998 2:28 AM
To: telkwa@manalta.com; Stancil, Daphne EAO:EX; dbustard@bulkley.net; aedle@mail.bulkley.net; HOFWEBER, Jim E ENV:MS; STEWART, Craig J ENV:MS; SHARPE, Ian D ENV:MS; DIEMERT, Karen A ENV:MS; oikos@mail.bulkley.net; rsaimoto@netshop.net; baprice@galaxy.gov.bc.ca; wbergen@galaxy.gov.bc.ca; Hart, Bob ENV:MS; chris_robertson@sunshine.net
Cc: Roger_Shaneman@manalta.com
Subject: Manalta Coal / Telkwa Coal Project Status

With all of the rumours around about Manalta I thought a status report is in order.

Officially, Luscar Ltd. took control of Manalta Coal Ltd. on Friday, September 11, 1998

My understanding of other issues are:

1) 7 of 9 Manalta officers have been terminated, including President and Vice Presidents.

2) Luscar has a team of people in the Calgary office interviewing employees about their job functions.

3) Luscar has requested a status report of Telkwa and what is required to continue with the Telkwa Project.

4) The Telkwa team is still working on final touches of the Project Report.

5) The Project Report will not be submitted under the Manalta banner and will be delayed until Luscar senior management has reviewed the commitments outlined by the Telkwa team.

6) Senior Luscar people will be visiting all previous minesites as soon as practical (I assume this includes Telkwa). Schedule is unknown at this time.

7) Further meetings are scheduled for today and at the end of the week.

I will try to keep people informed as much as possible about the progress. I am still unsure how many people will be offered employment within the new company.

Allan Flemming

Schroeter, Tom EM:EX

TFS → Reg Mar
Smith as

From: Bergen, Wally EM:EX
Sent: Friday, December 10, 1999 1:56 PM
To: Adams, Rick; Anderson, Duane; Beswick, Ed; Booth, Richard; Braidwood, Brian; Carter, Tom; Cheetham, Pat; Clancy, John; Curtis, Ross; EM MB Smithers DL; Errington, John; Finvers, Maija; German, Gerald; Hall, Ted; Hermann, Fred; Hesketh, Joan; Hoffman, Al; Jorgensen, Sharon; Lieutard, Denis; McKillop, Greg; McLaren, Graeme; Phelan, Bill; Readshaw, Kerry; Schroeter, Tom; Starkes, Terri; Stewart, Gregg; Stewart, Linda; Whale, Andrew
Subject: NW Region Weekly Report to December 10, 1999

MINING

Wheaton River Minerals Ltd. and Kit Resources Ltd. announced approval in principal to a business combination of the two companies pursuant to which they will merge by way of a court approved plan of arrangement. This may assist Wheaton Rivers efforts to acquire properties in the Northwest to move onto as Golden Bear reaches depletion.

Cassiar Mines and Metals Inc. are putting the finishing touches to the revamped dry mill. Production will be about 30 tonnes/Hr through the mill. The company is hoping to be in production by January 1st. Ore stockpiles on surface are estimated to total 4 million tonnes with a recovery grade of 5% fiber. At a planned production rate of 720 tpd (360,000 tonnes/yr) this represents an 11 year life to the operation with a planned workforce of 44. The new plant is 1/5 the size of the old plant. They already have an order to fill from Iran. The latest news release [Vancouver Sun; Saturday, Dec. 4th] suggests that the company and the Aluminum Co. of Korea are planning a magnesium plant for Cassiar at a cost of \$733 million. News item suggests plant could be up and running by 2003.

Endako - Work is progressing on the in-pit-crusher project. The crusher assembly is nearly complete and development of the conveyor drive station is complete. It is expected about 1300 feet of conveyor will be in place before year end. Project is not expected to be completed before late next spring. Mining of low grade stockpiles continues to provide about half the mine production.

An front page article in the Smithers Interior News indicated that the Telkwa Coal Project is majority behind schedule. Allan Flemming is quoted as indicated that the project report will not be completed early in the new year, as forecast, but may be available later in the year. Declining coal demand, amalgamation of Manalta and Luscar, weak coal prices and financial losses experienced by Luscar are sited as possible causes for the delay.

Huckleberry has completed mining in the east zone pit and are now producing exclusively from the Main zone. It is understood the company is also looking at an increase in capacity of about 10% in the mill through some relatively inexpensive additional equipment. Tercon and North American have completed work on the dams for this year.

EXPLORATION

The Silvertip project has had to delay their underground drill program to the new year due to unexpected higher deterioration of the existing ground support. The area to be drilled has to be totally resupported due to existing screening and split set bolts rusting so bad to be of no use for ground support. Underground program budget increased from \$1.1 million to \$1.4 million. Also, the concept of an open pit mine leading to an underground operation is being re-evaluated. Concerns that an open pit would act as a funnel for water into underground workings.

FIRST NATIONS

The provincial proposal for settlement of the Gitanyow land claim was tabled with the Gitanyow First Nation. The proposal sought to identify settlement lands in each of the Gitanyow territories, rather than a central land settlement. Initial indications are that the Gitanyow were not satisfied with the proposal.

Schroeter, Tom EM:EX

VS → Ray, McGr.
- Smithers

From: Bergen, Wally EM:EX
Sent: Friday, March 31, 2000 5:01 PM
To: Al Hoffman; Andrew Whale; Bill Phelan; Brian Braidwood; Denis Lieutard; Duane Anderson; Ed Beswick; EM MB Smithers DL; Fred Hermann; Gerald German; Grace Harris; Graeme McLaren; Greg McKillop; Gregg Stewart; Joan Hesketh; John Clancy; John Errington; Kerry Readshaw; Linda Stewart; Maija Finvers; Marlene Cochrane; Pat Cheetham; Richard Booth; Rick Adams; Rick Conte; Ross Curtis; Sharon Jorgensen; Shelley Guthrie; Ted Hall; Teri Starkes; Tom Carter; Tom Schroeter; Wesley Kennedy
Subject: NW Region Weekly Report to March 31, 2000

MINING

Telkwa Coal - Luscar announced that it will not proceed with Telkwa Coal due to weak export coal markets. Luscar will retain the coal tenures but will withdraw from the EA process and close the project office in Telkwa. This is a major loss to potential economic and employment opportunities for the Bulkley Valley, although environmentalists are pleased. If the project had proceeded earlier when coal prices were stronger and if Luscar was not focused on Cheviot and difficulties there, possibly things would have turned out differently.

On March 28 the EAO held the first Project Committee meeting in Smithers for Homestake Canada Inc.'s application to the EA process for the Tom MacKay Lake Waste Rock and Tailings Project (Environmental Assessment) for Eskay Creek Mine. The meeting was attended by all of the participating agencies and was primarily organizational. Homestake provided an overview of the project and this led to Environment Canada indicating major concerns with several parts of the proposal as well as numerous concerns regarding specific details. Other participants were frustrated that EC had waited to this stage in the process to bring their concerns forward and that they were not prepared to formally table them at the meeting. The EAO is working with EC and Homestake to resolve the concerns.

D/O at Huckleberry. On March 20, 2000 a large (500 ton) simplex hydraulic jack blew apart as it was being tested prior to use. Two large fragments traveled up to 30 feet. No injuries resulted. All four of the jacks were sent out for testing and examination. Preliminary information suggests metallurgical problems and cracks on all units. Initial information was that the jack was pressurized to 4000 psi when failure occurred, but is supposed to be good for 10,000 psi. At this time it is known that the jacks had been stored outside in the cold prior to having been brought to the mill for use and perhaps ice had frozen the lift cylinder in place. More details later when metallurgical report is available.

Cassiar - Chrysotile asbestos fiber production now averages 45 tonnes per day. The recovery grade is slightly less than the anticipated 5%. Production from the wet mill began in January. Production may be limited at the end of May due to a lack of ore adjacent to the mill.

EXPLORATION

Albert Creek - Manto silver-lead-zinc prospect 50 km east of Silvertip to be drilled by Donegal Development. Three holes are proposed before spring break-up.

New Staking - BLT claims (36 units) staked by geologists Rudy Durfeld and Dave Fleming on an Intrusion-related gold target north of Beale Lake which is to the northeast of Dease Lake (104-I map sheet). Target was derived by Westmin-Boliden when they explored the Flag claims (now lapsed) a few years ago.

Morrison - Pacific Booker Minerals Inc. propose 2000 metres of trenching and 8 deep drill holes in addition to the deepening of the 1999 hole beyond current depth of 300 metres. This property is north of Babine Lake and east of Smithers.

Zymo - Gerry Ray (GSB-Victoria) relayed news that Freeport is considering more work on their claims west of Smithers.

Schroeter, Tom EM:EX

TGS → RG
- Smithers

From: Wojdak, Paul EM:EX
Sent: Thursday, November 15, 2001 4:23 PM
To: Bergen, Wally EM:EX; Bill Price; Bruce Graff; Bryan Good; Daryl Hanson; Doug Flynn; Elaine Korschuh; Jill Pardoe; Van Zalingen, Sylvia EM:EX; Wesley Kennedy; Bob Lane; Jacques Houle; Mike Cathro; Terry, David EM:EX
Cc: Dave Lefebure; Derek Brown; Duane Anderson; Gib McArthur; Malott, Mary Lou MSRM:EX; Rick Conte; Tom Schroeter
Subject: 2-week Report to Nov 16, 2001

Telkwa Coal - Allan Flemming of Luscar (now controlled by Sherritt) advises that the company has no plans to reactivate the project. Telkwa Coal is well located with respect to coal bed methane development (gas pipeline passes thru property) but Luscar is taking a wait-and-see approach to CBM in B.C.

Drilling Stats - subdivide drilling into 3 categories - exploration, deposit appraisal and mine development, at request of headquarters, for Mineral Exploation Review 2001.

Lawyers and AI - Loan exploration files on these gold-silver deposits in the Toodoggone, to Guardsmen Resources. Elaine Korschuh assisting.

Minerals North-CIM - Input to planning technical agenda for joint meeting (Prince George, May 22-24, 2002).

Presentation on Exploration and Mining in NW region - Prepared for Yukon Geoscience (Nov 19) and Victoria (Nov 22) meetings. Also for Smithers Exploration Group Nov 16, expected audience of 25.

Paul

Paul Wojdak, P. Geo.
Regional Geologist, Smithers
BC Ministry of Energy and Mines

tel: (250) 847-7391 fax: (250) 847-7603
email: paul.wojdak@gems5.gov.bc.ca

→ Telkwa
Coal

Schroeter, Tom EMPR:EX

From: Schroeter, Tom EMPR:EX
Sent: May 4, 2007 1:30 PM
To: Lewis, Jim E EMPR:EX
Subject: RE: Carbon Development Partnership - Telkwa

Thanks, Jim.

Tom

Tom Schroeter, P.Eng./P.Geo.
Senior Regional Geologist
Geological Survey Branch
Mining and Minerals Division
Ministry of Energy, Mines and Petroleum Resources

Direct Telephone 604 660-2812
Messages & Enquiries 604 660-2708
Facsimile 604 775-0313
email tom.schroeter@gov.bc.ca

From: Lewis, Jim E EMPR:EX
Sent: May 4, 2007 11:47 AM
To: Schroeter, Tom EMPR:EX
Subject: FW: Carbon Development Partnership - Telkwa

Tom,

You might want to make a note of this actually got the data from Dave Morgan in the MMS file. Looks like some new activity in Telkwa.

Jim

From: Lewis, Jim E EMPR:EX
Sent: Fri, May 4, 2007 11:22 AM
To: 'Campbell, Melanie'
Subject: RE: Carbon Development Partnership - Telkwa

Hi Melanie,

Here is what we found in our MMS system:

- Partnership is at 1133 Young St., Toronto, M4T 2Y7
- Contact is Julie Lee Harris
- Phone 416-935-2408

- Fax 416-935-2284
- The permit for Telkwa (1993?) was changed to the name of Carbon Development and indicated spending of \$190,000 (over the duration - several years)

So hopefully this might give more to go on.

Have a good week-end I sure enjoyed that warm sunny Sunday in Ottawa!

Cheers, Jim

From: Campbell, Melanie [mailto:mcampbel@NRCan.gc.ca]
Sent: Thu, May 3, 2007 12:09 PM
To: Lewis, Jim E EMPR:EX
Subject: Carbon Development Partnership - Telkwa

Hi Jim,

Do you have any info on this partnership. I know that they have taken the Telkwa property from Prairie - and I see now that Tom has listed a possible \$10K spending for 2007 but I am unable to find any contact information to confirm budgets?

Would you be able to find out anything?

Thanks,

Mel

Melanie J. Campbell, Hons B.A., C.P.S.S.
Senior Statistical Operations/Analytical Officer
Agente principale, Opérations et analyses statistiques

Minerals and Metals Sector - Programs Branch/
Secteur des minéraux et métaux

Natural Resources Canada/ Ressources naturelles Canada
580 Booth Street, 9B1/ 580 rue Booth, 9B1
Ottawa, Ontario K1A 0E4/ Ottawa (Ontario) K1A 0E4
Phone/téléphone: (613) 992-2970
Fax/télécopieur: (613) 992-5565
Toll-free: 1-800-267-0452/Tél. sans frais: 1-800-267-0452
E-mail/C.élec: melanie.campbell@nrcan.gc.ca