

**Schroeter, Tom EM:EX**

889343

TCS → Verity

**From:** Zimtu Technologies Inc.[SMTP:info@zimtu.com]  
**Sent:** Tuesday, February 06, 2001 2:56 PM  
**To:** Schroeter, Tom EM:EX  
**Subject:** Tantalum Property Acquired by Commerce Resource Corp., a Subsidiary of Zimtu Technologies Inc.

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From: Zimtu Technologies Inc. (ZTU)  
<http://www.zimtu.com/>  
<mailto:info@zimtu.com>

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**Re:** News Release - Tuesday, February 06, 2001  
Tantalum Property Acquired by Commerce Resource Corp., a Subsidiary  
of Zimtu Technologies Inc.  
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Zimtu Technologies is pleased to announce that its wholly- owned subsidiary, Commerce Resources Corp. ("Commerce") has completed three strategic mineral property acquisitions. As previously announced, the planned "spin-out" of Commerce into a second public offering is proceeding.

**The Verity Rare Metals Project: Blue River, British Columbia**

**Verity Claims**

Acquired by staking, the Blue River/Verity Property is Commerces' most advanced project. The target exploration mineral is tantalum (Ta<sub>2</sub>O<sub>5</sub>) with good potential for niobium (Nb<sub>2</sub>O<sub>5</sub>).

Sharp increases in the demand for tantalum, due in large part to its superior electrical capacitance, has led to rising prices for tantalum used in sophisticated electronic components. It is expected that this supply shortfall will continue until mineral production can be brought in-line with demand. Recent spot prices for tantalum have increased from US \$75.00/lb on February 24, 2000 to US \$475.00/lb on December 18, 2000. \* Cited from, Summary Report on the Blue River Carbonatite Property by Alex Knox, M.Sc., P. Geol.

Exploration work completed by past operators indicates that the Blue River/Verity Property is a known Carbonatite Sill occurrence containing significant grades of tantalum.

In 1982, Bent Aaquist, P.Geo. "estimated a mineral inventory of 2,133,898 tonnes within 10 mineral blocks, averaging a grade of 0.019 per cent (190 g/t) Ta<sub>2</sub>O<sub>5</sub> and 0.099 per cent niobium oxide (990 g/t Nb<sub>2</sub>O<sub>5</sub>)."

Commerce subsequently commissioned a compilation report comprising all available public information . In this report, Alex Knox, M.Sc., P.Geol., concluded that "the Main Verity Carbonatite Sill contains an inferred mineral resource of at least 3.8 million tonnes with about 228 g/t Ta<sub>2</sub>O<sub>5</sub> , 647 g/t Nb<sub>2</sub>O<sub>5</sub> and 3.23 % P<sub>2</sub>O<sub>5</sub>." \* Commerce holds a 100 per cent interest the Verity Claims.

#### **Fir Claims**

A few kilometers south of the Verity Carbonatite Sill are another set of carbonatite occurrences: the Fir Claims. After staking these claims, Commerce holds a 100 per cent interest to these. Previous operators at the Fir Claims identified two carbonatite occurrences with drill intersections including:

- BC-19: up to 2198 g/t Ta<sub>2</sub>O<sub>5</sub> across 0.60 m
- BC-19: up to 427 g/t Ta<sub>2</sub>O<sub>5</sub> across 6.00 m

#### **Manitoba Diamond Exploration: Knee Lake, Manitoba**

Commerce has acquired a 100% interest in a 125,000-acre diamond exploration permit near Oxford Lake, in northern Manitoba, proximal to BHP, and adjacent to Kennecott/Montello joint venture.

For further insight into the northern Manitoba diamond exploration activity, visit the link below for an article and video clip of a news story by the Canadian Broadcasting Corporation (CBC):  
[http://cbc.ca/cgi-bin/templates/view.cgi?/news/2001/02/01/diamnods\\_010201](http://cbc.ca/cgi-bin/templates/view.cgi?/news/2001/02/01/diamnods_010201)

#### **Jordan River Copper Mine: Vancouver Island, British Columbia**

Acquired directly from the British Columbia Provincial Government, this mine was operational in the late 1970's, and closed due to technical and financial reasons. Commerce's interest include re-evaluating the copper potential due to a recent upswing in the spot price for copper. Past production included: 13,754,271 kilograms copper; 203,101 grams gold; and 2,262,651 grams silver.

The property covers a significant portion of the Eocene Sooke Gabbro, which has a potential for additional deposits of copper, silver and/or gold. Commerce believes this project is also a good prospect for platinum/palladium mineralization as these were never tested for in previous workings. Commerce is currently completing a desktop study on the property in order to define a spring summer work program.

#### **Further Information**

For more information on Commerce Resources Corp., contact Ikkee Battle at: Commerce Resources Corp., Suite 600 -- 789 West Pender Street, Vancouver, BC, V6C 1H2, Tel: (604) 484-2700, Fax: (604) 484-2232, Toll Free: 1-877-484-2700, Email: [info@commerceresources.com](mailto:info@commerceresources.com), and Website: <http://www.commerceresources.com>.

For more information about Zimtu Technologies, contact Michael Piek toll free at 1-877-377-6222. For information on Commerce Resources, contact Ikkee Battle at 1-877-484-2700 or visit <http://www.commerceresources.com>.

On Behalf of the Board of Directors:

David Hodge

President, Zimtu Technologies Inc.  
<http://www.zimtu.com><http://www.zimtu-ir.com>

The Canadian Venture Exchange has neither approved nor disapproved the information contained herein.

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Message sent on Tue Feb 6, 2001 at 2:44:40 PM Pacific Time  
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**Schroeter, Tom EM:EX**

TOS → Reg Ma.  
- Kamboj

**From:** Adams, Rick EM:EX  
**Sent:** Friday, February 09, 2001 3:53 PM  
**To:** Anderson, Duane; Beswick, Ed; Booth, Richard; Braidwood, Brian; Carr, Chris; Carter, Tom; Cheetham, Pat; Cochrane, Marlene; Conte, Rick; Curtis, Ross; Errington, John; Ferguson, Susan; German, Gerald; Guthrie, Shelley; Hall, Ted; Hermann, Fred; Hesketh, Joan; Hoffman, Al; Jorgensen, Sharon; Kilmartin, Sandra; Lewis, Jim; Lieutard, Denis; McArthur, Gib; McKillop, Greg; McLaren, Graeme; Nash, Laurel; O'Rourke, Patrick; Poohachoff, Walter; Readshaw, Kerry; Rennie, Lorna; Roberts, Steve; Schroeter, Tom; Smyth, Ron; Starkes, Terri; Stewart, Linda; Whale, Andrew  
**Cc:** Britton, Jim; Cathro, Mike; Heistad, Ray; Horton, Russ; Ludwig, Allan; Madu, Bruce; Mehr, Eugene; Murton, Patricia; Rothman, Stephen; Seguin, Joe; Wallis, Yvonne; Worsfold, Joyce  
**Subject:** South Central Region to February 9/01

**Issues:**

**Highland Valley Copper-** 3 native hunters shot a moose within the posted "no shooting" area of the mine. MELP was notified and the moose and firearms were seized. Charges will likely be filed. This is the third incident within two years of hunters shooting animals within the posted area. Charges have been successful in the previous two incidents. An investigation will be held next week.

**Vieira Pit (Osoyoos Aggregates Ltd.)-** has operated since 1994 without ALC (now LRC) approval or a Mines Act Permit. Ninety days notice given to obtain LRC approval and post security, and obtain a Mines Act Permit, or a Stop Work Order will be issued.

**Slate Group (Golden Spike Exploration), Tulameen-** Stop Work Order issued for unauthorized section of road construction.

**FYI:**

**First Nations, Sun Peaks-** media reports Chief Stewart Phillip, president of the Union of BC Indian Chiefs, sent a letter to MuchMusic HQ suggesting they find an alternative location, "in the interests of peace and public safety", for their nationally televised music festival, SnowJob 2001, planned for Sun Peaks. Media reports also of altercations between cross-country skiers and First Nations protesters.

Also at Sun Peaks, a recently constructed bridge for the logging of ski runs on Mt. Morrisey, as part of the \$70 million expansion project, was set on fire- RCMP seeking to determine the responsible party.

**Broken Hill (Cassidy Gold Corp.)** - 13 holes totalling 933.3 m were drilled on this zinc-lead target north of Avola. A news release stated that "only sub-economic intervals of sulphides were intersected". Cassidy President Jim Gillis advised all 13 holes tested a gravity anomaly BETWEEN the Vista and Navan showings. Magnetics, geological mapping and soils will be done prior to further drilling, probably in the summer.

**Christopher James Gold Corp** - raised \$335,000 through a private placement. Funds will be used for the PGR (Silver Lake), Big Kidd and perhaps other projects in southern BC.

**Verity Tantalum-Niobium Occurrence (Commerce Resources)** - discussions with Mineral Titles about mounting concerns/questions regarding the quality of staking of this large group of properties (total about 430 units) located north of Blue River. Commerce Resources is a private company which is attempting to go public via an IPO. Interest is increasing in tantalum because the price has risen in recent months to the US\$450/lb range. The Verity carbonatite occurrence is reported to have a resource of 2 million tonnes grading 0.02% Ta2O5 and 0.118% Nb2O5.

**Candorado, Hedley-** MEM has sent an Invitation To Quote to four potential contractors to construct safety and security fencing around the collection ponds by March 31.

VCS → Verity

**Schroeter, Tom EM:EX**

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**From:** Zimtu Technologies Inc.[SMTP:info@zimtu-ir.com]  
**Sent:** Wednesday, April 11, 2001 4:55 PM  
**To:** Schroeter, Tom EM:EX  
**Subject:** In The News - Commerce Resources Corp. (a subsidiary of Zimtu Technologies Inc.)

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From: Zimtu Technologies Inc. (ZTU)  
<http://www.commerceresources.com/>  
<mailto:info@commerceresources.com>

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Re: News Releases - Wednesday, April 11, 2001  
In The News - Commerce Resources Corp. (a subsidiary of Zimtu Technologies Inc.)

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Commerce Resources Corp., a subsidiary of Zimtu Technologies Inc., highlighted in article distributed by Dow Jones Newswire. Excerpts from the article appear below:

CDNX FOCUS: From Mining To Internet And Back  
By Stuart Weinberg of DOW JONES NEWSWIRE

TORONTO (Dow Jones) -- "Here's a twist: a junior Canadian mining company that abandoned mining for the Internet is going back to mining. Vancouver-based start-up Zimtu Technologies Inc. (V.ZTU), which was known as Rocca Resources Ltd. in a prior incarnation, plans to re-enter mining..." through its subsidiary Commerce Resources Corp. Zimtu remains strictly focused on Internet Privacy.

"Ironically, the return to the old economy was prompted by a rare metal whose new popularity comes from its use in new-economy products. The metal is tantalum, the main ingredient in capacitors used on circuit boards to store, filter and regulate electrical energy and current flow. Capacitors are found in cellular phones, personal computers and game consoles.

Last year, tantalum shipments were 4 million pounds, double the 1992 level, and the heightened demand pushed tantalum ore spot prices to previously unseen levels.

According to the U.S. Defence Logistics Agency, one of the few reliable sources for the price of tantalum, the spot price of tantalum ore went as high as US\$364 a pound in December. In 1999, the spot price was about US\$40 a pound.

Still, the window of opportunity for Commerce Resources may not be very wide. Demand for tantalum is down in 2001 due to the slowing economy. And supply appears poised to increase as many companies attempt to jump on the tantalum bandwagon, while the world's largest producer of tantalum, Sons of Gallia Ltd. (A.SGW), has increased production.

In short, depending on how exploration and demand metrics play out, Commerce Resources is either on the cusp of developing a lucrative tantalum mine, or going the way of Zimtu Technologies, currently trading at 8

Canadian cents on the Canadian Venture Exchange.

#### Bought Software From High-School Student

Zimtu was created in 1999 when Rocca Resources, like many other Canadian junior mining companies, left mining for the sexy world of the Internet. In a much-publicized deal, Rocca bought the rights to Internet privacy software created by a 15-year-old Chicago high-school student. The company changed its name to Zimtu and put its mining assets into a private company, called

Commerce Resources. Things went well for a time. Shares of the new software company climbed from 40 Canadian cents in October 1999 to a high of C\$2.34 in March 2000.

But in April, the market for Internet concept stocks turned ugly, and it hasn't recovered. Around the time that Rocca was morphing into an Internet start-up, David Heyman, a director of Commerce Resources, staked a 17-square-kilometer patch of land in southeast British Columbia. It was the fifth time in the past 25 years that Heyman had claimed this piece of property, called Blue River.

Exploration at Blue River over the past 25 years has outlined a resource estimate of 3.8 million tons, with an average tantalum grade of 228 grams a ton. In comparison, the grade at the world's largest tantalum mine, the Greenbushes mine in Australia owned by Sons of Gwalia, is 290 grams a ton. Commerce officials say previous testing at Blue River was done on just a small portion of the property, so the grade could rise.

Blue River has other attractions. First, the tantalum deposits appear to be near the surface, so they will cost less to recover. Second, a rail line and a highway pass through the property, so the infrastructure is in place. Third, the tantalum is hosted in soft carbonatite rock, making it relatively easy and cheap to extract.

Tantalum is usually found in much harder pegmatite rock, as with the Greenbushes mine. Yorkton Securities analyst Art Ettlinger said he considers Blue River the most promising tantalum project in Canada. "It sounds to me like it's a legitimate project," he said.

#### Price Of Tantalum The Key

But Ettlinger expressed the one concern over which Commerce Resources has little control. "The problem I have," he said, "is I have no idea what the price of tantalum is going to be down the road."

On the four previous occasions that Heyman, the Commerce Resources director, had staked claims to Blue River, the project languished because there was little profit in mining tantalum. But that was before tantalum's price surged because of its new-economy uses.

These days, many Canadian mining companies are exploring for tantalum. They include Avalon Ventures Ltd. (V.AVL), Leader Mining International Inc. (LDRMF) and Haddington International Resources Ltd. (V.HDN).

Meanwhile, Sons of Gwalia, which accounts for about 25% of the world's tantalum supply, is spending a\$100 million to expand its western Australia production facilities.

While the supply of tantalum ore is set to increase, demand and prices are falling. According to Ryan's Notes, a trade publication, the average spot price for tantalum was US\$209 in February and poised to drop further. Still, spot prices remain considerably above the US\$40-a-pound level from 1999. As long as the price stays above US\$100 a pound, the Blue River Project has tremendous economic potential, said Jody Dahrouge, a Commerce Resources director and geologist, adding that that a number of large mining companies have expressed an interest in Blue River."

**Disclaimer**

The forgoing is excerpted from an article that appears in Dow Jones Newswire. The article does not constitute any representation on the part of Commerce Resources Corp. that it will be listed and posted for trading on an exchange or quoted on any quotation and trade reporting system or that application has been made to list and post the shares of Commerce Resources Corp. on any exchange or quote the shares of Commerce Resources Corp. on any quotation and trade reporting system. Further, Commerce Resources Corp. has made no such representation nor has it made any representation regarding the potential share price of Commerce Resources Corp.

**Commerce Dividend**

As previously announced, Zimtu Technologies Inc. intends to issue as a dividend, 1,000,000 shares of its subsidiary, Commerce Resources Corp. to shareholders of record on January 28, 2000.

Current Shareholders will benefit from the dividend through Zimtu. Current and future Zimtu shareholders will participate in Commerce through Zimtu. Zimtu will receive an additional 2,000,000 shares of Commerce as consideration for monies Zimtu has advanced or spent on Commerce's behalf from the record date until now. The Commerce shares held by Zimtu will be sold or retained at the discretion of the board of directors. Zimtu will own in excess of ten percent of the outstanding shares of Commerce; the Company will be deemed an insider of Commerce and will file insider reports accordingly.

For more information about Commerce Resources Corp. and its projects visit <http://www.commerceresources.com>.

Zimtu Technologies Corp.

Michael Piek  
Director

The Canadian Venture Exchange has neither approved nor disapproved of the information contained herein.

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Message sent on Wed Apr 11, 2001 at 4:36:58 PM Pacific Time  
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**Schroeter, Tom EM:EX**

TGS → Verity

**From:** Zimtu Technologies Inc. [info@zimtu-ir.com]  
**Sent:** Tuesday, June 05, 2001 11:13 AM  
**To:** Schroeter, Tom EM:EX  
**Subject:** Subsidiary Update: Commerce Resources Corp.

=====  
From: Zimtu Technologies Inc. (ZTU)  
<http://www.zimtu-ir.com/>  
<mailto:info@zimtu-ir.com>

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Re: News Release - Tuesday, June 05, 2001  
Subsidiary Update: Commerce Resources Corp.

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=The prospectus filing for Commerce Resources Corp.'s (currently a subsidiary of Zimtu Technologies Inc.) initial public offering is currently being reviewed by regulatory authorities. During the review period, the Company has entered into a "quiet period" in which it has removed all information regarding the Company and its properties from its web site. During the "quiet period" no new information will be disclosed, except as required by the regulatory authorities.

The regulatory authorities have requested that Commerce Resources Corp. retract the previously disclosed resource estimate of (Knox, 2000)

"3.8 Mt with about 228 g/t Ta2O5, 647 g/t Nb2O5, and 3.23 % P2O5"

as the estimate was not in compliance with National Instrument 43-101 Part 6.2. Hence, Commerce Resources Corp. retracts the foregoing resource estimate until it can be supported by a geological report prepared in accordance with National Instrument 43-101.

Detailed 'historical' descriptions of the geology and mineral potential of the Blue River Property are available through the Ministry of Energy and Mines, Government of British Columbia at the following web addresses:

Verity Carbonatite Geology and Mineralogy  
<http://www.em.gov.bc.ca/cf/minfile/search/search.cfm?mode=capbib&minfilno=083D%20%20005>

Verity Carbonatite Mineral Potential  
<http://www.em.gov.bc.ca/cf/minfile/search/search.cfm?mode=invinfo&minfilno=083D%20%20005>

An independent consultant is currently conducting a review of potential mineral resources on the Company's Blue River Tantalum Property, to ensure compliance with National Instrument 43-101. The results of this review will be made available to the public upon acceptance by the British Columbia Securities Commission and the Canadian Venture Exchange.

On Behalf Of The Board Of Directors  
ZIMTU TECHNOLOGIES INC.  
"David Hodge"  
David Hodge, Director

The Canadian Venture Exchange has neither approved nor disapproved the information contained herein

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TGS-Verity

**Schroeter, Tom EM:EX**

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**From:** Schroeter, Tom EM:EX  
**Sent:** Thursday, June 28, 2001 8:59 AM  
**To:** Madu, Bruce EM:EX; Cathro, Mike EM:EX  
**Subject:** RE: Visit to Verity Property - Week of July 3-6

1) I will await 'confirmation' asap. In case sometime develops over the long weekend, pls. don't hesitate to contact me at home (604) 946-0988 [I'll be gone from office on Friday ~ 3:30pm].

2) Re-academic studies: Bruce, as you know most, if not all, GSB (and GSC?) studies/programs are approved by Spring; thus it is probably too late to initiate something this year. Nonetheless, perhaps Mike may be able to 'assist', in concert with Jody, so 'we' can get something done over the winter and plan for next season (assuming tantalum is still "in" next year). FYI - I had a good chat with Jody at the PDAC. He expressed his interest in getting some sort of 'support' from the GSB for the project; I suggested that he put something in writing asap and/or arrange a visit with either myself or Mike (guess he's been a little tardy?). I assume you will look after the "forwarding" of Jody's request to Headquarters? Can discuss during property visit?

Cheers, Tom.

-----Original Message-----

**From:** Madu, Bruce EM:EX  
**Sent:** Wednesday, June 27, 2001 10:14 AM  
**To:** Cathro, Mike EM:EX; Schroeter, Tom EM:EX  
**Subject:** Visit to Verity Property - Week of July 3-6

I spoke to both Jody and Jeff Reeder this Am. Jeff will be on the property next week and is willing to host us when he finalizes his schedule. Jeff said he would call our office on Thursday or Friday to firm up a schedule. I suggested either Tuesday afternoon or Wednesday Am.

Jody Dahrouge has asked that I forward a request from him to have some academic studies by GSB/GSC done on the property. There are some questions about the geometry of the carbonatite, the age of the mineralization, and other matters that need studies that are beyond the scope of normal mineral exploration. They have access to a renown carbonatite expert from Boston and would be willing to help fund the effort. Jody would appreciate it if his request could be formatted and presented to the appropriate folk in Victoria.

Bruce E. Madu, P. Geo.  
Mineral Resource Officer  
Ministry of Energy and Mines  
Government of British Columbia

**Schroeter, Tom EM:EX**

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TR → Verity

**From:** Cathro, Mike EM:EX  
**Sent:** Thursday, June 28, 2001 10:56 AM  
**To:** Simandl, George EM:EX  
**Cc:** Schroeter, Tom EM:EX; Massey, Nick EM:EX; Lefebure, Dave EM:EX  
**Subject:** Verity carbonatite

George and others,

We are planning a trip to the Verity carbonatite near Blue River on Tues-3rd or Wed 4th. In discussing the visit with Jody Dahrouge, consultant and director of Commerce Res., Bruce Madu learned that they would welcome some academic studies of the deposits (e.g. dating, geometry, mineralogy?), and might be willing to financially support the work. They seem to have a Boston-based expert in mind but perhaps we could suggest some of our own in-house expertise and/or a JV with university students/profs.... In another email, Tom rightly pointed out that it is a little late to try to start something for this field season seeing that the field plans are already laid out.

Your thoughts? Any interest yourself? Do you know of any SFU/UBC/UVic students or professors that might be interested in studying any aspects of these carbonatites?

**Mike**

Mike Cathro  
Regional Geologist, Kamloops  
BC Ministry of Energy and Mines

tel: (250) 828-4566 fax: (250) 828-4726  
email: mike.cathro@gems2.gov.bc.ca

TGS → Verity

**Schroeter, Tom EM:EX**

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**From:** Schroeter, Tom EM:EX  
**Sent:** Thursday, June 28, 2001 12:01 PM  
**To:** Cathro, Mike EM:EX  
**Cc:** Madu, Bruce EM:EX; Lane, Bob EM:EX  
**Subject:** RE: Field Visits - Weeks of July 6th and 13th (Cathro/Lane)

Thanks, Mike. Assuming that Commerce is NOT drilling at Verity (?), I think I would prefer to visit at a later date. I have some tentative plans to visit with Bob Lane next week (assuming that the Verity visit was 'suspect', so I'd prefer to look at the week of the 9th to visit Silver Lake (+ ??) with you. If you can arrange something with Ron, please confirm. I will check back here with Christy (while in the field with Bob)[you could copy her on any e-mail]. Also you could phone me at home on the 7th or 8th at (604) 946-0988. Cheers, Tom.

-----Original Message-----

**From:** Cathro, Mike EM:EX  
**Sent:** Wednesday, June 27, 2001 8:28 AM  
**To:** Schroeter, Tom EM:EX  
**Cc:** Lane, Bob EM:EX  
**Subject:** RE: Field Visits - Weeks of July 6th and 13th (Cathro/Lane)

Tom, I'm still working on Blue River for early next week. I'll let you know on thurs or fri. I'll be going to Allendale Lake later that week - e.g. Thurs-Fri. The following week would certainly work for me for Worldstock (drilling). I'll look into it with Ron.  
M

-----Original Message-----

**From:** Schroeter, Tom EM:EX  
**To:** Cathro, Mike EM:EX  
**Cc:** Lane, Bob EM:EX  
**Sent:** 26/06/01 2:44 PM  
**Subject:** Field Visits - Weeks of July 6th and 13th (Cathro/Lane)

Mike/Bob, I'm in Victoria tomorrow (Wed.), so won't be able to correspond 'till Thursday. I would like to 'hook' up with you folks sometime over the next 2 weeks (unfortunately, I have to be home on the eve. of the 7th). Mike, the last correspondence I have from you states that the VERITY trip is an almost certain for July 3-4. Is this confirmed? If so, I believe, Bob, you are interested in attending? What arrangement for meeting (where, when, who); assuming I will drive up on the 2nd? Bob - if that works, how 'bout Wells the eve. of the 4th or 5th ( Godfrey Walton)?

Mike - the week of July 9th: Talked to Ab Abblett today re-Silver Lake project. Sounds like a good time to visit Worldstock and Discovery areas (incl drilling). Would this work for you?  
Talk to 'ya - Thurs./Fri.  
Cheers, Tom.

**Schroeter, Tom EM:EX**

TBS → Verity

**From:** Simandl, George EM:EX  
**Sent:** Thursday, June 28, 2001 11:18 AM  
**To:** Cathro, Mike EM:EX  
**Cc:** Schroeter, Tom EM:EX; Massey, Nick EM:EX; Lefebure, Dave EM:EX  
**Subject:** RE: Verity carbonatite

Mike

I have a student at U.Vic. looking for a B.Sc. Thesis or directed study (we discussed carbonatites). We can not commit to this before we see the site and discuss this further with the company.. Unfortunately, I am not sure if we will be able to get to the site at same time as you. Two members of her family were injured in a car accident and one of them died, she is now in Calgary and will not be back in Victoria before July 2. 2001.

Maybe we would be able to make it to the Verity site on the 4th (?), but even that will be tricky.

Don't hesitate to let Jody Dahrouge to know about this. I should probably contact him myself to get better idea about the timing of their program..

Thank you

George

-----Original Message-----

**From:** Cathro, Mike EM:EX  
**Sent:** Thursday, June 28, 2001 10:56 AM  
**To:** Simandl, George EM:EX  
**Cc:** Schroeter, Tom EM:EX; Massey, Nick EM:EX; Lefebure, Dave EM:EX  
**Subject:** Verity carbonatite

George and others,

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Your thoughts? Any interest yourself? Do you know of any SFU/UBC/UVic students or professors that might be interested in studying any aspects of these carbonatites?

**Mike**

Mike Cathro  
Regional Geologist, Kamloops  
BC Ministry of Energy and Mines

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email: mike.cathro@gems2.gov.bc.ca

## Schroeter, Tom EM:EX

TCS → RG  
- Kumborg

**From:** Cathro, Mike EM:EX  
**Sent:** Friday, June 29, 2001 1:16 PM  
**To:** Adams, Rick EM:EX  
**Cc:** Britton, Jim EM:EX; Brown, Derek EM:EX; Lefebure, Dave EM:EX; Ludwig, Allan EM:EX; Madu, Bruce EM:EX; McArthur, Gib EM:EX; Payie, Garry EM:EX; Schroeter, Tom EM:EX; Smith, Don EM:EX  
**Subject:** Cathro Weekly to 6/29/2001

Bralorne  
**HIGHLIGHTS:**

**Peter Vein (Bralorne Pioneer Gold Mines/Avino Silver and Gold/Coral Gold)** - a 21 m raise to surface and test mining will be done on a high-grade (12 oz/ton) portion of the Peter Vein (Cosmopolitan Crown Grant). Up to 12,000 tonnes of material may be mined and will be added to the 1100 tons grading 0.36 oz/ton which is stockpiled at the Bralorne Mill. It appears that the company also plans to process the material through the 100-150 tpd mill (with tailings to go underground?). These projects are expected to cost \$400-500K.

**Pongo (Verdstone/Molycor)** - released re-assay results of chip sampling from their recent trenching on the Kajun showing near East Barriere Lake. Mineralization consists of quartz-siderite-galena-sphalerite-tetrahedrite(?) veins in a black shale unit below a thrust fault (see photo below), and has broad similarities to the Samatosum mine located some 12.5 km south. There is some speculation that this mineralization may be remobilized from a VMS deposit nearby, however, that has yet to be identified. Some of the better results included:

Width (m)	Ag (oz/ton)	Au (oz/ton)	Pb %	Zn %	Cu %
3	6.93	0.207	13.97	6.38	0.24
9	4.45	0.17	10.70	4.45	0.15
1	5.15	0.828	5.01	5.15	0.39
2	10.89	0.039	17.19	5.43	0.07



Pongo1lookingS.JPG

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**Verity (Blue River) Tanatalum-Niobium Project (Commerce Resources)** - A tour for investors was held recently and attracted the attention of a reporter from the Valley Sentinel, the newspaper in Valemount. I discussed the uses of tantalum, the project, and the uranium content of the deposit with the reporter, however I was not quoted directly (or a change). It is actually quite a good article!

**Wildcat (Roger Szalanski)** - on 6/27 I visited this moderately interesting, new epithermal gold-silver prospect located approximately 2.5 km west of the south end of Mara Lake (82L/11E). It is adjacent to the Larch Hills cross country ski area and is on a logging road constructed last summer. Gneiss and schist of the Proterozoic Silver Creek Assemblage (?) are intruded by medium to coarse-grained granitic rocks (Jurassic Okanagan suite?). The intrusives are rusty, pervasively clay-altered and locally cut by grey, clear and pale green chalcidonic quartz veins with irregular patches of massive pyrite. An unidentified soft pale green mineral is also present adjacent to the veins and may be talc or seicite. The veins form an irregular swarm at least several metres wide (or more?) which can be traced for over 1 km. Individual veins are up to 30 cm wide. Only 7 rock samples have been collected so far, four of which returned weakly anomalous gold (to 540 ppb), silver (to 46.4 ppm), arsenic (to 122 ppm) and antimony (to 122 ppm). I recommended a lot more rock sampling and perhaps some soil lines, but like many inexperienced prospectors, Mr. Szalanski wants to run VLF and buy a drill because he believes assaying is too expensive.

**Southern Intermontane Field Trip (June 22-26)** - I attended 4 out of 5 days of this very interesting, informal trip led by Jim Monger (retired GSC), John Moore (SFU/GSC) and Ken Daughtry (GSC/Discovery Consultants). Several graduate students and other experts who have worked in the area were also along. The purpose of the trip was to examine contact relationships between Quesnel Terrane rocks and their underlying basement to try to determine if Quesnel terrane is really an "exotic" terrane as conventional wisdom would suggest. As with many great geological conundrums, there is no clear, easy answer, however, my view is the evidence still supports Monger's interpretation that Quesnellia is far travelled and is unrelated to its basement. I did see a lot of rocks I'd never seen before (e.g. the Bob Lake Assemblage in the Nicola Horst, and the Chapperon Group near Douglas Lake) most of which have low to moderate mineral potential.

**Schroeter, Tom EM:EX**

TS → Verity

**From:** Zimtu Technologies Inc. [info@zimtu-ir.com]  
**Sent:** Wednesday, July 25, 2001 12:02 PM  
**To:** Schroeter, Tom EM:EX  
**Subject:** Zimtu Technologies Inc. and Commerce Resources Corp. Report on the Verity Tantalum Project

=====  
From: Zimtu Technologies Inc. (ZTU)  
<http://www.zimtu-ir.com/>  
<mailto:info@zimtu-ir.com>

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Re: News Release - Wednesday, July 25, 2001  
Zimtu Technologies Inc. and Commerce Resources Corp. Report on the  
Verity Tantalum Project

=====  
Commerce Resources Corp. is pleased to announce that the resource estimate report on its Blue River Verity Tantalum project has been deemed by the British Columbia Securities Commission to be in compliance with National Instrument 43-101. The Summary Report on the Blue River Carbonatite Property is authored by James A. McCrea P. Geo (June 12, 2001) who has extensive experience in the modeling of resource calculations.

In summary, the report estimates an inferred resource of 3.06 Mt containing 196g/t Ta2O5 (Tantalum), 646g/t Nb2O5 (Niobium) and 3.20% P2O5.

For more details, the new report Resource Estimate and Assumptions, Parameters and Methodology are excerpted below:

\*Resource Estimates

Utilizing Gemcom Software, the author created a block model for the Verity-Paradise Carbonatite Complex. The model was based on the 1980 and 1981 exploration programs by Anschutz Mining (Canada) Ltd.; it includes information from 30 drill holes totalling 2,060 m, and 715 samples of drill core. Based on the foregoing, near the western end of the Verity Carbonatite Sill, within an area measuring 600m (vertical) by 630m (north-south) by 1000m (east-west) area, an inferred resource of 3.06 Mt containing 196g/t Ta2O5, 646g/t Nb2O5 and 3.20% P2O5 is estimated.

For complete details, visit: <http://www.commerceresources.com>

Detailed 'historical' descriptions of the geology and mineral potential of the Blue River Verity Property are available through the Ministry of Energy and Mines, Government of British Columbia at the following web addresses:

Verity Carbonatite Geology and Mineralogy:  
<http://www.zimtu-ir.com/verity-1.htm>

Verity Carbonatite Mineral Potential:  
<http://www.zimtu-ir.com/verity-2.htm>

For more information about Commerce Resources Corp. and its projects, visit <http://www.commerceresources.com> or call Ikkee Battle at (604) 484 2700.

On Behalf of the Board of Directors  
ZIMTU TECHNOLOGIES INC.  
"SIGNED"  
David Hodge, President

On Behalf of the Board of Directors  
COMMERCE RESOURCES CORP.

## Schroeter, Tom EM:EX

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**From:** Cathro, Mike EM:EX  
**Sent:** Thursday, August 02, 2001 4:29 PM  
**To:** Adams, Rick EM:EX  
**Cc:** Britton, Jim EM:EX; Brown, Derek EM:EX; Lefebure, Dave EM:EX; Ludwig, Allan EM:EX; Madu, Bruce EM:EX; McArthur, Gib EM:EX; Payie, Garry EM:EX; Schroeter, Tom EM:EX; Smith, Don EM:EX  
**Subject:** Cathro Weekly to Aug 2, 2001

### HIGHLIGHTS

**Tulameen Coal (Compliance Coal Corp.)** - a 10,000 tonne bulk sample is slated to be mined beginning on Aug 7. Coal will be crushed on site and trucked to several potential customers, including a couple in Washington State. The company, headed by Jim O'Rourke (formerly of Princeton Mining), plans to go public in the fall and will also apply to amend its mining permit to include a wash plant and increase mining from 100,000 to 250,000 tonnes per year.

**Peter Zone - Cosmopolitan Crown Grant (Bralorne-Pioneer Gold Mines Ltd)** - The new 70 foot raise to surface averaged 0.73 oz/ton Au over an average 4.4 foot width. "Test mining will proceed immediately....with the material to be stockpiled on surface for processing when the preparation of the existing milling facilities are completed".

**Silver Lake (Christopher James Gold Corp.)** - high-grade copper values (2.09 to 15.1% Cu) over narrow widths (0.55 to 2.45 metres) have been discovered in bedrock at the "Discovery A" area northwest of Little Fort. Silver values range up to 178 g/t. Chalcopyrite and pyrite occur in veins with patchy quartz cutting magnetite-pyrite-chlorite-altered mafic volcanics of the Nicola Group. The zone appears associated with a shear zone, trends northwesterly, and has been traced on surface for 33 metres. A preliminary drill program should begin shortly. (Note: the original float discovery was made by 2000 PAP grantee Paul Watt while walking in to work on his own claims in July 2000!)

**Pongo (Verdstone Gold/Molycor Gold)** - released results of first four holes (of six drilled to date) from this prospect located near east Barriere Lake. Four more holes will be drilled begining Fri Aug 3rd. Intersections included:

Hole	Width	%Cu	%Pb	%Zn	opt Ag	opt Au
01-3	6.19m	0.05	3.15	2.13	1.97	0.033
01-4	3.0 m	0.12	4.79	3.12	3.12	0.021

**A 20% Flow Through Share Tax Credit** to further encourage mineral exploration was announced in the mini-budget. Reaction from industry has been positive and it is hoped this will free up some much needed financing.

**Lillooet LRMP Socioeconomic Analysis** - I reviewed correspondence to R. Durfeld from Gord Enemark (MSRM) regarding the current review of the costs and benefits of the "conservation" and "community" plans. As currently designed, this study will not provide any new insight into the potential impacts of these options. The reviewers appear to seriously underestimate the economic value of mineral resources and the impact of protected and special management areas on these values. For example, as in previous SEAs, only existing operations and developed deposits are considered valuable - there is no weight given to lost opportunity (e.g. undiscovered resources sterilized by the new protected areas). I suggest that gov't request a much more critical, thorough evaluation of these plans.

### PROSPECTORS ASSISTANCE PROGRAM

**Leo Lindinger** - a float sample of gneissic rock collected in the Tumtum Lake area by Lindinger in 1998 was run this year, returning unexpectedly high results of 41.74 g/t Au, 5120 ppm Bi and 3910 ppm Cu (with low Ag, As, Sb, Pb, Zn etc.). Bismuthinite has been tentatively identified in hand specimen. Cumberland Resources has grubstaked Lindinger to locate the bedrock source of this potentially Pogo-style mineralization. (CONFIDENTIAL)

### OTHER EXPLORATION NEWS

**Afton (DRC Resources)** - currently on the 14th hole in 2001. (#37 overall). Two drills are on site but only one is working at a time. The decline is on hold until more drilling is complete.

**Verity (Commerce Resources)** - The start of drilling and completion of the company's IPO are both slated to happen within a few weeks. 17 holes (up from 6) are now planned to test this carbonatite-hosted tantalum-niobium deposit.

### UPCOMING

Aug 10 - Little Fort Field Trip - led by Paul Schiarizza and myself.

**Schroeter, Tom EM:EX**

TJS → [Signature]  
K6  
- Kamboys

**From:** Cathro, Mike EM:EX  
**Sent:** Thursday, August 30, 2001 4:45 PM  
**To:** Adams, Rick EM:EX  
**Cc:** Britton, Jim EM:EX; Brown, Derek EM:EX; Lefebure, Dave EM:EX; Ludwig, Allan EM:EX; Madu, Bruce EM:EX; McArthur, Gib EM:EX; Payie, Garry EM:EX; Schroeter, Tom EM:EX; Smith, Don EM:EX  
**Subject:** Cathro Weekly to 8/30/2001

**HIGHLIGHTS**

**Afton (DRC Resources Corp.)** - released results for two drill holes which show much higher grades of **palladium** (0.232 oz/ton and 0.120 oz/ton, both over 10 feet) than previously reported. Interestingly, the higher palladium occurs with relatively low copper (0.19% and 0.03%) and low gold values. According to project geologist **John Ball**, the palladium occurs in "heavily albitized/bleached rock next to a fault breccia" suggestive of a hydrothermal (and not magmatic) style of mineralization. Both intersections are relatively deep (300-400 m below pit rim) and are located southwest of the copper-gold deposit drilled over the last year. Graeme Nixon of the GSB was on site and did core sampling as part of his study of platinum group metals.

In addition, DRC reported that hole 38 intersected the Cu-Au zone at a vertical depth of about 875 m beneath the pit rim, and some 305 m beneath the previous deepest drill intersection. Assays are pending.

**Verity & Fir (Commerce Resources)** - Drilling of 25 holes is underway on these two carbonatite-hosted tantalum-niobium-phosphate prospects located north of Blue River. Commerce recently completed a small IPO financing and is now trading on the CDNX.

**Exploration activity** - we are now forecasting about \$4 million in spending and 25,000 m in drilling for 2001, up from last year.

**FIELD VISITS**

**CK (Penteco Resources)** - This stratabound zinc-lead deposit north of Clearwater was visited with T. Hoy on 8/23. Several old trenches were examined. The deposit has indicated resource of 500,000 tonnes grading 11.3% Zn, 2.0% Pb and an additional inferred resource of 380,000 tonnes at an undefined grade (Report for BWI Resources, 2000). Last drilled in 2000, it has similarities to other Shuswap type, or Broken Hill type, deposits, in particular Ruddock Creek.

**Silver Pipe (Paul Watt)** - This new 60 unit claim block is located near Lemieux Lake north of Little Fort. Narrow (1-10 cm wide) calcite-quartz veins occur in andesite breccia of the Fennell Formation. The veins contain disseminated to locally semi-massive sulphides including pyrite, arsenopyrite, sphalerite, chalcopyrite and galena. Anomalous values of Au, Ag, Cu, Pb, Zn, As, Sb, Bi, Cd occur. Vein textures, mineralogy and geochemistry are suggestive of an epithermal system.

**OTHER EXPLORATION NEWS**

**Gypsy (Alhambra Resources)** - completed drilling of 2 holes (259 m) on this copper prospect near Mamit Lake, south of Logan Lake. Assays are awaited.

**Crazy Fox - Demers (Cassidy Gold)** - drilling of one hole (approx 800 ft long) is apparently complete on this VMS Cu-Zn target north of Little Fort. It is rumoured that no significant massive sulphides were encountered. The property is optioned from Lloyd Addie and Bob Bourdon (PAP support in 1999).

**Broken Hill and Goldstrike Properties (Cassidy Gold Corp)** - Cassidy plans to return these properties to the vendor, Leo Lindinger. Both were staked on the PAP.

**UPCOMING**

8/31-9/4 - Vacation  
8/21 - KEG/MEM short course on the Map Place  
8/22 - KEG golf & picnic

**Mike**

Mike Cathro



Schroeter, Tom EM:EX

TGS → RG  
Kamloops

**From:** Cathro, Mike EM:EX  
**Sent:** Friday, September 07, 2001 12:44 PM  
**To:** Adams, Rick EM:EX  
**Cc:** Britton, Jim EM:EX; Brown, Derek EM:EX; Lefebure, Dave EM:EX; Ludwig, Allan EM:EX; Madu, Bruce EM:EX; McArthur, Gib EM:EX; Payie, Garry EM:EX; Schroeter, Tom EM:EX; Smith, Don EM:EX  
**Subject:** Cathro Weekly to 9/7/2001

**HIGHLIGHTS:**

**Mt Fleet (Adam Travis)** - (CONFIDENTIAL) Anomalous **palladium-platinum-copper** values were reported from rock samples from new roadcuts on this prospect located only 15 kilometres northeast of Kamloops. This confirms the assertion that the Mt. Fleet alkalic complex could be a PGE target, an idea advanced by Ian Webster and Gerry Ray (GSB) in a paper in *Exploration and Mining in British Columbia - 2000* (published in April 2001). Another example of people reading and using MEM publications!

**EXPLORATION NEWS:**

**Verity (Commerce Resources Corp)** - 5 holes (out of 13) drilled up to Aug 31. All holes hit carbonatite with intersections ranging from 19 to 70 metres. Carbonatite is mainly the *berforsite* variety (dolomitic). Tantalum, niobium and phosphate analyses are awaited.

**Crazy Fox (Cassidy Gold Corp)** - News release confirmed that hole DCF-01 was stopped in a large fault at 249 m, still in argillite. The company has decided to do more geological mapping and soil sampling to help decide where to drill next. (It would appear that the hole did not hit the massive sulphide Cu-Zn mineralization they were hoping for, and they are scrambling to refine the target....)

**Planet (Planet Ventures Inc.)** - A small drill program (2 holes, 200 m) will start shortly on this porphyry Cu-Au prospect 1 km south of the Ajax pits.

**Exploration and Deposit Appraisal Spending (Natural Resources Canada)** - NRC is forecasting that 2001 spending in BC (based on spending intentions) will rise to about \$45 million, compared with about \$35 million in 2000 (the Regional Geologists estimates are lower at \$35 million for 2001 and \$27 million for 2000). (*Note - For some reason, NRC estimates tend to be substantially higher than ours, but ours, of course, are much more accurate!*). In any case, NRC is forecasting that spending across Canada will drop slightly this year to \$458 million. Spending by major companies will be at a 30 year low (\$291 million), while junior company spending will rise slightly (\$167 million). Nationally, **gold** is still the most sought after target but is declining in importance, while **diamonds** remain buoyant (\$107 million avg from 1997-2001) and **platinum group metals** are rising in importance (\$22 million avg between 1999-2001). Over the last three years, Quebec, Ontario, NWT and Nunavut together have accounted for two thirds of all spending (perhaps because of the focus on gold, diamonds and PGEs, and of course their perceived lower political risk?)

**Mike**

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BC Ministry of Energy and Mines

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