

Vowell Creek
889373

TS → RC
- Cranbrook

Schroeter, Tom EM:EX

From: Terry, David EM:EX
Sent: Friday, May 31, 2002 12:54 PM
To: Whale, Andrew EM:EX
Cc: Berdusco, Ricci EM:EX; Campbell, Karen EM:EX; Cathro, Mike EM:EX; Downie, Arlene EM:EX; Elkins, Paul EM:EX; Grant, Brian EM:EX; Grieve, Dave MSRM:EX; Houle, Jacques EM:EX; Jones, Larry EM:EX; Lane, Bob EM:EX; Lefebure, Dave EM:EX; McArthur, Gib EM:EX; Roach, Dennis EM:EX; Rosentreter, Rieva EM:EX; Ryan, Barry EM:EX; Schroeter, Tom EM:EX; Simandl, George EM:EX; Smolik, Valerie EM:EX; Wojdak, Paul EM:EX; Wuschke, Steven EM:EX
Subject: D.A. Terry Report, May 31, 2002

Regional Geologist Activity:

- Land Use Referrals
- Exploration activity monitoring
- Viewing Lone Peak core
- Gold in BC write-up

Mineral Exploration Activity:

AuByrd: Solitaire Minerals Corp. has acquired an option on the AuByrd 1-3 claims (CONFIDENTIAL - No Press Release yet) that tie on to the southern end of the Crowsnest Au property in the Flathead Valley which GoldRea recently optioned from Eastfield Resources. The property overlies a prominent airborne magnetic anomaly along trend to the south of mineralized syenite on the Crowsnest property.

DA Vent: Klondike Gold have finished their first drill hole on the DA Vent property, located along the Lumberton Road near Cranbrook. The hole was intended to test the LMC at between 2000 and 3000 feet depth, however, the hole encountered a thick gabbro sill near its base. The LMC was intersected (Confidential) below the sill and the hole was shut down at 3700'. No results of the drilling have been released. Plans are being made to carry out more drill testing on the Cool Vent (Yahk) and Golden Egg (Perry Creek) properties, commencing sometime in the next few weeks. A NoW for 2 holes totaling 800m on the Golden Egg/Prices Pit property in the Perry Creek drainage has been received.

Chauncey Ridge: Forging Coal has submitted a NoW for 10 drillholes totaling 4320m on its Chauncey Ridge coal licence.

Kena: A NoW has just been received from Sultan for 8,000m in 50 holes to be drilled from 44 sites on their Kena Au project southwest of Nelson. Work is planned to start in the near future.

Lone Peak: Golconda Resources has just finished drilling hole 5 on the Lone Peak property. No results have been released from the drilling to date. The next phase of work on the program will involve extending the current logging road on Lone Peak to access the area with gold bearing quartz veins hosted by the Spar Lake quartzite unit on the south side of mountain for drill testing.

Vowell Creek: Jasper Mining Corp. has engaged Global Securities Corporation to raise between \$800,000 and \$1,500,000 by way of a public offering prospectus. Much of the money will be used to conduct further exploration work on their Vowell Creek property west of Castledale.

David Terry

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Schroeter, Tom EM:EX

*TGS → Vowell
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From: Schroeter, Tom EM:EX
Sent: Monday, June 24, 2002 8:31 AM
To: Terry, David EM:EX
Subject: RE: Jasper Mining Corp. -Golden Area

I suspected so - particularly when I saw Robert Longe's name. I am faxing you article. Cheers, Tom.

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

From: Terry, David EM:EX
Sent: Monday, June 24, 2002 8:27 AM
To: Schroeter, Tom EM:EX
Subject: RE: Jasper Mining Corp. -Golden Area

Jasper is the company who is raising \$700K-\$1.5M to carry out exploration on the old Ruth Vermont property so I would imagine that these claims are probably adjacent to their existing property unless the article says otherwise. I am not aware of any recent press releases from the company so maybe you could fax me the SW article.

Dave

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

From: Schroeter, Tom EM:EX
Sent: Monday, June 24, 2002 8:38 AM
To: Terry, David EM:EX
Subject: Jasper Mining Corp. -Golden Area

David - SW today states that this company has recently acquired 13 claims near Golden. Any scoop? Thanks, Tom.

Schroeter, Tom EM:EX

YAS → RG
— Cranbrook

From: Terry, David EM:EX
Sent: Wednesday, July 31, 2002 3:28 PM
To: Whale, Andrew EM:EX
Cc: Berdusco, Ricci EM:EX; Campbell, Karen EM:EX; Cathro, Mike EM:EX; deleted 020604 - Downie, Arlene EM:EX; Elkins, Paul EM:EX; Grant, Brian EM:EX; Grieve, Dave MSRM:EX; Houle, Jacques EM:EX; Jones, Larry EM:EX; Lane, Bob EM:EX; Lefebure, Dave EM:EX; McArthur, Gib EM:EX; Roach, Dennis EM:EX; Rosentreter, Rieva EM:EX; Ryan, Barry EM:EX; Schroeter, Tom EM:EX; Simandl, George EM:EX; Smolik, Valerie EM:EX; Wojdak, Paul EM:EX; Wuschke, Steven EM:EX
Subject: D.Terry Report; July 31, 2002

Mineral Exploration Activity:

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Franklin: Tuxedo Resources Inc. has just filed a preliminary prospectus with the BC securities commission to raise between \$562,500 and \$787,500 in an IPO with Wolverton Securities. Their property of merit, and the property on which most of the funds raised are intended to be spent on, is the Franklin Property in the Greenwood Mining Division, located 60km north of Grand Forks. The property combines a number of different tenure types covering 3500 ha in the historic Franklin Camp. Types of mineralization known to exist on the property include:

- Au-Ag>Base Metal (Epithermal) Veins
- Mafic Alkalic hosted PGE
- Cu-Pb-Ag-Au Contact Skarns

Depending on the timing of the completion of the offering, some field work, and potentially some drilling, may occur on the project prior to the end of the year.

Lone Peak: Drilling of hole 8 has re-commenced at the Lone Peak property, east of Fort Steele, and the hole is expected to reach its target depth of ~1000 feet sometime this week. The downdip extent of a 1-2m thick quartzite unit with disseminated clots of bornite mineralization, located approximately 300m downslope of the drill pad, as well as gold-bearing quartz veins are being targeted with the drilling.

Thea/LMC: Klondike Gold have submitted several notices of work for upcoming programs on the Thea and adjacent LMC properties. On the LMC property approximately 2000m of drilling in two holes on LMC 1 and 2 claim in the Panda Basin area. On the Thea 15 claim a single 1000m hole will test the Gerry Vent area, a recently discovered cross-cutting hydrothermal vent 6km west of the Panda Basin. On the Thea 17 claim 9 small trenches and 1000m of drilling in 8 holes will test a gold-bearing quartz vein zone exposed in two short trenches 25m apart. One of these trenches exposed the zone over at least 4.5 metres width. A number of 0.5m chip samples assayed up to 0.562 oz/t Au.

Vowell Creek: Jasper Mining reports that it has received a receipt for its prospectus from the BC and Alberta securities commissions whereby they expect to raise between \$800,000 and \$1.5M for exploration on their Vowell Creek property which covers the past producing Ruth Vermont mine.

Expenditure Estimate:

RG
At present the Kootenays estimated expenditures (Coal, IM, Metals) is at ~\$7.09M, compared with \$7.85M last year. One reason for the drop is that coal companies are planning spending ~\$1M less on drilling this year. Metal expenditures will be up substantially whereas IM expenditures have fallen. I have not included any allowance for Bull River this year. The total could rise if some projects like Remac or Franklin are funded this year, or if expanded exploration programs occur on projects like Crowsnest/Howell, Keena, or the Klondike Gold properties in the Cranbrook area, or if new projects are announced.

I will be on Vacation until August 15th.

David Terry

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Schroeter, Tom EM:EX

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Cranbra

From: Terry, David EM:EX
Sent: Tuesday, August 27, 2002 3:24 PM
To: Whale, Andrew EM:EX
Cc: Berdusco, Ricci EM:EX; Campbell, Karen EM:EX; Cathro, Mike EM:EX; Elkins, Paul EM:EX; Grant, Brian EM:EX; Houle, Jacques EM:EX; Jones, Larry EM:EX; Lane, Bob EM:EX; Lefebure, Dave EM:EX; McArthur, Gib EM:EX; Roach, Dennis EM:EX; Rosentreter, Rieva EM:EX; Ryan, Barry EM:EX; Schroeter, Tom EM:EX; Simandl, George EM:EX; Smolik, Valerie EM:EX; Wojdak, Paul EM:EX; Wuschke, Steven EM:EX
Subject: D.A. Terry Report; August 27, 2002

Regional Geologist Activity:

- Vacation: August 1-15th
- August 19-22 visits to Georgia Pacific Gypsum, Westroc, Baymag, Rocky Mountain Tufa, Highwood Resources Silica, HP diatreme, and Rocky Mountain Slate quarry with George Simandl (GSB)
- Exploration tracking/monitoring
- land use referrals

Mineral Exploration Activity:

Athelstan-Jackpot: Linda Caron reports that the permitted trenching program on the Athelstan-Jackpot property will be underway this week to uncover a flat-lying, 1m thick, zone from which assays of up to 2-3 oz Au/t have been attained.

Cool Vent/Yahk: Klondike Gold have commenced deepening of a hole drilled last season on their Cool Vent/Yahk property to reach the LMC horizon.

Howell: Goldrea Resources have completed their first phase drill program on the Howell Property in the Flathead drainage which comprised 1075m in 3 holes. The core is currently being spit and sampled. Results of the airborne geophysical survey flown over the property last month have just been received and are being reviewed. Work on the adjacent Crowsnest property is planned to commence in early September. A University of Alberta professor and graduate student recently visited the property to collect samples of the Howell Creek intrusive suite for trace element analysis and isotopic dating.

Kena: Sultan Minerals have temporarily ceased drilling to await assays and to raise further money. To date this year 24 holes have been drilled on the Gold Mountain Zone, Great Western, and Starlight prospects. No results of the drilling have been released to date. As well a significant amount of IP surveying was carried out. Resumption of drilling is planned for mid-late September pending financing.

Silver Lynx: Cassidy Gold Corp. has entered an option agreement with Delta Exploration Inc. whereby Delta can earn a 50%-60% interest in the Silver Lynx VMS Property southwest of Nelson by making share and cash payments and meeting expenditure obligations. No information regarding Delta's plans for the property are known at this time. The full news release can be viewed at: <http://www.cassidygold.com/news/news131.php>

Vowell Creek: Field work comprising soil sampling, geological, and structural mapping is currently being carried out by Jasper Mining Corp. on its wholly-owned Vowell Creek property which covers the past producing Ruth Vermont mine. It is anticipated that a drill program will commence in late September or early October.

Ward Cu-Au: Jonpol Explorations have completed the previously announced trenching program on the Ward Cu-Au property east of Beaverdell. Drilling testing is planned to commence in early September.

Mines and Quarries:

IMS
Georgia Pacific 4J (gypsum) estimated production for 2002 is 175,000 tonnes; no exploration this year
Westroc (gypsum) estimated production for 2002 is 475,000 tonnes; 1600m in 40 drillholes on Elkhorn West this year
Baymag (magnesite) estimated production for 2002 is 200,000 tonnes; 960 feet in 2 holes exploration drilling this year
Highwood Resources (silica) estimated production for 2002 is 80,000 tonnes; no exploration this year
Rocky Mountain Tufa - estimated production 2000-3000 tonnes - 2 to 3 times last years production
Rocky Mountain Slate - just getting going, no tonnage estimate

Schroeter, Tom EM:EX

YES → RG
- Campbell 2002

From: Terry, David EM:EX
Sent: Friday, September 27, 2002 10:12 AM
To: Whale, Andrew EM:EX
CC: Berdusco, Ricci EM:EX; Campbell, Karen EM:EX; Cathro, Mike EM:EX; Elkins, Paul EM:EX; Grant, Brian EM:EX; Houle, Jacques EM:EX; Jones, Larry EM:EX; Lane, Bob EM:EX; Lefebure, Dave EM:EX; McArthur, Gib EM:EX; Roach, Dennis EM:EX; Rosentreter, Rieva EM:EX; Ryan, Barry EM:EX; Schroeter, Tom EM:EX; Simandl, George EM:EX; Smolik, Valerie EM:EX; Wojdak, Paul EM:EX; Wuschke, Steven EM:EX
Subject: D.A. Terry Report; September 24, 2002

Regional Geologist Activity

- Visit Crowsnest Property drilling, Flathead area
- Visit Ward Cu-Au property drilling, Beaverdell area
- Visit Alco Property, Franklin Camp area
- Land Use referrals

Mineral Exploration Activity:

Crowsnest Au: Goldrea Resources has drilled 4 holes to date on the Crowsnest Au property in the Flathead drainage south of Fernie. The first two holes were drilled near a trench excavated in 1999 which uncovered an altered syenitic sill/dyke approximately 1-1.5m thick which intrudes Cambrian limestones. Au values of up to 8.6 g/t Au were attained over 16m during the 1999 sampling of a zone including both syenite and limestone. Both holes failed to intersect the intended syenite intrusive body. Holes 3-6 were drilled along a new upper road to the east of the trench to intersect the up-dip projection of the zone. Both altered syenite and limestone were intersected in these holes. No results are available at present. A private placement for \$550,000 of flow through funds was announced on September 25 with all of this money earmarked for further exploration on the Crowsnest property.

Gold City: Gold City Industries Ltd. has arranged to acquire the Roberts Mill, located 5km south of Greenwood, from Bow Mines Limited. The mill has been operated as a custom mill in the past, producing flotation and gravity concentrates. This acquisition is a part of Gold City's strategy to acquire a number of high grade gold properties in the Greenwood area for processing at a central facility. Gold City also announced they have optioned the Zip claims from John Kemp. They have also apparently optioned his JD property in the Greenwood camp, although this has not been released yet.

Kena Au: After completing the recent option agreement with Kinross, Sultan have recommenced their exploration program on the Kena property and plan to carry out a minimum of \$500,000 of further drilling prior to year-end. Results of the summer drill program were also released this week. Since July 5 more holes were completed on the Gold Mountain Zone, extending the bulk tonnage grade mineralization to depth and along strike. Along the opposite side of the Silver King Intrusive body from the GMZ (1000-1400m west) three target areas have been identified: The Great Western, Starlight, and Cariboo. High grade rock samples and areas of strong Au soil geochemistry are reported for all three areas and three drillholes were completed on the Starlight area (30.37 g/t Au over 28cm from a vein in one hole and 10.96 g/t Au over 2m from a stockwork zone in a second hole). This next phase of drilling will focus on expanding the known mineralization at the GMZ and on drill-testing the three new areas to the west. In addition, recent IP surveying and soil sampling have identified an area 4km to the south of the GMZ measuring 800m by 200m which will be drill tested. The full press release is available at:

<http://www.sultanminerals.com/s/News-2002.asp?ReportID=42908>

A field visit with Tom Schroeter is planned for next week.

Vowell Creek: Jasper Mining is continuing with its surface exploration on the Vowell Creek (Ruth Vermont) property south of Golden, carrying out geological mapping, rock and soil sampling. An airborne survey covering a 11km by 3km portion of the property is planned to commence shortly with underground and surface drilling to follow in October.

Ward Cu-Au: Jonpol Explorations should now be wrapping up their drill program on the Ward Cu-Au property east of Beaverdell. At the time of my visit hole #5 was being drilled beneath a trench which exposed chert and diorite with strong Fe-oxide after sulphide. The hole had intersected disseminated and veinlet-controlled arsenopyrite mineralization. Several more holes, for a total of 8-10 holes are planned for the area to the southeast of the Barnato Vein (MInfile).

Schroeter, Tom EM:EX

VOS → RG
Cranbrook

From: Terry, David EM:EX
Sent: Thursday, May 08, 2003 3:41 PM
To: Berdusco, Ricci EM:EX; Carter, Michael EM:EX; Cathro, Mike EM:EX; Errington, John EM:EX; Grant, Brian EM:EX; Hermann, Fred EM:EX; Jones, Larry EM:EX; Lane, Bob EM:EX; Lefebure, Dave EM:EX; Marshall, James EM:EX; McArthur, Gib EM:EX; Ryan, Barry EM:EX; Schroeter, Tom EM:EX; Simandl, George EM:EX; Wojdak, Paul EM:EX; Wuschke, Steven EM:EX
Subject: D.Terry Report, May 9, 2003

RG Activity:

- The "**Golden Opportunities in Southern BC**" symposium held in Cranbrook May 2-4th was a big success. There were over 90 attendees comprised of East and West Kootenay locals as well as delegates from Vancouver, Kamloops, Calgary, Spokane, and even Denver. A list of speakers is included below for your information. The field trip run on the Sunday had about 20 people looking at core from Chapleau's Lookout drilling at the Vine property and 11 made the trek up Lookout Mountain to look at the trenches in the snow.
- Responding to requests from MLAs on mining/exploration info
- Responding to inquiries regarding gold properties in Region
- Exploration tracking /monitoring - From the somewhat limited info I have to date there should be more than \$5 million spent on metal exploration alone in the Kootenay Region. No info on coal yet - will get this in June at time of Sparwood coal symposium
- Continuing new office setup issues - computer linespeed is SLOW - should be fixed in next week or so
- Visit to Sedex Mining's MW property where prospecting has discovered a number of new gold showings in an area with little exposure

Exploration and Mining News:

- Chapleau has recommenced their drilling program on the Lookout Zone (Bar 19 Property) west of Cranbrook. They are now on hole 10 of the program. Despite the fact that coarse gold has been identified through check sampling and metallic screen fire assaying of two sample size fractions, significant gold values have been attained in a number of the holes released to date. Ongoing drilling and geological mapping is beginning to unravel structural complications and it is now evident that the important syenite body below the Lookout Gold Zone is much larger than previously thought and the north edge of it - which is the most mineralized in the surface trenches - has yet to be tested below a flat fault at depth.
- Chapleau are planning a significant trenching and drilling program on the Zinger property near the headwaters of Perry Creek, a significant placer creek, as well as a trenching program on the Jackleg property. Chapleau have indicated that they intend on spending \$2-\$3 million on their Cranbrook Gold Project this summer, which includes the Lookout Zone. They now have about 500 square kilometres of tenure in the Cranbrook area.
- Klondike Gold/Sedex are planning on commencing their exploration in the Cranbrook area either later in May or in early June. They intend on starting off with exploration on their gold properties, including MW (soils, VLF, mapping, trenching), St. Joe (East along strike from Chapleau's Lookout Zone), Thea 17 (drilling), and Prices Pit (drilling) and Quartz Mountain. They have ~\$400K at present and are raising more. They will continue with their sedex exploration program later in the season.
- Sultan have indicated that they are planning a Phase 1 program of \$1.12M for Kena to start later this spring, and a total of \$3M subject to results of Phase 1. Work will be carried out on a number of zones on the property including the newly identified "High Grade Magnetic Corridor"
- Gold City Industries is going to be commencing work on their Greenwood Gold Project imminently. The work will involve drilling to expand/confirm resources on the Winnipeg-Golden Crown properties, trenching to obtain metallurgical samples, dewatering of the Lexington decline, and making modifications to the Roberts Mill south of Greenwood.
- Tuxedo Resources is commencing a surface program on their Franklin Camp Au project north of Grand Forks.
- Kingsman Resources have optioned the Snowshoe Property in the Greenwood Camp from John Kemp and three others. The property covers part of the past-producing Skylark Mine.
- Jasper Mining Corporation is planning a 2500m-10 000m drill program on their Vowell Creek polymetallic property and will spend approximately \$800K this year.
- First Cypress Technologies have optioned the Eddie Au property at the headwaters of Weaver creek (another placer creek which is a tributary to the Moyie River) and are planning a work program this summer.

new

Schroeter, Tom EM:EX

TGS → RG
- Cranbrook

From: Terry, David EM:EX
Sent: Friday, June 20, 2003 10:19 AM
To: Anderson, Duane EM:EX; Berdusco, Ricci EM:EX; Carter, Michael EM:EX; Cathro, Mike EM:EX; Errington, John EM:EX; Grant, Brian EM:EX; Hermann, Fred EM:EX; Jones, Larry EM:EX; Lane, Bob EM:EX; Lefebure, Dave EM:EX; Lewis, Jim E EM:EX; Marshall, James EM:EX; McArthur, Gib EM:EX; McKillop, Greg EM:EX; Ryan, Barry EM:EX; Schroeter, Tom EM:EX; Simandl, George EM:EX; Wojdak, Paul EM:EX; Wuschke, Steven EM:EX
Subject: D.A. Terry Report, June 20th, 2003

RG Activity:

Golden Egg

- Exploration tracking and monitoring
- Inquires from several companies looking for gold properties
- Presentation on Exploration and Mining in the Kootenays to the 12th Annual Sparwood Coal Symposium on the evening of Friday June 11th. Good attendance (~40) with lots of CBM and coal people from Calgary attending
- Visited Prices Pit property, located near confluence of Sawmill Creek and Perry Creek, where Klondike Gold is carrying out a drill program to test high grade gold bearing quartz vein exposed on surface adjacent to some historical workings. Hole 1 was near completion at the time of my visit on June 13th. As of today (June 20th) the program has been completed. I will be looking at the core within the next several days.
- Visited Kootenay Gold Corporation prospecting crew in the Nancey Greene Lake area and Blueberry Paulson Summit area where they are continuing to identify promising looking new showings in Nelson and Coryell intrusives in areas which have seen little recent exploration.
- Presented Exploration and Mining in the Kootenays talk to the Boundary Mining Association in Grand Forks on the evening of Friday June 13th. Visited the Greenwood Mining Camp the following day (Saturday) with members of the BMA and a group who had recently taken the prospectors course. Properties visited included the historic Phoenix mine, Sylvester K, and the Athelstan-Jackpot property, site of a recent trenching program.
- Working on two extended proposals for Rocks to Riches program.

Mineral Exploration Activity:

- Goldrea Resources had a two person prospecting crew in at the Crowsnest property for approximately 1 week trying to further pin down the distribution and narrow in on the source of the high grade float boulders which occur in a south-easterly trending train within a large area of anomalous soil geochemistry.
- Sultan Minerals has announced that Kinross Gold Corporation have terminated their option agreement with Sultan on the Kena property. Sultan have said they intend to move forward with a mapping and trenching program along the high grade magnetic corridor recently identified on the property.
- Chapeau Resources have commenced drilling on the Zinger property in the Hart Lake area near the headwaters of the Perry Creek (historical placer creek). They have halted drilling on the Lookout (Bar 19) property subsequent to hole 11 to allow for geological mapping to be completed and to compile results to date. The last two holes reportedly intersected some interesting mineralization.
- Jasper Mining Corporation have commenced drilling on their Vowell Creek property which includes the past producing Ruth Vermont Mine. Initial drilling will test for extensions of the polymetallic vein ore mined at Ruth Vermont. A minimum of ~2500m of drilling is expected to be carried out.
- Gold City Industries have submitted an application to collect a 10,000 tonne bulk sample from the Lexington property in the Greenwood Camp. They intend to test this bulk sample using the Roberts Mill, located several kilometres south of Greenwood, which they also own.
- Klondike Gold will be commencing drill testing of the Thea 17 gold property in the Panda Payday basin southwest of Cranbrook by month-end. Trenches in 2002 uncovered a silicified shear zone in Middle Aldridge clastic rocks which extended for ~250m (open in all directions). The best assay results were 14.5 g/t Au over 4m. Related company Sedex has completed Mag/VLF and soil sampling over a portion of its MW property west of the Reade Lake stock and is planning on a follow-up trenching program on the property.

David Terry

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Schroeter, Tom EM:EX

From: Terry, David EM:EX
Sent: Friday, September 19, 2003 3:16 PM
To: Anderson, Duane EM:EX; Berdusco, Ricci EM:EX; Carter, Michael EM:EX; Cathro, Mike EM:EX; Errington, John EM:EX; Grant, Brian EM:EX; Hermann, Fred EM:EX; Jones, Larry EM:EX; Lane, Bob EM:EX; Lefebure, Dave EM:EX; Lewis, Jim E EM:EX; Marshall, James EM:EX; McArthur, Gib EM:EX; McKillop, Greg EM:EX; Ryan, Barry EM:EX; Schroeter, Tom EM:EX; Simandl, George EM:EX; Wojdak, Paul EM:EX; Wuschke, Steven EM:EX
Subject: D.A. Terry Report, Friday September 19, 2003

Kootenay Mineral Exploration Activity Update:

- Coal drilling and exploration expenditures are forecast to be significantly down from last years figure in the Elk Valley. The 2002 estimate is \$1.2M (compared to \$2.84M in 2002 and \$4.83M in 2001). The coal geologists cite the merger and formation of the Fording Canadian Coal Trust as the reason behind the significant decrease in drilling budgets and they are hopeful this trend will be reversed next year. JM exploration expenditures will be down as well but metal exploration expenditures are forecast to increase significantly again (at present up about 56% to \$4.7M). At present total Exploration Expenditures for the Kootenays are estimated to be \$6.0M - \$6.5M - down slightly from \$7.08 in 2002.
- Klondike Gold Corp. now has two drills going in the Panda-Payday basin area southwest of Cranbrook. One is continuing to deepen the hole at the north end of the basin, to the east of SMC95-1, halted due to the forest fire situation in mid-August. The other is a new hole in the southern part of the basin in the Irishman Creek area. The Fran hole passed through the LMC this time - no results are available yet.
- Chapleau Resources Ltd. have resumed drilling on the Zinger property, at the headwaters of Perry Creek, in the Heart Lake area, and are constructing a road to reach the ridge in the Gold Run Lakes area on the southern part of the property. Drilling is also planned on the Jackleg property east of Wasa.
- After raising more than \$2M, Gold City Industries Ltd. are mobilizing in the Greenwood Camp and plan to complete 3-4 holes on the Lexington property to tighten up the resource model, as well as to collect samples for metallurgical/environmental purposes. The Grenoble/Main Zone on the property has a reported mineral resource of 94 923 tons grading 0.297 oz/ton (10.2 g/t) Au and 1.49% Cu. After completing this they will move to the Winnipeg-Golden Crown property where they will drill 30-40 short holes to expand near-surface and along strike resources. In 1990 a study of the property indicated the presence of a mineral resource of 37 100 tons grading 0.999 oz/ton (31.07 g/t) Au (uncut) or 0.536 oz/ton (16.67 g/t) Au(cut) and 1.12% Cu. At the same time a trenching program will be carried out on adjoining properties (JD etc.)
- Mosquito Consolidated Gold Mines Ltd. has received an option payment of \$450K from IWA which they state will be used in part to fund exploration on their Tillicum Gold project southeast of Nakusp.
- Tuxedo Resources Ltd. are planning on a drill program on their Franklin Camp property to follow up on results of the trenching program carried out earlier this summer. No results have been released to date on this. Apparently the company has had some trouble getting diamond drillers.
- Jasper Mining Corporation has released results from its drill program on the Vowell Creek project southwest of Golden. To date 2900m in 17holes have been completed. The main purpose of the program is to test for extensions to the vein and replacement type mineralization at the past-producing Ruth Vermont Mine on the north side of Vermont Creek. A number of polymetallic intersections are reported in the News Release. An example of one of the better intercepts is from Hole 3/Interval#8 which assayed 1.49 g/t Au, 0.21% Cu, 2.62% Pb, 3.21% Zn, and 275.5 g/t Au over 5.41m. Drilling has just resumed with between 5 and 10 more holes planned.
- Sedex Mining Corp. is commencing a trenching program on its MW property southeast of Kimberley to follow up on a number of rock geochem and geophysical targets. The property exhibits little bedrock exposure however widespread anomalous gold values, associated with limonitic alteration and elevated BM, have been attained from prospecting samples in a 3km by 2km area. The property is structurally complex and lies just to the west of the Cretaceous Reade Lake Stock, a prominent aeromagnetic anomaly. Quartz veins on the property have assayed up to 10 g/t Au and several ounces silver.
- Sultan Minerals Inc. has reported on the results from the trenching program carried out earlier in the summer on their Kena Gold project near Nelson. While most of the trenches returned sub-economic gold values, a chip sample from trench 03TR-7 assayed 35.26 g/t over 4m (including an interval assaying 66.83 g/t Au over 2m) The company plans to carry out further mapping to constrain structural controls on gold mineralization followed by a diamond drill program.
- A JCP company has completed 217m of drilling in 12 holes on the Lapin Barite project south of Bridesville. The widest intercept was 10m of barite (average of 5-6m). Further drilling and bulk sampling is planned for later in the year.

David Terry

Schroeter, Tom EM:EX

TOS → RG -
Cranbrook

From: Terry, David EM:EX
Sent: Friday, October 03, 2003 11:04 AM
To: Anderson, Duane EM:EX; Berdusco, Ricci EM:EX; Carter, Michael EM:EX; Cathro, Mike EM:EX; Errington, John EM:EX; Grant, Brian EM:EX; Hermann, Fred EM:EX; Jones, Larry EM:EX; Lane, Bob EM:EX; Lefebure, Dave EM:EX; Lewis, Jim E EM:EX; Marshall, James EM:EX; McArthur, Gib EM:EX; McKillop, Greg EM:EX; Ryan, Barry EM:EX; Schroeter, Tom EM:EX; Simandl, George EM:EX; Wojdak, Paul EM:EX; Wuschke, Steven EM:EX
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
Total	\$6.6

- **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 Försks. 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