Wolverine 889778

Schroeter, Tom EM:EX

B> Ray Myr From: Beswick, Ed EM:EX Sent: Friday, February 02, 2001 4:49 PM To: Adams, Rick; Anderson, Duane; Bergen, Wally; Brown, Derek; Cheetham, Pat; Cochrane, Marlene; Conte, Rick; Curtis, Ross; Errington, John; Finvers, Maija; German, Gerald; Guthrie. Shelley; Hall, Ted; Headley, George; Hermann, Fred; Hesketh, Joan; Jorgensen, Sharon: Kennedy, Wesley; Lefebure, Dave; Lieutard, Denis; McArthur, Gib; McLaren, Graeme; O'Rourke, Patrick; Phelan, Bill; Rennie, Loma; Ringstad, Norm; Schmitt, Rolf: Schroeter, Tom: Smyth, Ron; Starkes, Terri; Stewart, Linda; Whale, Andrew; White, Don; Blackwell, Romona; Lane, Bob; MacDonald, Ken; McBride, Brian; McGrath, Brian; McIntyre, Ken; Morgan, David; Pardy, Jamie; Pittman, Ed; Pow, David; Rivers, Jan; Wick, Patricia; Wood, Nancy Subject: Prince George Update to Feb. 2.

Issues:

Kemess: Staff meetings with MOF regarding coordination of inspection duties on the powerline. Updated MELP RD on same. Work conducted by reclamation contractors has been satisfactory. Some discussion on Terms of Reference for the Project Approval Certificate review. B. McBride working on a permit amendment. Northgate released a mineral inventory for Kemess North: 360 million tonnes @ 0.154% Cu and 0.299 g/t Au. Potential Omineca to Stewart Road remains topical.

Pine Valley Coal: Investigation has revealed that there was an air blast associated with the Jan. 17th blast at this mine. Residents of the local communities and businesses interviewed confirmed it was more than they expected. Blasting procedures submitted to MEM. Environmental monitoring and liaison meeting scheduled for Feb. 14, 2001.

FYI:

Mt. Polley: Imperial Metals has acquired 100% ownership of the Mt. Polley Mine from Sumitomo Corporation. This is good news.

Angel Jade: Major work in Manson Creek area - 100,000+ m3 planned for this year. Working with MOF to ensure that tree removal can be done on time and at a reasonable cost. Company indicates that they will hire as many locals as possible (looking at about 8 people).

Western Canadian Coal: Notices of Work that outline exploration projects have been received from Western Canadian Coal for drill programs on its West Brazion and Wolverine properties.

Eighteenth Annual Cordilleran Exploration-Round-Up: Indications are that the event was attended by over 2100 delegates. For the first time in years there seemed to be a positive attitude for companies trying to raise investment capital for exploration in B.C. Several property holders in the North Central Region have indicated that they will be more aggressive during 2001 exploring their properties.

Coal: Inquiries continue to come in. Dusting off the coal mine files.

MMS: Richard Booth in PG for a couple of days and his advice was well received. Backlogs are starting to build because of learning pains and time required to enter all the data from the Notices of Work. May have to discuss priority setting and information requirements.

From: Sent: To:

Subject:

Lane, Bob EM:EX Monday, May 14, 2001 3:18 PM Smyth, Ron EM:EX; Lefebure, Dave EM:EX; Brown, Derek EM:EX; McArthur, Gib EM:EX; Schroeter, Tom EM:EX; Massey, Nick EM:EX FW: Lane "Weekly" Report

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

| From: | Lane, Bob EM:EX | |
|----------|------------------------------|--|
| Sent: | Monday, May 14, 2001 3:11 PM | |
| To: | EM MB Prince George DL | |
| Subject: | Lane "Weekly" Report | |

Lane Catch-up Report to May 11, 2001.

Exploration Monitoring

Approximately 62 Mineral Notices of Work have been received to date for exploration projects in the region.

Mount Polley (April 17): Reviewed early drilling program on Springer zone and new North Springer Extension (NSX2). A total of 36 diamond drill holes, plus numerous percussion holes were drilled at Springer and the NSX during the first 2 phases of exploration. The new zone is a NNW-trending vertical, tabular body that has approximate dimensions of 230 m along strike by 50-60 metres wide by 100 metres (minimum) down dip. The zone may extend continuously from the Springer zone (south), but is truncated by an E(?)-trending fault on its northern extremity. The zone is comprised of intrusion breccia that is albitized and silicified. The breccia contains very fine grained disseminations of CPY and PY. Magnetite and actinolite commonly fill fractures. Phase 3 has not yet been planned, but may include drilling of the Kay Lake basin anomaly, located ~1 km NW of NSX.

Bonanza Ledge (April 9): International Wayside (IWA) has completed five diamond drill holes on/near the Bonanza Ledge zone. All five holes are more or less on section with 2k holes 23-25, 30 and 31. Favourable lithologies have been occur in hangingwall and footwall rocks of the Canusa Vein, but with the exception of a few narrow, auriferous pyrite-rich zones, little mineralization has been intersected. IWA will also drill test the 'Wells Trend', south of and sub-parallel to the Sanders-Pinkerton-Rainbow zones, where Fe-carbonate-sericite+/- pyrite alteration coincides with a pronounced Au-in-soil geochem anomaly.

Willow Creek (Mar. 27): Visited the Pine Valley Coal <u>bulk sampling</u> project with consultant Kevin James. Approximately 35,000 tonnes of raw, low-volatile coal had been mined from '7' seam and stockpiled at the loadout. Next phase of pit development will remove 15,000 tonnes (or more) to meet existing contracts. A 5-hole drilling program near the eastern margin of the pit was nearing completion.

Results will guide future development.

Wolverine

Perry Creek. Western Canadian Coal Corp. completed a 5-hole, 800-metre drilling program on its Perry Creek deposit, 23 km W of Tumbler Ridge. Perry Creek is an underground coal target adjacent to the railway and is one of several targets on the company's Wolverine property. Additional exploration is expected to proceed later in the year.

CBM: Provided information on activity in the <u>NE Coal Block</u> to representative of AEC who is looking for opportunities in NE BC.

Provided some background information to a junior mining company that is considering optioning claims within a northern SMZ. Its encouraging to hear that companies are at least considering exploring within these 'special ' areas.

Office-Based Activities

Basic Prospecting Course was held in PG from April 30 - May 6 with 18 enthusiastic wanna-be rock hounds. Average age of the class is a concern though--were not attracting the younger, more able-bodied individual to these classes. Instructor <u>Chris Wild</u> was assisted by <u>Brian McGrath and BL</u> A day trip to an operating placer mine will be offered later in the spring. Another basic course is just being completed in Mackenzie with eight students.

Prospectors Assistance Program. Evaluated a total of 21 applications (many very impressive; one disqualified) for programs in the

From: Beswick, Ed EM:EX Sent: Monday, June 04, 2001 1:41 PM Adams, Rick; Anderson, Duane; Bergen, Wally; Brown, Derek; Cheetham, Pat; Cochrane, To: Marlene; Conte, Rick; Curtis, Ross; Errington, John; Finvers, Maija; German, Gerald; Guthrie, Shelley; Hall, Ted; Headley, George; Hermann, Fred; Hesketh, Joan; Jorgensen, Sharon; Kennedy, Wesley; Lefebure, Dave; Lieutard, Denis; McArthur, Gib; McLaren, Graeme; O'Rourke, Patrick; Phelan, Bill; Rennie, Lorna; Ringstad, Norm; Schmitt, Rolf; Schroeter, Tom; Smyth, Ron; Starkes, Terri; Stewart, Linda; Whale, Andrew; White, Don; Blackwell, Romona EM:EX; Lane, Bob EM:EX; MacDonald, Ken EM:EX; McBride, Brian EM:EX; McGrath, Brian EM:EX; McIntyre, Ken EM:EX; Morgan, David EM:EX; Pittman, Ed EM:EX; Pow, David EM:EX; Rivers, Jan EM:EX; Wick, Patricia EM:EX; Wood, Nancy EM:EX; XT:EM Pardy, Jamie Subject: Prince George Update to June 4/01

Issues:

QR: Continued priority for inspection and monitoring. Recent orders include; requirement to submit an underground stope crown pillar report by 15 June, 2001; Submission of the tailings report by 15 July, 2001; submission of a spillway design for the Main Zone Pit by 15 July, 2001 and completion of construction of the spillway by 28 September, 2001. Inspection and reclamation security level evaluation planned by BMB and Gregg Stewart for June 14.

FYI:

SUSTUT Copper: Pre-application (environmental assessment process) meeting held May 28. Key issues included access management, First Nations, reclamation and water quality - sediment control/metal leaching. Project schedule calls for completion of the project feasibility - winter 2001, and ore shipment to the Kemess concentrator by June 2003.

Western Canadian Coal: Announced agreements with Mitsui Matsushima and Deepgreen Minerals. The agreements provide \$3.5 M to advance some North East Coal Projects. Specifically they want to advance the Wolverine property to a bankable feasibility by March 2002, targeting 1.5 - 2 million tonnes per year. The program also calls for exploration and scoping studies on the Brazion group, with focus on Burnt River and West Brazion, including drilling on the Brazion and Hudette.

Placer: Colin High: application for approval for in-stream suction dredging denied. MELP/DFO guidance titled Use of Suction Dredges to "Snipe" for Gold, (dated Mar. 22/95), have not been endorsed for use in the Northeast-Central region by the OCPS. In addition, Fisheries and Oceans staff have tabled letter signed by Minister that their agency does not support nor approve of suction dredging because they feel it is harmful to fish habitat and introduces deleterious substances into water frequented by fish. This issue is expected to be raised as a concern by the Cariboo Mining. Association as to why different regions are treating instream suction dredging differently. Joint MEM-DFO inspections in Likely area last week. Several properties active, most idle. Compliance issues range from improper pump screening to unauthorized underground drifting. To date DFO have completed 18 placer inspections in Likely and have plans tc continue aggressive inspection schedule. Series of compliance workshops in Quesnel, Likely, Wells and Manson Creek suggested.

Gravel: Dave Pow attended last meeting of Gravel Handbook Steering Committee. Ed Pittman and Ken MacIntyre in contact with MOTH and Regional District on gravel regulatory requirements.

Kemess: First quarter production was 73,360 ounces of gold and 18.6 million pounds of copper. Cash operating costs @US\$165/ounce net. Exploration scheduled to continue at Kemess North this summer.

CIMM - Quesnel: Annual meeting included tours of the <u>Mosquito Creek Mine</u>, <u>Cariboo Gold Quartz Mine</u> and talks from Mt. Polley, <u>Kemess</u>, <u>Endako</u> and <u>Huckleberry</u>. Bob Lane provided his regional exploration overview. The meeting was well attended with about <u>90 people</u> attending the banquet. Kamloops gearing up for <u>District 6 meeting</u>, <u>Sept 20 and 21</u>, and are expecting about 500 delegates. Long term plan would see a District 6 meeting in <u>Prince George about</u> 2/04.

Minerals North: Attended May 30 - June 1 in Terrace by EB/BMCG/BL. Record #'s in attendance with high expectations of improved mineral exploration climate.

| From: | Beswick, Ed EM:EX |
|----------|--|
| Sent: | Thursday, July 05, 2001 4:26 PM |
| To: | Adams, Rick; Anderson, Duane; Bergen, Wally; Brown, Derek; Cheetham, Pat; Cochrane, Marlene; Conte, Rick; Curtis, Ross; Errington, John; Finvers, Maija; German, Gerald; Guthrie, Shelley; Hall, Ted; Headley, George; Hermann, Fred; Hesketh, Joan; Jorgensen, Sharon; Kennedy, Wesley; Lefebure, Dave; Lieutard, Denis; McArthur, Gib; McLaren, Graeme; O'Rourke, Patrick; Phelan, Bill; Rennie, Loma; Ringstad, Norm; Schmitt, Rolf; Schroeter, Tom; Smyth, Ron; Starkes, Terri; Stewart, Linda; Whale, Andrew; White, Don; Blackwell, Romona EM:EX; Lane, Bob EM:EX; MacDonald, Ken EM:EX; McBride, Brian EM:EX; McGrath, Brian EM:EX; McIntyre, Ken EM:EX; Morgan, David EM:EX; Pittman, Ed EM:EX; Pow, David EM:EX; Rivers, Jan EM:EX; Wick, Patricia EM:EX; Wood, Nancy, EM:EX; XT:EM Pardy, Jamie |
| Subject: | Prince George Update to July 5. |
| | |

Issues:

Mt. Polley: Operations at the Mount Polley copper/gold mine will be suspended on Sept. 30, 2001. The decision to suspend production was because of continuing low copper and gold prices. The mine will be on care and maintenance pending an improvement in metal prices. Mount Polley employs about 240 people plus contractors. Most recent mine plans were based on a copper price of \$ 90. Therefore, with copper hovering just above \$.70 this announcement was no surprise. The Public Advisory Committee is scheduled to meet September 6. Expecting to finish up exploration around the Springer Pit.

Duguay: Placer property on <u>Antler Creek</u>. Requested by RCMP to assist in resolving local dispute. Direction from Chief Gold Commissioner appreciated. Will require follow up in 2002.

FYI:

Willow Creek: That Cargo mining continues with 20 rail cars loaded and ready to go at the siding. Stockpiling coal at the loadout continues with a crusher expected to return in due course.

b We Western Canadian Coal: Want to initiate pre- EA application discussions - July 26 meeting scheduled.

Placer Audit: DFO generally pleased with audit but continue to express concern over, high rain event, sediment discharges from historic hydraulic workings in the Cariboo. OCPS expected to work on a proposal to evaluate and remediate some of these sites. There may be a remote opportunity DFO would kick in a share of \$ to evaluate the extent of the issue to determine the significance of the environmental impact of the events. Water management around the placer mines is also an issue because of some definitions of streams being applied. Practical solutions are becoming more and more difficult to achieve because of the lack of MEM authority to issue authorizations or orders to divert water around these sites. 30m setback order that was initially sought by DFO near Quesnel River was retracted.

Sustut Copper: Still waiting for snow to go before mobilizing for the summer program. Review comments on the scoping study are being referred to Doublestar. Field review with EAO/NEMDRC planned for Sept. 5.

ADMIN:

Thanks to some perceptive observation by Nancy Wood in this office we have decided to change our phone systems for a significant annual savings. Nancy noticed some line fees that seemed high, linked that with the fact the MOF locally had recently changed their phone #'s and inquired why we couldn't do the same. Way to go Nancy.

> Keg, Mgr

From: Beswick, Ed EM:EX Sent: Friday, July 27, 2001 12:46 PM To: Adams, Rick; Anderson, Duane; Bergen, Wally; Brown, Derek; Cheetham, Pat; Cochrane, Marlene; Conte, Rick; Curtis, Ross; Errington, John; Finvers, Maija; German, Gerald; 3 Guthrie, Shelley; Hall, Ted; Headley, George; Hermann, Fred; Hesketh, Joan; Jorgensen, Sharon; Kennedy, Wesley; Lefebure, Dave; Lieutard, Denis; McArthur, Gib; McLaren, et al. Graeme; O'Rourke, Patrick; Phelan, Bill; Rennie, Loma; Ringstad, Norm; Schmitt, Rolf; Schroeter, Tom; Smyth, Ron; Starkes, Terri; Stewart, Linda; Whale, Andrew; White, Don; Blackwell, Romona EM:EX; Lane, Bob EM:EX; MacDonald, Ken EM:EX; McBride, Brian EM:EX; McGrath, Brian EM:EX; McIntyre, Ken EM:EX; Morgan, David EM:EX; Pittman, Ed EM:EX; Pow, David EM:EX; Rivers, Jan EM:EX; Wick, Patricia EM:EX; Wood, Nancy EM:EX: XT:EM Pardy, Jamie Subject: Prince George Update to July 27/01

Issues:

Northern Floods: Heavy rainfall during the week of July 16th resulted in several logging road washouts and an estimated \$23 M in damage to infrastructure in the North. PEP involved. At **Quintette**, discharge from the tailing pond and some erosion of long dump slopes occurred. Of interest, **Western Canadian Coal's** exploration program was delayed and the company considered airlifting workers and supplies for the program. At **Kakwa** a severe washout has precluded access to the Wishaw Quarry. Anticipate delay of future programs because of the need for road repairs.

FYI:

Jolverine

Western Canadian Coal: Pre EA application information meeting held in Prince George July 26. Company outlined plans to achieve production November - 2003, from Brazion and /or Wolverine Groups. Project procurement scheduled for the fourth quarter 2002. Focus over the next year is on baseline/ EA process requirements.

X International Wayside: Two drills turning on the Bonanza Ledge with another mobilizing to test the Wells trend on Cow Mountain.

Placer Workshop: Already receiving positive responses from industry regarding the July 25/26 Placer Field Trip. Attended by about 25 from the placer industry. Thanks to Vic Levson, Brian McGrath, David Mate, Ken MacDonald and Bob Lane for all their effort.

NOW /Referrals: Review of pending mineral notices of work show that we are awaiting actions by clients. Good job to permitting for keeping on top of this.

Vehicle Management: Fleet is now in the best shape ever! Still awaiting direction on disposal of old trucks.

Stewart - Omineca Road: Contractor to be selected by Municipality of Stewart to conduct a feasibility for the road. Expect-completion of the report by November, followed by a submission to Government of B.C. E&M to help where requested.

| From: | Beswick, Ed EM:EX |
|----------|---|
| Sent: | Friday, December 14, 2001 6:10 PM |
| То: | Adams, Rick; Anderson, Duane; Beckett, Carla EM:EX; Bergen, Wally; Brown, Derek; Cheetham, Pat; Conte, Rick; Curtis, Ross; Errington, John; German, Gerald; Guthrie, |
| | Shelley; Hall, Ted; Hermann, Fred; Jorgensen, Sharon; Kennedy, Wesley; Lefebure, Dave; |
| | Lieutard, Denis; McArthur, Gib; McLaren, Graeme; Murphy, Maureen EM:EX; O'Rourke, Patrick; Phelan, Bill; Rennie, Loma; Ringstad, Norm; Schmitt, Rolf; Schroeter, Tom; Smyth, |
| | Ron; Stewart, Linda; Whale, Andrew; White, Don; Lane, Bob; MacDonald, Ken; McBride, |
| | Brian; McGrath, Brian; McIntyre, Ken; Morgan, David; Pardy, Jamie; Pittman, Ed; Pow, David; Rivers, Jan; Wick, Patricia; Wood, Nancy |
| Subject: | Prince George Update to December 14/01 |

Issues:

Pine Valley Coal: Ongoing mediation regarding compensation for <u>blast damage</u> from the second blast Feb. 2001. Contractor (North American) expecting to <u>mobilize first week in January for next season's mining campaign</u>. Exploration program wrapped up for the year. Regional permit review complete and draft permit sent to Reclamation Section for final touches. Lack of follow up by company on permit conditions for ARD may hold up issuance of the permit. PVC anxious to obtain permit to satisfy investors/partners and to assure the contractor work is permitted. ("Due Diligence Issue?")

FYI:

Wolverine Coal Project: Screening of application to the Environmental Assessment Office for a project approval certificate is underway. A two stage process is anticipated for this \$100 million capital project anticipated to have some 300 employees. The project is about 20km west to Tumbler Ridge and contemplates a 1.5 to 2 million tonne/year open pit met coal mine. Some studies are underway to determine the viability of starting up a small underground mine (market sample?) while the EA is proceeding. Detailed feasibility on Wolverine Project is expected by March 2002 with first coal production by late 2003 or early 2004.

aribor Gold alz.

international Wayside - Cariboo Gold Project: Report baseline studies have been compiled and that they are intent on re-entering the Provincial EA process early in the new year.

Mt. Polley: Proposing research into economic leaching potential at Mt. Polley. Have requested confirmation of "Class B hazand" classification under WCB first aid requirements. 11-15 employees conducting met work, road maintenance, and office duties.

Burnt River: Western Canadian Coal announced at the Canfor - Chetwynd Public Advisory Committee meeting last week that they expect to apply in February for permits to begin mining at the Burnt River Project. Issues identified by the environmental stakeholder included; connecting road access issues related to conservation and habitat; grizzly bears; caribou and bull trout. Production (<250,000 tonnes/year) is contemplated for late 2002.

Kemess: Considering going to a left hand traffic pattern.

Geologist Visits: Mr. McGrath was the hit on December 6, for a Grade 5 class at **Sacred Heart School** in Prince George. Keeping up our commitment to community outreach, improving the public perception of mining and thus public acceptance of mining in British Columbia is applauded. His presentation was a highlight of the class's study of **Mining in Canada**.

Placer: Ken MacDonald completed 2001 reclamation project report. NOW tally for placer to 06/12/01 = 369 NOC's = 97 At \$ 270 gold this is a lot.

| From: | Beswick, Ed EM:EX |
|----------|---|
| Sent: | Wednesday, December 19, 2001 3:40 PM |
| To: | Anderson, Duane; Bellefontaine, Kim EM:EX; Booth, Richard; Carr, Chris; Crook, Ray |
| | EAO:EX; Curtis, Ross; Errington, John; German, Gerald EM:EX; Guthrie, Shelley; Hermann, |
| | Fred; Hoffman, Al; Koncohrada, Karen; Lane, Bob; Lieutard, Denis; McBride, Brian; Molinski, |
| | David EM:EX; Morgan, David; Pow, David; Price, Bill EM:EX; Ryan, Barry EM:EX; Smyth, |
| | Ron; Wood, Nancy |
| Cc: | Schroeter, Tom EM:EX |
| Subject: | FW: Wolverine Coal Project |
| | |

S-> Wolverin

FYI,

The attached email sets out the EAO's expectation for the anticipated Wolverine Project Review. Copies of the application for MEM review and comment will be made available in Victoria through the Mines Branch - (Errington/Hermann), and through the Policy Branch - (Koncohrada/Molinski). The Prince George office will also have copies available for review. Mr. Ringstad has suggested that the EAO will try to have a copy placed in the Mineral Development Office (Tom Schroeter) in Vancouver and that it would be available for the public upon request.

We anticipate the first project meeting will take place the third week of January in Tumbler Ridge.

Please call if you have any questions about this review.

Thanks

Ed (250-561-5612)

 -----Original Message----

 From:
 Vouriot, Melody EAO:EX

 Sent:
 Wednesday, December 19, 2001 1:17 PM

 To:
 'dfawcett@westerncoal.com'

 Cc:
 'brucem@lorax.bc.ca'; Beswick, Ed EM:EX; Hart, Bob SRM:EX; Ringstad, Norm EAO:EX; Thoroughgood, Garth A EAO:EX

 Subject:
 Wolverine Coal Project

Please find attached letter from Norm Ringstad to David Fawcett. Please note that the two copies of the application have been couriered to Bruce Mattson.

| WF] | | |
|------------------|---------------|--|
| DFawcett011912.d | Wolverine | |
| OC | Screening.doc | |

Thank you, Melody

> Melody Vouriot Administrative Assistant Environmental Assessment Office 836 Yates St 2nd Floor Victoria, BC V8V 1X4

> > Phone: 250-356-1763 Fax: 250-387-2208

 From:
 Lane, Bob EM:EX

 Sent:
 Friday, January 11, 2002 3:57 PM

 To:
 Cathro, Mike; Houle, Jacques; Terry, David; Wojdak, Paul; Beswick, Ed; MacDonald, Ken;

 McBride, Brian; McGrath, Brian; McIntyre, Ken EM:EX; Morgan, David; Pittman, Ed; Pow,

 David; Brown, Derek EM:EX; Lefebure, Dave EM:EX; McArthur, Gib EM:EX; Schroeter, Tom

 Subject:
 Lane Weekly, Northeast-Central Region

Northeast-Central Region Lane Weekly Report to January 11, 2002

Mining and Exploration News

Willow Creek. Pine Valley Coal Ltd. has begun its second phase of a trial cargo at the Willow Creek thermal/PCI coal project 45 km west of Chetwynd. Plans are to mine 60,000 tonnes within a three month period. North American Construction has been contracted to complete the project. The use of two larger capacity haul trucks (~30 tonne), a small fleet of gravel trucks (~15-16 tonne) and a weigh scale will make for a more efficient hauling program. Logging around the perimeter of the existing pit has also commenced in preparation for future pit expansion. It is very likely that further development will continue after the trial cargo has been completed.

Wolverine (EB North and Perry Creek). Reviewed the Stage 1 project report submitted by Western Canadian Coal Corp. The company is proposing to construct 1.5 - 2.0 million tonne per year metallurgical coal mining operation located very close to existing infrastructure between the Bullmoose and Quintette deposits. Coal from two mines, EB North open pit and the Perry Creek underground, would supply a centrally located washplant. The company is looking at a late-2003 or early-2004 startup.

Kemess. Northgate Exploration Ltd. has successfully raised some \$5M earmarked for exploration on their Kemess mine area mineral tenure. The Kemess North deposit will be the focus of their efforts, but nearby targets including Kemess East and Nuggett will also be examined.

Fran. Navasota Resources Ltd. plans to begin drilling, its Fran porphyry copper-gold prospect, north of Fort St. James, immediately following Roundup.

Office Activities (with Ken MacDonald and Brian McGrath)

Mining and Exploration Review' poster for Roundup has been completed.

'Gold-Enriched Porphyry Copper Mineralization in Central Quesnel Terrane' poster for Roundup has been completed.

Mining and Exploration Review article for Roundup is nearing completion

List of 'Properties for Option in NE-C BC' is being developed

Bob Lane Regional Geologist Mines Branch, Prince George

| Schroeter, To | $m \in \mathbf{M}: \mathbf{EX}$ |
|-----------------------------------|--|
| From: Sent: To: Subject: | Beswick, Ed EM:EX Friday, March 08, 2002 1:39 PM Adams, Rick; Anderson, Duane; Beckett, Carla EM:EX; Bergen, Wally; Brown, Derek; Cheetham, Pat; Conte, Rick; Curtis, Ross; Errington, John; German, Gerald; Guthrie, Shelley; Hall, Ted; Hermann, Fred; Jorgensen, Sharon; Kennedy, Wesley; Lefebure, Dave; Lieutard, Denis; McArthur, Gib; McLaren, Graeme; Murphy, Maureen EM:EX; O'Rourke, Patrick; Phelan, Bill; Rennie, Lorna; Ringstad, Norm; Schmitt, Rolf; Schroeter, Tom; Smyth, Ron; Stewart, Linda; Whale, Andrew; White, Don; Lane, Bob; MacDonald, Ken; McBride, Brian; McGrath, Brian; McIntyre, Ken; Morgan, David; Pardy, Jamie; Pittman, Ed; Pow, David; Rivers, Jan; Wick, Patricia; Wood, Nancy Prince George Update to March 8/02 |

Issues:

Pine Valley Coal: WEAP received complaints from nearby residents of coal dust. Under investigation. Mining of the trial cargo at the Willow Creek has been completed. 50,000 tonnes of coal will be shipped to Prince Rupert next week. Additional production should be anticipated for the spring and summer.

Stewart - Omineca Road: Private sector interest in developing this road continues to build. An Impact Study compiled by McElhanney has been made available to all interested stakeholders by the District of Stewart. Enquiries coming in.

Gibraltar Rock Drilling: Addressing blasting infractions and equipment deficiencies at local quarry.

FYI:

Placer:

Bert Ball: Information requested by Mr. Ball being provided by the regional office. Indications that he is moving onto the lease to live this summer. RCMP action on grow-op.

Exploration:

Burnt River Coal: Drilling to start this weekend on a 22 hole program.

Navasota Resources: Completed a 7-hole NQ drilling program on its Fran gold/copper prospect north of Fort St. James. A second phase of drilling will begin by the middle of next week and is expected to consist of six NQ holes.

Eastfield Resources: Has begun a small drilling program at the Lorraine property located northwest of Germansen

Guardsmen Resources: Have acquired the Cheni, Lawyers (094E 066) and Ranch (AI) properties.

Rimfire Minerals. Have optioned the Bill property in the Toodoggone.

Atna Resources: More geophysics, geochemistry and possible drilling expected in 2002 on the Nechako Plateau.

Sand and Gravel:

Aggregate Producers OHS Training: Twenty five companies to receive training and sand and gravel supervisory recertifications. Full or half day sessions will be held in Williams' Lake, Quesnel, Prince George, Vanderhoof and the Peace Country. Being coordinated by E. Pittman.

Admin:

After over two years with the Ministry, Brian McGrath - Mineral Resource Officer has opted for VDP, effective March 15th. Brian was nominated for the Ministry Employee Award Program for his dedicated outreach work to our industry clients, regional communities and local schools and will truly be missed by all.

Mr. Booth attended the office on Wednesday and Thursday this week providing welcome advice on MMS and other operational issues.

From: Sent: To: Lane, Bob EM:EX Friday, December 13, 2002 3:42 PM Grant, Brian EM:EX; Ryan, Barry EM:EX; Beswick, Ed; jamie pardy; MacDonald, Ken; McBride, Brian; McIntyre, Ken EM:EX; Morgan, David; Pittman, Ed; Cathro, Mike; Houle, Jacques; Terry, David; Wojdak, Paul; Brown, Derek; Lefebure, Dave; McArthur, Gib; Schroeter, Tom Lane Weekly Report to December 13, 2002

Subject:

Lane Weekly Report to December 13, 2002

Northeast-Central Region

Exploration Update

QR (Cross Lake Minerals and Gold Giant Ventures)

Assays from the first 14 holes of a 19-hole, 1692-metre diamond drilling program on the QR property, located 58 km southeast of Quesnel, have been released. One hole was drilled to test the deep North zone target, 13 holes targeted the near surface Northwest zone, and 5 holes cut the West zone between 2 previously mined areas of the zone. The North zone hole intersected four significant mineralized intervals of propylitically altered basalt. The best intersection averaged 3.87 g/t Au over 9.0 m at a downhole depth of 240.5 metres. The open pit potential of the Northwest zone was confirmed by several intersections, including 16.7 m grading 4.71 g/t Au in hole CL-02-2007. Assays from West zone drilling are not yet available. The companies intend to complete data compilation, engineering studies and continue with field exploration that will likely include trenching and additional diamond drilling.

Cariboo Gold Quartz (International Wayside Gold Mines Ltd.)

In a public meeting on the evening of December 11th in Wells, International Wayside presented an update of their intentions to develop a mine on its nearby Cariboo Gold Quartz property. The company had previously submitted an application to the <u>BC Environmental Assessment Office</u> to develop an open pit deposit on Cow Mountain back in March, 2000, but in light of the discovery of Bonanza Ledge in July of the same year, requested a timeline extension. The revised proposal, yet to be formally submitted to the EAO, incorporates indicated resources from the higher grade BC vein (296,000 tonnes grading 5.31 gpt Au) and Bonanza Ledge (337,500 tonnes grading 8.12 gpt Au) deposits, as well as the bulk tonnage material from the Pinkerton-Sanders-Rainbow deposit (6.014 million tonnes averaging 2.23 gpt Au) on Cow Mountain. <u>A mill complex</u> would be constructed on Barkerville Mountain, PAG rock dump in upper Lowhee Creek, and tailings impoundment southwest of Jack of Clubs Lake. On the exploration side, a vertical hole is currently being drilled near the collar location for hole BC01-08 to test for the southeastern extension to the Bonanza Ledge zone. Several drill pads have been established on the Mosquito Creek Gold property and will likely see action early in 2003.

plyerine

Perry Creek (Western Canadian Coal Corp.)

Western Canadian Coal Corp. is currently drilling on its Perry Creek metallurgical coal property located between the Quintette and Bullmoose mines, near Tumbler Ridge in the Peace River Coal Fields. Approximately 25 six-inch diameter core holes will be drilled on the 'J' seam in order to provide a small bulk sample for a coal quality testing. The shallow-dipping coal measures (128/09 NE) are beautifully exposed at the proposed adit site. The upper part of 'J' seam, the J1 and J2, have a combined thickness of more than 6 metres, with one narrow claystone parting of 20-25 cm. A 1.5-1.75 metre thick bed of silty clay interburden separates J2 from the 2-metre thick J3 seam (not exposed at proposed adit location). Exploration drilling, to confirm the location of potential starter pits, is also proceeding in several different areas of the property.

Office Activities

Continuing to update data for exploration summary paper.

Page 1 of 2

78->Wolveria Penyck.

Schroeter, Tom EM:EX

From: Michelle Ko - Malaspina Consultants

Sent: Wednesday, January 22, 2003 8:10 AM

To: Undisclosed Recipients

Subject: Western Canadian Coal Corp. - Press Release January 22, 2003

WTN 03-01

TSX-V:WTN

WESTERN CANADIAN COAL COMPLETES BULK SAMPLE PROGRAM

EXPANDS PERRY CREEK OPEN-PIT DEPOSIT

Vancouver, BC, January 22, 2003 Western Canadian Coal Corp. (TSX-V:WTN)

announces that it has completed the extraction of a metallurgical coal bulk sample for further testing and preparation of customer samples and within days will complete the drilling program being carried out to expand the open-pit resources within its Perry Creek deposit. The drilling is validating and expanding earlier company estimates of open-pit tonnage.

Extraction of the bulk sample was completed in December and subsequently delivered to Birtley Coal & Industrial Minerals Testing for washing, additional test work and preparation of samples for customer evaluation. Initial work on the sample confirms the Feasibility Study design criteria of low in-place ash content of approximately 9 to 14 % and plant yield in the range of 80% - 83% for run-of-mine J Seam coal. Preparation and availability of customer samples will assist Western in its upcoming marketing initiatives.

In evaluating options to optimize its production mining plans, and in conjunction with the results of the current drilling program, Western has substantially expanded the initial Perry Creek open-pit coal extraction to eight years at an annual production rate of 1.6 million tonnes of saleable metallurgical coal. This scenario would defer development of the underground mine where approximately 8 million tonnes of saleable coal would be commercially available.

All of the required regulatory and mine permits are expected to be in place for <u>a construction</u> <u>start by the 4th quarter 2003</u>, with production commencing in the 3rd quarter 2004. Expansion scenarios are available from the 60 million tonnes established to date from the <u>Wolverine</u> property group that would readily <u>increase</u> production up to 3.0 million tonnes within 5 years at incremental capital costs that could be funded from cash flow.

Western Canadian Coal Corp. is a Vancouver based coal company with a large portfolio of coal

properties in northeast British Columbia. The Company currently has more than 250 million tonnes of coal under exploration, development and production planning, with priority on placing its Perry Creek operation in commercial production in 2004.

Charles G. Pitcher

Chief Executive Officer

Contact: Western Canadian Coal Corp. Contact Barry Girling or David Fawcett, President at 604-608-2692 or <u>info@westerncoal.com</u>

Website: www.westerncoal.com

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Page 1 of 3 TR-Wilverino

- From: Michelle Ko Malaspina Consultants
- Sent: Thursday, February 13, 2003 10:14 AM
- To: Undisclosed Recipients
- Cc: Barry @ Western Coal

Subject: Western Canadian Coal - Press Release February 13, 2003

| WTN 03-04 | TSX Venture: WTN |
|-----------|------------------|

WESTERN ADVANCES WOLVERINE COAL PROJECT

Vancouver, BC, February 13, 2003 Western Canadian Coal Corp. (TSX Venture: WTN)

Western Canadian Coal Corp. (Western) announces that work is progressing well towards a production decision for the Wolverine Project, Western's first coal project in northeast BC. Highlights of recent progress include:

- Successful completion of Perry Creek geological drilling program with significant increase in potential tonnage amenable to open-pit mining
- Receipt of favourable coal quality test results from the 2002 bulk sample
- Advancement of open-pit mine plan for initial annual production of 1.6 Mt of clean coal
- Accelerating discussions with major mining and plant contractors interested in project financing and contract operations
- A Wolverine "Project Development Document" detailing new mine plans for Perry Creek and EB deposits scheduled to be completed by March 31st
- Initial construction scheduled for the fall of 2003, with production by 4th quarter of 2004.
- Production target expanded to 3 Mt from Wolverine property within 3 to 5 years.

The Company has completed the drilling program undertaken to demonstrate recoverable open-pit resources for its Perry Creek deposit, the first of three deposits to be developed as part of the

Wolverine Coal Project. The new drilling included 19 holes, increasing the total drilling for the Perry Creek deposit to 58 holes totalling 7649 metres. The new drilling confirms the availability of open-pit tonnage east and west of the previously-planned small Perry Creek open-pit and the underground mine areas.

Management's preliminary tonnage estimates indicate a Perry Creek open-pit run-of-mine (ROM) tonnage of about 16.5 million tonnes (Mt) at a strip ratio of 7.4:1 BCM:tROM, or 10.5:1 BCM:tProduct with an average plant yield of 71 % (dry basis), based on J and F Seam recovery and taking into account out-of-seam dilution.

Confirmation of the expanded open-pit tonnage increases total tonnage for the Perry Creek deposit from about 11 Mt clean coal to about 20 Mt clean coal, including both the tonnage from the larger open-pit plus about 8 Mt clean coal which remains recoverable from the adjacent underground mine area. The Company is evaluating the potential to further increase resources and reduce strip ratios by recovering additional tonnage from the E and G Seams within the proposed pit.

Birtley Coal & Industrial Minerals Testing has completed washability and analytical work on the J Seam bulk sample. Product coal analyses are better than expected, and include: ash content (dry basis - db) - 8.2 %; volatile matter content (db) - 22.9 %; sulphur content - 0.44 %; free swelling index (FSI) - 8; and Gieseler fluidity - 106 ddpm. As expected, product yields from the raw bulk sample were high, with a reported 93.6 % yield (air-dried moisture basis). Bulk sample product is now at CANMET in Ottawa for pilot-oven coking tests, the results of which are expected in about 3 weeks.

Western is proceeding to finalize a development plan for the Wolverine Mine based on open-pit mining of Perry Creek pit for 8 years and of EB pit for 4 years with annual production of 1.6 Mt of coking coal product. A "Geology Report" is being prepared by an independent third-party to document and classify the Perry Creek resources, and an internal "Project Development Document" is being prepared to detail and confirm the feasibility of the open-pit plan. Both reports are scheduled for completion by March 31st.

Construction and development planning is also moving forward. Western is in discussions with contractors who would provide the capital for the wash plant and mine development in return for life-of-mine contracts. Response to date has been very encouraging; Management is pursuing detailed discussions with interested parties with a goal of concluding preliminary agreements over the next two months. Site development is scheduled to begin this fall, with production by the 4th quarter of 2004.

Expanded production of the Wolverine Coal Project remains the longer-term project goal.

Production expansion and mine-life extension beyond the currently targeted 12-year production of 1.6 Mtpa could be supported by the Perry Creek underground mine (available for production in Year 8), and by the large Hermann deposit to the south (27 Mt raw, as previously reported). Western's objective is to achieve annual production of 3 Mt of product from the Wolverine property within 3 to 5 years.

Western Canadian Coal Corp. is a Vancouver based coal company with a large portfolio of coal properties in northeast British Columbia, three of which have advanced exploration and feasibility completed. The Company currently has more than 250 million tonnes of coal under exploration and development planning, with priority on the Wolverine Coal Project, which is based on initial commercial production from Perry Creek in 2004.

Contact Barry Girling or David Fawcett, President, at 604-608-2692 or <u>info@westerncoal.com</u> for further information. Website <u>www.westerncoal.com</u>

WESTERN CANADIAN COAL CORP.

"Charles Pitcher"

Chief Executive Officer

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JOS-> WOLVERME

Schroeter, Tom EM:EX

From: Michelle Ko - Malaspina Consultants

Sent: Tuesday, June 24, 2003 11:04 AM

To: Undisclosed Recipients

Subject: Western Canadian Coal Corp - Press Release June 24, 2003

WTN 03-12

TSX:WTN

WESTERN ANNOUNCES VIGENEREE MINE PROJECT ECONOMICS

Vancouver, BC, June 24, 2003 Western Canadian Coal Corp. (TSX - V: WTN)

Western Canadian Coal Corp. ("Western") advises that it has successfully completed a feasibility level Project Document that demonstrates the viability of developing the Wolverine Coal Mine in northeast British Columbia. Highlights include:

- Reserves of 25:2 million tonnes of run-of-mine metallurgical coal
- Initial production of 1.6 million tonnes per annum
- 11-years of production from currently defined reserves
- Generates a pro-tax undiscounted cash flow of approximately Cdn\$177 million,
- IRR of 21.2% based on revenue of US\$44/tonne coal and US\$0.72 = C\$1.00
- Significant potential for production expansion

With the completion of the Project Document, Western has commenced discussions with potential coal customers and financiers for the development of its Wolverine coal mine in British Columbia.

The Wolverine property is situated in northeast British Columbia, approximately 725 km north of Vancouver, about 20 km west of the town of Tumbler Ridge, and favorably located adjacent to the BE Rail line which runs through the Wolverine Valley.

The coking coal reserves of 25.2 million tonnes defined in this report include 17.1 million (M) runof-mine tonnes (tROM) from Perry Creek Pit and 8.1 M tROM from EB Pit. The Perry Creek Pit has an overall strip ratio of 4.9 bank cubic meters of waste rock to each tonne of mined coal; i.e. 4.9 BCM:t ROM. On a clean coal basis this would be 7.4 BCM: t product at an average wash plant yield of 68.2 %. The EB Pit has an overall strip ratio of 4.8:1 BCM:t ROM or 7.8 BCM:t product at an average yield of 62 %.

The Project Document includes a proposed schedule that provides for 11 years of production for the Wolverine Mine starting in early 2005 at an initial 1.6 million tonnes of metallurgical coal per year through the <u>Ridley Coal Terminal</u>. The initial capital cost is estimated at between \$50 million and \$116 million depending on whether or not mining operations are contracted or owner operated.

Full production at the Wolverine Mine can be achieved by the 2^{nd} quarter of 2005. Detailed engineering and procurement will start during the 4^{th} quarter of 2003. Site preparation is scheduled to start in the spring / early summer of 2004. With a 10 to 12-month development and construction schedule, the plant would be ready for commissioning in the 1^{st} or 2^{nd} quarter of 2005. Open-pit development and prestrip would occur in parallel with the plant construction allowing for full production by the 2^{nd} quarter of 2005.

The base case cash flow model using an average metallurgical coal price of US\$44.00 per tonne at an exchange rate of US\$0.72 per C\$1.00 generates a pre-tax undiscounted cash flow of approximately Cdn\$177 million, and an internal rate of return of 21.2 %. The model, with Western as the owner-operator, assumes all-equity funding. The alternative to the base case is a contracted open pit mine operation. In this case, the mine equipment capital cost requirements would be reduced with the operating margin being reduced accordingly.

With initial capital costs of about \$116 M and revenue from sales in the order of \$100 M annually, the project brings needed economic benefits and largely positive socio-economic impacts to the Town of Tumbler Ridge and the region. The project represents approximately 200 direct jobs during operation, in addition to construction employment and indirect jobs. Coal transportation charges also benefit the regional transportation network, supporting operation of the Port of Ridley Terminals and the BC Rail branch line. First Nations and local communities have indicated a high level of support for the project.

For the purposes of National Instrument 43-101 Securities filing, this Project Document is being classified as a <u>Preliminary Feasibility Study</u> for reporting reserves and project economics and will be followed by a "Technical Report" submission by an independent third party. The completion of market and transportation plans would enable the project to meet the 43-101 requirements as a Feasibility Study.

Management is assessing early development of the <u>Burnt River PCI</u> coal property southeast of Chetwynd, B.C. for an additional 1.0 M tonnes per year. An accelerated effort could also be made to expand Wolverine production by an additional 1.6 million tonnes per year from the 27 million tonne <u>Hermann</u> open pit deposit. These coal property developments by Western could bring shipments to Ridley Coal Terminal of 4.2 million tonnes per year within three years of startup.

In related matters, Western has completed a conl-quality assessment on its planned Perry Creek product. As a result of the bulk sample test work, the Company changed its target ash content specifications from 9.% to 7.5 % to improve the product's colling properties. Test work completed by Birtley Coal and Minerals Testing, CANMET, and CoalTech Petrographic Associates (CoalTech), together with evaluation of coking properties by CoalTech, show that the Upper seams have excellent coking properties in terms of ash chemistry, fluidity, and predicted coke strength-after-reaction (CSR), hence contributing positively to a blend with the tower CSR in J Seam. CoalTech reports the predicted CSR for a blend of J Seam and the Upper seams to be 57, "a significant improvement that may approach 60 CSR in a coke plant environment".

About Western Canadian Coal

Western Canadian Coal Corp. is a Vancouver based coal company with a large portfolio of coal properties in northeast British Columbia, three of which have advanced exploration and feasibility completed. The Company currently has more than 250 million tonnes of coal under exploration and development planning, with priority on bringing the Wolverine Project to construction 2004 leading to full commercial production in the 2nd quarter of 2005.

Contact Barry Girling or David Fawcett, President at 604-608-2692 or <u>info@westerncoal.com</u> for further information. Website <u>www.westerncoal.com</u>

WESTERN CANADIAN COAL CORP.

Charles Pitcher

Chief Executive Officer

The TSX Venture Exchange has not reviewed and does not accept responsibility for the accuracy or adequacy of this release.

YGS-> Wilverine

- From: Michelle Ko Malaspina Consultants [mko@malaspinaconsultants.com]
- Sent: Monday, October 06, 2003 9:39 AM
- To: Undisclosed Recipients

Subject: Western Canadian Coal: Press Release October 6, 2003

WESTERN CLOSES PRIVATE PLACEMENT & FILES WOLVERINE COAL PROJECT DEVELOPMENT PLANS

Vancouver, B.C., October 6, 2003 – Western Canadian Coal Corp. (TSX Venture:WTN) announces that further to the Company's press release of August 15, 2003, the Company has increased the private placement from 5 million units to 5,025,633 units at the previously-announced price of \$0.30 per unit. The private placement has closed and raised gross proceeds of \$1,507,690. Each unit is comprised of one common share, and one two-year share purchase warrant. Each share purchase warrant entitles the holder to purchase an additional common share at a price of \$0.35 per share within 12 months of closing and \$0.40 per share during the second year. Finder's fees of \$16,400 were paid.

Participants in the private placement include Deepgreen Minerals Corporation Ltd. ("Deepgreen") of Australia who purchased 3,675,000 units and now hold shares representing 49.6% of the issued and outstanding shares of the Company. Mr. John Byrne, Chairman of the Company, is also Executive Chairman of Deepgreen.

In accordance with the Multilateral Instrument 45-102, all securities issued as part of the financing are subject to a four-month hold period expiring February 1, 2003 as to 4,008,333 units; and February 4, 2003 as to 1,017,300 units. Proceeds of the financing will be used for further exploration of the Company's coal properties in northeastern British Columbia, and for general working capital.

Western is currently filing its "Revised Project Description" report with the Provincial Government as part of the environmental assessment and mine permitting process. The report documents project development changes previously reviewed with regulatory agencies, notably the shift to mining the Wolverine-Perry Creek mine as an open pit for the first 8 years of operations with deferment of underground mining. The revised mine plan is based on mining 17 million run-of-mine tonnes for an annual production level of 1.6 million tonnes. Mine development approvals are on track for approvals for the 3rd quarter of 2004.

From: Sent: To: Lane, Bob EM:EX Friday, December 19, 2003 4:15 PM Cathro, Mike EM:EX; Terry, David EM:EX; Wojdak, Paul EM:EX; MacDonald, Ken EM:EX; Pittman, Ed EM:EX; Hermann, Fred EM:EX; Lefebure, Dave EM:EX; Errington, John EM:EX; Anderson, Duane EM:EX; Grant, Brian EM:EX; Lewis, Jim E EM:EX; Marshall, James EM:EX; Conte, Rick EM:EX; Schroeter, Tom EM:EX; Wuschke, Steven EM:EX; Ryan, Barry EM:EX Northeast-Central BC Exploration 'Weekly' to December 19, 2003

Subject:

METALS

Northoest zone

Mount Polley. Imperial Metals has suspended exploration at Mount Polley until the new year. The company completed deep holes on the Springer zone and an additional 5 holes, plus trenching, on the Wishbone zone. Assay results from holes 2 and 3 on Springer will be released later today or on Monday. Exploration is scheduled to resume on January 12 with two drills testing Wishbone and 1 testing Springer.

QR. Closs Lake Minerals has completed a 2nd phase of diamond drilling at the QR mine property focusing. Both the near surface potential & deeper projections of the Midwest zone were targeted with the intent of identifying additional reserves. In addition, the company completed <u>6 holes</u> on the adjacent Cariboo (Most Likely) epithermal gold prospect and 2 holes on the Cantin Creek epithermal gold prospect. No results have been released to date.

3Ts) Southern Rio Resources has completed an 8-hole infill drilling program on the <u>Ted vein at its 3Ts epithermal gold</u> prospect south of Vanderhoof. Drilling is expected to resume early in the new year. All new data will contribute to the calculation of a resource estimate for the Ted vein.

Bonanza Ledge. The 150-metre decline being developed to access a high-grade portion of the Bonanza Ledge zone has reached a highly deformed & sheared argillite that locally forms the structural footwall of the zone. The zone requires heavy use of timbering. Mining of the bulk sample is expected to begin after Christmas or early in the new year.

Lustdust. Alpha Gold's attempt to drill a series of targets near the former Bralorne-Takla mercury mine was terminated after encountering technical difficulties.

Sustut Copper. Doublestar is reassessing its feasibility study completed earlier this year which included the development of two tunnels and a long ore pass to access the flat-lying copper ore body. Use of an aerial tramway is being evaluated.

COAL PATCH Wolverne

Perry Creek. Western Canadian Coal drilled <u>3 RC holes at Perry Creek</u> metallurgical coal property between Bullmoose and Quintette. The company will initiate a <u>6-10 hole coal seam coring program asap on seams E through J (Gates Fm).</u> Core will be submitted to a facility in Calgary for a coke test. An expanded coring program is anticipated for early in the new year. Company representatives and consultants met earlier this week in PG with provincial and federal agencies to review the status of the project, the revised mine plan and to discuss water management strategy, issues and information requirements. Company is undertaking a <u>\$6 million program of extensive environmental and baseline studies</u>. Estimated capital cost of the 1.6 Mtonne per year mining project is <u>\$115 million</u>.

Of note is that Koch Energy is presently developing a <u>CBM drill site</u> smack in the middle of the proposed Perry Creek open pit development in order to test the potential of deeper Gething Fm coal seams (well beneath floor of the proposed pit).

Trend. NEMI Northern Energy and Mining Inc. completed a <u>37-hole</u>, <u>3500-metre RC</u> and coring program on its Trend metallurgical coal property southeast of Quintette. Coal quality testing is proceeding and pre-feasibility studies are moving forward.

| From: |
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| Sent: |
| To: |
| Cc: |
| Subject: |

Lefebure, Dave EMPR:EX Wed, October 18, 2006 1:34 PM Grant, Brian DB EMPR:EX Lane, Bob EMPR:EX; Schroeter, Tom EMPR:EX _Follow Up: Wolverine and Trend Photos

Attachments: PICT0179.JPG; PICT0182.JPG; PICT0044.JPG

Brian:

Here are several photos from northeast coalfields (179 and 182 Wolverine plant and rail siding; 44 Trend pit).

Dave



David Lefebure Chief Geologist British Columbia Geological Survey Ministry of Energy, Mines and Petroleum Resources ((250) 952-0374 www.em.gov.bc.ca/geology

Geoscience at your service!

WOLV FAINE Dec. 1/05 - Western Chy. Coal - byan shipping- Ridley II - Jan. 0 - New rele