

Schroeter, Tom EM:EX

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.

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.
- Chapleau 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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TS → RG
Cranbrook

From: Terry, David EM:EX
Sent: Friday, July 04, 2003 3:45 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, July 4, 2003

RG Activity:

- Exploration tracking and monitoring
- Visit to **Zinger** Property (June 27th) where hole 3 of drill program was underway in the Heart Lake area.
- Participated in Kimberlite Conference field trip to the Cross Kimberlite pipe north of Elkford and arranged for viewing of core from the drilling of the RAM 5 and 6 kimberlites (2001) at the Vine property south of Cranbrook (July 3)
- Preparations for Ministers visit to Cranbrook on July 24th.
- Vacation July 9-24th

Mineral Exploration Activity:

- Jasper Mining Corporation is underway with its drilling program on the **Vowell Creek** project west of Golden which surrounds the past-producing Ruth Vermont mine. To date four holes of the 2500m program have been completed. A property visit is planned for later in July.
- Klondike Gold have completed their 5 hole drill program on the **Price's Pit** property and are now drill testing the **Thea 17** property southwest of Cranbrook - currently on hole 3.
- As stated above Chapleau Resources are currently drilling on their **Zinger** property in the upper reaches of the Perry Creek watershed. At the present time 4 holes have tested two zones comprising sheared and silicified/sericitized/phyritized Creston Fm. quartzite/argillite locally assaying multi-gram gold on surface. The current hole will test a newly identified 100m wide shear structure to the east which hosts numerous historical workings and surface gold values. Chapleau Resources are also active elsewhere on their large Cranbrook Gold Project property carrying out surface exploration.
- Goldrea Resources completed prospecting survey's on the **Crownsnest** and **Howell** properties in the Flathead. They are currently planning on follow-up drill programs in August.

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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

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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 Forks. 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