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\*Atlin placer mines visited on July 28-30; J. Zogas (Wright Ck), L. Zogas (McKee Ck), D. Johnson (Spruce Ck) and W. Klippert (Ruby Ck). Johnson holds 2.4 km on Spruce Creek with an estimated 15 million yards of paygravel (projected 20 year mine life). Paygravel is permeated with old underground drifts which are backfilled with hand stacked boulders, little gold is found beyond old workings. Johnson has the largest operation (20 employees) in the Atlin camp and uses a recirculating radial jig system to recover fine gold. He plans to begin operating 12 months of the year. All placer miners are concerned about low gold prices and government regulations but under stable conditions it appears that placer mining will continue for many years.

\*New Polaris site visited on July 31. Canarc's program has been suspended after dewatering down to 600 level and completing about 40,000 ft of drilling out of a planned 100,000 ft. (Canarc are out of money, having mistimed a \$5 million share underwriting one week after Bre-X.) The best hole was 0.42 opt gold over true width of 60 ft in C-zone, 100 ft below 600 level (lowest mine level), and about 550 ft below sea level. The project is for sale; Dennison Mining has emerged as a possible buyer. Canarc were about to drive a 750 m decline to extract a 10,000 tonne bulk sample and anticipated EA study of a 750 tonne per day mine.

#### MINESITE NEWS

\*Premier Gold mine has been placed on long term care and maintenance. Potential sale collapsed due to weak gold price. Serious contenders were Treminco, BYG, Canarc and Hunter Dickinson Group.

#### EXPLORATION ACTIVITY

\*Homestake is doing grass roots exploration for another Eskay Creek deposit around the margin of the Bowser sedimentary basin. This has led to concerns about two park proposals in prospective areas; Illiance River in the Kitsault area and Upper Thumb near Sustut River.

\*Proposed sale of Manalta Coal has led to reduction of exploration at Telkwa Coal from \$2 million to \$1 million.

\*Misty Mountain plan to extract a 4 tonne sample from the Specogna (103F 034) deposit to test gold recovery by biological oxidation.

\*Hudson Bay Exploration & Development has begun work on approximately 290 units of new claims in the Babine camp staked as a result of its proprietary airborne survey flown earlier this year.

OFFICE ACTIVITIES- Maintain exploration database