

Silvertip Mining Corporation' Silvertip Project application to EA has been accepted. Formal reviews, project committee selection expected to start in the near future.

B.C. Chrysotile Corp. now called Cassiar Mining, have been working on wet mill process refinements. Markets have been established for project. Twist to this project involves Magnesium extraction as well as asbestos. Magnesium makes up 21% of pile and management feels an extraction process similiar to Noranda's Magnolia project may be feasible. This would involve a much larger project than which exists now.

Cusac Gold Mine remains on a care and maintenance basis. Gold price and reserves major factors here.

Table Mtn.

International Taurus Resources property still closed. Company is severely behind on closure plan submission and mill clean-up. Reagents found on site during inspection in July may involve some enforcement action if company not cooperative in removing same from property.

Golden Bear Mine has started leaching Kodiak "A" ore. Company has deferred completing Ursa heap leach pad for this year. They will do some of the mining and lining of the events pond but recovery plant [Totem Facility] will not be installed this season. Kodiak "A" pit will be mined out by end of month-early September. All systems appear to be operating well. Tonnage on Fleece Bowl pad was increased to 623,000 tonnes.

Isk Wollastinite Project appears to have stalled. No word from company on start-up of 1998 field season.

Telkwa Coal drilling 6 inch core. Recoveries are excellent. Coal recovered from this drilling used for testing purposes.

Staff:

Wally and Bryan on annual leave until August 11.

Paul and Daryl in Atlin

Flynn, Aug. 7/98

DWFlynn
Smithers