

**Schroeter, Tom EMPR:EX**

**From:** Lefebure, Dave EMPR:EX  
**Sent:** Sunday, May 6, 2007 2:35 PM  
**To:** Schroeter, Tom EMPR:EX  
**Subject:** RE: Terrane Metals Meeting with Minister Krueger - CONFIDENTIAL

Tom:

Thanks for the information and helping set up the meeting.

Dave

---

**From:** Schroeter, Tom EMPR:EX  
**Sent:** May 4, 2007 2:10 PM  
**To:** Lefebure, Dave EMPR:EX  
**Subject:** Terrane Metals Meeting with Minister Krueger - CONFIDENTIAL

Good meeting this morning (9-11am) with Terrane Metals in their fancy Van. office. 'Key' points:

**Mt. Milligan-**

\* Nasty, brewing/festering/escalating 'conflict' with the **Nak'Azdi Native Band** (affiliate of Carrier-Sikani) from Fort St. James. They are adamant and very vocal that they will NOT join the treaty negotiation process and that they don't believe in the Provincial EA process. They insist that they want a "Veto" on any proposed developments in their territory. Terrane (Glen Wonders and Gillian Roy) have spent a lot of time and money dealing with this group and are VERY concerned with respect to their specific project, but also that it might serve as a precedence for other mining projects. The details were all relayed very eloquently to Minister Krueger - mainly as a "Heads Up". Apparently the Band has hired a famous law firm to help them - one that helped in the Haida negotiations. Terrane is worried that the Band's action are/will cause significant delays and money in the permitting stage, and may eventually scare off potential investors - not only with their project, but others in the Province. As you are aware, Terrane is trying to 'involve' both communities of Fort St. James and Mackenzie in the development and operation of the mine. [note: quite the opposite to the McLeod lake Band who are openly in support of the Mt. Milligan project].

\* Mt. Milligan feasibility study (to be completed by year's end), based on \$1.75/lb Cu, is 'targeting' annual production of 264,000 oz Au at a cash cost (incl. Cu credits) of US \$140/oz. [Min. 15-year mine life]. [Overall Resources ~ 3.7M oz Au and 1.12B lbs Cu]

\* 83-km power line from Kennedy substation in Mackenzie.

\* Est. \$800M capital cost. Mine will create ~ 350 full-time jobs, plus an additional 100 contract jobs (construction ~ 700 jobs). Annual operating costs ~ \$160M (50% stays in region)

\* Est. 30-month delivery date for new equipment (e.g. \$25M for big ball mill)

\* Terrane has and still spending a lot of time and money on metallurgical testwork - incl. looking at secondary processing for gold (i.e. cyanide leach)

\* Terrane has ~ 100 people working on their projects (~ 10 permanent staff)

\* Plan to submit formal EA document in Nov. '07, and concurrently apply for Mines Act Permit.

\* Production? Probably mid-2011

\* **ISSUES:** 1) Road access (Fort St. James/Mackenzie) and First Nations  
 2) Port of Prince Rupert - can handle new concentrate?

**Tom**

Tom Schroeter, P.Eng./P.Geo.  
 Senior Regional Geologist  
 Geological Survey Branch  
 Mining and Minerals Division

## Schroeter, Tom EMPR:EX

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\* **ISSUES:** 1) Road access (Fort St. James/Mackenzie) and First Nations  
2) Port of Prince Rupert - can handle new concentrate?

## Tom

Tom Schroeter, P.Eng./P.Geo.  
Senior Regional Geologist  
Geological Survey Branch  
Mining and Minerals Division  
Ministry of Energy, Mines and Petroleum Resources

Direct Telephone 604 660-2812  
Messages & Enquiries 604 660-2708  
Facsimile 604 775-0313  
email tom.schroeter@gov.bc.ca

## Schroeter, Tom EMPR:EX

---

**From:** Cho, Gayle EMPR:EX  
**Sent:** May 1, 2007 8:41 AM  
**To:** Schroeter, Tom EMPR:EX  
**Subject:** RE: Briefing Note needed for MAY 4 VANC MOS Meeting - May 2 with Terrane Metals Corp.

Wow - many thanks for the quick turnaround, Tom.

Have a good day!

Gayle

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

**From:** Schroeter, Tom EMPR:EX  
**Sent:** May 1, 2007 8:38 AM  
**To:** Pearson, Donna EMPR:EX  
**Cc:** Cho, Gayle EMPR:EX; Brantner, Leslie EMPR:EX; Lefebure, Dave EMPR:EX  
**Subject:** RE: Briefing Note needed for MAY 4 VANC MOS Meeting - May 2 with Terrane Metals Corp.

As requested, on short notice.

Tom  
Tom Schroeter, P.Eng./P.Geo.  
Senior Regional Geologist  
Geological Survey Branch  
Mining and Minerals Division  
Ministry of Energy, Mines and Petroleum Resources

Direct Telephone 604 660-2812  
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Facsimile 604 775-0313  
email tom.schroeter@gov.bc.ca

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

**From:** Pearson, Donna EMPR:EX  
**Sent:** May 1, 2007 7:16 AM  
**To:** Schroeter, Tom EMPR:EX  
**Subject:** Briefing Note needed for MAY 4 VANC MOS Meeting - May 2 with Terrane Metals Corp.

Hi Tom

Can you please prepare a BN on this subject. I will need this back by tomorrow. Sorry for the short turn around.

Donna Pearson  
Administrative Assistant  
Mining and Minerals Division  
Ministry of Energy, Mines and Petroleum Resources 7th Floor, 1675 Douglas Street  
Victoria, BC V8W 9N3

Phone: (250) 952-0492  
Fax: (250) 952-0491

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

**From:** Cho, Gayle EMPR:EX  
**Sent:** April 30, 2007 5:10 PM  
**To:** Brantner, Leslie EMPR:EX

## Schroeter, Tom EMPR:EX

---

**From:** Schroeter, Tom EMPR:EX  
**Sent:** May 1, 2007 8:38 AM  
**To:** Pearson, Donna EMPR:EX  
**Cc:** Cho, Gayle EMPR:EX; Brantner, Leslie EMPR:EX; Lefebure, Dave EMPR:EX  
**Subject:** RE: Briefing Note needed for MAY 4 VANC MOS Meeting - May 2 with Terrane Metals Corp.

**Attachments:** TerraneBRIEFING NOTEMay12007.doc



TerraneBRIEFING  
NOTEMay12007.d...

As requested, on short notice.

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**Sent:** April 30, 2007 5:10 PM  
**To:** Brantner, Leslie EMPR:EX  
**Cc:** Schroeter, Tom EMPR:EX; Pearson, Donna EMPR:EX  
**Subject:** RE: MAY 4 VANC ....FW: MOS Meeting - May 2

Leslie:

## Schroeter, Tom EMPR:EX

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**From:** Brantner, Leslie EMPR:EX  
**Sent:** April 30, 2007 2:28 PM  
**To:** Cho, Gayle EMPR:EX  
**Cc:** Schroeter, Tom EMPR:EX  
**Subject:** FW: MAY 4 VANC ....FW: MOS Meeting - May 2

Gayle,

Tom Schroeter will be attending - please forward meeting invitation to him and advise please advise if briefing note is required as per our previous telephone call.  
thanks

Leslie Brantner  
A/Executive Assistant  
Assistant Deputy Minister's office  
Mining and Minerals Division  
Ministry of Energy, Mines & Petroleum Resources 7th Floor, 1675 Douglas Street Victoria,  
BC V8W 9N3  
Telephone: (250) 952-0596  
Fax: (250) 952-0491

Cc: Tom Schroeter

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

From: Schroeter, Tom EMPR:EX  
Sent: April 30, 2007 2:15 PM  
To: Brantner, Leslie EMPR:EX  
Cc: Lefebure, Dave EMPR:EX  
Subject: RE: MAY 4 VANC ....FW: MOS Meeting - May 2

Happy to attend. Any 'details' re-meeting?

Tom  
Tom Schroeter, P.Eng./P.Geo.  
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Geological Survey Branch  
Mining and Minerals Division  
Ministry of Energy, Mines and Petroleum Resources

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

From: Brantner, Leslie EMPR:EX  
Sent: April 30, 2007 2:11 PM  
To: Schroeter, Tom EMPR:EX  
Subject: MAY 4 VANC ....FW: MOS Meeting - May 2

Tom,

As per Eric's email below - please advise if you can attend, FRIDAY/May 4, 9:00am-10:00am in Vanc. , attendees: Minister Krueger, Glen Wonders, Terrane Metals  
Location: 15th floor, suite 1500, 999 West Hasting Street, Vancouver Will advise if briefing note is required.

Leslie Brantner  
A/Executive Assistant

Assistant Deputy Minister's office  
Mining and Minerals Division  
Ministry of Energy, Mines & Petroleum Resources 7th Floor, 1675 Douglas Street Victoria,  
BC V8W 9N3  
Telephone: (250) 952-0596  
Fax: (250) 952-0491

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

From: Partridge, Eric J EMPR:EX  
Sent: April 30, 2007 1:45 PM  
To: Brantner, Leslie EMPR:EX  
Subject: Fw: MOS Meeting - May 2

Leslie

Can you please ask Tom S if he can attend?

Thx

e

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

From: Lefebure, Dave EMPR:EX  
To: Partridge, Eric J EMPR:EX  
Cc: Bronstein, Ron EMPR:EX  
Sent: Mon Apr 30 13:13:03 2007  
Subject: RE: MOS Meeting - May 2

Eric:

I agree. Obvious choice - will you let him know?

Dave

---

From: Partridge, Eric J EMPR:EX  
Sent: April 30, 2007 11:01 AM  
To: Bronstein, Ron EMPR:EX; Lefebure, Dave EMPR:EX  
Subject: FW: MOS Meeting - May 2  
Importance: High

Ron, Dave

Thoughts? I was thinking Tom might be a good choice, as he is already in Vancouver.

e

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From: Brantner, Leslie EMPR:EX  
Sent: April 30, 2007 9:00 AM  
To: Partridge, Eric J EMPR:EX  
Subject: FW: MOS Meeting - May 2  
Importance: High

Eric,

Gayle Cho also called to advise they require staff to attend meeting scheduled for Fri, May 4 9:00am-10:00am in Vanc. (with Glen Wonder, Terrane Metals) Please advise who should attend.

Thank you

Leslie Brantner  
A/Executive Assistant  
Assistant Deputy Minister's office  
Mining and Minerals Division

Ministry of Energy, Mines & Petroleum Resources 7th Floor, 1675 Douglas Street Victoria,  
BC V8W 9N3  
Telephone: (250) 952-0596  
Fax: (250) 952-0491

---

From: Cho, Gayle EMPR:EX  
Sent: April 30, 2007 8:52 AM  
To: Brantner, Leslie EMPR:EX  
Subject: MOS Meeting - May 2

Leslie:

Could you please advise who will attend from the ministry. Thx.

Gayle

<< OLE Object: Picture (Device Independent Bitmap) >>

**Schroeter, Tom EMPR:EX**

*VGS → Mt Milligan*

**From:** Schroeter, Tom EMPR:EX  
**Sent:** Mon, February 19, 2007 11:35 AM  
**To:** 'groy@terranemetals.com'  
**Cc:** 'mfarnsworth@terranemetals.com'  
**Subject:** FW: Mt Milligan

**Attachments:** Mt Milligan#2.jpg; Mt Milligan (rdup).jpg

As requested. Cheers,

**Tom**

Tom Schroeter, P.Eng./P.Geo.  
Senior Regional Geologist  
Geological Survey Branch  
Mining and Minerals Division  
Ministry of Energy, Mines and Petroleum Resources

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email tom.schroeter@gov.bc.ca

*Requested by telephone by  
Mike Farnsworth  
- for company 'promo'.*

**From:** Man, Eric EMPR:EX  
**Sent:** Mon, February 19, 2007 11:31 AM  
**To:** Schroeter, Tom EMPR:EX  
**Subject:** Mt Milligan



*distant/regional view (looking N)  
~1990 aerial (ppt. pres.)*

Mt Milligan#2.jpg (2 MB) Mt Milligan (rdup).jpg (38 KB)...

**Eric Man**

Geological Assistant  
BC Geological Survey  
Ministry of Energy, Mines and Petroleum Resources  
300 - 865 Hornby Street  
Vancouver, BC V6Z 2G3  
604-660-2708



*TGS → Mt. Milligan*

**Schroeter, Tom EM:EX**

**From:** Schroeter, Tom EM:EX  
**Sent:** Friday, June 25, 2004 3:46 PM  
**To:** 'Robert\_Pease@placerdome.com'  
**Subject:** RE: Mt. Milligan

Thnaks very much, Rob - and good luck!

**Tom**

Tom Schroeter, P.Eng./P.Geo.  
Senior Regional Geologist  
Geological Survey and Development Branch  
Mining and Minerals Division  
Ministry of Energy and Mines

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email tom.schroeter@gems6.gov.bc.ca  
Autotel 604 662-9091

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

**From:** Robert\_Pease@placerdome.com [mailto:Robert\_Pease@placerdome.com]  
**Sent:** Friday, June 25, 2004 3:38 PM  
**To:** Schroeter, Tom EM:EX  
**Subject:** Re: Mt. Milligan

Tom,

Milligan currently has US\$450,000 budget for 2004. This is total project budget, so includes some cash-in-lieu on claims, met testing, etc.,,, so it is not all strictly "exploration-type expenditures". I anticipate we will increase the budget in our next global exploration budget review in late July.

We plan to start drilling in the week of July 5, holes will be located in know zones, as main objective is obtaining new met samples.

Rob

*Say Am. \$400k on expl'n*

"Schroeter, Tom EM:EX"  
<Tom.Schroeter@gems6.gov.bc.ca>

To "robert\_pease@placerdome.com" <robert\_pease@placerdome.com>  
cc

06/25/2004 01:53 PM

Subject Mt. Milligan

Hi, Rob - sorry to bother you. Just wondering if you can share what your budget for Mt. Milligan is this year? As you know, I am trying to keep track of the provincial exploration expenditures and this year is seeing a huge increase.

Tom  
Tom Schroeter, P.Eng./P.Geo.  
Senior Regional Geologist  
Geological Survey and Development Branch  
Mining and Minerals Division  
Ministry of Energy and Mines

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**Schroeter, Tom EM:EX**

→ Mt. Milligan  
TOS → Catch  
The Wave  
- Gold Field

**From:** Schroeter, Tom EM:EX  
**Sent:** Tuesday, June 01, 2004 2:00 PM  
**To:** 'Craig Bow'  
**Subject:** RE: BC

Hi, Craig. Likewise - great to speak with you and Rael last week. CIM SV 15 is in the mail to you; hopefully you'll get it later this week.

Re: Placer Dome contact: Rob Pease, Exploration Manager, Projects, Americas Region  
Email: Robert.Pease@placerdome.com  
Tel. 604-661-3757 (direct)

Rob is the most familiar with the project. I know him well; feel free to mention my name, if you like, in your introductory contact. As a matter of fact, I talked with Rob last week about the project; he was on his way to the site for a brief visit. As I understand it, PD plans to test other targets on the property this summer, prior to proceeding with a revised feasibility study next year. This project may certainly fit your criteria nicely. In addition, I believe there is considerable upside potential regionally.

Tom  
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email tom.schroeter@gems6.gov.bc.ca  
Autotel 604 662-9091

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

From: Craig Bow [mailto:csbow@gfexpl.com]  
Sent: Tuesday, June 01, 2004 12:21 PM  
To: Schroeter, Tom EM:EX  
Subject: BC

Hello Tom

Great speaking with you last week. Do have a contact/email for Placer with whom I could inquire a bit about Mt Milligan? Also, thanks for offering to send the CIMM V 15 - our address in case you lack it

Gold Fields Exploration Inc  
6400 S Fidlers Green Circle Ste 1620  
Englewood, CO 80111

(303) 796 8683

Cheers

Craig Bow

## Schroeter, Tom EM:EX

TOS → ~~Milligan~~

**From:** Schroeter, Tom EM:EX  
**Sent:** Thursday, April 29, 2004 8:04 AM  
**To:** MacDonald, Ken EM:EX; Hermann, Fred EM:EX; Errington, John EM:EX; Bellefontaine, Kim EM:EX; Stewart, Gregg EM:EX  
**Cc:** Wuschke, Steven EM:EX; Lane, Bob EM:EX  
**Subject:** RE: Mt Milligan Update

Ken, thanks very much for the update and keeping me in the loop. Good, brief synopsis.

### Tom

Tom Schroeter, P.Eng./P.Geo.  
Senior Regional Geologist  
Geological Survey and Development Branch  
Mining and Minerals Division  
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Autotel 604 662-9091

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

**From:** MacDonald, Ken EM:EX  
**Sent:** Wednesday, April 28, 2004 4:54 PM  
**To:** Hermann, Fred EM:EX; Errington, John EM:EX; Bellefontaine, Kim EM:EX; Stewart, Gregg EM:EX  
**Cc:** Wuschke, Steven EM:EX; Lane, Bob EM:EX; Schroeter, Tom EM:EX  
**Subject:** Mt Milligan Update

Bob and I met with 4 members of the Placer Dome Mt. Milligan Project team (Rob Pease, Peter Harris, Gary Lustig & Colin). Team on 3 day road trip; meeting with regional MEM, FN (McLeod Lake & Nak'azdli), Mayor & town councilors from Ft. St. James & Mackenzie, Chambers of Commerce, etc

#### Background:

- 1991 Feasibility study completed
- Project successfully cleared MDRP; Approval issued
- 1992-1998 Internal office studies and review
- mine development review certificate expired in Nov. 2003; not renewable
- 2004 favorable market factors and metal prices make Mt. Milligan attractive project again

#### General Discussion:

- exploration and metallurgical test work planned for 2004; modest 10 hole (HQ) program on the MBX Zone, test mineralogical controls; remodel geology, update ore reserve calculation and confirm metallurgical test work
- Placer Dome's corporate agenda is to focus on gold resource; minimum 50% content of any concentrate
- need 1.5-2.0 million contained ounces

#### Plan:

- complete exploration testing
- begin feasibility study late 2004
- complete feasibility study late 2005
- make production decision
- if feasible begin EA and concurrent permitting process
- Fast track legislation could apply (?)
- if feasible, begin 2 year construction program
- start-up some time in 2008-2009

#### Development Options:

- conventional open pit with crushing circuit (roll vs sag) and concentrator; high work index
- add autoclave and cyanide treatment and SX-EW plant for copper cathode and dore
- capital costs could range \$450-700 million
- \$45 million for 100 km powerline from Kennedy sub-station (or branch off Kemess Line)
- 45,000 tonne per day production; 10 year minimum mine life; approx. 200,000 ounces per year

Corporate Philosophy:

- sustainability focus
- Musslewhite model
- FN consultation; economic approach, training, employment, small business opportunities

thanks

Ken MacDonald, P. Geo.  
Inspector of Mines  
Ministry of Energy & Mines ([www.gov.bc.ca/em/](http://www.gov.bc.ca/em/))  
Mining Division  
2275A Quinn Street  
Prince George BC V2N 2X4

Ph: 250-561-5605

Fax: 250-561-5622

**Schroeter, Tom EM:EX**

**From:** Lane, Bob EM:EX  
**Sent:** Monday, December 14, 1998 12:33 PM  
**To:** Brown, Derek EM:EX; Mike Cathro; Paul Wilton; Paul Wojdak; Robert Pinsent; Bill McMillan; Dave Lefebure; Gib McArthur; Ron Smyth; Tom Schroeter  
**Subject:** Lane Weekly Report

Lane Weekly Report: December 7-11, 1998

Mining and Exploration News:

**Gibraltar** (Boliden-Westmin). The Gibraltar Management Team (GMT) announced in the media late Friday that the mine will cease operations (mining/milling) before the end of December 1998. GMT has been unable to secure sufficient financing to satisfy current owner Boliden-Westmin. All employees (265) have received 12-week layoff notices and will be employed until the end of February. Continued low copper prices may soon result in mine closures elsewhere in the region/province.

( **Mount Milligai** (Lacer Dome). Mine Development Certificate amended/extended to 2003.

**Mount Volley** (Imperial Metals). Production for the first nine months of 1998: 17,532,551 pounds copper (or 7,952.8 tonnes Cu) and 74,222 ounces gold (or 2,308.5 kg Au). Average recoveries over the same period were 50.1% for copper and 69.9% for gold. Ore milled totaled 4.367 million tonnes.

( **Bornite** (Ursala Mowat). Ursala Mowat conducted a brief mapping and sampling program on the Bornite mine, 100 km NW of Ft. St. James, to determine the source for several Cu-Zn and Cu+-Ni+-Co geochemical anomalies. Brecciated host rocks containing pyrite and minor chalcopyrite were identified in one locality. Trace amounts of bornite and chalcopyrite in siltstone and quartzite were identified in another locality!

Other:

"Mining and Exploration Review -1998" paper in progress (little progress this week!).

Completed interview process with KMAC (and with help from DPOW) for CO-OP student position. Offered position to Shelly Allinson (CNC).

Preliminary discussions with GSB (Ron Smyth, Fil Ferri, Wayne Jackaman, Steve Cook, et al) to provide submission for funding to Muskwa Kechika Advisory Board.

Delivered brief overview of impact of Muskwa-Kechika Management Area on exploration in the area to Mackenzie River project members plus some higher level types (LUCO, IAMC, etc).

General message delivered was that the creation of the M-K sent a negative message to industry regarding the possibility of future development in the region.

Specifically:

- the creation of M-K directly resulted in a decrease in exploration.