

TBS -> Table Mtn.

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I N T E R O F F I C E M E M O R A N D U M

Date: 11-Oct-1994 04:06pm PDT
From: Norm Ringstad
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Dept: Energy, Mines & Petroleum Res.
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TO: Tom Schroeter

(T S C H R O E T E R)

Subject: RE: Table Mtn.-operating mine?

Tom:

Cusac Industries Ltd. is currently operating the Table Mountain mine, whic is part of the old Erickson mine near Cassiar. Erickson suspended operations in 1988. Between 1989-90, further exploration conducted. In **January 1993** Cusac purchased 100% interest from Energold Mineral Inc.

Cusac submitted a mine plan for the west Bain vein. Approval under Section 10 Mines Act was grantewd and the mining occurred this past summer. A further mine plan has been submitted for the Michelle high grade vein, using the old Cusac portal and decline.

As part of the Bain vein development, a new tailings pond was constructed.

MDAP not applied, and company working with amended previous permits.

Norm.

In places Type III hybrid is texturally and compositionally homogeneous over areas of approximately 250 m. These zones are either coarse or fine-grained and each contains distinctive, internally consistent mineral assemblages. At their margins, these homogenous patches grade into more typical Type III rocks where outcrop-scale textural and compositional heterogeneity dominates (e.g., Coal Hill, Fig. 2).

Accessory minerals are apatite and rare titanite and zircon. Primary K-feldspar is absent, although areas of faint K-feldspar overprinting near contacts with the Cherry Creek suite have been observed. Secondary minerals in the Iron Mask hybrid rocks include chlorite, epidote and hornblende overgrowths on clinopyroxene.

Contact Relationships

Contacts between Pothook diorite and Type II Iron Mask hybrid can be gradational as noted by Northcote (1977). Figure 2 (inset) shows in detail the gradational nature of the Pothook - Iron Mask Type II Hybrid transition over a 50 - 250 m wide zone (Snyder and Russell, 1993). Across the transitional unit from Pothook into Iron Mask hybrid, on the north slope of Sugarloaf Hill, the following changes occur (Snyder and Russell, 1993; Stanley et al, 1994). Pothook diorite incorporates clasts of plutonic, volcanic and recrystallized sedimentary rocks while characteristic magnetite veining and weak foliation of this rock unit becomes less prominent. Rounded and partially digested and disaggregated xenoliths increase in abundance and magnetite occurs as discrete euhedral to subhedral grains in the matrix. The Pothook matrix varies from fine to medium grained on a scale of several centimetres and mineralogical

WBE →
- Smithers

I N T E R O F F I C E M E M O R A N D U M

Created: 05-Oct-1997 09:12pm PDT
Sent: 05-Oct-1997 09:50pm PDT
From: Wallace Bergen of EI
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Dept: Employment & Investment
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TO: See Below

Subject: NW Region Weekly Report to October 3/97

MINES

Huckleberry Mine was officially opened on October 1 and started things with a real blast. As of the opening ceremony most mill systems were up and running, with the exception of the moly recovery, which should be operational in about 3 weeks. As of the opening ceremony 5 unit trucks of concentrate had been shipped to the terminal in Stewart. Both the Premier and MEI Minister Miller noted the need for continued exploration to identify new mine potential. An ongoing problem with the placement of ARD rock on site is being addressed.

Large placer operators in the Atlin area are still operating. Most will shut down by the end of October. One operator plans on mining through the winter as weather permits.

No activity at either New Polaris or Redfern (Tulsequah) sites. Tulsequah EA Project Report is in the public review stage with agency comments to follow.

Longer than expected electrical installation has slowed the B.C. Chrysotile project at Cassiar. Company still hopes to run some product before freeze-up.

Cusac Gold Mines is working at a reduced rate but has made some interesting drill hole intersections. Reclamation of some of the open pit disturbances has commenced and will continue until snow fall is too great. Cusac is moving to reduce it's outstanding reclamation liability as a result of discussions with Smithers and Victoria staff.

Golden Bear has started up the cyanide destruction circuit in anticipation of an Oct 10-14 detoxification process the the heap leach pad. Leaching has been very successful to date.

Premier Mine is down to 2-2 person crews on site, with one week in and one week out. Property is on a care and maintenance basis until further notice. The company is commencing discussions regarding site reclamation.

Wally Bergen

TGS → RG
- Smithers

I N T E R O F F I C E M E M O R A N D U M

Created: 13-Mar-1998 08:54am PST
Sent: 13-Mar-1998 09:15am PST
From: Paul Wojdak of EI
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TO: Bob Lane of EI (BLANE)
TO: Mike Cathro of EI (MCATHRO)
TO: Robert Pinsent of EI (RPINSENT)
TO: Paul Wilton of EI (PWILTON)
TO: Tom Schroeter of EI (TSCHROETER)

Subject: Northwest Region weekly report

MINE SITE DEVELOPMENTS

Table Mountain- Cusac Gold Mines released final production data for 1997. Gold production was 8331 ounces from processing 26,501 tons at an average grade of 0.341 opt. Net loss was \$7.7 million due to substantial decrease in ore grade, lower recovery and lower gold price compared to 1996. the company announced that it does not expect to resume mining during 1998, due to depleted reserves and low price. Geological data was reviewed in hope of generating new, high grade exploration targets.

Golden Bear- Construction of the Totem Creek leach pad and mining of the Ursa deposit has been postponed due to low gold price. Having sold forward at \$379 per ounce, North American Metals is able to fulfill its gold delivery commitments by purchasing gold on the market at no risk for a gain of \$9.7 million. Mining of the Kodiak A deposit and operation of the Fleece Bowl leach pad will continue in 1998 as planned.

Endako- Feasibility study in progress to install in-pit crusher and conveyor system. Potential benefit is lower operating cost. Enhanced cash flow could finance stripping for pit expansion and prolonged mine life.

Snip- Drilling of two deep exploration targets was unsuccessful and the mine appears certain to close next year. Targets were:
(a) a 500 meter bite down plunge on the Twin zone (no shear or Twin zone dike encountered)
(b) beneath Bronson Creek, north of Twin zone, in search of a parallel structure (drilled thru Red Bluff porphyry into siltstone and porphyry dikes with no structure encountered).

EXPLORATION