



The Chamber of Mines of Eastern B.C. is an independent, non-profit, volunteer organization founded in 1925 and dedicated to education, support and encouragement of mining, mineral exploration and investment in British Columbia. We are an information bureau providing reliable data to industry and to the general public.

OVERVIEW OF THE KOOTENAY- BOUNDARY REGION - INFRASTRUCTURE - INFRASTRUCTURE - INFRASTRUCTURE!

SOUTHEAST BC
● WORLD CLASS SMELTER ● GREAT INFRASTRUCTURE ABUNDANT HYDRO POWER EXCELLENT TRANSPORTATION
MAJOR GOLD CAMPS MAJOR SILVER CAMPS MAJOR BASE METAL CAMPS MAJOR INDUSTRIAL MINERALS MAJOR COAL DEPOSITS

Mining built the Kootenay-Boundary Region of B.C. Over 40 Billion dollars of metals has come from the region and not only built towns but also built great companies such as Cominco and Placer. The Region has a mild temperate climate, great geology and great infrastructure including the Teck Resources facility in Trail which is one of the largest zinc and lead smelting and refining complexes in the world. In addition, Teck Coal Limited is the world's second-largest supplier of seaborne metallurgical coal and operates five large open-pit coal mines in Southeastern B.C. The region is well-developed with a strong highway and forest road network, rail lines, hydro-electric power generation capacity, and a highly skilled work force. The potential exists to produce another 40 Billion dollars in metals and generate jobs and taxes for social programs and hospitals. The trick is to first find the hidden mineral deposits and mine the deposits when they are found.

REGIONAL GEOLOGY

There is a wide variety of mineral deposit types present in our region. We are Canada's premier coal producing region. The world famous Sullivan zinc-lead mine operated for over a century before finally being exhausted in 2001 after producing some \$30 billion of mineral products. This is Elephant country! The Kootenay Arc stretching from Revelstoke through Salmo and into the US hosts significant base metal deposits such as the Reeves, Jersey and HB mines which produced over \$1 billion each. This belt at one time produced over 80% of BC's mineral wealth.

MANDATE OF THE CHAMBER OF MINES OF EASTERN BC

The Chamber of Mines today continues in its role as the prospector's advocate, maintaining close links with the prospecting fraternity and with mineral exploration and mining companies and individuals. We provide a forum for information exchange and education about our industry and a link between prospectors, government, industry and the general public. The Kootenays may have tens of Billions of dollars of minerals hiding under the surface but how does it generate wealth? B.C. relies on individual prospectors, (any B.C. citizen can be a prospector), junior exploration companies and major mining companies to find and then mine, mill and smelt ores into a saleable product creating exploration jobs, mining jobs, milling jobs, smelting jobs, and all the spinoff jobs from suppliers and service industries

We function as a resource/research facility for the industry. Remember, one sentence in an old book can lead to a forgotten mineral showing. We are a valuable source of mining & exploration information. We maintain an extensive collection of reference materials dating back to 1874 including a complete set of Ministry of Mines Annual Reports, many Geological Survey of Canada reports, numerous miscellaneous volumes pertaining to the mineral industry and most original hardcopy Assessment Reports for Southeastern B.C. We have many maps including geological, magnetic, geochemical, topographic, mine maps & plans and old claim maps. We have an extensive rock and mineral collection which includes many samples from B.C. and around the world. Our rock and mineral collection has been referred to as one of the best in the world at events at which it was exhibited.

Every year, the Chamber hosts numerous visits by school classes ranging from elementary to high school level. The Chamber of Mines holds an annual "Prospecting Course" designed for the beginner to intermediate prospector and when in demand we host advanced exploration training courses. Other courses we have held over the years include "Gemstones of the World", "Crystals" and "Gold Panning". We have also hosted the first Industrial Mineral Course in B.C. and various Petrology and Rock Alteration Courses.

The Chamber of Mines of Eastern BC publishes a monthly newsletter, the Motherlode, to keep members informed of exploration & mining activities in B.C. and of the various issues affecting our industry. We include low-cost classifieds in our newsletter for those who wish to advertise. This helps generate income to support the day to day operation of our Chamber.



HIGHLIGHTS OF CURRENT ACTIVE PROJECTS IN THE KOOTENAY-BOUNDARY REGION:

The global economic situation had an impact in the region, as exploration expenditures returned to 2006 levels after two years of unprecedented high levels, and mine production was generally lower than in the previous year. On the positive side, there were definite indications that the situation was improving by year end. Exploration expenditures in 2009 are projected to be about \$14 million, down significantly from the high levels of the previous two years. This total was divided between metals (about 67%), coal (28%) and industrial minerals (5%).

Anglo Swiss Resources Inc. focused on underground rehabilitation, mapping, sampling and diamond drilling on the 257 level, as well as surface diamond drilling at the **Kenville** property (Minfile 082FSW086). New zones of underground gold-silver mineralization were identified. A metallurgical study was completed in 2009, as well as a resource estimate of the 257 level of the old workings. Anglo Swiss has recently optioned the nearby **Ron** and **Referendum** (Minfile 082FSW177) properties. Late in the year the company embarked on an airborne VTEM survey of its overall holdings.

Astral Mining Corp. and joint venture partner **Kootenay Gold Inc.** are finalizing preparation of a bulk sample permit application for the JJ Main discovery zone on the **Jumping Josephine** gold property (Minfile 082ESE275) near Castlegar.

Baymag Inc. carried out a close-spaced drilling program at the **Struna Creek** magnesite occurrence (close to Minfile 082JNW006),

Duncastle Gold Corp carried out a third diamond drilling program on the **Yankee-Dundee** property near Ymir (Minfile 082FSW067).

Eagle Plains Resources Ltd. and **Swift Resources Inc.** carried out diamond drilling at the **Iron Range** project near Creston.

Excalibur Resources Ltd. drill-tested a one kilometre strike length along the shear zone on the **Silver King** property (Minfile 082FSW176) and is evaluating both open pit and underground mining potential.

Grizzly Diamonds Ltd. completed an AeroTEM III survey of the **Rock Creek** and **Sidley-Dayton** properties and ground geophysics and initial drilling mainly on the **Lawless** (Minfile 082ESW231) and **Ket 28** (Minfile 082ESW210) showings in the Rock Creek area.

Jaxon Minerals Inc. completed 2700 metres of drilling on the **Nox Fort** (Bunker Hill Minfile 082FSW002) property near Salmo.

Jazz Resources Inc. extracted a 2000-tonne underground bulk sample from the **Teddy Glacier** property (Minfile 082KNW069) near Beaton.

Klondike Silver Corp. carried out underground drilling at the **Silvana** mine (MINFILE 082FNW050). The company's Silvana mill at Sandon, a 100 tonnes-per-day concentrator, is operational and processes ore-grade material from this project and another project in western Canada.

Max Resources Corp. carried out trenching, sampling and a reverse circulation drilling program on the **Crowsnest** property (Minfile 082GSE070). New trenches extended the mineralized zone 200 metres to the west of the discovery trench.

Roca Mines Inc's MAX molybdenum mine (Minfile 082KNW087) at Trout Lake began shipping concentrate in November 2007 and achieved full commercial production in April 2008. In December 2009 Roca submitted an application to expand the **MAX** operation to increase production and extend the mine life.



Ruby Red Resources Inc. carried out a trenching and detailed mapping program at the **Spirit Dream** property near Cranbrook. Gold values at the property are associated with quartz veins and stockworks hosted by a Proterozoic quartzite unit.

Spectrum Mining Corp. carried out a diamond drilling program on the **Rock Canyon Creek** property (Minfile 082JSW018). Mineralized rock tends to be high in fluorite, rare earth elements and barium, and enriched strontium, yttrium, phosphorus and niobium. In 2009 mineralized material was cored over a strike length of greater than one kilometre and all holes were mineralized to the drill limit of 125 metres.

Sultan Minerals Inc. released an updated resource calculation early this year outlining 2.719 million tons measured-plus indicated resources averaging 0.358% WO₃ at a 0.15% WO₃ cutoff, mainly in the area of the old workings. (Jersey Emerald). Sultan announced they acquired the historic HB (Minfile 082FSW004) and Garnet (Minfile 082FSW249) mines. Soil geochemistry and geophysical surveys were carried out on the new holdings.

Teck Coal Limited, the world's second-largest supplier of seaborne metallurgical coal, operates five large open-pit coal mines in the Elk Valley area. Projected total 2009 coal production at the company's **Coal Mountain**, **Elkview**, **Line Creek**, **Greenhills** and **Fording River** operations is approximately 18.3 million tonnes of clean coal (predominantly metallurgical). This compares with an actual production total of 22.3 million tonnes in 2008. The mines employ 2872 people and make a major contribution to the Elk Valley and East Kootenay economies. A large fill-in drill program on the Mount Michael coal property in the Elk valley was completed in 2009. Line Creek Phase II Expansion entered the Environmental Assessment Process. Mount Michael is part of Phase II.



Theia Resources Ltd. and **Kootenay Gold Inc.** drilled the **Rosetta Stone** property. The property contains two newly-discovered, parallel gold -bearing structures (showings) named the Road and Rosetta Stone which have apparent affinities with low sulphidation epithermal occurrences. Gold mineralization is associated with silicified breccias, quartz veins and veinlets and open-space fillings in Triassic sedimentary rocks. Drilling in 2009 targeted both showings.

Touchdown Capital Inc. and **Eagle Plains Resources Ltd.** carried out a geophysical and diamond drilling program on the **Sphinx** property (Minfile 082FNE004, 094, 095 and 166). An indicated resource estimate of 41.45 million tonnes grading 0.041% Mo, using a cut-off grade of 0.03% Mo was calculated in 2009.

Valterra Resources Corp. carried out drilling on the **Star** property (Minfile 082FSW083, 082FSW084 and 082FSW294). Mineralization, consisting primarily of pyrite with or without chalcopyrite, appears to be both vein-type and disseminated and may have affinities to both alkaline porphyry deposits and vein-hosted deposits and camps in southeast British Columbia. Drilling in 2009 was focused on the Alma N zone.

West High Yield Resources Ltd. carried out diamond drilling on the **Rosland** property which includes the **Midnight, OK** and **IXL** (Minfile 082FSW119, 116 and 117). The major effort in 2009 was focused on the **Midnight** crown granted mineral claim, specifically 3000 metres of close spaced (10m) diamond drilling in preparation for a gold resource estimate.

COMPANIES WITH EXPLORATION PROJECTS IN SOUTHEASTERN B.C. IN 2009

<u>COMPANY</u>	<u>SYMBOL</u>	<u>PROPERTY</u>	<u>COMMODITY</u>	<u>WEBSITE</u>
Anglo Swiss Resources Inc.	ASW	Kenville	Gold-Silver-Copper	www.anglo-swiss.com
Astral Mining Corp.	AA	JJ (Jumping Josephine)	Gold	www.astralmining.com
Baymag		Struna Creek	Magnesite	www.baymag.com
Cayenne Gold Mines Ltd		Windflower	Gold	www.cayennegoldmines.com
Duncastle Gold Corp.	DUN	Yankee Dundee	Silver-Gold	www.duncastlegoldcorp.com
Eagle Plains Resources Ltd.	EPL	Sphinx	Molybdenum	www.eagleplains.com
Eagle Plains Resources Ltd.	EPL	Coyote Creek	Gypsum	www.eagleplains.com
Eagle Plains Resources Ltd.	EPL	Ice River	Sodalite, REE, Zn-Pb-Ag	www.eagleplains.com
Eagle Plains Resources Ltd.	EPL	Iron Range	Gold-Copper-Ag-Pb-Zn	www.eagleplains.com
Eagle Plains Resources Ltd.	EPL	Black Diamond	Silver-Pb-Zn-Au	www.eagleplains.com
Excalibur Resources Ltd.	XBR	Silver King	Copper-Silver	www.excaliburresources.ca
Goldcliff Resource Corp.	GCN	Ainsworth project	Silver-Molybdenum	www.goldcliff.com
Grizzly Diamonds Ltd.	GZD	Greenwood Property	Copper-Gold-PGM	www.grizzlydiamonds.com
Hellix Ventures Inc.	HEL	Athabasca	Gold	www.hellixventures.com
Jaxon Minerals Inc.	JAX	Nox Fort	Gold	www.jaxonminerals.com
Jazz Resources Inc.	JZR	Spider	Gold-Silver	www.jazzresources.ca
Jazz Resources Inc.	JZR	Teddy Glacier	Silver-Lead-Zinc (Au, Cu)	www.jazzresources.ca
Kingsman Resources	KSM	International Basin	Gold-Silver (Cu, Pb, Zn)	www.kingsmanresources.com
Klondike Gold Corp.	KG	Clubine	Gold-Silver-Lead-Zinc	www.klondikegoldcorp.com
Klondike Silver Corp.	KS	Sandon Silver Project	Silver-Lead-Zinc	www.klondikesilver.com
Kootenay Gold Inc.	KTN	Connor Creek	Gold	www.kootenaygold.ca
Kootenay Gold Inc.	KTN	Rosetta Stone	Gold	www.kootenaygold.ca
Kootenay Gold Inc.	KTN	Deer Park	Gold	www.kootenaygold.ca
Manson Creek Resources Ltd.	MCK	Meridian	Gold-Silver	www.manson.ca
Max Resource Corp.	MXR	Crowsnest	Gold	www.maxresource.com
Orestone Mining Corp	ORS	Connor Creek	Gold	www.orestone.ca
Ruby Red Resources Inc.	RRX	Spirit Dream	Gold	www.rubyredresources.com
Ruby Red Resources Inc.	RRX	Robocop	Copper-Cobalt	www.rubyredresources.com
Rupestris Mines		Ptarmigan	Silver-Gold-Cu-Pb-Zn	
Spectrum Mining		Rock Canyon	Fluorite, REE, Ag-Au	
Sultan Minerals Inc.	SUL	Kena	Gold-Copper	www.sultanminerals.com
Sultan Minerals Inc.	SUL	Jersey-Emerald	Zinc-Lead-Silver-Tungsten	www.sultanminerals.com
Sultan Minerals Inc.	SUL	HB	Zinc-Lead-Silver	www.sultanminerals.com
Swift Resources Inc.	SWR	Amazing Grace	Gold	www.swiftres.com
Swift Resources Inc.	SWR	Iron Range	Iron-Copper-Gold	www.swiftres.com
Taranis Resources Inc.	TRO	Thor	Silver-Lead-Zinc	www.taranis.us
Teck Coal Ltd.	TCK	Mt. Michael	Coal	www.teck.com
Theia Resources Ltd.	THH	Rosetta Stone	Gold	www.theia.ca
Touchdown Capital Inc.	TDW	Sphinx	Molybdenum-Tungsten	
Valterra Resource Corp.	VTA	Star	Copper-Gold	www.valterraresource.com
Waterloo Resources Ltd.	WAT	Ice River	Rare Earths, Niobium	
West High Yield (W.H.Y.) Res.	WHY	Midnight Group	Gold	www.whyresources.com
West High Yield (W.H.Y.) Res.	WHY	Record Ridge	Magnesium	www.whyresources.com
Yellowstone Resources		Yellowstone	Gold	

PRODUCING COMPANIES IN SOUTHEASTERN B.C. IN 2009

<u>COMPANY</u>	<u>SYMBOL</u>	<u>PROPERTY</u>	<u>COMMODITY</u>	<u>WEBSITE</u>
Baymag Inc.		Mt. Brussilof	Magnesite	www.baymag.com
CertainTeed Gypsum Canada Inc.		Elkhorn, Windermere	Gypsum	www.bpb-na.com/canada
HCA Mountain Minerals Ltd.		Moberly Mine	Silica sand	www.mountainminerals.com
Eagle Graphite Corp.		Black Crystal	Graphite	www.eaglegraphite.com
Georgia-Pacific Canada Inc.		Four J Mine, Canal Flats	Gypsum	www.gp.com
Gerex Developments Ltd.		Porcupine Pass	Flagstone	
Imasco Minerals Inc.		Crawford Bay	Dolomite	www.imascominerals.com
Imasco Minerals Inc.		Lime Creek	Limestone	www.imascominerals.com
Imasco Minerals Inc.		Sirdar	Granite	www.imascominerals.com
Kootenay Stone		Porcupine Creek	Flagstone	www.naturalstonesite.com
Roca Mines Inc.	ROK	MAX Mine	Molybdenum	www.rocamines.com
Roxul (West) Inc.		Winner & Burrell Creek	Diorite (Mineral Wool)	www.roxul.com/sw10396.asp
Teck Coal Ltd.	TCK	Line Creek	Coal	www.teck.com
Teck Coal Ltd.	TCK	Coal Mountain	Coal	www.teck.com
Teck Coal Ltd.	TCK	Elkview	Coal	www.teck.com
Teck Coal Ltd.	TCK	Greenhills	Coal	www.teck.com
Teck Coal Ltd.	TCK	Fording River	Coal	www.teck.com

MINERALS SOUTH 2010 CONFERENCE & TRADE SHOW

In the first week of November 2010 the Chamber of Mines of Eastern B.C. will again host the Minerals South Conference and Trade Show in Nelson at the Prestige Lakeside Resort and Convention Centre. We plan a format much the same as in 2008 with a Short Course on the first day followed by 2 days of Technical Sessions/Trade Show and a field trip on the 4th day.

Minerals South 2010 promises to be educational, entertaining, friendly and fun. As in past years, expect an excellent Short Course and great Technical Sessions presented by top notch speakers from both Government and Industry. And make sure to get here in time for the Icebreaker. The banquet has always been a hit with great food and after-dinner entertainment. Who should attend? Prospectors, geologists, investors, and anyone who is involved in the mining and exploration industries. Be sure to watch our website www.cmebc.com for updates.

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