

Mining Report



March 2007

IN THIS ISSUE:

- ▶ Minister's Message
- ▶ B.C. Mining Receives High Profile at PDAC Conference
- ▶ New Relationship with Taku River Tlingit

COMING EVENTS

- ▶ Kamloops Exploration Group Conference, April 3 – 4, 2007, Kamloops
- ▶ Minerals North 2007, April 17 – 19, 2007, Terrace
- ▶ Cariboo Forestry & Mining Show, April 27, Williams Lake

MINISTER'S MESSAGE

Tremendous gains have been made since the Province began working to revitalize the mining industry in 2001. The BC Mining Plan: Report on Progress, released in January 2007,



Honourable Kevin Krueger
Minister of State for Mining

demonstrates the dramatic growth of our mineral exploration and mining industry: mining is now a \$6-billion industry in B.C. and mineral exploration investment has increased over 600 per cent in the past six years. Almost half of Canada's major mining projects – 25 out of a total of 52 – are in B.C. and 750 exploration projects are underway. We're attracting an expanding share of Canadian exploration investment and tapping into the enormous potential for job creation through sustainable mineral resource development. New mines are opening, and old mines are finding new life.

By streamlining approval and regulatory processes, investing in training for youth to address labour needs, and building productive partnerships in our communities and with First Nations, B.C. is earning a world-wide reputation as a favourable jurisdiction for mining investment.



Kamloops-North Thompson MLA Kevin Krueger (seated, at right) was sworn into office as Minister of State for Mining on Feb. 7, 2007 by Lieutenant-Governor Iona Campagnolo (seated, at left) in the presence of Premier Gordon Campbell (left) and Minister Krueger's wife Debbie.

B.C. MINING RECEIVES HIGH PROFILE AT PDAC CONFERENCE

B.C.'s mining industry had a high profile at the Prospectors and Developers Association of Canada (PDAC) conference, held in Toronto from March 4 to 7, 2007. Minister Krueger attended along with representatives of the Mining Association of British Columbia, the Association for Mineral Exploration British Columbia, the Canada Aboriginal Mineral Association, and B.C. mining companies. More than 15,000 participants from over 100 countries saw British Columbians featured as event exhibitors, presenters, and sponsors.

The 75th annual PDAC conference brought together people and companies involved in the search for and development of new mineral deposits. Minister Krueger took the opportunity to talk to many individual miners and operators and to discuss B.C.'s prospects for increased international mining, new mine approvals, relationship building between First Nations and B.C.'s mining community, and the great discoveries going on in British Columbia.



Minister Krueger at the PDAC Investors Forum with Douglas Fulcher, President of Abacus Mining and Exploration Corp.



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"Minister's Message"
Continued on Page 2 ▶

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MINISTER'S MESSAGE (CONTINUED FROM COVER)

This reputation is bolstered by success stories like the \$2-billion Galore Creek precious metal mine in the province's northwest. NovaGold Resources has worked with the Tahltan Nation for the development of the Galore Creek project, which has received a provincial environmental assessment certificate and is expected to create up to 1,000 jobs during construction and have approximately 500 employees once in operation.

Working together, we have every reason to be confident in the future and to anticipate increasing prosperity for our communities and the mining industry for years to come.

AGREEMENT WITH TAKU RIVER TLINGIT FIRST NATION

On January 31, 2007, the Province and the Taku River Tlingit (TRT) First Nation signed a letter of understanding, agreeing that important First Nations issues will be addressed while the critical environmental assessment progresses.

In coming months, the Environmental Assessment Office will work with the TRT on a proposal by Adanac Moly Corporation for a molybdenum mine at Ruby Creek. The proposed site of the open pit mine is near Atlin in a central portion of TRT territory.

The letter of understanding – a New Relationship initiative – is a major step forward. Collaborative relationships create greater economic certainty, which in turn stimulates investment in the mining industry and has real benefits for First Nations communities and all British Columbians.

BALANCED BUDGET 2007 – ADDRESSING THE NEED

The boom in mining in B.C. means everyone involved in mining is increasingly busy. The B.C. Government recognizes the importance of mining to the provincial economy, and its Balanced Budget 2007 allocates additional resources to ensure the assessment and approval of mining projects is as streamlined and expedient as possible.

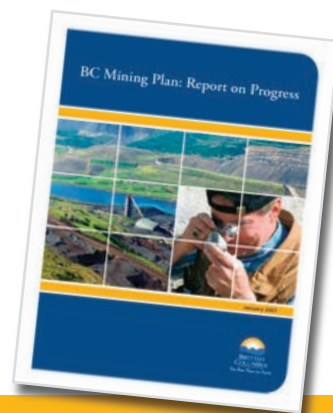
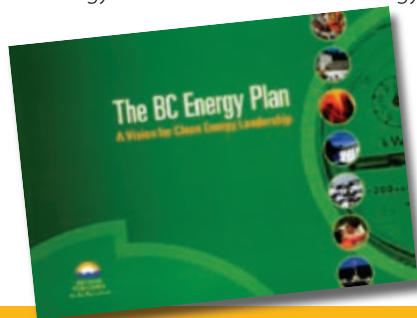
Balanced Budget Highlights

- \$6 million increase for environmental assessments throughout the province over the next three years to help speed up the more than 50 projects currently in the environmental assessment process across B.C.
- An additional \$9 million in the Mining and Minerals Division to hire new regional inspections staff to ensure the safety of mining operations and communities and to continue to ensure that high environmental standards are maintained.
- An additional \$3 million to expand the province's geological mapping co-op program to provide data to support increased exploration and future mine development projects.

These allocations will result in the hiring of an additional 19 regional staff members, including inspectors and reclamation specialists, and another 28 co-op geology students for geoscience initiatives, particularly in areas of the province affected by the mountain pine beetle.

NEW PUBLICATIONS

BC Energy Plan: A Vision for Clean Energy Leadership



BC Mining Plan:
Report on Progress