

**ENERGY, MINES & RESOURCES MINISTER ARCHIE LANG
SPEAKING POINTS**

**MINERAL EXPLORATION ROUNDUP –
YUKON GOVERNMENT RECEPTION**

Monday, January 23, 2006
5:00 to 6:30 p.m.
Crystal Ballroom, Landmark Empire Hotel

Introduction

I want to thank everyone for taking the time to join us on election night.

As Premier Fentie noted, I want to briefly outline some of the new developments in Yukon's mineral sector.

Yukon Geological Survey

But first I want to take this opportunity to congratulate our team of geologists in the Yukon Geological Survey for their excellent work and recognize their central role at the Roundup.

Last year we announced the creation of a new Yukon Geological Survey branch. I am pleased to tell you that we have appointed a Director - Grant Abbott, who I'm sure many of you know well.

Grant has been with the Survey in its many incarnations for over twenty-five years.

He is a valued and well respected colleague and we are very fortunate to have him on our team.

Grant and his staff are presenting at a number of talks this week which I hope you can take in.

There is interesting geological research and fieldwork coming out of the Survey.

This includes new exploration concepts for gold, uranium, and nickel-copper-platinum group elements.

Diminishing metal reserves

Recently, the Prospectors and Developers Association of Canada reported that the country is well positioned to benefit from the current global commodity boom.

But they cautioned that Canada's reserves of base metals are diminishing.

According to NRCan, there are declines in: nickel 44%; copper 63%; zinc 77%; moly 79% and lead 92%.

We think the Yukon can play a role in improving Canada's base metal reserves.

The territory is under-explored, yet rich in these critical base metals, and we see an opportunity to encourage exploration and development of our deposits.

Exploration spending

In fact, exploration is soaring. This past year exploration spending levels reached \$50 million, which is a striking increase over the past year.

Our staff geologist, Mike Burke will be giving an overview on Yukon's mineral activity in his talk tomorrow morning.

Reclamation and Closure Policy

The Yukon government is doing a number of things to improve our business and regulatory climate.

Last week we announced the new Yukon Mine Site Reclamation and Closure Policy.

It provides a clear and consistent approach to mine closure and reflects industry's practice of integrating closure and progressive reclamation into mine planning and operations.

The policy is careful not to burden industry with unnecessary costs, so that we are able to maintain our competitiveness.

YESAA

As the premier mentioned we have a new environmental assessment process in the Yukon.

We have worked hard with the Yukon Environmental Socio- economic Assessment (YESAA) Board to ensure the process is timely and effective.

We made minor amendments to our mining regulations to conform to YESAA.

We have new thresholds for determining what activities require an assessment.

We introduced clearer operating conditions for mining land use activities.

Our staff is ready to help answer your questions and assist you through this process.

Project Coordinator

Also on the permitting end, we introduced a new process for mine projects near or at development.

They are assigned a dedicated project coordinator.

The project coordinator is the main contact between the government agencies, the company, and other parties, like First Nation governments and communities.

The coordinator ensures everyone is kept informed of key information, concerns as they arise, and of timelines and regulatory requirements.

They assist in resolving problems and issues, and they regularly brief a team of deputy ministers on the progress of the project.

The deputy ministers oversee the process and ensure issues are dealt with quickly.

We currently have coordinators for five projects and we've successfully permitted the Minto copper mine under this process.

Companies are telling us they find the project coordinator approach extremely useful.

Tax Credit

Yukon's mineral exploration tax credit has proven to be very successful. And I am pleased to be able to tell you that we will continue to offer it until March 31, 2007, but with some modifications.

Our tax credit was introduced during the last mining downturn to stimulate exploration and investment.

We said we would review it once market conditions improved and exploration spending exceeded \$30 million. We have reached this threshold and we anticipate exploration spending in the range of 50 million dollars for 2005.

The success of our mineral tax credit program, combined with the rebound in exploration, means that we must cap the amount a company will be able to receive to a maximum of \$300,000 for work undertaken in the upcoming tax year.

Generally, Yukon's overall tax regime is competitive with the rest of the country.

However, with a number of mineral projects moving to production and development, we have directed staff to look at options for new or amended mining tax policies and incentives to increase investment in the mining sector.

YMIP

Our Yukon Mining Incentives Program augments the tax credit. This program's function is to provide a portion of the risk capital required to locate and explore mineral deposits.

Last year we committed over one million dollars to more than 60 projects under the program.

YMIP continues to make a significant contribution to exploration successes in the Yukon.

Infrastructure

We intend to work with industry to address issues like road access, tide water port access, energy and training.

We are looking at options for road access upgrading and development with the Department of Highways.

Current mine developments will also require improved energy networks and possibly new energy sources.

We are working closely with Yukon Energy to this end.

Also, work continues on the feasibility study for a rail link from Alaska to southern Canada and onwards.

Developing a Skilled Labor Force

On the human resource front we are supporting the development of an industry-led Yukon Mine Training Strategy.

It is a partnership approach with First Nations, industry and government.

There will be particular emphasis on community employment.

This strategy would close the gap between the human resource needs of new and expanding mining developments and the overall labour pool in the Yukon.

E-Business

Finally, we are exploring online map selection systems and other e-business online initiatives in order to provide you with better customer service.

Closing

In closing I want to reiterate that the Yukon government is a strong supporter of the mining industry, which has always been integral to our economy.

I encourage you to visit the Geological Survey and other government booths, which are in the Yukon Room across from the technical talks.

Also be sure to visit the Yukon prospectors in the Prospectors' tent. They have some very good properties for option.

I hope to see you at Yukon Night later on this evening.

Thanks again for joining us.