

Mineral Exploration Roundup 2006

CHECK AGAINST DELIVERY

**HONOURABLE RICHARD NEUFELD
MINISTER OF ENERGY, MINES AND PETROLEUM RESOURCES**

Opening Remarks

**Mineral Exploration Roundup 2006
Stanley Park Ballroom – Westin Bayshore, Vancouver
January 23, 2006**

Thank you David and thank you for inviting me to speak at the opening address. Last night you introduced me as one of your best friends, and I'd like to acknowledge that.

I didn't know David prior to becoming Minister in 2001. When I met him on a number of occasions, for a number of things, I was amazed at David's passion for British Columbia, his passion for mining, and his passion for working so hard for all the things he does so well and cares about.

David has been the president of AME BC for the last year and has devoted much of his time, all of us are thankful that you led AME BC through this past year, and I know that Rob Pease will certainly have some large suits to fill.

One thing I learned early in life, was the first thing you want to do is look around the room, with a large crowd like this, pick out the biggest guy and make sure he's on your side. And David is the type of guy you need on your side. Thank you very much.

It's great to be here at the 23rd annual Roundup Conference to talk to you about an exciting topic in BC, something that is at the very heart of our economy, and that is mining.

I'd also like to acknowledge and welcome my colleague who is here with us today, Minister Bill Bennett. Bill and I get to share one of the most interesting ministries in government, it's always changing and it's always got something new to explore.

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It's a pleasure working with Bill. He takes mining very seriously; he eats, breathes and sleeps mining everyday, and that's to the benefit of all of you folks here today. You have an absolute advocate at the Cabinet table, and it's wonderful to work with Bill Bennett who continues to ensure that mining is a centrepiece of our economy.

I also bring greetings from our Premier Gordon Campbell, the person who continues to look at mining as a sunrise industry that has huge potential.

That potential has been unleashed in the province of BC, and that's because of our Premier reminds Bill and I on a regular basis...make sure you're out there, make sure you're making it happen, listen, and learn from those on the ground making things happen, and how we can apply that to our jobs.

I want to congratulate the Association for Mineral Exploration BC for what promises to be another great Roundup year. Also – congratulations on your new name.

The theme, “Striving for Excellence in Exploration” is obviously a great theme to be working on. Everyone one of us, regardless of who we are , whether we're in government, whether we're prospecting, whether we're running a large company, a small company, or running a mine – be excellent in your work.

Striving for excellence in all forms, whether in consultation with First Nations, whether with environment or in operations, creating jobs, it is important to all of us.

David and Dan, I know, have committed a large amount of work and personal time to ensure an excellent program, and I want to recognize their dedication to this industry. Thank you.

I also recognize that they couldn't have done this without tremendous behind-the-scenes help and I want to acknowledge the contribution that everyone played in putting this conference together. I'd also like to thank the staff at the Ministry of Energy, Mines and Petroleum Resources, who work very hard. Thank you. Good job...

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I've been attending Roundups long before I became Minister. I was trying to remember my first year at this conference, that's got to be almost 15 years ago, and I can honestly say that this year has got to be one of the most exciting times for your industry.

A few years ago we didn't hear much about the BC advantage in mining.

When I think back to 2001, when Premier Campbell was first elected, the conference had a hard time getting 1,500 people to show up, this year you've got almost 5,500 registrants. That's excellent proof and shows what positive things have taken place in BC.

You didn't hear much about the BC advantage back then, it was more like the BC 'dis' advantage.

When I was here last year, I spoke about looking towards our future, to start looking at the things that we can do to bring more exploration and the mining industry back to the province.

Well, I think we've done that. We're seeing that BC advantage built back up again.

Last week Minister Bennett announced a fifteen-year high in exploration spending in British Columbia.

\$220 million. That sure beats \$29 million. That's what it was when I first was appointed Minister of Energy and Mines back in 2001. \$29 million.

My accountants tell me that's more than 60 per cent from last year, and more than 660 per cent, or seven times the amount of investment, from 4 years ago.

I'm also told by the experts that we need at least \$250 million in yearly investment to bring new mines on-line as some of the old ones close down.

Now, I'm not saying that the phenomenal growth in investment isn't related to commodity prices, commodity prices are worldwide. Money is fluid, capital can go anywhere in the world.

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But I also know that companies can choose to invest where they think they have the best potential and the best chance getting their projects going. This government has to ensure that we capture that investment for the province.

And I say thank you.

Thank you for investing in British Columbia.

Thank you for having the trust in the province of British Columbia to work on issues to help you have the confidence to invest in BC.

The action happening on the ground has really grown in the last year. Exploration activity was buzzing – 650 projects, up 38% from 2004. Drilling activity amounted to 660,000 metres in 2005, a 30% increase from 2004.

And, an estimated 4,000 seasonal ‘tax-paying’ exploration jobs, an almost 100 % increase over 2004.

That’s a lot of drilling, a lot of jobs, and speaks to the huge opportunities this province holds for explorationists and prospectors here today in the audience.

The number of exploration projects with budgets in excess of \$1 million was 43, and Mineral Tenures increased about 350% from 2004.

The Mount Polley copper-gold mine re-opened in early 2005, Gibraltar the year before, providing family-supporting jobs, and a boost to local economies. The Trend and Wolverine coal mines in the northeast are under construction and scheduled to open early this year.

Five projects were awarded Environmental Certificates for production. BC has over 20 significant projects in advanced exploration and development and 17 are now in the provincial environmental assessment process. That’s a lot better than one, when I arrived here in 2001.

Highland Valley Copper announced the approval of its extension plan to 2014, great news for their almost 1000 employees.

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This activity brings investment and jobs. Mining employs more than 10,000 people province-wide and generates an additional 15,000 jobs for contractors and spin-off workers.

Jobs are important to us. In fact, one of our Great Goals for a Golden Decade is to create more jobs per capita than anywhere else in Canada.

British Columbia has added more than 200,000 jobs since December 2001, twice the Canadian average.

Another one of our goals as government was to bring mining back to BC, to what it once was. We committed to that, and we've come a long way. We now have spectacular investment by industry and plenty of jobs for skilled people.

Investors need more than commodity prices, they need to feel wanted...you are.

Investors need to feel their investment is secure, and I tell you it is. And they need to feel there is a fair profit at the end of the day for their shareholders, and that will continue.

A few highlights that of positive actions this government has taken in the past that is bringing this great future.

We lowered corporate taxes from 16.5 per cent to 12 percent.

We eliminated the corporate capital tax, we removed the sales tax for machinery and equipment used for mining, we reduced personal income tax by over 25 per cent, and we removed one-third of needless red tape in all parts of government, and specifically for mining.

We created MapPlace which is leading the world. Mineral Titles Online, leading the world. Funding Geoscience BC in a new innovative way, leading the world.

Upgrading roads, rails and ports, increased funding for education, post-secondary and K to 12.

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Creating a Mining Plan for British Columbia, continuing with our flow-through shares

Anyone of these has certainly paid off huge for investment security and job creation, both of which are essential to this province.

There is a huge global demand for our mineral products and expertise in the mining industry.

Globally, we are recognized for our environmental record, and we need to continue on the road to success. We have and will build on this success.

We applaud you as leaders, as investors, as innovators and as workers in BC.

We will continue to work together to help your industry realize it's full potential for excellence and to experience unprecedented growth and expand your business.

Our job is to make BC one of the best places on earth to work, to play and to raise a family.

The theme "Striving for Excellence" says it all.

BC is the best place to live, work, and raise a family.

Thank you for inviting me here today.

Have a great conference.

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