



Honourable Richard Neufeld

Honourable Pat Bell

BC's MINING UPDATE

Restoring British Columbia's Mining Sector

MAY 2004

Message from the Minister of State for Mining

Much headway has been made in the last month on the establishment of a Mining Plan for BC. I have attended both the "Kamloops Exploration Group" and "Minerals North" Conferences as well as touring many different mines and exploration sites. The excitement in BC is tangible these days and 2004 will be a big year for us.

The key to success for mining in BC is for people to start thinking outside the box. We have a unique opportunity with the existing commodity price boom to expand our industry at an aggressive rate but this can only happen if government and industry work together. Staff in the Ministry of Energy and Mines are committed to delivering the results quickly and efficiently and working with you to achieve your objectives.

I believe, as you look at the May edition of our monthly BC's Mining Update, you will see the progress we are making and support our commitment to a revitalized industry.

Pat Bell

Minister of State for Mining

To respond to this newsletter, or for more information, please e-mail:

SMIN.Minister@gems2.gov.bc.ca

TAKE THE FAST-TRACK TO MINING APPROVALS

Time is money, and B.C. mining developers who qualify, can now save both by taking the Fast-Track through government approvals.

By securing timelines for permits and related approval processes for strategic capital projects, Fast-Track facilitates investment in the province – including in mining operations in the Heartlands. Fast-Track can help new mining operations get up and running more quickly than previously possible.

To qualify for Fast-Track, a project must create significant employment. (The number of jobs required will vary by region). Fast-Track proponents must also have a business plan, a completed financial plan and documents supporting the project's business case. Finally, the proponent must confirm that the only obstacles holding up the project are permits and approvals, and that they have identified them.

One company taking the Fast-Track is the Greenwood Slag Project (Greenwood), which crushes and grinds slag from the smelter at Greenwood and sells it offshore. When Greenwood decided, based on new market opportunities, to expand its operation and apply for a mine development permit, they faced a potential delay due to a previously unaddressed survey issue with the location of the slag. By bringing together the relevant government agencies and managing the process, this issue is being resolved in a timely fashion to the satisfaction of the proponent.

"The Fast-Track team guided me through the system, provincial and federal," says Joe Falkoski, President of the Greenwood Slag Project, located in the southern Interior. "They provided lots of very valuable advice and connected me with the right people, right



March 2004 Minister of State Bell stands with Greenwood Slag Project president Joseph Falkoski.

Continued on next page

PINE VALLEY COAL

Pine Valley Mining Corp. plans to start producing raw coal at its Willow Creek mine in northern B.C. in June 2004. The metallurgical coal will be exported – about a third to China – for steel production.



Initial production is expected to be 45,000 tonnes per month, increasing to 110,000 tonnes per month, perhaps rising to as much as 2.0 million tonnes per year. The Ministry of Energy and Mines has issued coal licenses covering 29 sq. kilometres in the area.

Having received environmental approval from government in 1998, the mine has never been operational except for a brief period in 2001-02. Pine Valley Mining also plans to begin construction of a wash plant and permanent loading facility. The mine will provide 40 jobs at the outset, rising to 100 by mid-2005.



Minister of State for Mining

*Continued from previous page: **Fast-Track***

away. If I had contracted out what they did for me, I figure it would have cost as much as \$50,000 dollars and taken 11 months. Fast-Track is the best thing this government has done.”

For information on how to Fast-Track your mining operation, please contact your MLA.

NEW MAPS POINT WAY TO NEW EXPLORATION, JOBS

As part of government's commitment to improve the province's geoscience database for prospectors and industry, the Ministry of Energy and Mines has released new geological maps of mineralized areas in three significant areas of the province. These maps will help to attract new mineral exploration and mining development, and create new jobs.



Geological map of the Toodoggone area north of, and including, Kemess Mine. All the maps in this particular release will be available as PDF files and as hardcopy maps.

The new geological maps cover parts of the Toodoggone region, site of the Kemess Mine; the Iskut-Eskay region, site of the Eskay Creek Mine; and the Barkerville area, which is host to numerous gold occurrences.

“We always knew that Barkerville was an area that was rich in gold,” says Minister of State for Mining Pat Bell, “and we have released a map that identifies more than a hundred different gold occurrences in the area between Wells and Cariboo Lake. Most of them are gold-bearing quartz veins, and they are linked together through the mapping system to try and identify where the veins move.”

Bell adds he wouldn't be surprised to see a rash of claim staking at Barkerville over the coming months.

The surveys were funded and carried out in cooperation with the B.C. Geological Survey, the Geological Survey of Canada, the University of British Columbia and industry partners Bishop Resources Inc., Finlay Minerals Ltd., Northgate Exploration Ltd., Sable Resources Ltd. and Stealth Minerals Ltd.

These maps are available to the public through the ministry website at www.em.gov.bc.ca/Geology/

Hardcopies will be available through Crown Publications Inc. in Victoria at www.crownpub.bc.ca/