



BC's MINING UPDATE

Honourable Richard Neufeld

Honourable Pat Bell

Restoring British Columbia's Mining Sector

AUGUST 2004

From the Desk of Pat Bell

As part of my commitment to reinvigorate the mining sector and build better relations between government and industry, I made an early promise to visit every major operating mine in British Columbia.

This past month took me to a number of exploration sites throughout the Kootenays, Okanagan and along Hwy 37 in the Bulkley Valley - Stikine region. At every stop, I have seen first-hand proof that mining is making a tremendous comeback in BC.

The excitement that I have seen when touring these sites is backed up by the stats that have been coming into my office. As of the first 6 months of this year, figures showed almost 25,000 mineral claims had been staked. This is up by 73% over the same period for 2003 and, in fact, there were more mineral claims staked in the first 6 months of this year than for all of 2002.

I want to extend my appreciation to the employees at each of these sites for taking the time to talk with me during my visit and look forward to the continued prosperity as we head into the second half of the year.

Pat Bell
Minister of State
for Mining



Pat Bell (right) checks out a diamond drill core with Cameron Tashoots, geologist assistant (left), and Scott Petsel, Sr. Geologist at NovaGold Resources Inc.'s Galore Creek gold-silver-copper mine. Erin Workman, geologist, is in the background. The mine is located in the historic Stikine Gold Belt of Northwestern BC, 150 kilometers northeast of Stewart.

NEW SECURITIES ACT A BOON TO EXPLORATION

Mining companies, especially those that finance exploration by issuing new equity, will benefit from the new Securities Act, expected to come into effect by the end of the year. The new, streamlined, plain-language Act will improve investor protection, save companies money and accelerate access to capital markets.

The Act introduces a new, quicker and easier system of capital-raising called Continuous Market Access. CMA eliminates the prospectus for second offerings and enables issuers to raise subsequent funds simply by issuing a news release outlining its securities offering.

"The new Securities Act is coming along at just the right time for B.C.'s mining industry," said Minister of State for Mining Pat Bell. "Companies are anxious to explore in B.C. again, and by reducing red tape and updating securities regulations this Act makes it easier for them to raise capital and produce minerals. All British Columbians will benefit."

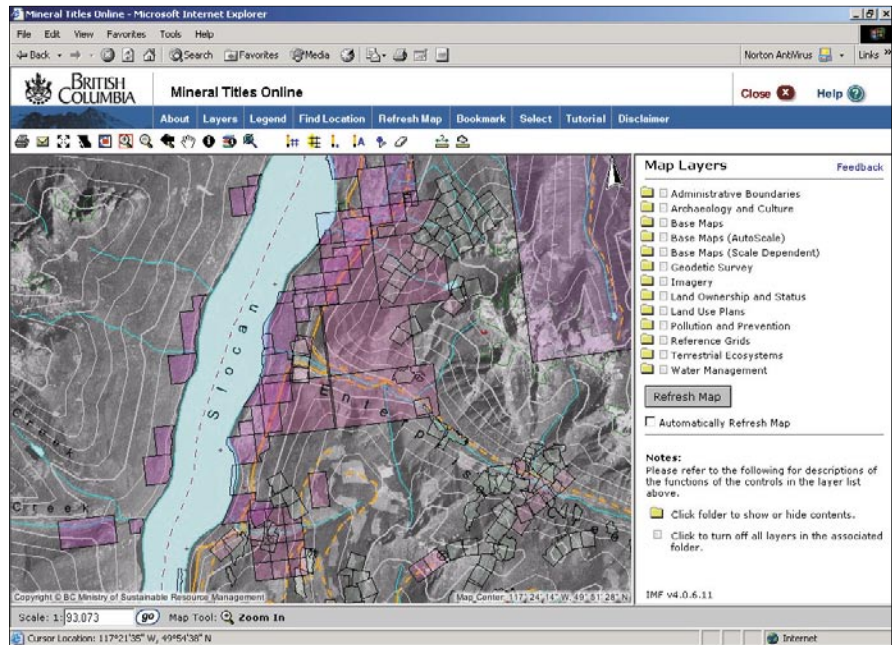
The B.C. Securities Commission spent two years reviewing the old Act and consulting with more than 2,000 market participants across Canada.

MINERAL TITLES ONLINE NETS B.C. SECOND CONSECUTIVE NATIONAL MINING INDUSTRY AWARD FOR INNOVATION

For the second year in a row the BC Government has been recognized by the Prospectors and Developers Association of Canada for new and innovative services designed to enhance the industry in our province. The first award was for the Rocks to Riches program, a collaboration between government and industry created to support the delivery of geoscience work in the Province. This year the "claim tag" award was presented to the BC Government in recognition of the Mineral Titles Online (MTO) program.

The Mineral Titles Online program is an Internet-based title administration system that will enable miners to view up-to-date electronic maps of the province on the Internet and acquire secure tenure by selecting the desired cells from a grid on the map. Physically marking a mineral claim on the ground before claiming title will no longer be necessary. MTO will also enable titleholders to conduct business online, including title maintenance and bills of sale. Implementation is scheduled for January 2005.

Information and training programs are being developed for online learning and regional in-person instruction sessions.



The Mineral Titles Online website enables miners to secure tenure and conduct business on the internet.

Government staff will continue to provide administrative assistance to those without access to computers.

"This state-of-the-art process will allow prospectors to focus more of their time and financial resources on exploration, rather than administration," said Minister of State for Mining Pat Bell.

More information on Mineral Titles Online can be found at: <http://www.em.gov.bc.ca/subwebs/mtonline/>

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



SMIN.Minister@gems2.gov.bc.ca



Minister of State for Mining