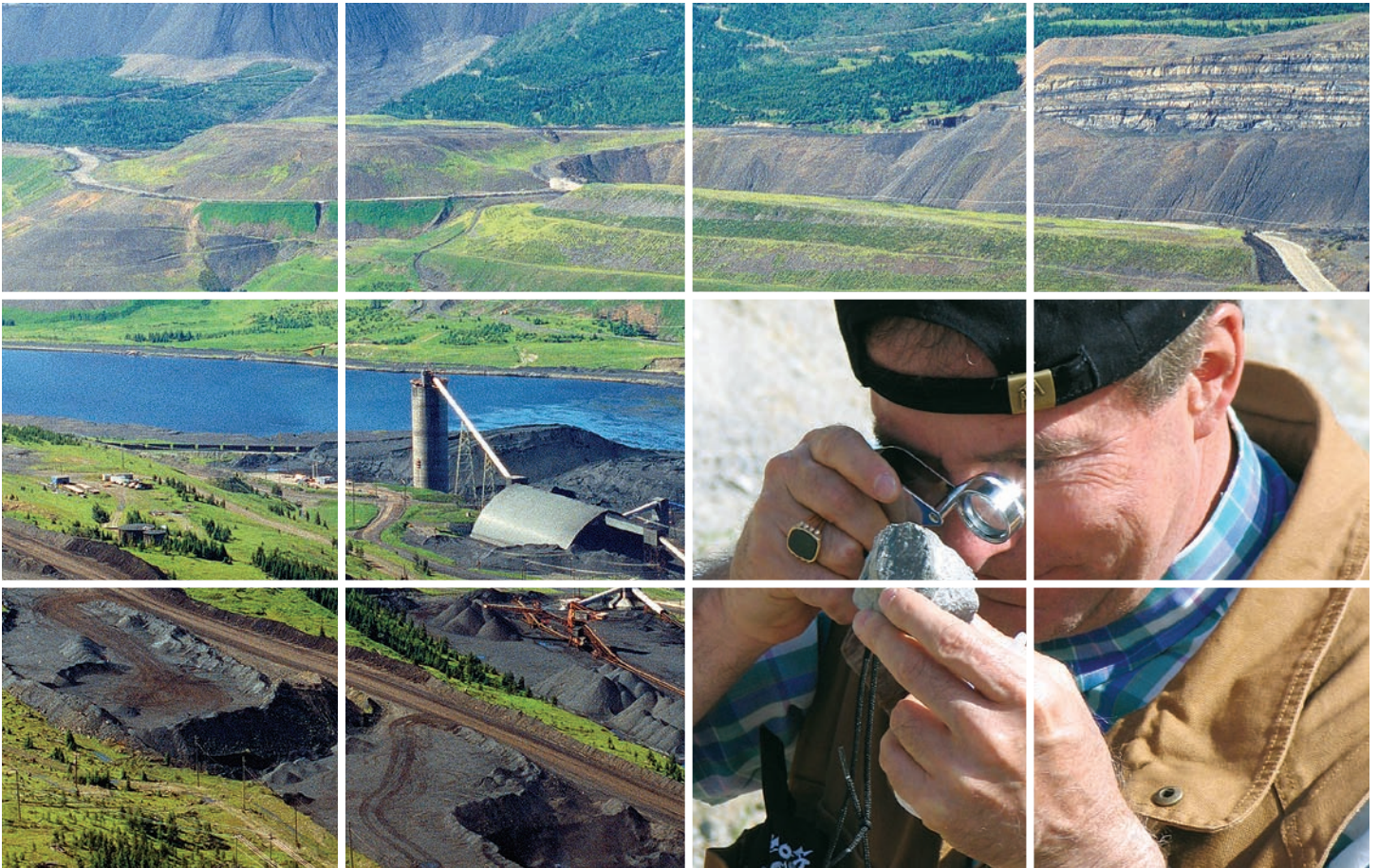


BC Mining Plan: Report on Progress



January 2007

Introduction

The Government of British Columbia released the *British Columbia Mining Plan* in January 2005 as a comprehensive approach to sustainable mining in B.C. The *Plan* outlines 57 action items to fulfill our vision for a thriving, globally competitive, safe and environmentally responsible exploration and mining industry. The *BC Mining Plan: Report on Progress* documents what we have accomplished in the two years since the release of the *Plan* and the many benefits provided to individuals, communities, First Nations and the provincial economy.

There are four cornerstones that guide our *Plan*:

- ✓ Focus on Communities and First Nations
- ✓ Protecting Workers, Protecting the Environment
- ✓ Global Competitiveness
- ✓ Access to Land

Since the *BC Mining Plan's* release, over 95 per cent of the action items are completed or in progress. Out of our 57 commitments:

- ✓ 29 actions are completed.
- ✓ 26 actions are in progress.
- ✓ 2 actions are scheduled to begin in 2007.

New geoscience and infrastructure investments are paying off as industry takes a fresh look at B.C.'s geology and resources. Increased exploration activity and the development of new mines are providing tremendous opportunities for B.C. communities and First Nations while contributing to our province's thriving economy.

B.C. is one of the world's most important mining regions, and mining is one of the province's most important industries. Mining provides some of the highest-paid industrial jobs, significant business opportunities for companies that service the industry and indirect spin-off benefits, such as public utilities, infrastructure and recreational facilities, to B.C. communities.

The *BC Mining Plan: Report on Progress* demonstrates our success to date in completing the *Plan*. The Province will build on the achievements of the *British Columbia Mining Plan* as we work to complete its objectives by 2008, strengthening British Columbia's status as a global leader in mineral exploration and mining.

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Message from Minister of State for Mining Bill Bennett

The *British Columbia Mining Plan* sets a course for mining success in B.C. with the commitment to enhance partnerships with communities, First Nations and industry. Our *Plan* was designed to achieve the Province's goals of unprecedented job creation and leading the world in sustainable environmental management while ensuring that more economic and educational opportunities in mineral exploration and mining are made available to British Columbians. Since the release of the *Plan*, our accomplishments indicate we are doing just that.

As B.C.'s Minister of State for Mining, I am proud to report that many of the 57 action items of the *BC Mining Plan* have been successfully completed and have exceeded our initial targets. This *Report on Progress* explains how we are meeting the goals we established in the *Plan*.

Mineral exploration investment in British Columbia hit a 15-year high of over \$220 million in 2005, a 660 per cent increase from 2001. B.C. currently has more than 25 advanced mine development projects and over 750 exploration projects underway. But we recognize that a successful mineral exploration and mining industry in B.C. is only as strong as its relationships and partnerships with communities, First Nations and other stakeholders. Since the release of the *BC Mining Plan*, we have hosted numerous workshops and forums, bringing communities, First Nations and industry together to discuss how to maximize mining's long-term benefits. The mining sector is now one of the most vibrant areas of job creation in the province. The demand for skilled workers is on the rise, and our partnerships with industry and educational institutions will ensure that we have qualified people to meet this demand in the years to come.

Did you know...?

In 2005, mineral exploration investment in British Columbia hit a 15-year high of over \$220 million, a 660 per cent increase from 2001.





Ministry of Energy, Mines and Petroleum Resources staff are working closely with industry and communities to make sure British Columbia maintains its reputation as a world leader in mineral exploration and mining. The quality and innovation of their work has been recognized with industry and provincial awards and has earned international recognition for British Columbia.

Mining is back in B.C.—our #1 world ranking of B.C. geological databases reaffirms this province's significant mineral potential and indicates that our efforts to improve the investment climate are working. I am confident that we will see even better results in future surveys as a result of implementing our *Plan*. We are proud of our successes and the opportunities created for all British Columbians as a result of the *BC Mining Plan*.



Did you know...?

A #1 world ranking of B.C. geological databases reaffirms this province's significant mineral potential.

Focus on Communities and First Nations

Education and practical experience go hand-in-hand when it comes to shaping B.C.'s future in mineral exploration and mining. Our booming industry is creating new opportunities for young people and First Nations to build careers, and is helping communities prosper now and well into the future.

It is estimated that by 2010 an additional 8,500 new jobs will be available in the B.C. mineral exploration and mining industry. The Province launched B.C. Mining Job Strategy 2006 in response to the training needs of this expanding sector, and we are currently developing a similar approach for 2007. Our Job Strategy has the Ministry of Energy, Mines and Petroleum Resources (MEMPR) hard at work with other agencies, community groups and post-secondary institutions to ensure that youth from rural and Aboriginal communities are able to acquire skills and the hands-on training that will enable them to pursue exciting career opportunities in exploration and mining.

We have seen an increase in the participation of communities and First Nations in conferences, workshops and innovative training programs related to mineral exploration and mining in B.C. Regional and internationally attended forums, such as the Association for Mineral Exploration British Columbia's annual Mineral Exploration Roundup, bring together community and industry representatives from all over the world. These gatherings provide a means for attendees to identify the challenges of sustainable resource development and allow them to collaboratively devise solutions to these challenges.

We have invested over \$2.3 million to expand training for youth from rural and Aboriginal communities to address the labour needs of the mining industry, one of the most vibrant areas of job creation in B.C., and new initiatives like the Mining Rocks job fairs have been a huge success.

"I think job fairs are a great idea to help our young people find employment, especially in rural areas in the north." — JIM DAVIDSON, Mayor of Smithers

"The job fairs have helped us get the word out: we are a thriving industry and looking for the people power to move us forward into the next generation of mineral resource development." — MICHAEL MCPHIE, President and CEO of the Mining Association of B.C.



Mining Exploration Field Assistant Program

- > MEMPR partnered with Northwest Community College (NWCC) to develop a field assistant training program.
- > Students learn about wilderness safety, GPS and other navigational techniques, splitting and labelling core and many other exploration-related topics.

Cornerstone 1



Mining Rocks – Career and Job Opportunities Tour 2006

The resounding growth in B.C.'s mineral industry has led to a dramatic increase in the demand for skilled labour. Mining Rocks, a series of career and job fairs held in partnership with educational institutions and industry, made 24 tour stops in communities around the province to promote the career potential and diverse employment opportunities available in exploration and mining.

Mining Education Network

The Mining Education Network is a unique collaboration between First Nations, educational institutions, industry and government designed to coordinate top-quality mining-related educational programs, training and employment opportunities across British Columbia. The Network facilitates training and skills development to address B.C.'s shortage of skilled labour and aims to develop an educated, skilled and experienced workforce ready to fill job vacancies in mineral exploration and mining. This year, the Mining Education Network plans to expand into a Mining Sector Council.

Aboriginal Minerals Training and Employment Program (AMTEP)

There is great potential for Aboriginal people to play a larger role in meeting the B.C. mining and mineral exploration industry's workforce needs in the future. AMTEP is a progressive, multi-year employment program that aims to increase the participation of First Nations in B.C.'s minerals sector. AMTEP is a partnership between the British Columbia Institute of Technology, the Association for Mineral Exploration British Columbia, the Mining Association of British Columbia and the provincial government. For more information, go to <http://commons.bcit.ca/mining/minex/amte/>.

Northwest School of Exploration and Mining

Responding to industry training needs in northwestern B.C. and providing the province's growing minerals sector with a job-ready workforce is one of Northwest Community College's top priorities. The College has partnered with Smithers Exploration Group and the Province to develop the Northwest School of Exploration and Mining, which delivers practical mining and exploration training to rural and First Nations communities in partnership with industry and other educational institutions. Courses have a very high completion rate, and over half of all students obtain employment within a few months of graduation.

> Upon completion of this pre-employment program, students are given access to resources that assist them with résumé writing, job searches and interview preparation.

Focus on Communities and First Nations

Engaging Excellence: Maximizing Mining's Commitment to Sustainable Development

- > *The 2006 Mining and Sustainability Award was presented to Polaris Minerals Corporation on November 28. The Award is a joint initiative of MEMPR and the Mining Association of B.C. (MABC), and it is designed to publicly recognize the diverse companies, communities, First Nations, non-governmental organizations, government agencies and individuals committed to advancing and promoting sustainable development in the B.C. mining sector. In total, 11 impressive nominations were submitted.*
- > *On November 28, 2006, MEMPR, MABC and the Association for Mineral Exploration B.C. hosted a Sustainability Planning Workshop in Vancouver. The Workshop convened sustainability leaders from across the province and launched the planning process for future Engaging Excellence activities. These activities may eventually include community workshops and a Sustainability Symposium.*

Exploration and Mining Education and Skills Development Program

The jobs are out there, and the Province is committed to providing British Columbians with the skills they need to take advantage of the mining and mineral exploration industry's resurgence. This program is a provincewide expansion of Northwest Community College's successful pilot project, which was first delivered in northwestern B.C. in 2005. Participants receive training in bush safety, prospecting skills, exploration techniques and first aid in field camps across the province. The Exploration and Mining Education and Skills Development Program is a cutting-edge provincial government partnership with communities, industry and educational institutions that teaches the basic hands-on mining and exploration skills that British Columbians need to get jobs in the minerals sector.

Reclamation And Prospecting (RAP) Program

Launched as a pilot project, this innovative training program offers skills development and hands-on field experience for B.C. youth from rural and First Nations communities. Participants receive on-the-job training in mineral prospecting, site evaluation and bush safety. They also learn how to identify and assist in the environmental reclamation of old or abandoned mine sites. Formerly known as PET—Prospector and Environmental Teams—RAP will be delivered by Northwest Community College in partnership with Smithers Exploration Group, the Province and Human Resources and Social Development Canada.

Provincial Coal Coordinator

Strengthening relationships between First Nations and industry as new coal projects and strategies are developed across British Columbia is a top priority of the provincial government. A Provincial Coal Coordinator was appointed in June 2005 to support these partnerships and actively involve communities and First Nations in new coal exploration and coal mine developments across the province.

Engaging Excellence: Maximizing Mining's Commitment to Sustainable Development

Through the Engaging Excellence initiative, the Province is developing tools to facilitate collaboration and communication between communities and industry based on best practices for sustainable development. Engaging Excellence seeks to ensure that mining and mineral exploration meets the growing needs of B.C. communities while maintaining a healthy environment and vibrant economy.

Cornerstone 1

The *BC Mining Plan* identifies 57 separate action items. Implementing these actions involves the collaborative efforts of various institutions, associations and government agencies. The Ministry of Energy, Mines and Petroleum Resources takes the lead in implementing the *Plan* and works closely with a wide range of other agencies and organizations. The tables below each cornerstone identify each action item, its initial target date and its current status. Of the 57 actions, 95 per cent have been completed or are now in progress, and 100 per cent of the strategies behind these actions are also either completed or in progress.

Cornerstone 1: Focus on Communities and First Nations	Target Date		Status
STRATEGY 1: Enhance Relationships with Communities			
Action 1 Host four regional mining and community forums each year	Annually Dec 31/05	✓	Completed '05 & '06 Continuing '07
Action 2 Host an annual meeting with the mining industry and the Union of British Columbia Municipalities	Annually Dec 31/05	✓	Completed '05 & '06 Continuing '07
Action 3 Actively support the Mineral Resource Education Program, a partnership among schools, industry and government that gives students access to hands-on resources that demonstrate the role of mining in society	Mar 31/05	✓	Completed '05 & '06
Action 4 Create a mining and minerals video for use in communities, and to promote the industry outside B.C.	Feb 01/05	✓	In Progress
STRATEGY 2: Enhance Relationships with First Nations			
Action 5 Host annual workshops to share information with First Nations on exploration and mining development opportunities	Annually Oct 31/05	✓	Completed '05 & '06 Continuing '07
Action 6 Develop partnerships between industry and government to fund mining-related skill, employment and business development opportunities for First Nations	Dec 31/05	✓	Completed '05 & '06 Continuing '07
Action 7 Appoint a Provincial Coal Coordinator to work with First Nations and industry to facilitate the development of new coal projects	June 30/05	✓	Completed
STRATEGY 3: Develop a Made-in-B.C. Approach to Sustainable Mining			
Action 8 Develop and implement guidelines to maximize mining's contribution to sustainability with communities, First Nations, labour, industry and environmental groups	Apr 01/06	✓	In Progress
Action 9 Create an annual Sustainable Mining Award to recognize the achievements of communities, industry and organizations	Dec 31/06	✓	Completed '05 & '06 Continuing '07

Protecting Workers, Protecting the Environment

British Columbia is a world leader in the protection of workers' health, the environment and public safety. B.C.'s mine rescue training is pioneering a level of worker safety training unseen in any other heavy industry in the province. The *BC Mining Plan* promotes the continuous improvement of standards for environmental and health and safety protection for workers to ensure B.C. maintains its global leadership in environmental stewardship and sustainable resource extraction.

Health and Safety Program

The mining sector is one of the safest heavy industries in British Columbia. Over the past 10 years, the accident rate in B.C. mining decreased by 85 per cent. This record reflects the ongoing commitment of industry, labour groups, government agencies and workers on the job site to safe mine practices, effective inspections, comprehensive audits and continual safety training. According to the latest statistics (2004), B.C.'s mining injury rate is three times lower than the next closest heavy industry. This province's mining industry leads in worker injury prevention in comparison to road construction, transportation, agriculture, warehousing, forestry, fishing and the oil and gas industry. We are proud of our safety record and are dedicated to maintaining it.

In our mission to protect workers, a new mine site audit program was implemented to improve compliance with safety requirements and provide even greater protection for mine workers. Teams of government experts examine every aspect of a mining operation in detail to ensure compliance with the *Health, Safety and Reclamation Code for Mines in British Columbia*.

- ✓ 5 health and safety audits were successfully completed in 2005.
- ✓ 7 were completed in 2006.
- ✓ 6 more are scheduled for 2007.

In addition, an internal review of MEMPR's Health and Safety Program is currently underway. International standards will be used in this review to determine how we can further improve our safety initiatives and worker protection record.



Handbook for Mineral and Coal Exploration in British Columbia

- > Builds on B.C.'s world-class environmental standards.
- > Assists mineral and coal exploration sectors with planning and implementing exploration activities.
- > Offers guidelines for exploration activities that seek to ensure worker health and

Cornerstone 2



Environmental and Reclamation Program

British Columbia's mining industry is internationally recognized as a leader in environmental management and protection. The Province is committed to sustaining our diverse wildlife and precious ecosystems in harmony with the responsible development of our mineral and coal resources. B.C. was one of the first provinces to enact reclamation legislation and is a national leader in state-of-the-art reclamation projects.

MEMPR's Environmental and Reclamation Program builds on the Province's vision for exceptional environmental and reclamation standards and establishes definitive goals and objectives for exploration, mining and reclamation activities throughout B.C.

- ✓ Under this Program, 60 closed and operating mines in B.C. underwent environmental and reclamation inspections in 2005 and 2006.
- ✓ In 2006, 29 Minister's Permit applications and amendments were reviewed and approved under the *Mines Act* and the *Health, Safety and Reclamation Code for Mines in British Columbia*. Before a new mine or major modifications to an existing mine are approved, technical reviewers work to make sure that the overall plan and reclamation program demonstrate that the mine can be developed in a safe and environmentally sound manner.
- ✓ The new *Handbook for Mineral and Coal Exploration in British Columbia* compiles recommended management practices that advocate safe, environmentally responsible and sustainable mineral resources development. The *Handbook* is the result of the joint efforts of the Ministry of Energy, Mines and Petroleum Resources, the Ministry of Environment, the Association for Mineral Exploration British Columbia and the Mining Association of B.C.

safety and protection of the natural environment.

- > A "working draft" version of the *Handbook* is available online and sets clear guidelines for excellence in safe and environmentally responsible exploration.
- > www.em.gov.bc.ca/mining/Exploration/handbook.htm



Protecting Workers, Protecting the Environment

Cornerstone 2 Protecting Workers, Protecting the Environment	Target Date		Status
STRATEGY 4: Lead in Health and Safety Standards and Practices			
Action 10 Establish a Minister's worker safety advisory council with representatives from labour and industry	Dec 31/05	✓	In Progress
Action 11 Improve compliance of worker safety requirements through a newly developed mine site inspection and audit program	Dec 31/05	✓	Completed '05 & '06 Continuing '07
STRATEGY 5: Lead in Environmental Standards and Practices			
Action 12 Build on world-class environmental and reclamation guidelines through meetings with industry, government and environmental groups at regional workshops	Dec 31/05	✓	Completed '05 & '06 Continuing '07
Action 13 Improve compliance with environmental standards and practices through a new program of focused inspections and audits at exploration and mine sites	Apr 01/06	✓	Completed '05 & '06 Continuing '07
Action 14 Recognize and continue to support exemplary environmental performance in mining activities through the annual Mine Reclamation Awards Program	Annually/05	✓	Completed '05 & '06 Continuing '07



Mine Rescue Competition

- > The Ministry of Energy, Mines and Petroleum Resources hosted the 51st Annual Provincial Mine Rescue competition in Campbell River in June 2006.
- > This competition allows participants to showcase their emergency training and puts emergency preparedness to the test.
- > Highland Valley Copper mine took home the Surface Mine Rescue Award, Eskay Creek mine received the Underground Competition Award and Kemess mine won the Three-Person Miners' First Aid Trophy.

Cornerstone 2

Cornerstone 2 Protecting Workers, Protecting the Environment	Target Date		Status
STRATEGY 6: Collaborate on Environmental Challenges			
Action 15 Work with provincial universities and colleges on mining reclamation and biotechnology tools as part of British Columbia's Life Sciences Strategy	Apr 01/06	✓	In Progress
Action 16 Inventory and assess historic mine sites for potential environmental challenges through continuing participation in the National Orphaned/ Abandoned Mines Initiative	Dec 31/06	✓	Completed '05 & '06 Continuing '07
Action 17 Building on world-class environmental standards and best management practices, develop best management guides for mining exploration	Dec 31/06	✓	Completed '05 & '06 Continuing '07
Action 18 Work towards harmonizing Fisheries and Oceans Canada and provincial fish and fish habitat management activities to reduce duplication and overlap	Ongoing	✓	In Progress
Action 19 Identify, in partnership with industry, new opportunities for recycling metals and minerals	Ongoing	✓	In Progress
Action 20 Support the Britannia Project in transforming an abandoned mine site into a world-class interpretive centre communicating the opportunities and challenges presented by mineral resource development activities	Dec 31/05	✓	Completed '05 & '06 Continuing '07



Reclamation Symposium

- > MEMPR, in cooperation with the British Columbia Technical & Research Committee on Reclamation, hosted the 30th Annual Reclamation Symposium in Smithers in June 2006.
- > Elk Valley Coal, Fording River Operation, took home the Provincial Reclamation award in recognition of the exceptional reclamation work the mine conducts (see reclaimed site photo above). Citations were also handed out to Novagold, for reclamation work performed at an exploration site, to Elk Valley Coal, Elkview Operations, for reclamation work at a coal mine, and to Highland Valley Copper for reclamation work at a metal mine.

Global Competitiveness

British Columbia's mineral exploration and mining industry is experiencing an unprecedented period of growth and prosperity. Investment in mineral exploration exceeded \$220 million in 2005, signalling the best year for B.C.'s mining industry in over a decade. Leading-edge technologies and innovative service delivery are making B.C. increasingly attractive to global investors. Driven by phenomenal global demand and high commodity prices, B.C. is once again being internationally recognized for its competitive edge.

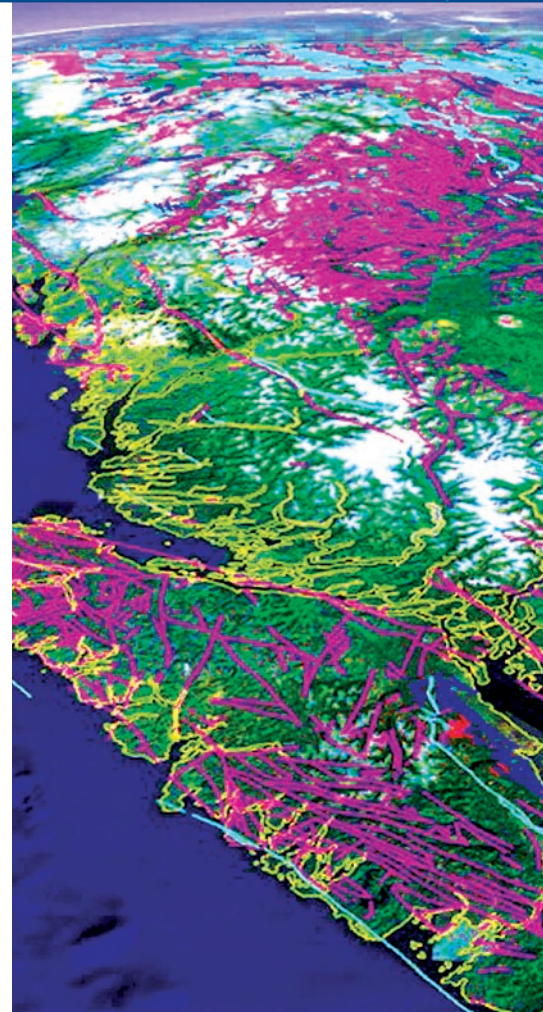
The *BC Mining Plan* focuses government's resources to ensure taxes, regulations and market investment opportunities remain globally competitive. The *Plan* also lays the framework for further investment in frontier geoscience surveys and continued publishing of geoscience information to attract investment and exploration from around the world.

Geological Databases

B.C.'s geological databases were ranked number one in the world by the Fraser Institute's Annual Survey of Mining Companies 2005/2006. Our databases and applications, such as MapPlace.ca, MINFILE mineral occurrence inventory, Mineral Titles Online and the Assessment Report Indexing System, provide world-class inventory of B.C.'s mineral, coal and aggregate reserves and resources. This information is used to attract industry investment, assist government's stewardship of B.C.'s rich mineral resources and to protect Crown lands.

MapPlace.ca

The *BC Mining Plan* aims for B.C. to continually enhance its position as a globally competitive mineral exploration and mining jurisdiction, and MapPlace.ca is helping us attain this objective. MapPlace.ca offers easy, worldwide access to high-quality B.C. geoscience data. Users can also create their own customized maps by using interactive data sets and downloading data from selected themes and objects.



MapPlace.ca

- > Provides easy access to geoscience information.
- > Six million users in one year.
- > Allows users to create their own customized maps using interactive data sets.
- > Users can also create reports and download data from selected themes and objects.

Cornerstone 3



Mineral Titles Online

Through its use of Internet technology, digital mapping and e-commerce, the Mineral Titles Online (MTO) system has revolutionized the way the mineral exploration and mining industry does business in British Columbia. MTO is a web-based mineral titles administration system that allows users to acquire and maintain mineral titles electronically. It is the only electronic staking system in the world that enables clients to locate and acquire titles immediately over the Internet. Clients signalled their full endorsement of the system by registering a record number of claims during MTO's first year of operation. MTO has received two national industry awards and two provincial awards for Innovation and Service Excellence. For more information, see www.em.gov.bc.ca/subwebs/mtonline.

Assessment Report Indexing System

The British Columbia Geological Survey maintains an extensive library of valuable geoscience reports submitted by industry that facilitate better land use planning, comprehensive resource management and increased mineral exploration in B.C. This library contains approximately 28,500 geoscience reports accessible to the general public free of charge. Over 96 per cent of these reports have been scanned and are posted online at www.em.gov.bc.ca/mining/Geolsurv/Aris/default.htm.

Geoscience BC

Geoscience BC is a non-government organization that formed in the spring of 2005. Funded by a \$25 million start-up grant from the Province, Geoscience BC supports the development of cutting-edge geoscience techniques and works closely with industry, post-secondary institutions and government to improve exploration success and help maintain British Columbia's status as a leading international destination for exploration and mining companies.

Geoscience BC

- > A \$25 million provincial government grant was given to Geoscience BC for collecting, interpreting and marketing innovative and applied geoscience information and products.
- > Geoscience BC is currently involved in more than 20 different projects.
- > For more information, visit www.geosciencebc.com



Global Competitiveness

One-Window Approach: FrontCounter BC

FrontCounter BC's innovative "one-window approach" effectively streamlines the process for obtaining licenses, referrals, registrations and project approvals related to mineral exploration and mining. The "one-window approach" helps clients quickly and efficiently obtain the services they need. With centres around the province, FrontCounter BC provides a single point of contact for clients of natural resource ministries and agencies. Staff at these centres are trained to guide clients through all regulated natural resources issues and help them obtain required authorizations. For more information, please visit www.frontcounterbc.ca.

Taxes

The provincial government is working hard to maintain globally competitive taxes. In 2005 the corporate income tax rate was reduced from 13.5 per cent to 12 per cent, making it the third lowest in Canada. The Province has eliminated the capital tax and sales tax on machinery and equipment for mining, saving tens of millions of dollars for industry. Of all Canadian jurisdictions, B.C.'s personal income tax is now the lowest for the first \$85,000 in earnings.

The federal government has re-introduced its 15 per cent tax credit for Canadian grassroots mineral exploration. In addition to this federal program, the British Columbia Mining Flow-Through Share Tax Credit provides a 20 per cent tax credit for B.C. grassroots mineral exploration. The provincial flow-through share provisions combined with the federal flow-through share tax credit program are referred to as Super Flow-Through Shares. These incentives ensure that B.C.'s mining industry remains globally competitive and attractive to investment.



Toronto Investment Mission

- > The Toronto Investment Mission in April 2006 successfully brought together government and industry participants to jointly market B.C. mining sector opportunities.
- > Executives from fourteen B.C.-based mining companies and Chief Jerry Asp of the Tahltan First Nation accompanied Energy, Mines and Petroleum Resources Minister Richard Neufeld to engage the Toronto business community.

Cornerstone 3



E-Mining

The E-Mining (formerly Online Permitting) pilot project is an innovative client service model that will increase the effectiveness and speed of communication between MEMPR, permit applicants, First Nations and other stakeholders. The project involves the development of a web-based permitting system that will enable clients to complete and submit permit applications online. Once operational, the new system will support more accurate data capture and a simplified application process for clients.

Conferences

Canadian mineral exploration and mining conferences continue to attract national and international attention and provide the provincial government with an excellent venue to showcase B.C.'s mineral potential and opportunities. MEMPR is a major participant in and supporter of the Association for Mineral Exploration B.C.'s annual Mineral Exploration Roundup conference in Vancouver, and this event is our single most important venue for showcasing new public geoscience information.

Regional mining and exploration meetings of organizations such as the Kamloops Exploration Group, Minerals North, Minerals South, Smithers Exploration Group and others provide important venues within the province to share geoscience information and discuss regional mining-related issues. Provincial, national and international conferences, such as the Prospectors and Developers Association of Canada's Annual Convention, allow us to highlight new opportunities for mineral exploration and mine development in B.C. and attract investment from all over the world.

China Marketing and Investment Mission

- > In November 2006, Minister of State for Mining Bill Bennett and a group MEMPR representatives travelled to Beijing, China on a trade mission.
- > MEMPR staff coordinated the first-ever B.C. booth at the 2006 China Mining Conference, Asia's largest mining exhibition.
- > The main objective of the Mission was to promote B.C.'s mineral resources and to encourage new financial investment in our province's mineral exploration and mining industry.

Global Competitiveness

Cornerstone 3: Global Competitiveness	Target Date		Status
STRATEGY 7: Ensure Competitive Taxation			
Action 21 Support the further extension of the federal Super Flow-Through Share Tax Credit program	Dec 31/05	✓	Completed '05 & '06 Continuing '07
Action 22 Review with other levels of government (municipal and federal) taxation and fee issues related to mines and quarries to ensure an equitable tax structure	Oct 31/06	✓	Completed
Action 23 Monitor and report annually on the global competitiveness of B.C. mining-related taxes, fees and regulations	Annually Ongoing	✓	In Progress
STRATEGY 8: Streamline Regulation			
Action 24 Develop and implement a faster and simplified approach to multi-agency exploration and mining approvals with the Ministry of Energy, Mines and Petroleum Resources as the single coordinating agency	Dec 31/05	✓	In Progress
Action 25 Develop and implement an online mine permitting process, harmonized with the new approach to multi-agency approvals	Apr 01/06	✓	In Progress
Action 26 Continue to examine regulatory requirements to find additional opportunities for appropriate reductions while ensuring the integrity of environmental, health and safety standards	Bi-annual Dec 31/06	✓	Completed '05 & '06 Continuing '07
STRATEGY 9: Invest in Geoscience			
Action 27 Invest in frontier geoscience surveys in B.C. to increase mineral exploration	Dec 31/05	✓	Completed
Action 28 Invest in partnerships with industry, universities and the federal government to maximize frontier geoscience in B.C.	Dec 31/05	✓	Completed
Action 29 Enhance global investors' access to the digital geoscience database on MapPlace.ca by publishing more data layers and providing cutting-edge tools, including a new digital geology map of B.C.	Dec 31/05	✓	Completed
Action 30 Acquire additional existing geoscience information to increase mineral exploration	Dec 31/05	✓	Completed '05 & '06 Continuing '07

Cornerstone 3

Cornerstone 3: Global Competitiveness	Target Date		Status
STRATEGY 10: Attract Investment			
Action 31 Develop and implement a focused marketing and investment program with industry	Dec 31/05	✓	In Progress
Action 32 Showcase B.C. as a mining centre of excellence by establishing a web portal in cooperation with industry associations	Apr 01/06	✓	In Progress
Action 33 Continue producing a mining newsletter highlighting provincial initiatives that improve B.C.'s global competitiveness	Monthly/05	✓	Completed
Action 34 Provide an annual marketing contribution to the Association for Mineral Exploration British Columbia (formerly the B.C. & Yukon Chamber of Mines) to promote increased investment	Annually/05	✓	Completed
STRATEGY 11: Enhance Excellent Infrastructure			
Action 35 Pursue strategic investment opportunities in unserved areas to secure long-term delivery of energy supply and transportation infrastructure	Ongoing	✓	In Progress
Action 36 Develop an inter-agency model to preserve key routes as resource roads for mining and other land uses	Dec 31/05	✓	In Progress
Action 37 Facilitate affordable industry access to ports and railways through collaboration with the federal government, and railway and port authorities to ensure B.C. remains the Pacific gateway for mineral exports	Ongoing/05	✓	In Progress
STRATEGY 12: Invest in People and New Technology			
Action 38 Work with industry, the federal government and provincial agency partners to further establish British Columbia as an innovation and high technology research and education cluster	Dec 31/05	✓	Completed '05 & '06 Continuing '07
Action 39 Establish a B.C. Mining Education Network to identify and meet existing and future skill requirements for exploration and mining	Sept 30/06	✓	Completed '05 & '06 Continuing '07

Access to Land

Two-Zone Land Use System

- > *Parks, ecological reserves and other sensitive areas are protected. Mining is not allowed in these areas.*
- > *More than 85 per cent of the province is designated as “mineral zone” which keeps it open to exploration.*

Muskwa-Kechika Management Area Workshop

- > *A joint solutions workshop for mining in the Muskwa-Kechika Management Area was held in Fort St. John in March 2006.*
- > *Hosted by the Muskwa-Kechika Advisory Board.*
- > *Identified stakeholder needs and concerns regarding exploration and mining, and generated solutions to enable mineral exploration.*
- > *Enhanced working relationships between the Muskwa-Kechika Advisory Board, industry and other land users.*

British Columbia is rich in mineral resources. While mining affects a tiny proportion of B.C.’s vast landscape, only 0.03 per cent of the province, large tracts of land need to be explored in order to locate commercial bodies of ore suitable for successful mine developments. Sustainable growth of the exploration and mining of mineral resources continues to be a top priority as we constantly examine how best to work with communities, local governments and First Nations.

The Province is committed to sound environmental practices. Mining proponents must follow comprehensive guidelines outlining where, and under what conditions, exploration for mineral deposits is allowed. As directed by the *BC Mining Plan*, MEMPR has improved the integration of mineral exploration and development with other land uses and has helped enhance working relationships between different stakeholders through regional joint solutions workshops.

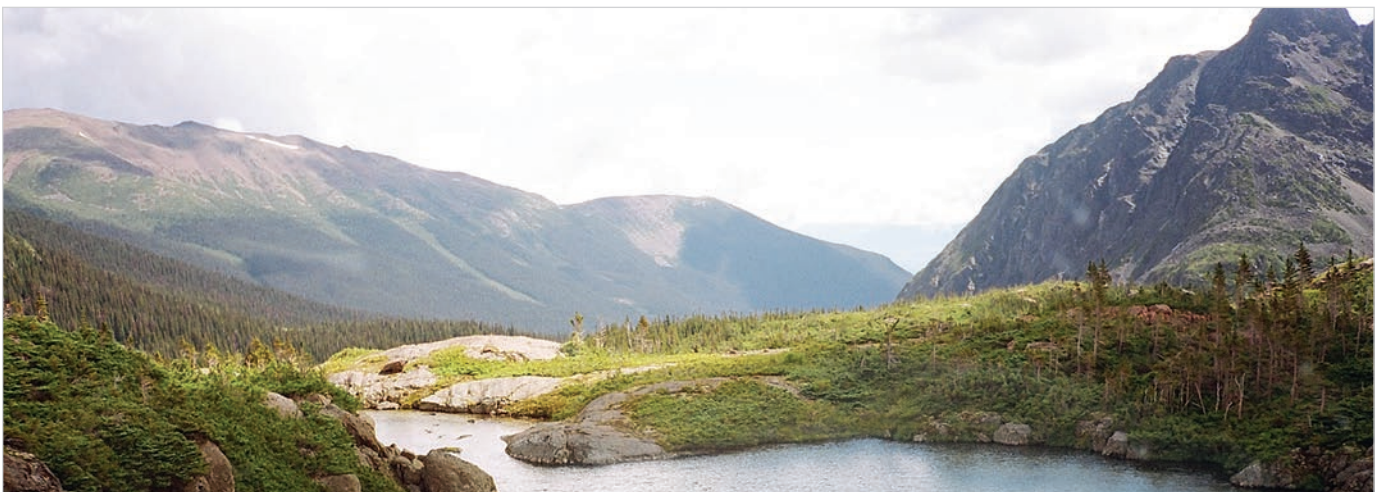
New Land Use Plans and Regional Joint Solutions Workshops

Companies and prospectors need access to land to find the valuable deposits that can become commercially viable mines. Therefore, an important *BC Mining Plan* action item is for land use plans to clearly define where companies and prospectors can explore and under what conditions. The *BC Mining Plan* advocates the consistent application of integrated land use models that clearly designate land as either open or closed to mineral exploration and mining. Land use planning is supported by regional joint solutions workshops that seek to improve the integration of mineral exploration and development with other land uses.

Working with the Integrated Land Management Bureau of the Ministry of Agriculture and Lands, MEMPR ensures that all new land use plans reflect the Two-Zone Land Use System for Mineral Exploration and Mining in British Columbia. Responsible mineral exploration regulations and practices also address social, environmental and economic issues. The Province is committed to protecting the integrity of ecosystems and to working with industry, Aboriginal peoples, communities and non-government organizations to ensure resource development does not compromise British Columbia’s natural environment.

Cornerstone 4

Cornerstone 4: Access to Land	Target Date		Status
STRATEGY 13: Define Land Available for Exploration and Mining			
Action 40 Ensure all new and updated land use plans clearly define areas open to mineral exploration and mining	Ongoing	✓	In Progress
Action 41 Simplify access to land use data to improve exploration effectiveness and balance land use interests	Dec 31/07	✓	In Progress
Action 42 Ensure the provincial Integrated Land and Resource Registry accommodates key databases required by the mineral industry	Dec 31/07	✓	In Progress
STRATEGY 14: Work with Other Land Users			
Action 43 Develop and implement user-friendly guidelines for integrating mineral exploration and development with other land uses	Apr 01/06	✓	In Progress
Action 44 Support increased partnerships between the mineral industry and other land users, like the Memorandum of Understanding between the mining and tourism industries, to further sustainable growth opportunities	Annually Dec 31/05	✓	Completed '05 & '06 Continuing '07
Action 45 Support regional workshops to continually improve the integration of mineral exploration and development with other land uses	Dec 31/05	✓	Completed '05 & '06 Continuing '07
Action 46 Ensure that land use planning and plan implementation continue to be informed by relevant and peer-reviewed science	Mar 31/06	✓	Completed



The Mining Sectors

The Mining Sectors		Target Date		Status
Aggregate	Action 47 Develop and test a model for ensuring a long-term, affordable supply of provincial aggregate by completing an Aggregate Pilot Project	Dec 31/05	✓	In Progress
	Action 48 Expand a successful Aggregate Pilot Project model and implementation guidelines provincially	Dec 31/06-08		Scheduled to begin in 2007 (Dependent on Action 47)
	Action 49 Continue to promote export markets for coastal aggregate resources	Ongoing	✓	In Progress
	Action 50 Investigate options to increase benefits to local governments from local aggregate operations	Ongoing	✓	In Progress
Coal	Action 51 Continue to work with proponents to facilitate new coal projects entering the provincial Environmental Assessment Act review process	Ongoing/05	✓	In Progress
	Action 52 Promote the continued use of Ridley Terminal as a coal handling facility	Dec 31/05	✓	Completed
	Action 53 Work with the federal government to open up the Dominion coal block in the Elk Valley to exploration	Ongoing	✓	In Progress
Industrial Minerals	Action 54 Encourage industry participation in sector associations to help build the industrial minerals production and processing industry	Dec 31/07		Scheduled to begin in 2007
Metals	See actions above (21, 24, 27,29)			
Placer	Action 55 Review permitting and bonding requirements for small volume, mechanized placer activities with a goal of identifying means to reduce bonding levels and permitting complexity	Dec 31/06	✓	In Progress
	Action 56 Reduce substantially the timelines for conversion of a placer claim to a lease	Dec 31/06	✓	In Progress
	Action 57 In conjunction with the B.C. Placer Miners Association, review all legislation pertaining to placer leases to ensure security of tenure	Apr 01/07	✓	In Progress

