



Ministry of
Energy, Mines and
Petroleum Resources



Minerals North 2018

Houston, BC

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Ministry of Energy, Mines and Petroleum Resources

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Outline:

- Highlights for 2017
- Positive Outlook
- Ministry's focus/initiatives for 2018
 - Ministers Mandate letter
 - Creation of a Mining Jobs Task Force
 - Develop an improved and properly resourced approvals process to assess mining applications,
 - Increase industry safety by establishing an independent oversight unit.
 - CMMP
 - BC Mining Alliance

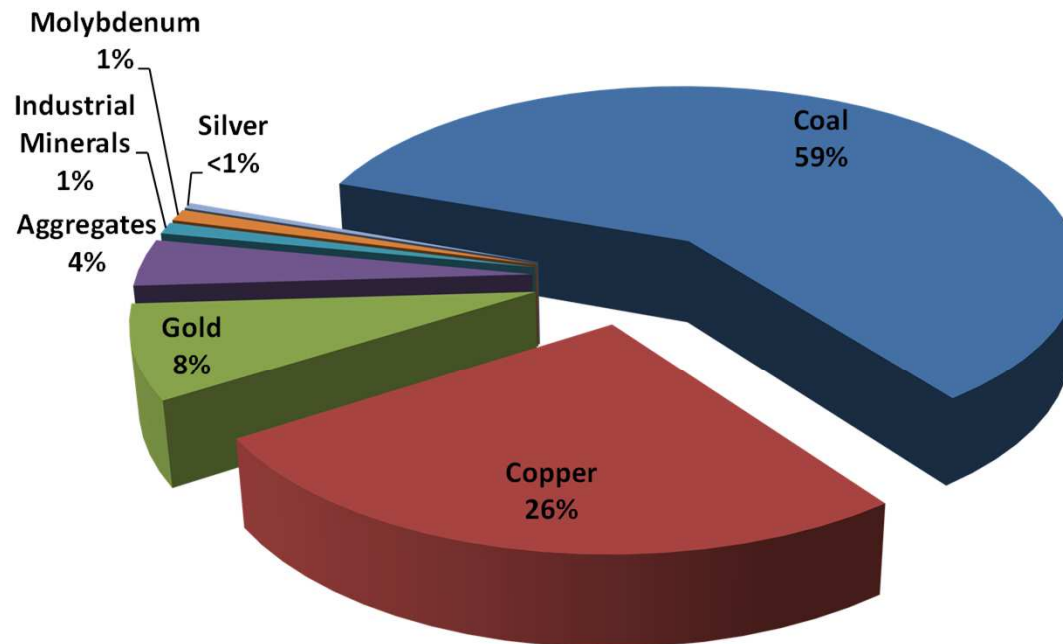


Mining in BC: 2017 Highlights

- The BC mineral and coal exploration industry grew for the first year since 2012.
- Province-wide exploration spend of \$246 million in 2017 was up \$41 million, or 20%, from 2016
- The Northwest and Southeast regions were hotbeds of exploration activity, accounting for more than three quarters of the increased overall exploration expenditure.
- Estimated value of British Columbia mineral production for 2017: \$8.8 billion
- More than 30,000 employed in mineral exploration, mining and related sectors



2017 BC Mineral Production by Commodity





Mines in Operation

- 16 metal and coal mines currently operating in the province
 - 8 metal mines producing primarily copper and gold
 - 8 coal mines producing primarily metallurgical coal
- The Brucejack gold-silver mine in Northwest BC entered commercial production in July 2017.
- The Quinsam mine restarted in November 2017
- is expected to restart this year.
- Silvertip mine and the Myra Falls mine are expected to be in production this year.
- Red Mountain and Blackwater are expected to complete all necessary permitting this year.
- Murray River has now received all of its necessary permitting



BC's positive outlook for mining in BC

- World Class Geology
 - Amazing work of the Geological Survey of BC and Geoscience BC
- A strong industry outlook driven by new demand
 - Increased demand for key BC minerals to support the transition to a low carbon economy
- Opportunities through partnerships with First Nations
 - A commitment to reconciliation with First Nations



Supporting a shift toward a lower-carbon future

- BC's mining sector is well positioned to capitalize on the global movement towards a lower-carbon economy.
- Electric and hybrid cars require up to four times more copper than conventional vehicles, and BC is the largest copper producer in the country.
- It takes over 100 tonnes of steelmaking coal to build one wind turbine, and BC is the largest metallurgical coal producer in Canada.
- Other clean energy and clean technology such as solar panels and high-density batteries all require the metals and minerals produced by mines in BC, and the BC industry will grow to meet this demand.



Building First Nations Partnerships

- The government is committed to forging partnerships and creating lasting reconciliation with First Nations in British Columbia through implementation of UNDRIP.
- Mining is proportionally the largest private-sector employer of Indigenous people in Canada.
- BC has instituted mineral tax revenue sharing with First Nations through Economic and Community Development Agreements.
- The Province currently has 33 agreements with 45 First Nations and has shared over \$42 million in incremental mineral tax revenue from new mines and major mine expansions.
- Collaboration between the Province and First Nations is key to long-term success of the mining industry.



Successful Stories...

- The assessment of the Kemess Underground Project marks a successful collaboration between Tse Keh Nay and the Environmental Assessment Office.
- Highland Valley Copper agreements with 15 First Nations
- Elk Valley Coal operations agreements with Ktunaxa, including the EVWQP
- New Gold's collaboration with local FN's on their Blackwater project where FN's are pushing for Gov't to get to final decision making
- Brucejack and Red Chris which both has first nation support and significant employment and participation in ongoing compliance monitoring.
- ...and many more



Key Government Actions to Support a Thriving Mining Sector

- Establishing the BC Mining Jobs Task Force
- Increasing staffing in both regions and HQ
- Working with Federal/Provincial/Territorial partners on the Canadian Minerals and Metals Plan
- Promoting the BC Advantage to international investors
 - Piloting a BC Regional Mining Alliance in the Northwest



BC Mining Jobs Task Force

- Task Force launched on February 26, 2018.
- The Task Force mandate is to work with First Nations, the mining industry, workers and mining communities to identify measures to make BC the most attractive jurisdiction for investment in Canada.
- The 12-member task force includes representatives from industry, First Nations, municipal government, an environmental non-governmental organization, labour, post-secondary/training and the financial sector.
- The task force will submit its final report in November 2018.



BC Mining Jobs Task Force (continued)

- The Task Force will be responsible for providing the Minister with recommendations on wide ranging issues that affect the mining sector.
- The Task Force is currently developing a plan to engage with groups involved in the provincial mineral exploration and mining sector.
- Comments and suggestions can be submitted to the Task Force at miningjobs.taskforce@gov.bc.ca



Mining and Minerals Division- Resources and Structure

Minister Mungall's Mandate letter:

- Develop an improved and properly resourced approvals process to assess mining applications,
- Increase industry safety by establishing an independent oversight unit.



Canadian Minerals and Metals Plan (CMMP)

- August 2017, federal, provincial and territorial ministers committed to work together to develop a CMMP to help position Canada as the leading mining nation and to lay the foundation for lasting success at home and abroad
- To be a shared vision developed with federal, provincial and territorial governments, Indigenous peoples, industry and stakeholders.
- The national Plan will be designed to:
 - Establish clear goals
 - Raise the sector's profile
 - Reflect today's mining industry
 - Draw upon Canada's numerous strengths
 - Position the industry for lasting success
 - Identify concrete actions



Canadian Minerals and Metals Plan (continued)

- This initiative is designed to be a shared vision with partners and stakeholders.
- NRCan is leading Canada wide engagement on the Plan to gather feedback and ideas.
- EMPR is collaborating with NRCan on engagement in BC to ensure local viewpoints are reflected in the Plan.
- Engagement sessions have been held at Roundup and Minerals North, and another is tentatively scheduled for the CIM convention in May.
- The public can also provide feedback and find information on the plan at www.minescanada.ca



The BC Advantage

BC's fundamentals as a mining jurisdiction remain strong.

- All levels of government support the mining industry
- Transparent and predictable regulatory regime
- Favorable tax structure and incentives
- First Nations experienced in mining
- A world leading mining code
- World class geology
- Strong infrastructure network
- Highly skilled and mobile workforce
- Among the lowest electricity rates in North America
- Gateway to Asian markets



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BC's response to what we have heard and our BC advantage: BC Regional Mining Alliance Pilot

- Modelled after Yukon initiative and developed in response to what we have heard about a lack of a BC Government presence at the major investment conferences to tell “BC’s Story” and dispel some of the myths
- Initial pilot focus on NW and included proponents, FN leaders and senior executive from MEMPR, as well as the president of AME.
- First stop was the Canadian Mining Symposium in London this week
- Pilot was MW and limited but message is about investment in BC as a whole
- Up Next: Denver Gold Show, Money and Mines in New York and London



BC Regional Mining Alliance (continued)

- Sharing the BC story with an international investment audience is vital to ensure the health and growth of this industry, and spur economic development
- Launch of the BC RMA pilot will advance shared goals to support a competitive, safe, socially and environmentally responsible mining industry that grows a strong, sustainable, innovative economy in all areas of the province.
- Current partners:
 - Government of British Columbia
 - Nisga'a Lisims Government
 - Tahltan Central Government
 - Association for Mineral Exploration
 - Dolly Varden Silver
 - Skeena Resources
 - GT Gold



A Collaborative Pilot

- Partnership with both industry and First Nations governments is vital to the Mining Alliance initiative to demonstrate to international investors the importance of First Nations involvement in mineral development in BC.
- In addition to promoting a unified message to the mining investment community, this initiative will build stronger relationships between all partners.
- First Nations participation in the mining alliance provides an opportunity to:
 - Share their story and vision with an external audience
 - Promote investment and job creation in their traditional territory
 - Improve sustainability of communities through economic development



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Thank you!