

News views and opinions on the mineral exploration scene in Ontario

May 2003 Issue

Date: May 2003

THE EXPLORATIONIST

The Newsletter of the Ontario Prospectors Association

The Explorationist Newsletter is brought to you as a 'member service' of the Ontario Prospectors Association. It's purpose is to share news and information amongst it's members and also to act as the association's 'Political Voice'.

The views and opinions expressed in this newsletter are not necessarily those of the Ontario Prospectors Association, including all of it's members and Directors. The writers accept full ownership of their contributions.

THE REGIONAL SYMPOSIA

The Northwest and Northeast Regional Symposia were successfully delivered again this year.

The Thunder Bay, Northwest Symposium had a paid attendance of over 280 delegates, > 60 booths and 21 speakers. NWOPA put on a series of short courses that were also well attended. The highlight of the short courses was a MNDM supported Gold Course on gold mineralization settings.

One of other functions at the NW Symposium is the Awards Ceremony. This year the winners were:

Developer of the Year 2002

Dan Gagnon / Campbell Mine

Discovery of the Year 2002

Perry English

Lifetime Achievement Awards 2002

Costy Bumbu

Carl Huston

Dave Petrunka

Congratulations to all the organizers on a great show.

The Northern Prospectors Association's, held their event at the Haileybury School of Mines. The event was planned to corre-

spond with the centennial of the discovery of silver in the Cobalt area. The event attracted over 270 participants, > 60 booths and 31 speakers. The NPA organizers excelled in co-ordinating 6 well attended short courses.

The atmosphere of the symposium was very friendly and there was excellent home-style meals. The Icebreaker Reception featured a superb meal and some very interesting speakers relating the history of the Silver Fields.

A special note of appreciation goes to Roger Dufresne who was a lead organizer and held the whole show together.

THE "P" IN PDAC

The PDAC just completed another very successful Convention in Toronto. The world attended as usual and the response by the exploration community was buoyant and upbeat. Those are the reports I received from the many that have spoken to me about the main event.

The many that spoke to me would usually not go out of their way to call me the week after the Convention if it wasn't for the sideshow at the Annual General Meeting (AGM). I'll confess that my membership



We're easy to get a hold of

Contact the Executive Director: **Garry Clark**

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in PDAC hasn't been consistent over the last 12 years for a number of reasons. But, OPA and I have had a good working relationship with PDAC on many issues affecting Ontario.

The sideshow I speak of is the motion (as best as I've received it) that stated: "The PDAC advocates (possibly supports) map staking as a strategy for acquiring mineral rights in Canada".

Now the way AGM's work sometimes the floor gets away from the agenda and other issues get moved that were not intended. The motion was passed by the PDAC Directors, with only 5 against votes and 3 abstentions. A little finger counting and I came up with at least half of the against votes and abstentions from people I know attended. This broad sweeping motion was supposedly placed on the floor by a Nova Scotian and seconded by a delegate from Saskatchewan. Nova Scotia has map staking already and there were rumours when it was first introduced the Province was acquired almost entirely by one company. We at the OPA debated this last year and had put the idea of Map Staking to bed in Ontario.

As a result of the vote, I had some calls from OPA members asking how we advocate the removal of the "P" in PDAC or how do we get rid of PDAC representation on the OPA Board. One other asked how could he start a lobby to return PDAC memberships in protest.

To have a blind vote put forth without notice to the membership and having the Directors voting without consultation seems to be out of the ordinary. I hope that sober second thought occurs and this issue is revisited and that the PDAC leaves each province/territory to direct their own business. Assistance from PDAC on the operations of other provinces/territories has also been welcomed but over arching policy that affects Provincial operations is not required.

Garry

PDAC RESPONSE

This is not as simple as it seems. The PDAC does in fact feel that map staking is the way to go as expressed by the overwhelming vote, however, we need to now take our time to examine the issue and see what conditions we attach to that. The issue is not really map staking per se, but in fact what circumstances surround it.

Needless to say, we will be forming a committee that I will be pushing for balance in, so that we can advocate something that everyone can live with.

I would be happy to talk to you about this by phone if you wish.

Bill Mercer
President
PDAC

Smart Growth

On March 5th, 2003, OPA was invited to take part in The Northwestern Ontario Smart Growth panel, whose mandate is to advise the government on ways to promote growth in this area over the next 15 to 30 years.

The Panel had prioritized eight issues to take action on for this region; none of which included mining exploration issues and concerns. Your OPA representative questioned why mining wasn't included as a priority item, in view of the role that it had played in the economic development of the Northwest. He then suggested that action item # 9 be added to the list.

INCREASE OPPORTUNITIES FOR MINING EXPLORATION by

1. Protecting lands with mineral potential from parks and conservation areas.

2. Promoting mining exploration so that venture capital will be invested in that activity.
3. Certify land tenure issues for mining properties.

The President of a junior mining exploration company sits on the Smart Growth panel on a regular basis and he agreed with all of the above issues, but maintained that the most important concern at this time is land tenure. Capital will not be invested in land whose tenure is questioned. First Nations are more and more demanding a piece of any resource being developed in this province and the government at any moment can and will withdraw mining lands for conservation purposes.

So the obvious question was asked. How can Smart Growth help to solve these problems? The answer being that our concerns will go directly to the Premier and he will deal with them. Hopefully.

Sincerely
John Halet OPA Director

MONTCALM DEPOSIT

April 29th 2003

Mike Bernier, Information Management
Supervisor, ext. 236
MNR Chapleau District Office
190 Cherry Street
Chapleau, Ontario,
P0M 1K0 PHONE:
(705) 864-1710
FAX: (705) 864-0681

EBR Registry Number: PB03E2002

RE: Falconbridge Limited Montcalm Project

Dear Sir,

The Ontario Prospectors Association (OPA) is a provincial exploration advocacy group representing over 900 explorationists. We

have reviewed the EBR posting and think the land switch is the best option for all. The land switch allows the project to proceed economically and also guarantees additional land base for the Provincial Park. Economic and environmental concerns need to be the driver for development in the north. The Provincial and Federal regulations that govern the discharge of mine waters are stringent enough to protect the Groundhog River.

The construction of a discharge pipeline to the Six Mile Rapids portion of the Groundhog River would affect a larger land base than the direct route to the Groundhog River. The EBR states the Six Mile Rapids portion of the Groundhog River is a spawning ground for sturgeon. It is the OPA's belief that with the regulations in place for mine water discharge that neither site threatens the environment.

The land switch will set a positive example of industry and government working together to further the economic development of the north while preserving the environment.

After reviewing the proposal of discharge of the treated water it would only make economic and aesthetic sense to allow the use of the minimal amount of land in the park. This would cause less land disturbance in the long run and since the mine life is finite, at the end of the projected operations the site would revert back to a park and be left in it's natural state.

Therefore Ontario Prospectors Association would like to support the discharge of the treated water into the Groundhog River through the park utilizing a drainage-way.

Yours truly,

Garry Clark, P. Geo
Executive Director
Ontario Prospectors Association

c. **Hon. Jerry Ouellette**

WSIB RATES

March 20, 2003

Mr. Ian Welton,
Director, Policy Revenue Branch
WSIB
200 Front St. West
Toronto, ON M5V3J1

Dear Sir,

The Ontario Prospectors Association represents approximately 900 explorationists in the Province of Ontario. A large group of these members are geologists, claim stakers and geological technicians. The predominant workplace for the members would be either in office sites or working in the bush of Northern Ontario.

At present the rate group for all these operations falls into 119-Other mines. This rate has increased by 9.6% this year to \$5.37.

The problem with the rate is exploration is less risky than mine work. In Manitoba, the rate classification for "Survey Exploration Prospect - 90702" (\$1.95 / \$100). This rate seems more consistent with what we do in the field.

The Ontario Prospectors Association would like to ask for a rate review that would create a new rate category for Explorationists.

Thank you for the consideration of this matter.

Yours truly,
Garry Clark, P.Geo.

Cc: Hon Jim Wilson
Minister Northern Development and
Mines

DISCOVER ABITIBI

The Ontario Prospectors Association announced today that the association would financially support the **Discover Abitibi Initiative**. In making the announcement Garry Clark, Executive Director said, "initiatives like Discover Abitibi are important to regional economic development and to the exploration/mining industry. The initiative will provide new databases, which could lead to the discovery of new mineral wealth in the Timmins to Kirkland Lake area. The OPA encourages its members to contribute financially and with proprietary data relevant to the area, ensuring the project reaches its goal."

The Timmins Economic Development Corporation (TEDC) manages the Discover Abitibi Geoscience Project. A technical committee makes recommendations to a management committee, composed of representatives from the mining sector, including operating mines, junior exploration companies and individual prospectors, which reports to the TEDC. Funding from FedNor, NOHFC and the private sector has made the project possible. Since its launch, Discover Abitibi has completed a Geological Information Systems (GIS) compilation project (released in April 2002) and an airborne geophysical survey (released in December 2002). The key objective of the Discover Abitibi project is to attract investment in the Western Abitibi Region by addressing knowledge gaps and furthering deep search techniques that will lead to new mineral discoveries. The project will produce high quality geoscientific data for 19 projects that meet the needs of the mineral industry. This information will foster mineral exploration that is more efficient and effective, generating short-term economic

stimulus through increased staking of mineral claims, as well as medium- and long-term mineral exploration that could lead to the discovery of new mineral deposits.

ONTARIO EXPLORATION CORPORATION

The Ontario Exploration Corporation has issued it's first Prospecting Assistance cheques to various prospectors across the Province. The OPA has been told that there are awards across the Province for a variety of commodities.

ANOTHER JAB AT OLL

May 7, 2003

Hon. Jerry Ouellette
Minister of Natural Resources

Hon. J. Wilson
Minister of Northern Development and
Mines

Dear Ministers,

This letter is an update of the process of disentanglement of the Ontario Living Legacy (OLL) and mining lands. In a joint letter dated March 15th 2002, your predecessors had requested the Partnership for Public Lands (PPL) and the Ontario Prospectors Association (OPA) to work together to determine recommendations to mediate conflicting land uses. PPL and OPA have had numerous meeting with each other and with your respective staff members.

The OPA believes the process has become bureaucratically bogged down. The recent memo (attached) from John Fisher of the MNR outlines the steps to be taken once the OPA and PPL agree. The OPA and PPL have now been meeting for over a year and still don't have the required maps from the

MNR side. As the OPA and PPL request maps they are produced but production has been drawn out over several months. At the same time OLL sites have been under interim protection by Mining Lands withdrawal orders. MNDM Mining Lands department caught up within these OLL sites are in Forest Reserve. The Explorers of these claims are in limbo not knowing if they will be disentangled or not and therefore some have abandoned their claims. Allowing the claims to come open means that they become unstackable and are lost forever as prospective exploration lands.

The OPA believes the drawn out process outlined by John Fisher provides no incentive for the PPL or the MNR to bring finality to the disentanglement. If they sit on their hands the claims will come open and there will be no need for disentanglement. Since the beginning of the OLL process mining claims in conflict with protected areas have dropped by over 70 % as claims are abandoned.

Because of this long drawn out, bureaucratic process to have the boundaries modified the OPA requests that the Mining Act assessment requirements for the few remaining claims affected by the OLL sites be frozen. This freezing of the assessment requirements would allow the completion of negotiations of the OPA and PPL to conclude and the MNR to pursue their process without unduly affecting the claimholders.

Thank you for your consideration of this matter, we await your reply.

Yours truly,
Garry Clark,
Executive Director
Ontario Prospectors Association



PORCUPINE PROSPECTORS and DEVELOPERS ASSOCIATION

P.O. Box 234, Timmins, Ontario, P4N 7C9

April 24, 2003

Mr. William Mercier, President
Prospectors and Developers Association of Canada
34 King Street East, Suite 900
Toronto, Ontario
M5C 2X8

Dear Mr. Mercier:

It has come to the attention of the Porcupine Prospectors and Developers Association ("PPDA") that a motion was passed at the 2003 annual general meeting of the Prospectors and Developers Association of Canada ("PDAC") endorsing map staking as an acceptable mechanism for securing mineral tenure. While the PDAC is the national body representing mineral explorationists and developers across Canada it has repeatedly avoided involving itself in Ontario based issues. As such, I would like to remind the PDAC that the OPA and its founding member regional associations are the acknowledged voice for mineral explorationists in Ontario. In regards to map staking, the OPA has a position that it will not entertain the concept.

For the Province of Ontario the PDAC's endorsement of map staking is irrelevant. The method of acquiring mineral tenure in Ontario will remain the status quo. I would suggest that the PDAC consider reacquainting itself with the grassroots sector of the mineral exploration industry. If this concept is too foreign to the goals of the PDAC our membership suggests the PDAC remove the word "Prospector" from its name.

Sincerely,

(signed)
Andrew Tims, P.Geo
President PPDA
Director OPA

cc. John Gammon, Ministry of Northern Development and Mines
Vivienne Côte, President, Ontario Prospectors Association
Tony Andrews, Prospectors and Developers Association of Canada



Mr. Andrew Tims
President
Porcupine Prospectors & Developers Association
P.O. Box 234
Timmins, Ontario
P4N 7C9

Dear Mr. Tims

Thank you for your letter of April 19, 2003. I am sorry that you have taken the route of addressing others about the issue of ground based staking and map staking as opposed to discussing the issue with the PDAC directly. Our industry does not need to be fighting internally otherwise those who oppose us can practice divide and conquer to perfection.

I would like to point out that the vote regarding map staking was taken at a meeting of the board of directors where all members were invited to be present and take part in the debate. The vote reflected those members who were willing to take the effort to be present and was passed in two separate votes by an overwhelming majority both of directors present and of the members present. Also, it should be emphasized that this vote did not come from the executive committee or the staff of the PDAC, but was a spontaneous motion from the floor. Thus, though I am not interested in getting into an argument as to who represents the grassroots, I would say that it is clear that the vote represents some kind of grassroots opinion. Are you suggesting that I, as chair of the meeting, should have not allowed the vote? Or are you suggesting that we should have fudged the vote so that it did not result in a majority for map staking?

The vote, as it was viewed as so controversial by some in industry, was reviewed at the next (April) board meeting of the association to ensure that there were no irregularities. The board by a clear majority endorsed the vote taken at the convention meeting.

Incidentally, on the issue of national versus local issues, the PDAC considers that it has a mandate to represent its membership wherever they are based. Although we will endeavor to work with provincial and other local associations to reach consensus, if our board directs the association in a direction that is opposed to an individual association then so be it.

Finally, I should make it clear that I understand clearly the complexities involved in the map/ground staking issue. As a result Tony Andrews and I are not taking this vote to mean that the PDAC from this day forward advocates solely map staking in all jurisdictions in Canada immediately. We are already forming a committee involving a diverse set of opinions on the issue to examine it more clearly.

If you took the time to talk to us about the issue, you might have thought twice about your intemperate letter. Anytime you wish to discuss this issue, I am happy to do so.

Yours truly,

Bill Mercer
President - PDAC

PROSPECTORS & DEVELOPERS ASSOCIATION OF CANADA
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Ontario

Ministry of
Natural
Resources

Minister

Ministère des
Richesses
naturelles

Ministre

Queen's Park
Toronto ON
M7A 1W3
416 314-2301

MAY 02 2003

MNR10MC-2003-1266

Ms. Vivienne Cote
President, Ontario Prospectors Association
4 Silver Birch Drive
Sault Ste. Marie ON P6A 5S1

Dear Ms. Cote:

Thank you for your e-mail regarding the aggregate permit application in the Mellon Lake area.

This application does not fall within an area designated as a Conservation Reserve. As you have stated, under *Ontario's Living Legacy* (OLL), mining claims staked under the *Mining Act* before March 29, 1999, were excluded from the OLL sites. Portions of the Mellon Lake area have been designated as Forest Reserve areas to recognize the pre-existing claims. OLL, which was subject to broad public consultation and an Environmental Bill of Rights registry posting during the public review of the *Proposed Land Use Strategy*, recognizes and respects the prior legal rights of mining claim holders across Ontario. It also establishes a mechanism by which these lands can become part of formal protected areas when the rights of the claims holders are surrendered. In the event that the mining claims are retired by the owners through normal processes, the subject lands would be withdrawn from further mineral staking and would be regulated as part of the Conservation Reserve.

Once the requirements of the *Aggregate Resources Act* and the *Environmental Assessment Act* have been met, a decision on this aggregate permit application will be made. The ministry will consider whether the proposed operation can meet legislative requirements and if there will be significant impacts on surrounding land uses and the environment. All comments and objections to the application for a permit will be retained on file and will be considered in making a final decision on this matter.

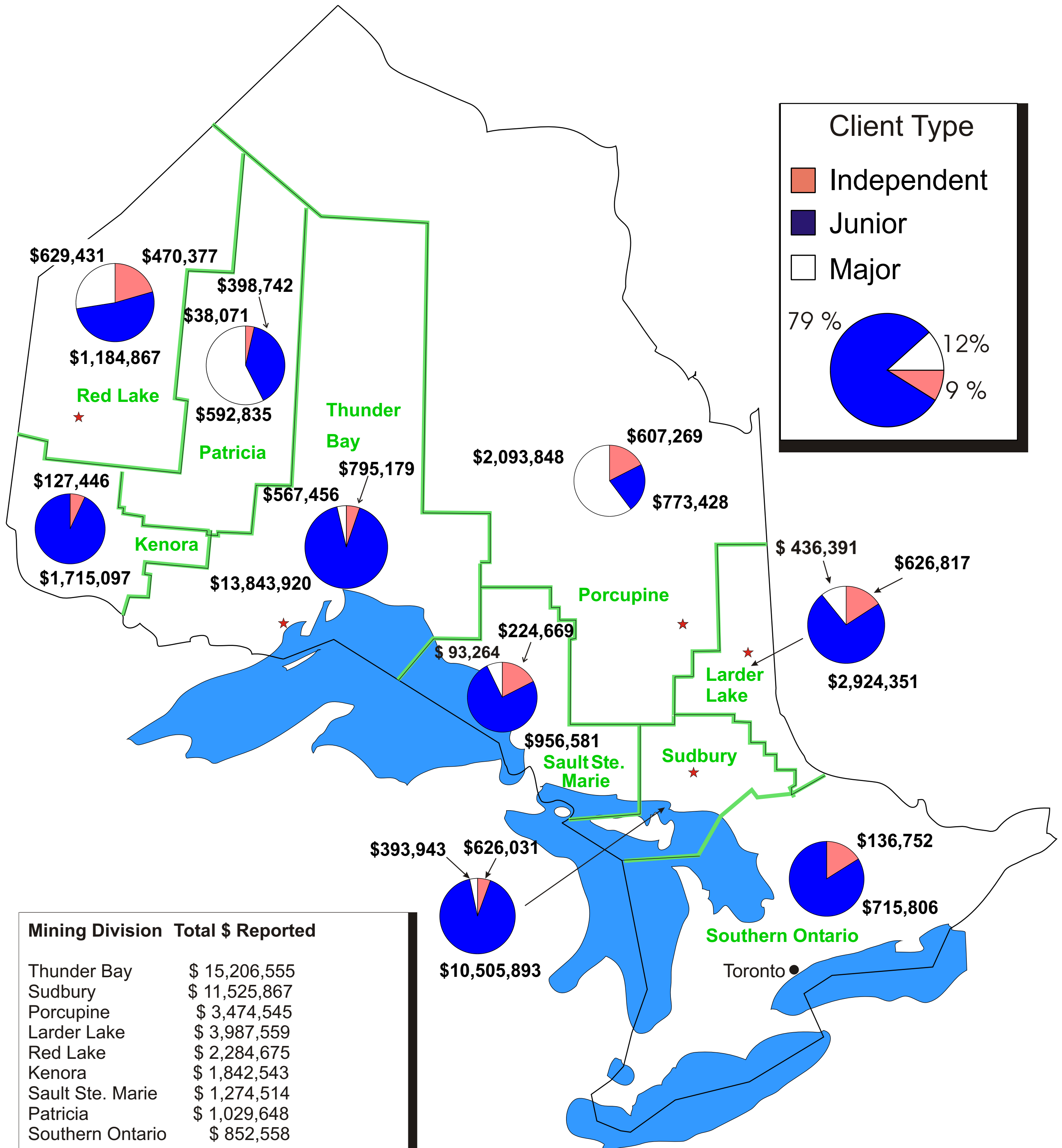
The ministry has refused two previous applications for a permit in the same area. However, under the *Aggregate Resources Act*, the applicants have the legal right to reapply.

Thank you again for writing.

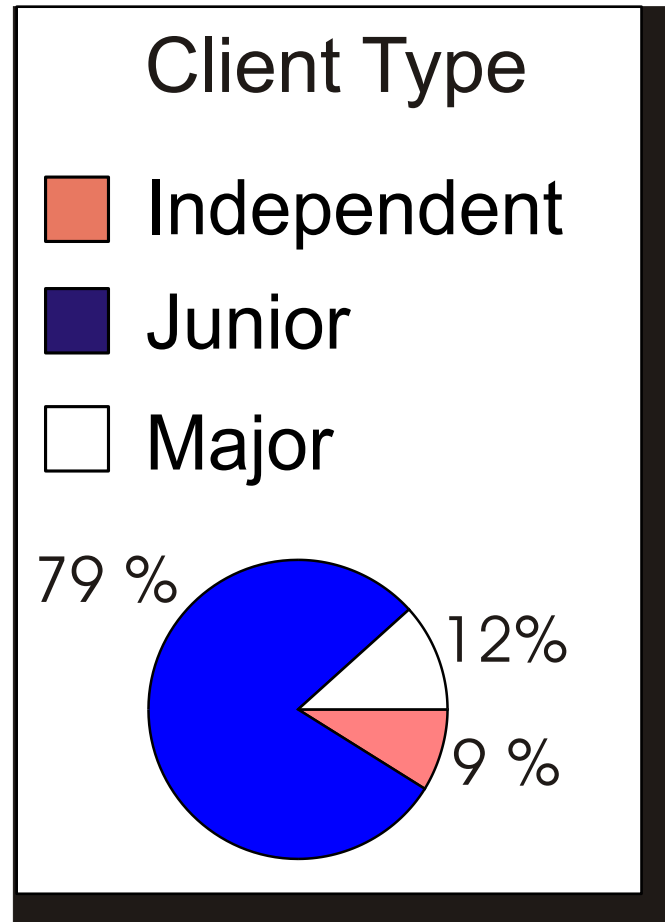
Sincerely,

Hon. Jerry J. Quelling
Minister of Natural Resources

Assessment Work Expenditures Submitted By Client Type in 2002



| Mining Division | Total \$ Reported |
|------------------|---------------------|
| Thunder Bay | \$ 15,206,555 |
| Sudbury | \$ 11,525,867 |
| Porcupine | \$ 3,474,545 |
| Larder Lake | \$ 3,987,559 |
| Red Lake | \$ 2,284,675 |
| Kenora | \$ 1,842,543 |
| Sault Ste. Marie | \$ 1,274,514 |
| Patricia | \$ 1,029,648 |
| Southern Ontario | \$ 852,558 |
| Total | \$41,478,464 |



★ Mining Lands Office

ULTRAMAR LTD.

CUSTOMER/CLIENT

Chapelle's Gas Bar GST R105440903
20835 Dalton Road PST 1338-1199
Sutton
STORE#: 32614 INVOICE NO: 9260
TERMID: 32614U01

| PRODUCT | QUANTITY | PRICE | AMOUNT |
|---------|----------|-------|--------|
| REGULAR | 62.6 | 0.639 | 40.00# |

Taxes on 62.6 Litres of REGULAR Fuel

FET: \$0.1000/L = \$6.26
PFT: \$0.1470/L = \$9.20
GST: 7.00% = \$2.62
Total: = \$18.08

#TAXES INCLUDED *TAXES EXCLUDED
FET = Federal Excise Tax
PFT = Provincial Fuel Tax

SALE **\$40.00**

VISA ~~4 2200 1001 1001~~ EXP: 03/06 S
REF: 062001001064 ACI/ISO: 001/00
APPROVED 036126
DATE: 2003-05-10 TIME: 8:46 am

X _____

HAVE A NICE DAY