

**Index for 1997 Number 11**

- [Felderhof Agrees To Surrender PDAC Award](#)
- [Canadian Mineral Exploration Expenditures](#)
- [Junior Resource Industry Standards](#)
- [Report On PDAC Convention 97](#)
- [Second Membership Directory In The Works](#)
- [PDAC Prepares To Meet Mines Ministers](#)
- [Mining Matters](#)
- [Getting The Word Out About Mining](#)
- [Ontario Launches Lands For Life](#)
- [Past President Honoured At 1997 Banquet](#)
- [New Directors Appointed To Board](#)
- [Internet Mailing Lists](#)
- [Publications Announcements](#)
- [Committee Advises On Benefits For The North](#)
- [Canadian Mining Hall Of Fame](#)
- [Keep Mining In Canada](#)

---

## **Felderhof Agrees To Surrender PDAC Award**

The Bill Dennis Prospector of the Year Award is presented annually by the Prospectors and Developers Association of Canada to an individual who has made one or more significant mineral discoveries in the recent past. At the 1997 awards presentation in Toronto, John B. Felderhof was presented with the award primarily for his work leading to the discovery of the Busang gold deposit in Indonesia. In light of the present circumstances and uncertainty around the existence of the deposit as originally described, Mr. Felderhof has agreed to voluntarily surrender his award.



# Canadian Mineral Exploration Expenditures

Natural Resources Canada has released the following data on Canadian exploration expenditures from 1995-97.

Figures are in thousands of dollars.

Province/Territory	1995 Final	1996 Preliminary	1997 Intentions
Newfoundland	71,113	91,239	73,284
Nova Scotia	2,843	5,752	6,656
New Brunswick	12,717	16,071	15,884
Quebec	123,352	128,321	115,763
Ontario	129,729	177,873	189,634
Manitoba	32,607	40,078	41,728
Saskatchewan	43,814	44,986	58,708
Alberta	10,591	13,642	11,334
British Columbia	79,388	116,540	126,252
Northwest Territories	172,158	183,215	178,837
Yukon	39,283	54,873	57,928
Canada	717,595	872,590	876,008

Sources: Natural Resources Canada and Statistics Canada, based on federal-provincial surveys of mining and exploration companies.




---

## Junior Resource Industry Standards

W. Steve Vaughan, Chairman, PDAC Securities Committee

For the junior resource industry to flourish, it is necessary for worthy mineral projects to have access to the required funding to make them realities. Three basic fundamentals are necessary to make mines: good geology, money and competent mining professionals.

Good geology is a function of Mother Nature and is independent of being created by or influenced by humans. Competent mining professionals are trained to find mines which are a function of good geology; but, once a mine is discovered, it is what it is.

The flow of money into the junior mining industry is dependent on a number of economic factors such as: the general state of the economy; risk factors relating to the particular investment, be they geological, political, legal, and/or economic; and rates of return, to name a few. The flow of money into the junior mining industry is also highly dependent on the goodwill, understanding and trust of the investing public to buy shares in mineral exploration companies. Should our junior mining industry become tarnished and the

public turned off from investing in the shares of exploration and development companies, then it will be extremely difficult for the junior mining industry to find and develop the mines that are necessary to keep our industry active, fuel our economy, employ our geologists and geotechnicians, and add to Canada's gross national product.

The growth of our industry over the past few years came about because of the success rate of our Canadian exploration professionals, who are the best in the world, and bullish capital markets. The excitement of world class discoveries at Voisey's Bay and Lac de Gras came about because all segments of our industry professionals strove to employ the highest standards of their respective professions in their daily business activities. In addition, Canadian brokerage firms and banks have been able to supply a significant portion of the world mineral industry funding in the last year, evidence of the high standards employed by the Canadian mineral industry, the high regard investors have in our industry, and the integrity of our capital markets.

As a result of a number of recent media focused stock market collapses relating to junior exploration companies, the technical due diligence standards of our industry have been called into question, particularly those standards relating to sampling techniques, ore reserve classification systems, and reporting requirements. Normally, these are corporate governance issues which competent directors would address and be held accountable for if found wanting.

Now is the time for the professionals in the Canadian mining industry to rally together to ensure that our governments take action to protect a highly successful sector of the Canadian economy. Negative statements are being made about the Canadian mineral industry in the media, and although these statements are unwarranted against our industry as a whole, they should be taken by our federal and provincial governments as an opportunity to announce changes to our securities rules that will continue to encourage a vibrant junior resource industry. What are some of the changes that can be made?

Alleged fraud is a criminal matter, and crime is a matter for the police, not securities regulators. The investigation and prosecution of criminal acts spanning several continents is currently beyond the function of penny-strapped provincial securities commissions which do not have trained mineral industry professionals or experts in sophisticated stock fraud on staff. We in Canada have ten securities commissions, all of which have a great deal of difficulty agreeing on (a) a standard policy for seed capital transactions involving junior resource companies; and (b) implementing the upgrading of National Policy 2A on ore reserve classification systems after our mineral professionals have done the technical work. Furthermore, the members of the various securities commissions are daily consumed with the protection of their own regulatory turf while our capital markets have come under attack. These facts lead to the intuitively obvious conclusion that it is time that we in Canada had one securities commission and one securities act from sea to sea with explicit fraud sections paralleled with those in the Criminal Code so that our regulators have penal sanctions with bite in them to protect the integrity of the market place. We would hope that such a commission would be staffed with highly trained investigative and prosecution professionals who understand our industry and who are determined to protect its integrity.

In the meantime, the Ontario Securities Commission should start the process by hiring a full time geological consultant with a sound knowledge of ore reserves and with at least ten to fifteen years of experience in industry. The OSC should also retain one or more commissioners who understand the junior resource industry and the vital role seed capital formation plays in the natural resource industry in the growth and viability of the Canadian economy. Is this too much to ask when it has been demonstrated that the Ontario based capital markets raised \$8.8 billion for the world mineral industry in 1996, approximately 40% to 50% of the total raised in the world for the mineral industry?

Your Association is prepared to assist regulatory authorities in any study of regulatory reform which comes about as a result of current events.



---

## Report On PDAC Convention 97

- [Convention attendance breaks previous records](#)
  - [Publications from the convention](#)
- 

### Convention attendance breaks previous records

A record 7,500 people (delegates, exhibitors, and guests) filled the halls of the Metro Toronto Convention Centre during the daytime and squeezed into the Royal York Hotel during the evenings for the PDAC's Annual Convention and Trade Show. Attendance at the convention broke all previous records and was a resounding success once people had crossed over the registration hurdle. Over 70 countries were represented, and there were large delegations in attendance from Australia, South Africa, India, China, Mongolia, and Russia.

Both Trade Show and Investors Exchange were significantly expanded to accommodate 421 exhibitors and 163 junior companies respectively, and the exhibit areas housing these events were very busy places indeed. The technical program was again divided into the main session, consisting of invited papers, and the open forum, a series of submitted papers. Main sessions included papers on copper-gold deposits of the Pacific Rim; Africa; Southeast Asia; finance and risk assessment; and new discoveries and developments. The keynote session included papers on the implication of exploration trends in Canada and the world; opportunities in North America; hot spots in Latin America; a European exploration overview; and players and activities in the CIS. Also featured in the main program was a profile on South Africa. Among the open forum papers were presentations on Canada, China, Argentina, Zimbabwe, and Vietnam.

New features at the convention this year were the Exchange Forum, which consisted of short papers delivered by representatives of companies exhibiting in the Investors Exchange; country rooms, reserved by country representatives to talk to interested

delegates about the investment climate in their countries; and the international bookroom.

The following are some of the comments reported after the convention.

"As an occasion for networking and putting global exploration on the map, the PDAC convention has become the premier event of its kind," *Mining Journal*, March 21.

"In the past decade, (the PDAC convention) has grown in size and stature to become an international event. The PDAC deserves much of the credit for having put Toronto on the map as the mining venture capital of the world. The PDAC's reputation for being at the forefront of exploration and development trends worldwide has helped draw delegates from almost every continent to its annual conventions in Toronto," *The Northern Miner*, March 24.

"This annual meeting has now become the world's largest and most important mineral exploration sector meeting with participation and delegates from more than 50 countries and with an overall delegate total of nearly 8,000 people," *North American Mining*, April 1997.

"Both sites (Metro Toronto Convention Centre and the Royal York Hotel) offered the delegates plenty of opportunity for making deals and expanding contacts, which is why the PDAC remains the premier mining conference in Canada." *Nova Scotia Minerals Update*, Spring 1997.



## **Publications from the convention**

### **Pacific Treasure Trove - Copper-Gold Deposits of the Pacific Rim**

Six papers, including figures, from a convention technical session. The publication covers the geological parameters & economic importance of Pacific Rim Cu-Au deposits; mining and processing; geological setting and evolution; costs of acquisition; and new advances in the understanding of the Grasberg Cu-Au porphyry system in Irian Jaya, Indonesia. \$20.00 (members); \$25.00 (non-members).

### **After the Discovery**

Papers from a 1997 short course covering delineation of resources after the discovery; trusting your assays; minerals biooxidation/ bioleaching; early project studies and evaluation; alternate mining techniques for the 21st. century; environmental base line studies; and a junior mining company's perspective on the development of a gold mine. \$24.00 (members); \$30.00 (non-members).

### **Exploration and Mining Fundamentals for Representatives from Developing Countries**

The proceedings of a short course presented for a second year by the PDAC. Papers cover an introduction to mining development fundamentals; technical report writing and

common terminology; basics of mining legislation; an overview of ore deposit models; a case study on the impact of deposit models on exploration by a major mining company; evolution of a mineral property from exploration to operating mine; financial analysis of and decision making about mineral deposits; mining agreements; and environmental considerations. \$35.00 (members); \$42.00 (non-members).

### **Securities Law Reporting Requirements for Ore Reserves**

Papers from a workshop given by the PDAC and the Natural Resource and Energy Law Section of the Canadian Bar Association. Topics include the report of the CIM's ad hoc committee on mineral resource classification; reporting requirements of the SEC's industry guide No. 7; defining an ore reserve; ore reserve reporting from a mining analyst's perspective; and reserve reporting in Latin America. \$24.00 (members); \$30.00 (non-members).

To order these publications or to obtain a full list of PDAC publications, contact Saley Lawton at the PDAC office.



---

## **Second Membership Directory In The Works**

Following last year's successful launching by the Membership Committee of a directory of PDAC members, a 1997 version is now in production and will be published in August. For advertising opportunities in this national directory or to update information for inclusion in the directory, contact Rita Plaskett at the PDAC office.



---

## **PDAC Prepares To Meet Mines Ministers**

In preparing for the 1997 Mines Ministers Conference, which will be held in St. John's, Newfoundland, in July, the PDAC will be focusing on two main issues: improving the current regulatory regime for mineral exploration and development; and the future of the geosciences.

### **Restoring Regulatory Efficiency in Canada**

For some time now, the PDAC has been working on ways to improve the regulatory regime in Canada. In a presentation to the Canadian Mineral Industry Federation, Executive Director Tony Andrews pointed out that Canada once had, and was acknowledged as having, some of the best mining laws and regulatory processes for exploration and mining in the world. "They were vital in creating Canada's competitive edge and a welcoming climate for the investment so necessary to develop our industry. In

recent years, however, these once excellent laws and processes have become bound up in red and green tape, contributing significantly to a steady deterioration of our investment climate."

Participants at a regulatory reform workshop, held during the 1996 Mines Ministers Conference, learned that efforts were in fact being made or were being planned by Canadian governments to review and improve Canada's regulatory regime. These efforts vary significantly in approach, direction and stage of development, and mineral industry associations across the country are in general agreement that it would be of significant benefit to both industry and governments to provide some momentum and direction to these initiatives, stimulating more communication and, where appropriate, coordination among them.

### **Work in the geosciences**

Common concerns about the future of the geoscientific database in this country and the potential benefits of working together to achieve shared objectives have brought a number of Canadian groups together.

In March, the PDAC's Geoscience Committee met with representatives from the Canadian Geoscience Council (CGC) and the Geological Association of Canada (GAC) to review the recommendations of the report, *Future Challenges and Trends in the Geosciences in Canada* (C.R.Barnes et al. 1995). The organizations represented at the meeting decided to develop a five-year action plan to conserve geoscience and the geoscience database in Canada. The framework for the plan was developed with other interested groups, including the Canadian Association of Petroleum Producers; the Canadian Institute of Mining, Metallurgy & Petroleum; the Canadian Society of Petroleum Geologists; the Council of Chairs of Canadian Earth Science Departments; the Committee of Provincial Geologists; the Geological Survey of Canada; and the Committee of Provincial Geologists.

The action plan framework will be presented to the Canadian Geoscience Council at its annual meeting in May, and the full action plan with recommendations will go forward to the Mines Ministers Conference in July. Subsequently, the action plan will be presented to a wider mineral industry audience for information and discussion.



---

## **Mining Matters**

### **Program wins Conference Board award**

The Education Committee's program, Mining Matters, has won the Conference Board of Canada's 1996-97 Partnership Focus Award for promoting science literacy for the world of work.

In making its selection from the 175 business-education partnership entered in this year's National Partners in Education competition, the judging panel, representing government, education, youth, and professional associations, looked for programs which were 'models of excellence in business-education partnerships, ensuring that Canada's youth are learning the right skills for today's and tomorrow's world of work.' Accepting the award in Calgary earlier this month was Linda Lilge, project coordinator of Mining Matters.



---

## Getting The Word Out About Mining

### Mining message to kids

*Owl Magazine*, a publication aimed at elementary school children, has been working with the Education Committee to develop an informative and entertaining brochure telling kids about the role mining plays in their everyday lives. Through articles, puzzles, and interesting facts in the Mining Makes it Happen brochure, children can find out what they would be missing if there were no mining, why various periods of time are named after a particular metal, and lots of interesting facts and figures. Copies of the brochure are available in the PDAC office. Please call Monika Gupta to have one sent to you.

### To adults too!

*Mining: Hidden Treasures* is a supplement produced for National Mining Week, May 12-18, by Natural Resources Canada with industry support. The brochure was designed as an insert for all major newspapers across Canada during that week. The publication reminds Canadians of the important role that mining and its products play in their everyday lives.



---

## Ontario Launches Lands For Life

The Ontario government has launched a comprehensive land use planning process in the province. Entitled Lands for Life, the process is intended to lead to decisions about protecting and using natural resources on Crown lands. Three multi-stakeholder round tables, representing Boreal West, Boreal East, and Great Lakes/St. Lawrence in Ontario, will work over the next year to "make recommendations to the minister of natural resources on areas for protection, resource use needs, basic conditions for compatible use, and targets and indicators to determine the longterm health of the resources."

Mineral industry representation on each of the round tables is crucial, and the PDAC has

been working with the Ontario Prospectors Association and the Ontario Mining Association to put forward the names of industry representatives who are able to participate.



---

## Past President Honoured At 1997 Banquet

Past President John Hansuld was honoured for his long and distinguished service to the PDAC at this year's annual awards banquet. Presenting Dr. Hansuld with a distinguished service award, President John Heslop paid tribute to his work for and support of the Association, for excellence in his chosen field of exploration geochemistry, and for leadership in the mineral industry.



---

## New Directors Appointed To Board

At the annual general meeting in March, four first-time directors were elected to the board. Ron Gagel is vice-president, treasurer, and a director of Aur Resources Inc.; Al Gourley is a lawyer and partner with MacLeod Dixon; Bill Mercer is director of international exploration for Noranda Mining and Exploration Inc.; and Hugh Wynne is president of the Manitoba Prospectors and Developers Association and mayor of Bissett in Manitoba.

Directors elected for a further term include Patricia Dillon, John Heslop, Gregory Isenor, Leni Keough, Pierre Lassonde, Michael Leahy, Michael Magrum, Bob Parsons, David Scott, Patricia Sheahan, Edward Summers, and Mary-Claire Ward.



---

## Internet Mailing Lists

The Internet offers some excellent resources for the geologist, including mailing lists, a form of discussion on line where everyone on the mailing list receives a transcript of the discussion. In a recent issue of *The Explorationist*, published by the Ontario Prospectors Association, Ken Watson, describes the following five mailing lists available through INFO-MINE and outlines how to join the lists (they are all free).

GEOEXPLORE is 'a platform for discussion for individuals interested in all aspects of mineral exploration.' To subscribe, send an email message to [listproc@info-mine.com](mailto:listproc@info-mine.com) with the following message: subscribe GEOEXPLORE your email address (e.g., subscribe

GEOEXPLORE([billybob@vianet.on.ca](mailto:billybob@vianet.on.ca)).

GEOMINE deals with mine geology issues. To subscribe, send an email message to [listproc@info-mine.com](mailto:listproc@info-mine.com) with the message: GEOMINE your email address.

Enviromine Issues covers non-technical mining-related environmental issues. To subscribe, send an email message to [listproc@info-mine.com](mailto:listproc@info-mine.com) with the message: subscribe enviromine\_issues your name.

Environmine Technical deals with technical mining-related environmental and management issues. To subscribe, send email to: [listproc@info-mine.com](mailto:listproc@info-mine.com) with the message: subscribe enviromine\_technical your name.

Softwaremine provides a discussion forum for computer users at exploration and mine sites to discuss mining software applications. To subscribe, send an email to: [listproc@info-mine.com](mailto:listproc@info-mine.com) with the message: subscribe SOFTWAREMINE your email address.



---

## Publications Annoucements

- [Geology Of Canadian Mineral Deposit Types](#)
- [World Bank Mining Videotapes](#)
- [Pictorial View Of Canadian Mining](#)
- [Publications On Africa Released](#)

---

## Geology Of Canadian Mineral Deposit Types

The Geological Survey of Canada has published *Geology of Canadian Mineral Deposit Types*, the eighth in a series of nine volumes to be published, in English and French, in the *Geology of Canada*. The volume defines and describes the essential features of 77 types and subtypes of mineral deposits and their distribution in Canada.

Each deposit type description begins with the main geological characteristics, contained commodities, and examples of that deposit type, both Canadian and foreign. The following sections outline economic significance, typical size and grade of deposits, and geological features such as geological setting, age, host rocks, associated rocks, form, and distribution of mineralization, mineralogy, and alteration.

Fax your request for an order form to the Geological Survey of Canada, (613) 943-0646.



## World Bank Mining Videotapes

The World Bank has recently released two videos designed to inform about best practices in mining development. *Attracting private sector mining investment* presents the conditions to foster private investment in mining and examines the role of the World Bank and its affiliated organizations; *Mining and the environment* reviews the methods and processes to prevent, reduce, or control the negative effects of mining and mineral processing on the environment. The \$60 (U.S.) cost of the two videos includes shipping. Contact: Robert Uth, National Productions, 1839 16th. Street, N.W., Washington, DC 20009; telephone: (202) 234-0608; fax: (202) 234-5078.



## Pictorial View Of Canadian Mining

*Paydirt: The Spirit of Canadian Mining* (1996), by Iona Wright & Charles Pelley, is a volume of photographs and text which depict modern mining in Canada and reveals a way of life that most Canadians rarely see. Starting from the premise that "mining is perhaps our most misunderstood resource-based industry," the book sets out to describe, through striking photographs and straightforward, non-technical language, frontier development, the mining community, exploration, access and supply, underground mining, open-pit operations, milling, mine systems maintenance, mining towns, the environment, and the future of mining in this country.

Published by the Boston Mills Press, Erin, Ontario, this hardcover book costs \$39.95 and can be ordered through any bookstore. It should be in all library collections, including those in high-schools and public libraries, and should be on display wherever it is likely to be picked up and read by the public at large.



## Publications On Africa Released

Mineral exploration in Africa is booming, and Canadian companies are at the forefront of the industry's move onto the continent. For companies already there or planning to work there, a recently published series on Africa might be of interest. *Know Africa* is a three-volume reference set published by Africa Books (UK) and released at the 1997 PDAC Convention. This comprehensive set covers all African countries from the Cape to Cairo. The first volume, *Africa Today*, contains essays and country reviews, maps, detailed political commentary, economic data, and an overview of each country's mining sector. *Africa Who's Who* includes biographical sketches of 14,000 influential Africans, including politicians, business people, and educators. Makers of *Modern Africa* profiles over 600 historical figures, living and dead, who have played an important role in Africa.

Each of these books may be purchased separately or as a set. Copies will be available for

viewing at the PDAC offices over the next few weeks. For more information, contact AfriCan Access Consulting, the Canadian distributor, at telephone (250) 598 4940; fax (250) 598 4977; email [consult@africanaccess.com](mailto:consult@africanaccess.com).



---

## Committee Advises On Benefits For The North

A committee has been established in the Northwest Territories to advise the minister of education, culture and employment on how benefits from mineral activity in the territory can be retained by northerners. Made up of representatives of the mining industry and aboriginal groups, the committee is a tripartite initiative of industry, the NWT Chamber of Mines, and the Government of the Northwest Territories. A secretariat office for the committee has been set up in the NWT Chamber of Mines offices in Yellowknife. For information, contact Dan O'Neill, Mine Training Committee, telephone (403) 873-5281; email [danno@ssimicro.com](mailto:danno@ssimicro.com).



---

## Canadian Mining Hall Of Fame

### Nominations invited

The PDAC is accepting nominations for induction into the Canadian Mining Hall of Fame (CMHF) at the next induction ceremony which will be held on Wednesday, January 21, 1998, at the Royal York Hotel. Nominations must be submitted to the CMHF board of directors through one of the four sponsors (PDAC; Canadian Institute of Mining, Metallurgy, and Petroleum; Mining Association of Canada; and the Northern Miner). For a copy of the selection criteria and of the nominating process, contact Saley Lawton at the PDAC office.



---

## Keep Mining In Canada

- [PDAC honours former project manager](#)
- [Report on Business Magazine](#)
- [CAMESE launches fund drive for KMIC](#)

## **PDAC honours former project manager**

Eileen Wykes, who retired from her position as project manager of the Keep Mining in Canada campaign, was awarded a special achievement award at this year's annual PDAC awards banquet. The award recognized Mrs. Wykes for the exemplary way in which she managed the campaign, one of the most successful ever conducted for the mining industry. Her enthusiasm, dedication, and creativity contributed enormously to its success and effectiveness. Mrs. Wykes' successor is Carolyn Purden.



## **Report on Business Magazine**

A second supplement on mining is in preparation for the October issue of the *Globe and Mail's Report on Business Magazine*. Focus of the supplement will be Canada's position as a world leader in mining technology. Keep Mining in Canada project manager, Carolyn Purden, is asking industry members who work with state-of-the-art technology to contact her at (416) 483 4945 if they think that the nature of their work would make interesting reading for the general public.



## **CAMESE launches fund drive for KMIC**

The Canadian Association of Mining Equipment and Services for Export has launched a campaign to encourage its members to contribute to Keep Mining in Canada. Managing director Jon Baird, who is also chairman of the KMIC coordinating committee, points out in the campaign literature that, while the PDAC and the Mining Association of Canada contribute to the campaign, mining suppliers have not had an organized opportunity to back the campaign. For more information, contact Jon Baird, telephone 905 513-0046; fax 905 513 1834; email [minesupply@camese.org](mailto:minesupply@camese.org).