

Prospectors & Developers Association of Canada

Working for
the mineral
exploration
industry and
providing
value for our
members

The Prospectors and Developers Association of Canada (PDAC) represents the interests of the Canadian mineral exploration and development industry. The association was established in 1932 in response to a proposed government regulation that threatened the livelihood of Ontario prospectors. Today, 70 years later, the association is a national organization dealing with a wide range of issues across the country.

This publication summarizes the work and activities undertaken on behalf of PDAC members during the past year. The work has been undertaken by our many volunteers, who represent the wide spectrum of the Canadian mineral industry, together with a dedicated full-time staff. They are to be commended and thanked for the expertise, energy, creativity, and time they have given to ensure a strong and vital mineral exploration industry in Canada. Members are indeed fortunate to have this pool of knowledgeable and committed people working for them. Please take a moment to review the list of volunteers on page 8.

The work of the association falls generally into three main categories: advocacy; information and education; and networking, and are grouped accordingly in this publication. Our annual convention, which spans all categories, continues to be successful and has placed the PDAC soundly on the international stage. Another achievement is PDAC Mining Matters which informs future decision-makers about the contribution of the mineral industry to their everyday lives. We are also pleased about the progress of our Environmental Excellence in Exploration (E3) program. Following our very successful fundraising efforts to reach our \$500,000 target, you can expect to hear more about the development of the product over the next year. Another highlight this year was the launching with great fanfare of our Core Membership program.

Due to its nature, success in advocacy work can be difficult to measure. However, we know that our lobbying efforts contributed to a welcome breakthrough in companies' communications with their shareholders with the approval and implementation of National Instrument 54-101; and a marked increase in exploration financings suggest that our awareness campaign on 'super' flow-through shares has been effective.

There have been many changes in our industry over the past two decades. Mindful of these changes and the need to adapt to them and to meet the needs of our members, we have spent a great deal of time and effort over the past few months developing a strategic plan for the association. This plan will provide us with direction and goals for the next few years.

We hope that this publication, *Activities 2001-2002*, will encourage our members to continue to support the work of the PDAC and Canada's mineral industry. If you have any comments or concerns, please do not hesitate to get in touch with us.

William Mercer
President

Activities 2001-2002



Prospectors & Developers Association of Canada
34 King Street East, 9th Floor
Toronto, Canada M5C 2X8
Email info@pdac.ca
Telephone +1 416 362 1969 Fax +1 416 362 0101

Protecting the environment

Environmental Excellence in Exploration (E3)

In August 2001, the PDAC launched the Environmental Excellence in Exploration project. The aim of this project, known informally as E3, is to support members of the exploration community in their efforts to protect the environment during an exploration project by providing the most current information on effective and proven environmental practices. The information will be contained in an e-manual, a multimedia information database and management system that will allow users to answer environment related questions for exploration projects anywhere in the world. Information for the manual is now being compiled from a wide variety of sources, including corporate training and other environmental protection material. Work is also in progress to develop a community engagement component in partnership with the B.C. & Yukon Chamber of Mines.

The development of the e-manual is being funded by industry through a sponsorship program. At the time of writing, over 80% of the \$500,000 required had been raised. The first 'beta' version of the e-manual will be launched at the PDAC convention in March 2003. More details about E3 can be found at www.pdac.ca/E3.

Global Mining Initiative

The Global Mining Initiative (GMI) conference was held in Toronto in May 2002. The conference marked the third and final component of the GMI, which concluded with the conference. The initiative was set up four years ago by nine mining companies. Its objective was to re-define the role of the mining industry in relation to sustainable development. The two other GMI components were: a) the Mining, Minerals and Sustainable Development project (MMSD), a two-year process of research and consultation to examine the role of the minerals sector vis à vis sustainable development and how that contribution might be increased; and b) the establishment of the International Council on Mining and Metals (ICMM), a global industry organization focusing on sustainable development issues.

The PDAC represented the exploration sector's interests throughout the GMI process. Director Ian Thomson was a member of the MMSD North American team; executive director Tony Andrews represented the PDAC at an MMSD global workshop on biodiversity and protected areas; and an ad hoc committee was set up to review and comment on the almost 600-page draft final MMSD report. The committee, chaired by director Bob Parsons, included president Bill Mercer, past president Gerald Harper, directors Mary-Claire Ward and Bob Schafer, Geoscience Committee member Richard Sutcliffe, and Tony Andrews. The final MMSD report, *Breaking New Ground*, incorporated many of the committee's comments.

The PDAC will explore with ICMM how the exploration sector's particular requirements and potential contributions with regard to sustainable development can be recognized internationally.

Orphaned and abandoned mine sites

The PDAC was a co-organizer of a multi-stakeholder workshop on Canada's orphaned and abandoned mine sites in Winnipeg in June 2001. The objective was to develop recommendations which

could be carried forward to the 2001 Mines Ministers Conference in September. Discussion topics included: building a national inventory of orphan sites and setting standards and rational expectations; community perspectives, ownership and liability issues, and funding models. Encouraging progress was made, particularly in the area of responsibility for the sites and funding for their reclamation. In its brief to the mines ministers, the PDAC urged them to approve the formation and funding of a national, multi-stakeholder advisory committee to address the issues and initiatives identified at the workshop and to report back to them in 2002. The mines ministers approved this recommendation. The PDAC continues to be involved in this project through membership in and support of the advisory committee.

Encouraging investment in exploration

Awareness campaign promotes 'super' flow-through

In the fall of 2000 Canada's federal government announced a temporary Investment Tax Credit for Exploration in Canada program for flow-through share investors. The program, which took effect on October 18, 2000, and will be in place until 2004, was designed to re-stimulate investor interest in mineral exploration in Canada. The introduction of the incentive was in response to a concerted effort by the PDAC to garner national support for such a measure.

The incentive program provides for a 15% up-front, non-refundable income tax credit for flow-through share investors. The credit is in addition to the existing fully deductible regular flow-through and is known as 'super' flow-through. Since the announcement of the 'super' flow-through, five jurisdictions – British Columbia, Manitoba, Ontario, Quebec, and Saskatchewan – have announced additional provincial tax incentives or extensions.

Following the announcement of the tax credit, the PDAC initiated a campaign with Natural Resources Canada to promote the program to investors, brokers, and financial houses. Marketing efforts included information sessions, seminars, and presentations across the country. As part of the campaign, the association coordinated a special *Globe and Mail Report on Business* supplement (October 2001) devoted to the tax credit, and a special information session was held with Canada Customs and Revenue Agency during PDAC Convention 2002.

While the 'super' flow-through financings arrested the decline in junior company expenditures at the grassroots stage, the industry was well short of anticipated goals. The PDAC is now appealing to the federal government for the following modifications to the program to make it more attractive to investors: an extension of the acquisition period from December 31 to the following March 1 to coincide with RRSP season; an allowance for up to 15% of 'soft dollar' flow-through financing to be eligible for 'hard dollar' financing costs; a provision that would allow *bona fide* mining companies as well as individuals to participate; and an extension of the spending period in the final year of the program from December 31, 2003 to December 2004.

Investors encouraged to consider mining stocks

The PDAC also encourages investment in exploration through its Investors Exchange at the association's annual convention. This event, which has become a major and popular part of the convention, consisted of 170 mining company displays and 38 company presentations in 2002. A half-day investment forum

on the last day attracted a capacity audience and proved so successful that the forum will be expanded to a full day investment conference in 2003.

Challenges and costs of raising capital

The challenges and costs of raising working capital continue to preoccupy the Securities Committee. The onerous listing and reporting requirements and fees, together with the consolidation of capital markets in Canada and the disappearance of the CDN, have had a detrimental impact on venture companies. The mining sector is only one of a number affected by these hurdles which are threatening Canada's competitiveness in the global economy.

The committee continues to press for a junior capital market and supports the growing number of organizations calling for a national securities commission or harmonization of regulations across the country. The latter issue formed a major part of the PDAC's submissions to the 2001 and 2002 Mines Ministers Conference.

To add weight to its lobbying efforts, the committee has established alliances with other groups to work on securities issues. In the fall of 2001, the PDAC joined a coalition which includes the Security Transfer Association of Canada, the Canadian Investor Relations Institute, the Canadian Society of Corporate Secretaries, the Canadian Corporate Shareholder Services Association and the Securities Transfer Association of Canada. One of the first successes of this group was the approval on June 3, 2002, by the Ontario minister of finance of National Instrument 54-101 on shareholder communications. The result of this ruling, which took effect at the beginning of July and now applies in all Canadian jurisdictions, is that reporting issuers, such as junior mining companies, will be able to communicate directly with their beneficial owners of securities who do not object to the release of their names and related information. The new instrument, which will be implemented in stages, will also allow issuers to send materials to shareholders by any means, including electronically, if shareholders have agreed to this.

The association and the Toronto Stock Exchange have also been working together. Early in 2002, they organized a meeting to talk about key market and securities issues affecting the mining industry and to identify common business interests and goals. Senior level representatives from industry, the TSE and securities commissions, including TSE president Barbara Stymiest, made a commitment to work together to introduce changes such as the proposal for a national securities regulatory body. A wider meeting at which the advantages and disadvantages of a national body vs. harmonization of regulations were debated was organized by the TSE and the University of Toronto in March.

The association has also discussed the need for a national regulator with senior federal government officials, and strategic alliances are being contemplated with the Canadian Chamber of Commerce and mining associations across Canada to move the proposal forward. The PDAC, backed by the B.C. & Yukon Chamber of Mines and the Quebec Prospectors Association, wrote to all Canadian premiers urging them to have the matter of securities regulation reform placed on the agenda of the First Ministers' Conference in Halifax in August 2002. The challenges and costs of raising capital are one of the top priorities for the association.

Geosciences

Funding for geological surveys

The Geoscience Committee and its chair Mary-Claire Ward, who headed a government/industry task force that called attention to the significant drop in funding of geological surveys, was encouraged by an action plan for geosciences published after the 2001 Mines Ministers Conference. In the plan ministers declared their unanimous support for more government investment to sustain and enhance the geoscience knowledge base and undertook to take steps to obtain the necessary funding that would enable cooperative geoscience mapping strategies to be implemented. A subsequent review of expenditures has revealed that, with the exception of Quebec, all provincial and territorial jurisdictions are on average well below the intended targets.

On a more optimistic note, Mrs. Ward reports that the federal Targeted Geoscience Initiative was very successful. Over the three years that the program was in place, \$15 million in initial federal funding leveraged expenditures of over \$40 million, which was targeted primarily towards the Cooperative Geological Mapping Strategies Program. The PDAC will continue to press federal, provincial, and territorial governments to live up to their funding commitments for geological surveys.

Status, mobility and incidental practice

The PDAC participates in meetings of the Canadian Council of Professional Geoscientists to represent geologists in the exploration sector; particularly in discussions and deliberations about incidental practice (the ability to work in a jurisdiction other than the one a person is registered in without paying fees) and mobility (the ability to transfer membership from one jurisdiction to another with minimum cost and paperwork). Mrs. Ward is planning to conduct a workshop on these issues at PDAC Convention 2003.

Geoscience and mapping in northern Canada

Mrs. Ward represented the PDAC at a May 2002 meeting in Yellowknife, NWT, of a sub-committee of the Industry/Government Overview Committee on the Northern Regulatory Regime. The sub-committee, which was established following the Northern Mines Ministers Conference in early 2002, is examining future geoscience and mapping needs in northern Canada and will be preparing a position paper on the subject.

Access to land

Land use strategy

The Lands Committee, in cooperation with the Mining Association of Canada, has been developing a strategy to provide guidelines on land access issues. The main goals of the strategy are to maximize the land available to mineral exploration and the sustainable development of mineral resources, while achieving environmental and conservation objectives. To achieve these goals, the association will continue to be involved in protected area strategy issues and develop more effective ways to achieve a balance between protection and use of land. The draft strategy has been presented to the board and to sister associations across the country for information and comment. A final strategy is awaiting board approval.

Provincial/territorial land issues: Ontario's Living Legacy

The PDAC becomes involved in provincial issues with national impact. Currently the PDAC is involved to varying degrees with protected area issues in the Yukon and Northwest Territories and Ontario.

The association has played a supporting role to the Ontario Prospectors Association's (OPA) lead during the Ontario Lands for Life consultations and those of its successor, the Living Legacy program. Politics and a backroom deal excluded the mining industry from the final land-use decisions under these programs. Subsequent attempts to re-open discussions were mostly unsuccessful. In 2001, for example, the OPA, PDAC, and the Ontario Mining Association proposed to the Ontario government that the province's Living Legacy program and mining interests be re-visited. The proposal was conditional upon the development of a new mineral policy for Ontario. In March 2002, the mining industry reacted with strong disappointment to the Ontario government's unilateral decision to prohibit new exploration on untenured land within the Living Legacy planning area. The association will continue to represent the exploration sector and to support the OPA in this matter.

One bright note was the case of Doug Robinson who won a settlement in small claims court over two mining claims in which he holds an interest. Robinson, a geologist/pro prospector from Kirkland Lake, Ontario, claimed compensation for his interest in the claims, both of which had been affected by Ontario's land management programs. One claim was eventually inside a new park and the second adjacent to it. The PDAC provided Robinson with financial and legal assistance in preparing and presenting his case. Past president Gerald Harper and director Mike Leahy appeared as witnesses at the trial.

Landscape Management

The Lands Committee has been examining different forms of land management. In August 2001, members of the committee visited the Alberta Pacific Forestry Company forest management area in northeastern Alberta to observe how the company had implemented 'integrated landscape management.' Known more generally as 'landscape management,' this approach offers a wider vision and a more integrated approach to resource development and conservation objectives than the traditional approach which relies primarily on protected areas. In July 2002, the PDAC board of directors heard a presentation on this topic by Peter Koning of the Alberta Chamber of Resources and Ed Hanna of York University who talked about the theory and application of landscape management. The PDAC hopes to increase awareness of landscape management and to facilitate its eventual implementation across Canada.

Mining Works for Canada

The PDAC is the largest outside contributor to Mining Works for Canada, a program developed by the Mining Association of Canada "to facilitate the profitable growth and development of the mining industry through the use of strategic communications and government relations designed to enhance the industry's reputation with key audiences." The program's current mandate is to influence key decision-makers in the federal government who have an impact on our industry, including ministers, caucus and parliamentary chairs, MPs, senior public officials, and ministerial assistants. The PDAC is represented on the MAC Public Affairs Committee which directs the program, and was well represented at the program's key event, Mining Day on the Hill, in November 2001.

Mining regulations

Northern Canada

A special industry-government overview committee (IGOC) was established in 2001 to examine the regulatory regime of the North, including the Yukon and Northwest Territories and Nunavut, and to recommend improvements. More specifically the committee is charged with recommending ways in which the mandate of DIAND can be re-balanced to recognize the importance of economic development in the North and to examine how the permitting and regulatory regime governing exploration and mining might be improved. The setting up of the committee, which reports directly to DIAND minister Robert Nault, was a result of intense lobbying by then president of the Yukon Chamber of Mines Gary Lee, with significant support from the PDAC. Early in 2002, at the instigation of the committee, Nault and ministers from all three jurisdictions met at the Northern Mines Ministers Conference. Discussions centred around the North's investment climate and how it might be improved. Directors Al Doherty and Eira Thomas and executive director Tony Andrews represent the PDAC on the committee. Significant progress has been made by the committee, but further work is needed. The PDAC will continue to be involved in this committee.

Social/community

Aboriginal-mineral industry partnerships

In its 2001 brief to the Mines Ministers Conference, the PDAC encouraged the formation of aboriginal-mining industry-government working groups in each province and territory to help develop constructive relationships, resolve problems and identify opportunities. This was a principal recommendation from a June 2001 workshop held to examine ways for improving relationships between the mineral industry and aboriginal organizations and for increasing aboriginal participation in minerals and metals activities.

Subsequently, the PDAC, in cooperation with the Mining Association of Canada and the Canadian Aboriginal Minerals Association, developed plans to create local action groups consisting of aboriginal, industry and government participants. These groups would build relationships among local participants, identify and prioritize needs, develop action plans to address needs and approach government agencies to fund the action plans. The PDAC and MAC boards agreed to provide funding for the planning committee responsible for developing the project and for the initial activities of a national coordinating committee responsible for carrying the project forward. At the time of writing, the following recommendations were to be put to the 2002 Mines Ministers Conference: a) review programs already in place to improve aboriginal-mineral industry relationships, and b) determine how to move forward with this program.

INFORMATION & EDUCATION

Publications

PDAC in Brief is published in hard copy and distributed four times a year to all PDAC members. This publication informs members about the association's activities, issues with which it is dealing, and about industry matters generally.

PDAC e-News & Activities is a monthly electronic newsletter which is emailed to members. The publication summarizes the recent work of the association and contains items and information about upcoming events of potential interest to members.

PDAC Communiqué is an occasional publication covering a particular subject in depth. In 2001-2002, one *Communiqué*, *Two cultures of sustainable development* by Susan A. Joyce and Ian Thomson, was published. At the time of writing, a second *Communiqué* on Canadian junior exploration and financing trends was being developed.

Exploration and Development Highlights is an annual magazine containing reports from each Canadian province and territory on the past year's exploration and development activities. The magazine, which is published in March in cooperation with the *Northern Miner*, is distributed free of charge to PDAC members as a member benefit.

The association publishes papers and proceedings from short courses usually held in conjunction with the annual convention. From time to time, the association has also acted as a distributor of publications. Currently, the association is the main distributor for *The art and science of writing geoscience reports* by Brian Grant.

Short courses

The PDAC offers short courses in conjunction with the annual convention. Courses given in 2002 included: *Stratiform Zn-Pb-Ag deposits and their geological environments, with emphasis on the Australian and North American giants* (offered jointly with the Society of Economic Geologists); *Improving the odds: Effective exploration geochemistry*; and *Canadian mineral valuation standards: A new regulatory approach* (offered in cooperation with the Natural Resources and Energy Law Section of the Canadian Bar Association – Ontario).

Mining Matters

PDAC Mining Matters (PDACMM) develops and distributes classroom resources to educate students about Canada's geology and mineral resource endowment and to make them aware of the importance of rocks, metals, minerals and the mining industry.

Mines Ministers Conference

The PDAC represents the exploration and development sector at the annual meeting of Canadian mines ministers. The main themes of the association's 2002 brief were: access to capital and to land; funding to maintain Canada's geoscience knowledge base; portability of professional geoscientist status; and adjustments to the temporary Investment Tax Credit for Exploration in Canada.

The program, which has achieved great success since its inception in 1994, provides teachers with resources to help them meet the curriculum requirements for earth sciences and the minerals industry. PDACMM also works with other charitable, educational or governmental agencies or organizations to develop education programs and material.

Demand for the PDACMM teaching kits, which are written by grade-school teachers, continues to grow. Some 5,450 kits, each of which contains mineral samples, equipment for experiments, posters and literature, have been produced and distributed to schools throughout Ontario since the beginning of the program. In 2001, 500 English and 200 French grade 7 kits were assembled and distributed, and a further 700 English kits were being readied during the summer of 2002 in preparation for the new academic year. A further 300 grade 4 kits were also assembled in 2002.

Other highlights of the past year have included a visit to Cambridge Bay, Nunavut, in the spring of 2002 by PDAC director Patricia Dillon and geologist Patricia Meyer to teach the Mining Matters curriculum to 18 grade-six students. The event was covered by the *Northern Miner* (April 8-14, 2002). The program was also given good press coverage in the *CIM Bulletin* (February 2002) and in *Geoscience Canada* (June 2002). PDACMM exhibited at the PDAC's 2002 annual convention to demonstrate its accomplishments to members of the mineral industry, and the program's website has also been given a brand new look. Please take a look at www.pdac.ca/miningmatters. PDACMM relocated during the year and is now housed in offices generously donated by Teck Cominco Limited.

PDACMM became a registered charity in 1997 and is completely self-supporting, relying on grants and donations for its funding. The PDAC contributes \$50,000 a year to the program.

Junior Miner Award

Caitlin Kearns, a grade 7 student from St. Anthony School in Thornhill, Ontario, was named the 2001 Junior Miner for Ontario. Her poem which won her the award described how minerals and metals are used in everyday life and was chosen from 120 submissions. On September 25, 2001, Caitlin joined 85 fellow students, teachers, parents, and PDAC representatives in a tour of the Dufferin Aggregates Milton Quarry, followed by a celebratory lunch at the Halton Country Inn. Caitlin's poem was published in *PDAC in Brief*, January 2002.

Careers Forum

The association teamed up with the CIM Toronto Branch in March to organize a careers forum. Representatives of the minerals industry were on hand to talk to the students in attendance about career opportunities in their particular fields.

Meeting our members

Maintaining contact with PDAC members is a priority, and efforts have been made for the association to have a presence at as many regional open houses or association meetings as possible across the country. In some cases, PDAC representatives were also invited speakers.

Speakers bureau

The bureau consists of a roster of speakers who, as representatives of the PDAC, are willing to make presentations on topics of interest to the exploration community. Here is a summary of presentations that were made during the past year.

- *Sustainable development and exploration*, Ian Thomson, Sullivan Round Table Conference, Kimberly, British Columbia, November 5-6, 2001
- *'Super' flow-through share financings*, David Comba, at the following meetings:
 - Ontario Prospectors Association Geoscience Symposium, Toronto, December 12, 2001
 - Northwest Ontario Mines & Minerals Symposium, Thunder Bay, April 11-12, 2002
 - Northeast Ontario Mines & Minerals Symposium, Timmins, April 18-19, 2002
 - Insight Information Company's Mining Finance Conference, Toronto, May 30, 2002
 - Canadian Diamond Drillers Association, Mont Tremblant, Quebec, June 20, 2002
- *Future of exploration and mining in Canada*, Gerald Harper, at the following meetings:
 - Saskatchewan Energy & Mines Open House, November 26, 2001
 - Calgary Mining Forum and Alberta Geological Survey Minerals Section Open House, Calgary, April 24-25, 2002
- *Environmental Excellence in Exploration*
Presentation by Neil Westoll at the CIM Annual Convention, April 28-May 1, 2002
Presentation by Dave Orava at the Canadian Diamond Drillers Association, Mont Tremblant, Quebec, June 20, 2002
- *Attaining the 'licence to operate' – Sustainability in exploration*, Neil Westoll, NUNA Research Conference on Sustainability in the 21st Century, May 2-3, 2002, Vancouver
- *Public image of the mining industry: Some myths and realities*, Tony Andrews, at the following meetings:
 - Nova Scotia Mining Matters Conference, Halifax, November 9, 2001
 - Yukon Geoscience Forum, Whitehorse, November 18, 2001
 - CIM/Minerals North Conference, Prince George, British Columbia, May 22-24, 2002
- *National Instrument 43-101*, Deborah McCombe, at the following meetings:
 - Manitoba Mining & Minerals Convention, Winnipeg, November 16, 2001
 - Séminaire d'information sur la recherche géologique, Québec City, November 22, 2001

Website

The PDAC's website, www.pdac.ca, has become one of the primary promotion/information tools for the association, particularly for the convention. Overall, the number of visitors to the site in the first quarter of 2002 increased by 40% over the same period in 2001.

RECOGNIZING EXCELLENCE

ANNUAL AWARDS HONOUR ACHIEVEMENT

These awards were presented at the Annual Awards Banquet, March 11, 2002.

BILL DENNIS PROSPECTOR OF THE YEAR AWARD
Noranda Inc.'s Matagami Exploration Team

VIOLA MACMILLAN DEVELOPERS AWARD
Robert R. McEwen

DISTINGUISHED SERVICE AWARD
Peter M. Brown and W. S. (Steve) Vaughan

ENVIRONMENTAL AWARD
Echo Bay Mines Ltd.

Honorary life memberships were awarded to past presidents Gerald Harper and John B. Heslop

CANADIAN MINING HALL OF FAME

The PDAC is a founding and continuing sponsor of the Canadian Mining Hall of Fame (CMHF), which was established in 1988. The permanent home of the CMHF is on the ground floor of the Mining Building at the University of Toronto, and there are satellite displays in Elliot Lake and Vancouver. Past presidents Robert Ginn and Ed Thompson represent the association on the CMHF board, and staff member Saley Lawton serves as secretary.

STUDENT SCHOLARSHIPS

The PDAC contributes funds annually to Canadian colleges for awards to students who have distinguished themselves in geotechnical courses. Awards winners this year were:

British Columbia Institute of Technology

Stephen Ball

Nguyen Dang

Cambrian College, Sudbury, Ontario

Patrick Deschenes

Jennifer Peloquin

CEGEP de l'Abitibi-Temiscamingue, Rouyn-Noranda, Québec

Mélanie Benoit

Collège de la région de l'amiante, Thetford Mines, Québec

Andrée Maltais

Fabienne Racine

Haileybury School of Mines, Ontario

Tom Hopkins

Anthony Burns

Daphne Armstrong

Northern Alberta Institute of Technology Foundation

Rod Sutton

NETWORKING

PDAC 2002 attracted delegates from 74 countries

The PDAC's Annual Convention, Trade Show and Investors Exchange continues to grow in stature, both in Canada and internationally. Today it is regarded as the world's premier meeting for the mineral exploration and development community.

The convention in March 2002 was the PDAC's 70th, and, with close to 7,000 attendees from 74 countries, a great success. The international flavour of the event was immediately apparent. In the trade show, delegates could visit booths set up by South Africa, Sweden, Australia, Greenland, New Zealand and many other countries. International delegations from over a dozen countries were also in attendance.

The total number of companies and organizations in the trade

show was 252, and in the very popular Investors Exchange, some 170 companies had display booths. Technical sessions included a series of papers on Sunday afternoon on commodity trends and forecasts; a keynote session on exploration around the world; a session on diamonds at James Bay; mining finance; new technologies and techniques in exploration; an all-day session on socio-economics and sustainability; Asia; and the ever popular new discoveries and developments. The open session, which ran parallel to the invited papers, featured 33 papers.

Keynote speakers included Peruvian economist and author Hernando de Soto who spoke about the value of individual property rights, and Teck Cominco president Steven Dean who talked about his company's application of supply and demand disciplines to maximize shareholder returns.

INTERNATIONAL ACTIVITIES

The mandate of the PDAC focuses primarily on issues in Canada but also includes international activities. The association's annual convention, a major international event in the mineral industry, has contributed greatly to the PDAC's stature outside Canada. Here is a summary of our international activities.

2001

PDAC representatives met with Mr. Hyun-Chul Lee of Korea Resources Corporation on August 1 to discuss investing opportunities in Canada.

On August 10, executive director Tony Andrews met with Barbara Giacomini, senior trade commissioner for South Africa, to brief her on the Canadian exploration sector and its current interests in South Africa.

On October 25 and 26, executive director Tony Andrews presented an exploration point of view at a biodiversity and mining workshop in London, UK. The workshop discussed land use, land access, conservation and biodiversity issues in preparation for the final MMSD report.

2002

The PDAC co-hosted with Industry Canada a business roundtable on February 1 for members of the mining community to meet officials of the Private Sector Department of the African Development Bank. The bank representatives were visiting Canada to meet Canadian sponsors of projects in which the bank could invest and representatives of Canadian mining companies and financial institutions interested in investing in projects with the bank.

The PDAC was heavily involved in the planning and execution of the first World Mines Ministries Forum (WMMF) in 2000. The second WMMF was held in 2002 immediately following PDAC Convention 2002, and organizers used the PDAC's convention marketing efforts as its chief means of promoting the forum. The PDAC is represented on the WMMF planning committee and on the advisory board. The next WMMF is scheduled for 2004.

President John Steele welcomed a gathering of some 30 Canadian trade commissioners and commercial counsellors from around the world, who were participating in a workshop organized by the federal Department of Foreign Affairs and International Trade and attending the PDAC convention. The primary objective of the meeting, held on March 9, was to provide information about Canada's mineral industry.

President John Steele and first vice-president Bill Mercer met with members of a delegation from Finland on March 9 to discuss possible cooperative ventures between the PDAC and its counterpart in Finland.

Director Ian Thomson and executive director Tony Andrews represented the PDAC at a meeting on March 11 with a delegation from Peru, headed by the minister of energy and mines, to discuss the mining industries in Peru and Canada.

The South African government released its Mineral and Petroleum Resources Development Bill on April 19. The bill was a revision of a draft Mineral Development bill issued in December 2000. The PDAC submitted an extensive commentary on the draft legislation in March 2001 and on the subsequent bill. The commentary consisted of an overview of the bill's new framework and a critical analysis of its contents.

The Mineral Policy Research Institute is a North American-Latin American, multi-stakeholder initiative that promotes sustainable development in mining in Latin America and the Caribbean. Executive director Tony Andrews is a member of the institute's advisory group and was an invited panelist at a meeting in Ottawa on June 13 to discuss the institute's future. His presentation focused on the needs of junior companies operating in Latin America.

Director Anne Slivitzky met with Maria Chappuis, a senior advisor to the Peruvian vice-minister of energy and mines, on August 23. Dr. Chappuis was in Canada to visit regional mining offices in Ontario and in Québec in anticipation of the Peruvian ministry's decentralization. Ms. Slivitzky talked about the structure of associations in Canada and the differences between junior mining in Canada and Peru.

Personnel

Officers

William Mercer, *President*
Peter Dimmell, *First Vice-President*
Andrew Chater, *Second Vice-President*
Derek Williams, *PricewaterhouseCoopers, Treasurer*
Lorna D. MacGillivray, *Campbell Resources, Secretary*

Board of Directors

Jon Baird, *Canadian Association of Mining Equipment & Services for Export, Markham, Ontario*
Robert Boyd, *Ashton Mining of Canada Inc., Vancouver*
Lorne Burden, *Consultant, Peterborough, Ontario*
Andrew Chater, *Teddy Bear Valley Mines Ltd., Toronto*
Brian Davey, *First Nations Equity Inc., Toronto*
Patricia Dillon, *Teck Cominco Limited, Toronto*
Peter M. Dimmell, *Consulting Geologist, St. John's, Newfoundland*
Allan Doherty, *Aurum Geological Consultants Inc., Whitehorse*
Gilles Filion, *GoldCorp Inc., Toronto*
Ron Gagel, *Aur Resources Inc., Toronto*
André Gaumont, *Virginia Gold Mines Inc., Quebec City*
Al Gourley, *Macleod Dixon, Toronto*
David Harquail, *Newmont Mining Corp., Denver, Co*
Gregory P. Isenor, *G. P. Isenor Company Ltd., Bedford, Nova Scotia*
Maureen Jensen, *Market Regulation Services, Toronto*
Scott Jobin-Bevans, *Pacific North West Capital Corp., Sudbury, Ontario*
Leni Keough, *Consultant, Hinton, Alberta*
Michael Leahy, *Prospector, Swastika, Ontario*
Deborah McCombe, *Ontario Securities Commission, Toronto*
Donald McInnes, *Western Keltic Mines, Vancouver*
Colin McKenzie, *Inco Technical Services Ltd., Toronto*
William Mercer, *Noranda Inc., Toronto*
Ronald K. Netolitzky, *Viceroy Resources Corp., Vancouver*
Ralph Newson, *Newson Management & Consulting Ltd., Saskatoon*
David Orava, *SENES Consultants Limited, Toronto, Ontario*
Robert B. Parsons, *PricewaterhouseCoopers, Toronto*
John Paterson, *Consulting Geologist, Toronto*
Wally Rayner, *N.W. Rayner & Associates, Toronto*
Jamie Robertson, *Falconbridge Limited, Laval, Quebec*
Bob Schafer, *Development Consultant, Salt Lake City, Utah*
Patricia Sheahan, *MDRU – UBC Consultant, Toronto*
Anne Slivitzky, *Maude Lake Exploration Limited, Montreal*
Kerry D. Smith, *HMZ Metals, Inc., Toronto*
Mark Smith, *First Associates Investment Inc., Toronto*

Peter Smith, *Consultant & Fancamp Resources Ltd., Westmount, Quebec*
Keith Spence, *Alliance Pacific Resources Inc., Toronto*
Karen Sutherland, *Barrick Gold Corporation, Toronto*
Frank Tagliamonte, *Geological Engineering Services, North Bay, Ontario*
Michael Taylor, *Slam Exploration Ltd., Miramichi, New Brunswick*
Eira Thomas, *Navigator Exploration Corp., Vancouver*
Ian Thomson, *Ian Thomson Consulting, Vancouver*
Robert Valliant, *Tri Origin Exploration Ltd., Toronto*
W. Steve Vaughan, *McMillan Binch, Toronto*
Mary-Claire Ward, *Watts, Griffiths & McQuat Ltd., Toronto*
Robert Whittall, *TVX Gold, Toronto*
Reginald Willoughby, *Reginald A. Willoughby, Toronto*
Hugh Wynne, *Geological Consultant, Bissett, Manitoba*

Honorary Directors

W. Clarke Campbell*
Gerald E. Cooper
A. Wayne Lockhart
A. Lew Parres
Joe Perkin*
* deceased

Past Presidents Advisory Council

Robert M. Ginn, *Consulting Geologist, Toronto*
John A. Hansuld, *H & F Enterprises Inc., Mississauga*
Gerald Harper, *Gamah International Ltd., Toronto*
John B. Heslop, *ThunderMin Resources Inc., Toronto*
M. E. (Dit) Holt, *Callander, Ontario*
H. Douglas Hume, *Nuinsco Resources Ltd., Toronto*
Lionel C. Kilburn, *Consulting Geologist, Toronto*
John P. Larche, *Canadian Arrow Mines Ltd., Timmins*
Fenton Scott, *Founteneau Resources Ltd., Toronto*
John P. Steele, *Asian Tiger Resources Ltd., Toronto*
Edward G. Thompson, *Ed Thompson Mining Consultants Inc., Toronto*
A. James Walker, *Walker Exploration Ltd., Stittsville, Ontario*

Staff

Anthony J. Andrews, *Executive Director*
C. David A. Comba, *Director, Issues Management*
Saley E. Lawton, *Director, Communications & Information*
Joan M. Leslie, *Manager, Support Services*
Evelyn Liougas, *Convention Coordinator*
Lisa J. McDonald, *Manager, Convention & Member Services*
Mari Ann Semkiw, *Administrative Assistant*
Juliette Szi-Benedek, *Receptionist/Secretary*

Committees

The composition of PDAC committees varies according to the work they undertake and according to the wishes of the committee chair. Some are standing committees with a fixed number of members; others change in their membership according to the issues being dealt with at a given time. Still others may consist of a chair only whose responsibility it is to bring in knowledgeable individuals as and when the need arises. This flexibility ensures that the expertise that is made available to the association to undertake its work is used effectively, wisely, and efficiently. Please note that individuals without an affiliation have been included in a previous list.

Awards

Edward G. Thompson (*Chair*)
Gerald E. Cooper
Robert M. Ginn
John A. Hansuld
Gerald Harper
John Heslop
H. Douglas Hume
Lionel C. Kilburn
John P. Larche
Ronald K. Netolitzky
Fenton Scott
A. James Walker

Convention Planning 2003

Andrew Chater (*Co-Chair*)
Joe Hamilton, *Dundee Securities (Co-Chair)*
Don Bubar, *Avalon Ventures Ltd.*
David Davidson, *Beacon Group Advisors*
Robert Doyle, *HMZ Metals, Inc.*
Murray John, *Dundee Securities*
Don MacLean, *Beacon Group Advisors*
William Mercer
Chris Moreton, *Noranda Exploration Inc.*
Ted Reeve, *Consultant*
Bob Schafer
Judi Severin, *WAMIC*
Patricia Sheahan
Kerry Smith
John P. Steele
Peter Walker, *Geophysical Algorithms*
Mark Wellings, *Griffiths McBurney & Partners*
Neil D.S. Westoll, *Neil D.S. Westoll & Associates Ltd.*
John Willett, *Haywood Securities*
David Harquail (*sponsorship*)

E3 (Steering Committee)

David Orava (*Chair*)
Craig Andrews, *World Bank*
Elizabeth (Beth) Clemson, *Dynegy*
William Mercer
Hannu J. Virtanen, *Inco Technical Services Ltd.*
Neil D. S. Westoll

Education

Patricia Dillon (*Chair*)
Caroline Casselman, *Falconbridge Ltd.*
Laura Clinton, *Project Coordinator, Mining Matters*
Ruth Debicki, *Ministry of Northern Development and Mines, Ontario*
Edward B. Freeman, *Consultant*
Leni Keough
Moreen Miller
Peter McBride, *Ontario Mining Association*
Ken Steele, *Ministry of Northern Development and Mines, Ontario*
Martin Walters, *Natural Resources Canada*
Neil D. S. Westoll

Environment

Gerald Harper (*PDAC Representative on MAC Committee*)

Executive

William Mercer (*Chair*)
Andrew Chater
Peter Dimmell
Maureen Jensen
Mary-Claire Ward
John P. Steele

Finance & Taxation

Robert Whittall (*Chair*)
Ron Gagel
John Hansuld
Daryl Hodges, *Jennings Capital Inc.*
Tom King, *KPMG*
Robert B. Parsons
Jim Pirie, *Platinova A/S*

Geosciences

Mary-Claire Ward (*Chair*)
R. Barry Cook, *KPMG*
Fred Longstaff, *University of Western Ontario*
Richard Moore, *Falconbridge Ltd.*
Richard Sutcliffe, *Ursa Major Minerals Inc.*
Ian Thomson

Lands

Jamie Robertson (*Chair*)
Michael Bourassa, *Aird & Berlis*
Peter Dimmell
Shari Gardiner, *Consultant*
Diane J. Gregory, *Kennecott Canada Inc.*
Pierre Gratton, *Mining Association of Canada*

Membership

Jon Baird (*Chair*)
Andrew Chater
David Harquail
John Paterson
Karen Sutherland

Mining Regulations

Wally Rayner (*Chair*)

Securities

Greg Ho Yuen, *Fasken Campbell Godfrey (Co-Chair)*
John P. Steele (*Co-Chair*)
Andrew Chater

Regional Representatives

John P. Anderle, *Fredericton, New Brunswick*
Ralph Cheesman, *Consulting Geologist, Regina, Saskatchewan*
Donald V. Currie, *Edmonton, Alberta*
Bruce W. Dunlop, *W. Bruce Dunlop Ltd., Winnipeg, Manitoba*
Peter Ferderber, *Prospecting Geophysics Ltd., Val d'Or, Quebec*
Lew Murphy, *Murphy Corporation, Topsail, Newfoundland*
Ed A. Schiller, *E. A. Schiller & Associates Ltd., East Kelowna, B.C.*

Members are urged to 'Join the Core'

Join the Core! has been the rallying cry to members in 2002. This new category of membership – the Core program – was introduced in 2002 to reward and honour those members who make a long-term commitment to the association. The new program, developed by the Membership Committee, encourages members to pay their annual membership fees before December 31 every year and to maintain their membership from year to year. Core members qualify for a number of perks including a substantial reduction on membership and convention registration fees. For the association, the assurance of continued revenue derived from Core members will help it plan and carry out its advocacy work.

Have you joined the Core?