

# Geddes Resources high and dry

*Mining industry response swift and sharp*

By Kevin Barker

The Windy Craggy decision may have surprised a few and angered many, but for Frank Lang at Cream Silver Mines, it was *deja vu*.

Like Geddes Resources, the underpinning of Cream Silver was a single property - its mineral claim in Strathcona Park on Vancouver Island. And Geddes directors now face the same, agonizing aftermath that Lang faced after a mining moratorium in Strathcona was imposed; the unreturned phone calls to Victoria, the lowering of the bureaucratic haze, the uncertainty over the timing and a process for compensation.

But the similarities end there. Lang, who is taking the issue of compensation for Cream Silver to the Supreme Court of Canada, had not delineated an orebody in the park. Nor did the Cream Silver expropriation attract the kind of publicity that drew the world's attention. The Windy Craggy decision took investor confidence in B.C. mining down a few notches, and sealed off forever an area that some have described as another Sudbury basin.

Geddes director John Smrk says his company's investment is well in excess of \$50 million, and the numbers grow exponentially when lost revenue is factored in - from \$110 million to \$620 million.

But his biggest gripe is the lopsided decision to preserve the entire Haines Triangle area as a park: "We always knew what could happen, but the greater likelihood was mixed use," explained Smrk, after the decision to create the Tashenshini - Alsek Park was made. "We told (minister of mines) Anne Edwards we weren't asking for Haines so we can do with it as we saw fit. We knew there were other interest groups. We challenged the government to bring us all to the table and have them broker it. The environmentalists turned out to be preservationists, and the government appeared to honor that."

Smrk's views are shared by Westmin Resources vice president Bruce McKnight. In a letter to the Commission on Resources and the Environment (CORE) on June 22, McKnight expressed disgust at what he saw as a blatantly po-

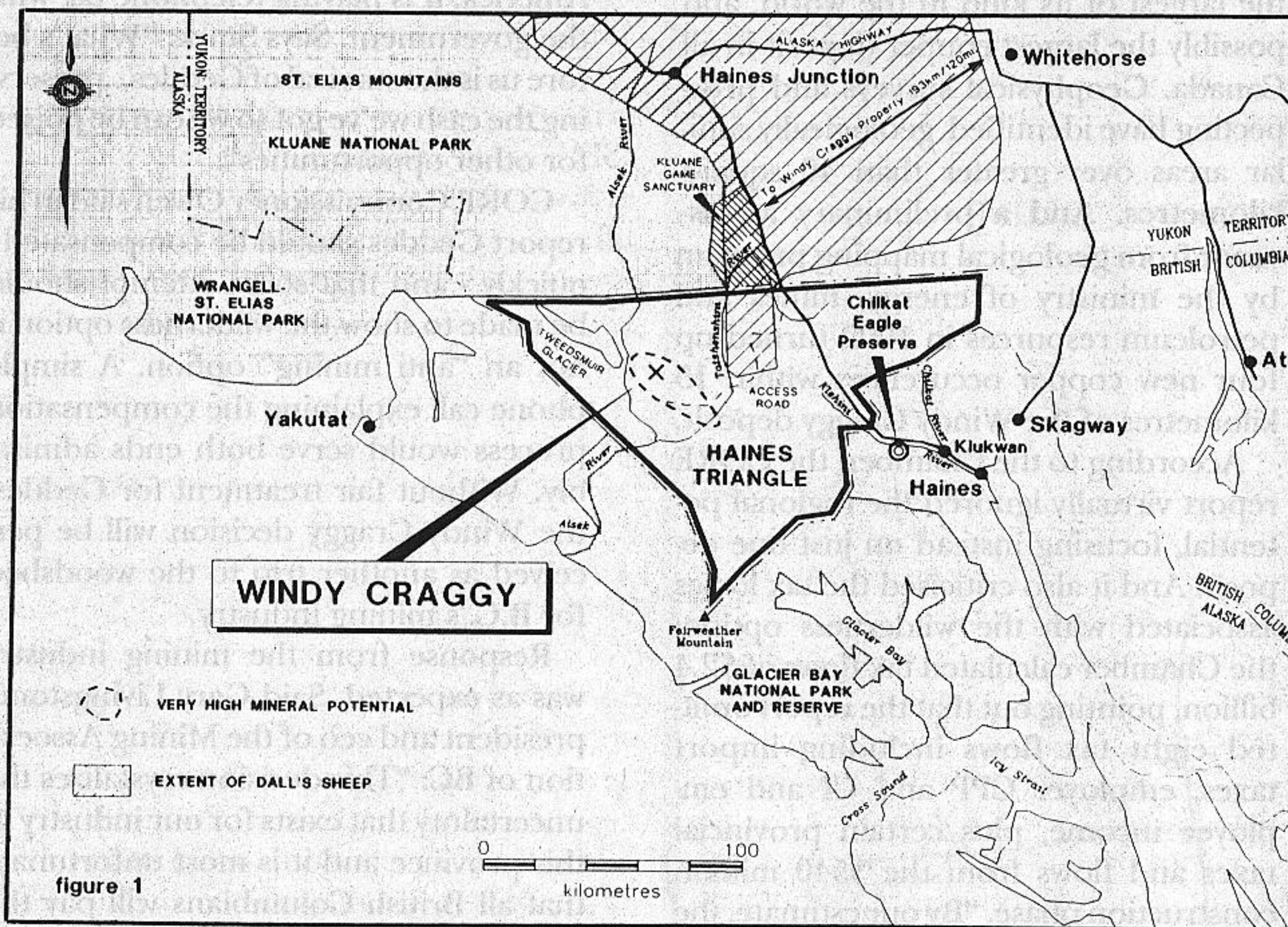


figure 1

litical decision by the NDP government in response to pressure by the environmental lobby. McKnight argued the government had gone against its own, stated principles of fair play by cutting just about everyone out of the decision-making process: "The Commission has been touting a new way of making land use decisions," he said in his letter to CORE Commissioner and former B.C. Ombudsman Stephen Owen. "In the first big test of this concept the government has really blown its credibility".

Owen, in his written response to McKnight's letter, referred to sections of the CORE report that indicated the issue could not be resolved through consensus because the interested parties were so sharply divided. And he suggested the government's hands were tied because

see **GEDDES p.24**

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For further information, contact,  
**Jim Billingsley**

### Glamis Gold Ltd.

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B.C., Canada V7X 1L3

Tel: (604) 681-3541 Fax (604) 681-9306

#### GOLD RESERVES ESTIMATE AT MARCH 31, 1993

(unless annotated with an \*, all reserve values confirmed by independent consultant)

	PROVEN & PROBABLE			POSSIBLE			TOTAL OUNCES (M)
	TONS (MM)	GRADE OPT Au	OUNCES (M)	TONS (MM)	GRADE OPT Au	OUNCES (M)	
<b>RAND MINING COMPANY</b>							
YELLOW ASTER	31.3	0.0205	642	13.1	0.026	341*	983
DESCARGA	.5	0.027	13*				13
BALTIC							
(BALTIC & LAMONT DEPOSITS)	20.6	0.0255	525	7.3	0.0235	172*	697
<b>CHEMGOLD, INC.</b>							
PICACHO	6.5	0.034	221	.7	0.031	22*	243
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# GOLD

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