



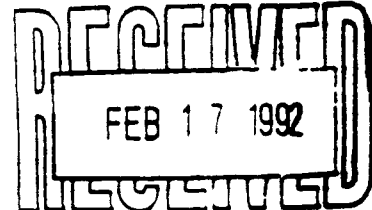
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February 12, 1992

Sent Via FAX on

FEB 13th, 1992

Mr. Fred Jackson
M.L.A. for Kamloops-North Thompson



RE: PROPOSED WINDY CRAGGY MINE DEVELOPMENT

Further to your recent request for information regarding the proposed Windy Craggy project, I am pleased to provide background information on the project, and responses to your questions.

Project Background:

- **Geddes Resources Limited (Geddes) is proposing to develop an open pit copper/gold mine (the Windy Craggy project), located in the Tatshenshini/Alsek River drainage in the northwestern corner of British Columbia. The project presents a conflict between the proposed development, and the preservation of wilderness and protection of the river system in the area.**
- **Strong opposition to the proposed project has been growing and a concerted international effort is underway to establish a "protected" status for the British Columbia portion of the Tatshenshini and Alsek rivers.**
- **The copper deposit is an extremely rich ore body and it could become the province's second largest metal mine. Capital costs, including infrastructure, are estimated at over \$600 million; five hundred jobs would be created during the construction phase and an equal number during operation. Geddes estimates that the mine life may be up to 50 years, with an annual production value of \$375 million.**
- **The project is currently in the Mine Development Assessment Process (MDAP), a procedure for reviewing and approving all proposed mines in the province. Although a number of major technical issues remain unresolved, the key issue is the land use conflict.**

Rafting activities on the Tatshenshini River:

- The rafting season generally operates from mid-June to mid-September. The prime visitor season is from July 1 to September 10. There is a limit placed on the number of trips on the United States portion of the river each season. For the past few years, there have been 36 commercial and 36 private trips permitted. Because rafts cannot be pulled out of the river in British Columbia near the Alaska border, the number of trips on the Canadian side of the river is controlled by the United States quotas.
- The majority of rafters on commercial trips are from British Columbia, the Yukon and the United States, while most of the rafters on private trips are from the United States and in some cases, Europe.
- There are approximately 20 rafting companies operating on the Tatshenshini River. Of these, seven or eight are American-owned, and the rest are owned by companies based in British Columbia, the Yukon and Alberta. Canadian rafting companies employ approximately 100 to 120 people.
- It is unknown how much tax is paid to the Canadian government by rafting companies.
- In 1991, the province received approximately \$27,000 in permit and licence fees from Canadian rafting companies. Expenditures on hunting activities by resident big game hunters in the Tatshenshini area was approximately \$190,000 in 1991. This amount includes expenditures on transportation, accommodation, equipment, and licence and permit fees.

Visual impact of the mine and area access implications:

- The proposed mine would not be visible from the river, however, parts of the proposed road would be visible.
- The construction of a road into the area may open up the area to the public; however, the road would be radio-controlled and thus, public access would be controlled.

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- Improved access to the area might result in a need to review current levels of rafting activities.

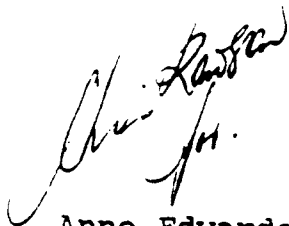
Regional Impacts:

- The benefits received from the rafting industry are dependent upon a number of factors including where: rafting trips originate; supplies are purchased; and guides are hired, etc. Thus it is difficult to identify which jurisdiction would receive the greatest economic benefits.
- It is unlikely that companies offering rafting trips are bringing in big game hunters. The impact of the project on any big game operators is to be addressed by Geddes in further submissions under the MDAP.

Other activities in the area:

- Aside from the Windy Craggy project, there are other mineral claims in the area held by Canadian companies.

I hope that the above information will be of assistance, and if you require further details concerning the proposed Windy Craggy project, please contact my office.



Anne Edwards
Minister