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VICTORIA, BRITISH COLUMBIA

March 12, 1979, 9.00 a.m.

The Honourable James J. Hewitt,
Minister of Energy, Mines and
Petroleum Resources

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The Sam Goosly property near Houston will be developed as a silver, copper and gold mine by Placer Development Ltd. and Equity Silver Mines Ltd. and Mines Minister, Jim Hewitt, welcomed the news. Following the announcement just two weeks ago of the re-opening of the Granduc Mine near Stewart, the Minister said, "this is clear evidence that mining development is rebounding due to the more favourable economic and legislative climate in British Columbia." The repeal of the former Mineral Royalties Act in 1976, and its replacement by the Mineral Resource Tax Act, has created a better environment for mineral development. While the former royalty on gross income deterred expansion, the new levy on net mine income is supportive of development and future expansion.

The Minister noted that Placer Development Ltd., a long time B.C. company with head office in Vancouver, is re-investing in the Province. Its new mine near Houston will represent an investment of about \$85 million and will provide 300 new construction jobs at the peak of construction. The mine is expected to become operational and reach full production by the fall of 1980, with an estimated 200 permanent jobs. "This will not only benefit the Province," the Minister stated, "but it will be of major benefit to the Houston area in providing a more balanced economy and additional jobs."