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NEWS RELEASE

For Immediate Release
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Environmental Assessment Office

COAL MINE APPROVED FOR THE ELK VALLEY

VICTORIA—The reopening of the former McGillivray surface coal mine in southeast B.C. has been approved under the province's *Environmental Assessment Act*, Environment, Lands and Parks Minister Paul Ramsey and Employment and Investment Minister Dan Miller announced today.

Both ministers have issued a project approval certificate that allows McGillivray Mining Ltd. to reopen the former coal mine which is located 20 kilometres southeast of Sparwood. The project will operate as an open pit coal mine, producing approximately 200,000 tonnes of raw coal per year over a four-year period. Raw coal will be mined with conventional mining equipment and trucked to existing coal preparation plants in southeast B.C.

"The key environmental questions surrounding this project have been thoroughly addressed during the review," said Ramsey. "As well, the company has made commitments which will avoid or mitigate all significant adverse effects of the project, especially with respect to water quality, wildlife habitat and forest management."

"Coal mining is an important part of B.C.'s economy, employing more than 3,800 people," said Miller. "Approval of this project ensures continued employment diversification for the mining industry, particularly in the southeast sector of the province."

"Approval of this project is welcome news for the company and local communities in the Elk Valley," said Kootenay MLA Erda Walsh. The McGillivray mine will provide employment for 16 to 18 people per shift during mine operation, with a possible two-shift operation.

A project committee, consisting of representatives from local and provincial government agencies and First Nations, was formed to review the company's application to reopen the mine. The committee, with the exception of the First Nations member, concluded that all potential impacts of the project can be effectively managed through operational and mitigation plans, and in compliance with statutory permits, approvals and licenses. The committee recommended that a project approval certificate be issued, subject to terms and conditions designed to ensure environmental impacts are minimized and mitigated.

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The project is situated on private land owned by Crestbrook Forest Industries Inc. Crestbrook has agreed to allow access to the land and coal reserves, and will receive a per-tonne royalty for coal produced and sold, subject to conditions that Crestbrook is currently discussing with the company. The McGillivray mine could continue to produce coal beyond 1999.

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