



Province of  
British Columbia

GEOLOGICAL SURVEY BRANCH

Ministry of  
Energy, Mines and  
Petroleum Resources

# MEMORANDUM

Mailing address: Parliament Buildings, Victoria, British Columbia V8V 1X4 Telephone: (604) 952-0402 Fax: (604) 952-0381  
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To: Jacob Mathew, Manager  
Duncan Jillings, Economist  
Economic Policy, Land Management and Policy Branch

RE: RESOURCE STATUS OF QUINSAM MINE

To my knowledge, the B.C. Geological Survey has never calculated reserves at Quinsam. Unlike the Alberta government, the B.C. government does not engage in coal reserve calculation on a routine basis. Our general policy is to accept company calculations, after first checking the assumptions for validity. In this case we are not even in a position to carry out the check of assumptions, due to lack of available data and time. This means that it is difficult for us to speak knowledgeably on this subject.

With this qualification in mind, we can say that the company's recent claim to currently have proven and probable reserves of 44 million tonnes (as reported by Price Waterhouse in January 1994) appears reasonable. Moreover, there is room for expansion of this number with future exploration. These conclusions are based on comparison with three other sources:

- a) Kenyon et al. (1992, B.C. Geological Survey Paper 1991-3), in a detailed geological study of the Quinsam area, refer to an estimated coal resource base of 43.2 million tonnes at Quinsam mine.
- b) A drill-exploration program by the mining company in 1992 identified 5.8 million tonnes of proven, probable and possible reserves of 3-seam in the 7S area of Quinsam mine, an area scheduled for near-future extraction. The 7S area forms only one relatively small block within the mine property.
- c) A 1975 consultant's report, prepared for Weldwood of Canada Limited, a previous owner of the Quinsam property, calculated in excess of 200 million short tons of proven, probable and possible reserves within the "Quinsam area".

These numbers do not represent product coal. The amount of potential product coal is dependent on mineability, mine recovery and plant yield. Even at 50% overall recovery, however, the 44 million tonnes reserves at the mine would provide 18 years of production at a rate of 1.2 million tonnes per year.

Again, let me state that there is a great degree of uncertainty about these numbers based on our lack of first-hand involvement.

Other factors we could comment on, if needed, include:

- a) methane in the coal;
- b) acid rock drainage potential;
- c) calcium in the coal.

We do not get to see current mine plans as a rule, and are not in a position to comment on the feasibility of the mining operation.

I hope this information is useful. We will be happy to address any other questions.

Dave Grieve  
Project Geologist  
Interim Head, Coal Unit

c.c. D.V. Lefebure

*copy to Ken Smyth  
return to  
DVC*