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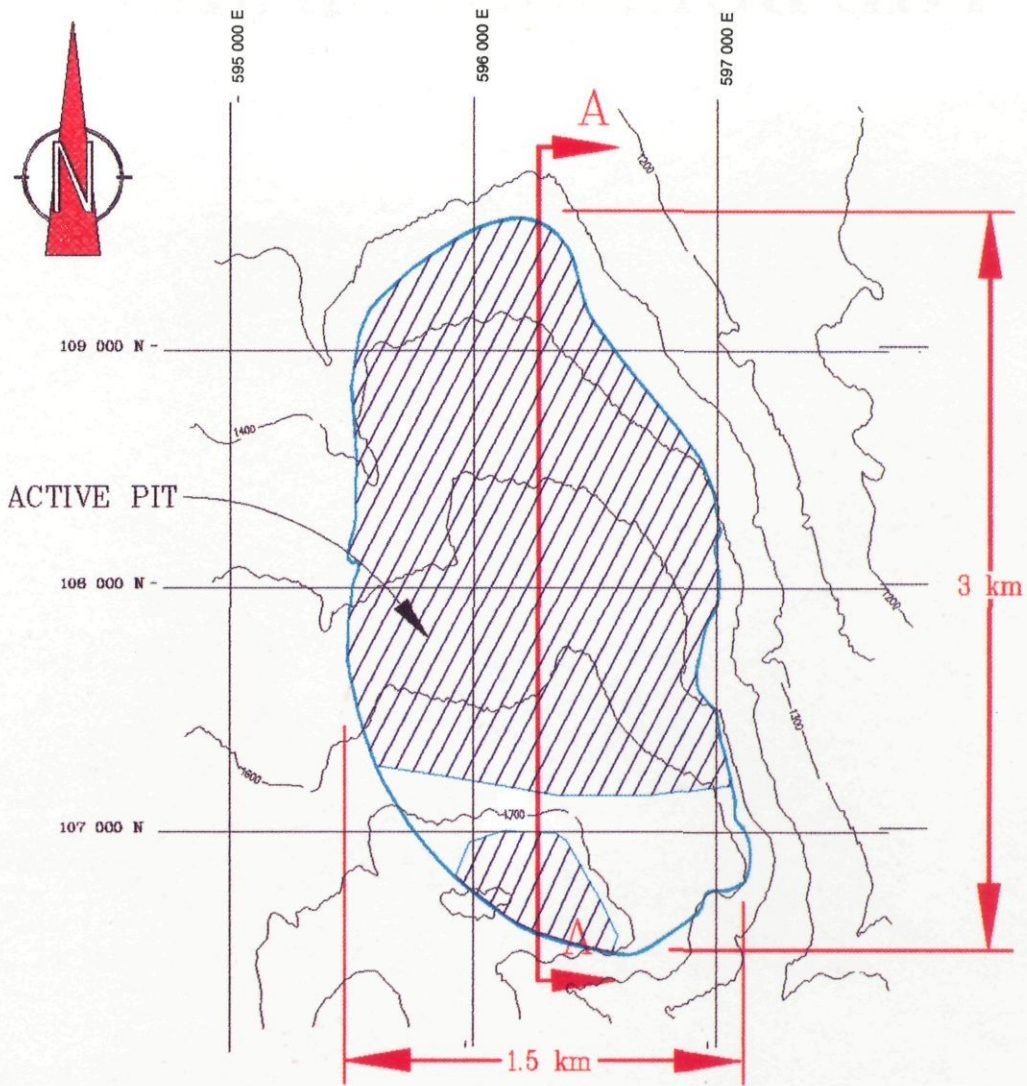
June 11/98

THE BULLMOOSE MINE

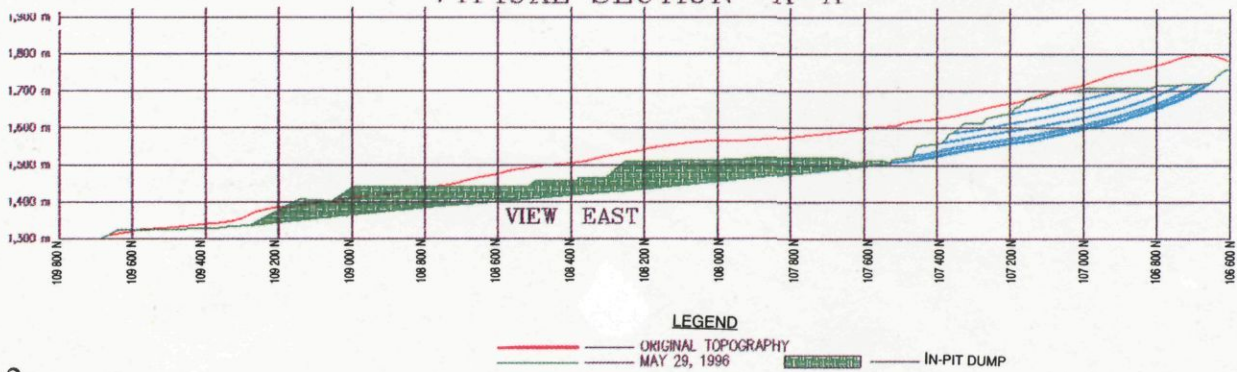




SOUTH FORK DEPOSIT



TYPICAL SECTION "A-A"



Bullmoose Operating Corporation

The Bullmoose mine is a metallurgical coal mining operation located in the eastern foothills of the Rocky Mountains approximately forty-five kilometers from the town of Tumbler Ridge, British Columbia.

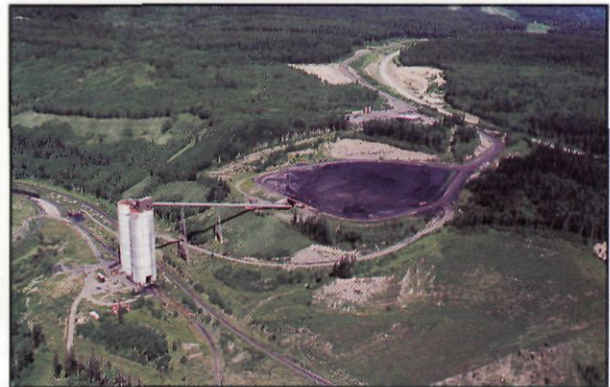


An experienced and diversified group of 400 employees, including mining, processing, maintenance and office staff, work collectively to produce cleaned coal for export.

The Operation

The open pit mine on the northern slope of Mount Collier (elevation 1810 meters) overlooks the processing and maintenance facilities located in the Bullmoose Creek valley (elevation 1100 meters). Five coal seams, with a combined total thickness of 12.4 meters are mined from the Gates Formation (100 million years old).

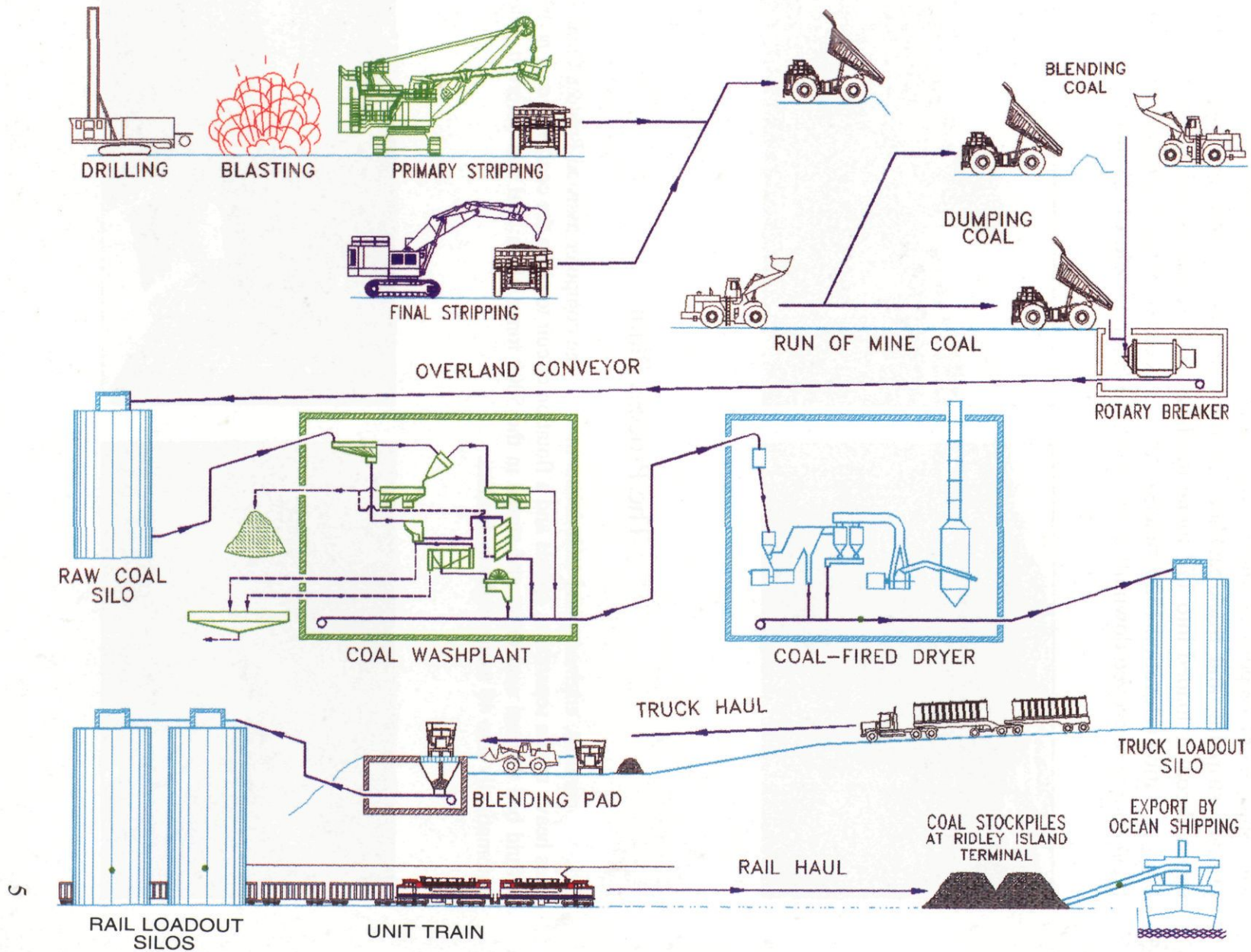
The coal is mined using modern heavy equipment, and cleaned utilizing the latest coal preparation equipment and technology. The operation is kept running by qualified millwrights, heavy and light duty mechanics, electricians and warehouse staff.



After the coal is cleaned it is hauled from the plant site in highway trucks to the rail load out facility. From there the coal is loaded into unit trains and transported to the Ridley Island terminal near Prince Rupert, British Columbia.



BULLMOOSE OPERATING CORPORATION



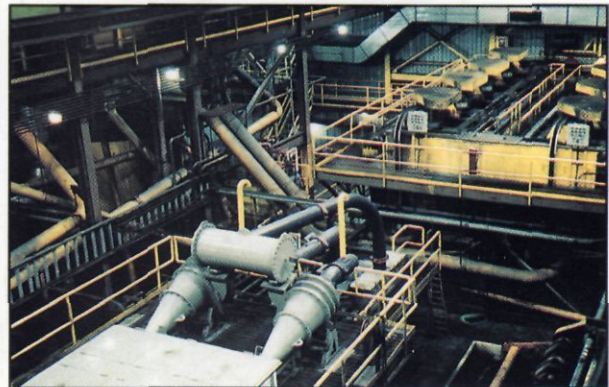
The Pit

The South Fork Deposit is mined year round using a combination of truck/shovel for primary stripping and truck/backhoe for final stripping. Using front end loaders the exposed coal is loaded into 177 tonne mechanical drive trucks and hauled to the rotary breaker station (elevation 1320 meters). After the coal is reduced to minus 50 mm. by the breaker, it is conveyed downhill to the Process Plant (elevation 1125 meters).



The Process Plant

Skilled operators, engineers and technicians monitor the computer assisted Process Plant which uses heavy media separation, spirals and a flotation circuit to clean the coal. The coal is dried in a fluid bed thermal coal dryer and stored in the 5000 tonne clean coal silo before it is loaded automatically into 40 tonne highway haulers.



After a 36 kilometer road trip to the rail load out facility, the coal is stored in two 70 meter high silos having a combined capacity of 27,000 tonnes of coal. The silos are located directly over the rail tracks, and allow the 102 car unit trains to load without stopping. The loaded coal is delivered to the ship loading facility at Ridley Island and loaded on ships for delivery to Japanese customers.

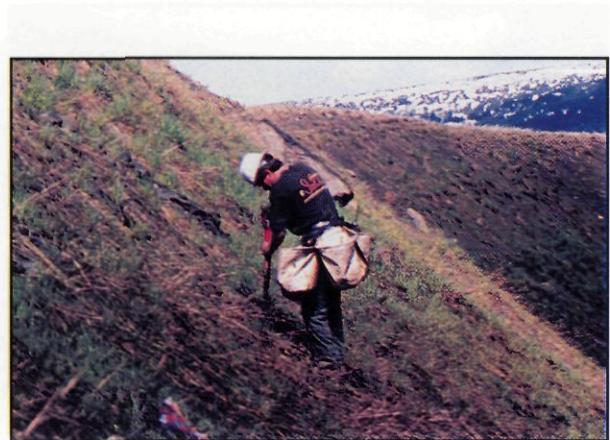
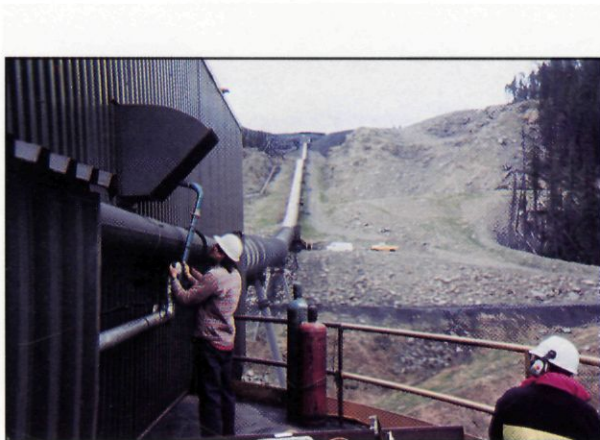
Maintenance

The truck shop and “in pit” maintenance programs have been designed to be cost effective. A computerized maintenance planning system is used to schedule preventative maintenance on mobile and stationary equipment. Maintenance crews work around the clock to ensure that the necessary equipment is ready when needed.



The Environment

On site environmental staff monitor the mine site and surrounding area for air and water quality.



Reclamation programs are designed to reclaim mined out areas and mined rock piles to provide a habitat for wildlife.



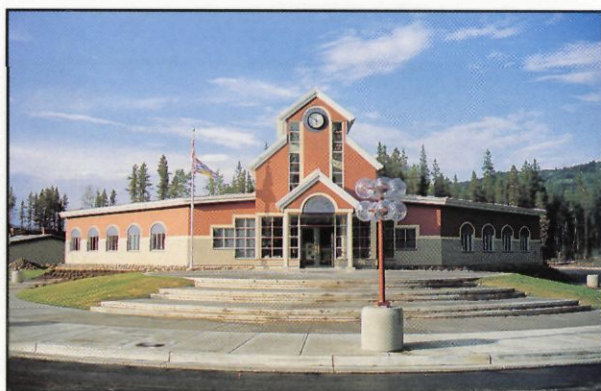
1986



1996

The Company

Bullmoose Operating Corporation is a joint venture owned by: Teck Corporation (61%), Rio Algom (29%) and Nissho-Iwai Coal Development (Canada) Ltd. (10%). The mine is located near the town of Tumbler Ridge, B.C.



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