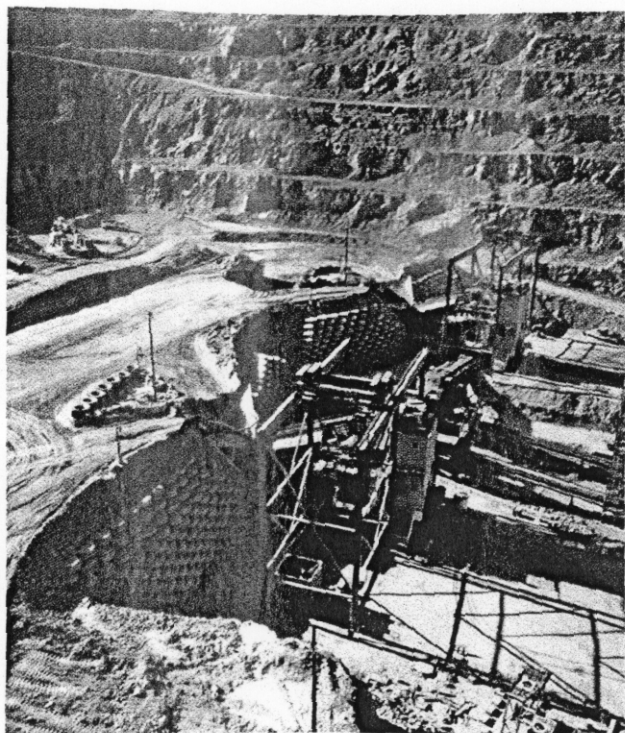


Highland Valley Mine Life Extended to 2013

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Teck Cominco is proceeding with a plan to extend mine life at its Highland Valley Copper operations 60 km southwest of Kamloops in south-central British Columbia by about five years to September 2013. Highland Valley Copper mines two open pits—Valley and Lornex—each with its own concentrator. In the Valley pit, the extension plan involves relocation of the two in-pit crushers and push-back of the east and south pit walls to access 174 million mt of ore grading 0.45% copper. In the Lornex pit, an additional 23 million mt grading 0.46% copper will be extracted from the lower portion of the main pit.

Capital cost to implement the extension plan will total about C\$40 million. The mining rate will drop to an average of about 120,000 mt/d over the 2006-2013 time frame from an average of 135,000 mt/d over the past five years. The strip ratio will increase from 0.41:1 during 2001-2005 to 0.48:1 during 2006-2013.



The Highland Valley Copper extension plan requires relocation of these in-pit crushers and push-back of the east and south pit walls in the Valley pit.

From 2006 to 2013, Highland Valley Copper's production of copper and molybdenum in concentrates is planned to total of 330 million lb and 4.4 million lb, respectively. Comparative totals for 2001-2005 were 360 million lb of copper and 6.7 million lb of molybdenum. Copper head grades to the concentrators will remain nearly unchanged from recent years at 0.403% copper, while molybdenum grades will drop from 0.011% to 0.008% molybdenum. Production during 2008 will be about 25% below the average for the period due to a necessary increase in stripping ratios and lower grades in the mines.

Strong copper and molybdenum markets have been a boon to Highland Valley Copper, which reported an operating profit of C\$279 million for the first half of 2005, up from C\$144 million during the first half of 2004. (Editor's note: See related article on p. 69.)

Quadra Purchases Carlota Project from Cambior

Quadra Mining has signed a binding letter of intent to purchase the Carlota copper project in the Globe-Miami district in Arizona from Cambior Inc. Cambior acquired the property in 1991 and by 1999 had received all permits to mine the deposit before putting it on hold to wait for better conditions in the copper market.

Quadra, which owns and operates the Robinson copper-gold mine in Nevada, anticipates developing Carlota as a heap leach, SX/EW operation, producing 66 million lb/y of LME grade copper cathodes over an 11-year mine life. Life-of-mine production costs are estimated at \$0.61/lb of copper produced. Project construction could begin as early as mid-year 2006, and copper production could begin before the end of 2007. Capital expenditure to develop the project is estimated at about \$100 million.

Quadra's payments to purchase the Carlota project will total \$37.5 million, of which \$15 million will be paid in cash upon closing. The remainder will be paid through eight quarterly gold payments of 6,250 oz of gold, beginning March 31, 2006, representing a total of \$22.5 million at a gold price of \$450/oz. Two of the existing permits for the Carlota project are subject to final appeals court litigation. The final four quarterly gold payments may be deferred if Quadra cannot begin construction by the first quarter of 2007. Quadra's purchase includes 10 used 190-ton trucks, one used P&H 2800 shovel, and a solvent extraction plant.

The companies expect the transaction to close by the end of November 2006. An additional \$4.0 million in cash may be payable by Quadra following an agreed-upon drilling program of approximately 3,000 m to confirm the status of certain material currently included in Carlota deposit reserves.

Carlota reserves total about 91 million mt, grading 0.39% copper. The copper mineralization occurs predominantly within breccia and dacitic volcanics, with the copper occurring primarily in the matrix cementing the breccia clasts together. This copper leaches easily, which will make for low acid consumption during leaching.

Cambior President and CEO Louis P. Gignac said, "We are pleased to reach an agreement to sell the Carlota project. The transaction is consistent with our strategy of focusing on building our gold portfolio. It also accomplishes a swap of exposure to copper for exposure to physical gold, as our future consideration is denominated in gold ounces. We look forward to working with the Quadra team to finalize this transaction, allowing them to move the project towards production."

Quadra Mining is a relative newcomer to the copper business. It purchased the then-dormant Robinson mine near Ely, Nevada, USA, from BHP Billiton in April 2004, restarted production, and shipped its first concentrate from the mine in mid-October of 2004. Quadra expects Robinson to produce between 120 million and 127 million lb of copper and 75,000 oz of gold in concentrates in 2005.