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# TASEKO MINES LIMITED

## QUICK FACTS

### **PROSPERITY**

### **GOLD - COPPER PROJECT**



Looking Southeast Over the Proposed Development Site

**Building a Sustainable Community  
Through Mining**

Taseko Mines Limited  
**Prosperity Gold-Copper Project**

**Project Background**

Canada's largest known gold deposit lies 125 kms. south-west of Williams Lake, B.C. in a gold-copper orebody called Prosperity.

Taseko Mines Limited, a publicly traded mine development company based in Vancouver, B.C., has invested \$41 million in exploration, land acquisition and development at the site since 1990. Pre-feasibility studies completed in 1994 indicate that Prosperity is an economically viable project, utilizing conventional open-pit mining and milling technology.

**D**eveloping a mine from exploration through production is a long, carefully planned process in British Columbia. In 1995, the province's Mine Development Assessment Act was replaced by the B.C. Environmental Assessment Act (BCEAA), which provides for the independent, scientific and public review of any proposed industrial project or facility whose development could impact the environment.

Mine development is also regulated by the federal government through the Canadian Environmental Assessment Act (CEAA). The CEAA and BCEAA both provide for the harmonization of environmental review processes to eliminate overlap and duplication. It's expected that Prosperity will become the first mine development proposal in British Columbia to receive regulatory and public review through a single, coordinated process involving federal and provincial authorities.

**T**aseko Mines Limited welcomes the opportunity to present the findings of its environmental, socio-economic and technical studies to all stakeholders involved in the environmental review process. It's hoped that Prosperity will set a new standard for the mining industry in the realm of open, informed decision-making that respects environmental, economic and social concerns.

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**Economic and Social Benefits**

Gold-copper mining and processing at Prosperity would provide direct and indirect benefits to communities in the Cariboo-Chilcotin and throughout British Columbia. These benefits include job creation, economic diversification, new markets for local businesses, career and business opportunities for First Nations, increased tax revenues, enhanced recreation and tourism potential and significant local investment.

The Prosperity Project has the added benefit of sending a positive message to the international investment community about resource development in British Columbia and Canada.

*Employment Benefits*

- The Prosperity mine's \$460 million, 26-month construction phase would support an average of 250 jobs, with peak employment of about 700. Local contractors and suppliers would be favoured where quality and competitiveness are comparable.
- The mine's 32-year operations phase would support 442 jobs in year one, rising to 721 jobs by year 23. More than 19,000 person-years of employment would be created for an average work force of about 600.
- Wages would average \$60,000+ per annum in 1996 dollars.
- Economic activity generated by the Prosperity mine would support an additional 619 indirect and induced jobs in the Cariboo-Chilcotin region. Indirect jobs refer to mine contractors and suppliers, while induced jobs refer to those businesses supported by the spending of mine employee wages.

### *Economic Activity*

- Investors from Canada, Europe and the United States have invested \$41 million in B.C. goods and services in support of the Prosperity Project since 1990. Project approval would precipitate another \$460 million investment to construct mine facilities, and the further expenditure of \$325 million in sustaining capital over the life of the mine. The majority of this investment represents foreign capital flowing to British Columbia.
- Tax revenues from all project sources would average \$82.6 million annually over the life of the Prosperity Project. By way of comparison, total public education spending in the Cariboo-Chilcotin school district in 1996-97 is set at \$55.6 million.
- The Prosperity mine would produce 10 million ounces of gold and 3.5 billion pounds of copper.
- In total, the Prosperity mine would generate \$6.3 billion in new wealth for the economy and people of British Columbia.

**T**he proposed Prosperity mine is situated in an Integrated Resource Management Zone, as designated by the Cariboo-Chilcotin Land Use Plan adopted by government in 1994. Mineral exploration and mine development are explicitly permitted within this zone, provided they support the overall management objective of balancing social, economic and environmental priorities. Key to achieving this balance is the identification of specific sites "appropriate for enhanced resource use." The gold-copper deposit at Prosperity is identified within the land use plan as an area of interest for enhanced resource development.

**I**n concert with its 1994 land use plan, the B.C. government implemented a Cariboo-Chilcotin Jobs Strategy which promised to create 1,000 new jobs within three years. Should the Prosperity mine be approved, resulting direct and indirect employment would easily surpass government's job creation targets for the entire region — while affecting less than 0.04 per cent of the land base.

### *Social Benefits*

- The Prosperity mine would enhance community stability throughout the Cariboo-Chilcotin by establishing a major industrial consumer of local goods and services, and providing hundreds of stable jobs at family-sustaining wages.
- The onset of mining operations at Prosperity would provide employment continuity for workers expected to be displaced at the nearby Gibraltar mine. This would contribute to local community stability and stem the flight of skilled labour from the region.
- Prosperity would provide employment opportunities and economic growth for rural communities, such as Riske Creek, Alexis Creek, Hanceville, Lees Corner and Big Creek. Charter bus transportation from Williams Lake would serve commuters from many of these smaller communities.
- Prosperity would provide training and career opportunities for youth living in the Cariboo-Chilcotin region. Hundreds of young men and women could secure lifetime employment that allows them to live and raise families in their home communities.
- Prosperity could reduce local First Nations' unemployment rates and related social problems.
- The proposed rainbow trout habitat replacement project is an opportunity to create a more productive and accessible recreational fishing experience. Relocating the Fish Lake campground could provide for a broader range of recreational uses, and increase the potential for tourism and recreation-related economic development.
- Habitat replacement and site reclamation will expand and diversify the sport-fishing resource in the Cariboo-Chilcotin.

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**Environmental Issues**

**C**ertain physical characteristics of the Prosperity site provide natural opportunities for managing environmental impacts. Specifically, the proposed mine development could be wholly contained within the Fish Creek watershed; a mix of non-productive forests and pasture land totalling some 8.3 sq. km. Mineral extraction, milling and storage facilities would impact about 37 per cent of this area prior to reclamation.

Confining the project to a single, small valley allows for the recycling of all process waters and the design of a totally contained and self-sufficient water system. It also provides for the environmentally safe storage of all waste rock and tailings, and significantly limits visual impacts.

**H**owever, in addition to the usual environmental concerns associated with mine development in British Columbia, Taseko Mines Limited faces one exceptional challenge. The Prosperity Project would temporarily displace rainbow trout habitat in Fish Lake and Fish Creek, along with the angling and camping opportunities they provide.

Fish Lake is a small (1 sq. km.), topographically-isolated lake with a monoculture fish population of rainbow trout; a common fresh-water species present in some 500 lakes throughout the Cariboo-Chilcotin. About 17 per cent of these lakes — 85 in total — support a similar, self-sustaining monoculture population of rainbow trout.

Angler success rates at Fish Lake are high, although fish are generally below legal size and often infested with gill lice and swim bladder parasites. Of an estimated 500,000 angler-days each year in the Cariboo-Chilcotin, about 250 or 0.05 per cent are provided by Fish Lake.

The Prosperity gold-copper orebody is centred 1 km. north of Fish Lake and directly beneath Fish Creek. Pre-feasibility studies indicate it is not possible to retain these aquatic resources while removing 10 million ounces of gold and 3.5 billion pounds of copper from the site.

Taseko is dealing with the Prosperity Project's potential environmental impacts in two ways. First, the company intends to create suitable habitat at a nearby lake to relocate the displaced rainbow trout population. Options have also been identified to ensure that camping and angling opportunities present at Fish Lake are relocated along with the fish.

Secondly, a comprehensive reclamation plan is being designed to restore a wide range of natural values following the mine's productive life. The re-establishment of rainbow trout is a key pillar in the reclamation plan, as is the restoration of native pine forests, pasture lands for cattle grazing and wetlands habitat for waterfowl.

#### *Replacing Fisheries and Recreation Values*

Federal fisheries policy provides for habitat replacement as an acceptable form of compensation for the kind of rainbow trout habitat loss expected at Fish Lake. Taseko Mines Limited is expending considerable time and technical resources to identify suitable habitat creation options in nearby lakes that are currently barren.

From the company's perspective, an acceptable habitat replacement option must satisfy three criteria:

1. the provision of equal or improved habitat quality, as measured by biological productivity and water chemistry;
2. the provision of an accessible and productive fishery;
3. preservation of the Fish Lake rainbow trout population's gene pool.

*Replacing Fisheries and Recreation Values (cont.)*

A rudimentary campground at Fish Lake currently provides recreational access to about 200 individual visitors each year — mostly anglers. Taseko Mines Limited plans to develop a similar facility in another location as part of its fish habitat replacement project. Depending on the lake or lakes chosen for habitat replacement, the new campground could provide greater ease of access and serve a broader range of recreational uses than the existing site at Fish Lake.

*Site Reclamation*

The proposed Prosperity mine site provides excellent opportunities for successful reclamation. In addition to flooding the open pit and reclaiming its banks to provide fish and waterfowl habitat, Taseko would ensure the former tailings pond supports rainbow trout and other aquatic species. The mine's waste rock storage site, tailings disposal area and plant site would be returned to productive forest and pasture land.

With the help of Ducks Unlimited and other members of the Environmental Mining Council of B.C., Taseko intends to restore and enhance all natural values currently present at Fish Lake following the mine's 32-year productive life.