

Other Companies

- Fortune Minerals Limited (FT) announced the appointment of James Mucklow, M.E.Sc., P.Eng., as the Company's Manager of Environment and Community Relations. Jim, who will be based in Thunder Bay, Ontario, will be involved with the management of environmental studies and programs, as well as permitting, including Environmental Assessments and community relations for all of Fortune's projects. Fortune owns the Mount Klappan anthracite coal project in British Columbia and the NICO gold-cobalt-bismuth deposit in the Northwest Territories
- Crew Gold Corporation (CRU) is proceeding ahead of schedule of refurbishment and commissioning of the Nugget Pond plant in preparation for the first delivery of ore from its Nalunaq mine in southern Greenland. Ore will be shipped through South Brook in Newfoundland and trucked to site at a modest additional cost of US\$13 per tonne until a dedicated unloading facility at Snook's Arm is constructed mid this year. This will enable processing of ore several months earlier than originally anticipated and improve cash flows from the Nalunaq mine and reduce working capital requirements. The Company has improved operations at Nalunaq during 2006 and is now delivering improved productivity and should see the operation achieve its targeted production of 500-550 tonnes per day.
- bcMetals Corp. (C) is recommending shareholders accept a cash takeover offer from Imperial Metals Corp., which values the junior miner at about C\$42.2 million (\$36 million). Imperial Metals (III) is offering C\$1.10 per common bcMetals share, and 2 Canadian cents per out-of-the-money security. The bcMetals directors' circular also recommends against a lower, competing cash bid of C\$1.05 per share from Taseko Mines Ltd. Imperial's offer hinges on the termination of a planned bcMetals venture with Global International Jiangxi Copper Mining Co. Hong Kong based Jiangxi, 49 percent held by Jiangxi Copper Co. Ltd., has agreed to pay \$105 million to buy a 75 percent stake in bcMetals' Red Chris copper-gold project in northern British Columbia. Imperial's bid also requires two-thirds of bcMetals' common shares be tendered.

Mount Klappan

Red Chris

Industry

- China told banks to set aside more money as reserves for the fourth time in seven months to prevent a rebound in lending and investment in the world's fastest-growing major economy. Banks must put aside 9.5 percent of deposits starting on Jan. 15, up from 9 percent, the Beijing-based People's Bank of China said today on its Web site. China, which raised interest rates twice last year to reach 6.12 percent, wants to prevent cash generated by a record trade surplus from being channeled through bank lending into investments.
- Bolivia plans to raise the taxes paid by mining companies six-fold. Mining Minister Guillermo Dalence was quoted as telling the daily La Razon that the leftist government of President Evo Morales had received \$45 million in tax revenue on mining exports of \$1 billion in 2006. "That's a ludicrous amount taking into account that these are not renewable resources. If in 2007 we were to export \$1 billion worth of minerals again, the state should receive at least \$300 million," Dalence was quoted as saying. "That should be the aim of the new taxing system," he added, according to the report. The tax increase is part of a new mining policy Dalence is due to announce before the end of January, La Razon said. U.S.-based mining companies Apex Silver Mines Ltd. (SIL.A) and Coeur d'Alene Mines Corp. (CDE.N) are expected to start production in two multimillion-dollar mining projects in Bolivia this year.
- China may purchase more copper this month and the next as wiremakers stock up to ensure output isn't disrupted during the week-long Lunar New Year holiday, Beijing Antaike Information Development Co. said in a monthly report. China's copper demand has recovered as prices fell. Copper demand in China, the world's biggest consumer of the metal, will expand 5.6 percent this year, the same as in 2006, while the increase in domestic production may slow as the global supply of concentrate lags behind consumption.
- A prolonged staffing squeeze is hitting small Canadian mining companies harder than senior producers because they often don't have the connections or cachet to lure workers. Canada's mining industry faces a massive shortage of workers, a 2005 government-funded study said. The report predicted the high-growth sector will need up to 82,000 new workers in the 10-year period ending 2014. More than 50 percent of the industry's workers are between 40 and 54 years old, and 40 percent say they plan to retire by 2014.
- Copper mining company Asarco and the United Steelworkers union reached a tentative agreement on Saturday for a new contract covering 1,500 workers in plants in southern Arizona and Texas. The accord grants workers a \$3 per hour wage increase over the course of the contract. The deal expires June 30, 2010. The accord must be ratified by workers in the next few weeks and also must be approved by a federal bankruptcy court in Texas since Asarco, which is majority-owned by Mexican mining giant Grupo Mexico has filed for Chapter 11 protection.
- Brazilian base metals producer Votorantim Metais will buy 20,000 tonnes per year of zinc in concentrates from Americano do Brazil. The concentrates will come from Americano's mine at Montecristo, Minas Gerais state, and will be used at either Votorantim's Tres Marias or Juiz de Fora smelters. Votorantim is Brazil's sole electrolytic zinc producer, with output in 2006 of around 410,000 tonnes. It is expanding capacity at its smelter in Juiz de Fora, Minas Gerais state, to 108,000 tonnes a year by late 2007, from the 92,000 tonnes a year, as part of a \$132 million investment, including a move into indium production. Votorantim also owns the Tres Marias smelter, also in Minas Gerais state, which has production capacity of around 180,000 tonnes a year of zinc metal, as well as the 130,000 tonnes a year

H V - Jan. 8/07