

Tulsequah Chief Mine

676509

Project summary – an unqualified success!

Many people have expressed an interest in the Tulsequah Chief Mine Project proposed by Redfern Resources. In response, we are happy to provide the following project summary.

Employment

- 700,000 person-hours of employment.
- up to 397 positions during two year construction period.
- 260 full-time highly paid positions during operation over minimum 9 year mine life.

Economics and Revenue

- \$250 million in revenue to governments over mine life.
- Project payback in 3.2 years.
- Rate of return before tax of 24.6%.

Environment

- Re-open and clean-up old mine site.
- Underground mine – low surface impact.
- All potential acid generating waste returned to mine for safe disposal.
- Neutral waste products designed for permanent surface storage and closure.

Construction and Operating Expenditures

- millions of dollars*
- Construction: \$142 capital over two years
 - Operating: \$50 operating costs annually, \$436 million in total.
 - \$29 million capital over 9.2 year mine life

Revenue

- 9 year mine life, open to increase 3.2 year payback, 24.6% pre-tax IRR
- Millions of dollars*
- Mine life total revenue: \$935
 - Shareholder return (after taxes, capital recovery) \$184
 - Mine life direct Government revenues \$191
 - plus employee income taxes, estimate \$30
 - plus spin-off employment income tax, (estimated) \$30
 - Total government revenue, estimated \$251**

Access and Infrastructure

- Construction of a 160 kilometer single lane mine access road from Atlin south to the mine site; 115 kilometers of new construction.
- Total cost of \$30.4 million.
- Public highway 7 from Atlin, BC to the Alaska highway requires base strengthening and upgrading.
- Surface plant and facilities, 9 megawatt diesel power plant, underground mill.
- Airstrip, tailings impoundment site and limestone quarry.

Direct Employment

During construction: 700,000 direct person-hours over two years, up to 397 positions and \$40 million in labour wages.

During operation: 260 employees and contract positions, \$15.5 million in wages and benefits, average \$74,000 per position annually.

Environmental Protection Measures

- New mine will effect complete clean-up of old mine site and existing river contamination.
- Underground mine with low surface area disturbance.
- Underground mill and rock crushers for minimal surface noise.
- Mine design avoidance of potential acid-generating rocks.
- Maximum return of waste products to the underground mine.
- Safe neutral tailing disposal on surface for permanent reclamation and re-vegetation on mine closure.
- Treatment plant for all minewater discharge to ensure water quality compliance.
- Restricted access road management to preserve wildlife values.

First Nations

- Project lies entirely within Taku River Tlingit First Nation territory
- Phase 1 Agreement in place, contemplates future comprehensive Impacts and Benefits Agreement
- Consultation is comprehensive and ongoing.
- Taku River Tlingits are at Stage 4 in land claims process.
- Located within Taku River Tlingit First Nation (TRTFN) traditional territory. There are no other overlapping First Nation land claims
- Redfern and TRTFN have signed a Phase 1 agreement covering protocols for information exchange and environmental assessment assistance. This agreement contemplates negotiation of a future *Impacts and Benefits Agreement*.
- Redfern and TRTFN are maintaining frequent meetings and consultations.

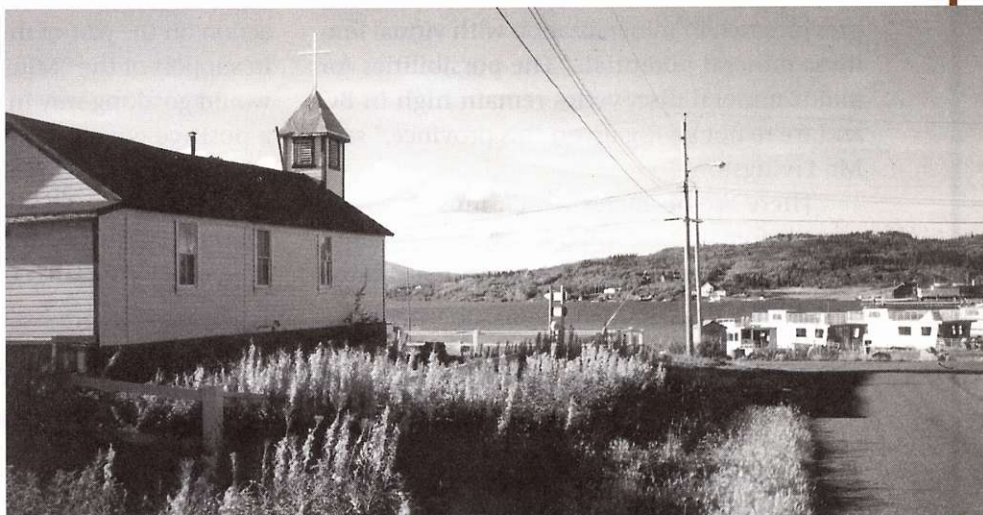
Please see the the bottom of page 7 to learn how you can help support the Tulsequah Chief Project and mining in BC.

Reserves

Tonnes	Zinc %	Copper %	Lead %	Silver (g/t)	Gold (g/t)
7.91 million	6.35	1.27	1.18	100.91	2.42

Forecast Average Annual Production of Metals

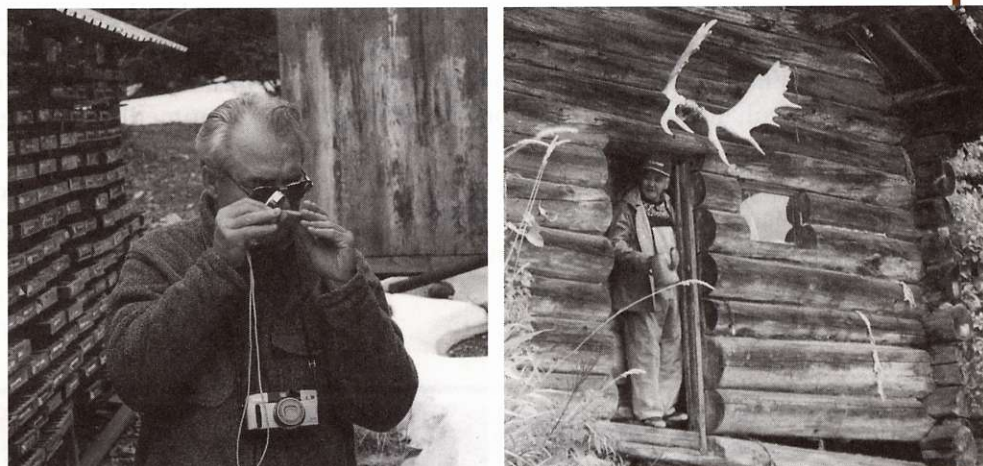
Metal	Zinc (tonnes)	Copper (tonnes)	Lead (tonnes)	Silver (ounces)	Gold (ounces)
Annual	53,200	10,090	9,350	2.42 million	56,000
Total	489,400	92,800	86,000	22.2 million	516,000



Atlin, BC: The "downtown centre". A small, peaceful community on the BC/Yukon border, Atlin has a long and proud mining history.



The Tulsequah Chief Mine will breath life back into a mining operation, halted by economics in the mid-50s. In addition to much needed economic prosperity to the area, the mine revitalization will also bring modern reclamation practices to the site.



Bottom Left: Ken Sumanik, MABC Director of Environment and Land Use, takes a closer look at some recent core samples.; Bottom right: Jackie Williams, Wolf Clan leader of the Taku River Tlingit and a supporter of the mine revitalization, stands in the doorway of his former home situated near the proposed mine site. As a youngster, Mr. Williams used to work at the former mining operation.

WE'D LIKE TO HEAR FROM YOU!

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If you have news stories, items of interest, have won recognition awards, or would like to see your company featured in this publication, please contact: **The Mining Association of BC Attention: Brian Battison.**

Or return to:
The Mining Association of BC
Mining House
840 West Hastings Street
Vancouver, BC V6C 1C8
Phone: (604) 681-4321 Fax: (604) 681-5305

BOARD OF TRADE SPEECH: The Mining Association of BC, fully aware of the obstacles to be overcome, has reconfirmed the mining industry's commitment to BC.

In a speech to the Vancouver Board of Trade, Mr. Livingstone, President and CEO of the Mining Association of British Columbia has reconfirmed the mining industry's commitment to BC.

*Gary Livingstone,
President and CEO of
the MABC*

Despite the popular notion that the industry is leaving BC and going to work in exotic locations such as South America, BC remains a province rich in mineralization with virtual limitless mineral potential. "The possibilities for major mineral discoveries remain high in BC and we're not giving up on this province," says Mr. Livingstone.

There are obstacles which must be overcome before mining will once again experience the kind of investment needed for sustained

growth. Mr Livingstone declared, "Our first priorities must be to address the perception that mining activity in BC is plagued by a government indifferent to mining, a stifling provincial bureaucracy and powerful environmental opponents."

Mining Jobs 2000

The industry has received strong words of encouragement from the Minister responsible for mining, Hon. Dan Miller. All indications from him suggest his government is prepared to take some action on "Mining Jobs 2000"-a seven point plan that could create over 22,000 "family supporting jobs" over the next ten years. Tangible action on the part of the Provincial Government in support of the "Mining Jobs 2,000" initiative would go along way in helping to demonstrate a positive government attitude towards mineral resource development in BC.

Clark declares Greenpeace "enemies of BC"
Premier Clark called Greenpeace "enemies of

It appears the government is prepared to take some action on "Mining jobs 2000", a seven point plan that could create over 22,000 "family supporting jobs over the next ten years"

British Columbia. That took courage. We are as perplexed and perturbed as Premier Clark, by those who deliberately inflict hardship and suffering on innocent resource workers, their families and their communities," said Mr. Livingstone.

"Governments must have the courage to allow science and common sense guide their actions and decisions." To our government leaders I say, "Don't be distracted by those who use scare tactics and questionable "science" for their own selfish interests." We have proven ourselves accountable for our actions... our opponents have yet to do so." •

MINING JOBS 2000: BC's mining industry responds to Government's #1 priority by presenting a seven point plan to generate 22,000 mining jobs over the next 10 years.

In response to the government's top priority, BC's mining industry put together the Mining Jobs 2000 proposal, a plan where government and industry work together to achieve the goal of meaningful job creation. The Government's response to the plan, which was first presented last April, was encouraging ... "let's move it ahead." But are they really serious about job creation? If they are then let's see some action, let's see some tangible evidence that new and profitable mines can be built in BC.

Mining Jobs 2000 - A Straight Forward Plan to Create 22,000 Jobs

The Mining Jobs 2000 plan is simple. There are seven points to it, each of which requires direct action from government to eliminate the most serious regulatory impediments to mining.

Implementing our seven point plan will create over 22,000 direct and indirect jobs ensuring a sustainable mining industry in BC.

On a government revenue basis this is equivalent to almost 40,000 jobs, generating \$5.1 billion in direct mine development investment and millions in further government revenues, greatly enhancing provincial economic strength and stability.

Task Teams

Task Teams made up of government and industry experts shall be assigned to:

1 to identify areas of government

responsibility that impede the growth and development of the mining industry and in doing so undermine the industry's national and international competitiveness;

2 to propose solutions for the removal of those impediments. To date, task teams have been set up for three out of the seven issues identified;

- a) access to land;
- b) security of mineral tenure;
- c) streamlining regulations.

They are doing their work and it will soon be time for tangible action by government.

The Need for Government Action

The only meaningful way to gauge the degree of government commitment to the creation of family supporting jobs in the mining sector, is for some substantive action by government on the first three issues. National and international investors need to see real commitment to the industry on the part of the government. That means legislative/regulatory/policy changes in these seven key areas. What are those changes? They will be identified by the task teams. The immediate changes required have been identified:

- 1 A new Mineral Exploration Code - promised by government to be coming into effect "any day now";
- 2 A fair system of compensation for land claims effectively expropriated by

- 1 Assure access to land
- 2 Security of mineral tenure
- 3 The creation of a competitive tax structure
- Development of an efficient/transparent permitting process
- 5 Native land claims
- 6 Competitive electrical rates
- 7 Streamline regulations

government through the establishment of parks and other land-use designation changes. Compensation paid to the current 300+ mineral claim holders who have lost claims due to park designation.

Other changes, especially those relating to the streamlining of regulation, will be identified shortly by the appropriate task team that is up and running and more work needs to be done by the Access to Land Task Team before specific remedies can be recommended in that area. •

Help support the Tulsequah Chief Project* and mining in BC by writing your concerns to:

MABC members and supporters of mining in British Columbia are requested to demonstrate their support for Redfern Resources Ltd.'s Tulsequah Chief Project by contacting key members of Provincial Cabinet.

Please call or write:

Honourable Glen Clark
Premier

Room 156,
West Annex Parliament Buildings
Victoria, BC V8V1X4
Phone (250) 387-1715
or Fax (250) 387-0087

Honourable Cathy McGregor
Minister of Environment, Lands and Parks
Room 337, Parliament Buildings
Victoria, BC V8V1X4
Phone (250) 387-1187
or Fax (250) 387-1356.

Honourable Dan Miller
Minister of Employment and Investment
Room 152, Parliament Buildings
Victoria, BC V8V1X4
Phone (250) 356-7020
or Fax (250) 356-5587

PUBLIC ACCESS COPIES AVAILABLE

Public access copies are also available in the communities of Atlin, Whitehorse, Skagway and Juneau.

Contact:

Norm Ringstad
Tulsequah Chief Project Committee Chair
Environmental Assessment Office
2nd floor, 836 Yates Street
Victoria, BC V8V1X4
Phone (250) 356-7481
or Fax (250) 387-2208

VIEW THE REPORT

The Tulsequah Chief Project Report can be viewed in full at the provincial Environmental Assessment Office

836 Yates Street, Victoria

or in summary via the internet
www.eao.gov.bc.ca

60-DAY PUBLIC REVIEW ENDS NOV. 6, 1997

The 60-day public review period for Redfern Resources Ltd's Tulsequah Chief Project Report began on September 8, 1997.

Public comment must be received by the provincial Environmental Assessment Office no later than November 6, 1997.

*see article on the Tulsequah Chief Mine on back page [8] of this issue