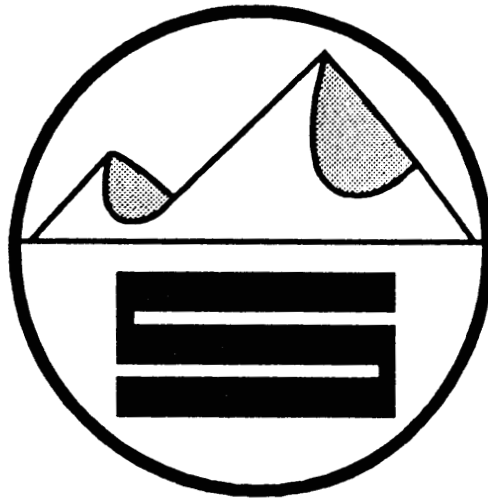


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**INTERNATIONAL SKYLINE GOLD CORPORATION**

# **SKYLINE**

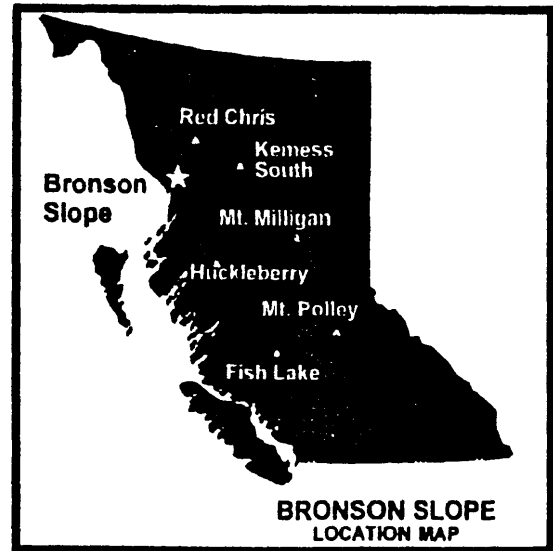


**PROPOSED BRONSON SLOPE MINE**

**November 1995**

# ***THE BRONSON SLOPE PROJECT***

*The Bronson Slope project is a proposed 12,000 tonne per day gold / copper / silver / molybdenum open pit mining operation located approximately 110 air km northwest of Stewart, B.C. Power for this mine is proposed to be supplied by a run-of-river hydroelectric facility located on the Iskut River. The project is expected to cost approximately \$130 million to build and provide approximately 105 permanent jobs over a projected 15 year mine life.*



## ***OVERVIEW OF THE ENVIRONMENTAL ASSESSMENT PROCESS***

*Before this project can proceed, an extensive review of all potential impacts will be carried out under the auspices of the provincial Environmental Assessment Office and Bill 28, the Environmental Assessment Act. The intent of this review is to ensure that stakeholder's concerns are communicated to the province and the company and addressed in the planning of the project. International Skyline Gold is committed to taking all necessary steps to ensure that these concerns are addressed and that negative impacts are mitigated to the largest degree possible in planning for this project, during operations, and at closure.*

*As of the fall of 1995, the Bronson Slope project is in the first stage of the provincial review process. This stage is expected to conclude in mid-February 1996, at which time initial public and agency comments on the application will be received by the Environmental Assessment Office.*

*Following the initial review of the application, the second stage of the review process will see the preparation of a comprehensive Project Report dealing with all outstanding environmental issues and will include further public and first nations consultation. The company hopes to resolve all issues to the satisfaction of stakeholders by the early spring of 1997.*

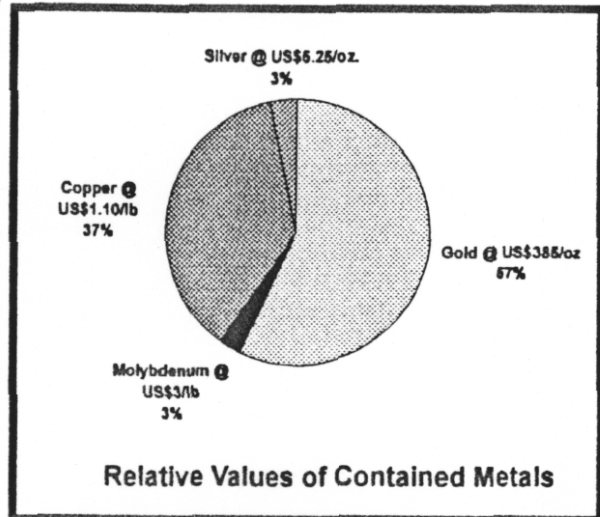
*At the conclusion of this second stage, assuming all issues have been adequately resolved, International Skyline Gold should be in a position to receive the Minister's decision on the award of a Project Approval Certificate.*

# DESCRIPTION OF THE PROJECT

## RESERVES

The Bronson Slope deposit has an inferred resource of approximately 90 million tonnes containing 0.749 grams gold/tonne, 0.16% copper, 4.2 grams silver/tonne, and 0.01% molybdenum.

The minimum estimated mineable resource is 56,728,000 tonnes of ore grading 0.545 grams per tonne gold, 2.4 grams per tonne silver, 0.18% copper, 0.01% molybdenum, and 16,347,000 tonnes of waste material. The ratio of waste rock to ore is 0.29:1. At a mining rate of 12,000 tonnes per day, the projected economic mine life is approximately 15 years.

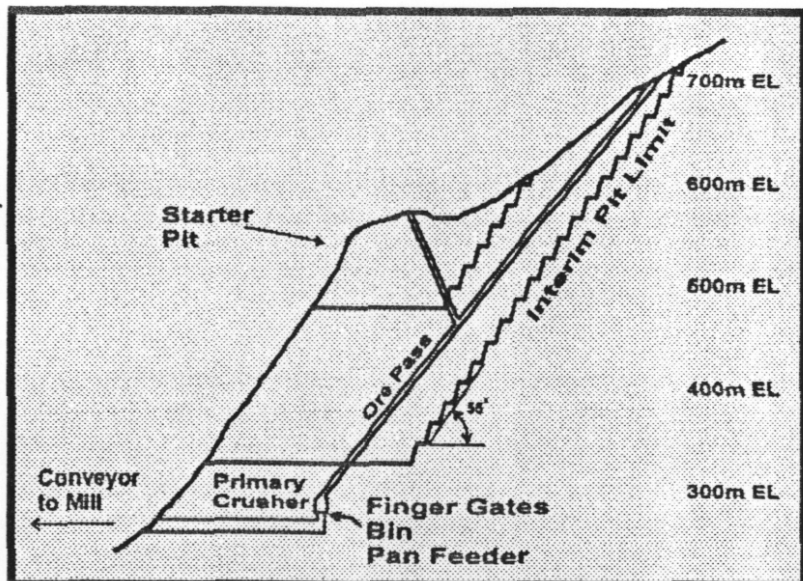


The relative value of the metals in the mineable reserve is outlined on the accompanying pie chart.

## Mining & Milling

The mineral deposit has been exposed on three sides by natural erosion, leaving a steep bluff protruding from a mountain slope. The deposit will be mined by a series of horizontal benches moving down the face of the bluff using conventional open cut mining methods.

The location of the deposit above potential mill sites eliminates the need for hauling. All material moved from the mine area will be moved on the bench by conventional truck and shovel operations or rubber tired loaders and dropped down a twin ore pass system to the valley bottom where it will be transferred by conveyor to either the mill or waste storage facility.



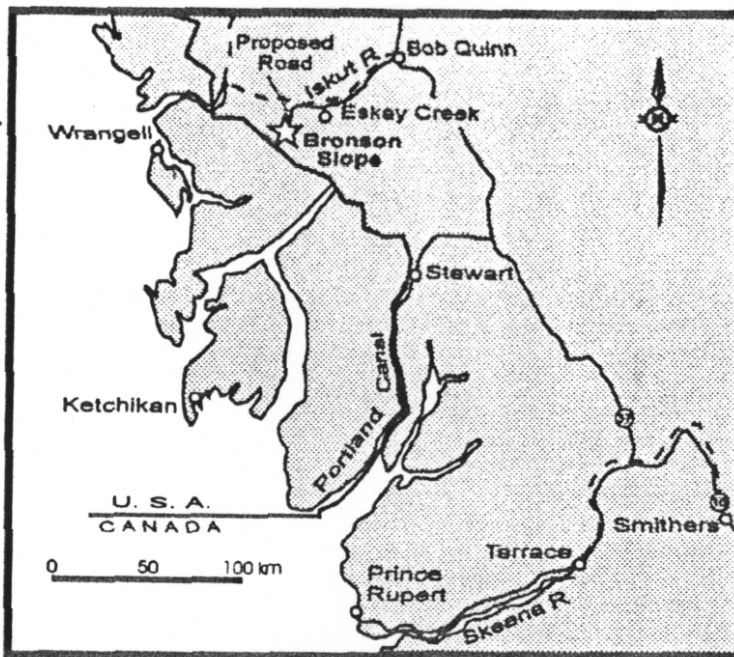
The mill conceptual design is a 12,000 tonne per day facility. While the final location has not been selected, it is likely that the mill will be situated in the vicinity of the existing Snip site at the bottom of the bluff.

## Location

The deposit is located in the Liard Mining District at 56° 39' 54" N. Latitude, 131° 05' 15" W Longitude on N.T.S. map sheet 104 B 11E. It is 110 air km northwest of Stewart, B.C. The project is located near the confluence of the Iskut and Craig rivers immediately adjacent to Skyline's Johnny Mountain mine and Cominco's Snip mine, and approximately 40 km from Homestake Canada's Eskay Creek operation. The accompanying map shows the location of the project.

### Transportation Routes

Road access is required for the construction of the Bronson Slope facilities and for shipping supplies and concentrates. Transportation routes to the site will be along the provincial highway network to Bob Quinn on Highway 37. From this point, access to the mine site will be along the Iskut River Road. A 30 km extension to this road is required to reach Bronson Slope.



Although road access will be in place, it is the company's intention to fly crews in and out of the site from one or two of the communities in the region on a regular rotation. Air access to Bronson Slope is available at both the Snip airstrip and the Johnny Mountain airstrip.

### Power Supply

The Bronson Slope operation will require approximately 15 MW of power. This power is proposed to be supplied through the construction and operation of a run-of-river hydroelectric generating plant located approximately 30 km upstream on the Iskut River. This plant will divert a portion of the Iskut's water into an intake structure and through a tunnel and underground powerhouse before returning the water to the river approximately 3 km downstream. With the exception of the diversion of this water over a short reach of the river, the natural flow of the Iskut will not be altered in any way. The site has been chosen to ensure that the diversion of water and the plant facilities will have no impacts on fish or their habitat.

Power supply alternatives include extending a 138 kV transmission line from BC Hydro's grid at Meziadin Junction or running on-site diesel generation. A transmission line extension would require a right-of-way to be cleared, most likely along Highway 37 from Meziadin Junction to Bob Quinn and down the Iskut River road. The on-site diesel alternative would require the delivery of large quantities of fuel to the site from Stewart by road. Relative to these alternatives, the hydroelectric plant has significant economic and, the company believes, environmental advantages.



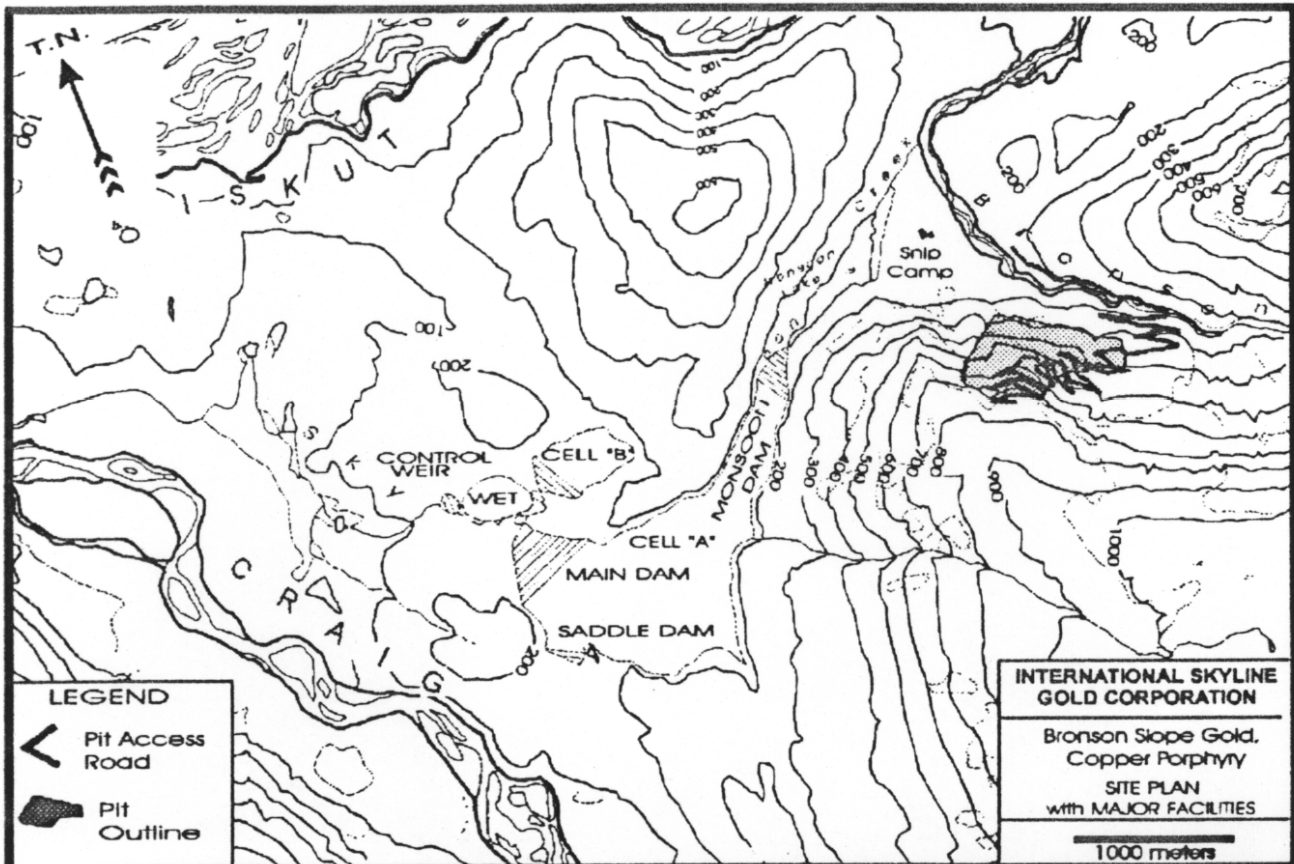
*The ore will be milled through a semi-autogenous and ball mill grinding circuit followed by conventional gravity concentration and flotation circuits. Concentrate will be dewatered using conventional thickening and filtering with all process water recycled to the mill. Mill products will include a copper concentrate containing the gold and silver, a separate molybdenum concentrate, and free gold from the gravity concentration circuit. There is potential for significant magnetite recovery should market demand warrant it.*

### **Tailings and Waste Rock Handling**

*Tailings and waste rock will be disposed of in a conventional tailings dam structure in a location adjacent to Cominco's existing Snip tailings. The structure will be engineered to allow for staged reclamation throughout the life of the mine.*

*Information to date indicates that the Bronson Slope tailings are expected, on average, to be marginally acid generating. To mitigate against the possibility of acid generation in the future, the tailings structure and disposal plan will be designed to completely isolate the potentially acid generating component of the rock.*

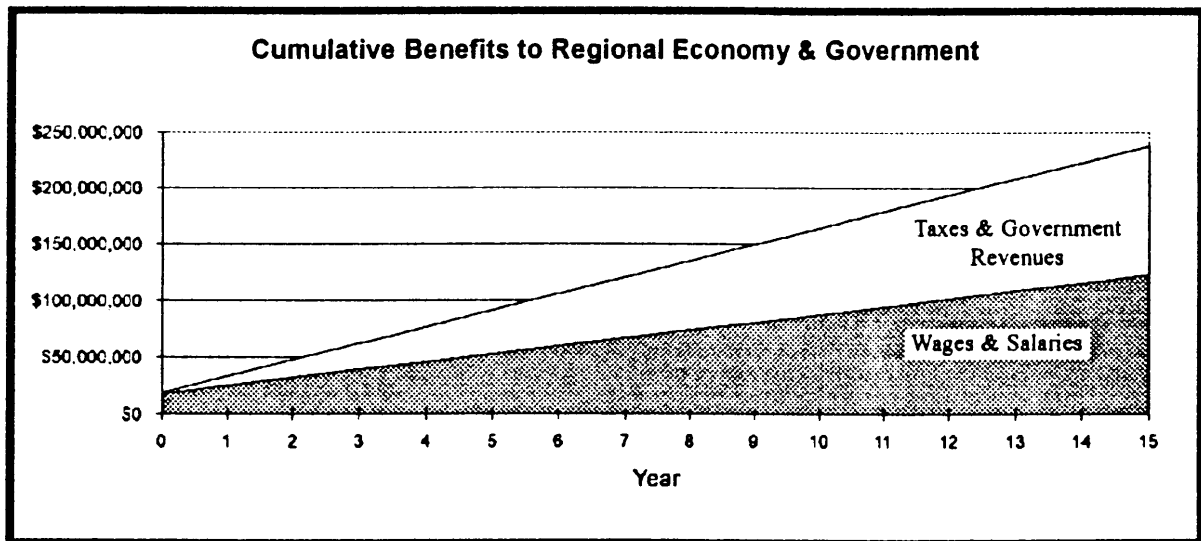
*This will be done by segregating the tailings into two fractions; a large volume of net acid consuming sands (Cell "A"), and a small volume of high sulfide, potentially acid generating pyrite tails (Cell "B"). The facility will be designed to totally encapsulate all of the high sulfide tails inside an existing tarn, which will prevent any possible oxidation or environmental impacts. The small tarn will be returned to a natural state upon closure. The much larger volume of acid consuming sands will be stored in a conventional manner allowing progressive reclamation throughout the life of the mine.*



# ***BENEFITS OF THE PROJECT***

*This project is expected to bring in revenues of approximately \$700 million to the B.C. economy over its fifteen year life with many benefits, both direct and indirect, flowing to the various communities of northwestern British Columbia.*

*Construction of the Bronson Slope project will employ up to 250 construction workers. The operations phase of the project will provide approximately 105 permanent jobs over a projected 15 year mine life. Wages and salaries paid by the company are expected to be approximately \$7 million per year. In addition, significant indirect benefits to the region will be realized through the supporting infrastructure required during both the construction and operations phase of the mine. It is fully expected that this workforce will be largely drawn from the region and will live in the communities of the region.*



*Government revenues will be paid out in the form of personal and corporate income taxes, property tax, GST and provincial sales tax, CPP and UI premiums, payroll taxes, various licenses, fees, fuel taxes, environmental taxes, mineral property lease payments, and the corporate capital tax.*

*Direct revenues accruing to the various levels of government as a result of this project are expected to be in the neighbourhood of \$7.6 million per year.*

# ***ENVIRONMENTAL IMPACTS OF THE PROJECT***

*There can be no zero impact mining developments. However, International Skyline Gold believes that the Bronson Slope mine can be developed with impacts that are, on balance, acceptable to all stakeholders. The major focus of the Environmental Assessment Office review process is to ensure that stakeholder concerns and potential impacts are identified and acceptable solutions found.*

*Issues that will be dealt with through the review process include the effects of the proposed development on water quality in the Iskut River and its tributaries, fisheries resources in these water courses, and wildlife, heritage sites, terrain and vegetation in the project area. A significant amount of work has already been carried out to address these impacts.*

*The company acknowledges that the major issue that must be dealt with prior to proceeding with this project is the potential impact of the mining and tailings disposal on water quality. An acceptable plan to manage these impacts must be in place. This issue will be a primary focus of the company's planning for this development.*

## ***FIRST NATIONS INVOLVEMENT***

*The Government of British Columbia is legally bound to determine if aboriginal rights exist in an area and ensure that the proposed activity will not unjustifiably infringe on those rights. First Nations representatives will be directly involved through the provincial environmental assessment process in assessing the adequacy of International Skyline Gold's program of consultation with aboriginal people and evaluating any potential effects of the project.*

*International Skyline Gold fully expects that First Nations, in addition to providing input during the planning and review stages, will be an important contributor to the development of this mine and will be in a position to benefit from long-term business and employment opportunities arising from this development.*

**To contact International Skyline Gold Corporation directly on any aspect of this project, please call:**

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