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NEWS RELEASE

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Ministry of Energy and Mines and
Ministry Responsible for Northern Development

**MILLER AND ZIRNHELT RESPOND TO PLANNED CLOSURE
OF GIBRALTAR MINE**

VICTORIA—Energy and Mines Minister Dan Miller and Cariboo South MLA Dave Zirnelt today expressed concern for employees affected by the planned closure of Gibraltar Mine, near Williams Lake, and thanked the mine’s owners, management and employees for the efforts they have made to continue operations.

“This is a really difficult situation for everyone, particularly area residents,” Miller said. “The mine’s owner, Boliden, has decided it doesn’t make sense to continue production when world copper prices are as low as they are. And, unfortunately, despite support from the provincial government and wage concessions by the Canadian Auto Workers Union, which represents Gibraltar employees, a potential buyer for the mine couldn’t secure the financing needed to continue operations.”

Cariboo South MLA Dave Zirnelt added, “I know the mine managers who formed the New Management Group with the goal of buying the mine are disappointed they couldn’t reach a final deal with Boliden. But I commend them for their faith in the mine’s future, and I commend the mine’s employees for their willingness to make concessions in order to help secure that future.

“I also share their frustration and disappointment over the fact that world market conditions are having such a negative impact on local people’s lives.”

To support mine managers’ efforts to buy and operate Gibraltar Mine, which employs 273 people, the provincial government had negotiated a Power for Jobs agreement that would have provided competitively priced power to support the mine’s operation. It had also committed to work with Boliden on a full reclamation plan to ensure a smooth transfer of the mine’s ownership.

“Unfortunately, we have no control over world copper prices or market conditions,” said Miller. “But we’d hoped to work with Boliden, or with new owners, to support Gibraltar’s continued operations when conditions change.”

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Miller added that the province's mining initiative will provide a solid foundation from which B.C.'s mining operations will be able to build when world commodities markets improve. Developed in co-operation with the mining industry, the initiative includes:

- tax credits to encourage mineral exploration
- financial incentives to encourage mine development or expansion
- streamlined regulations to support mineral exploration, and,
- legislation that recognizes the right to mine and guarantees access to mineral tenures as well as fair compensation for mineral tenures expropriated for parks and timely permitting for mining projects.

"I recognize that, in the short term, the B.C. Mining Initiative cannot, unfortunately, change the difficult circumstances which Gibraltar employees are facing. In the longer term though, I'm confident that the initiative will help B.C.'s mining industry achieve its full potential," said Miller.

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