



INNOVATIVE AGREEMENT BOOSTS MINE REHABILITATION EFFORTS IN ONTARIO

The Ontario Mining Association has signed a memorandum of understanding (MOU) with the Ministry of Northern Development and Mines, which promotes the rehabilitation of abandoned mine sites in the province. The MOU, which is in force for five years, allows for the identification and rehabilitation of specific abandoned mining sites on Crown lands.

The MOU allows companies to make voluntary donations of \$1 million, which will be matched by MNDM, to clear up evidence of historic mining activity. The MOU contains so-called "Good Samaritan" rules, which means companies can make these donations without assuming historic environmental liabilities of specific sites.

Also, this MOU permits companies to make donations in kind such as doing the work – providing manpower and equipment – at specific sites. This agreement is a breakthrough in cooperation dealing with this legacy issue.

"The OMA is committed to mineral exploration, production and processing that is environmentally responsible," said OMA President Patrick Reid. "Our members applaud the innovative action



taken by the Ontario government. This announcement today clearly reflects their commitment to addressing this situation and helping to restore mining lands."

Along with this MOU, the Minister of Northern Development and Mines Jim Wilson announced his ministry's investment of \$21 million over four years in the Abandoned Mines Rehabilitation Program. This follows the \$27 million initiative on mine rehabilitation, which was started in 1999.

"The Eves government is the first in the province's history to make an investment of this magnitude to address physical safety and environmental damage at Ontario's abandoned mine sites," said Minister Wilson. "Our government's actions are already having a positive impact on the environment

and in mining communities across the province and that is why I am pleased to continue this much-needed program.”

Further details on the MOU can be found on the OMA website.

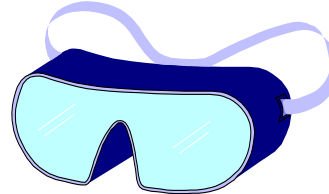


OMA AGM TO TACKLE ENERGY, ENVIRONMENTAL, SAFETY AND COMMUNICATIONS ISSUES

The Ontario Mining Association’s conference “*Framework for the Future*” will have a full agenda covering energy, environmental, safety, strategic and communication issues. This event is scheduled for October 1 to 3, 2003 at Hockley Valley Resort.

Guest speakers on the program include the Mayor of Timmins Jamie Lim, safety expert Peter Strahlendorf, Paavo Kivisto, Deputy Minister of Labour, Mary Ellen Richardson, recently appointed President of the Association of Major Power Consumers in Ontario, Carol Nelder-Corvari from Natural Resources Canada Kyoto Initiative, communications and public affairs specialist Wes Muir and Don Harron impersonating his alter ego Charlie Farquharson. There will be plenty of time to have discussions with these guest speakers.

Available spots for registration for the “*Framework for the Future*” conference are filling up quickly. This program has been developed with the generous support of a number of OMA members who are sponsors. If you have any questions, or if you still need to register, please call Peter McBride at the OMA.



SECTORAL SAFETY UPDATE

For the first four months of 2003, the lost time frequency in the gold sector was 0.6 per 200,000 hours, in the nickel sector it was 1.3, in the miscellaneous metals and minerals category it was 2.0, in the contractors segment it was 2.9 and in the diamond drill operator category it was 3.0. This leads to an overall lost time frequency of 1.3, which has remained constant for six years.

Mining is working to break through this plateau and reduce accidents further. The Ministry of Labour, provincial safety associations and the Business Council on Health and Safety are sponsoring province-wide discussions on defining and measuring “leading indicators” and analyzing them as a possible way to improving the statistical relationship between safety performance and a company’s safety program. The Ontario Mining Association’s serious incident initiative and the industry’s internal responsibility audit process results are seen as two such indicators.



SALUTE TO MINE RESCUE COMPETITION WINNERS

At the Ontario Provincial Mine Rescue competition held in Thunder Bay, Newmont Canada's Golden Giant Mine gained first prize. The Porcupine Joint Venture earned second place and The Canadian Salt Company's Ojibway Mine in Windsor took third place. Congratulations to all participants in the competition and to the gold, silver and bronze medal winners.

POSITIVE DEVELOPMENTS IN ONTARIO MINING

The total number of mining claims in good standing in Ontario at the end of 2002 stood at 180,073, which was down a bit from the year earlier. However, assessment work on those claims increased by more than 50% to \$42.4 million in 2002 from \$28 million in the year earlier period. This is only one of many positive signs of ongoing environmentally responsible mineral development in Ontario.

For example, Falconbridge Limited has completed the feasibility study on the Montcalm nickel deposit northwest of Timmins. The company is conducting an internal review and applying for the necessary environmental permits to proceed with the project. Capital costs are estimated at \$145 million for the

orebody, which would have a mine life of more than eight years and employ approximately 145 people.

In the Red Lake area, Goldcorp is proceeding with an \$85 million project to construct a new shaft at its Red Lake gold mine. It will take three years to complete the 7,150-foot shaft and Cementation Skanska Canada has been awarded the contract. In Kirkland Lake, Kirkland Lake Gold is rehabilitating the No. 2 and No. 3 shafts of the former Macassa Mine and is getting ready to go into production.

OMA MEMBERSHIP GROWS WITH THREE NEW MEMBERS

At a recent meeting, the OMA directors were pleased to accept the applications for membership in the Association from three new members. Joining the OMA are Kirkland Lake Gold, Cementation Skanska Canada and the ASI Group. OMA membership now stands at 51.

PROGRESS IS BEING MADE ON DEEP MINE HOISTING

The Ontario Mining Association's Hoist Plant Committee has been instrumental in arranging for a multi-stakeholder committee to review design standards and practices for "Deep Mine Hoisting" and make recommendations so that deep mine hoisting can be carried out safely in Ontario.

This committee in consultation with the Ministry of Labour and Professional Engineers of Ontario has developed industry guidelines for engineers certifying new mine hoist plant installations and upgrades to existing hoist plants.

Committee members deserve accolades for this important work. The Committee continues to work on reviewing stopping rates of safety dogs on cages, on advising Cambrian College on improvements to hoist plant training programs and on assisting the Ministry of Labour to revise outdated log books.

MINING TAX REDUCTION CONTINUES TOWARDS 10%

The Ontario Mining Tax continues on course to be reduced from the old rate of 20% to its new level of 10%. As a reminder, the Ontario Mining Tax is 12% effective January 1, 2003 and it is scheduled to be cut to 10% effective January 1, 2004.



MINERS ON THE MOVE

In North Bay at The Redpath Group's headquarters, **George Flumerfelt** has been appointed as Senior Vice President of Operations. A graduate of Haileybury School of Mines and Michigan Tech, he has held senior positions at various mining operations in Canada, Africa and Indonesia.

At Barrick Gold Corp., **Alex Davidson**, who has been with the company since 1993, has been promoted to the position of Executive Vice President of Exploration. Earlier this year, he was presented with the prestigious Prospector of the Year Award by the Prospectors and Developers Association of Canada.

Ron Aelick, Inco Limited's Senior Vice President for Canadian and U.K. Operations, has been appointed to the Board of Directors of the Voluntary Challenge Registry as the mining sector energy champion.



KYOTO ACCORD: AN ALTERNATE VIEWPOINT

A leading global environmentalist believes the world will spend between \$1.5 billion to \$3.5 billion annually as part of the Kyoto Accord effort to reduce greenhouse gas emissions, which will do little to ameliorate climatic conditions. Bjorn Lomborg from Denmark's University of Arhus told the audience at the PDAC this year that money could be better spent to improve sanitation and provide clean water throughout the Third World.

He offered an alternative view backed up by statistical evidence to the prevailing belief that the global environment is getting worse. In air quality, he cited London, England which saw particles and sulphur dioxide levels rise from 1585 to 1890 before declining. In 2003, those levels are below 1585. "Most people think air pollution is a new problem getting worse," he said. It's not true. It's an old problem getting better. London air today is as clean as it was in mediaeval times."

Lomborg believes air quality, while improving in the developed world, is declining in the developing world and will continue to do so until economic development occurs in a meaningful way to improve infrastructures and lifestyles.

The belief that things are not improving in many parts of the world is causing a “gun-to-the-head” type of reaction, resulting in flawed and costly decisions such as Kyoto. The former Greenpeace member gained prominence for his book “*The Skeptical Environmentalist*.”

WHERE ARE THE CREDITS FOR EARLY EMISSION ACTION?

The target for greenhouse gas emissions as outlined in the Kyoto Accord is based on a six percent reduction from 1990 levels. In Canada, the 1990 level of emissions is estimated at 601 Mt (million tonnes), which means the Kyoto target would be 570 Mt. However, the greenhouse gas emission output by 2010 is estimated at 810 Mt, which leaves a gap of 240 Mt.

Since 1990 is the base line, why is the federal government being less than willing to credit early action by industrial companies? If they had not taken action since 1990, the 810 Mt gap could be significantly larger.

Through involvement in the Canadian Industry Program for Energy Conservation (CIPEC), the Voluntary Challenge Registry (VCR) and other initiatives, the mining sector can demonstrate great improvement on the emission front since 1990. Metal mining has reduced greenhouse gas emissions by 19% and greenhouse gas intensity by 18.5%. In the non-metal mining sector,

greenhouse gas emissions have been cut by 3% and greenhouse gas intensity is down by 19%. On the smelting and refining side in non-ferrous metals, we see a slight 1.2% increase in greenhouse gas emissions coupled with, however, a 20% curb in greenhouse gas intensity.

Mining is committed to continue on this path of improved energy efficiency and greenhouse gas emission improvements. The gains since 1990 should be and need to be recognized by the federal government as it strives to close the gap.



VOLUNTEERS MAKE MINING WEEK WORK

Ontario Mining Week provides a means to improve the public’s understanding and appreciation of the mining industry in the province and its impact locally. The first Ontario Mining Week was held in 1990 and since then the event has evolved into an annual province-wide affair that promotes mineral education.

In a number of communities across Ontario, individual volunteers from mining companies step forward to help people gain a better understanding – and hopefully appreciation – of the mineral industry during Ontario Mining Week. The Ontario Mining Association salutes the initiative and effort of these volunteers. Following is a reminder to us all about what mining people are doing on the public education front under the Ontario Mining Week banner.

Linda Malcolm of The Redpath Group and Chair of the North Bay Mining Week Committee reports that a press conference was held to kick off the event this year and 20 presentations were made in secondary, intermediate and primary schools on the diversity of careers available in the mining industry. Also, a static display was set up in a local mall and a wine and cheese event was held for members of the Chamber of Commerce in which local mining companies and some innovations were exhibited.

“The enthusiasm from this year’s organizing committee has led to several exciting projects,” said Linda. “First is the production of a “Careers in Mining” booklet, which will contain valuable information for students and job seekers about the opportunities within the local mining sector as well as information about how to embark on those careers. Once completed, the booklet will be available in schools, libraries and resource centres.

“In addition, we plan on having an innovative hands-on project completed for next year’s Mining Week,” she added. “Known as the “Mining in a Box” project, it will house everything you ever wanted to know about careers in mining and will include such items as a CD ROM, video, booklet and others . . . The year 2004 will be an exceptional year for Mining Week. A gala evening complete with entertainment and a special recognition award is currently being planned . . . Given the favourable feedback received, it would appear that we succeeded in raising the awareness of the importance and diversity of the mining sector in our lives and in our community.”



TRYING TO ASSIST STUDENT ‘MINERS’

Like most mining organizations and companies, the OMA tries to do what it can to assist students of all ages in expanding their knowledge of the industry. Following is an e-mail from a grade school student.

*“Dear Mr. McBride
Thank you for all the mining stuff for my project which my Mom asked you for. It really helped me and I got a lot of information from it too. Without you, I would only have a small part of the information. I really liked the pictures of the big machines.
From Mimi.”*

In Timmins, the Porcupine Prospectors and Developers Association (PPDA) led the charge for Mining Week. Timmins Square Mall was the site of exhibits and activities throughout the week. Participating in the event were Falconbridge Limited, Porcupine Joint Venture, De Beers Canada, Luzenac, St. Andrews Goldfields, the Ministry of Northern Development and Mines, Discover Abitibi Initiative, the Porcupine Miners Memorial Committee and the Ontario Mining Association.

One highly popular activity for students was the “name an everyday item within your home that is in part the product of

mining.” More than 130 students entered the contest and four lucky winners earned a Canadian Maple Leaf gold coin as a prize.

“We wanted the children to make the connection between a piece of drab-looking copper/zinc ore from the Kidd Creek Mine and their everyday life,” said Andrew Tims, President of the PPDA. “It is a simple message really – if it cannot be grown, it must be mined. It was great to see the expressions of wonder and surprise on the children’s faces as they realized that the salt on their kitchen table, to their bicycles, computers, family cars and the very houses in which they live, could not exist without the minerals that mines produce,” he added.

Congratulations and thanks to all volunteers who contributed to Mining Week educational activities in their communities.



COMMUNICATIONS AND MINING PERCEPTION GAP

There is a huge gap between how mining companies think they are telling their story and how that effort is perceived by investors, according to a survey done by consultant Pricewaterhousecoopers. “*Digging Deeper: Managing value and reporting in the mining industry*” reveals that more than 50% of mining

companies believe they work proactively in initiating and maintaining contact with the investment community. The recipients of this communications effort from the mining sector don’t feel the same way. Only 23% of investors and 9% of analysts believe the mining sector is proactive in its communications.

This gap leaves mining executives probably feeling their companies are undervalued and investors believing miners need to do a better explaining the opportunities and risks of projects and companies. If the findings of this survey are accurate, in the quest for attracting investment dollars, the mineral producing sector needs to scrutinize its overall communications efforts.

OMA TO PRODUCE NEW ENVIRONMENTAL STUDY

A special task force of the Ontario Mining Association’s Environment Committee is busy working on preparing an environmental report. This study is expected to be completed by November 2003.

This report will provide consolidated data on air and water environmental management by OMA member companies. It will also highlight some site specific environmental achievements of member companies.

MAC RELEASES NEW ENVIRONMENTAL GUIDE

The Mining Association of Canada has released its publication “*A Guide to Developing an Operation, Maintenance and Surveillance Manual for Tailings and Water Management Facilities*.” It is designed to assist the mining sector

globally in ensuring the safety and integrity of tailings and water management facilities. The guide complements “*A Guide to the Management of Tailings Facilities*” which the MAC produced in 1998.

The new guide was developed by a team of 22 environmental experts in the Canadian mining industry. It is available in English, French and Spanish and is posted on the MAC website at www.mining.ca.



OMA APPLAUDS THESE CIM AWARD WINNERS

At its annual meeting, the Canadian Institute of Mining, Metallurgy and Petroleum regularly recognizes rising stars and high achievers within the nation’s mineral industry. The OMA would like to applaud a trio of this year’s winners, which have close connections to this Association.

Inco’s Stobie Mine won the Ontario Regional John T. Ryan Safety Trophy for the second consecutive year marking a high standard in safety performance.

Past OMA Director John Carrington, Vice Chairman and Chief Operating Officer of Barrick Gold, was presented with the Selwyn G. Blaylock Medal. This was presented “in recognition of his leadership in technical and operational excellence in all aspects of mining and exploration that has contributed significantly to the development of one

of the largest and most successful gold companies in the world.”

Patricia Dillon, Manager Corporate Relations for Teckcominco, has provided great assistance on OMA activities and currently is leading the First Nations Video Initiative. She was presented with the CIM Distinguished Service Medal “in recognition of her dedication and commitment to CIM to increase the value of CIM membership to professionals in the mining and petroleum industries, through a strong leadership at Branch, Division and National levels of the Institute, including leading organization in 2000 and being the first woman president of CIM.”

START PREPARING YOUR HALL OF FAME NOMINATIONS

The Canadian Mining Hall of Fame has issued its call for nominations for its annual induction of individuals worthy of this honour. Persons who have made an outstanding contribution to the Canadian mining industry may be nominated by individuals, companies or organizations. The deadline for nominations is July 30, 2003. For further information contact John Cooke at (905) 339-0898.

Since its inception in 1989, 110 contributors to the mining industry and Canadian development have been inducted into the CMHF. The next group of inductees will be honoured at a dinner on January 15, 2004.

DEEP MINING EXPLORED AT TIMMINS CONFERENCE

The Canadian Institute of Mining, Metallurgy and Petroleum and the

Porcupine Prospectors and Developers Association are teaming up to stage the "Ore Deposits At Depth Conference" in Timmins from September 23 to 26, 2003. This field conference will deal with the exploration and geotechnical challenges and opportunities associated with deep ore bodies. Presentations are planned on the advances in technology, engineering and geological concepts which enhance the feasibility of mining at depth. For further information contact Damien Duff at dduff@falconbridge.com.



EVENT AIMS TO STRENGTHEN PARTNERSHIPS IN SAFETY

Ontario's Workplace Safety and Insurance Board (WSIB) and the Insurance Bureau of Canada are joining forces for a conference at the Metro Toronto Convention Centre on September 18, 2003. One of the objectives is to improve partnerships between rehabilitation health care providers and payers.

Participants in the conference will have an opportunity to highlight their own rehabilitation programs through a poster contest. For further information contact Yvonne Cuellar at 416-362-2031 ext. 4356.

ENVIRONMENTAL MANUAL ASSISTS PROSPECTORS

The Prospectors and Developers Association of Canada has unveiled its new e3 Environmental Excellence in Exploration e-manual. e3 is an indispensable tool that provides explorationists with up-to-date information and guidance on best practices in environmental and socio-economic stewardship in exploration.

The prime objective of e3 is to improve environmental management in exploration. The e-manual is a compilation of current best practices in the exploration industry, derived from measures that are known to work and to be cost effective. It provides the tools to deal properly with the environmental issues encountered in any exploration program. In addition, the e-manual contains guidelines for responsible community engagement, recognizing that companies now have to earn a "social licence" to operate any new mine. The guidelines outlined in e3 are designed to be practical and effective rather than prescriptive and theoretical.

Explorationists are increasingly seen as ambassadors for the worldwide mining industry. They are the first people to represent the mining industry to local people, communities and regulators and their best efforts are vitally important. e3 is designed to emphasize proper environmental and socio-economic practice from the earliest stages of the exploration process.

The e3 e-manual is accessible to subscribers via the internet. e3 has been constructed primarily with the needs of explorationists in mind, but it will also

be relevant and useful to other audiences inside and outside the traditional mining sector.

e3 can be used as a source document for the purpose of educating the public, government and non-government stakeholders on exploration environmental and socio-economic impacts. It can also help improve the transparency of industry practices and improve the image of the industry worldwide. The e3 e-manual provides the basis of a management and training tool for companies, their employees and contractors.

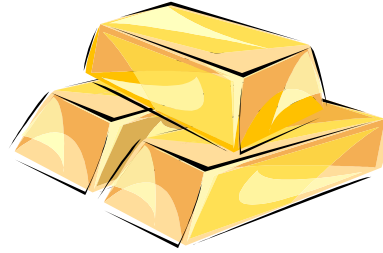
For more information about this important new product, please go to www.e3mining.com, or contact Barry Simmons, e3 project manager, email bsimmons@pdac.ca; telephone 416-363-4034.

MEND PROGRAM GAINS FEDERAL ACCOLADES

One of the Federal Partners in Technology Transfer Awards has been presented to the Mine Effluent Neutral Drainage (MEND) Initiative. The honour was presented for “the successful transfer of knowledge and technology developed in federal research laboratories in support of regulatory and public good mandates that has a significant impact on the socio-economic well-being of Canadians.”

Individual recipients of the award included representatives from government, university and mining industry sectors. Between 1989 and 1997, the MEND program produced a number of innovative technologies to

control acidic drainage from mine tailings and waste rock.



CANADA CONTINUES TO DEplete GOLD RESERVES

In June, the government of Canada sold 114,064 ounces of gold from its reserves. This leaves the official central bank gold reserves in Canada standing at about 300,000 ounces.



“STOPPING SMOKING IS THE BEST THING YOU CAN DO FOR YOUR HEALTH.”

For further information on items contained in this newsletter, please contact Peter McBride at the OMA office, Atrium on Bay, Suite 320, 40 Dundas Street West, Toronto, Ontario M5G 2C2. Tel: (416) 364-9301; Fax: (416) 364-5986.