



**NEW YEAR
NEW GOVERNMENT
NEW OPPORTUNITIES**

As the holiday season approaches, it is the appropriate time to do some retrospective thinking about what has gone on in 2003. It is also the appropriate time to look ahead to 2004 and what it offers. The start of every year offers us all the opportunity for a fresh start and a new outlook.

For miners in Ontario, 2004 looks full of promise. The commodity prices for many major metals are higher than they have been for years and the markets for many Ontario produced metals are strong. Exploration activity is picking up across the province, there is plenty of money raising activity going on and some major projects and expansions have been given approval.

In Ontario, we also have a new government. On October 2, we saw the Liberals come to power after winning 72 seats in the election. The Progressive Conservatives gained 24 seats and the New Democratic Party 7. In Dalton McGuinty, we have a new Premier and as part of the new Cabinet, Rick Bartolucci has been appointed as the new Minister of Northern Development and Mines. This marks the first time in eight years that we have had a minister of northern development and mines who actually has a mine in his riding.

MINING MATTERS



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DECEMBER 2003

This new government will have its own ideas about the importance of mining and where it fits into the provincial scene. There is no doubt some of this government's policies will cause concern and difficulties for the mineral producing sector. Confusion over permitting, the questionable certainty about the quantity and reliability of electricity supply in the future, questionable environmental regulatory changes, municipalities with unreasonable tax grab attempts, a federal government advocating rules which will impair miners' competitive positions and other issues cloud the horizon in the future.

But amidst this situation, there are new opportunities. Part of that opportunity is that each and every one of us in the mining industry – whether at a company, an association or in the mines ministry – needs to meet with and inform this new government and their staffs. We need to help them gain a better understanding – and hopefully appreciation – of the social and economic contributions mining makes in Ontario.

Modern mining is a high-tech, environmentally responsible industry. It is a community building, infrastructure supporting and wealth generating sector in Ontario's economy that benefits all Ontarians. Let's take advantage of the new opportunities and use the new year to inform the new government about the value of our industry.

OMA PRESIDENT ELECTS TO SEMI-RETIRE EARLY

In November 1984, a young Member of Provincial Parliament from Northern Ontario after spending 17 years in the Legislature decided to not seek re-election. Instead, the MPP from Rainy River decided to take over the desk of the Executive Director of the Ontario Mining Association.

After being head of the Ontario Mining Association as Executive Director and President for 19 years, Patrick Reid informed the chairman, directors, mine managers and staff of the OMA, that he would like to step down from the post. Patrick would like to semi-retire and take advantage of having more time to pursue other activities.

During his tenure at the OMA, Patrick has worked with 10 different chairmen, to enhance the credibility of the industry at Queen's Park in political and governmental circles and to promote the industry. He has led national efforts on mine reclamation and abandoned mines and initiated several environmental, tax and communications successes for the industry in Ontario.

Patrick is not disappearing from the OMA or the mining scene. He is staying on to provide continuity and direction at the OMA until his successor is identified and appointed. I am sure all appreciate the efforts he has made on behalf of the industry over the past two decades.

BEST WISHES FROM OMA STAFF FOR 2004

The staff at the Ontario Mining Association would like to wish all our associates, colleagues and acquaintances the best for the holiday season. Let's hope the year ahead will be safe and prosperous for us all.



HONOURING THE HONOURABLE

The Canadian Mining Hall of Fame will be celebrating the accomplishments and contributions to society of four new inductees at its sixteenth annual induction ceremonies on January 15, 2004. In order to provide you with a preview, following are brief acknowledgements of these industry stars who will be recognized for their leadership roles in mining.

These nation builders who are being recognized at this event are **Norman Keevil, Michael Knuckey, Walter Riva** and **Edgar Scholz**.

Norman Keevil, born 1938, joined Teck Corp. in 1962 and became president and chief executive officer in 1981. He is a company builder who took Teck from being a collection of a few small gold mines and oil wells into the Teck Cominco organization we see today as world's largest zinc miner.

A geologist by training, he is a strong supporter of research at the University of British Columbia and through the establishment of the Teck chair in geophysics at the University of Toronto. In the past, he has been chairman of the Mining Association of Canada and he was recognized as The Northern Miner's Mining Man of the Year in 1979.

Michael Knuckey's (born 1936) mining career spans 45 years in which his achievements include playing a role in the discovery and development of at least 10 mineral deposits.

He worked as vice president of exploration at Falconbridge and more recently was president and chief executive officer of Noranda. He was a great leader of geological teams and advanced the science of the compilation and assessment of detailed geological data to help define ore bodies.

Walter Riva, born 1922, has been a leader in the development and evolution of Canada's coal mining industry. He worked for Kaiser Resources and was president and chief executive officer of the British Columbia Resources Investment Corporation and was vice chairman of Westar Resources.

He did a great deal to develop new markets for coal and advanced new production procedures and technologies into the mining end of the business.

He was also a founding member and president of the Coal Association of Canada. Mr. Riva also served as president of the Canadian Institute of Mining, Metallurgy and Petroleum.

Edgar Scholz (1915 – 1980) through his expertise in low-grade, large open-pit mining operations helped build Placer Dome. He guided the application of low-cost bulk mining in gold, copper and molybdenum deposits.

He rose through ranks at Placer and worked on a number of projects around the world. Eventually, he took over at head office as vice president exploration. He found time to do field work for and write scientific publications.

The Canadian Mining Hall of Fame is sponsored by the Canadian Institute of Mining, Metallurgy and Petroleum, the Mining Association of Canada, the Prospectors and Developers Association of Canada and The Northern Miner.

Associate sponsors include the Ontario Mining Association, the British Columbia & Yukon Chamber of Mines, the Mining Association of British Columbia, the New Brunswick Mining Association, the Quebec Prospectors Association and the Saskatchewan Mining Association. Portraits and profiles of the inductees are displayed in the Mining Building at the University of Toronto.



ENVIRONMENT COMMITTEE PLANS MINE REHAB WORKSHOP

The OMA Environment Committee is planning a workshop to showcase methods and technologies for rehabilitating and closing out mines. The conference is scheduled for September 14- 16, 2004 in Thunder Bay. The workshop will consist of tours and technical sessions. An organizing group is busy making arrangements for this event. For further information call Barbara Mossop (416) 364-9301.

ENERGY COMMITTEE GAINS MARKET INTELLIGENCE

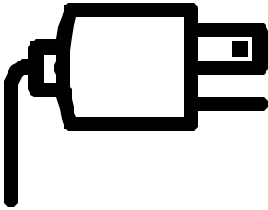
Since the major blackout of August 14, confusion over the future supply, pricing and complexity of the electricity market in Ontario has expanded. The politics surrounding

energy is changing with the new government, the future of the market is uncertain and the role of Ontario Power Generation as the major supplier is clouded. Perhaps the only thing which has remained static in Ontario's electricity world is the physics of creating and transmitting rapidly moving electrons.

In order to gain a better understanding of what is going on in the energy field, the OMA Energy Committee had four "visitors" make presentations at its most recent meeting. One guest expert represented a company offering services – and products – to monitor price and conserve energy in a cost effective manner.

There were two guest experts from companies which are active participants in both electricity and natural gas markets in Ontario. They offered valuable insights into future market trends, supply scenarios and price predictions. The Committee also engaged in discussions with a journalist who is covering the energy markets.

Through the advice and guidance of the OMA Energy Committee, the Association continues to be a participant and advocate within the Stakeholders Alliance in Electricity for Competition and Customer Choice and the Association of Major Power Consumers in Ontario.



FLOOD OF REPORTS HIGHLIGHT POTENTIAL ENERGY PROBLEMS

A number of reports have been and are being released which indicate a great deal of work needs to be done to create a more secure energy future. The U.S. – Canada Power System Outage Task Force produced a report analyzing the causes of the August 14 blackout.

While this report will go a long way towards helping ensure a similar event doesn't happen in the future, there will likely still be a margin for error if someone falls asleep – literally and figuratively – at the switch. The trigger for the blackout was identified as First Energy in Ohio's "inadequate situational awareness," "inadequate tree trimming" and the failure of the interconnected grid's reliability organizations to provide effective diagnostic support.

Closer to home, the recently released report on what has gone wrong with the refurbishing of Pickering nuclear power units has led to the exit of the top three executives at Ontario Power Generation Inc. Soon the report on the future adequacy of supply will be released.

The new Liberal government is grappling with the electricity situation. It is raising the price from its frozen 4.3 cents per kw/hr and has made promises to de-politicize the price of electricity.

MINERAL CLUSTER COUNCIL IS LAUNCHED IN ONTARIO

The launch of the Ontario Mineral Industry Cluster Council (OMICC) was announced by Rick Bartolucci, Minister of Northern Development and Mines. OMICC, which has representatives from industry, government and academic circles, is charged with the task of helping to develop a plan to strengthen Ontario's mineral cluster.

OMICC is co-chaired by George Pirie, President and Chief Executive Officer of Placer Dome Canada, and Warren Holmes, President and Chief Executive Officer of Nuinsco Resources. Mr. Pirie is a director of the OMA. Patrick Reid, OMA President, is also a member of OMICC.

“Those of us who live in mining communities understand that our mineral sector continues to be a wealth-generating cluster,” said Mr. Pirie. “A well-planned cluster strategy could stimulate growth and expansion to provide even greater economic benefits to the region and to the entire province.”

A cluster is loosely defined as a geographic concentration of inter-related industries and institutions – that cooperate with and compete against each other -- which create wealth in a region primarily through the export of goods and services.

“Our government believes in the power of clusters and their importance to the province's economy,” said Mr. Bartolucci, whose riding is Sudbury. “I am excited that the mineral sector is moving forward in a way that will help us to deliver smart investments in strong, sustainable growth for the future.”

OMICC is to meet regularly to gather information and identify opportunities to enhance competitiveness, innovation and investment in Ontario's mineral sector. OMICC is to report directly to the Minister of Northern Development and Mines.



OMA FIRST NATIONS VIDEO NEARS COMPLETION

A video designed to inform First Nations residents about career and entrepreneurial opportunities in the mining industry is nearing completion. The OMA First Nation Video Initiative involves the production of a 15-minute video that demonstrates the operation of

a mine and rehabilitation of a mine site and provides information on employment and potential partnership opportunities for First Nations people.

The video is being produced in five languages -- Cree, Oji-Cree, Ojibway, French and English and potentially could be produced in additional First Nation languages in the future. Big Soul Productions, a First Nations company, is making the video with guidance and technical input from an industry advisory committee.

This video is being produced in partnership with FedNor, an agency of Industry Canada. A letter from Hon. Andy Mitchell, Secretary of State for Rural Development and the Federal Economic Development Initiative for Northern Ontario said "The Government of Canada is committed to addressing the structural, sectoral and economic development challenges facing businesses and communities in Northern Ontario. FedNor's approval of this project is consistent with this commitment."

The video includes interviews with First Nation people currently employed in the minerals industry. It is anticipated that this video will provide First Nations people with current information about mining including the skills needs of the industry and employment and entrepreneurial opportunities.

It also aims to promote partnerships with First Nations to allow for greater participation in the social and economic benefits of responsible mineral development and encourage a better understanding and communication with First Nations with respect to the purpose and value of exploration and mining that could lead to a more cooperative relationship with government and industry.

Ideally, this video can help set the foundation for a better understanding of the mining sequence and roles of all concerned parties that may improve relationships during initial prospecting and exploration in areas of First Nation traditional land use. Video production is scheduled for completion by early 2004.



VIDEO PRODUCTION CREW VISITED MUSSELWHITE

In order to attain live footage for the video mentioned in the above article, a film crew from Big Soul Productions, a first Nations company based in Toronto, visited Placer Dome's Musselwhite mine in Northwestern Ontario earlier this year.

More than 30 people employed at Musselwhite were interviewed by the Big Soul crew. The jobs depicted ranged from a diamond drill helper to an apprentice chef preparing breakfast for 260 people.

Other taped interviews were carried out underground, in the mill control room, the electrical shop, the mechanical shop, the assay lab, the administration building and the camp laundry.

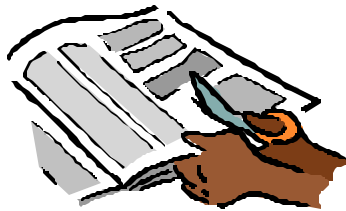
The Big Soul crew also spent time with elders and councillors from a local community. The OMA and all involved in the creation of this video thank Placer Dome and the employees of Musselwhite for their indulgence and hospitality.

MNDM MINING SYSTEM WINS NATIONAL AWARD

The Ministry of Northern Development and Mines *CLAIMaps* online information systems has captured an innovation award. *CLAIMaps* was given the organizational transformation prize at the Information Productivity Awards ceremonies recently.

CLAIMaps provides continuous online access to province-wide digitized maps. Prospectors and other interested parties have access to a large database on mining land information and the location of the more than 185,000 active mining claims in the province.

The information is available at no cost to information seekers and the site is updated daily. Take a look for yourself at www.claimaps.mndm.gov.on.ca.



OMA ANNUAL MAGAZINE EXPECTED EARLY 2004

The Ontario Mining Association's annual magazine "*Mining in Ontario 2002*" is being published and distributed as the January/February 2004 edition of the Canadian Mining Journal. This publication contains information on the activities of the Ontario Mining Association, its members and its directors. As well, it also contains a number of feature articles and interviews. Watch for it!

NEW MAILING ADDRESS FOR OMA MEMBER SALT MINE

The Canadian Salt Company Limited's Windsor Salt operation has a new mailing address. There no longer is a post office box number and the postal code has changed.

The new mailing address for the Ojibway Mine is 200 Morton Drive, Windsor, Ontario N9J 3W9.



MINERS ON THE MOVE

Lars-Eric Johansson, Chief Financial Officer and Executive Vice President at Noranda, is retiring. However, he will be a special advisor to Falconbridge concerning the financing for its nickel project in New Caledonia.

Taking over the duties of Chief Financial Officer at Noranda is **Steven Douglas**. Most recently, he was Chief Financial Officer and Executive Vice President at Brookfield Properties.

At MIRARCO, **George Pirie**, President of Placer Dome Canada, has been elected as chairman. Also, **Allen Hayward**, Vice President Mining at Falconbridge, has been elected to the MIRARCO board. Both Mr. Pirie and Mr. Hayward are directors of the OMA.

Dynatec Corp. has appointed **John Lill** as Executive Vice President and Chief Operating Officer. Included in his main areas of responsibilities is the Sudbury Joint Venture with FNX Mining. Mr. Lill joins Dyantec from BHP Billiton where he was Chief Operating Officer of base metals.

Ian Pritchard has joined engineering consulting firm Wardrop Engineering as Vice President Mining.

Since he has announced his “semi-retirement,” we can add that **Patrick Reid** has been elected to the Board of Probe Mines.

WORK IS STARTING ON 2004 ECONOMIC IMPACT STUDY

Work has begun on the year 2004 edition of “*The Economic and Fiscal Contribution of the Mining Industry in Ontario.*” Administrative details are being ironed out, sources at StatsCan are being checked and other preparation work is being done before data gathering begins. The schedule calls for surveys to be sent to member companies in mid-April in anticipation of receiving them back by mid-May. If all the information can be collected by the end of June, the report could be ready by late September, or early October.

The Ontario Mining Association has produced this useful economic and statistical document on the contribution of mining to the economy and society of this province every other year since 1992. As well as providing a benchmark of the sector's progress, it furnishes common statistics for everyone in the industry to use. This book is a regular source of information for people in government, the media and students.

The results and conclusions of the year 2002 edition of this benchmark study can be found at the OMA website. The report is produced for the OMA by the University of Toronto's Institute for Policy Analysis and management consultant Datametrics Consulting Inc.

PDAC HOSTS ANNUAL INTERNATIONAL EXPLORATION AND DEVELOPMENT FORUM

The Prospectors and Developers Association of Canada (PDAC) has scheduled its international convention, trade show and investors exchange for Sunday, March 7 to Wednesday, March 10, 2004 in Toronto at the Metro Toronto Convention Centre. For further information on this important event go to the PDAC website at www.pdac.ca.



**“IF YOU ARE A SMOKER, STOP!
IF YOU ARE NOT,
URGE YOUR FRIENDS TO STOP SMOKING.”**

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.