



CHRIS HODGSON STARTS AS NEW OMA PRESIDENT

The fifty five member companies of the Ontario Mining Association have appointed Chris Hodgson as the new President of the trade organization. Mr. Hodgson joins the OMA following a distinguished career in government.

He entered the Legislature following a by-election in 1994 and he won general elections in 1995 and 1999 representing the riding of Haliburton-Victoria-Brock. While in government, Mr. Hodgson served in several positions including Minister of Northern Development and Mines, Chairman of Management Board and Minister of Municipal Affairs and Housing.

Mr. Hodgson succeeds Patrick Reid as President in providing leadership and guidance to the Ontario Mining Association, which was founded in 1920. Mr. Reid was the OMA President for 20 years.

The OMA is one of the longest serving industry groups in the country. Its mission is to support and improve the competitiveness of the mining sector in the province, while representing companies engaged in the environmentally responsible exploration, production and processing of minerals in the province.

MINING MATTERS



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www.oma.on.ca

Mr. Hodgson has managed his first annual meeting and board of directors meeting. He has been busy making the rounds meeting key industry and government people and gaining a solid understanding of mining issues. He looks forward to being the representative for Ontario mineral producers. Chris can be reached at chodgson@oma.on.ca.

ENVIRO BOOKLET SHOWS MINING SECTOR HABITAT

"Towards Greener Footprints" is the title of the recently released Ontario Mining Association book on significant environmental achievement by the sector. The mining industry is dedicated to environmental improvement and OMA Environment Committee Chair Adele Faubert and her colleagues have put together a first-rate book.

Topics covered include the Ontario mines rehabilitation partnership, monitoring and reporting requirements and records, waste management, fuel management and energy management.

Statistical evidence points to an improving environmental performance record of mining operations in Ontario.

However, perhaps more illustrative than the straight numbers are photographs of moose, geese, bears, lynx, fox on active and rehabilitated mining lands, which show the mineral industry and wildlife can share a common habitat when we all strive to leave greener footprints.

**OMA WELCOMES
TWO NEW MEMBERS**

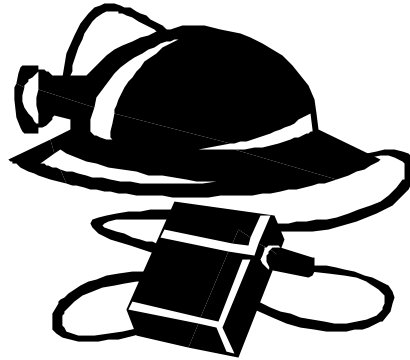
The membership of the Ontario Mining Association continues to grow. At the most recent Board meeting, two companies were unanimously accepted as new members. The OMA welcomes Aker Kvaerner E & C and Desert Sun Mining Corporation and looks forward to their participation in Association activities.

**OMA MAKES A SUBMISSION
ON REVENUE SHARING BILL**

The Ontario Mining Association was involved in presentations concerning Bill 97, An Act Respecting the Sharing of Resource Revenue with First Nations, in Sioux Lookout and Osaburgh. This proposed legislation is a Private Members Bill presented by Gilles Bisson (NDP – Timmins – James Bay).

The OMA strongly supports the economic development of First Nations and believes the mining industry offers some of the best employment and entrepreneurial opportunities for people of First Nations. However, the OMA felt this bill – as written and structured – needs more work.

The OMA suggested the Bill be referred to a broader multi-partite group for consultation such as the Ontario Mineral Industry Cluster Council and that the federal government needs to be involved.



**MINE RE-OPENING REWARDS
IDEAS AND PERSEVERENCE**

Proving that innovation and technology can instill new life in old mines, the Sudbury Joint Venture of FNX Mining Company and Dynatec held a ceremony to mark the official new opening the McCreedy West Mine. The SJV (75% FNX and 25% Dynatec) acquired several former Inco properties in the Sudbury area. Development work is ongoing on these properties and production has commenced. The McCreedy West Mine had been idle since 1999.

FNX CEO and President Terry MacGibbon, Dynatec President and CEO Bob Dengler and Mines Minister Rick Bartolucci were all hand to participate in the formal opening ceremony. “Today is a landmark occasion – a great day for the Greater Sudbury area and for mining in Ontario,” said Mr. Bartolucci. “The re-opening of the McCreedy West mine is an indicator of the SJV’s support and confidence in the mining sector in Northern Ontario.”

“The successful opening of our first mining operation ever is a huge accomplishment for FNX Mining and meets our objective of making the very difficult transition from a junior resource company to a producing mining company in less than two years,” said Mr. MacGibbon.

Also, FNX announced that it has renamed the Norman property in the Sudbury area, the Podolsky property in honour of Terrence Podolsky, geologist, mining executive, Vice President of Exploration at Inco and long-time FNX director.

The SJV has also announced that it is investing \$8 million to reactivate the former Inco Levack Mine. This mine operated from 1915 to 1929 and then from 1937 to 1999.

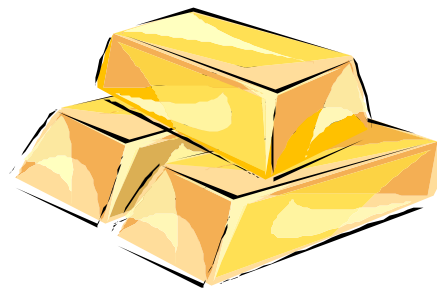
SUDBURY HELPS FUND DEEP MINING RESEARCH

The Greater Sudbury Community Development Board has given \$40,000 as the first part of a five-year, \$200,000 commitment to support deep mining research. Deep mining is seen as being a significant part of the equation for mining in the future in the Sudbury Basin. The grant was given to a consortium, which is administered by the Canadian Mining Industry Research Organization (CAMIRO).

The chair of this research consortium is Parviz Farsangi, General Manager of the Sudbury Mines/Mill Business for Falconbridge. Managing Director of CAMIRO, Charles Graham, said the money donated will trigger increased financial support for this important and innovative project. The research is

looking at five specific areas – health and safety in hot and humid environments at depth, management of rock stress, hoisting regulations, inventory control and mine development practices.

“We have the best people working on this and there are some key projects which are going to impact everyone,” said Mr. Farsangi. “Developing safe deep mining is so important to the industry that companies that compete are working together.”



GOOD METALS PRICES STIMULATE EXPLORATION

We know that in a cyclical business like mining, commodity prices are in a constant state of flux. Miners should never get down in the dumps when prices are low and they should never reach for the moon when prices are high. The only certainty is that the prices will change. Nevertheless, when prices are higher, there generally is a flurry of exploration activity such as we are seeing now in Canada.

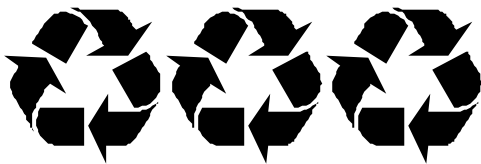
Prices have been helping and for mineral commodities, they generally are better than they have been for five years. Gold has improved from the range of US \$260 per ounce in September 1999 to about US \$410. This has ignited a great deal of gold exploration and development but we should keep in mind, a five-year slide in the price preceded the five year rise

and the gold price today is approximately where it was 10 years ago.

In the past five years, copper has risen from about US \$0.80 per pound in 1999 to US \$1.30 per pound today. Nickel, although it has gone through more volatile swings, has gone from about US\$3.00 per pound to the range of US\$6.00 per pound.

Lead is up to US\$0.40 from about US\$0.25 five years ago. Zinc prices, however, are down over the period to US\$0.45 from US\$0.55 per pound. From a low through a downturn to US\$7 per pound, uranium has increased over the past three years to US\$19 per pound.

Time will tell what new mines and new developments are generated from exploration activity triggered by favourable price swings.



REHABILITATION CONFERENCE ATTRACTS WIDE INTEREST

The OMA Mine Rehabilitation Field Conference held in Northwestern Ontario from a Thunder Bay base in September attracted more than 70 environmental specialists from across the province.

The technical sessions tackled topics such as start up mine designs for closure plans, physical stability and effluent treatment, water covers and the removal of contaminants and revegetation. Case

studies on a number of mine closures were presented.

Supporting the technical sessions were field trips to Manitouwadge and Marathon, Winston Lake, Sturgeon Lake and Atikokan. Participants reported a tremendous benefit both from site visits to closed mines and from sharing experiences through specific mine closure plans and closure techniques in general.

The Conference Organizing Committee was chaired by Andrew Mitchell of Wardrop Engineering. Congratulations to Andrew, Barbara Mossop of the OMA and the team on the committee for developing such a relevant and useful program for the conference which benefited all participants.

IS ONE OF OUR ENSHRINED LEGAL RIGHTS IN JEOPARDY?

If you get a parking ticket, are you entitled to your day in court before paying the ticket? If you get a speeding ticket, or some other traffic violation, are you entitled to your day in court before you pay the fine and/or lose demerit points? If you are accused of a crime, do you have your day in court before you may have to do the time?

The answers to the above questions are rhetorical. They are self evident because in Canada and civil societies, we all know you are innocent of any accusation until proven guilty. However, we need to ask if the government may be pushing this basic right to the back burner.

The concept of Administrative Monetary Penalties (AMPs) is being reintroduced in which for events such as

environmental spills, you could be declared guilty without recourse for appeal and you could have to pay fines without an opportunity for your defence.

Could this concept spread to other areas of the law?

MANY TAKE ADVANTAGE OF ONE-DAY CEEA COURSE

More than 80 people have taken advantage of the one-day course the OMA has offered on the Canadian Environmental Assessment Act. The courses have been organized in conjunction with the Ontario Region of the Canadian Environmental Assessment Agency.

The course was held in Thunder Bay, Sudbury, Timmins and Toronto. There certainly appeared to be a strong demand for offering this type of educational program.



FIRST NATIONS VIDEO ADDS TEACHING TOOLS

The video designed to inform First Nations residents about career and entrepreneurial opportunities in the mining industry made its debut earlier this year in North Bay at a special event and at the World Mines Ministries Forum.

The 14-minute long video titled “*Mining New Opportunities*” 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 produced in five languages -- Cree, Oji-Cree, Ojibway, French and English and potentially could be produced in additional First Nation languages in the future.

The OMA Task Force dealing with this initiative, which is led by Patricia Dillon of Teck Cominco, has developed a comprehensive education package and teaching kit to accompany the video.

A full production run and distribution to target audiences and communities – including 160 schools in Ontario First Nations communities – is anticipated before year end.

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.

This could lead to a more cooperative relationship with government and industry. This project is being completed with the assistance and support of the federal government through FedNor and the provincial government through the Northern Ontario Heritage Fund.



MINERS ON THE MOVE

At Placer Dome Inc. **Peter Tomsett** has taken over the duties as President and Chief Executive Officer of the gold producer. He has been with the company for 18 years, most recently as head of Placer Dome's Asia Pacific group. Mr. Tomsett, who is Australian, succeeds **Jay Taylor** at the top post of Placer Dome.

A number of changes have been reported from the North Bay head office of J.S. Redpath. **Andy Fearn** has been appointed Vice President International Projects and **Jim Tucker** is now General Manager Shaft Sinking. Also, **George Martin** is now Vice President Canadian Operations and **Julie Hinse**, who is a great contributor to the OMA First Nations Video Initiative Task Force, has been promoted to the new position of Manager Human Resources.

Two new directors have been appointed to the Board of Denison Mines – **Janet Ecker**, former Ontario Finance Minister, and **Catherine Stefan**, a chartered accountant. Also, at Denison, **Sheila Colman** has been named corporate secretary and general counsel and **Michael Schoonderwoerd** has taken over the duties of controller.

Peter Dimmell, who is currently serving as President of the Prospectors and Developers Association of Canada and Director of the Newfoundland and

Labrador Chamber of Mineral Resources, has been appointed as a director for VVC Exploration Corp. and Beaver Brook Antimony Mines Inc.

CONSTRUCTIVE MEDD-LING MINE CONTRIBUTOR RETIRES

Morris Medd has been a hard working member of the Ontario Mining Association's Board of Directors and has been involved in numerous OMA initiatives. Mr. Medd has officially retired from his presidential duties at J.S. Redpath. At a recent OMA Board meeting, the role of Mr. Medd, his support of the mining industry in general, his involvement in the OMA and other organizations and his personal and individual support extended to mine managers and personnel at various operations across the province was strongly acknowledged and endorsed. Thanks Morris!

WSIB RATES RELEASED FOR NEXT YEAR

The Workplace Safety and Insurance Board (WSIB) has released its 2005 rates for the groups which impact the mining industry. The Gold group premium stays at \$7.80 per \$100 of payroll for a zero increase. The Nickel group sees a 2.6% increase to \$5.63 from \$5.49 in 2004. The Other mine group sees a 9% increase to \$5.80 from \$5.32 in 2004.

WORKSHOP SHARES IDEAS ON ENERGY EFFICIENCY

An overflow crowd participated in a recent energy efficiency workshop held in Sudbury at a number of Inco facilities. The workshop was sponsored by the

Mining Association of Canada and Natural Resource Canada's Office of Energy Efficiency.

Along with an update on energy efficiency initiatives and activities, those in attendance engaged in a number of participatory activities.

"All participants tried a number of energy analysis techniques including hands-on demonstrations on identifying energy reduction opportunities by metering and in lighting, fans, pumps and other equipment," reported Andy Lemay of Inco. "All the activities were well attended and even though we increased the number of allowable participants, we regrettably had to limit and close the registration."

Ron Aelick, President of Inco's Canadian and U.K. Operations and former OMA Chairman, provided leadership and support for the conference through his role as Mining Association of Canada Energy Champion. It is through initiatives such as this conference that the mining sector in this country enjoys success being in the forefront in the field of energy efficiency.

AMPCO APPOINTS NEW CHAIRMAN

The Association of Major Power Consumers in Ontario (AMPCO) has appointed **Mike Kuriychuk** as its new Chairman. He is Manager of Energy Development for forest products company Bowater at its Thunder Bay operations. He has led his company through many changes created by electricity restructuring in Ontario. Mr.

Kuriychuk has been a member of the AMPCO Board since 1997.

He has also been a director for Thunder Bay's Economic Development Corporation, Thunder Bay Hydro and the Canadian Pulp and Paper Association's Energy Committee. He has been of great assistance to the Ontario Mining Association's Energy Committee.

AMPCO is a province wide industry organization representing a broad range of resource, manufacturing and processing industries, which purchase more than \$1 billion of electricity annually. It advocates genuine competition in the electricity market and promotes the global competitiveness of Ontario industry through an efficient market and an open, reliable economic transmission and distribution network.



MASHA LAUNCHES NEW SAFETY LEADERSHIP AWARD

The Mines and Aggregates Safety and Health Association (MASHA) is looking for a rare individual from any level in an organization whose leadership in safety is exceptional to be the first winner of the new "MASHA Leadership Award." MASHA is establishing an annual award to recognize exceptional leadership in health and safety in the province's mining industry.

The deadline for entries is December 31, 2004 and the winner will be announced publicly on April 14, 2005 at the Mining

Health and Safety Conference in Sudbury. For nomination forms and further information call MASHA at 1-705-474-7233 ext. 257. Also, you can visit the MASHA website at www.masha.on.ca.

It is envisioned that the winner of the award will become an ambassador for safety over the following year.

KIDS ART CARRIES SAFETY MESSAGE

Take a look at the “2005 Abandoned Mine Hazard Awareness Calendar” from MASHA and you will see that artistic kids have a firm grasp on the safety message.

MASHA and the Sudbury Mining Week Committee with the involvement of the Ministry of Northern Development and Mines combined efforts and ran a poster contest for grade 4 to grade 7 students on the dangers of playing near abandoned mine sites. More than 250 students provided their art work and entered the contest. The top 13 posters are featured in the calendar.

The art work may not emulate the Group of Seven but it demonstrates in living colour the awareness and creativity of the young people who provided the winning entries.

OMA ECONOMIC STUDIES ALMOST COMPLETED

The Ontario Mining Association is working on two major economic projects, which will be available soon. The year 2004 edition of “*The Economic and Fiscal Contribution of the Mining Industry in Ontario*” is one of the

projects. Also, being researched and worked on at this time is a study for the Ontario Mineral Industry Cluster Council.

It is striving to provide a broader scope and more inclusive picture of the role mining and the other sectors it supports contribute to the society and economy of this province. These economic studies will appear on the OMA website

MINING ROCKS! TORONTO 2005

Mark your calendars for April 24 to 27, 2005 in Toronto. The Canadian Institute of Mining, Metallurgy and Petroleum will be holding its annual conference and exhibition next year at the Metro Toronto Convention Centre.

For further information on this important industry event take a look at the website www.cimtoronto2005.org.



**“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.