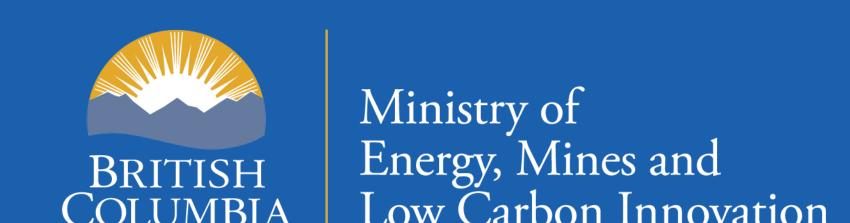


Exploration and mining highlights, Southwest and South Central regions, 2021

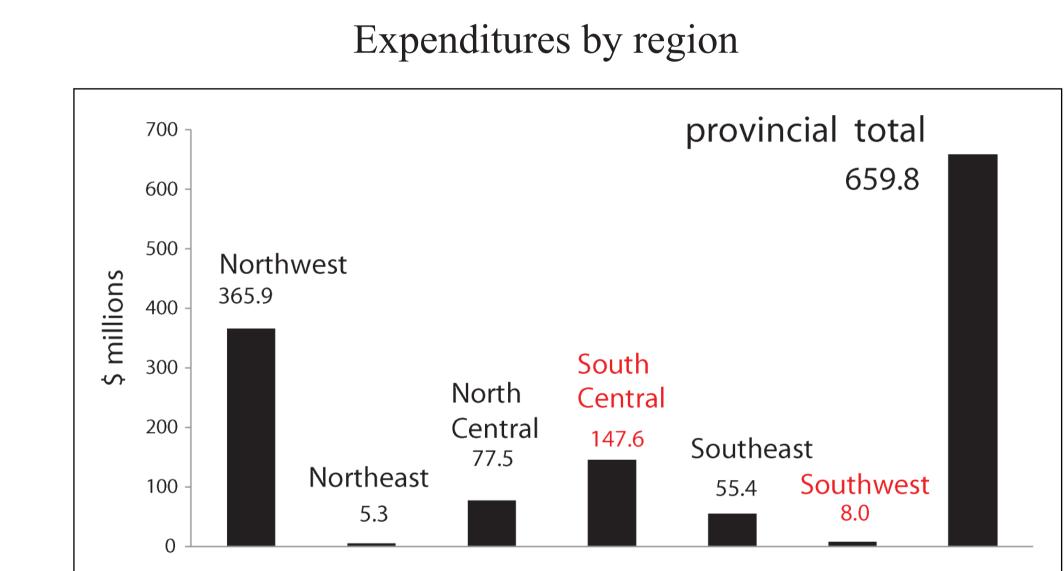
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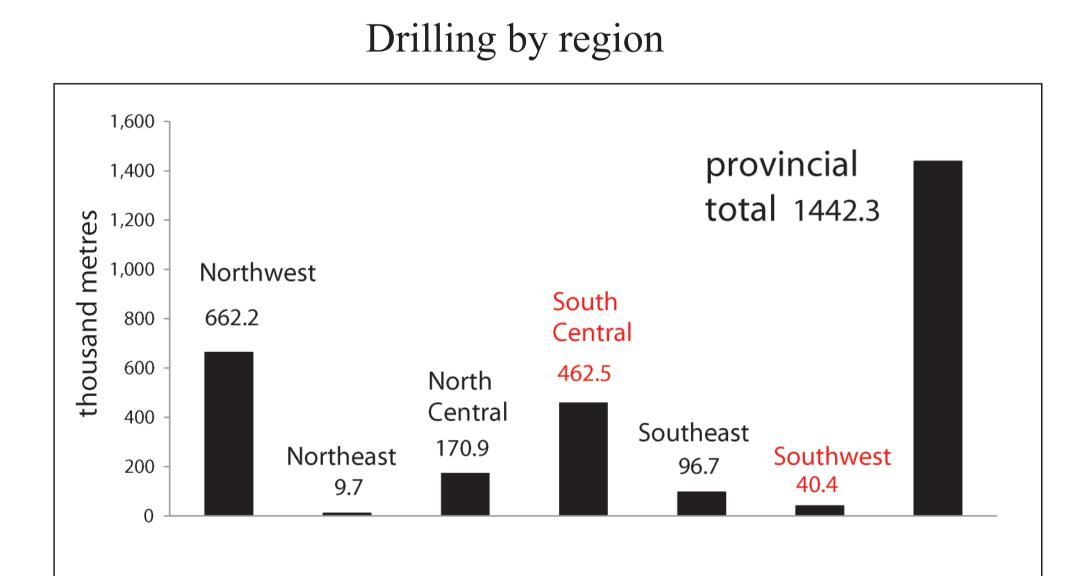


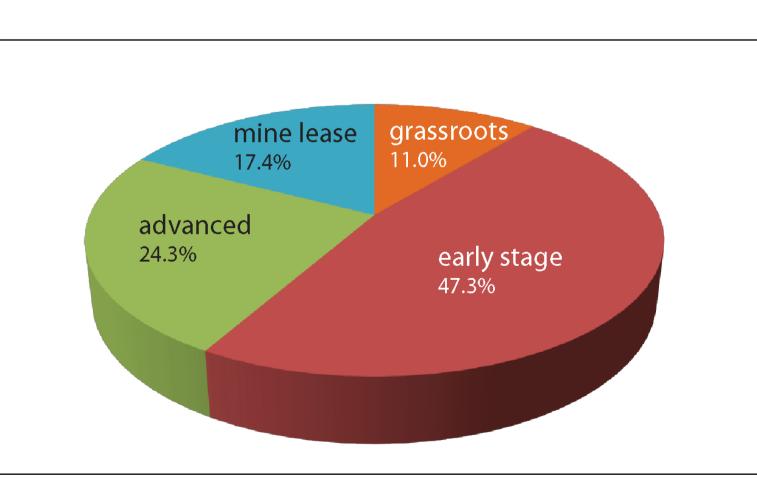
Overview

The exploration and mining industries of the adjacent Southwest and South Central mining regions reflect their differences in geography, geology, economy and population. The South Central region hosts an extraordinarily productive copper mining district, with four major bulktonnage copper porphyry deposits currently producing and a fifth possibly re-starting in 2022. The Southwest, currently has only one major metal mine (Myra Falls, a higher grade polymetallic deposit), but many areas are underexplored by modern methods. The region also has numerous aggregate and industrial mineral operations serving local, growing population centres and, to some extent, other coastal markets.

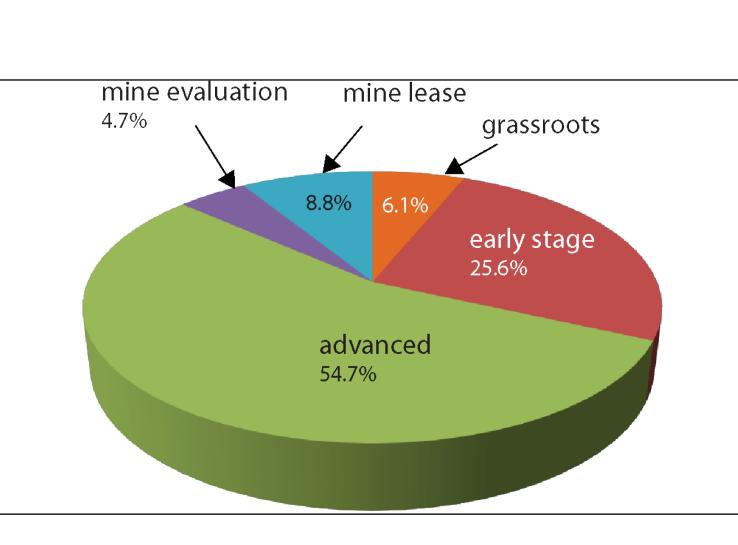
Exploration and drilling estimates







Southwest region, expenditures by category

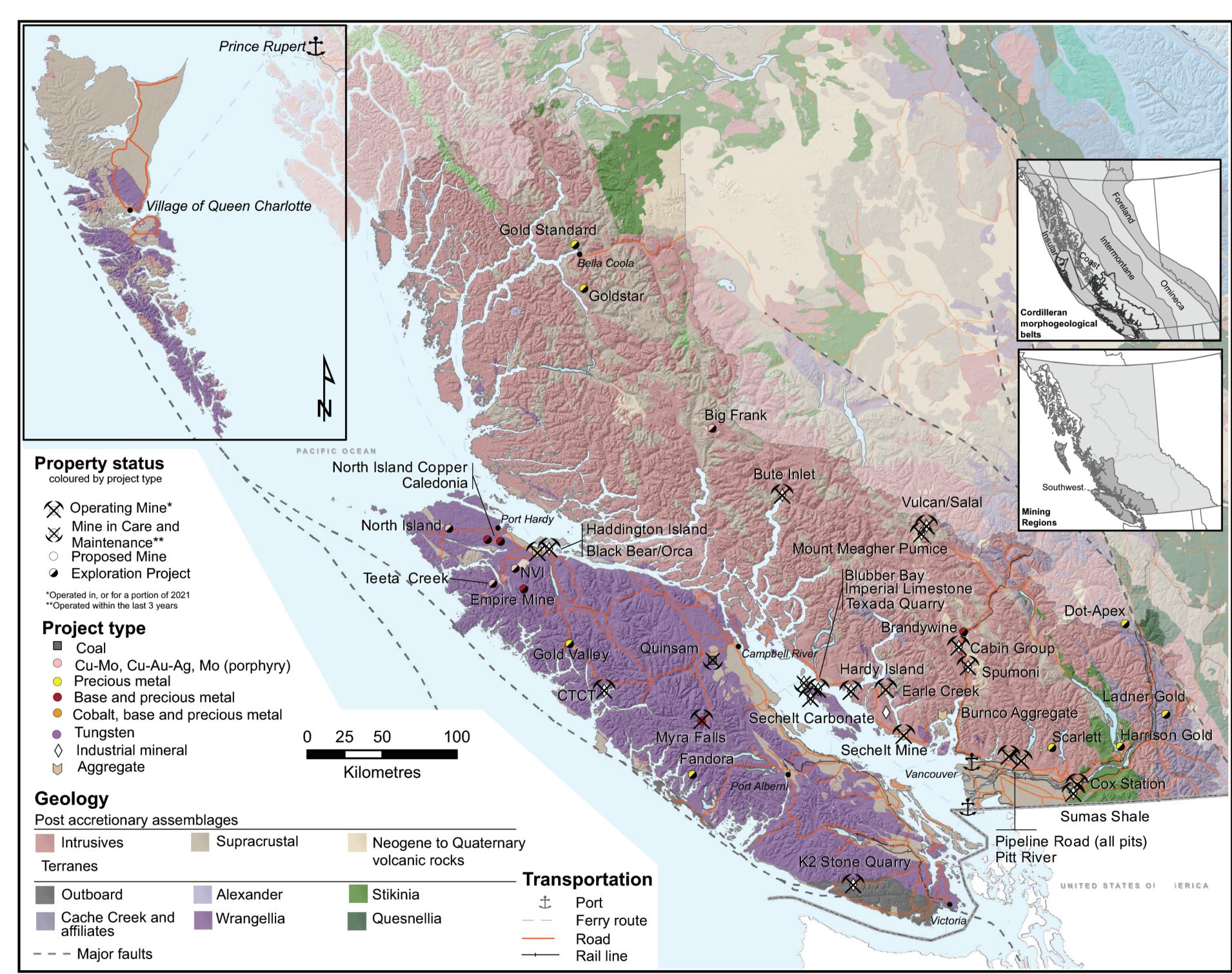


South Central region, expenditures by category

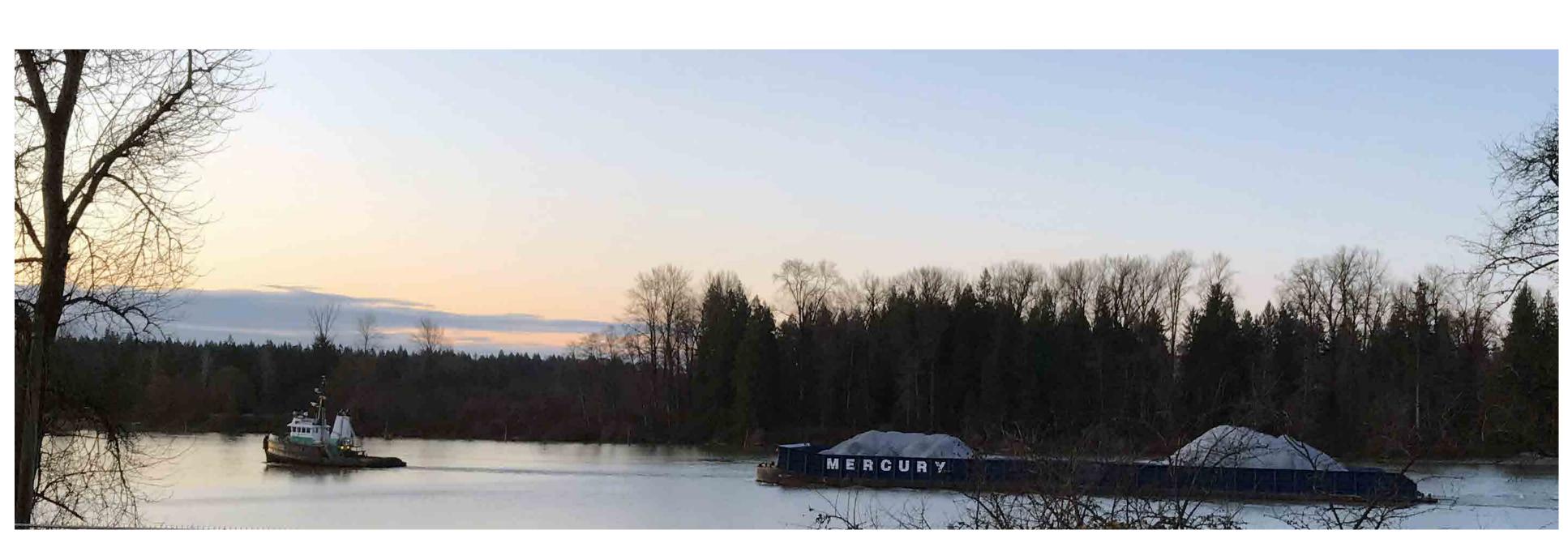
Mines and selected projects, Souththwest Region

The Southwest Region, with its large population centres and real-estate driven economy, has a high demand for construction aggregates and industrial minerals important to the construction industry. For many of the largest operations, rivers and tidewater facilitate transportation of these low unit value commodities.

With some exceptions such as the Middle Jurassic Island Plutonic Suite of northern Vancouver Island, the Southwest Region lacks the porphyry copper potential of the southern Quesnel terrane of the South Central Region. Younger porhyry and epithermal prospects are known, but generally at earlier stages of development. Consequently, gold, porphyry copper potential and other opportunities in the region are perhaps overlooked.



Mines, proposed mines, and selected exploration projects, Southwest Region, 2021. Terranes from Nelson et al. (2013).

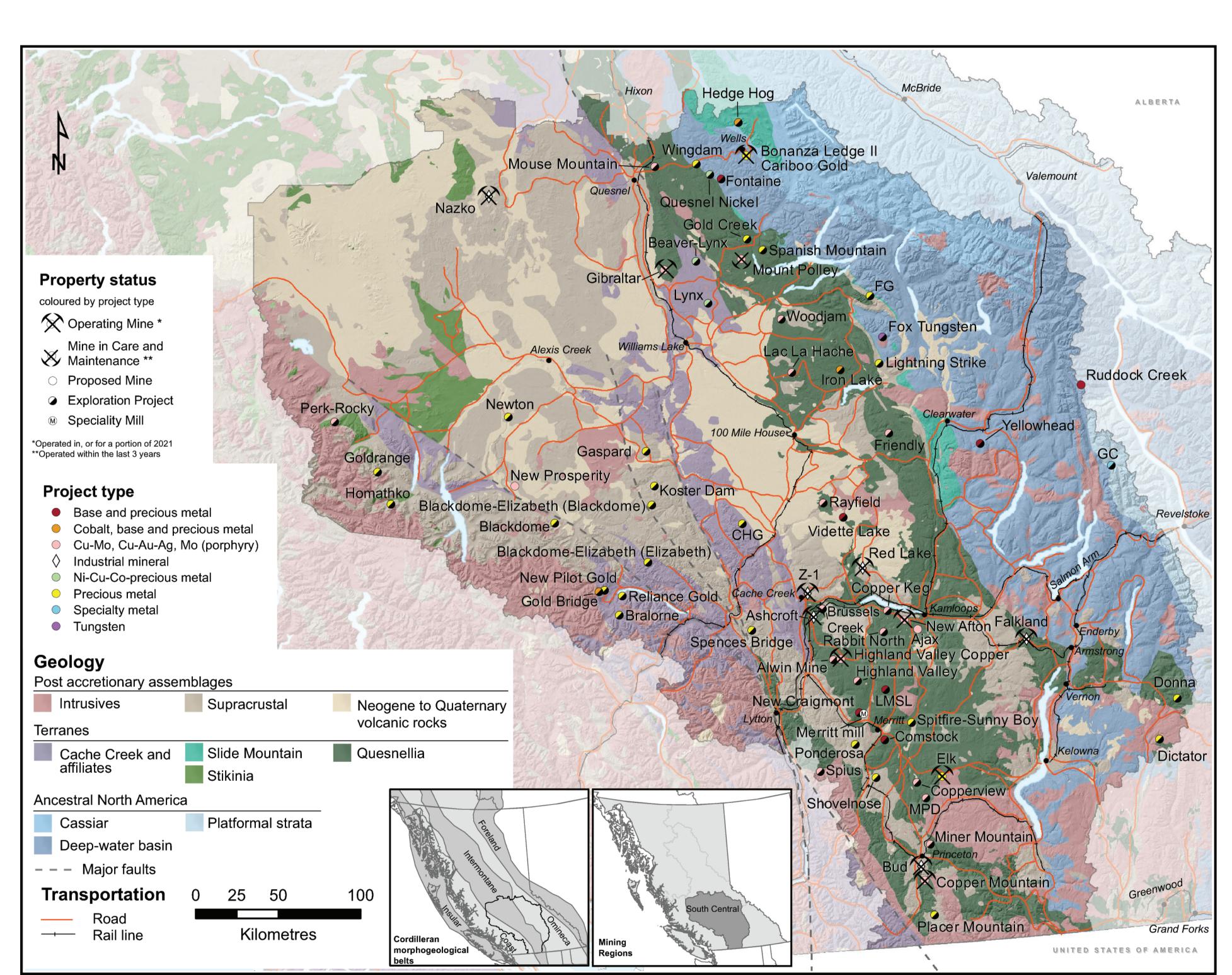


Barging construction aggregate on the Fraser River.

Mines and selected projects, South Central Region

The southern Quesnel terrane is a productive copper porphyry district, with the Gibraltar, New Afton, Highland Valley Copper and Copper Mountain mines currently producing and the Mount Polley mine in the early stages of a planned re-start. Several projects targeted porphyry copper-gold ± molybdenum \pm silver mineralization.

There were many projects targeting gold. Among the largest in the province were the Cariboo Gold, Bralorne and Shovelnose projects. Gold projects with large drill programs dominated exploration spending in 2021.



Mines, proposed mines, and selected exploration projects, South Central Region, 2021. Terranes from Nelson et al. (2013).



Teck Resources Limited's Highland Valley Copper mine.

Exploration highlights

Bralorne (orogenic gold veins; Talisker Resources Ltd.)

Talisker Resources' over 75,000 m of drilling at Bralorne in 2021 returned numerous narrow, high-grade gold vein intersections in addition to longer intersections of near-surface mineralization. They expect to update mineral resources with underground and potentially surface minable resources.

Cariboo Gold (orogenic gold veins; Osisko Development Corp.)

Osisko Development drilled 152,000 m at its Cariboo Gold project in 2021 in an exploration and resource category conversion program. The project is in the environmental assessment process with a proposed 4750 tonne per day operation that would utilize the Quesnel River Mill southeast of Quesnel

MPD (porphyry copper-gold; Kodiak Copper Corp.)

Kodiak drilled 21,675 m in 36 holes before November storms forced suspension of the program. Highlight results at the Gate zone include 126 m of 0.72% Cu, 0.21 g/t Au and 2.95 g/t Ag, 105 metres of 0.50% Cu, 0.39 g/t Au and 1.57 g/t Ag, and a 575 m step out returning 242 m of 0.38% Cu and 0.22g/t Au.

Elizabeth (orogenic gold veins; Tempus Resources Ltd.)

Tempus Resource drilled 7740 m in 28 holes at the Elizabeth project, which they are advancing with the Blackdome deposit (Blackdome-Elizabeth project). They reported discovering a new vein, the Blue vein, in 2021. Blue vein highlights include 0.5 m 26.4 g/t Au and 0.5 m 47.6 g/t Au.

Gold Valley (gold veins; Privateer Mines Ltd.)

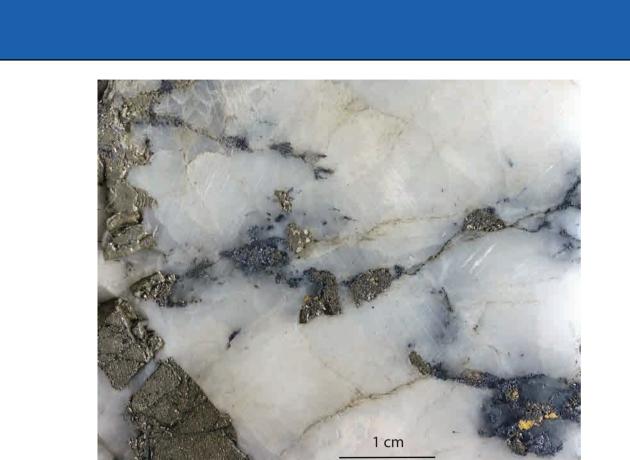
Privateer Mines drilled approximately 4500 m in the Zeballos gold camp, the latest in a multi-year drilling project. The area was an active mining camp in the 1930s and has seen only sporadic exploration since.

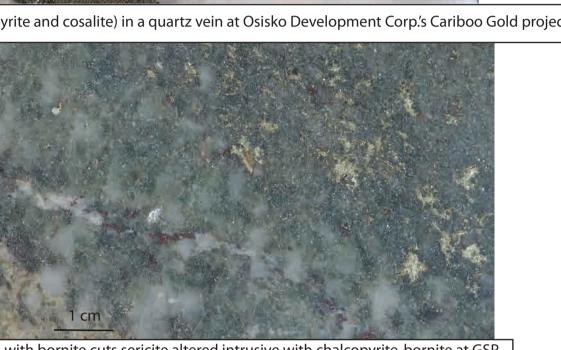
North Island (porphyry copper-gold-molybdenum; Northisle Copper and Gold Inc.)

Northisle drilled several targets on its North Island in addition to the advanced Hushamu and Red Dog deposits. Earlier stage targets include NW Expo, Pemberton Hills, Macintosh and Goodspeed. The updated the PEA covering combined Hushamu and Red Dog deposits earlier in the year.

Shovelnose (epithermal gold-silver veins; Westhaven Gold Corp.)

Westhaven Gold drilled at Shovelnose and released a mineral resource estimate in December of 791,000 oz Au and 3,894,000 oz Ag in the Indicated category (10.60 Mt at 2.47 g/t Au eq). There is an additional 263,000 oz Au and 1,023,000 Ag in the Inferred category. This estimate is based on a potential open pit operation. An estimate for potential underground mining is in preparation.







Mining highlights

Exploration at Copper Mountain extended mineralization at depth and to the west. They commissioned a third ball mill, which is to increase milling capacity to 45,000 tpd form 40,000 tpd.

Osisko Development Corp. resumed mining at Bonanza Ledge (Bonanza Ledge phase II), pouring the first gold in Q2 2021. The current phase was expected to have a life of about 18 months during which it is permitted to mine at a rate of 215,000 tonnes per year. Ore is trucked to the Quesnel River Mill.

New Gold Inc. reports New Afton met production guidance for the year despite challenges including wildfires and severe weather. Exploration continued undergonal continued underg and at surface on the Cherry Creek Trend.

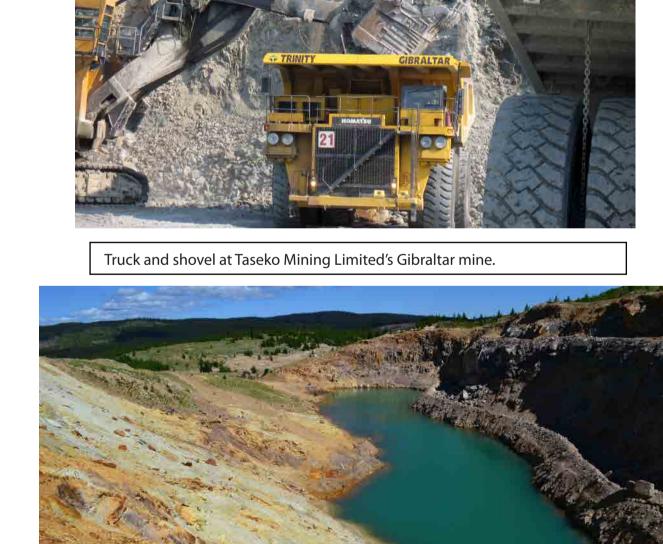
Imperial Metals Corporation began stripping operations and plant re-commissioning at the Mount Polley mine in preparation for a planned re-start in 2022.

Taseko Mines Limited announced 2021 production of 112 Mlb Cu at Gibraltar, somewhat lower than the expected approximate 120 Mlb Cu. The company reported lower recoveries in the fourth quarter. Despite weather related disruption to transportation infrastructure impacting sales, they reported 24 Mlb Cu sold in the fourth

Teck Resources Limited reported no weather related impact on production at **Highland Valley Copper**, but noted potential delays in concentrate sales. The HVC 2040 project, a proposal to extend the life of the mine to at least 2040 (an additional 800 Mt of ore), remains in the provincial environmental assessment process (pre-application phase in 2021)

Myra Falls (Trafigura Mining Group) continued to ramp up production. The long-term target is a throughput of 800,000 t of ore per year. Exploration continued in 2021 to replace reserves, which are currently estimated to last over 10 years.

Gold Mountain Mining Corp. began mining operations at the Elk project. They have an agreement with New Gold Inc. to process ore at New Afton. They are currently permitted to mine 70,000 tonnes per year of ore. Exploration also continued through 2021, and the PEA and resource estimate were updated.



Further information

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