



EXPLORATION AND MINING in British Columbia 2007



**Ministry of Energy, Mines
and Petroleum Resources
Mining and Minerals Division**

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Front Cover:

Exploration drilling continued on the Serengeti Resources Inc discovery during 2007. Serengeti completed some 22 000 m of diamond drilling to delineate the Kwanika porphyry Cu-Au-Mo deposit within the Quesnel terrane, about 40 km east of Takla Landing and 85 km north of Mount Milligan. 2007 results released to date showed impressive copper-gold grades; for example, borehole K-07-29 intersected 48.6 metres of 0.75% Cu and 2.5 g/t Au, and K-07-28 intersected 322 m of 0.40% Cu and 0.40 g/t Au.

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FOREWORD

INTRODUCTION

British Columbia's regional geologists publish an annual review of mineral exploration and mining activity for their region. These reviews are based upon their personal knowledge of many of the properties and mine sites in their district complemented by information provided by individuals and companies working in the mineral industry. The province's exploration sector for coal, industrial minerals and metals is so large that these reviews must focus on the larger and/or more advanced projects. For more information about a specific region, you are encouraged to contact the appropriate regional geologist (contact information below). For a provincial overview, please consult *British Columbia Mines and Mineral Exploration Overview*

http://www.empr.gov.bc.ca/Mining/Geosurv/Publications/catalog/cat_exrev.htm

The world is in the midst of a mining boom driven by high demand for many coal and mineral commodities resulting in high commodity prices. British Columbia has fared well during the mining boom because of its rich natural resources, well developed infrastructure, supportive government and secure tenure. The demand for commodities is primarily driven by Asian countries with rapidly growing or strong economies, such as China, India, Japan and Korea. These countries are natural trading partners for British Columbia given the province's easy access to the Pacific Ocean and shorter shipping distances to Asia than many of its competitors.

MINERAL EXPLORATION 2007

Mineral exploration investment expenditures in British Columbia soared to a record level of \$416 million dollars during 2007. This is an increase of more than 50% from the 2006 level and saw all but one region, the Northeast, increase significantly from the previous year. There were one hundred projects that spent more than a million dollars on exploration activity. Similarly, exploration drilling increased by over 50%, reaching about 1.254 million metres, up from the 830 000 metres drilled in 2006. British Columbia mining and exploration companies raised \$6 Billion in risk capital in 2007. This is approximately 40% of the \$16.4 Billion total raised across Canada.

One result of the mining boom has been that many companies were unable to complete programs due to the shortage of drills, drillers, field crews and/or helicopters. As well, delays in receiving analytical results were common and companies have been slower to report their results.

MINING 2007

The mining industry continues to grow in British Columbia with both new mines and mine re-openings over the last three years. There are currently 10 coal and 11 metal mines, 36 industrial mineral operations, and numerous aggregate quarries in production. In 2007, new mines and quarries opened at four sites. The Brule coal mine opened in the Peace River coalfields and the Max molybdenum mine near Trout Lake started up. The Swamp Point and Orca quarries, located south of Stewart and near Port McNeill respectively, began shipping aggregate.

There is good reason to anticipate more mine developments over the next 5 years. There have been more than 20 proposals for new mines and quarries submitted to government for review and approval with respect to the government's environmental, safety and sustainability requirements. As well, there are a number of advanced exploration projects with plans to complete feasibility studies and considering mine development. In 2007, the Galore Creek and New Afton copper-gold projects were approved to proceed to production. Unfortunately the former project was put on hold by the operators in November pending review of alternate development strategies as a result of unexpectedly high development expenditures.

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TABLE OF CONTENTS

NORTHWEST REGION		Fraser River-Merritt-Ashcroft.....	63
Summary and Trends	1	Aspen Grove-Princeton-Keremeos	64
Mines and Quarries.....	2	Okanagan-Southern Monashees.....	64
Metal Mines	2	Revelstoke-Shuswap-Northern Monashees	65
Industrial Mineral Quarries	7	Outlook for 2008	66
Mine Development Projects.....	7	Acknowledgments.....	66
Mineral Exploration.....	12	SOUTHWEST REGION	
Porphyry Copper Projects	12	Summary and Trends	67
Porphyry Molybdenum Projects.....	17	Metal Production.....	67
Polymetallic Massive Sulphide Projects.....	20	Coal Production.....	69
Gold-Silver Projects	22	Industrial Mineral Quarries	70
Specialty Metals.....	28	Aggregates	70
Coal and Aggregate Projects	28	Dimension/Landscaping Stone	71
Outlook for 2008.....	28	Other Mineral Products.....	72
Acknowledgments	30	Exploration.....	72
NORTHEAST REGION		North Vancouver Island.....	72
Summary and Trends	31	Mid-Island	73
Coal Mines.....	31	Powell River	74
Coal Exploration Projects	33	Harrison Lake-Northern Cascades	74
Hudson's Hope Area	33	Central Coast	75
Chetwynd-Pine River Area	34	Outlook for 2008	75
South of Tumbler Ridge.....	34	Acknowledgments.....	76
Wolverine Valley Area.....	36	KOOTENAY REGION	
Dawson Creek to Tumbler Ridge.....	36	Summary and Trends	77
Metal Exploration Projects	36	Operating Mines and Quarries	77
Outlook for 2008.....	36	Metals	77
Acknowledgments	36	Coal.....	79
NORTH-CENTRAL REGION		Industrial Minerals.....	79
Summary and Trends	37	Exploration Highlights	80
Mines and Quarries.....	40	East Kootenays	80
Metal Mines	40	East Kootenay Coalfields.....	82
Quarries.....	41	West Kootenays	82
Exploration Highlights.....	42	Boundary District.....	84
Toodoggone-Kemess Area.....	45	Outlook for 2008	85
Gataga-Kechika Trough	45	Acknowledgments.....	85
Omineca Mountains	46		
Northern Nechako Plateau.....	47		
Southern Nechako Plateau.....	48		
Prince George and Mackenzie Areas	48		
Quesnel and Wells-Barkerville Areas	48		
Likely-Horsefly Area	49		
McCleese Lake Area	50		
Regional Projects	50		
Coal Exploration.....	50		
Outlook for 2008.....	50		
Acknowledgments	50		
SOUTH-CENTRAL REGION			
Summary and Trends	51		
Metals	52		
Coal.....	56		
Industrial Minerals.....	56		
Exploration Highlights.....	57		
Kamloops-Highland Valley.....	57		
North Thompson	59		
Southern Cariboo-Chilcotin	60		
Gold Bridge.....	62		

