

June 16, 2011

Ms Paloma Corrin
Manitoba Assistant Campaigner
Manitoba Field Office
The Wilderness Committee
3rd Floor, 303 Portage Ave.
Winnipeg MB R3B 2B4

Dear Ms Corrin:

Thank you for your letter of June 14, 2011 in which you present concerns regarding mining in provincial parks in Manitoba. I would like to take this opportunity to provide some context from the viewpoint of Manitoba Innovation, Energy and Mines.

1. Mineral exploration and mining are not the same thing

Currently there are no operating mines in any Manitoba parks. Of course that may change in the future, but the number would always be very small because economic mineral deposits are exceedingly rare (there are only nine operating mines in Manitoba; of these, just three were put into operation in the last 10 years).

Mineral exploration is much more common than mining, but has little or no lasting effect on the land. Exploration is conducted by companies only on the mineral dispositions (mining claims and mineral exploration licences) they hold.

2. Mineral dispositions constitute a tiny portion of Manitoba provincial parks

A detailed review as of June 15, 2011 indicates that mineral dispositions constitute only 2.4% of all provincial park lands. In other words, 97.6% of provincial park lands are unencumbered by mineral dispositions.

3. The fact that a company that takes out or holds mineral dispositions (mining claims and mineral exploration licences) does not automatically mean that an economic deposit will be discovered and developed into a mine

The chances of success in exploration are tiny, estimated at less than a tenth of a percent¹. The presence of mining claims or mineral exploration licences in a park (or anywhere else) does not mean that a mine is coming soon, if ever.

¹ Moon, C.J., Whateley, M.K.G., and Evans, A.M. 2006: *Introduction to mineral exploration*; Wiley-Blackwell, 481 p.

It can take an exploration company many years and millions of dollars to gather all of the information needed to decide whether or not a discovery is in fact economic. Uneconomic projects are dropped and the company moves on to another project in another location.

Mineral deposits are exceedingly rare, economic deposits are even rarer, and most exploration companies do not in fact discover a deposit that can be developed into a mine.

4. Mineral exploration and mining are a temporary uses of the land

Mineral exploration by its very nature is a temporary use of land, because 99.9% of all projects are unsuccessful and companies look elsewhere. Activities associated with mineral exploration (prospecting, sampling, geophysical surveys, even diamond drilling) leave little or no lasting effects on the land.

Mining too can be considered a temporary use of land, one that provides profound economic benefits to Manitoba and Manitobans. For example, more than 90% of Grass River Provincial Park is classified in the Resource Management and Recreational Development land use categories. Approximately 11 non-operational/past-producing mine sites occur in the Park – sites that previously had mining operations. Most of these (e.g., Spruce Point Mine) have been rehabilitated and little remains to mark the location of past mining activity.

5. Some parks have considerable mineral potential

3.8% percent of all mineral dispositions in Manitoba are located (within permissive land use categories) in provincial parks. The 1203 individual depositions that lie completely or partially within parks show that mineral exploration companies believe that these areas have some potential to host mineral deposits.

New discoveries and proposed new mines in provincial parks demonstrate that significant mineral potential exists in some provincial parks. The fact that Manitoba parks have land use categories that include resource development reflects the evidence that some parks coincide with highly favourable geology.

Mineral deposits have to be mined where they are found, so competing land use interests are the norm and compromises have to be made by both sides. Nevertheless, as described above, 97.6% of all provincial parks lands do not have any mineral dispositions. Allowing mineral exploration (and potentially mining) on the 2.4% of provincial park lands that are covered by mineral dispositions seems like a reasonable compromise.

6. Modern legislation and regulations are written to prevent the abandonment of mine sites after an orebody is exhausted

Mine Closure Regulation 67/99 applies to all mines presently operating in Manitoba and any new mines: "The proponent shall file a Mine Closure Plan 60 days before mining commences in accordance with the Regulation". Financial securities must be filed with the government to ensure that sufficient funds are available to complete remediation to government standards. Advanced exploration also may require a closure plan and security deposit with the appropriate environmental approvals.

7. Even if a new mine is proposed for a provincial park, there is an extensive environmental review process involved before licences are granted.

All mine developments, some quarry operations and some advance exploration projects in Manitoba require an Environment Act Licence. An application must be accompanied by an Environmental Impact Statement (EIS). The EIS is reviewed by an interdepartmental committee (Water stewardship; Conservation; Innovation, Energy and Mines; Labour and Immigration; and Historic Resources). The committee assesses the potential environmental impacts of the project, and the environmental management practices proposed by the company to minimize potential adverse impacts. An opportunity is provided for public input into the project, in some cases a public hearing may be required.

8. Special provisions exist for recording a mining claim in a provincial park

The claim staker must obtain a work permit issued by Manitoba Conservation prior to staking a mineral claim in a provincial park (and only if the park has a land use category that permits resource development).

Outside of provincial parks, claim stakers are not required to obtain a work permit prior to staking, primarily because of the confidentiality required in an extremely competitive business environment. Claim holders also require a work permit from Manitoba Conservation to conduct any exploration activities on their claim(s).

I hope these points provide some reassurance that the mining sector is a responsible part of Manitoba's economy and does not endanger in any way the vast majority of Manitoba provincial park lands.

Yours truly,



John N. Fox, P.Eng.