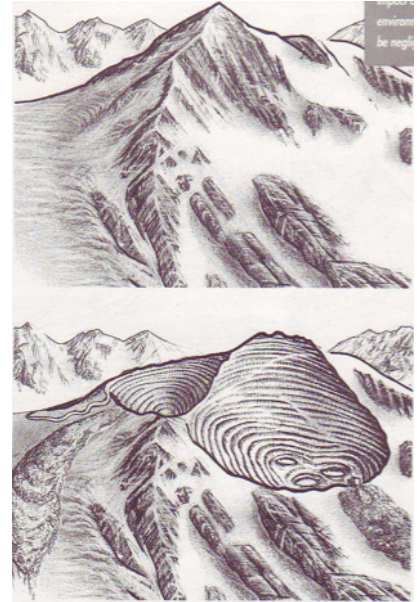


Windy Craggy: A Retrospective

INTRODUCTION

The Tatshenshini-Windy Craggy issue resulted from a unique set of circumstances: a mineral deposit associated with extraordinarily high environmental hazards was situated in a world quality wilderness area surrounded by National Parks and World Heritage Sites. Situated on an important US-Canadian fisheries river just upstream of the American border, this was a unique transboundary issue, with a mine site proposed in British Columbia and a portsite in Alaska.



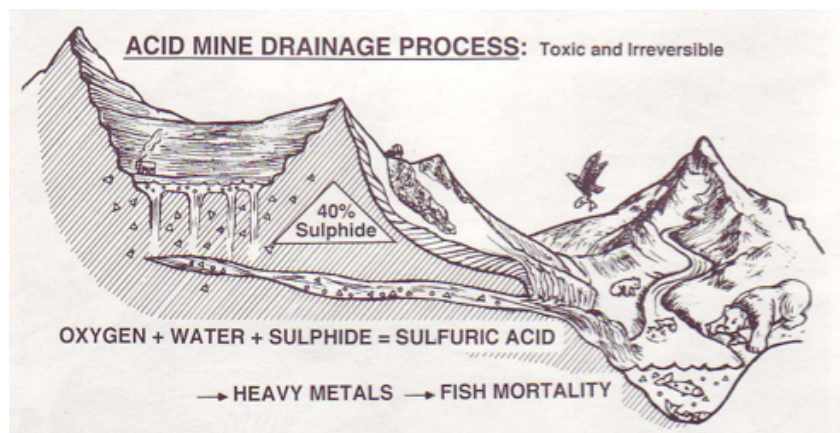
EXCEPTIONAL ACID MINE DRAINAGE MADE WINDY CRAGGY ENVIRONMENTALLY UNSAFE

"We consider the principal threat posed by mining activity past, present and future to be Acid Mine Drainage...it frequently occurs only after mining activity has come to an end, is almost impossible to reverse and very expensive to clean up."

University of California Mining Waste Study, Undertaken for California State Legislature, 1988 12

The Windy Craggy project was the most environmentally hazardous mining project ever proposed in Canada, due to the fact that the ore was on average 35% sulphide. Exposing this rock to atmospheric oxygen and moisture through mining, had the potential to generate vast amounts of sulfuric acid which would then leach out heavy metals from the bedrock.

Called Acid Mine Drainage (AMD), this acid/heavy metal combination persists for thousands of years and is lethal to fish. Once it starts there is no known technology to stop it. AMD is acknowledged to be the biggest environmental problem facing the mining industry today and the potential for AMD at Windy Craggy was exceptionally high.



"In terms of both size and frequency of earthquakes, the Windy Craggy vicinity ranks among the most seismically active parts of the world."
CORE Report 15

HIGHEST NORTH AMERICAN EARTHQUAKE HAZARD

US Geologic Survey reports confirmed the Tatshenshini-Alsek region to be situated in the most earthquake prone area in North America. This therefore rendered it impossible to guarantee the long term, failsafe operation of tailings dams at Windy Craggy to prevent the generation of AMD.

INTERNATIONAL FISH AND ENVIRONMENTAL VALUES AT RISK

The values threatened by the Windy Craggy project included:

- Transboundary fisheries acknowledged by the US Fish & Wildlife and United Fishermen of Alaska to be worth \$50 million/year (\$10 million on the downstream Alsek; \$40 million on the Chilkat/upper Lynn Canal system)
- The Glacier Bay National Park & World Heritage Site
- The subsistence fishery & traditional lifestyle of the Yakutat First Nation (living at the mouth of the Alsek)
- The exceptional grizzly and rare glacier bear populations
- As well, the mine site and associated roading/slurry pipeline transport system would have irreversibly impacted a pristine wilderness of world class wildlife, ecologic, recreational and scenic value.

WINDY CRAGGY: INTENSIVELY REVIEWED; REPEATEDLY REJECTED

Windy Craggy was subject to the most intensive environmental review ever of any mine proposal in Canada. It was reviewed for over five years jointly by Canadian, British Columbia and United States agencies. The timeline was as follows:

May 1988: Geddes Resources initiates BC Mine Development Review.

Jan. 1990: Geddes submits its first Stage One Mine Plan. Subsequent strong public opposition develops due to the major environmental risk of the project.

May 1990: BC/Canadian/US agencies reject Geddes current plan as environmentally unacceptable and require major revisions to its Mine Plan

Nov. 1990: Geddes resubmits Revised Stage One Mine Plan.

Jan. 1991: Geddes submits draft applications for port terminal in Alaska & tries to avoid review under US National Environment Protection Act (NEPA). Subsequently, Geddes is informed by US agencies that the project will be subject to NEPA. In all over

30 federal US and Alaskan permits would be required. Geddes decides to hold off on US permitting to see if it can get Canadian permits first.

March 1991: Geddes submits application for 150 mile Canada-Alaska slurry pipeline. Canadian Fisheries Minister rejects 8 page application as inadequate.

May 1992: Bill introduced into US Congress by Senator Al Gore to block Windy Craggy.

July 1992: BC Government releases Summary of Outstanding Issues/Deficiencies of Revised Windy Craggy Project. Assigns Commission on Resource and Environment (CORE) to review Windy Craggy project.

Dec. 1992: Glacier Bay World Heritage Site is designated.

Jan. 1993: BC Ministry of Mines confirms that revised Mine Plan remains environmentally unacceptable. CORE expert panel confirms severe impacts likely from Windy Craggy including tailings dam failures and permanent, large scale impact to international fisheries. In all 86 sources of environmental risk are identified, 12 are rated severe.

April 1993: Recognizing the now apparent risks of Windy Craggy and concerned at Geddes avoidance of the US environmental assessment process, US Administration and Congressional leaders indicate their readiness to use the Boundary Waters Treaty to block Windy Craggy.

June 1993: BC Government determines Windy Craggy is environmentally too hazardous and decides to protect the world class wilderness values of Tatshenshini as a Class A Park.

December 1994: United Nations Education, Scientific and Cultural Organization (UNESCO) designates Tatshenshini as World Heritage Site.

UNITED STATES HAD PROJECT VETO

The United States had an effective veto on the project since the only viable portsite was located in Alaska and required the approval of both that State and especially the Federal US Government (since constitutional responsibility for lands and resources rests primarily at the national US level).

On the US side, no permitting ever got to the first stage of acceptance. Therefore this failure of the Windy Craggy project would likely have proved fatal regardless of what the BC Government had decided.

"The development of a huge open pit copper mine in the midst of one of the world's most rare and pristine regions is an environmental nightmare that threatens the river and every living thing in the region."

Vice President Al Gore

CONTINENTAL OPPOSITION

"Tatshenshini is an area of tremendous biological diversity and overwhelming natural beauty, which should be protected and preserved for future generations."
*Vice President Al Gore,
Dec. 14/1992*

Resolute opposition to the project was consistently voiced by the White House (then Vice President Gore), Administration agencies in the Departments of State and Interior, as well as leaders in the US Congress. In Canada, top level leaders from all federal parties as well as senior bureaucrats opposed Windy Craggy and supported the preservation of Tatshenshini.

From the public standpoint, the largest continent-wide wilderness coalition ever assembled in North America worked together to save Tatshenshini: it comprised the 50 leading environmental organizations in Canada and the US, which together had a membership of over 10 million people.

THE LOGICAL CONCLUSION

In early 1993, after 5 years of intense government review and citizen action, a blue ribbon panel drawn from the mining and engineering sector reported to the BC Commission on the Resources and Environment that the potential risks of Windy Craggy were real and severe.

Not surprisingly, top level political and bureaucratic pressure was building rapidly in the US to terminate further consideration of this hazardous project. As well the world conservation community under the auspices of the prestigious World Conservation Union (IUCN) and UNESCO was calling on Canada and BC to preserve Tatshenshini and nominate it for World Heritage Site status.

In the end, the BC Government decision to preserve Tatshenshini was predictable and responsible. It brought to conclusion a seemingly endless and costly governmental environmental review process; which otherwise had the prospect of going on for many years with drastically escalating public and international political pressure.

This decision cleared the way for the Tatshenshini-Elsek Wilderness Park to receive World Heritage Site status (nature's hall of fame) in December 1994, thus completing the largest international World Heritage Site on the planet.