

GLOBAL BUSINESS REPORTS

INDUSTRY EXPLORATIONS



BRITISH COLUMBIA AND VANCOUVER AS A GLOBAL MINING HUB

2019



Institutional Support and Regulations - Finance Trends
Innovation and Industry 4.0 - Exploration - Services and Support

Dear Reader,

- GBR is delighted to release this edition of our Industry Explorations series covering the mecca of mining that is British Columbia, Yukon and Vancouver. GBR has been covering British Columbia's mining industry ever since our first visit to the province in 2004 and has witnessed the effects of the super cycle and the subsequent downturn here more than perhaps anywhere else in the world. From the multiplying plethora of juniors benefitting from copious flows of capital that we described then, to an industry in consolidation dependent on alternative methods of raising money from a more limited pool of funds that we witness today.

Vancouver's miners are in the painful process of reinventing themselves and their methods in order to conform to the requirements of a new era in mining financing. GBR has spoken to the current generation of juniors seeking to raise capital, as well as to the royalty and streaming companies that are increasingly replacing the conventional equity and debt financing for mining projects, to study the opportunities that the new conditions afford.

Furthermore, British Columbia currently lags behind other Canadian jurisdictions such as Ontario and Québec in terms of its ability to attract new exploration activity and investments. This report explores the efforts being made to remedy this, including the formation of the B.C. Regional Mining Alliance, which aims to stimulate reconciliation and collaboration between stakeholders, including the first nations, thus enabling the development of new mining districts, notably to Golden Triangle in northern British Columbia.

Vancouver can, however, still lay claim to being the capital of world mining, with over 800 mining companies and juniors headquartered in the city, more than Toronto and Perth (home to the second and third most) combined. The newly formed Newmont Goldcorp confirmed this status by its decision to move its North American regional operations office from Nevada to Vancouver. Companies from Vancouver can be found operating from Finland to Mozambique, bringing world-class processes and technologies with them.

Meanwhile, Yukon has become a hotbed of exploration activity, and will welcome three new mines that are expected to enter production over the next six years: Victoria Gold Corp's Eagle mine, Goldcorp's Coffee project, and Western Copper and Gold's Casino project.

In this report, juniors, explorers, financiers, producers and regulators based in British Columbia provide their opinions on the current state of the market and on the opportunities and hindrances that it presents, accompanied by GBR's own analysis together with maps and charts.

We would like to thank all our interviewees who have taken the time to provide their insights into the market. To all our readers, we always welcome your feedback or insights; please feel free to contact us at apascoletti@gbreports.com.



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Scott Plummer

President & CEO
RMS-ROSS CORPORATION

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We used the downturn to expand, redesign and improve our product line, making it more robust, efficient and easy to operate. Making all the changes during the downturn was extremely beneficial for business.

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RMS-Ross has a strong presence in North America. Which other regional targets will you be focusing on for continued growth?

RMS-Ross continues to strengthen its presence within Canada and the United States, but it is our goal to expand further into Central and South America and Africa. We presently have sold our mining equipment and systems in over 60 countries around the world.

Can you outline the range of your service offering and highlight a recent success story?

We mainly work with the small and mid-tier mining companies, as we are a heavy-duty mining equipment and mining recovery system designer and manufacturer. We work closely with smaller companies to ensure they find the right solutions for their projects. One of our proudest accomplishments was a recent shipment we completed to a project in Bolivia. The company's project had started as a gold mine, but once we had a complete elemental analysis performed on the heavy mineral black sand concentrate, we discovered that there were seven additional valuable target products that were potentially separable and profitable. By analyzing the results and conducting a range of advanced separations, it was determined that these products could each be separated to saleable grade products, using just advanced magnetics in tiered gauss levels, eddy current and electrostatics. The company would not have to do any chemical extraction, and their resources could be worth many times that of the gold that was being recovered, as each of the products was a high percentage, saleable grade.

RMS is also now incorporating advanced sensor-based ore sorting technology into some of our plant designs so that we can remove barren or uneconomic rock prior to secondary and tertiary crushing and separation, significantly decreasing overall mine energy consumption and dramatically increasing throughput while also greatly increasing grade of the ore that is fully processed.

What are your flagship products?

We are widely known for our advanced, robust modular Circular Jig Plants, which can effectively be adapted to a wide range of heavy mineral concentration, from a wide range of metals and minerals, to gems such as diamonds. We are also known for our

heavy duty DEROCKER, which allows the alluvial processing and scrubbing and recovery of values from ground full of rocks and boulder as large as 1.3 m diameter several mt in weight. We also do advanced sluice systems, however, we integrate other associated leading mining technology companies' products into the circuit design, depending on the unique specifics of the ore and heavy mineral content/concentrates – whether it is hardrock or placer etc. – in order to be certain that we are designing and building the most efficient and robust recovery system to meet the exact needs of our customer's ore and target value recovery.

What was RMS Ross' strategy for navigating the mining downturn in order to continue growing?

We used the downturn to expand, redesign and improve our product line, making it more robust, efficient and easy to operate. Making all the changes during the downturn was extremely beneficial for business. We improved our customers' experience and made shipping and manufacturing easier and more affordable. We presently have 13 projects where we have completed circuit layouts and designs, and three more are right now in the stages of final funding. Another challenge that we faced was that a company in Russia and one in China copied our innovative product. The quality was very low, and the attempted copies had very short operational life in comparison, but certainly it was an unpleasant experience.

What are some of the milestones that you would like to achieve in the next year or two?

We would like to continue expanding our knowledge for conquering unique orebodies and on mastering multistage leading edge advanced separation. Geologists and field experts are very skilled at what they do; however, sourcing the right information to be able to determine and achieve the type of multistage scale separation like we did on the aforementioned Bolivia project is currently lacking in the industry. We will continue to strengthen our relationship with specialty separation laboratories where we can achieve detailed analysis and the range of precise separation work needed to be done. RMS-Ross is currently working with universities and studying new emerging equipment in order to continue improving our service offering. ■



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who require **heavy duty** solutions...

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CORPORATION

RMS-Ross Corporation is a Canadian, 4th generation family owned company, founded in 1926. The RMS Team engineer, design, prototype, build, export and install worldwide an extensive line of innovative, top of class, modular, heavy mineral concentration and separation equipment. RMS also provides complete engineered mine circuits, precisely tailored to your target mineral requirements.

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