

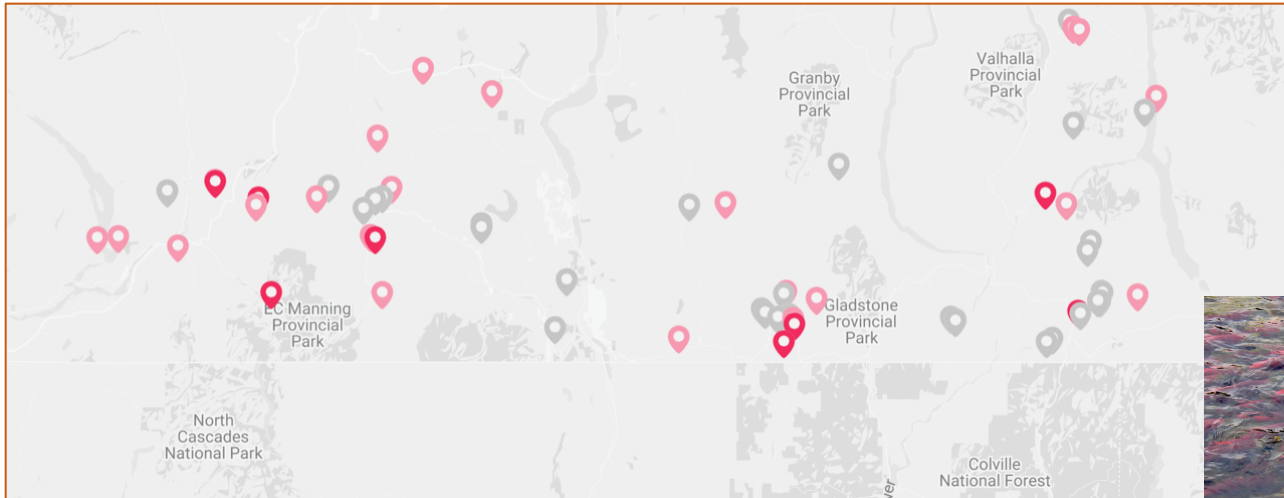


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Conservation Northwest

Keeping the Northwest Wild



Operating mines, active exploration sites, or past production sites, South Central B.C., within 50 miles of Washington

British Columbia Mining: The Threat to Washington State

July 2021

Introduction

With 70 to 90 mining sites within 50 miles of the border, advanced exploration investment up 36% in 2020, and the clean energy revolution driving a surge in demand for key metals, mining activity in British Columbia is an immediate and growing threat to Washington State waterways and ecosystems.¹

For years, B.C. has positioned itself as a leader in environmental regulation, notwithstanding well-known, devastating failures like the Mount Polley mine tailings disaster²—one of the worst tailings dam ruptures in the world. But the reality is that the province lacks the regulatory rigor to match its aspirational PR. Some notable mining regulations in B.C. are far less stringent than Washington’s, and a damning 2016 report by the provincial Auditor General found that even those standards are only haphazardly enforced, with little active compliance and inadequate repercussions.

“Regardless of whether the mining industry is experiencing growth or slow-down, protection of the environment needs to be ensured,” wrote Auditor General Carol Bellringer, an independent government ombudsman. “This is only possible through strong regulatory oversight.” But “we found almost every one of our expectations for a robust compliance and enforcement program...were not met,” with serious gaps in mine monitoring and inspection by provincial agencies.³

Five years later, 58 of 60 past producing mining sites in proximity to the border represent a continuing threat of water contamination or acid mine drainage.⁴ B.C. still doesn’t have a comprehensive plan to control contamination from legacy sites, and there is no legal requirement that the province consider cross-border impacts in the way it regulates the industry.

These long-standing trends point to the serious risk for Washington State as a typically cyclical industry shifts into high gear. With the COVID-19 pandemic triggering new interest in precious metals, especially gold,⁵ and the urgent shift to clean energy and electric vehicles driving up demand for silver, copper, and nickel, B.C. is set to profit handsomely from the boom. Exploration activity across the province grew 28% in 2020, to C\$422 million, while advanced exploration increased 6%, its fastest growth rate in four years, according to the annual B.C. Mineral and Coal Survey.⁶

Meanwhile, the North Central and South Central mining regions just north of the Washington state border have seen, and will continue to see, significant increases in gold exploration, now accounting for about half of the gold investment in the province. The B.C. Geological Survey lists South Central B.C. as Canada’s most productive copper district, and a surging international electric vehicle market is expected to drive up copper, silver, and nickel mining for the next decade.

¹ <https://skeenawild.org/new-map-shows-dozens-of-mine-pollution-threats-in-bc/>

² <https://www.aptnnews.ca/national-news/five-years-after-mount-polley-disaster-b-c-mining-laws-in-need-of-change/>

³ <https://www.bcauditor.com/sites/default/files/publications/reports/OAGBC%20Mining%20Report%20FINAL.pdf>

⁴ <https://skeenawild.org/new-map-shows-dozens-of-mine-pollution-threats-in-bc/>

⁵ <https://www.baystreet.ca/stockstowatch/10209/Bidens-Gold-Boom-Why-the-Yellow-Metal-Could-Fly-in-2021>

⁶ https://assets.ey.com/content/dam/ey-sites/ey-com/en_ca/topics/mining-metals/bc-mineral-and-coal-exploration-survey-report/ey-2020-british-columbia-mineral-and-coal-survey.pdf

Implications for Washington State

Washington State has every reason to be concerned with downstream mining impacts from B.C. After all, the Washington-B.C. border includes several transboundary rivers and watersheds, including the Columbia, Skagit, and Similkameen Rivers. Here are a few examples of existing and potential future trouble spots:

Organized opposition to the proposed **Skagit River (Giant Copper) mine** (GPS 49°19'52" N, 120°32'03" W) and its threat to the water source for Seattle continues to grow, with state elected officials, civil society groups, and businesses signing on to a growing coalition of more than 200 project opponents. Exploratory activities and potential development of a future mine carry high environmental risk to the Canadian Skagit headwaters, representing a significant threat to many of the values connected to the Skagit River and watershed—including the largest populations of threatened steelhead and Chinook salmon in Puget Sound. Imperial Metals, the very same company responsible for the Mount Polley mine disaster, applied for a five-year exploration permit in December 2018, but a public outcry prompted the provincial government to pause the plan. As of June 2021, the province had yet to rule on the application.⁷



Giant Copper



Copper Mountain

The **Copper Mountain project** (GPS 49°19'52" N, 120°32'03" W) is an active mine about 22 miles from the border that has generated nearly 40,000 tons of mill volume since it opened in 2011. It has amassed a long and alarming history of regulatory violations, currently discharges nearly 1.4 million gallons of seepage into the Similkameen River each day, and has massive expansion plans in the works for a tailings impoundment that would be taller than the Hoover Dam. The Copper Mountain project has been chronically out of compliance with water quality standards and threatens the Similkameen River and associated downstream watersheds, such as the Okanagan.

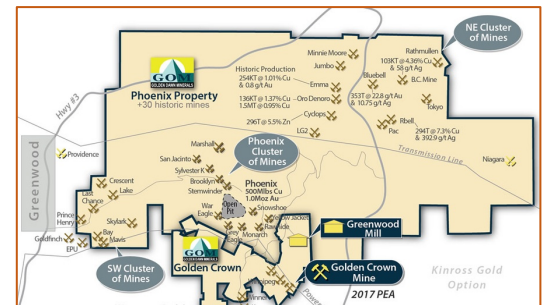
The **Phoenix/Golden Dawn project** (GPS 49°00'42" N, 118°36'55" W) is a 60-square-mile cluster of 32 historic mines and 46 mineral showings within a mile of the border, in the Kettle River watershed. It produced

more than 500 million pounds of copper and one million ounces of gold until 1978, includes a 200-ton-per-day mill and tailings facility that could double in size, and may be set to reopen due to high commodity prices.

The **Sheep Creek district** (GPS 49°08'25" N, 117°08'13" W) is a legacy mining area about 50 miles northeast of Metaline Falls, WA, within the Columbia River watershed. It has a history of productive gold, silver, nickel, and copper mining and a new owner that “has raised funding, has new management, owns significant gold assets, and is looking for much more in British Columbia,” according to a December, 2020 market assessment.

The **Klondike Silver/Silvana project** (GPS 49.972500, 117.251667) is a collection of 68 legacy mines where new exploration for silver and lead/zinc has been under way since 2018. The mine is situated in the Kootenay River watershed.

The **Treasure Mountain project** (GPS 49°27'18" N, 121°05'15" W) is a 7,000-acre silver deposit located 32 miles from the border, in the Fraser River watershed. The site is an older mine with 51 mineral tenures and 21 legacy claims, and as of December 2020, there was some possibility of the mine reopening if silver prices remain high.



Phoenix/Golden Dawn

Summary

Unlike the transition off fossil fuels, the solution to environmental risk from mining in a jurisdiction like B.C. is not to keep it in the ground—the minerals and metals are needed. But poorly regulated mining is dangerous, and when it occurs in close proximity to the international border, it represents a real and present threat to Washington’s economic and environmental interests. The combination of poorly regulated mining, proximity of this mining just upstream of important downstream resources, and the likelihood of a continuing mining boom in B.C. is a mix that should command growing attention from Washington State officials and stakeholders living in those downstream areas.

At present, Washington State has no meaningful protections against the kind of dramatic tailings dam failures that occurred at Mount Polley. For B.C. residents who live

downstream of that disaster, the lessons in the aftermath of Mount Polley are not the least bit encouraging: no charges have ever been laid for the disaster, and provincial taxpayers have had to foot a good part of the clean-up bill.

So **two important questions for Washington State** become:

- **Would the B.C. government hold a B.C. mining company responsible** for Washington State damages in the event of a catastrophic, Mount Polley-type disaster?
- **Would the B.C. government ask its taxpayers** to assume damages to Washington State interests in the event of such a disaster?

⁷ <https://wawild.org/positive-media-attention-as-opposition-to-mining-in-skagit-headwaters-grows/>