

On Track

Update from the Alaska-Canada Rail Link Feasibility Study

Issue 3 March 2006

Welcome to On Track – your monthly news update from the Alaska-Canada Rail Link Feasibility Study project office in Whitehorse, Yukon.

To receive On Track, please email Project Communications Coordinator, Amanda Leslie at amanda@amandaleslie.ca.

Stage Two Contracts Awarded

March 21, 2006 (Whitehorse) - As Stage One of the Alaska-Canada Rail Link Feasibility Study approaches completion three financial advisory contracts have been awarded to conduct the study's second stage Financial Analysis.

Macquarie North America, Ernst & Young Orenda and Partnerships B.C. submitted successful proposals to the public call for tenders and will collaborate on the three-part analysis.

“Undertaking a collaborative approach will ensure the Financial Feasibility Analysis meets its stringent completion deadline of June 2006,” said Study Project Manager Kells Boland. “Using these three particularly well-qualified firms will allow us to move in parallel through a comprehensive evaluation of private, public and alternative financing approaches.”

- Macquarie North America will evaluate private financing from its global experience in creative structuring of freight rail investment.
- Ernst and Young Orenda will apply its pioneering approaches to value for money measurement of public infrastructure financing.
- Partnerships BC will provide its unique public interest perspective in evaluating alternative financing combinations for railway investment.

“The results of the Stage One Technical and Market Analysis will be paired with the results of the Stage Two Financial Analysis to determine if a rail link is in fact a realistic and economically sound venture,” continued Boland.

“With its conclusion this summer, the completed study will provide a comprehensive body of information to build a ‘business case’ for investors. If the business case cannot be implemented immediately, the study results will continue to support well-informed decision making for on-going multi-modal transportation planning in the north.”

A final component of the study involves an examination of land use issues, part of the study's public interest analysis. A public call for proposals will take place in April 2006 and information will be made available at www.alaskacanadarail.org.

Feasibility Study - Public Information Session

March 15, 2006 (Whitehorse) – Over 35 people braved cold temperatures to attend the Study's first Public Information Session in Whitehorse.

Project Manager Kells Boland presented *Crossing Canada's Other Border — Northern Perspectives on a Multi-Use Trans Border Corridor through Canada to Alaska* and fielded numerous questions from both residents and the local media regarding the Study's structure, progress and anticipated outcomes.

Public presentations will resume in early May 2006. If your organization or community is interested in holding a Public Information Session, please contact Amanda at amanda@amandaleslie.ca to discuss arrangements.

Northern Projects – Related News

Alaska Governor Announces Agreement on Gas Pipeline

February 21, 2006 (Juneau) – Governor Frank H. Murkowski announced Tuesday that the State of Alaska and the producers have reached agreement on a natural gas pipeline contract. He also announced that he is proposing legislation to reform the state's oil production tax.

“Completion of the gas pipeline contract represents a major milestone in securing a natural gas pipeline, which will provide hope and opportunity for Alaska's future. Modernizing our oil tax system will provide Alaskans with revenue today,” said the governor. “These are two historic events, ones that will define the state's economy for decades to come.”

The governor stated that technical issues connected to the gas contract must still be addressed along with oil fiscal stability terms. He also noted that the oil tax legislation will be transmitted to the Legislature for full public and legislative consideration.

“The legislation I am proposing strikes a balance,” said Murkowski. “As governor, I must be mindful of all operators, the smallest to the largest, with an eye on the ultimate goal of a sound economic and investment climate in the state of Alaska.”

The current production tax on oil is based on a percentage of the gross value of production and is driven by the Economic Limit Factor, which no longer works. The Kuparuk field, the second-largest oil field in the nation, will no longer pay a production tax this year and Prudhoe Bay will pay near zero taxes in 12-14 years.

The proposed legislation will deliver significantly higher oil revenues to Alaska. At current oil prices, Alaska will receive an additional \$1 billion in production tax revenue.

For more information, please visit www.gov.state.ak.us.

Alaska Highway Pipeline – Canadian Perspective

(Ottawa) The federal government states it will move quickly to clarify the regulatory framework which will determine who will build the Canadian portion of the Alaska Highway pipeline.

At issue is whether the Honourable Jim Prentice, Minister of Indian Affairs and Northern Development, and his cabinet colleagues will regulate the project under the Northern Pipeline Act, which would give the Canadian right of way to TransCanada Corporation, or under the National Energy Board, allowing rival Enbridge to engage in the project.

The Kaska Nation has an Agreement in Principle to work on the pipeline with Foothills Pipe Lines Ltd., a wholly-owned subsidiary of TransCanada Corporation.

Cash Minerals to Explore Its Uranium Interests in Southern Yukon

February 20, 2006 (Vancouver) – Cash Minerals Ltd. is pleased to announce that it has staked 42 claims at the Hot Dog uranium property in southern Yukon. The property is located 70 km northeast of Whitehorse and covers about 850 hectares. Due to the favourable location of the Hot Dog property, the drill program is scheduled to begin in April 2006.

Mr. Basil Botha, President and CEO of Cash Minerals Ltd. said, “We are very excited by our acquisition of the Hot Dog property. The radiometric surveys suggest the possibility of significant uranium mineralization and we will expand our 2006 uranium exploration program to include drilling at Hot Dog. With uranium demand increasing significantly and a supply imbalance, prices are expected to go much higher. Cash Minerals will continue to aggressively acquire assets that are favourable to discovery of uranium deposits.”

The 2006 uranium exploration program in Yukon will include at least 6000 metres of diamond drilling, airborne magnetic surveys and ground geophysical surveys. Spending for 2006 uranium exploration is currently budgeted at approximately \$4.5 million.

For more information, please visit www.cashminerals.com.

Pacifica Resources Confirms Selwyn Project Mineral Resources

February 9, 2006 (Vancouver) - Pacifica Resources Ltd. is pleased to announce an updated, National Instrument 43-101 compliant mineral resource estimate for the Selwyn Project, Yukon and Northwest Territories including the Howard’s Pass zinc-lead deposit.

The new mineral resource estimate incorporates information collected during the 2005 exploration program including 53 diamond drill holes totaling 8,317 metres.

Highlights:

- New independent NI 43-101 compliant mineral resource estimate completed for Howard’s Pass zinc-lead deposit that confirms overall continuity and distribution of stratiform sulphide mineralization.
- Indicated category: 33.50 million tonnes grading 5.52 % zinc and 2.10 % lead.

- Inferred category: 112.91 million tonnes containing 5.40 % zinc and 2.14 % lead.

Pacifica is a junior resource company focused on exploration for base metals in the Americas. Its core focus is the exploration and development of the Selwyn Project that hosts large tonnages of zinc-lead mineralization. The known deposits have the potential for large scale production of zinc and lead, at a time when world zinc mine supply is in deficit and there are few new mines under development.

For more information, please visit www.pacifica-resources.com.

North American Tungsten Corporation Hitting Full Stride at Cantung

February 8, 2006 (Vancouver) – North American Tungsten Corporation is pleased to announce recent progress achieved in mining and milling operations at its wholly-owned Cantung mine. The company completed its ramp-up phase from its September 2005 start up through January 2006, focusing on enhancing operating efficiencies.

During February 2006, mill throughput of 1000 tons per day with grades averaging over one per cent WO₃ has been achieved and is expected to be maintained during the current mining program. Monthly production is currently forecast at 30,000 metric tonne units.

Underground mining operations have been improved through the introduction of long-hole mining (a bulk mining method for pillar recovery) that results in both higher ore tonnage availability and lowering of the impact of the cyclical nature of cut-and-fill mining. Current underground mine development, through the use of a mine development contractor and Corporation crews, is proceeding as planned and access to seven long-hole pillars should be completed by March 2006.

Going forward, further exploration programs are being developed for both Cantung and the Corporation's wholly-owned Mactung property, located approximately 100 miles north of the Cantung mine. North American Tungsten Corporation intends to initiate feasibility studies on Mactung by the second half of this year.

For more information, please visit www.northamericantungsten.com

We Want to Hear From You

Informing, including and receiving input from your organization or community is crucial to the success of the Alaska-Canada Rail Link Feasibility Study.

Please let us know what is foremost on your minds regarding the project and we will be happy to address your inquiries and concerns in subsequent issues.

Email your thoughts and comments to Amanda at amanda@amandaleslie.ca or call 867.456.3862.