

On Track

Update from the Alaska-Canada Rail Link Feasibility Study

Issue 4 April 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.

Project Manager's Update

April 21, 2006 (Whitehorse) – Consultants working on the Stage One Market and Technical Feasibility work met with Project Manager Kells Boland on April 4 and 5 in Vancouver for a two-day progress review session.

Paralleling the session's Stage One progress review was the commencement of the Study's Stage Two Financial Analysis.

In attendance were Macquarie North America, Ernst and Young Orenda and Partnerships B.C. – three financial advisory firms awarded contracts in early March to collaborate on the three-part Financial Analysis. These three financial advisory firms will combine the Stage One findings into a Project Investment Business Case scheduled for completion this summer.

Some of the Stage Two Analysis will be undertaken at a later date, pending a decision to proceed with the next phase of the project.

For more information about the Study please visit www.alaskacanadarail.org.

Rail Link Presentation for Delta Junction Chamber of Commerce

April 19, 2006 (Whitehorse) – Alaska-Canada Rail Link Feasibility Study Project Manager Kells Boland will visit Delta Junction, Alaska on May 9, 2006 to deliver his presentation - *Crossing Canada's Other Border — Northern Perspectives on a Multi-Use Trans Border Corridor through Canada to Alaska*- to the Delta Junction Chamber of Commerce and the city's Mayor and Council.

For more information please contact amanda@amandaleslie.ca.

Northern Projects – Related News

SHERWOOD MAKES PROGRESS ON PROVIDING GRID POWER TO PROPOSED MINE AT MINTO

March 29, 2006 (Vancouver, B.C.) - Sherwood Copper Corporation (SWC: TSX-V) today announced that it has signed a letter of intent with Yukon Energy Corporation for the provision of grid power to the proposed mine at Sherwood's 100% owned high-grade Minto copper-gold deposit.

“Grid power, provided off Yukon Energy's Whitehorse hydroelectric grid, could significantly reduce the power generation costs for the Minto project vs. on site diesel generation,” said Stephen Quin, President & CEO of Sherwood. “This would be a win-win situation for all stakeholders: the Minto project would benefit Sherwood's shareholders with lower operating costs and therefore higher profits, thus paying higher taxes and royalties to the Yukon Government and, through them, the Selkirk First Nation. Yukon Energy would gain infrastructure and a significant stream of revenue by utilizing surplus hydroelectric capacity that has no current customers.”

The letter of intent sets out the essential elements of a power purchase agreement to be negotiated between Yukon Energy and Sherwood's wholly owned subsidiary, Minto Explorations, for the supply of electricity from the Whitehorse transmission grid. Currently, the Whitehorse grid terminates just north of Carmacks and, if approved, would be extended to the Minto site along the Klondike Highway and then likely follow the existing mine access road from Minto Landing.

Rates to be charged for the power purchased from Yukon Energy will be those applicable to all major industrial customers, as determined by the Yukon Utilities Board. However, the cost of grid power is likely to be significantly less than the cost of providing on site diesel generation since most of Yukon Energy's power within the Whitehorse grid is generated as hydro-electricity.

The letter of intent is subject to a number of conditions, including funding, permitting, granting of required rights-of-way, as well as a final power purchase agreement between Yukon Energy and Minto Explorations.

Yukon Energy is targeting delivery of grid power to the Minto mine site by the end of 2008. However, in the event that it appears that there will be significant delays or impediments to achieving this goal, Yukon Energy, subject to funding and all required approvals, will build a 35kV transmission line from Carmacks to the Minto mine site, which would be less beneficial to all stakeholders, but would ensure the Minto project can benefit from grid power regardless.

Additional information on Sherwood and its Minto Project can be obtained on Sherwood Copper's website at <http://www.sherwoodcopper.com>.

Full Speed Ahead - A railroad, finally, crosses Australia's vast interior - linking not only the continent's south with its north, but also its past to its future

By Simon Worrall

Early on a warm January morning, I boarded a freight train emblazoned with aboriginal designs in Adelaide on Australia's south-central coast, bound for Darwin, 1,800 miles away. Ours would be the first train ever to cross the length of the Australian continent, and as we clattered toward Australia's desert interior, huge crowds of people, whites and Aborigines alike, lined the tracks to wave and cheer. They jammed overpasses. They stood under eucalyptus trees or atop utes, as Australians call pickup trucks. They clambered onto rooftops. Schoolchildren waved flags, mothers waved babies and, as the train rushed under a bridge, a blind man waved his white stick jubilantly above his head.

The first hours of the journey took us through the wheat-growing district of South Australia. The harvest was in, and the fields were covered in fawn-colored stubble. Near Quorn, a tornado spiraled up, like a white cobra, scattering chaff across the ground. As we approached the Flinders Ranges, a wall of rock that glowed purple in the evening light, a ute appeared at the side of the track with a man and a woman standing on the back. They held up hand-lettered signs. Hers said, "AT." On his was written: "LAST."

Trains have been rolling between Adelaide and Alice Springs, an oasis of 28,000 in the heart of the continent, since 1929, so our journey wouldn't officially make history until we traveled beyond The Alice, as the town is known locally. But that didn't seem to matter to the exuberant crowds, nor to the local politicians who gave speeches at each stop, taking their cue from Prime Minister John Howard, who had hailed the train as a "nation-building project." Although 90 percent of the country's population lives in coastal cities, making Australians the most urban people on the planet, the red center, as the desert interior is known, has always been their defining landscape. "We're so aware of the emptiness," says Adelaide-based economist Richard Blandy. "To cross that emptiness is emotionally significant for Australians."

Australians have been dreaming of a railway across the red center since an Adelaide businessman first proposed it in 1858. The government promised to build it in 1911, but droughts, two world wars, economic downturns and doubts about its viability kept the project on the drawing board. Finally, in 1999, government and business leaders got behind the \$965 million land bridge from the prosperous south to the increasingly important north, home to vast natural resources and a gateway to Australia's trading partners in Asia.

The Aborigines, Australia's indigenous people, settled on the continent at least 24,000 years ago from Papua New Guinea. According to aboriginal legend, the landscape was formed by creatures such as the Euro, a large kangaroo that traveled particular routes, known as songlines. A songline can stretch for hundreds, even thousands, of miles, passing through the territory of several different clans or family groups. Each aboriginal clan must maintain its part of the songline by handing down the creation stories.

Before the first bulldozer began work on the transcontinental railroad, local authorities commissioned a survey of the aboriginal sites that would be affected. Every sacred site and object identified by the survey was bypassed. To avoid a single corkwood tree, an access road was

shifted some 20 yards. To protect an outcrop of rock called Karlukarlu (or as it's known in English, the Devil's Marbles), the entire rail corridor was moved several miles to the west.

As a result of this flexibility, aboriginal communities have largely embraced the railroad and likened it to a songline. "It's two lines going side by side," said Bobby Stuart, an elder of central Australia's Arrernte people. "There's the white line. And there's the aboriginal line. And they're running parallel."

The Northern Territory has the highest concentration of indigenous people in Australia: almost 60,000 out of a total state population of about 200,000. Thanks to the Aboriginal Land Rights Act of 1976, the Aborigines now own 50 percent of the Northern Territory, giving them an area roughly equivalent in size to the state of Texas. But poverty and prejudice have kept them exiles in their own country.

The transcontinental railroad has sent a ray of hope into this gloomy picture. Indigenous people were guaranteed jobs, compensation for the use of their land and two per cent equity in Asia Pacific Transport Consortium, the railroad's parent company. For the first time, Aborigines are shareholders in a major enterprise.

"There has never been a major project in Australia with this sort of indigenous participation," says Sean Lange, who ran a training and employment program for the Northern Land Council (NLC), an aboriginal land management organization based in Darwin. The NLC had originally hoped that 50 Aborigines would work building the railway; more than three times that many found jobs. The railroad-tie factory in the town of Tennant Creek, where the workforce was about 40 per cent aboriginal, was the most productive that Austrak, the company that ran it, had ever operated.

Sean Lange says the coming of the railroad may spawn as many as 5,000 jobs and the railroad will also become part of the aboriginal story: a steel songline across the heart of their world.

This excerpt of "Full Speed Ahead" appeared in the January 2006 issue of Smithsonian Magazine, written by Simon Worrall, with photographs by Pablo Corral Vega.

Both Mr. Worrall, based in England, and Mr. Vega, based in Ecuador have been widely published in magazines around the world. This is the first Smithsonian article for each.

To access the full version of "Full Speed Ahead", please visit www.smithsonianmag.com/issues/2006/january/train.htm.

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